

19 July 2021

Mr. Kevin J. Kramp
Director, Office of Regulatory Policy
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102-5090

Re: Proposed Rule – 12 CFR Part 614 – RIN 3052-AC94; *Collateral Evaluation Requirements*;
86 Federal Register 27308-27323

Dear Mr. Kramp:

Farm Credit Services of Mandan (“FCSM”) appreciates the opportunity to comment on the Farm Credit Administration’s (“FCA”) Proposed Rule regarding Collateral Evaluation Requirements that was published in the May 20, 2021 *Federal Register* (the “Proposed Rule”).

As you are likely aware, the Farm Credit Council (“FCC”) assembled a workgroup of several Farm Credit System institutions to review the Proposed Rule, existing regulations, relevant FCA-published materials, and materials and authorities relevant to other lending institutions. Members of the workgroup included persons who have significant expertise in underwriting, risk management, legal, and evaluation and appraisal services, and insight was sought from persons outside of the workgroup, as well. Based on the review performed, FCC prepared comprehensive comments on the Proposed Rule. It is FCSM’s understanding that FCC will request that the Proposed Rule be withdrawn. FCSM supports this request and requests FCA withdraw the Proposed Rule.

FCSM is concerned that the proposed rule on collateral evaluation will have a negative impact on the agricultural producers, agribusinesses, and other customers we serve. The rule would slow the loan-making process and place needless cost and burden on producers without any real benefit to the safety and soundness of Farm Credit System institutions.

FCSM respectfully requests that FCA withdraw the Proposed Rule and engage System institutions in discussions to better understand current collateral evaluation processes. After such stakeholder involvement, we hope that a new rule that better reflects those processes and recognizes modern tools and the benefits they bring to the lending process and service to customers may be proposed.

Farm Credit Services of Mandan

Aaron Vetter
Chief Executive Officer

Michael Schaff
Chairman, Board of Directors