

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	2025 actual	2026 est.	2027 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	87,897	98,779	98,779
1264 Other adjustments, net (+ or -)	10,882	.....	.....
1290 Outstanding, end of year	98,779	98,779	98,779

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 December 31, 2025, 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.

Balance Sheet (in millions of dollars)

Identification code 915-4986-0-4-371	2024 actual	2025 actual
ASSETS:		
Federal assets:		
Investments in U.S. securities:		
1102 Treasury securities, par	60,100	66,166
1201 Non-Federal assets: Investments in non-Federal securities, net	18,065	61,913
Net value of assets related to direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601 Mortgage Loans and Mortgage Related Securities	46,767	51,429
1601 Mortgage Loans and Mortgage Related Securities - Consolidated Trusts	4,093,581	4,077,063
1604 Direct loans and interest receivable, net	4,140,348	4,128,492
1606 Acquired Property, net .....	.....	.....
1699 Value of assets related to direct loans	4,140,348	4,128,492
Other Federal assets:		
1801 Cash and other monetary assets	102,480	66,058
1901 Other assets	13,563	13,227
1999 Total assets	4,334,556	4,335,856
LIABILITIES:		
Non-Federal liabilities:		
2202 Interest payable	11,451	12,080
2203 Debt	121,715	126,390
2203 Debt - Consolidated Trusts	4,096,063	4,076,945
2207 Other	14,797	14,956
2999 Total liabilities	4,244,026	4,230,371
NET POSITION:		
3300 Senior Preferred Stock	120,836	120,836
3300 Private Equity	-30,306	-15,351
3300 Noncontrolling Interest .....	.....	.....
3999 Total net position	90,530	105,485
4999 Total liabilities and net position	4,334,556	4,335,856

MORTGAGE-BACKED SECURITIES

Status of Direct Loans (in millions of dollars)

Identification code 915-4987-0-4-371	2025 actual	2026 est.	2027 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	4,073,981	4,067,183	4,067,183
1231 Disbursements: Direct loan disbursements	397,170	.....	.....
1251 Repayments: Repayments and prepayments	-403,968	.....	.....
1290 Outstanding, end of year	4,067,183	4,067,183	4,067,183

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 implemented on January 1, 2010, require consolidation of many, but not all, of these securities in Fannie Mae's financial statements. For the purposes of

MORTGAGE-BACKED SECURITIES—Continued

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	2025 actual	2026 est.	2027 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	94,379	116,423	116,423
1264 Other adjustments, net (+ or -)	22,044		
1290 Outstanding, end of year	116,423	116,423	116,423

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 December 31, 2025, 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.

Balance Sheet (in millions of dollars)

Identification code 913-4988-0-4-371	2024 actual	2025 actual
ASSETS:		
Federal assets:		
Investments in U.S. securities:		
1102 Treasury securities, par	30,531	69,829
1201 Non-Federal assets: Investments in non-Federal securities, net	107,356	89,965

Net value of assets related to direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601 Mortgage Loans and Mortgage Related Securities	76,375	93,604
1601 Mortgage Loans and Mortgage Related Securities - Consolidated Trusts	3,084,458	3,167,302
1604 Direct loans and interest receivable, net	3,160,833	3,260,906
1606 Acquired property, net		
1699 Value of assets related to direct loans	3,160,833	3,260,906
Other Federal assets:		
1801 Cash and other monetary assets	39,133	42,760
1901 Other assets	4,730	4,727
1999 Total assets	3,342,583	3,468,187
LIABILITIES:		
Non-Federal liabilities:		
2202 Interest payable	9,222	10,185
2203 Debt	173,127	203,609
2203 Debt - Consolidated Trusts	3,092,140	3,175,464
2207 Other	11,704	11,329
2999 Total liabilities	3,286,193	3,400,587
NET POSITION:		
3300 Senior Preferred Stock	72,650	72,648
3300 Private Equity	-16,260	-5,048
3999 Total net position	56,390	67,600
4999 Total liabilities and net position	3,342,583	3,468,187

MORTGAGE-BACKED SECURITIES

Status of Direct Loans (in millions of dollars)

Identification code 914-4989-0-4-371	2025 actual	2026 est.	2027 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	3,434,909	3,514,241	3,514,241
1231 Disbursements: Direct loan disbursements	435,702		
1251 Repayments: Repayments and prepayments	-356,370		
1290 Outstanding, end of year	3,514,241	3,514,241	3,514,241

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	2025 actual	2026 est.	2027 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	823,935	770,633	770,633
1231 Disbursements: Direct loan disbursements	7,600,038		
1251 Repayments: Repayments and prepayments	-7,652,980		
1264 Other adjustments, net (+ or -)	-360		
1290 Outstanding, end of year	770,633	770,633	770,633

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 6,500 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. Statute directs each of the FHLBanks to set aside annually 10 percent of its previous year's net earnings, subject to an aggregate minimum of \$100 million, for the AHP.

Balance Sheet (in millions of dollars)

Identification code 913-4990-0-4-371	2024 actual	2025 actual
ASSETS:		
Federal assets:		
Investments in U.S. securities:		
1102 Treasury securities, par	56,261	63,824
Non-Federal assets:		
1201 Investments in non-Federal securities, net	373,050	439,118
1206 Interest receivable	4,267	3,948
1401 Net value of assets related to direct loans receivable: Direct loans receivable, gross	823,906	770,902
Other Federal assets:		
1801 Cash and other monetary assets	350	405
1901 Other assets	5,811	3,484
1999 Total assets	1,263,645	1,281,681
LIABILITIES:		
2101 Federal liabilities: REFCORP and Affordable Housing Program	1,667	1,902
Non-Federal liabilities:		
2202 Interest payable	5,937	5,538
2203 Debt	1,165,775	1,178,509
2207 Deposit funds and other borrowing	13,948	15,955
2207 Other	3,589	6,061
2999 Total liabilities	1,190,916	1,207,965
NET POSITION:		
3100 Invested capital	72,729	73,716
4999 Total liabilities and net position	1,263,645	1,281,681

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.

System entities are regulated and examined by the Farm Credit Administration (FCA), an agency in the executive branch of the U.S. Government. 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 from 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), a U.S. Government-controlled corporation that collects insurance premiums from member banks to fund insurance reserves. All of FCSIC's operating expenses are also paid from the insurance premiums it receives from the System banks; as a result, 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	2025 actual	2026 est.	2027 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	152,317	156,557	167,455
1231 Disbursements: Direct loan disbursements	781,190	813,451	847,044
1251 Repayments: Repayments and prepayments	-776,790	-802,376	-839,963
1263 Write-offs for default: Direct loans	-160	-177	-166
1290 Outstanding, end of year	156,557	167,455	174,370

CoBank, Agricultural Credit Bank, 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 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 16 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)

	2024 act.	2025 act.	2026 est.	2027 est.
Beginning balance of net worth	10,348,331	12,605,047	13,604,452	14,643,306
Capital stock and participations issued	433,753	489,767	145,913	1,128,090
Capital stock and participations retired	45,845	349,968	46,075	860,472
Net income	1,656,444	1,637,878	1,668,643	1,772,743
Cash/Dividends/Patronage distributions	-979,739	-1,081,515	-940,198	-1,029,310
Other, net	1,192,103	303,243	210,571	123,862
Ending balance of net worth	12,605,047	13,604,452	14,643,306	15,778,219

Financing Activities (in thousands of dollars)

	2024 act.	2025 act.	2026 est.	2027 est.
Beginning balance of outstanding system obligations	169,783,534	180,068,265	190,796,124	200,987,197
Consolidated systemwide and other bank bonds issued	85,366,615	90,578,772	94,319,461	98,214,630
Consolidated systemwide and other bank bonds retired	75,574,429	79,850,913	84,128,388	91,136,457
Consolidated systemwide notes, net	492,545	0	0	0
Other (Net)	0	0	0	0
Ending balance of outstanding system obligations	180,068,265	190,796,124	200,987,197	208,065,370

Balance Sheet (in millions of dollars)

Identification code 912-4991-0-4-351	2024 actual	2025 actual
ASSETS:		
Non-Federal assets:		
1201 Cash and investment securities	44,476	51,479
1206 Accrued interest receivable on loans	1,089	1,116

AGRICULTURAL CREDIT BANK—Continued
Balance Sheet—Continued

Identification code 912-4991-0-4-351	2024 actual	2025 actual
Net value of assets related to direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601 Direct loans, gross	152,317	156,578
1603 Allowance for estimated uncollectible loans and interest (-)	-711	-728
1699 Value of assets related to direct loans	151,606	155,850
1803 Other Federal assets: Property, plant and equipment, net	1,875	1,734
1999 Total assets	199,046	210,179
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury	2,447	2,522
Non-Federal liabilities:		
2201 Consolidated systemwide and other bank bonds	180,068	190,796
2201 Notes payable and other interest-bearing liabilities	2,571	2,041
2202 Accrued interest payable	1,355	1,215
2999 Total liabilities	186,441	196,574
NET POSITION:		
3300 Cumulative results of operations	12,605	13,605
4999 Total liabilities and net position	199,046	210,179

FARM CREDIT BANKS

Status of Direct Loans (in millions of dollars)

Identification code 912-4992-0-4-371	2025 actual	2026 est.	2027 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	225,574	244,533	263,587
1231 Disbursements: Direct loan disbursements	415,238	436,509	456,538
1251 Repayments: Repayments and prepayments	-396,214	-417,357	-440,123
1263 Write-offs for default: Direct loans	-65	-98	-103
1290 Outstanding, end of year	244,533	263,587	279,899

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 an FICB. As a result of mergers and consolidations of FCBs across district lines, three FCBs, headquartered in the following cities, remain as of October 1, 2025: 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, 2025, provided funds to one Federal land credit association and 38 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 the 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)

	2024 act.	2025 act.	2026 est.	2027 est.
Beginning balance of net worth	11,018,976	13,098,463	14,603,596	16,502,380
Capital stock and participations issued	1,433,264	1,277,034	1,189,083	446,556
Capital stock and participations retired	610,009	361,272	0	0
Surplus retired	1,473	0	0	0
Net income	1,388,236	1,499,036	1,670,280	1,866,388
Cash/Dividends/Patronage distributions	-990,642	-931,586	-1,154,063	-1,433,307
Other, net	860,111	21,921	193,484	118,374
Ending balance of net worth	13,098,463	14,603,596	16,502,380	17,500,391

Financing Activities (in thousands of dollars)

	2024 act.	2025 act.	2026 est.	2027 est.
Beginning balance of outstanding system obligations	232,543,293	251,737,807	269,780,550	290,654,987
Consolidated systemwide and other bank bonds issued	177,622,909	157,756,194	147,737,202	150,284,609
Consolidated systemwide and other bank bonds retired	158,741,529	139,970,772	126,980,740	134,458,287
Consolidated systemwide notes, net	0	0	0	0
Other (Net)	313,134	257,321	117,975	186,851
Ending balance of outstanding system obligations	251,737,807	269,780,550	290,654,987	306,668,160

Balance Sheet (in millions of dollars)

Identification code 912-4992-0-4-371	2024 actual	2025 actual
ASSETS:		
Non-Federal assets:		
1201 Cash and investment securities		43,178
1206 Accrued Interest Receivable		2,212
Net value of assets related to direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601 Direct loans, gross		225,587
1603 Allowance for estimated uncollectible loans and interest (-)		-98
1699 Value of assets related to direct loans		225,489
1803 Other Federal assets: Property, plant and equipment, net		1,203
1999 Total assets		272,082
LIABILITIES:		
2104 Federal liabilities: Resources payable to Treasury		678
Non-Federal liabilities:		
2201 Consolidated systemwide and other bank bonds		251,738
2201 Notes payable and other interest-bearing liabilities		4,864
2202 Accrued interest payable		1,704
2999 Total liabilities		258,984
NET POSITION:		
3300 Cumulative results of operations		13,098
4999 Total liabilities and net position		272,082

FEDERAL AGRICULTURAL MORTGAGE CORPORATION

Status of Guaranteed Loans (in millions of dollars)

Identification code 912-4993-0-4-351	2025 actual	2026 est.	2027 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	27,905	30,710	30,710
2231 Disbursements of new guaranteed loans	8,621		
2251 Repayments and prepayments	-5,816		
2290 Outstanding, end of year	30,710	30,710	30,710
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	2,623		

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, known as 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 Agricultural Improvement Act of 2018 increased 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 is a government-sponsored enterprise with the mission of providing a secondary market for a variety of loans made to borrowers in rural America. Farmer Mac's secondary market activities include: (1) purchasing eligible loans directly from lenders; (2) guaranteeing and purchasing securities issued by lenders and other financial institutions that are secured by pools of eligible loans; (3) issuing and guaranteeing securities that represent interests in, or obligations secured by, pools of eligible loans; (4) servicing eligible loans, including loans that have been purchased or securitized by Farmer Mac or that would be eligible for purchase by Farmer Mac but are owned by a third party; and (5) providing long-term standby purchase commitments for eligible loans. Farmer Mac engages in these secondary market activities across two lines of business: Agricultural Finance and Infrastructure Finance. Within the two lines of business are five segments: Farm & Ranch, Corporate AgFinance, Power & Utilities, Broadband Infrastructure, and Renewable Energy. 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 routine funding for Farmer Mac's operations come from several sources: sale of common and preferred stock, issuance of debt obligations, and income. Under procedures specified in the legislation, Farmer Mac also has the ability to issue obligations to the U.S. Treasury in a cumulative amount not to exceed \$1.5 billion to fulfill Farmer Mac's guarantee obligations should that ever be necessary.

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 considered 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 through FCA's 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	2024 actual	2025 actual
ASSETS:		
Non-Federal assets:		
1201 Investment in securities	5,896	6,679
1206 Receivables, net	169	181
Net value of assets related to direct loans receivable:		
1401 Direct loans receivable, gross	23,455	25,334
1402 Interest receivable	253	285
1499 Net present value of assets related to direct loans	23,708	25,619
1801 Other Federal assets: Cash and other monetary assets	842	901
1999 Total assets	30,615	33,380
LIABILITIES:		
Non-Federal liabilities:		
2201 Accounts payable	147	118
2202 Interest payable	215	239
2203 Debt	28,746	31,286
2204 Liabilities for loan guarantees	45	50
2999 Total liabilities	29,153	31,693
NET POSITION:		
3300 Invested capital	1,462	1,687
4999 Total liabilities and net position	30,615	33,380

