

ability of these individuals to absolutely wreck a bank based upon some one person's estimation of what land is worth today is almost unbelievable. I have an instance where an individual had proposed the purchase of some land and almost without reason arbitrarily the valuation of this land was dropped by a substantial amount. There are no...the comparable sales in the area exceed by a substantial amount the valuation placed upon this land by the FHA. But do you know what is actually happening? The FHA doesn't want to make the loan. Now my good friend, President Reagan, at least I believe him to be my friend, he says so in the paper from time to time, has said they are going to provide an unlimited amount of capital and credit for individuals who need it for agricultural purposes, and so they have done, \$650 million. They have just added another \$350 million. Now I want to tell you something, that is like my telling the Sahara Desert I am going to ship you a thousand gallons of water per minute but I am going to put it through a one inch pipe. You can choke it down so that the water is backed up here in the huge dam but there isn't any way you can get it there through that inch pipe. Now what we are saying here is that we are not going to allow chicanery, inexperience, any other reason to determine the value of land. We have got enough indefiniteness as it is but what we are saying is we are not going to allow a bank examiner coming in here and say that land is not worth that much money. I have had an experience just recently where a loan officer said, the land is not worth that much money. I said, how do you know it is not worth that much money? Well, it won't bring that. I said, the land is not for sale. Well, if the land would sell, and I said the land isn't for sale. We are in a depressed market. Now if you force the man to sell, if you force the man to sell, who knows where the bottom is. That can happen with not only farmland, it can happen with a home, it can happen with a piece of equipment, and you know what happens. We find ourselves, those of us with limited resources, find ourselves at the mercy of someone who says, I am not going to renew your loan because farmland has dropped from \$1,000 an acre to 300 and, therefore, you have got to sell the land. What I think we are saying here is you can't do that. You can't set an arbitrary unfair price on land. Now I know it causes me some concern...

SPEAKER NICHOL: One minute.