



*“Promoting Innovation in Maryland Agricultural and Resource-Based Business”*

## **The Next Generation Farmland Acquisition Program Application Package**

### **Program Description**

The Next Generation Farmland Acquisition Program (Next Gen Program) was established by MARBIDCO with the support of the State of Maryland to help qualified young and beginning farmers who have trouble entering the agricultural profession because of relatively high farmland costs and lack of access to adequate financial capital to purchase farmland. The Next Gen Program is essentially a fast-moving farmland conservation easement option purchase program that is designed to help facilitate the transfer of farmland to a new generation of farmers, while also effectively helping to preserve the subject agricultural land from future development.

With the strong support of the Governor and General Assembly MARBIDCO was able to launch the Next Gen Program in FY 2018 and, pursuant to legislation that was enacted this year, is planned to be funded for at least four more years. In FY 2019 (beginning July 2018), MARBIDCO received \$2.5 million in program funding that is available to assist qualified “Beginner Farmers” (and possibly other) applicants on a competitive basis. *A “Beginner Farmer” is defined on page 38; which includes not owning a farm or ranch (or owning less than 10 acres), not operating a farm or ranch as a principal operator for more than 10 years, having at least one year of farming experience, and expecting to substantially participate in the farming operation on the subject property.*

The key tool that MARBIDCO will use when making Next Gen Program awards is the “easement option purchase contract”. The option is a contractual agreement that allows the “Next Gen Farmer” to use the farm that is purchased only for agricultural purposes and to stop any development on the farm property.

Under the Next Gen Program, MARBIDCO will pay up to 51% of the Fair Market Value (FMV) of the land only (with a cap of \$500,000), and following the land sale transaction the Next Gen Farmer will then have a period of several years to sell the permanent easement to a rural land preservation program that is able and willing to hold the permanent easement (thus extinguishing the development rights on the property forever). Once a permanent easement has been subsequently facilitated, the Next Gen Farmer is obligated to repay MARBIDCO the original Next Gen Program Option Purchase amount, plus a 3% administrative fee. If the Next Gen Farmer cannot sell the permanent easement within the specified timeframe, the Option will be exercised (for no additional money) and the permanent easement will be held by a “third-party default easement holder” (either a county agricultural land program or a private land trust designated by MARBIDCO).

In short, the Next Gen Program enables MARBIDCO to provide a young or beginning farmer with the money needed to make a large down-payment towards a farm purchase, in order to meet the equity requirements of a commercial lender, which then allows the lender to make a loan to help complete the financing needed for the transaction. An additional benefit of this program is that the farmland being purchased is firmly on a path to becoming permanently preserved for agricultural purposes only.

The Next Generation Farmland Acquisition Program application package (including any required attachments) **must be submitted to the MARBIDCO office by November 20, 2018.** All required submission forms that are to be completed by the various parties (including property seller(s), program applicant(s), county agricultural land preservation administrators, and commercial lenders) are attached to this application package. **MOREOVER, applicants should contact their respective county agricultural land preservation staff by no later than October 19, 2018** (since the respective county government staffs have a major role to play in this process too).

***Additional information about the Next Gen Program is provided in the following pages.***

# The Next Gen Program (FY 2019)

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## **Program Terms and Conditions**

Maximum Down-Payment Amount:	\$500,000
Easement Option Purchase Amount:	Maximum of 51% of the Fair Market Value (FMV) of land only (and excluding improvements) but may be as low as 48% FMV.
Maximum Repayment Amount:	Up to 100% of the original Easement Option Purchase amount, plus an administrative fee of 3%.
Length of Time for Repayment of Funds:	Up to 4 years (if a County is the default easement holder), OR Up to 7 years (if MARBIDCO designates the easement holder). <i>If the permanent easement is not sold to a rural land preservation program within the required time, then the designated easement holder will be granted the permanent easement for no more money.</i>
Send Completed Applications to:	MARBIDCO, Attn: Next Gen Program, 1410 Forest Drive, Suite 21, Annapolis, MD 21403

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## **Timeline of Activities and Deadlines**

Sept./Oct. 2018	Applicants contact their county agricultural land preservation administrators and other agricultural service providers to prepare their Next Gen Program applications. <b>The <u>deadline to make initial contact with the appropriate county agricultural land preservation administrator (or their staff) is Friday, October 19, 2018.</u></b>
October 19, 2018	Property Seller's Information Form (FORM 1) is due to be received by the county.
November 20, 2018	The Application (one complete copy of an entire original with FORMS 1-4) is due to be received in the MARBIDCO office <b><u>no later than 4:00 p.m. on Tuesday, November 20, 2018.</u></b> Late applications and emailed/faxed applications will <u>not</u> be accepted.
January 2019	Applications are reviewed and ranked by the Next Gen Program Review Committee.
January 31, 2019	Successful applicants are notified that they have been approved for Next Gen Program funding and will have 30 days to secure commercial lender financing for the subject property (if lender financing had not already been secured previously.)
February 2019	Appraisals are ordered and conducted.
March 2019	A Commitment Letter will be issued to the Next Gen Farmers with an Easement Option Purchase offer amount, and all necessary preparations are performed for the real estate transfer settlements. Applicants are notified that they may schedule a real estate settlement with the farm sellers and commercial lender for <b>LIKELY NO EARLIER THAN JUNE 30, 2019</b> (in most cases).
April - June 2019	Next Gen Program farm purchase settlements take place. Please note that the Next Gen Program Easement Option Purchase Contracts (with payments) are executed at the real estate property transfer settlement.
June 30, 2019	Hopefully, if all goes as planned, all the Next Gen Program farm purchase transactions for Fiscal Year 2019 will have been completed by this date.

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## Application Instructions Summary

### For the Applicant(s)

Applicants are required to have the farm's Property Sellers complete **FORM 1: Property Seller's Information** (on pages 9 through 12) which needs to be provided first to the county agricultural land preservation staff (by October 19<sup>th</sup>), and later to the MARBIDCO office (by the November 20<sup>th</sup> deadline). Applicants must also complete **FORM 2: Applicant Information** (found on pages 13 through 22). In addition, applicants are required to provide and attach all additional information identified in a Checklist (located on page 23). All required items must be submitted to MARBIDCO by November 20, 2018.

### For the County Agricultural Land Preservation Administrator

A county agricultural land preservation administrator must complete **FORM 3: Subject Property Information Form** (on pages 25 through 31). In addition, the county agricultural land preservation administrator must complete **FORM 4: County Government Submission Form** (on pages 33 and 34). (NOTE: A Chief Elected/Appointed Official or County Director of Planning and Zoning must review and sign **FORM 4**. If the County is going to serve as the "default easement holder", then additional information will be required to be submitted.)

### For the Commercial Loan Officer (if applicable at time of initial application)

A bank officer must complete **FORM 5: Commercial Lender Information Form** (on pages 35 and 36).

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## The Next Gen Program Application and Approval Process

### The Application Process

Applicants are required to submit a completed and signed application package (including any required attachments) by the announced deadline (November 20, 2018). Applicants are also required to complete **FORM 2** (on pages 13 through 22) including items listed in the Applicant Checklist (found on page 23). As part of the application process, the applicant and the county agricultural land preservation staff will identify the "default easement holder" of the subject property. Applicants should have a solid plan for the type of agricultural activity that they intend to pursue on the subject property. Applicants will be required to submit a farm business plan of the proposed farm operation/project, as well as two years of most recent tax returns (if filed/available) and additional financial information which is described in the Applicant's Checklist. Finally, for those applicants that do not have a commercial loan for the farm purchase already approved at the time of application, a commitment from a commercial lender will be required within 30 days following notice of Next Gen approval.

Applicants are required to have a county agricultural land preservation administrator review the proposed property to be purchased. A county agricultural land preservation administrator is required to complete, sign and return **FORM 3** (on pages 25 through 31) by the established submission deadline. The county agricultural land preservation administrator will determine whether or not the subject property is eligible to apply for the county's land preservation program to serve as the "default easement holder" (which will likely enable a faster sale of the permanent conservation easement), or whether the subject property will be applying for MARBIDCO to designate the "default easement holder". If the county agricultural land preservation administrator believes that the county should hold the permanent conservation easement, the county official will facilitate a county commitment to become the "default easement holder". If the subject property does not meet the designated default easement holder's program eligibility criteria, then the subject property is not eligible for the Next Gen Program.

In addition, a county government official will need to complete **FORM 4**, providing certain information required by MARBIDCO from the county government. If the county is going to serve as “default easement holder”, then additional information will also be required to be submitted by the county (as explained on pages 33 and 34).

Applicants are advised that MARBIDCO cannot pay more than 51% of the Fair Market Value (FMV) of the agricultural land (with a cap of \$500,000), as confirmed by an appraisal. Applicants (if selected) should also be aware that MARBIDCO’s Easement Option Purchase offer may be less than the 48% - 51% of the actual appraised value of the farmland since the Next Gen Review Committee will be relying on estimated ranges of the FMV on the agricultural land located within individual counties.

Applicants are not required to have a commercial lender commitment for a mortgage loan at the time of submission of an application. If applicants have a commercial lender commitment, the loan officer should complete and sign **FORM 5** (on pages 35 and 36). MARBIDCO strongly encourages applicants to contact a commercial lender by early-to-mid June 2018 to get a clear sense of the lender’s financing requirements.

### The Selection Process

Since the demand for the program is expected to be high, MARBIDCO plans to direct its limited program funding towards assisting qualified, but otherwise challenged, “Beginner Farmers” (and possibly other more experienced farmers) to help them in obtaining access to productive farmland. Accordingly, qualified Beginner Farmers with relatively limited financial resources and/or who are without current access to farmland may be ranked higher than those with more farming advantages. MARBIDCO’s Next Gen Review Committee will rank the applications received by the deadline. Please refer to **Attachment 1** in this application packet for detailed information concerning the scoring criteria that will be used. [“Beginner Farmer” has the meaning defined on page 38; which includes not owning a farm or ranch (or owning less than 10 acres), not operating a farm or ranch as a principal operator for more than 10 years, having at least one year of farming experience, and expecting to substantially participate in the farming operation on the subject property.] **Applicants who own more than 10 acres of farmland currently are not eligible to apply at this time.**

MARBIDCO will use estimates of agricultural land values in each county during its review process to determine approved Next Gen applicant’s range of Next Gen funding. If after funding all the applications that rank the highest there are significant funds remaining unused, MARBIDCO reserves the right to select lower-ranked applications. In addition, MARBIDCO reserves the right to proportionately trim the higher ranked awards by up to 3%, if this would enable one additional Beginner Farmer that is ranked lower to receive Next Gen funding in that particular round. MARBIDCO reserves the right to make a second round of offer(s), if funds are available.

Once applicants have been ranked and selected, MARBIDCO will notify selected applicants in writing, and the Approved Letter will include the estimated range of the Next Gen Program Easement Option Purchase value. Applicants will then have 30 days from the date of the Approved Letter to accept the commit to move forward with the Next Gen Program Easement Option Purchase. In addition, the approved applicants must return a signed MARBIDCO Approved Letter and Appraisal Authorization Form (allowing MARBIDCO to order an appraisal on the subject property) within 15 days; and confirm the commercial lender commitment by submitting **FORM 5** (if not previously submitted) within 30 days.

### Purchasing the Option Contract (by MARBIDCO)

Once MARBIDCO has received and reviewed the required documentation identified in the Approved Letter, MARBIDCO will order at least one appraisal to determine the FMV of the agricultural land. The FMV will be used by MARBIDCO to help determine the final easement option purchase price amount. MARBIDCO will pay the costs for an appraisal. MARBIDCO may order a second appraisal if MARBIDCO finds it to be necessary. The cost of a second appraisal will be paid by MARBIDCO as well. (Note: Separate from MARBIDCO-ordered appraisals, the commercial lender will likely require its own appraisal. MARBIDCO will not pay for that cost.)

**Special Note:** It is possible that a land survey will be needed. Surveys may take several weeks to complete, so the Next Gen Applicant will want to factor this into the timing of the real estate closing. Surveys can be relatively expensive depending upon the circumstances. Please note that MARBIDCO does not pay for costs of surveys. (In addition, a survey may be required when selling a permanent farmland conservation easement to a third-party rural land conservation program.)

After MARBIDCO has received and reviewed the appraisals for the property, MARBIDCO will determine, based upon all of the available information, the amount MARBIDCO will offer for the Easement Option Purchase Price. MARBIDCO will then mail a Conditional Commitment Letter (including the Easement Option Purchase Price amount), and a copy of the Easement Option Purchase Contract for review.

Once MARBIDCO has issued a Conditional Commitment Letter, the Next Gen Applicant will have up to 30 calendar days to accept the offer amount and fully commit to moving forward with the real estate purchase using Next Gen Program funding. The Next Gen Applicant will need to notify the commercial lender with their decision, so that the bank's loan closing and title work can commence (along with MARBIDCO's). Please note that MARBIDCO does not pay for any costs of the real estate transaction, commercial lender, or title company work. Those costs are to be borne by the Next Gen Farmer and the property seller, as may be appropriate.

#### Selling the Permanent Easement (by Next Gen Farmer)

From the date that the Easement Option Purchase Contract is executed, the Next Gen Farmer will have entered into an "Option Period" that will run for a defined period of time. If MARBIDCO is the designator of the "default easement holder", the option period will be seven years. If the county program is the "default easement holder", the option period will be four years. During the Option Period the Next Gen Farmer may use the farmland only for agricultural purposes and may not permit any development to occur on the property. Also, during this Option Period, the Next Gen Farmer must attempt to sell a permanent farmland conservation easement to a rural land conservation program (a "Third-Party Easement"), extinguishing all development rights on the subject property forever. MARBIDCO expects the Next Gen Farmer to report annually on their efforts to try to sell the Third Party Easement on the property.

If the Next Gen Farmer is successful in selling a Third-Party Easement, they must use the proceeds from the sale of the Third-Party Easement to repay MARBIDCO the amount of money it paid for the Easement Option Purchase amount, plus a fee of 3%. Any additional proceeds from the sale of the Third-Party Easement belong to the Next Gen Farmer.

The Next Gen Farmer can sell the Third-Party Easement at any time during the Option Period, so long as they follow the Third-Party Easement sale offer acceptance schedule.

#### If MARBIDCO is the designator of the "default easement holder", the acceptance schedule is as follows:

(1) For the first four years of the Option Period, the Next Gen Farmer must accept a Third Party Easement sale offer price that is at least 125% of the Easement Option Purchase amount; (2) In years 5 and 6 of the Option Period, the Next Gen Farmer must accept a Third-Party Easement sale offer price that is at least 115% of the Easement Option Purchase amount; and (3) In year 7 of the Option Period, the Next Gen Farmer must accept any offer for the Third Party Easement sale that is at least 100% of the Easement Option Purchase amount. In years 1 through 6, if the Next Gen Farmer is inclined NOT to accept a lower offer price, they must first consult with MARBIDCO before declining. In year 7, offers of less than 100% of the Easement Option Purchase amount must be approved by MARBIDCO. Please see the TABLE below for more details.

#### If the county program is the "default easement holder", the acceptance schedule is as follows:

(1) For the first two years of the Option Period, the Next Gen Farmer must accept a Third-Party Easement sale offer price that is at least 125% of the Easement Option Purchase amount; (2) In year 3 of the Option Period, the Next Gen Farmer must accept a Third Party Easement sale offer price that is at least 115% of the Easement Option Purchase amount; and (3) In year 4 of the Option Period, the Next Gen Farmer must accept

any offer for the Third-Party Easement sale that is at least 100% of the Easement Option Purchase amount. In years 1 through 3, if the Next Gen Farmer is inclined NOT to accept a lower offer price, the Next Gen Farmer must first consult with MARBIDCO before declining. In year 4, offers of less than 100% of the Easement Option Purchase amount must be approved by MARBIDCO. Please see the **TABLE 1** below for more details.

**TABLE 1: Option Period Permanent Sale Offer Acceptance Schedule**

**If the County is the Default Easement Holder:**

<u>Year</u>	<u>Minimum Offer Acceptance Amount</u>
1 - 2	125% of Easement Option Purchase amount*
3	115% of Easement Option Purchase amount*
4	Any offer amount must be accepted*

**If MARBIDCO is the Default Easement Holder Designator:**

<u>Year</u>	<u>Minimum Offer Acceptance Amount</u>
1 - 4	125% of Easement Option Purchase amount*
5 - 6	115% of Easement Option Purchase amount*
7	Any offer amount must be accepted*

\*Note: Next Gen participants receiving offers below 125% or 115% must consult first with MARBIDCO before declining an offer. In the final year, offers below 100% must also be approved by MARBIDCO.

If the Next Gen Farmer is unable to sell the Third-Party Easement for at least 103% of the Easement Option Purchase Price amount, MARBIDCO will only collect what was actually paid to the Next Gen Farmer for the Third-Party Easement and forgive the difference.

If for any reason the Next Gen Farmer cannot sell the Third-Party Easement within the Option Period, the option in the Easement Option Purchase Contract will be exercised on the property at the end of the Option Period. In that case, MARBIDCO will designate a private land conservation program/land trust to hold the permanent easement on the property. The Next Gen Farmer will receive no additional compensation if the option in the Easement Option Purchase Contract is exercised and this easement will extinguish all of the development rights on the property forever.

Finally, if the Next Gen Farmer is unable to sell a Third-Party Easement during the Option Period, the Next Gen Farmer may choose to terminate the Easement Option Purchase Contract by notifying MARBIDCO with a decision no later than two months before the end of the Option Period. The Next Gen Farmer will then have until the end of the Option Period to repay MARBIDCO the original Easement Option Purchase amount plus interest calculated from the date that the Easement Option Purchase Contract was executed at the per annum rate, which is equal to the Prime Rate plus 1.00% at the time the Option Contract was prepared.

## **Suggestions for the Contract of Sale and Related Items**

MARBIDCO strongly recommends that Next Gen Program applicants incorporate the following provisions into their contracts of sale of the subject farm properties. The buyers and sellers of Next Gen Farmer agricultural properties need to negotiate and sign a contract of sale for the subject farm property before November 20, 2018 (since these sales contracts need to be submitted to MARBIDCO by the deadline).

- 1) It is recommended that the property sales contract not expire before June 30, 2019 (if possible).
- 2) It is recommended that there be a provision for the return of an earnest money down-payment to the beginner farmer, in the event that Next Gen funding is not approved.
- 3) It is recommended that these contracts specify whether the buyer and/or the seller will be responsible for paying the costs of a required land survey for the subject property, as well as any other land transfer closing costs.

**In addition, the SELLERS of all Next Gen purchase properties must complete “Form 1” and completed copies of Form 1 must be provided to the designated county farmland preservation program staff by October 19<sup>th</sup>, and later to MARBIDCO by the November 20<sup>th</sup> deadline.** As such, it may be a good idea for Next Gen farm buyers to ask the farm sellers to complete Form 1 while they are also in the process of negotiating the terms of the farm sale.

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### **DO YOU HAVE ANY QUESTIONS?**

Further information about the Next Gen Program may be obtained by contacting Allison Roe, MARBIDCO Financial Programs Associate, by telephone at (410) 267-6807, or by email at: [aroe@marbidco.org](mailto:aroe@marbidco.org).

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NEXT GENERATION FARMLAND ACQUISITION PROGRAM

PROPERTY SELLER'S INFORMATION FORM

(To be completed by the Farm Property Seller and a copy given to the county staff by October 19, 2018)

SECTION 1: PROPERTY SELLER INFORMATION

1.) Name \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone \_\_\_\_\_

Email Address \_\_\_\_\_

2.) Name \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone \_\_\_\_\_

Email Address \_\_\_\_\_

SECTION 2: CURRENT LAND OWNER INFORMATION

1. The property is currently owned by:

- a corporation
- a partnership (limited or general)
- limited liability company (LLC)
- a Trust (or Trustee)
- other: \_\_\_\_\_
- None of the above (property is solely owned by those identified above in Subject Property Seller Information)

2. If applicable, list all members/partners/trustees/shareholders of the ownership entity. (Attach a separate sheet if necessary.)

_____	_____
_____	_____
_____	_____
_____	_____

SECTION 3: OTHER THIRD PARTY INTERESTS

Note: If an entity owns (other than those identified above) or leases any interest, including options, on the subject property, that will continue after the purchase of the subject property by the Next Gen farmer, he/she must agree to the terms of the MARBIDCO Easement Option Purchase Contract. Please disclose ground leases that will continue after the purchase of the subject property by the Next Gen farmer.

1. Does anyone hold a lease, right of first refusal, or option to purchase for the subject property?

Yes       No      If yes, please explain: \_\_\_\_\_

\_\_\_\_\_

2. Does anyone own or lease surface or subsurface rights on the subject property (including oil/gas/mineral, whether or not there has been any activity on the lease)?

Yes       No      If yes, please explain: \_\_\_\_\_

\_\_\_\_\_

3. Has any mining been done on the subject property?

Yes       No      If yes, please explain: \_\_\_\_\_

\_\_\_\_\_

4. Are there any other third party interests in the subject property? (For example, life estate, right-of-ways, renewable energy operations, ground leases, etc.)

Yes       No      If yes, please explain: \_\_\_\_\_

\_\_\_\_\_

5. Are there any railroad tracks that cross the subject property?

Yes       No      If yes, may be required proof of a legal access to the portion of the property the tracks may divide from the main entrance.

If yes was answered to any of the questions 1. through 5., please provide name and contact information for the third party interest.

\_\_\_\_\_

\_\_\_\_\_

#### **SECTION 4: SUBJECT PROPERTY USE**

1. Has the subject property been used for a purpose other than agricultural operations and residential use (for example, landfill, commercial cell tower, commercial energy production, sand and gravel extraction, railroad right-of-way)?  Yes     No     Don't Know

If yes, indicate use/explain: \_\_\_\_\_

\_\_\_\_\_

2. Have any chemicals been used on the subject property beyond what could reasonably be expected in normal and customary agricultural practices?  Yes     No     Don't Know

If yes, indicate type of chemicals: \_\_\_\_\_

\_\_\_\_\_

*(Continued on the next page)*

3. Has the subject property ever contained areas used to dispose of waste other than normal and customary household and agricultural waste?  Yes  No  Don't Know

If yes, indicate the kinds of material disposed and method of disposal: \_\_\_\_\_

\_\_\_\_\_

4. Has there ever been a chemical spill or leak on the subject property to your knowledge?  Yes  No  Don't Know

If yes, indicate what was spilled, where it was spilled, approximately how much was spilled, and what actions were taken in response.

\_\_\_\_\_

\_\_\_\_\_

5. Have any previous environmental assessments/tests/samplings/impact statements been conducted for the subject property, to your knowledge? If yes, attach copies of appropriate documentation.  Yes  No  Don't Know

6. Have any government officials ever investigated, cited, or been involved with any violations of any environmental law at the subject property to your knowledge?  Yes  No  Don't Know

If yes, explain: \_\_\_\_\_

\_\_\_\_\_

7. Are there/have there been any disputes, including claims of adverse possession, or written or oral agreements with adjacent landowners regarding boundary lines? If so, explain and provide detail on map.  Yes  No  Don't Know

If yes, explain (and provide details on map): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

***IF YOU ANSWERED YES TO ANY OF THE ABOVE QUESTIONS, PLEASE ATTACH A LETTER OF EXPLANATION ALONG WITH ANY SUPPORTING DETAILS TO THE APPLICATION.***

**SECTION 5: EXISTING PROPERTY RESTRICTION(S)**

Please state whether there are any known existing restrictive easements or covenants (such as Forest Conservation Easements, Open Space Easements, etc.) on your property and, if so, please explain:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**SECTION 6: STRUCTURES**

List and briefly describe any/all residential structures and non-agriculturally related structures (all structures currently existing on the property may be listed, however only the residential and non-agriculturally related structures are required to be listed at the time of application). On a current aerial map, locate and label by corresponding letter (1, 2, 3, 4, etc.) all structures listed here. A current aerial map may be obtained through the county program administrator. Use separate page if necessary.

Structure	Approximate Dimensions or Capacity
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____
11. _____	_____
12. _____	_____
13. _____	_____
14. _____	_____

**ANY OTHER COMMENTS ABOUT THE PROPERTY**

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

Name of the Property Seller Completing this Form: \_\_\_\_\_

Date: \_\_\_\_\_ Best Telephone Number to Reach You: \_\_\_\_\_

**THANK YOU!**

NEXT GENERATION FARMLAND ACQUISITION PROGRAM

**APPLICANT INFORMATION FORM**

*(To be completed and signed by the applicant(s).)*

**SECTION 1: APPLICANT(S) INFORMATION**

**1. Primary Applicant**

Name \_\_\_\_\_

Date of Birth \_\_\_\_\_ Email Address \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone \_\_\_\_\_

**2. Secondary Applicant (if applicable)**

Name \_\_\_\_\_

Date of Birth \_\_\_\_\_ Email Address \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone \_\_\_\_\_

**APPLICANT(S) BACKGROUND AND EXPERIENCE**

**Primary Applicant**

1. Do you currently own any agricultural land?  Yes  No

If yes, please state how many acres of agricultural land you own \_\_\_\_\_ acres

2. Have you operated as a primary operator on a farm or ranch for more than 10 years?  Yes  No

3. Do you expect to substantially participate in the farm operation on the subject property?  Yes  No

4. Do you have any farming experience?  Yes  No

If yes, please briefly describe your farming experience (including how many years)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**NOTE: Please attach a copy of a resume and any additional sheets of paper as needed.**

5. Have you completed a qualified farm management training program that includes substantial fieldwork experience?  Yes  No

If yes, please describe the completed farm management training program.  
*(A validating letter from an authorized program representative on the institution's letterhead, or equivalent documentation, is required.)*

\_\_\_\_\_

\_\_\_\_\_

6. Have you received an agricultural degree from an accredited college or university?  Yes  No

If yes, please provide the following information:  
*(A copy of an unofficial transcript must be provided.)*

University/Institution \_\_\_\_\_

Major/Minor/Program \_\_\_\_\_

Graduation/Completion Date \_\_\_\_\_

**Secondary Applicant** *(if applicable)*

1. Do you own any agricultural land in addition to the Primary Applicant?  Yes  No

If yes, please state how many acres of agricultural land you own \_\_\_\_\_ acres

2. Have you operated a farm or ranch for more than 10 years?  Yes  No

3. Do you expect to substantially participate in the farm operation on the subject property?  Yes  No

4. Do you have any farming experience?  Yes  No

If yes, please describe your farming experience (including how many years)

\_\_\_\_\_

\_\_\_\_\_

**NOTE: Please attach a copy of a resume and any additional sheets of paper as needed.**

5. Have you completed a qualified farm management training program that includes substantial fieldwork experience?  Yes  No

If yes, please describe the completed farm management training program.  
*(A validating letter from an authorized program representative on the institution's letterhead, or equivalent documentation, is required.)*

\_\_\_\_\_

\_\_\_\_\_

*(continued on the next page)*

6. Have you received an agricultural degree from an accredited college or university?  Yes  No

If yes, please provide the following information:  
(A copy of an unofficial transcript must be provided.)

University/Institution \_\_\_\_\_

Major/Minor/Program \_\_\_\_\_

Graduation/Completion Date \_\_\_\_\_

7. Do you (the applicant) currently produce food/feed/fiber products on agricultural land as a farm enterprise operator or manager?  Yes  No

If yes, please answer Items a. through c. below:

- a. Do you currently farm ONLY on a property owned by a relative?  Yes  No  
If yes, please answer the following:

Is the family-owned property you farm the subject property for this program?  Yes  No

- b. Do you currently farm ONLY on leased land (in your own name)?  Yes  No

If yes, please provide the following information:

Annual Rental Expense \_\_\_\_\_ Size (acres) \_\_\_\_\_

Location \_\_\_\_\_

Owner/Farm Name \_\_\_\_\_ Phone Number \_\_\_\_\_

- c. Do you currently farm BOTH on leased land (in your own name), as well as, on property owned by a relative?  Yes  No

If yes, please answer the following question:

Is the family-owned property you farm the subject property to be purchased using the Next Gen program?  Yes  No

Is the family-owned property you farm 5% or more of your operation?  Yes  No

8. If your answer was "No" to Question 6, are you a farmer that does not currently have access to agricultural land to work as a farm enterprise operator or manager?  Yes  No

9. What is your Total Net Worth (all applicants combined)? \_\_\_\_\_  
("Net Worth" EQUALS Total Assets MINUS Total Liabilities. Please refer to Attachment 2 for more information used in calculating Net Worth.)

**Please provide any additional information, based on your knowledge and experience in agriculture, that you feel will be helpful for the reviewers to know:**

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**SECTION 2: BRIEF SUBJECT PROPERTY INFORMATION**

*(To be completed by the applicant, detailed information will be completed by the Farm Property Seller(s) using FORM 1, and a country agricultural land preservation program administrator using FORM 3.)*

Street Address \_\_\_\_\_

**“OR”**

Tax Map \_\_\_\_\_ Grid \_\_\_\_\_ Parcel # \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

County \_\_\_\_\_ Zoning of Property: \_\_\_\_\_

Total Size of Subject Property (acres) \_\_\_\_\_ Number of Parcels \_\_\_\_\_

1. Is the property a working farm today?  Yes  No

If yes, please provide a brief description of the usage of land for the working farm (if known).

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2. Does the property include any existing dwellings?  Yes  No

If yes, please provide the following information of the existing dwelling(s):

Dwelling 1

Size (square feet) \_\_\_\_\_ Condition:  Poor  Fair  Good  Excellent

Explain intended use of dwelling \_\_\_\_\_

Is this dwelling a tenant house?  Yes  No

Dwelling 2

Size (square feet) \_\_\_\_\_ Condition:  Poor  Fair  Good  Excellent

Explain intended use of dwelling \_\_\_\_\_

Is this dwelling a tenant house?  Yes  No



Dwelling 3

Size (square feet) \_\_\_\_\_ Condition:  Poor  Fair  Good  Excellent

Explain intended use of dwelling \_\_\_\_\_

Is this dwelling a tenant house?  Yes  No

If no, does the property have development rights?  Yes  No

3. Is there currently any existing restrictive easements or covenants on the subject property?  Yes  No

If yes, please list and explain the restrictive easement or covenants placed on the subject property:

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

**SECTION 3: DEVELOPMENT RIGHTS**

NOTE: The development rights information provided in this application will be provided to the appraisers to determine the fair market value of the subject property.

The term “development right(s)”, as used by MALPF and the Next Gen Program, is the maximum number of residential structures legally allowed to be placed on the subject property as of the date of the application.

“Legally allowed” takes into consideration such limiting factors such as: zoning, septic law, Chesapeake Bay Critical Areas regulations, existing easements, etc. It does not include any additional structures allowed by virtue of a specific owner (such as family lots), nor does it include any allotted transferrable development rights (“TDRs”). As used herein, “development rights” does not address TDRs. TDR’s should be considered as an addition if a current market exists.

**Intended Lot Selection (see \*NOTES below for explanation)**

In the Deed of Easement, I/we hereby intend to (check one):

- reserve family lots, subject to density restrictions,
- reserve one (1) unrestricted lot that is either:
  - subdividable, or
  - a non-subdividable building envelope
- waive all rights to lots

Please state your reasoning to the Intended Lot Selection identified above:

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

NOTES: Lot Selection Definitions:

- “Family lots” are a right that is granted to the original easement owner (in this case the Next Gen Farmer once the subject property is purchased). It is tied to that person(s), not the land. Family lots are for the use of the owner and his or her children to construct a dwelling only for his/her/their personal use. Since family lots are released only to the owner and/or his or her children, are not for commercial development, and may not be transferred to other individuals, they are not considered marketable and are not counted against the development rights on the property in the appraisal. Do not select the number of family lots at this time. Eligibility to request family lots ends upon the original owner’s transfer of the property or the death(s) of the original owner(s) of the easement, whichever comes first.
- “Unrestricted lot” is a right that is reserved to any owner of the property, regardless of who the original owner is or relationship to them. An unrestricted lot is tied to the land, not a person(s), and transfers to subsequent owners until that right is exercised. Therefore, when an unrestricted lot is selected, the value of one development right is subtracted from the total available development rights in the appraisal of the value of the property.
- There are two choices when selecting the unrestricted lot option; a “subdividable lot” and a “non-subdividable building” envelope. The subdividable lot option allows the current (or future) landowner to request the creation of lot, subject to approval in accordance with the rural land conservation program’s policy. The non-subdividable building envelope option allows the current (or future) landowner to request the establishment of a 1-acre “envelope” to construct a dwelling.
- The term “unrestricted” is a description of the type of lot refers to the fact that there are no obligations/requirements on who is permitted to live/own a dwelling that was created through this lot option selection.
- “Waive all rights to lots” refers to the wish to extinguish all rights to new dwellings on their properties. Note: This does not affect the right to request future tenant house(s).

*(Continued on the next page)*

**SECTION 4: PROPOSED BUSINESS OPERATION INFORMATION**

**PROJECT BUSINESS TYPE** *(Check any that may apply.)*

- Beef Cattle
- Sheep/Goats/Swine
- Equine
- Dairy *(please see below for specialized response)*
- Grain & Row Crops
- Greenhouse & Nursery
- Poultry & Eggs
- Vegetables & Specialty Crops
- Value Added Products: \_\_\_\_\_
- Other: \_\_\_\_\_

**BRIEF DESCRIPTION OF PROJECT, INCLUDING THE JUSTIFICATION FOR NEXT GEN PROGRAM FUNDING**

*(A brief description of the proposed Next Gen Program project, including information about the farmland purchase, and a summary of the proposed agricultural business activity on the subject property. As a reminder, the Farm Business Plan that you will submit will contain more extensive detail on proposed farm business activities.)*

If **Dairy** is the primary business type, is the subject property currently a milking dairy operation?  Yes  No

If yes, please describe the dairy operation and facilities in some detail here (including number of cows being milked, name of milk cooperative or marketing outlet, labor needs, type and age of dairy facilities, etc.):

**PROJECT ADVISOR(S)** *(If Applicable)*

1.) Name \_\_\_\_\_ Title \_\_\_\_\_

Institution/Firm \_\_\_\_\_

Work Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

2.) Name \_\_\_\_\_ Title \_\_\_\_\_

Institution/Firm \_\_\_\_\_

Work Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

**SECTION 5: FARM BUSINESS INFORMATION (If Applicable)**

Has your business been legally incorporated?

Yes

No

**If YES, please complete the following information:**

Year & State Established/Incorporated \_\_\_\_\_

Corporation  Partnership  Proprietorship  LLC SIC/NAICS Code \_\_\_\_\_

Business/Farm Name \_\_\_\_\_

Business Address \_\_\_\_\_ County \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Contact Person \_\_\_\_\_ Title \_\_\_\_\_

Work Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

Home Telephone \_\_\_\_\_ Mobile Phone \_\_\_\_\_

**MANAGEMENT/OWNERSHIP OF BUSINESS:**

**1.)** Name \_\_\_\_\_ Title \_\_\_\_\_ % Ownership \_\_\_\_\_

Relationship to Applicant \_\_\_\_\_ Email \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone \_\_\_\_\_

**2.)** Name \_\_\_\_\_ Title \_\_\_\_\_ % Ownership \_\_\_\_\_

Relationship to Applicant \_\_\_\_\_ Email \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone \_\_\_\_\_

**3.)** Name \_\_\_\_\_ Title \_\_\_\_\_ % Ownership \_\_\_\_\_

Relationship to Applicant \_\_\_\_\_ Email \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone \_\_\_\_\_

**4.)** Name \_\_\_\_\_ Title \_\_\_\_\_ % Ownership \_\_\_\_\_

Relationship to Applicant \_\_\_\_\_ Email \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone \_\_\_\_\_

**SECTION 6: DEFAULT EASEMENT HOLDER SELECTION (choose one option)**

The “Default Easement Holder” will agree to hold and administer a permanent conservation easement on the subject property you are purchasing, if a permanent conservation easement has not been secured for the subject property within the designated timeframe. If MARBIDCO is the “default easement holder - designator”, the permanent conservation easement must be sold within *seven years* to one of the approved land conservation programs\*. If the county program is the “default easement holder”, the permanent conservation easement must be sold within *four years* to one of the approved land conservation programs\*. (Note: In either scenario, MARBIDCO can extend this time period to sell the permanent easement for one additional year for good cause.) If the Next Gen farmer fails to sell the permanent conservation easement within the prescribed option period timeframe, then a permanent easement will be exercised with the designated default easement holder.

\*Approved land conservation programs authorize the land held under a conservation easement to be used for agricultural purposes. These programs may include, but are not limited to: MALPF, Rural Legacy, other public land preservation program, a rural land trust, or other approved land preservation organization.

**CHECK ONLY ONE:**

- COUNTY AGRICULTURAL LAND PRESERVATION ROGRAM  
I/We propose to have the county be the “Default Easement Holder” with the presumption that I/we must pursue selling a permanent farmland preservation easement on the subject property within four years if awarded Next Gen funding. In addition, I/we understand that the county must be willing to provide appropriate documentation stating their commitment to serve as the “Default Easement Holder”.  
(Note: It will likely be up to the county program administrator to decide whether or not this can happen.)
  
- MARYLAND AGRICULTURAL AND RESOURCE-BASED INDUSTRY DEVELOPMENT CORP.  
I/We propose to have MARBIDCO designate which land conservation program will be the “Default Easement Holder” with the presumption that I/we must pursue selling a permanent farmland preservation easement on the subject property within seven years if awarded Next Gen funding.  
(Note: Not all agricultural properties may be eligible to meet the requirements of MARBIDCO’S Designated Program easement holder.)

*(Continued on the next page)*

**SECTION 8: SIGNATURE(S)**

**DECLARATIONS**

*If answering "yes" to any of these questions, please provide an explanation on a separate sheet and attach.*

- 1. Is the business or any of the top management personnel an endorser, guarantor or co-signer for obligations not listed on its/their financial statements?  Yes  No
- 2. Is the business or any of the top management personnel a party to any claim or lawsuit?  Yes  No
- 3. Has the business or any of the top management personnel ever declared bankruptcy?  Yes  No
- 4. Does the business or any of the management personnel owe any taxes for prior years?  Yes  No
- 5. Have any managers or owners received a felony conviction?  Yes  No

**EQUAL CREDIT OPPORTUNITY ACT (15 U.S.C. 1691)**

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided that the applicant has the capacity to enter into a binding contract), because all or part of the applicant's income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

**AUTHORITY TO COLLECT PERSONAL INFORMATION**

This information is provided pursuant to Public Law 93-579 (Privacy Act of 1974). Effect of Non-Disclosure: Omission of an item means your application might not receive full consideration.

I/We authorize disclosure of all information submitted in connection with this application to the financial institution agreeing to participate in the project financing. I/We waive all claims against either the sponsoring financial institution or MARBIDCO.

**CERTIFICATION**

I/We certify all information in this application and the attachments is true and complete to the best of my/our knowledge and is submitted so the MARBIDCO's Next Gen Review Committee can decide whether to offer financial assistance.

Signature \_\_\_\_\_

Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Printed Name \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

**Note:** MARBIDCO agrees to hold Recipient's Application and Financial Reports in confidence to the extent reasonably permitted by Title 10, Subtitle 6 of the State Government Article of the *Annotated Code of Maryland*. Notwithstanding the foregoing, MARBIDCO shall not be obligated to maintain in confidence any information: 1) which was already known to MARBIDCO; or, 2) which is or comes into the public domain through no fault of MARBIDCO; or, 3) which is independently developed by MARBIDCO; or, 4) which comes to MARBIDCO from a third party which is not in violation of any obligation of confidentiality to Applicant or MARBIDCO

**THE APPLICANT'S CHECKLIST (of required items to be submitted by November 20, 2018):**

1.  A contract for sale of the subject property.
2.  Applicant(s) Statement: separate document describing Applicant's experience and/or education related to agriculture  
*(Including: a copy of an unofficial college transcript; and/or, a description and proof – or certification – of completion of an appropriate farm training program).*
3.  Applicant(s) Resume (if available)
4.  Description and history of the applicant company or farm operation (if applicable).
5.  Applicant *and* farm operation Tax Returns for the two preceding years (if available).
6.  Completed Balance Sheet (**Attachment 2**).  
*If applicable, complete an additional Balance Sheet for the agricultural business.*
7.  Completed Income Statement for the past 2 years (**Attachment 3a & 3b**).
8.  Completed Pro Forma Income Statement (**Attachment 3c**).
9.  Completed Debt Repayment Schedule (**Attachment 4**).
10.  A Farm Business Plan – must include:
  - Executive Summary
  - Mission Statement & Goals
  - Background Information (Applicant's Experience & Education; and if applicable, Farm Business Operation's History & Overview)
  - Farm Business and Production Strategy
  - Farm Marketing Strategy and Plan
  - Farm Management Plan
  - Farm Financial Plan (including Pro Forma Financial Projections)
11.  Completed **FORM 1**.
12.  Completed **FORM 2**.
13.  Completed **FORM 3**.
14.  Completed **FORM 4**.
15.  A commercial lender loan commitment form (optional at time of application, please see **FORM 5: COMMERCIAL LENDER COMMITMENT FORM** in application for more information).

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**NEXT GENERATION FARMLAND ACQUISITION PROGRAM**  
**SUBJECT FARM PROPERTY INFORMATION FORM**

*(To be completed by a county program administrator or other agricultural land preservation official)*

**SECTION 1: SUBJECT PROPERTY INFORMATION**

- 1. Is the subject property eligible to apply for a permanent conservation easement through a designated County Program? *This does not imply that the Country Program will be the default easement holder.*  Yes  No  
 No County Program
- 2. Is the subject property eligible to apply for a permanent conservation easement through the Maryland Agricultural Land Preservation Foundation (MALPF)?  Yes  No
- 3. Has the subject property applied to the County Agricultural Preservation Program in years prior to applying to the Next Gen Program?  Yes  No  N/A
- 4. Has the subject property applied to MALPF in years prior to applying to the Next Gen Program?  Yes  No
- 5. Is the subject property located within a designated Priority Preservation Area?  Yes  No
- 6. Is the subject property located within a designated Rural Legacy Area?  Yes  No  
If yes, name of Rural Legacy Area \_\_\_\_\_
- 7. Is the subject property approved for a county administered easement program and/or is it a county priority?  Yes  No  N/A

***In relation to the conservation easement, briefly describe additional information of subject property that may be informative to the Next Gen Program.***

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**INSTRUCTIONS & INFORMATION FOR PART A:**

1. **Total property acreage determination:**  
The total acreage of property is the total property described in this application as the subject property. It refers to the entire acreage that is to be under common ownership, once the Next Gen farmer has successfully purchased the subject property. The total acreages of the property includes the total area before any withheld acreages and the total area before any excluded acreage (any area to be encumbered by the easement that the Next Gen farmer will not be potentially paid for). The total acreages of the property does not include any tax map parcel which may be contiguous and under common ownership, but for which no portion is being considered for eligible easement sale.
  
  2. **Pre-existing dwelling(s):**  
Enter the total number of pre-existing dwellings, tenant houses, or permanently affixed trailers, i.e., those with electrical and sewage hook-ups and wheels removed.
  
  3. **Withheld acreage:**  
Provide an explanation for withholding the acreage on a separate sheet. Be advised that some rural land conservation programs may discourages the exclusion of acreage from the easement. Please be aware that withholding acreage from the eligible easement could potential decrease the appraised value. The appraisers will deduct the total development potential associated with the excluded acreage. If the request is approved to withhold acres, a survey plat with metes and bounds description will be required at the Next Gen farmer’s expense prior to settlement of the Easement Option Contract. Please note, at the settlement of the sale of the permanent easement, some rural land conservation programs may have policies that limit a certain amount of development rights, depending on county zoning regulations.
  
  4. **Easement Option Purchase Price Acreage:**  
The Easement Option Purchase Price Acreage is the total acreage of property minus one (1) acre per pre-existing dwelling and total withheld acreage described in this application as the subject property. It refers to the acreage used to calculate and determine the Easement Option Purchase Price that MARBIDCO will pay for the subject property to be entered into the Easement Option Contract.
- 

**PART A**

For purposes of valuation, I/we affirm that the acreage of the total property was determined by **one** of the following (a copy of which is attached to this application):

- |                            |                             |
|----------------------------|-----------------------------|
| ___ property deed(s)       | ___ survey                  |
| ___ tax assessment records | ___ other (identify): _____ |

1. The total acreage of property is: \_\_\_\_\_
2. The number of Pre-Existing Dwelling(s) is (are): \_\_\_\_\_
3. The intended Acreage to be Withheld is: \_\_\_\_\_  
*(Size, configuration, and location must be approved by MARBIDCO.  
Show withheld area on map – see instructions Part A: 3. Withheld Acreage)*
4. The Easement Option Purchase Price Acreage is (1. minus 2. and minus 3.): \_\_\_\_\_
5. The total acres to be encumbered by Easement Option is (1. minus 3.): \_\_\_\_\_

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**INSTRUCTIONS & INFORMATION FOR PART B:**

1. Planning and Zoning Information:

Pre-existing Dwelling(s) and Tenant House(s) Certification by Landowner

Depending on some rural land conservation programs, special consideration may be made on tenant houses with regard to potential development density when appraising properties for easement sale. The rural land conservation program may recognize the designation by a county of certain pre-existing dwellings as tenant houses which would otherwise be counted as a used density right. MARBIDCO shall inform the appraisers selected to assess the property to not assign a development right to any county-designated tenant house.

2. Development Rights:

The residential lot rights information provided in this section will be provided to the appraisers and used for valuation purposes.

3. Transferable Development Rights:

The TDR information provided in this section will be provided to the appraisers and used for valuation purposes.

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**PART B**

1. **PLANNING AND ZONING INFORMATION**

a. **ZONING**

Current Zoning of Property: \_\_\_\_\_

Does the property lie within the boundaries of a planned 10-year water and sewer service district?  Yes  No

If yes, please describe \_\_\_\_\_

Is the encumbrance of this property by an agricultural land preservation easement consistent with county plans? (Master Plan, Comprehensive Land-Use Plan, Growth Management Plan, etc.)  Yes  No

b. Is there any withheld acreage?  Yes  No

If yes, what is the reason for the withheld acreage?

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

c. Is the property adjacent to other protected lands (fee or easement)?  Yes  No

If yes, what is the approximate size of protected block of land (without subject property acres included)?

\_\_\_\_\_

- d. Is/are there a county-designated tenant house located on the property?  Yes  No

2. **DEVELOPMENT RIGHTS**

- a. Has the County adopted a Tier Map under The Sustainable Growth & Agricultural Preservation Act of 2012 (Senate Bill 236), also known as the septic law?  Yes  No

- b. If a Tier Map has been adopted, in which Tier is the subject property located? Tier \_\_\_\_\_  
 Tier Exemption

- c. What is the maximum number of residential lots permitted in a minor subdivision? \_\_\_\_\_

- d. Taking into consideration underlying zoning, the restrictions of the septic law, and any other known restrictions (Chesapeake Bay Critical Areas regulations, forest mitigation easements, etc.), what is the maximum number of development rights for the subject property? \_\_\_\_\_  
 (Same as below. If different, please explain.)  
 \_\_\_\_\_  
 \_\_\_\_\_

<b>* Permitted On-Site Development Rights</b>	<b>Lot Rights</b>	<b>Acres</b>
i. Total development rights/acres associated with the subject property		
ii. Total development rights/acres associated with pre-existing dwelling (within easement area)		
iii. Total development rights/acres associated with withheld acres (includes any dwelling(s) in withheld acres)		
iv. Unrestricted lot option chosen: <input type="checkbox"/> Yes (deduct 1 development right) <input type="checkbox"/> No (deduct 0 development rights)		N/A
Total development rights/acres remaining associated with intended easement property (i - ii - iii - iv)		

**\*NOTE: See FORM 2, SECTION 3 in reference to applicant(s) Intended Lot Selection.**

3. **TRANSFERABLE DEVELOPMENT RIGHTS PROGRAMS**

- a. Does the County have a TDR program?  Yes  No

- b. Is the subject property eligible to participate in the TDR program?  Yes  No

- c. How many residual TDRs are associated with the subject property as of July 1, 2017? \_\_\_\_\_

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**INSTRUCTIONS & INFORMATION FOR PART C:**

1. Deed References:

All deeds and surveys with metes and bounds descriptions that cover the entire property should be listed here. The Liber and Folio should be stamped either on the top or bottom of all documents that have been recorded in the county land records. The Liber is the first number and the Folio is the second number shown on the recorded document.

2. Existing Property Restriction(s):

List any restrictive covenants, easements, or restrictive long term contracts on your property (e.g., forest conservation easements, open space easements, CREP easements, CRP contracts, forest mitigation easements, wetland mitigation easements, historical easements, environmental easements or residential covenants). FOR THE APPLICANT: Be advised that such restrictions may reduce the acreage on the eligible easement.

5. Qualifying Soils:

The Program Administrator is responsible for determining whether the property meets the minimum soils criteria.

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**PART C**

1. **LOCATION OF PROPERTY**

Tax Map \_\_\_\_\_ Grid \_\_\_\_\_ Parcel # \_\_\_\_\_

Tax ID# \_\_\_\_\_ *(List all if more than one)*

Tax Map \_\_\_\_\_ Grid \_\_\_\_\_ Parcel # \_\_\_\_\_

Tax ID# \_\_\_\_\_ *(List all if more than one)*

Tax Map \_\_\_\_\_ Grid \_\_\_\_\_ Parcel # \_\_\_\_\_

Tax ID# \_\_\_\_\_ *(List all if more than one)*

Property Address: (if different from mailing address)

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

2. **DEED REFERENCE(S)**

\_\_\_\_\_/\_\_\_\_\_,      \_\_\_\_\_/\_\_\_\_\_,      \_\_\_\_\_/\_\_\_\_\_  
liber   folio      liber   folio      liber   folio

**If acreage reflected in deed is different from acreage of proposed easement, please explain:**  
*(Please refer to FORM 2, SECTION 3: Intended Lot Selection for applicant(s) explanation.)*

3. **EXISTING PROPERTY RESTRICTION(S)**

Please provide information about any readily known existing restrictive easements or covenants (such as Forest Conservation Easements, Open Space Easements, etc.) on the subject property (a title search is not required prior to application submission):

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4. **LAND USE** (round to whole number):

Tillable Cropland: \_\_\_\_\_ acres

Pasture: \_\_\_\_\_ acres

Woodland: \_\_\_\_\_ acres

Wetland(s): \_\_\_\_\_ acres

Orchard; Nursery: \_\_\_\_\_ acres

Structure(s): \_\_\_\_\_ acres

(Farm buildings and dwellings)

Pond/lake: \_\_\_\_\_ acres

Other: \_\_\_\_\_ acres

(Describe other land use)

**TOTAL ACRES:** \_\_\_\_\_ **acres**

(Acres must equal Part A – rounded to a whole number)

5. **QUALIFYING SOILS:** (To be completed by the County Program Administrator, see instructions for Part C: 5. Qualifying Soils)

	CLASS I	CLASS II	CLASS III	GROUP 1	GROUP 2	= TOTAL
ACRES:	_____	_____	_____	_____	_____	_____
PERCENT OF TOTAL:	_____	_____	_____	_____	_____	_____

Other information \_\_\_\_\_  
 (Please indicate if the wetland acres were not counted when calculating the percent of total figure.)

6. **CERTIFICATION OF SOIL CONSERVATION & WATER QUALITY PLAN**

Seller Name \_\_\_\_\_ Phone number \_\_\_\_\_

Property Address \_\_\_\_\_

Tax Map \_\_\_\_\_ Parcel \_\_\_\_\_ Conservation Tract No. \_\_\_\_\_ Farm No. \_\_\_\_\_

Does the subject property currently have a certified soil conservation and water quality plan?  Yes  No

7. IF PROPERTY HAS 25 ACRES OR MORE OF CONTIGUOUS WOODLAND, A FOREST STEWARDSHIP PLAN IS REQUIRED FOR A MALPF EASEMENT

a. Is a Forest Stewardship Plan required for this property:  Yes  No

b. If yes, is it still in effect:  Yes  No

8. **REQUIRED DOCUMENTATION** to be included with this Application

a.  All deeds, surveys, and/or plats that describe the property.

Md. Ann. Code Agriculture Article, § 2-510(b)(3) requires that an Application to Sell An Easement to MALPF be accompanied by a complete description of the property to be encumbered by an Easement. Failure to submit a complete description with the Application to Sell an Easement may result in rejection of the Application.

b.  Assessments and Taxation Data sheet from website.

c.  A tax map outlining property boundaries, and clearly indicating withheld acreage, if any, including legal and practical access to the withheld acreage.

d.  Aerial map with identified structures on the property located. Please use FORM 1, Section 6: Structures list, provided by the Property Sellers, as a reference when identifying structures on aerial map.

e.  A county map with subject property identified and including shading of neighboring (or contiguous) properties that are already preserved (i.e., protected land). The shading should identify the type of preserved land (MALPF, Rural Legacy, State parks, preserved county farmland, etc.)

**SECTION 2: SIGNATURE**

I hereby affirm, to the best of my knowledge, information and belief, that FORM 3: SUBJECT PROPERTY INFORMATION FORM is complete and accurate.

\_\_\_\_\_  
County Program Administrator

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print name

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**NEXT GENERATION FARMLAND ACQUISITION PROGRAM  
COUNTY GOVERNMENT SUBMISSION FORM**

*(To be signed by the chief elected/appointed county official, or the county director of planning and zoning or equivalent position)*

**SECTION 1: CONTACT INFORMATION (of county program administrator)**

Name \_\_\_\_\_

Title \_\_\_\_\_

Agency \_\_\_\_\_ County \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Telephone \_\_\_\_\_ Email \_\_\_\_\_

**SECTION 2: PROPERTY DESCRIPTION AND OWNER INFORMATION**

Applicant Name(s) \_\_\_\_\_

Seller Name(s) \_\_\_\_\_

Subject Property Information

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ County \_\_\_\_\_

Tax Map \_\_\_\_\_ Grid \_\_\_\_\_ Parcel # \_\_\_\_\_ Tax ID# \_\_\_\_\_

**Please offer any comments about how this property fits into the County's program ranking, etc.:**

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

**SECTION 3: DEFAULT EASEMENT HOLDER SELECTION (choose one option)**

The “Default Easement Holder” agrees to hold and administer a permanent conservation easement on the subject property, if a permanent conservation easement is not placed on the subject property within the designated timeframe. If MARBIDCO is the “default easement holder - designator”, the permanent conservation easement must be sold within seven years a land conservation program or MARBIDCO will designate the land conservation program to hold and administer the permanent easement. If the County program is the “default easement holder”, the permanent conservation easement must be sold within four years a land conservation program or the County will hold and administer the permanent easement (Note: In either scenario, MARBIDCO can extend this time period for the permanent easement sale for one additional year for good cause shown.) If the Next Gen Farmer fails to sell the permanent conservation easement within the prescribed option period timeframe, then a permanent easement will be exercised with the designated “Default Easement Holder”.

CHECK ONE:

COUNTY AGRICULTURAL LAND PRESERVATION ROGRAM

We propose to have the County be the “Default Easement Holder” for the subject property. In addition, we understand that the County is willing to provide appropriate documentation stating their commitment as the “Default Easement Holder”. The Next Gen Farmer will have four years after the award of Next Gen funding to sell the permanent farmland preservation easement, and if not, the County will assume responsibility for holding and administering the easement.

MARYLAND AGRICULTURAL AND RESOURCE-BASED BASED INDUSTRY DEVELOPMENT CORP.

We propose to have MARBIDCO designate which land conservation program will hold the permanent easement if there is “a default” (and the permanent easement has not been sold in seven years), since the County is unwilling or unable to serve as the “Default Easement Holder” at this time. The County concurs that this land should be permanently preserved for agricultural uses.

**SECTION 4: REQUIRED COUNTY-PROVIDED INFORMATION FOR DEFAULT EASEMENTS SITUATIONS**

If the County is proposing to serve as the Default Easement Holder than the following must be provided:

1.  A letter indicating that the County agrees to serve as the Default Easement Holder which is signed by the chief elected/appointed county official or county director of planning and zoning. **[mandatory]**
2.  A letter indicating that the County considers this property to be a priority for permanent preservation and it will move as rapidly as feasible to arrange for permanent easement sale funding, in addition to agreeing to be the default easement holder which is signed by the chief elected/appointed county official or county director of planning and zoning. **[optional]**

**SECTION 5: COUNTY GOVERNMENT AUTHORIZATION**

**I, the authorized County Official, hereby have reviewed and affirm, to the best of my knowledge, information and belief, that this form is complete and accurate.**

\_\_\_\_\_  
County Official/Director Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

**NEXT GENERATION FARMLAND ACQUISITION PROGRAM  
COMMERCIAL LENDER INFORMATION FORM**

*(To be completed by a commercial bank or Farm Credit Association representative at the time of application, or within 30 days following notice of the Next Gen award selection.)*

**SECTION 1: COMMERCIAL LENDER INFORMATION**

Loan Officer Name \_\_\_\_\_ Title \_\_\_\_\_

Work Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

Mobile Telephone \_\_\_\_\_ Fax Number \_\_\_\_\_

Lending Institution Name \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_

County \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

**LOAN INFORMATION**

**Total Amount of financing to be provided by the Sponsoring Lender:** \_\_\_\_\_

**Bank Terms:** \_\_\_\_\_ **Interest rate to be charged:** \_\_\_\_\_ (Fixed or Variable)

Use of Funds	Amount
	\$
	\$
	\$

**Other Sources of Equity and/or Matching Funds:**

Source	Amount
	\$
	\$
Total	\$

**COLLATERAL**

*(List all collateral that can be used as security for the loan and any other lien holders on each item of collateral.)*

Collateral	Value	Lien Holders	Lien Amount
	\$		\$
	\$		\$
	\$		\$
	\$		\$

(continued on next page)

**SECTION 2: COMMERCIAL LENDER SIGNATURE**

**CERTIFICATION**

The applicant is current on all existing financial obligations to our institution, and, to my knowledge, has not filed for Bankruptcy during the last 5 years:  Yes  No

We understand that our financial institution must subordinate our mortgage security interest in the subject real estate to a temporary and permanent conservation easement in order for the Next Gen funding to be advanced as a farm purchase down-payment:  Yes  No

I certify that the above information is accurate to the best of my knowledge.

\_\_\_\_\_  
**Loan Officer Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Print Name**

**COMMERCIAL LENDER CHECKLIST**

1.  Loan commitment letter (including any conditions).
2.  Lender’s pro forma cash flow trend (or debt service coverage) analysis, with projections for at least three years into the future.
3.  A recent appraisal report performed by a qualified real estate appraiser (if available).

**NEXT GENERATION FARMLAND ACQUISITION PROGRAM**  
**APPLICATION RANKING WORKSHEET**

<b>Section 1. Characteristics of Subject Property</b>	<b>Possible Points</b>
<b>A. County as the Default Easement Holder (with 4 years to sell permanent easement)</b>	
Property is a working farm and consists of: 50% of acres is cropland/forage land 60% of acres is cropland/forage land 70% of acres is cropland/forage land 80% of acres is cropland/forage land 90% of acres is cropland/forage land	1 point 2 points 3 points 4 points 5 points
Property is located within the designated Priority Preservation Area or a Rural Legacy Area	8 points
Property size consists of: 10 or more acres 20 or more acres 50 or more acres (or is MALPF-eligible)	5 points 10 points 17 points
Property already approved for a county administered easement program and/or is a county priority	5 points
Property includes an existing dwelling or has a buildable lot	5 points
Property has applied to county administered easement program (or MALPF round) in years prior to applying to the Next Gen Program.	5 points
<b>NOTE: COMPLETE EITHER "A" OR "B" (BUT <u>NOT</u> BOTH)</b>	
<b>B. MARBIDCO, by default, Designating the Easement Holder (7 years to sell easement)</b>	
Property meets all basic MALPF criteria (50 acres minimum, 50% prime soils, etc.) [A MANDATORY REQUIREMENT]	2 points
Property is a working farm and consists of: 50% of acres is cropland/forage land 60% of acres is cropland/forage land 70% of acres is cropland/forage land 80% of acres is cropland/forage land 90% of acres is cropland/forage land	1 point 2 points 3 points 4 points 5 points
Property is located within the designated Priority Preservation Area or a Rural Legacy Area	8 points
Property includes an existing dwelling or has a buildable lot	5 points
Property has applied to MALPF round in years prior to applying to the Next Gen Program.	5 points
<b>Section 1 Total (Max Points Possible):</b>	<b>45 Points</b>

**Section 2: Characteristics of the Applicant Farmer**

**Points Possible**

<b>A. Applicant's Agricultural Experience and Agricultural Education</b>		
	Applicant is not a Beginner Farmer* (see definition below)	0 points
	Applicant is a Beginner Farmer*	25 points
	Applicant has received an agricultural degree from an accredited college or university	5 points
<p>*Beginner Farmer Definition:            A Beginner Farmer is defined as one who:</p> <ul style="list-style-type: none"> <li>• Has not owned a farm or ranch (or currently owns less than 10 acres of agricultural land); <b>and</b></li> <li>• Has not operated a farm or ranch as a principal operator for more than 10 years; <b>and</b></li> <li>• Has at least one year of farming experience or has completed a qualified farm management training program that includes substantial fieldwork experience (must be documented in an appropriate fashion); <b>and</b></li> <li>• Expects to substantially participate in the farm operation on the subject property.</li> </ul>		
<b>B. Applicant's Current Access to Farmland (Select only one choice)</b>		
	Applicant currently farms ONLY on a property owned by a relative... <ul style="list-style-type: none"> <li>• which is the subject property (OR)</li> <li>• but which is not the subject property</li> </ul> <p>----- OR -----</p>	5 points 7 points -----
	Applicant currently farms BOTH on leased land (in the Applicant's name), as well as, on property owned by a relative. In addition, the property owned by a relative is... <ul style="list-style-type: none"> <li>• 5% or more of Applicant's operation (OR)</li> <li>• less than 5% of Applicant's operation.</li> </ul> <p>----- OR -----</p>	10 points 15 points -----
	Applicant currently farms ONLY on leased land (in the Applicant's name). <p>----- OR -----</p>	17 points -----
	Applicant currently does not have access to any farmland.	20 points
<b>C. Applicant's Net Worth (Points only in one box are possible)</b>		
	Net worth is more than \$500,000	0 points
	Net worth is between \$400,000 - \$499,999	3 points
	Net worth is between \$300,000 - \$399,999	6 points
	Net worth is between \$200,000 - \$299,999	9 points
	Net worth is between \$100,000 - \$199,999	12 points
	Net worth is less than \$100,000	15 points
<b>Section 2 Total (Max Points Possible):</b>		<b>65 Points</b>

**Section 3: Quality of the Farm Business Plan****Points Possible**

<p>A. Farm Business Plan targets a clearly defined market with enough size and sales power to produce a profit. Scale: - LOW: A small, specialty market with little or no growth potential. - HIGH: A larger market with stable sales or high growth potential.</p>	<p>0 points to 4 points</p>
<p>B. Farm Business Plan shows that applicant(s) have the skills and the experience to make the farm a success. Scale: - LOW: Applicant(s) have never operated a farm business of their own before. - HIGH: Applicant(s) have very substantial experience with the proposed enterprise.</p>	<p>0 points to 4 points</p>
<p>C. Applicant's products offer local customers a direct benefit (e.g., retail food purchases are within a 100-mile radius). Scale: - LOW: Products are only exchange-traded commodities. - HIGH: Products are mostly or totally intended for local retail customers.</p>	<p>0 points to 4 points</p>
<p>D. Farm Business Plan lays out a clear, well-conceived, workable strategy for getting their business up and running. Scale: - LOW: No real strategy exists, except in their head. - HIGH: A well-designed clearly formulated business strategy exists and has been explained in writing.</p>	<p>0 points to 4 points</p>
<p>E. Intensity of the capital proposed to be invested or retained in the farm operation. Scale: - LOW: Little capital is to be invested (or retained) in equipment, fixtures or buildings. - HIGH: A large amount of capital is to be invested (or retained) in equipment, fixtures and/or farm buildings.</p>	<p>0 points to 9 points</p>
<p style="text-align: center;"><b>Section 3 Total (Max Points Possible):</b></p>	<p style="text-align: center;"><b>25 Points</b></p>

**Section 4: Diversity in Applications Funded****Points Possible**

<p>F. Geography (to help avoid county or regional funding concentrations in a single Next Gen Program funding cycle)</p>	<p>8 points</p>
<p>G. Business Operation Type, or other discretionary factors (all other things being mostly equal, a diversity of farm operational types should be supported in a single Next Gen Program funding cycle) <i>If business operation is an operational dairy, please see below.</i></p>	<p>7 points</p>
<p>H. Dairy Operation (subject property currently includes a milking dairy operation, and Next Gen Applicant intends to continue the milking dairy operation)</p>	<p>10 points</p>
<p style="text-align: center;"><b>Section 4 Total (Max Points Possible):</b></p>	<p style="text-align: center;"><b>25 Points</b></p>

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**APPLICATION MAXIMUM TOTAL SCORE: 160 POINTS**

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NEXT GENERATION FARMLAND ACQUISITION PROGRAM

**APPLICANT(S) BALANCE SHEET**

Balance Sheet Date: \_\_\_\_\_

**Assets**

**Liabilities**

**Current Assets**

**Current Liabilities**

Cash \_\_\_\_\_  
 Accounts Receivable \_\_\_\_\_  
 Notes Receivable \_\_\_\_\_  
 \_\_\_\_\_  
 Crops Held for Resale \_\_\_\_\_  
 Inventory \_\_\_\_\_  
 Savings Account \_\_\_\_\_  
 Other Current Assets \_\_\_\_\_  
**Current Assets** \_\_\_\_\_

Accounts Payable \_\_\_\_\_  
 Credit Cards (specify): \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Notes Payable (specify): \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Automobile/Trucks/Boats \_\_\_\_\_  
 Machinery & Equipment \_\_\_\_\_  
 Shops & Supplies \_\_\_\_\_  
 Dairy Livestock \_\_\_\_\_  
 Other Breeding Livestock \_\_\_\_\_  
 IRA/401K Retirement Accts \_\_\_\_\_

**Other Liabilities** \_\_\_\_\_  
**Current Liabilities** \_\_\_\_\_

Farm Land \_\_\_\_\_  
 Acres \_\_\_\_\_  
 Acres \_\_\_\_\_  
 Acres \_\_\_\_\_  
 Forest Land \_\_\_\_\_  
 Acres \_\_\_\_\_  
 Acres \_\_\_\_\_  
 Acres \_\_\_\_\_

Current Portion of Long Term Debt\* \_\_\_\_\_

Residence \_\_\_\_\_  
 Other Real Estate (specify) \_\_\_\_\_  
 \_\_\_\_\_

Mortgages (specify) \_\_\_\_\_  
 \_\_\_\_\_  
 Car Loans (specify) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Non Current Assets** \_\_\_\_\_

Other long-term Loans (specify) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Total Assets** \_\_\_\_\_

**Non Current Liabilities** \_\_\_\_\_  
**Total Liabilities** \_\_\_\_\_

**Total Liabilities** \_\_\_\_\_

Your **Net Worth** *equals* "Total Assets" (above) *minus* "Total Liabilities" (above): \$ \_\_\_\_\_

\*Current portion of long term debt represents the total amount of long-term debt that must be paid within the next year.



**NEXT GENERATION FARMLAND ACQUISITION PROGRAM**

**INCOME STATEMENT**

(Revenue and expenses from the past year)

Calendar Year: 2017

**Farm/Business Income and Expenses**

**Other Income and Expenses**

**Income**

**Income**

Sales of: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Rental Income \_\_\_\_\_  
 Ag Program Payments \_\_\_\_\_  
 Other Income (specify) \_\_\_\_\_  
 \_\_\_\_\_  
 Less Cost of Goods Sold \_\_\_\_\_  
**Gross Farm/Business Income** \_\_\_\_\_

Salaries & Wages \_\_\_\_\_  
 Interest & Dividends \_\_\_\_\_  
 Non Farm Rental \_\_\_\_\_  
 Pension/Social Security \_\_\_\_\_  
 Alimony/Child Support \_\_\_\_\_  
 Other Income (specify) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
**Gross Other Income** \_\_\_\_\_

**Expenses**

**Expenses**

Advertising \_\_\_\_\_  
 Car & Truck Expenses \_\_\_\_\_  
 Chemicals \_\_\_\_\_  
 Salaries & Wages \_\_\_\_\_  
 Labor Hired \_\_\_\_\_  
 Custom Hire/Consultants \_\_\_\_\_  
 Feed Purchased \_\_\_\_\_  
 Fertilizer \_\_\_\_\_  
 Freight, Trucking \_\_\_\_\_  
 Gasoline, Fuel, Oil \_\_\_\_\_  
 Insurance \_\_\_\_\_  
 Rent of Machinery & Equip \_\_\_\_\_  
 Rent of Farm, Pasture \_\_\_\_\_  
 Repairs, Maintenance \_\_\_\_\_  
 Seeds, Plants Purchased \_\_\_\_\_  
 Storage, Warehousing \_\_\_\_\_  
 Utilities \_\_\_\_\_  
 Veterinary, Medicine, Breeding \_\_\_\_\_  
 Miscellaneous Expenses (specify) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
**Total Farm/Business Expenses** \_\_\_\_\_

Social Security Withholding \_\_\_\_\_  
 Self-Employment Taxes \_\_\_\_\_  
 Income Taxes (State & Federal) \_\_\_\_\_  
 Alimony/Child Support \_\_\_\_\_  
 Other Expenses (specify) \_\_\_\_\_  
 \_\_\_\_\_  
**Total Other Expenses** \_\_\_\_\_  
**Net Other Income** \_\_\_\_\_

**Net Farm/Business Income** \_\_\_\_\_

**NEXT GENERATION FARMLAND ACQUISITION PROGRAM**

**INCOME STATEMENT**

(Revenue and expenses for the current year)

Calendar Year: 2018

**Farm/Business Income and Expenses**

**Other Income and Expenses**

**Income**

**Income**

Sales of: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Rental Income \_\_\_\_\_  
 Ag Program Payments \_\_\_\_\_  
 Other Income (specify) \_\_\_\_\_  
 \_\_\_\_\_  
 Less Cost of Goods Sold \_\_\_\_\_  
**Gross Farm/Business Income** \_\_\_\_\_

Salaries & Wages \_\_\_\_\_  
 Interest & Dividends \_\_\_\_\_  
 Non Farm Rental \_\_\_\_\_  
 Pension/Social Security \_\_\_\_\_  
 Alimony/Child Support \_\_\_\_\_  
 Other Income (specify) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
**Gross Other Income** \_\_\_\_\_

**Expenses**

**Expenses**

Advertising \_\_\_\_\_  
 Car & Truck Expenses \_\_\_\_\_  
 Chemicals \_\_\_\_\_  
 Salaries & Wages \_\_\_\_\_  
 Labor Hired \_\_\_\_\_  
 Custom Hire/Consultants \_\_\_\_\_  
 Feed Purchased \_\_\_\_\_  
 Fertilizer \_\_\_\_\_  
 Freight, Trucking \_\_\_\_\_  
 Gasoline, Fuel, Oil \_\_\_\_\_  
 Insurance \_\_\_\_\_  
 Rent of Machinery & Equip \_\_\_\_\_  
 Rent of Farm, Pasture \_\_\_\_\_  
 Repairs, Maintenance \_\_\_\_\_  
 Seeds, Plants Purchased \_\_\_\_\_  
 Storage, Warehousing \_\_\_\_\_  
 Utilities \_\_\_\_\_  
 Veterinary, Medicine, Breeding \_\_\_\_\_  
 Miscellaneous Expenses (specify) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
**Total Farm/Business Expenses** \_\_\_\_\_

Social Security Withholding \_\_\_\_\_  
 Self-Employment Taxes \_\_\_\_\_  
 Income Taxes (State & Federal) \_\_\_\_\_  
 Alimony/Child Support \_\_\_\_\_  
 Other Expenses (specify) \_\_\_\_\_  
 \_\_\_\_\_  
**Total Other Expenses** \_\_\_\_\_  
**Net Other Income** \_\_\_\_\_

**Net Farm/Business Income** \_\_\_\_\_

**NEXT GENERATION FARMLAND ACQUISITION PROGRAM**

**PRO FORMA INCOME STATEMENT**

(Revenue and expense projections for the next year)

Calendar Year: 2019

**Farm/Business Income and Expenses**

**Other Income and Expenses**

**Income**

**Income**

Sales of: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Rental Income \_\_\_\_\_  
 Ag Program Payments \_\_\_\_\_  
 Other Income (specify) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Less Cost of Goods Sold \_\_\_\_\_  
**Gross Farm/Business Income** \_\_\_\_\_

Salaries & Wages \_\_\_\_\_  
 Interest & Dividends \_\_\_\_\_  
 Non Farm Rental \_\_\_\_\_  
 Pension/Social Security \_\_\_\_\_  
 Alimony/Child Support \_\_\_\_\_  
 Other Income (specify) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
**Gross Other Income** \_\_\_\_\_

**Expenses**

**Expenses**

Advertising \_\_\_\_\_  
 Car & Truck Expenses \_\_\_\_\_  
 Chemicals \_\_\_\_\_  
 Salaries & Wages \_\_\_\_\_  
 Labor Hired \_\_\_\_\_  
 Custom Hire/Consultants \_\_\_\_\_  
 Feed Purchased \_\_\_\_\_  
 Fertilizer \_\_\_\_\_  
 Freight, Trucking \_\_\_\_\_  
 Gasoline, Fuel, Oil \_\_\_\_\_  
 Insurance \_\_\_\_\_  
 Rent of Machinery & Equip \_\_\_\_\_  
 Rent of Farm, Pasture \_\_\_\_\_  
 Repairs, Maintenance \_\_\_\_\_  
 Seeds, Plants Purchased \_\_\_\_\_  
 Storage, Warehousing \_\_\_\_\_  
 Utilities \_\_\_\_\_  
 Veterinary, Medicine, Breeding \_\_\_\_\_  
 Miscellaneous Expenses (specify) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
**Total Farm/Business Expenses** \_\_\_\_\_

Social Security Withholding \_\_\_\_\_  
 Self-Employment Taxes \_\_\_\_\_  
 Income Taxes (State & Federal) \_\_\_\_\_  
 Alimony/Child Support \_\_\_\_\_  
 Other Expenses (specify) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
**Total Other Expenses** \_\_\_\_\_  
**Net Other Income** \_\_\_\_\_

**Net Farm/Business Income** \_\_\_\_\_

**NEXT GENERATION FARMLAND ACQUISITION PROGRAM**

**DEBT REPAYMENT SCHEDULE**

**Personal Debt Repayment Schedule**

(including car loans)

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

Lender and Loan Number	Original Amount	Date Incurred	Interest Rate	Payments Per Year	Amount of Periodic Payment	Loan Balance
<b>Annual Totals</b>						

**Farm or Business Debt Repayment Schedule**

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

Lender and Loan Number	Original Amount	Date Incurred	Interest Rate	Payments Per Year	Amount of Periodic Payment	Loan Balance
<b>Annual Totals</b>						