GreenStone Farm Credit Services, ACA

Quarterly Report
March 31, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following commentary reviews the consolidated financial condition and consolidated results of operations of GreenStone Farm Credit Services, ACA and its subsidiaries, GreenStone Farm Credit Services, FLCA and GreenStone Farm Credit Services, PCA. This discussion should be read in conjunction with both the unaudited consolidated financial information and related notes included in this Quarterly Report as well as Management's Discussion and Analysis included in our Annual Report for the year ended December 31, 2024 (2024 Annual Report).

Due to the nature of our financial relationship with AgriBank, FCB (AgriBank), the financial condition and results of operations of AgriBank materially impact our members' investment. To request free copies of AgriBank financial reports or additional copies of our report, contact us at:

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FORWARD-LOOKING INFORMATION

Any forward-looking statements in this Quarterly Report are based on current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from expectations due to a number of risks and uncertainties. More information about these risks and uncertainties is contained in our 2024 Annual Report. We undertake no duty to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

AGRICULTURAL AND ECONOMIC CONDITIONS

The United States (U.S.) economy's real gross domestic product (GDP) decreased at an annual rate of 0.3% in the first quarter of 2025, which compares to growth at an annual rate of 2.4% in the fourth quarter of 2024. This was the steepest decline since the first quarter of 2022. The decrease in GDP in the first quarter primarily reflected an increase in imports, which are a subtraction in the calculation of GDP, and a decrease in government spending. These movements were partially offset by increases in investment, consumer spending, and exports. In total, GDP increased by 2.8% in 2024, which was just slightly below the 2.9% growth rate achieved in 2023. Uncertainty around the economic outlook increased in 2025, particularly regarding tariff policy and the potential downstream impacts as imports rose at a 41.3% pace while exports only rose 1.8%.

The Bureau of Labor Statistics' (BLS) March 2025 jobs report showed that non-farm payroll employment rose by 228,000 in March, which was stronger than expected. Job gains were concentrated in the health care, transportation and warehousing, and leisure and hospitality sectors. The report shows an acceleration in the pace of hiring compared to revised non-farm payroll gains in January 2025 of 111,000 and February 2025 of 117,000. The March 2025 unemployment rate rose slightly to 4.2% (from 4.1% in February 2025) and wage growth remained steady, increasing by 0.3% month-over-month, which brought the year-over-year increase to 3.8%. Overall, the report indicated the labor market remained solid. However, the survey was completed prior to the U.S. President's April tariff announcements, which have added a layer of uncertainty to the outlook for the labor market.

The March 2025 BLS Consumer Price Index (CPI) decreased by 0.1% month-over-month, bringing headline inflation to 2.4% in the 12 months ending in March 2025, down from 2.8% in February 2025. The primary driver for the decline in the index was lower energy prices (down 2.4% month-over-month and 3.3% year-over-year), primarily due to lower gasoline prices (down 6.3% month-over-month and 9.8% year-over-year). The "core" CPI index (all items less food and energy) rose by 2.8% year-over-year, which is the smallest 12-month increase since March 2021. In general, the March 2025 report provided evidence that inflationary pressures were easing. Moving forward, the future path of inflation is less clear given the uncertainty of tariff policy; however, if additional tariffs are implemented the consensus is that they will lead to higher inflation.

The Federal Open Market Committee (FOMC) announced at its March 2025 meeting that it would maintain its federal funds rate in a target range of 4.25% to 4.50%. This was the second straight meeting with no change to the federal funds rate, which followed three consecutive rate reductions that began in September 2024. Additionally, the Federal Reserve (Fed) announced that beginning in April 2025, it would slow the pace of its quantitative tightening by reducing the monthly redemption cap on Treasury securities from $25 billion to $5 billion. The monthly redemption cap on mortgage-backed securities will remain at $35 billion. The FOMC also released its Summary of Economic Projections which revealed its members expect slower growth in 2025, lowering its GDP growth forecast to 1.7% from 2.1%, and higher core inflation, increasing its core inflation forecast to 2.8% from 2.5%.

While the projections continued to reflect the Fed's expectation of two rate cuts in 2025, given the current level of policy and economic uncertainty, the pace and timing of cuts will continue to be data dependent.

According to the United States Department of Agriculture's (USDA) Prospective Plantings report released in March, U.S. farmers are predicted to plant 95.3 million acres of corn in 2025, a 5.0% increase from last year, or 4.7 million more acres. The increase in intended corn acres is due to better anticipated returns for corn compared with soybeans and other grains. Michigan farmers intend to plant 2.3 million acres of corn, 2.2% more than 2024, and Wisconsin farmers intend to plant 4.0 million acres of corn, a 5.3% increase from 2024. According to the USDA's April 2025 World Agricultural Supply and Demand Estimates (WASDE) report, the forecasted season-average farm price for corn is $4.35 per bushel, which would be 4.4% lower than the prior year, if realized.

In the USDA's March Prospective Plantings report, soybean planted area for 2025 is projected to total 83.5 million acres, a 4.1% decrease year-over-year, or 3.6 million fewer acres. All major producing soybean regions surveyed indicated lower soybean acreage from last year. Michigan producers intend to plant 2.2 million acres of soybeans, down 2.3% from last year. Wisconsin farmers intend to plant 1.9 million acres of soybeans, a 11.6% decrease from 2024. The USDA's April 2025 WASDE report projects a season-average soybean price of $9.95 per bushel, which would be 24.6% lower than the prior year. The combination of a strong soybean supply (domestically and internationally), potentially lower export demand, and trade policy uncertainty are all contributing to the expectation of lower soybean prices in 2025.

According to the April 2025 Livestock, Dairy, and Poultry Outlook provided by the USDA, the 2025 forecast for the size of the U.S. dairy herd is 9.4 million head, a 0.7% increase year-over-year. Forecasted milk per cow is 24,130 pounds, a 0.2% decrease year-over-year, resulting in total milk production in 2025 projected to equal 226.9 billion pounds, a 0.4% increase year-over-year. The USDA is forecasting the following dairy prices on an annual basis in 2025: Class III price of $17.60 per hundredweight (cwt), down 6.8% from 2024; Class IV price of $18.20 per cwt, down 12.3% from 2024; and an all-milk price of $21.10 per cwt, down 6.7% from 2024.

The USDA's April Livestock, Dairy, and Poultry Outlook report estimates 2025 total commercial pork production at 28.1 billion pounds, a 1.0% increase from a year ago. Demand for pork remains strong domestically. However, due to lower year-over-year U.S. exports in January and February, combined with retaliatory tariffs from U.S. trading partners, and overall increasing market uncertainty, pork exports in 2025 are projected to be reduced to roughly 7.0 billion pounds in 2025, a 2.2% reduction year-over-year. The USDA is forecasting pork prices to average $61.14 per cwt in 2025, which would be a 0.7% reduction from 2024, if realized.

LOAN PORTFOLIO

Loan Portfolio

Total loans were $13.2 billion at March 31, 2025, a decrease of $136.2 million from December 31, 2024. Our mortgage portfolio increased $90.2 million, or 0.8% from December 31, 2024, while our short and intermediate-term loan portfolio decreased $226.4 million, or 9.3% from December 31, 2024. When compared to March 31, 2024, principal on owned and managed loans (which includes loans in our Consolidated Statements of Condition as well as loan participation interests sold as part of AgriBank pool programs) increased 4.8%. This increase was driven by growth in the capital markets business unit which increased by 10.1% since March 31, 2024. In addition, our country living and traditional farm business units have increased by 7.3% and 3.5%, respectively since March 31, 2024. Our current loan balance reflects an asset growth rate year-over-year that is running slightly below our 2025 Business Plan.

Portfolio Credit Quality

The credit quality of our loan portfolio declined slightly during the first three months of 2025. Acceptable loan credit quality, as measured under the Farm Credit Administration (FCA) Uniform Classification System, was 94.5%, which decreased slightly from 94.7% at December 31, 2024. Year-over-year, acceptable credit quality decreased 1.9% from 96.4% at March 31, 2024. Portfolio assets classified as being less than acceptable were comprised of 3.0% other assets especially mentioned (OAEM) and 2.5% adversely classified. OAEM decreased 0.4% but adversely classified increased 0.6% since December 31, 2024.

Adversely classified loans are identified as having material credit weaknesses which, if left uncorrected, result in a greater than normal risk. Portfolio credit quality is considered when assessing the reasonableness of our allowance for credit losses on loans. More leveraged borrowers in our processing and marketing, fruit, and cash crop portfolios were challenged financially during the first three months of 2025. Our adverse assets to regulatory capital ratio was 14.7% at March 31, 2025, which increased 2.8% from December 31, 2024, but remained well within our established risk management guidelines.

In certain circumstances, the Federal Agricultural Mortgage Corporation and other government agency guarantee programs are used to reduce the risk of loss. At March 31, 2025, $367.9 million of our loans were substantially guaranteed under these programs. The guaranteed loans decreased from $370.4 million at December 31, 2024.

Nonperforming Assets

Components of Nonperforming Assets

(dollars in thousands) As of:	**March 31, 2025**	December 31, 2024
Loans:		
Nonaccrual	**$118,389**	$65,906
Accruing loans 90 days or more past due	**--**	--
Total nonperforming loans	**118,389**	65,906
Acquired property	**778**	1,508
Total nonperforming assets	**$119,167**	$67,414
Total nonperforming loans as a percentage of total loans	**0.9%**	0.5%
Nonaccrual loans as a percentage of total loans	**0.9%**	0.5%
Current nonaccrual loans as a percentage of total nonaccrual loans	**72.9%**	83.5%
Total delinquencies as a percentage of total loans[1]	**0.4%**	0.2%

[1]Total delinquencies include accrual and nonaccrual loans 30 days or more past due.

Our nonperforming assets have increased from December 31, 2024, but have remained at acceptable levels. Total nonperforming loans as a percentage of total loans remained well within our established risk management guidelines.

Nonaccrual loans increased $52.5 million from December 31, 2024. This increase was primarily due to one capital markets purchased participation and one agribusiness lending business unit customer that were both downgraded to nonaccrual during the first quarter of 2025. Nonaccrual loans remained at an acceptable level at March 31, 2025, and December 31, 2024.

Allowance for Credit Losses on Loans

The allowance for credit losses on loans is an estimate of expected credit losses in our portfolio. We determine the appropriate level of allowance for credit losses on loans based on a disciplined process and methodology that incorporates expected probabilities of default and loss given default based on historical portfolio performance, forecasts of future economic conditions, and management's judgment with respect to unique aspects of current and expected conditions that may not be contemplated in historical loss experience or forecasted economic conditions.

Allowance for Credit Losses on Loans and Coverage Ratios

(dollars in thousands) As of:	**March 31, 2025**	December 31, 2024
Allowance for credit losses on loans	**$52,609**	$38,452
Allowance for credit losses on loans as a percentage of:		
Loans	**0.4%**	0.3%
Nonaccrual loans	**44.4%**	58.3%
Total nonperforming loans	**44.4%**	58.3%

The allowance for credit losses on loans increased $14.2 million from December 31, 2024, to $52.6 million at March 31, 2025. During the first three months of 2025, provision for credit losses on loans of $13.4 million along with net recoveries of $797 thousand were recorded.

Under certain circumstances, credit losses may be recorded to establish an allowance for credit losses on unfunded commitments. The allowance for credit losses on unfunded commitments are recorded in "other liabilities" in the Consolidated Statements of Condition. The allowance for credit losses on unfunded commitments were $6.1 million at March 31, 2025, which decreased by $1.7 million from December 31, 2024.

RESULTS OF OPERATIONS

Profitability Information

(dollars in thousands) For the three months ended March 31,	**2025**	2024
Net income	**$71,161**	$75,611
Return on average assets	**2.0%**	2.3%
Return on average members' equity	**10.8%**	12.3%

Changes presented in the profitability information table relate directly to:

- Changes in net income discussed in this section
- Changes in assets discussed in the Loan Portfolio section
- Changes in capital discussed in the Funding, Liquidity, and Capital section

Changes in Significant Components of Net Income (in thousands) For the three months ended March 31,	**2025**	2024	**Increase (decrease) in net income**
Net interest income	**$90,392**	$83,960	**$6,432**
Provision for credit losses	**(11,702)**	(3,691)	**(8,011)**
Patronage income	**13,873**	19,170	**(5,297)**
Financially related services income	**6,285**	5,201	**1,084**
Fee income	**7,408**	6,542	**866**
Other non-interest income	**2,422**	440	**1,982**
Non-interest expense	**(36,158)**	(34,549)	**(1,609)**
Provision for income taxes	**(1,359)**	(1,462)	**103**
Net income	**$71,161**	$75,611	**($4,450)**

Net Interest Income

Changes in Net Interest Income (in thousands) For the three months ended March 31,	**2025 vs 2024**
Changes in volume	**$4,674**
Changes in interest rates	**2,678**
Changes in nonaccrual interest income and other	**(920)**
Net change	**$6,432**

Provision for Credit Losses

During the first three months of 2025, provision for credit losses of $11.7 million were recorded. This provision expense was primarily due to specific reserves increasing on individually evaluated loans by $7.5 million, primarily for three nonaccrual customers. In addition, general reserves on our collectively evaluated loans increased by $6.6 million, primarily due to increased reserves on our capital markets purchased participation portfolio. These increases were partially offset by a $1.7 million reduction in our unfunded commitment reserves along with net recoveries of $797 thousand.

Patronage Income

We may receive patronage from AgriBank and other Farm Credit institutions. Patronage distributions from AgriBank and other Farm Credit institutions are declared solely at the discretion of each institution’s Board of Directors. AgriBank may distribute patronage in the form of cash or stock. All other patronage from other Farm Credit institutions is typically distributed in cash.

Patronage Income (in thousands) For the three months ended March 31,	**2025**	2024
Patronage from AgriBank	**$12,240**	$17,711
AgDirect partnership distribution	**1,196**	1,130
Other patronage	**437**	329
Total patronage income	**$13,873**	$19,170

The decrease in patronage income in 2025 compared to the same period in 2024 was primarily due to less pool program and wholesale patronage income received from AgriBank. The pool program patronage decreased $3.1 million due to lower net earnings on loans in the pool. The decrease in wholesale patronage income of $2.0 million was primarily due to a lower patronage rate earned on the average daily balance of our wholesale note payable to AgriBank. The patronage rate was 13.2 basis points during the first quarter of 2025, down from 21.7 basis points for the same period of 2024.

Other Non-Interest Income

The increase in other non-interest income was primarily due to our share of the Allocated Insurance Reserve Accounts (AIRA) distribution received from the Farm Credit System Insurance Corporation (FCSIC) of $2.1 million during the three months ended March 31, 2025. There was no distribution during the same period of 2024. The AIRA was established by FCSIC when premiums collected increased the level of the Farm Credit Insurance Fund beyond the required secured base amount of 2% of insured debt. Refer to the 2024 Annual Report for additional information about the FCSIC.

FUNDING, LIQUIDITY, AND CAPITAL

We borrow from AgriBank, under a note payable, in the form of a line of credit. Our note payable is scheduled to mature on December 31, 2027. We intend to renegotiate the note payable no later than the maturity date. The repricing attributes of our line of credit generally correspond to the repricing attributes of our loan portfolio, which significantly reduces our market interest rate risk. However, we maintain some exposure to interest rates, primarily from loans to customers which may not have a component of our line of credit with an exact repricing attribute. Due to the cooperative structure of the Farm Credit System and as we are a stockholder of AgriBank, we expect this borrowing relationship to continue into the foreseeable future. We also fund our portfolio from equity.

The components of cost of funds associated with our note payable include:

- A marginal cost of debt component
- A spread component, which includes cost of servicing, cost of liquidity, and bank profit
- A risk premium component, if applicable

We were not subject to a risk premium at March 31, 2025, or December 31, 2024.

Total members' equity increased $41.3 million from December 31, 2024, primarily due to net income for the period partially offset by patronage distribution accruals.

The FCA Regulations require us to maintain minimums for our common equity tier 1, tier 1 capital, total regulatory capital, and permanent capital risk-based capital ratios. In addition, the FCA requires us to maintain minimums for our non-risk-adjusted ratios of tier 1 leverage and unallocated retained earnings and equivalents leverage. Refer to Note 7 in our 2024 Annual Report for a more complete description of these ratios.

Regulatory Capital Requirements and Ratios As of:	**March 31, 2025**	December 31, 2024	Regulatory Minimums	Capital Conservation Buffer	Total
Risk-adjusted:					
Common equity tier 1 ratio	**14.8%**	15.5%	4.5%	2.5%	7.0%
Tier 1 capital ratio	**14.8%**	15.5%	6.0%	2.5%	8.5%
Total regulatory capital ratio	**15.1%**	15.8%	8.0%	2.5%	10.5%
Permanent capital ratio	**14.8%**	15.5%	7.0%	N/A	7.0%
Non-risk-adjusted:					
Tier 1 leverage ratio	**16.0%**	16.8%	4.0%	1.0%	5.0%
Unallocated retained earnings and equivalents leverage ratio	**15.8%**	16.6%	1.5%	N/A	1.5%

Capital ratios are directly impacted by the changes in capital, as more fully explained in this section, the changes in assets, as discussed in the Loan Portfolio section, and off-balance sheet commitments, as disclosed in Note 11 in our 2024 Annual Report.

CERTIFICATION

The undersigned have reviewed the March 31, 2025, Quarterly Report of GreenStone Farm Credit Services, ACA, which has been prepared under the oversight of the Audit Committee and in accordance with all applicable statutory or regulatory requirements. The information contained herein is true, accurate, and complete to the best of our knowledge and belief.

Edward L. Reed
Chair of the Board
GreenStone Farm Credit Services, ACA

Travis D. Jones
Chief Executive Officer
GreenStone Farm Credit Services, ACA

Kimberly S. Brunner
Executive Vice President – Chief Financial Officer
GreenStone Farm Credit Services, ACA

May 7, 2025

CONSOLIDATED STATEMENTS OF CONDITION

GreenStone Farm Credit Services, ACA
(in thousands)

As of:	**March 31, 2025**	December 31, 2024
	(Unaudited)	
ASSETS		
Loans	**$13,224,478**	$13,360,695
Allowance for credit losses on loans	**52,609**	38,452
Net loans	**13,171,869**	13,322,243
Investment in AgriBank, FCB	**483,750**	486,235
Accrued interest receivable	**96,408**	109,525
Premises and equipment, net	**51,184**	51,367
Other assets	**98,827**	127,732
Total assets	**$13,902,038**	$14,097,102
LIABILITIES		
Note payable to AgriBank, FCB	**$11,044,053**	$11,202,663
Accrued interest payable	**103,763**	105,936
Patronage distribution payable	**30,000**	120,000
Other liabilities	**75,086**	60,650
Total liabilities	**11,252,902**	11,489,249
Contingencies and commitments (Note 3)		
MEMBERS' EQUITY		
Capital stock and participation certificates	**27,134**	27,059
Unallocated retained earnings	**2,624,326**	2,583,177
Accumulated other comprehensive loss	**(2,324)**	(2,383)
Total members' equity	**2,649,136**	2,607,853
Total liabilities and members' equity	**$13,902,038**	$14,097,102

The accompanying notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

GreenStone Farm Credit Services, ACA
(in thousands)
(Unaudited)

	Three Months Ended	
For the period ended March 31,	**2025**	2024
Interest income	**$194,155**	$185,305
Interest expense	**103,763**	101,345
Net interest income	**90,392**	83,960
Provision for credit losses	**11,702**	3,691
Net interest income after provision for credit losses	**78,690**	80,269
Non-interest income		
Patronage income	**13,873**	19,170
Financially related services income	**6,285**	5,201
Fee income	**7,408**	6,542
Other non-interest income	**2,422**	440
Total non-interest income	**29,988**	31,353
Non-interest expense		
Salaries and employee benefits	**25,739**	24,337
Other operating expense	**10,419**	10,212
Total non-interest expense	**36,158**	34,549
Income before income taxes	**72,520**	77,073
Provision for income taxes	**1,359**	1,462
Net income	**$71,161**	$75,611
Other comprehensive income		
Employee benefit plans activity	**$59**	$57
Total other comprehensive income	**59**	57
Comprehensive income	**$71,220**	$75,668

The accompanying notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' EQUITY

GreenStone Farm Credit Services, ACA
(in thousands)
(Unaudited)

	Protected Members' Equity	Capital Stock and Participation Certificates	Unallocated Retained Earnings	Accumulated Other Comprehensive Loss	Total Members' Equity
Balance at December 31, 2023	$1	$26,475	$2,406,452	($2,351)	$2,430,577
Net income	--	--	75,611	--	75,611
Other comprehensive income	--	--	--	57	57
Unallocated retained earnings designated for patronage distributions	--	--	(29,983)	--	(29,983)
Capital stock and participation certificates issued	--	396	--	--	396
Capital stock and participation certificates retired	(1)	(333)	--	--	(334)
Balance at March 31, 2024	$ --	$26,538	$2,452,080	($2,294)	$2,476,324
Balance at December 31, 2024	$ --	$27,059	$2,583,177	($2,383)	$2,607,853
Net income	**--**	**--**	**71,161**	**--**	**71,161**
Other comprehensive income	**--**	**--**	**--**	**59**	**59**
Unallocated retained earnings designated for patronage distributions	**--**	**--**	**(30,012)**	**--**	**(30,012)**
Capital stock and participation certificates issued	**--**	**469**	**--**	**--**	**469**
Capital stock and participation certificates retired	**--**	**(394)**	**--**	**--**	**(394)**
Balance at March 31, 2025	**$ --**	**$27,134**	**$2,624,326**	**($2,324)**	**$2,649,136**

The accompanying notes are an integral part of these Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The accompanying unaudited Consolidated Financial Statements contain all adjustments necessary for a fair presentation of the interim financial information and conform to generally accepted accounting principles in the United States of America (GAAP) and the prevailing practices within the financial services industry. This interim Quarterly Report is prepared based upon statutory and regulatory requirements and in accordance with GAAP. However, certain disclosures required by GAAP are omitted. The results of the three months ended March 31, 2025, are not necessarily indicative of the results to be expected for the year ending December 31, 2025. The interim financial statements and the related notes in this Quarterly Report should be read in conjunction with the Consolidated Financial Statements and related notes included in our Annual Report for the year ended December 31, 2024 (2024 Annual Report).

Principles of Consolidation

The Consolidated Financial Statements present the consolidated financial results of GreenStone Farm Credit Services, ACA and its subsidiaries GreenStone Farm Credit Services, FLCA and GreenStone Farm Credit Services, PCA. All material intercompany transactions and balances have been eliminated in consolidation.

Recently Issued or Adopted Accounting Pronouncements

We have assessed the potential impact of accounting standards that have been issued by the Financial Accounting Standards Board (FASB) and have determined the following standard to be applicable to our business. While we are a nonpublic business entity, our financial results are closely related to the performance of the combined Farm Credit System. Therefore, we typically adopt accounting pronouncements in alignment with other System institutions.

Standard and effective date	Description	Adoption status and financial statement impact
In December 2023, the FASB issued Accounting Standards Update 2023-09, “Income Taxes (Topic 740): Improvements to Income Tax Disclosures.” This guidance is effective for annual periods beginning after December 15, 2025.	This guidance requires more transparency about income tax information through improvements to income tax disclosures. The improvements applicable to our Association will require adding information by state jurisdiction to the rate reconciliation and income taxes paid disclosures.	We expect to adopt the standard as of January 1, 2026. The adoption of this guidance is not expected to have a material impact on our financial statements, but will modify certain disclosures.

NOTE 2: LOANS AND ALLOWANCE FOR CREDIT LOSSES ON LOANS

Throughout Note 2 accrued interest receivable on loans of $96.4 million at March 31, 2025, and $109.5 million at December 31, 2024, has been excluded from the amortized cost of loans and is presented in “Accrued interest receivable” in the Consolidated Statements of Condition.

Loans by Type

(dollars in thousands)

As of:	**March 31, 2025**		December 31, 2024	
	Amortized Cost	**Percentage**	Amortized Cost	Percentage
Real estate mortgage	**$6,657,712**	**50.4%**	$6,696,152	50.1%
Production and intermediate-term	**2,144,293**	**16.2**	2,426,478	18.2
Agribusiness	**3,270,853**	**24.7**	3,109,896	23.3
Other	**1,151,620**	**8.7**	1,128,169	8.4
Total	**$13,224,478**	**100.0%**	$13,360,695	100.0%

The other category is primarily composed of rural infrastructure and rural residential real estate related loans.

Delinquency

Aging Analysis of Loans at Amortized Cost

(in thousands) **As of March 31, 2025**	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less Than 30 Days Past Due	Total
Real estate mortgage	**$8,714**	**$13,515**	**$22,229**	**$6,635,483**	**$6,657,712**
Production and intermediate-term	**3,732**	**1,271**	**5,003**	**2,139,290**	**2,144,293**
Agribusiness	**9,546**	**4,956**	**14,502**	**3,256,351**	**3,270,853**
Other	**15,948**	**668**	**16,616**	**1,135,004**	**1,151,620**
Total	**$37,940**	**$20,410**	**$58,350**	**$13,166,128**	**$13,224,478**
As of December 31, 2024					
Real estate mortgage	$15,111	$1,561	$16,672	$6,679,480	$6,696,152
Production and intermediate-term	3,696	2,019	5,715	2,420,763	2,426,478
Agribusiness	180	4,999	5,179	3,104,717	3,109,896
Other	1,355	16	1,371	1,126,798	1,128,169
Total	$20,342	$8,595	$28,937	$13,331,758	$13,360,695

There were no loans 90 days or more past due and still accruing interest at March 31, 2025, or December 31, 2024.

Nonaccrual Loans

Nonaccrual Loans Information

	As of March 31, 2025		**For the Three Months Ended March 31, 2025**
(in thousands)	Amortized Cost	Amortized Cost Without Allowance	Interest Income (Reversed) Recognized
Nonaccrual loans:			
Real estate mortgage	**$24,366**	**$11,022**	**($384)**
Production and intermediate-term	**3,758**	**1,223**	**671**
Agribusiness	**87,514**	**19,678**	**1**
Other	**2,751**	**966**	**4**
Total	**$118,389**	**$32,889**	**$292**

	As of December 31, 2024		For the Three Months Ended March 31, 2024
	Amortized Cost	Amortized Cost Without Allowance	Interest Income Recognized
Nonaccrual loans:			
Real estate mortgage	$11,962	$11,041	$549
Production and intermediate-term	3,483	1,180	192
Agribusiness	48,231	20,898	1
Other	2,230	409	8
Total	$65,906	$33,528	$750

Reversals of interest income on loans that transferred to nonaccrual status were not material for the three months ended March 31, 2025, or 2024.

Loan Modifications Granted to Borrowers Experiencing Financial Difficulty

Included within our loans are loan modifications; some of which are granted to borrowers experiencing financial difficulty. Modifications are one or a combination of principal forgiveness, interest rate reduction, other-than-insignificant term extension, or other-than-insignificant payment deferrals. Other-than-insignificant term extensions are defined as those greater than or equal to six months. Covenant waivers and modifications of contingent acceleration clauses are not considered term extensions. Other-than-insignificant payment deferrals are defined as cumulative or individual payment delays greater than or equal to six months. Our loans classified as modified loans at March 31, 2025, or 2024, and activity on these loans during the three months ended March 31, 2025, or 2024, were not material. We did not have any material commitments at March 31, 2025, or December 31, 2024, to lend to borrowers whose loans were modified during the three months ended March 31, 2025, or during the year ended December 31, 2024, respectively.

Allowance for Credit Losses

Our loan portfolio is divided into segments primarily based on loan type which are the segments used to estimate the allowance for credit losses. As our lending authorities limit the types of loans we can originate, our portfolio is concentrated in the agriculture sector. The credit risk associated with each of our portfolio segments includes a strong correlation to agricultural commodity prices and input costs. Specifically for our real estate mortgage segment, the value of agricultural land that serves as collateral is a key risk characteristic. Additionally, unemployment rates and gross domestic product levels are additional key risk characteristics attributable to our portfolio. We consider these characteristics, among others, in assigning internal risk ratings and forecasting credit losses on our loan portfolio and related unfunded commitments.

We develop our reasonable and supportable forecast by considering a multitude of macroeconomic variables. Our forecasts of agricultural commodity prices (milk and corn), United States (U.S.) real gross domestic product, and the U.S. unemployment rate represent key macroeconomic variables that significantly affect the estimate of the allowance for credit losses on loans and unfunded commitments.

We utilize a single macroeconomic scenario in the estimate of the allowance for credit losses on loans and unfunded commitments which represents the most probable forecasted outcome. Subsequent changes in the macroeconomic forecasts will be reflected in the provision for credit losses in future periods.

Changes in Allowance for Credit Losses

(in thousands) Three months ended March 31,	**2025**	2024
Allowance for Credit Losses on Loans		
Balance at beginning of period	**$38,452**	$35,874
Provision for credit losses on loans	**13,360**	4,345
Loan recoveries	**816**	141
Loan charge-offs	**(19)**	(4,931)
Balance at end of period	**$52,609**	$35,429
Allowance for Credit Losses on Unfunded Commitments		
Balance at beginning of period	**$7,774**	$8,120
Reversal of provision for credit losses on unfunded commitments	**(1,658)**	(654)
Balance at end of period	**$6,116**	$7,466
Total allowance for credit losses	**$58,725**	$42,895

The change in the allowance for credit losses on loans from December 31, 2024, was primarily driven by increases in specific reserves related to three nonaccrual customers and increases in general reserves on our collectively evaluated loans primarily due to increased reserves on our capital markets purchased participation portfolio.

NOTE 3: CONTINGENCIES AND COMMITMENTS

In the normal course of business, we have various contingent liabilities and commitments outstanding, primarily commitments to extend credit, which may not be reflected in the Consolidated Financial Statements. We do not anticipate any material losses because of these contingencies or commitments.

We may be named as a defendant in certain lawsuits or legal actions in the normal course of business. At the date of these Consolidated Financial Statements, our management team was not aware of any material actions. However, management cannot ensure that such actions or other contingencies will not arise in the future.

Refer to Note 11 in our 2024 Annual Report for additional detail regarding contingencies and commitments.

NOTE 4: FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market for the asset or liability. Accounting guidance also establishes a fair value hierarchy, with three input levels that may be used to measure fair value. Refer to Note 2 in our 2024 Annual Report for a more complete description of the three input levels.

We did not have any assets or liabilities measured at fair value on a recurring basis at March 31, 2025, or December 31, 2024.

Non-Recurring Basis

We may be required, from time to time, to measure certain assets at fair value on a non-recurring basis.

Assets Measured at Fair Value on a Non-Recurring Basis

(in thousands)

As of March 31, 2025	Fair Value Measurement Using			Total Fair
	Level 1	Level 2	Level 3	Value
Loans	**$ --**	**$ --**	**$64,739**	**$64,739**
Acquired Property	**--**	**--**	**2,567**	**2,567**

As of December 31, 2024	Fair Value Measurement Using			Total Fair
	Level 1	Level 2	Level 3	Value
Loans	$ --	$ --	$16,828	$16,828
Acquired Property	--	--	2,723	2,723

Valuation Techniques

Loans: Represents the carrying amount of loans evaluated individually for credit losses and deemed to be collateral dependent. The carrying value amount is based on the estimated value of the underlying collateral, less costs to sell. When the fair value of the collateral, less costs to sell, is less than the amortized cost basis of the loan, a specific allowance for expected credit losses is established. Costs to sell represent transaction costs and are not included as a component of the collateral's estimated fair value. Typically, the process requires significant input based on management's knowledge of and judgment about current market conditions, specific issues relating to the collateral and other matters and, therefore, are classified as Level 3 fair value measurements.

Acquired Property: Represents the fair value of foreclosed assets measured based on the collateral value, which is generally determined using appraisals, or other indications based on sales of similar properties. Costs to sell represent transaction costs and are not included as a component of the asset's fair value. If the process uses observable market-based information, they are classified as Level 2. If the process requires significant input based on management's knowledge of and judgment about current market conditions, specific issues relating to the property and other matters, they are classified as Level 3.

NOTE 5: SUBSEQUENT EVENTS

We have evaluated subsequent events through May 7, 2025, which is the date the Consolidated Financial Statements were available to be issued. There have been no material subsequent events that would require recognition in our Quarterly Report or disclosure in the Notes to Consolidated Financial Statements.