

Bruce
Barton


Help for Farmers from FHA

## by Charles W. Shuman, Fdministrator Farmers home ministration, USDA WASHINGTON-.Final steps are being taken to sta

 processing applications forestructuring farm debts under the farm credit initiatives
announced recently by President Reagan. In fact, 1 have already
directed that loan reviews be started as a first step in
helping farmers who find themselves in severe econo-
mic difficulty through no fault of their own. Regular loan
reviews are conducted to determine whether a borrower is showing progress in the
farming operation. farming operation. An important part of this
year's review is to determine which farmers would be eligible for assistance under the restructuring plan.
The plan announced by the
President provides two alternative forms of assistance
for thoso farmers. In both for those farmers. In both
cases. the goal is to restore
the farmer to a positive cash the farmer to a positive cash
flow situation.
How would the plan work? How would the plan work?
For a farmer with an FmHA
loan, the agency can set aside loan, the agency can set aside
up to 25 percent of the principal and interest-to
maximum of $\$ 200,000$-fo five years. There would be no
interest charged on the
amount set aside. For a farmer with a loan
from a commercial lender, from a commercial lender,
FmHA can guarantee a new
loan if the lender will write down the existing loan at least
10 percent, up to the amount neressary to restore a positive
cash flow. Farmers with FmHA loans
who think they might qualify who think hey might quainy
for assistane under the re-
structuring tlan should disstructuring tlan should dis
cuss it with the FmHA County
Supervisor wlen the review is Supervisor wien the review is
conducted. cuss their sitration with their enders befure contactin


