



IOWA AGRICULTURAL
DEVELOPMENT DIVISION

IADD BOARD MEETING AGENDA

**Iowa Finance Authority
Helmick Conference Room
2015 Grand Avenue
Des Moines, IA 50312**

**November 24, 2015
9:30 a.m.**

- 1. Call meeting to order**
- 2. Administration**
 - a. Review and approve minutes from October 28, 2015 IADD Board meeting
 - b. Review financial statement
- 3. Loan Participation Program**
 - a. Request to adjust terms and conditions on closed LPP loans
 - b. Review and approve LPP Applications
- 4. Beginning Farmer Loan Program**
 - a. Amending resolutions to adjust terms and conditions on closed BFLP loan
 - b. Review and Approve BFLP Loan Applications
 - c. Public Hearing on BFLP projects
 - d. Approve BFLP Bond documents
- 5. Beginning Farmer Tax Credit Programs**
 - a. Review and approve BFTC Applications
 - b. Review and approve BFTC change requests
- 6. Marketing update**
- 7. Other business**
 - a. Next IADD Board meeting – Monday, December 21st – conference call
- 8. Adjourn**



IOWA AGRICULTURAL
DEVELOPMENT DIVISION

IADD BOARD MEETING MINUTES

Iowa Finance Authority
2015 Grand Avenue, Des Moines, Iowa
October 28, 2015

Board Members Present

Mark Leonard, Chair John Fredrickson
Lyle Borg, Vice Chair Annette Townsley
Stacie Euken

Board Members Absent

None

Staff Members Present

Lori Beary, Community Development Director Tammy Nebola, IADD Program Specialist
Steve Ferguson, IADD Program Specialist Michelle Thomas, Accounting Manager
Cindy Harris, CFO

Others Present

Dave Claypool, Dorsey & Whitney

CALL TO ORDER

The meeting of the Iowa Agricultural Development Division (IADD) Board of Directors was called to order by Chair Leonard on October 28, 2015 at 8:35 am. A quorum was established with the following Board Members present: Leonard, Borg, Euken, Fredrickson and Townsley.

REVIEW OF MINUTES OF SEPTEMBER 29, 2015 BOARD MEETING

Mr. Leonard presented the minutes of the September 29, 2015 IADD Board Meeting. Mr. Leonard asked if there were any additions or corrections to the minutes.

MOTION

On a motion by Mr. Fredrickston and a second by Mr. Borg, the Board unanimously approved the minutes of the September 29, 2015 IADD Board meeting.

REVIEW OF SEPTEMBER 2015 FINANCIAL STATEMENT

Michelle Thomas presented the September 2015 financials. She stated that for FY16 year-to-date, IADD had operating income of \$174,218 operating expense of \$122,117 and net operating income of \$52,101.

MOTION

On a motion by Mr. Borg and a second by Mr. Fredrickson, the Board unanimously approved the September 2015 financial statement as presented.

LOAN PARTICIPATION PROGRAM

Tammy Nebola presented information on the following loan participation applications.

P0206 - Matthew De Boer. The LPP application is for \$150,000. The borrower will construct a 2,400 Hd Hog Finishing Building. Total project cost is \$600,000. The bank is Northwestern Bank in Orange City.

MOTION

On a motion by Ms. Townsley and a second by Ms. Euken, the Board unanimously approved the loan participation for Matthew De Boer subject to receiving a \$25,000 down payment decreasing the Bank Loan portion from \$450,000 to \$425,000, a \$25,000 2nd Mortgage on his rental property and an assignment of feeding contract.

P0207 - Laura L. Lunders. The LPP application is for \$81,600. The borrower will purchase approximately 40 acres of agricultural land. Total project cost is \$272,000. The borrower has also applied for a Beginning Farmer Loan AG 15-074. The bank is American Bank, NA in Remsen.

MOTION

On a motion by Mr. Fredrickson and a second by Mr. Borg, the Board unanimously approved the loan participation for Laura L. Lunders.

BEGINNING FARMER LOAN APPLICATIONS

Tammy Nebola introduced the following applications for Beginning Farmer loans:

AG 15-064 – Scott W. Brockman – Beginning farmer loan of \$80,042 to purchase approximately 38.48 acres of agricultural land in Page County. The loan will have a 4.575% fixed interest rate and a loan length of 30 years. The lender is Century Bank in Shenandoah, Iowa.

AG 15-066 – Boderic A. Higgins – Beginning farmer loan of \$250,000 to purchase approximately 80 acres of agricultural land, house and out-buildings in Buchanan County. The loan will have a 3.50% variable interest rate and a loan length of 20 years. The index will be USB 5-20 internal COF plus a spread of 275 bps; 30 year amortization with 20 year balloon. The lender is U.S. Bank, N.A. in Vinton, Iowa.

AG 15-067 – Dustin E. and Shonna Lampe – Beginning farmer loan of \$331,250 to purchase approximately 204 acres of agricultural land, house and out-buildings in Muscatine County. The loan will have a 3.95% variable interest rate and a loan length of 30 years. The index will be 2.41% over the 5 year Treasury Constant rate; Fixed for 10 years. The lender is CBI Bank & Trust in Muscatine, Iowa.

AG 15-068 – Noah P. and Sky M. Hahn – Beginning farmer loan of \$325,000 to purchase approximately 140 acres of agricultural land in Keokuk County. The loan will have a 3.80% variable interest rate and a loan length of 30 years. The index will be 80% of LSB Base Rate. The lender is Libertyville Savings Bank in Keota, Iowa.

AG 15-069 – Aaron M. Adam – Beginning farmer loan of \$517,000 to purchase approximately 81 acres of agricultural land in Keokuk County. The loan will have a 3.75% variable interest rate and a loan length of 30 years. The index will be 85% of 2.50% over the 5 year U.S. Treasury; Rate floor 3.50%; Fixed for 10 years; Call option - 30 days prior to each periodic interest rate adjustment either party may notify the other in writing of their intent to discontinue with the arrangement. The lender is U.S. Bank, N.A. in Boone, Iowa.

AG 15-070 – Jacob W. and Chelsea M. Lohmann – Beginning farmer loan of \$176,250 to purchase approximately 29 acres of agricultural land, house and out-buildings in Bremer County. The loan will have a 3.75% variable interest rate and a loan length of 30 years. The index will be 60% of Northeast Security Bank's Base Rate; Rate ceiling 8.25%; Rate floor 3.75%. The lender is Northeast Security Bank in Fairbank, Iowa.

AG 15-071 – Matthew M. and Sarah M. Stoutner – Beginning farmer loan of \$370,602 to purchase approximately 60 acres of agricultural land in Washington County. The loan will have a 3.69% variable interest rate and a loan length of 30 years. The index will be 85% of 2.50% over the 5 year U.S. Treasury; Rate floor 3.50%; Fixed for 10 years; Call option - 30 days prior to each periodic interest rate adjustment either party may notify the other in writing of their intent to discontinue with the arrangement. The lender is U.S. Bank, N.A. in Boone, Iowa.

AG 15-072 – Brent and Amy VandenTop – Beginning farmer loan of \$268,680 to purchase approximately 37.71 acres of agricultural land in Sioux County. The loan will have a 3.40% variable interest rate and a loan length of 30 years. The index will be 70% of American State Bank's base rate; Fixed for 5 years. The lender is American State Bank in Hull, Iowa.

AG 15-073 – Corey L. Plendl – Beginning farmer loan of \$397,000 to purchase approximately 40 acres of agricultural land in Plymouth County. The loan will have a 3.40% variable interest rate and a loan length of 25 years. The index will be 2.00% over the 5 year U.S. Treasury; 3.00% cap each adjustment; Call option in 10 years. The lender is Iowa State Bank in Orange City, Iowa.

AG 15-074 – Laura L. Lunders – Beginning farmer loan of \$190,400 to purchase approximately 40 acres of agricultural land in Cherokee County. The loan will have a 4.25% variable interest rate and a loan length of 20 years. The index will be 3.50% over the 5 Year Treasury. The lender is American Bank, NA in Remsen, Iowa.

MOTION

On a motion by Ms. Townsley and a second by Mr. Borg, the Board recommended approval of the BFLP applications.

PUBLIC HEARING ON BEGINNING FARMER LOANS

A public hearing was held by the IADD Board at the Iowa Finance Authority office on October 28, 2015 at 9:08 am. There were no comments received regarding the Beginning Farmer Loan applications. The public hearing was closed at 9:09 am.

MOTION

On a motion by Mr. Fredrickson and a second by Ms. Euken, the Board unanimously closed the public hearing.

MOTION

On a motion by Ms. Townsley and a second by Mr. Fredrickson, the Board unanimously recommended approval of the BFLP Bond documents.

BEGINNING FARMER TAX CREDIT APPLICATIONS

Steve Ferguson presented a summary of the Beginning Farmer Tax Credit applications. There were 140 new BFTC applications for an estimated tax credit amount of \$753,543.99. He noted that of those, 91 are cash rent 45 are crop share and 4 are hybrid leases. There was some discussion about related party projects. Specific projects were discussed.

2165 - It was brought up that when the landlord is paying all the inputs and receiving a large % of the crop is really more of a custom farming arrangement.

2146 – Project is just for machinery but he also does all the repair and trades labor for the use so is it ok for him to receive tax credit on the machinery.

MOTION

There was a motion by Mr. Borg to approve the Beginning Farmer Tax Credit application and a second by Mr. Fredrickson, after motion was made Ms. Townsley asked if the Board was comfortable with the projects of concern. Lori Beary pointed out that they can pull certain projects out and approve them subject to or table them to collect additional information or address concerns. Projects can be denied if leases are out of the bounds of what is a normal lease. Several of the projects really appear to be custom farming projects and they should apply under the custom farming tax credit program. 2076, 2129 and 2165 all appear to be custom farming projects. The motion failed and tax credit applications were opened back up for discussion.

ADDITIONAL DISCUSSION ON FARMER TAX CREDIT APPLICATIONS

The tax credits that have been discussed and the board has concerns about were 2076, 2129, 2146 and 2165. Mr. Borg pointed out that he continually has concerns with the related party projects, and would like to come up with a solution to review those more closely. Lori Beary mentioned that we can require a certification that they have to sign verifying that the beginning farmer is in fact the one completing the work. Mr. Borg would like to see some sort of safe guard or additional process put in place for the related party projects.

MOTION

On a motion by Ms. Townsley and a second by Ms. Euken, the Board unanimously recommended approval of the Beginning Farmer Tax Credit applications tabling projects 2076, 2129, 2146 and 2165.

MARKETING UPDATE

Included in the Board packet is the IADD marketing calendar. Mr. Ferguson reviewed some of the recent events he's attended. He also discussed some upcoming events, the Iowa State Tax Schools and Iowa Society of CPA's are coming up and been busy lining up events for 2016. Steve Ferguson pointed out that on the next IADD scheduled board meeting date he is scheduled to be in Maquoketa so wanted to see what the Boards thoughts were about changing the next IADD Meeting date to November 24th.

OTHER BUSINESS

2016 PROPOSED IADD BOARD MEETING DATES

Lori Beary presented the 2016 proposed IADD Board Meeting Dates. January meeting revised due to the Pork Congress Conference. Proposed regional meeting in June possibly in southeast region, 2017 in north central and 2018 in south central. In person meetings in March, June, August and September.

MABSCO CONTRACT WAS UP RENEWAL

IFA renegotiated with MABSCO to flip the percentages where IADD will receive 60% and MABSCO will receive 40%. They are also going to start doing more work. They will be doing the first review of the applications and collecting all the missing information so that when Steve comes back to the office he will only need to review the ones that are complete. All of 2015 was 50/50 split.

FUNDING REQUEST – RECOMMENDATION FOR (VIA) VETERANS IN AGRICULTURE

IFA Funding recommendation is for \$500. Mr. Borg feels it is important to support the organization.

MOTION

On a motion by Mr. Borg and a second by Mr. Fredrickson, the Board unanimously recommended approval a \$500 gift to the Veterans in Agriculture (VIA).

TRIP REPORTS

Mr. Borg recommended that the NARRC and NCOSAFP trip reports be a part of the minutes. Mr. Leonard was very impressed with the NARRC trip and noted it was very pleasurable but was a little disappointed with the lack of discussion on what the other states are doing.

NEXT IADD BOARD MEETING

The November IADD Board meeting will be Tuesday, November 24, 2015 at 9:30 am, at the Iowa Finance Authority office.

ADJOURNMENT

On a motion by Mr. Fredrickson and a second by Ms. Euken, the October 28, 2015 meeting of the IADD Board of Directors adjourned at 10:04 am.

Dated this 28th day of October, 2015.

Respectfully submitted:

Approved as to form:

Lori K. Beary
Director's Designee/Board Secretary

Mark W. Leonard, Chair
IADD Board



IOWA AGRICULTURAL
DEVELOPMENT DIVISION

**IADD FINANCIALS WILL BE
EMAILED OUT AS SOON AS
AVAILABLE AND DISBURSED
AT THE IN OFFICE MEETING**

LPP RESOLUTIONS FOR IADD BOARD CONSIDERATION

IADD Board Meeting of November 24, 2015

IFA Board Meeting of December 2, 2015

Project #	Beginning Farmer	Bond Purchaser	Loan Amount Date Loan Closed	Changes Requested
P0163	Beau M. Romsey Ames, IA	U.S. Bank, N.A. Boone, IA	\$36,500 11/14/2008	Exchanging farmland with 1031 Exchange. Release mortgage dated March 24, 2009 in the amount of \$117,500 on approximately 77 acres of agricultural land and take a new mortgage dated December 15, 2015 in the amount of \$843,150 on approximately 77 acres of agricultural land. All other loan terms remain the same. Eff. 12/15/2015

APPLICATION SUMMARY IADD LOAN PARTICIPATION PROGRAM

Board Review Date: December 2, 2015	Total LPP:	\$	150,000.00
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LPP No:	P0208	Date LPP Received:	11/2/2015
BFLP No:	None	Date BFLP Received:	
Applicant(s):	Jonathan J. Orr and Randene S. Davis	Lender:	Luana Savings Bank
City:	Coggon	City:	Luana
Down Payment:	\$ -	Project Purpose:	To purchase approximately 3 acres and construct a 2,400 Hd Hog Confinement
BFLP Bond:	\$ -		
Lender Financed:	\$ 1,000,000.00		
Other Sources:			
IADD LPP:	<u>\$ 150,000.00</u>	Interest Rate:	2.50%
Total Project:	\$ 1,150,000.00	Amortization:	12 years

Variable Rate Provisions: 1.00% over the FSA Direct Farm Ownership Down Payment Loan Program (which is currently at 1.5%) fixed for the first five years, then re-adjusted to the same index and fixed for the final five years

LPP Applications

2-Dec-15

Project No.	LOAN AMT	Beginning Farmer	Loan Committee Recommendation				Subject To Condition
			Approve	Subject To	Deny	Table	
P0208	\$ 150,000.00	Jonathan J. Orr and Randene S. Davis					See Loan Committee Concern Sheet

\$ 150,000.00

Applicant: **Orr, Jonathan J. & Randene S.** LPP #: **P0208** BFLP #: **None**
 AS OF: **11/18/2015**

Basic Loan Criteria

	DATA	STANDARDS MIN/MAX	MEETS CRITERIA
1. A. What city in Iowa will applicant reside at time of closing?	Coggon	Must be in Iowa	Yes
B. Date lender has certified applicant is "low-income" farmer?	10/29/2015	Lender must certify	Yes
C. What county will proposed project be in Iowa?	Delaware	Must be in Iowa	Yes
D. What new ag purchase/improvements will loan funds be used for?	Purchase (2) 5,400 Hd Hog	Only Ag purpose	Yes
E. Will lender use or is using new purchases for other collateral?	No	Not Permitted	Yes

Financial Issues

2. A. Net Worth (Must be <\$703,844)	(\$63,766)	Max 703,844	Yes
B. Before Closing Current Assets	\$18,300	---	---
C. Before Closing Current Debt	\$17,602	---	---
D. Current assets to current liabilities ratio (Must be >1.1 to 1 @ app)	1.04	Min 1.1	No
E. Farm debt after closing	\$2,436,366	---	---
F. Total after-closing assets (using appraised value of collateral)	\$2,372,600	---	---
G. Farm debt to asset ratio (must be <80% after closing)	103%	Max 80%	No

Loan Amounts and Security Issues

3. A. Aggregate amount of participated loan (bank and IADD loans)	\$1,150,000	---	---
B. Ratio of total participation to net worth? (cannot exceed 300%)	-1803.5%	Max 300%	No
C. Total amount of IADD's share of participated loan	\$150,000	Max 150,000	Yes
D. Purchase price of loan project	\$1,150,000	---	---
E. Ratio of IADD share of participated loan	13.0%	Max 30%	Yes
F. Appraised value of total collateral for loan participation	\$1,150,000	---	---
G. Ratio of total participation to project appraised value*	100.0%	Max 100%	Yes
I. Appraised value of house	\$0.00	---	---
J. Ratio of house value to total purchase price (cannot>50%)	0.0%	Max 50%	Yes

Cash Flow Issues

4. A. Typical gross farm income (including new purchase)	\$399,600	---	---
B. Farm operating expense (include interest and depreciation)	\$278,219	---	---
C. Net farm operating income (4A - 4B)	\$121,381	---	---
D. Non Farm income	\$60,916	---	---
E. Depreciation/Amortization	\$69,000	---	---
F. Annual term debt interest and lease interest	\$89,727	---	---
G. Income taxes and Social Security taxes	\$17,000	---	---
H. Family living expenses	\$28,000	---	---
I. Balance available for debt servicing (C+D+E+F-G-H)	\$296,024	---	---
J. Total annual term payments	\$224,727	---	---
K. Term debt coverage ratio(I/J)	132%	Min 110%**	Yes
L. If ratio (2G) is >60%, then is term debt coverage ratio (4K) > 120%?	132%	Min 120%	Yes
M. Did lender use recommended commodity prices? if not, why?	Yes	---	Yes
N. Ratio of non-farm income to total income (cannot exceed 50%)	13.2%	Max 50%	Yes

Comments

Loan Committee November 16, 2015 Concerns

As the request sits, he is not meeting over ½ of our underwriting criteria, we look at:

- Net worth < \$703,844; Yes = (\$63,766)
- Current assets to current liabilities > 1.1; No = 1.04
- Debt to Asset ratio (after closing) <80%; No = 103%
- Project financing to net worth < 300%; No = 3606.9%
- Term debt coverage ratio > 120%; Yes = 132%

As the project sits they are not comfortable approving it, but they are willing to take additional look at it after addressing some of their concerns and questions.

- They would like to know who the seller of the facilities is.
- They would also like to see a personal financial statement of the parents, we have business financial statement but not his personal one.
- The first issue is with the barn that Jonathan's father will be working in, for our programs, the beginning farmer must be the owner/operator of the project and they feel that since he will not be doing the labor in the one building that it would not qualify for the program, so they are strictly looking at the project as the one building that Jonathan will be providing the labor in.
- They are also concerned about the feeding contract and whether it is a definite that Eichelberger Farms, Inc will contract with them.
- The committee felt that if his dad would be willing to do a secured personal and corporate guarantee on the \$150,000 LPP Loan then they would potentially approve the LPP regardless of him not meeting the underwriting criteria. The application stated that he would offer a \$500,000 secured guarantee on the project as a whole with a 2nd mortgage, but the committee wanted to see if there was any land available to take a 1st mortgage on.

Applicant: **Orr, Jonathan J. & Randene S.**LPP #: **P0208**BFLP # **None**AS OF: **11/12/2015****Basic Loan Criteria**

	DATA	STANDARDS MIN/MAX	MEETS CRITERIA
1. A. What city in Iowa will applicant reside at time of closing?	Coggon	Must be in Iowa	Yes
B. Date lender has certified applicant is "low-income" farmer?	10/29/2015	Lender must certify	Yes
C. What county will proposed project be in Iowa?	Delaware	Must be in Iowa	Yes
D. What new ag purchase/improvements will loan funds be used for?	Purchase (2) 5,400 Hd Hog	Only Ag purpose	Yes
E. Will lender use or is using new purchases for other collateral?	No	Not Permitted	Yes

Financial Issues

2. A. Net Worth (Must be <\$703,844)	(\$63,766)	Max 703,844	Yes
B. Before Closing Current Assets	\$18,300	---	---
C. Before Closing Current Debt	\$17,602	---	---
D. Current assets to current liabilities ratio (Must be >1.1 to 1 @ app)	1.04	Min 1.1	No
E. Farm debt after closing	\$2,436,366	---	---
F. Total after-closing assets (using appraised value of collateral)	\$2,372,600	---	---
G. Farm debt to asset ratio (must be <80% after closing)	103%	Max 80%	No

Loan Amounts and Security Issues

3. A. Aggregate amount of participated loan (bank and IADD loans)	\$2,300,000	---	---
B. Ratio of total participation to net worth? (cannot exceed 300%)	-3606.9%	Max 300%	No
C. Total amount of IADD's share of participated loan	\$150,000	Max 150,000	Yes
D. Purchase price of loan project	\$2,300,000	---	---
E. Ratio of IADD share of participated loan	6.5%	Max 30%	Yes
F. Appraised value of total collateral for loan participation	\$2,800,000	---	---
G. Ratio of total participation to project appraised value*	82.1%	Max 100%	Yes
I. Appraised value of house	\$0.00	---	---
J. Ratio of house value to total purchase price (cannot>50%)	0.0%	Max 50%	Yes

Cash Flow Issues

4. A. Typical gross farm income (including new purchase)	\$399,600	---	---
B. Farm operating expense (include interest and depreciation)	\$278,219	---	---
C. Net farm operating income (4A - 4B)	\$121,381	---	---
D. Non Farm income	\$60,916	---	---
E. Depreciation/Amortization	\$69,000	---	---
F. Annual term debt interest and lease interest	\$89,727	---	---
G. Income taxes and Social Security taxes	\$17,000	---	---
H. Family living expenses	\$28,000	---	---
I. Balance available for debt servicing (C+D+E+F-G-H)	\$296,024	---	---
J. Total annual term payments	\$224,727	---	---
K. Term debt coverage ratio(I/J)	132%	Min 110%**	Yes
L. If ratio (2G) is >60%, then is term debt coverage ratio (4K) > 120%?	132%	Min 120%	Yes
M. Did lender use recommended commodity prices? if not, why?	Yes	---	Yes
N. Ratio of non-farm income to total income (cannot exceed 50%)	13.2%	Max 50%	Yes

Comments

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IOWA AGRICULTURAL DEVELOPMENT DIVISION

11-02 '15 AM 10:48

RECEIVED NOV 02 2015

IOWA FINANCE AUTHORITY 2015 Grand Avenue | Des Moines, Iowa 50312 515.725.4900 | 800.432.7230 | fax 515.725.4901 IADD@iowa.gov | IowaFinanceAuthority.gov/IADD

FOR IADD USE ONLY
Amount Requested: \$150,000
Amount Approved:
Date Approved:
Balance of Fee Due: \$
Project No.: P-0208
Date Application Fee Paid:
Date Denied:
Reason for Denial:

PLEASE NOTE: This application is a publicly available document.

LOAN PARTICIPATION PROGRAM APPLICATION

(TO BE COMPLETED INDEPENDENTLY BY APPLICANT)

Name Jonathan James Orr Soc. Sec. # Birth date 3/6/89
Spouse Randene Sophia Davis Soc. Sec. # Birth date 11/26/90
Address 3257 210th Ave. County Delaware
City Coggon State IA Zip 52218 Phone (563)608-6418
E-mail address jon@peoples-insurance.com

1. Applicant is: [] Individual [] Family Farm Corporation [] Partnership [X] Other LLC

2. Purpose of Project (Please address all issues below:)
[X] Purchase land: Total Acres 10 Tillable Acres CRP Acres
Estimated value of house \$
Estimated value of out-buildings \$2,300,000 (2) existing swine finisher sites
[] Purchase machinery
[] Purchase livestock (what and how many)
[] Make building or other farm improvements of
Who owns property where improvements are to be made
If constructing hog/livestock buildings, who will own animals in building?
(If applicant will not own hogs/livestock, send copy of feeding contract and/or contact the Authority concerning contract feeding arrangements)

3. Financing of Project (Contributions by applicant, lender or contract seller and IADA:)

Table with 5 columns: Land Purchase, Livestock Purchase, Machinery Purchase, New Farm Improvements, Total Project. Rows include Down payment by applicant, Financed by lender/contract seller - BFLP bond, Farm Service Agency (FSA), From other sources: LSB 1st mtg, IADD Loan Participation, and TOTAL COST OF PROJECT.

**Loan closing fee of 1.25% is calculated on the total amount of the Authority's participation

4. Collateral For Participation:

Description	Appraised Value	Lenders' Lien Position	Other Prior Liens	Remaining Collateral Value
Land (acres)	\$	\$	\$	\$
Machinery	\$	\$	\$	\$
Breeding Livestock	\$ 2,300,000	1st mtg	\$	\$ 2,300,000
Buildings (2) sites				
Improvements	\$	\$	\$	\$
TOTALS	\$ 2,300,000	1st mtg	\$	\$ 2,300,000

5. Location of Project

a. List the county and township names with section numbers (e.g. Section 26, Bristol Township, Any County, IA)
Both in Delaware Co., IA; Hazel Green Twp, Section 25 and Union Twp, Section 20

6. Previous experience with Iowa Agricultural Development Division (IADD) Loans: Yes No

	Year	Project No.	Beginning Balance	Present Balance
Previous Beginning Farmer Loan	N/A	#	\$	\$
Previous Loan Participation	N/A	#	\$	\$

7. I understand and agree that:

- The Authority's Loan Participation will mature in:
 - Seven years or less if purchasing livestock or machinery or
 - Ten years if purchasing land based on up to a 20 year amortization. If also utilizing an FSA Beginning Farmer Loan Program the participation amortization can comply with FSA amortization rules.
- I have the option of paying this loan ahead of schedule and can pay it off at any time without any prepayment penalties.
- If I move out of Iowa and/or quit farming, I will not be permitted to rent out my operation and/or the collateral for this loan and will be required to pay off this Loan Participation in full at that time.
- The interest rate on the participated loan will be a fixed rate set by the Authority board of directors.
- The collateral and performance of this Participation Loan will be reviewed annually by Lender and that I may have to pledge additional collateral in the future if the value of the collateral becomes insufficient to adequately secure the Participated Loan.
- The closing fee for this loan is 1.25% of the amount participated with the Authority. A minimum loan closing fee of \$300 will be charged.
- I am liable to pay all the appraisal fees which may be incurred while valuing the collateral for the Participated Loan and any legal or abstracting costs that may be incurred.
- The Authority and my lender will have the final approval of this loan request and submitting this application does not insure me that my Loan Participation application will be approved.
- I will annually provide to lender and the Authority copies of current financial statements.

8. I hereby certify that:

- I am a resident of the State of Iowa.
- I am the principal operator of a farming operation.
- I will receive at least 50 percent of my gross income from farm income (after closing).
- My net worth does not exceed the maximum and my debts do not exceed \$400,000 (before closing).
- My ratio of current assets to current liabilities is better than 1.1 to 1 (before closing).
- All of my debts will be current at the time the participation loan is closed.
- The amount of the Participated Loan being requested of the Authority is not greater than three times my net worth.
- My term debt coverage ratio will be at least greater than 110 percent and if my debt to asset ratio is greater than 60 percent, then my term debt coverage ratio will be greater than 120 percent. This requirement can be waived if an assignment of payment can be obtained.
- If this loan is for machinery or livestock purchase, the collateral I am pledging for this Participation Loan has an appraised fair market value at least equal to Participation Loan.
- If this loan is for real estate purchase or improvements, the collateral I am pledging for this Participation Loan has an appraised fair market value so that the Participation Loan requested does not exceed 100 percent of the real estate collateral.
- If other loans have been previously issued to me under this program, the outstanding Participation totals will not exceed \$150,000.
- This loan application is for new agricultural purchases and will not be used for refinancing.
- I have read the "Program Summary" for the IADD Loan Participation Program and I meet all of the eligibility requirements for the program. I understand all the terms of the program and I agree to adhere to all of the rules and regulations required of me to secure and keep intact an IADD Loan Participation. I further certify that all information on the application, including the financial statements that are attached for myself and spouse, is true and correct.

10/29/15
Date

10/29/15
Date

[Signature]
[Signature of Applicant]
[Signature]
[Signature of Spouse]



IOWA AGRICULTURAL
DEVELOPMENT DIVISION

IOWA FINANCE AUTHORITY
2015 Grand Avenue | Des Moines, Iowa 50312
515.725.4900 | 800.432.7230 | fax 515.725.4901
IADD@iowa.gov | IowaFinanceAuthority.gov/IADD

LENDER'S SECURITY ANALYSIS FOR LOAN PARTICIPATION PROGRAM

Lender Luana Savings Bank Telephone (563) 539-2166
Address 100 Harvest Dr./PO Box 68 Fax (563) 539-2100
City/State/ Luana, Iowa 52156
Contact Person Steve Ruzicka E-Mail: Sruzicka@luanasavingsbank.com

1. Loan applicant/s J.R. Orr Farms, LLC ; Jon James Orr + Randene Sophia Davis
2. Amount of Loan Participation request -- (\$150,000 maximum) \$ 150,000.00
3. Percentage of purchase price -- (30 percent maximum) 30% %
4. Please assist the applicant in submitting their current financial statement (less than one month old), last two years' financial statements, projected financial statement, three years' income statements or income history (tax returns or other records), and projected income statement that includes new purchase in cash flow.
5. Has the applicant been delinquent on any debt for more than 30 days during the last five years?
 Yes No If yes, when and what was the dollar amount of last delinquency:
Date _____ Amount \$ _____

6. Is the applicant delinquent on any debt at this time? Yes No
If yes, please identify the delinquent debts:

<u>Lien Holder</u>	<u>Collateral</u>	<u>Delinquent Amount Due</u>	<u>Total Amount Due</u>	<u>Payment Date(s)</u>
_____	_____	\$ _____	\$ _____	_____
_____	_____	\$ _____	\$ _____	_____
_____	_____	\$ _____	\$ _____	_____
_____	_____	\$ _____	\$ _____	_____

Please complete the Debt Repayment Analysis.

7. What was the applicant's total gross farm income last year per federal income tax records?
 Gross Farm Income = \$ 0 For period covered: 2014

8. What was the applicant's total gross non-farm income last year, including rental income, interest, dividends, salary, etc., per federal income tax records? \$ 160,916 (applicant + co-applicant combined)

9. Please state the strong points of this farmer and his/her farming operation and how this Loan Participation can assist him/her. (Attach additional page if necessary.) This farmer is a highly motivated individual that brings a lot of passion for their family farm. The LPP can assist them with their down payment as their capital position is limited at this point of their careers.

10. Please state the weak points of this farmer and his/her farming operation and elaborate on the past loan performance. (Attach additional page if necessary.) They have limited capital position coming into this project. They have their school debt that is causing their capital position to appear weak. Their credit reports reflect good repayment history and timely payments made.

5. SECURITY PROPOSED (Include that on hand and that to be acquired)

Description	Appraised Value	Lenders' Lien Position	Other Prior Liens	Remaining Collateral Value
1st mtg (2) hog sites	\$2,300,000	1st Lien	\$	\$2,300,000
Limited pledge guaranty Jon's folks	\$500,000	2nd Lien	\$	\$500,000
	\$	\$	\$	\$
	\$	\$	\$	\$
TOTALS	\$2,800,000	\$	\$	\$2,800,000

12. Was the collateral appraised by a third-party appraiser?

Yes - Please attach a signed copy of the appraisal.
 No - Please explain why: This will be appraised by a 3rd party certified appraiser. This is not available at the time of this application.

13. Based on the current market value of the proposed collateral, the total debt on the collateral will be what percentage of the current market value of the collateral?
82.14 % (Divide the amount of the total Participation (Lender's loan and the Authority's loan) plus existing liens on the collateral by the current market value of the collateral.)

14. If the collateral is real estate, are you aware of any environmental risks or hazards? Yes No
 If yes, please attach sheet describing the risks or hazards.

15. Please explain what your farming operation will consist of and include the new project:

Crop acres on owned land: None
 Crop acres on cash rented land: None
 Crop acres on crop-share rented land: None
 Owned livestock operation: None
 Contract-feeding livestock operation: 10,800 feeder to finish swine buildings
 Other farm operations: None

Loan applicant/s: _____

PROPOSED LOAN TERMS

16. The interest rate on this participation loan will be:

1.00% over the FSA Direct Farm Ownership Down Payment Loan Program (which is currently at 1.50%) fixed for the first five years, then re-adjusted to the same index and fixed for the final five years.

17. The principal payments on this loan will be equally amortized as follows:

- Real estate loan equally amortized for a maximum of ~~twenty~~ ¹² years with balloon due at end of year ten.
- Real estate loan equally amortized for 30 years (if using FSA 50/45/5 program) balloon at end of 10th yr.
- Machinery loan or livestock loan, including beef, dairy and/or sheep, equally amortized for seven years.
- Livestock loan for swine equally amortized for three years.

18. I have completed the security analysis, debt repayment analysis and projected income analysis to the best of my ability and hereby certify that all the information contained in the application, security analysis, debt repayment analysis, projected income analysis and financial statements, is true and correct.

19. I understand and agree that:

- a. I must bring the applicant's debts to a current status at the time the Loan Participation loan is closed;
- b. I must pay the Authority a proportion of principal and interest payments received each year in the proportion equal to the original Participation Loan purchased by the Authority;
- c. I will assume all responsibility for servicing this loan according to the Loan Participation Certificate and Agreement;
- d. The Authority shall have final approval on the sale of all collateral on Participation Loans;
- e. I will provide copies of insurance coverage on the collateral for this loan to the Authority;
- f. The participation closing fee is 1.25 percent of the amount participated with the Authority. A minimum participation closing fee of \$300 will be charged.
- g. Loans made pursuant to the provisions of this program may be subject to review by the Iowa Division of Banking for the purpose of determining that the underwriting requirements of the program have been complied with by the lender.

20. I hereby certify that:

- a. I have read the "Program Summary" for the IADD Loan Participation Program" and both the applicant and my lending institution meet and understand all of the eligibility requirements.
- b. Applicant is a "low-income" farmer who cannot obtain financing to purchase agricultural property without the assistance of a loan participation with the Authority.
- c. No other private or state credit is available or can be obtained in a timely manner.

10/29/15

(Date)

LUANA SAVINGS BANK

Lending Institution

By _____

Steven J. Ruzicka V.P.

Signature of Official of Lending Institution

Steven J. Ruzicka, Vice President

Print or Type Official's Name & Title

DEBT REPAYMENT ANALYSIS

FOR LOAN PARTICIPATION PROGRAM

Loan applicant/s: J.R. Orr Farms, LLC

The loan applicant's income statement projections and/or typical plan of operation are to be prepared in accordance with forms ordinarily used by the lender. It is suggested that lenders use the five-year historical average for crop yields, calving percentages, pigs per sow, death loss, etc. Suggested prices will vary each year and will be listed on the back of this page.

FINANCIAL SUMMARY

Complete the financial summary Tables A and B based on the loan applicant's cash flow projections.

TABLE A -- BALANCE AVAILABLE FOR DEBT REPAYMENT	
A) Typical year gross farm operating income.....	\$ <u>399,600</u>
B) Typical year total operating expenses	\$ <u>278,219</u>
(Include depreciation, interest on operating debt, term debt, and capital leases. Exclude income and social security taxes, carryover debt and delinquent interest.)	
C) Net farm operating income (A - B).....	\$ <u>121,381</u>
D) Non-farm income.....	\$ <u>60,916</u>
E) Depreciation/amortization.....	\$ <u>69,000</u>
F) Annual term debt interest.....	\$ <u>89,727</u>
G) Annual capital lease interest.....	\$ _____
H) Income and social security taxes.....	\$ <u>17,000</u>
I) Living expenses.....	\$ <u>28,000</u>
J) Balance available for term debt repayment...(C+D+E+F+G - H - I)...=...J...	\$ <u>296,024</u>

TABLE B ANNUAL SCHEDULED TERM DEBT AND CAPITAL LEASE PAYMENTS		
To Whom Owed	Amount Due (Principal & Interest)	Date Due
<u>LSB (Bank)</u>	\$ <u>190,932</u>	<u>monthly</u>
<u>IADD(LPP)</u>	\$ <u>14,511</u>	<u>monthly</u>
<u>School Loans + Vehicle debt</u>	\$ <u>19,284</u>	<u>monthly</u>
TOTALS (K)	\$ <u>224,727</u>	<u>monthly</u>
L) Term debt and capital lease coverage ratio (amount J divided by amount K)	\$ <u>71,297</u>	& <u>132</u> %

Please explain on reverse side why recommended commodity prices were not used.
 Minimum of 120% term debt coverage ratio required if debt to asset ratio is greater than 60%.
 Minimum of 110% term debt coverage ratio is recommended if debt to asset ratio is less than 60%.
 These provisions may be waived if an assignment of payment can be obtained.
 Depending on strength/weakness of all credit factors, the Authority may require other security documents.



Agricultural Financial Statement

Applicant(s): Jonathan Orr & Randene Davis
 Phone Number: (563) 608-6418
 Date: 10/19/2015
 Address: 221 W. Bremer Ave., Apt 3, Waverly, IA 50677
 To Luana Savings Bank, Luana, Clayton County, Iowa

Assets		Liabilities				
Current Assets	Owner	Bank Value	Current Liabilities	Owner	Bank Value	Owner's Equity %
Bank Accounts:			Operating Loans:			-87.83%
Account - Randene	\$1,300	\$1,300	CCC Loans:			Working Capital: \$698
Account - Jon	\$17,000	\$17,000	Accts Payable (Sch F):			Current Ratio: 1.04
Grains/Crops (Schedule B):			Credit Cards:	\$4,851	\$4,851	TL/NW: -2.14
Market Livestock (Sch. C):			Cash Rent Due:			Current/Interm Ratio: 1.35
Accounts/Notes Rec. (Sch. I):			Contingent Liabilities:			
JR ORR FARMS, LLC	0	0	Cur. Portion: (Schedule G)		\$8,420	
Prepaid Expenses:			Interest Payable:			
Stocks & Bonds:			Cur. Portion: Intermediate Debt:			
			Long Term Debt:		\$4,331	
Total Current Assets:	\$18,300	\$18,300	Total Current Liabilities:	\$4,851	\$17,602	

Intermediate Term Assets		Intermediate Liabilities				
Breeding Livestock (D):			Loans or payments due over 12 months (except RE):			
Machinery & Equipment (D):			TL Schedule G:	\$44,650	\$36,230	
Personal Property:	\$5,000	\$5,000				
Vehicles (Schedule H):	\$49,300	\$49,300				
JR ORR FARMS, LLC	0	0				
JR ORR FARMS, LLC	0	0				
IRA, Annuity, Pension:						
401K Randene's						
Total Intermediate Assets:	\$54,300	\$54,300	Total Intermediate Liabilities:	\$44,650	\$36,230	

Long Term Fixed Assets		Long Term Liabilities				
Real Estate (Schedule A):			RE Mortgage (except current) (Sch. A):	\$86,865	\$82,534	
JR ORR FARMS, LLC	0	0				
JR ORR FARMS, LLC	0	0				
Total Fixed Assets:			Total Long Term Liabilities:	\$86,865	\$82,534	
Total Assets:	\$72,600	\$72,600	Total Liabilities:	\$136,366	\$136,366	
			Net Worth:	(\$63,766)	(\$63,766)	
			Total Liabilities & Not Worth:	\$72,600	\$72,600	

(See Back of Statement for Schedules)

Age (borrower): _____ (Spouse): _____ Farm Location: _____ Miles: N E S W o J
 Spouse's Name: _____ Parent P Insurance Coverage: _____ Company: _____
 Bankruptcy?: _____ Pending Lawsuits?: _____ Agent's Name: _____
 Are you partner in a firm?: _____ Hired Help?: _____ Crop Ins. - Type: _____
 # of Children: _____ Time at present address: _____ Agent's Name: _____ Face Value of Life Ins: _____

I further certify that none of the property set out herein is owned by any member of my family or any other person, and agree to give written notice to said bank if any property is placed or kept on premises which is not owned by me, or if any property owned by me is removed from my premises. The undersigned applicant(s) acknowledge receipt of a copy of this instrument.

(We) _____ Being First Dually sworn, on oath depose and say that the foregoing information is true and accurate.
 Date: 10/27/15 Applicant(s): _____
 (Notary Seal) Co-Applicant(s): Randene S. Davis

Witness: Steve [Signature], V.P.

Schedules For Balance Sheet										
Sch. B-Grains/Crops		Owner	Bank	Schedule C-Market Livestock		Owner	Bank	\$/hd Value		
Crop Inventories:	Quantity	Value		Market Inventories:	# head	Weight	Value			
Corn:	@									
Oats:	@									
Beans:	@									
Hay(Square):	@									
Hay(Large):	@									
Stalk Bales:	@									
Straw Bales:	@									
Silage:	@									
Haylage:	@									
Commercial Feed:	@									
2015 Crop Plan:		Acres								
Corn:										
Beans:										
Hay:										
Oats:										
Total:				Schedule D-Breeding Livestock		Owner	Bank	\$/hd Value		
Schedule J-Prepaid Exp.		Owner	Bank	Breeding Inventories:		# head	Weight	Value		
Prepaid Expenses:										
Total:				Schedule E-Machinery		Owner	Bank			
Purchases:	Item	Total	Non/Cash	Value Forward						
Total:				Schedule H-Vehicles		Owner	Bank			
Purchases:				Value Forward						
Owned Vehicles:				2014 Chevy 4x4 Pickup		\$40,000	\$40,000			
				2010 Nissan Altima		\$9,300	\$5,300			
Less 20% Depreciation:				Total:		\$49,300	\$49,300			
Sch. G-Notes Payable		Owner	Bank	Current port						
Payable to:	Rate	Pay/Yr.		Univ CR - truck		3.10%	\$8,708	\$38,650	\$33,140	\$5,610
				Car Loan		2.50%	\$3,120	\$6,000	\$3,090	\$2,910
Less 10% Depreciation:				Total:				\$44,650	\$36,230	\$8,420
Schedule F-Accounts Payable:		Owner	Bank	Schedule A-Land Description:		Owner	Bank	\$/Acres Value		
Payable to:				Tract	Acres	Total	Useable			
Total:				Total Value RE:		Owner	Bank	Current port		
Sch. I-Accounts/Notes Rec:		Owner	Bank	Schedule A (continued) - Debts:		Owner	Bank	Current port		
Receivable from:				Payable to:	Rate	Pay/Yr.				
				Student Loans - Jen	5.50%	3,295	\$47,472	\$44,177	\$3,295	
				Student Loans - Randee	5.00%	3,360	\$39,393	\$38,357	\$1,036	
Total:				Total RE Debt:				\$86,865	\$82,534	\$4,331

J. R. Orr Farms, LLC
Jon Orr and Randene Davis
10/29/15

This is a IADD beginning farmer/LPP loan candidate applying for the purchase of (2) 5,400hd feeder to finish swine finisher sites near Coggon, Iowa. The cost of each site is \$1,150,000/site or \$2,300,000 total cost. They look to close with the seller either after the 1st of January 2016 or no later than Spring of 2016.

The borrowers have an LLC shell started here in 2015 with the sole purpose of owning this hog site/operation. This is our primary applicant. There are currently no assets or liabilities existing in this LLC. Jon and Randene are engaged to be married in 2016. They will be getting married within the year and starting a family.

Jon is an insurance agent with Peoples out of Waverly, Iowa. Randene is a 2nd grade teacher. They look to live in this area and to continue to rent a house with the hopes of buying a home someday close to the farm.

Dennis and Cindy Orr are Jon's parents. They own Orr Farms, Inc. and Dennis operates/manages one of the sites that Jon is looking to purchase. Dennis is paid a wage for this and Jon will continue this. This can be seen in the P&L cash flow as \$30,000 labor. Orr Farms, Inc. obtains the manure at their cost for the West site. J.R. Orr Farms, LLC will not absorb this cost for either site so it is not seen in the cash flow on either site. Jon will chore/work the barn to the East on his own 100% and assist with all duties regarding the West site as well.

The contract integrator to these (2) sites is with Cargill/JBS currently. LSB has been informed this will change in 2017 as the contract is ending at that time. LSB is approving this application with the contingency that a new contract will be put in place with J. R. Orr Farms, LLC upon the seller's acceptance of this sale of the sites. Orr's indicate Eichelberger Farms, another hog producer has offered \$39/space (Cargill/JBS pays \$37 currently) and have included the blank contract for review in with this application. The buyer indicated this would be for a minimum of 8years length.

The buyers do not have much working capital to work with for down payment toward this project to suite LSB. Jon's parents have offered a limited guarantee of up to \$500,000 along with a 2nd on 700 tillable acres M/L of prime farmland adjoining this West hog barn site. The IADD LPP will serve as the down payment portion of this transaction with the amortization of 12 years with 2.5% rate for the initial rate.

The balance sheet reflects negative equity simply due to college loan debt that each has. This is mainly due to their age and where they are at in life. They did not have the (3) years of tax returns to forward with this application as they had been filing through their respective parents in all prior years. (2) years will be submitted for that reason. They also did not have more than a current balance sheet. A pro forma has been prepared as requested. Also, please see our P&L projection included with this

information as well as an Orr Farms, Inc. balance sheet showing the equity of Jon's folks to back the loan.

LSB has agreed to go 15 year amortized payments on our \$2,150,000 loan to give the borrower a good chance at cash flow long-term. We will adhere to IADD standards on their end of holding the participation to 12 years amortization. Our approval is limited to contingencies such as the LPP program approval.

A first lien mortgage will be taken on each 5 acre (M/L) swine finisher site and a certified appraisal will be ordered as well. A second lien position will be taken on Jon's folk's land to secure a limited guarantee pledged by them to this loan.

A purchase agreement will be obtained and will have contingencies regarding bank financing being obtained by the buyer and being allowed to renegotiate the amount and term of the new contract with Cargill/JBS.

To summarize, this is a good young couple that both have farm background and look to get off to a start in agriculture with this enterprise. They have good support from the folks and resources are being offered to see that they have every opportunity to be successful long-term. They have a network/labor force in place already in place and will be able to hit the ground running with this enterprise. Both look to continue their off farm employment while owning this new venture.

Steven J. Ruzicka
Vice President

Upon moving back to Delaware County I will be the fourth generation on our century farm. I knew I loved farming when I was old enough to start helping my father in our sow and finishing barns on our farm at the age of 10 years old. I was an active member throughout high school in the 4-H and FFA programs. Ever since then I have had an active role in our farm, from doing all the grunt work, to making business decisions on which direction we should take our operation, to how to invest our farm's money. Since our current site went up in 2006 I have been in charge of marketing, selling, and hog vaccinations. My parents also, at one point, ran over 1,100 acres and my dad relied on our family members to get crops put in and harvested. Now, at the age of 26, the time approaches that I get even more involved with farming operations and starting a family. I like to keep up to date with all of the new farming technology by reading the Iowa Farmer Today and watching the US Farm Report on Saturday mornings.

My future wife, Randene, also has a farming background that started on her 3rd generation Shorthorn cow-calf operation in southern Minnesota. Her family raised cattle, corn, soybeans, and alfalfa. She was a member of her local 4-H club for 12 years and an officer for her high school's FFA chapter. She was the National Shorthorn Lassie Queen in 2011-2012 and still shows Shorthorns in open class cattle shows today.

My future wife and I are excited to pass on our farming values and roots to the next generation of Orr's and are looking forward to what the future holds for young farmers like us.

RESOLUTIONS FOR IADD BOARD CONSIDERATION

IADD Board Meeting of November 24, 2015
 IFA Board Meeting of December 2, 2015

Project #	Beginning Farmer	Bond Purchaser	Loan Amount Date Loan Closed	Changes Requested
4359	Beau M. Romsey Ames, IA	U.S. Bank, N.A. Boone, IA	\$81,900 11/14/2008	Exchanging farmland with 1031 Exchange. Release mortgage dated March 24, 2009 in the amount of \$117,500 on approximately 77 acres of agricultural land and take a new mortgage dated December 15, 2015 in the amount of \$843,150 on approximately 77 acres of agricultural land. All other loan terms remain the same. Eff. 12/15/2015

BFLP Applications

02-Dec-15

Project No.	LOAN AMT	App'd	Subj To	NOT App'd	Tbl'd	Concerns / Issues
AG 15-075	\$250,000					
AG 15-076	\$517,700					
AG 15-077	\$383,500					
AG 15-078	\$295,630					
AG 15-079	\$295,630					
AG 15-080	\$87,500					
AG 15-081	\$215,900					
AG 15-082	\$361,756					
AG 15-083	\$517,700					
AG 15-084	\$98,400					
AG 15-085	\$250,000					
AG 15-086	\$277,500					
AG 15-087	\$152,000					
AG 15-088	\$300,000					
AG 15-089	\$69,000					
AG 15-090	\$210,000					
AG 15-091	\$225,000					

Applications with net worth greater than \$200,000.00

615

Project No.	LOAN AMT	App'd	Subj To	NOT App'd	Tbld	Concerns / Issues
AG 15-092	\$387,500					

Total Amount
\$4,894,716

Total Number of Application
18

Applications with net worth greater than \$200,000.00

615

APPLICATION SUMMARY BEGINNING FARMER LOAN PROGRAM

Board Review Date	12/2/2015	No. of Applications: 18	Total \$ \$4,894,716
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(B)
 L.O.
 F.I.

Project No.	Loan Amount	Age	Project Description, Loan Terms and Lender
<u>Neil A. Ellensohn</u>			
AG 15-075	\$250,000	31	To construct a 1,200 Hd Hog Barn in Plymouth County, Iowa.
Net Worth	\$70,435		Interest Rate 3.90% Variable Loan Length 10 years
Prev. Owned Land		Yes	0.50% below Primebank Prime Real Estate Rate; Fixed for five years
Other Entity Involvement		No	Primebank Le Mars, IA

(B)
 L.O.
 F.I.

<u>Jonathan E. and Anne R. Ball</u>			
AG 15-076	\$517,700	34	To purchase approximately 178 acres of agricultural land, house and out-buildings in Louisa County, Iowa.
Net Worth	\$331,670		Interest Rate 4.00% Fixed Loan Length 20 years
Prev. Owned Land		Yes	
Other Entity Involvement		No	Mediapolis Savings Bank Mediapolis, IA

(A)

<u>Kyle A. and Shellina Herink</u>			
AG 15-077	\$383,500	26	To purchase approximately 86.34 acres of agricultural land in Tama County, Iowa.
Net Worth	\$172,245		Interest Rate 4.40% Variable Loan Length 30 years
Prev. Owned Land		No	80% of 5 Year U.S. Treasury rate plus a margin of 4.025%; Maximum change of 3.00% per rate change and 6.00% lifetime
Other Entity Involvement		No	Farmers Savings Bank & Trust Traer, IA

(B)
 L.O.

<u>Josh Van Kekerix</u>			
AG 15-078	\$295,630	22	To purchase approximately 54 acres of agricultural land in O'Brien County, Iowa.
Net Worth	\$106,623		Interest Rate 3.60% Fixed Loan Length 30 years
Prev. Owned Land		Yes	
Other Entity Involvement		No	American State Bank Sioux Center, IA

Applications with net worth greater than \$200,000.00 615

R.P.S. - Related Persons Sale, N.W. - Net Worth over \$600,000, F.I - Farm Improvements or Buildings, L.O. - Land Ownership is Yes, D.P. - Depreciable Property purchase

	<u>Project No.</u>	<u>Loan Amount</u>	<u>Age</u>	<u>Project Description, Loan Terms and Lender</u>
L.O.	<u>Ben Van Kekerix</u>			To purchase approximately 54 acres of agricultural land in O'Brien County, Iowa.
	AG 15-079	\$295,630	25	
	Net Worth	\$162,850		Interest Rate 3.60% Fixed Loan Length 30 years
	Prev. Owned Land		Yes	
	Other Entity Involvement		No	American State Bank Sioux Center, IA
F.I.	<u>Brock T. Fister</u>			To purchase approximately 40 acres of agricultural land and house in Taylor County, Iowa.
	AG 15-080	\$87,500	29	
	Net Worth	\$26,578		Interest Rate 3.75% Variable Loan Length 30 years 2.25% above the weekly average yield on United States Treasury securities adjusted to a constant maturity of 5 years.
	Prev. Owned Land		No	
	Other Entity Involvement		No	Bank Iowa Clarinda, IA
N.W.	<u>James Thompson</u>			To purchase approximately 63.5 acres of agricultural land in Delaware County, Iowa.
	AG 15-081	\$215,900	41	
	Net Worth	\$668,501		Interest Rate 3.80% Variable Loan Length 30 years 2.50% over the 5 year treasuries constant maturities rate; Lifetime cap of 6.00% over initial rate with 1.00% cap every rate adjustment
	Prev. Owned Land		No	
	Other Entity Involvement		No	GNB Bank Manchester, IA
A	<u>Kenneth L. Gansz</u>			To purchase approximately 78.66 acres of agricultural land in Webster County, Iowa.
	AG 15-082	\$361,756	24	
	Net Worth	\$234,500		Interest Rate 3.30% Variable Loan Length 30 years 1.00% over the New York Prime Rate; Fixed for 7 years; Call option at 7 years and annually thereafter
	Prev. Owned Land		No	
	Other Entity Involvement		No	Northwest Bank Fort Dodge, IA
F.I.	<u>Michael D. Bucheit</u>			To purchase approximately 180 acres of agricultural land, house and out-buildings in Clayton County, Iowa.
	AG 15-083	\$517,700	25	
	Net Worth	\$27,397		Interest Rate 2.95% Variable Loan Length 25 years Equal to PSB's municipal rate
	Prev. Owned Land		No	
	Other Entity Involvement		No	Peoples State Bank Guttenberg, WI

Applications with net worth greater than \$200,000.00 615

R.P.S. - Related Persons Sale, N.W. - Net Worth over \$600,000, F.I - Farm Improvements or Buildings, L.O. - Land Ownership is Yes, D.P. - Depreciable Property purchase

<u>Project No.</u>	<u>Loan Amount</u>	<u>Age</u>	<u>Project Description, Loan Terms and Lender</u>
<u>Kyla S. and Bret Cox</u>			
(B) R.P.S.	AG 15-084	\$98,400	52
	Net Worth	(\$38,778)	Interest Rate 5.50% Variable Loan Length 25 years
	Prev. Owned Land	No	Equal to F&M's Ag Real Estate Loan Rate
	Other Entity Involvement	No	Farmers and Merchants State Bank Winterset, IA
<u>Michael and Randi Grevengoed</u>			
(B) F.I.	AG 15-085	\$250,000	26
	Net Worth	\$53,999	Interest Rate 4.25% Variable Loan Length 15 years
	Prev. Owned Land	No	70% of American State Bank's base rate; Fixed for five years
	Other Entity Involvement	No	American State Bank Hull, IA
<u>Eric M. and Angela M. Sieh</u>			
(B) R.P.S. F.I.	AG 15-086	\$277,500	34
	Net Worth	\$216,040	Interest Rate 3.40% Variable Loan Length 30 years
	Prev. Owned Land	No	0.25% over New York Prime Rate
	Other Entity Involvement	No	Shelby County State Bank Harlan, IA
<u>Neric D. and Shawna R. Smith</u>			
(B) L.O.	AG 15-087	\$152,000	36
	Net Worth	\$168,397	Interest Rate 3.25% Variable Loan Length 30 years
	Prev. Owned Land	Yes	Equal to Wall Street Journal Prime Rate; Fixed for 10 years
	Other Entity Involvement	No	First National Bank Fairfield, IA
<u>Craig E. Schweer</u>			
(B) F.I.	AG 15-088	\$300,000	19
	Net Worth	\$64,414	Interest Rate 3.00% Variable Loan Length 30 years
	Prev. Owned Land	No	Federal Home Loan Bank Advance Rate + 1.50%
	Other Entity Involvement	No	First National Bank Waverly, IA

Applications with net worth greater than \$200,000.00 615

R.P.S. - Related Persons Sale, N.W. - Net Worth over \$600,000, F.I - Farm Improvements or Buildings, L.O. - Land Ownership is Yes, D.P. - Depreciable Property purchase

<u>Project No.</u>	<u>Loan Amount</u>	<u>Age</u>	<u>Project Description, Loan Terms and Lender</u>
(B) D.P.	<u>Ashley and Kyle Moon Bushman</u>		
	AG 15-089	\$69,000	21
	Net Worth	\$128,834	
	Prev. Owned Land		No
	Other Entity Involvement		No
			Citizens Savings Bank Spillville, IA
(B) R.P.S. F.I.	<u>Curtis B. Kuehl</u>		
	AG 15-090	\$210,000	23
	Net Worth	\$125,901	
	Prev. Owned Land		No
	Other Entity Involvement		No
			De Witt Bank & Trust Company De Witt, IA
(B) R.P.S. F.I.	<u>Jacob F. Schulte</u>		
	AG 15-091	\$225,000	25
	Net Worth	\$87,646	
	Prev. Owned Land		No
	Other Entity Involvement		No
			Pilot Grove Savings Bank Pilot Grove, IA
(B) R.P.S.	<u>Nicholas J. and Carlyn Lechtenberg</u>		
	AG 15-092	\$387,500	
	Net Worth	\$173,440	
	Prev. Owned Land		No
	Other Entity Involvement		No
			TBD Luana Savings Bank Luana, IA

Applications with net worth greater than \$200,000.00 615

R.P.S. - Related Persons Sale, N.W. - Net Worth over \$600,000, F.I - Farm Improvements or Buildings, L.O. - Land Ownership is Yes, D.P. - Depreciable Property purchase



Status: A B

L.O. & F.I.

- 1. Applicant Neil A. Ellensohn
- 2. Has \$50 application fee been received? Yes No
- 3. Applicant over age 18? 31 Yes No
- 4. Project Purpose: Land Breeding livestock Machinery Farm Improvements (Existing Buildings)
Is there a dwelling on the property? Yes No
If yes: 1) will less than 5% of the bond be used for the dwelling? Yes No
2) has an appraisal been submitted or ordered? Yes No
- 5. Are there CRP acres on property? Yes No
1) will less than 25% of the bond be used for value of CRP? Yes No
If no, will CRP acres come out of program in 12 months? Yes No
2) has an appraisal been submitted or ordered? Yes No
- 6. Will project consist of construction or purchase of livestock facilities? Yes No
If yes 1) who will own the livestock, applicant or who? Applicant or Lynch Livestock
2) if not applicant, has feeding contract been submitted? Yes No
- 7. Does Bond amount + down-payment = purchase price? Yes No
- 8. Are all details for project location/directions provided? Yes No
- 9. Are they buying from a close relative? Not Applicable Yes No
If yes: 1) is purchase price = or > appraised value? Yes No
2) have they submitted complete Fair Market Value Certificate? Yes No
3) have they submitted complete Related Person Certificate? Yes No
- 10. Have applicants previously participated in BFLP? 0 Yes No
If yes 1) what was the project number(s) # _____
2) what amount of bond was used? \$ _____
3) what amount of bond remains for them? \$ _____
4) was any amount of previous bond used for dep. property? Yes No
If yes, how much? \$ _____ (max. of \$125,000)
5) no more than \$62,500 used for non-new (used) Dep. Property? Yes No
- 11. Are all the terms for loan provided/clear? Yes No
Specific index listed: 3.90% Variable : 0.50% below Primebank Prime Real Estate Rate; Fixed for 5 years Yes No
Adjustment period listed: Adjustable annually Yes No
- 12. Have applicants previously owned/presently own land? Yes Yes No
If yes: 1) total number of acres owned and have owned? 5.96
2) in what county or counties do they own land? Plymouth
3) what is the number of acres they can own in their county? 58.5
4) did they actively participate in the management of the farm? Yes No
- 13. Will applicants provide the management/labor in operation of the project? Yes No
- 14. Will applicant/s be residents of Iowa at the time of closing? Yes No
- 15. Has the Cert. Of Applicant & Bond Purchaser been properly answered/signed? Yes No
- 16. Is a financial statement included with application? Yes No
If yes: 1) is statement within 30 days prior to submission of application? Yes No
2) is net worth < \$703,844? = 70435 Yes No
3) are detailed machinery lists/other ledgers included to support 1st page totals Yes No
4) is statement signed by all applicants and witnessed by lender or 3rd party? Yes No
5) does statement reflect down-payment being made? Yes No
If no, where will down-payment come from & obtain gift letter if needed:

17. Lender and/or applicant background letter received? Yes No

18. Other questionable items: _____



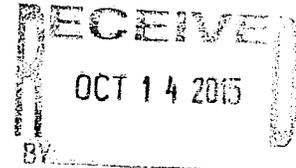
IOWA AGRICULTURAL
DEVELOPMENT DIVISION

10-14 '15 AM09:17

IOWA FINANCE AUTHORITY
2015 Grand Avenue | Des Moines, Iowa 50312
515.725.4900 | 800.432.7230 | fax 515.725.4901
IADD@iowa.gov | IowaFinanceAuthority.gov/IADD

(Date Received by IADD:)

FOR IADD USE ONLY	
Application Approved _____	Project Number: <u>AG 15-075</u>
Amount Approved _____	\$50 Fee Received: <u>\$50.00</u>



B
L.O.
F.I.

Beginning Farmer Loan Program Application

(To be completed by the applicant -- please print or type all information)

Note: Approval of this application does not constitute final loan approval. If prior to closing, it is discovered that the Project, in whole or in part, is ineligible for tax-exempt financing, or if the Project should become ineligible, the Authority may refuse to complete loan processing or reduce the loan amount.

PLEASE NOTE: This application is a publicly available document.

- Type of application** PLEASE CHECK ONE: Bank Loan or Contract Sale or Individual Investor
- Name of applicant** Neil Ellensohn Spouse 31
Address: 12721 Juniper Ave Telephone (712)540-5968
City LeMars State Iowa Zip 51031 E-mail: _____
Age (for statistical purposes) 31
- Bond Purchaser** Primebank (bank, contract seller or individual investor)
Contact Person: Cole Sitzmann Telephone (712)5464175
Address 37 1st Ave NW Fax (712)546-8785
City LeMars State Iowa Zip 51031 E-mail: cole.sitzmann@primebank.com
- Purpose of Project** (Please address all issues below:)
 Purchase land: Total Acres _____ Tillable Acres _____ CRP Acres _____
Estimated value of house \$ _____ (A dwelling & CRP acres may limit eligibility—see Program Summary)
Estimated value of out-buildings \$ _____ (An appraisal is required if property has a dwelling or outbuildings)
 Purchase machinery _____
 Purchase livestock (what and how many) _____
 Make building or other farm improvements of Building a 1200 head hog barn
Who owns property where improvements are to be made Neil Ellensohn
If constructing hog/livestock buildings, who will own animals in building? Lynch Livestock
(If applicant will not own hogs/livestock, send copy of feeding contract and/or contact the Authority concerning contract feeding arrangements)

5. Financing of Project (Contributions by applicant, lender or contract seller and IFA:)

	Land Purchase	Livestock Purchase	Machinery Purchase	New Farm Improvements	Total Project
Down payment by applicant	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Financed by lender/contract seller - BFLP bond	\$ _____	\$ _____	\$ _____	\$ 250,000	250,000
Farm Service Agency (FSA)	\$ _____	\$ _____	\$ _____	\$ 0	\$ _____
From other sources:	\$ _____	\$ _____	\$ _____	\$ 24,700	\$ 24,700
IADD Loan Participation	\$ _____	\$ _____	\$ _____	\$ 0	\$ _____
TOTAL COST OF PROJECT:	\$ _____	\$ _____	\$ _____	\$ 274,700	\$ 274,700

**Loan closing fee of 1.50% of the first \$250,000 and 0.75% over the \$250,000 amount of the BFLP bond (loan) closed.

6. Location of Project

- a. List the county and township names with section numbers (e.g. Section 26, Bristol Township, Any County, IA)
Section 6, Grant Township, Plymouth County, Iowa
- b. Location by road from nearest town: (Example - 4 miles north of Anytown, IA on State Highway 175). Roads must be identified, unless they are unmarked gravel roads, then state as such. 4 miles east of Craig Iowa and 2 mile south on Juniper Ave.
- c. Will the project consist of the construction or acquisition of buildings, structures or other immovable property, including remodeling of or additions to existing structures? (If NO, go to #7) YES NO
Will the Beginning Farmer be the sole owner of the land where the project will be located? YES NO
If NO, will applicant have a long-term lease for the length of the loan? NA YES NO

7. Seller of Property N/A

- Address _____
City _____ State _____ Zip _____ Telephone (____) _____
- a. Please indicate if you are acquiring the "Project" directly or indirectly from a related person: YES NO
If YES, please explain the relationship. _____
 - b. Please explain if you have begun to acquire or construct any part of the "Project" for which you are requesting a loan; have entered into any contract or purchase agreement (installment or otherwise) in connection with the construction or acquisition of the "Project," or have begun off-site fabrication or acquisition of any portion of the "Project."

NOTE: Down payments made more than 60 days prior to approval of the application will not be eligible for bond financing.

8. Previous tax-exempt financed projects

Have you, your spouse, minor children or any related person received tax-exempt financing of any kind in any state?
 YES NO If YES, please explain. _____

9. What is the net worth of the beginning farmer (including spouse and minor children)? \$ 70435

NOTE: A financial statement is also required of any partnership, corporation, or other entity, etc. in which the beginning farmer has a financial interest). Is a current personal financial statement taken within 30 days of submission of the application, witnessed by a bank officer and signed by all applicants enclosed? YES NO
(Please attach a copy of the financial statement and detailed list of machinery owned.)

PROPOSED LOAN TERMS FOR IADD BOND

(Complete questions 9-10 with your lender, contract seller, or individual investor, whichever is applicable.)

10. What are the proposed loan or contract sale terms?

- a. Tax-exempt interest rate: Fixed: 3.9 percent (%) OR Variable: _____ percent (%)
If variable rate, indicate specific index used: (Example--80% of bank's prime rate, such prime rate currently is 11% to be adjusted semi-annually). 5 years fix then adjustable annually at -.5% belwo Primebank Prime Real Estate

Rate _____

- b. Total term: 10 years.
- c. Repayments: monthly, quarterly, semi-annually, annually OR other (specify below)
Amount \$ _____ Does this amount include interest? YES NO
- d. Proposed Date of Closing: 10-30-15
- e. First payment due date: 12-30-15
- f. Call options as follows: _____

OR balloon _____ amount of balloon \$ _____

NOTE: Balloon will automatically end tax exemption -- See Program Summary.

11. Previous and Present Land Owned (If your answer to 11a is no, skip to question 12.)

- a. Have you, your spouse, or minor children ever directly or indirectly owned any farmland? YES NO

Note: The following are examples of indirect land ownership:

- 1) ownership of a beneficial interest in a trust which in turn holds land.
- 2) ownership of shares in a family farm corporation which owns land.
- 3) a remainder interest in land which is subject to a life estate in another person.

- b. Describe each parcel of land presently or previously owned by county location, size, and the time period during which you owned it. (If the ownership is indirect, also describe the means of ownership and the total amount owned, for example, "I have a one-fourth beneficial interest in a trust; the trust holds a total of 200 acres"):

I own acreage which consists of 5.96 acres.

- c. Have you, your spouse, or minor children done any of the following:

- 1) performed physical work on the land? 1) YES NO
- 2) participated in management decisions about operations on the land? 2) YES NO
- 3) provided regular advice and consultation on the business operations on the land? 3) YES NO
- 4) regularly inspected production activities on the land? 4) YES NO
- 5) directly or indirectly advanced funds or paid a substantial portion of the operating expenses for operations on the land? 5) YES NO
- 6) lived on the land? 6) YES NO

- d. Please describe the degree of your involvement in each activity, the frequency of your involvement and the length of time over which your involvement occurred. (Use additional sheets if necessary): _____

- e. Have you disposed of any of these parcels of land? e) YES NO

If YES, please identify the parcel(s) and the approximate date disposed: _____

- f. Did you, your spouse or minor children recognize income, for federal income purposes, as the result of cancellation of indebtedness with respect to any of the parcels disposed? f) YES NO

If YES, identify the parcel(s) with respect to which income was recognized: _____

12. Management and Labor of Project will be provided by: Neil Ellensohn

- a. Will any of the labor be performed by or management provided by individuals or entities other than the Applicants? YES NO If YES, please describe: _____

- b. Will any portion of the Project be used in connection with any new or existing farm partnership, farm corporation, limited liability company, or other formal or informal joint farming venture, including contract feeding arrangements? YES NO If YES, please describe: I will be feeding for Lynch Livestock

- c. Will any of the applicants work off the farm? YES NO If YES, amount of non-farm income anticipated: \$ 40000

Where will he/she be employed? Jim's Feed LeMars Iowa

Explain any other related details to non-farm income _____

- d. Please explain what your farming operation will consist of and include the new project:

Crop acres on owned land: 0

Crop acres on cash rented land: 0

Crop acres on crop-share rented land: 0

Owned livestock operation: _____

Contract-feeding livestock operation: 1200 @ \$36 per pig space

Other farm operations: _____

CERTIFICATIONS OF APPLICANT

(To be completed by beginning farmer applicant/s)

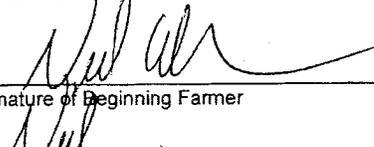
In submitting this application, I, the undersigned Beginning Farmer, have read the following statements and hereby certify and agree that:

1. I will be a permanent resident of the state of Iowa at the time of bond issuance. True False
2. I have sufficient education, training or experience in the type of farming for which this loan is requested. True False
Attach a background letter describing the education, training or experience of you and your spouse as it relates to farming.
3. The Project shall be used only for farming by myself, my spouse, and/or minor children, and we will perform the labor and provide the management needed to use the Project for farming. True False
4. None of the proceeds of the loan shall be used for the refinancing or restructuring of any existing indebtedness in whole or in part, working capital, operating purposes or for inventory or supplies for the Beginning Farmer or any related person. True False
5. I have or will have access to adequate working capital, farm equipment, machinery or livestock (if the loan proceeds are to be used to acquire agricultural land), and I have or will have access to adequate working capital or agricultural land (if the loan is to be used to acquire depreciable agricultural property). True False
6. I agree the loan may not be assumed by another person without the Authority's prior approval and then only if the purchaser of the property is an eligible applicant for an BFLP loan. I presently plan to retain the property financed by the loan for the term of the loan; however, I understand equipment and other depreciable property may be exchanged or traded in on similar property, and other property such as breeding livestock may be added or substituted as collateral at the discretion of the Lender without prior approval of the Authority. I also understand that the benefits of the loan, made at the tax-exempt rate from the proceeds of an BFLP bond, must be retained by myself, and no person to whom property is traded or otherwise transferred may obtain the benefits of the BFLP loan. True False
7. I understand and agree that I am responsible for submitting an application fee with this application and a loan closing fee of 1.50% on the first \$250,000 and 0.75% on any amount over the \$250,000 to the IADD at the time of loan closing; such fees will be used for expenses of administering the Individual Agricultural Development Bond Program. True False

All of the information I have provided in the application is true and complete. Also, I understand this application and any of the documents prepared or submitted in connection with it or the loan referred to hereon are "public records" as defined in Section 22.1 of the *Iowa Code* and are subject to examination, copying, publication or other dissemination by any person.

10-6-15

Date


Signature of Beginning Farmer


Signature of Beginning Farmer's Spouse

CERTIFICATIONS OF BOND PURCHASER

(To be completed by Lender, Contract Seller, or Individual Investor)

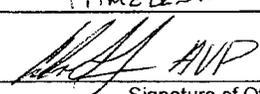
The undersigned Bond Purchaser has read the following statements and hereby certifies that:

1. All of the proceeds of the bond will be used for the acquisition, construction, reconstruction, equipping and installation of land, or property of a character subject to the allowance for depreciation under Section 167 of the Internal Revenue Code.
2. To the best of the bond purchaser's knowledge, each of the Certifications of the Applicant and all other information with respect to the project or applicant set forth in this application is true and correct.
3. The proceeds of the bond will not be used to provide working capital or finance inventory, supplies or other operating expenses for the applicant or any related person, or be used to refinance or restructure any portion of existing indebtedness.
4. The Bond Purchaser requests the Authority to issue and sell its bond to the Bond Purchaser for the purpose of financing the project to the extent thereof.
5. The principal and interest on the bond do not constitute an indebtedness of the Authority or the State of Iowa or a charge against their general credit or general funds.

10-6-15
Date

By

Primebank
Bond Purchaser or Bank Name


Signature of Official of Bank, Contract Seller, or Individual Investor

This application cannot be reviewed unless the Authority has received all of the following:

- | | |
|---|--|
| <input type="checkbox"/> \$50 application fee | <input type="checkbox"/> Background letter from applicant and lender |
| <input type="checkbox"/> Current personal financial statement witnessed by a bank officer and signed by all loan applicants | <input type="checkbox"/> Completed application form signed by both parties |
| | <input type="checkbox"/> Certificates—pages 5 & 6, if sale from close relative |

10-6-15

To Whom It May Concern:

I have been active on my family farm since graduating from Gehlen Catholic High School in 2002. In 2014, I got my first chance to rent 116 acres that I split with my cousin Andy. I have worked and helped manage my father's hog barns for 15 years. I feel that now is the time to expand my operation and construct a 1200 head hog facility. I will build the hog barn on my acreage. I have access to operating capital through Primebank which will also be providing me with an interim loan during the construction of the barn.



Neil Ellensohn



Status: A B

L.O. & F.I.

1. Applicant Jonathan E. and Anne R. Ball
2. Has \$50 application fee been received? Yes No
3. Applicant over age 18? 34 Yes No
4. Project Purpose: Land Breeding livestock Machinery Farm Improvements (Existing Buildings)
 - Is there a dwelling on the property? Yes No
 - If yes: 1) will less than 5% of the bond be used for the dwelling? Yes No
 - 2) has an appraisal been submitted or ordered? Yes No
5. Are there CRP acres on property? Yes No
 - 1) will less than 25% of the bond be used for value of CRP? Yes No
 - If no, will CRP acres come out of program in 12 months? Yes No
 - 2) has an appraisal been submitted or ordered? Yes No
6. Will project consist of construction or purchase of livestock facilities? Yes No
 - If yes 1) who will own the livestock, applicant or who? Applicant or _____
 - 2) if not applicant, has feeding contract been submitted? Yes No
7. Does Bond amount + down-payment = purchase price? Yes No
8. Are all details for project location/directions provided? Yes No
9. Are they buying from a close relative? Not Applicable Yes No
 - If yes: 1) is purchase price = or > appraised value? Yes No
 - 2) have they submitted complete Fair Market Value Certificate? Yes No
 - 3) have they submitted complete Related Person Certificate? Yes No
10. Have applicants previously participated in BFLP? 0 Yes No
 - If yes 1) what was the project number(s) # _____
 - 2) what amount of bond was used? \$ _____
 - 3) what amount of bond remains for them? \$ _____
 - 4) was any amount of previous bond used for dep. property? Yes No
 - If yes, how much? \$ _____ (max. of \$125,000)
 - 5) no more than \$62,500 used for non-new (used) Dep. Property? Yes No
11. Are all the terms for loan provided/clear? Yes No
 - Specific index listed: 4.00% Fixed : Yes No
 - Adjustment period listed: Yes No
12. Have applicants previously owned/presently own land? Yes Yes No
 - If yes: 1) total number of acres owned and have owned? 20
 - 2) in what county or counties do they own land? Louisa
 - 3) what is the number of acres they can own in their county? 31.2
 - 4) did they actively participate in the management of the farm? Yes No
13. Will applicants provide the management/labor in operation of the project? Yes No
14. Will applicant/s be residents of Iowa at the time of closing? Yes No
15. Has the Cert. Of Applicant & Bond Purchaser been properly answered/signed? Yes No
16. Is a financial statement included with application? Yes No
 - If yes: 1) is statement within 30 days prior to submission of application? Yes No
 - 2) is net worth < \$703,844? = 331670 Yes No
 - 3) are detailed machinery lists/other ledgers included to support 1st page totals Yes No
 - 4) is statement signed by all applicants and witnessed by lender or 3rd party? Yes No
 - 5) does statement reflect down-payment being made? Yes No

If no, where will down-payment come from & obtain gift letter if needed:
17. Lender and/or applicant background letter received? Yes No
18. Other questionable items: _____



IOWA AGRICULTURAL
DEVELOPMENT DIVISION

IOWA FINANCE AUTHORITY
2015 Grand Avenue | Des Moines, Iowa 50312
515.725.4900 | 800.432.7230 | fax 515.725.4901
IADD@iowa.gov | IowaFinanceAuthority.gov/IADD

(Date Received by IADD:)

FOR IADD USE ONLY	
Application Approved _____	Project Number: <u>AG 15-076</u>
Amount Approved _____	\$50 Fee Received: <u>\$50.00</u>

RECEIVED B
OCT 15 2015
BY: _____ L.O.
F.I.

Beginning Farmer Loan Program Application

(To be completed by the applicant -- please print or type all information)

Note: Approval of this application does not constitute final loan approval. If prior to closing, it is discovered that the Project, in whole or in part, is ineligible for tax-exempt financing, or if the Project should become ineligible, the Authority may refuse to complete loan processing or reduce the loan amount.

PLEASE NOTE: This application is a publicly available document.

- Type of application PLEASE CHECK ONE: Bank Loan or Contract Sale or Individual Investor
- Name of applicant Jonathan E. Ball Spouse Anne R. Ball
Address: 2515 123rd Ave Telephone (319) 209-0445
City Wapello State IA Zip 52653 E-mail: Jonny.Anne.Ball@gmail.com
Age (for statistical purposes) 34
- Bond Purchaser Mediapolis Savings Bank (bank, contract seller or individual investor)
Contact Person: Jeffrey L. Burgess Telephone (319) 394-3191
Address P.O. Box 397 Fax (319) 394-3981
City Mediapolis State IA Zip 52637 E-mail: jburgus@mediapolisSavingsbank.net
- Purpose of Project (Please address all issues below:)
 Purchase land: Total Acres 178 Tillable Acres _____ CRP Acres _____
Estimated value of house \$ _____ (A dwelling & CRP acres may limit eligibility—see Program Summary)
Estimated value of out-buildings \$ 135,500 (An appraisal is required if property has a dwelling or outbuildings)
 Purchase machinery _____
 Purchase livestock (what and how many) _____
 Make building or other farm improvements of _____
Who owns property where improvements are to be made _____
If constructing hog/livestock buildings, who will own animals in building? _____
(If applicant will not own hogs/livestock, send copy of feeding contract and/or contact the Authority concerning contract feeding arrangements)

5. Financing of Project (Contributions by applicant, lender or contract seller and IFA:)

	Land Purchase	Livestock Purchase	Machinery Purchase	New Farm Improvements	Total Project
Down payment by applicant	\$ 100,000	\$	\$	\$	\$ 100,000
Financed by lender/contract seller - BFLP bond	\$ 517,700	\$	\$	\$	\$ 517,700 **
Farm Service Agency (FSA)	\$	\$	\$	\$	\$
From other sources: <u>Mediapolis Savings Bank</u>	\$ 94,300	\$	\$	\$	\$ 94,300
IADD Loan Participation	\$	\$	\$	\$	\$
TOTAL COST OF PROJECT:	\$ 712,000	\$	\$	\$	\$ 712,000

**Loan closing fee of 1.50% of the first \$250,000 and 0.75% over the \$250,000 amount of the BFLP bond (loan) closed.

6. Location of Project

- a. List the county and township names with section numbers (e.g. Section 26, Bristol Township, Any County, IA)
Louisa County, Township 73 North - Range 3, West Section 15 & 22 Wapello Township
- b. Location by road from nearest town: (Example - 4 miles north of Anytown, IA on State Highway 175). Roads must be identified, unless they are unmarked gravel roads, then state as such. From Wapello, IA, 4-1/2 miles south on Highway 61 then 1 mile west on 40th St
- c. Will the project consist of the construction or acquisition of buildings, structures or other immovable property, including remodeling of or additions to existing structures? (If NO, go to #7) YES NO
Will the Beginning Farmer be the sole owner of the land where the project will be located? YES NO
If NO, will applicant have a long-term lease for the length of the loan? NA YES NO

7. Seller of Property Cowles Farm Inc.

Address 17760 70th St
City Morning Sun State IA Zip 521640 Telephone ()

- a. Please indicate if you are acquiring the "Project" directly or indirectly from a related person: YES NO
If YES, please explain the relationship.
- NOTE: Contract sales are not allowed between the beginning farmer and their grandparents, parents, children or siblings. Cash/bank loans are permitted with these relatives, but the Authority's Fair Market Value Certificate and Related Person Certificate must be completed.
- b. Please explain if you have begun to acquire or construct any part of the "Project" for which you are requesting a loan; have entered into any contract or purchase agreement (installment or otherwise) in connection with the construction or acquisition of the "Project," or have begun off-site fabrication or acquisition of any portion of the "Project."
Signed purchase agreement dated 6-21-15

NOTE: Down payments made more than 60 days prior to approval of the application will not be eligible for bond financing.

8. Previous tax-exempt financed projects

Have you, your spouse, minor children or any related person received tax-exempt financing of any kind in any state?
 YES NO If YES, please explain.

9. What is the net worth of the beginning farmer (including spouse and minor children)? \$ 331,670

NOTE: A financial statement is also required of any partnership, corporation, or other entity, etc. in which the beginning farmer has a financial interest.
Is a current personal financial statement taken within 30 days of submission of the application, witnessed by a bank officer and signed by all applicants enclosed? YES NO
(Please attach a copy of the financial statement and detailed list of machinery owned.)

PROPOSED LOAN TERMS FOR IADD BOND

(Complete questions 9-10 with your lender, contract seller, or individual investor, whichever is applicable.)

10. What are the proposed loan or contract sale terms?

- a. Tax-exempt interest rate: Fixed: 4 percent (%) OR Variable: _____ percent (%)
If variable rate, indicate specific index used: (Example--80% of bank's prime rate, such prime rate currently is 11% to be adjusted semi-annually).
- b. Total term: 20 years.
- c. Repayments: monthly, quarterly, semi-annually, annually OR other (specify below)
Amount \$ 38,104.07 Does this amount include interest? YES NO
- d. Proposed Date of Closing: December, 2015
- e. First payment due date: December, 2016
- f. Call options as follows:

OR balloon _____ amount of balloon \$ No balloon

NOTE: Balloon will automatically end tax exemption -- See Program Summary.

11. Previous and Present Land Owned (If your answer to 11a is no, skip to question 12.)

a. Have you, your spouse, or minor children ever directly or indirectly owned any farmland? YES NO

Note: The following are examples of indirect land ownership:

- 1) ownership of a beneficial interest in a trust which in turn holds land.
- 2) ownership of shares in a family farm corporation which owns land.
- 3) a remainder interest in land which is subject to a life estate in another person.

b. Describe each parcel of land presently or previously owned by county location, size, and the time period during which you owned it. (If the ownership is indirect, also describe the means of ownership and the total amount owned, for example, "I have a one-fourth beneficial interest in a trust; the trust holds a total of 200 acres"):

House & 20 Acres, purchased in March 2012, sold in August 2015 in rural Louisa County, IA

c. Have you, your spouse, or minor children done any of the following:

- | | |
|--|---|
| 1) performed physical work on the land? | 1) <input checked="" type="checkbox"/> YES <input checked="" type="checkbox"/> NO |
| 2) participated in management decisions about operations on the land? | 2) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO |
| 3) provided regular advice and consultation on the business operations on the land? | 3) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO |
| 4) regularly inspected production activities on the land? | 4) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO |
| 5) directly or indirectly advanced funds or paid a substantial portion of the operating expenses for operations on the land? | 5) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO |
| 6) lived on the land? | 6) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO |

d. Please describe the degree of your involvement in each activity, the frequency of your involvement and the length of time over which your involvement occurred. (Use additional sheets if necessary): N/A

e. Have you disposed of any of these parcels of land? e) YES NO

If YES, please identify the parcel(s) and the approximate date disposed: _____

f. Did you, your spouse or minor children recognize income, for federal income purposes, as the result of cancellation of indebtedness with respect to any of the parcels disposed? f) YES NO

If YES, identify the parcel(s) with respect to which income was recognized: _____

12. Management and Labor of Project will be provided by: Jonathan Ball

a. Will any of the labor be performed by or management provided by individuals or entities other than the Applicants? YES NO If YES, please describe: _____

b. Will any portion of the Project be used in connection with any new or existing farm partnership, farm corporation, limited liability company, or other formal or informal joint farming venture, including contract feeding arrangements? YES NO If YES, please describe: _____

c. Will any of the applicants work off the farm? YES NO If YES, amount of non-farm income anticipated: \$ 10,000
Where will he/she be employed? Barrington Glass Co. Burlington, IA - Part time
Explain any other related details to non-farm income _____

d. Please explain what your farming operation will consist of and include the new project:

Crop acres on owned land:	<u>151</u>
Crop acres on cash rented land:	<u>0</u>
Crop acres on crop-share rented land:	<u>182.50</u>
Owned livestock operation:	<u>#23 stock cows</u>
Contract-feeding livestock operation:	<u>NONE</u>
Other farm operations:	<u>NONE</u>

CERTIFICATIONS OF APPLICANT

(To be completed by beginning farmer applicant/s)

In submitting this application, I, the undersigned Beginning Farmer, have read the following statements and hereby certify and agree that:

1. I will be a permanent resident of the state of Iowa at the time of bond issuance. True False
2. I have sufficient education, training or experience in the type of farming for which this loan is requested. True False
Attach a background letter describing the education, training or experience of you and your spouse as it relates to farming.
3. The Project shall be used only for farming by myself, my spouse, and/or minor children, and we will perform the labor and provide the management needed to use the Project for farming. True False
4. None of the proceeds of the loan shall be used for the refinancing or restructuring of any existing indebtedness in whole or in part, working capital, operating purposes or for inventory or supplies for the Beginning Farmer or any related person. True False
5. I have or will have access to adequate working capital, farm equipment, machinery or livestock (if the loan proceeds are to be used to acquire agricultural land), and I have or will have access to adequate working capital or agricultural land (if the loan is to be used to acquire depreciable agricultural property). True False
6. I agree the loan may not be assumed by another person without the Authority's prior approval and then only if the purchaser of the property is an eligible applicant for an BFLP loan. I presently plan to retain the property financed by the loan for the term of the loan; however, I understand equipment and other depreciable property may be exchanged or traded in on similar property, and other property such as breeding livestock may be added or substituted as collateral at the discretion of the Lender without prior approval of the Authority. I also understand that the benefits of the loan, made at the tax-exempt rate from the proceeds of an BFLP bond, must be retained by myself, and no person to whom property is traded or otherwise transferred may obtain the benefits of the BFLP loan. True False
7. I understand and agree that I am responsible for submitting an application fee with this application and a loan closing fee of 1.50% on the first \$250,000 and 0.75% on any amount over the \$250,000 to the IADD at the time of loan closing; such fees will be used for expenses of administering the Individual Agricultural Development Bond Program. True False

All of the information I have provided in the application is true and complete. Also, I understand this application and any of the documents prepared or submitted in connection with it or the loan referred to hereon are "public records" as defined in Section 22.1 of the Iowa Code and are subject to examination, copying, publication or other dissemination by any person.

October 12, 2015

Date

Jonathan E. Bull

Signature of Beginning Farmer

Anne R. Bull

Signature of Beginning Farmer's Spouse

CERTIFICATIONS OF BOND PURCHASER

(To be completed by Lender, Contract Seller, or Individual Investor)

The undersigned Bond Purchaser has read the following statements and hereby certifies that:

1. All of the proceeds of the bond will be used for the acquisition, construction, reconstruction, equipping and installation of land, or property of a character subject to the allowance for depreciation under Section 167 of the Internal Revenue Code.
2. To the best of the bond purchaser's knowledge, each of the Certifications of the Applicant and all other information with respect to the project or applicant set forth in this application is true and correct.
3. The proceeds of the bond will not be used to provide working capital or finance inventory, supplies or other operating expenses for the applicant or any related person, or be used to refinance or restructure any portion of existing indebtedness.
4. The Bond Purchaser requests the Authority to issue and sell its bond to the Bond Purchaser for the purpose of financing the project to the extent thereof.
5. The principal and interest on the bond do not constitute an indebtedness of the Authority or the State of Iowa or a charge against their general credit or general funds.

Mediapolis Savings Bank

Bond Purchaser or Bank Name

Oct. 12, 2015

Date

By

[Signature] President / CEO

Signature of Official of Bank, Contract Seller, or Individual Investor

This application cannot be reviewed unless the Authority has received all of the following:

- | | |
|--|---|
| <input checked="" type="checkbox"/> \$50 application fee | <input checked="" type="checkbox"/> Background letter from applicant and lender |
| <input checked="" type="checkbox"/> Current personal financial statement witnessed by a bank officer and signed by all loan applicants | <input checked="" type="checkbox"/> Completed application form signed by both parties |
| | <input type="checkbox"/> Certificates—pages 5 & 6, if sale from close relative |

- Individual
- Partnership
- Corporation
- Limited Liability Corp.

FINANCIAL STATEMENT

(Agricultural)

Customer # _____
 SS# _____ Birthdate _____
 SS# _____ Birthdate _____
 Phone _____

Name: JONATHAN E. & ANNE R. BALL Address: 13828 40th St., Wapello IA, 52653

To: Mediapolis Savings Bank, Mediapolis, IA 52607 Date of Statement: Oct. 12, 2015

ASSETS		LIABILITIES	
CURRENT ASSETS		CURRENT LIABILITIES (Due within 12 Months)	
Cash: Ckg. <u>2277</u> Sav. <u>155,409</u>	<u>157,686</u>	Notes Due this Bank - secured (Schedule H)	None
Crops or Feed on Hand (Schedule F)	None	Notes to Others - secured (Schedule H)	None
Livestock Held for Sale (Schedule D)	<u>25,200</u>	Notes to Others - unsecured (Schedule H)	<u>86,000</u>
Marketable Bonds and Securities (Schedule C)	None	Accounts Payable (Schedule H)	None
Accounts or Notes Receivable	None	Lease Payments	None
Other Deposit Accounts - <u>Two Rivers</u>	<u>14,179</u>	Comm. Cred. Corp. Loans - Grain	None
Cash Invested in Crop (Schedule F)	<u>90,000</u>	Portion Due within 12 Months - INTERMEDIATE	See below
		LONG TERM	None
Prepaid Expenses	None	Accrued Interest	<u>1,400</u>
Margin Accounts	None	Taxes - Income	Paid
Cash Value Life Insurance (Schedule B)	None	Real and Personal Property	None
		Rent	None
TOTAL - Current Assets	<u>287,065</u>	Owe on Cash Value Life Ins. (Schedule B)	None
		TOTAL - Current Liabilities	<u>87,400</u>
INTERMEDIATE TERM ASSETS		INTERMEDIATE TERM LIABILITIES	
Machinery, Equipment, Cars, Trucks (Schedule G)	<u>51,250</u>	Portion of loans of more than 12 Months	None
Breeding Stock (Schedule E)	<u>60,500</u>	Machinery and Equipment	None
Securities - Not Readily Marketable (Schedule C)	None	Breeding Stock	None
Retirement Accounts (IRA, Keogh, SEP)	None	Lease Payments Due Beyond 1 Year	None
Personal and Recreational Vehicles		<u>Two Rivers - Van</u>	<u>12,745</u>
<u>2012 Dodge Caravan</u>	<u>15,000</u>	Notes to Relatives	None
<u>Plate Boat & Honda Rancher</u>	<u>18,000</u>		
TOTAL - Intermediate Assets	<u>144,750</u>	TOTAL - Intermediate Liabilities	<u>12,745</u>
LONG TERM OR FIXED ASSETS		LONG TERM LIABILITIES	
Farm Real Estate (Schedule A)	None	Real Estate Mortgages (Schedule A) - Except that portion listed under Current Liabilities	None
Other Real Estate (Schedule A)	None		
Contracts & Notes Receivable	None	TOTAL - Long Term Liabilities	None
TOTAL - Fixed Assets	None	TOTAL LIABILITIES	<u>100,145</u>
TOTAL ASSETS	<u>431,815</u>	PRESENT NET WORTH	<u>331,670</u>
		TOTAL LIABILITIES & NET WORTH	<u>431,815</u>

SCHEDULE A - Real Estate - Owned or Rented

Acres	Description and Location	Title in Whose Name	Cost	Present Value	Mortgages	Rate	Mortgagee
None							

Mortgage Payments and Dates Due

Acres Rented	<u>50</u>	From Whom	<u>Carl & Janice Oble</u>	Type of Lease	<u>Cash \$100/Ac</u>	Due	<u>Spring & Fall</u>
Acres Rented	<u>215</u>	From Whom	<u>John & Patty Stover</u>	Type of Lease	<u>50%/50%</u>	Due	<u>Fall</u>
Acres Rented		From Whom		Type of Lease		Due	
Acres Rented		From Whom		Type of Lease		Due	

For the purpose of securing credit from Mediapolis Savings Bank, this statement is furnished and is certified to be true and correct. I (or We) agree to notify said bank promptly of any material change herein.

I (or We) further certify that all the blanks contained in the foregoing statement were completed before I (or We) signed hereunder either by inserting information furnished by the undersigned, or by inserting the words "None" or "Not Applicable (N/A)".

Date: October 12, 2015 Signature: Jonathan E. Ball
 Witness: [Signature] Signature: Anne R. Ball

1. Do you have a Will? **No** 7. Your Age: **34/32** Physical Condition: **Good**
 2. Ages of Children at Home: **3, 10 months** 8. Have you ever been involved in a bankruptcy? **No**
 3. Insurance on Crops: **Yes** 9. Are any suits pending against you? **No**
 4. Insurance on Buildings (Fire, Exp. Gov.): **Yes** 10. Do you carry health, accident or hospital insurance? **Yes**
 5. Insurance on Machinery, Equipment and Livestock: **Yes** 11. Liability Insurance Coverage: **Yes**
 6. Pensions and/or Annuities: **None** 12. Other Income: **9,250/month - J \$10,900/yr - A**
 If a Partnership or Corporation, Name Participants: _____ Addresses: _____ Per Cent interest: _____

SCHEDULE B - Life Insurance (include credit life)

Insurance Company	Beneficiary	Face Value	Cash Value	Amt. Borrowed	From Whom
None					

SCHEDULE C - Bonds and Securities **SCHEDULE G - Machinery and Equipment**

No. of Shares or Par Value Bonds	Description	Market Value	No.	Make	Kind	Model	Year	Desc.	Value
				IH	Tractor	1066	74	w/loader	8000
TOTAL		None			Tractor				
					Combine				
					Com Head				

SCHEDULE D - Livestock Held for Sale

Number	Description	Wt.	Price	Value
21	CALVES	400	1200	25,200
TOTAL				25,200

SCHEDULE E - Breeding Stock

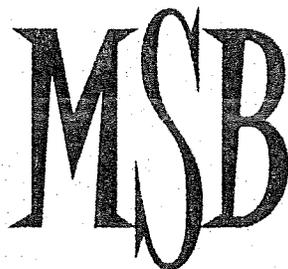
Number	Description	Age	Wt	Price	Value
23	Stock Cows			2500	57,500
1	Angus bull			3000	3000
				1/2 Triple	Grain Trailer
					08
					11,250
TOTAL					70,500

SCHEDULE F - Crops or Feed on Hand or Growing (your share only)

Crop or Feed	Quantity	Total Value	Acres in Crops Owned	Acres in Crops Rented	Cash Invested in Crop
			2015 Crop		90,000
			Trucks		
TOTALS		None			90,000

SCHEDULE H - Notes and Accounts Payable

Notes	Balance Due	Holder	Collateral	Terms	Repayment
	86,000	Truod Rivers Bank - Trust	Growing Crop	60-98	Annually
	12,745	Truod Rivers Bank - Trust	Donor Canadian	4mo	\$300/month
TOTAL					
Accounts	Amount Due	To Whom	Repayment Arrangements		
	None				
TOTAL					
Contingent Liabilities	Amount	Description			
	None				



10-15 '15 AM 09:51

MEDIAPOLIS SAVINGS BANK

October 12, 2015

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Iowa Agricultural Development Division
c/o Iowa Finance Authority
2015 Grand Avenue
Des Moines, Iowa 50312
Re: Beginning Farmer Loan Program Application- Jonny and Anne Ball

Dear IADD Board of Directors,

Mediapolis Savings bank is submitting an application to help this young farm couple purchase 178 acres of land in Louisa County.

I have personally known each of them since they were youth, participating in 4H and FFA activities. They come from successful farm families, and have a strong desire to begin purchasing their own land and expand their existing operation.

At the present time, Jonny works for his father and uncle. They allow him to use their equipment in exchange for a portion of his labor. He has also begun to purchase a few items of equipment on his own. Jonny and Anne also maintain a small herd of stock cows, again utilizing land either rented for pasture or hay.

Mediapolis Savings Bank has committed to finance their farm operating needs for 2016. In our application, the purchase price less the down payment from the Ball's will exceed the program limit of \$517,700. Mediapolis Savings Bank has agreed to finance the remaining balance of approximately \$94,300 to be secured by their remaining farm assets. We do not anticipate the need for interim financing.

We are pleased to be able to submit this application on behalf of Jonny and Anne. Should you have any questions regarding this application, please give me a call or you may contact me at jburgus@mediapolissavingsbank.net.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Jeffrey L. Burgus'. The signature is fluid and cursive, with a large loop at the end.

Jeffrey L. Burgus
President and CEO

205 N WAPELLO STREET
MEDIAPOLIS, IOWA 52637
319.394.3191

605 MAIN STREET
MEDIAPOLIS, IOWA 52637
319.394.3191

P.O. BOX 7
MORNING SUN, IOWA 52640
319.868.3125

WWW.MEDIAPOLISSAVINGSBANK.NET

October 8, 2015

Iowa Agricultural Development Division
c/o Iowa Finance Authority
2015 Grand Ave
Des Moines, IA 50312

RE: Beginning Farmer Loan Program Application – Jonny & Anne Ball

Dear IADD Board of Directors:

Please find attached a Beginning Farmer Loan application being submitted for the purchase of 178 acres of agricultural land and buildings.

I grew up farming with my grandfather, father, and uncle. I have always had an interest in continuing their farming tradition and assisted with all aspects of the farm. In 2008 I began cash renting 50 acres of farm ground and working full time for my family's farm operation. Soon after, I also purchased 23 head of cattle and worked them along with the family's herd. I married in 2009 and began looking more intently for land to support my family as well as expand on what my family has started. It took time for something to come available and I feel this 178 acre parcel will be a solid start toward that goal.

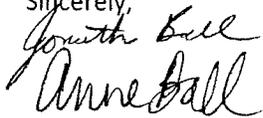
When I was younger I was involved in our local FFA chapter and also was a 4-H member. After high school, I attended Southeastern Community College and completed the Welding Program. I learned welding techniques which I actually use frequently in maintenance of farm machinery and livestock equipment.

I have an agreement with my father and other family members allowing me to contribute my labor to the farming operation in exchange for use of their machinery on my acres. This is allowing me to get started in farming without huge machinery debt.

Our local bank is very supportive of young farmers and involved in many ag loans. Several of the loan officers have or had farms of their own so are very knowledgeable. My father and father-in-law have both held operating loans through this bank over the years and I currently hold a loan there as well.

I would appreciate your consideration of this application.

Sincerely,



Jonny Ball
Anne Ball

Jonny Ball
Anne Ball



Status: A B

1. Applicant Kyle A. and Shellina Herink
2. Has \$50 application fee been received? Yes No
3. Applicant over age 18? 26 Yes No
4. Project Purpose: Land Breeding livestock Machinery Farm Improvements (Existing Buildings)
 - Is there a dwelling on the property? Yes No
 - If yes: 1) will less than 5% of the bond be used for the dwelling? Yes No
 - 2) has an appraisal been submitted or ordered? Yes No
5. Are there CRP acres on property? Yes No
 - 1) will less than 25% of the bond be used for value of CRP? Yes No
 - If no, will CRP acres come out of program in 12 months? Yes No
 - 2) has an appraisal been submitted or ordered? Yes No
6. Will project consist of construction or purchase of livestock facilities? Yes No
 - If yes 1) who will own the livestock, applicant or who? Applicant or _____
 - 2) if not applicant, has feeding contract been submitted? Yes No
7. Does Bond amount + down-payment = purchase price? Yes No
8. Are all details for project location/directions provided? Yes No
9. Are they buying from a close relative? Not Applicable Yes No
 - If yes: 1) is purchase price = or > appraised value? Yes No
 - 2) have they submitted complete Fair Market Value Certificate? Yes No
 - 3) have they submitted complete Related Person Certificate? Yes No
10. Have applicants previously participated in BFLP? 0 Yes No
 - If yes 1) what was the project number(s) # _____
 - 2) what amount of bond was used? \$ _____
 - 3) what amount of bond remains for them? \$ _____
 - 4) was any amount of previous bond used for dep. property? Yes No
 - If yes, how much? \$ _____ (max. of \$125,000)
 - 5) no more than \$62,500 used for non-new (used) Dep. Property? Yes No
11. Are all the terms for loan provided/clear? Yes No
 - Specific index listed: 4.40% Variable : 80% of 5 Year U.S. Treasury rate plus a margin of 4.025% Yes No
 - Adjustment period listed: Adjustable every five years Yes No
12. Have applicants previously owned/presently own land? No Yes No
 - If yes: 1) total number of acres owned and have owned? _____
 - 2) in what county or counties do they own land? _____
 - 3) what is the number of acres they can own in their county? _____
 - 4) did they actively participate in the management of the farm? Yes No
13. Will applicants provide the management/labor in operation of the project? Yes No
14. Will applicant/s be residents of Iowa at the time of closing? Yes No
15. Has the Cert. Of Applicant & Bond Purchaser been properly answered/signed? Yes No
16. Is a financial statement included with application? Yes No
 - If yes: 1) is statement within 30 days prior to submission of application? Yes No
 - 2) is net worth < \$703,844? = 172245 Yes No
 - 3) are detailed machinery lists/other ledgers included to support 1st page totals Yes No
 - 4) is statement signed by all applicants and witnessed by lender or 3rd party? Yes No
 - 5) does statement reflect down-payment being made? Yes No

If no, where will down-payment come from & obtain gift letter if needed:
17. Lender and/or applicant background letter received? Yes No
18. Other questionable items: _____



IOWA AGRICULTURAL
DEVELOPMENT DIVISION

10-16-15 AM 09:22

IOWA FINANCE AUTHORITY
2015 Grand Avenue | Des Moines, Iowa 50312
515.725.4900 | 800.432.7230 | fax 515.725.4901
IADD@iowa.gov | IowaFinanceAuthority.gov/IADD

(Date Received by IADD:)

FOR IADD USE ONLY	
Application Approved _____	Project Number: AG 15-077
Amount Approved _____	\$50 Fee Received: \$ 50.00

RECEIVED A
OCT 19 2015
BY: _____

Beginning Farmer Loan Program Application

(To be completed by the applicant -- please print or type all information)

Note: Approval of this application does not constitute final loan approval. If prior to closing, it is discovered that the Project, in whole or in part, is ineligible for tax-exempt financing, or if the Project should become ineligible, the Authority may refuse to complete loan processing or reduce the loan amount.

PLEASE NOTE: This application is a publicly available document.

1. Type of application **PLEASE CHECK ONE:** Bank Loan or Contract Sale or Individual Investor

2. Name of applicant Kyle A Herink Spouse Shellina
Address: 2277 Hwy E 29 Telephone (319)-269-2089
City Clutier State Iowa Zip 50675 E-mail: _____
Age (for statistical purposes) 26

3. Bond Purchaser Farmers Savings Bank & Trust (bank, contract seller or individual investor)
Contact Person: Jeffrey L. Jacobs Telephone (319)478-2148
Address 611 2nd St Fax (319-478-2023)
City Traer State Iowa Zip 50675 E-mail: j.jacobs@fsb-traer.com

4. Purpose of Project (Please address all issues below:)

- Purchase land: Total Acres 86.34 Tillable Acres 80.65 CRP Acres 0
Estimated value of house \$ 0 (A dwelling & CRP acres may limit eligibility—see Program Summary)
Estimated value of out-buildings \$ 0 (An appraisal is required if property has a dwelling or outbuildings)
- Purchase machinery _____
 Purchase livestock (what and how many) _____
 Make building or other farm improvements of _____
Who owns property where improvements are to be made _____
If constructing hog/livestock buildings, who will own animals in building? _____
(If applicant will not own hogs/livestock, send copy of feeding contract and/or contact the Authority concerning contract feeding arrangements)

5. Financing of Project (Contributions by applicant, lender or contract seller and IFA:)

	Land Purchase	Livestock Purchase	Machinery Purchase	New Farm Improvements	Total Project
Down payment by applicant	\$ 16500	\$	\$	\$	\$ 16,500
Financed by lender/contract seller - BFLP bond	\$ 383500	\$	\$	\$	\$ 383,500 **
Farm Service Agency (FSA)	\$ 300000	\$	\$	\$	\$ 300,000
From other sources: _____	\$	\$	\$	\$	\$
IADD Loan Participation	\$	\$	\$	\$	\$
TOTAL COST OF PROJECT:	\$ 700,000.00	\$	\$	\$	\$ 700,000

**Loan closing fee of 1.50% of the first \$250,000 and 0.75% over the \$250,000 amount of the BFLP bond (loan) closed.

6: Location of Project

- a. List the county and township names with section numbers (e.g. Section 26, Bristol Township, Any County, IA)
Section 5, Carroll Township, Tama County Iowa
- b. Location by road from nearest town: (Example - 4 miles north of Anytown, IA on State Highway 175). **Roads must be identified, unless they are unmarked gravel roads, then state as such.** West of Traer 3 miles to gravel road N Ave and 3.5 miles South on 2217 N Ave.
- c. Will the project consist of the construction or acquisition of buildings, structures or other immovable property, including remodeling of or additions to existing structures? (If NO, go to #7) YES NO
 Will the Beginning Farmer be the sole owner of the land where the project will be located? YES NO
 If NO, will applicant have a long-term lease for the length of the loan? NA YES NO

7. Seller of Property 1/2 of the Edward Buresh Estate

Address 2217 N Ave
 City Traer State Iowa Zip 50675 Telephone ()

- a. Please indicate if you are acquiring the "Project" directly or indirectly from a related person: YES NO
 If YES, please explain the relationship.
- NOTE: Contract sales are not allowed between the beginning farmer and their grandparents, parents, children or siblings. Cash/bank loans are permitted with these relatives, but the Authority's Fair Market Value Certificate and Related Person Certificate must be completed.
- b. Please explain if you have begun to acquire or construct any part of the "Project" for which you are requesting a loan; have entered into any contract or purchase agreement (installment or otherwise) in connection with the construction or acquisition of the "Project," or have begun off-site fabrication or acquisition of any portion of the "Project."

NOTE: Down payments made more than 60 days prior to approval of the application will not be eligible for bond financing.

8. Previous tax-exempt financed projects

Have you, your spouse, minor children or any related person received tax-exempt financing of any kind in any state?
 YES NO If YES, please explain.

9. What is the net worth of the beginning farmer (including spouse and minor children)? \$ 172,245.00

NOTE: A financial statement is also required of any partnership, corporation, or other entity, etc. in which the beginning farmer has a financial interest).
 Is a current personal financial statement taken within 30 days of submission of the application, witnessed by a bank officer and signed by all applicants enclosed? YES NO
 (Please attach a copy of the financial statement and detailed list of machinery owned.)

PROPOSED LOAN TERMS FOR IADD BOND

(Complete questions 9-10 with your lender, contract seller, or individual investor, whichever is applicable.)

10. What are the proposed loan or contract sale terms?

- a. Tax-exempt interest rate: Fixed: _____ percent (%) OR Variable: 4.40 percent (%)
 If variable rate, indicate specific index used: (Example--80% of bank's prime rate, such prime rate currently is 11% to be adjusted semi-annually). 80% of 5 Year US Treasury rate plus a margin of 4.025.
This rate is a five year adjustable rate with a maximum change of 3% per change and 6% lifetime change
- b. Total term: 30 years.
- c. Repayments: monthly, quarterly, semi-annually, annually OR other (specify below)
 Amount \$ 25,000.00 Does this amount include interest? YES NO
- d. Proposed Date of Closing: 11/29/2015
- e. First payment due date: 11/29/2016
- f. Call options as follows: _____

OR balloon _____ amount of balloon \$ _____

NOTE: Balloon will automatically end tax exemption -- See Program Summary.

11. Previous and Present Land Owned (If your answer to 11a is no, skip to question 12.)

a. Have you, your spouse, or minor children ever directly or indirectly owned any farmland? YES NO

Note: The following are examples of indirect land ownership:

- 1) ownership of a beneficial interest in a trust which in turn holds land.
- 2) ownership of shares in a family farm corporation which owns land.
- 3) a remainder interest in land which is subject to a life estate in another person.

b. Describe each parcel of land presently or previously owned by county location, size, and the time period during which you owned it. (If the ownership is indirect, also describe the means of ownership and the total amount owned, for example, "I have a one-fourth beneficial interest in a trust; the trust holds a total of 200 acres"):

c. Have you, your spouse, or minor children done any of the following:

- 1) performed physical work on the land? 1) YES NO
- 2) participated in management decisions about operations on the land? 2) YES NO
- 3) provided regular advice and consultation on the business operations on the land? 3) YES NO
- 4) regularly inspected production activities on the land? 4) YES NO
- 5) directly or indirectly advanced funds or paid a substantial portion of the operating expenses for operations on the land? 5) YES NO
- 6) lived on the land? 6) YES NO

d. Please describe the degree of your involvement in each activity, the frequency of your involvement and the length of time over which your involvement occurred. (Use additional sheets if necessary):

e. Have you disposed of any of these parcels of land? e) YES NO
 If YES, please identify the parcel(s) and the approximate date disposed:

f. Did you, your spouse or minor children recognize income, for federal income purposes, as the result of cancellation of indebtedness with respect to any of the parcels disposed? f) YES NO
 If YES, identify the parcel(s) with respect to which income was recognized:

12. Management and Labor of Project will be provided by: Kyle A. Herink

a. Will any of the labor be performed by or management provided by individuals or entities other than the Applicants? YES NO If YES, please describe:

b. Will any portion of the Project be used in connection with any new or existing farm partnership, farm corporation, limited liability company, or other formal or informal joint farming venture, including contract feeding arrangements? YES NO If YES, please describe:

c. Will any of the applicants work off the farm? YES NO If YES, amount of non-farm income anticipated: \$ 44,260.00
 Where will he/she be employed? Wheaton Franciscan
 Explain any other related details to non-farm income Shellina Herink work full time off farm.

d. Please explain what your farming operation will consist of and include the new project:

Crop acres on owned land:	<u>80</u>
Crop acres on cash rented land:	<u>105</u>
Crop acres on crop-share rented land:	<u>0</u>
Owned livestock operation:	<u>30 Cow-Calf Purebred Gelbvieh Operation</u>
Contract-feeding livestock operation:	<hr/>
Other farm operations:	<hr/>

CERTIFICATIONS OF APPLICANT

(To be completed by beginning farmer applicant/s)

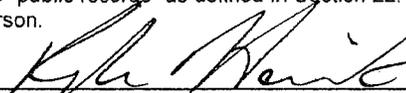
In submitting this application, I, the undersigned Beginning Farmer, have read the following statements and hereby certify and agree that:

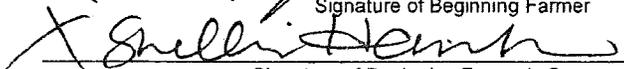
1. I will be a permanent resident of the state of Iowa at the time of bond issuance. True False
2. I have sufficient education, training or experience in the type of farming for which this loan is requested. True False
Attach a background letter describing the education, training or experience of you and your spouse as it relates to farming.
3. The Project shall be used only for farming by myself, my spouse, and/or minor children, and we will perform the labor and provide the management needed to use the Project for farming. True False
4. None of the proceeds of the loan shall be used for the refinancing or restructuring of any existing indebtedness in whole or in part, working capital, operating purposes or for inventory or supplies for the Beginning Farmer or any related person. True False
5. I have or will have access to adequate working capital, farm equipment, machinery or livestock (if the loan proceeds are to be used to acquire agricultural land), and I have or will have access to adequate working capital or agricultural land (if the loan is to be used to acquire depreciable agricultural property). True False
6. I agree the loan may not be assumed by another person without the Authority's prior approval and then only if the purchaser of the property is an eligible applicant for an BFLP loan. I presently plan to retain the property financed by the loan for the term of the loan; however, I understand equipment and other depreciable property may be exchanged or traded in on similar property, and other property such as breeding livestock may be added or substituted as collateral at the discretion of the Lender without prior approval of the Authority. I also understand that the benefits of the loan, made at the tax-exempt rate from the proceeds of an BFLP bond, must be retained by myself, and no person to whom property is traded or otherwise transferred may obtain the benefits of the BFLP loan. True False
7. I understand and agree that I am responsible for submitting an application fee with this application and a loan closing fee of 1.50% on the first \$250,000 and 0.75% on any amount over the \$250,000 to the IADD at the time of loan closing; such fees will be used for expenses of administering the Individual Agricultural Development Bond Program. True False

All of the information I have provided in the application is true and complete. Also, I understand this application and any of the documents prepared or submitted in connection with it or the loan referred to hereon are "public records" as defined in Section 22.1 of the Iowa Code and are subject to examination, copying, publication or other dissemination by any person.

10-13-2015

Date

X 
Signature of Beginning Farmer

X 
Signature of Beginning Farmer's Spouse

CERTIFICATIONS OF BOND PURCHASER

(To be completed by Lender, Contract Seller, or Individual Investor)

The undersigned Bond Purchaser has read the following statements and hereby certifies that:

1. All of the proceeds of the bond will be used for the acquisition, construction, reconstruction, equipping and installation of land, or property of a character subject to the allowance for depreciation under Section 167 of the Internal Revenue Code.
2. To the best of the bond purchaser's knowledge, each of the Certifications of the Applicant and all other information with respect to the project or applicant set forth in this application is true and correct.
3. The proceeds of the bond will not be used to provide working capital or finance inventory, supplies or other operating expenses for the applicant or any related person, or be used to refinance or restructure any portion of existing indebtedness.
4. The Bond Purchaser requests the Authority to issue and sell its bond to the Bond Purchaser for the purpose of financing the project to the extent thereof.
5. The principal and interest on the bond do not constitute an indebtedness of the Authority or the State of Iowa or a charge against their general credit or general funds.

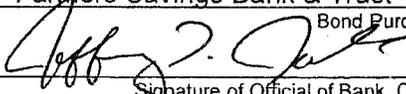
Farmers Savings Bank & Trust

Bond Purchaser or Bank Name

10-13-15

Date

By


Signature of Official of Bank, Contract Seller, or Individual Investor

This application cannot be reviewed unless the Authority has received all of the following:

- | | |
|--|---|
| <input checked="" type="checkbox"/> \$50 application fee | <input checked="" type="checkbox"/> Background letter from applicant and lender |
| <input checked="" type="checkbox"/> Current personal financial statement witnessed by a bank officer and signed by all loan applicants | <input checked="" type="checkbox"/> Completed application form signed by both parties |
| | <input type="checkbox"/> Certificates—pages 5 & 6, if sale from close relative |

Balance Sheet

Kyle Anthony Herink

10/01/2015

Cust. #

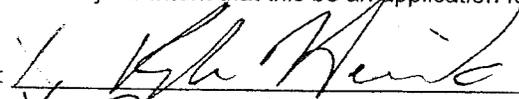
	Value		Value
<u>Current Assets</u>		<u>Current Liabilities</u>	
Cash & Equivalents	33,497*		
Growing Crops	48,150*		
Market Livestock & Poultry	14,500*		
Other Current Assets	1,100*		
Total Current Assets	97,247	Total Current Liabilities	0
<u>Intermediate Assets</u>		<u>Intermediate Liabilities</u>	
Purchased Breeding Stock	77,200*		
Total Intermediate Assets	77,200	Total Intermediate Liabilities	0
TOTAL ASSETS	174,447	TOTAL LIABILITIES	0
		TOTAL EQUITY	174,447

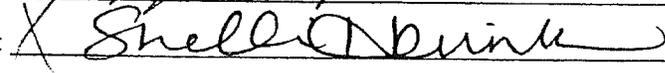
Personal

	Value		Value
<u>Long Term Assets</u>		<u>Long Term Liabilities</u>	
Personal Assets	28,700*	Personal Liabilities	30,902*
Total Long Term Assets	28,700	Total Long Term Liabilities	30,902
TOTAL ASSETS	28,700	TOTAL LIABILITIES	30,902
* Scheduled Account		TOTAL EQUITY	-2,202

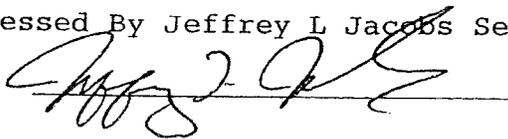
GRAND TOTALS		GRAND TOTALS	
Grand Total Current Assets	97,247	Grand Total Current Liabilities	0
Grand Total Intermediate Assets	77,200	Grand Total Intermediate Liabilities	0
Grand Total Long Term Assets	28,700	Grand Total Long Term Liabilities	30,902
Grand Total Assets	203,147	Grand Total Liabilities	30,902
* Scheduled Account		GRAND TOTAL EQUITY	172,245

The information provided in the above financial statement and schedules are given for the purpose of obtaining credit for the applicant(s) or for guaranteeing credit for others at Farmers Savings Bank & Trust only. Applicant(s) acknowledge that representation made in this statement will be relied on by creditor in its decision to grant such credit and this information is true in every detail on the date given below. You are authorized to make inquiry necessary to verify the accuracy of the statement's information. Applicant(s) will promptly notify creditor of any subsequent changes which would affect the accuracy of this statement. By signing below, the applicant(s) declares that he/she has read and understands the statement above and has received a copy. Submission of joint financial information does not equate to an application for joint credit. If it is your intent that this be an application for joint credit, please initial here. _____

Signature:  Date: 10-13-15

Signature:  Date: 10/13/2015

Witnessed By Jeffrey L Jacobs Senior Vice President 10/13/2015



Balance Sheet Schedules

10/01/2015

Kyle Anthony Herink

Cust. #

Cash & Equivalents						Value	Col.
Checking and Savings						33,497	Yes
						<u>33,497</u>	
Growing Crops						Value	Col.
	# Acres	Cost/Acre	Calc. Basis				
Soybeans	107.00	450.00	Unit		48,150	Yes	
	<u>107.00</u>				<u>48,150</u>		
Market Livestock & Poultry						Value	Col.
	# Head	Weight	Per Unit	Calc. Basis			
Cattle - Brdg. - Bulls	3	3,500.00	1.00	LB	10,500	Yes	
Cattle - Brdg. - Cows - Iowa Beef Expo	2	2,000.00	1.00	LB	4,000	Yes	
	<u>5</u>				<u>14,500</u>		
Other Current Assets						Value	Col.
1 Cull Cow						1,100	Yes
						<u>1,100</u>	
Purchased Breeding Stock						Value	Col.
	# Head	Per Hd	Calc. Basis	Acc. Depr.			
Cattle - Brdg. - Bulls	1	4,000.00	HD		4,000	Yes	
Cattle - Brdg. - Cows	22	3,000.00	HD		66,000	Yes	
Cattle - Brdg. - Cows - Open Hiefers	4	1,800.00	HD		7,200	Yes	
	<u>27</u>				<u>77,200</u>		

Personal

Personal Assets		Acc. Depr.	Value	Col.
2006 Chevy Impala			4,000	
2008 Grand Prix			7,500	
401 K			15,000	
Health Savings Account			1,200	
Roth			1,000	
			<u>28,700</u>	
Personal Liabilities			Value	
Student Loans			30,902	
			<u>30,902</u>	

611 Second St., P.O. Box 435
Traer, Iowa 50675

Phone (319) 478-2148
Fax (319) 478-2023
www.fsb-traer.com
Email: fsb.t@fsb-traer.com



401 B Avenue, P.O. Box 112
Vinton, Iowa 52349

Phone (319) 472-2373
Fax (319) 472-3544
www.fsb-vinton.com
Email: bank@fsb-vinton.com

October 13, 2015

Iowa Agricultural Development Division
2015 Grand Ave
Des Moines IA 50312

RE: Beginning Farmer Loan Application

Tammy:

Enclosed you will find an application for Kyle and Shellina Herink. Should you have questions please feel free to contact me at 319-478-2148.

Sincerely,

A handwritten signature in black ink that reads 'Jeffrey L. Jacobs'.

Jeffrey L. Jacobs

Senior Vice President



October 11, 2015

Beginning Farmer Loan Application

To whom it may concern,

I, Kyle Herink, am now in my 4th year of farming cropland, which I cash rent from my mother in-law, Barb Wieben. I rent roughly 105 tillable acres. These rented tillable acres have been planted to corn and/or soybeans in each of the last 4 years. In order to get my crop properly planted and harvested, I do have access to my father's, Kevin Herink's, equipment. My father and I have an agreement that I can use his equipment and fuel free of charge in exchange for the work I put into helping him operate his larger farming operation. I also receive my operating capital through my father. Certain expenses, such as fertilizer and chemicals, my father will pay for up front and I pay him back free of interest once I harvest my crop. He has agreed to continue with this arrangement until I am more established as a farmer.

I am also the owner and manager of a 35 head cow herd. My cow herd consists of registered purebred Gelbvieh and Balancer (Gelbvieh x Angus) cows. I bought my first registered purebred female in 2006 and I have been growing my herd ever since. Over the past few years I have been able to market my calves a couple of different ways. For the past 5 years I have been selling my top 2-3 bulls calves as breeding stock in an annual bull sale. They are sold at about a year of age and it is typically commercial cow-calf producers who purchase these bulls. Similarly, I have been consigning my top 2-3 heifer calves each year to sales, like ones held at the Iowa Beef Expo. These are typically sold as yearly heifers, which have been halter broke. By selling my top end calves this way I am able to get a good premium. The remaining calf crop is usually sold as feeder calves in November or December at the Tama Livestock Market. In the coming years, I do plan to continue expanding my herd, with the goal of getting to about 60 cows.

Regards,



Kyle Herink



Beginning Farmer Eligibility Worksheet

Project # AG 15-078

IOWA AGRICULTURAL DEVELOPMENT DIVISION

Status: [] A [x] B

- 1. Applicant Josh Van Kekerix
2. Has \$50 application fee been received? [x] Yes [] No
3. Applicant over age 18? 22 [x] Yes [] No
4. Project Purpose: [x] Land [] Breeding livestock [] Machinery [] Farm Improvements (Existing Buildings)
Is there a dwelling on the property? [] Yes [x] No
If yes: 1) will less than 5% of the bond be used for the dwelling? [] Yes [] No
2) has an appraisal been submitted or ordered? [] Yes [] No
5. Are there CRP acres on property? [] Yes [x] No
1) will less than 25% of the bond be used for value of CRP? [] Yes [] No
If no, will CRP acres come out of program in 12 months? [] Yes [] No
2) has an appraisal been submitted or ordered? [] Yes [] No
6. Will project consist of construction or purchase of livestock facilities? [] Yes [x] No
If yes 1) who will own the livestock, applicant or who? [] Applicant or
2) if not applicant, has feeding contract been submitted? [] Yes [] No
7. Does Bond amount + down-payment = purchase price? [x] Yes [] No
8. Are all details for project location/directions provided? [x] Yes [] No
9. Are they buying from a close relative? Not Applicable [] Yes [x] No
If yes: 1) is purchase price = or > appraised value? [] Yes [] No
2) have they submitted complete Fair Market Value Certificate? [] Yes [] No
3) have they submitted complete Related Person Certificate? [] Yes [] No
10. Have applicants previously participated in BFLP? 0 [] Yes [x] No
If yes 1) what was the project number(s) #
2) what amount of bond was used? \$
3) what amount of bond remains for them? \$
4) was any amount of previous bond used for dep. property? [] Yes [] No
If yes, how much? \$ (max. of \$125,000)
5) no more than \$62,500 used for non-new (used) Dep. Property? [] Yes [] No
11. Are all the terms for loan provided/clear? [x] Yes [] No
Specific index listed: 3.60% Fixed : [x] Yes [] No
Adjustment period listed: [] Yes [] No
12. Have applicants previously owned/presently own land? Yes [x] Yes [] No
If yes: 1) total number of acres owned and have owned? 56
2) in what county or counties do they own land? O'Brien
3) what is the number of acres they can own in their county? 71.7
4) did they actively participate in the management of the farm? [x] Yes [] No
13. Will applicants provide the management/labor in operation of the project? [x] Yes [] No
14. Will applicant/s be residents of Iowa at the time of closing? [x] Yes [] No
15. Has the Cert. Of Applicant & Bond Purchaser been properly answered/signed? [x] Yes [] No
16. Is a financial statement included with application? [x] Yes [] No
If yes: 1) is statement within 30 days prior to submission of application? [x] Yes [] No
2) is net worth < \$703,844? = 106623 [x] Yes [] No
3) are detailed machinery lists/other ledgers included to support 1st page totals [x] Yes [] No
4) is statement signed by all applicants and witnessed by lender or 3rd party? [x] Yes [] No
5) does statement reflect down-payment being made? [] Yes [] No
If no, where will down-payment come from & obtain gift letter if needed:
No down payment
17. Lender and/or applicant background letter received? [x] Yes [] No
18. Other questionable items:

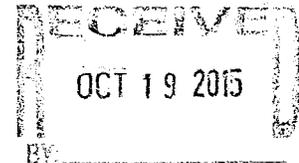


IOWA AGRICULTURAL
DEVELOPMENT DIVISION

IOWA FINANCE AUTHORITY
2015 Grand Avenue | Des Moines, Iowa 50312
515.725.4900 | 800.432.7230 | fax 515.725.4901
IADD@iowa.gov | IowaFinanceAuthority.gov/IADD

(Date Received by IADD:)

FOR IADD USE ONLY	
Application Approved _____	Project Number: AG 15-078
Amount Approved _____	\$50 Fee Received: \$50.00



B
L.O.

Beginning Farmer Loan Program Application

(To be completed by the applicant -- please print or type all information)

Note: Approval of this application does not constitute final loan approval. If prior to closing, it is discovered that the Project, in whole or in part, is ineligible for tax-exempt financing, or if the Project should become ineligible, the Authority may refuse to complete loan processing or reduce the loan amount.

PLEASE NOTE: This application is a publicly available document.

- Type of application** PLEASE CHECK ONE: Bank Loan or Contract Sale or Individual Investor
- Name of applicant** Josh Van Kekerix Spouse _____
Address: 5161 320th street Telephone (712)3713050
City Sheldon State IA Zip 51201 E-mail: joshvk@ambankiowa.com
Age (for statistical purposes) 22
- Bond Purchaser** American State Bank (bank, contract seller or individual investor)
Contact Person: Troy Broers Telephone (712)7224846
Address 525 North Main Ave Fax (712)7223819
City Sioux Center State IA Zip 51250 E-mail: troyb@ambankiowa.com
- Purpose of Project** (Please address all issues below:)
 Purchase land: Total Acres 54 Tillable Acres 54 CRP Acres 0
Estimated value of house \$ 0 (A dwelling & CRP acres may limit eligibility—see Program Summary)
Estimated value of out-buildings \$ 0 (An appraisal is required if property has a dwelling or outbuildings)
 Purchase machinery _____
 Purchase livestock (what and how many) _____
 Make building or other farm improvements of _____
Who owns property where improvements are to be made _____
If constructing hog/livestock buildings, who will own animals in building? _____
(If applicant will not own hogs/livestock, send copy of feeding contract and/or contact the Authority concerning contract feeding arrangements)

5. Financing of Project (Contributions by applicant, lender or contract seller and IFA:)

	Land Purchase	Livestock Purchase	Machinery Purchase	New Farm Improvements	Total Project
Down payment by applicant	\$ 0	\$	\$	\$	\$ 0
Financed by lender/contract seller - BFLP bond	\$ 295630	\$	\$	\$	\$ 295630 **
Farm Service Agency (FSA)	\$ 295620	\$	\$	\$	\$ 295620
From other sources:	\$	\$	\$	\$	\$
IADD Loan Participation	\$	\$	\$	\$	\$
TOTAL COST OF PROJECT:	\$ 591250	\$	\$	\$	\$ 591250

**Loan closing fee of 1.50% of the first \$250,000 and 0.75% over the \$250,000 amount of the BFLP bond (loan) closed.

6. Location of Project

- a. List the county and township names with section numbers (e.g. Section 26, Bristol Township, Any County, IA)
E one half of the Northwest quarter of section 26, township 95 North, Range 41 West of the 5th P.M. Obrien County,
Iowa
- b. Location by road from nearest town: (Example - 4 miles north of Anytown, IA on State Highway 175). **Roads must be identified, unless they are unmarked gravel roads, then state as such.**
travel one mile east and 2 and 1/2 miles North of Paullina, Iowa on Redwood Ave just south of 430th street.
- c. Will the project consist of the construction or acquisition of buildings, structures or other immovable property, including remodeling of or additions to existing structures? (If **NO**, go to #7) YES NO
 Will the Beginning Farmer be the sole owner of the land where the project will be located? YES NO
 If **NO**, will applicant have a long-term lease for the length of the loan? NA YES NO

7. Seller of Property Horace Autenrieth Trust

Address 4241 Redwing Ave
City Paullina State ia Zip 51046 Telephone ()

- a. Please indicate if you are acquiring the "Project" directly or indirectly from a related person: YES NO
 If **YES**, please explain the relationship.

NOTE: Contract sales are not allowed between the beginning farmer and their grandparents, parents, children or siblings. Cash/bank loans are permitted with these relatives, but the Authority's Fair Market Value Certificate and Related Person Certificate must be completed.

- b. Please explain if you have begun to acquire or construct any part of the "Project" for which you are requesting a loan; have entered into any contract or purchase agreement (installment or otherwise) in connection with the construction or acquisition of the "Project," or have begun off-site fabrication or acquisition of any portion of the "Project."

The land i am looking to purchase will close sometime between now and January 15th, 2016. We have a FSA downpayment loan approved, subject to appraisal and IADD financing.

NOTE: Down payments made more than 60 days prior to approval of the application will not be eligible for bond financing.

8. Previous tax-exempt financed projects

Have you, your spouse, minor children or any related person received tax-exempt financing of any kind in any state?
 YES NO If **YES**, please explain.

9. What is the net worth of the beginning farmer (including spouse and minor children)? \$ 106623

NOTE: A financial statement is also required of any partnership, corporation, or other entity, etc. in which the beginning farmer has a financial interest).

Is a current personal financial statement taken within 30 days of submission of the application, witnessed by a bank officer and signed by all applicants enclosed? YES NO

(Please attach a copy of the financial statement and detailed list of machinery owned.)

PROPOSED LOAN TERMS FOR IADD BOND

(Complete questions 9-10 with your lender, contract seller, or individual investor, whichever is applicable.)

10. What are the proposed loan or contract sale terms?

- a. Tax-exempt interest rate: Fixed: 3.6 percent (%) OR Variable: _____ percent (%)
 If variable rate, indicate specific index used: (Example--80% of bank's prime rate, such prime rate currently is 11% to be adjusted semi-annually).

b. Total term: 30 years.

- c. Repayments: monthly, quarterly, semi-annually, annually OR other (specify below)

Amount \$ 16400 Does this amount include interest? YES NO

d. Proposed Date of Closing: 1/15/16

e. First payment due date: 1/16/17

f. Call options as follows: _____

OR balloon _____ amount of balloon \$ _____

NOTE: Balloon will automatically end tax exemption -- See Program Summary.

11. Previous and Present Land Owned (If your answer to 11a is no, skip to question 12.)

a. Have you, your spouse, or minor children ever directly or indirectly owned any farmland? YES NO

Note: The following are examples of indirect land ownership:

- 1) ownership of a beneficial interest in a trust which in turn holds land.
- 2) ownership of shares in a family farm corporation which owns land.
- 3) a remainder interest in land which is subject to a life estate in another person.

b. Describe each parcel of land presently or previously owned by county location, size, and the time period during which you owned it. (If the ownership is indirect, also describe the means of ownership and the total amount owned, for example, "I have a one-fourth beneficial interest in a trust; the trust holds a total of 200 acres"):

I have a one-fourth undivided beneficial interest in a farm of about 56 acres. I own about 12 acres of this farm in O'brien county. I have owned it for about 4 years now.

c. Have you, your spouse, or minor children done any of the following:

- 1) performed physical work on the land? 1) YES NO
- 2) participated in management decisions about operations on the land? 2) YES NO
- 3) provided regular advice and consultation on the business operations on the land? 3) YES NO
- 4) regularly inspected production activities on the land? 4) YES NO
- 5) directly or indirectly advanced funds or paid a substantial portion of the operating expenses for operations on the land? 5) YES NO
- 6) lived on the land? 6) YES NO

d. Please describe the degree of your involvement in each activity, the frequency of your involvement and the length of time over which your involvement occurred. **(Use additional sheets if necessary):** I have done all farming operations on this farm. I have planted part of it, tilled part of it, combined it, marketed the grain, and taken fence off of this farm for all 4 years that i have owned it.

e. Have you disposed of any of these parcels of land? e) YES NO
If YES, please identify the parcel(s) and the approximate date disposed: _____

f. Did you, your spouse or minor children recognize income, for federal income purposes, as the result of cancellation of indebtedness with respect to any of the parcels disposed? f) YES NO

If YES, identify the parcel(s) with respect to which income was recognized: _____

12. Management and Labor of Project will be provided by: Josh Van Kekerix

a. Will any of the labor be performed by or management provided by individuals or entities other than the Applicants? YES NO If YES, please describe: There will be some labor performed by my father to help with the harvest or planting of the crop, however most of the management will be by the Applicant

b. Will any portion of the Project be used in connection with any new or existing farm partnership, farm corporation, limited liability company, or other formal or informal joint farming venture, including contract feeding arrangements? YES NO If YES, please describe: _____

c. Will any of the applicants work off the farm? YES NO If YES, amount of non-farm income anticipated: \$ 42000
Where will he/she be employed? American State Bank

Explain any other related details to non-farm income: There is some small amount of off farm income from farm labor on the applicant's father's farm

d. Please explain what your farming operation will consist of and include the new project:

Crop acres on owned land: 65
 Crop acres on cash rented land: 150
 Crop acres on crop-share rented land: _____
 Owned livestock operation: _____
 Contract-feeding livestock operation: _____
 Other farm operations: _____

CERTIFICATIONS OF APPLICANT

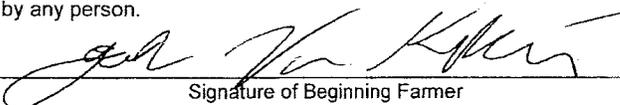
(To be completed by beginning farmer applicant/s)

In submitting this application, I, the undersigned Beginning Farmer, have read the following statements and hereby certify and agree that:

1. I will be a permanent resident of the state of Iowa at the time of bond issuance. True False
2. I have sufficient education, training or experience in the type of farming for which this loan is requested. True False
Attach a background letter describing the education, training or experience of you and your spouse as it relates to farming.
3. The Project shall be used only for farming by myself, my spouse, and/or minor children, and we will perform the labor and provide the management needed to use the Project for farming. True False
4. None of the proceeds of the loan shall be used for the refinancing or restructuring of any existing indebtedness in whole or in part, working capital, operating purposes or for inventory or supplies for the Beginning Farmer or any related person. True False
5. I have or will have access to adequate working capital, farm equipment, machinery or livestock (if the loan proceeds are to be used to acquire agricultural land), and I have or will have access to adequate working capital or agricultural land (if the loan is to be used to acquire depreciable agricultural property). True False
6. I agree the loan may not be assumed by another person without the Authority's prior approval and then only if the purchaser of the property is an eligible applicant for an BFLP loan. I presently plan to retain the property financed by the loan for the term of the loan; however, I understand equipment and other depreciable property may be exchanged or traded in on similar property, and other property such as breeding livestock may be added or substituted as collateral at the discretion of the Lender without prior approval of the Authority. I also understand that the benefits of the loan, made at the tax-exempt rate from the proceeds of an BFLP bond, must be retained by myself, and no person to whom property is traded or otherwise transferred may obtain the benefits of the BFLP loan. True False
7. I understand and agree that I am responsible for submitting an application fee with this application and a loan closing fee of 1.50% on the first \$250,000 and 0.75% on any amount over the \$250,000 to the IADD at the time of loan closing, such fees will be used for expenses of administering the Individual Agricultural Development Bond Program. True False

All of the information I have provided in the application is true and complete. Also, I understand this application and any of the documents prepared or submitted in connection with it or the loan referred to hereon are "public records" as defined in Section 22.1 of the Iowa Code and are subject to examination, copying, publication or other dissemination by any person.

10/14/15
Date


Signature of Beginning Farmer

Signature of Beginning Farmer's Spouse

CERTIFICATIONS OF BOND PURCHASER

(To be completed by Lender, Contract Seller, or Individual Investor)

The undersigned Bond Purchaser has read the following statements and hereby certifies that:

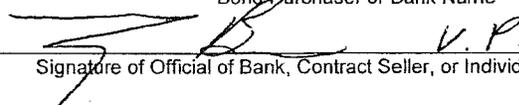
1. All of the proceeds of the bond will be used for the acquisition, construction, reconstruction, equipping and installation of land, or property of a character subject to the allowance for depreciation under Section 167 of the Internal Revenue Code.
2. To the best of the bond purchaser's knowledge, each of the Certifications of the Applicant and all other information with respect to the project or applicant set forth in this application is true and correct.
3. The proceeds of the bond will not be used to provide working capital or finance inventory, supplies or other operating expenses for the applicant or any related person, or be used to refinance or restructure any portion of existing indebtedness.
4. The Bond Purchaser requests the Authority to issue and sell its bond to the Bond Purchaser for the purpose of financing the project to the extent thereof.
5. The principal and interest on the bond do not constitute an indebtedness of the Authority or the State of Iowa or a charge against their general credit or general funds.

American State Bank

Bond Purchaser or Bank Name

Date

By


Signature of Official of Bank, Contract Seller, or Individual Investor

This application cannot be reviewed unless the Authority has received all of the following:

- | | |
|--|---|
| <input checked="" type="checkbox"/> \$50 application fee | <input checked="" type="checkbox"/> Background letter from applicant and lender |
| <input checked="" type="checkbox"/> Current personal financial statement witnessed by a bank officer and signed by all loan applicants | <input checked="" type="checkbox"/> Completed application form signed by both parties |
| | <input type="checkbox"/> Certificates—pages 5 & 6, if sale from close relative |

10/14/15

Attn: Steve Ferguson
Iowa Agriculture Development Division -IFA
2015 Grand Ave
Des Moines, Iowa 50312

Background letter for Josh Van Kekerix:

I have been involved in farming crops for 10 plus years now. I have owned and operated 12 acres of row crop land that I have planted corn and soybeans on for four years. I have tilled, planted, sprayed, checked, combined and marketed this crop for these four years. I also have an Agriculture business degree at Dordt College in Sioux Center, IA.

I will be leasing my father's equipment for the purpose of farming the land. He owns high quality equipment and will allow me to use the equipment. He will also guide me in managing the farm in the best way possible as he has been farming for 10 years full time.

There is an appraisal done and there is no CRP contract involved in the purchase of this property. For capital I will have a crop operating note at American State Bank. There is interim financing currently on this farm being provided by American State Bank.

A handwritten signature in cursive script, appearing to read "Josh Van Kekerix".

Josh Van Kekerix



Status: A B

L.O. _____

1. Applicant Ben Van Kekerix _____
2. Has \$50 application fee been received?..... Yes No
3. Applicant over age 18? 25 Yes No
4. **Project Purpose:** Land Breeding livestock Machinery Farm Improvements (Existing Buildings)
Is there a dwelling on the property?..... Yes No
If yes: 1) will less than 5% of the bond be used for the dwelling? Yes No
2) has an appraisal been submitted or ordered? Yes No
5. Are there CRP acres on property?..... Yes No
1) will less than 25% of the bond be used for value of CRP? Yes No
If no, will CRP acres come out of program in 12 months? Yes No
2) has an appraisal been submitted or ordered? Yes No
6. Will project consist of construction or purchase of livestock facilities?..... Yes No
If yes 1) who will own the livestock, applicant or who? Applicant or _____
2) if not applicant, has feeding contract been submitted? Yes No
7. Does Bond amount + down-payment = purchase price?..... Yes No
8. Are all details for project location/directions provided?..... Yes No
9. Are they buying from a close relative? Not Applicable Yes No
If yes: 1) is purchase price = or > appraised value? Yes No
2) have they submitted complete Fair Market Value Certificate? Yes No
3) have they submitted complete Related Person Certificate? Yes No
10. Have applicants previously participated in BFLP? 0 Yes No
If yes 1) what was the project number(s) # _____
2) what amount of bond was used? \$ _____
3) what amount of bond remains for them? \$ _____
4) was any amount of previous bond used for dep. property? Yes No
If yes, how much? \$ _____ (max. of \$125,000)
5) no more than \$62,500 used for non-new (used) Dep. Property? Yes No
11. Are all the terms for loan provided/clear?..... Yes No
Specific index listed: 3.60% Fixed : Yes No
Adjustment period listed: Yes No
12. Have applicants previously owned/presently own land? Yes Yes No
If yes: 1) total number of acres owned and have owned? 56
2) in what county or counties do they own land? O'Brien
3) what is the number of acres they can own in their county? 71.7
4) did they actively participate in the management of the farm? Yes No
13. Will applicants provide the management/labor in operation of the project?..... Yes No
14. Will applicant/s be residents of Iowa at the time of closing?..... Yes No
15. Has the Cert. Of Applicant & Bond Purchaser been properly answered/signed?..... Yes No
16. Is a financial statement included with application?..... Yes No
If yes: 1) is statement within 30 days prior to submission of application? Yes No
2) is net worth < \$703,844? = 162850 Yes No
3) are detailed machinery lists/other ledgers included to support 1st page totals Yes No
4) is statement signed by all applicants and witnessed by lender or 3rd party? Yes No
5) does statement reflect down-payment being made? Yes No
If no, where will down-payment come from & obtain gift letter if needed:
No down payment
17. Lender and/or applicant background letter received?..... Yes No
18. Other questionable items: _____

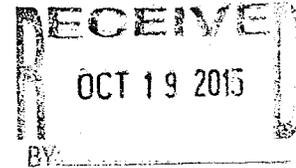


IOWA AGRICULTURAL
DEVELOPMENT DIVISION

IOWA FINANCE AUTHORITY
2015 Grand Avenue | Des Moines, Iowa 50312
515.725.4900 | 800.432.7230 | fax 515.725.4901
IADD@iowa.gov | IowaFinanceAuthority.gov/IADD

(Date Received by IADD:)

FOR IADD USE ONLY	
Application Approved _____	Project Number: AG 15-079
Amount Approved _____	\$50 Fee Received: \$ 50.00



B
L.O.

Beginning Farmer Loan Program Application

(To be completed by the applicant -- please print or type all information)

Note: Approval of this application does not constitute final loan approval. If prior to closing, it is discovered that the Project, in whole or in part, is ineligible for tax-exempt financing, or if the Project should become ineligible, the Authority may refuse to complete loan processing or reduce the loan amount.

PLEASE NOTE: This application is a publicly available document.

- Type of application** PLEASE CHECK ONE: Bank Loan or Contract Sale or Individual Investor
- Name of applicant** Ben Van Kekerix Spouse _____
Address: 5161 320th street Telephone (712)3712465
City sheldon State IA Zip 51201 E-mail: bdvankekerix09@ole.augie.edu
Age (for statistical purposes) 25
- Bond Purchaser** American State Bank (bank, contract seller or individual investor)
Contact Person: Troy Broers Telephone (712)7224846
Address 525 North Main Ave Fax (712)7223819
City Sioux center State ia Zip 51250 E-mail: troyb@ambankiowa.com
- Purpose of Project** (Please address all issues below:)
 Purchase land: Total Acres 54 Tillable Acres 54 CRP Acres 0
Estimated value of house \$ 0 (A dwelling & CRP acres may limit eligibility—see Program Summary)
Estimated value of out-buildings \$ 0 (An appraisal is required if property has a dwelling or outbuildings)
 Purchase machinery _____
 Purchase livestock (what and how many) _____
 Make building or other farm improvements of _____
Who owns property where improvements are to be made _____
If constructing hog/livestock buildings, who will own animals in building? _____
(If applicant will not own hogs/livestock, send copy of feeding contract and/or contact the Authority concerning contract feeding arrangements)
- Financing of Project** (Contributions by applicant, lender or contract seller and IFA:)

	Land Purchase	Livestock Purchase	Machinery Purchase	New Farm Improvements	Total Project
Down payment by applicant	\$ 0	\$	\$	\$	\$ 0
Financed by lender/contract seller - BFLP bond	\$ 295630	\$	\$	\$	\$ 295630 **
Farm Service Agency (FSA)	\$ 295620	\$	\$	\$	\$ 295620
From other sources:	\$	\$	\$	\$	\$
IADD Loan Participation	\$	\$	\$	\$	\$
TOTAL COST OF PROJECT:	\$ 591250	\$	\$	\$	\$ 591250

**Loan closing fee of 1.50% of the first \$250,000 and 0.75% over the \$250,000 amount of the BFLP bond (loan) closed.

6. Location of Project

- a. List the county and township names with section numbers... West one half of the Northwest quarter of section 26, township 95 North, Range 41 West of the 5th P.M. Obrien County, Iowa
b. Location by road from nearest town: (Example - 4 miles north of Anytown, IA on State Highway 175). Roads must be identified, unless they are unmarked gravel roads, then state as such. travel one mile east and 2 and 1/2 miles North of Paullina, Iowa on Redwood Ave just south of 430th street.
c. Will the project consist of the construction or acquisition of buildings, structures or other immovable property, including remodeling of or additions to existing structures? (If NO, go to #7) Will the Beginning Farmer be the sole owner of the land where the project will be located? If NO, will applicant have a long-term lease for the length of the loan?

7. Seller of Property Horace Autenrieth Trust

Address 4241 Redwing Ave
City Paullina State IA Zip 51046 Telephone ()

- a. Please indicate if you are acquiring the "Project" directly or indirectly from a related person: If YES, please explain the relationship.

NOTE: Contract sales are not allowed between the beginning farmer and their grandparents, parents, children or siblings. Cash/bank loans are permitted with these relatives, but the Authority's Fair Market Value Certificate and Related Person Certificate must be completed.

- b. Please explain if you have begun to acquire or construct any part of the "Project" for which you are requesting a loan; have entered into any contract or purchase agreement (installment or otherwise) in connection with the construction or acquisition of the "Project," or have begun off-site fabrication or acquisition of any portion of the "Project."

The land i am looking to purchase will close sometime between now and January 15th, 2016. We have a FSA downpayment loan approved, subject to appraisal and IADD financing.

NOTE: Down payments made more than 60 days prior to approval of the application will not be eligible for bond financing.

8. Previous tax-exempt financed projects

Have you, your spouse, minor children or any related person received tax-exempt financing of any kind in any state? YES NO If YES, please explain.

9. What is the net worth of the beginning farmer (including spouse and minor children)? \$ 162850

NOTE: A financial statement is also required of any partnership, corporation, or other entity, etc. in which the beginning farmer has a financial interest).

Is a current personal financial statement taken within 30 days of submission of the application, witnessed by a bank officer and signed by all applicants enclosed? YES NO

(Please attach a copy of the financial statement and detailed list of machinery owned.)

PROPOSED LOAN TERMS FOR IADD BOND

(Complete questions 9-10 with your lender, contract seller, or individual investor, whichever is applicable.)

10. What are the proposed loan or contract sale terms?

- a. Tax-exempt interest rate: Fixed: 3.6 percent (%) OR Variable: percent (%) If variable rate, indicate specific index used: (Example--80% of bank's prime rate, such prime rate currently is 11% to be adjusted semi-annually).

b. Total term: 30 years.

c. Repayments: monthly, quarterly, semi-annually, annually OR other (specify below)

Amount \$ 16400 Does this amount include interest? YES NO

d. Proposed Date of Closing: 1/15/16

e. First payment due date: 1/16/17

f. Call options as follows:

OR balloon amount of balloon \$

NOTE: Balloon will automatically end tax exemption -- See Program Summary.

11. Previous and Present Land Owned (If your answer to 11a is no, skip to question 12.)

- a. Have you, your spouse, or minor children ever directly or indirectly owned any farmland? YES NO
Note: The following are examples of indirect land ownership:
 1) ownership of a beneficial interest in a trust which in turn holds land.
 2) ownership of shares in a family farm corporation which owns land.
 3) a remainder interest in land which is subject to a life estate in another person.
- b. Describe each parcel of land presently or previously owned by county location, size, and the time period during which you owned it. (If the ownership is indirect, also describe the means of ownership and the total amount owned, for example, "I have a one-fourth beneficial interest in a trust; the trust holds a total of 200 acres"):
I have a one-fourth undivided beneficial interest in a farm of about 56 acres. I own about 12 acres of this farm in O'brien county. I have owned it for about 4 years now.
- c. Have you, your spouse, or minor children done any of the following:
- | | |
|--|--|
| 1) performed physical work on the land? | 1) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| 2) participated in management decisions about operations on the land? | 2) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| 3) provided regular advice and consultation on the business operations on the land? | 3) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| 4) regularly inspected production activities on the land? | 4) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| 5) directly or indirectly advanced funds or paid a substantial portion of the operating expenses for operations on the land? | 5) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO |
| 6) lived on the land? | 6) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO |
- d. Please describe the degree of your involvement in each activity, the frequency of your involvement and the length of time over which your involvement occurred. **(Use additional sheets if necessary):** I have done all farming operations on this farm. I have planted part of it, tilled part of it, combined it, marketed the grain, and taken fence off of this farm for all 4 years that i have owned it.
- e. Have you disposed of any of these parcels of land? e) YES NO
 If YES, please identify the parcel(s) and the approximate date disposed: _____
- f. Did you, your spouse or minor children recognize income, for federal income purposes, as the result of cancellation of indebtedness with respect to any of the parcels disposed? f) YES NO
 If YES, identify the parcel(s) with respect to which income was recognized: _____

12. Management and Labor of Project will be provided by: Ben Van Kekerix

- a. Will any of the labor be performed by or management provided by individuals or entities other than the Applicants? YES NO If YES, please describe: There will be some labor performed by my father to help with the harvest or planting of the crop, however most of the management will be by the Applicant
- b. Will any portion of the Project be used in connection with any new or existing farm partnership, farm corporation, limited liability company, or other formal or informal joint farming venture, including contract feeding arrangements? YES NO If YES, please describe: _____
- c. Will any of the applicants work off the farm?
 YES NO If YES, amount of non-farm income anticipated: \$ 45000
 Where will he/she be employed? Working farm labor for Ken Van Kekerix
 Explain any other related details to non-farm income _____
- d. Please explain what your farming operation will consist of and include the new project:
- | | |
|---------------------------------------|------------|
| Crop acres on owned land: | <u>65</u> |
| Crop acres on cash rented land: | <u>150</u> |
| Crop acres on crop-share rented land: | _____ |
| Owned livestock operation: | _____ |
| Contract-feeding livestock operation: | _____ |
| Other farm operations: | _____ |

CERTIFICATIONS OF APPLICANT

(To be completed by beginning farmer applicant/s)

In submitting this application, I, the undersigned Beginning Farmer, have read the following statements and hereby certify and agree that:

1. I will be a permanent resident of the state of Iowa at the time of bond issuance. True False
2. I have sufficient education, training or experience in the type of farming for which this loan is requested. True False
Attach a background letter describing the education, training or experience of you and your spouse as it relates to farming.
3. The Project shall be used only for farming by myself, my spouse, and/or minor children, and we will perform the labor and provide the management needed to use the Project for farming. True False
4. None of the proceeds of the loan shall be used for the refinancing or restructuring of any existing indebtedness in whole or in part, working capital, operating purposes or for inventory or supplies for the Beginning Farmer or any related person. True False
5. I have or will have access to adequate working capital, farm equipment, machinery or livestock (if the loan proceeds are to be used to acquire agricultural land), and I have or will have access to adequate working capital or agricultural land (if the loan is to be used to acquire depreciable agricultural property). True False
6. I agree the loan may not be assumed by another person without the Authority's prior approval and then only if the purchaser of the property is an eligible applicant for an BFLP loan. I presently plan to retain the property financed by the loan for the term of the loan; however, I understand equipment and other depreciable property may be exchanged or traded in on similar property, and other property such as breeding livestock may be added or substituted as collateral at the discretion of the Lender without prior approval of the Authority. I also understand that the benefits of the loan, made at the tax-exempt rate from the proceeds of an BFLP bond, must be retained by myself, and no person to whom property is traded or otherwise transferred may obtain the benefits of the BFLP loan. True False
7. I understand and agree that I am responsible for submitting an application fee with this application and a loan closing fee of 1.50% on the first \$250,000 and 0.75% on any amount over the \$250,000 to the IADD at the time of loan closing; such fees will be used for expenses of administering the Individual Agricultural Development Bond Program. True False

All of the information I have provided in the application is true and complete. Also, I understand this application and any of the documents prepared or submitted in connection with it or the loan referred to hereon are "public records" as defined in Section 22.1 of the Iowa Code and are subject to examination, copying, publication or other dissemination by any person.

10/14/15
Date

Ben Van Klee
Signature of Beginning Farmer

Signature of Beginning Farmer's Spouse

CERTIFICATIONS OF BOND PURCHASER

(To be completed by Lender, Contract Seller, or Individual Investor)

The undersigned Bond Purchaser has read the following statements and hereby certifies that:

1. All of the proceeds of the bond will be used for the acquisition, construction, reconstruction, equipping and installation of land, or property of a character subject to the allowance for depreciation under Section 167 of the Internal Revenue Code.
2. To the best of the bond purchaser's knowledge, each of the Certifications of the Applicant and all other information with respect to the project or applicant set forth in this application is true and correct.
3. The proceeds of the bond will not be used to provide working capital or finance inventory, supplies or other operating expenses for the applicant or any related person, or be used to refinance or restructure any portion of existing indebtedness.
4. The Bond Purchaser requests the Authority to issue and sell its bond to the Bond Purchaser for the purpose of financing the project to the extent thereof.
5. The principal and interest on the bond do not constitute an indebtedness of the Authority or the State of Iowa or a charge against their general credit or general funds.

American State Bank

Bond Purchaser or Bank Name

10/15/15
Date

By

[Signature]
Signature of Official of Bank, Contract Seller, or Individual Investor

This application cannot be reviewed unless the Authority has received all of the following:

- | | |
|--|---|
| <input checked="" type="checkbox"/> \$50 application fee | <input checked="" type="checkbox"/> Background letter from applicant and lender |
| <input checked="" type="checkbox"/> Current personal financial statement witnessed by a bank officer and signed by all loan applicants | <input checked="" type="checkbox"/> Completed application form signed by both parties |
| | <input type="checkbox"/> Certificates—pages 5 & 6, if sale from close relative |

FINANCIAL STATEMENT

Ben Van Kekerix SS# 0
 3181 Olive Ave SS#
 Sheldon, IA Port#
 Phone # 7123712465

AMERICAN STATE BANK

SIoux CENTER, IOWA

HOSPERS, GRANVILLE, ALVORD, HULL, IOWA

DATE: 10/1/2015

CASH 10,000
 SAVINGS, BONDS
 AR

NOTES PAYABLE - BANK 27,000
 OP-CATTLE 42,000
 CROP OP

GRAIN/FEED	AMOUN	UNIT	PRICE	TOTAL
CORN	20,292	bu	3.70	75,080
BEANS				0
HAY				0
OATS				0
BEANMEAL				0
OTHER/STRAW				0

OTHER NOTES
 TO: COVERING:
 TO: COVERING:

ACCOUNTS PAYAE TO WHOM:

GAS & OIL
 REPAIRS
 FEED
 FERTILIZER
 VET
 DEBT TO RELATIVES
 INSURANCE
 TAXES
 CASH RENT
 CUSTOM HIRE

CROP/INPUTS	ACRES	YIELD	PRICE	VALUE	TOTAL
Corn	0	0	0.00	0%	0
TOTAL	0				0

LIVESTOCK	HEAD	WEIGHT	\$/CWT	\$/HD	TOTAL
Heifers	0	0	\$0	0	0
Calves	30			1,200	36,000
TOTAL	30				36,000

PRINCIPAL PAYMENTS ON TERM DEBT:
 INTERMEDIATE PRINCIPAL PAYMENTS 0
 LONG TERM PRINCIPAL PAYMENTS 0

CONTINGENT OR COSIGNED LIABILITIES(\$)
 FOR:

MACHINERY, EQUIP (SCHED F.) LES 0%)DEPREC. 0
 CARS, TRUCKS
 2014 Ford F-150 28,000
 1954 Chevy PU 7,000

NOTES & CONTRA PAYMEN FREQ-D/P+I/P RATE BALANCE

FCS-COWS 15,000 A 3.75 28,000

STOCKS
 RETIREMENT
 401 K

BREEDING STOCK	HEAD /HEAD	TOTAL
17 COWS	17	42,500
TOTAL		42,500

CREDIT CARDS 0

LEASE EQUIPMENT VALUE (\$) xxxxxxxxxxxx 0
 CASH VALUE LIFE INS.(SCH B) 0

ASB- PRINCIPAL PYMTS ON TERM DEBT DUE IN 12 MOI 0
 OTHER- PRINCIPAL PYMTS ON TERM DEBT DUE IN 12 MO 0
 LIFE INSURANCE (SCH. B) 0

REAL ESTATE	ACRES	\$/ACRE	COST	VALUE
Farmland	12	10,000		120,000
TOTAL	12			120,000

MORTGAGE/CONTI PAYMEN FREQ-D/P+I/P RATE BALANCE

12 acres Farmland 6,000 59,000

ASB- PRINCIPAL PYMTS ON TERM DEBT DUE IN 12 MOI 0
 OTHER- PRINCIPAL PYMTS ON TERM DEBT DUE IN 12 MO 0

For the purpose of procuring, securing, and maintaining credit from American State Bank (ASB) from time to time. I/we have carefully read the contents of the above statement and certify that the same is a true statement of the facts as to My/Our financial condition as of the stated date. I/We authorize the ASB to inquire to any creditor about my past and present obligation and credit history. I/We agree to authorize ASB to receive a copy of our annual tax return and/or profit and loss statements and other financial information as it pertain to our financials. I/We hereby agree to an on farm/business inspection by ASB at any time. The undersigned borrower(s) acknowledge receipt of a copy of this instrument.

Ben Van Kekerix
 Ben Van Kekerix

DATED: 10/01/15

X AMERICAN STATE BANK
 SIOUX CENTER, IOWA 51250

Ben V.P.

Ben Van Kekerix
5161 320th st.
Sheldon, IA ~~51201~~
51201

- Experience, training and/or education
 - Bachelors Degree in Finance & Marketing from Dordt college.
 - Worked on a farm with Dad and grand father as well as other farmers learning the sacrifice it takes to own and manage a farm.
- Access to adequate farm machinery & equipment
 - I will be leasing my fathers machinery who has high quality equipment and will help us manage the property.
- Access to operating capital & who will supply the capital
 - I have my own operating line at farm credit services of America and I will use this for the farm.

Ben Van Kekerix 10/13/15

RECEIVED
OCT 19 2015
BY: _____

RECORDING AND LEGAL FEE
AMERICAN STATE BANK
AG/COMM DEPT
525 N MAIN
SIOUX CENTER, IA 51250

72-1764/739

1009

DATE 10-15-15

PAY TO THE ORDER OF Iowa Finance Authority \$ 50.00⁰⁰/₁₀₀
Fifty & no/100 DOLLARS  Country Name
Included
Printed on Back

DELUXE SECURITY PAPER



525 N MAIN AVE
PO BOX 140
SIOUX CENTER, IA 51250

MEMO Ben Van Kekerix R Groeneweg, AA MP

⑆07391764⑆ 147 240 2⑈ 1009



Status: A B

- 1. Applicant Brock T. Fister
2. Has \$50 application fee been received?
3. Applicant over age 18? 29
4. Project Purpose: Land
5. Are there CRP acres on property?
6. Will project consist of construction or purchase of livestock facilities?
7. Does Bond amount + down-payment = purchase price?
8. Are all details for project location/directions provided?
9. Are they buying from a close relative? Not Applicable
10. Have applicants previously participated in BFLP? 0
11. Are all the terms for loan provided/clear?
12. Have applicants previously owned/presently own land? No
13. Will applicants provide the management/labor in operation of the project?
14. Will applicant/s be residents of Iowa at the time of closing?
15. Has the Cert. Of Applicant & Bond Purchaser been properly answered/signed?
16. Is a financial statement included with application?
17. Lender and/or applicant background letter received?
18. Other questionable items:



IOWA AGRICULTURAL
DEVELOPMENT DIVISION

IOWA FINANCE AUTHORITY
2015 Grand Avenue | Des Moines, Iowa 50312
515.725.4900 | 800.432.7230 | fax 515.725.4901
IADD@iowa.gov | IowaFinanceAuthority.gov/IADD

(Date Received by IADD:)

FOR IADD USE ONLY	
Application Approved _____	Project Number: AG 15-080
Amount Approved _____	\$50 Fee Received: \$50.00

RECEIVED B
OCT 21 2015 F.I.
BY: _____

Beginning Farmer Loan Program Application

(To be completed by the applicant -- please print or type all information)

Note: Approval of this application does not constitute final loan approval. If prior to closing, it is discovered that the Project, in whole or in part, is ineligible for tax-exempt financing, or if the Project should become ineligible, the Authority may refuse to complete loan processing or reduce the loan amount.

PLEASE NOTE: This application is a publicly available document.

1. Type of application **PLEASE CHECK ONE:** Bank Loan or Contract Sale or Individual Investor

2. Name of applicant Brock Tyler Fister Spouse _____
Address: 1049 200th Street Telephone (712)303-9607
City New Market State Iowa Zip 51646 E-mail: b.fister@icloud.com
Age (for statistical purposes) 29

3. Bond Purchaser Bank Iowa (bank, contract seller or individual investor)
Contact Person: Scott Sunderman Telephone (712)542-2121
Address 101 N. 15th Street, P.O. Box 119 Fax (712)542-5155
City Clarinda State IA Zip 51632 E-mail: ssunderman@bankiowabanks.com

4. Purpose of Project (Please address all issues below:)

- Purchase land: Total Acres 40 Tillable Acres 28 CRP Acres _____
Estimated value of house \$ 35,000 (A dwelling & CRP acres may limit eligibility—see Program Summary)
Estimated value of out-buildings \$ _____ (An appraisal is required if property has a dwelling or outbuildings)
- Purchase machinery _____
 Purchase livestock (what and how many) _____
 Make building or other farm improvements of _____
Who owns property where improvements are to be made _____
If constructing hog/livestock buildings, who will own animals in building? _____
(If applicant will not own hogs/livestock, send copy of feeding contract and/or contact the Authority concerning contract feeding arrangements)

5. Financing of Project (Contributions by applicant, lender or contract seller and IFA:)

	Land Purchase	Livestock Purchase	Machinery Purchase	New Farm Improvements	Total Project
Down payment by applicant	\$ 8,750	\$	\$	\$	\$ 8,750
Financed by lender/contract seller - BFLP bond	\$ 87,500	\$	\$	\$	\$ 87,500 **
Farm Service Agency (FSA)	\$ 78,750	\$	\$	\$	\$ 78,750
From other sources:	\$	\$	\$	\$	\$
IADD Loan Participation	\$	\$	\$	\$	\$
TOTAL COST OF PROJECT:	\$ 175,000	\$	\$	\$	\$ 175,000

**Loan closing fee of 1.50% of the first \$250,000 and 0.75% over the \$250,000 amount of the BFLP bond (loan) closed.

6. Location of Project

- a. List the county and township names with section numbers (e.g. Section 26, Bristol Township, Any County, IA)
Section 22, Dallas Township, Taylor County, Iowa 51646
- b. Location by road from nearest town: (Example - 4 miles north of Anytown, IA on State Highway 175). Roads must be identified, unless they are unmarked gravel roads, then state as such. 1 3/4 miles North of New Market, IA on Badger Ave. and 2 3/4 miles East on 200th Street
- c. Will the project consist of the construction or acquisition of buildings, structures or other immovable property, including remodeling of or additions to existing structures? (If NO, go to #7) YES NO
 Will the Beginning Farmer be the sole owner of the land where the project will be located? YES NO
 If NO, will applicant have a long-term lease for the length of the loan? NA YES NO

7. Seller of Property Phyllis Combs

Address 1374 200th Street
 City New Market State IA Zip 51646 Telephone (712)585-3356

- a. Please indicate if you are acquiring the "Project" directly or indirectly from a related person: YES NO
 If YES, please explain the relationship. _____
NOTE: Contract sales are not allowed between the beginning farmer and their grandparents, parents, children or siblings. Cash/bank loans are permitted with these relatives, but the Authority's Fair Market Value Certificate and Related Person Certificate must be completed.
- b. Please explain if you have begun to acquire or construct any part of the "Project" for which you are requesting a loan; have entered into any contract or purchase agreement (installment or otherwise) in connection with the construction or acquisition of the "Project," or have begun off-site fabrication or acquisition of any portion of the "Project."

NOTE: Down payments made more than 60 days prior to approval of the application will not be eligible for bond financing.

8. Previous tax-exempt financed projects

Have you, your spouse, minor children or any related person received tax-exempt financing of any kind in any state?
 YES NO If YES, please explain. _____

9. What is the net worth of the beginning farmer (including spouse and minor children)? \$ 26,578.⁰⁰

NOTE: A financial statement is also required of any partnership, corporation, or other entity, etc. in which the beginning farmer has a financial interest.
 Is a current personal financial statement taken within 30 days of submission of the application, witnessed by a bank officer and signed by all applicants enclosed? YES NO
 (Please attach a copy of the financial statement and detailed list of machinery owned.)

PROPOSED LOAN TERMS FOR IADD BOND

(Complete questions 9-10 with your lender, contract seller, or individual investor, whichever is applicable.)

10. What are the proposed loan or contract sale terms?

- a. Tax-exempt interest rate: Fixed: _____ percent (%) OR Variable: 3.75 percent (%)
 If variable rate, indicate specific index used: (Example--80% of bank's prime rate, such prime rate currently is 11% to be adjusted semi-annually). 2.25% percent above the weekly average yield on United States Treasury securities adjusted to a constant maturity of 5 years. The rate may change as often as every 5 years beginning 5 years from the date of closing
- b. Total term: 30 years.
- c. Repayments: monthly, quarterly, semi-annually, annually OR other (specify below)
 Amount \$ 4,941.02 Does this amount include interest? YES NO
- d. Proposed Date of Closing: November 1, 2015
- e. First payment due date: November 1, 2016
- f. Call options as follows: _____

OR balloon _____ amount of balloon \$ _____

NOTE: Balloon will automatically end tax exemption -- See Program Summary.

11. Previous and Present Land Owned (If your answer to 11a is no, skip to question 12.)

a. Have you, your spouse, or minor children ever directly or indirectly owned any farmland? YES NO

Note: The following are examples of indirect land ownership:

- 1) ownership of a beneficial interest in a trust which in turn holds land.
- 2) ownership of shares in a family farm corporation which owns land.
- 3) a remainder interest in land which is subject to a life estate in another person.

b. Describe each parcel of land presently or previously owned by county location, size, and the time period during which you owned it. (If the ownership is indirect, also describe the means of ownership and the total amount owned, for example, "I have a one-fourth beneficial interest in a trust; the trust holds a total of 200 acres"):

c. Have you, your spouse, or minor children done any of the following:

- 1) performed physical work on the land? 1) YES NO
- 2) participated in management decisions about operations on the land? 2) YES NO
- 3) provided regular advice and consultation on the business operations on the land? 3) YES NO
- 4) regularly inspected production activities on the land? 4) YES NO
- 5) directly or indirectly advanced funds or paid a substantial portion of the operating expenses for operations on the land? 5) YES NO
- 6) lived on the land? 6) YES NO

d. Please describe the degree of your involvement in each activity, the frequency of your involvement and the length of time over which your involvement occurred. (Use additional sheets if necessary): _____

e. Have you disposed of any of these parcels of land? e) YES NO

If YES, please identify the parcel(s) and the approximate date disposed: _____

f. Did you, your spouse or minor children recognize income, for federal income purposes, as the result of cancellation of indebtedness with respect to any of the parcels disposed? f) YES NO

If YES, identify the parcel(s) with respect to which income was recognized: _____

12. Management and Labor of Project will be provided by: Brock Fister

a. Will any of the labor be performed by or management provided by individuals or entities other than the Applicants?
 YES NO If YES, please describe: _____

b. Will any portion of the Project be used in connection with any new or existing farm partnership, farm corporation, limited liability company, or other formal or informal joint farming venture, including contract feeding arrangements?
 YES NO If YES, please describe: _____

c. Will any of the applicants work off the farm?
 YES NO If YES, amount of non-farm income anticipated: \$ 25,000
Where will he/she be employed? Hired farm hand for Seth Watkins and self employed building fence
Explain any other related details to non-farm income _____

d. Please explain what your farming operation will consist of and include the new project:
Crop acres on owned land: 28
Crop acres on cash rented land: _____
Crop acres on crop-share rented land: _____
Owned livestock operation: _____
Contract-feeding livestock operation: _____
Other farm operations: Take care of cattle on a share basis

CERTIFICATIONS OF APPLICANT

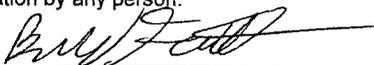
(To be completed by beginning farmer applicant/s)

In submitting this application, I, the undersigned Beginning Farmer, have read the following statements and hereby certify and agree that:

1. I will be a permanent resident of the state of Iowa at the time of bond issuance. True False
2. I have sufficient education, training or experience in the type of farming for which this loan is requested. True False
Attach a background letter describing the education, training or experience of you and your spouse as it relates to farming.
3. The Project shall be used only for farming by myself, my spouse, and/or minor children, and we will perform the labor and provide the management needed to use the Project for farming. True False
4. None of the proceeds of the loan shall be used for the refinancing or restructuring of any existing indebtedness in whole or in part, working capital, operating purposes or for inventory or supplies for the Beginning Farmer or any related person. True False
5. I have or will have access to adequate working capital, farm equipment, machinery or livestock (if the loan proceeds are to be used to acquire agricultural land), and I have or will have access to adequate working capital or agricultural land (if the loan is to be used to acquire depreciable agricultural property). True False
6. I agree the loan may not be assumed by another person without the Authority's prior approval and then only if the purchaser of the property is an eligible applicant for an BFLP loan. I presently plan to retain the property financed by the loan for the term of the loan; however, I understand equipment and other depreciable property may be exchanged or traded in on similar property, and other property such as breeding livestock may be added or substituted as collateral at the discretion of the Lender without prior approval of the Authority. I also understand that the benefits of the loan, made at the tax-exempt rate from the proceeds of an BFLP bond, must be retained by myself, and no person to whom property is traded or otherwise transferred may obtain the benefits of the BFLP loan. True False
7. I understand and agree that I am responsible for submitting an application fee with this application and a loan closing fee of 1.50% on the first \$250,000 and 0.75% on any amount over the \$250,000 to the IADD at the time of loan closing; such fees will be used for expenses of administering the Individual Agricultural Development Bond Program. True False

All of the information I have provided in the application is true and complete. Also, I understand this application and any of the documents prepared or submitted in connection with it or the loan referred to hereon are "public records" as defined in Section 22.1 of the Iowa Code and are subject to examination, copying, publication or other dissemination by any person.

10-21-15
Date


Signature of Beginning Farmer

Signature of Beginning Farmer's Spouse

CERTIFICATIONS OF BOND PURCHASER

(To be completed by Lender, Contract Seller, or Individual Investor)

The undersigned Bond Purchaser has read the following statements and hereby certifies that:

1. All of the proceeds of the bond will be used for the acquisition, construction, reconstruction, equipping and installation of land, or property of a character subject to the allowance for depreciation under Section 167 of the Internal Revenue Code.
2. To the best of the bond purchaser's knowledge, each of the Certifications of the Applicant and all other information with respect to the project or applicant set forth in this application is true and correct.
3. The proceeds of the bond will not be used to provide working capital or finance inventory, supplies or other operating expenses for the applicant or any related person, or be used to refinance or restructure any portion of existing indebtedness.
4. The Bond Purchaser requests the Authority to issue and sell its bond to the Bond Purchaser for the purpose of financing the project to the extent thereof.
5. The principal and interest on the bond do not constitute an indebtedness of the Authority or the State of Iowa or a charge against their general credit or general funds.

Bank Iowa

Bond Purchaser or Bank Name

10-21-15
Date

By 
Signature of Official of Bank, Contract Seller, or Individual Investor

This application cannot be reviewed unless the Authority has received all of the following:

- | | |
|--|---|
| <input checked="" type="checkbox"/> \$50 application fee | <input checked="" type="checkbox"/> Background letter from applicant and lender |
| <input checked="" type="checkbox"/> Current personal financial statement witnessed by a bank officer and signed by all loan applicants | <input checked="" type="checkbox"/> Completed application form signed by both parties |
| | <input type="checkbox"/> Certificates—pages 5 & 6, if sale from close relative |

Balance Sheet

Brock T Fister

10/19/2015 10/19/15 Balance Shee

Cust. #

	Value		Value
<u>Current Assets</u>		<u>Current Liabilities</u>	
Cash & Equivalents	5,185	Other Current Liabilities	607*
Total Current Assets	5,185	Total Current Liabilities	607
<u>Intermediate Assets</u>		<u>Intermediate Liabilities</u>	
Other Intermediate Assets	15,000*		
Personal Vehicles / Rec. Equip	7,000*		
Total Intermediate Assets	22,000	Total Intermediate Liabilities	0
TOTAL ASSETS	27,185	TOTAL LIABILITIES	607
* Scheduled Account		TOTAL EQUITY	26,578

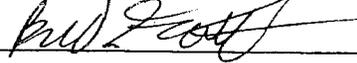
I/We have applied for credit for our farming needs for the year _____. It is anticipated that our credit needs for this year will be \$ _____.

_____ Initial this line if you are applying for individual credit in your own name and are relying on your own income or assets and not the income or assets of another person as the basis for repayment of the credit requested.

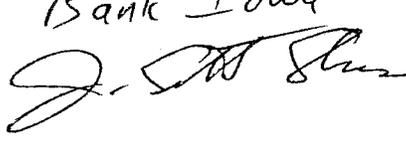
_____ Initial this line if you are applying for joint credit with another person.

_____ Initial this line if you are applying for individual credit, but are relying on income or assets of another person as a basis for repayment of the credit requested.

The information contained in this statement is provided for the purpose of obtaining, or maintaining credit with you on behalf of the undersigned, or persons, firm or corporations in whose behalf the undersigned may either severally or jointly with others execute a guaranty in your favor. Each undersigned understands that you are relying on information provided herein (including the designation made as to ownership of property) in deciding to grant or continue credit. Each undersigned represents and warrants that the information provided is true and complete and that you may consider this statement as continuing to be true and correct until a written notice of a change is given to you by the undersigned. You are authorized to make inquiries you deem necessary to verify the accuracy of the statements made herein, and to determine my/our creditworthiness. You are authorized to answer questions about your credit experience with me/us. The undersigned acknowledges receipt of a copy of this statement.

Signature:  Date: 10-21-15

Signature: _____ Date: _____

Witnessed by:
Bank Iowa
 V.P. 10/21/15

Balance Sheet Schedules

10/19/2015 - 10/19/15 Balance Shee

Brock T Fister

Cust. #

Other Intermediate Assets				Acc. Depr.	Value
Gun collections					5,000
Household goods					10,000
					<u>15,000</u>
Personal Vehicles / Rec. Equip				Acc. Depr.	Value
	Qty	Cond.	Year		
Pickup - Dodge - 1/2 Ton	1	Good	2001		4,500
ATV - Polaris	1	Good	2007		2,500
					<u>7,000</u>
Other Current Liabilities					Value
Hauge Assoc					402
Hauge Assoc					205
					<u>607</u>



Bank Iowa.

10-23 '15 AM09:47

October 21, 2015

Iowa Agriculture Development Division
2015 Grand Avenue
Des Moines, Iowa 50312

RE: Brock Fister

To whom it may concern,

Enclosed is a Beginning Farmer Loan application for Brock Fister. This application is for the purchase of 40 acres of farmland, which does include a dwelling appraised at \$35,000. The total appraisal value of the land, including the home is \$175,000. Bank Iowa will be loaning 50% of the purchase price, FSA funding 45% and the 5% down payment will come from a gift from his parents.

Brock grew up near Bedford, IA and lived with his grandparents on their farm. He helped on the farm working cattle and baling hay. For the last four(4) years Brock has worked as a farmhand for Seth Watkins. He is responsible for taking care of the cattle, preparing feed rations, and helping to mow and bale hay. He is also charged with repairing the equipment on the farm. Seth says that Brock is very talented and ambitious.

Brock plans to raise cattle on the property on a per share basis. His mother and step-father will provide the cattle. Brock's employer, Seth Watkins will provide the use of farm machinery, as needed.

Brock does not plan on requiring any operating capital as he intends to pay as he goes from his wages and income from building fence during the summer. If additional working capital is needed, he will work through the FSA. Interim financing will be provided through Bank Iowa.

Thank you for your consideration of this application. If you need any further information, please do not hesitate to call me.

Very truly yours,

Scott Sunderman
Vice President

October 19, 2015

To Whom It May Concern,

My interest in agriculture began as a young boy helping on my grandfather's farm where he raised livestock and row cropped. I spent many a summer baling hay and helping out around the farm. I also spent much of my younger years involved in 4-H where I really developed a love for livestock.

Currently, I work for Seth Watkins raising cattle on his ranch. My every day duties include checking cows, doctoring sick cattle and fixing fence. During calving season I check the herd regularly and assist any having problems. In the summer I'm in charge of putting up the hay at the best quality possible. We have worked diligently to create a feed ration that is efficient and economical. Among my many duties on the farm, I am also tasked with servicing the equipment so that it runs smoothly.

I have always had a dream of owning my own land, which is why I have applied for this program. Thanks for your consideration.

Respectfully,

A handwritten signature in black ink, appearing to read 'Brock Fister', with a long horizontal flourish extending to the right.

Brock Fister



Status: A B

- 1. Applicant James Thompson
2. Has \$50 application fee been received?
3. Applicant over age 18? 41
4. Project Purpose: Land
5. Are there CRP acres on property?
6. Will project consist of construction or purchase of livestock facilities?
7. Does Bond amount + down-payment = purchase price?
8. Are all details for project location/directions provided?
9. Are they buying from a close relative? Not Applicable
10. Have applicants previously participated in BFLP? 0
11. Are all the terms for loan provided/clear?
12. Have applicants previously owned/presently own land? No
13. Will applicants provide the management/labor in operation of the project?
14. Will applicant/s be residents of Iowa at the time of closing?
15. Has the Cert. Of Applicant & Bond Purchaser been properly answered/signed?
16. Is a financial statement included with application?
17. Lender and/or applicant background letter received?
18. Other questionable items:



IOWA AGRICULTURAL
DEVELOPMENT DIVISION

10-26 15 10:15

IOWA FINANCE AUTHORITY
2015 Grand Avenue | Des Moines, Iowa 50312
515.725.4900 | 800.432.7230 | fax 515.725.4901
IADD@iowa.gov | IowaFinanceAuthority.gov/IADD

(Date Received by IADD:)

FOR IADD USE ONLY

Application Approved _____ Project Number: **AG 15-081**

Amount Approved _____ \$50 Fee Received: **\$ 50.00**

RECEIVED B
OCT 26 2015 N.W.

Beginning Farmer Loan Program Application

(To be completed by the applicant -- please print or type all information)

Note: Approval of this application does not constitute final loan approval. If prior to closing, it is discovered that the Project, in whole or in part, is ineligible for tax-exempt financing, or if the Project should become ineligible, the Authority may refuse to complete loan processing or reduce the loan amount.

PLEASE NOTE: This application is a publicly available document.

1. Type of application PLEASE CHECK ONE: Bank Loan or Contract Sale or Individual Investor

2. Name of applicant Jim Thompson Spouse _____
Address: 1993 240th Street Telephone (563) 608-4411
City Manchester State IA Zip 52057 E-mail: _____
Age (for statistical purposes) 41

3. Bond Purchaser GNB Bank (bank, contract seller or individual investor)
Contact Person: Dave Smith Telephone (563) 927-3814
Address 300 E. Main St Fax (563) 927-6741
City Manchester State IA Zip 52057 E-mail: daves@gnbbank.com

4. Purpose of Project (Please address all issues below:)

Purchase land: Total Acres 63.5 Tillable Acres 57 CRP Acres 0
Estimated value of house \$ n/a (A dwelling & CRP acres may limit eligibility—see Program Summary)
Estimated value of out-buildings \$ n/a (An appraisal is required if property has a dwelling or outbuildings)

Purchase machinery _____
 Purchase livestock (what and how many) _____
 Make building or other farm improvements of _____
Who owns property where improvements are to be made _____
If constructing hog/livestock buildings, who will own animals in building? _____
(If applicant will not own hogs/livestock, send copy of feeding contract and/or contact the Authority concerning contract feeding arrangements)

5. Financing of Project (Contributions by applicant, lender or contract seller and IFA:)

	Land Purchase	Livestock Purchase	Machinery Purchase	New Farm Improvements	Total Project
Down payment by applicant	\$ <u>21,590</u>	\$ _____	\$ _____	\$ _____	\$ _____
Financed by lender/contract seller - BFLP bond	\$ <u>215,900</u>	\$ _____	\$ _____	\$ _____	\$ _____ **
Farm Service Agency (FSA)	\$ <u>194,310</u>	\$ _____	\$ _____	\$ _____	\$ _____
From other sources:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
IADD Loan Participation	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
TOTAL COST OF PROJECT:	\$ <u>431,800</u>	\$ _____	\$ _____	\$ _____	\$ _____

**Loan closing fee of 1.50% of the first \$250,000 and 0.75% over the \$250,000 amount of the BFLP bond (loan) closed.

6. Location of Project

- a. List the county and township names with section numbers (e.g. Section 26, Bristol Township, Any County, IA)
Section 5 Union Township, Delaware County Iowa
- b. Location by road from nearest town: (Example - 4 miles north of Anytown, IA on State Highway 175). Roads must be identified, unless they are unmarked gravel roads, then state as such. 3 miles south of Delhi, IA on 235th Avenue
- c. Will the project consist of the construction or acquisition of buildings, structures or other immovable property, including remodeling of or additions to existing structures? (If NO, go to #7) YES NO
Will the Beginning Farmer be the sole owner of the land where the project will be located? YES NO
If NO, will applicant have a long-term lease for the length of the loan? NA YES NO

7. Seller of Property Dale Heimerman

Address 1129 N. 3rd St
City Manchester State IA Zip 52057 Telephone (563) 927-4790

- a. Please indicate if you are acquiring the "Project" directly or indirectly from a related person: YES NO
If YES, please explain the relationship.
- NOTE: Contract sales are not allowed between the beginning farmer and their grandparents, parents, children or siblings. Cash/bank loans are permitted with these relatives, but the Authority's Fair Market Value Certificate and Related Person Certificate must be completed.
- b. Please explain if you have begun to acquire or construct any part of the "Project" for which you are requesting a loan; have entered into any contract or purchase agreement (installment or otherwise) in connection with the construction or acquisition of the "Project," or have begun off-site fabrication or acquisition of any portion of the "Project."

NOTE: Down payments made more than 60 days prior to approval of the application will not be eligible for bond financing.

8. Previous tax-exempt financed projects

Have you, your spouse, minor children or any related person received tax-exempt financing of any kind in any state?
 YES NO If YES, please explain.

9. What is the net worth of the beginning farmer (including spouse and minor children)? \$668,501

NOTE: A financial statement is also required of any partnership, corporation, or other entity, etc. in which the beginning farmer has a financial interest).
Is a current personal financial statement taken within 30 days of submission of the application, witnessed by a bank officer and signed by all applicants enclosed? YES NO
(Please attach a copy of the financial statement and detailed list of machinery owned.)

PROPOSED LOAN TERMS FOR IADD BOND

(Complete questions 9-10 with your lender, contract seller, or individual investor, whichever is applicable.)

10. What are the proposed loan or contract sale terms?

- a. Tax-exempt interest rate: Fixed: _____ percent (%) OR Variable: 3.8 percent (%)
If variable rate, indicate specific index used: (Example--80% of bank's prime rate, such prime rate currently is 11% to be adjusted semi-annually). 2.5% over the 5 year treasuries constant maturities rate to be adjusted every 3 years. Lifetime cap of 6% over initial rate with 1% cap every change time.
- b. Total term: 30 years.
- c. Repayments: monthly, quarterly, semi-annually, annually OR other (specify below)
Amount \$ 12,267.76 Does this amount include interest? YES NO
- d. Proposed Date of Closing: 2-1-16
- e. First payment due date: 2-1-17
- f. Call options as follows: N/A

OR balloon _____ amount of balloon \$ _____

NOTE: Balloon will automatically end tax exemption - See Program Summary.

11. Previous and Present Land Owned (If your answer to 11a is no, skip to question 12.)

- a. Have you, your spouse, or minor children ever directly or indirectly owned any farmland? YES NO

Note: The following are examples of indirect land ownership:

- 1) ownership of a beneficial interest in a trust which in turn holds land.
- 2) ownership of shares in a family farm corporation which owns land.
- 3) a remainder interest in land which is subject to a life estate in another person.

- b. Describe each parcel of land presently or previously owned by county location, size, and the time period during which you owned it. (If the ownership is indirect, also describe the means of ownership and the total amount owned, for example, "I have a one-fourth beneficial interest in a trust; the trust holds a total of 200 acres"):
-

- c. Have you, your spouse, or minor children done any of the following:

- | | |
|--|---|
| 1) performed physical work on the land? | 1) <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 2) participated in management decisions about operations on the land? | 2) <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3) provided regular advice and consultation on the business operations on the land? | 3) <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 4) regularly inspected production activities on the land? | 4) <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 5) directly or indirectly advanced funds or paid a substantial portion of the operating expenses for operations on the land? | 5) <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 6) lived on the land? | 6) <input type="checkbox"/> YES <input type="checkbox"/> NO |

- d. Please describe the degree of your involvement in each activity, the frequency of your involvement and the length of time over which your involvement occurred. (Use additional sheets if necessary):
-

- e. Have you disposed of any of these parcels of land? e) YES NO
 If YES, please identify the parcel(s) and the approximate date disposed:

- f. Did you, your spouse or minor children recognize income, for federal income purposes, as the result of cancellation of indebtedness with respect to any of the parcels disposed? f) YES NO
 If YES, identify the parcel(s) with respect to which income was recognized:

12. Management and Labor of Project will be provided by: Jim Thompson

- a. Will any of the labor be performed by or management provided by individuals or entities other than the Applicants? YES NO If YES, please describe:

- b. Will any portion of the Project be used in connection with any new or existing farm partnership, farm corporation, limited liability company, or other formal or informal joint farming venture, including contract feeding arrangements? YES NO If YES, please describe:

- c. Will any of the applicants work off the farm?
 YES NO If YES, amount of non-farm income anticipated: \$ 60,000
 Where will he/she be employed? Jim works for Black Hills Energy
 Explain any other related details to non-farm income Jim also owns rental houses that he receives a monthly income stream from.

- d. Please explain what your farming operation will consist of and include the new project:
- | | |
|---------------------------------------|-------------|
| Crop acres on owned land: | <u>57</u> |
| Crop acres on cash rented land: | <u>125</u> |
| Crop acres on crop-share rented land: | <u>0</u> |
| Owned livestock operation: | <u>n/a</u> |
| Contract-feeding livestock operation: | <u>yes</u> |
| Other farm operations: | <u>none</u> |

CERTIFICATIONS OF APPLICANT

(To be completed by beginning farmer applicant/s)

In submitting this application, I, the undersigned Beginning Farmer, have read the following statements and hereby certify and agree that:

1. I will be a permanent resident of the state of Iowa at the time of bond issuance. True False
2. I have sufficient education, training or experience in the type of farming for which this loan is requested. True False
Attach a background letter describing the education, training or experience of you and your spouse as it relates to farming.
3. The Project shall be used only for farming by myself, my spouse, and/or minor children, and we will perform the labor and provide the management needed to use the Project for farming. True False
4. None of the proceeds of the loan shall be used for the refinancing or restructuring of any existing indebtedness in whole or in part, working capital, operating purposes or for inventory or supplies for the Beginning Farmer or any related person. True False
5. I have or will have access to adequate working capital, farm equipment, machinery or livestock (if the loan proceeds are to be used to acquire agricultural land), and I have or will have access to adequate working capital or agricultural land (if the loan is to be used to acquire depreciable agricultural property). True False
6. I agree the loan may not be assumed by another person without the Authority's prior approval and then only if the purchaser of the property is an eligible applicant for an BFLP loan. I presently plan to retain the property financed by the loan for the term of the loan; however, I understand equipment and other depreciable property may be exchanged or traded in on similar property, and other property such as breeding livestock may be added or substituted as collateral at the discretion of the Lender without prior approval of the Authority. I also understand that the benefits of the loan, made at the tax-exempt rate from the proceeds of an BFLP bond, must be retained by myself, and no person to whom property is traded or otherwise transferred may obtain the benefits of the BFLP loan. True False
7. I understand and agree that I am responsible for submitting an application fee with this application and a loan closing fee of 1.50% on the first \$250,000 and 0.75% on any amount over the \$250,000 to the IADD at the time of loan closing; such fees will be used for expenses of administering the Individual Agricultural Development Bond Program. True False

All of the information I have provided in the application is true and complete. Also, I understand this application and any of the documents prepared or submitted in connection with it or the loan referred to hereon are "public records" as defined in Section 22.1 of the *Iowa Code* and are subject to examination, copying, publication or other dissemination by any person.

10-8-15
Date

[Signature]
Signature of Beginning Farmer

Signature of Beginning Farmer's Spouse

CERTIFICATIONS OF BOND PURCHASER

(To be completed by Lender, Contract Seller, or Individual Investor)

The undersigned Bond Purchaser has read the following statements and hereby certifies that:

1. All of the proceeds of the bond will be used for the acquisition, construction, reconstruction, equipping and installation of land, or property of a character subject to the allowance for depreciation under Section 167 of the Internal Revenue Code.
2. To the best of the bond purchaser's knowledge, each of the Certifications of the Applicant and all other information with respect to the project or applicant set forth in this application is true and correct.
3. The proceeds of the bond will not be used to provide working capital or finance inventory, supplies or other operating expenses for the applicant or any related person, or be used to refinance or restructure any portion of existing indebtedness.
4. The Bond Purchaser requests the Authority to issue and sell its bond to the Bond Purchaser for the purpose of financing the project to the extent thereof.
5. The principal and interest on the bond do not constitute an indebtedness of the Authority or the State of Iowa or a charge against their general credit or general funds.

10-8-15 Date By GNB Bank Bond Purchaser or Bank Name
[Signature] Signature of Official of Bank, Contract Seller, or Individual Investor

This application cannot be reviewed unless the Authority has received all of the following:

- | | |
|--|---|
| <input checked="" type="checkbox"/> \$50 application fee | <input checked="" type="checkbox"/> Background letter from applicant and lender |
| <input checked="" type="checkbox"/> Current personal financial statement witnessed by a bank officer and signed by all loan applicants | <input checked="" type="checkbox"/> Completed application form signed by both parties |
| | <input type="checkbox"/> Certificates—pages 5 & 6, if sale from close relative |

AGRICULTURAL FINANCIAL STATEMENT

Check One

ENTITY:						Individual	<input checked="" type="checkbox"/>
NAME(S):	Iron Thompson					Partnership	<input type="checkbox"/>
ADDRESS:	1993 240th St Manchester Delaware					Corporation	<input type="checkbox"/>
	Street	Town	County	State	Zip Code	Limited Liability Company	<input type="checkbox"/>
BANK:	GNB Bank 300 E. Main St. - Manchester, PA					9-21-15	
	Bank	Address			Statement Dated:		

I or We furnish the following statement of my or financial condition on the above given date and is certified to be true and correct.

CURRENT ASSETS		CURRENT LIABILITIES	
		To Whom and Collateral	Due Within 12 Months
Cash in Hand and in Bank (checking)	5000	Notes Due This Bank & Others:	
Savings & Certificates (Sch. A)		Credit Cards (Joni)	17,300
Crops and Feed on Hand (Sch. G)	8250		
Livestock Held for Sale (Sch. E)			
Marketable Bonds & Stock (Sch. D)			
Accounts Receivable			
Note and Contracts Receivable			
Cash Invested in Crop	49,062 49,062	Accounts Payable (Gas, Feed)	
CCD or Government Payments			
Other Current Assets			
		Cash Rent Due	
		Other Current Liabilities	
		Interest Accrued	
		Credit Card Balance	
		Taxes - Federal, State, & Real Estate	
TOTAL CURRENT ASSETS	59,312	TOTAL CURRENT LIABILITIES	17,300
NET CURRENT POSITION (W. Cap.)		CA:CL RATIO	
INTERMEDIATE ASSETS		INTERMEDIATE LIABILITIES	
		To Whom and Collateral	Due Beyond 12 Months
Cash Value Life Insurance (Sch. C)	23,311	Machinery Loans (not Incl. Above)	
Machinery & Equipment (Sch. H)	25,000	Breeding Stock Loans	
Breeding Stock (Sch. F)	2013 Toyota	Term Debt - More Than 1 Year	
Securities Not Readily Mible	18,000	Other Intermediate Liabilities	
Autos	2014 Chevy Pickup	Ailly Car Loan 419/mth	17,626
	30,000	Linn Area Credit Union 329/mth Jan	8,102
Iron Thompson LLC Equity	244,279		
Retirement Accts./Pension Plans (Sch. B)	146,000	TOTAL INTERMEDIATE LIABILITIES	25,728
Other Intermediate Assets	30,000	IA:IL RATIO	
TOTAL INTERMEDIATE ASSETS	516,590		
NET INTERMEDIATE POSITION:			
LONG TERM OR FIXED ASSETS		LONG TERM LIABILITIES	
		Not Included Above	
Farm Real Estate		Balance Due on Mortgages	P+M home 736/mth 142,373
City Real Estate		Balance Due on Contracts	
Other Real Estate	278,000	To Whom Annual Pymt. %age rate	
Capital Improvements			
Mortgages or Contracts Held			
		TOTAL LONG TERM LIABILITIES	
TOTAL FIXED ASSETS		FA:LTL RATIO	
NET FIXED POSITION:		TL/TA	
		TOTAL LIABILITIES	185,401
DEBT: WORTH RATIO		PRESENT NET WORTH	668,501
TOTAL ASSETS	853,902	TOTAL LIABILITIES & NET WORTH	853,902

I or We further certify that all the blanks contained in the foregoing statement were completed before I or We signed by inserting information furnished by the undersigned. I or we acknowledge receipt of this instrument.

Date: 10-8-15
 Witness: [Signature] S. Lender

Signed: [Signature]
 Signed: [Signature]

Schedule A - Savings & Certificates

Type of Account	Location	Value
Total		

Schedule B - Retirement Accounts & Pension Plans

Type	Location	Value
401-K	Black Hills	146,000
Total		146,000

Schedule C - Life Insurance

Insurance Co.	Beneficiary	Face Value	Cash Value	Amt. Borrowed
MetLife			18,780	0
CompLife			4581	0
Total			23,311	

Schedule D - Bonds & Securities

Par Value Bonds	No. of Shares or Description	Market Value
Total		

Schedule E & F - Livestock Held for Sale

Number	Description	Weight	Price	Value
Total				

Alimony, child support, or separate maintenance income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation. Alimony, child support, separate maintenance received under: (circle one)
 Court order written agreement oral understanding

Date of Birth: _____
 Physical Condition: _____
 Dependents: _____ Boys _____ Girls
 At Home: _____ In College: _____
 Involved in Bankruptcy? Yes No
 Any Suits Pending? Yes No
 Other Jobs or Business interests _____

TOTAL INCOME \$ _____
 Contingent Liabilities: _____
 Health Insurance Yes No
 Deductible Amount \$ _____
 Disability Insurance Yes No
 Crop Insurance & Type Hail Multi-Peril
 Farm Blanket Insurance Yes No \$ _____
 Liability Insurance Limits Yes No \$ _____
 Umbrella Policy Yes No \$ _____
 Do You Have a Will? Yes No

Schedule G - Crops or Feed on Hand or Growing (your share only)

Crops or Feed	On Hand Bu. Or Tons	Dollars Per Unit	Total Value	Crop	Number of Acres
Corn	1500 bu	3.50	5,250	Corn	
				Beans	
				Oats	
				Hay	
				Set-Aside	
				Pasture	
Totals				Total	

Schedule H - Machinery and Equipment

Number	Kind	Make	Model/Desc	Year	Value	
	Auger					
	Baler					
	Chisel Plow	D M R			3,000	
	Corn Head					
	Grain Head					
	Corn Picker					
	Cultivator					
	Disc chisel plow 21 Foot				3,500	
	Drill					
	Elevator					
	Field Cull.	24 Foot			4,500	
	Forage Har.					
	Grain Cart	Brent	472		4,000	
	Grain Dryer					
	Grinder					
	Harrow					
	HogFeeders					
	Lvstk Trailer					
	Loader					
	Manure Spr					
	Mower					
	Planter	John Deere 7200			19,000	
	Plow					
	Skid Loader					
	Tools					
	Tractors					
	Trucks	other intermediate assets: Camper - 15,000				
	Wagons	2 snowblows 7,000				
	Windrower	2 4-wheelers - 8,000				
	Other(List)					
Total Value					25,000	

Schedule I - Real Estate: Include Farm, City & Other Real Estate, Mortgages, Contracts & Grain Equipment. (Fill in 1, 2, 3 & 4 if rented or custom Farmed)

1. Name of Property:		Home			
2. Acres:					
3. Description:	Legal				
	Section/Lot				
	Twp./Add'n				
4. Type of Lease OR					
5. Name(s) on Title					
6. Type of Ownership					
7. Year Purchased					
8. Present Market Value		278,000			
9. Mortgage or Contract					
Total Balance Due					

AGRICULTURAL FINANCIAL STATEMENT

Check One

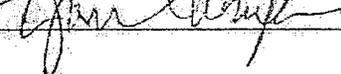
NAME(S):	Jim & Joan's Rentals			Individual	<input type="checkbox"/>
	Jim Thompson Joan Thompson			Partnership	<input type="checkbox"/>
				Corporation	<input type="checkbox"/>
				Limited Liability Company	<input checked="" type="checkbox"/>
ADDRESS:	1993 240th St	Manchester	Delaware	Iowa	52057
	Street	Town	County	State	Zip Code
BANK:	ENB Bank	900 E Main St Manchester IA		9-21-15	
	Bank	Address		Statement Dated:	

I or We furnish the following statement of my of financial condition on the above given date and is certified to be true and correct.

CURRENT ASSETS		CURRENT LIABILITIES	
		To Whom and Collateral	Due Within 12 Months
Cash in Hand and in Bank (checking)	7500	Notes Due This Bank & Others	
Savings & Certificates (Sch. A)			
Crops and Feed on Hand (Sch. G)			
Livestock Held for Sale (Sch. E)			
Marketable Bonds & Stock (Sch. D)			
Accounts Receivable			
Note and Contracts Receivable			
Cash Invested in Crop		Accounts Payable (Gas, Feed)	
DCC or Government Payments			
Other Current Assets			
		Cash Rent Due	
		Other Current Liabilities	
		Interest Accrued	
		Credit Card Balance	
		Taxes - Federal, State, & Real Estate	
TOTAL CURRENT ASSETS		TOTAL CURRENT LIABILITIES	
NET CURRENT POSITION (W/ Cap.)		CA:CL RATIO	
INTERMEDIATE ASSETS		INTERMEDIATE LIABILITIES	
		To Whom and Collateral	Due Beyond 12 Months
Cash Value Life Insurance (Sch. C)		Machinery Loans (not incl. Above)	
Machinery & Equipment (Sch. H)		Breeding Stock Loans	
Breeding Stock (Sch. F)		Term Debt - More Than 1 Year	
Securities Not Readily Mible.		Other Intermediate Liabilities	
Autos			
Retirement Accts./Pension Plans (Sch. B)			
Other Intermediate Assets			
TOTAL INTERMEDIATE ASSETS		TOTAL INTERMEDIATE LIABILITIES	
NET INTERMEDIATE POSITION		IA:IL RATIO	
LONG TERM OR FIXED ASSETS		LONG TERM LIABILITIES	
Farm Real Estate		Not Included Above	
City Real Estate	355,000	Balance Due on Mortgages	
Other Real Estate		Balance Due on Contracts	
Capital Improvements		To Whom Annual Pymt. %age rate	
Mortgages or Contracts Held			
TOTAL FIXED ASSETS		TOTAL LONG TERM LIABILITIES	
NET FIXED POSITION		FA:LTL RATIO	
		TL/TA	
DEBT: WORTH RATIO		TOTAL LIABILITIES	118,221
TOTAL ASSETS	362,500	PRESENT NET WORTH	244,279
		TOTAL LIABILITIES & NET WORTH	362,500

I or We further certify that all the blanks contained in the foregoing statement were completed before I or We signed by inserting information furnished by the undersigned. I or we acknowledge receipt of this instrument.

Date: 10-5-15
 Witness:  S. Linder

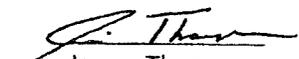
Signed: 
 Signed: 

I grew up in a farming community and have been cash renting 125 acres for 5 years. I have some equipment and also use some of my father in laws equipment. I complete the field work myself and market the grain. I do not currently have a livestock enterprise so all of the grain is marketed.

The land I am purchasing is all tillable ground and does not include any CRP.

I have not needed operating funds in my operation so far but if I do after the purchase of this ground I will have access either through my Bank, GNB Bank or Farm Service Agency.

Interim financing for this project is not expected but if it is necessary, GNB Bank will likely extend the interim funds if the IADD paperwork is not completed yet.


James Thompson

10-8-15
date



Status: A
 B

1. Applicant Kenneth L. Gansz
2. Has \$50 application fee been received?..... Yes No
3. Applicant over age 18? 24 Yes No
4. **Project Purpose:** Land Breeding livestock Machinery Farm Improvements (Existing Buildings)
Is there a dwelling on the property?..... Yes No
If yes: 1) will less than 5% of the bond be used for the dwelling? Yes No
2) has an appraisal been submitted or ordered? Yes No
5. Are there CRP acres on property?..... Yes No
1) will less than 25% of the bond be used for value of CRP? Yes No
If no, will CRP acres come out of program in 12 months? Yes No
2) has an appraisal been submitted or ordered? Yes No
6. Will project consist of construction or purchase of livestock facilities?..... Yes No
If yes 1) who will own the livestock, applicant or who? Applicant or _____
2) if not applicant, has feeding contract been submitted? Yes No
7. Does Bond amount + down-payment = purchase price?..... Yes No
8. Are all details for project location/directions provided?..... Yes No
9. Are they buying from a close relative? Not Applicable Yes No
If yes: 1) is purchase price = or > appraised value? Yes No
2) have they submitted complete Fair Market Value Certificate? Yes No
3) have they submitted complete Related Person Certificate? Yes No
10. Have applicants previously participated in BFLP? 0 Yes No
If yes 1) what was the project number(s) # _____
2) what amount of bond was used? \$ _____
3) what amount of bond remains for them? \$ _____
4) was any amount of previous bond used for dep. property? Yes No
If yes, how much? \$ _____ (max. of \$125,000)
5) no more than \$62,500 used for non-new (used) Dep. Property? Yes No
11. Are all the terms for loan provided/clear? Yes No
Specific index listed: 3.30% Variable : 1.00% over the New York Prime Rate; Fixed for 7 years Yes No
Adjustment period listed: Adjustable annually Yes No
12. Have applicants previously owned/presently own land? No Yes No
If yes: 1) total number of acres owned and have owned? _____
2) in what county or counties do they own land? _____
3) what is the number of acres they can own in their county? _____
4) did they actively participate in the management of the farm? Yes No
13. Will applicants provide the management/labor in operation of the project?..... Yes No
14. Will applicant/s be residents of Iowa at the time of closing?..... Yes No
15. Has the Cert. Of Applicant & Bond Purchaser been properly answered/signed?..... Yes No
16. Is a financial statement included with application? Yes No
If yes: 1) is statement within 30 days prior to submission of application? Yes No
2) is net worth < \$703,844? = 234500 Yes No
3) are detailed machinery lists/other ledgers included to support 1st page totals Yes No
4) is statement signed by all applicants and witnessed by lender or 3rd party? Yes No
5) does statement reflect down-payment being made? Yes No
If no, where will down-payment come from & obtain gift letter if needed: _____
17. Lender and/or applicant background letter received?..... Yes No
18. Other questionable items: _____

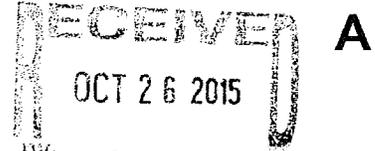


IOWA AGRICULTURAL
DEVELOPMENT DIVISION

IOWA FINANCE AUTHORITY
2015 Grand Avenue | Des Moines, Iowa 50312
515.725.4900 | 800.432.7230 | fax 515.725.4901
IADD@iowa.gov | IowaFinanceAuthority.gov/IADD

(Date Received by IADD:)

FOR IADD USE ONLY	
Application Approved _____	Project Number: AG 15-082
Amount Approved _____	\$50 Fee Received: 10/28/15



Beginning Farmer Loan Program Application

(To be completed by the applicant – please print or type all information)

Note: Approval of this application does not constitute final loan approval. If prior to closing, it is discovered that the Project, in whole or in part, is ineligible for tax-exempt financing, or if the Project should become ineligible, the Authority may refuse to complete loan processing or reduce the loan amount.

PLEASE NOTE: This application is a publicly available document.

1. Type of application PLEASE CHECK ONE: Bank Loan or Contract Sale or Individual Investor

2. Name of applicant Kenneth Levi Gansz Spouse N/A
Address: 1530 Madison Avenue Telephone (515)571-8032
City Fort Dodge State IA Zip 50501 E-mail: l_gansz@hotmail.com
Age (for statistical purposes) 24

3. Bond Purchaser Northwest Bank (bank, contract seller or individual investor)
Contact Person: Sid Bodholdt Telephone (515)955-1177
Address 10 N 29th Street Fax (515)955-3360
City Fort Dodge State IA Zip 50501 E-mail: sbodholdt@bank-northwest

4. Purpose of Project (Please address all issues below:)

- Purchase land: Total Acres 78.66 Tillable Acres 75.26 CRP Acres 2.4
Estimated value of house \$ _____ (A dwelling & CRP acres may limit eligibility—see Program Summary)
Estimated value of out-buildings \$ _____ (An appraisal is required if property has a dwelling or outbuildings)
- Purchase machinery _____
 Purchase livestock (what and how many) _____
 Make building or other farm improvements of _____
Who owns property where improvements are to be made _____
If constructing hog/livestock buildings, who will own animals in building? _____
(If applicant will not own hogs/livestock, send copy of feeding contract and/or contact the Authority concerning contract feeding arrangements)

5. Financing of Project (Contributions by applicant, lender or contract seller and IFA:)

	Land Purchase	Livestock Purchase	Machinery Purchase	New Farm Improvements	Total Project
Down payment by applicant	\$ 73,528	\$	\$	\$	\$ 73,528
Financed by lender/contract seller - BFLP bond	\$ 361,756	\$	\$	\$	\$ 361,756 **
Farm Service Agency (FSA)	\$ 300,000	\$	\$	\$	\$ 300,000
From other sources:	\$ 0	\$	\$	\$	\$ 0
IADD Loan Participation	\$ 0	\$	\$	\$	\$ 0
TOTAL COST OF PROJECT:	\$ 735,284	\$	\$	\$	\$ 735,284

**Loan closing fee of 1.50% of the first \$250,000 and 0.75% over the \$250,000 amount of the BFLP bond (loan) closed.

6. Location of Project

- a. List the county and township names with section numbers (e.g. Section 26, Bristol Township, Any County, IA)
W1/2 NW1/4 Section 9-89-28 Webster County
- b. Location by road from nearest town: (Example - 4 miles north of Anytown, IA on State Highway 175). Roads must be identified, unless they are unmarked gravel roads, then state as such. Located on the South side of 170th Street between P56 and Paragon Avenue just north of Fort Dodge.
- c. Will the project consist of the construction or acquisition of buildings, structures or other immovable property, including remodeling of or additions to existing structures? (If NO, go to #7) YES NO
Will the Beginning Farmer be the sole owner of the land where the project will be located? YES NO
If NO, will applicant have a long-term lease for the length of the loan? NA YES NO

7. Seller of Property Dorothy R. Brooks Trust - Wells Fargo Bank, N.A., Trustee

Address 822 Central Avenue

City Fort Dodge State IA Zip 50501 Telephone (515)573-6100

- a. Please indicate if you are acquiring the "Project" directly or indirectly from a related person: YES NO
If YES, please explain the relationship. _____
- NOTE: Contract sales are not allowed between the beginning farmer and their grandparents, parents, children or siblings. Cash/bank loans are permitted with these relatives, but the Authority's Fair Market Value Certificate and Related Person Certificate must be completed.
- b. Please explain if you have begun to acquire or construct any part of the "Project" for which you are requesting a loan; have entered into any contract or purchase agreement (installment or otherwise) in connection with the construction or acquisition of the "Project," or have begun off-site fabrication or acquisition of any portion of the "Project."
The bare farmground has been purchased at auction. There will not be any improvements.

NOTE: Down payments made more than 60 days prior to approval of the application will not be eligible for bond financing.

8. Previous tax-exempt financed projects

Have you, your spouse, minor children or any related person received tax-exempt financing of any kind in any state?
 YES NO If YES, please explain. _____

9. What is the net worth of the beginning farmer (including spouse and minor children)? \$ 234,500

NOTE: A financial statement is also required of any partnership, corporation, or other entity, etc. in which the beginning farmer has a financial interest). Is a current personal financial statement taken within 30 days of submission of the application, witnessed by a bank officer and signed by all applicants enclosed? YES NO
(Please attach a copy of the financial statement and detailed list of machinery owned.)

PROPOSED LOAN TERMS FOR IADD BOND

(Complete questions 9-10 with your lender, contract seller, or individual investor, whichever is applicable.)

10. What are the proposed loan or contract sale terms?

- a. Tax-exempt interest rate: Fixed: _____ percent (%) OR Variable: 3.30 percent (%)
If variable rate, indicate specific index used: (Example--80% of bank's prime rate, such prime rate currently is 11% to be adjusted semi-annually): Fixed for 7 years then adjustable annually to 1.00% over the New York Prime Rate.
- b. Total term: _____ years.
- c. Repayments: monthly, quarterly, semi-annually, annually OR other (specify below)
Amount \$ 25,572.17 Does this amount include interest? YES NO
- d. Proposed Date of Closing: 1-20-16
- e. First payment due date: 1-20-17
- f. Call options as follows: Call option at 7 years and annually thereafter
OR balloon _____ amount of balloon \$ _____

NOTE: Balloon will automatically end tax exemption -- See Program Summary.

11. Previous and Present Land Owned (If your answer to 11a is no, skip to question 12.)

a. Have you, your spouse, or minor children ever directly or indirectly owned any farmland? YES NO

Note: The following are examples of indirect land ownership:

- 1) ownership of a beneficial interest in a trust which in turn holds land.
- 2) ownership of shares in a family farm corporation which owns land.
- 3) a remainder interest in land which is subject to a life estate in another person.

b. Describe each parcel of land presently or previously owned by county location, size, and the time period during which you owned it. (If the ownership is indirect, also describe the means of ownership and the total amount owned, for example, "I have a one-fourth beneficial interest in a trust; the trust holds a total of 200 acres"):

c. Have you, your spouse, or minor children done any of the following:

- 1) performed physical work on the land? 1) YES NO
- 2) participated in management decisions about operations on the land? 2) YES NO
- 3) provided regular advice and consultation on the business operations on the land? 3) YES NO
- 4) regularly inspected production activities on the land? 4) YES NO
- 5) directly or indirectly advanced funds or paid a substantial portion of the operating expenses for operations on the land? 5) YES NO
- 6) lived on the land? 6) YES NO

d. Please describe the degree of your involvement in each activity, the frequency of your involvement and the length of time over which your involvement occurred. (Use additional sheets if necessary):

e. Have you disposed of any of these parcels of land? e) YES NO
If YES, please identify the parcel(s) and the approximate date disposed: _____

f. Did you, your spouse or minor children recognize income, for federal income purposes, as the result of cancellation of indebtedness with respect to any of the parcels disposed? f) YES NO
If YES, identify the parcel(s) with respect to which income was recognized: _____

12. Management and Labor of Project will be provided by: Levi Gansz

a. Will any of the labor be performed by or management provided by individuals or entities other than the Applicants? YES NO If YES, please describe: Levi's Dad Kenneth Elmer Gansz will also help with labor and management

b. Will any portion of the Project be used in connection with any new or existing farm partnership, farm corporation, limited liability company, or other formal or informal joint farming venture, including contract feeding arrangements? YES NO If YES, please describe: _____

c. Will any of the applicants work off the farm? YES NO If YES, amount of non-farm income anticipated: \$ 25,000
Where will he/she be employed? Levi will provide labor for dad's farming operation
Explain any other related details to non-farm income _____

d. Please explain what your farming operation will consist of and include the new project:

Crop acres on owned land: 78

Crop acres on cash rented land: 0

Crop acres on crop-share rented land: 0

Owned livestock operation: 0

Contract-feeding livestock operation: 0

Other farm operations: Levi will provide labor for his Dad's farming operation. He will be paid by his Dad.

CERTIFICATIONS OF APPLICANT

(To be completed by beginning farmer applicant/s)

In submitting this application, I, the undersigned Beginning Farmer, have read the following statements and hereby certify and agree that:

1. I will be a permanent resident of the state of Iowa at the time of bond issuance. True False
2. I have sufficient education, training or experience in the type of farming for which this loan is requested. True False
Attach a background letter describing the education, training or experience of you and your spouse as it relates to farming.
3. The Project shall be used only for farming by myself, my spouse, and/or minor children, and we will perform the labor and provide the management needed to use the Project for farming. True False
4. None of the proceeds of the loan shall be used for the refinancing or restructuring of any existing indebtedness in whole or in part, working capital, operating purposes or for inventory or supplies for the Beginning Farmer or any related person. True False
5. I have or will have access to adequate working capital, farm equipment, machinery or livestock (if the loan proceeds are to be used to acquire agricultural land), and I have or will have access to adequate working capital or agricultural land (if the loan is to be used to acquire depreciable agricultural property). True False
6. I agree the loan may not be assumed by another person without the Authority's prior approval and then only if the purchaser of the property is an eligible applicant for an BFLP loan. I presently plan to retain the property financed by the loan for the term of the loan; however, I understand equipment and other depreciable property may be exchanged or traded in on similar property, and other property such as breeding livestock may be added or substituted as collateral at the discretion of the Lender without prior approval of the Authority. I also understand that the benefits of the loan, made at the tax-exempt rate from the proceeds of an BFLP bond, must be retained by myself, and no person to whom property is traded or otherwise transferred may obtain the benefits of the BFLP loan. True False
7. I understand and agree that I am responsible for submitting an application fee with this application and a loan closing fee of 1.50% on the first \$250,000 and 0.75% on any amount over the \$250,000 to the IADD at the time of loan closing; such fees will be used for expenses of administering the Individual Agricultural Development Bond Program. True False

All of the information I have provided in the application is true and complete. Also, I understand this application and any of the documents prepared or submitted in connection with it or the loan referred to hereon are "public records" as defined in Section 22.1 of the Iowa Code and are subject to examination, copying, publication or other dissemination by any person.

10/23/15
Date

Benett Jew Day
Signature of Beginning Farmer

Signature of Beginning Farmer's Spouse

CERTIFICATIONS OF BOND PURCHASER

(To be completed by Lender, Contract Seller, or Individual Investor)

The undersigned Bond Purchaser has read the following statements and hereby certifies that:

1. All of the proceeds of the bond will be used for the acquisition, construction, reconstruction, equipping and installation of land, or property of a character subject to the allowance for depreciation under Section 167 of the Internal Revenue Code.
2. To the best of the bond purchaser's knowledge, each of the Certifications of the Applicant and all other information with respect to the project or applicant set forth in this application is true and correct.
3. The proceeds of the bond will not be used to provide working capital or finance inventory, supplies or other operating expenses for the applicant or any related person, or be used to refinance or restructure any portion of existing indebtedness.
4. The Bond Purchaser requests the Authority to issue and sell its bond to the Bond Purchaser for the purpose of financing the project to the extent thereof.
5. The principal and interest on the bond do not constitute an indebtedness of the Authority or the State of Iowa or a charge against their general credit or general funds.

Northwest Bank

Bond Purchaser or Bank Name

10-23-15
Date

By *La. Reddy* V.P.
Signature of Official of Bank, Contract Seller, or Individual Investor

This application cannot be reviewed unless the Authority has received all of the following:

- | | |
|---|--|
| <input type="checkbox"/> \$50 application fee | <input type="checkbox"/> Background letter from applicant and lender |
| <input type="checkbox"/> Current personal financial statement witnessed by a bank officer and signed by all loan applicants | <input type="checkbox"/> Completed application form signed by both parties |
| | <input type="checkbox"/> Certificates—pages 5 & 6, if sale from close relative |

Balance Sheet

Kenneth L Gansz

10/21/2015

Cust. #

	<u>Value</u>		<u>Value</u>
<u>Current Assets</u>		<u>Current Liabilities</u>	
Cash & Equivalents	164,000		
Total Current Assets	164,000	Total Current Liabilities	0
<u>Intermediate Assets</u>		<u>Intermediate Liabilities</u>	
Machinery & Equipment	70,500*		
Total Intermediate Assets	70,500	Total Intermediate Liabilities	0
TOTAL ASSETS	234,500	TOTAL LIABILITIES	0
		TOTAL EQUITY	234,500

I (We) certify that the information on the Balance Sheet is true and correct to the best of my (our) knowledge.

Signature: *Kenneth Gen Gansz* Date: 10/23/15

Signature: _____ Date: _____

Sid Bodholdt 10-23-15

Sid Bodholdt V.P. Northwest Bank