

# News Release

THE FEDERAL RESERVE BANK *of* KANSAS CITY

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## **FARM INCOME, LAND VALUES CONTINUE TO CLIMB IN SECOND QUARTER, SURVEY FINDS**

Farm income expectations and farmland values rose in the second quarter, fueled by strong crop prices and easing drought conditions, according to the Federal Reserve Bank of Kansas City's second quarter Survey of Agricultural Credit Conditions.

In the survey of 266 banks in the seven-state Tenth Federal Reserve District, Nebraska continued to lead farm income expectations for the District, with Oklahoma's second quarter farm income index showing the most improvement.

Following strong first quarter gains, the survey found that farmland values continued to climb in the second quarter, but at a slower rate. Compared to year-ago levels, values for irrigated and non-irrigated acres have risen over 12 percent.

The survey also found that second quarter farm credit conditions remained strong, with bankers reporting high loan repayment rates, and requests for loan renewals and extensions fell for the third straight quarter. One-fifth of district banks reported they have tightened credit standards somewhat, but the majority of banks have not changed their lending criteria.

A complete summary of the second quarter survey is available at [www.KansasCityFed.org/agcrsurv/agcrmain.htm](http://www.KansasCityFed.org/agcrsurv/agcrmain.htm).

The Tenth Federal Reserve District encompasses Colorado, Kansas, Nebraska, Oklahoma, Wyoming, northern New Mexico, and western Missouri.

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