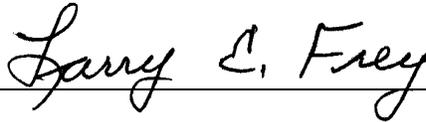


For: Oregon County Offices

Farm Loan Program State Price List For 2003

Approved by: Larry E. Frey, State Executive Director

LEF/LEV/RBP



1 Overview

**A
Background**

FmHA Instruction 1924-B requires the State Office to publish a State Price List containing price projections of major agricultural commodities produced in Oregon. The current price list attached to Oregon Notice FLP-93 is obsolete.

**B
Purpose**

The purpose of this Oregon Notice is to provide the 2003 State Price List and guidance in preparing 2003 farm business plans in conjunction with loan making and servicing.

**C
Contact**

Direct questions about this Oregon Notice to Peter Halvorson or Robert Perry in the State Office.

FILING: Preceding FmHA Instruction 1924-B

Disposal Date:

October 1, 2003
10-18-02

Distribution:

STO, DD, COR, COC, COF - Including FLM & FLO

OR Notice FLP-109

2 Methodology

A Oregon Commodities

The prices used for commodities were based on information provided from responding County Offices, Oregon State University Extension Service and other sources.

3 Action

A COF Actions

When developing sound, realistic farm operating budgets for use in loan making and primary loan servicing requests, the commodity and livestock prices used will be supported in the following order listed for each enterprise produced by the applicant/borrower:

1. Proven accurate records to support a premium price. Basis for the premium price will be addressed in the automated Farm and Home Plan by attaching an explanation sheet, addressing it in the loan assessment, and supporting it by the five-year history.
2. Written contracts with well-established purchasers, which specifically state prices and quality adjustments.
3. The State Price List for the particular commodity. The State Price List for each specific commodity is attached to this Notice as Exhibit 1. The average price for wheat in all Oregon Counties is FOB Portland. Adjustments must be made for freight costs for specific Counties.

Supporting documentation must be provided in Position 3 of the applicants'/borrowers' case files following the Farm and Home Plan. Upon request from applicants or borrowers you may provide a copy of the State Price List to them.
