



For Immediate Release
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FCA encourages Farm Credit System institutions to work with borrowers affected by recent tornadoes

McLEAN, Va., Dec. 17, 2021 —The Farm Credit Administration is encouraging Farm Credit System (System) institutions to work with System borrowers who have been affected by recent tornadoes and storms in the south and Midwest. Last weekend, tornadoes, floods, high winds, and violent storms wreaked havoc in several rural communities in Kentucky, Illinois, Arkansas, Iowa, Missouri, Mississippi, and Tennessee.

System institutions can help 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

"These storms affected communities in several states, but western Kentucky was particularly hard hit," said FCA Board Member Jeff Hall, whose permanent residence is in Louisville, Kentucky. "The tornadoes left more than 70 people dead. It destroyed businesses and leveled many homes to their concrete slabs. The devastation is massive. Although we don't yet know the full impact that these tornadoes had on Kentucky's agricultural producers, we know the storms hit them hard."

"I strongly encourage System institutions to use their considerable flexibility to assist borrowers who experienced losses from these devastating storms," Board Member Hall said. "By extending loan repayments and offering other concessions, they can help producers recover more quickly and get back on their feet."

For more information, see FCA's [policy statement on disaster relief efforts by Farm Credit System institutions](#).

In some cases, devastation from natural disasters like these can impair the ability of System institutions to comply in a timely manner with regulatory reporting and publishing requirements. Board Member Hall also encourages affected System institutions to contact

FCA's chief examiner and director of the agency's Office of Examination if they need relief from specific regulatory or reporting requirements.

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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. FCA news releases are available on the web at www.fca.gov.