

FARMER LENDER MEDIATION PROGRAM
University of Minnesota Extension Service
Executive Summary of Program Results in Federal Fiscal Year 2005

- **1,537 mediation cases were opened based on the receipt of a notice of mediation served on a farm debtor.**
- **452 cases (23%) completed mediation.**
- **Estimated 13,833 program participants (an average of 9 participants per case) received the services of 13 mediators, 5 financial analysts, and 5 program staff.**
- **66% of mediated cases reached some kind of settlement by the end of mediation while only 34% of mediated cases did not reach a settlement agreement by the end of mediation.**
- **1,085 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 central, south east, west central, east central, southwest, 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, Contract for Deeds, Farm Service Agency, and other (Judgments, small business accounts).**
- **The total amount of debt that was addressed in mediation case sessions was \$320,456,657. The approximate breakdown was as follows: banks \$242M, main street suppliers and small businesses \$22.6M, Farm Credit Services \$16.5M, Contracts \$15M, Farm Service Agency \$10.8M, and Implement Companies \$10.8M.**
- **The commodity enterprise of the debtors, in descending order was: crop, dairy, hogs, cattle and other.**
- **The ownership of the farming entity was: 57% sole proprietors, 26% partnerships and 17% corporations.**
- **The average farm debtor in mediation was a 52-year-old sole proprietor with an average net worth of approximately \$152,902; average agricultural debt of approximately \$821,691; median non-farm income of \$32,014; and median family living expenses of \$28,953 per year.**
- **The total number of cases was 1,537. The average cost per case was \$248.46.**

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