FARM LOAN PROGRAMS GUARANTEED WRITEDOWN WORKSHEET

INSTRUCTIONS FOR PREPARATION

Purpose: Must be used by lenders to document the decision to write down the guaranteed loan(s).	
Handbook Reference: 2-FLP	**Number of Copies:** Original and two copies
Signatures Required: Lender	
Distribution of Copies: Original copy to FSA servicing office. Copy retained by lender and attach a copy to FSA-2254, Guaranteed Loan Report of Loss.	
Automation-Related Transactions: N/A	

Lenders must complete Items 1 through 23.

Items 1-23

Fld Name / Item No.	Instruction
1 Borrower's Name	Enter the Borrower's name as shown on the promissory note.
2 FSA Account Number	Enter the FSA account number. Enter the state and county code and the borrower's system generated FSA ID number.
3 FSA Loan Number	Enter the Agency assigned loan number. All guaranteed loan numbers begin with 50. The loan number can be obtained from the FSA-2241, Guaranteed Farm Loan Status Report). If a borrower has multiple guaranteed loans, complete this form for each loan being considered for write down.
4A Principal	Enter the principal balance of the guaranteed loan being considered for write down.
4B Interest	Enter the amount of unpaid accrued interest on the guaranteed loan being considered for write down.
4C Total	Enter the result of adding Items 4A and 4B.
5A Interest Rate for Restructuring	Enter the proposed interest rate for restructuring the loan after write down.
5B Restructuring Terms	Enter the proposed term for restructuring the loan after write down.
5C Payment Table Multiplier or	Enter the payment table multiplier or the amortization factor for the loan. If the Lender does not use published amortization tables, enter result of entering $1.00 into Lender's loan payment calculator.

Fld Name / Item No.	Instruction
Amortization Factor	
5D Type of Amortization	Check the box that identifies the type of amortization payment schedule shown on the proposed promissory note. If "Other" is checked, explain.
6 Balance Available	Enter the balance available to pay debt from the plan developed by the Borrower and the Lender.
6A Less Payments to Other Creditors	Enter the amount to be paid to other creditors. This amount will be taken from the plan developed by the Borrower and the Lender.
6B Available for Repayment on Guaranteed Loan	Enter the result of subtracting Item 6A from Item 6. This is the amount available to pay on the Guaranteed Loan.
7 Present Value	If annual amortization was used enter the result of Item 6B divided by Item 5C. If monthly amortization was used enter the result of Item 6B divided by 12 months divided by Item 5C. **Notes:** If the amortization factor is from a table used to amortize a loan of $1,000 the decimal point must be moved 3 spaces to the left. Item 7 must be equal to or greater than Item 14 in order to obtain debt write down. If Item 7 is less than Item 14, the account should be liquidated.
8A Market Value of Real Estate Security	Enter the market value of the real estate based on a current appraisal.
8B Estimated Time For Final Disposition	Enter the estimated liquidation period in months.
9 Expected Income or Value Increase For Real Estate Security	Enter the total income or value increase for the entire holding period. This includes, but not limited to, rent, royalties, projected property appreciation, values gained due to restrictions placed on collateral (such as Conservation Easements, Conservation Reserve Program, etc.)
10A	Enter the market value of the chattel security based on a current

Fld Name / Item No.	Instruction
Market Value of Chattel Security	appraisal.
10B Estimated Time For Final Disposition	Enter the estimated liquidation period in months.
11 Total Value of Security	Enter the result of adding Items 8A, 9, and 10A.
12A Prior Liens	Enter the dollar amount of the prior liens including unpaid taxes. Use actual amounts based on statements or invoices.
12B(1) Real Estate Depreciation	Enter the dollar amount of depreciation anticipated during the holding period.
12B(2) Chattel Depreciation	Enter the dollar amount of depreciation anticipated during the holding period.
12C Repairs	Enter the estimated dollar amount of essential repairs needed during the holding period. Attach an itemized estimate.
12D(1) Closing Costs	Enter the estimated dollar amount of closing costs.
12D(2) Surveys	Enter the dollar amount of the cost to be incurred for a real estate survey.
12D(3) Freight	Enter the estimated dollar amount of freight expenses. (Example: hauling equipment or livestock to an auction)
12D(4) Outside Environmental or Technical Assessments	Enter the dollar amount of estimated costs if outside assistance is needed for environmental and technical assessments on the property.
12E Advertising	Enter the estimated dollar amount of advertising costs.
12F(1) Real Estate Commission	Enter the estimated dollar amount of commission to be paid if the property is to be listed with a broker.
12F(2) Equipment Commission	Enter the estimated dollar amount of commission to be paid if the equipment is to be sold at auction.
12F(3) Livestock Commission	Enter the estimated dollar amount of commission to be paid if the livestock are to be sold at auction.
12G Interest Cost	Enter the dollar amount of interest accrual for additional 210 days from the payment due date. Attach a ledger.
12H	Enter the dollar amount of other estimated expenses. Itemize the

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Other Expenses	expenses.
12I Hazardous Waste Removal	Enter the dollar amount of anticipated costs for removal of hazardous waste from the property.
13 Total Costs	Enter the results of adding Items 12A through 12I.
14 Net Recovery Value	Enter the result of subtracting Item 13 from Item 11.
15 Total Loan Balance	Enter the dollar amount from Item 4C.
16 Present Value	Enter the dollar amount from Item 7.
17 Difference	Enter the result of subtracting Item 16 from Item 15.
18 Remaining Loan Balance	Enter the result of subtracting Item 17 from Item 15.
19 Write Down Loss Claim	Enter the result of multiplying the percentage of the guarantee by Item 17. (Example: 90% X $1,000)
20 Remarks or Attachments	Enter any remarks that may further explain any of the above information.
21A Authorized Lender's Signature	Enter authorized Lender's signature.
21B Title	Enter the title of the representative signing the document.
22 Date	Enter the date the form was prepared.
23 Office Location	Enter the office location.