



(IFA USE ONLY)

Loan Number \_\_\_\_\_

Application Fee Received \_\_\_\_\_

## SPECIALIZED LIVESTOCK GUARANTEE APPLICATION

\$300 application fee  
For Loans Made by Lending Institutions  
(Please print or type)

### Part I - REPRESENTATIONS OF APPLICANT(S)

(To be completed by Applicant(s) - Please complete all questions)

Full Legal Name Type your information into the gray boxes \_\_\_\_\_ Year of Birth \_\_\_\_\_

Full Legal Name Use Tab or mouse to proceed to the next box \_\_\_\_\_ Year of Birth \_\_\_\_\_

Address \_\_\_\_\_

City/State/Zip \_\_\_\_\_ Phone \_\_\_\_\_

County Where Project will be Located \_\_\_\_\_

1. Amount of Specialized Livestock Guarantee Program (SLP) Loan request \$ \_\_\_\_\_

Please round to the nearest thousand; there is a \$1,000,000 maximum.

2. Please provide a brief description of the project and related cost or attach a proposal of the project.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. If any existing debt is being refinanced, please detail the amount of the loan and the current interest rate. Debt may be refinanced to improve lien position.

\_\_\_\_\_  
\_\_\_\_\_

4. Please list the collateral that will be pledged to secure the SLP Loan.

\_\_\_\_\_  
\_\_\_\_\_

5. Please attach your last **three years balance sheets** including a current balance sheet, a **pro-forma balance sheet** if different than the current balance sheet, and **three years of income history** (tax returns or other records). Also, please attach a multi-year **cash flow statement** of the proposed project.

6. What is your contingency plan for the continuance of the livestock operation in the event of your death or disability?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. Please explain how this project will assist your farming operation? \_\_\_\_\_

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8. Each applicant understands and agrees that:
- a. the total closing fee for this loan is 1.25% of the gross loan. A \$300 nonrefundable application fee will be paid at the time of application. This application fee will be deducted from the 1.25% fee at closing;
  - b. I will pay all fees which may arise from the SLP Loan such as: appraisals, credit reports, lien searches, title work, and document recording;
  - c. the interest rate on the SLP Loan shall be adjusted annually on the anniversary date unless written with a fixed or longer term interest rate;
  - d. the SLP Loan will mature in fifteen years or less;
  - e. generally, the maximum debt to asset ratio (D/A) will be 70% on a pro-forma balance sheet unless market and/or production risk reduction measures have been undertaken;
  - f. the loan to collateral value will generally not exceed 80%. IFA will take in consideration the cost basis of the project;
  - g. the projected cash flow must adequately service the debt of the operation;
  - h. there is a \$1,000,000 maximum loan total per farming operation; credit underwriting standards will generally be more stringent for larger loans. I may apply more than once as long as the original amounts of the loans do not exceed \$1,000,000 in total;
  - i. the collateral and performance on this SLP Loan will be reviewed annually, I will be required to provide my lender with a current balance sheet annually, and I may have to pledge additional collateral in the future if the value of the collateral becomes insufficient to adequately secure the loan;
  - j. capital purchases made or construction projects completed not more than six months prior to IFA loan approval are eligible;
  - k. all of my debts must be current at the time the SLP Loan is closed;
  - l. IFA and my lender will have the final approval of this loan request. Submitting this application does not ensure that my SLP Loan request will be approved; and
  - m. if IFA and my lender approve this loan request, this approval is not transferrable to another lender without written consent of this lender and IFA.

9. Each applicant hereby certifies that:
- a. I am a resident of the State of Illinois; and
  - b. I am the principle operator and/or materially involved in the operation.

10. I hereby certify that I have read the "Program Summary for the State of Illinois Specialized Livestock Guarantee Program" and that I meet all of the eligibility requirements for the program. I understand all the terms and stipulations of the program and I agree to adhere to all of IFA's guidelines, rules and regulations required of me to secure and keep intact, or otherwise apply to a SLP Loan. I further certify that I have reviewed the entire application including those portions completed by my lender and that all information on the application, including the financial statements attached, is true and correct.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Signature of Applicant



**Part II - REPRESENTATION OF LENDER AND SECURITY ANALYSIS**

*(To be Completed by Lender)*

Name of Lender \_\_\_\_\_

Address \_\_\_\_\_ Phone \_\_\_\_\_

City/State/Zip \_\_\_\_\_ Fax \_\_\_\_\_

Contact Person \_\_\_\_\_ E-Mail \_\_\_\_\_

1. Amount of Specialized Livestock Guarantee Program (SLP) Loan request \$ \_\_\_\_\_

Please round to the nearest thousand; there is a \$1,000,000 maximum.

1. Please provide a designation of the proposed interest rate to be charged to the borrower for the SLP Loan and, if a variable rate, what index would be used; a designation of what the interest rate would be without the SLP Loan Program; and the conversion features, if any, from a fixed interest rate to a variable interest rate.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

2. Principal payments on this loan must be commensurate with the useful life of the collateral. Please denote the number of years. \_\_\_\_\_ (The maximum length is 15 years)

Payments will be scheduled: annually, semi-annually, quarterly, or monthly

a. Principal payments shall be based upon: (denote 1 or 2 or 3)

- 1. Amortized payments of interest and principal;
- 2. Equal principal payments of \$ \_\_ plus interest; or
- 3. Other special plan \_\_\_\_\_

4. Please provide a brief description of the project and related cost or attach a proposal of the project.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

5. What collateral will be pledged as security for the SLP Loan and attach any appraisal(s) if available?

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

6. Please describe any existing liens that are now on the proposed collateral and indicate if any existing debt will be refinanced to improve the lien position.

<u>Collateral</u>	<u>Lien Holder</u>	<u>Loan Amount</u>	<u>Terms &amp; Interest Rate</u>	<u>Will be Pd with Loan</u>
_____	_____	_____	Yes No	
_____	_____	_____	Yes No	
_____	_____	_____	Yes No	
_____	_____	_____	Yes No	
_____	_____	_____	Yes No	



7. Please attach the applicant's last **three years balance sheets**, including a current balance sheet and a **pro-forma balance sheet** if different than the current balance sheet; **three years of income history** (tax returns or other records); and a **credit bureau report**. Please attach a multi-year **cash flow statement** of the proposed project. If the project involves a contract, network (or similar) arrangement, please provide a copy of the proposed contract. If the applicant(s) is required to file with the Illinois Department of Agriculture a Notice of Intent to Construct a New Livestock Management Facility or Livestock Waste Handling Facility, please attach a copy.

8. Currently, the applicant's debt to asset ratio is: \_\_\_\_\_%. After considering the cost basis of the project, the applicant's pro-forma debt to asset ratio will be: \_\_\_\_\_%.

9. Currently, is the applicant(s) delinquent on any debt or has the applicant(s) been delinquent on any debt in the last three years? Yes No If yes, please identify the delinquency(s). \_\_\_\_\_  
 Has the applicant(s) filed bankruptcy in the past seven years? ? Yes No

Please detail the strengths and weaknesses of the applicant(s) and this project. (or attach your loan narrative)

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11. **If the collateral is real estate**, please have the applicant(s) complete Part III, page 5 **Environmental Survey**, and answer if are you aware of any environmental risks or hazards? Yes  No .  
 If yes, please detail \_\_\_\_\_

12. The lender understands and agrees that:
- a. the interest rate must be less than a market rate of interest generally available to the borrower as determined by IFA. The interest rate will be adjusted annually on the anniversary date unless written with a fixed or converted to a fixed rate or written on a different variable term basis;
  - b. the applicant's debts must be current at the time the SLP Loan is closed;
  - c. my lending institution will pay IFA an annual fee equal to 1/2 of one percent of the principal balance of the SLP Loan calculated on the anniversary date;
  - d. my lending institution will assume all responsibility and costs for pursuing legal action and collecting any SLP Loan that is delinquent or in default;
  - e. collateral must be disposed of 14 months from the date the SLP Loan goes into default and reimburse the State from said sale. The lender also understands that if they have not reimbursed the state within this 14-month period, then my lending institution is liable to start paying interest on the SLP Loan equal to the same rate which would be due from the applicant if the loan was still intact;
  - f. my lending institution must request written approval on the sale of all collateral on SLP Loans;
  - g. my lending institution will be responsible for the first 15% loss of principal and interest on the SLP Loan;
  - h. any misrepresentation by lender or material misstatement of information on this application or otherwise in connection with this SLP Loan can result in the Guarantee being revoked or terminated.

13. I hereby certify that I have read the "Program Summary" for the State of Illinois Specialized Livestock Guarantee Program" and that my lending institution meets all of the eligibility requirements for the program. I understand all the terms and stipulations of the program and I agree to adhere to the Lender's Agreement and all of IFA's guidelines, rules and regulations required to secure and keep intact or otherwise apply to a SLP Loan. I further certify that I have reviewed the entire application, including those portions completed by the applicant, and all information on the application, including the financial statements attached, is true and correct.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Lender



**Part III - ENVIRONMENTAL SURVEY**

*(To be Completed by Applicant)*

Please answer the following questions concerning your livestock operation and attach additional information if needed. All Illinois livestock operations must meet regulations established by the Livestock Management Facilities Act.

Has an environmental site assessment ever been prepared for this property? Yes No . If yes, attach copy.

2. Are there any underground tanks located on the property? Yes No . If yes, please attach a map illustrating the number of tanks, size, type, age, their location, and indicate if they are currently in use.

3. Are there any wells for water, oil, or gas located on the property? Yes No . If yes, please attach a map illustrating the number of wells, type, their location, and indicate if they are currently in operation.

4. What is your source of water for your livestock operation? \_\_\_\_\_  
\_\_\_\_\_

5. Please state the type of operation, number of head and describe the manure handling facilities and system of disposal.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Will the livestock operation be operated or managed by someone who has a Certified Livestock Facility Manager designation? Yes No .

7. Do you have a Waste Management Plan? Yes No . If yes, please attach a copy of the plan.

8. Are there any manure lagoons with your livestock facility? Yes  No .

9. In miles or fractions thereof, how close is the nearest residence not associated with the ownership of your livestock facility? \_\_\_\_\_ mile(s).

10. Are you now or have you ever been involved in any investigation, dispute or litigation with the Illinois or Federal Environmental Protection Agency, Illinois Department of Natural Resources, Illinois Department of Agriculture or similar regulatory agency? Yes No . If yes, please explain \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

11. Is there any other environmental problem(s) associated with this property other than the ones previously mentioned? Yes No . If yes, please explain. (Example: landfills, electrical transformers, contaminates, hazardous substances, used pesticide containers, pesticide spills, other business activities, environmental concerns from neighboring properties, flooding, proximity to streams, or other) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

*See page 7 signatures*



I hereby certify that I have answered the Environmental Survey questions to the best of my ability and that the answers and the explanations to the questions and the attachments are true and correct. Additional information may be required.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Signature of Applicant



Thank you for completing the Specialized Livestock Guarantee Program loan application. Please mail the application to the address below or you may submit the application electronically through our website. All applications may be printed from our website if you need additional forms. IFA Board meetings are usually scheduled for the second Tuesday of each month. Please try to submit your application before the end of the first week of the month to ensure time for us to review. If you have any questions regarding the application process, financial records, appraisals, or other loan terms and conditions, please call us at the number below.

**Have you determined?**

- The amount of the loan
- The number of years for the loan
- The interest rate for the loan.
- The interest rate index (if applicable)
- The collateral for the loan

**Have you enclosed?**

**Application**

- Application Part I** - *Applicant's section pages 1 and 2*
- Application Part II** - *Lender's section pages 3 and 4*
- Application Part III** - *Environmental Survey page 5 (if real estate is collateral)*
- \$300 Application Fee**

**Financial Records**

- 3 Years of Balance Sheets including a current year balance sheet
- 3 Years of Income History
- Projected cash flow statement
- Credit Bureau Report
- Appraisal(s) if available
- Notice of intent to construct a livestock facility (if required)
- Livestock grower contract(s), price agreements, and/or marketing arrangements (if applicable)

The Illinois Finance Authority is an independent, self-funded state authority offering a variety of loan programs mutually beneficial to farmers and lenders. Contact us at the number below for more information on the Beginning Farmer Bond Program, Beginning Farmer Contract Bond Program, Debt Restructuring Loan Guarantee Program, Young Farmer Guarantee Program, Specialized Livestock Guarantee Program, Agri-Industries Loan Guarantee Program, and/or the Value-Added Stock Purchase Loan Guarantee Program.

***Serving Illinois Agriculture One Family at a Time Since 1982***

**Offices of the Illinois Finance Authority**

<i>Chicago</i>	<i>160 N LaSalle St. Ste. C-800, Chicago, IL 60601</i>	<i>312.651.1300</i>	<i>312.651.1350 fax</i>
<i>Mt. Vernon</i>	<i>2929 Broadway, Suite 7B, Mt. Vernon, IL 62864</i>	<i>618.244.2424</i>	<i>618.244.2433 fax</i>
<i>Springfield</i>	<i>500 E. Monroe St., Third Floor, Springfield, IL 62701</i>	<i>217.782.5792</i>	<i>217.782.3989 fax</i>

[www.il-fa.com](http://www.il-fa.com)

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