



### For Immediate Release

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## **FCA board receives annual report on the Farm Credit System's young, beginning, and small farmers' mission performance**

McLEAN, Va., Aug. 14, 2025 — At its monthly meeting today, the Farm Credit Administration board received FCA's [2024 Annual Report on the Farm Credit System's Young, Beginning, and Small \(YBS\) Farmer Mission Performance \(PDF\)](#). The board also received a companion report on startup costs for new farmers and ranchers.

Serving young, beginning, and small (YBS) farmers, ranchers, producers and harvesters of aquatic products is a mission-critical priority established by Congress. FCA strongly supports this mission. FCA defines young farmers as those who are 35 years old or younger, beginning farmers as those who have been farming for 10 years or less, and small farmers as those with less than \$350,000 in annual gross cash farm income.

Each year FCA collects information from the System on YBS lending and nonlending activities. This provides data that FCA reports to Congress, and insights into a range of services, education, outreach activities, and lending to YBS farmers. A more comprehensive and detailed understanding of YBS mission service will help the System improve its delivery of credit to YBS farmers.

### **Nonlending results**

FCS institutions provide an array of services and outreach that complement or expand lending to YBS farmers and ranchers. These include: nonlending capital commitments (leases and investments); financially related services; scholarships; grants; conferences, seminars, and workshops; and marketing and outreach.

The total value of these services in 2024 was \$348 million. Approximately 88%, or \$306 million, was for investments and leases. Additionally, approximately \$6 million was reported as spent on loan guarantee fee payments, financial document preparation fees, appraisal fees, and tax preparation services for YBS farmers and ranchers.

Remaining components, including scholarships, grants, and outreach, accounted for \$37 million in spending for 2024. Total nonlending dollars declined 2.7% from 2023, mostly due to decreases in nonlending capital commitments and grants.

## Lending data collection process

System institutions use a specific YBS reporting structure with banks providing FCA with an annual report summarizing YBS program operations and achievements within their district. Through a new process implemented in 2023, FCA collects loan count and volume data for eight mutually exclusive YBS and non-YBS categories. The eight categories are: young only; beginning only; small only; young and beginning; young and small; beginning and small; YBS (young, beginning, and small); and non-YBS.

Loan volume is reported as current commitments, which is the dollar amount of disbursed funds plus undisbursed commitments eligible to be drawn.

FCA defined in the 2024 reporting instructions the YBS reporting universe of eligible loan types and record types that were to be included in an institution's lending activity submission. Eligible loan types are real estate mortgages, production and intermediate term, and process and marketing.

## Lending results

In 2024, the System made a combined YBS & non-YBS total of 259,564 loans, totaling \$131.2 billion. The total number of outstanding loans at year-end 2024 was 1,059,214, amounting to \$401.2 billion.

Compared with 2023, counts of loans made in 2024 increased 2.6%, and volume of loans made in 2024 increased 7.8%. Outstanding loan counts increased 0.4% and outstanding volume increased 5.0% between year-end 2023 and year-end 2024.

In 2024, System lending to the seven mutually exclusive YBS categories totaled of 150,156 loans for \$33.1 billion. The number of loans and loan volume outstanding to the seven mutually exclusive YBS categories was 647,284 loans for \$122.8 billion, at year-end.

<b>Table 1: Loan Count and Current Commitment Volume Activity During 2024</b>	<b>Loan Counts</b>	<b>Volume in Millions</b>	<b>Percent of Total Loan Counts</b>	<b>Percent of Total Volume</b>
<b>Category</b>				
Young only	7,559	\$3,852	2.9%	2.9%
Young and beginning	12,786	\$5,683	4.9%	4.3%
Young and small	5,077	\$556	2.0%	0.4%
Beginning only	8,610	\$5,463	3.3%	4.2%
Beginning and small	26,495	\$6,044	10.2%	4.6%
Small only	64,908	\$8,086	25.0%	6.2%
YBS	24,721	\$3,428	9.5%	2.6%
Non-YBS	109,408	\$98,089	42.2%	74.8%
<b>System total</b>	<b>259,564</b>	<b>\$131,201</b>	<b>100.0%</b>	<b>100.0%</b>

In the above table, 2024 lending results varied considerably by the number of loans made to YBS borrowers and the volume of dollars lent to YBS borrowers. Looking at loan counts, nearly 58% of all loans made were to some combination of young, beginning, and small producers, with the small only category being the largest percentage at 25%, and the young and small category being the smallest percentage of YBS loans made in 2024.

From a loan volume perspective, more dollars were lent to non-YBS farmers and ranchers. Approximately 25% of total dollars lent in 2024 went to a YBS category.

**Table 2: Loan Counts and Current Commitment Volume Outstanding as of December 31, 2024**

Category	Loan Counts	Volume in Millions	Percent of Total Loan Counts	Percent of Total Volume
Young only	29,255	\$10,052	2.8%	2.5%
Young and beginning	47,699	\$16,591	4.5%	4.1%
Young and small	23,253	\$2,375	2.2%	0.6%
Beginning only	31,649	\$17,484	3.0%	4.4%
Beginning and small	155,953	\$30,490	14.7%	7.6%
Small only	244,945	\$30,625	23.1%	7.6%
YBS	114,530	\$15,203	10.8%	3.8%
Non-YBS	411,930	\$278,405	38.9%	69.4%
<b>System total</b>	<b>1,059,214</b>	<b>\$401,226</b>	<b>100.0%</b>	<b>100.0%</b>

As illustrated in the table above, the number of loans outstanding to YBS categories was approximately 61%. The largest percentage of outstanding loans made to a YBS category were to the small only category at 23%, followed by the beginning and small category at 15%, with 11% of all outstanding loans being lent to the YBS category. About 70% of outstanding loan volume was held by non-YBS farmers and ranchers.

### **Report on startup costs for new farmers and ranchers**

During the meeting, the board also received a [report \(PDF\)](#) on startup costs for new farmers and ranchers. Below is a summary of key findings from the report.

- New producers face startup costs above and beyond the costs that all producers face, cutting into already-narrow margins in agriculture and making it more expensive to start farming or ranching. These include large outlays on major purchases or leases of land, equipment, and other major items.
- In addition, access to credit may be more challenging due to new farmers and ranchers having (on average) lower net worth, less collateral and working capital,

and a shorter business record. Because new producers are higher-risk prospects, those who obtain credit often pay higher interest rates on their loans.

### **Notational votes**

Since the July 10 FCA board meeting, one notational vote has occurred. Notational votes are actions the FCA board takes between board meetings.

On July 14, the board approved CoBank's request to renew its streamlined investment process to support healthcare-related community facilities in rural America. The approval is subject to modifications and conditions specified in the approval letter.

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The Farm Credit Administration is the regulator of the Farm Credit System. The System is the nation's oldest government-sponsored enterprise. It consists of a nationwide network of cooperative banks and associations, which was 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](http://www.fca.gov).