

Farm Service Agency, Farm Loan Programs

Women Managing the Farm 2019 Conference

- Basics of FSA Farm Loan Programs
- Examples of FSA Loan Uses
- Sources for Additional Information

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Farm Service Agency, Farm Loan Programs

Direct Loan

Guaranteed Loan

Farm Service Agency, Farm Loan Programs

Direct Loan– Loans are made and serviced by FSA. Most loan limits are presently \$300,000.

Guaranteed Loan

Farm Service Agency, Farm Loan Programs

Direct Loan – Loans are made and serviced by FSA. Loan Limits Typically \$300,000.

Guaranteed Loan – FSA provides a guarantee of up to 95% to a commercial lender (such as a Bank or Farm Credit). Loan limit is currently \$1,429,000.

Farm Service Agency, Farm Loan Programs

FSA Loans Include:

- **Farm Ownership (FO)**
 - **Operating (OL)**
- **Line of Credit (LOC)**

Farm Service Agency, Farm Loan Programs

Direct & Guaranteed FSA Loans Include:

Farm Ownership – Funds may be used for the purchase or improvement of real estate.

Guarantee FO uses may include refinancing other debts. Loan terms are limited to 40 years or less.

Farm Service Agency, Farm Loan Programs

Direct & Guaranteed FSA Loans Include:

Operating - Funds may be used for annual inputs, to purchase machinery or breeding livestock, or for refinancing certain debts. Loan terms are typically limited to 7 years.

Farm Service Agency, Farm Loan Programs

Guarantee FSA Loans Include:

Line of Credit – Funds to be used for annual crop or livestock inputs.
Maximum term of 5 years.

Beginning Farmer

Loans to Beginning Farmers & Ranchers

- In addition to general eligibility requirements, a beginning farmer/rancher may qualify to purchase real estate with the following additional conditions:
 - Has not operated a farm for more than 10 years.
 - Does not own real farm property or who, directly or through interests in family farm entities owns real farm property, the aggregate acreage of which does not exceed 30% of the average acreage of the farms in the county where the property is located. (132.9 acres in Riley Co.)

Underserved Applicant

Definition of Underserved Applicant for FSA Farm Loan Purposes:

A group whose members have been subject to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities.

These groups include:

- ❖ Women
- ❖ American Indians
- ❖ Alaskan Natives
- ❖ Asians
- ❖ Hispanics
- ❖ Native Hawaiians or other Pacific Islanders
- ❖ Blacks or African Americans



A certain percentage of farm loan program funding is targeted for Underserved Applicants.

Jennifer Doe

Purchasing 80 acres for \$200,000

Parents to Provide Machinery

No debts, \$15,000 Cash on Hand

Projected Income and Expenses

Gross Farm Income

40,000

Farm Operating Expenses

30,000

Non Farm Income

50,000

Living Expenses

30,000

Income / Social Security Taxes

7,500

Net Funds Available for Debt Repayment

22,500

Jennifer Doe

Purchasing 80 acres for \$200,000	
Parents to Provide Machinery	
No debts, \$15,000 Cash on Hand	
Net Funds Available for Debt Repayment	22,500
Proposed Loans	
Guaranteed FO \$100,000 30 yr. 6.5%	7,658
FSA Direct Down Payment FO \$90,000 20 yr. 1.5%	5,243
(5%, \$10,000 Paid down on the real estate)	
	12,901

Jennifer Doe

Purchasing 25 Cows for \$50,000	
Purchasing 80 acres for \$200,000	
Parents to Provide Machinery	
No debts, \$15,000 Cash on Hand	
Net Funds Available for Debt Repayment	22,500
Proposed Loans	
Guaranteed FO \$100,000 30 yr. 6.5%	7,658
FSA Down Payment FO \$90,000 20 yr. 1.5%	5,243
(5%, \$10,000 Paid down on the real estate)	
FSA Microloan OL \$50,000 7yr 4%	8,331
	21,232

John and Jane Doe

Value of Real Estate Owned	1,300,000
Value of Machinery Owned	250,000
Projected Income and Expenses	
Gross Farm Income	1,000,000
Farm Operating Expenses	800,000
Living Expenses	50,000
Income / Social Security Taxes	10,000
Net Funds Available for Debt Repayment	140,000

John and Jane Doe

Value of Real Estate Owned	1,300,000
Value of Machinery Owned	250,000
Net Funds Available for Debt Repayment	140,000
Existing Loan Payments	
ABC Bank Real Estate - \$500,000 10 yr. 6.5%	69,553
Purchase on Contract - \$400,000 5 yr. 6%	94,959
	164,512

John and Jane Doe

Value of Real Estate Owned	1,300,000
Value of Machinery Owned	250,000
Net Funds Available for Debt Repayment	140,000
Existing Loan Payments	
ABC Bank Real Estate - \$500,000 10 yr. 6.5%	69,553
Purchase on Contract - \$400,000 5 yr. 6%	94,959
	164,512
Proposed Loan	
Guaranteed FO - \$900,000 20 yr. 6%	78,467

John and Jane Doe

Value of Real Estate Owned	1,300,000
Value of Machinery Owned	250,000
Net Funds Available for Debt Repayment	140,000
Existing Loan Payments	
ABC Bank Real Estate - \$500,000 10 yr. 6.5%	69,553
Purchase on Contract - \$400,000 5 yr. 6%	94,959
	164,512
Proposed Loans	
Guaranteed FO - \$900,000 20 yr. 6%	78,467
Guaranteed 5 yr. LOC - \$529,000 5.5%	29,095
	107,562

John and Jane Doe

Value of Real Estate Owned	1,300,000
Value of Machinery Owned	250,000
Net Funds Available for Debt Repayment	140,000
Existing Loan Payments	
ABC Bank Real Estate - \$500,000 10 yr. 6.5%	69,553
Purchase on Contract - \$400,000 5 yr. 6%	94,959
Dealer Equipment - \$150,000 3 yr. 4%	54,053
	218,565

John and Jane Doe

Value of Real Estate Owned	1,300,000
Value of Machinery Owned	250,000
Net Funds Available for Debt Repayment	140,000
Existing Loan Payments	
ABC Bank Real Estate - \$500,000 10 yr. 6.5%	69,553
Purchase on Contract - \$400,000 5 yr. 6%	94,959
Dealer Equipment - \$150,000 3 yr. 4%	54,053
	218,565
Proposed Loans	
Guaranteed FO - \$900,000 20 yr. 6%	78,467
Guaranteed LOC - \$529,000 5 yr. 5.5%	29,095
FSA Direct OL - \$150,000 7 yr. 4%	24,992
	132,554

John and Jane Doe

Value of Real Estate Owned	1,300,000
Value of Machinery Owned	250,000
Net Funds Available for Debt Repayment	140,000
Existing Loan Payments	
ABC Bank Real Estate - \$500,000 10 yr. 6.5%	69,553
Purchase on Contract - \$400,000 5 yr. 6%	94,959
Dealer Equipment - \$150,000 3 yr. 4%	54,053
Carry-Over Coop - \$150,000 all due	150,000
	368,565

John and Jane Doe

Value of Real Estate Owned	1,300,000
Value of Machinery Owned	250,000
Net Funds Available for Debt Repayment	140,000
Existing Loan Payments	
ABC Bank Real Estate - \$500,000 10 yr. 6.5%	69,553
Purchase on Contract - \$400,000 5 yr. 6%	94,959
Dealer Equipment - \$150,000 3 yr. 4%	54,053
Carry-Over Coop - \$150,000 all due	150,000
	368,565
Proposed Loans	
Guaranteed FO - \$900,000 20 yr. 6%	78,467
Guaranteed LOC - \$529,000 5 yr. 5.5%	29,095
FSA Direct OL - \$300,000 7 yr. note, 15 yr. amortization 4%	26,983
	134,545



usda farm loan programs



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Farm Loan Programs - USDA Farm Service Agency

<https://www.fsa.usda.gov/programs-and-services/farm-loan-programs/> ▾

Farm Loan Programs. By providing access to credit, FSA's Farm Loan Programs offer opportunities to family-sized farmers and ranchers to: Start, improve, expand, transition, market, and strengthen family farming and ranching operations. Beginning farmers, racial and ethnic minority farmers and women producers.

Beginning Farmers

Operating loans can assist beginning farmers ... to all ...

Guaranteed Farm Loans

FSA's Guaranteed Farm Loan Programs ... Types of ...

Farm Ownership Loans

There are 3 types of Direct Farm Ownership Loans: "regular ...

Farm Operating Loans

FSA's Direct Farm Operating loans are a valuable resource to start ...

Minority and Women Farmers

Loans to historically underserved and women farmers and ...

Microloans

The focus of Microloans is on the financing needs of small ...

[More results from usda.gov »](#)



Related Topics

Available Farm Loans

[Farm Operating Loans](#)

[Microloan Programs](#)

[Farm Ownership Loans](#)

[Guaranteed Farm Loans](#)

[Lender Tool Kit](#)

Targeted Farm Loans

[Youth Loans](#)

[Minority and Women Farmers and Ranchers](#)

[Beginning Farmers and Ranchers Loans](#)

Specialty Loans

[Emergency Farm Loans](#)

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Additional Information

[Funding](#)

[Program Data](#)

[Loan Servicing](#)

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Farm Loan Programs

By providing access to credit, FSA's Farm Loan Programs offer opportunities to family-sized farmers and ranchers to:

- Start, improve, expand, transition, market, and strengthen family farming and ranching operations
- Beginning farmers, racial and ethnic minority farmers and women producers
- Value-added, direct sale, organic, and specialty crop operations
- Young People actively involved in agricultural youth organizations needing financial assistance for income-producing, educational, agricultural projects
- Urban farmers and roof-top producers
- Operations using alternative farming methods such as hydroponics, aeroponics, vertical farming, and freight container farming

In the News

[#FridaysOnTheFarm - Farmers.gov](#)

[USDA to Conduct Census of Agriculture on Aquaculture and Irrigation](#)

Current Interest Rates

Program	Interest Rates
Farm Operating- Direct	4.000%
Farm Operating - Microloan	4.000%
Farm Ownership - Direct	4.250%
Farm Ownership - Microloan	4.250%
Farm Ownership - Direct, Joint Financing	2.500%
Farm Ownership - Down Payment	1.500%
Emergency Loan - Amount of Actual Loss	3.750%

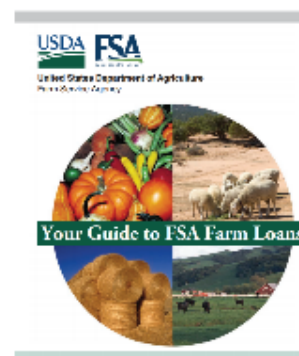
Effective as of December 1, 2018

USDA Paths to Success



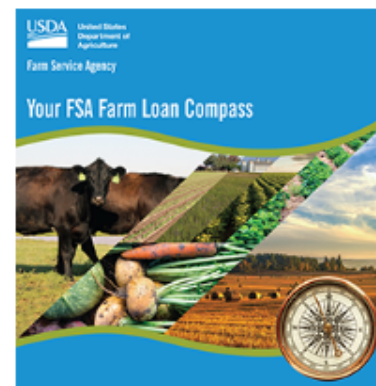
Your Guide to FSA Farm Loans

This guidebook simplifies information on the types of farm loans available; how to apply for a guaranteed loan, direct loan, or land contract guarantee; what you can expect once you submit your application; and most importantly, your rights and responsibilities as an FSA customer.



Your FSA Farm Loan Compass

This guidebook simplifies information regarding the responsibilities of FSA loan borrowers and the loan servicing options available to them.



Minority and Women Farmers and Ranchers loans support the full participation of minority and women family farmers in FSA's farm loan programs by targeting a portion of its direct and guaranteed farm ownership and operating loan funds for minority and women farmers to buy and operate a farm or ranch.

- [Meet a Farmer - Koua Thao, Arkansas](#)
- [Fact Sheet - Loans for Socially Disadvantaged Farmers and Ranchers \(PDF, 262 KB\)](#)

[Download Regular Loan Application](#)

[Download Microloan Loan Application](#)

Beginning Farmers and Ranchers loans provide credit opportunities to eligible family farm and ranch operators and owners who have been in business less than 10 years.

- [Meet a Farmer - Lauri Roberts, Rhode Island](#)
- [Fact Sheet: Loans for Beginning Farmers and Ranchers \(PDF, 269 KB\)](#)

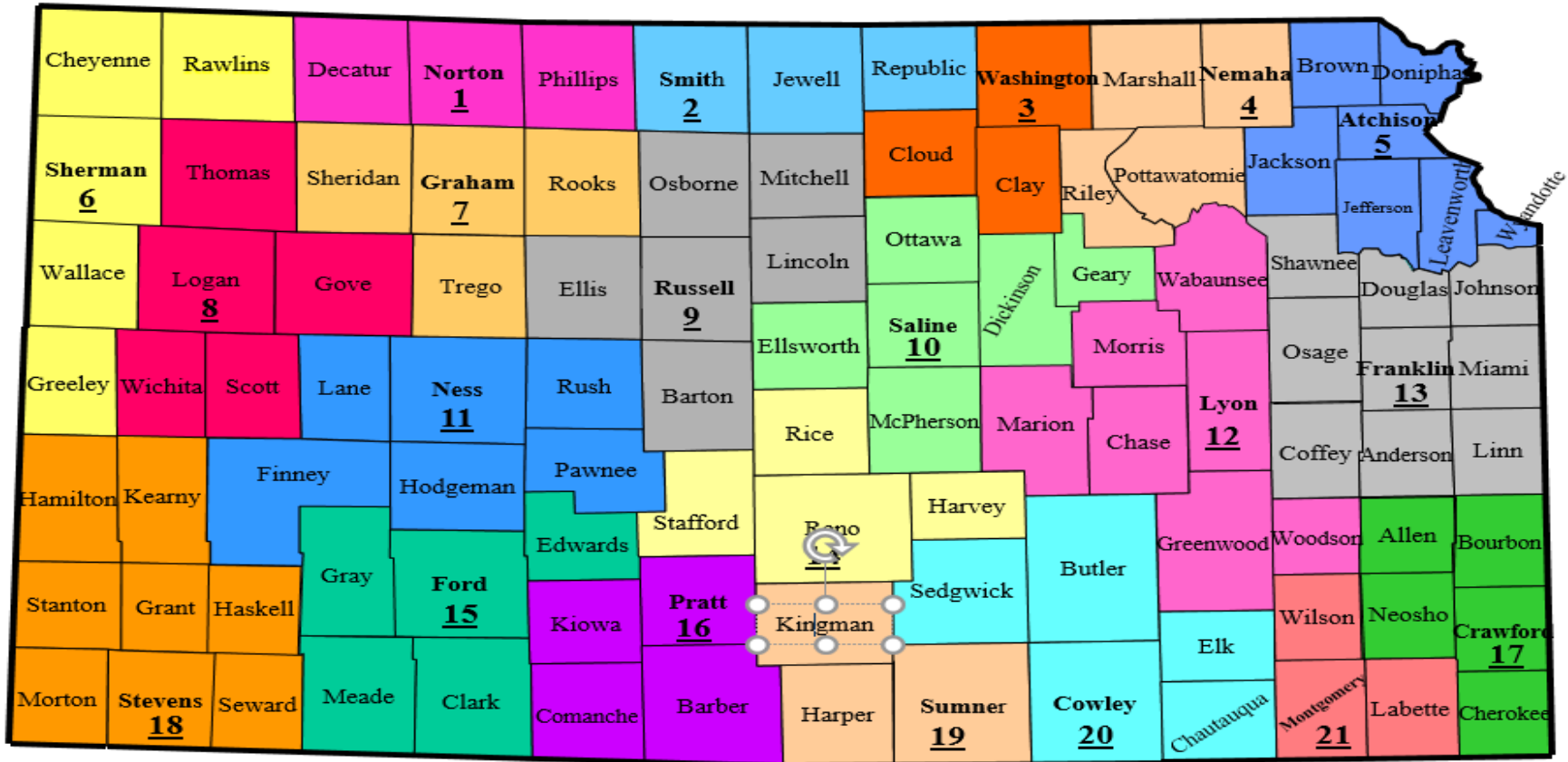
[Download Regular Loan Application](#)

[Download Microloan Application](#)



Kansas Farm Service Agency Farm Loan Programs

**Office Locations - Areas of Responsibility –
Loan Manager/Officer Contact Information (effective 09/30/18)**



1. Roy Jessup, 11640 Pineview Dr., Norton, KS, 67654, 785-877-5156
2. Bret Strine, 319 Roger Barta Way, Smith Center, KS 66967, 785-282-3832
3. Emily Allen, 705 B. St., Washington, KS 66968, 785-325-2253
4. Kay McCoy, 409 North St., Seneca, KS 66538, 785-336-3543
5. Bruce Nutsch, 605 Sixth St., Effingham, KS 66023, 913-833-5460
6. Patty Eckhardt, 210 W. 10th St #2, Goodland, KS 67735, 785-899-3070
7. Randy Thiel, 100N. 12th Ave., Hill City, KS 67642, 785-421-2115
8. Dwight Jurey, 1015 W. 2nd St., Oakley, KS 67748, 785-672-4861

9. Mark Herrmann, 555 S. Fossil, Russell, KS 67665, 785-483-5618
10. Kim Cerny, 1410 E. Iron, Suite 12, Salina, KS 67401, 785-825-8269
11. Bonita Pfannenstiel – 18635 140 Rd, Ness City, KS 67560, 785-798-3614
12. Stacy Kull, 3020 W. 18th Ave, Suite A, Emporia, KS 66801, 620-343-2812
13. Stacy Kull, 343 W 23rd St., Ste 1, Ottawa, KS 66067, 785-242-3260
14. Ray Bartholomew, 18 East 7th Ave., S. Hutchinson, KS 67505, 620-669-8161
15. Kevin Vondra, 104 Soule St., Dodge City, KS 67801, 620-227-3731

16. Kevin Vondra, 299 NE SR 61, Pratt, KS 67124, 620-672-7449
17. Jason Love, 207 S. Summit, Girard, KS 66743, 620-724-6227
18. Will Schmitzker, 607-A E. 11th, Hugoton, KS 67951, 620-544-2261
19. Linnal Vinson, 320 N. Jefferson, Wellington, KS 67152, 620-326-2269
20. Rebecca Wiest, 2118 E. 9th, Winfield, KS 67156, 620-221-2060
21. Jason Love, 410 Peter Pan Rd, Suite A, Independence, KS 67301, 620-331-4860

Bob White, Farm Loan Chief
(785) 564-4759
robert.white@ks.usda.gov

DAVID K. SCHEMM, STATE EXECUTIVE DIRECTOR
UNITED STATES DEPARTMENT OF AGRICULTURE
FARM SERVICE AGENCY
3600 ANDERSON AVENUE
MANHATTAN, KS 66503-2511

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