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FCA encourages Farm Credit System institutions to work with borrowers affected by Hurricane Florence

McLEAN, Va., Sept. 27, 2018 — The Farm Credit Administration is encouraging Farm Credit System (System) institutions to work with System borrowers who have been affected by Hurricane Florence.

System institutions can alleviate the stress of borrowers affected by natural disasters in several ways:

- Extending the terms of loan repayments
- Restructuring borrowers' debt obligations
- Easing some loan documentation or credit-extension terms for new loans to certain borrowers

"In times of natural disaster, our regulations give System institutions flexibility in providing disaster relief," says Dallas P. Tonsager, FCA board chairman and CEO. "We encourage institutions to use this flexibility to help borrowers get back on their feet following disasters like this one." For more information, see FCA's [policy statement](#) on disaster relief efforts by Farm Credit System institutions.

Hurricane Florence, which brought high winds and catastrophic flooding to parts of the Carolinas and Virginia earlier this month, claimed the lives of more than 40 people and inflicted significant economic damage. Many ag producers suffered heavy losses.

Among the commodities hardest hit are tobacco, cotton, poultry, and hogs. Losses for producers of sweet potatoes and peanuts may also be significant, but the extent of the damage to these commodities is not yet known.

In addition to bringing hardship to System borrowers, disasters like Hurricane Florence may also impair the ability of System institutions to comply in a timely way with regulatory reporting and publishing requirements. Institutions should contact the director of FCA's Office of Examination if they need relief from specific regulatory or reporting requirements.

“Our thoughts are with everyone who has been impacted by this devastating storm,” says Chairman Tonsager.

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The Farm Credit Administration is the safety and soundness regulator of the Farm Credit System. The System consists of two government-sponsored enterprises — a nationwide network of cooperative banks and associations established in 1916, and a secondary market entity known as the Federal Agricultural Mortgage Corporation (Farmer Mac), which was established in 1988. The System’s borrower-owned banks and associations provide credit to farmers, ranchers, residents of rural communities, agricultural and rural utility cooperatives, and other eligible and creditworthy borrowers. Farmer Mac provides a secondary market for agricultural real estate loans, rural housing mortgage loans, and certain rural utility loans. Members of the FCA board are Dallas P. Tonsager, board chairman and CEO; Jeffery S. Hall; and Glen R. Smith. Note: FCA news releases are available on the web at www.fca.gov.