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Fact sheet on Farm Credit System young, beginning, and small (YBS) farmer lending results for 2020

The following information summarizes 2020 Farm Credit System lending activity to young, beginning, and small (YBS) farmers, ranchers, and producers or harvesters of aquatic products.

Note: 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 gross annual sales of less than \$250,000.

Outstanding loans

From Dec. 31, 2019, to Dec. 31, 2020, dollar volume outstanding for total System loans grew by 11.3%. Loan dollar volume outstanding to young farmers grew by 8.0%, to beginning farmers by 12.5%, and to small farmers by 12.9%.

For the same period, the number of total System loans outstanding increased by 3.5%. The number of loans outstanding to young farmers increased by 2.1%, to beginning farmers by 4.1%, and to small farmers by 2.4%.

New loans

The dollar volume of loans made in 2020 by the System overall increased by 31.6% in 2020. New loan dollar volume to young farmers increased by 36.9%, to beginning farmers by 57.4%, and to small farmers by 63.0%.

For the same period, the number of new loans made by the System overall grew by 37.4%. The number of loans to young farmers increased by 34.0%, to beginning farmers by 40.6%, and to small farmers by 34.9%.

Young — In 2020, the System reported making 65,807 loans to young farmers. The volume of total new loans to farmers in this category amounted to \$13.8 billion. The loans to young farmers in 2020 represented 17.7% of all loans the System made during the year and 11.5% of the dollar volume of loans made. At the end of 2020, the System reported 181,378 loans outstanding to young farmers, totaling \$33.6 billion.

Beginning — In 2020, the System reported making 94,329 loans to beginning farmers. The volume of total new loans to beginning farmers amounted to \$22.5 billion in 2020. The

loans made to beginning farmers in 2020 represented 25.4% of all System loans made during the year and 18.8% of the dollar volume of loans made. At the end of 2020, the System reported 283,936 loans outstanding to beginning farmers, totaling \$54.8 billion.

Small — In 2020, System institutions reported making 166,282 loans, totaling \$23.4 billion, to small farmers. The loans in 2020 to farmers in this category represented 44.8% of all loans made during the year and 19.6% of the dollar volume of loans made. At the end of 2020, the System reported 470,836 loans outstanding to small farmers, totaling \$58.6 billion.

Total — In 2020, the System reported making a total of 370,943 new loans, totaling \$119.7 billion. The total number of outstanding loans at year-end 2020 was 946,119, amounting to \$311.9 billion.

YBS loans made during 2020

| YBS category | Number of loans | Percentage of total number of System loans | Dollar volume of loans in millions | Percentage of total dollar volume of System loans | Average loan size |
|--------------|-----------------|--|------------------------------------|---|-------------------|
| Young | 65,807 | 17.7% | \$13,810 | 11.5% | \$209,850 |
| Beginning | 94,329 | 25.4% | \$22,488 | 18.8% | \$238,402 |
| Small | 166,282 | 44.8% | \$23,437 | 19.6% | \$140,946 |

YBS loans outstanding as of Dec. 31, 2020

| YBS category | Number of loans | Percentage of total number of System loans | Dollar volume of loans in millions | Percentage of total dollar volume of System loans | Average loan size |
|--------------|-----------------|--|------------------------------------|---|-------------------|
| Young | 181,378 | 19.2% | \$33,586 | 10.8% | \$185,170 |
| Beginning | 283,936 | 30.0% | \$54,779 | 17.6% | \$192,927 |
| Small | 470,836 | 49.8% | \$58,587 | 18.8% | \$124,432 |

Sources: Annual YBS Farmer Report submitted by each System lender through the Farm Credit banks.

Note: Because the YBS mission is focused on each borrower group separately, data are reported separately for each of the three YBS borrower categories. Since some loans fit more than one category, adding the loans across categories does not produce an accurate measure of the System's YBS lending.