

SEL/CLP
LOAN SUMMARY NARRATIVE

Applicant's Name	County Office				
<u>Loan/Ceiling Amount of the Request</u>	<u>Loan Type</u>	<u>Full Interest Rate</u>	<u>Reduced Interest Rate</u>	<u>Loan Terms</u>	<u>Amortization Period</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Balance of Existing Principal Debt on Direct and/or Guarantee Loans _____

Is this loan within the loan authority of the approval official? yes no

_____ Date FSA-2211 received	\$ _____ Balance Available equivalent
_____ Date of Comp. Appl.	\$ _____ Total Debt Installments
Y <input type="checkbox"/> N <input type="checkbox"/> CLP Request	_____ Repayment Margin %
\$ _____ Non-Farm Income	_____ Debt to Assets Ratio
\$ _____ Family Living Expense	_____ "Planned" Operating Expense Ratio (all loans)
\$ _____ Social Security and Income Tax	_____ "Average" Operating Expense Ratio (Non-CLP over \$125,000)
\$ _____ Working Capital (optional)	

Comprehensive Loan Summary Narrative

If historical information was provided by the lender, then the narrative must also include any positive or negative trends identified on the 3-year history, significant differences in the percentages, individual expenses, income and yields over the past 3 years. Provide a narrative on the feasibility of the proposed cash flow. The current financial statement must be analyzed and compared to the historical data, any negative items must be explained such as declining net work, increasing liabilities, negative working capital etc. Refer to paragraph O of Exhibit A for additional guidance

Security for the Proposed loan:

Collateral Type	Lender's Value	FSA's Value	Prior Liens*
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____

*All debts including guaranteed and direct FSA debt that will not be refinanced.

Credit Quality Questions

County Office
 Use:

- Y N 1. Were realistic commodity prices used to develop the cash flow budget? Were prices established for the sale of crop and livestock commodities in accordance with the most current "Nebraska Prices" listed in the state supplement (currently NE Notice FLP08-43) issued in accordance with Paragraph 241 B of Handbook 1-FLP? The lender may use their own prices if there is adequate documentation provided by the lender.
- Y N 2. Were realistic commodity/livestock yields used in preparation of the lender's cash flow budget?

 Yields used in the budget will be based on the Borrower's production history which must be included in the docket. The reasons for any significant deviation from historical yields will be documented in the file.
- Y N 3. Were realistic operating expense figures used to develop the cash flow budget?

 Expense figures used in the budget will be based on the borrower's expense history which must be included in the docket. The reason for significant deviation from historical operating expenses will be documented in the file.
- Y N 4. Were realistic living expense figures used to develop the cash flow budget?

 Living expense figures used in the budget will be based on the borrower's financial history. The reasons for significant deviation from historical living expenses will be documented in the file.
- Y N 5. Were realistic entries made on the balance sheet, for payment of all debts, income tax, social security taxes, planned non-farm and other farm income and planned capital expenditures?
- Y N 6. Does the lender's cash flow budget show a positive cash flow and is the projected budget reasonable in light of the applicant's stated goals and is this a typical year plan? (one year's income and one year's expenses.)

- Y N 7. When the chattel and/or real estate appraisal is submitted by the lender, is the chattel and/or real estate appraisal documented in accordance with FSA regulations and does the appraisal support the stated market value?
N/A
- Y N 8. Security is adequate, values are reasonable, and loan terms are consistent with the useful life of the security and Agency regulations.
- Y N 9. The proposed loan or line of credit is for authorized purposes, and the amounts of borrower capital are appropriate to successfully carry on the agricultural operation.
- Y N 10. If Interest Assistance is involved, does the file demonstrate adequate need?
N/A

I certify that all the requirements of NE Notice FLP08-48 have been met.
I recommend the approval of this loan.

Signature of Preparer

Date

Approval Official's Signature

Date

Note: If Approval Official prepares, only sign as the Approval Official and not Prepared By.

Original to be placed in the Guaranteed Loan Docket
Copies will be sent to the Farm Loan Specialist (field) and State Office