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		2021 actual	2022 est.	2023 est.
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	172,108	110,910	110,910
1251	Repayments: Net repayments and prepayments	–61,198		
1290	Outstanding, end of year	110,910	110,910	110,910

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, 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		2020 actual	2021 actual
	ASSETS:		
	Federal assets:		
	Investments in U.S. securities:		
1102	Treasury securities, par	135,972	92,192
1201	Non-Federal assets: Investments in non-Federal securities, net	12,774	27,630
	Net value of assets related to direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601	Mortgage Loans and Mortgage Related Securities	115,986	77,974
1601	Mortgage Loans and Mortgage Related Securities - Consolidated Trusts	3,439,678	3,831,578
1604	Direct loans and interest receivable, net	3,555,664	3,909,552
1606	Acquired Property, net	1,462	1,261
1699	Value of assets related to direct loans	3,557,126	3,910,813
	Other Federal assets:		
1801	Cash and other monetary assets	135,695	155,522
1901	Other assets	23,036	23,052
1999	Total assets	3,864,603	4,209,209
	LIABILITIES:		
	Non-Federal liabilities:		
2202	Interest payable	9,982	9,299
2203	Debt	289,423	234,843
2203	Debt - Consolidated Trusts	3,530,381	3,907,626
2207	Other	14,124	15,268
2999	Total liabilities	3,843,910	4,167,036
	NET POSITION:		
3300	Senior Preferred Stock	120,836	120,836
3300	Private Equity	–100,143	–78,663
3300	Noncontrolling Interest		
3999	Total net position	20,693	42,173
4999	Total liabilities and net position	3,864,603	4,209,209

Mortgage-Backed Securities

Status of Direct Loans (in millions of dollars)

Identification code 915–4987–0–4–371		2021 actual	2022 est.	2023 est.
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	3,481,562	3,831,364	3,831,364
1231	Disbursements: Direct loan disbursements	1,595,052		
1251	Repayments: Repayments and prepayments	–1,245,250		
1290	Outstanding, end of year	3,831,364	3,831,364	3,831,364

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		2021 actual	2022 est.	2023 est.
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	198,176	113,773	113,773
1251	Repayments: Repayments and prepayments	–84,403		
1290	Outstanding, end of year	113,773	113,773	113,773

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, 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		2020 actual	2021 actual
	ASSETS:		
	Federal assets:		
	Investments in U.S. securities:		
1102	Treasury securities, par	28,497	30,513
1201	Non-Federal assets: Investments in non-Federal securities, net	99,252	89,512
	Net value of assets related to direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601	Mortgage Loans and Mortgage Related Securities	147,937	83,380
1601	Mortgage Loans and Mortgage Related Securities - Consolidated Trusts	2,115,509	2,671,954
1604	Direct loans and interest receivable, net	2,263,446	2,755,334
1606	Acquired property, net		
1699	Value of assets related to direct loans	2,263,446	2,755,334
	Other Federal assets:		
1801	Cash and other monetary assets	56,990	56,526
1901	Other assets	5,886	6,099
1999	Total assets	2,454,071	2,937,984
	LIABILITIES:		
	Non-Federal liabilities:		
2202	Interest payable	6,020	6,049
2203	Debt	284,896	193,896
2203	Debt - Consolidated Trusts	2,138,420	2,701,530
2207	Other	10,844	11,198
2999	Total liabilities	2,440,180	2,912,673
	NET POSITION:		
3300	Senior Preferred Stock	72,648	72,648
3300	Private Equity	–58,757	–47,337
3999	Total net position	13,891	25,311
4999	Total liabilities and net position	2,454,071	2,937,984

MORTGAGE-BACKED SECURITIES

Status of Direct Loans (in millions of dollars)

Identification code 914–4989–0–4–371		2021 actual	2022 est.	2023 est.
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	2,459,232	3,025,320	3,025,320
1231	Disbursements: Direct loan disbursements	1,445,268		
1251	Repayments: Repayments and prepayments	–879,180		
1290	Outstanding, end of year	3,025,320	3,025,320	3,025,320

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		2021 actual	2022 est.	2023 est.
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	547,118	406,234	406,234
1231	Disbursements: Direct loan disbursements	3,037,651		
1251	Repayments: Repayments and prepayments	–3,172,665		
1264	Other adjustments, net (+ or -)	–5,870		
1290	Outstanding, end of year	406,234	406,234	406,234

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 6,600 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.

Balance Sheet (in millions of dollars)

Identification code 913–4990–0–4–371		2020 actual	2021 actual
	ASSETS:		
	Federal assets:		
	Investments in U.S. securities:		
1102	Treasury securities, par	62,060	40,574
	Non-Federal assets:		
1201	Investments in non-Federal securities, net	270,730	254,233
1206	Accounts receivable	1,271	921
1401	Net value of assets related to direct loans receivable: Direct loans receivable, gross	547,070	406,211
	Other Federal assets:		
1801	Cash and other monetary assets	9,988	6,805
1803	Property, plant and equipment, net	....	....
1901	Other assets	3,345	3,470
1999	Total assets	894,464	712,214
	LIABILITIES:		
2101	Federal liabilities: REFCORP and Affordable Housing Program	1,064	933
	Non-Federal liabilities:		
2202	Interest payable	928	776
2203	Debt	821,933	641,954
2207	Deposit funds and other borrowing	14,952	4,190
2207	Other	4,116	15,563
2999	Total liabilities	842,993	663,416
	NET POSITION:		
3100	Invested capital	51,471	48,798
4999	Total liabilities and net position	894,464	712,214

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 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 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		2021 actual	2022 est.	2023 est.
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	111,985	119,056	126,405
1231	Disbursements: Direct loan disbursements	531,680	558,533	586,743
1251	Repayments: Repayments and prepayments	–524,613	–551,139	–580,315
1263	Write-offs for default: Direct loans	....	–45	–43
1264	Other adjustments, net (+ or -)	4	....	....
1290	Outstanding, end of year	119,056	126,405	132,790

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 20 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)

	2020 act.	2021 act.	2022 est.	2023 est.
Beginning balance of net worth	10,447,308	11,679,369	11,989,797	12,703,629
Capital stock and participations issued	121,516	203,577	750,000	35,000
Capital stock and participations retired	34,792	37,474	401,907	645,652
Net income	1,194,308	1,395,511	1,229,315	1,303,053
Cash/Dividends/Patronage Distributions	–607,179	–791,028	–735,817	–751,140
Other, net	558,208	–460,158	–127,759	–137,009
Ending balance of net worth	11,679,369	11,989,797	12,703,629	12,507,881

AGRICULTURAL CREDIT BANK—Continued

Financing Activities (in thousands of dollars)

	2020 act.	2021 act.	2022 est.	2023 est.
Beginning balance of outstanding system obligations	122,493,375	132,426,345	138,073,631	148,925,971
Consolidated systemwide and other bank bonds issued	78,143,926	70,689,889	74,260,203	78,010,842
Consolidated systemwide and other bank bonds retired	67,723,738	64,124,193	63,401,665	69,165,072
Consolidated systemwide notes, net	–471,800	–908,676	0	0
Other (Net)	–15,418	–9,734	–6,198	–4,437
Ending balance of outstanding system obligations	132,426,345	138,073,631	148,925,971	157,767,304

Balance Sheet (in millions of dollars)

Identification code 912–4991–0–4–351		2020 actual	2021 actual
	ASSETS:		
	Non-Federal assets:		
1201	Cash and investment securities	34,486	34,430
1206	Accrued interest receivable on loans	412	382
	Net value of assets related to direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601	Direct loans, gross	111,984	119,055
1603	Allowance for estimated uncollectible loans and interest (-)	–631	–631
1699	Value of assets related to direct loans	111,353	118,424
1803	Other Federal assets: Property, plant and equipment, net	2,100	1,538
1999	Total assets	148,351	154,774
	LIABILITIES:		
2104	Federal liabilities: Resources payable to Treasury	2,179	2,401
	Non-Federal liabilities:		
2201	Consolidated systemwide and other bank bonds	132,426	138,074
2201	Notes payable and other interest-bearing liabilities	1,716	2,008
2202	Accrued interest payable	351	301
2999	Total liabilities	136,672	142,784
	NET POSITION:		
3300	Cumulative results of operations	11,679	11,990
4999	Total liabilities and net position	148,351	154,774

FARM CREDIT BANKS

Status of Direct Loans (in millions of dollars)

Identification code 912–4992–0–4–371		2021 actual	2022 est.	2023 est.
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	153,942	168,327	180,806
1231	Disbursements: Direct loan disbursements	270,509	278,299	288,067
1251	Repayments: Repayments and prepayments	–256,124	–265,802	–276,051
1263	Write-offs for default: Direct loans	....	–18	–10
1290	Outstanding, end of year	168,327	180,806	192,812

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, 2021: 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, 2021, 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)

	2020 act.	2021 act.	2022 est.	2023 est.
Beginning balance of net worth	10,559,072	11,405,805	11,843,457	12,286,453
Capital stock and participations issued	947,216	405,252	326,697	713,255
Capital stock and participations retired	446,022	69,968	16,751	305,935
Surplus Retired	118	2,254	1,460	0
Net income	1,347,161	1,449,394	1,347,538	1,302,829
Cash/Dividends/Patronage Distributions	–1,138,345	–1,315,316	–1,181,789	–1,103,034
Other, net	136,841	–29,456	–31,239	–216,894
Ending balance of net worth	11,405,805	11,843,457	12,286,453	12,676,675

Financing Activities (in thousands of dollars)

	2020 act.	2021 act.	2022 est.	2023 est.
Beginning balance of outstanding system obligations	160,146,949	176,239,909	190,764,160	202,962,898
Consolidated systemwide and other bank bonds issued	293,432,765	267,995,223	236,935,100	231,294,955
Consolidated systemwide and other bank bonds retired	277,598,044	253,607,721	224,749,651	219,647,768
Consolidated systemwide notes, net	0	0	0	0
Other (Net)	258,239	136,749	13,289	–54,809
Ending balance of outstanding system obligations	176,239,909	190,764,160	202,962,898	214,555,276

Balance Sheet (in millions of dollars)

Identification code 912–4992–0–4–371		2020 actual	2021 actual
	ASSETS:		
	Non-Federal assets:		
1201	Cash and investment securities	34,631	35,853
1206	Accrued Interest Receivable	686	669
	Net value of assets related to direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601	Direct loans, gross	153,946	168,327
1603	Allowance for estimated uncollectible loans and interest (-)	–69	–71
1699	Value of assets related to direct loans	153,877	168,256
1803	Other Federal assets: Property, plant and equipment, net	1,040	965
1999	Total assets	190,234	205,743
	LIABILITIES:		
2104	Federal liabilities: Resources payable to Treasury	674	572
	Non-Federal liabilities:		
2201	Consolidated systemwide and other bank bonds	176,240	190,764
2201	Notes payable and other interest-bearing liabilities	1,545	2,230
2202	Accrued interest payable	369	334
2999	Total liabilities	178,828	193,900
	NET POSITION:		
3300	Cumulative results of operations	11,406	11,843
4999	Total liabilities and net position	190,234	205,743

FEDERAL AGRICULTURAL MORTGAGE CORPORATION

Status of Guaranteed Loans (in millions of dollars)

Identification code 912–4993–0–4–351		2021 actual	2022 est.	2023 est.
	Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	21,989	23,119	23,119
2231	Disbursements of new guaranteed loans	6,831	....	....
2251	Repayments and prepayments	–5,701	....	....
2290	Outstanding, end of year	23,119	23,119	23,119
	Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	2,723	....	....

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 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 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 obligations, and income. Under procedures specified in the legislation, 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 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		2020 actual	2021 actual
	ASSETS:		
	Non-Federal assets:		
1201	Investment in securities	3,577	3,742
1206	Receivables, net	106	73
	Net value of assets related to direct loans receivable:		
1401	Direct loans receivable, gross	19,252	19,886
1402	Interest receivable	153	144
1499	Net present value of assets related to direct loans	19,405	20,030
1801	Other Federal assets: Cash and other monetary assets	911	899
1999	Total assets	23,999	24,744
	LIABILITIES:		
	Non-Federal liabilities:		
2201	Accounts payable	55	68
2202	Interest payable	93	83
2203	Debt	22,882	23,356
2204	Liabilities for loan guarantees	39	40
2999	Total liabilities	23,069	23,547
	NET POSITION:		
3300	Invested capital	930	1,197
4999	Total liabilities and net position	23,999	24,744