COLUSA-GLENN FARM CREDIT

Third Quarter 2015 Report to Shareholders

Farm Credit Services of Colusa-Glenn, ACA

310 Sixth Street, P.O. Box 449
Colusa, California 95932
Phone: (530) 458-2163 Fax: (530) 458-2614

201-B North Tehama Street, P.O. Box 350
Willows, CA 95988
Phone: (530) 934-7086 Fax: (530) 934-2349

Website: http://www.californiafarmcredit.com

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(Unaudited)

The following discussion summarizes the financial position and results of operations of Farm Credit Services of Colusa-Glenn, ACA (the "Association") and subsidiaries for the nine months ended September 30, 2015, with comparisons to prior periods. You should read these comments along with the accompanying financial statements and footnotes and the 2014 Annual Report to Shareholders. The accompanying financial statements were prepared under the oversight of our Audit Committee.

The shareholders' investment in Farm Credit Services of Colusa-Glenn, ACA is materially affected by the financial condition and results of operations of CoBank, ACB, (CoBank). The 2014 CoBank Annual Report to Shareholders, and the CoBank quarterly shareholders' reports are available free of charge by accessing CoBank's website, www.cobank.com, or may be obtained at no charge by contacting us at Farm Credit Services of Colusa-Glenn, ACA, 310 Sixth Street, P.O. Box 449, Colusa, California 95932, or calling (530) 458-2163.

GENERAL

We have maintained a strong portfolio through the nine months ended September 30, 2015. Our outstanding credit quality is a direct result of the overall financial stability of our members and the health of our local, agricultural markets. While there has been recent price pressure on some of the crops that we finance, markets remain strong overall, and our members have been able to secure profits on strong commodity prices over the past few years. Our lending approach ensures that we attract loan opportunities with high credit quality while operating in a safe and sound manner.

For the nine months ended September 30, 2015, we recorded increased net income from the nine months ended September 30, 2014, resulting from increased average loan volume. During 2014, we experienced a drop in commercial loan volume resulting, in part, from the drought and its impact on rice plantings. Much like 2014, growers forewent planting rice in 2015; however, commercial loan volume has recovered, to an extent, with loans made on other commodities. Drought conditions within Colusa and Glenn Counties remain at extreme levels. The overall consensus is predicting an El Niño winter; however, the quantity of rain that Northern California will receive remains unknown. The availability of inexpensive and dependable sources of water for irrigation has always been a significant factor affecting land values and crop production on nearly all irrigated cropland and permanent plantings in the Sacramento Valley. Over the past several years, the reductions in water deliveries from most Federal and State managed water districts did not appear to affect either crop production or land values. With the transition of substantial acreage being converted from irrigated cropland to permanent plantings, growers are relying more and more on pumped groundwater to supplement less reliable district water. Several areas that have seen significant development to permanent plantings have historically limited sources of available groundwater. These areas are now experiencing groundwater depletion leading to the failure of some wells, subsidence, and water quality issues. In addition, the availability of well drillers and the ability to obtain a permit to drill a well pose a threat to Northern California farmers and ranchers. We have and will continue to monitor the drought and its impact on the health of our portfolio, taking actions when necessary to avoid losses.

The financial stability of our member base and significant level of voluntary advanced conditional payments will continue to create less demand for financing as growers will utilize their own cash rather than borrowing from us. The overall financial stability of growers in our area is a positive sign for the health of the agriculture industry, and, despite the impact on our loan portfolio, we feel that a strengthening agricultural community benefits our members in the long-run.

LOAN PORTFOLIO

Loans outstanding at September 30, 2015, totaled $318.5 million, a decrease of $11.0 million, or 3.3%, from loans of $329.4 million at December 31, 2014. The decrease was primarily due to a decrease in operating loan volume resulting from less loan demand from growers. This lack of demand is the result of increased grower financial strength as well as decreased financeable acreage caused by growers forgoing planting because of water concerns. Other contributing factors to the decrease in loan volume would be the impact of seasonal loan repayments.

OTHER PROPERTY OWNED

Other property owned is real or personal property that has been acquired through foreclosure, deed in lieu of foreclosure or other means. The Association did not own any other property as of September 30, 2015, and December 31, 2014.

RESULTS OF OPERATIONS

Net income for the nine months ended September 30, 2015, was $4.1 million, an increase of $718 thousand, or 21.1%, from $3.4 million for the nine months ended September 30, 2014. This increase is primarily attributable to increased interest income and decreases in interest and noninterest expense offset by the provision for credit loss.

Net interest income for the nine months ended September 30, 2015, was $6.4 million, an increase of $512 thousand, or 8.7%, from $5.9 million for the nine months ended September 30, 2014. The increase is primarily attributable to increased loan volume at September 30, 2015, as compared to September 30, 2014.

The provision for credit loss for the nine months ended September 30, 2015, was $202 thousand, an increase of 124 thousand, or 159.0% from the provision of credit loss of $78 thousand for the nine months ended September 30, 2014. The increase in provision for credit loss was due to higher overall loan volume as compared to September 30, 2014.

Noninterest income for the nine months ended September 30, 2015, was $708 thousand, an increase of $86 thousand, or 13.8%, from $622 thousand for the nine months ended September 30, 2014. Noninterest income increased primarily due to an increase in patronage refunds from CoBank related to higher overall loan volume.

Noninterest expense for the nine months ended September 30, 2015, was $2.5 million, a decrease of $204 thousand, or 7.5%, from $2.7 million for the nine months ended September 30, 2014. Noninterest expense decreased primarily due to a decrease in other noninterest expense combined with reduced salaries and benefits and offset by an increase in data processing services, purchased services and Farm Credit Insurance premiums. With respect to the decrease in other noninterest expense, the Association prospectively began capitalizing loan origination costs on operating and intermediate-term loans effective June 1, 2014. Loan origination fees and direct loan origination costs are capitalized and the net fee or cost is amortized over the life of the related loan as an adjustment to yield. The result of capitalizing origination costs for operating and intermediate-term loans has caused a decrease in other noninterest expense offset by amortization of these costs within yield from the nine months ended September 30, 2014, to the nine months ended September 30, 2015.

CAPITAL RESOURCES

Our shareholders' equity at September 30, 2015, was $90.7 million, an increase of $4.1 million, or 4.7%, from shareholders' equity of $86.6 million at December 31, 2014. This increase is due to net income partially offset by net stock retirements during 2015.

REGULATORY MATTERS

On May 8, 2014, the Farm Credit Administration approved a proposed rule to modify the regulatory capital requirements for System Associations. The stated objectives of the proposed rule are as follows:

- To modernize capital requirements while ensuring that institutions continue to hold sufficient regulatory capital to fulfill their mission as government-sponsored enterprises;
- To ensure that the System's capital requirements are comparable to the Basel III framework and the standardized approach that the federal banking regulatory agencies have adopted, but also to ensure that the rules recognize the cooperative structure and the organization of the System;
- To make System regulatory capital requirements more transparent; and
- To meet certain requirements of the Dodd-Frank Act.

As currently drafted, the proposed rule would, among other things, eliminate the core surplus and total surplus requirements and introduce common equity tier 1, tier 1 and total capital (tier 1 + tier 2) risk-based capital ratio requirements. The proposal would add a minimum tier 1 leverage ratio for all System institutions. In addition, the proposal would establish a capital conservation buffer, and modify and expand risk weightings. The revisions to the risk weightings of exposures would include alternatives to the use of credit ratings, as required by the Dodd-Frank Act. The proposed effective date is January 1, 2016.

The public comment period ended on February 16, 2015. While uncertainty exists as to the final form of the proposed rule, based on our preliminary assessment, we do not believe the new rule will impose any significant constraints on our business strategies or growth prospects.

OTHER MATTERS

During the second quarter of 2015, we were in violation of our General Financing Agreement with CoBank in regards to exceeding our legal lending limit and related reporting requirements. This violation was cured as of June 30, 2015.

FORWARD LOOKING INFORMATION

This discussion contains forward looking statements. These statements are not guarantees of future performance; future operations involve certain risks, uncertainties, and assumptions that are difficult to predict. Words such as "anticipates," "believes," "could," "estimates," "may," "should," or "will" are intended to identify forward-looking statements. These statements are based on management's assumptions and analyses made in light of experience and other historical trends, current conditions, and expected future developments. However, actual results and developments may differ materially from our expectations and predictions due to a number of risks and uncertainties, many of which are beyond our control. Readers are cautioned not to place undue reliance on these forward-looking statements. We will not update any forward-looking statements to reflect events or circumstances arising after they are made.

CERTIFICATION

The undersigned certify they have reviewed this report, this report has been prepared in accordance with all applicable statutory or regulatory requirements and the information contained herein is true, accurate, and complete to the best of his or her knowledge and belief.

Michael Doherty
Chairman of the Board
November 9, 2015

Robert Faris
President & CEO
November 9, 2015

Mark Heidrick
Chief Financial Officer
November 9, 2015

CONSOLIDATED STATEMENT OF CONDITION
(In Thousands)

	September 30, 2015 *Unaudited*	December 31, 2014 *Audited*
ASSETS		
Loans	**$ 318,475**	$ 329,446
Less allowance for loan losses	**929**	1,279
Net loans	**317,546**	328,167
Cash	**883**	7,484
Accrued interest receivable	**5,539**	2,942
Investment in CoBank	**10,292**	10,291
Premises and equipment, net	**520**	544
Other assets	**945**	1,365
Total assets	**$ 335,725**	$ 350,793
LIABILITIES		
Note payable to CoBank	**$ 200,655**	$ 230,678
Advance conditional payments	**41,430**	26,948
Accrued interest payable	**121**	741
Accrued benefits liability	**90**	133
Deferred tax liability	**580**	759
Unfunded disbursements	**592**	1,703
Reserve for unfunded commitments	**563**	-
Other liabilities	**993**	3,228
Total liabilities	**245,024**	264,190
Commitments and Contingencies		
SHAREHOLDERS' EQUITY		
Capital stock and participation certificates	**585**	607
Unallocated retained earnings	**90,116**	85,996
Total shareholders' equity	**90,701**	86,603
Total liabilities and shareholders' equity	**$ 335,725**	$ 350,793

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Unaudited and In Thousands)

	For the three months ended September 30,		*For the nine months ended September 30,*	
	2015	2014	**2015**	2014
INTEREST INCOME				
Loans	**$ 2,960**	$ 2,863	**$ 8,542**	$ 8,287
Total interest income	**2,960**	2,863	**8,542**	8,287
INTEREST EXPENSE				
Note payable to CoBank	**608**	768	**1,996**	2,262
Other	**50**	50	**168**	159
Total interest expense	**658**	818	**2,164**	2,421
Net interest income	**2,302**	2,045	**6,378**	5,866
Provision for (reversal of) credit losses	**(34)**	257	**202**	78
Net interest income after provision for (reversal of) credit losses	**2,336**	1,788	**6,176**	5,788
NONINTEREST INCOME				
Financially related services income	**-**	6	**8**	17
Patronage refund from Farm Credit Institutions	**242**	208	**639**	567
Mineral income	**2**	-	**3**	4
Other noninterest income	**7**	-	**58**	34
Total noninterest income	**251**	214	**708**	622
NONINTEREST EXPENSE				
Salaries and employee benefits	**495**	516	**1,667**	1,718
Occupancy and equipment	**35**	37	**102**	100
Purchased services	**87**	27	**203**	170
Farm Credit Insurance Fund premium	**61**	47	**156**	131
Supervisory and examination costs	**24**	29	**86**	88
Data processing services	**123**	120	**379**	290
Other noninterest expense	**(7)**	(8)	**(82)**	218
Total noninterest expense	**818**	768	**2,511**	2,715
Income before income taxes	**1,769**	1,234	**4,373**	3,695
Provision for income taxes	**121**	118	**253**	293
Comprehensive income	**$ 1,648**	$ 1,116	**$ 4,120**	$ 3,402

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited and In Thousands)

	Capital Stock and Participation Certificates	Unallocated Retained Earnings	Total Shareholders' Equity
Balance at December 31, 2013	$ 744	$ 81,053	$ 81,797
Comprehensive income	-	3,402	3,402
Capital stock and participation certificates issued	54	-	54
Capital stock and participation certificates retired	(185)	-	(185)
Balance at September 30, 2014	$ 613	$ 84,455	$ 85,068
Balance at December 31, 2014	$ 607	$ 85,996	$ 86,603
Comprehensive income	-	4,120	4,120
Capital stock and participation certificates issued	75	-	75
Capital stock and participation certificates retired	(97)	-	(97)
Balance at September 30, 2015	**$ 585**	**$ 90,116**	**$ 90,701**

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO FINANCIAL STATEMENTS
(Unaudited and In Thousands, Except Where Noted)

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A description of the organization and operations of Farm Credit Services of Colusa-Glenn, ACA (the Association), the significant accounting policies followed, and the financial condition and results of operations as of and for the year ended December 31, 2014, are contained in the 2014 Annual Report to Shareholders. These unaudited third quarter 2015 financial statements should be read in conjunction with the 2014 Annual Report to Shareholders.

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. (GAAP) for interim financial information. Accordingly, they do not include all of the disclosures required by GAAP for annual financial statements and should be read in conjunction with the audited financial statements as of and for the year ended December 31, 2014, as contained in the 2014 Annual Report to Shareholders.

In the opinion of management, the unaudited financial information is complete and reflects all adjustments, consisting of normal recurring adjustments, necessary for a fair statement of results for the interim periods. The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year ending December 31, 2015. Descriptions of the significant accounting policies are included in the 2014 Annual Report to Shareholders. In the opinion of management, these policies and the presentation of the interim financial condition and results of operations conform with GAAP and prevailing practices within the banking industry.

In August 2014, the Financial Accounting Standards Board (FASB) issued guidance entitled “Presentation of Financial Statements – Going Concern.” The guidance governs management’s responsibility to evaluate whether there is substantial doubt about an entity’s ability to continue as a going concern and to provide related footnote disclosures. This guidance requires management to perform interim and annual assessments of an entity’s ability to continue as a going concern within one year after the date the financial statements are issued or within one year after the financial statements are available to be issued, when applicable. Substantial doubt exists if it is probable that the entity will be unable to meet its obligations for the assessed period. This guidance becomes effective for interim and annual periods ending after December 15, 2016, and early application is permitted. Management will be required to make its initial assessment as of December 31, 2016.

In May 2014, the FASB issued guidance entitled, “Revenue from Contracts with Customers.” The guidance governs revenue recognition from contracts with customers and requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Financial instruments and other contractual rights within the scope of other guidance issued by the FASB are excluded from the scope of this new revenue recognition guidance. In this regard, a majority of our contracts would be excluded from the scope of this new guidance. In August 2015, the FASB issued an update that defers this guidance by one year, which results in the new revenue standard becoming effective for interim and annual reporting periods beginning after December 15, 2017. The Association is in the process of reviewing contracts to determine the effect, if any, on its financial condition or results of operations.

Certain amounts in the prior period financial statements have been reclassified to conform to current financial statement presentation.

NOTE 2 - LOANS AND ALLOWANCE FOR LOAN LOSSES

Loan Portfolio

A summary of the Association's loan portfolio as of September 30, 2015, and December 31, 2014, is as follows:

	September 30, 2015			December 31, 2014		
	Principal	Interest	Total	Principal	Interest	Total
Real estate mortgage	$ 196,961	$ 4,320	$ 201,281	$ 184,948	$ 2,233	$ 187,181
Production and intermediate-term	85,281	699	85,980	108,306	545	108,851
Agribusiness	36,233	520	36,753	36,192	164	36,356
Total loans	$ 318,475	$ 5,539	$ 324,014	$ 329,446	$ 2,942	$ 332,388

Participations Purchased and Sold

The Association purchases or sells participation interests with other parties in order to diversify risk, manage loan volume and comply with Farm Credit Administration regulations. The following table presents information regarding the principal balances of participations purchased and sold as of September 30, 2015, and December 31, 2014:

	September 30, 2015		December 31, 2014	
	Purchased	Sold	Purchased	Sold
Other Farm Credit Institutions:				
Real estate mortgage	$ 8,756	$ 13,519	$ 8,678	$ 13,698
Production and intermediate-term	4,923	2,417	6,078	491
Agribusiness	9,471	2,051	8,112	-
Subtotal	23,150	17,987	22,868	14,189
Non-Farm Credit Institutions:				
Real estate mortgage	-	122	-	202
Subtotal	-	122	-	202
All Institutions:				
Real estate mortgage	8,756	13,641	8,678	13,900
Production and intermediate-term	4,923	2,417	6,078	491
Agribusiness	9,471	2,051	8,112	-
Total	$ 23,150	$ 18,109	$ 22,868	$ 14,391

Loans by Credit Class

The following table shows loans and related accrued interest classified under the Farm Credit Administration Uniform Loan Classification System as a percentage of total loans and related accrued interest receivable by loan type as of as of September 30, 2015, and December 31, 2014:

	September 30, 2015	December 31, 2014
Real estate mortgage:		
Acceptable	99.38%	98.00%
OAEM	0.34%	0.57%
Substandard	0.28%	1.43%
Subtotal	100.00%	100.00%
Production and intermediate-term:		
Acceptable	99.45%	99.19%
OAEM	0.43%	0.53%
Substandard	0.12%	0.28%
Subtotal	100.00%	100.00%
Agribusiness:		
Acceptable	94.99%	95.11%
OAEM	5.01%	4.89%
Subtotal	100.00%	100.00%
Total Loans:		
Acceptable	98.90%	98.07%
OAEM	0.90%	1.03%
Substandard	0.20%	0.90%
Total	100.00%	100.00%

High Risk Assets

High risk assets consist of impaired loans and other property owned. The recorded investment in the receivable is the face amount increased or decreased by applicable accrued interest and unamortized premium, discount, finance charges, or acquisition costs and may also reflect a previous direct write-down of the investment. These nonperforming assets (including related accrued interest) and related credit quality as of September 30, 2015, and December 31, 2014, are as follows:

	September 30, 2015	December 31, 2014
Nonaccrual loans:		
Real estate mortgage	$ -	$ 24
Production and intermediate-term	97	123
Total nonaccrual loans	97	147
Accruing loans 90 days past due:		
Production and intermediate-term	-	486
Total accruing loans 90 days past due	-	486
Total high risk assets	$ 97	$ 633

The Association had no accruing restructured loans or other property owned for the period presented.

Impaired Loan Information

Additional impaired loan information as of September 30, 2015, and December 31, 2014, is as follows:

	September 30, 2015	
	Recorded Investment	Unpaid Principal Balance
Impaired loans with no related allowance for credit losses:		
Production and intermediate-term	$ 97	$ 1,477
Total impaired loans	$ 97	$ 1,477

	December 31, 2014	
	Recorded Investment	Unpaid Principal Balance
Impaired loans with no related allowance for credit losses:		
Real estate mortgage	$ 24	$ 32
Production and intermediate-term	609	2,281
Agribusiness:		
Farm related business	-	7
Total impaired loans	$ 633	$ 2,320

There were no impaired loans with related allowance for credit losses at September 30, 2015, and December 31, 2014. The following table provides average impaired loans as of September 30, 2015:

	For the three months ended September 30,		For the nine months ended September 30,	
	Average Imapired Loans	Interest Income Recognized	Average Imapired Loans	Interest Income Recognized
Impaired loans with no related allowance for credit losses:				
Real estate mortgage	$ -	$ -	$ 14	$ -
Production and intermediate-term	97	-	193	-
Agribusiness:				
Farm related business	-	-	-	7
Total impaired loans	$ 97	$ -	$ 207	$ 7

Past Due Loans

The following tables provide an age analysis of past due loans as of September 30, 2015, and December 31, 2014 (including accrued interest):

As of September 30, 2015	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 Loans	Recorded Investment Accruing Loans 90 Days or More Past Due
Real estate mortgage	$ -	$ -	$ -	$ 201,281	$ 201,281	$ -
Production and intermediate-term	-	-	-	85,980	85,980	-
Agribusiness	-	-	-	36,753	36,753	-
Total	$ -	$ -	$ -	$ 324,014	$ 324,014	$ -

As of December 31, 2014	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 Loans	Recorded Investment Accruing Loans 90 Days or More Past Due
Real estate mortgage	$ -	$ -	$ -	$ 187,181	$ 187,181	$ -
Production and intermediate-term	405	486	891	107,960	108,851	486
Agribusiness	524	-	524	35,832	36,356	-
Total	$ 929	$ 486	$ 1,415	$ 330,973	$ 332,388	$ 486

Allowance for Loan Losses

A summary of changes in the allowance for loan losses and period-end recorded investment in loans is as follows:

	Balance at June 30, 2015	Charge-offs	Recoveries	Provision for Loan Losses/ (Loan Loss Reversals)	Balance at September 30, 2015
Real estate mortgage	$ 466	$ -	$ -	$ 17	$ 483
Production and intermediate-term	307	-	-	35	342
Agribusiness	111	-	-	(7)	104
Total	$ 884	$ -	$ -	$ 45	$ 929

	Balance at December 31, 2014	Charge-offs	Recoveries	Provision for Loan Losses/ (Loan Loss Reversals)	Balance at September 30, 2015
Real estate mortgage	$ 416	$ -	$ -	$ 67	$ 483
Production and intermediate-term	764	-	11	(433)	342
Agribusiness	99	-	-	5	104
Total	$ 1,279	$ -	$ 11	$ (361)	$ 929

	Balance at June 30, 2014	Charge-offs	Recoveries	Provision for Loan Losses/ (Loan Loss Reversals)	Balance at September 30, 2014
Real estate mortgage	$ 480	$ -	$ -	$ 3	$ 483
Production and intermediate-term	728	-	-	255	983
Agribusiness	60	-	-	(1)	59
Total	$ 1,268	$ -	$ -	$ 257	$ 1,525

	Balance at December 31, 2013	Charge-offs	Recoveries	Provision for Loan Losses/ (Loan Loss Reversals)	Balance at September 30, 2014
Real estate mortgage	$ 355	$ -	$ -	$ 128	$ 483
Production and intermediate-term	1,041	-	1	(59)	983
Agribusiness	50	-	-	9	59
Total	$ 1,446	$ -	$ 1	$ 78	$ 1,525

In 2015, the Association revised its process for determining the allowance for credit losses. The new process takes into consideration potential losses related to unfunded commitments, and as a result, we have established a separate reserve for unfunded commitments, which is included in Liabilities on the Association's balance sheet. The related provision for the reserve for unfunded commitments is included as part of the provision for credit losses on the income statement, along with the provision for loan losses.

A summary of changes in the reserve for unfunded commitments follows:

	For the Three Months Ended September 30, 2015	For the Nine Months Ended September 30, 2015
Balance at beginning of period	$ 642	$ -
Provision of unfunded commitments	(79)	563
Total	$ 563	$ 563

Individual and Collective Impairment Evaluation

A summary of the Association's individual and collective impairment evaluation as of September 30, 2015, and December 31, 2014, is as follows (including accrued interest):

	Allowance for Credit Losses		Recorded Investments in Loans Outstanding		
As of September 30, 2015	Individually Evaluated for Impairment	Collectively Evaluated for Impairment	Individually Evaluated for Impairment	Collectively Evaluated for Impairment	Total
Real estate mortgage	$ -	$ 483	$ -	$ 201,281	$ 201,281
Production and intermediate-term	-	342	97	85,883	85,980
Agribusiness	-	104	-	36,753	36,753
Total	$ -	$ 929	$ 97	$ 323,917	$ 324,014

	Allowance for Credit Losses		Recorded Investments in Loans Outstanding		
As of December 31, 2014	Individually Evaluated for Impairment	Collectively Evaluated for Impairment	Individually Evaluated for Impairment	Collectively Evaluated for Impairment	Total
Real estate mortgage	$ -	$ 416	$ 24	$ 187,157	$ 187,181
Production and intermediate-term	-	764	609	108,242	108,851
Agribusiness	-	99	-	36,356	36,356
Total	$ -	$ 1,279	$ 633	$ 331,755	$ 332,388

Troubled Debt Restructuring

A restructuring of a debt constitutes a troubled debt restructuring ("TDR") if the creditor, for economic or legal reasons related to the debtor's financial difficulties, grants a concession to the debtor that it would not otherwise consider. The Association recorded no TDRs during the nine months ended September 30, 2015. The Association had no TDRs within the previous 12 months for which there were subsequent payment defaults during the period.

NOTE 3 - CAPITAL

The Association issues the following classes of common stock: class C common stock and class F non-voting stock. At September 30, 2015, the required common investment was the lesser of $1 thousand or 2% of loan volume per voting stockholder.

NOTE 4 - FAIR VALUE MEASUREMENTS

Accounting guidance defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability. See Note 2 to the 2014 Annual

Report to Shareholders for a more complete description. During the nine months ended September 30, 2015, the Association recorded a gain of $11 thousand resulting from a recovery on a loan with no fair market value, measured on a non-recurring basis.

NOTE 5 - SUBSEQUENT EVENTS

The Association has evaluated subsequent events through November 9, 2015, which is the date the financial statements were issued, and no material subsequent events were identified.

COLUSA-GLENN
FARM CREDIT