

CHAPTER 1650
RURAL FINANCE AUTHORITY
BEGINNING FARMER AND AGRICULTURAL
IMPROVEMENT LOANS

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1650.0021 DEFINITIONS.

[For text of subps 1 to 5, see MR]

Subp. 6 [Repealed, 30 SR 372]

Subp. 7. **Borrower.** "Borrower" means the person or persons liable on a first mortgage loan participation made under this program.

[For text of subps 8 and 9, see M.R]

Subp. 9a. **First mortgage loan or loan.** "First mortgage loan" or "loan" means a loan participation under this program secured by a first mortgage on real property

[For text of subps 10 to 16, see M.R]

Statutory Authority: *MS s 41B 07, 41C 13*

History: *30 SR 372*

1650.0031 BORROWER ELIGIBILITY.

Subpart 1. **Criteria.** To be eligible for assistance under the basic beginning farmer program, an applicant must meet the criteria in Minnesota Statutes, section 41B.03, subdivisions 1 and 3

Subp 2 [Repealed, 30 SR 372]

Subp. 3 [Repealed, 30 SR 372]

Statutory Authority: *MS s 41B.07; 41C 13*

History: *30 SR 372*

1650.0046 APPLICATION PROCESS AND OFFER OF PARTICIPATION.

Subpart 1. **Request for a first mortgage loan.** A lender and an applicant must jointly complete and sign an application and prepare all supporting documents identified in the application. Financial statements must be dated within 120 days of the application.

[For text of subps 2 and 3, see MR]

Statutory Authority: *MS s 41B 07, 41C 13*

History: *30 SR 372*

1650.0056 RFA REVIEW, NOTICE, APPEAL.

[For text of subpart 1, see M.R.]

Subp 2. **RFA acceptance.** The RFA shall accept an offer if

A the applicant is eligible in accordance with parts 1650.0011 to 1650.0071 and Minnesota Statutes, section 41B 03, subdivisions 1 and 3;

[For text of items B to D, see MR]

[For text of subps 3 to 5, see M.R.]

Statutory Authority: *MS s 41B 07, 41C 13*

History: *30 SR 372*

1650.0066 LOAN CLOSING, PURCHASE OF PARTICIPATION, AND LOAN MANAGEMENT.

Subpart 1. **Closing.** Upon receiving notification of RFA acceptance, the lender shall close the first mortgage loan. The lender must record security documents relating to the loan. The lender must notify the RFA that the loan is closed and recorded by completing the lender certification section and returning the original RFA application, a copy of the note and loan agreement, copies of the recorded documents, and the final title opinion to the RFA.

[For text of subps 2 to 6, see M.R.]

Statutory Authority: *MS s 41B 07, 41C 13*

History: *30 SR 372*

1650.0511 DEFINITIONS.

[For text of subps 1 to 10, see M.R.]

Subp. 11 **Eligible borrower.** "Eligible borrower" means a Minnesota resident or a Minnesota partnership consisting only of individuals who are Minnesota residents, who meets the requirements of Minnesota Statutes, section 41C 05, subdivision 2, and is a first time farmer, as defined in subpart 16, who will be the principal user of the property financed under the code, and will materially and substantially participate in the operation of the farm of which the property is a part or on which the property will be used.

[For text of subps 12 to 22, see M.R.]

Statutory Authority: *MS s 41B 07, 41C 13*

History: *30 SR 372*

1650.0601 APPLICABILITY AND PURPOSE.

Subpart 1. **Applicability.** Parts 1650 0601 to 1650.0661 establish the criteria and procedures to be used by the RFA in administering the agricultural improvement loan program authorized by Minnesota Statutes, section 41B 043.

[For text of subp 2, see M.R.]

Statutory Authority: *MS s 41B 07, 41C 13*

History: *30 SR 372*

1650.0611 DEFINITIONS.

[For text of subps 1 to 7, see M.R.]

Subp. 8. **Borrower.** "Borrower" means the person or persons liable on a mortgage loan made under the program.

[For text of subps 9 to 18, see M.R.]

Statutory Authority: *MS s 41B 07, 41C 13*

History: *30 SR 372*

1650.0661 LOAN PARTICIPATION.

Subpart 1. **Borrower eligibility.** To be eligible for assistance through a loan participation under the agricultural improvement loan program, an applicant must meet the criteria in items A to E.

A The applicant must meet the requirements of Minnesota Statutes, section 41B 03, subdivision 1, clause (1).

[For text of items B to E, see M.R.]

[For text of subp 2, see M.R.]

Subp 3. Application process and offer of participation.

[For text of items A to E, see MR]

F. The loan must be for a maximum term of ten years. The maximum participation is the amount established in Minnesota Statutes, section 41B.043, subdivision 1b.

[For text of items G and H, see MR.]

Subp 4 RFA review, notice, appeal.

[For text of item A, see M.R]

B The RFA shall accept an application if

(1) the applicant meets all eligibility criteria of parts 1650.0601 to 1650.0661 and Minnesota Statutes, section 41B.043, subdivision 1a or 1b;

[For text of subitems (2) to (4), see MR]

[For text of items C to E, see MR]

Subp 5 Loan closing, purchase of participation, and loan management.

A. Upon receiving notification of authority acceptance, the lender shall close the mortgage loan. The lender must record security documents relating to the loan. The lender must notify the RFA that the loan is closed and recorded by completing the lender certification section and returning the original RFA application and copies of the recorded documents, note and loan agreement, and final title opinion to the RFA.

[For text of items B to F, see M.R]

[For text of subps 6 and 7, see M.R]

Statutory Authority: *MS s 41B.07, 41C 13*

History: *30 SR 372*