



COMMISSIONER SID MILLER

Texas Department of Agriculture

Texas Agricultural Finance Authority

Agricultural Loan Guarantee Lender Application



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



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



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



Email: Grants@TexasAgriculture.gov
www.TexasAgriculture.gov/AgLoan

Mail:
Texas Department of Agriculture
Attn: TAFA - Ag Loan Guarantee
PO Box 12847
Austin, Texas 78711



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

Funding Limits:

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

- \$250,000 or 90% of the loan amount, whichever is less
- \$500,000 or 80% of the loan amount, whichever is less
- \$750,000 or 70% of the loan amount, whichever is less

Lender Requirements & Instructions:

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

Information Checklist for a Complete Application

Agricultural Loan Guarantee Application

Signed by Borrower/Co-Borrower

Signed by Lender

Statement of Personal History for all applicants. If applicant is a corporation or other legal entity, please complete a Personal History Questionnaire for all owners, partners, shareholders, or members with more than 20% ownership in the entity.

Current Financial Statement

Current Credit Report

Terms and Conditions of Loan

Lender's Credit Analysis

Lender's Approval Document

Other Information Requested by Authority



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

Borrower(s) Information

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

Business Name:
Sole Proprietor Partnership S-Corp C-Corp LLC Other:

Mailing Address:
Street Address County
City State Zip Code

Physical Address:
Street Address County
City State Zip Code

Email:

Phone:

Co-Borrower(s) Information

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

Business Name:
Sole Proprietor Partnership S-Corp C-Corp LLC Other:

Mailing Address:
Street Address County
City State Zip Code

Physical Address:
Street Address County
City State Zip Code

Phone:

Statement of Personal History

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

Section I

Personal Statement Of:

First Name: _____ MI _____ Last Name: _____

Date of Birth: _____

Place of Birth: _____

U.S. Citizen Yes No

Social Security Number: _____

Section II

Percentage of Ownership: _____ % Title: _____

Present Residence: From: _____ To: _____

Address _____

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

Address _____

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

Email Address: _____ Website Address: _____

Section III

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

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

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

Section IV

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

Section V

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

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

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

X _____ Date _____

Signature (electronic signatures will not be accepted)

Borrower(s) Eligibility

Please check boxes as appropriate for the statements below.

I have provided a plan to the lender for the proposed operation that includes a budget for the proposed operation indicating how the loan proceeds will be used.

My agriculture operation is located within the State of Texas.

I am a United States citizen and a resident of the State of Texas, or

I am a duly authorized representative of an entity defined by Section 1.002(21) of the Texas Business Organizations Code, and such entity is current with all filings required by and payments due the Texas Comptroller of Public Accounts and the Texas Secretary of State.

Borrower(s) Certification

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

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

X _____
Borrower Signature (electronic signatures will not be accepted) *Date*

X _____
Co Borrower Signature (electronic signatures will not be accepted) *Date*

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

Lender's Information

Full Legal Business Name: _____

Mailing Address: _____

Street Address

City

State

Zip Code

Physical Address: _____

Street Address

City

State

Zip Code

Loan Officer Contact Personnel

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

Position Title: _____

Email Address: _____

Phone: _____ Alt Phone: _____

Lender's Certifications

By signing below:

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

X _____ Date
Authorized Official Signature (electronic signatures will not be accepted)

Loan Summary

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

Loan Amount _____ Interest rate _____ % Fixed Variable
Maturity Date _____ Other (describe): _____
Payment Terms _____
Requested TAFE Guarantee % _____ Guarantee Amount \$ _____
Purpose of the loan: _____

Collateral – Add additional detail under separate cover if necessary

Collateral description- Item 1	_____	Value	_____
Collateral description- Item 2	_____	Value	_____
Collateral description- Item 3	_____	Value	_____

Borrower Credit Score _____ Co - Borrower Credit Score _____
Loan to Value _____ Debt to Equity _____ Debt Service Coverage Ratio _____
Comments: _____

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

Operation Information

Location of agricultural operation: _____, Texas
City *Texas County*

Which of the following characterizes the Borrowers agricultural operation?

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

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

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

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