



COMMISSIONER SID MILLER

# Texas Department of Agriculture

## Texas Agricultural Finance Authority

Agricultural Loan Guarantee Lender Application



Step 1 – Ensure that the lenders has a Master Lender Agreement on file with the Texas Department of Agriculture. If not please download, complete and email to [grants@TexasAgriculture.gov](mailto:grants@TexasAgriculture.gov)



Step 2 – Work with Borrower to complete the Agricultural Loan Guarantee application (below).



Step 3 - Lender will submit the application, supporting documentation and applicable fees at the following link: [here](#)



Email: [Grants@TexasAgriculture.gov](mailto:Grants@TexasAgriculture.gov)  
[www.TexasAgriculture.gov/AgLoan](http://www.TexasAgriculture.gov/AgLoan)



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Agricultural Loan Guarantee Lender Application

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The Agricultural Loan Guarantee (ALG) Program provides a loan guarantee to a lender on behalf of a creditworthy agriculture producer or agriculture-related business. The program is designed to assist applicants who desire to establish, enhance, or expand an agricultural operation.

### Funding Limits:

There are two options, depending on the terms of the loan, for the guarantee amounts:

- \$250,000 or 90% of the loan amount, whichever is less
- \$500,000 or 80% of the loan amount, whichever is less

### Lender Requirements & Instructions:

- ◆ Borrower(s) should meet with a lending institution to determine the Lender's interest in participating in the program.
- ◆ The Lender must agree to administer and service the loan for the term of the loan.
- ◆ The Lender must determine that the applicant meets eligibility requirements for the program.
- ◆ Lender and borrower(s) must agree to any additional terms and conditions, if any, imposed by the Authority prior to closing of the loan.
- ◆ A loan with a term of more than one year must have a fixed interest rate.
- ◆ The duration of a loan guarantee approved by Tafa must not exceed the useful life of the assets being financed or ten years, whichever is less.
- ◆ Fees and Application Costs: A nonrefundable application fee of \$100 is due upon filing the application. An origination fee of no less than 1% of the loan guarantee amount will be due within 10 days of the initial funding of each loan.
- ◆ How to submit? Either upload all information [here](#) or email all required information to [grants@TexasAgriculture.gov](mailto:grants@TexasAgriculture.gov)

### Information Checklist for a Complete Application

- Agricultural Loan Guarantee Application
  - Signed by Borrower/Co-Borrower
  - Signed by Lender
- Statement of Personal History for all applicants. If applicant is a corporation or other legal entity, please complete a Personal History Questionnaire for all owners, partners, shareholders, or members with more than 20% ownership in the entity.
- Current Financial Statement
- Current Credit Report
- Terms and Conditions of Loan
- Lender's Credit Analysis
- Lender's Approval Document
- Other Information Requested by Authority



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Agricultural Loan Guarantee Lender Application

[FOR TDA USE ONLY]
File No.
Date App Rec:
Date App Fee Rec:
Date Approved:

Borrower(s) Information

Full Name: Mr. Dr. Ms. Other
First Last

Business Name: Sole Proprietor Other:

Mailing Address: Street Address County City State Zip Code

Physical Address: Street Address County City State Zip Code

Email Address:

Phone: ( ) - Ext. Alt Phone: ( ) -

Co-Borrower(s) Information

Full Name: Mr. Dr. Ms. Other
First Last

Business Name: Sole Proprietor Other:

Mailing Address: Street Address County City State Zip Code

Physical Address: Street Address County City State Zip Code

Phone: ( ) - Ext. Alt Phone: ( ) -

## Statement of Personal History

If applicant is a corporation or other legal entity, please complete a Personal History Questionnaire for all owners, partners, shareholders, or members with more than 20% ownership in the entity. **All applicants with 20% or more ownership should complete this form.** For sole proprietorships where the applicant is married, both spouses should submit separate forms.

### Section I

Personal Statement Of:

First Name: \_\_\_\_\_ MI \_\_\_\_\_ Last Name: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Place of Birth: \_\_\_\_\_

U.S. Citizen  Yes  No

Social Security Number: \_\_\_\_\_

### Section II

Give Position and Percentage of Ownership: \_\_\_\_\_ % \_\_\_\_\_ title

Present Residence: From: \_\_\_\_\_ Mm/dd/yyyy To: \_\_\_\_\_ Mm/dd/yyyy

Address \_\_\_\_\_

Most recent prior address (omit if over 10 years ago): From: \_\_\_\_\_ Mm/dd/yyyy To: \_\_\_\_\_ Mm/dd/yyyy

Address \_\_\_\_\_

Home Telephone No. (Include A/C): \_\_\_\_\_ Business Telephone No. (Include A/C): \_\_\_\_\_

Email Address: \_\_\_\_\_ Website Address: \_\_\_\_\_

### Section III

BE SURE TO ANSWER THE NEXT 5 QUESTIONS CORRECTLY BECAUSE THEY ARE IMPORTANT. THE FACT THAT YOU HAVE A RECORD OF AN ARREST OR CONVICTION WILL NOT NECESSARILY DISQUALIFY YOU, BUT A FALSE ANSWER MAY CAUSE YOUR APPLICATION TO BE REJECTED.

- Yes  No 1. Are you presently under indictment, on parole, or probation for any violation of state or federal law?
- Yes  No 2. Have you ever been charged with or arrested for any criminal offense other than a minor motor vehicle violation?
- Yes  No 3. Have you ever been convicted of any criminal offense other than a minor motor vehicle violation?
- Yes  No 4. Have you ever been involved in bankruptcy or insolvency proceedings?
- Yes  No 5. Have you ever been the subject of a disciplinary action or other administrative proceeding by a professional or governmental regulatory authority?

**(If you answer "Yes" to any of the above questions, please furnish details on a separate sheet.)**

### Section IV

Give the name, address, phone number and contact person of the participating lender.

### Section V

The information on this form will be used in connection with an investigation of your character. Any information you wish to submit that you feel will expedite this investigation should be included. Attach a separate sheet if necessary. This form is a governmental record and knowingly making a false entry herein is subject to punishment under Texas Penal Code Ann. Section 37.10 ..

Applicant agrees that TDA and TAFA are authorized to make all inquiries necessary to verify the accuracy of the statements made herein.

I certify that the statements herein are true and accurate statements of my personal history as of the date stated herein.

X \_\_\_\_\_  
Signature (electronic signatures will not be accepted)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date

## Borrower(s) Eligibility

Please check boxes as appropriate for the statements below.

- I have provided a plan to the lender for the proposed operation that includes a budget for the proposed operation indicating how the loan proceeds will be used.
- My agriculture operation is located within the State of Texas.
- I am a United States citizen and a resident of the State of Texas.

## Borrower(s) Certification

I/WE HEREBY CERTIFY as follows: I/We have read and filled out the borrower portions of this application; I/We have been provided a copy of the Program Rules; I/We have read the Program Rules; I am/We are eligible for the program indicated and have submitted the non-refundable application fee. I/We further understand and agree that the enclosed application for financing under the program administered by the Texas Agricultural Finance Authority, and all information submitted therewith may be subject to disclosure under the Texas Open Records Act, Texas Government Code, Chapter 552, as amended. I/We affirm that the information contained in this application is true and correct to the best of my/our knowledge. I/We agree to maintain accurate records on the project from the beginning and throughout my/our participation in the program(s).

In consideration for approval of this loan guarantee and participation in the program, I/We agree to provide the Lender, the Texas Department of Agriculture, and/or the Texas Agricultural Finance Authority with information they may request on this project. I/We hereby give our consent to have \_\_\_\_\_ (Lending institution name), its secondary market investors or guarantors (including, without limitation, the Texas Agricultural Finance Authority), or any credit reporting bureau which it may designate, obtain any and all information concerning my/our employment, my/our joint or individual checking, savings, NOW, money market or other accounts, my/our assets and obligations, and all other credit matters which they may require in connection with my/our application for a loan and any quality control review of such loan.

X \_\_\_\_\_  
Borrower Signature (electronic signatures will not be accepted)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date

X \_\_\_\_\_  
Co Borrower Signature (electronic signatures will not be accepted)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date

**Privacy Notice:** This information is to be used by the Lender and/or the Texas Agricultural Finance Authority in determining whether you qualify as a prospective borrower under the Authority's Agricultural Loan Guarantee Program (Chapter 58, Texas Agriculture Code and Chapter 28, Subchapter C, Title 4, Texas Administrative Code). The contents of this application will not be disclosed to any person other than the Lender or the Authority except as required and permitted by law, which may include use and disclosure for enforcement or collection purposes, as well as for certain other purposes unrelated to your loan that are required by law, including, without limitation, disclosures made under the Texas Open Records Act. Failure to provide requested information may result in the delay or rejection of your application.

## Lender's Information

Full Legal Business Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
Street Address

\_\_\_\_\_  
City State Zip Code

Physical Address: \_\_\_\_\_  
Street Address

\_\_\_\_\_  
City State Zip Code

**Loan Officer Contact Personnel**

Full Name: \_\_\_\_\_  Mr.  Dr.  
First Last  Ms.  Other \_\_\_\_\_

Position Title: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone: ( ) - Ext. Alt Phone: ( ) -  
\_\_\_\_\_

**Lender's Certifications**

**By signing below:**

By submitting this application, lender requests to participate in the Agricultural Loan Guarantee Program (hereinafter sometimes referred to as the "ALG Program"). Lender further certifies that: it is familiar with and agrees to abide by ALG Program rules; and it has reviewed the eligibility criteria for the program with the borrower(s). Lender also certifies that based on information supplied by the borrower(s), the borrower(s) is/are in compliance with Program Rules and is/are eligible to participate in the program(s).

X \_\_\_\_\_ / /  
Authorized Official Signature (electronic signatures will not be accepted) Date

**Loan Summary**

**The following information should be supported by backup documentation submitted with this application including, original loan application, Current Financial Statement, Current Credit Report, Lender's Credit Analysis, Lender's Approval Document and any other information requested by Authority.**

Loan Amount \_\_\_\_\_ Interest rate \_\_\_\_\_ %  Fixed  Variable

Maturity Date \_\_\_\_\_  Other (describe): \_\_\_\_\_

Payment Terms \_\_\_\_\_

Requested TAFE Guarantee % \_\_\_\_\_ Guarantee Amount \$ \_\_\_\_\_

Purpose of the loan: \_\_\_\_\_

**Collateral – Add additional lines if needed**

Collateral description- Item 1 \_\_\_\_\_ Value \_\_\_\_\_

Collateral description- Item 2 \_\_\_\_\_ Value \_\_\_\_\_

Collateral description- Item 3 \_\_\_\_\_ Value \_\_\_\_\_

How long has the borrower been a customer of the lender? Please describe the Character, Capital and Capacity of the borrower.

Borrower Credit Score \_\_\_\_\_ Co - Borrower Credit Score \_\_\_\_\_  
 Equity Injection \_\_\_\_\_  
 Percentage & Debt to Equity \_\_\_\_\_ Debt Service Coverage Ratio \_\_\_\_\_  
 Details \_\_\_\_\_

If any of the Borrowers credit criteria are below the minimum requirement, please provide a justification why the lender feels TAFE should consider this application.

**Operation Information**

Location of agricultural operation: \_\_\_\_\_, Texas \_\_\_\_\_  
 City Texas County

Which of the following characterizes the Borrowers agricultural operation?

- Start-up  Expansion of current operation
- Diversification of crops, livestock, or other agricultural activities not currently in your operation
- Other (describe) \_\_\_\_\_

Has borrower provided lender with a current business plan?  Yes  No

Annual Agricultural Operation Revenue	Amount
Government Payments	\$ _____
Livestock (cattle, goats, chickens, etc.)	\$ _____
Milk Production (cattle, goats, etc.)	\$ _____
Crops (Grains, cotton, produce, etc.)	\$ _____
CRP	\$ _____
Custom Farming	\$ _____
Other Agricultural Revenue Described:	\$ _____
<b>Total Annual Revenue</b>	\$ _____
<b>Total Agricultural Expenses</b>	\$ _____
<b>Total Non – Agricultural Revenue</b>	\$ _____

**Total Non-Agriculture Expense** \_\_\_\_\_ \$ \_\_\_\_\_

Operation Description: Describe the agricultural operation goals and objectives, including how long the borrower has been in business.