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### **Fact Sheet on Farm Credit System Young, Beginning and Small (YBS) Farmer Lending Results for 2014**

In 2014, the pace of new lending to YBS farmers exceeded the pace in overall farm lending by Farm Credit System institutions. From 2013 to 2014, the share of total new System farm loans made to each YBS category rose.

The number of loans made in 2014 to young and beginning farmers increased by 2.0 percent and 1.8 percent from 2013, while overall the number of farm loans made by the System fell 1.8 percent. The number of loans to small farmers declined by 1.4 percent, but because small farmer loans declined less than overall farm loans, the share of small farmer loans increased as well.

The dollar volume of new loans made to young and beginning categories rose in 2014 from 2013 by 5.0 percent and 3.2 percent, respectively. The System's overall volume of new farm loans grew by 1.8 percent. Therefore, the share of total System farm loan volume made to these categories rose from that of 2013. Loan volume to small farmers decreased 5.2 percent from 2013.

Because of a decline in repayments, the number and dollar volume of loans *outstanding* increased in all three YBS categories in 2014 from 2013. The number of loans outstanding increased by 4.0 percent to beginning farmers, 3.5 percent to young farmers, and 1.2 percent to small farmers. The dollar volume outstanding increased by 7.4 percent to young farmers, 5.5 percent to beginning farmers, and 1.7 percent to small farmers.

The following information summarizes the System's 2014 lending activity to YBS farmers and ranchers.

**Young**—In 2014, the System made 59,145 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 \$8.7 billion. The loans made to young farmers in 2014 represented 16.9 percent of all farm loans made during the year and 11.3 percent of the dollar volume of loans made. At the end of 2014, the System had 181,736 loans outstanding to young farmers, totaling \$25.5 billion.

**Beginning**—The System made 74,099 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 \$11.4 billion in 2014. The loans made to beginning farmers in 2014 represented

21.2 percent of all farm loans made during the year and 14.8 percent of the dollar volume of loans made. At the end of 2014, the System had 263,277 loans outstanding to beginning farmers, totaling \$39.0 billion.

**Small**—In 2014, FCS institutions made 140,608 loans, totaling \$10.7 billion, to small farmers—that is, to those with gross annual sales of less than \$250,000. The loans made in 2014 to farmers in this category represented 40.2 percent of all farm loans made during the year and 13.9 percent of the dollar volume of all farm loans made. At the end of 2014, the System had 490,425 loans outstanding to small farmers, totaling \$45.7 billion.

Data are reported separately for each of the three YBS borrower categories because the YBS mission is focused on each borrower group separately. Also, loans cannot be added across categories because some loans belong in more than one category. If, for example, a borrower is less than 35 years old, sells less than \$250,000 in farm products per year, and has farmed for less than 10 years, the borrower's loan would be included in every category. Therefore, adding the categories together would produce a misleading measurement of the System's YBS lending involvement.

Totals reported include loans, advancements, and commitments made to farmers, ranchers, and aquatic producers, and exclude rural home loans, loans to cooperatives, and activities of the Farm Credit Leasing Services Corporation. In 2014, a total of 349,353 new farm loans were made, totaling \$76.984 billion. The total outstanding farm loan numbers at year-end was 1,012,793, amounting to \$228.589 billion.

<b>YBS Loans Outstanding as of December 31, 2014</b>					
	<b>Number of loans</b>	<b>Percentage of total number of System farm loans</b>	<b>Dollar volume of loans in millions</b>	<b>Percentage of total volume of System farm loans</b>	<b>Average loan size</b>
<b>Young farmers/ranchers</b>	181,736	17.9	\$25,542	11.2	\$140,542
<b>Beginning farmers/ranchers</b>	263,277	26.0	\$38,986	17.1	\$148,079
<b>Small farmers/ranchers</b>	490,425	48.4	\$45,673	20.0	\$93,129

<b>YBS Loans Made During 2014</b>					
	<b>Number of loans</b>	<b>Percentage of total number of System farm loans</b>	<b>Dollar volume of loans in millions</b>	<b>Percentage of total volume of System farm loans</b>	<b>Average loan size</b>
<b>Young farmers/ranchers</b>	59,145	16.9	\$8,729	11.3	\$147,587
<b>Beginning farmers/ranchers</b>	74,099	21.2	\$11,358	14.8	\$153,280
<b>Small farmers/ranchers</b>	140,608	40.2	\$10,737	13.9	\$76,359