

FEDERAL AGRICULTURAL MORTGAGE CORP  
Form 10-Q  
May 10, 2010

As filed with the Securities and Exchange Commission on May 10, 2010

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2010

Commission File Number 001-14951

FEDERAL AGRICULTURAL MORTGAGE CORPORATION  
(Exact name of registrant as specified in its charter)

Federally chartered instrumentality  
of the United States  
(State or other jurisdiction of  
incorporation or organization)

52-1578738  
(I.R.S. employer identification number)

1133 Twenty-First Street, N.W., Suite 600  
Washington, D.C.  
(Address of principal executive offices)

20036  
(Zip code)

(202) 872-7700  
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes

No

As of May 3, 2010 the registrant had 1,030,780 shares of Class A Voting Common Stock, 500,301 shares of Class B Voting Common Stock and 8,614,980 shares of Class C Non-Voting Common Stock outstanding.

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PART I - FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

The following information concerning Farmer Mac's interim unaudited condensed consolidated financial statements is included in this report beginning on the pages listed below:

Condensed Consolidated Balance Sheets as of March 31, 2010 and December 31, 2009	3
Condensed Consolidated Statements of Operations for the three months ended March 31, 2010 and 2009	4
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FEDERAL AGRICULTURAL MORTGAGE CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(unaudited)

	March 31, 2010	December 31, 2009
	(in thousands)	
<b>Assets:</b>		
Cash and cash equivalents	\$ 418,211	\$ 654,794
<b>Investment securities:</b>		
Available-for-sale, at fair value	1,198,374	1,041,923
Trading, at fair value	82,826	89,972
Total investment securities	1,281,200	1,131,895
<b>Farmer Mac Guaranteed Securities:</b>		
Available-for-sale, at fair value	1,793,927	2,524,867
Trading, at fair value	-	874,129
Total Farmer Mac Guaranteed Securities	1,793,927	3,398,996
<b>USDA Guaranteed Securities:</b>		
Available-for-sale, at fair value	781,823	-
Trading, at fair value	407,844	-
Total USDA Guaranteed Securities	1,189,667	-
<b>Loans:</b>		
Loans held for sale, at lower of cost or fair value	758,437	666,534
Loans held for investment, at amortized cost	90,823	93,478
Loans held for investment in consolidated trusts, at amortized cost	1,789,026	-
Allowance for loan losses	(9,142)	(6,292)
Total loans, net of allowance	2,629,144	753,720
Real estate owned, at lower of cost or fair value	3,132	739
Financial derivatives, at fair value	21,170	15,040
Interest receivable	64,794	67,178
Guarantee and commitment fees receivable	34,195	55,016
Deferred tax asset, net	20,081	24,146
Prepaid expenses and other assets	23,644	37,289
<b>Total Assets</b>	<b>\$ 7,479,165</b>	<b>\$ 6,138,813</b>
<b>Liabilities, Mezzanine Equity and Equity:</b>		
<b>Liabilities:</b>		
<b>Notes payable:</b>		
Due within one year	\$ 3,404,475	\$ 3,662,898
Due after one year	2,082,578	1,908,713
Total notes payable	5,487,053	5,571,611
Debt securities of consolidated trusts held by third parties	1,337,331	-
Financial derivatives, at fair value	110,602	107,367
Accrued interest payable	47,530	39,562
Guarantee and commitment obligation	31,039	48,526
Accounts payable and accrued expenses	12,094	23,445
Reserve for losses	6,427	7,895
<b>Total Liabilities</b>	<b>7,032,076</b>	<b>5,798,406</b>
<b>Mezzanine Equity:</b>		
	-	144,216

Series B redeemable preferred stock, par value \$1,000, per share 150,000 shares authorized, issued and outstanding as of December 31, 2009 (redemption value \$150,000,000)

Stockholders' Equity:

Preferred stock:

Series C, par value \$1,000 per share, 100,000 shares authorized, 57,578 issued and outstanding as of March 31, 2010 and December 31, 2009

57,578 57,578

Common stock:

Class A Voting, \$1 par value, no maximum authorization

1,031 1,031

Class B Voting, \$1 par value, no maximum authorization

500 500

Class C Non-Voting, \$1 par value, no maximum authorization

8,613 8,611

Additional paid-in capital

97,861 97,090

Accumulated other comprehensive income

7,587 3,254

Retained earnings