Annual Report 2022

Texas Farm Credit District

2022 Annual Financial Information

(Unaudited)

INTRODUCTION AND TEXAS FARM CREDIT DISTRICT OVERVIEW

The Farm Credit Bank of Texas (the Bank) and its affiliated associations, collectively referred to as the Texas Farm Credit District (the Texas District), are part of the Farm Credit System (the System). The System is a Federally chartered network of borrower-owned lending institutions comprised of cooperatives and related service organizations. The Texas District's chartered territory includes the states of Texas, Alabama, Mississippi, Louisiana and most of New Mexico. As of December 31, 2022, the Bank served one Federal Land Credit Association (FLCA) and 13 Agricultural Credit Associations (ACAs) (collectively referred to as Associations). The Bank also serves certain Other Financing Institutions (OFIs), which are not part of the System.

The U.S. Congress authorized the creation of the first System institutions in 1916 to provide support for the agricultural sector because of its significance to the well-being of the U.S. economy and the U.S. consumer. The mission of the System is to provide sound and dependable credit to American farmers, ranchers, producers or harvesters of aquatic products, their cooperatives, and certain farm-related businesses. The System does this by making appropriately structured loans to qualified individuals and businesses at competitive rates and providing financial services and advice to those persons and businesses. The System is a cooperative structure. Cooperatives are organizations that are owned and controlled by their members who use the cooperatives' products or services.

Farm Credit's funds are raised by the Federal Farm Credit Banks Funding Corporation (the Funding Corporation) and insured by the Farm Credit System Insurance Corporation (FCSIC). On behalf of the four System banks, the Funding Corporation issues a variety of Federal Farm Credit Banks Combined Systemwide Debt Securities with broad ranges of maturities and structures. Each System bank has exposure to systemwide credit risk because it is joint and severally liable for all debt issued by the Funding Corporation. The associations in each district receive funding from their System bank and, in turn, provide credit to their borrower-shareholders. The associations have specific lending authority within their chartered territories and are subject to examination and regulation by an independent Federal agency, the Farm Credit Administration.

The following commentary reviews the combined financial statements of condition and results of operations of the Texas District for the years ended December 31, 2022, 2021 and 2020.

COMBINED FINANCIAL HIGHLIGHTS

(in thousands)	December 31, 2022	December 31, 2021	December 31, 2020
Total loans	$ **36,421,444**	$ 33,175,189	$ 28,893,098
Allowance for loan losses	**85,517**	85,470	94,468
Net loans	**36,335,927**	33,089,719	28,798,630
Total assets	**44,580,370**	40,963,826	35,606,914
Total members' equity	**5,306,032**	5,480,962	4,986,742

Year ended December 31,	2022	2021	2020
Net interest income	$ **1,116,073**	$ 1,018,618	$ 911,338
Provision for credit losses (loan loss reversal)	**2,314**	(11,350)	8,477
Net fee income	**45,846**	51,776	52,559
Net income	**688,615**	641,499	578,241
Net interest margin	**2.65 %**	2.75 %	2.73 %
Net loan charge-offs (recoveries) as a percentage of average loans	**— %**	— %	0.01 %
Return on average assets (ROA)	**1.59 %**	1.69 %	1.68 %
Return on average shareholders' equity (ROE)	**12.18 %**	11.60 %	11.45 %
Operating expenses as a percentage of net interest income and noninterest income	**42.75 %**	43.26 %	41.35 %
Average loans	$ **35,188,810**	$ 30,742,668	$ 27,482,973
Average interest earning assets	**42,155,155**	36,987,919	33,354,124
Average total assets	**43,173,749**	37,953,306	34,478,016

MANAGEMENT'S DISCUSSION AND ANALYSIS

(dollars in thousands, except as noted)

CONDITIONS IN THE TEXAS DISTRICT

Throughout the COVID-19 pandemic, the Texas District continued to fulfill its mission to support agriculture and rural communities by providing access to reliable and consistent credit. Demand for Texas District Associations' retail loans has been historically high, leading to elevated growth across the District for most of 2022. However, loan growth began to moderate in the latter part of 2022 due to the rising interest rate environment. Macroeconomic uncertainty, as well as ongoing supply chain disruptions and fluctuating commodity markets, are likely to lead to volatility in credit quality in future periods.

The Consumer Price Index for All Urban Consumers increased by 6.5% for the year ending December 2022, down from 7.0% for the same period in 2021 and from a peak of 9.1% reached in June 2022. The Federal Open Market Committee (FOMC) increased the target Federal funds rate by a total of 425 basis points in 2022, including four consecutive 75 basis point increases in June, July, September and November. As of February 13, 2023, the range of the Federal funds target rate is 4.50 – 4.75%, including the latest 25 basis point increase in early February 2023. According to public remarks, the FOMC continues to be strongly committed to returning inflation to its 2.0% long-run objective.

On January 26, the U.S. Bureau of Economic Analysis (BEA) released its advanced estimate of real gross domestic product (GDP) for the fourth quarter of 2022. After two consecutive quarters of negative growth during the first half of 2022, the U.S. economy expanded at annualized rates of 3.2% in the third quarter and 2.9% in the fourth quarter. The increase in the fourth quarter primarily reflected increases in inventory investment and consumer spending that were partly offset by a decrease in housing investment. According to the International Monetary Fund's latest World Economic Outlook released on January 30, 2023, U.S. real GDP growth is estimated to be 1.4% in 2023 and 1.0% in 2024. Within the Texas District, the BEA estimated that third quarter 2022 annualized real GDP growth rates ranged from a low of -0.7% in Mississippi to a high of 8.2% in Texas. Fourth quarter GDP growth rates per state are scheduled to be released on March 31, 2023.

The U.S. Bureau of Labor Statistics (BLS) indicated that the U.S. unemployment rate decreased month-over-month to 3.5% in December 2022 from 3.6% in November and down from 3.9% in December 2021. The U.S. unemployment rate declined slightly to 3.4% in January 2023. The December state unemployment rates in the Texas District ranged from a low of 2.8% in Alabama to a high of 4.0% in Mississippi.

The West Texas Intermediate (WTI) crude oil futures price (front-month) decreased during the fourth quarter of 2022 from an average of about $91 per barrel in the third quarter to an average of about $83 per barrel. In the February 2023 edition of the Short-Term Energy Outlook, the U.S. Energy Information Administration estimated that the monthly average WTI spot price would be about $78 per barrel in 2023 and nearly $72 per barrel in 2024.

In February 2023, the U.S. Department of Agriculture (USDA) released its updated farm income forecast. Nominal net farm income is expected to have set a record high at about $162.74 billion in calendar year 2022, up 15.5% year over year (YOY). However, farm income is forecasted to decrease by 15.9% in 2023. Total nominal production expenses are forecasted to continue increasing by 4.1% in 2023 to about $459.53 billion, after increasing by 18.5% in 2022. Interest expenses and livestock/poultry purchases are expected to increase in 2023, while spending on feed and fuel/oil is expected to decline YOY. Farm sector assets are forecasted to increase by 5.2% in 2023 due to expected increases in farm real estate assets. Similarly, equity is forecasted to increase by 5.0% in 2023. After improving in 2021 and 2022, the U.S. farm sector debt-to-asset ratio is estimated to sightly deteriorate YOY from 13.1% in 2022 to 13.2% in 2023.

According to USDA's February 2023 World Agricultural Supply and Demand Estimates (WASDE) report, average farm prices for corn, wheat, and soybeans are projected to increase by about 11.7%, 18.0% and 7.5%, respectively, YOY during the 2022-23 marketing year, while the average farm price for upland cotton is projected to decline by 8.4 cents per pound, or 9.2%. Steer, broiler, and turkey prices are estimated to have experienced double-digit increases in 2022, while barrow and gilt prices are estimated to have risen by an average of nearly 5.8%. Further increases in prices are projected for steers and turkeys in 2023, while broiler and barrow and gilt prices are projected to decline. USDA estimates that all-milk prices averaged nearly $25.6 per hundredweight in 2022, up about $7.0 per hundredweight, or 38%, compared to 2021. Milk prices are anticipated to moderate in 2023 but are projected to remain above $20.0 per hundredweight. Due to increased supply and reduced demand, lumber prices fell precipitously in 2022. Front-month random length lumber futures prices declined by about 67.0% YOY in 2022. Subsequently, lumber futures prices have continued to be historically volatile, increasing by nearly 37.0% in January 2023 before declining by more than 20.0% through the first half of February.

Lack of adequate precipitation and soil moisture was a concern for agricultural producers across several regions of the country during 2022, as the year was among the driest on record for many states, such as California, Nebraska, Nevada and Texas. However, drought conditions improved notably across the West due to above-average precipitation in January 2023. Recent rainfall across portions of the central U.S., including the Texas District, has brought short-term relief to some areas, but drought conditions have continued to persist through mid-February 2023.

Agricultural producers and processors were negatively affected by several factors in 2022, including volatile commodity prices, elevated production costs, geopolitical conflicts, economic uncertainty, and weather-related challenges. However, the Texas District loan portfolio remained resilient and well-supported by industry diversification and conservative advance rates. Additionally, a high percentage of the district's borrowers primarily rely on non-farm sources of income to repay their loans.

Results of Operations

Net Income

The Texas District net income of $688.6 million for the year ended December 31, 2022, reflected an increase of $47.1 million, or 7.34%, over the same period of 2021. The increase in net income was driven by a $97.5 million increase in net interest income, partially offset by a $35.1 million increase in noninterest expense, a $13.7 million increase in the provision for credit losses and a $2.0 million decrease in noninterest income. The return on average assets decreased to 1.59% for the year ended December 31, 2022, from 1.69% for the year ended December 31, 2021

The Texas District's net income of $641.5 million for the year ended December 31, 2021, reflected an increase of $63.3 million, or 10.94%, over the same time period of 2020. The increase in net income was driven by a $107.3 million increase in net interest income, a $3.9 million increase in noninterest income and a $19.8 million decrease in provision for loan losses, partially offset by an increase of $67.2 million in noninterest expense. The return on average assets increased to 1.69% for the year ended December 31, 2021, from 1.68% for the year ended December 31, 2020.

Net Interest Income

Net interest income for the year ended December 31, 2022, was $1.12 billion, an increase of $97.5 million, or 9.57%, over the same period of 2021, driven by a $5.17 billion increase in Texas District average interest earning assets, partially offset by a decrease in the net interest rate spread. The decrease in the net interest spread of 15 basis points during the year ended December 31, 2022 from 2.59% to 2.44% was attributable to a 68 basis point increase in the average rate on debt, partially offset by a 53 basis point increase in the average rate on interest earning assets. Net interest rate margin decreased by 10 basis points to 2.65% for the year ended December 31, 2022 compared to 2.75% for the same period of 2021.

Net interest income for the year ended December 31, 2021, was $1.02 billion, an increase of $107.3 million, or 11.77%, over the same period of 2020, due to an increase in the net interest rate spread and a $3.63 billion increase in combined Texas District average earning assets.

The 8 basis point increase in the net interest spread from 2.53% to 2.61% was attributable to a 46 basis point decrease in the average rate on debt and a 38 basis point decrease in the rate on earning assets. The improvement in interest rate spread and margin reflected the positive aspects of the Bank calling debt during 2021 as well as improvements in the interest rate environment. The net interest rate margin increased by 2 basis points to 2.75% for the year ended December 31, 2020, compared to 2.73% for the same period of the prior year.

The $5.17 billion increase in Texas District average interest earning assets during 2022 was due to strong loan demand at District Associations for most of 2022 and increases in new loan volume and advances on existing loans within the Bank's participation portfolio. The $3.63 billion increase in earning assets during 2021 was driven by growth in the Associations' loan portfolio supported by strong economic conditions in the Texas District in conjunction with their retail borrowers taking advantage of the low interest rate environment.

During the twelve months ended December 31, 2022, the Bank called $150.0 million in debt and recognized $174 thousand in accelerated interest expense compared to $3.98 billion in debt called and $7.2 million in accelerated interest expense for the same period in 2021. The decrease in levels of debt called during the twelve months ended December 31, 2022 compared to the prior year was primarily due to an increase in the overall level of interest rates.

Provision for Credit Losses

The provision for credit losses for the year ended December 31, 2022, totaled $2.3 million, an increase of $13.7 million compared to the $11.4 million loan loss reversal for the same period of 2021. The combined Association recorded a loan loss reversal of $2.3 million for the twelve months ended December 31, 2022, compared to a loan loss reversal of $14.4 million during 2021. The loan loss reversal for the twelve months ended December 31, 2022 reflected improvements in credit quality in select sectors of the loan portfolio. The Bank recorded a provision for credit losses of $4.6 million for the twelve months ended December 31, 2022 reflecting an increase in specific reserves for two borrowers in the agribusiness sector as well as increases in general reserves due to isolated credit deterioration and loan growth.

The loan loss reversal for the year ended December 31, 2021 totaled $11.4 million, a decrease of $19.9 million from the $8.5 million provision for loan losses recorded for the same period of 2020. The combined Associations recorded a loan loss reversal of $13.1 million for the year ended December 31, 2021, compared to a $7.4 million provision for loan losses for the same period of 2020. The loan loss reversal was mainly due to an overall improvement in credit quality and a decrease in reserves related to uncertainty from the COVID-19 pandemic. The Bank recorded a provision for loan losses of $1.7 million for the year ended December 31, 2021 as compared to a $1.1 million provision for loan losses for the same period of 2020. The provision for loan losses for the year ended December 31, 2021 was driven by a $1.3 million increase in specific reserves for credit deterioration on a limited number of borrowers within the electric utility sector. In addition to the specific reserves, the Bank reversed $1.5 million of COVID-19 related reserves and increased general reserves by $1.9 million due to a higher level of overall lending activity and slight credit deterioration on a limited number of borrowers.

Noninterest Income

Noninterest income for the year ended December 31, 2022 was $91.0 million, a decrease of $2.0 million, or 2.16%, compared to the same period of 2021. The decrease reflects lower fees for loan related services.

Noninterest income for the year ended December 31, 2021 was $93.0 million, an increase of $3.9 million, or 4.40%, compared to the same period of 2020. The increase was due to an increase in gains of $8.2 million related to investments in rural business investment corporations (RBICs), partially offset by a $6.1 million decrease related to distribution refunds from the Farm Credit System Insurance Corporation (FCSIC) received in 2020.

Noninterest Expense

Noninterest expense for the year ended December 31, 2022, totaled $516.0 million, an increase of $35.1 million, or 7.31%, from the same period of 2021. The increase in noninterest expense was driven by a $20.4 million increase in FCSIC insurance expense premiums resulting from a premium rate of 20 basis points and an increase in adjusted debt obligations, an $11.1 million increase in salary and employee benefits and a $5.1 million increase in occupancy and equipment, partially offset by a decrease of $6.4 million in purchased services.

Noninterest expense for the year ended December 31, 2021, totaled $480.8 million, increasing $67.2 million, or 16.24%, from the same period of 2020. The increase in noninterest expense was driven by a $22.7 million increase in salaries and employee benefits, a $21.1 million increase in FCSIC expense due to an increase in the premium rate as well as an increase in adjusted debt obligations, an $11.7 million increase in other operating expenses, a $6.9 million increase in occupancy and equipment, and a $4.8 million increase in purchased services.

Loan Portfolio

The following table summarizes Texas District loans by loan type:

(in thousands)	December 31, 2022	December 31, 2021	December 31, 2020
Real estate mortgage	$ 22,114,936	$ 20,906,907	$ 17,674,977
Production and intermediate-term	4,555,061	4,021,114	3,518,445
Agribusiness:			
Loans to cooperatives	695,077	610,130	628,781
Processing and marketing	5,003,502	4,134,282	3,855,875
Farm-related business	623,805	557,816	446,451
Communications	1,134,299	926,645	856,600
Energy (rural utilities)	1,512,093	1,349,722	1,342,603
Water and waste disposal	248,392	164,665	163,366
Rural residential real estate	281,281	287,703	267,506
International	128,201	94,384	—
Mission-related	34,635	41,758	73,405
Loans to other financing institutions (OFIs)	51,878	39,067	31,597
Lease receivables	38,284	40,996	33,492
Total loans	$ 36,421,444	$ 33,175,189	$ 28,893,098

The Texas District loan portfolio consists of retail loans. The Bank's loans to the Texas District Associations, also referred to as direct notes, have been eliminated in the combined financial statements. Total Texas District loan volume at December 31, 2022 was $36.42 billion, an increase of $3.25 billion, or 9.79%, from the $33.18 billion loan portfolio balance at December 31, 2021. The loan volume increase during the twelve months ended December 31, 2022 was driven by a $1.88 billion increase in the Texas District Associations' loan portfolios and a $1.37 billion increase in the Bank's capital markets loan portfolio.

The Bank's capital markets loan portfolio, also referred to as participations purchased loan portfolio, predominantly includes participations, syndications and purchased whole loans, along with other financing structures within our lending authorities. The Bank also refers to the capital markets portfolio as participations purchased. In addition to purchasing loans from the Texas District's Associations, which may exceed their hold limits, the Bank seeks the purchase of participations and syndications originated outside of the Texas District's territory by other System institutions, commercial banks and other lenders. The Bank's capital markets loan portfolio depends to a significant degree on other relationships with other Farm Credit institutions. These loans may be held as earning assets of the Bank or sub-participated to the Texas District Associations or other System entities.

Portfolio Diversification

Loan concentrations exist when there are amounts loaned to multiple borrowers engaged in similar

activities, or within close proximity, which could cause them to be similarly impacted by economic or other conditions. While the amounts represent the maximum potential credit risk, a substantial portion of the Texas District's lending activities is collateralized and, accordingly, the credit risk associated with lending activities is considerably less than the recorded loan principal and is considered in the allowance for loan losses.

Portfolio credit risk is also evaluated with the goal of managing the concentration of credit risk. Concentration risk is reviewed and measured by industry, commodity, geography and customer limits.

The Texas District's concentration of credit risk in various agricultural commodities is shown in the following table:

(in thousands)	**December 31, 2022**	December 31, 2021	December 31, 2020
Livestock	**$ 12,009**	$ 11,083	$ 9,060
Crops	**4,992**	4,643	4,091
Timber	**2,231**	2,233	2,218
Dairy	**2,017**	1,906	1,574
Poultry	**1,030**	1,055	1,097
Cotton	**1,199**	1,203	1,072
Rural residential real estate	**253**	253	253
All other commodities	**12,689**	10,799	9,528
Total Loans	**$ 36,421**	$ 33,175	$ 28,893

The diversity of states underlying the Texas District's loan portfolio is reflected in the following table:

(in millions)	**December 31, 2022**	December 31, 2021	December 31, 2020
Texas	53 %	56 %	53 %
Alabama	6	7	7
Mississippi	6	6	7
Louisiana	4	4	4
California	3	3	2
All other states	28	24	27
Total Loans	100 %	100 %	100 %

Loan Quality

One credit quality indicator utilized by the Texas District is the Farm Credit Administration Uniform Loan Classification System that categorizes loans into five categories. The categories are defined as follows:

- *Acceptable* — assets expected to be fully collectible and represent the highest quality;
- *Other assets especially mentioned (OAEM)* — assets are currently collectible but exhibit some potential weakness;
- *Substandard* — assets exhibit some serious weakness in repayment capacity, equity and/or collateral pledged on the loan;
- *Doubtful* — assets exhibit similar weaknesses to substandard assets; however, doubtful assets have additional weaknesses in existing factors, conditions and values that make collection in full highly questionable; and
- *Loss* — assets are considered uncollectible.

The following table shows loans and related accrued interest receivable classified under the Uniform Loan Classification System as a percentage of total loans and related accrued interest receivable:

	December 31, 2022	**December 31, 2021**	**December 31, 2020**
Acceptable	**98.4%**	97.8%	97.0%
OAEM (special mention)	**0.7**	1.3	2.0
Substandard/doubtful	**0.9**	0.9	1.0
Total	**100.0%**	100.0%	100.0%

Overall credit quality in the Texas District remained strong at December 31, 2022. Loans classified as acceptable or OAEM as a percentage of total loans and accrued interest receivable were 99.1% at both December 31, 2022 and December 31, 2021 and 99.0% at December 31, 2020.

The table below summarizes the balances of the Texas District's nonperforming assets at December 31, 2022, December 31, 2021, and December 31, 2020.

(in thousands)	December 31, 2022	December 31, 2021	December 31, 2020
Nonaccrual loans:			
Real estate mortgage	**$ 56,389**	$ 44,826	$ 65,493
Production and intermediate-term	**16,407**	13,572	25,454
Agribusiness	**55,879**	2,005	3,971
Energy (rural utilities)	**9,880**	25,090	1,936
Rural residential real estate	**279**	880	840
Leases	**1,297**	—	—
Mission-related	**—**	1	900
Total nonaccrual loans	**140,131**	86,374	98,594
Accruing restructured loans:			
Real estate mortgage	**19,064**	21,579	23,039
Production and intermediate-term	**2,331**	3,190	2,909
Agribusiness	**1,741**	—	—
Rural residential real estate	**122**	118	141
Mission-related	**4,016**	4,930	5,123
Total accruing restructured loans	**27,274**	29,817	31,212
Accruing loans 90 days or more past due:			
Real estate mortgage	**7,891**	478	1,153
Production and intermediate-term	**1,431**	2,810	212
Agribusiness	**—**	—	5
Rural residential real estate	**—**	—	99
Mission-related	**5,032**	—	—
Total accruing loans 90 days or more past due	**14,354**	3,288	1,469
Total nonperforming loans	**181,759**	119,479	131,275
Other property owned	**4,712**	2,479	2,544
Total nonperforming assets	**$ 186,471**	$ 121,958	$ 133,819

The Texas District's nonperforming loans are composed of nonaccrual loans, accruing restructured loans and accruing loans 90 days or more past due, and are also referred to as impaired loans. Nonperforming assets consist of nonperforming loans and other property owned (OPO). Total nonperforming assets have increased by $64.5 million, or 52.90%, from $122.0 million at December 31, 2021 compared to $186.5 million at December 31, 2022. The increase in nonaccrual loans since December 31, 2021 largely reflects the transfer of loans to nonaccrual associated with borrowers in the agribusiness and dairy sectors.

At December 31, 2022, $80.4 million, or 57.40%, of loans classified as nonaccrual were current as to principal and interest, compared to $43.1 million, or 49.93%, of nonaccrual loans at December 31, 2021 and $58.1 million, or 58.93%, of nonaccrual loans at December 31, 2020.

The following tables provide an aging analysis of the loan portfolio (including accrued interest):

December 31, 2022	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less Than 30 Days Past Due	Total Loans
Real estate mortgage	**$ 92,420**	**$ 36,756**	**$ 129,176**	**$ 22,183,978**	**$ 22,313,154**
Production and intermediate-term	**37,334**	**12,375**	**49,709**	**4,553,960**	**4,603,669**
Agribusiness	**18,382**	**2,387**	**20,769**	**6,341,264**	**6,362,033**
Communications	**—**	**—**	**—**	**1,137,459**	**1,137,459**
Energy (rural utilities)	**—**	**6**	**6**	**1,520,132**	**1,520,138**
Water and waste disposal	**—**	**—**	**—**	**249,385**	**249,385**
Rural residential real estate	**2,419**	**79**	**2,498**	**279,725**	**282,223**
International	**—**	**—**	**—**	**129,559**	**129,559**
Mission-related	**3,176**	**5,032**	**8,208**	**26,837**	**35,045**
Loans to OFIs	**—**	**—**	**—**	**52,054**	**52,054**
Lease receivables	**245**	**1,297**	**1,542**	**36,894**	**38,436**
Total loans	**$ 153,976**	**$ 57,932**	**$ 211,908**	**$ 36,511,247**	**$ 36,723,155**

December 31, 2021	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less Than 30 Days Past Due	Total Loans
Real estate mortgage	$ 96,715	$ 16,372	$ 113,087	$ 20,957,168	$ 21,070,255
Production and intermediate-term	9,506	8,391	17,897	4,031,456	4,049,353
Agribusiness	1,160	—	1,160	5,319,239	5,320,399
Communications	—	—	—	927,018	927,018
Energy (rural utilities)	—	16,069	16,069	1,338,264	1,354,333
Water and waste disposal	—	—	—	165,506	165,506
Rural residential real estate	2,263	399	2,662	285,906	288,568
International	—	—	—	94,540	94,540
Mission-related	246	1	247	41,849	42,096
Loans to OFIs	—	—	—	39,125	39,125
Lease receivables	167	—	167	40,997	41,164
Total loans	$ 110,057	$ 41,232	$ 151,289	$ 33,241,068	$ 33,392,357

December 31, 2020	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less Than 30 Days Past Due	Total Loans
Real estate mortgage	$ 90,611	$ 25,962	$ 116,573	$ 17,710,722	$ 17,827,295
Production and intermediate-term	27,608	3,683	31,291	3,513,820	3,545,111
Agribusiness	367	312	679	4,948,503	4,949,182
Communications	—	—	—	856,769	856,769
Energy (rural utilities)	1,924	—	1,924	1,345,098	1,347,022
Water and waste disposal	—	—	—	164,253	164,253
Rural residential real estate	2,384	328	2,712	265,622	268,334
International	—	—	—	—	—
Mission-related	1,889	900	2,789	71,357	74,146
Loans to OFIs	—	—	—	31,653	31,653
Lease receivables	—	—	—	33,655	33,655
Total loans	$ 124,783	$ 31,185	$ 155,968	$ 28,941,452	$ 29,097,420

A summary of changes in the allowance for loan losses and period-end recorded investment in loans is as follows:

(in thousands)	Real Estate Mortgage	Production and Intermediate-Term	Agri-business	Communi-cations	Energy and Water/Waste Disposal	Rural Residential Real Estate	Inter-national	Mission-Related	Loans to OFIs	Lease Receivables	Total
Allowance for Loan Losses:											
Balance at December 31, 2021	$ 44,490	$ 15,495	$ 14,701	$ 824	$ 9,296	$ 313	$ 90	$ 128	$ —	$ 133	$ 85,470
Provision for credit losses/ (Loan loss reversal)	625	(1,435)	7,034	145	(4,320)	5	(3)	(72)	—	335	2,314
Recoveries	269	1,108	654	—	—	3	—	8	—	—	2,042
Charge-offs	(548)	(1,406)	—	—	(1,333)	—	—	—	—	—	(3,287)
Other*	(77)	(223)	(760)	(10)	57	(2)	(7)	—	—	1	(1,021)
Balance at December 31, 2022	$ 44,759	$ 13,539	$ 21,629	$ 959	$ 3,700	$ 319	$ 80	$ 64	$ —	$ 469	$ 85,518
Individually evaluated for impairment	$ 2,997	$ 886	$ 5,266	$ —	$ 2,567	$ 7	$ —	$ 60	$ —	$ 296	$ 12,079
Collectively evaluated for impairment	41,762	12,653	16,363	959	1,133	312	80	4	—	173	73,439
Balance at December 31, 2022	$ 44,759	$ 13,539	$ 21,629	$ 959	$ 3,700	$ 319	$ 80	$ 64	$ —	$ 469	$ 85,518
Recorded Investments in Loans Outstanding:											
Loans individually evaluated for impairment	$ 79,218	$ 19,182	$ 62,405	$ —	$ 9,880	$ 365	$ —	$ 9,048	$ 52,054	$ 1,297	$ 233,449
Loans collectively evaluated for impairment	22,233,936	4,584,487	6,299,627	1,137,459	1,759,643	281,858	129,559	25,997	—	37,139	36,489,705
Balance at December 31, 2022	$22,313,154	$4,603,669	$6,362,032	$1,137,459	$1,769,523	$282,223	$129,559	$35,045	$52,054	$38,436	$36,723,154

*Reserve for losses on letters of credit and unfunded commitments is recorded in other liabilities.

(in thousands)	Real Estate Mortgage	Production and Intermediate-Term	Agri-business	Communi-cations	Energy and Water/Waste Disposal	Rural Residential Real Estate	Inter-national	Mission-Related	Loans to OFIs	Lease Receivables	Total
Allowance for Loan Losses:											
Balance at December 31, 2020	$ 49,204	$ 24,214	$ 16,354	$ 864	$ 2,867	$ 391	$ —	$ 124	$ —	$ 450	$ 94,468
Provision for credit losses/(Loan loss reversal)	(4,757)	(10,693)	(2,121)	(20)	6,522	(84)	115	4	—	(316)	(11,350)
Recoveries	466	1,951	551	—	35	7	—	—	—	—	3,010
Charge-offs	(422)	(773)	(791)	—	—	—	—	—	—	—	(1,986)
Other*	(1)	796	708	(20)	(128)	(1)	(25)	—	—	(1)	1,328
Balance at December 31, 2021	$ 44,490	$ 15,495	$ 14,701	$ 824	$ 9,296	$ 313	$ 90	$ 128	$ —	$ 133	$ 85,470
Individually evaluated for impairment	$ 2,178	$ 2,024	$ 368	$ —	$ 6,552	$ 9	$ —	$ 123	$ —	$ —	$ 11,254
Collectively evaluated for impairment	42,312	13,471	14,333	824	2,744	304	90	5	—	133	74,216
Balance at December 31, 2021	$ 44,490	$ 15,495	$ 14,701	$ 824	$ 9,296	$ 313	$ 90	$ 128	$ —	$ 133	$ 85,470
Recorded Investments in Loans Outstanding:											
Loans individually evaluated for impairment	$ 70,617	$ 21,343	$ 2,004	$ —	$ 23,263	$ 1,172	$ —	$ 4,931	$ —	$ —	$ 123,330
Loans collectively evaluated for impairment	20,999,638	4,028,010	5,318,395	927,018	1,496,576	287,396	94,540	37,165	39,125	41,164	33,269,027
Balance at December 31, 2021	$ 21,070,255	$ 4,049,353	$ 5,320,399	$ 927,018	$ 1,519,839	$ 288,568	$ 94,540	$ 42,096	$ 39,125	$ 41,164	$ 33,392,357

*Reserve for losses on letters of credit and unfunded commitments is recorded in other liabilities.

(in thousands)	Real Estate Mortgage	Production and Intermediate-Term	Agri-business	Communi-cations	Energy and Water/Waste Disposal	Rural Residential Real Estate	Mission-Related	Loans to OFIs	Lease Receivables	Total
Allowance for Loan Losses:										
Balance at December 31, 2019	$ 44,263	$ 24,200	$ 15,029	$ 609	$ 5,082	$ 422	$ 124	$ —	$ 130	$ 89,859
Provision for credit losses/(Loan loss reversal)	5,027	528	1,824	261	546	(29)	—	—	320	8,477
Recoveries	725	2,948	191	—	1	23	—	—	—	3,888
Charge-offs	(784)	(3,036)	(121)	—	(3,325)	(25)	—	—	—	(7,291)
Other*	(27)	(426)	(569)	(6)	563	—	—	—	—	(465)
Balance at December 31, 2020	$ 49,204	$ 24,214	$ 16,354	$ 864	$ 2,867	$ 391	$ 124	$ —	$ 450	$ 94,468
Individually evaluated for impairment	$ 1,469	$ 2,324	$ 443	$ —	$ 1,316	$ 19	$ 117	$ —	$ —	$ 5,688
Collectively evaluated for impairment	47,735	21,890	15,911	864	1,551	372	7	—	450	88,780
Balance at December 31, 2020	$ 49,204	$ 24,214	$ 16,354	$ 864	$ 2,867	$ 391	$ 124	$ —	$ 450	$ 94,468
Recorded Investments in Loans Outstanding:										
Loans individually evaluated for impairment	$ 90,856	$ 28,643	$ 9,534	$ —	$ 1,936	$ 1,158	$ 6,023	$ —	$ —	$ 138,150
Loans collectively evaluated for impairment	17,736,439	3,516,468	4,939,648	856,769	1,509,339	267,176	68,123	31,653	33,655	28,959,270
Balance at December 31, 2020	$ 17,827,295	$ 3,545,111	$ 4,949,182	$ 856,769	$ 1,511,275	$ 268,334	$ 74,146	$ 31,653	$ 33,655	$ 29,097,420

*Reserve for losses on letters of credit and unfunded commitments is recorded in other liabilities.

Loans, net of the allowance for loan losses, represented 81.51%, 80.78%, and 80.88% of total assets at December 31, 2022, 2021 and 2020, respectively.

Effective January 1, 2023, the Texas District adopted the current expected credit losses (CECL) accounting guidance that replaced the incurred loss guidance. CECL established a single allowance framework for all financial assets measured at amortized cost, certain off-balance sheet credit exposures, and changed the impairment recognition model for available-for-sale securities. The guidance requires management to consider in its estimate of allowance for credit losses (ACL) relevant historical events, current conditions and reasonable and supportable forecasts that affect the collectability of the assets. The adoption of this guidance resulted in a cumulative effect transition adjustment at January 1, 2023, reflecting an increase in the Texas District's ACL of approximately $12.6 million, and a corresponding decrease in retained earnings of approximately $12.5 million, net of taxes.

Investments

The Bank is responsible for meeting the Texas District's funding, liquidity and asset/liability management needs. While access to the unsecured debt capital markets remains the Bank's primary source of liquidity, the Bank also maintains a secondary source of liquidity through a high-quality investment portfolio and other short-term liquid assets. The Bank holds these investments on an available-for-sale basis. Refer to the Bank's 2022 Annual Report for additional description of the types of investments and maturities. Additionally, the Texas District Associations have regulatory authority to enter into certain guaranteed investments that are typically mortgage-backed or asset-backed securities. The Texas District's investment portfolio is summarized in the following table:

(in thousands)	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
December 31, 2022				
Bank investments	**$ 7,261,356**	**$ 1,267**	**$ (607,672)**	**$ 6,654,952**
Texas District Association investments	**132,434**	**935**	**(346)**	**133,023**
Total Texas District investments	**$ 7,393,790**	**$ 2,202**	**$ (608,018)**	**$ 6,787,975**
December 31, 2021				
Bank investments	$ 6,590,103	$ 30,202	$ (60,066)	$ 6,560,239
Texas District Association investments	120,735	888	(110)	121,513
Total Texas District investments	$ 6,710,838	$ 31,090	$ (60,176)	$ 6,681,752
December 31, 2020				
Bank investments	$ 5,468,160	$ 82,825	$ (2,818)	$ 5,548,167
Texas District Association investments	87,681	598	(87)	88,192
Total Texas District investments	$ 5,555,841	$ 83,423	$ (2,905)	$ 5,636,359

The Texas District Associations' investments in the preceding tables include held-to-maturity securities with an amortized cost of $3.4 million (unrealized net loss of $142 thousand and fair value of $3.2 million), amortized cost of $6.1 million (unrealized net gain of $108 thousand and fair value of $6.2 million) and amortized cost of $8.3 million (an unrealized gain of $184 thousand and fair value of $8.5 million) as of December 31, 2022, December 31, 2021 and December 31, 2020, respectively. These securities are reported at amortized cost and included in investment securities on the balance sheets.

As discussed above, effective January 1, 2023, the Texas District adopted CECL guidance which amends existing impairment guidance for held-to-maturity and available-for-sale investments to incorporate an allowance, which will allow for the reversal of credit impairments in the event that the credit of an issuer improves. The Texas District did not have a cumulative effect transition upon adoption on January 1, 2023 in relation to investments and does not expect credit losses on a significant portion of its available-for-sale securities as a majority of the portfolio consists of U.S. Treasury and U.S. agency securities that inherently have an immaterial risk of loss.

Capital Resources

The Texas District's equity totaled $5.31 billion at December 31, 2022 including $1.03 billion in preferred stock, $72.7 million in capital stock and participation certificates, $4.55 billion in retained earnings and $222.0 million in additional paid-in-capital, partially offset by accumulated other comprehensive loss of $566.2 million.

Borrower equity purchases required by Texas District Association capitalization bylaws, combined with a history of growth in retained earnings at Texas District institutions, have resulted in Texas District institutions being able to maintain strong capital positions. The $5.31 billion capital position of the Texas District at December 31, 2022 reflected a decrease of $174.9 million compared to the capital position of $5.48 billion at December 31, 2021. The change since December 31, 2021 reflects a $407.4 million increase in accumulated other comprehensive loss, dividend payments of $62.0 million, estimated patronage payments of $382.1 million, and preferred stock retirements of $20.0 million, partially offset by year-to-date income of $688.6 million and $8.0 million in net capital stock and allocated equities issued.

Following is a summary of the components of accumulated other comprehensive loss:

(in thousands)	December 31, 2022	December 31, 2021	December 31, 2020
Unrealized losses on investment securities	$ (605,817)	$ (29,194)	$ 80,334
Derivatives and hedging position	63,900	(66,199)	(107,943)
Employee benefit plan position	(24,310)	(63,405)	(113,787)
Total Accumulated Other Comprehensive Loss	$ (566,227)	$ (158,798)	$ (141,396)

Accumulated other comprehensive loss totaled $566.2 million at December 31, 2022, an increase of $407.4 million from December 31, 2021. The increase in accumulated other comprehensive loss reflects a $576.6 million increase in unrealized losses on the Bank's available-for-sale investments, a $130.1 million decrease related to changes in the valuation of interest rate swaps at the Bank and a $39.1 million decrease in unrealized losses on pension and other postretirement benefit plans. All changes are primarily attributable to increases in interest rates.

The Farm Credit Administration sets minimum regulatory capital requirements for System banks and associations.

December 31, 2022	Primary Components of Numerator	Regulatory Minimums with Capital Conservation Buffers	Bank	Texas District Associations
Risk adjusted:				
Common equity tier 1 capital ratio	Unallocated retained earnings (URE), common cooperative equities (qualifying capital stock and allocated equity)[1]	7.00%	8.66%	9.80% - 18.06%
Tier 1 capital ratio	CET1 capital, noncumulative perpetual preferred stock	8.50%	13.42%	11.83% - 18.06%
Total capital ratio	Tier 1 capital, allowance for loan losses[2], common cooperative equities[3] and term preferred stock and subordinated debt[4]	10.50%	13.50%	12.12% - 18.50%
Permanent capital ratio	Retained earnings, common stock, noncumulative perpetual preferred stock and subordinated debt, subject to certain limits	7.00%	13.43%	11.86% - 18.14%
Non-risk adjusted:				
Tier 1 leverage ratio*	Tier 1 capital	5.00%	5.94%	10.53% - 17.82%
UREE leverage ratio	URE and URE equivalents	1.50%	2.50%	5.37% - 17.51%

*Must include the regulatory minimum requirements for the URE and UREE leverage ratio

[1]Equities outstanding 7 or more years

[2]Capped at 1.25% of risk-adjusted assets

[3]Outstanding 5 or more years, but less than 7 years

[4]Outstanding 5 or more years

Employee Benefit Plans

The employees of the Bank and substantially all Associations participate in various defined benefit retirement plans. The defined benefit retirement plan is noncontributory and the benefits are based on salary and years of service. As of January 1, 1996, the Bank and Associations froze participation in their defined benefit pension plan and offered defined contribution retirement plans to all employees hired subsequent to the freeze.

In addition, the Bank and Associations provide certain health care and other postretirement benefits to eligible retired employees, beneficiaries and directors (other postretirement benefit plan). Employees may become eligible for health care and other postretirement benefits if they reach normal retirement age while working for the Bank or an Association. These benefits are not characterized as multiemployer and, consequently, the liability for these benefits is included in other liabilities individually for the Bank and each Association, as applicable.

Employees of the Texas District participate in either the Texas District's defined benefit retirement plan (DB Plan) or in a non-elective defined contribution feature (DC Plan) within the Farm Credit Benefits Alliance 401(k) plan (401(k) Plan). In addition, all employees may participate in the 401(k) Plan. As previously mentioned, the DB Plan is noncontributory, and benefits are based on salary and years of service. The legal name of the plan is Farm Credit Bank of Texas Pension Plan and its employer identification number is 74-1110170. Participants in the non-elective pension feature of the DC Plan direct the placement of their employers' contributions made on their behalf into various investment alternatives.

The Texas District also participates in the 401(k) Plan, which offers a pre-tax and after-tax and Roth compensation deferral feature. Employers match 100% of employee contributions for the first 3% of eligible compensation and then match 50% of employee contributions on the next 2% of eligible compensation, for a maximum employer contribution of 4% of eligible compensation.

Certain executive or highly compensated employees in the Texas District are eligible to participate in a separate nonqualified supplemental 401(k) plan, named the Farm Credit Benefits Alliance Nonqualified Supplemental 401(k) Plan (Supplemental 401(k) Plan). The Supplemental 401(k) Plan allows Texas District employers election to participate in any or all of the following benefits:

- *Restored Employer Contributions* — to allow “make-up” contributions for eligible employees whose benefits to the qualified 401(k) Plan were limited by the Internal Revenue Code during the year;
- *Elective Deferrals* — to allow eligible employees to make pre-tax deferrals of compensation above and beyond any deferrals into the qualified 401(k) Plan; and/or
- *Discretionary Contributions* — to allow participating employers to make a discretionary contribution to an eligible employee’s account in the Supplemental 401(k) Plan and to designate a vesting schedule.

The unfunded status of the pension benefit plan decreased $27.1 million, or 26.38%, compared to the prior year. The unfunded status of the other postretirement benefit plan decreased $16.8 million, or 21.20%, compared to the prior year. The unfunded status of both plans was impacted by higher discount rates.

The funding status and the amounts recognized in the combined balance sheet of the Texas District for pension and other postretirement benefit plans follows:

(in thousands)

December 31, 2022	Pension Benefit Plan	Other Postretirement Benefit Plan
Fair value of plan assets	$ 184,418	$ —
Projected benefit obligation	260,042	62,409
Funded (unfunded) status	$ (75,624)	$ (62,409)
Accumulated benefit obligation	$ 256,801	$ —
Assumptions used to determine benefit obligations:		
Discount rate	5.15 %	5.20 %
Expected long-term rate of return	6.80 %	N/A
Rate of compensation increase	5.00 %	N/A

December 31, 2021	Pension Benefit Plan	Other Postretirement Benefit Plan
Fair value of plan assets	$ 245,976	$ —
Projected benefit obligation	348,700	79,196
Funded (unfunded) status	$ (102,724)	$ (79,196)
Accumulated benefit obligation	$ 341,804	$ —
Assumptions used to determine benefit obligations:		
Discount rate	2.80 %	3.15 %
Expected long-term rate of return	5.70 %	N/A
Rate of compensation increase	4.50 %	N/A

December 31, 2020	Pension Benefit Plan	Other Postretirement Benefit Plan
Fair value of plan assets	$ 254,237	$ —
Projected benefit obligation	405,892	80,001
Funded (unfunded) status	$ (151,655)	$ (80,001)
Accumulated benefit obligation	$ 395,159	$ —
Assumptions used to determine benefit obligations:		
Discount rate	2.40 %	2.80 %
Expected long-term rate of return	5.80 %	N/A
Rate of compensation increase	4.50 %	N/A

Combined Balance Sheets

(Unaudited)

(in thousands)	December 31, 2022	December 31, 2021	December 31, 2020
ASSETS			
Cash	**$ 141,371**	$ 160,593	$ 130,559
Federal funds sold and overnight investments	**301,678**	194,223	208,229
Investment securities	**6,787,975**	6,681,644	5,636,175
Loans	**36,421,444**	33,175,189	28,893,098
Less allowance for loan losses	**85,517**	85,470	94,468
Net loans	**36,335,927**	33,089,719	28,798,630
Accrued interest receivable	**323,883**	226,266	214,068
Premises and equipment, net	**265,531**	264,404	250,342
Other assets	**424,005**	346,977	368,911
Total assets	**$ 44,580,370**	$ 40,963,826	$ 35,606,914
LIABILITIES			
Bonds and notes	**$ 38,321,742**	$ 34,640,428	$ 29,723,429
Accrued interest payable	**153,471**	65,388	61,063
Patronage distributions payable	**280,859**	248,718	208,730
Preferred stock dividends payable	**11,600**	11,600	11,600
Other liabilities	**506,666**	516,730	615,350
Total liabilities	**39,274,338**	35,482,864	30,620,172
MEMBERS' EQUITY			
Preferred stock	**1,030,000**	1,050,000	770,000
Capital stock and participation certificates	**72,715**	72,262	69,229
Allocated retained earnings	**1,030,345**	944,007	876,706
Unallocated retained earnings	**3,517,173**	3,351,465	3,187,578
Additional paid-in-capital	**222,026**	222,026	224,625
Accumulated other comprehensive loss	**(566,227)**	(158,798)	(141,396)
Total members' equity	**5,306,032**	5,480,962	4,986,742
Total liabilities and members' equity	**$ 44,580,370**	$ 40,963,826	$ 35,606,914

Combined Statements of Income

(Unaudited)

(in thousands)	December 31, 2022	2021	2020
Interest Income			
Investment securities	**$ 122,820**	$ 73,628	$ 96,169
Loans	**1,622,223**	1,260,693	1,234,560
Total interest income	**1,745,043**	1,334,321	1,330,729
Interest Expense			
Bonds and notes	**532,833**	287,153	372,551
Notes payable and other	**96,137**	28,550	46,840
Total interest expense	**628,970**	315,703	419,391
Net interest income	**1,116,073**	1,018,618	911,338
Provision for credit losses (loan loss reversal)	**2,314**	(11,350)	8,477
Net interest income after provision for credit losses (loan loss reversal)	**1,113,759**	1,029,968	902,861
Noninterest income			
Patronage income	**33,269**	27,183	24,895
Fees for loan-related services	**45,846**	51,776	52,559
Refunds from Farm Credit System Insurance Corporation	**—**	—	6,135
Other income, net	**11,882**	14,049	5,502
Total noninterest income	**90,997**	93,008	89,091
Noninterest expense			
Salaries and employee benefits	**274,290**	263,208	240,503
Occupancy and equipment	**59,314**	54,173	47,231
Purchased services	**41,805**	48,174	43,406
Farm Credit System Insurance Corporation expense	**65,503**	45,083	24,031
Other operating expenses	**75,065**	70,208	58,486
Total noninterest expense	**515,977**	480,846	413,657
Income before income taxes	**688,779**	642,130	578,295
Provision for income taxes	**164**	631	54
Net income	**$ 688,615**	$ 641,499	$ 578,241

Select Information on Texas District Associations

(Unaudited)

(in thousands) As of December 31, 2022	Direct Notes	% of Total Direct Notes	Total Assets	Total Allowance and Capital	Total Capital Ratio	Nonperforming Loans as a % of Total Loans	Annualized ROA
Ag New Mexico, Farm Credit Services, ACA	$ 341,731	1.43%	$ 405,241	$ 55,928	12.43%	0.52%	1.37%
AgTexas Farm Credit Services	2,494,952	10.46%	2,991,579	409,898	13.05%	1.14%	2.15%
Alabama Ag Credit, ACA	1,081,476	4.53%	1,327,529	229,454	15.99%	0.53%	1.76%
Alabama Farm Credit, ACA	936,426	3.93%	1,102,134	145,995	12.12%	0.55%	1.65%
Capital Farm Credit, ACA	9,840,347	41.26%	11,841,354	1,749,732	13.33%	0.58%	2.51%
Central Texas Farm Credit, ACA	526,381	2.21%	665,216	125,834	17.32%	0.44%	1.92%
Heritage Land Bank, ACA	572,069	2.40%	684,999	107,750	14.14%	0.03%	1.42%
Legacy Ag Credit, ACA	305,599	1.28%	376,361	69,039	18.50%	1.06%	1.52%
Lone Star, ACA	2,081,943	8.73%	2,546,654	418,371	15.50%	0.12%	2.06%
Louisiana Land Bank, ACA	859,992	3.61%	1,059,847	186,544	16.09%	0.83%	1.87%
Mississippi Land Bank, ACA	807,277	3.38%	989,628	159,549	14.63%	0.05%	1.68%
Plains Land Bank, FLCA	823,978	3.45%	993,327	164,505	14.26%	0.69%	2.27%
Southern AgCredit, ACA	1,186,589	4.98%	1,431,539	210,431	14.14%	0.09%	1.74%
Texas Farm Credit Services	1,991,027	8.35%	2,294,433	265,354	12.72%	0.48%	2.11%
Totals	$ 23,849,787	100.00%	$28,709,841	$4,298,384			

Texas District Contact Information

Name of Entity	Headquarters Location	Contact Number	Website
Ag New Mexico, Farm Credit Services, ACA	4501 N. Prince Street, Clovis, New Mexico 88101	575-762-3828	*www.agnewmexico.com*
AgTexas Farm Credit Services	5004 N. Loop 289, Lubbock, Texas 79416	806-687-4068	*www.agtexas.com*
Alabama Ag Credit, ACA	7480 Halcyon Pointe Drive, Suite 201, Montgomery, Alabama 36117	334-270-8687	*www.alabamaagcredit.com*
Alabama Farm Credit, ACA	300 2nd Avenue SW, Cullman, Alabama 35055	256-737-7128	*www.alabamafarmcredit.com*
Capital Farm Credit, ACA	3000 Briarcrest Drive, Suite 601, Bryan, Texas 77802	979-822-3018	*www.capitalfarmcredit.com*
Central Texas Farm Credit, ACA	1026 Early Boulevard, Early, Texas 76802	325-643-5563	*www.ranchmoney.com*
Farm Credit Bank of Texas	4801 Plaza on the Lake Drive, Austin, Texas 78746	512-465-0400	*www.farmcreditbank.com*
Heritage Land Bank, ACA	4608 Kinsey Drive, Suite 100, Tyler, Texas 75703	903-534-4975	*www.heritagelandbank.com*
Legacy Ag Credit, ACA	303 Connally Street, Sulphur Springs, Texas 75482	903-885-9566	*www.legacyaca.com*
Lone Star, ACA	1612 Summit Avenue, Suite 300, Fort Worth, Texas 76102	817-332-6565	*www.lonestaragcredit.com*
Louisiana Land Bank, ACA	2413 Tower Drive, Monroe, Louisiana 71201	318-387-7535	*www.louisianalandbank.com*
Mississippi Land Bank, ACA	5509 Highway 51 North, Senatobia, Mississippi 38668	662-562-9671	*www.mslandbank.com*
Plains Land Bank, FLCA	1616 S. Kentucky Street, Suite C-250, Amarillo, Texas 79102	806-331-0926	*www.plainslandbank.com*
Southern AgCredit, ACA	402 West Parkway Place, Ridgeland, Mississippi 39157	601-499-2820	*www.southernagcredit.com*
Texas Farm Credit Services	545 S. Highway 77, Robstown, Texas 78380	361-387-8563	*www.texasfarmcredit.com*