

September 2013



- Youth Loans
- Land Contract (LC) Guarantees
- Continuous CRP Available
- Guaranteed Loan Program
- Preventing Fraud
- AFIDA

---

## Montcalm County FSA Updates

---

### Montcalm County FSA Office

77 S State St  
Stanton MI 48888

Phone: 989-831-4212  
Fax: 989-831-4540

**County Executive Director:**  
Wayne Stickler

**Program Technicians:**  
Becky Proctor  
Pam Brooks

**Farm Loan Manager:**  
Paul Wagner  
Phone: 616-527-2098

**Farm Loan Officer:**  
Sara Possehn

**Next County Committee Meeting:** Sept 11, 2013  
8:30 am

### Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H Clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

For more information please contact Paul or Sara at 616-527-2098.

---

### Land Contract (LC) Guarantees

The Land Contract (LC) Guarantee Program is a valuable tool to transfer farm real estate to the next generation of farmers and ranchers. Guarantees will be offered to the owner of a farm who wishes to sell real estate through a land contract to a beginning or socially disadvantaged farmer or rancher. The guarantee reduces the financial risk to the seller.

FSA offers two types of guarantees:

- Prompt Payment Guarantee - A guarantee up to the amount of three amortized annual installments plus the cost of any related real estate taxes and insurance.

- Standard Guarantee - A guarantee of 90 percent of the outstanding principal balance under the land contract.

The guarantee period is 10 years and the contract payments must be amortized for a minimum of 20 years. The purchase price of the farm cannot exceed the lesser of \$500,000 or the market value of the property.

For additional information you can read the [Land Contract Guarantee Program Fact Sheet](#).

---

## Continuous CRP Available

Environmentally sensitive acreage qualifying for the Continuous CRP will be eligible for annual rental payments and cost-share of up to 50 percent on approved practices. This program will remain funded, and continue to provide heightened environmental benefits on select areas.

---

## Guaranteed Loan Program

The Farm Service Agency loan limit for the Guaranteed Loan Program has increased to \$1,302,000. The limit is adjusted annually based on data compiled by the National Agricultural Statistics Service.

The lending limit increases every year according to an inflation index. The maximum combined guaranteed and direct farm loan indebtedness has increased to \$1,602,000.

As a reminder, the one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans is 1.5 percent of the guaranteed portion of the loan.

Producers should contact Paul or Sara at 616-527-2098 for more information.

---

## Preventing Fraud

FSA supports the Risk Management Agency in the prevention of fraud, waste and abuse of the Federal Crop Insurance Program. FSA continues to assist RMA and insurance providers by monitoring crop conditions throughout the growing season. FSA will refer all suspected cases of fraud, waste and abuse directly to RMA. Producers can report suspected cases to the FSA office, RMA, or the Office of the Inspector General.

---

## AFIDA

Any foreign person who acquires transfers or holds any interest, other than a security interest, in agricultural land in the United States is required by law to report the transaction no later than 90 days after the date of the transaction. They must file Agricultural Foreign Investment Disclosure Act (AFIDA) reports with the FSA county office that maintains reports for the county where the land is located.

For AFIDA purposes, agricultural land is defined as any land used for farming, ranching or timber production, if the tracts total 10 acres or more. Contact FSA for more information.

---

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).