

## GOVERNMENT-SPONSORED ENTERPRISES

This chapter contains descriptions of the data on the Government-sponsored enterprises listed below. These enterprises were established and chartered by the Federal Government for public policy purposes. They are not included in the Federal Budget because they are private companies, and their securities are not backed by the full faith and credit of the Federal Government. However, because of their public purpose, statements of financial condition are presented, to the extent such information is available, on a basis that is as consistent as practicable with the basis for the budget data of Government agencies.

—The Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation provide assistance to the secondary market for residential mortgages.

—The Federal Home Loan Banks assist thrift institutions, banks, insurance companies, and credit unions in providing financing for housing and community development.

—Institutions of the Farm Credit System, which include the Agricultural Credit Bank and Farm Credit Banks, provide financing to agriculture. They are regulated by the Farm Credit Administration.

—The Federal Agricultural Mortgage Corporation, also a Farm Credit System institution under the regulation of the Farm Credit Administration, provides a secondary market for agricultural real estate, rural housing loans, and certain rural utility loans, as well as for farm and business loans guaranteed by the U.S. Department of Agriculture.

### FEDERAL NATIONAL MORTGAGE ASSOCIATION

#### PORTFOLIO PROGRAMS

#### Status of Direct Loans (in millions of dollars)

Identification code 915-4986-0-4-371	2020 actual	2021 est.	2022 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	176,989	172,108	172,108
1251 Repayments: Net repayments and prepayments .....	-4,881	.....	.....
1290 Outstanding, end of year .....	172,108	172,108	172,108

The Federal National Mortgage Association (Fannie Mae) is a Government-sponsored enterprise (GSE) in the housing finance market. As a housing GSE, Fannie Mae is a federally chartered, shareholder-owned, private company with a public mission to provide stability in and increase the liquidity of the residential mortgage market and to help increase the availability of mortgage credit to low- and moderate-income families and in underserved areas. Fannie Mae engages primarily in two forms of business: guaranteeing residential mortgage securities and investing in portfolios of residential mortgages.

Fannie Mae was established in 1938 to assist private markets in providing a steady supply of funds for housing. Fannie Mae was originally a subsidiary of the Reconstruction Finance Corporation and was permitted to purchase only loans insured by the Federal Housing Administration (FHA). In 1954, Fannie Mae was restructured as a mixed ownership (part government, part private) corporation. Legislation directed the sale of the Government's remaining interest in Fannie Mae in 1968 and completed the transformation to private shareholder ownership in 1970.

The Housing and Economic Recovery Act of 2008 reformed housing GSE regulation by creating the Federal Housing Finance Agency (FHFA), a new independent regulator, and providing temporary authority for the U.S. Department of the Treasury to purchase obligations of the housing GSEs. On September 6, 2008, FHFA placed Fannie Mae under Federal conservatorship in response to the GSEs' declining capital adequacy and to support the safety and soundness of the GSEs. On the following day, the U.S. Department of the Treasury entered into a Senior Preferred Stock Purchase Agreement (PSPA) with Fannie Mae to make investments of up

to \$100 billion in senior preferred stock as required to maintain positive equity. In May 2009, Treasury increased the funding commitments for the PSPA to \$200 billion and in December 2009, Treasury modified the funding commitments in the PSPA to the greater of \$200 billion or \$200 billion plus cumulative net worth deficits experienced during 2010–2012, less any surplus remaining as of December 31, 2012. Based on the financial results reported by Fannie Mae as of December 31, 2012, and under the terms of the PSPA, the cumulative funding commitment cap for Fannie Mae was set at \$233.7 billion. As of March 31, 2021, Fannie Mae had received \$119.8 billion under the PSPA, and had made a total of \$181.4 billion in dividend payments to Treasury on the senior preferred stock. The Budget continues to reflect the GSEs as non-budgetary entities, though their status will continue to be reviewed. All of the current Federal assistance being provided to Fannie Mae, including the PSPA, is shown on-budget. For additional discussion of Fannie Mae, please see the *Analytical Perspectives* volume of the Budget documents.

#### Balance Sheet (in millions of dollars)

Identification code 915-4986-0-4-371	2019 actual	2020 actual
<b>ASSETS:</b>		
Federal assets:		
Investments in U.S. securities:		
1102 Treasury securities, par .....	36,016	135,972
1201 Non-Federal assets: Investments in non-Federal securities, net .....	23,260	12,774
Net value of assets related to direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601 Mortgage Loans and Mortgage Related Securities .....	118,076	115,986
1601 Mortgage Loans and Mortgage Related Securities - Consolidated Trusts .....	3,206,856	3,439,678
1604 Direct loans and interest receivable, net .....	3,324,932	3,555,664
1606 Acquired Property, net .....	2,452	1,462
1699 Value of assets related to direct loans .....	3,327,384	3,557,126
Other Federal assets:		
1801 Cash and other monetary assets .....	95,782	135,695
1901 Other assets .....	11,994	23,036
1999 Total assets .....	3,494,436	3,864,603
<b>LIABILITIES:</b>		
Non-Federal liabilities:		
2202 Interest payable .....	10,400	9,982
2203 Debt .....	213,522	289,423
2203 Debt - Consolidated Trusts .....	3,248,336	3,530,381
2207 Other .....	11,836	14,124
2999 Total liabilities .....	3,484,094	3,843,910
<b>NET POSITION:</b>		
3300 Senior Preferred Stock .....	120,836	120,836
3300 Private Equity .....	-110,494	-100,143
3300 Noncontrolling Interest .....	.....	.....
3999 Total net position .....	10,342	20,693
4999 Total liabilities and net position .....	3,494,436	3,864,603

#### MORTGAGE-BACKED SECURITIES

#### Status of Direct Loans (in millions of dollars)

Identification code 915-4987-0-4-371	2020 actual	2021 est.	2022 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	3,218,309	3,481,562	3,481,562
1231 Disbursements: Direct loan disbursements .....	1,173,366	.....	.....
1251 Repayments: Repayments and prepayments .....	-910,113	.....	.....
1290 Outstanding, end of year .....	3,481,562	3,481,562	3,481,562

Prior to January 1, 2010, the mortgages in the pools of loans supporting the mortgage-backed securities guaranteed by Fannie Mae were considered to be owned by the holders of these securities according to the accounting standards for private corporations. Consequently, on the books of Fannie Mae, these mortgages were not considered assets and the securities outstanding were not considered liabilities. New accounting standards imple-

## MORTGAGE-BACKED SECURITIES—Continued

mented on January 1, 2010, require consolidation of many, but not all, of these securities in Fannie Mae's financial statements. For the purposes of the Budget they are presented as direct loans for mortgage-backed securities. "Disbursements" and "Repayments" are budgetary terms. These items are reported by Fannie Mae as "Issuances" and "Liquidations," respectively.

## FEDERAL HOME LOAN MORTGAGE CORPORATION

## PORTFOLIO PROGRAMS

## Status of Direct Loans (in millions of dollars)

Identification code 913-4988-0-4-371	2020 actual	2021 est.	2022 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	221,601	198,176	198,176
1251 Repayments: Repayments and prepayments .....	-23,425	.....	.....
1290 Outstanding, end of year .....	198,176	198,176	198,176

The Federal Home Loan Mortgage Corporation (Freddie Mac) is a Government-sponsored enterprise (GSE) in the housing finance market. As a housing GSE, Freddie Mac is a federally chartered, shareholder-owned, private company with a public mission to provide stability in and increase the liquidity of the residential mortgage market, and to help increase the availability of mortgage credit to low- and moderate-income families and in underserved areas. Freddie Mac engages primarily in two forms of business: guaranteeing residential mortgage securities and investing in portfolios of residential mortgages.

Freddie Mac was established in 1970 under the Emergency Home Finance Act. The Congress chartered Freddie Mac to provide mortgage lenders with an organized national secondary market enabling them to manage their conventional mortgage portfolio more effectively and gain indirect access to a ready source of additional funds to meet new demands for mortgages. Freddie Mac serves as a conduit facilitating the flow of investment dollars from the capital markets to mortgage lenders, and ultimately, to homebuyers.

The Housing and Economic Recovery Act of 2008 reformed housing GSE regulation by creating the Federal Housing Finance Agency (FHFA), a new independent regulator, and provided temporary authority for the U.S. Department of the Treasury to purchase obligations of the housing GSEs. On September 6, 2008, FHFA placed Freddie Mac under Federal conservatorship in response to the GSEs' declining capital adequacy and to support the safety and soundness of the GSEs. On the following day, the U.S. Department of the Treasury entered into a Senior Preferred Stock Purchase Agreement (PSPA) with Freddie Mac to make investments of up to \$100 billion in senior preferred stock as required to maintain positive equity. In May 2009, Treasury increased the funding commitments for the PSPA to \$200 billion and in December 2009, Treasury modified the funding commitments in the PSPA to the greater of \$200 billion or \$200 billion plus cumulative net worth deficits experienced during 2010–2012, less any surplus remaining as of December 31, 2012. Based on the financial results reported by Freddie Mac as of December 31, 2012, and under the terms of the PSPA, the cumulative funding commitment cap for Freddie Mac was set at \$211.8 billion. As of March 31, 2021, Freddie Mac had received \$71.6 billion under the PSPA, and had made a total of \$119.7 billion in dividend payments to Treasury on the senior preferred stock. The Budget continues to reflect the GSEs as non-budgetary entities, though their status will continue to be reviewed. All of the current federal assistance being provided to Freddie Mac, including the PSPA, is shown on-budget. For additional discussion of Freddie Mac, please see the *Analytical Perspectives* volume of the Budget documents.

## Balance Sheet (in millions of dollars)

Identification code 913-4988-0-4-371	2019 actual	2020 actual
ASSETS:		
Federal assets:		
Investments in U.S. securities:		
1102 Treasury securities, par .....	24,282	28,497
1201 Non-Federal assets: Investments in non-Federal securities, net .....	51,187	99,252
Net value of assets related to direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601 Mortgage Loans and Mortgage Related Securities .....	140,557	147,937
1601 Mortgage Loans and Mortgage Related Securities - Consolidated Trusts .....	1,905,633	2,115,509
1604 Direct loans and interest receivable, net .....	2,046,190	2,263,446
1606 Acquired property, net .....	.....	.....
1699 Value of assets related to direct loans .....	2,046,190	2,263,446
Other Federal assets:		
1801 Cash and other monetary assets .....	42,803	56,990
1901 Other assets .....	5,784	5,886
1999 Total assets .....	2,170,246	2,454,071
LIABILITIES:		
Non-Federal liabilities:		
2202 Interest payable .....	6,688	6,020
2203 Debt .....	279,951	284,896
2203 Debt - Consolidated Trusts .....	1,869,308	2,138,420
2207 Other .....	7,625	10,844
2999 Total liabilities .....	2,163,572	2,440,180
NET POSITION:		
3300 Senior Preferred Stock .....	72,648	72,648
3300 Private Equity .....	-65,974	-58,757
3999 Total net position .....	6,674	13,891
4999 Total liabilities and net position .....	2,170,246	2,454,071

## MORTGAGE-BACKED SECURITIES

## Status of Direct Loans (in millions of dollars)

Identification code 914-4989-0-4-371	2020 actual	2021 est.	2022 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	2,190,219	2,459,232	2,459,232
1231 Disbursements: Direct loan disbursements .....	897,670	.....	.....
1251 Repayments: Repayments and prepayments .....	-628,657	.....	.....
1290 Outstanding, end of year .....	2,459,232	2,459,232	2,459,232

Prior to January 1, 2010, the mortgages in the pools of loans supporting the mortgage-backed securities guaranteed by Freddie Mac were considered to be owned by the holders of these securities according to the accounting standards for private corporations. Consequently, on the books of Freddie Mac, these mortgages were not considered assets and the securities outstanding were not considered liabilities. New accounting standards implemented on January 1, 2010, require consolidation of many, but not all, of these securities in Freddie Mac's financial statements. For the purposes of the Budget, they are presented as direct loans for mortgage-backed securities. "Disbursements" and "Repayments" are budgetary terms. These items are reported by Freddie Mac as "Issuances" and "Liquidations," respectively.

## FEDERAL HOME LOAN BANK SYSTEM

## FEDERAL HOME LOAN BANKS

## Status of Direct Loans (in millions of dollars)

Identification code 913-4990-0-4-371	2020 actual	2021 est.	2022 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	728,188	546,987	546,987
1231 Disbursements: Direct loan disbursements .....	5,466,399	.....	.....
1251 Repayments: Repayments and prepayments .....	-5,651,985	.....	.....
1264 Other adjustments, net (+ or -) .....	4,385	.....	.....
1290 Outstanding, end of year .....	546,987	546,987	546,987

The Federal Home Loan Bank System is a Government-sponsored enterprise (GSE) in the housing finance market. The Federal Home Loan Banks (FHLBanks) were chartered by the Federal Home Loan Bank Board under the authority of the Federal Home Loan Bank Act of 1932 (Act). The 11 Federal Home Loan Banks are under the supervision of the Federal Housing Finance Agency (FHFA), established by the Congress in 2008. The common mission of FHLBanks is to facilitate the extension of credit through their members. To accomplish this mission, FHLBanks make loans, called "advances", and provide other credit products and services to their nearly 6,700 member commercial banks, savings associations, insurance companies, and credit unions. Advances and letters of credit must be fully secured by eligible collateral, and long-term advances may be made only for the purpose of providing funds for residential housing finance. However, "community financial institutions" may also use long-term advances to finance small businesses, small farms, and small agribusinesses. Specialized advance programs provide funds for community reinvestment and affordable housing programs. All regulated financial depositories, certified community development financial institutions, and insurance companies engaged in residential housing finance are eligible for membership, and must meet other requirements in the Act to obtain membership. Each FHLBank operates in a geographic district and together FHLBanks cover all of the United States, including the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands. The principal source of funds for the lending operation is the sale of consolidated obligations to the public. The consolidated obligations are not guaranteed by the U.S. Government as to principal or interest. Other sources of lendable funds include members' deposits and capital. Funds not immediately needed for advances to members are invested. The capital stock of the Federal Home Loan Banks is owned entirely by the members. Initially the U.S. Government purchased stock of the banks in the amount of \$125 million. The banks had repurchased the Government's investment in full by mid-1951. The Act, as amended in 1989, requires each FHLBank to operate an Affordable Housing Program (AHP). Each FHLBank provides subsidies in the form of direct grants or below-market rate advances for members that use the funds for qualifying affordable housing projects. Each of the FHLBanks must set aside annually 10 percent of its previous year's net earnings, subject to an aggregate minimum of \$100 million, for the AHP. For additional discussion of the FHLBanks, please see the *Analytical Perspectives* volume of the Budget.

4999	Total liabilities and net position .....	1,086,007	894,464
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### FARM CREDIT SYSTEM

The Farm Credit System (System) is a Government-sponsored enterprise that provides privately financed credit to agricultural and rural communities. The major functional entities of the System are: (1) the Agricultural Credit Bank (ACB); (2) the Farm Credit Banks (FCBs); and (3) the direct-lender associations. The Federal Agricultural Mortgage corporation (Farmer Mac), which is also an institution of the System, is discussed separately below. The history and specific functions of the bank entities are discussed after the presentation of financial schedules for each bank entity. System entities are regulated and examined by the Farm Credit Administration (FCA), an independent Federal agency. The administrative costs of FCA are financed by assessments on System institutions, including Farmer Mac. System banks finance loans primarily from sales of bonds to the public and their own capital funds. The System bonds issued by the banks are not guaranteed by the U.S. Government as to either principal or interest. The bonds are backed by an insurance fund, administered by the Farm Credit System Insurance Corporation (FCSIC), an independent Federal Government-controlled corporation that collects insurance premiums from member banks to fund insurance reserves. All of the FCSIC's operating expenses are also paid from the insurance premiums it receives from the System banks; as a result, the FCSIC does not require budgetary resources from the Federal Government.

#### AGRICULTURAL CREDIT BANK

##### Status of Direct Loans (in millions of dollars)

Identification code 912-4991-0-4-351	2020 actual	2021 est.	2022 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	101,899	111,985	114,902
1231 Disbursements: Direct loan disbursements .....	453,272	470,535	488,455
1251 Repayments: Repayments and prepayments .....	-443,143	-467,578	-484,029
1263 Write-offs for default: Direct loans .....	-43	-40	-50
1290 Outstanding, end of year .....	111,985	114,902	119,278

CoBank, Agricultural Credit Bank (ACB), which is headquartered near Denver, Colorado, provides funding to eligible cooperatives nationwide and Agricultural Credit Associations (ACAs) in its chartered district. CoBank is the only Agricultural Credit Bank (ACB) in the System. An ACB operates under statutory authority that combines the authorities of an FCB and a bank for cooperatives (BC). CoBank is the only System bank with the authorities of a BC. In exercising its FCB authority, CoBank's charter limits its lending to 21 ACAs located in the northeast, central, and western regions of the country. And, in exercising its BC authority, CoBank is chartered to provide credit and related services nationwide to eligible cooperatives primarily engaged in farm supply, grain, marketing, and processing (including sugar, dairy, and ethanol). CoBank also makes loans to rural utilities, including telecommunications companies, and it provides international loans for the financing of agricultural exports.

##### Statement of Changes in Net Worth (in thousands of dollars)

	2019 act.	2020 act.	2021 est.	2022 est.
Beginning balance of net worth .....	9,058,428	10,447,308	11,679,369	12,218,314
Capital stock and participations issued .....	78,467	121,516	193,897	107,795
Capital stock and participations retired .....	44,027	34,792	35,726	52,425
Net income .....	1,054,550	1,194,308	1,106,170	1,125,478
Cash/Dividends/Patronage Distributions .....	-566,874	-607,179	-619,336	-647,602
Other, net .....	866,764	558,208	-106,060	-222,875
Ending balance of net worth .....	10,447,308	11,679,369	12,218,314	12,528,685

##### Financing Activities (in thousands of dollars)

	2019 act.	2020 act.	2021 est.	2022 est.
Beginning balance of outstanding system obligations .....	115,909,963	122,493,375	132,426,345	134,310,007

#### Balance Sheet (in millions of dollars)

Identification code 913-4990-0-4-371	2019 actual	2020 actual
<b>ASSETS:</b>		
Federal assets:		
Investments in U.S. securities:		
1102 Treasury securities, par .....	54,001	62,060
Non-Federal assets:		
1201 Investments in non-Federal securities, net .....	297,831	270,730
1206 Accounts receivable .....	2,034	1,271
1401 Net value of assets related to direct loans receivable: Direct loans receivable, gross .....	728,261	547,070
Other Federal assets:		
1801 Cash and other monetary assets .....	769	9,988
1803 Property, plant and equipment, net .....		
1901 Other assets .....	3,111	3,345
1999 Total assets .....	1,086,007	894,464
<b>LIABILITIES:</b>		
2101 Federal liabilities: REFCORP and Affordable Housing Program .....	1,080	1,064
Non-Federal liabilities:		
2202 Interest payable .....	1,909	928
2203 Debt .....	1,010,890	821,933
2207 Deposit funds and other borrowing .....	10,787	14,952
2207 Other .....	5,712	4,116
2999 Total liabilities .....	1,030,378	842,993
<b>NET POSITION:</b>		
3100 Invested capital .....	55,629	51,471

AGRICULTURAL CREDIT BANK—Continued

Financing Activities—Continued

	2019 act.	2020 act.	2021 est.	2022 est.
Consolidated systemwide and other bank bonds issued .....	55,744,873	78,143,926	81,120,041	84,209,501
Consolidated systemwide and other bank bonds retired .....	48,978,751	67,723,738	79,228,169	78,263,814
Consolidated systemwide notes, net .....	-167,077	-471,800	0	0
Other (Net) .....	-15,633	-15,418	-8,210	-6,988
Ending balance of outstanding system obligations .....	122,493,375	132,426,345	134,310,007	140,248,706

Balance Sheet (in millions of dollars)

Identification code 912-4991-0-4-351	2019 actual	2020 actual
<b>ASSETS:</b>		
Non-Federal assets:		
1201 Cash and investment securities .....	33,318	34,486
1206 Accrued interest receivable on loans .....	452	412
Net value of assets related to direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601 Direct loans, gross .....	101,898	111,984
1603 Allowance for estimated uncollectible loans and interest (-) .....	-621	-631
1699 Value of assets related to direct loans .....	101,277	111,353
1803 Other Federal assets: Property, plant and equipment, net .....	1,323	2,100
1999 Total assets .....	136,370	148,351
<b>LIABILITIES:</b>		
2104 Federal liabilities: Resources payable to Treasury .....	1,789	2,179
Non-Federal liabilities:		
2201 Consolidated systemwide and other bank bonds .....	122,493	132,426
2201 Notes payable and other interest-bearing liabilities .....	1,194	1,716
2202 Accrued interest payable .....	447	351
2999 Total liabilities .....	125,923	136,672
<b>NET POSITION:</b>		
3300 Cumulative results of operations .....	10,447	11,679
4999 Total liabilities and net position .....	136,370	148,351

FARM CREDIT BANKS

Status of Direct Loans (in millions of dollars)

Identification code 912-4992-0-4-371	2020 actual	2021 est.	2022 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	139,911	153,942	162,320
1231 Disbursements: Direct loan disbursements .....	224,885	233,059	243,711
1251 Repayments: Repayments and prepayments .....	-210,851	-224,656	-234,492
1263 Write-offs for default: Direct loans .....	-3	-25	-35
1290 Outstanding, end of year .....	153,942	162,320	171,504

The Agricultural Credit Act of 1987 (1987 Act) required the Federal Land Banks (FLBs) and Federal Intermediate Credit Banks (FICBs) to merge into an FCB in each of the 12 Farm Credit districts. FCBs operate under statutory authority that combines the prior authorities of an FLB and of an FICB. Mergers and consolidations of FCBs across district lines, which began in 1992, have continued to date. As a result of this restructuring activity, three FCBs, headquartered in the following cities, remain as of October 1, 2020: AgFirst Farm Credit Bank, Columbia, South Carolina; AgriBank, FCB, St. Paul, Minnesota; and FCB of Texas, Austin, Texas.

FCBs serve as discount banks and, as of October 1, 2020, provided funds to one Federal Land Credit Association and 46 Agricultural Credit Associations. These direct-lender associations, in turn, primarily make short- and intermediate-term production loans and long-term real estate loans to eligible farmers and ranchers, farm-related businesses, and rural homeowners. FCBs can also lend to other financing institutions, including commercial banks, as authorized by the Farm Credit Act of 1971, as amended (1971 Act).

All the capital stock of FICBs, from their organization in 1923 to December 31, 1956, was held by the U.S. Government. The Farm Credit Act of 1956 provided a long-range plan for the eventual ownership of the FICBs by the production credit associations and the gradual retirement of

the Government's investment in the banks. This retirement was accomplished in full on December 31, 1968. The last of the Government capital that had been invested in FLBs was repaid in 1947.

Statement of Changes in Net Worth (in thousands of dollars)

	2019 act.	2020 act.	2021 est.	2022 est.
Beginning balance of net worth .....	10,072,862	10,559,072	11,405,805	11,528,837
Capital stock and participations issued .....	257,973	947,216	233,558	228,611
Capital stock and participations retired .....	13,396	446,022	0	0
Surplus Retired .....	105	118	100	100
Net income .....	1,063,565	1,347,161	1,177,480	1,174,060
Cash/Dividends/Patronage Distributions .....	-956,091	-1,138,345	-1,145,987	-1,149,031
Other, net .....	134,264	136,841	-141,919	10,148
Ending balance of net worth .....	10,559,072	11,405,805	11,528,837	11,792,525

Financing Activities (in thousands of dollars)

	2019 act.	2020 act.	2021 est.	2022 est.
Beginning balance of outstanding system obligations .....	152,736,019	160,146,949	176,239,909	183,747,670
Consolidated systemwide and other bank bonds issued .....	251,290,862	293,432,765	247,774,037	236,034,133
Consolidated systemwide and other bank bonds retired .....	243,996,390	277,598,044	239,731,324	226,904,933
Consolidated systemwide notes, net .....	0	0	0	0
Other (Net) .....	116,458	258,239	-534,952	51,082
Ending balance of outstanding system obligations .....	160,146,949	176,239,909	183,747,670	192,927,952

Balance Sheet (in millions of dollars)

Identification code 912-4992-0-4-371	2019 actual	2020 actual
<b>ASSETS:</b>		
Non-Federal assets:		
1201 Cash and investment securities .....	31,658	34,631
1206 Accrued Interest Receivable .....	937	686
Net value of assets related to direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601 Direct loans, gross .....	139,910	153,941
1603 Allowance for estimated uncollectible loans and interest (-) .....	-60	-69
1699 Value of assets related to direct loans .....	139,850	153,872
1803 Other Federal assets: Property, plant and equipment, net .....	758	1,080
1999 Total assets .....	173,203	190,269
<b>LIABILITIES:</b>		
2104 Federal liabilities: Resources payable to Treasury .....	504	709
Non-Federal liabilities:		
2201 Consolidated systemwide and other bank bonds .....	160,147	176,240
2201 Notes payable and other interest-bearing liabilities .....	1,370	1,545
2202 Accrued interest payable .....	623	369
2999 Total liabilities .....	162,644	178,863
<b>NET POSITION:</b>		
3300 Cumulative results of operations .....	10,559	11,406
4999 Total liabilities and net position .....	173,203	190,269

FEDERAL AGRICULTURAL MORTGAGE CORPORATION

Status of Guaranteed Loans (in millions of dollars)

Identification code 912-4993-0-4-351	2020 actual	2021 est.	2022 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	20,933	21,989	21,989
2231 Disbursements of new guaranteed loans .....	5,665		
2251 Repayments and prepayments .....	-4,609		
2290 Outstanding, end of year .....	21,989	21,989	21,989
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	2,735		

FARMER MAC

Farmer Mac is authorized under the Farm Credit Act of 1971 (as amended by the 1987 Act) to create a secondary market for agricultural real estate and rural home mortgages. The Farmer Mac title of the 1971 Act was amended by the 1990 farm bill to authorize Farmer Mac to purchase, pool, and securitize the guaranteed portions of farmer program, rural business,

and community development loans guaranteed by the U.S. Department of Agriculture (USDA). The Farmer Mac title was amended in 1991 to clarify Farmer Mac's authority to issue debt obligations, provide for the establishment of minimum capital standards, establish the Office of Secondary Market Oversight at the Farm Credit Administration (FCA), and expand the Agency's rulemaking authority. The Farm Credit System Reform Act of 1996 (1996 Act) amended the Farmer Mac title to allow Farmer Mac to purchase loans directly from lenders and to issue and guarantee mortgage-backed securities without requiring that a minimum cash reserve or subordinated (first loss) interest be maintained by poolers as had been required under its original authority. The 1996 Act expanded FCA's regulatory authority to include provisions for establishing a conservatorship or receivership, if necessary, and provided for increased core capital requirements at Farmer Mac phased in over three years. The 2008 Farm Bill, the Food, Conservation and Energy Act of 2008, amended the Farmer Mac title to authorize the financing of rural electric and telephone cooperatives. Most recently, the 2018 Farm Bill, the Agricultural Improvement Act of 2018, increase the acreage exception provided in section 8.8(c)(2) of the Farm Credit Act of 1971 from 1,000 acres to 2,000 acres. The change became effective on June 18, 2020.

Farmer Mac operates through several programs: the "Farm & Ranch" program involves mortgage loans secured by first liens on agricultural real estate or rural housing (qualified loans); the "USDA guarantees" program involves the guaranteed portions of certain USDA-guaranteed loans; and the "Rural Utilities" program involves rural electric and telecommunications loans. Farmer Mac operates by: (1) purchasing, or committing to purchase, newly originated or existing qualified loans or guaranteed portions from lenders; (2) purchasing or guaranteeing "AgVantage" bonds backed by qualified loans; and (3) exchanging qualified loans, or guaranteed portions of qualified loans, for guaranteed securities. Loans purchased by Farmer Mac may be aggregated into pools that back Farmer Mac guaranteed securities, which are held by Farmer Mac or sold into the capital markets.

Farmer Mac is governed by a 15-member Board of Directors. Ten board members are elected by stockholders, including five by stockholders that are Farm Credit System (FCS) institutions and five by stockholders that are non-FCS financial services firms. Five are appointed by the President, subject to Senate confirmation.

#### FINANCING

Financial support and funding for Farmer Mac's operations come from several sources: sale of common and preferred stock, issuance of debt ob-

ligations, and income. Under procedures specified in the Act, Farmer Mac may issue obligations to the U.S. Treasury in a cumulative amount not to exceed \$1.5 billion to fulfill Farmer Mac's guarantee obligations.

#### GUARANTEES

Farmer Mac provides a guarantee of timely payment of principal and interest on securities backed by qualified loans or pools of qualified loans. These securities are not guaranteed by the United States and are not "Government securities."

Farmer Mac is subject to reporting requirements under securities laws, and its guaranteed mortgage-backed securities are subject to registration with the Securities and Exchange Commission under the 1933 and 1934 Securities Acts.

#### REGULATION

Farmer Mac is federally regulated by FCA, acting through its Office of Secondary Market Oversight. FCA is responsible for the supervision of, examination of, and rulemaking for Farmer Mac.

#### Balance Sheet (in millions of dollars)

Identification code 912-4993-0-4-351	2019 actual	2020 actual
<b>ASSETS:</b>		
Non-Federal assets:		
1201 Investment in securities .....	3,157	3,577
1206 Receivables, net .....	78	106
Net value of assets related to direct loans receivable:		
1401 Direct loans receivable, gross .....	17,333	19,252
1402 Interest receivable .....	159	153
1499 Net present value of assets related to direct loans .....	17,492	19,405
1801 Other Federal assets: Cash and other monetary assets .....	588	911
1999 Total assets .....	21,315	23,999
<b>LIABILITIES:</b>		
Non-Federal liabilities:		
2201 Accounts payable .....	63	55
2202 Interest payable .....	104	93
2203 Debt .....	20,359	22,882
2204 Liabilities for loan guarantees .....	39	39
2999 Total liabilities .....	20,565	23,069
<b>NET POSITION:</b>		
3300 Invested capital .....	750	930
4999 Total liabilities and net position .....	21,315	23,999

