

COMPREHENSIVE ANALYSIS DOCUMENTATION FOR SEL/CLP GUARANTEED LOANS

DATE: _____ BORROWER(S): _____
 LENDER _____

1. Type of Lender: SEL CLP
2. Financial Condition:
 - a. Current Net Worth: \$ _____
 Discuss past changes in net worth: _____

 - b. Total Liabilities: \$ _____ Discuss past changes in liabilities: _____

 - c. Current ratio: _____ % Discuss past changes in current position: _____

 - d. Working capital: \$ _____ If negative, will it be corrected at closing? _____
 Is the working capital sufficient for the operation? _____

3. Does the Lender's Narrative contain the following information? Yes/No/N/A
 - a. Description of the farming operation (types of enterprises, key personnel, proposed changes to the operation and adequacy of RE, machinery, etc.)
 - b. An assessment of the adequacy of the collateral being offered for the loan
 - c. The sources used for commodity prices
 Note: If FSA guideline prices are not used, has the lender provided documentation justifying the prices used and are they acceptable to FSA?
 - d. An explanation of any deviations from historical production
 - e. A discussion of the applicant's financial condition and repayment ability
 - f. The short-term and long-term business goals of the operation
 - g. The borrower's reporting requirements, limitations, or other conditions
 - h. Lender's servicing plan describing the borrower's financial reporting requirements, limitations and conditions, plans for visits, etc
 - i. The conditions for renewal if the loan contains a balloon payment
 - J. A discussion of how the loan applicant meets the loan eligibility requirements
 - k. Any proposed non-typical agreements.
 - l. Conflict of interest in any relationships.
 - m. If refinancing, has lender addressed changes to ensure success?

Comments: _____

Note: If the lender's narrative is not complete for the type of request, the FLM must contact the lender and obtain the additional information.

4. Is the projected cash flow feasible and supportable with history?
Note Any deviations MUST be explained by the lender.

Yes/No/N/A

Were realistic figures used to develop the projected cash flow?

a. Are projected yields supportable?

SEL: Are yield based on producer's 3 year history or within range of typical operations supported by reliable data?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Are any deviations appropriate and justified by the lender and FSA?

CLP: Did lender address the producer's performance in the loan narrative?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Are income projections based on financial history only?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Has the lender addressed any major changes in estimated yields?

Comments: _____

b. Prices used realistic? _____ FSA Guideline prices used? _____ Other source? _____

Yes/No/N/A

SEL: Has the lender provided documentation of the source of prices used and are they acceptable to FSA?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

CLP: Has the lender documented their method used to project prices?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Has the lender addressed any major changes in prices?

Comments: _____

c. Are farm expenses supportable?

SEL: Are expenses based on the operations past 3 years' data or within range of typical operations supported by reliable data?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Is operation's projected expense/income ratio consistent with history?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Are deviations appropriate and justified by the lender and FSA?

CLP: Are expenses based on the operations past history?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Are deviations appropriate and justified by the lender and FSA?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Comments: _____

Yes/No/N/A

- d. Are family living expenses supportable?
SEL: Are projected FLE's supported with history?
CLP: Did lender comment on projected FLE's in the narrative?
Comments: _____

- e. Are all debts and scheduled payments (including personal debts) listed on the debt repayment schedule?
Comments: _____

- f. Are planned income and social security taxes realistic?
Comments: _____

- g. Has NFI been verified and match projection in the cash flow? (SEL only)
Source of verification: _____
Comments: _____

- h. Has other farm income been verified and match the cash flow? (SEL only)
Identify type of other farm income: _____
Source of verification: _____
Comments: _____

- i. Do the FSA verified program payments match projection in the cash flow?
(Note: only multi-year program payments should be considered in typical year term loans.)
Comments: _____

- j. Are planned capital expenditures appropriate for the operation?
Comments: _____

- k. Discuss any variances in planned vs. historic operating profit ratios. _____

- l. If a term loan and/or I.A. is involved, is the plan a "typical" year cash flow? _____

Yes/No/N/A

5. If Interest Assistance is involved, does the file demonstrate adequate need?
- a. Was a projected cash flow completed with and without I.A.
 - b. Does the cash flow budget show less than a feasible plan without I.A.?
(Note: Loan applicants can qualify for I.A. based on either a first year plan or on a typical year plan.)
 - c. For multiple loans, is I.A. provided on one or each loan, as available, to the extent necessary to achieve a feasible plan?
 - d. Has the I.A. Checklist been properly completed and checked by 2nd emp.?
6. Appraisals, when required:
- a. Chattel:
 - 1. Is the appraisal current?
 - 2. Does it contain at least the same information as FSA-2160 "Appraisal of Chattel Property"?
 - 3. Are the values reasonable?
 - b. Real Estate:
 - 1. Is the appraisal current? (Not more than 12 months old)
 - 2. Completed in accordance with USPAP?
 - 3. Are the values reasonable and acceptable to FSA?
7. Is the loan security appropriate? (Review proposed security on Part E.) Yes or No
- a. Is the life of the collateral consistent with the term of the loan?
 - b. Is the security adequate?
 - c. Did the lender obtain additional security, when available, if primary security is marginal?
- Comments: _____

Additional comments, if needed. _____

FSA Official