FACT SHEET

UNITED STATES DEPARTMENT OF AGRICULTURE
FARM SERVICE AGENCY

February 2013

Farm Loan Information Chart

The following chart summarizes FSA farm loan information, effective Feb. 1, 2013. Additional details are available at local FSA offices and on FSA's website: www.fsa.usda.gov.

Program	Maximum Loan Amount	Rates and Terms	Use of Proceeds
Direct Farm Ownership (FO)	$300,000	• Rate based on Agency borrowing costs • Term up to 40 years	• Purchase farm • Construct buildings or other capital improvements • Soil and water conservation • Pay closing costs
Direct Farm Ownership (FO) Participation	$300,000	• Interest rate 5.0% or less if at least 50% of loan amount provided by other lender • Term up to 40 years	Same as Direct FO
Direct Down Payment Farm Ownership Program	The lesser of: • 45% of the purchase price, • 45% of the appraised value, • $225,000	• Rate is direct FO rate less 4% with a floor of 1.5% • Term of 20 years • Down payment of at least 5%	• Purchase of farm by a beginning or socially disadvantaged farmer
Direct Operating (OL)	$300,000	• Rate based on Agency borrowing cost • Term from 1 to 7 years	• Purchase livestock, poultry, equipment, feed, seed, farm chemicals and supplies • Soil and water conservation • Refinance debts with certain limitations
Direct Operating Microloan (ML)	$35,000	Same as Direct OL	Same as Direct OL
Direct Emergency	100% actual or physical losses $500,000 maximum program indebtedness	• Rate is based on the OL rate plus 1% • Term from 1 to 7 years for non-real estate purposes • Term up to 40 years for physical losses on real estate	•Restore or replace essential property • Pay all or part of production costs associated with the disaster year • Pay essential family living expenses • Reorganize the farming operation • Refinance debts with certain limitations
Guaranteed Operating	$1,302,000 (Amount adjusted annually for inflation)	• Rate determined by the lender • Term from 1 to 7 years • Loan guarantee fee is 1.5%	• Same as direct OL
Guaranteed Farm Ownership	$1,302,000 (Amount adjusted annually for inflation)	• Rate determined by the lender • Term up to 40 years • Loan guarantee fee is 1.5%	• Same as direct FO except loan may be used to refinance debts
Guaranteed Conservation Loan (CL)	$1,302,000 (Amount adjusted annually for inflation)	• Rate determined by the lender • Term not to exceed 30 years, or shorter period, based on the life of the security • Loan guarantee fee is 1.5% • Eligibility requirements expanded to include large and financially strong operations	• Implement any conservation practice in an NRCS approved conservation plan • May be used to refinance debts related to implementing an NRCS approved conservation plan
Land Contract (LC) Guarantee	The purchase price of the farm cannot exceed the lesser of: • $500,000 • The current market value of property	• Rate cannot exceed the direct FO interest rate plus 3% • Amortized over a minimum of 20 years with no balloon payments during the first 10 years of loan • Down payment of at least 5%	• Sell real estate through a land contract to a beginning or socially disadvantaged farmer • Guarantee is with the seller of the real estate

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