

Farm Real Estate Revolving Line of Credit

Does a Revolving Line of Credit Loan (RLOC) meet my needs?

- Do you need to use the equity in your farm to purchase more farm land?
- Will you need all of the loan proceeds at once, or over several months?
- Do you need financing to develop raw land for permanent plantings?

If you answered yes to any of these questions, then a Farmer Mac Farm Real Estate RLOC may be for you.

Guidelines:

- Loan-to-value up to 50% of bare land value
- Minimum debt coverage of 1.35:1
- Debt-to-asset ratio maximum of 50%
- Current ratio minimum of 1.25:1
- Minimum 680 credit score
- Minimum Loan size of \$50,000
- Collateral for the loan is first lien on real estate

Features:

- Borrowing power up to 50% of your bare land value
- A 5-year interest-only draw period option, followed by a 15, 20, or 25-year amortization
- The option to renew the 5-year interest-only draw period for an additional 5 year period
- A 10-year interest-only draw period option*, followed by a 10, 15, or 20-year amortization
- The maximum term of the loan including the draw period is 30 years
- Option to convert to other loan products
- Unlimited draws, \$2,500 minimum
- Semi-annual interest payments during the draw period
- Tax-deductible mortgage interest*

*Consult your tax advisor regarding tax-deductibility of interest. Loan availability subject to borrower meeting eligibility and credit guidelines. Terms subject to change.



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