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Fact Sheet on Farm Credit System Young, Beginning, and Small Farmer Lending Results for 2010

The following information summarizes Farm Credit System (FCS or System) 2010 lending activity to young (Y), beginning (B), and small (S) borrower categories.¹ Loans outstanding and loans made (new loans and renewals) in each of the YBS categories rose in number and dollar volume in 2010, reversing the decline in new lending activity that had occurred in 2009 and reflecting the 2010 rebound in the System's overall farm lending.²

Young—The System's extension of credit to young farmers, those aged 35 or younger, consisted of 53,470 loans totaling \$7.3 billion in 2010. During 2009, 50,689 loans totaling \$6.6 billion were made to young borrowers. The loans made to young borrowers in 2010 represented 16.2 percent of all farm loans the System made during the year and 11.4 percent of the dollar volume of loans made. The average size of loans made to young farmers in 2010 was \$136,917, up 4.6 percent from the \$130,915 average for 2009. At the end of 2010, there was \$21.1 billion in outstanding loans to young farmers as compared with \$20.4 billion at the end of 2009.

Beginning—Defined as having 10 or fewer years of farming experience, beginning borrowers received 65,653 loans totaling \$10.3 billion in 2010. During 2009, 61,387 loans totaling \$9.5 billion were made to beginning borrowers. The loans made to beginning farmers in 2010 represented 19.9 percent of all farm loans made during the year and 16.0 percent of the dollar volume of loans made. The average size of loans made was \$156,557 in 2010, up 1.5 percent from the \$154,169 average for 2009. At the end of 2010, there was \$34.3 billion in outstanding loans to beginning farmers as compared with \$34.1 billion at the end of 2009.

¹ Since the totals for the categories are not mutually exclusive, one cannot add across young, beginning, and small categories to count total YBS lending.

² Although not all System loans are subject to YBS reporting requirements, most association lending is subject to these requirements. The main exceptions are certain leases and participations in loans made under the cooperative lending authority of banks. YBS volumes include actual advances as well as loan commitments.

Small—FCS institutions made 155,371 loans, totaling \$13.1 billion, to small farms (those with gross annual sales of less than \$250,000) in 2010. During 2009, 145,618 loans totaling \$11.9 billion were made to small farms in 2009. The loans made in 2010 to small farms represented 47.0 percent of all farm loans made during the year and 20.4 percent of the dollar volume of loans made. The average size of loans made was \$84,243 in 2010, which was up 3.1 percent from the \$81,713 average for 2009. At the end of 2010, there was \$43.7 billion in outstanding loans to small farms as compared with \$42.8 billion at the end of 2009.

YBS Loans Outstanding As of December 31, 2010 Dollars in Millions					
	Number of loans	Percentage of total number	Dollar volume of loans in millions	Percentage of total volume	Average loan size
Young Farmers/Ranchers	162,982	18.3	\$21,066	11.7	\$129,255
Beginning Farmers/Ranchers	231,975	26.1	\$34,326	19.1	\$147,973
Small Farmers/Ranchers	485,148	54.5	\$43,717	24.4	\$90,110

YBS Loans Made During 2010 As of December 31 Dollars in Millions					
	Number of loans	Percentage of total number	Dollar volume of loans in millions	Percentage of total volume	Average loan size
Young Farmers/Ranchers	53,470	16.2	\$7,321	11.4	\$136,917
Beginning Farmers/Ranchers	65,653	19.9	\$10,278	16.0	\$156,557
Small Farmers/Ranchers	155,371	47.0	\$13,089	20.4	\$84,243

Source: Annual Young, Beginning, and Small Farmer Reports submitted by each System lender through the Farm Credit Banks.

Note: A "young" farmer/rancher is defined as 35 years old or younger when the loan is made; a "beginning" farmer/rancher has been operating for not more than 10 years; and a "small" farmer/rancher generates less than \$250,000 in annual sales of agricultural or aquatic products. Since the totals are not mutually exclusive, one cannot add across young, beginning, and small categories to count total YBS lending.