

2025

Annual Report



Charting the Course Ahead

2025 Annual Financial Information

(Unaudited, dollars in thousands, except as noted)

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 Alabama, Louisiana, Mississippi, New Mexico and Texas. As of December 31, 2025, the Bank served one Federal Land Credit Association (FLCA) and 11 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 jointly 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, 2025, 2024 and 2023.

Combined Financial Highlights

(dollars in thousands, except as noted)

As of December 31,	2025	2024	2023
Total loans	\$ 42,183,360	\$ 39,797,143	\$ 37,720,675
Allowance for credit losses on loans	139,750	130,933	121,261
Net loans	42,043,610	39,666,210	37,599,414
Total assets	50,991,438	48,203,586	45,906,962
Total members' equity	6,206,273	5,809,862	5,497,476
Year Ended December 31,	2025	2024	2023
Net interest income	\$ 1,247,804	\$ 1,192,469	\$ 1,135,317
Provision for credit losses on loans	127,488	51,312	53,100
Net fee income	55,787	45,595	44,549
Net income	682,138	690,869	643,086
Net interest margin	2.56 %	2.61 %	2.55 %
Net loan charge-offs as a percentage of average loans	0.29	0.10	0.07
Return on average assets (ROA)	1.37	1.48	1.41
Return on average shareholders' equity (ROE)	10.89	11.62	11.58
Operating expenses as a percentage of net interest income and noninterest income	40.69	41.94	43.54
Average loans	\$ 41,036,855	\$ 38,449,415	\$ 37,286,116
Average interest earning assets	48,680,489	45,756,488	44,513,406
Average total assets	49,748,175	46,826,167	45,538,735

Management's Discussion and Analysis

(dollars in thousands, except as noted)

CONDITIONS IN THE TEXAS DISTRICT

The Texas District continues to fulfill its mission to support agriculture and rural communities by providing access to reliable and consistent credit. Persistent operating environment dynamics continue to present challenges, driven by factors such as commodity price volatility, elevated input and debt costs, and evolving trade policies, all of which are impacting performance across multiple sectors. Despite these challenges, overall credit quality in the Texas District remains stable.

On February 5, 2026, the United States Department of Agriculture (USDA) released that net farm income (nominal) is forecasted at \$153.4 billion in 2026, down \$1.2 billion or 0.7 percent relative to 2025, but remaining above the 20-year average. Total animal and animal product receipts are projected to decrease year-over-year (YOY) by 5.8 percent to \$273.9 billion in 2026. Lower prices are expected to lead to lower cash receipts. Receipts for eggs and dairy are expected to see the largest declines. Total crop receipts are forecasted to increase YOY by 1.2 percent to \$240.8 billion in 2026. Corn and vegetables/melon receipts are expected to rise in 2026 while soybeans, cotton and wheat cash receipts are expected to decline. Total production expenses are forecasted to increase YOY (nominally) by 1.0 percent to \$477.7 billion in 2026. Livestock/poultry purchases are expected to see the largest increase in 2026. Farm sector assets and equity are forecasted to increase by 3.2 percent and 2.9 percent, respectively. Farm sector debt is expected to increase by 5.2 percent in 2026. Consequently, farm sector debt-to-asset ratio is forecasted to increase to 13.8 percent while working capital is forecasted to contract YOY by about 9.2 percent.

On December 8, 2025, the USDA announced \$12.0 billion in one-time financial support to farmers in the form of a Farmer Bridge Assistance (FBA) program. The payments are in response to temporary trade market disruptions and increased production costs. Up to \$11.0 billion will be used for the FBA program, which provides broad relief to United States row crop farmers who produce corn, cotton, rice, sorghum, soybeans and wheat, among other crops. On February 20, 2026, USDA announced that the FBA enrollment period opens February 23, 2026 and closes April 17, 2026. Farmers who qualify for the FBA program could receive a payment as early as February 28, 2026. The remaining \$1.0 billion of the \$12.0 billion in bridge payments is reserved for commodities not covered in the FBA program such as specialty crops and sugar. The payments are authorized under the Commodity Credit Corporation Charter Act and will be administered by the Farm Service Agency. Specialty crop producers have until March 13, 2026 to report 2025 acres to USDA's Farm Service Agency.

After three consecutive 25 basis points cuts in the target federal funds rate, the FOMC voted for holding the target federal funds range constant at the 3.50 - 3.75 percent range during the January 27 - 28, 2026 meeting. The FOMC considers that there are risks on both sides of the dual mandate, high and persistent inflation as well as a downside risk to employment. The percentage change in the Consumer Price Index (inflation) for All Urban Consumers decreased YOY from 3.0 percent in December 2024 to 2.7 percent in December 2025 and similarly declined month-over-month (MOM) to 2.4 percent in January 2026. Inflation is gradually approaching the Federal Reserve's long-term target of approximately 2.0 percent.

The Bureau of Labor Statistics reported that the U.S. unemployment rate was 4.3 percent in January 2026, up from 4.0 percent YOY but slightly down from 4.4 percent in December 2025. December 2025 state unemployment rates in the Texas District ranged from a low of 2.7 percent in Alabama to a high of 4.3 percent in Texas and New Mexico. The Texas unemployment rate ticked up YOY from 4.2 to 4.3 percent in December 2025. Overall, the unemployment rates in the Texas District remain relatively stable and below the national average.

On February 20, 2026, the U.S. Bureau of Economic Analysis (BEA) released its advance estimate of real gross domestic product (GDP) for the fourth quarter of 2025. U.S. real GDP increased at an annual rate of 1.4 percent, down from 4.4 percent in the prior quarter and from a 1.9 percent increase in the year-ago period. The higher U.S. real GDP in the fourth quarter of 2025 reflected increases in consumer spending and investment. These movements were partly offset by decreases in government spending and exports. Imports, which are a subtraction in the calculation of GDP, decreased. Within the Texas District, annualized real GDP growth increased quarter-over-quarter (QOQ) in all Texas District states in the third quarter of 2025, ranging from an increase of 3.5 percent in Louisiana to an increase of 4.8 percent in Mississippi. Real GDP growth accelerated compared to the same period a year ago in three of the five Texas District states, except for Texas and Alabama. Real GDP growth in Mississippi and Alabama was greater than the national average.

The quarterly average West Texas Intermediate (WTI) spot price (FOB) decreased QOQ by about 9.4 percent in the fourth quarter 2025, closing the quarter slightly below \$60 per barrel, but averaging about \$65 per barrel in 2025. The quarterly average WTI price also decreased YOY in the fourth quarter of 2025 by 15.7 percent. The Energy Information Administration's (EIA) February 2026 Short Term Energy Outlook estimates that the WTI crude oil spot price will average about \$54 per barrel in 2026 and \$49 per barrel in 2027. These prices are generally below the level needed to profitably drill a new well in the Permian Basin, but still generally above the level needed to cover operating expenses. Global oil prices are expected to decline as global oil production exceeds global

demand, causing inventories to rise in 2026 and 2027. The U.S. benchmark Henry Hub natural gas spot price averaged \$2.19 per million British thermal units (MMBtu) in 2024 and increased by 61 percent to \$3.53/MMBtu in 2025. After increasing by 81 percent MOM in January 2026, EIA forecasts that the natural gas price will increase by 22 percent YOY in 2026 before increasing by 2 percent in 2027.

The January 2026 edition of S&P Global Agricultural Commodity Price Watch estimated that U.S. average farm prices of cotton and soybeans slightly increased QOQ in the fourth quarter of 2025 while corn and wheat farm prices declined. Additionally, average soybean farm prices increased YOY as of the fourth quarter 2025 while cotton, corn and wheat farm prices decreased YOY. Quarterly average cattle, chicken, hog and dairy prices are estimated to have declined QOQ in the fourth quarter 2025. Cattle and hog prices increased YOY while chicken and dairy prices declined. Beef cattle demand remains strong and supply is tight. In terms of lumber, the quarterly average physical cash price decreased QOQ by about 2.0 percent and YOY by about 4.1 percent in December 2025. The lumber physical cash price increased MOM in January 2026.

The combined Drought Monitor for the five Texas District states as of December 29, 2025, indicates that drought area categorized as moderate, severe, extreme and exceptional deteriorated from the prior quarter and from the conditions experienced over the same period a year ago. Texas District area in drought (from Moderate to Exceptional) deteriorated a bit further in January 2026, reaching about 61 percent as of the week of January 27, 2026, up from about 34 percent in the year-ago period. The National Weather Service states that La Niña's impacts are expected to remain through at least April 2026. Above-normal temperatures are favored over California, the Southwest, Southern Plains, Lower Mississippi Valley, and Southeast. Below-normal precipitation is also more likely for these same areas through April 2026.

The Texas District's loan portfolio is well-supported by industry diversification and conservative advance rates. Additionally, a high percentage of the Texas District's borrowers primarily rely on non-farm sources of income to repay their loans.

RESULTS OF OPERATIONS

Net Income

The Texas District's net income of \$682.1 million for the year ended December 31, 2025 reflected a decrease of \$8.7 million, or 1.26 percent, from the same period of 2024. The decrease in net income was primarily driven by a \$76.2 million increase in the provision for credit losses on loans and a \$19.4 million increase in noninterest expense, partially offset by a \$55.3 million increase in net interest income and a \$31.3 million increase in noninterest income. The return on average assets decreased to 1.37 percent for the year ended December 31, 2025, from 1.48 percent for the year ended December 31, 2024.

The Texas District's net income of \$690.9 million for the year ended December 31, 2024 reflected an increase of \$47.8 million, or 7.43 percent, from the same period of 2023. The increase in net income was primarily driven by a \$57.2 million increase in net interest income, partially offset by a \$12.0 million decrease in noninterest income. The return on average assets increased to 1.48 percent for the year ended December 31, 2024, from 1.41 percent for the year ended December 31, 2023.

Net Interest Income

Net interest income for the year ended December 31, 2025 was \$1.25 billion, an increase of \$55.3 million, or 4.64 percent, over the same period of 2024, driven by a \$2.92 billion increase in Texas

District average interest earning assets, partially offset by a decrease in net interest margin. Net interest margin decreased by 5 basis points to 2.56 percent for the year ended December 31, 2025, compared to 2.61 percent for the same period of 2024, due to a decrease in income earned on assets funded by non-interest bearing sources of 3 basis points and a 2 basis point decrease in the net interest spread. The decrease in the net interest spread of 2 basis points during the year ended December 31, 2025, from 2.12 percent to 2.10 percent, was attributable to a 13 basis point decrease in the yield on average interest earning assets, partially offset by an 11 basis point decrease in the average rate paid on interest bearing liabilities.

Net interest income for the year ended December 31, 2024 was \$1.19 billion, an increase of \$57.2 million, or 5.03 percent, over the same period of 2023, driven by a \$1.24 billion increase in Texas District average interest earning assets, partially offset by a decrease in the net interest spread of 1 basis point. The decrease in the net interest spread of 1 basis point during the year ended December 31, 2024, from 2.13 percent to 2.12 percent, was attributable to a 46 basis point increase in the average cost of debt, partially offset by a 45 basis point increase in the yield on average interest earning assets. Net interest margin increased by 6 basis points to 2.61 percent for the year ended December 31, 2024, compared to 2.55 percent for the same period of 2023, due to an increase in income earned on earning assets funded by noninterest-bearing sources.

During the years ended December 31, 2025 and December 31, 2024, the Bank reduced its interest expense by calling and replacing fixed-rate debt totaling \$4.42 billion and \$1.74 billion, respectively. During the years ended December 31, 2025, and December 31, 2024, the Bank recognized concession expense related to the fixed-rate debt called of \$8.7 million and \$3.7 million, respectively.

Provision for Credit Losses on Loans

The provision for credit losses on loans for the year ended December 31, 2025, totaled \$127.5 million, an increase of \$76.2 million compared to \$51.3 million for the same period of 2024. The combined Associations recorded a provision for credit losses on loans of \$54.1 million for the twelve months ended December 31, 2025, compared to \$27.7 million during 2024. The provision for credit losses for the combined Associations during the twelve months ended December 31, 2025, reflects an increase in specific reserves for certain loans in the production and intermediate-term, agribusiness and real estate mortgage loan sectors as well as increases in general reserves due to credit deterioration for select borrowers and more challenging economic factors. The Bank recorded a provision for credit losses on loans of \$73.4 million for the twelve months ended December 31, 2025, compared to \$23.6 million during 2024. The provision for credit losses for the Bank for the twelve months ended December 31, 2025, reflects increases in specific reserves for certain loans in the agribusiness, real estate mortgage and production and intermediate-term loan sectors and higher general reserves due to credit deterioration on select borrowers in the agribusiness loan sector and more challenging economic forecasts.

The provision for credit losses on loans for the year ended December 31, 2024, totaled \$51.3 million, a decrease of \$1.8 million compared to \$53.1 million for the same period of 2023. The combined Associations recorded a provision for credit losses on loans of \$27.7 million for the twelve months ended December 31, 2024, compared to \$15.2 million during 2023. The provision for credit losses for the combined Associations during the twelve months ended December 31, 2024, reflects specific reserves for certain loans in the agribusiness, production and intermediate-term and real estate mortgage loan sectors as well as increases in general reserves related to lending activities. The Bank recorded a provision for credit losses on loans of \$23.6 million for the

twelve months ended December 31, 2024, compared to \$37.9 million during 2023. The provision for credit losses for the Bank for the twelve months ended December 31, 2024, reflects specific reserves for certain loans in the agribusiness and production and intermediate-term loan sectors and higher general reserves due to credit deterioration on select borrowers in the agribusiness loan sector and more challenging economic forecasts.

Noninterest Income

Noninterest income for the year ended December 31, 2025, was \$117.3 million, an increase of \$31.3 million, or 36.41 percent, compared to the same period of 2024. The increase was primarily driven by lower losses on the valuations of certain Rural Business Investment Companies (RBICs), the absence of losses on loans held for sale within the Bank's loan participation portfolio and higher loan related fees, partially offset by a decrease in the return of excess insurance funds from the Farm Credit System Insurance Corporation (FCSIC) from \$12.6 million for the year ended December 31, 2024, to \$7.5 million for the year ended December 31, 2025.

Noninterest income for the year ended December 31, 2024, was \$86.0 million, a decrease of \$12.0 million, or 12.24 percent, compared to the same period of 2023. The decrease was driven by the recognition of valuation losses on certain RBICs and losses on loans sold and held for sale, partially offset by a return of excess insurance funds from FCSIC in April 2024 of \$12.6 million.

Noninterest Expense

Noninterest expense for the year ended December 31, 2025 totaled \$555.5 million, an increase of \$19.4 million, or 3.62 percent, from the same period of 2024. The increase in noninterest expense was driven by a \$12.4 million increase in salary and employee benefits, resulting primarily from normal merit increases and salary adjustments, a \$2.7 million increase in FCSIC insurance expense, and a \$1.8 million increase in purchased services.

Noninterest expense for the year ended December 31, 2024 totaled \$536.1 million, a decrease of \$871 thousand, or 0.16 percent, from the same period of 2023. The decrease in noninterest expense was primarily driven by a \$27.1 million decrease in FCSIC insurance expense due to a lower FCSIC premium rate assessed during 2024, largely offset by a \$20.3 million increase in salary and employee benefits and a \$4.8 million increase in occupancy and equipment reflecting higher software licensing costs and higher costs for office space.

The expense for FCSIC insurance premiums is directly impacted by the premium rate assessed by FCSIC. The FCSIC board meets periodically throughout the year to review premium rates. The premium rates on adjusted insured debt and on nonaccrual loans and impaired investments were 10 basis points in 2025, 10 basis points in 2024 and 18 basis points in 2023. In February 2026, FCSIC determined that it would assess a premium rate of 10 basis points for 2026. Expense for FCSIC premiums is directly impacted by the premium rate assessed by FCSIC.

LOAN PORTFOLIO

The following table summarizes Texas District loans by loan type at amortized cost:

	December 31, 2025	December 31, 2024	December 31, 2023
Real estate mortgage	\$ 24,731,999	\$ 23,526,342	\$ 22,507,216
Production and intermediate-term	6,588,066	5,828,651	5,293,706
Agribusiness:			
Loans to cooperatives	741,577	571,612	629,393
Processing and marketing	5,348,712	5,423,930	4,965,804
Farm-related business	655,692	533,116	579,206
Communications	1,148,405	1,169,983	1,180,113
Energy (rural utilities)	2,167,719	1,776,002	1,599,892
Water and waste disposal	205,032	374,046	423,731
Rural residential real estate	254,160	251,242	263,188
International	222,449	229,549	157,693
Mission-related	31,557	30,512	29,869
Loans to other financing institutions (OFIs)	68,172	56,397	55,304
Lease receivables	19,820	25,761	35,560
Total	\$ 42,183,360	\$ 39,797,143	\$ 37,720,675

The Texas District loan portfolio consists predominantly 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, 2025 was \$42.18 billion, an increase of \$2.39 billion, or 6.00 percent, from the \$39.80 billion loan portfolio balance at December 31, 2024. The loan volume increase during the twelve months ended December 31, 2025, was driven by a \$1.91 billion, or 6.24 percent, increase in the Texas District Associations' loan portfolios and a \$466.9 million, or 5.08 percent, 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. In addition to purchasing loans from the Texas District 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 the relationships with other Farm Credit institutions. These loans may be held as interest 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 are 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 credit losses on loans.

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 based on the purpose of the underlying loan is shown in the following table:

	December 31, 2025		December 31, 2024		December 31, 2023	
Livestock	\$ 14,093,488	33 %	\$ 13,165,662	33 %	\$ 12,494,481	33 %
Crops	5,158,503	12	5,288,806	13	5,104,513	14
Timber	2,610,518	6	2,368,009	6	2,209,315	6
Dairy	2,337,318	6	2,222,649	6	2,167,734	6
Cotton	1,452,980	3	1,369,292	3	1,292,254	3
Poultry	1,046,438	2	993,126	2	1,015,711	3
Rural residential real estate	254,160	1	251,242	1	263,336	1
All other commodities	15,229,955	37	14,138,357	36	13,173,331	34
Total	\$ 42,183,360	100 %	\$ 39,797,143	100 %	\$ 37,720,675	100 %

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

	December 31, 2025	December 31, 2024	December 31, 2023
Texas	54 %	54 %	53 %
Alabama	6	6	6
Mississippi	6	6	5
Louisiana	4	4	4
California	3	3	3
All other states	27	27	29
Total	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 the amortized cost of loans (principal balance adjusted for discounts, premiums, charge-offs, recoveries and deferred loan fees and costs) classified under the Uniform

Loan Classification System by origination year as of December 31, 2025, December 31, 2024 and December 31, 2023:

December 31, 2025	Acceptable	OAEM (Special Mention)	Substandard	Doubtful	Total	Gross Charge-offs for the year ended December 31, 2025
2025	\$ 6,821,786	\$ 105,093	\$ 58,463	\$ —	\$ 6,985,342	\$ 1,360
2024	5,023,289	100,923	46,881	694	5,171,787	11,460
2023	3,334,737	132,309	94,626	337	3,562,009	5,140
2022	4,330,489	151,337	65,367	733	4,547,926	974
2021	5,203,758	57,728	102,019	—	5,363,505	8,085
2020 and prior	8,626,981	102,651	152,574	131	8,882,337	25,535
Revolving loans	6,947,784	233,355	111,337	1,116	7,293,592	66,525
Revolving converted to term loans	363,060	12,604	1,198	—	376,862	—
Total	\$ 40,651,884	\$ 896,000	\$ 632,465	\$ 3,011	\$ 42,183,360	\$ 119,079
Percentage	96.37 %	2.12 %	1.50 %	0.01 %	100.00 %	

December 31, 2024	Acceptable	OAEM (Special Mention)	Substandard	Doubtful	Total	Gross Charge-offs for the year ended December 31, 2024
2024	\$ 5,684,316	\$ 60,450	\$ 40,600	\$ —	\$ 5,785,366	\$ 146
2023	4,346,134	52,601	52,492	—	4,451,227	288
2022	5,414,618	149,932	28,236	4,579	5,597,365	5,633
2021	6,213,444	93,322	67,210	815	6,374,791	11,966
2020	3,829,858	79,368	77,932	—	3,987,158	542
2019 and prior	6,609,656	133,950	59,822	—	6,803,428	11,463
Revolving loans	6,278,482	282,281	130,936	1,380	6,693,079	9,835
Revolving converted to term loans	96,755	1,861	6,113	—	104,729	—
Total	\$ 38,473,263	\$ 853,765	\$ 463,341	\$ 6,774	\$ 39,797,143	\$ 39,873
Percentage	96.67 %	2.15 %	1.16 %	0.02 %	100.00 %	

December 31, 2023	Acceptable	OAEM (Special Mention)	Substandard	Doubtful	Total	Gross Charge-offs for the year ended December 31, 2023
2023	\$ 4,905,277	\$ 42,717	\$ 54,014	\$ —	\$ 5,002,008	\$ 1,601
2022	6,422,981	84,052	52,414	—	6,559,447	5,972
2021	7,277,276	95,811	57,127	—	7,430,214	25
2020	4,508,421	107,165	63,610	—	4,679,196	1
2019	2,049,172	31,487	51,445	—	2,132,104	9,008
2018 and prior	6,000,062	66,687	18,773	33,322	6,118,844	3,921
Revolving loans	5,233,151	108,312	79,653	—	5,421,116	8,345
Revolving converted to term loans	374,035	3,311	400	—	377,746	—
Total	\$ 36,770,375	\$ 539,542	\$ 377,436	\$ 33,322	\$ 37,720,675	\$ 28,873
Percentage	97.48 %	1.43 %	1.00 %	0.09 %	100.00 %	

Overall credit quality in the Texas District remained strong at December 31, 2025. Loans classified as acceptable or OAEM as a percentage of total loans were 98.49 percent, 98.82 percent and 98.91 percent as of December 31, 2025, 2024 and 2023, respectively.

The table below summarizes the amortized cost of the Texas District's nonperforming assets:

	December 31, 2025	December 31, 2024	December 31, 2023
Nonaccrual loans:			
Real estate mortgage	\$ 140,494	\$ 59,931	\$ 39,118
Production and intermediate-term	53,980	69,411	45,073
Agribusiness	86,582	23,686	40,558
Energy (rural utilities)	1,366	1,663	5,801
Rural residential real estate	1,181	466	342
Leases	1,260	386	—
Total nonaccrual loans	284,863	155,543	130,892
Accruing loans 90 days or more past due:			
Real estate mortgage	7,712	2,765	1,193
Production and intermediate-term	1,709	823	339
Rural residential real estate	140	188	—
Mission-related	1,313	282	1,101
Total accruing loans 90 days or more past due	10,874	4,058	2,633
Total nonperforming loans	295,737	159,601	133,525
Other property owned	30,162	8,813	37,032
Total nonperforming assets	\$ 325,899	\$ 168,414	\$ 170,557

The Texas District's nonperforming loans are composed of nonaccrual loans and accruing loans 90 days or more past due. Nonperforming assets consist of nonperforming loans and other property owned (OPO). Total nonperforming assets have increased by \$157.5 million, or 93.51 percent, from \$168.4 million at December 31, 2024, compared to \$325.9 million at December 31, 2025. The increase in nonaccrual loans of \$129.3 million since December 31, 2024, was driven by transfers to nonaccrual of \$419.1 million for select borrowers in the real estate mortgage, agribusiness and production and intermediate-term loan sectors, partially offset by repayments of \$161.4 million, charge-offs of \$119.1 million and the move of a \$28.3 million production and intermediate-term loan to OPO.

At December 31, 2025, \$121.1 million, or 42.52 percent, of loans classified as nonaccrual were current as to principal and interest, compared to \$88.6 million, or 56.95 percent, of nonaccrual loans at December 31, 2024, and \$44.8 million, or 34.26 percent, of nonaccrual loans at December 31, 2023.

The following table provides an aging analysis of past due loans at amortized cost by portfolio segment:

December 31, 2025	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	\$ 171,924	\$ 59,869	\$ 231,793	\$ 24,500,206	\$ 24,731,999
Production and intermediate-term	54,764	45,989	100,753	6,487,313	6,588,066
Agribusiness	9,722	48,759	58,481	6,687,500	6,745,981
Communications	—	—	—	1,148,405	1,148,405
Energy (rural utilities)	14,393	429	14,822	2,152,897	2,167,719
Water and waste disposal	—	—	—	205,032	205,032
Rural residential real estate	3,656	635	4,291	249,869	254,160
International	—	—	—	222,449	222,449
Mission-related	923	1,313	2,236	29,321	31,557
Loans to OFIs	—	—	—	68,172	68,172
Lease receivables	2,206	—	2,206	17,614	19,820
Total	\$ 257,588	\$ 156,994	\$ 414,582	\$ 41,768,778	\$ 42,183,360

December 31, 2024	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	\$ 178,601	\$ 33,517	\$ 212,118	\$ 23,314,224	\$ 23,526,342
Production and intermediate-term	26,825	2,361	29,186	5,799,465	5,828,651
Agribusiness	23,624	5,035	28,659	6,499,999	6,528,658
Communications	—	—	—	1,169,983	1,169,983
Energy (rural utilities)	—	—	—	1,776,002	1,776,002
Water and waste disposal	—	—	—	374,045	374,045
Rural residential real estate	3,510	188	3,698	247,545	251,243
International	—	—	—	229,549	229,549
Mission-related	1,534	282	1,816	28,696	30,512
Loans to OFIs	—	—	—	56,397	56,397
Lease receivables	386	—	386	25,375	25,761
Total	\$ 234,480	\$ 41,383	\$ 275,863	\$ 39,521,280	\$ 39,797,143

December 31, 2023	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	\$ 128,365	\$ 11,150	\$ 139,515	\$ 22,367,701	\$ 22,507,216
Production and intermediate-term	58,982	8,500	67,482	5,226,224	5,293,706
Agribusiness	3,237	28,410	31,647	6,142,756	6,174,403
Communications	—	—	—	1,180,113	1,180,113
Energy (rural utilities)	—	—	—	1,599,892	1,599,892
Water and waste disposal	—	—	—	423,731	423,731
Rural residential real estate	2,180	138	2,318	260,870	263,188
International	—	—	—	157,693	157,693
Mission-related	2,418	1,101	3,519	26,350	29,869
Loans to OFIs	—	—	—	55,304	55,304
Lease receivables	1,507	—	1,507	34,053	35,560
Total	\$ 196,689	\$ 49,299	\$ 245,988	\$ 37,474,687	\$ 37,720,675

A summary of changes in the allowance for credit losses on loans and the allowance for credit losses on unfunded commitments for the year ended December 31, 2025, December 31, 2024 and December 31, 2023 are as follows:

Texas Farm Credit District

	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 Credit Losses on Loans:											
Balance at December 31, 2024	\$ 59,970	\$ 32,981	\$ 29,389	\$ 2,501	\$ 3,719	\$ 659	\$ 298	\$ 12	\$ —	\$ 1,404	\$ 130,933
Charge-offs	(27,412)	(50,990)	(40,639)	—	—	(38)	—	—	—	—	(119,079)
Recoveries	305	470	1,297	—	—	3	—	—	—	—	2,075
Provision for credit losses/ (Loan loss reversal)	27,227	38,794	58,419	326	455	5	68	(2)	—	529	125,821
Balance at December 31, 2025	\$ 60,090	\$ 21,255	\$ 48,466	\$ 2,827	\$ 4,174	\$ 629	\$ 366	\$ 10	\$ —	\$ 1,933	\$ 139,750
Allowance for credit losses on unfunded commitments:											
Balance at December 31, 2024	\$ 949	\$ 1,787	\$ 3,802	\$ 201	\$ 850	\$ 1	\$ 50	\$ —	\$ —	\$ —	\$ 7,640
Provision for credit losses/ (Loan loss reversal)	(43)	178	343	123	1,033	—	33	—	—	—	1,667
Balance at December 31, 2025	\$ 906	\$ 1,965	\$ 4,145	\$ 324	\$ 1,883	\$ 1	\$ 83	\$ —	\$ —	\$ —	\$ 9,307

	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 Credit Losses on Loans:											
Balance at December 31, 2023	\$ 54,375	\$ 25,677	\$ 32,207	\$ 2,337	\$ 5,227	\$ 670	\$ 119	\$ 12	\$ —	\$ 637	\$ 121,261
Charge-offs	(310)	(8,128)	(31,424)	—	—	(11)	—	—	—	—	(39,873)
Recoveries	201	1,045	415	—	—	3	—	107	—	—	1,771
Provision for credit losses/ (Loan loss reversal)	5,803	15,884	29,771	164	(1,508)	15	179	(107)	—	767	50,968
Adjustment due to merger	(99)	(1,497)	(1,580)	—	—	(18)	—	—	—	—	(3,194)
Balance at December 31, 2024	\$ 59,970	\$ 32,981	\$ 29,389	\$ 2,501	\$ 3,719	\$ 659	\$ 298	\$ 12	\$ —	\$ 1,404	\$ 130,933
Allowance for credit losses on unfunded commitments:											
Balance at December 31, 2023	\$ 486	\$ 1,129	\$ 4,749	\$ 151	\$ 714	\$ 1	\$ 66	\$ —	\$ —	\$ —	\$ 7,296
Provision for credit losses/ (Loan loss reversal)	463	658	(947)	50	136	—	(16)	—	—	—	344
Balance at December 31, 2024	\$ 949	\$ 1,787	\$ 3,802	\$ 201	\$ 850	\$ 1	\$ 50	\$ —	\$ —	\$ —	\$ 7,640

	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 Credit Losses on Loans:											
Balance at December 31, 2022	\$ 44,759	\$ 13,539	\$ 21,629	\$ 959	\$ 3,700	\$ 319	\$ 80	\$ 64	\$ —	\$ 469	\$ 85,518
Adjustment in beginning balance due to change in accounting for credit losses	5,969	(3,237)	5,286	382	623	375	15	(11)	—	209	9,611
Balance at January 1, 2023	50,728	10,302	26,915	1,341	4,323	694	95	53	—	678	95,129
Charge-offs	(239)	(14,481)	(12,142)	—	(701)	—	—	—	—	(1,310)	(28,873)
Recoveries	622	1,032	1,134	—	48	3	—	27	—	—	2,866
Provision for credit losses/ (Loan loss reversal)	3,295	30,131	16,561	972	1,559	(20)	28	(68)	—	1,260	53,718
Adjustment due to merger	(31)	(1,307)	(261)	24	(2)	(7)	(4)	—	—	9	(1,579)
Balance at December 31, 2023	\$ 54,375	\$ 25,677	\$ 32,207	\$ 2,337	\$ 5,227	\$ 670	\$ 119	\$ 12	\$ —	\$ 637	\$ 121,261
Allowance for credit losses on unfunded commitments:											
Balance at December 31, 2022	\$ 664	\$ 1,935	\$ 2,221	\$ 53	\$ 307	\$ 1	\$ 32	\$ —	\$ —	\$ —	\$ 5,213
Adjustment in beginning balance due to change in accounting for credit losses	177	(897)	2,800	100	489	(1)	33	—	—	—	2,701
Balance at January 1, 2023	841	1,038	5,021	153	796	—	65	—	—	—	7,914
Provision for credit losses/ (Loan loss reversal)	(355)	91	(272)	(2)	(82)	1	1	—	—	—	(618)
Balance at December 31, 2023	\$ 486	\$ 1,129	\$ 4,749	\$ 151	\$ 714	\$ 1	\$ 66	\$ —	\$ —	\$ —	\$ 7,296

Loans, net of the allowance for credit losses, represented 82.45 percent, 82.29 percent and 81.90 percent of total assets at December 31, 2025, 2024 and 2023, respectively.

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 2025 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:

	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
December 31, 2025				
Bank investments	\$ 7,283,684	\$ 15,375	\$ (405,391)	\$ 6,893,668
Texas District Association investments	317,646	1,371	(749)	318,268
Total Texas District investments	<u>\$ 7,601,330</u>	<u>\$ 16,746</u>	<u>\$ (406,140)</u>	<u>\$ 7,211,936</u>
December 31, 2024				
Bank investments	\$ 7,174,737	\$ 4,472	\$ (536,725)	\$ 6,642,484
Texas District Association investments	251,587	1,066	(1,038)	251,615
Total Texas District investments	<u>\$ 7,426,324</u>	<u>\$ 5,538</u>	<u>\$ (537,763)</u>	<u>\$ 6,894,099</u>
December 31, 2023				
Bank investments	\$ 7,178,757	\$ 1,953	\$ (570,281)	\$ 6,610,429
Texas District Association investments	191,764	1,161	(630)	192,295
Total Texas District investments	<u>\$ 7,370,521</u>	<u>\$ 3,114</u>	<u>\$ (570,911)</u>	<u>\$ 6,802,724</u>

The Texas District Associations' investments in the preceding table include held-to-maturity securities with an amortized cost of \$70.7 million (unrealized net loss of \$396 thousand and fair value of \$70.3 million) as of December 31, 2025. As of December 31, 2024, the investments in the preceding table include held-to-maturity securities with an amortized cost of \$35.8 million (unrealized net loss of \$243 thousand and fair value of \$35.6 million). As of December 31, 2023, the investments in the preceding table include held-to-maturity securities with an amortized cost of \$2.4 million (an unrealized loss of \$71 thousand and fair value of \$2.4 million). These securities are reported at amortized cost and included in investment securities on the balance sheets. The remaining investments in each respective year of the preceding table are available-for-sale securities.

The Texas District evaluated its investment securities with unrealized losses for impairment at the end of each quarter within the year ended December 31, 2025. As a result of the assessment, the Texas District concluded that it does not intend to sell any securities and it is more likely than not that it would not be required to sell any securities, prior to recovery of the amortized cost basis. The Texas District concluded that a credit impairment did not exist at December 31, 2025.

CAPITAL RESOURCES

The Texas District's equity totaled \$6.21 billion at December 31, 2025, including \$1.03 billion in preferred stock, \$74.3 million in capital stock and participation certificates, \$5.12 billion in retained earnings and \$347.9 million in additional paid-in-capital, partially offset by accumulated other comprehensive loss of \$370.2 million. On July 8, 2025, the Bank issued \$350.0 million of Class B perpetual non-cumulative subordinated preferred stock, Series 6 (Class B-6), representing 350,000 shares at \$1,000 per share par value, for net proceeds of \$346.0 million, with issuance costs of \$4.0 million. On September 15, 2025, the Bank redeemed all of the Bank's outstanding fixed to floating rate Class B perpetual non-cumulative subordinated preferred stock, Series 4 (Class B-4), at \$1,000

per share or \$350.0 million in the aggregate with dividends accrued and paid of \$5.0 million at the redemption date.

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 adequate capital positions. The \$6.21 billion capital position of the Texas District at December 31, 2025 reflected an increase of \$396.4 million compared to the capital position of \$5.81 billion at December 31, 2024. The increase since December 31, 2024 primarily reflects annual net income of \$682.1 million and a \$110.6 million decrease in accumulated other comprehensive loss, partially offset by estimated patronage distributions of \$337.7 million and preferred stock dividend payments of \$70.6 million.

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

	December 31, 2025	December 31, 2024	December 31, 2023
Unrealized losses on investment securities	\$ (389,394)	\$ (532,225)	\$ (567,798)
Derivatives and hedging position	24,310	65,086	44,892
Employee benefit plan position	(5,079)	(13,631)	(21,440)
Total Accumulated Other Comprehensive Loss	<u>\$ (370,163)</u>	<u>\$ (480,770)</u>	<u>\$ (544,346)</u>

Accumulated other comprehensive loss totaled \$370.2 million at December 31, 2025, a decrease of \$110.6 million from December 31, 2024. The decrease in accumulated other comprehensive loss reflects a \$142.8 million decrease in unrealized losses on the Texas District's available-for-sale investments and an \$8.6 million decrease in unrealized losses on pension and other postretirement benefit plans, partially offset by a \$40.8 million decrease related to changes in the valuation of interest rate swaps at the Bank. All changes are primarily attributable to fluctuations in interest rates.

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

December 31, 2025	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%	9.08%	9.67% - 16.65%
Tier 1 capital ratio	CET1 capital, noncumulative perpetual preferred stock	8.50%	13.25%	11.70% - 16.65%
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%	13.59%	12.06% - 17.00%
Permanent capital ratio	Retained earnings, common stock, noncumulative perpetual preferred stock and subordinated debt, subject to certain limits	7.00%	13.29%	11.74% - 16.71%
Non-risk adjusted:				
Tier 1 leverage ratio*	Tier 1 capital	5.00%	5.70%	10.68% - 16.47%
UREE leverage ratio	URE and URE equivalents	1.50%	2.03%	4.13% - 16.20%

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

¹Equities outstanding 7 or more years

²Capped at 1.25% of risk-adjusted assets

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

⁴Outstanding 5 or more years

EMPLOYEE BENEFIT PLANS

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. 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; its employer identification number is 74-1110170. 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. Effective January 1, 2025, the DB plan was amended to change the interest rates that are used to calculate lump sum payments. Prior to the amendment, lump sums were calculated using the IRS published §417(e) segment rates for November of the year proceeding the distribution year. For lump sum payments made on or after January 1, 2025, the amendment adds 300 basis points to the rates published by the IRS for November of each year.

Participants in the DC plan generally include employees who elected to transfer from the DB plan prior to January 1, 1996, and employees hired on or after January 1, 1996. 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 Farm Credit Benefits Alliance 401(k) plan, which offers a pre-tax and after-tax Roth compensation deferral feature. Employers match 100 percent of employee contributions for the first 3 percent of eligible compensation and then match 50 percent of employee contributions on the next 2 percent of eligible compensation, for a maximum employer contribution of 4 percent of eligible compensation.

In addition, the Bank and Associations provide certain healthcare and other postretirement benefits to eligible retired employees, beneficiaries and directors (other postretirement benefit plan). Employees may become eligible for healthcare 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 applicable Association.

Certain executive or highly compensated employees in the 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). This plan allows district employers to elect 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 funding status and the amounts recognized in the combined balance sheet of the Texas District for pension and other postretirement benefit plans follows:

December 31, 2025	Pension Benefit Plan	Other Postretirement Benefit Plan
Fair value of plan assets	\$ 172,646	\$ —
Projected benefit obligation	220,977	64,949
Funded (unfunded) status	(48,331)	(64,949)
Accumulated benefit obligation	\$ 220,465	\$ —
Assumptions used to determine benefit obligations:		
Discount rate	5.25 %	5.60 %
Expected long-term rate of return	7.00	N/A
Rate of compensation increase	3.00	N/A
December 31, 2024	Pension Benefit Plan	Other Postretirement Benefit Plan
Fair value of plan assets	\$ 167,368	\$ —
Projected benefit obligation	221,126	70,158
Funded (unfunded) status	(53,758)	(70,158)
Accumulated benefit obligation	\$ 219,568	\$ —
Assumptions used to determine benefit obligations:		
Discount rate	5.60 %	5.35 %
Expected long-term rate of return	6.93	N/A
Rate of compensation increase	3.00	N/A

December 31, 2023	Pension Benefit Plan	Other Postretirement Benefit Plan
Fair value of plan assets	\$ 188,081	\$ —
Projected benefit obligation	256,687	64,141
Funded (unfunded) status	(68,606)	(64,141)
Accumulated benefit obligation	\$ 253,876	\$ —
Assumptions used to determine benefit obligations:		
Discount rate	4.95 %	5.50 %
Expected long-term rate of return	6.70	N/A
Rate of compensation increase	4.50	N/A

For 2025, the unfunded status of the pension benefit plan decreased by \$5.4 million, or 10.10 percent, compared to the prior year driven by an increase in the fair value of plan assets while the projected benefit obligation remained relatively stable. The unfunded status of the other postretirement benefits plan decreased \$5.2 million, or 7.42 percent, compared to the prior year.

Combined Balance Sheets

(Unaudited, dollars in thousands)

	December 31, 2025	December 31, 2024	December 31, 2023
Assets			
Cash	\$ 43,730	\$ 39,935	\$ 78,513
Federal funds sold and overnight investments	461,098	455,323	312,399
Investment securities	7,211,936	6,894,099	6,802,724
Loans	42,183,360	39,797,143	37,720,675
Less allowance for credit losses on loans	139,750	130,933	121,261
Net loans	42,043,610	39,666,210	37,599,414
Accrued interest receivable	475,556	432,335	401,520
Premises and equipment, net	313,519	319,002	306,669
Other assets	441,989	396,682	405,723
Total assets	\$ 50,991,438	\$ 48,203,586	\$ 45,906,962
Liabilities and members' equity			
Liabilities			
Bonds and notes	\$ 43,847,774	\$ 41,508,770	\$ 39,483,325
Accrued interest payable	273,013	256,764	227,680
Patronage distributions payable	283,581	285,646	288,004
Preferred stock dividends payable	14,638	13,500	13,798
Other liabilities	366,159	329,044	396,679
Total liabilities	44,785,165	42,393,724	40,409,486
Members' Equity			
Preferred stock	1,030,000	1,030,000	1,030,000
Capital stock and participation certificates	74,278	73,182	72,834
Allocated retained earnings	1,193,719	1,113,807	1,091,910
Unallocated retained earnings	3,930,513	3,725,717	3,592,182
Additional paid-in-capital	347,926	347,926	254,896
Accumulated other comprehensive loss	(370,163)	(480,770)	(544,346)
Total members' equity	6,206,273	5,809,862	5,497,476
Total liabilities and members' equity	\$ 50,991,438	\$ 48,203,586	\$ 45,906,962

Combined Statements of Income

(Unaudited, dollars in thousands)

	December 31,		
	2025	2024	2023
Interest Income			
Investment securities	\$ 285,518	\$ 284,366	\$ 245,312
Loans	2,598,400	2,486,066	2,248,823
Total interest income	2,883,918	2,770,432	2,494,135
Interest Expense			
Bonds and notes	1,402,563	1,312,025	1,106,495
Notes payable and other	233,551	265,938	252,323
Total interest expense	1,636,114	1,577,963	1,358,818
Net interest income	1,247,804	1,192,469	1,135,317
Provision for credit losses on loans	127,488	51,312	53,100
Net interest income after provision for credit losses on loans	1,120,316	1,141,157	1,082,217
Noninterest income			
Patronage income	44,636	42,548	40,717
Fees for loan-related services	55,787	45,595	44,549
Refunds from Farm Credit System Insurance Corporation	7,544	12,615	—
Loss on Rural Business Investment Companies	(1,340)	(16,895)	(1,517)
Other income, net	10,710	2,154	14,265
Total noninterest income	117,337	86,017	98,014
Noninterest expense			
Salaries and employee benefits	314,804	302,409	282,083
Occupancy and equipment	73,810	73,173	68,385
Purchased services	41,187	39,436	39,148
Farm Credit System Insurance Corporation expense	38,696	35,957	63,018
Other operating expenses	87,033	85,173	84,385
Total noninterest expense	555,530	536,148	537,019
Income before income taxes	682,123	691,026	643,212
(Benefit) provision for income taxes	(15)	157	126
Net income	\$ 682,138	\$ 690,869	\$ 643,086

Select Information on Texas District Associations

(Unaudited, dollars in thousands)

As of December 31, 2025	Direct Notes	% of Total Direct Notes	Total Assets	Total Allowance and Capital	Total Capital Ratio	Nonperforming Loans as a % of Total Loans	Annualized ROA
AgTexas Farm Credit Services	\$ 3,173,111	11.01%	\$ 3,753,858	\$ 500,498	12.34%	0.91%	1.81%
AgTrust Farm Credit, ACA	2,915,965	10.11	3,466,588	521,984	13.71	0.14	1.77
Alabama Ag Credit, ACA	1,310,017	4.54	1,583,702	257,655	14.80	0.95	1.45
Alabama Farm Credit, ACA	1,187,390	4.12	1,376,328	175,285	12.06	0.37	1.47
Capital Farm Credit, ACA	11,641,977	40.39	13,883,929	2,029,275	12.28	1.07	1.74
Central Texas Farm Credit, ACA	646,124	2.24	794,975	136,011	16.05	0.04	1.40
Legacy Ag Credit, ACA	360,821	1.25	437,435	74,520	17.00	0.22	1.03
Louisiana Land Bank, ACA	975,290	3.38	1,204,349	212,675	16.24	0.14	1.52
Mississippi Land Bank, ACA	1,000,246	3.47	1,214,494	190,243	14.19	0.05	1.34
Plains Land Bank, FLCA	1,089,446	3.78	1,299,981	194,156	13.68	0.12	1.96
Southern AgCredit, ACA	1,614,068	5.60	1,891,389	242,448	13.04	0.30	1.33
Texas Farm Credit Services	2,914,751	10.11	3,369,462	438,034	13.63	0.76	1.84
Totals	\$28,829,206	100.00%	\$34,276,490	\$ 4,972,784			

Texas District Contact Information

Name of Entity	Headquarters Location	Contact Number	Website
AgTexas Farm Credit Services	5004 N. Loop 289, Lubbock, Texas 79416	806-687-4068	www.agtexas.com
AgTrust Farm Credit, ACA	5600 Clearfork Main Street, Suite 600, Fort Worth, Texas 76109	817-332-6565	www.agtrustaca.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	3902 South Traditions Drive, College Station, TX 77845	979-822-3018	www.capitalfarmcredit.com
Central Texas Farm Credit, ACA	1026 Early Boulevard, Early, Texas 76802	325-643-5563	www.centraltexasfarmcredit.com
Farm Credit Bank of Texas	4801 Plaza on the Lake Drive, Austin, Texas 78746	512-465-0400	www.farmcreditbank.com
Legacy Ag Credit, ACA	303 Connally Street, Sulphur Springs, Texas 75482	903-885-9566	www.legacyaca.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	600 S. Tyler Street, Suite 700, Amarillo, Texas 79101	806-353-6688	www.plainslandbank.com
Southern AgCredit, ACA	306 Commerce Center Drive, 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



TEXAS
FARM CREDIT
DISTRICT