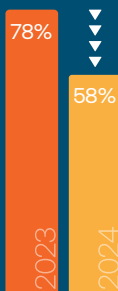


2024 AG LENDER SURVEY REPORT



Read the full report:
FarmerMac.com/2024AgLenderReport



DECLINING FARM PROFITABILITY

Ag lenders are concerned about the profitability of U.S. farms. Only **58%** of ag customers were expected to be profitable in 2024—down 20 points from last year’s report.



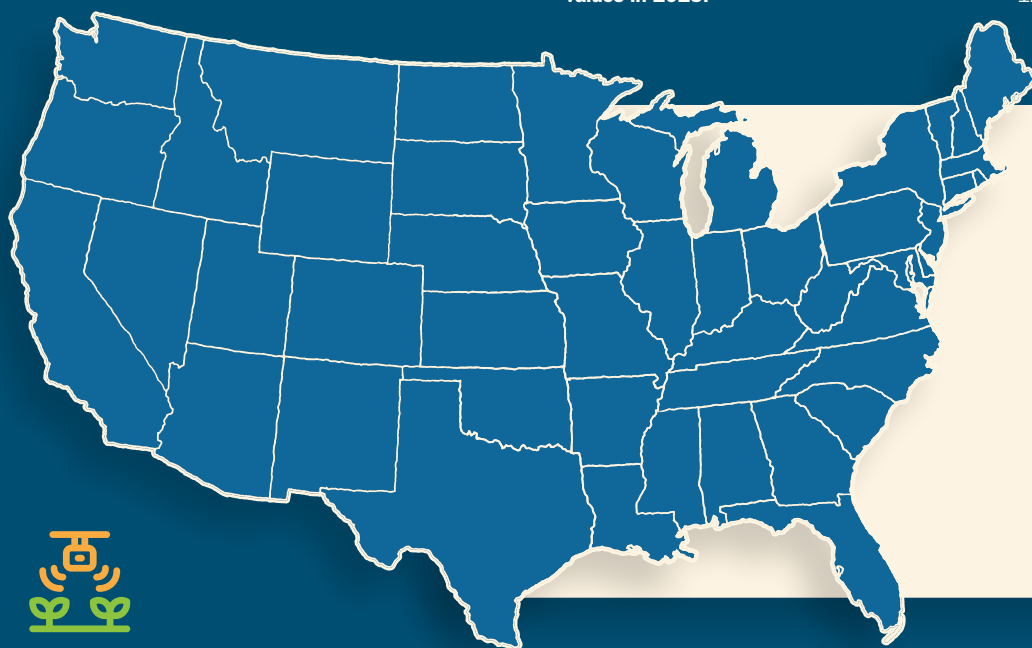
PESSIMISM FOR LAND VALUES

Two-thirds of ag lenders anticipate either no change or a **decline in farmland values in 2025**.



INTEREST RATE RELIEF

Ag lenders anticipate **improvements to the current high-interest rate environment**:



SECONDARY MARKET SUPPORT

The secondary market for agricultural loans plays a role in aiding lending institutions with interest rate risk management, liquidity, borrower concentration and other portfolio growth strategies.




2 out of 3 respondents reported using Farmer Mac’s secondary market for ag real estate.



INVESTING IN THE FUTURE OF FARMING

Ag borrowers are investing in **technology and new practices**.

Lenders report:

-  **66%** of customers inquired about investing in precision agriculture
-  **47%** asked about no-tillage or reduced tillage financing
-  **47%** asked about financing cover-cropping costs



MEETING TIGHTENED LENDING STANDARDS




41% of lenders plan to tighten underwriting criteria for loans secured by farmland in the coming 12 months.

However, lenders also anticipate approving **88% of credit requests in the next 12 months**, highlighting an enduring commitment to their customers and optimism that higher lending standards can be met.



INNOVATION IN AG LENDING

Ag lenders reported using numerous collateral valuation tools to improve credit delivery and speed up the lending process.

-  **63%** use desktop evaluations
-  **34%** use restricted appraisal reports
-  **13%** use accelerated evaluations