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## Fact Sheet on Farm Credit System Young, Beginning, and Small Farmer Lending Results for 2017

The following information summarizes Farm Credit System 2017 lending activity to young, beginning, and small (YBS) farmers, ranchers, and producers or harvesters of aquatic products.

### Outstanding loans

From Dec. 31, 2016, to Dec. 31, 2017, dollar volume outstanding for total System loans grew by 3.1 percent. Loan dollar volume outstanding to young farmers grew by 4.8 percent, to beginning farmers by 5.3 percent, and to small farmers by 2.0 percent.

While the dollar volume of loans outstanding grew, the *number* of total System loans outstanding declined by 3.2 percent. The number of loans outstanding to young farmers declined by 1.9 percent but remained the same for beginning farmers, and the number of loans outstanding to small farmers declined by 2.3 percent.

### New loans

The System's overall *new* loan dollar volume declined by 0.9 percent in 2017. New loan dollar volume to young farmers declined by 1.5 percent, to beginning farmers by 1.8 percent, and to small farmers by 4.2 percent.

For total System loans, the number of new loans made in 2017 dropped by 9.8 percent compared with 2016. The number of loans to young and small farmers dropped by 8.5 percent, and the number of new loans made to beginning farmers dropped by 6.8 percent.

**Young** — In 2017, the System reported making 56,705 loans to young farmers — that is, to those who are 35 years old or younger. The volume of total new loans to young farmers amounted to \$9.1 billion. The loans to young farmers in 2017 represented 17.3 percent of all loans the System made during the year and 11.8 percent of the dollar volume of loans made. At the end of 2017, the System reported 187,156 loans outstanding to young farmers, totaling \$29.1 billion.

**Beginning** — In 2017, the System reported making 73,752 loans to beginning farmers — that is, to those who have been farming for 10 years or less. The volume of total new loans to beginning farmers amounted to \$12.4 billion in 2017. The loans made to beginning farmers in 2017 represented 22.5 percent of all System loans made during the year and

16.2 percent of the dollar volume of loans made. At the end of 2017, the System reported 279,027 loans outstanding to beginning farmers, totaling \$45.1 billion.

**Small** — In 2017, System institutions reported making 136,910 loans, totaling \$11.7 billion, to small farmers — that is, to those with gross annual sales of less than \$250,000. The loans in 2017 to farmers in this category represented 41.8 percent of all loans made during the year and 15.2 percent of the dollar volume of loans made. At the end of 2017, the System reported 489,694 loans outstanding to small farmers, totaling \$48.7 billion.

**Total** — In 2017, the System reported making a total of 327,493 new loans, totaling \$76.8 billion. The total number of outstanding loans at year-end 2017 was 1,006,067, amounting to \$260.2 billion.

#### YBS loans made during 2017

YBS category	Number of loans	Percentage of total number of System loans	Dollar volume of loans in millions	Percentage of total volume of System loans	Average loan size
Young	56,705	17.3	\$9,072	11.8	\$159,994
Beginning	73,752	22.5	\$12,445	16.2	\$168,738
Small	136,910	41.8	\$11,688	15.2	\$85,367

#### YBS loans outstanding as of Dec. 31, 2017

YBS category	Number of loans	Percentage of total number of System loans	Dollar volume of loans in millions	Percentage of total volume of System loans	Average loan size
Young	187,156	18.6	\$29,105	11.2	\$155,513
Beginning	279,027	27.7	\$45,073	17.3	\$161,535
Small	489,694	48.7	\$48,668	18.7	\$99,385

Sources: Annual YBS Farmer Reports submitted by each System lender through the Farm Credit banks.

Note: Because the YBS mission is focused on each borrower group separately, data are reported separately for each of the three YBS borrower categories. Since some loans fit more than one category, adding the loans across categories does not produce an accurate measure of the System's YBS lending involvement.

In addition to collecting quantitative data, System institutions are required to provide qualitative data about their service to YBS borrowers. In 2017, institutions reported taking a number of measures to strengthen their service to these borrowers, such as

- creating new lending programs,
- enhancing the training they offer,
- bolstering outreach to farmers and ranchers who are not currently borrowing from the System, and
- continuing market studies to identify new customer needs and increase coordination with third parties.

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