

Rural Rehabilitation Emergency Loan Proposal

Date: January 30, 2024

Action:

Ag Advisory Board
approval

____ Date

Proposed Borrowers: Loan #1
 Box Elder County

Loan Amount: \$145,000.00

Rate: 3% Ten (10) year term loan

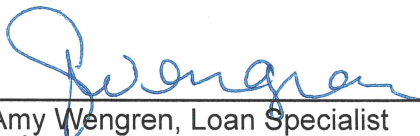
Terms: Ten-year loan term Thirty-year amortization, Monthly payments of \$7,398.00. This loan will be reviewed and may be renewed every 10 Years.

Purpose: To purchase a beginning farm operation

Security: First lien position on 5.28 acres with 5 shares of Bear River Canal Company. This will be a participation loan with the Farm Service Agency. Land was valued at \$300,000.00 using a current appraisal dated December 21, 2023, making the Loan to Value 48%.

Repayment: Will be from outside income along with some crop income.

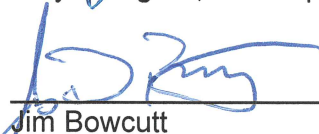
Financial: Applicants have low personal debt but. They have grown up working on the family farm. He has been leasing the currant land that he would like to purchase. They will be doing trade work on his father's land for the use of their equipment. For this reason and the quality of the security, approval is recommended.



Amy Wengren, Loan Specialist

1/18/24

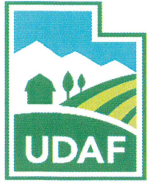
Date



Jim Bowcutt

1/18/24

Date



Utah Department of
Agriculture and Food

MEMORANDUM TO: *Agricultural Advisory Board*

FROM: *Roberta Valdez, Ag Loan Specialist*

DATE: *January 31, 2024*

SUBJECT: *Ten year renewal modifications and extension of maturity date*

Two rural rehabilitation loans will mature during the 2024 year. These loans were amortized over twenty years with a ten year term. State Code, Title 4 Chapter 19 Section 3, states that any such rural rehabilitation loan is renewable on approval by the Ag Advisory Board. If approved by the AAB, the new maturity dates will be extended another ten years to 2034-2035. All loans are paid annually and will be paid in full at the end of these ten years.

These borrowers have had good repayment histories. It is our recommendation to approve the ten-year extension on these loans.