



KMac Farm and Ranch Loans from Start to Finish

Step 1) Review and execute the KMac Loan Servicing Agreement.	<p><i>Establishes revenue sharing arrangements and enables your bank to access the full range of products and special discounts available to ABA and ICBA members.</i></p> <p><i>One time agreement covers all loans from and with your bank.</i></p>
Step 2) Identify KMac Loan opportunities in your bank customer list and your prospect list	<ul style="list-style-type: none"><i>• Farmers and Ranchers seeking long term fixed rate financing for:</i><ul style="list-style-type: none"><i>• New purchases</i><i>• Refinance of existing term &/or operating debt, including cash out</i><i>• Fund improvements to existing real estate</i>
Call BBOK to select the KMac loan product that best suits your customer needs	<p><i>What is the expected size of the loan?</i></p> <p><i>How will the loan proceeds be used?</i></p> <p><i>What loan term is your customer seeking?</i></p> <p><i>Products and Rates are posted weekly at http://www.bbok.com/services/lending/kmac-rates/</i></p>
Customer selects a loan product	<p><i>Have customer sign KMac Borrower Acknowledgement and forward to BBOK</i></p>



Information to gather and send on to BBOK:

- Tax returns: 3-4 years (Collect 4 years of tax returns for operations where summer fallow is part of the crop rotation or if the additional year will help explain any marginal credit issues).
- Balance sheet: current market value (within 90 days required)
- Balance sheets from up to three prior years if available (preferably of common date)
- Copies of signed contracts, agreements
- Verifications of assets (401k, billing statements, 1099 etc.)

<p>Step 3) BBOK completes the loan underwriting with your assistance as needed.</p> <p>Common topics that assistance may be needed on include:</p>	<ul style="list-style-type: none"> • <i>Ownership Structure – Entities involved, those holding 10% or more of the borrower will be included on the note and mortgage</i> • <i>Security for the Loan and Title Holders</i> • <i>Applicants current operating lender – Adequacy of the line of credit and average balances</i> • <i>Applicants Credit History</i> • <i>Applicants Ag Asset Ownership History – Changes over the last 4 years</i> • <i>Non-farm Income and Expenses – Changes both past and future</i> • <i>Outside influences</i>
<p>Step 4) Submission to Farmer Mac for approval</p>	<ul style="list-style-type: none"> • <i>Applicant / borrower reviews the underwriting information and application then signs loan application</i> • <i>BBOK submits the completed loan package to Farmer Mac</i> • <i>After approval, closing details then arranged</i>