

## Farm Service Agency, Farm Loan Programs

### Farming for the Future

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

USDA is an equal opportunity employer, provider and lender.



## 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. Loan limits are typically \$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 of \$1,399,000.

## Farm Service Agency, Farm Loan Programs

### FSA Loans Include:

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

## John and Jane Doe

Value of Real Estate Owned	1,000,000
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	1,000,000
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

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Proposed Loan	
Guaranteed FO - \$900,000 20 yr. 6%	78,467

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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 - \$499,000 5.5%	27,445
	105,912

## John and Jane Doe

Value of Real Estate Owned	1,000,000
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

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	218,565
Proposed Loans	
Guaranteed FO - \$900,000 20 yr. 6%	78,467
Guaranteed LOC - \$499,000 5 yr. 5.5%	27,445
FSA Direct OL - \$150,000 7 yr. 2.75%	23,850
	129,762

## 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
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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 - \$499,000 5 yr. 5.5%	27,445
FSA Direct OL - \$300,000 7 yr. note, 15 yr. amortization 2.75%	24,678
	130,590

## Jane Doe, Jr

Purchasing 80 acres for \$200,000	
Purchasing 25 Cows for \$50,000	
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

## Jane Doe, Jr

Purchasing 80 acres for \$200,000	
Purchasing 25 Cows for \$50,000	
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%, \$10,000 Paid down on the real estate)	5,243
FSA Microloan OL \$50,000 7yr 2.75%	7,950
	20,851

 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 ...

#### Farm Ownership Loans

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

#### Minority and Women Farmers

Loans to historically underserved and women farmers and ...

[More results from usda.gov »](#)

#### Guaranteed Farm Loans

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

#### Farm Operating Loans

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

#### Microloans

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



USDA United States Department of Agriculture Farm Service Agency Search FSA

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**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
  - Native American Tribal Loans
- Additional Information
  - Funding
  - Program Data
  - Loan Servicing

Home / 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
- 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**

USDA and SCORE Launch Innovative Mentorship Effort to Support New Farmers and Ranchers

**Current Interest Rates**

Program	Interest Rates
Farm Operating - Direct	2.750%
Farm Operating - Microloan	2.750%
Farm Ownership - Direct	3.625%
Farm Ownership - Microloan	3.625%
Farm Ownership - Direct, Joint Financing	2.500%
Farm Ownership - Down Payment	1.500%
Emergency Loan - Amount of Actual Loss	3.750%

Effective as of November 1, 2017

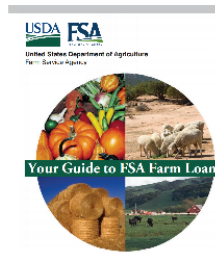
Continue below to learn more about Available Farm Loans, Targeted Loan Audiences, and Specialty Loans.

### 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.



**Available Farm Loans**

**Direct Operating Loans** are used to purchase items such as livestock and feed; farm equipment; fuel, farm chemicals, insurance, and family living expenses; make minor improvements or repairs to buildings and fencing; and general farm operating expenses.

- Meet a Farmer - Kurt and Kyle Johnson, Illinois

[Download Operating Loan Application](#)

**Microloans** are operating loans designed to meet the needs of small and beginning farmers, non-traditional, specialty crop and niche type operations by easing some requirements and offering less paperwork.

- Meet a Farmer - Bill Landreth, Arkansas
- Fact Sheet - Microloans (PDF, 260 KB)

[Download Microloan Application](#)

**Direct Farm Ownership Loans** are used to purchase or enlarge a farm or ranch, construct a new or improve existing farm or ranch buildings, and for soil and water conservation and protection purposes.

- Meet a Farmer - Wade and Lonna Livermont, South Dakota

[Download Farm Ownership Loan Application](#)

**Guaranteed Loans** enables lenders to extend credit to family farm operators and owners who do not qualify for standard commercial loans. Farmers receive credit at reasonable terms to finance their current operations or to expand their business; financial institutions receive additional loan business and servicing fees, as well as other benefits from the program, such as protection from loss.

- Locate a Local Lender (PDF, 563KB)
- Meet a Lender - Dakota Mac (PDF, 27KB)

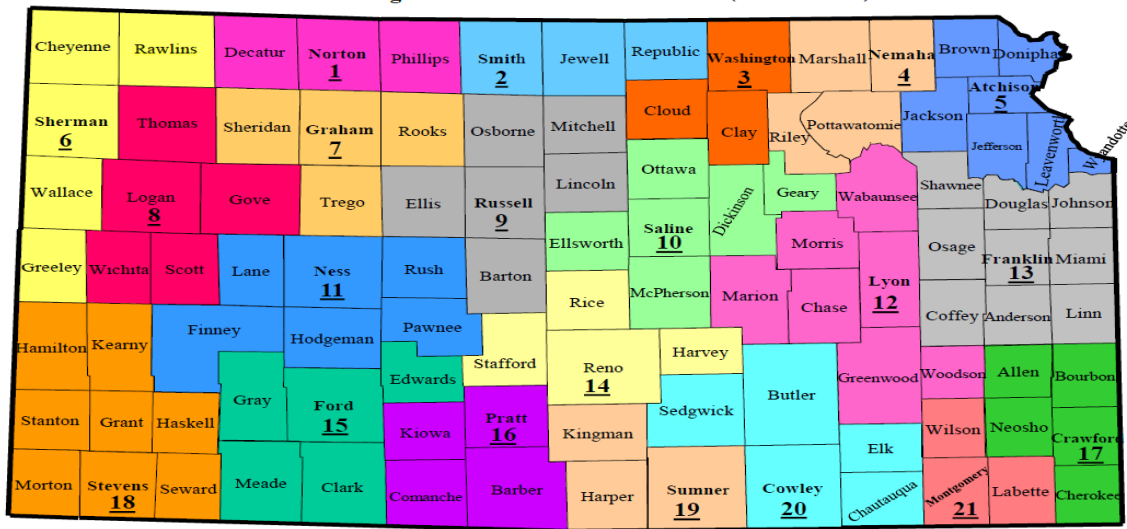
[Access the Guaranteed Loan Lender Toolkit](#)



**Kansas Farm Service Agency  
Farm Loan Programs**



**Office Locations - Areas of Responsibility -  
Loan Manager/Officer Contact Information (effective 04/18/16)**



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

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

- Kevin Vondra, 299 NE SR 61, Pratt, KS 67124, 620-672-7449
- Jason Lewis, 207 S. Summit, Girard, KS 66743, 620-724-6227
- Wall Schmitker, 607-A E. 11th, Hugoton, KS 67951, 620-544-2261
- Linnal Vinson, 320 N. Jefferson, Wellington, KS 67152, 620-326-2269
- Rebecca Wiest, 2118 E. 9th, Winfield, KS 67156, 620-221-2060
- Kenny L. Nash, 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](mailto:robert.white@ks.usda.gov)

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