

## Farmer Lender Mediation Act-Statute Packet

**Effective July 1, 2009 the law governing Farmer Lender Mediation changed to require that mediation notices include the amount of outstanding debt. The first paragraph of the letters has been revised to reflect the change in the law.**

(Re: Mortgage)

582.039 MEDIATION NOTICE FOR AGRICULTURAL PROPERTY.

Subdivision 1. Requirement.

A person may not begin a proceeding under this chapter or chapter 580 to foreclose a mortgage on agricultural property subject to sections 583.20 to 583.32 that has a secured debt or more than \$5,000 unless:

- (1) a mediation notice is served on the mortgagor after a default has occurred in the mortgage and a copy is served on the Director and the mortgagor and mortgagee have completed mediation under sections 583.20 to 583.32; or
- (2) as otherwise allowed under sections 583.20 to 583.32.

Subdivision 2. Contents.

A mediation notice must contain the following notice with the blanks properly filled in.

“TO: ....(Name of Record Owner)....

YOU HAVE DEFAULTED ON THE MORTGAGE OF THE AGRICULTURAL PROPERTY DESCRIBED AS ....(Size and Reasonable Location, Not Legal Description).... THE AMOUNT OF THE OUTSTANDING DEBT ON THIS PROPERTY IS.....(Amount of Debt).....

AS HOLDER OF THE MORTGAGE, ....(Name of Holder of Mortgage).... INTENDS TO FORECLOSE ON THE PROPERTY DESCRIBED ABOVE.

YOU HAVE THE RIGHT TO HAVE THE MORTGAGE DEBT REVIEWED FOR MEDIATION. IF YOU REQUEST MEDIATION, A DEBT THAT IS IN DEFAULT WILL BE MEDIATED ONLY ONCE. IF YOU DO NOT REQUEST MEDIATION, THIS DEBT WILL NOT BE SUBJECT TO FUTURE MEDIATION IF THE SECURED PARTY ENFORCES THE DEBT.

IF YOU PARTICIPATE IN MEDIATION, THE DIRECTOR OF THE AGRICULTURAL EXTENSION SERVICE\* WILL PROVIDE AN ORIENTATION MEETING AND A FINANCIAL ANALYST TO HELP YOU PREPARE FINANCIAL INFORMATION. IF YOU DECIDE TO PARTICIPATE IN MEDIATION, IT WILL BE TO YOUR ADVANTAGE TO ASSEMBLE YOUR FARM FINANCE AND OPERATION RECORDS AND TO CONTACT A COUNTY EXTENSION OFFICE AS SOON AS POSSIBLE. MEDIATION WILL ATTEMPT TO ARRIVE AT AN AGREEMENT FOR HANDLING FUTURE FINANCIAL RELATIONS.

TO HAVE THE MORTGAGE DEBT REVIEWED FOR MEDIATION YOU MUST FILE A MEDIATION REQUEST WITH THE DIRECTOR WITHIN 14 DAYS AFTER YOU RECEIVE THIS NOTICE. THE MEDIATION REQUEST FORM WILL BE SENT TO THE DEBTOR IN AN INFORMATION PACKET FROM THE STATEWIDE FARMER LENDER MEDIATION OFFICE.

FROM: ....(Name and Address of Holder of Mortgage)....

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\*Notices should be served on the debtor and on the University of Minnesota Extension Service Farmer Lender Mediation Office, 1526 170<sup>th</sup> Avenue, Bejou, Minnesota 56516-9736

(Re: Secured Transaction)

“TO: ....(Name of Debtor)....

YOU HAVE DEFAULTED ON THE ....(Debt in Default).... SECURED BY AGRICULTURAL PROPERTY DESCRIBED AS ....(Reasonable Description of Agricultural Property Collateral).... THE AMOUNT OF THE OUTSTANDING DEBT IS...(Amount of Debt)...AS A SECURED PARTY, ....(Name of Secured Party).... INTENDS TO ENFORCE THE SECURITY AGREEMENT AGAINST THE AGRICULTURAL PROPERTY DESCRIBED ABOVE BY REPOSSESSING, FORECLOSING ON, OR OBTAINING A COURT JUDGMENT AGAINST THE PROPERTY.

YOU HAVE THE RIGHT TO HAVE THE DEBT REVIEWED FOR MEDIATION.

IF YOU REQUEST MEDIATION, A DEBT THAT IS IN DEFAULT WILL BE MEDIATED ONLY ONCE.

IF YOU DO NOT REQUEST MEDIATION, THIS DEBT WILL NOT BE SUBJECT TO FUTURE MEDIATION IF THE SECURED PARTY ENFORCES THE DEBT.

IF YOU PARTICIPATE IN MEDIATION, THE DIRECTOR OF THE AGRICULTURAL EXTENSION SERVICE\* WILL PROVIDE AN ORIENTATION MEETING AND A FINANCIAL ANALYST TO HELP YOU TO PREPARE FINANCIAL INFORMATION. IF YOU DECIDE TO PARTICIPATE IN MEDIATION, IT WILL BE TO YOUR ADVANTAGE TO ASSEMBLE YOUR FARM FINANCE AND OPERATION RECORDS AND TO CONTACT A COUNTY EXTENSION OFFICE AS SOON AS POSSIBLE. MEDIATION WILL ATTEMPT TO ARRIVE AT AN AGREEMENT FOR HANDLING FUTURE FINANCIAL RELATIONS.

TO HAVE THE DEBT REVIEWED FOR MEDIATION YOU MUST FILE A MEDIATION REQUEST WITH THE DIRECTOR WITHIN 14 DAYS AFTER YOU RECEIVE THIS NOTICE. THE MEDIATION REQUEST FORM WILL BE SENT TO THE DEBTOR IN AN INFORMATION PACKET FROM THE STATEWIDE FARMER LENDER MEDIATION OFFICE.

FROM: ....(Name and Address of Secured Party)....

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(Notice re Contract for Deed)

559.209 MEDIATION NOTICE AND CONDITIONS FOR AGRICULTURAL PROPERTY.

Subdivision 1. Requirement. A person may not begin to terminate a contract for deed under section 559.21 to purchase agricultural property subject to sections 583.20 to 583.32 for a remaining balance on the contract of more than \$5,000 unless:

- (1) a mediation notice is served on the contract for deed purchaser after a default has occurred under the contract and a copy served on the Director and the contract for deed vendor and purchaser have completed mediation under sections 583.20 to 83.32; or
- (2) as otherwise allowed under sections 583.20 to 583.32.

Subdivision 2. Contents. A mediation notice must contain the following notice with the blanks properly filled in.

“TO: ....(Name of Contract for Deed Purchaser)....

YOU HAVE DEFAULTED ON THE CONTRACT FOR DEED OF THE AGRICULTURAL PROPERTY DESCRIBED AS ....(Size and Reasonable Location of Property, Not Legal Description)....THE AMOUNT OF THE OUTSTANDING DEBT IS .....(Amount of Debt)....

AS THE CONTRACT FOR DEED VENDOR, ....(Contract for Deed Vendor).... INTENDS TO TERMINATE THE CONTRACT AND TAKE BACK THE PROPERTY.

YOU HAVE THE RIGHT TO HAVE THE CONTRACT FOR DEED DEBT REVIEWED FOR MEDIATION. IF YOU REQUEST MEDIATION, A DEBT THAT IS IN DEFAULT WILL BE MEDIATED ONLY ONCE. IF YOU DO NOT REQUEST MEDIATION, THIS DEBT WILL NOT BE SUBJECT TO FUTURE MEDIATION IF THE CONTRACT FOR DEED VENDOR BEGINS REMEDIES TO ENFORCE THE DEBT.

IF YOU PARTICIPATE IN MEDIATION, THE DIRECTOR OF THE AGRICULTURAL EXTENSION SERVICE\* WILL PROVIDE AN ORIENTATION MEETING AND A FINANCIAL ANALYST TO HELP YOU PREPARE FINANCIAL INFORMATION. IF YOU DECIDE TO PARTICIPATE IN MEDIATION, IT WILL BE TO YOUR ADVANTAGE TO ASSEMBLE YOUR FARM FINANCE AND OPERATION RECORDS AND TO CONTACT A COUNTY EXTENSION OFFICE AS SOON AS POSSIBLE. MEDIATION WILL ATTEMPT TO ARRIVE AT AN AGREEMENT FOR HANDLING FUTURE FINANCIAL RELATIONS.

TO HAVE THE CONTRACT FOR DEED DEBT REVIEWED FOR MEDIATION YOU MUST FILE A MEDIATION REQUEST WITH THE DIRECTOR WITHIN 14 DAYS AFTER YOU RECEIVE THE NOTICE. THE MEDIATION REQUEST FORM WILL BE SENT TO THE DEBTOR IN AN INFORMATION PACKET FROM THE STATEWIDE FARMER LENDER MEDIATION OFFICE.

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FROM: ....(Name and Address of Contract for Deed Vendor)....

\*Notices should be served on the debtor and on the University of Minnesota Extension Service office  
Farmer Lender Mediation Office, 1526 170<sup>th</sup> Avenue, Bejou, Minnesota 56516-9736

(Re: Judgments)

550.365 MEDIATION NOTICE AND REQUIREMENTS FOR AGRICULTURAL  
PROPERTY.

Subdivision 1. Requirement. A person may not attach, execute on, levy on, or seize agricultural  
property subject to sections 583.20 to 583.32 that has secured a debt of more than \$5,000 unless:

- (1) a mediation notice is served on the judgement debtor and a copy served on the  
Director and the debtor and creditor have completed mediation under sections 583.20  
to 583.32; or
- (2) as otherwise allowed under sections 583.20 to 583.32.

Subdivision 2. Contents. A mediation notice must contain the following notice with the blanks  
properly filled in.

“TO: ....(Name of Judgment Debtor)....

A JUDGMENT WAS ORDERED AGAINST YOU BY ....(Name of Court).... ON ....(Date of  
Judgment).

AS A JUDGMENT CREDITOR, ....(Name of Judgment Creditor).... INTENDS TO TAKE  
ACTION AGAINST THE AGRICULTURAL PROPERTY DESCRIBED AS ....(Description of  
Agricultural Property).... TO SATISFY THE JUDGMENT...IN THE AMOUNT OF  
.....(Amount of Debt).....

YOU HAVE THE RIGHT TO HAVE THE DEBT REVIEWED FOR MEDIATION.

IF YOU REQUEST MEDIATION, A DEBT THAT IS IN DEFAULT WILL BE MEDIATED  
ONLY ONCE. IF YOU DO NOT REQUEST MEDIATION, THIS DEBT WILL NOT BE  
SUBJECT TO FUTURE MEDIATION IF THE SECURED PARTY ENFORCES THE DEBT.

IF YOU PARTICIPATE IN MEDIATION, THE DIRECTOR OF THE AGRICULTURAL  
EXTENSION SERVICE\* WILL PROVIDE AN ORIENTATION MEETING AND A  
FINANCIAL ANALYST TO HELP YOU PREPARE FINANCIAL INFORMATION IF YOU  
DECIDE TO PARTICIPATE IN MEDIATION, IT WILL BE YOUR ADVANTAGE TO  
ASSEMBLE YOUR FARM FINANCE AND OPERATION RECORDS AND TO CONTACT A  
COUNTY EXTENSION OFFICE AS SOON AS POSSIBLE. MEDIATION WILL ATTEMPT  
TO ARRIVE AT AN AGREEMENT FOR HANDLING FUTURE FINANCIAL RELATIONS.

TO HAVE THE DEBT REVIEWED FOR MEDIATION YOU MUST FILE A MEDIATION  
REQUEST WITH THE DIRECTOR WITHING 14 DAYS AFTER YOU RECEIVE THIS  
NOTICE. THE MEDIATION REQUEST FORM WILL BE SENT TO THE DEBTOR IN AN  
INFORMATION PACKET FROM THE STATEWIDE FARMER LENDER MEDIATION  
OFFICE.

FROM: ....(Name and Address of Judgment Creditor)

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\*Notices should be served on the debtor and on the University of Minnesota Extension Service Farmer Lender Mediation Office, 1526 170<sup>th</sup> Avenue, Bejou, Minnesota 56516-9736  
Minnesota Statutes 1997, Chapter 583.  
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