UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Washington, DC 20250

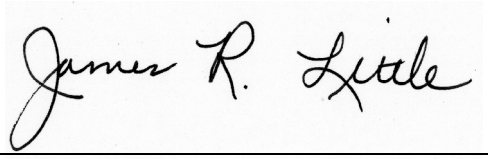
Notice BU-640

440.1

For: State and County Offices

March 2003 Interest Rate Changes for Agricultural Credit Insurance Fund (ACIF) Program

Approved by: Administrator



1 Announcing Interest Rate Changes

A
Interest Rates Reviewed Monthly

Interest rate changes in the following table are effective March 1, 2003. The "N/C" under the March Rate column indicates no change.

Loan Type	February Rate	March Rate
ACIF Program Loans		
90-Day Treasury Bill	1.250 %	N/C
Farm Operating - Direct	3.625 %	3.50 %
Farm Ownership - Direct	5.625 %	N/C
Credit Sales: Farm Ownership - Direct	5.625 %	N/C
Soil and Water - Direct	5.625 %	N/C
Recreation - Individual - Direct	5.625 %	N/C
Association Loans - Regular:		
• Grazing	5.625 %	N/C
• Irrigation and Drainage	5.625 %	N/C
Farmer Program - Homestead Protection	5.625 %	N/C
Shared Appreciation (SA) Amortization	4.625 %	N/C
Softwood Timber Loans	5.625 %	N/C

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Disposal Date	Distribution
April 1, 2003	State Offices; State Offices relay to County Offices

1 Announcing Interest Rate Changes (Continued)

A
Interest Rates Reviewed Monthly (Continued)

Loan Type	February Rate	March Rate
ACIF Program Loans (Continued)		
Economic Emergency - Operating	3.625 %	3.50 %
Economic Emergency - Real Estate	5.625 %	N/C
Emergency - Major Adjustment:		
• Subtitle A Purpose (Excess of Loss)	7.50 %	N/C
• Subtitle B Purpose (Excess of Loss)	4.75 %	4.50 %
Emergency - Annual Production	4.75 %	4.50 %
ACIF Nonprogram Loans - Credit Sales		
Farm Program - Chattel Property	4.75 %	4.50 %
Farm Program - Real Property	7.50 %	N/C
CCC Funded Loans		
Apple Loans	2.375 %	2.125 %
RHIF (Funded Direct Farm Ownership) Loans		
Housing Program 502 for low or moderate income	6.00 %	N/C
All Loan Types		
Treasury Judgement Rate (See note below)	1.41 %	1.30 %

Note: Treasury Judgement Rate is the interest rate applicable to deficiency judgements for all loan types (pursuant to 28 U.S.C. Section 1961). The rate is based on the weekly average 1-year Constant Maturity Treasury (CMT) yield published by the Federal Reserve System, Board of Governors. The rate shown in this notice (for March) is the most current rate posted to the Federal Reserve website and is dated the week ending February 14, 2003. The actual judgement rate is the rate for the calendar week preceding the date the defendant becomes liable for interest. The Federal Reserve website for the weekly average 1-year CMT yield is **www.federalreserve.gov/releases/H15/current**.

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1 Announcing Interest Rate Changes (Continued)

B
Other Interest Rates

These interest rates seldom change, but for convenience are published monthly.

Loan Type	Current Rate	Date Set
ACIF Program Loans		
Farm Operating - Direct, Limited Resource	5.00 %	12/01/90
Farm Ownership - Direct, Limited Resource	5.00 %	04/01/86
Farm Ownership - Direct, Joint Financing	5.00 %	03/24/97
Credit Sales: Farm Ownership - Direct, Limited Resource	5.00 %	04/01/86
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	4.00 %	04/01/86
Soil and Water - Direct, Limited Resource	5.00 %	07/01/92
Indian Land Acquisition	5.00 %	02/01/91
Emergency - Amount of Actual Loss	3.75 %	01/25/94

C
Notifying Personnel

SED's, Farm Loan Managers, and Farm Loan Chiefs shall notify all personnel of these rates upon receipt.

D
Interest Rates Available on the FFAS Intranet

These interest rates are available on the FFAS Intranet at **http://intra4.fsa.usda.gov/edso/flpwdc/default.asp**.