

FARMER LENDER MEDIATION PROGRAM

Executive Summary of Program Results in Federal Year 2004

- **1,270 mediation cases were opened based on the receipt of a notice of mediation served on a farm debtor.**
- **375 cases (30%) completed mediation.**
- **Estimated 11,430 program participants (an average of 9 participants per case) received the services of 15 mediators, 5 financial analysts, and 5 program staff.**
- **69% of mediated cases reached some kind of settlement by the end of mediation while only 31% of mediated cases did not reach a settlement agreement by the end of mediation.**
- **895 debtors waived mediation of the debt. Results of these cases may be that the debtor worked out a resolution without mediation. The following may have occurred; pay the debt current, bankruptcy or abandonment of the collateral.**
- **Geographically, Minnesota Agricultural Statistics Districts in descending order of creditor notices of mediation were: central, northwest, south east, west central, south central, southwest, east central, north central and northeast.**
- **Creditors, who served notice of mediation, in descending order were: Implement Dealers and Manufacturers, Banks, Farm Credit Services, United States Department of Agriculture, other (Judgements, small business accounts), Farm Service Agency, and Contracts for Deed.**
- **The total amount of debt that was addressed in mediation case sessions was \$229,806,861.**
- **The commodity enterprise of the debtors, in descending order was: crop, dairy, hogs, cattle and other.**
- **The ownership of the farming entity was: 73% sole proprietors, 21% partnerships and 6% corporations.**
- **The average farm debtor in mediation was a 49 year old sole proprietor with an average net worth of approximately \$304,067, average agricultural debt of approximately \$707,090, median non-farm income of \$28,800 and median family living expenses of \$31,01 per year.**
- **The total number of cases was 1270. The average cost per case was \$274.00.**