



# FACT SHEET

UNITED STATES DEPARTMENT OF AGRICULTURE  
IOWA FARM SERVICE AGENCY

December 2013

## Direct and Guaranteed Loan Programs

LOAN TYPE	MAXIMUM LOAN AMOUNT	RATES AND TERMS	USE OF PROCEEDS
FARM OWNERSHIP	\$300,000	-Repayment terms up to 40 years -Up to 100% financing -Interest rate: <b>4.125%**</b>	-Purchase a farm -Construct buildings and other permanent improvements -Environmental improvements
FARM OWNERSHIP PARTICIPATION	\$300,000  *FSA's portion cannot exceed 50% of the financing	-Repayment terms up to 40 years -Up to 100% financing available -Interest rate: <b>5.000%**</b>	-Purchase a farm -Construct of buildings and other permanent improvements -Environmental improvements
DOWN PAYMENT FARM OWNERSHIP  *Available to beginning farmer and socially disadvantaged applicants	\$225,000  *FSA's portion cannot exceed 45% of the purchase price <u>and</u> cannot exceed \$225,000	-5% down payment -Repayment terms up to 20 years for FSA's portion -Interest rate: <b>1.500%**</b>	-Purchase a farm
OPERATING	\$300,000	- Repayment terms 1 to 7 years -Interest rate: <b>1.875%**</b>	-Purchase livestock, poultry, equipment, feed, crop inputs -Environmental improvements -Refinance debt -Limited real estate improvements
MICROLOAN	\$35,000	-Repayment terms – 1 to 7 years -Interest rate: <b>1.875%**</b>	-start-up expenses -construct hoop houses or other structures to extend the growing season, -essential tools, irrigation, -delivery vehicles -annual expenses such as seed, fertilizer, utilities, land rents, marketing, and distribution expenses -innovative, niche operations

Visit [www.fsa.usda.gov/dafl](http://www.fsa.usda.gov/dafl) "Your Guide to FSA Farm Loans"

\*\*Interest rates are effective as of December 2013 and are subject to change\*\*

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LOAN PROGRAM	MAXIMUM LOAN AMOUNT	RATES AND TERMS	USE OF PROCEEDS
EMERGENCY LOANS	100% of actual production or physical loss, with a maximum of \$500,000	-1 to 7 years depending on use of funds and collateral -up to 40 years for physical losses to real estate -Interest rate: <b>2.875%**</b>	-Restore or replace essential property -Pay essential farm operating or family living expenses -Refinance debt
YOUTH LOANS	\$5,000	- Repayment terms 1 to 7 years -Interest rate: <b>1.875%**</b>	-Finance income-producing, agriculture-related projects for youths age 10 through 20 -The project must be carried out by youths participating in 4-H clubs, FFA or a similar organization.
GUARANTEED FARM OWNERSHIP	\$1,355,000*	-Repayment terms up to 40 years -Interest rate is negotiated with lender	-Purchase a farm -Construct buildings and other permanent improvements -Environmental improvements -Refinance debt
GUARANTEED OPERATING	\$1,355,000*	- Repayment terms 1 to 7 years (can have a balloon) -Interest rate is negotiated with lender -Interest Assistance is available for qualified applicants	-Purchase livestock, poultry, equipment, feed, crop inputs -Environmental improvements -Refinance debt -Limited real estate improvements
GUARANTEED CONSERVATION	\$1,355,000*	- Repayment terms 1 to 20 years (can have a balloon) -Interest rate is negotiated with lender	-Any conservation practice identified on an approved NRCS conservation plan -Conversion to organic or sustainable production
GUARANTEED LAND CONTRACT	The purchase price of the farm cannot exceed the lesser of: <ul style="list-style-type: none"> <li>• \$500,000</li> <li>• The current market value of property</li> </ul>	-Repayment over a minimum of 20 years (no balloon during the first 10 years) -Down payment of at least 5%	-purchase land Available to beginning or socially disadvantaged farmers -Guarantee is with the seller of the real estate

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\*The maximum loan amount per operation for all guaranteed loan programs combined is \$1,355,000.