

1655.0021 DEFINITIONS.

Subpart 1. **Scope.** The definitions in this part apply to this chapter.

Subp. 2. **Applicant.** "Applicant" means a potential borrower who submits an application to the RFA through an eligible lender.

Subp. 3. **Application.** "Application" means the application for a loan participation under the livestock expansion loan program in the form provided by the RFA.

Subp. 4. **Assets.** "Assets" means property, real or personal, tangible or intangible, and all valuable contract rights, including cash crops or feed on hand, livestock held for sale, breeding stock, marketable bonds and securities, securities not readily marketable, accounts receivable, notes receivable, cash invested in growing crops, cash value of life insurance, machinery and equipment, cars, trucks, farm and other real estate including life estates and personal residence, and the value of a beneficial interest in trusts.

Subp. 5. **Borrower.** "Borrower" means the person or persons liable on a mortgage loan made under the program.

Subp. 6. **Collateral.** "Collateral" means all assets pledged as security for a borrower's obligation under a mortgage loan made under the program, including assets, guarantees, money, letters of credit, assignment of collateral, or pledge for a loan on which the lender has a security interest or lien.

Subp. 7. **Executive director.** "Executive director" means the executive director of the RFA or another officer authorized to act on behalf of the RFA board or its executive director.

Subp. 8. **Fixture.** "Fixture" means an article in the nature of personal property that has been affixed or annexed to real estate so that it is regarded as a part of the real estate. A thing is "affixed or annexed to real estate" when it is attached to it by roots, embedded in it, permanently resting upon it, or permanently attached to it, as by means of cement, plaster, nails, bolts, or screws.

Subp. 9. **Liabilities.** "Liabilities" means debts or other obligations for which an applicant is responsible, including accounts payable, notes or other indebtedness owed, taxes, rent, amounts owed on real estate contracts or mortgages, judgments, and accrued interest payable.

Subp. 10. **Livestock expansion.** "Livestock expansion" has the meaning given in Minnesota Statutes, section 41B.02, subdivision 10a.

Subp. 11. **Livestock expansion loan program or program.** "Livestock expansion loan program" or "program" means the program authorized and created by Minnesota Statutes, section 41B.045.

Subp. 12. **Livestock operation.** "Livestock operation" means the use of land or land improvements and personal property for the production of livestock as defined in Minnesota Statutes, section 17A.03, subdivision 5, dairy products, and poultry or poultry products. "Livestock operation" also includes:

A. the use of wetlands, pasture, forest land, wildlife, and homestead and other real property associated with the agricultural use of land; and

B. the practices and facilities needed to conserve soil and water, protect human and animal health, have a safe and efficient operation, and meet local, state, and federal laws and regulations relating to the operation.

Subp. 13. **Mortgage loan or loan.** "Mortgage loan" or "loan" means a loan participation under the program that is secured by a first mortgage on real property.

Subp. 14. **Net worth.** "Net worth" means the total value of an applicant's assets and the assets of the applicant's spouse and dependents, less the liabilities of the same parties.

Subp. 15. **Real estate or real property.** "Real estate" or "real property" means land and anything permanently affixed to the land, such as buildings, fences, and those things attached to the buildings, such as light fixtures, plumbing and heating fixtures, and other items that would be personal property if not attached.

Subp. 16. **RFA.** "RFA" means the Rural Finance Authority established by Minnesota Statutes, section 41B.025.

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

History: *20 SR 2427; 30 SR 372*

Published Electronically: *September 10, 2007*