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LET FSA BE YOUR LENDER OF FIRST OPPORTUNITY

Manhattan, KS, August 20, 2009 --- "New federal programs have been enacted to stimulate beginning and younger farmers to establish new, or retain ownership of existing, small family farms," announced Adrian J. Polansky, State Executive Director of USDA's Farm Service Agency in Kansas. These exciting new trends in rural America present the FSA Farm Loan Programs with opportunities for increased lending activity in the farm community.

"FSA wants you to succeed," said Polansky. "This is evident in FSA's consultative approach, offering low rates and identifying other resources to clients in an advisory fashion throughout the life of the loan."

FSA staff can refer customers to other public financial aid sources that can serve as a blend with Farm Loan Programs. FSA specializes in:

- Loans for beginning farmers, disaster recovery, operational financing, and farm ownership.
- Farm planning and counseling.
- Supervised credit and assistance through the life of your loan.
- Sustained financial planning services.

FSA Farm Loan Programs provide a variety of loan types for every need. These include operating, ownership, disaster, youth and loans for beginning farmers and socially disadvantaged applicants. Whether it's a beginning, socially disadvantaged, or an emerging farm business, Farm Loan Programs can help its customers get on the right track with its farm planning services.

FSA defines a socially disadvantaged person as one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For purposes of this program, these groups are women, African Americans, American Indians and Alaskan Natives, Hispanics, and Asians and Pacific Islanders.

FSA offers direct and guaranteed farm ownership and operating loan programs to farmers who are temporarily unable to obtain private, commercial credit and who meet other regulatory criteria. Each year a portion of the funding FSA receives for loan programs is specifically targeted for socially disadvantaged persons and beginning farmers. "In Fiscal Year 2008, Kansas obligated \$1,321,855 for a total of 48 loans to qualified farmers under the Socially Disadvantaged Persons Loan Program. We also obligated \$12,198,317 for a total of 198 loans to qualified farmers under the Beginning Farmer Program," Polansky said.

Guaranteed loans may be made by any lending institution subject to Federal or state supervision (banks, savings and loans, and units of the Farm Credit System). FSA typically guarantees 90 or 95 percent of the loan against any loss that might be incurred if the loan fails.

Farm Storage Facility Loans are available to build or upgrade farm storage and handling facilities for grain, silage, hay, biomass, and fruits and vegetables. Loans have a maximum term of 7-12 years, depending on the amount of the loan. The maximum loan amount is \$500,000 per loan. A real estate mortgage is required for loans \$50,000 or more. The current interest rate is 3.125 percent for loan applications approved in August 2009 for a seven year term.

FSA's commitment to doing things better in the industry provides you with fresh perspectives, alternatives, and creative ways of growing your business.

Contact the Farm Service Agency at your local USDA Service Center and let them be your lender of first opportunity. USDA is an equal opportunity employer and provider.