CoBank Quarterly District Financial Information September 30, 2021

Introduction and District Overview

CoBank, ACB (CoBank, the Bank, we, our, or us) is one of the four banks in the Farm Credit System (System) and provides loans, leases and other financial services to support agriculture, rural infrastructure and rural communities across the United States. The System is a federally chartered network of borrower-owned lending institutions composed of cooperatives and related service organizations. The System was established in 1916 by the U.S. Congress, and is a Government Sponsored Enterprise. CoBank is federally chartered under the Farm Credit Act of 1971, as amended (the Farm Credit Act), and is subject to supervision, examination, and safety and soundness regulation by an independent federal agency, the Farm Credit Administration (FCA).

We are cooperatively owned by our eligible U.S. customers. Our customers consist of agricultural cooperatives; other food and agribusiness companies; rural power, communications and water cooperatives and companies; rural community facilities; Agricultural Credit Associations (Associations), which are regulated, farmer-owned financial institutions and members of the System; and other businesses that serve agriculture and rural communities. The Associations originate and service long-term real estate mortgage loans as well as short- and intermediate-term loans for agricultural and other purposes to full and part-time farmers. Associations may also make loans to, among others, processing and marketing entities, farm-related businesses, and rural residents for home purchase and improvements. The Associations may also purchase eligible loan participations from System entities and other lending institutions. Additionally, the Associations may serve as an intermediary in offering multi-peril crop insurance and credit life insurance, and providing additional financial services to borrowers.

We are chartered by the FCA to serve the Associations that provide credit and related financial services to or for the benefit of eligible borrowers/shareholders for qualified purposes in specific geographic areas in the United States. We collectively refer to these entities as our affiliated Associations. The Associations are not authorized by the Farm Credit Act to participate directly in the issuance of Systemwide bonds, medium term notes and discount notes (collectively referred to as Systemwide Debt Securities). Therefore, we are the primary funding source for our affiliated Associations. As of September 30, 2021, we have 20 affiliated Associations serving customers in 23 states across the Northwest, West, Southwest, Rocky Mountains, Mid-Plains, and Northeast regions of the United States.

Our affiliated Associations are considered customers and thus operate independently and maintain an arms-length relationship with us, except to the extent that the Farm Credit Act requires us, as the funding bank, to monitor and approve certain activities of these Associations. As authorized by the FCA, the financial information of affiliated Associations is not included in the condensed consolidated quarterly financial statements presented in CoBank's September 30, 2021 Quarterly Report to Shareholders. However, the FCA authorizes CoBank to present combined Bank and Association quarterly financial information in a separate report. CoBank does not have the corporate or direct regulatory authority to compel its affiliated Associations to disclose information or to establish and maintain their disclosure controls and procedures or internal controls over financial reporting. Accordingly, CoBank's preparation of this District Report and the establishment of adequate controls relating to this District Report are dependent on our affiliated Associations themselves satisfying their regulatory obligations and complying with agreed upon disclosure policies and procedures. Failure by an affiliated Association to provide accurate or timely information for District financial reporting or to have adequate disclosure controls or procedures or internal controls over financial reporting, as required by regulation or as agreed to under the disclosure policies and procedures, could jeopardize the accuracy of certain information in this District Report or CoBank's ability to timely issue this District Report.

The Financial Highlights, Management's Discussion and Analysis, and the Condensed Combined Balance Sheets and Statements of Income included on the following pages present unaudited combined financial information and related analysis of CoBank and its affiliated Associations, which are collectively referred to as the "District." As part of the combining process, all significant transactions between CoBank and the Associations, including loans made by the Bank to the affiliated Associations and the interest income/interest expense related thereto, and investments of the affiliated Associations in the Bank and the earnings related thereto, have been eliminated.

Financial Highlights

($ in Thousands) (Unaudited)

	September 30, 2021	December 31, 2020
Total Loans	**$ 131,454,722**	$ 132,243,322
Less: Allowance for Loan Losses	**944,905**	970,007
Net Loans	**130,509,817**	131,273,315
Total Assets	**168,933,304**	171,550,082
Total Shareholders' Equity	**23,932,904**	22,810,253

For the Nine Months Ended September 30,	2021	2020
Net Interest Income	**$ 2,756,582**	$ 2,478,446
(Loan loss reversal)/Provision for Loan Losses	**(24,686)**	79,778
Net Fee Income	**151,732**	153,974
Net Income	**1,974,167**	1,723,500
Net Interest Margin	**2.17 %**	2.10 %
Net (Recoveries) Charge-offs / Average Loans	**(0.01)**	0.04
Return on Average Assets	**1.53**	1.41
Return on Average Total Shareholders' Equity	**11.30**	10.33
Operating Expense / Net Interest Income and Noninterest Income	**33.06**	32.50
Average Loans	**$ 135,288,594**	$ 122,468,999
Average Earning Assets	**169,056,750**	157,457,864
Average Assets	**172,452,459**	162,704,094

Discussion and Analysis of District Results of Operations and Financial Condition

District average loan volume increased 10 percent to $135.3 billion in the first nine months of 2021, compared to $122.5 billion for the same period of 2020. The increase in average loan volume primarily reflected growth in agribusiness, real estate mortgage, rural power and communications loans.

District net income increased $250.7 million to $1.974 billion for the nine-month period ended September 30, 2021, compared to $1.724 billion for the same period of 2020. The increase in earnings primarily resulted from an increase in net interest income and a loan loss reversal, partially offset by an increase in operating expenses and a decrease in noninterest income.

District net interest income increased $278.1 million to $2.757 billion for the first nine months of 2021 from $2.478 billion for the same period in 2020. The increase in net interest income was primarily driven by growth in average loan volume across the District. The District's overall net interest margin increased to 2.17 percent for the nine months ended September 30, 2021, from 2.10 percent for the same period in 2020. The increase in net interest margin was driven by changes in asset mix and higher lending spreads in the District loan portfolio.

The District recorded a loan loss reversal of $24.7 million in the nine-month period ended September 30, 2021, compared to a provision for loan losses of $79.8 million for the same period of 2020. CoBank recorded a provision for loan losses of $5.0 million in the first nine months of 2021 compared to $46.0 million during the 2020 period. The 2021 provision at CoBank primarily relates to an increase in specific reserves for a small number of customers in the Bank's Rural Infrastructure operating segment impacted by the severe winter storms that occurred in Texas earlier in the year. The 2021 provision also included a loan loss reversal in the Bank's Agribusiness operating segment due to an improvement in credit quality and a decrease in COVID-19 related reserves, partially offset by higher lending volume. The 2020 provision at CoBank primarily related to agribusiness loans resulting from deterioration in credit quality, increased lending and leasing activity and higher reserves associated with the onset of COVID-19. This was somewhat offset by a loan loss reversal at the Bank associated with rural infrastructure loans due to an improvement in credit quality in most portfolio sectors. The Associations recorded a net combined loan loss reversal of $29.7 million in the first nine months of 2021, compared to a net combined provision for loan losses of $33.8 million in the same period of 2020. The net combined 2021 loan loss reversal at the Associations was primarily due to reversals at multiple Associations resulting from improvements in credit quality and a decrease in COVID-19 related reserves. The net combined 2020 provision for loan losses at the Associations was primarily due to provisions at several Associations resulting from a higher level of lending activity, deterioration in credit quality and other concerns causing stress to specific industries as well as the impacts of COVID-19.

District noninterest income decreased $59.3 million to $303.3 million in the first nine months of 2021 from $362.6 million for the same period in 2020. Noninterest income is primarily composed of fee income, patronage income, loan prepayment income, gains on derivatives, and miscellaneous gains and losses, offset by losses on early extinguishments of debt. The decrease in noninterest income resulted largely from a $36.3 million decrease in gains on interest rate swaps and other derivatives in the first nine months of 2021 compared to 2020 resulting from the impact of market interest rate changes in the 2021 period. In addition, noninterest income in the 2020 period included a return of excess insurance funds from the Farm Credit System Insurance Corporation (Insurance Corporation) related to the Farm Credit System Insurance Fund (Insurance Fund) of $25.6 million. These decreases in noninterest income were partially offset by a $14.7 million increase in patronage income received from other System institutions on loan participations sold by CoBank and certain Associations. Other noninterest income for the nine months ended September 30, 2021 includes an expense representing CoBank's estimated probable loss relating to litigation where CoBank is a defendant. See page 14 for further information on this CoBank litigation matter.

District operating expenses increased $88.2 million to $1.011 billion in the first nine months of 2021 from $923.3 million for the same period of 2020. Higher operating expenses included an increase in Insurance Fund premium expense of $70.4 million in the first nine months of 2021 compared to the 2020 period due to increases in premium rates and insured debt obligations. Insurance Fund premium rates are set by the Insurance Corporation and were 16 basis points of adjusted insured debt obligations for the first nine months of 2021 compared to 8 basis points for the first six months of 2020 and 11 basis points for the three months ended September 30, 2020. The premium rate will remain 16 basis points of adjusted insured debt obligations for the remainder of 2021. Information services expense increased $18.5 million to $93.0 million in the first nine months of 2021 compared to $74.5 million in the first nine months of 2020 due to increased expenditures at the Bank and certain Associations to enhance service offerings and technology platforms. Employee compensation expense increased $17.6 million to $557.8 million in the first nine months of 2021. The increase in employee compensation expense at CoBank was primarily due to a higher level of accrued incentive compensation reflective of strong business and financial performance somewhat offset by lower employee headcount. The remaining increase in employee compensation expense resulted from an increase in the number of employees at certain Associations in the District and normal merit administration at the Associations. These increases in operating expenses were partially offset by a decrease in occupancy and equipment expense of $12.4 million in the first nine months of 2021 as compared to the first nine months of 2020. This was primarily due to the reclassification of equipment and maintenance expenses to information services expense at one Association. The $6.8 million decrease in purchased services expenses primarily related to lower consulting and professional fees across the District.

District income tax expense decreased $15.5 million in the nine-month period ended September 30, 2021, compared to the same period of 2020 due to an increase in earnings attributable to non-taxable business activities. The income tax expense at the District predominantly relates to CoBank, as a substantial majority of the business activities at Associations are exempt from federal income tax.

Loan Portfolio

The following table presents the District's outstanding loans classified in accordance with the FCA's loan types.

($ in Thousands)

District Loans by Loan Type

	September 30, 2021	December 31, 2020
Real Estate Mortgage	**$ 42,983,021**	$ 40,274,080
Nonaffiliated Associations	**5,008,490**	4,976,863
Production and Intermediate-term	**18,634,777**	18,761,282
Agribusiness:		
Loans to Cooperatives	**13,683,827**	17,089,262
Processing and Marketing	**10,572,142**	11,103,261
Farm Related Businesses	**2,177,385**	2,014,134
Communications	**5,622,468**	5,528,730
Rural Power	**19,389,489**	18,776,719
Water/Wastewater	**2,552,188**	2,244,513
Agricultural Export Finance	**6,014,490**	6,320,432
Rural Residential Real Estate	**491,757**	579,813
Lease Receivables	**4,248,554**	4,466,223
Other	**76,134**	108,010
Total	**$ 131,454,722**	$ 132,243,322

Overall District loan volume decreased $788.6 million to $131.5 billion at September 30, 2021, as compared to loan volume of $132.2 billion as of December 31, 2020. The decrease was driven primarily by decreases in agribusiness loans to cooperatives, processing and marketing loans, agricultural export finance loans and direct finance lease receivables, partially offset by increases in real estate mortgage, rural power and water/wastewater loans. The decrease in agribusiness loans to cooperatives primarily resulted from lower seasonal financing requirements at grain and farm supply cooperatives, which typically reach a low in late summer or early fall.

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. Credit risk in the District's loan portfolio is spread broadly among customers, industries and geographic territory. The District serves a diversified spectrum of borrowers up and down the agricultural value chain. Association retail loans in the District loan portfolio are concentrated in the Northwest, West, Southwest, Rocky Mountains, Mid-Plains, and Northeast regions of the United States. CoBank's retail loan portfolio extends across the United States, with moderate levels of concentration in the Midwest region of the country and in the farm supply, grain and marketing, dairy and electric distribution sectors.

The following tables present the District's combined loan portfolio by primary business/commodity and geographic distribution, as a percent of total loans for the periods presented.

Distribution by Primary Business / Commodity

	September 30, 2021	December 31, 2020
Fruits, Nuts and Vegetables	**17 %**	16 %
Farm Supply, Grain and Marketing	**11**	13
Dairy	**9**	9
Electric Distribution	**6**	6
Cattle	**6**	6
Forest Products	**5**	5
Field Crops Except Grains	**5**	4
Farm Related Businesses	**4**	4
Agricultural Export Finance	**4**	5
Livestock, Fish and Poultry	**4**	4
Nonaffiliated Associations	**4**	4
Generation and Transmission	**4**	3
Regulated Utilities	**3**	3
Leasing	**3**	3
Rural Home	**2**	2
Other	**13**	13
Total	**100 %**	100 %

Geographic Distribution

	September 30, 2021	December 31, 2020
California	**25 %**	23 %
Texas	**6**	6
Kansas	**6**	6
New York	**5**	5
Washington	**4**	4
Colorado	**4**	4
Idaho	**3**	3
Oklahoma	**3**	3
Illinois	**2**	3
Oregon	**2**	2
Iowa	**2**	3
Minnesota	**2**	2
Florida	**2**	2
Ohio	**2**	2
Other (less than 2 percent each for the current year)	**27**	27
Total States	**95 %**	95 %
Asia	**2**	2
Latin America	**2**	2
Europe, Middle East and Africa	**1**	1
Total International	**5 %**	5 %
Total	**100 %**	100 %

Loan Quality

One credit quality indicator utilized by the Bank and Associations is the FCA Uniform Loan Classification System that categorizes loans into five categories. The categories are defined as follows:

- Acceptable – assets are expected to be fully collectible and represent the highest quality,
- Special Mention – 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 presents loans, classified by management at the various District entities pursuant to the FCA's Uniform Loan Classification System, as a percent of total loans and accrued interest.

District Loan Quality	September 30, 2021	December 31, 2020
Acceptable	**95.42 %**	94.89 %
Special Mention	**2.75**	3.29
Substandard	**1.82**	1.80
Doubtful	**0.01**	0.02
Loss	**-**	-
Total	**100.00 %**	100.00 %

Our overall loan quality within the District remains strong at September 30, 2021. Acceptable loans and accrued interest were 95.42 percent of total loans and accrued interest at September 30, 2021, compared to 94.89 percent at December 31, 2020. Special Mention loans and accrued interest were 2.75 percent of total loans and accrued interest at September 30, 2021, compared to 3.29 percent at December 31, 2020 and improved primarily due to credit quality upgrades to certain agribusiness and production and intermediate-term customers. The level of adversely classified loans ("Substandard", "Doubtful" and "Loss") and related accrued interest as a percent of total loans and accrued interest were 1.83 percent at September 30, 2021, compared to 1.82 percent at December 31, 2020.

Nonperforming assets (which consist of nonaccrual loans, accruing restructured loans, accruing loans 90 days or more past due and other property owned) totaled $496.3 million as of September 30, 2021, compared to $558.6 million at December 31, 2020. District nonaccrual loans improved $48.2 million during the first nine months of 2021. Nonaccrual loans at Associations improved by $69.3 million primarily due to repayment activity during 2021 and improvements in credit quality in real estate mortgage, production and intermediate-term and agribusiness loans. Nonaccrual loans at CoBank increased $21.1 million due to downgrades of a small number of rural power customers. Accruing restructured loans decreased to $22.4 million at September 30, 2021 from $26.1 million at December 31, 2020. Total accruing loans 90 days or more past due decreased by $16.4 million during the first nine months of 2021 primarily driven by a decrease at one Association related to a real estate mortgage borrower. Nonperforming assets represented 0.38 percent of total District loan volume and other property owned at September 30, 2021, compared to 0.42 percent at December 31, 2020. Nonaccrual loan volume, the largest component of nonperforming assets, represented 0.33 percent of total loans at September 30, 2021 compared to 0.37 percent at December 31, 2020.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

The following table displays the District's nonperforming assets for the periods presented.

($ in Thousands)

Nonperforming Assets

	September 30, 2021	December 31, 2020
Nonaccrual Loans:		
Real Estate Mortgage	$ 185,963	$ 225,668
Production and Intermediate-term	97,492	124,090
Agribusiness	78,275	93,135
Rural Power	52,321	18,188
Rural Residential Real Estate	2,125	4,122
Lease Receivables	23,855	21,363
Other	-	1,637
Total Nonaccrual Loans	440,031	488,203
Accruing Restructured Loans:		
Real Estate Mortgage	17,060	16,206
Production and Intermediate-term	4,392	8,861
Rural Residential Real Estate	966	1,008
Total Accruing Restructured Loans	22,418	26,075
Accruing Loans 90 Days or More Past Due:		
Real Estate Mortgage	11,168	31,573
Production and Intermediate-term	2,998	2,585
Agribusiness	6,717	-
Rural Residential Real Estate	-	40
Lease Receivables	321	3,372
Total Accruing Loans 90 Days or More Past Due	21,204	37,570
Total Nonperforming Loans	483,653	551,848
Other Property Owned	12,605	6,785
Total Nonperforming Assets	$ 496,258	$ 558,633
Nonaccrual Loans as a Percentage of Total Loans	0.33 %	0.37 %
Nonperforming Assets as a Percentage of Total Loans and Other Property Owned	0.38	0.42
Nonperforming Assets as a Percentage of Capital	2.07	2.45

The following tables present an aging of past due loans in the District for the periods presented.

($ in Thousands)

Aging of Past Due Loans

	30-90 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less Than 30 Days Past Due	Total Loans and Accrued Interest	Recorded Investment >90 Days and Accruing
September 30, 2021						
Real Estate Mortgage	$ 61,347	$ 67,836	$ 129,183	$ 43,421,118	$ 43,550,301	$ 11,168
Nonaffiliated Associations	-	-	-	5,011,377	5,011,377	-
Production and Intermediate-term	44,714	38,744	83,458	18,679,307	18,762,765	2,998
Agribusiness	5,449	34,430	39,879	26,469,075	26,508,954	6,717
Communications	-	-	-	5,628,974	5,628,974	-
Rural Power	-	27,982	27,982	19,429,810	19,457,792	-
Water/Wastewater	-	-	-	2,560,813	2,560,813	-
Agricultural Export Finance	-	-	-	6,023,708	6,023,708	-
Rural Residential Real Estate	1,284	273	1,557	491,712	493,269	-
Lease Receivables	10,563	6,977	17,540	4,232,068	4,249,608	321
Other	-	-	-	76,279	76,279	-
Total	$ 123,357	$ 176,242	$ 299,599	$ 132,024,241	$ 132,323,840	$ 21,204
December 31, 2020						
Real Estate Mortgage	$ 88,208	$ 106,639	$ 194,847	$ 40,507,938	$ 40,702,785	$ 31,573
Nonaffiliated Associations	-	-	-	4,979,986	4,979,986	-
Production and Intermediate-term	83,341	51,972	135,313	18,738,247	18,873,560	2,585
Agribusiness	11,766	27,408	39,174	30,248,295	30,287,469	-
Communications	8,382	-	8,382	5,526,655	5,535,037	-
Rural Power	3,309	5,102	8,411	18,835,400	18,843,811	-
Water/Wastewater	-	-	-	2,254,237	2,254,237	-
Agricultural Export Finance	-	-	-	6,334,639	6,334,639	-
Rural Residential Real Estate	2,938	1,298	4,236	577,421	581,657	40
Lease Receivables	13,210	9,706	22,916	4,444,302	4,467,218	3,372
Other	-	-	-	108,175	108,175	-
Total	$ 211,154	$ 202,125	$ 413,279	$ 132,555,295	$ 132,968,574	$ 37,570

District entities maintain an allowance for loan losses at a level consistent with the probable losses identified by management of each institution, considering such factors as current agricultural and economic conditions, loan loss experience, portfolio quality, and loan portfolio composition and concentrations. CoBank and certain Associations also maintain a reserve for unfunded commitments, which totaled $163.8 million at September 30, 2021.

Although aggregated in the District's condensed combined financial statements, the allowance for loan losses for each District entity is particular to that institution and is not available to absorb losses realized by other District entities. The allowance for loan losses at September 30, 2021 totaled $944.9 million compared to $970.0 million at December 31, 2020. Changes in the allowance during the first nine months of 2021 included an overall loan loss reversal of $24.7 million, which is described on page 3, loan recoveries of $23.0 million, loan charge-offs of $14.6 million and an $8.4 million net transfer to the reserve for unfunded commitments.

The following table presents detailed changes in the allowance for loan losses in the District for the periods presented.

($ in Thousands)

Changes in Allowance for Loan Losses

	Real Estate Mortgage	Non-affiliated Associations	Production and Intermediate-term	Agri-business	Communi-cations	Rural Power	Water/ Wastewater	Agricultural Export Finance	Rural Residential Real Estate	Lease Receivables and Other	Total
September 30, 2021											
Allowance for Loan Losses											
Beginning Balance	$ 133,639	$ -	$ 194,080	$ 399,713	$ 47,856	$ 95,710	$ 11,990	$ 26,373	$ 2,428	$ 58,218	$ 970,007
Charge-offs	(65)	-	(11,075)	(2,589)	-	(2)	-	-	(18)	(836)	(14,585)
Recoveries	448	-	9,866	3,865	79	8,256	-	189	62	258	23,023
Provision for Loan Losses/ (Loan Loss Reversal)	4,669	-	7,320	(37,485)	(2,398)	7,118	2,263	(1,784)	(382)	(4,007)	(24,686)
Transfers (to) from Reserve for Unfunded Commitments	(2,949)	-	469	(5,235)	(226)	(280)	(328)	141	(16)	(10)	(8,434)
Association Merger Impact, Net	(232)	-	(154)	(23)	(11)	-	-	-	-	-	(420)
Ending Balance	$ 135,510	$ -	$ 200,506	$ 358,246	$ 45,300	$ 110,802	$ 13,925	$ 24,919	$ 2,074	$ 53,623	$ 944,905
Allowance for Loan Losses											
Ending Balance, Allowance for Credit Losses Related to Loans:											
Individually Evaluated for Impairment	$ 6,964	$ -	$ 8,537	$ 21,290	$ -	$ 13,700	$ -	$ -	$ -	$ 4,088	$ 54,579
Collectively Evaluated for Impairment	128,546	-	191,969	336,956	45,300	97,102	13,925	24,919	2,074	49,535	890,326
Total	$ 135,510	$ -	$ 200,506	$ 358,246	$ 45,300	$ 110,802	$ 13,925	$ 24,919	$ 2,074	$ 53,623	$ 944,905
Loans											
Ending Balance for Loans and Related Accrued Interest:											
Individually Evaluated for Impairment	$ 236,842	$ 5,011,377	$ 110,538	$ 84,730	$ 192	$ 52,473	$ 7	$ 76	$ 3,183	$ 74,122	$ 5,573,540
Collectively Evaluated for Impairment	43,313,459	-	18,652,227	26,424,224	5,628,782	19,405,319	2,560,806	6,023,632	490,086	4,251,765	126,750,300
Total	$ 43,550,301	$ 5,011,377	$ 18,762,765	$ 26,508,954	$ 5,628,974	$ 19,457,792	$ 2,560,813	$ 6,023,708	$ 493,269	$ 4,325,887	$ 132,323,840
September 30, 2020											
Allowance for Loan Losses											
Beginning Balance	$ 127,072	$ -	$ 203,523	$ 388,248	$ 40,244	$ 135,323	$ 15,168	$ 21,237	$ 2,438	$ 52,392	$ 985,645
Charge-offs	(1,336)	-	(6,715)	(3,889)	(17,162)	(15,009)	-	-	(51)	(1,276)	(45,438)
Recoveries	1,515	-	2,899	938	238	41	-	802	3	722	7,158
Provision for Loan Losses/ (Loan Loss Reversal)	17,906	-	16,073	28,307	19,940	(12,527)	(2,792)	3,580	2,894	6,397	79,778
Transfers (to) from Reserve for Unfunded Commitments	(9,520)	-	(9,480)	(34,065)	(1,281)	(1,992)	61	(27)	(633)	(12)	(56,949)
Ending Balance	$ 135,637	$ -	$ 206,300	$ 379,539	$ 41,979	$ 105,836	$ 12,437	$ 25,592	$ 4,651	$ 58,223	$ 970,194
Allowance for Loan Losses											
Ending Balance, Allowance for Credit Losses Related to Loans:											
Individually Evaluated for Impairment	$ 7,781	$ -	$ 12,100	$ 43,350	$ -	$ -	$ -	$ -	$ 13	$ 4,663	$ 67,907
Collectively Evaluated for Impairment	127,856	-	194,200	336,189	41,979	105,836	12,437	25,592	4,638	53,560	902,287
Total	$ 135,637	$ -	$ 206,300	$ 379,539	$ 41,979	$ 105,836	$ 12,437	$ 25,592	$ 4,651	$ 58,223	$ 970,194
Loans											
Ending Balance for Loans and Related Accrued Interest:											
Individually Evaluated for Impairment	$ 319,706	$ 4,945,556	$ 178,763	$ 176,538	$ 255	$ 7,305	$ 9	$ 100	$ 5,928	$ 91,520	$ 5,725,680
Collectively Evaluated for Impairment	38,884,911	-	17,736,063	24,775,804	5,290,049	18,444,241	2,259,621	6,191,533	600,573	4,318,767	118,501,562
Total	$ 39,204,617	$ 4,945,556	$ 17,914,826	$ 24,952,342	$ 5,290,304	$ 18,451,546	$ 2,259,630	$ 6,191,633	$ 606,501	$ 4,410,287	$ 124,227,242

Investment Portfolio

As the funding bank for the District, CoBank is responsible for meeting the District's funding and liquidity needs. While access to the unsecured debt capital markets remains the District's primary source of liquidity, the District also maintains a secondary source of liquidity through a high credit quality investment portfolio and other short-term liquid assets which are primarily held at CoBank. All of CoBank's investment securities are classified as "available for sale". Refer to the CoBank Annual Report for additional description of the types of investments held by the Bank and related yield information and maturities. Associations have regulatory authority to enter into certain investments that carry an explicit government guarantee and certain other securities. Association investments included U.S. Treasury debt securities classified as "available-for-sale" and mortgage backed securities issued by the Federal Agricultural Mortgage Corporation (Farmer Mac) classified as "held to maturity".

($ in Millions)

Investment Information

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
September 30, 2021				
CoBank Investments	**$ 32,726**	**$ 561**	**$ (104)**	**$ 33,183**
Association Investments	**782**	**1**	**(1)**	**782**
Total	**$ 33,508**	**$ 562**	**$ (105)**	**$ 33,965**
December 31, 2020				
CoBank Investments	$ 31,915	$ 935	$ (25)	$ 32,825
Association Investments	659	1	-	660
Total	$ 32,574	$ 936	$ (25)	$ 33,485

Derivatives and Hedging Activities

CoBank, and to a much lesser extent certain Associations in the District, use derivatives as part of their market risk management activities. Derivatives (primarily interest rate swaps) are used by the Bank and Associations to manage liquidity and the market risk arising from maturity and repricing mismatches between assets and liabilities. Derivatives (interest rate caps and floors) are also used by the Bank to hedge cap and floor risk embedded within its floating-rate investments and loans. The Bank also enters into derivatives with its retail customers and Associations in the District as a service to enable them to transfer, modify or reduce their interest rate risk. Derivative transactions between CoBank and the Associations in the District and the assets/liabilities and income/expense related thereto, are eliminated in the District's condensed combined balances sheets and statements of income. Refer to the CoBank Annual Report for additional description and disclosure of the Bank's derivatives.

Derivatives are recorded at fair value as assets or liabilities in the District condensed combined balance sheets. Derivative assets totaled $524.3 million at September 30, 2021 compared to $877.8 million at December 31, 2020. Derivative liabilities totaled $385.3 million at September 30, 2021 compared to $580.9 million at December 31, 2020. The decreases in derivative assets and derivative liabilities at September 30, 2021 are primarily the result of changes in market interest rates during the first nine months of 2021.

Changes in the fair value of District derivatives are accounted for as gains or losses through current period earnings or as a component of accumulated other comprehensive income (loss), depending on the use of the derivatives and whether they qualify for hedge accounting treatment. Net changes in the fair value of derivatives recorded in noninterest income in the accompanying condensed combined statements of income included gains of $10.9 million and $47.1 million for the first nine months of 2021 and 2020, respectively. Changes in the fair value of derivatives recorded as other comprehensive income (loss) totaled net gains of $7.4 million for the first nine months of 2021 compared to net gains of $20.6 million for the same period of the prior year.

District Capital Resources and Other

Combined District shareholders' equity at September 30, 2021 totaled $23.9 billion as compared to $22.8 billion at December 31, 2020. The change primarily resulted from District net income of $2.0 billion, an increase in common stock of $55.7 million and an increase in preferred stock at Associations of $43.2 million. These factors were partially offset by accrued patronage of $505.1 million, a decrease in accumulated other comprehensive income of $366.7 million and preferred stock dividends of $67.2 million.

In June 2021, one District Association issued $300.0 million of Series A fixed-rate reset perpetual non-cumulative preferred stock ("preferred stock"), with a par amount of $1,000. Dividends on the preferred stock began accruing at an annual rate of 5.25% upon issuance and until the first reset date of June 15, 2026. Thereafter, the accrued dividend amount will be equal to the sum of the five-year treasury rate as of the most recent reset dividend determination date plus 4.50%. The preferred stock is not redeemable by the Association prior to the dividend payment date on June 15, 2026, except in whole upon the occurrence of a regulatory capital event. The Association at its option may redeem the Series A preferred stock, in whole or in part, on any Dividend Payment Date on or after the first reset date after June 15, 2026. Redemption of any amount of the preferred stock by the Association is subject to System regulatory capital requirements and prior approval from the FCA.

In June 2021, the same District Association also issued $200.0 million of unsecured subordinated notes ("subordinated notes") maturing on June 15, 2036. The subordinated notes will bear interest at a rate of 3.375% per annum, payable semi-annually in arrears, beginning December 15, 2021. From and including June 15, 2031, to, but excluding, June 15, 2036 or the date of earlier redemption, the subordinated notes will bear interest at a floating rate per annum equal to a benchmark rate (which is expected to be three-month term SOFR) plus a spread of 212 basis points, payable quarterly in arrears, commencing on September 15, 2031. The Association may, at their option, redeem the subordinated notes, in whole or in part beginning with the interest payment date of June 15, 2031, and on any interest payment date thereafter.

The components of the District's accumulated other comprehensive income are detailed in the following table.

($ in Thousands)

Accumulated Other Comprehensive (Loss) Income[1]

	September 30, 2021	December 31, 2020
Unrealized Gains on Investment Securities	**$ 396,930**	$ 800,715
Net Pension Adjustment	**(369,361)**	(399,053)
Unrealized Losses on Interest Rate Swaps and Other Derivatives	**(35,962)**	(43,353)
Accumulated Other Comprehensive (Loss) Income	**$ (8,393)**	$ 358,309

(1) Amounts are presented net of tax.

The change in the District's total accumulated other comprehensive (loss) income during the first nine months of 2021 is largely due to a decrease in unrealized gains on investment securities driven by the impact of market interest rate changes on the fair value of fixed rate securities.

The following table presents regulatory capital and leverage ratios for CoBank and the range of ratios at the affiliated Associations.

Regulatory Capital Requirements and Ratios

				September 30, 2021		December 31, 2020	
Ratio	Primary Components of Numerator	Regulatory Minimums	Minimum with Buffer	CoBank	District Associations	CoBank	District Associations
Risk Adjusted:							
Common equity tier 1 (CET1) capital ratio	Unallocated retained earnings (URE), common cooperative equities (qualifying capital stock and allocated equity)[1]	4.5%	7.0%	**12.88%**	**10.79 - 23.80%**	12.33%	11.55 - 24.09%
Tier 1 capital ratio	CET1 Capital, non-cumulative perpetual preferred stock	6.0%	8.5%	**14.76%**	**12.53 - 23.80%**	14.25%	11.55 - 24.09%
Total capital ratio	Tier 1 Capital, allowance for loan losses[2], common cooperative equities[3] and term preferred stock and subordinated debt[4]	8.0%	10.5%	**15.75%**	**13.80 - 24.00%**	15.22%	11.79 - 24.59%
Permanent capital ratio	Retained earnings, common stock, non-cumulative perpetual preferred stock and subordinated debt, subject to certain limits	7.0%	7.0%	**14.89%**	**13.52 - 23.84%**	14.36%	12.83 - 24.19%
Non-risk adjusted:							
Tier 1 leverage ratio*	Tier 1 Capital	4.0%	5.0%	**7.62%**	**14.14 - 23.30%**	7.30%	13.16 - 23.48%
UREE leverage ratio	URE and URE Equivalents	1.5%	1.5%	**3.44%**	**13.57 - 25.16%**	3.23%	13.94 - 24.57%

* Must include the 1.5% regulatory minimum requirement for the URE and UREE Leverage ratio.
(1) Equities outstanding 7 or more years
(2) Capped at 1.25% of risk-adjusted assets
(3) Equities outstanding 5 or more years, but less than 7 years
(4) Debt and equities outstanding 5 or more years

As depicted in the table above, at September 30, 2021, CoBank and all affiliated Associations exceeded the FCA's regulatory minimum capital ratios and any required buffers. Although aggregated in the District's condensed combined financial statements, capital for each District entity is particular to that institution. In addition, the provisions of joint and several liability for Systemwide Debt Securities are applicable only to System banks and do not include Associations. CoBank has no access to Association capital beyond their required investment in the Bank. There are no capital sharing agreements between CoBank and its affiliated Associations.

Association Mergers and Other Matters

Association Mergers

On April 8, 2021, the boards of Farm Credit East, ACA and Yankee Farm Credit, ACA approved a letter of intent to pursue a merger. The Associations are operating under a Joint Management Agreement and the combined Association will do business as Farm Credit East, ACA. The Associations anticipate a merger date of January 1, 2022 subject to receiving all regulatory and shareholder approvals required.

Effective January 1, 2021, two of our affiliated Associations, Farm Credit of Western Oklahoma, ACA and AgPreference, ACA merged and are doing business as Farm Credit of Western Oklahoma, ACA.

Litigation

In June 2016, a lawsuit was commenced by the filing of a complaint in the United States District Court Southern District of New York (the "Court") against CoBank by a number of investors (the "Plaintiffs") who had held CoBank's 7.875 percent Subordinated Notes due in 2019 (the "Notes"). The Notes were redeemed at par plus accrued interest by CoBank in April 2016 due to the occurrence of a "Regulatory Event" (as defined under the terms of the Notes). The Plaintiffs have asserted a breach of contract claim and a breach of implied covenant of good faith and fair dealing claim alleging that CoBank impermissibly redeemed the Notes. The Plaintiffs have requested damages in an amount to be determined at trial, reasonable attorneys' fees and any other such relief as the court may deem just and proper. CoBank filed its answer in September 2016 and discovery concluded in January 2018. CoBank and Plaintiffs filed their respective motions for summary judgment in March 2018.

On September 14, 2021, the Court ruled on the two summary judgment motions. On the breach of contract claim, the Court ruled in favor of the Plaintiffs. On the breach of implied covenant of good faith and fair dealing claim, the Court ruled in favor of CoBank. The question regarding the amount of damages remains pending before the Court. CoBank continues to review and analyze the Court's ruling and disagrees with many of its conclusions. CoBank is considering all of its options, including challenging the order through whatever procedural means are available. As a result of the ruling, during the third quarter of 2021 CoBank recorded an expense representing its estimated probable loss relating to the litigation. The range of probable loss in excess of CoBank's accrued liability related to this litigation would not likely be material to the District's consolidated financial position or consolidated results of operations.

Future of LIBOR

On March 5, 2021, the United Kingdom's Financial Conduct Authority (UKFCA) and the ICE Benchmark Administrator (IBA) formally announced that all LIBOR tenors will either be discontinued or no longer be representative immediately after December 31, 2021 for the GBP, JPY, CHF, EUR, and the 1-week and 2-month USD tenors, and immediately after June 30, 2023 for the remaining USD tenors. The UKFCA does not expect that any LIBOR tenors will become unrepresentative before these respective dates; however, publication by the IBA of most of the LIBOR tenors is expected to cease immediately after these dates. The UKFCA has worked closely with market participants and regulatory authorities around the world to ensure that alternatives to LIBOR are available and that existing contracts can be transitioned onto these alternatives to safeguard financial stability and market integrity.

On March 9, 2021, the Federal Reserve's Alternative Reference Rate Committee (ARRC) released a statement of clarification related to the UKFCA and IBA announcements. The ARRC confirmed a "Benchmark Transition Event" occurred under ARRC and International Swaps and Derivatives Association (ISDA) recommended fallback language as a result of the announcements on March 5, 2021. The ARRC also confirmed that March 5, 2021 is the date which the spread adjustments were determined for the ISDA fallbacks but will not be effective until the next repricing of instruments after June 30, 2023.

On April 6, 2021, the New York Governor signed legislation to provide legal clarity for legacy financial instruments governed by New York state law during the LIBOR transition. The amendment to existing New York law mirrored a proposal drafted by the ARRC. The law is limited to USD LIBOR-indexed contracts and financial instruments governed under New York law that do not have any fallback language or do not include appropriate fallback language per the legislation. The new law states the LIBOR transition cannot be used as a breach of contract under law and provides that the recommended benchmark replacement is a commercially reasonable substitute for LIBOR. The new law's provisions are effective upon the occurrence of a statutory event, such as, a "LIBOR Discontinuance Event" or "LIBOR Replacement Date". Upon the statutory events, the LIBOR-based benchmark index, by operation of law, will be replaced by a "Recommended Benchmark Replacement" currently defined as the Secured Overnight Financing Rate ("SOFR"). Another state has subsequently adopted legislation similar to the New York legislation. At this time, there is no specific federal law akin to the New York legislation addressing the LIBOR transition. However, the United States Congress began working on a draft version of federal legislation that would provide a statutory substitute benchmark rate for contracts that use USD LIBOR as a benchmark and that do not have any sufficient fallback clauses in place. The current version of the legislation, the Adjustable Interest Rate (LIBOR) Act of 2021, was formally introduced in the House of Representatives on July 22, 2021. While similar to the New York state LIBOR legislation, including a safe harbor for use of recommended LIBOR fallbacks that are based on SOFR, there are differences in the current draft of the federal legislation, most significantly, that the draft bill specifically provides for the preemption of state law. At this time, it is uncertain as to whether, when, and in what form such federal legislation will be adopted.

On April 20, 2021, the ARRC published the key principles and market indicators which they feel are critical to endorse forward-looking term SOFR indexes. The ARRC's term rate principles and term rate market indicators together provide clear guidance that would allow the ARRC to recommend a SOFR-based term rate.

On May 21, 2021, the CME Group was selected by the ARRC to publish its recommended forward-looking SOFR term rates.

On July 29, 2021, the ARRC formally recommended the CME Group's forward-looking SOFR term rates. The ARRC's formal recommendation of SOFR term rates is a major milestone in the transition away from USD LIBOR.

On September 8, 2021, the CME Group made available SOFR term rates for over-the-counter derivatives including swaps, options, forwards, repos, structured products and other similar derivatives when utilized to hedge cash instruments held by end-users which are indexed to term SOFR.

On October 6, 2021, the AARC issued a summary of its recommendations to date regarding spread-adjusted fallbacks for contracts referencing USD LIBOR. This document is intended to provide a singular reference point for market participants to understand the ARRC's current recommendations in relation to its fallback language and to state legislation that references ARRC recommended fallbacks.

On November 30, 2020, the U.S. Prudential Regulators (Federal Reserve, Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency) issued a statement to encourage banks to transition away from LIBOR as soon as practicable. The Prudential Regulators stated that entering into new contracts that use LIBOR as a reference rate after December 31, 2021, would create safety and soundness risks and will examine bank practices accordingly. Therefore, the Prudential Regulators encourage banks to cease entering into new contracts that use LIBOR as a reference rate as soon as practicable and in any event by December 31, 2021. New contracts entered into before December 31, 2021 should either utilize a reference rate other than LIBOR or have robust fallback language that includes a clearly defined alternative reference rate after LIBOR's discontinuation.

On October 20, 2021, the Prudential Regulators issued another statement to reemphasize the expectation that supervised institutions with LIBOR exposure continue to progress towards an orderly transition away from LIBOR. Given LIBOR's discontinuance, the agencies believe that entering into new contracts, including derivatives, that use LIBOR as a reference rate after December 31, 2021, would create safety and soundness risks, including litigation, operational, and consumer protection risks. The Prudential Regulators further clarified a new contract would include an agreement that creates additional LIBOR exposure for a supervised institution or extends the term of an existing LIBOR contract. A draw on an existing agreement that is legally enforceable, for example, a committed credit facility would not be viewed as a new contract.

On December 18, 2020, the FCA issued an informational memorandum with similar LIBOR transition guidance as the Prudential Regulators, but applicable to Farm Credit System institutions. In accordance with the informational memorandum, System institutions should adopt 2021 transition plans with steps and timeframes to accomplish the following: reduce LIBOR exposures; stop the inflow of new LIBOR volume; develop and implement loan products with alternative reference rates; assess, and if necessary, revise fallback language on legacy LIBOR indexed loans and contracts; adjust operational processes, including accounting and management information systems, to handle alternative reference rates; and communicate pending or imminent changes to customers as appropriate.

The System institutions that comprise the District have exposure to various LIBOR-indexed financial instruments that mature after 2021. This exposure includes loans that are made to customers, investment securities that are purchased, Systemwide Debt Securities that are issued by the Federal Farm Credit Banks Funding Corporation (Funding Corporation) on CoBank's behalf, preferred stock that is issued and derivative transactions. Alternative reference rates that replace LIBOR may not yield the same or similar economic results over the terms of the financial instruments, which could adversely affect the value of, and return on, instruments held. The transition from LIBOR could result in System institutions in the District paying higher interest rates on current LIBOR-indexed Systemwide Debt Securities, adversely affect the yield on, and fair value of, the instruments District institutions hold that reference LIBOR, and increase the costs of or affect the ability to effectively use derivative instruments to manage interest rate risk. In addition, to the extent that the District cannot successfully transition the LIBOR-indexed financial instruments to an alternative rate-based index that is endorsed or supported by regulators and generally accepted by the market as a replacement to LIBOR, there could be other ramifications including those that may arise as a result of the need to redeem or terminate such instruments. Disputes and litigation with counterparties, investors and borrowers relating to the transition are also possible. Due to the uncertainty regarding the transition from LIBOR-indexed financial instruments, including when it will happen, the manner in which an alternative reference rate will apply, and the mechanisms for transitioning LIBOR-indexed instruments to instruments with an alternative rate, the District cannot yet reasonably estimate the expected financial impact of the LIBOR transition.

The following table presents the District LIBOR-indexed financial instruments by contractual maturity.

LIBOR-Indexed Financial Instruments at September 30, 2021 ($ in Millions)

	Due in 2021	Due in 2022	Due in 2023 on or before June 30, 2023	Due after June 30, 2023	Total
Commercial Loans [1]	$ 2,348	$ 10,577	$ 1,314	$ 26,148	$ 40,387
Investment Securities	-	54	127	4,616	4,797
Debt	5,807	875	171	785	7,638
Derivatives (Notional Amounts)	2,300	5,809	4,111	24,337	36,557
Preferred Stock [2]	-	-	-	1,300	1,300

(1) Represents District combined loans after elimination of the direct note between CoBank and its affiliated Associations.

(2) Represents CoBank's non-cumulative perpetual preferred stock with a fixed-to-floating rate dividend feature indexed to 3-month USD LIBOR, and does not have a contractual maturity date. Includes $225 million of CoBank preferred stock that pays a dividend currently indexed to 3-month USD LIBOR plus a spread as of September 30, 2021. Dividends on an additional $400 million, $300 million and $375 million of CoBank preferred stock convert from a fixed rate to 3-month USD LIBOR plus a spread in 2022, 2025, and 2026, respectively. There is no Association preferred stock indexed to LIBOR.

System institutions in the District continue to analyze potential risks associated with the LIBOR transition, including financial, market, accounting, operational, legal, tax, reputational and compliance risks. At this time, System institutions are unable to completely predict when LIBOR will become unrepresentative. However, in light of the announcements by the UKFCA, the IBA and Prudential Regulators noted above, USD LIBOR, except in very limited circumstances, will be discontinued or declared unrepresentative (depending on the tenor) as of either immediately after December 31, 2021 or

June 30, 2023. Because System institutions in the District routinely engage in transactions involving financial instruments that reference LIBOR, these developments may have a material impact on those institutions, their borrowers, investors, customers and counterparties.

Other Regulatory Matters

On July 8, 2021, the FCA announced a proposed rule that would amend the Tier 1/Tier 2 capital framework to define and establish a risk weight for high-volatility commercial real estate exposures by assigning a 150% risk-weighting to such exposures, instead of the current 100% risk-weighting. The proposed rule focuses on changes that are comparable with the capital rules of other federal banking regulatory agencies and recognizes the increased risk posed by high-volatility commercial real estate exposures. The public comment period will end on January 24, 2022.

On September 9, 2021, the FCA adopted a final rule that amends, corrects and clarifies certain provisions of the Tier 1/Tier 2 capital framework approved by the FCA in March 2016. The final rule includes amendments that do not change the minimum capital requirements or capital buffers, but focus on clarifying and improving other provisions to ensure application of the rules as intended, reduce burden to the Farm Credit System, and assist the FCA in better determining compliance with the Tier 1/Tier 2 capital framework. The final rule will be become effective on January 1, 2022. It is not expected that this regulation will have a material impact on the regulatory capital and leverage ratios of CoBank or District Associations.

Subsequent Events

We have evaluated subsequent events through November 9, 2021, which is the date the financial statements were issued.

On October 28, 2021, the boards of Farm Credit of Western Oklahoma, ACA and Farm Credit of Enid, ACA approved a letter of intent to pursue a merger.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Condensed Combined Balance Sheets

(unaudited)

($ in Thousands)

	September 30, 2021	December 31, 2020
Assets		
Total Loans	**$ 131,454,722**	$ 132,243,322
Less: Allowance for Loan Losses	**944,905**	970,007
Net Loans	**130,509,817**	131,273,315
Cash and Cash Equivalents	**610,779**	2,543,938
Federal Funds Sold and Other Overnight Funds	**700,000**	835,000
Investment Securities	**33,964,645**	33,484,797
Interest Rate Swaps and Other Derivatives	**524,303**	877,822
Accrued Interest Receivable and Other Assets	**2,623,760**	2,535,210
Total Assets	**$ 168,933,304**	$ 171,550,082
Liabilities		
Bonds and Notes	**$ 141,677,184**	$ 144,606,732
Subordinated Debt	**197,550**	-
Interest Rate Swaps and Other Derivatives	**385,338**	580,943
Reserve for Unfunded Commitments	**163,806**	155,485
Patronage Payable	**442,289**	925,973
Accrued Interest Payable and Other Liabilities	**2,134,233**	2,470,696
Total Liabilities	**145,000,400**	148,739,829
Shareholders' Equity		
Preferred Stock Issued by Bank	**1,500,000**	1,500,000
Preferred Stock Issued by Associations	**578,200**	534,962
Common Stock	**1,818,307**	1,762,650
Paid In Capital	**1,387,946**	1,346,166
Unallocated Retained Earnings	**18,656,844**	17,308,166
Accumulated Other Comprehensive (Loss) Income	**(8,393)**	358,309
Total Shareholders' Equity	**23,932,904**	22,810,253
Total Liabilities and Shareholders' Equity	**$ 168,933,304**	$ 171,550,082

Condensed Combined Statements of Income

(unaudited)

($ in Thousands)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	**2020**	**2021**	**2020**
Interest Income				
Loans	**$ 1,080,849**	$ 1,049,088	**$ 3,293,164**	$ 3,454,626
Investment Securities, Federal Funds Sold and Other Overnight Funds	**108,309**	133,442	**334,743**	453,927
Total Interest Income	**1,189,158**	1,182,530	**3,627,907**	3,908,553
Interest Expense	**284,352**	349,239	**871,325**	1,430,107
Net Interest Income	**904,806**	833,291	**2,756,582**	2,478,446
(Loan Loss Reversal)/Provision for Loan Losses	**(50,417)**	1,642	**(24,686)**	79,778
Net Interest Income After (Loan Loss Reversal)/Provision for Loan Losses	**955,223**	831,649	**2,781,268**	2,398,668
Noninterest Income				
Net Fee Income	**55,075**	48,532	**151,732**	153,974
Patronage Income	**32,310**	28,943	**107,132**	92,464
Prepayment Income	**17,781**	13,991	**37,066**	27,547
Losses on Early Extinguishments of Debt	**(25,686)**	(24,562)	**(56,806)**	(45,110)
Return of Excess Insurance Funds	**-**	-	**-**	25,570
Gains on Interest Rate Swaps and Other Derivatives	**4,892**	9,236	**10,857**	47,146
Other, Net	**2,272**	24,962	**53,330**	60,969
Total Noninterest Income	**86,644**	101,102	**303,311**	362,560
Operating Expenses				
Employee Compensation	**190,938**	184,247	**557,809**	540,196
Insurance Fund Premium	**46,386**	29,846	**144,207**	73,796
Information Services	**40,044**	26,007	**92,963**	74,524
General and Administrative	**19,027**	13,783	**47,687**	48,569
Occupancy and Equipment	**9,322**	20,435	**44,185**	56,563
Farm Credit System Related	**7,121**	6,816	**24,712**	24,351
Purchased Services	**20,637**	21,774	**56,839**	63,613
Other	**16,893**	11,687	**43,065**	41,653
Total Operating Expenses	**350,368**	314,595	**1,011,467**	923,265
Income Before Income Taxes	**691,499**	618,156	**2,073,112**	1,837,963
Provision for Income Taxes	**32,035**	40,130	**98,945**	114,463
Net Income	**$ 659,464**	$ 578,026	**$ 1,974,167**	$ 1,723,500

Select Information on District Associations
(unaudited)

($ in Thousands)

As of September 30, 2021	Wholesale Loans	% of Wholesale Loans	Total Assets	Total Regulatory Capital	Total Regulatory Capital Ratio	Non-performing Loans as a % of Total Loans	Return on Average Assets
American AgCredit, ACA	$ 13,013,491	22.66 %	$ 16,127,823	$ 2,424,109	13.91 %	0.47 %	2.29 %
Northwest Farm Credit Services, ACA	10,566,963	18.39	14,246,112	2,652,347	18.18	0.45	2.67
Farm Credit West, ACA	9,790,017	17.04	12,896,738	1,934,304	14.43	0.80	2.62
Farm Credit East, ACA	6,939,360	12.08	8,861,203	1,638,705	17.84	0.40	2.30
Yosemite Farm Credit, ACA	3,083,308	5.37	3,799,557	529,993	13.80	0.16	1.82
Frontier Farm Credit, ACA	1,860,151	3.24	2,403,409	460,464	17.80	0.28	2.13
Farm Credit of New Mexico, ACA	1,555,899	2.71	2,051,907	412,310	20.59	0.54	1.53
Golden State Farm Credit, ACA	1,598,553	2.78	2,025,031	305,283	14.74	0.14	2.22
Oklahoma AgCredit, ACA	1,433,102	2.49	1,778,765	275,686	15.33	0.68	1.61
High Plains Farm Credit, ACA	1,159,973	2.02	1,474,815	233,935	15.25	0.15	2.14
Fresno-Madera Farm Credit, ACA	1,041,810	1.81	1,409,259	269,525	17.08	0.23	1.79
Farm Credit of Southern Colorado, ACA	1,088,106	1.89	1,391,290	243,396	17.39	0.60	1.49
Farm Credit Western Oklahoma, ACA	1,056,167	1.84	1,321,164	201,968	17.21	0.48	1.66
Western AgCredit, ACA	949,031	1.65	1,248,997	223,470	17.48	1.97	2.38
Premier Farm Credit, ACA	642,123	1.12	863,261	167,730	18.39	0.02	1.82
Yankee Farm Credit, ACA	504,778	0.88	640,934	107,588	17.36	2.12	2.14
Farm Credit Services of Colusa-Glenn, ACA	423,886	0.74	597,173	116,185	17.34	-	2.00
Farm Credit of Western Kansas, ACA	293,743	0.51	417,608	93,885	22.65	0.12	1.82
Idaho AgCredit, ACA	261,609	0.46	346,121	57,144	16.76	0.20	1.88
Farm Credit of Enid, ACA	186,546	0.32	257,571	59,235	24.00	0.46	1.23

Association Information

American AgCredit, ACA
400 Aviation Boulevard, Suite 100
Santa Rosa, CA 95403
707-545-1200
www.agloan.com

Farm Credit East, ACA
240 South Road
Enfield, CT 06082
860-741-4380
www.farmcrediteast.com

Farm Credit of Enid, ACA
1605 W. Owen K. Garriott Road
Enid, OK 73703
580-233-3489
www.fcenid.com

Farm Credit of New Mexico, ACA
5651 Balloon Fiesta Parkway NE
Albuquerque, NM 87113
505-884-1048
www.farmcreditnm.com

Farm Credit of Southern Colorado, ACA
5110 Edison Avenue
Colorado Springs, CO 80915
719-570-1087
www.aglending.com

Farm Credit of Western Kansas, ACA
1190 South Range Avenue
Colby, KS 67701-3503
785-462-6714
www.fcwk.com

Farm Credit of Western Oklahoma, ACA
3302 Williams Avenue
Woodward, OK 73801
580-256-3465
www.fcwestok.com

Farm Credit Services of Colusa-Glenn, ACA
2970 Davison Court
Colusa, CA 95932
530-458-2163
www.fcscolusaglenn.com

Farm Credit West, ACA
3755 Atherton Road
Rocklin, CA 95765
916-780-1166
www.farmcreditwest.com

Fresno-Madera Farm Credit, ACA
4635 West Spruce Avenue
Fresno, CA 93722
559-277-7000
www.fmfarmcredit.com

Frontier Farm Credit, ACA
5015 South 118th Street
Omaha, NE 68137
785-776-7144
www.frontierfarmcredit.com

Golden State Farm Credit, ACA
1359 East Lassen Avenue
Chico, CA 95973
530-571-4160
www.goldenstatefarmcredit.com

High Plains Farm Credit, ACA
605 Main
Larned, KS 67550-0067
620-285-6978
www.highplainsfarmcredit.com

Idaho AgCredit, ACA
188 West Judicial Street
Blackfoot, ID 83221-0985
208-785-1510
www.idahoagcredit.com

Northwest Farm Credit Services, ACA
2001 South Flint Road
Spokane, WA 99224
509-340-5300
www.northwestfcs.com

Oklahoma AgCredit, ACA
3033 Progressive Drive
Edmond, OK 73034
918-251-8596
www.okagcredit.com

Premier Farm Credit, ACA
202 Poplar Street
Sterling, CO 80751-1785
970-522-5295
www.premieraca.com

Western AgCredit, ACA
10980 South Jordan Gateway
South Jordan, UT 84095-0850
801-571-9200
www.westernagcredit.com

Yankee Farm Credit, ACA
289 Hurricane Lane, Suite 202
Williston, VT 05495-0467
802-879-4700
www.yankeefarmcredit.com

Yosemite Farm Credit, ACA
806 West Monte Vista Avenue
Turlock, CA 95382
209-667-2366
www.yosemitefarmcredit.com