



Drought Relief Guarantee Program Application

PART I: LENDER INFORMATION

LENDER NAME _____ WHEDA LENDER # _____

CONTACT PERSON _____ PHONE _____

MAILING ADDRESS _____ FAX _____

CITY _____ ZIP CODE _____

EMAIL ADDRESS _____

PART II: BORROWER INFORMATION

1) List the full names of any signers and individuals with at least 20% ownership:

BORROWER TYPE: Sole Proprietor General/Limited Partnership LLC Corporation

PRIMARY BORROWER/
ORGANIZATION NAME _____ SSN/TIN _____

CO-
BORROWER/MEMBER _____ SSN/TIN _____

CO-
BORROWER/MEMBER _____ SSN/TIN _____

CO-
BORROWER/MEMBER _____ SSN/TIN _____

FARM ADDRESS _____

CITY _____ STATE _____ ZIP CODE _____ COUNTY _____

MAILING ADDRESS
(if different) _____

CITY _____ STATE _____ ZIP CODE _____

2) For the proceeds of this loan only, select and rank the top two "TYPE OF FARM OPERATION" and "USE OF PROCEEDS" applicable to this loan:

<u>TYPE OF FARM OPERATION</u>			<u>USE OF PROCEEDS</u>	
DAIRY _____	CATTLE _____	SEED _____	FERTILIZER _____	
GRAIN (FEED) _____	PORK _____	FEED _____	WATER DELIVERY _____	
GRAIN (SALE) _____	OTHER (SPECIFY) _____	FUEL _____	HERBICIDES/ PESTICIDES _____	
		LABOR _____	OTHER (SPECIFY) _____	

PART III: DROUGHT LOAN INFORMATION

- 1) 2012 Drought LOAN AMOUNT being applied for (cannot exceed \$15,000) \$ _____
- 2) Does the borrower currently have a WHEDA-guaranteed CROP loan? Yes No
CROP loan number as provided by WHEDA (six digits): _____
- 3) WHEDA Application Fee = 1% of LOAN AMOUNT stated above \$ _____
• Application fee cannot be included in Drought loan request
- 4) State the AGGREGATE AMOUNT OF EXPENSES INCURRED prior to loan origination: \$ _____
• Expenses already incurred which will be paid/reimbursed with loan proceeds MUST be detailed on a Disbursement Record (Form 5) and submitted along with this application
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PART IV: FINANCIAL INFORMATION

DEBT/ASSET RATIO OF FARMING ENTITY (Minimum 40%)

- Aggregate dollar amount of borrower's debts and other liabilities **(A)**: \$ _____
- Aggregate fair market value of borrower's assets **(B)**: \$ _____
- Debt/Asset Ratio: **(A) / (B)**:
-

PART V: LENDER QUESTIONS

- 1) Explain the reason(s) a guarantee is necessary for this loan/borrower (in order to qualify, the borrower must not meet lender's minimum standards of creditworthiness to receive a loan).
- _____
- _____
-

- 2) State the **collateral** to be used as security for this loan. Include the **fair market value** of the collateral, amount(s) of prior lien(s), and lien position. Collateral value must meet or exceed the loan amount.
- _____
- _____
-

- 3) Provide an explanation of drought-related losses, including an estimate of the percentage of total crop loss as a result of drought.
- _____
- _____
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PART VI: BORROWER'S AFFIDAVIT

NOTE TO BORROWER

You have applied for a Drought loan which, if approved, will be guaranteed by the Wisconsin Housing and Economic Development Authority (WHEDA). State law requires that we must determine whether you are eligible to receive a loan under the Drought Relief Guarantee Program, and whether you intend to use the proceeds for the loan for eligible purposes. Confirm that the following statements are true by initialing to the left of each numeral. Read each item carefully because making a false statement may subject you to criminal penalties and will result in denial or termination of this guarantee request. **All borrowers applying need to initial.**

- _____ 1) I am actively engaged in the operation (s) of the farm
- _____ 2) I am a Wisconsin resident (or if a partnership or corporation, the entity is legally registered in Wisconsin
- _____ 3) I have obtained adequate insurance for the agricultural commodity to be financed with – or the collateral to be pledged on – this loan.
- _____ 4) I will use the Drought loan proceeds to finance the purchase of eligible services or consumable goods necessary to replace or supplement feed, supplies, water, livestock care or other agricultural commodities adversely affected by drought. Additionally, proceeds from the sale of the commodity that this loan is being used to finance will be directly applied to the loan balance.
- _____ 5) I am not currently in forbearance or default on any WHEDA-guaranteed loans.
- _____ 6) I am not currently in and have not filed for bankruptcy protection; I do not have any outstanding judgments or tax liens.
- _____ 7) I am not delinquent in making child support, birthing expense, or maintenance payments.

The undersigned certify that the information provided and statements made on this application are complete and true. **All borrowers applying need to sign.**

Primary Borrower Signature

Co-Borrower Signature

Date

Co-Borrower Signature

Co-Borrower Signature

The lender asserts that, to their knowledge, the borrower meets the eligibility requirements set for under the guarantee program. The lender has read the Drought Relief Guarantee Program manual and agrees to adhere to all program policies. Any misrepresentation of information stated on this application or in supporting documents which materially affects the borrower's eligibility or the terms of the guarantee may result in denial or termination of this request.

Lender Signature

Print Lender Name

Date

**Mail to:
WHEDA - DROUGHT
PO Box 1747
Madison WI 53701-1747**

LENDER CHECKLIST – APPLICATION (FOR LENDER REFERENCE ONLY)

Submit copies of the following documents along with this application. **Packages must be sent to WHEDA within 30 days of the Note date.** All materials must be received before an application will be reviewed for approval. WHEDA will review and render a decision within 5 business days of receiving a complete package.

REQUIRED:

- NON-REFUNDABLE APPLICATION FEE**
 - Equal to 1% of the LOAN AMOUNT
 - Cannot be included in DROUGHT loan request or paid from loan proceeds
- COMPLETE APPLICATION** (Drought Form 2)
- SIGNED COPY OF NOTE** (adhering to Drought program guidelines)
 - Loan amount maximum \$15,000 (aggregate loan amount)
 - Interest rate not to exceed Prime + 2% (with ceiling of 7%), fixed on date of Note closing, less 1.167%. Any Lender fees must be calculated into this rate and cannot exceed the maximum allowed
 - Maturity date must be three years following the Note date
 - Default interest rate maximum 12%
- FARM SECURITY AGREEMENT**
- UCC FINANCING STATEMENT**
 - Filing date must be within five years of Note date
 - If submitting renewal, include a copy of the original filing referenced
- BALANCE SHEET** (within 90 days, **signed by borrower**)

IF APPLICABLE:

- OTHER SECURITY INSTRUMENTS** (related to any existing CROP loan)

FOR WHEDA USE ONLY:

Date Received _____ Status _____

APPROVED

DENIED

REASON:
