

**FEDERAL RESERVE BANK
OF NEW YORK**

[Circular No. 3022]
November 9, 1945]

FARM CREDIT FILE

*To All Banks and Trust Companies in the
Second Federal Reserve District:*

About a year ago the New York State Bankers Association appointed a special committee for the purpose of devising a Farm Credit File which would be helpful to the banks operating in the agricultural districts. In this work the committee had the cooperation of the members of the Extension Service of the New York State College of Agriculture who had made an extensive study of the desirability of a file of this character. Helpful suggestions were also received from the various bank supervisory authorities. As a result a file has been developed which should prove of assistance to banks in maintaining adequate credit data to support the borrowings of their customers.

The New York State Bankers Association has requested us to take over the distribution and servicing of the Farm Credit File for the banks in the State of New York. We are pleased to comply with this request and also to extend this service to banks in the States of Connecticut and New Jersey which are in the Second Federal Reserve District, believing that it affords an opportunity to assist the smaller banks of the district in their function of serving agriculture.

The file includes a special folder and the following forms:

<i>Title of Form</i>	<i>New York State Bankers Association Form</i>
Farm Credit Statement—Short Form.....	#1
Farm Credit Statement—Long Form.....	#1A
Comparison Statement	#2
Livestock Appraisal Sheet	#3
Machinery & Equipment Inventory.....	#4
Schedule of Advances & Repayment Agreements.....	#5
Original History Sheet.....	#6
Supplemental History Sheet	#7
Certificate of Search	#8
Order on Proceeds of Produce.....	#9
Supplement to Farm Credit Statement.....	#10
Farm Real Estate Schedule.....	#11

A copy of the folder and of each of the above forms is enclosed. Enclosed also is an explanation of the file by Burr P. Cleveland, President of the First National Bank, Cortland, New York, who served as chairman of the committee of the New York State Bankers Association, and a suggested procedure for setting up the system which was prepared by the Committee.

(OVER)

Every effort was made by the committee to devise a file which would be sufficiently complete to serve every need and which, at the same time, would be simple and easy to operate. The folder refers to chattel mortgage, release of chattel mortgage and release of conditional sales contract, but forms of these documents are not included and will not be supplied by us since we cannot undertake, in behalf of the lending banks, to pass upon the adequacy or sufficiency of particular forms of legal documents. It is suggested that you consult your own counsel as to the proper forms of such documents to use in your State. In this connection, we are informed that the New York State Bankers Association recently transmitted to the banks in New York State a brochure entitled "Agricultural Loans under the New York State Chattel Mortgage Law of 1945", by Alan J. Flattery, Chairman of the Subcommittee on Chattel Mortgage Law Revision of the New York State Bankers Association. This brochure contains a suggested form of agricultural chattel mortgage.

Forms #10 and #11 provide for additional information which it is deemed desirable to obtain from orchardists and berry growers.

It is our judgment that every bank should maintain credit files which include all or substantially all of the information contemplated by the folder. While some bankers having adequate knowledge of their customers and of local conditions may be able to operate with apparent success without the use of credit files, it is clearly in the interest of every bank to maintain complete credit files as a means of helping not only the officers but also the directors of the bank in reaching sound decisions when considering loan applications. The use of a credit file will not guarantee the quality of the loans made; that will still depend upon the judgment of the individual banker and his directors. However, the information which should be found in a properly maintained credit file, together with the banker's knowledge and judgment, should enable a bank to serve adequately the credit needs of its community and to grant borrowers the credit to which they are entitled without exposing the bank to undue risks.

We are now prepared to furnish the folder and the forms enumerated above upon the following basis: The folders will be furnished in any quantity at a prepaid cost of ten cents each. The forms will be furnished without charge to all banks. There is enclosed a requisition form on which you may indicate the number of copies of the folder and of each form which you estimate you will need for your current use. The folders and forms will be available separately or in sets at any time.

#1	.....	ALLAN SPROUL,
#2	.....	President.
#3	.....
#4	.....
#5	.....
#6	.....
#7	.....
#8	.....
#9	.....
#10	.....
#11	.....

A copy of the folder and of each of the above forms is enclosed. Enclosed also is an explanation of the file by Harry F. Cleveland, President of the First National Bank, Portland, New York, who served as chairman of the committee of the New York State Bankers Association, and a suggested procedure for setting up the system which was prepared by the Committee.

(xv)

ORDER FORM Farm Credit File

Date _____

Federal Reserve Bank of New York
Federal Reserve P. O. Station
New York 7, New York

Gentlemen:

Please ship us the following forms for the Farm Credit File:

Quantity

_____ Manila Folders	@ 10¢ each
_____ Farm Credit Statement—Short Form N. Y. State Bankers Ass'n. Form #1	(No Charge)
_____ Farm Credit Statement—Long Form N. Y. State Bankers Ass'n. Form #1A	(No Charge)
_____ Comparison Statement N. Y. State Bankers Ass'n. Form #2	(No Charge)
_____ Livestock Appraisal Sheet N. Y. State Bankers Ass'n. Form #3	(No Charge)
_____ Machinery and Equipment Inventory N. Y. State Bankers Ass'n. Form #4	(No Charge)
_____ Schedule of Advances and Repayment Agreements N. Y. State Bankers Ass'n. Form #5	(No Charge)
_____ Original History Sheet N. Y. State Bankers Ass'n. Form #6	(No Charge)
_____ Supplemental History Sheet N. Y. State Bankers Ass'n. Form #7	(No Charge)
_____ Certificate of Search N. Y. State Bankers Ass'n. Form #8	(No Charge)
_____ Order on Proceeds of Produce N. Y. State Bankers Ass'n. Form #9	(No Charge)
_____ Supplement to Farm Credit Statement N. Y. State Bankers Ass'n. Form #10	(No Charge)
_____ Farm Real Estate Schedule N. Y. State Bankers Ass'n. Form #11	(No Charge)

Check One: _____ Check enclosed in payment for folders

_____ Charge our Reserve Account in payment for folders

Very truly yours,

BANK _____

ADDRESS _____

(Official Signature)

THE NEW YORK STATE BANKERS ASSOCIATION

FARM CREDIT FILE

**What the File Is - How It Works as
Explained by Burr P. Cleveland, Chairman
of the Farm Credit File Subcommittee at
the Fourth Annual Farm Credit School,
Syracuse, New York, October 17th, 1944.**

Committee on Agriculture

**NEW YORK STATE BANKERS ASSOCIATION
521 Federal Reserve Bank
33 Liberty Street - New York 5, N. Y.**

FOREWORD

During the spring of 1944, the chairman of the Committee on Agriculture of the New York State Bankers Association appointed a subcommittee to develop a farm credit file complete enough to cover the essential information about farm borrowers and simple enough to be useful to every bank, large or small.

The subcommittee included Burr P. Cleveland, chairman, president of the First National Bank of Cortland; Dr. Van B. Hart, extension professor in farm management, New York State College of Agriculture, Ithaca; B.C. Rushlow, vice-president of the Watertown National Bank, Watertown, and Otis A. Thompson, president of the National Bank and Trust Company, Norwich, and past chairman of the Agricultural Commission of the American Bankers Association. The subcommittee was assisted in its work by the helpful suggestions of Frank W. Krippel, chief national bank examiner, Second Federal Reserve District; Charles H. Schoch, deputy superintendent, New York State Banking Department, and Howard S. Lahman, acting supervisory examiner, Federal Deposit Insurance Corporation.

Specifically, the file was designed to contain information about the financial condition of a farmer, his progress from year to year, an evaluation of his income producing property, a record of loan advances, their purposes and plans for repayment, personal data about the farmer and his family, management factors affecting his income, and other essential information. It is considered that the forms when properly used furnish sufficient credit information to reveal the true soundness of loans, serve to minimize the work of a banker in setting up adequate liquidation programs so that farm loans are paid out within a reasonable length of time, and minimize the possibility of loans being made out of proportion to a farmer's net worth and ability to pay.

WHAT THE FARM CREDIT FILE IS AND HOW IT WORKS

by

Burr P. Cleveland, Chairman,
Subcommittee on Farm Credit File
New York State Bankers Association

The substance of Mr. Cleveland's remarks in presenting the file on October 17, 1944, at the Fourth Annual Farm Credit School of the New York State Bankers Association follows:

COMPARISON STATEMENT

Turning to the first section of the file, the first form you will find is a comparison statement. The comparison statements which we have in our banks are for corporations or individuals. They do not fit into a farm business. The committee took the farm credit statement of the Federal Reserve Bank and set up a comparison statement to conform with it. There was added a schedule to show year to year changes in the number of horses, cows, young stock, poultry, etc., so that they can readily be related to the values indicated in the statement.

A clear picture of the trend of these is important. Many times it has been found that a farmer may increase his indebtedness with the bank, from year to year, and his line will show little or no reduction. On the other hand, he may have greatly improved his net worth by adding to his livestock and equipment or improved his land and buildings.

SHORT FORM FARM CREDIT STATEMENT

Following the comparison statement you will find a new short form farm credit statement suggested by the Federal Reserve Bank. This has been approved by the New York State Bankers Association and the College of Agriculture. It contains, in the opinion of the committee, the information required to set up the credit file. You will notice that this new short form farm credit statement parallels the longer Federal Reserve statement, known as CR 114.1, with which you are no doubt familiar, and that the comparison statement form is adapted for use with either the long or short form.

There has been some criticism of the order in which the different items appear on the Federal Reserve farm credit statements. Many bankers have asked why these statements have not been arranged in the same manner as the corporation and personal statements; that is, quick assets and liabilities first, and fixed assets and fixed liabilities in their regular order.

In making up these farm statements, consideration has been given to the experience of the College of Agriculture in obtaining information from farmers about their operations and business, and the items have been arranged in the order of the importance placed on them by the average farmer. The items on both the asset and liability sides of the statements are, therefore, arranged in the order of their importance to the farmer.

In other words, we have tried to profit by the experience of the College of Agriculture in what it has found to be the best way to obtain this information from farmers. They have approached the problem, not from an accountant's viewpoint, but in a scientific manner to get the most information the easiest way.

Did you ever take one of the regular form statements, and when interviewing a farmer on an application for a loan, first ask him how much cash he had on hand and in banks, and have him say to you, "if I had cash in the bank I wouldn't be asking you for a loan?" Put yourself in the farmer's position - wouldn't it be just a little disconcerting to have the first question asked, "How much cash and

securities have you?" -- as being the first requisite for obtaining a loan, instead of what do you have invested in your operations which makes you eligible for a loan?

In our studies we have found many very good farm statements being used at the present time by the banks in the state. However, some are too short and do not bring out the information required to complete the file, while others, which contain a great deal of valuable information, are too long and too complicated to expect a farmer to complete without the assistance of a bank officer.

If the statement you are using at the present time will answer all of the questions asked for on this "short form" farm credit statement, and your form is more to your liking, we strongly recommend that you continue to use it.

It is further recommended that the statements be completed and that none of the questions be left unanswered. For example, if the applicant has no cash value life insurance, therefore, no life insurance loans, no other real estate, no Production Credit loans, the word, "none", should be written in the spaces provided for these answers. Do not leave blank spaces in filling out the statement.

Questions regarding location and description of real estate, as well as the other questions at the bottom of the statement are very important and should be answered in full, as we shall see as we proceed with this discussion.

LIVESTOCK APPRAISAL SHEET

The next form is a livestock appraisal sheet. This is designed for making appraisals mainly of cattle but can include horses, hogs and other animals. Experience indicates that, because of both normal and unusual turnover of livestock, it is important, especially in the case of large loans, to have livestock appraised regularly. Appraisals should be made when the loan originates and re-appraisals at the time of taking new statements or at renewal of a chattel mortgage. The easiest time to make re-appraisals is during the winter months when the stock is housed.

The committee considered at length how livestock should be appraised and came to the conclusion that, because of the possibility of rapid changes in market values, the livestock should be appraised at market value on the date of the appraisal.

Keeping appraisal sheets over a period of years supplies a good record of the type of dairy a farmer maintains.

It should, of course, be remembered that the chattel mortgage on stock and equipment is only a protection against ultimate loss. It does not provide for repayment of principal, except by closing out the business. This, none of us want to do.

In order to properly evaluate the ability of a farm business to repay a loan out of the operating income a detailed appraisal should be made of the dairy herd. Such appraisals should show the age of cows and number of young stock raised.

It is clear that if you went to the average farm and took a list of 30 or 40 cows, there wouldn't be any more chance of their being worth \$75, \$90, or \$200 throughout the herd, than that they would all be the same age, weight, and markings, and have the same ear tag numbers. You would find some cows easily recognized as good producers and others with few accepted points.

You would find them running all the way from an excellent individual in the prime of condition and production down to a poor cow, nine years old and ready for beef.

MACHINERY AND EQUIPMENT INVENTORY

The next sheet is a machinery and equipment inventory copied from a form in the College of Agriculture's Farm Inventory booklet.

We believe it is important, for during the past fifteen or twenty years, farmers have more machinery and need more machinery than in the past. They have an investment which usually amounts to 25 or 30 percent of their net worth. Heretofore, we have been presenting it in a round figure on the credit statement. We have had no indication of what goes to make up this total nor the condition of the machinery.

We should have a description of it and the price at which the farmer is carrying it. Experience indicates that a farmer's estimate of the total value of his machinery is likely to be conservative and also close to the figure obtained when a detailed appraisal is made. It is important, however, to have the detailed information covering the price of the individual items, age and condition, to substantiate the figure that goes to make up this 25 to 30 percent of a farmer's net worth.

INFORMATION

SCHEDULE OF ADVANCES AND REPAYMENT AGREEMENTS

The first form under the heading of "Information" is a schedule of advances and repayment agreements. This is for the purpose of correcting one of the weaknesses of many farm credit files. It is not only necessary to have a repayment plan with a farmer, but to have a memorandum of it. This is not a ledger, for every bank has a liability ledger.

The schedule shows the purpose of the loan, from what income the farmer plans to pay it back, and the amounts of the payments to be made.

HISTORY SHEET

The next form is the original history sheet. The committee has suggested the things it felt should be in the file for the benefit of the officers, directors, and their successors. Most of the information called for on the form is known to someone in the bank, but it definitely should be a part of the permanent records so that anyone can familiarize himself with the farmer's affairs by a quick reference to the file.

The farmer's standing in the community and his attitude toward debts should be a matter of record. His ability, experience, and business judgment are very important to the successful retirement of his obligations. The family labor available and the health of his family are also important factors. A farmer may have every good intention of paying his obligations, but if he is decidedly handicapped by any of these factors, his good intentions may be obstructed.

Space is provided on the form for a description of the farm, the number of acres being tilled, the number of acres of pasture and woodland, and the present value of the farm. Location as to market, general appearance and upkeep of the buildings and fences, land class, productivity and condition of soil, drainage, ease of operation, adequacy of pasture, timber, and fuel, are further information which the form suggests; and information on factors which experience indicates are very important in affecting the income a farmer makes.

The adequacy and condition of equipment and probable necessary additions or replacements are called for.

The amount of fire, auto, hail and life insurance should be stated in the space provided. It is considered important that careful attention be given to insurance. Not only should the insurance be adequate, but in order to be protected, a loss payment clause should be issued in favor of the bank with respect to loans secured by a chattel mortgage, the policies should be held by the bank.

Space is provided for noting the credit sources which have been checked, and omissions of liabilities or assets on the credit statement.

The committee members have found that, not too infrequently, there have been times when liabilities are omitted from credit statements; some probably are intentional and others are a matter of oversight. A farmer frequently signs a property note on a car or a tractor and does not realize the fact that the note or contract has been recorded. If a number of omissions are discovered, it is a fair indication that there may be other unknown matters. If this information is not put into the file, there is no record of it.

SUPPLEMENTAL HISTORY SHEET

The supplemental history sheet provides a space to record visits to the farm, interviews at the bank, examiner's comments, loan committee's comments, etc. Other information should be added as it becomes available. The intention is that most of the information on the original history sheet will be placed on it when the loan is originally made and the supplemental history sheet will be used as a continuing information sheet.

MISCELLANEOUS

CERTIFICATE OF SEARCH

The next form, certificate of search, has been found essential. The certificate of search can either be made by the banker or sent with a return envelope to the Town Clerk who will usually fill out the form for twenty-five cents. It is preferable for the bank to make its own search, but in bad weather or if the place is inaccessible, it can be done by mail. It should be done before the loan goes on the books. Provision is made at the bottom of this form for making a record of every chattel mortgage or conditional sales contract which the bank may take.

Searches should be kept up to date by frequent checkings of the Town Clerk's records. The reason is obvious and if a routine is established, it is not difficult or expensive.

ORDER ON PROCEEDS OF PRODUCE

The file contains an order on the proceeds of produce, which is made up, not only for milk, but for potatoes, apples, or anything else the farmer might have. It is made up in duplicate, with one sheet marked dealer's copy and the other is the copy to be returned to the bank. Experience indicates that one of the best ways to set up a loan to a dairy farmer is on a third party order on the milk check.

CHATTEL MORTGAGE FORM

It is useful to have chattel mortgages made out in quadruplicate. The "original copy" is usually kept in the collateral file; the "recording copy" is filed with the Town Clerk; the "mortgagor's copy" is given to the borrower; and the "credit file" copy is for the credit file. By having a copy in the credit file, much time is saved because it becomes unnecessary to go to the collateral record for this information when the file is being reviewed, or when the farmer is requesting additional credit.

LETTERS REQUESTING CREDIT STATEMENTS

Two letters are suggested for requesting statements from borrowers. It is considered good practice to send out statement requests on the first business day of January each year.

The reasons for this are -- that income tax forms go out about that time; many farmers follow the practice of taking an annual inventory as of the first of the year; farmers learn to expect requests for credit statements at that time; and further at that time of the year, they are not as busy as they are at others and can give more time to making out a credit statement.

A follow-up letter is suggested in case the first letter does not bring the desired result.

These letters are only suggestions. All banks have their own ideas and the letters, no doubt, can be improved upon.

DISCHARGE OF CHATTEL MORTGAGE AND RELEASE OF CONDITIONAL SALES CONTRACT

The holder of a chattel mortgage is required by New York State Law, upon request of the mortgagor or any person interested in the mortgaged property, to sign and acknowledge a discharge and also provide for the filing of the discharge.

The Personal Property Law of New York requires the seller to execute a release for a conditional sale when the debt is paid, and the burden is on the seller to do so within ten days, even without the request of the buyer.

MAKING IT WORK

As you look at the credit file you may say, "That is about the most complicated thing I have seen and you call it a simplified file." Let us review the essentials.

We think you will all agree that we should have a comparison statement and that it should be kept up to date.

The short form farm credit statement contains essential information needed to give a true financial picture of the farmer and his business. Every item on the farm credit statement has a definite bearing on the farmer's financial condition and, therefore, it is recommended that every space be filled in and that none of the questions be left unanswered.

The appraisal of the livestock is important. There is nothing complicated about the livestock appraisal sheet.

The machinery and equipment form will substantiate the dollar amount in the credit statement under this heading. This form doesn't take much time and it is valuable information to have.

A record of the farmer's repayment plan is one of the most important pieces of information to have in a credit file. The schedule of advances and repayment agreements provides this much needed record.

Most bankers have the information to be placed on the history sheet and more in their heads. They know what kind of a farmer they are doing business with and how he pays, but regardless of the size of the bank, this is just the information that should be in a credit file, not for the bank

examiners, but for the bank. If an officer leaves the bank or passes on, the loans have to be handled by others. The plan is to put the information on paper.

The certificate of search and order on the proceeds of produce are convenient tools which all banks will want.

The form letters requesting statements are probably similar to those which most of you are using at the present time in one form or another.

It should be re-emphasized that the first time one sees the credit file he may consider it quite complicated. If you look into it, you will, no doubt, agree it contains a minimum of information. A banker can keep the file with a pencil if he doesn't have a stenographer available for the work. It is amazing the meagerness of the credit information on which some loans are made. There are banks in New York State which haven't been in the agricultural credit business extensively and they are now going into it when there are somewhat inflationary prices. Adequate credit information is now needed more than ever. It seems to the committee that this file provides about the bare essentials.

The committee, which prepared this file, believes there are probably loans on the books of banks that, if the banks had the information called for in this file, would not have been made or they would be quite concerned about them and do what they could reasonably do to obtain reductions or additional security.

On behalf of Otis Thompson, B.C. Rushlow, Dr. Hart, and myself, I wish to express our appreciation to Mr. Krippel, Mr. Schoch, Mr. Lahman, the officers of the Federal Reserve Bank of New York, and the staff of the New York State Bankers Association, for giving so generously of their time and also for their many very valuable suggestions and advice, given the committee while preparing this file.

This file has the endorsement and recommendation of the Agricultural and Bank Management Committees of the New York State Bankers Association.

If you are not using a similar file, the Committee is confident that your bank will take a definite forward step by using it completely on your farm loans of over \$500. Many of the forms may be used to advantage on loans of less than \$500.

CREDIT FILE MEMO.

This *Credit File Memo* is not listed on the order blank for farm credit file forms. It is expected that banks which do not already have a similar form will want to have a form of this nature prepared by their local printers.

The memo is included in this sample file merely as a reminder of the practicability of having on each loaning officer's desk a memorandum pad upon which to jot down information about borrowers. The information in many cases will be transcribed the next day on the *Schedule of Advances and Repayment Agreements, Original History Sheet, Supplemental History Sheet*, or one of the other forms in the file. In some cases the information cannot appropriately be transcribed to another form in the file, in which event the credit file memorandum will be filed in the information section of the file.

PROCEDURE SUGGESTED BY THE FARM CREDIT FILE SUBCOMMITTEE FOR SETTING UP FARM CREDIT FILES

Preliminary Steps

1. Place a marker on or set out the liability ledger sheet or card for all lines of credit to farmers of \$500 or more.
2. Prepare tabs showing the name and address of each borrower of \$500 or more and affix them to credit folders.
3. Transfer the figures from the current year's financial statement and the statements of the preceding two years to a comparison statement, NYSBA farm credit file form number 2. Place the financial statements which the bank has on hand and the comparison statement in the file.
4. Show on the schedule of advances and repayments, NYSBA farm credit file form number 5, to the extent the information is available, the present amount of each loan making up the farmer's total liability, the date and purpose for which the money was borrowed, from what income the farmer plans to pay it back, and the amounts of the payments to be made.
5. Place in the file copies of milk check and other assignments, NYSBA farm credit file form number 9, as well as similar assignment forms. Also place in the file correspondence which the bank has had with the farmer.
6. If the loan is secured by a chattel mortgage, place a copy of the chattel mortgage in the file.

After the preliminary steps have been accomplished, additional steps should be completed as soon as circumstances permit. Six to eight months might be allowed for completion of the following additional steps:

Additional Steps

7. Prepare an original history sheet, NYSBA farm credit file form number 6.
8. Start a supplemental history sheet, NYSBA farm credit file form number 7. On this sheet will be recorded recent visits to the farm, discussions with the farmer in the bank, examiners' comments, loan committee comments, and the like.
9. When an appraisal is made of the farmer's livestock, place a livestock appraisal sheet, NYSBA farm credit file form number 3, in the file.
10. Make a search of the town clerk's records and show on a certificate of search, NYSBA farm credit file form number 8, any chattel mortgages, conditional sales contracts, judgments, or other actions filed against the farmer.
11. Place in the file an inventory of the farmer's machinery and equipment on NYSBA farm credit file form number 4.

In order to assure completion of the file within a reasonable time, it is suggested that three or more files be completed each week. Recognizing what is everyone's business is no one's responsibility, it is recommended that one person be made responsible for the completion of the required number of files each week.

When the file is completed, the information should be kept up to date. This should be accomplished through a systematized procedure. One convenient tool for regular use is a credit memorandum pad upon which officers and staff members jot down information for the file as it comes to their attention.

The statement of procedure also appears on the back cover of the folder.

Farm Credit File

The contents of this file are intended to provide the maximum of information with a minimum of time and effort. Forms included or forms somewhat similar are now being successfully used by commercial banks or other credit agencies.

Statements

Comparison Statement:

This statement, which is prepared from data extracted from the credit statements (Cr. 151 and Cr. 114.1) will permit a quick comparison of the customer's financial condition over a period of years.

When the file is originally set up, it is suggested that, if available, information from credit statements for the current year and two preceding years be copied on this form.

Farm Credit Statement:

These are the standard short and long forms approved by the Federal Reserve Bank of New York, the New York State Bankers Association and the Extension Service of the New York State College of Agriculture.

It is suggested that the borrower be encouraged to retain copies of the Farm Credit Statement.

Livestock Appraisal Sheet:

Designed for use in making current appraisals of livestock.

Experience indicates that because of both normal and unusual turnover of livestock, it is important, especially in cases of large loans, to have livestock appraised at regular intervals. Appraisal should be made when the loan originates and at the time of taking new statements or at renewal of chattel mortgage. The easiest time to make appraisals is during the winter months when the stock is housed.

Machinery and Equipment Inventory:

This form is copied from the current farm account book, "Farm Inventory for Five Years", published by the New York State College of Agriculture.

Information

Schedule of Advances and Repayment Agreements:

Shows dates of advances, credit line to date, purpose for which money was borrowed, and agreements for repayment.

Dates of present advances, purposes of loans, and repayment agreements should be filled in to date and similar information added when additional advances are made.

History Sheets:

These show the personal information about the borrower that experience indicates should be available.

Much of the information called for on these forms is usually known to the banker, but is not a matter of written record. It is suggested that these forms be filled in as completely as possible and future information be added as it becomes available.

Space is provided for recording on the original history sheet information about "insurance". It is considered important that careful attention be given to this. Not only should the insurance be adequate but in order to be protected, a loss payment clause in favor of the lender should be included in the policy with respect to loans secured by a mortgage, which policy should be held by the bank.

★ Also designated as N. Y. State Bankers
Assn. forms #1 and 1A respectively.

Miscellaneous

Certificate of Search:

For search made by either a town or county clerk or other local filing or recording officer or a bank official. This form includes a section labeled "Continued Search" for bringing an original search up to date.

Experience indicates that frequently borrowers are not aware of the fact that chattel mortgages, conditional sales contracts, judgments, or other liens affecting their property, may have been filed or recorded. Checking town and county records before making advances informs the bank whether the property is free and clear. The continued search should include all mortgages given to the bank with date of lien and date of filing or recording.

Order on Proceeds of Produce:

For taking "third party orders" on milk checks, or proceeds of crops.

This form is acceptable to the majority of dealers and experience indicates that one of the best ways to be assured of a regular reduction on a farm loan is through a milk order or an order on sale of produce. The order should be executed in duplicate, one copy for the dealer and one copy to be returned to the bank.

Chattel Mortgage:

Forms of chattel mortgage should be prepared in quadruplicate to provide a separate copy, in different colors, if possible, for filing or recording, collateral files of bank, credit files of bank, and copy for borrower. The bank should consult its own counsel as to the legal sufficiency of the form of chattel mortgage used.

Letters, Discharges, Releases

Letters Requesting Credit Statements:

Note that one letter refers to enclosure of credit statement forms and the other is a follow-up letter. It is suggested that two copies of the credit statement form be sent to each addressee, one of which when completed may be retained by him.

Many farmers are now following the practice of taking an annual inventory as of the first of the year for income tax and other purposes. It is suggested that requests for new credit statements be mailed on or about the first of each year. Experience shows that if this is done regularly, the farmer becomes accustomed to filing his annual credit statement.

Discharge of Chattel Mortgage and Release:

The laws of certain states require the holder of a chattel mortgage, upon the request of the mortgagor or any person interested in the mortgaged property, to sign and acknowledge a certificate of payment or satisfaction of the mortgage, and also provide for the filing thereof. Forms of discharge of chattel mortgage may be obtained from the bank's counsel or law stationer.

Acknowledgment

On behalf of the New York State Bankers Association, acknowledgment is made of the contributions to this folder by supervisory authorities associated with the Office of the Comptroller of the Currency, the State Banking Department, the Federal Deposit Insurance Corporation, and Dr. Van B. Hart, professor of farm management, New York State College of Agriculture.

SEE BACK COVER FOR SUGGESTED PROCEDURE IN SETTING UP THESE FILES.

**Comparison Statements
Credit Statements
Live Stock Appraisals
Mach. & Equipment Inventories**

WALTON

COMPARISON STATEMENT

BORROWER _____ AGE _____ WIFE'S NAME _____
 P. O. ADDRESS _____
 FARM IN TOWN OF _____ COUNTY _____
 FARM PURCHASED _____ 19 _____ PRICE _____ INSP. VALUE _____ ORIG. R/E DEBT _____

ASSETS					
FARM					
OTHER R. E.					
TRUCKS, TRACTORS & AUTOS					
MACHINERY & EQUIP.					
LIVESTOCK					
CROPS & SUPPLIES					
RECEIVABLES					
CASH VAL. L. INS.					
INVESTMENTS					
CASH					
OTHER					

TOTAL ASSETS

LIABILITIES					
MORTGAGE ON FARM					
OTHER R. E. MORT'GS.					
NOTES					
TO DEALERS AND MERCHANTS					
TO BANKS					
TO P. C. A.					
TO OTHERS					
ACCOUNTS PAYABLE					
UNPAID TAXES & INT.					
LOANS FROM LIFE INS. COS.					
OTHER					

TOTAL LIABILITIES

NET WORTH

	NUMBER	NUMBER	NUMBER	NUMBER	NUMBER
COWS					
YOUNGSTOCK					
POULTRY					
HORSES					

FARM CREDIT STATEMENT OF

BUSINESS..... ADDRESS.....

TO..... BANK OF.....

I, the undersigned, make the following statement of all my assets and liabilities at the close of business on the date named below and give other material information for the purpose of obtaining from you advances on notes and bills bearing my signature or endorsement, and for obtaining credit generally upon present and future applications.

FINANCIAL CONDITION AT CLOSE OF BUSINESS ON THE..... DAY OF....., 19.....

ASSETS (WHAT I OWN)		Omit Cents	LIABILITIES (WHAT I OWE)		Omit Cents
Farm Lands and Buildings		\$	Mortgages on Farm		\$
Other Real Estate			Mortgages on Other Real Estate		
Trucks, Tractors and Automobiles			Notes Payable to Dealers and Merchants (If covered by security describe on back)		
Other Farm Machinery and Equipment			Notes Payable to This Bank (If covered by security describe on back)		
Cows No. Breed			Notes Payable to Other Banks (If covered by security describe on back)		
Bulls No. Breed			Notes Payable to Production Credit Assn. (If covered by security describe on back)		
Heifers and Yearlings No. Breed			Notes Payable to Relatives and Friends (If covered by security describe on back)		
Calves No. Breed			Notes Payable to Others (If covered by security describe on back)		
Poultry No. Breed			Balance Due on Trucks, Tractors, Automobiles Not shown above		
Horses No. Breed			Accounts Owed by Me, Not Covered by Notes		
----- No. Breed			Rents, Interest and Taxes Due but Unpaid		
Farm Products on Hand for Sale (List on back)			Judgments Against Me		
Feed, Seeds, Fertilizer, Supplies, Etc.			Loans on Life Insurance Not shown above		
Amounts Owed to Me, Good and Collectible (Include milk check due)			Other Debts		
Cash Surrender Value of Life Insurance					
Stocks, Bonds, Certificates of Indebtedness					
Cash on Hand and in Banks					
Personal Property and Other Assets			Total Liabilities		
			NET WORTH		
Total Assets			Total Liabilities and Net Worth		

LOCATION AND DESCRIPTION OF FARM: Located in Town of....., County of....., State of....., on..... Road..... miles from nearest village or city, which is.....

Assessed tax value: \$..... Annual real estate taxes: \$..... Total acres:..... No. of acres cultivated:..... Kind of road:..... Land class:..... Name and location of milk plant used:.....

TITLE TO FARM AND OTHER REAL ESTATE: The legal and equitable title to all the real estate listed in this statement is solely in my name, except as follows:.....

FIRE INSURANCE: Main dwelling: \$....., main barn: \$....., other buildings: \$....., livestock: \$....., produce: \$....., machinery: \$....., household goods: \$....., auto and truck: \$.....

LIABILITY INSURANCE (Auto and Truck): Personal injury: \$....., property damage: \$.....

LIFE INSURANCE: Face amount of policies: \$..... Name of insured:..... Name of beneficiary:..... Name of insurance company:.....

PLEDGE OF FUTURE INCOME: I have pledged my future income as follows: Canning crops \$..... Milk check \$..... To whom pledged:.....

OTHER INFORMATION: I am also liable on endorsed notes for \$..... My age is..... Married or single..... Wife's name:....., Number of dependents.....

I hereby certify that the figures, information and statements contained on this sheet have been read by me before signing and are true and give a correct showing of my financial condition on the date stated.

Signed this..... day of....., 19..... Name:.....

PLEASE FILL IN ALL SPACES AND COMPLETE ALL SCHEDULES; Insert "NONE" Where Appropriate.

FARM CREDIT STATEMENT OF

BUSINESS _____ **ADDRESS** _____

TO _____ **BANK OF** _____

I, the undersigned, make the following statement of all my assets and liabilities at the close of business on the date named below and give other material information for the purpose of obtaining from you advances on notes and bills bearing my signature or endorsement, and for obtaining credit generally upon present and future applications.

FINANCIAL CONDITION AT CLOSE OF BUSINESS ON THE _____ **DAY OF** _____, 19__

PLEASE FILL IN ALL SPACES AND COMPLETE ALL SCHEDULES ON BOTH SIDES; Insert "NONE" Where Appropriate.

ASSETS (WHAT I OWN)		Omit Cents	LIABILITIES (WHAT I OWE)		Omit Cents
Farm Lands and Buildings At present reasonable value		\$	Mortgage Loans on Farm		\$
Other Real Estate			Mortgage Loans on Other Real Estate		
Trucks, Tractors and Automobiles			Balance Owing on Land Contract		
Other Farm Machinery and Equipment			Notes Payable to Dealers and Merchants Not covered by security		
Pure Bred Cows No. Breed			Notes Payable to Dealers and Merchants Covered by security described below:		
Grade Cows No. Breed			Notes Payable to Banks Not covered by security		
Pure Bred Bulls No. Breed			Notes Payable to Banks Covered by security described below:		
Grade Bulls No. Breed			Notes Payable to Production Credit Assn. Covered by security described below:		
Heifers and Yearlings No. Breed			Notes Payable to Relatives and Friends Not covered by security		
Calves No. Breed			Notes Payable to Relatives and Friends Covered by security described below:		
Sheep No. Breed			Notes and Loans Payable to Others Not covered by security		
Hogs No. Breed			Notes and Loans Payable to Others Covered by security described below:		
Laying Hens—Roosters No. Breed			Accounts Owed by Me Not covered by notes		
Pullets No. Breed			Rent Owed by Me Due but unpaid		
Broilers No. Breed			Interest Owed by Me, Due but Unpaid On mortgages, loans, notes, etc.		
Chicks No. Breed			Taxes and Assessments Due but unpaid		
Other Poultry No. Description			Storage Owning on Goods in Warehouses Payable before release of goods		
Horses No. Breed			Loans from Life Ins. Co's. on Life Policies		
Harvested Crops Held for Sale			Other Debts Description:		
Harvested Crops for Farm Use					
Growing Crops At cost			Total Liabilities		\$
Feed, Seeds, Fertilizer, Supplies, etc.			Net Worth Total assets less total liabilities		\$
Amounts Owed to Me Good and collectible			Total Liabilities and Net Worth		\$
Cash Surrender Value of Life Insurance					
Stocks, Bonds, Certificates of Indebtedness, etc. At present market value					
Cash on Hand and in Banks Including savings accounts					
Personal Property and Other Assets					
Total Assets		\$			

CONTINGENT LIABILITIES: Unpaid notes endorsed or guaranteed by me \$ _____ ; other direct or contingent liability, not included above, amounts to \$ _____ and consists of the following:

(Continued from other side)

LOCATION AND DESCRIPTION OF FARM Located in Town of _____, County _____, State of _____, on _____ Road _____ miles from nearest village or city, which is _____ Assessed tax value: \$ _____ Total acres: _____ Number of acres cultivated: _____ Land class: _____ Kind of road: _____ Name and location of milk plant used: _____

TITLE TO FARM AND OTHER REAL ESTATE: The legal and equitable title to all the real estate listed in this statement is solely in the name of the undersigned, except as follows: _____

FIRE INSURANCE: Main dwelling: \$ _____, main barn: \$ _____, other buildings: \$ _____, livestock: \$ _____, produce: \$ _____, machinery: \$ _____, household goods: \$ _____, auto and truck: \$ _____

LIABILITY INSURANCE (Auto and Truck): Personal injury: \$ _____, property damage: \$ _____

LIFE INSURANCE: Face amount of policies: \$ _____ Name of insured: _____ Name of beneficiary: _____ Name of insurance company: _____

TAXES (Last Tax Year): State, County & Town: \$ _____, School: \$ _____, other real estate taxes: \$ _____

PLEDGE OF FUTURE INCOME: I have not pledged my future income, except as follows: Canning crops \$ _____ Milk check \$ _____ To whom pledged: _____

SUITS, JUDGMENTS & OTHER LEGAL ACTIONS: I have outstanding or pending against me no suits, judgments or other legal actions, and to the best of my knowledge no legal actions are to be started against me, except as follows: _____

PERSONAL STATUS: I am aged _____ years. Marital status (single, married, etc.): _____ No. of dependents: _____ Wife's (or husband's) name: _____ The following members of family help on farm: _____

OTHER BUSINESS INTERESTS: I have no business interests other than my farm, except as follows: _____

CROP OPERATIONS:

Table with columns for LAST CROP YEAR and THIS CROP YEAR, including sub-columns for Kind of Crop, Acres, Yield, Total Sales, and Crops Growing or to be Grown.

*Stated in appropriate units, such as tons, bushels, pounds, etc.

(THE FOLLOWING INFORMATION SHOULD BE FURNISHED IF AVAILABLE)

CASH INCOME & OUTGO DURING PAST YEAR, beginning _____, 19 _____ and ending _____, 19 _____

CAUTION: List below only actual cash which came in or went out last year. Do not list parts of purchases unpaid for on above date.

Table with two main columns: CASH INCOME DURING PERIOD and CASH OUTGO DURING PERIOD, listing various financial items like Sale of Crops, Livestock, Fertilizer, Seed, etc.

I, the undersigned, hereby certify that the figures, information and statements contained in this credit statement, both printed and written, have been carefully read by me before signing and are true and give a correct showing of my financial condition on the date stated. In the event of any material change in my financial condition, I agree to notify said bank immediately in writing.

Signed this _____ day of _____, 19 _____ Signature: _____

If this is a joint statement, all persons at interest should sign.) Signature: _____

Vertical text on the right edge of the page, possibly a page number or reference code.

LIVESTOCK APPRAISAL SHEET

Name _____ Address _____

Breed and Kind	Identification Ear Tags, Color, etc.	Age	Estimated Present Market Value
			\$
TOTAL			\$

Above Livestock appraised by me on _____ 19____.

Signed _____

MACHINERY AND EQUIPMENT INVENTORY

NAME _____

ADDRESS _____

DESCRIPTION	MAKE AND NO.	AGE OR YEAR BOUGHT	COST	VALUE 19.....	DESCRIPTION	MAKE AND NO.	AGE OR YEAR BOUGHT	COST	VALUE 19.....
Wagons and harness Wagon					Amount Forwarded				
Wagon					Other machinery Potato planter				
Sleigh, sleds					Potato digger				
Hay racks					Cabbage setter				
Manure spreader					Bean puller				
Harness					Lime sower				
Plows and cultivators Tractor plow					Dairy equipment Milking machine				
Walking plow					Milk cooler				
Sulky plow					Separator				
Tractor disc					Cans, pails, strainers				
Disc harrow					Clippers				
Spring-tooth harrow					Poultry equipment Incubator				
Spike-tooth harrow					Brooder houses				
Cultivator 1-horse					Brooder stoves				
Cultivator 2-horse					Feed hoppers				
Roller					Watering equipment				
Mowing machinery Mower					Egg crates, cartons				
Dump rake					Miscellaneous Buzz saw				
Side-delivery rake					Sugaring equipment				
Hay loader					Small shop tools				
Hay tedder					Feed grinder				
Hay fork and rope					Other				
Grain machinery Corn planter									
Corn binder									
Ensilage cutter									
Corn sheller					Total				
Small-grain machinery Grain drill					Power Tractor				
Grain binder					Truck				
Thresher-combine									
Fan mill					Auto (farm share)				
Amount Forwarded					Total (Trucks, Tractors, Autos)				

Inventory taken by.....

Date.....

SUPPLEMENT TO FARM CREDIT STATEMENT

(Form Suggested by Federal Reserve Bank of New York)

NAME ADDRESS TO BANK OF

I, the undersigned, give the following material information to supplement the Farm Credit Statement showing my financial condition at the close of business on the day of , 19

GENERAL INFORMATION

HARVESTED CROPS HELD FOR SALE

Table with 4 columns: Name of Each Crop, Quantity, Present Selling Value *Per Unit, Present Selling Value Total. Includes dollar signs in the value columns.

HARVESTED CROPS FOR FARM USE

Table with 4 columns: Name of Each Crop, Quantity, Present Selling Value *Per Unit, Present Selling Value Total. Includes dollar signs in the value columns.

* Use appropriate units, such as tons, hundredweights, bushels or pounds, etc.

FEED, SEEDS, FERTILIZER, SUPPLIES, etc. (List principal items, use both columns if necessary.)

Table with 8 columns: Description of Each Item, Quantity, Cost Per Unit, Total Cost. Includes dollar signs in the value columns.

TRUCKS, TRACTORS, AUTOMOBILES and OTHER FARM MACHINERY and EQUIPMENT (List of principal pieces.)

Table with 6 columns: Description (Include, when possible, details of size, make, model, etc.), Age, Present Condition, Cost When New, Balance Owing, Present Value. Includes dollar signs in the value columns.

During the next year I expect to buy the following trucks, tractors, autos or other machinery and equipment:

BANKING RELATIONS (A list of all bank accounts including savings accounts.)

Name and Address of Bank	Cash Balance	Loans	How Loans are Endorsed or Secured
	\$	\$	

STOCKS, BONDS, CERTIFICATES OF INDEBTEDNESS and OTHER SECURITIES OWNED

Face Value (Bonds) No. of Shares (Stocks)	Description	Cost	Present Market Value	Interest or Dividends Rec'd. Last Year	To Whom Pledged
		\$	\$	\$	

ACCOUNTS, NOTES and LOANS RECEIVABLE—GOOD and COLLECTIBLE (A list of the largest amounts owed to me.)

Name and Address of Debtor	Amount Owning	Age of Debt	Reason for the Debt	Description of Security	Date Payable
	\$				

ACCOUNTS, NOTES and LOANS PAYABLE (A list of my principal debts, other than mortgages.)

To Whom Debt is Owed (Name and Address)	Amount of Debt	Age of Debt	Reason for the Debt	Description of Security Given	Date Payable
	\$				

CONTRACTS or AGREEMENTS to BUY or SELL Crops, Livestock, Poultry, Equipment, Real Estate, etc.

Agreement With (Name)	Are You Buying or Selling?	Description of What is being Bought or Sold		Price	Date to be Delivered	Date to be Paid For
		Quantity	Description			
				\$		

PROPERTY RENTED or LEASED FROM OTHERS

Description of the Property	No. of Acres	How Used	Rent per Year	Rent Paid Until	Prop'ty Rented Until
			\$		

PROPERTY RENTED or LEASED TO OTHERS

Description of the Property	No. of Acres	How Used	Rent per Year	Rent Paid Until	Prop'ty Rented Until
			\$		

REAL ESTATE OWNED, OTHER THAN FARM (List each parcel separately across sheet as No. 1, 2, 3, etc.)

	Location and Description	Age and Condition	Cost with Improvements	Assessed Value	Fire Insurance	Estimated Present Value
1			\$	\$	\$	\$
2						
3						
4						

FIRST MORTGAGE			SECOND MORTGAGE			
	Amount	Maturity Date	Name of Mortgage Holder	Amount	Maturity Date	Name of Mortgage Holder
1	\$			\$		
2						
3						

DAIRY INFORMATION

SIZE AND PRESENT STATE OF HERD

Number of: cows milking -----, cows dry -----, herd bulls -----, heifers over 1 yr. old -----, other young stock -----

DETAILED INVENTORY OF HERD (List and describe each animal separately.)

Kind of Animal (cow, bull, heifer, etc.)	Breed	Pure Bred or Grade	Identification	Age	Yearly Milk Production (Pounds)	Value	Check if Mortgaged (✓)
						\$	

DISEASES (State below whether herd is fully accredited for each of following diseases: (1) Tuberculosis, (2) Bang's Disease. If not accredited, state the number of clean tests of entire herd for each disease. Also state condition of herd in regard to Mastitis.)

(If herd did not test clean in last tests, furnish following information:)

Disease for Which Tested	Date of Last Test	Number of Cattle Tested	No. of Positive or Suspicious Reactors	Number of Cattle Condemned	Amount of Indemnity Awarded
Tuberculosis					\$
Bang's Disease					\$

MILK PRODUCTION AND SALE: Grade of milk (A or B): ----- Average butterfat: ----- Milk sold to -----

Present daily production: ----- cans. Average yearly production per cow: ----- pounds.

Amount of milk checks during last 12 months: (Fill in spaces below.)

Month	Check	Month	Check	Month	Check	Month	Check
January 19	\$	April 19	\$	July 19	\$	October 19	\$
February 19		May 19		August 19		November 19	
March 19		June 19		September 19		December 19	

FEEED AND BEDDING

	Grown on My Farm During Last Crop Season		Bought from Others During Last Twelve Months		On Hand at Present Time	
	No. of Acres	No. of Tons	No. of Tons	Total Cost	No. of Tons	Value per Ton
Hay				\$		\$
Silage						
Grain						
Straw						

POULTRY INFORMATION

EXTENT AND NATURE OF POULTRY OPERATIONS: (State whether poultry raising is a small or large part of your total farm operations; also, kind and breeds of poultry kept, and the size of the flock at various times of the year. If your poultry operations are large, state number of years you have been operating on the present scale, and the extent to which you specialize in raising chicks for sale, raising birds for sale for meat, producing eggs, etc. State extent to which you grow own poultry feed.)

SALE OF POULTRY PRODUCTS: (State to whom and under what general arrangement you sell your eggs, broilers and other poultry products.)

RECENT OPERATIONS AND PRESENT CONDITIONS: Number of birds in laying flock at present: _____ Number of eggs per day being obtained at present: _____ Price per dozen eggs now being received: _____ Average egg production per hen in laying flock during past year: _____ Average price per dozen eggs received during past year: _____ At the present time, birds not in laying flock consist of the following (State number, also size or age of each group or kind): _____

On birds sold for meat, most recent sales of each kind have been at following prices per pound: _____ The average price per pound of each kind during past year was _____ My flock has the following diseases (check): Coccidiosis _____ Bacillary White Diarrhea _____ Blackhead _____ Other (describe) _____ During the past year, the total number of deaths of birds from disease, rodents, etc. has been as follows: chicks and other young birds _____ older birds _____

FRUIT AND BERRY INFORMATION

Kind of Fruit or Berry (List each kind separately)	Trees, Vines, Shrubs of Bearing Age		Trees, Vines, Shrubs of Non-bearing Age		*Amount of Yearly Production	
	Number of Trees, etc.	Number of Acres	Number of Trees, etc.	Number of Acres	Actual Production Last Year	Actual or Expected Production This Season

* Use appropriate units, such as pounds, quarts, bushels, or tons.

DISPOSAL OF FRUIT PRODUCTION: (State manner in which last year's fruit was disposed of, to whom, and at what prices. Describe what arrangements have been made in regard to disposal of this season's fruit crops, and prices expected.)

I, the undersigned, hereby certify that the foregoing figures, information and statements, written and printed, have been carefully read by me before signing and are true to the best of my knowledge and belief.

Signed this _____ day of _____ 19____ Signature: _____

Signature: _____

FARM REAL ESTATE SCHEDULE

SUBMITTED BY _____
TO _____ **BANK OF** _____
 As a supplement to the financial statement of the undersigned showing condition as of _____, 19____.

LOCATION: This farm is situated in Town of _____, County of _____,
 State of _____, on _____ Road, _____ miles from nearest village or
 city, which is _____. Kind of road: _____
 Description of electricity supply: _____
 Description of water supply: _____

USE OF FARM AND MANAGEMENT: This farm is principally used for the following purposes: _____

 The farm is under the direct control and management of _____, who bears
 the following relationship to the owner: _____

OWNER: The legal and equitable title to the real estate described in this schedule is solely in the name(s) of _____

TENANT: Name of tenant: _____ This tenant has occupied the farm
 since _____, 19____. Kind of lease: (State whether written or verbal) _____

The yearly rental, including share arrangements, etc., consists of the following: _____

 Date lease expires: _____, 19____. The rental account is settled up to _____, 19____.

DESCRIPTION OF LAND: Land class: _____ Soil types: _____
 Total number of acres: _____, divided as follows: (Use spaces below)
 _____ acres CROPLAND, used this year in the following manner: (State number of acres of each crop, using spaces below)

 _____ acres FRUIT TREES (State number and age of each kind) _____
 _____ acres GRAPES, etc. (Describe) _____
 _____ acres PERMANENT PASTURE, which provides sufficient forage for the following number of livestock: _____
 _____ acres TIMBERLANDS, covered by trees suitable for lumber, as follows:

No. of Acres	Kind of Trees	Age of Trees	No. of Board Ft.	Fire Insurance
				\$

_____ acres WOODLANDS, covered by trees suitable for pulpwood, firewood, etc., as follows:

No. of Acres	Kind of Trees	Age of Growth	Cords Standing	Fire Insurance
				\$

_____ acres POULTRY and FARM YARDS, ROADS, etc.
 _____ acres ROUGH or UNCULTIVATED LAND, CUT-OVER WOODLAND, BRUSH, SWAMP, etc.

DESCRIPTION OF BUILDINGS: There are situated on the farm the buildings described below:

List Below Each Bldg.	Size, or No. of Rooms	Kind of Construction	Age	Present Condition	Replacement Value	Fire Insurance
Operator's House					\$	\$
Tenant House						
Main Barn						
Other Barn						
Silo						

UNUSUAL NATURAL HAZARDS: The farm is not subject to floods, erosion, etc., except as follows: _____

A SEPARATE SCHEDULE SHOULD BE PREPARED FOR EACH FARM

(Continued from other side)

ACQUISITION AND VALUATION: The following information relates only to the land and buildings, and does not include machinery, implements, livestock or other personal property, unless specially stated.

The present owner acquired this farm in the following manner: (List separately parcels acquired at different times)

General Description of Each Parcel	Number of Acres	Year in Which Acquired	How Acquired "Purchase", "Gift", "Inheritance", "Trade", etc.	Full Purchase Price	Amount Still Owning on Farm
				\$	\$

Under the present ownership, improvements to the land and buildings have been made costing \$ _____, of the following nature: (Describe briefly the improvements, and when made) _____

In the opinion of the undersigned, the land and buildings could be sold now for \$ _____. The assessed value for tax purposes, in the last tax year, 19____, was \$ _____, and the amount of taxes that year was as follows: State, County and Town Taxes \$ _____, School Tax \$ _____, other real estate taxes \$ _____.

MORTGAGES, UNPAID TAXES AND OTHER LIENS:

Mortgages outstanding against this real estate: (Fill in the table below)

	Present Amount of Mortgage	Terms of Payment	Rate of Interest	Amount of Interest Due and Unpaid	Mortgage Held by (Name and Address)
First Mortgage	\$		%	\$	
Second Mortgage	\$		%	\$	
Third Mortgage	\$		%	\$	
	\$		%	\$	

Unpaid Taxes and Assessments on this real estate consist of the following: (Fill in the table below)

	Due for tax year of:	19.....	19.....	19.....	19.....	Total for All Years
State, County and Town Taxes	\$	\$	\$	\$	\$	\$
School Tax	\$	\$	\$	\$	\$	\$
Other Real Estate Taxes and Assessments	\$	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$	\$

No Tax Lien Certificates against this real estate have been sold by the tax authorities and are now outstanding, except as follows: _____

Other Liens: There are no liens against this real estate other than those described herein above, except as follows: _____

OTHER DEBTS OR CLAIMS AGAINST REAL ESTATE: There is owing on land contract or otherwise, not secured by mortgage, part of the purchase price of this farm to extent of \$ _____, which according to agreement is to be paid in the following manner: (State time and amount of payments, and to whom payable) _____

FORECLOSURE ACTIONS: None have been instituted against this real estate, and to the best knowledge of the undersigned none are contemplated, except as follows: _____

I, the undersigned, hereby certify that the foregoing figures, information and statements, written and printed, have been carefully read by me before signing and are true to the best of my knowledge and belief.

Signed this _____ day of _____, 19____. Signature: _____

Signature: _____

A SEPARATE SCHEDULE SHOULD BE PREPARED FOR EACH EVENT

**Advance & Repayment
Agreements — History Sheets
Information**

Albany

ORIGINAL HISTORY SHEET

CREDIT DEPARTMENT

NAME _____ ADDRESS _____

BE BRIEF. STATE ESSENTIALS ONLY

MAKER: (Standing in Community, attitude toward debts, ability, experience, business judgment, family labor available, health of family and attitude toward farming, etc.)

FARM Total acres _____ Acres of tillage _____ Acres of pasture and woods _____ Present Value \$ _____
(Location as to Market and Farming area, general appearance and upkeep of buildings, fences, etc., land class, productivity and condition of soil, drainage, ease of operation, adequacy of pasture, timber and fuel.)

EQUIPMENT (Adequacy and Condition. Probable necessary additions or replacements)

INSURANCE Adequacy of fire, auto, hail, and life.

CREDIT SOURCES CHECKED

OMISSIONS OF LIABILITIES OR ASSETS ON CREDIT STATEMENT



SUPPLEMENTAL HISTORY SHEET
CREDIT DEPARTMENT

NAME _____

ADDRESS _____

FOR USE TO RECORD VISITS TO THE FARM, EXAMINER'S COMMENTS, PERSONAL INTERVIEWS, ETC.

**Certificate of Search
Order - on - Proceeds of Produce
Chattel Mtgs. — Misc.**

CERTIFICATE OF SEARCH

Date _____

Town of _____ County of _____

I certify that I have searched the records for a period of _____ years from the above date and find the following unsatisfied liens against:

Name _____ Address _____

Kind of Lien	In Favor of	Amount	Description of Property Covered	Date of Lien	Date of Filing

Search made by _____ Town Clerk of _____

A. M.
Search completed—Time _____ P. M. _____ 19 _____

CONTINUED SEARCH

This is to certify that since the above search was made the following personal property liens or incumbrances have been filed or recorded:

Kind of Lien	In Favor of	Amount	Description of Property Covered	Date of Lien	Date of Filing

Search made by _____ Town Clerk of _____

A. M.
Search completed—Time _____ P. M. _____ 19 _____

ORDER ON PROCEEDS OF PRODUCE

Dated at _____
_____, 19__.

Gentlemen:

Please pay to the order of the _____
_____ of _____, New York,
the sum of \$ _____ * [or _____ per cent of the amount due me] per month, from the
proceeds of _____ delivered by the undersigned to you at your
plant at _____ and charge any payment so made against the account of
the undersigned. The first of such payments to be made on or about _____, 19__,
and such monthly payments to continue until further notice by the _____.

It is expressly understood that, by accepting the foregoing order, the said _____
_____, shall incur no liability for failure to make deductions and
payments as herein mentioned, and that the arrangement on its part is voluntary and without any
consideration.

Very truly yours,

Farmer's Name _____

Witness: _____

Farmer's Address _____

DEALER'S ACKNOWLEDGMENT

We acknowledge receipt of the foregoing order and accept the same but are not liable for failure to
make the deduction requested.

(Date) _____ 19__

Dealer _____

By _____

*Use whichever phrase is applicable.

ORDER ON PROCEEDS OF PRODUCE

Dated at _____
_____, 19__.

Gentlemen:

Please pay to the order of the _____
_____ of _____, New York,
the sum of \$ _____ * [or _____ per cent of the amount due me] per month, from the
proceeds of _____ delivered by the undersigned to you at your
plant at _____ and charge any payment so made against the account of
the undersigned. The first of such payments to be made on or about _____, 19__,
and such monthly payments to continue until further notice by the _____.

It is expressly understood that, by accepting the foregoing order, the said _____
_____, shall incur no liability for failure to make deductions and
payments as herein mentioned, and that the arrangement on its part is voluntary and without any
consideration.

Very truly yours,

Farmer's Name _____

Witness: _____

Farmer's Address _____

DEALER'S ACKNOWLEDGMENT

We acknowledge receipt of the foregoing order and accept the same but are not liable for failure to
make the deduction requested.

(Date) _____ 19__

Dealer _____

By _____

*Use whichever phrase is applicable.

FIRST NATIONAL BANK OF HILLSDALE
HILLSDALE, NEW YORK

January 3, 1944

Mr. John Doe
Hillsdale, N. Y. RFD #3

Dear Mr. Doe:

The annual revision of our Credit Files is being made at this time.

Through the information you furnish us from year to year you enable us to more fully serve you. Your financial statement also aids us in fulfilling a requirement of the Bank Supervisory Authorities that we have on file accurate financial information from borrowers available at all times.

We shall, therefore, appreciate it if you will complete the enclosed Federal Reserve statement form as of your last inventory date, and file it with us promptly. Two copies of the statement form are enclosed so that you may retain one for your own record. Please complete all schedules and fill in all blanks.

Thanking you, we are

Very truly yours,

President

ABC:D
Enclosures 3

P.S. This letter is going to our regular bank customers. In case you have no loans with us now we are still requesting your new statement to keep your file information active for your future use.

FIRST NATIONAL BANK OF HILLSDALE

HILLSDALE, NEW YORK

April 5, 1944

Mr. John Doe
Hillsdale, N. Y. RFD #3

Dear Mr. Doe:

On January 3, 1944, we wrote you asking that you complete and return to us a financial statement as of the close of business, December 31, 1943.

As we pointed out in our letter, a new statement from you will enable us to better serve you during the year, and in addition it will fulfill a requirement of the Bank Supervisory Authorities that we have on hand up to date information. We are anxious to complete our files as soon as possible and shall appreciate your filing your statement at an early date.

If we can be of any service to you in assisting you to make out your statement we shall be very glad to do so.

Thanking you for giving this matter your prompt attention, we are

Very truly yours,

President

ABC:D

Name

Address

Procedure Suggested by the Farm Credit File Subcommittee for Setting Up Farm Credit Files

Preliminary Steps

1. Place a marker on or set out the liability ledger sheet or card for all lines of credit to farmer of \$500 or more.
2. Prepare tabs showing the name and address of each borrower of \$500 or more and affix the credit folders.
3. Transfer the figures from the current year's financial statement and the statements of the preceding two years to a comparison statement, NYSBA farm credit file form number 2. Place the financial statements which the bank has on hand and the comparison statement in the file.
4. Show on the schedule of advances and repayments, NYSBA farm credit file form number 5, the extent the information is available, the present amount of each loan making up the farmer's total liability, the date and purpose for which the money was borrowed, from what income the farmer plans to pay it back, and the amounts of the payments to be made.
5. Place in the file copies of milk check and other assignments, NYSBA farm credit file form number 9, as well as similar assignment forms. Also place in the file correspondence which the farmer has had with the farmer.
6. If the loan is secured by a chattel mortgage, place a copy of the chattel mortgage in the file.

After the preliminary steps have been accomplished, additional steps should be completed as soon as circumstances permit. Six to eight months might be allowed for completion of the following additional steps:

Additional Steps

7. Prepare an original history sheet, NYSBA farm credit file form number 6.
8. Start a supplemental history sheet, NYSBA farm credit file form number 7. On this sheet write up recorded recent visits to the farm, discussions with the farmer in the bank, examiners' committee comments, and the like.
9. When an appraisal is made of the farmer's livestock, place a livestock appraisal sheet, NYSBA farm credit file form number 3, in the file.
10. Make a search of the town clerk's records and show on a certificate of search, NYSBA farm credit file form number 8, any chattel mortgages, conditional sales contracts, judgments, or other claims filed against the farmer.
11. Place in the file an inventory of the farmer's machinery and equipment on NYSBA farm credit file form number 4.

In order to assure completion of the file within a reasonable time, it is suggested that three or four files be completed each week. Recognizing what is everyone's business is no one's responsibility, it is recommended that one person be made responsible for the completion of the required number of files each week.

When the file is completed, the information should be kept up to date. This should be accomplished through a systematized procedure. One convenient tool for regular use is a credit memorandum pad in which officers and staff members jot down information for the file as it comes to their attention.