

# Ag Lender Perspective

What to lenders want?

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January 2012

# Crop Budgets

- Estimates of Costs and Returns
- Crop Yield Estimates
- Profit Outlook
- Projected Costs and Returns for a New Crop
- WSU - Vicki McCracken, Agric Economist
- U of I - Kate Painter, Agric Economist
- WSU Farm Management Website

# Risk Assessment

- Leverage
- Ratio of Assets and Liabilities
- Financial Succession Plan During the Loan Period

# Financial Statement

- Especially important for first time customer
- Income and Expenses
- Profit and Loss Statements
- Business Plan
- Marketing Plan
- Equity
- Collateral

# Crop Insurance

- Insurance Agents
- USDA Risk Management Agency
- Representatives are here today

# USDA Farm Programs

- CDC - Wheat Marketing Contract

# Reducing Marketing Risks

- Marketing Contracts
- Marketing Agreements
- Processors
- Brokers
- Cooperatives
- Knowledge of the Markets
- Delivery Points

# Summary

- Do our homework.
- Build trust.
- Build a relationship.
- Communicate.
- Be upfront and keep your lender informed.