

Refer to the **Seller/Service Guide** located in the **Resource Library** at efarmermac.com for further obligations.

What's Required?

- Farmer Mac requires **title insurance** in the form of a title insurance policy.
- If title insurance is not available or in Farmer Mac's determination is not reasonably available, an opinion of title from an attorney may be acceptable.
- Mortgage is a valid first lien and property is free and clear of all mechanics liens (or similar types) and is not subject to any claims deriving from a preceding mortgage.
- If fixtures or personal property were assigned value, appropriate security interest granting language (specific or blanket) must be included in the Mortgage/Deed of Trust/Security Deed, and a state level UCC must be filed to perfect the security interest in the property.
- One to four family residential commitments/policies are not acceptable.

What Else?

The title insurance company issuing the final title policy must have a rating of "A" or better by **Demotech, Inc.**

- Visit www.demotech.com and click on "**Financial Stabilities Ratings**" to perform your search and view ratings.
- The state in which the property is located must be listed under the jurisdictions for the company that prepares the title work.

Title opinions from an attorney or firm must be rated at least "Martindale-Hubbell Distinguished" by Martindale-Hubbell (www.martindale.com) or pre-approved by Farmer Mac.

IMPORTANT TIPS:

The title commitment or preliminary report should **always be in the name of the lender/financial institution** that the Note and Mortgage is going to be written on and "its successors and/or assigns."

U.S. Bank National Association as Custodian/Trustee for Farmer Mac. Referencing Farmer Mac (FAMC) or U.S. Bank National Association (USBNA) may result in the closing protection letter (CPL) being issued incorrectly on table funded loans.

The final title policy may show the lender/financial institution name listed on the Note and Mortgage (*preferred method*) OR* it may show "U.S. Bank National Association as Custodian/Trustee for Federal Agricultural Mortgage Corporation programs."

* The key is that the policy effective date must be equal to or later than the recording date/time of the Mortgage (lender) or Assignment (U.S. Bank).



For all refinances, be sure the vested property is listed in the "**Borrower Info**" tab in AgPower.