



USDA Guaranteed Loan – Seller Collection and Remittance Procedures

The Lender is responsible for collecting payments from the borrower. For the best loan execution, Lenders should make their borrowers’ payments due on the 1st day of a month. Loans with payment due dates other than the 1st day of the month may be sold into the Farmer Mac II program only at the discretion of Farmer Mac.

Lenders may submit a collection report to Conterra at any time after the 20th of the month until the 10th of the following month. Payments collected after the 10th of the month should be reported in the following months reporting period.

Collection and Remittance Schedule

Collection Report Window	Confirmation Period	Debit Date	Security Payment Date
20 th - 10 th	10 th - 15 th	18 th	20 th

Collection Report Due Date:

- Lenders may submit a Collection Report for USDA guaranteed loans to Conterra any time after the 20th of the month until the 10th of the following month. The 10th of each month marks the close of the Collection Report Window. Payments received after the 10th of the month should be submitted in the next collection report window starting on the 20th.
- Reports should be emailed to FarmerMac@ConterraAg.com in Excel format. The seller name and seller ID# must be in the subject line of the email. The Collection Report attached to the e-mail must also include the seller name and seller ID#.
- Conterra will send an email to the Lender confirming receipt of each Collection Report.
- An email will be sent confirming all loans reported reconcile with Conterra. The confirmation email will confirm the amount that needs to be remitted to Conterra.
- If discrepancies exist they will be detailed in an email and the seller will be contacted.

Reporting Payment Information on the Collection Report

- Single note loans: 100% of the loan balance must be reported in columns I through K.
- Variable rate loans: Itemize each rate adjustment on a separate line for each adjustment period.
- Split rate and Multi-note loans: Report only the portion of the loan that Farmer Mac II owns in columns I through K. Column L should list Farmer Mac II ownership at 100%



Confirmation and Debit Date

- On or prior to the 15th of each month Conterra will have sent an e-mail to each seller notifying them of the total amount due on the debit date.
- Lenders may remit the total net remittance per the Collection Report at the time of reporting or wait until debit date on the 18th of each month.
 - The amount due will be a total of all net remittance amounts on Collection Reports processed for the upcoming security payment date.
- Management Premium (MP) fees due sellers should be deducted from total payment due.
 - For delinquent loans, Conterra will advance MP fees to sellers if requested.

Debit Date:

- Lenders are encouraged to remit funds as soon as confirmation is received from Conterra but no later than the 18th.
- Lenders are encouraged to transfer money by ACH. If ACH transfer is not available, then wire transfer may be used.
 - If remitting by ACH, the ACH needs to be initiated by the Lender on the 17th so funds are available in the Conterra collection account on the 18th.

Post Debit Date Remittances

A Collection Report should be completed immediately for any delinquent payments collected by the Lender. Send the completed Collection Report to Conterra by email at FarmerMac@ConterraAg.com. Conterra will review the Collection Report and send a confirmation email detailing the remittance amount to be sent to Conterra.

Unscheduled Payments and Payoffs

If Lender receives an unscheduled payment or payoff, the lender should complete a Collection Report immediately. Conterra will review the Collection Report and send a confirmation email detailing the remittance amount to be sent to Conterra.

Loans Indexed to Farmer Mac's Cost of Funds (COFI)

For loans indexed to Farmer Mac's 3-month COFI, Farmer Mac will notify the Lender by email of the adjusted Net Yield on or before the first business day of each calendar quarter. For loans indexed to Farmer Mac's 1-year, 5-year or 10-year COFI, Farmer Mac will notify the Lender by email of the adjusted Net Yield on or before the first business day of the effective reset date.

First Payment After Sale

The first payment reported after the sale of the loan should only reflect interest from the settlement date to the date the borrower made payment.