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Lenders Expect Lower Farmland Prices, More Delinquent Loans

WICHITA, Kan. (AP) - A new survey shows agricultural lenders are expecting lower farmland prices and more loan delinquencies from growers.

The Kansas State University Agricultural Lender Survey released Monday shows less optimism among lenders for the outlook for growers because of lower commodity prices that may mean more loan delinquencies.

But loan delinquencies are anticipated to decrease among the livestock sectors because of the high market prices and lower feed costs.

However, the study noted that farm loan delinquencies are now at historically low levels.

Associate professor Brian Briggeman says farm lenders also expect interest rates to increase for all types of loans. But they also figured that would occur in two to five years, not in the coming year.

Associated Press