



Credit Relief Outreach Program Lender's Warranty

PRIMARY BORROWER NAME _____

CO-BORROWER NAME _____ **LOAN #** _____

For reliance by the Wisconsin Housing and Economic Development Authority (WHEDA), Lender warrants and represents:

1. Borrower would not be able to obtain a conventional loan at reasonable terms, without the WHEDA guarantee.
2. The promissory note evidencing the Loan names Lender as payee and has been properly executed by the Borrower. The term of the Loan does not extend beyond 12 months after the date on which the Lender advanced the Loan. The per annum rate of interest on the Loan, including origination fees or other charges relating to the Loan, does not exceed the WSJ Prime Rate in effect on the date of the Loan Closing plus 2.0% percent, with a ceiling of 7.0% per annum. The Loan is not a revolving line of credit.
3. The security agreement has been duly executed and delivered, and UCC financing statements have been filed in all places where they must be filed to perfect a first lien security interest in the collateral in favor of Lender.
4. A farm products notice has been sent by Lender to each buyer of the Borrower's farm products.
5. If the Loan proceeds are being used to fund dairy operation inputs, a dairy assignment has been executed by the Borrower, the Lender and the Borrower's dairy plant operator.
6. The security agreement creates a valid first priority security interest on the collateral described therein, and Lender is unaware of any fact or circumstance which would affect the enforceability of the security agreement or promissory note or give rise to any right of set-off, counterclaim or other claim or defense. No part of the collateral has been released from the lien and security interest created by the security agreement and the terms of the security agreement and the promissory note have not been modified, amended or in any way waived or changed.
7. The value of the collateral exceeds the Loan amount.
8. The collateral is insured against loss due to fire, casualty, and flood (if applicable) by insurance policies authorized by a company licensed to do business in the State of Wisconsin in an amount at least equal to the outstanding principal balance of the promissory note. WHEDA has been listed as an insured party and a loss payee.
9. None of the Loan proceeds have been applied to the outstanding balance of any other loan.
 A portion of the Loan proceeds are being used to refinance a prior year's guaranteed loan.
10. On the basis of Lender's examination of the loan documents, the Lender is satisfied that this Loan meets the requirements of the WHEDA CROP Lender Manual. Nothing has come to the Lender's

attention which would lead the Lender to believe that any information furnished by any party is false or misleading.

11. Lender has reviewed the Borrower's Affidavit for consistency and completeness and has taken such steps prudently necessary to verify facts set forth in the required affidavit.
12. The full principal amount of the promissory note has been advanced in accordance with Borrower's directions. Lender has copies of all invoices, bills and other receipts which were paid with the Loan proceeds. The Lender made payments directly to the payee/supplier on behalf of the Borrower. All amounts paid by Lender are included in the Lender's Disbursement Record.
13. No interest or participation in the Loan has been assigned by Lender to any third party, nor the first lien and security interest of the security agreement subordinated by Lender to any third party, nor any portion of the collateral released from the first lien and security interest of the security agreement, nor has any instrument of release, cancellation or satisfaction been executed by Lender relating to the Loan.
14. Lender has no knowledge of any circumstances or conditions with respect to the collateral or the Borrower's credit standing which can reasonably be expected to cause a default under the security agreement, a delinquency under the promissory note, or adversely affect the repayment of the Loan.
15. Lender reasonably believes the Borrower's assets, cash flow and managerial ability are sufficient to preclude a voluntary or involuntary liquidation before the maturity date of the Loan.
16. Environmental questionnaires or other evidence of environmental matters related to the Borrower farm are included in the Loan file.
17. Lender warrants that, as of the date hereof, Lender has no knowledge of or reason to believe that there exists a default or delinquency under the Loan.
18. Lender has complied with all federal, state and local laws (e.g., statutes, regulations, ordinances, administrative rules, and orders that have the effect of law, and judicial rulings and opinions) applicable to Lender and the Loan.
19. Lender acknowledges and agrees that if any representation or warranty made herein shall prove to be materially incorrect, or if Lender defaults on the observance of any condition of Lender Manual or Participating Lender Agreement, and if in the sole judgment of WHEDA either (a) substantial impairment of the collateral for the Loan results therefrom, or (b) the likelihood of full and timely repayment of the Loan is imperiled thereby, WHEDA's guarantee of the Loan shall be invalidated effective as of the Loan closing date. .

Dated as of _____, 20_____.

Lender

Authorized Signature

Lender #

Print or Type Name