

FINPACK 2003

Risk Rating System

The FINPACK 2003 Risk Rating report includes:

- A listing of the FINPACK data and custom defined criteria
- The result for each criterion
- The total score for each criterion
- The overall rating, recommendation, and total overall score

Sample Report

Risk Rating Model: Commercial Farm Model

Balance Sheet(s): 1/1/2003 Year(s) in FINAN: 2002

CRITERIA	RESULT	SCORE x WEIGHT = TOTAL		
COLLATERAL				
Loan to Value	56%	2	1.0	2.0
REPAYMENT ABILITY AND EFFICIENCY				
Term debt coverage % (cash), FINAN	145.62	3	2.0	6.0
Interest expense %, FINAN	7.74	3	1.0	3.0
Operating expense %, FINAN	57.58	3	1.0	3.0
LIQUIDITY AND SOLVENCY				
Current ratio, Balance Sheet	1.24	2	1.0	2.0
Equity to asset ratio (mkt), Balance Sheet	50.03	2	2.0	4.0
PROFITABILITY				
Rate of return on assets %, FINAN	4.23	2	1.0	2.0
INDIVIDUAL AND FARM				
Payment History	Always current	3	1.0	3.0
Production management	Average to above average manager	2	1.0	2.0
Character and attitude	Good, goal oriented	2	1.0	2.0
OVERALL RATING				
Green -- The loan is very serviceable, will require minimum supervision				Total Score: 29.0