

March 31, 2018

QUARTERLY REPORT TO SHAREHOLDERS



OFFICE LOCATIONS

Blackfoot Admin/Branch Office
 188 W Judicial St (PO Box 985)
 Blackfoot, ID 83221
 (208) 785-1510 or (800) 686-8910

Rexburg Branch Office
 1586 N 2nd E
 Rexburg, ID 83440
 (208) 356-5479 or (800) 632-8821

American Falls Branch Office
 2883 Highway 39
 American Falls, Idaho 83211
 (208) 226-5251 or (800) 831-5143

Twin Falls Loan Office
 Suite 100A
 1096 Eastland Drive North
 Twin Falls, ID 83301
 (208) 734-0635 or (800) 831-5143

DIRECTORS, OFFICERS AND STAFF

BOARD OF DIRECTORS

Ken Black, Chairman..... Burley
 Twain S. Hayden, Vice Chairman..... Arbon
 Scott R. Giltner Jerome
 Wendy Pratt.....Blackfoot
 Bruce Ricks Sugar City
 Dennis W. Snarr Idaho Falls
 Mike Virtue.....Blackfoot

OFFICERS

Marc Fannesbeck..... President and CEO
 Jim Chase..... Secretary and CFO
 Adam C. Jensen..... Vice President and CCO
 Kirk Powell Assistant Vice President
 Ryan Funk Chief Information Officer

HEADQUARTERS STAFF

Ingrid Denning Operations Assistant
 Jan Gamble Operations Assistant
 Travis Crook IT Technician

BRANCH STAFF

Blackfoot Branch Office (208) 785-1510
 Katie Wallace Branch Manager
 Avery Robertson Credit Analyst
 Tenaia Giannini Operations Assistant

Rexburg Branch Office (208) 356-5479
 Kirk Powell..... Branch Manager
 Doug Eck..... Evaluation Manager and
 Senior Loan Officer

Nick Bazil..... Senior Loan Officer
 Jared Ashcraft Credit Analyst
 Carrie Mackert..... Senior Operations Assistant
 Tina Morton Senior Loan Processing Specialist
 Louise Hymas Operations Assistant

American Falls Branch Office (208) 226-5251
 Dana Wood Branch Manager
 Dennis Parry..... Loan Officer
 Travis Larson..... Credit Analyst
 Meagan Reed..... Operations Assistant
 Maria Nieto Operations Assistant

Twin Falls Loan Office (208) 734-0635
 Sean Zaugg..... Senior Loan Officer
 Tianna Fife Loan Officer
 Dave Scott..... Loan Officer
 Sarah Burnham Credit Support Specialist



REPORT OF MANAGEMENT

The consolidated financial statements of Idaho AgCredit, ACA and its wholly owned subsidiaries Idaho AgCredit, FLCA and Idaho AgCredit, PCA (collectively Idaho AgCredit) are prepared by management, which is responsible for their integrity and objectivity, including amounts that must necessarily be based on judgments and estimates. The consolidated financial statements have been prepared in conformity with generally accepted accounting principles appropriate under the circumstances and under the oversight of the Audit Committee (comprised of all board members), and in the opinion of management, fairly present the financial condition and results of operations of Idaho AgCredit.

To meet its responsibility for reliable financial information, management depends on Idaho AgCredit's accounting and internal control systems, which have been designed to provide reasonable, but not absolute, assurance that assets are safeguarded and that transactions are properly authorized and recorded. The systems have been designed to provide the information to facilitate the recognition of costs in relation to benefits derived. To monitor compliance, Idaho AgCredit's staff, contract auditors, CoBank, ACB (CoBank) and an independent accounting firm perform reviews of the accounting records, review accounting systems and internal controls, and recommend improvements as appropriate.

The 2017 consolidated financial statements of Idaho AgCredit were audited by Wipfli LLP, certified public accountants (CPAs), who also conducted a review of the accounting records and such other auditing procedures as they considered necessary to comply with generally accepted auditing standards. A copy of their report was presented in the 2017 Annual Report to Shareholders (Annual Report).


The activities of Idaho AgCredit are also reviewed by the Farm Credit Administration (FCA), and certain actions of Idaho AgCredit are subject to approval by CoBank. Certain actions of CoBank are also subject to FCA approval. Idaho AgCredit (and therefore shareholders' investment in Idaho AgCredit) is materially affected by CoBank's financial condition and results of operations. The annual and quarterly reports of Idaho AgCredit and CoBank are available upon request at no cost at Idaho AgCredit's administrative and branch offices, or on the websites at www.idahoagcredit.com and www.cobank.com, respectively.

The Board of Directors and Audit Committee have overall responsibility for Idaho AgCredit's systems of internal control and financial reporting. In connection with this obligation, each consults regularly with management and periodically reviews the scope and results of work performed by the CPAs. The CPAs also have direct access to the Board of Directors and Audit Committee.

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


Ken Black,
Board Chairman


Marc Fannesbeck,
President and CEO


Jim Chase
Secretary and CFO

April 18, 2018

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

Overview and Economic Conditions:

The following discussion summarizes the financial position and results of operations of Idaho AgCredit for the three months ended March 31, 2018, with comparisons to prior periods. You should read these comments along with the accompanying financial statements and footnotes and the 2017 Annual Report to Shareholders. The accompanying financial statements were prepared under the oversight of the Audit Committee.

Economic conditions for the three months ended March 31, 2018 reflect average commodity prices except wheat, barley, milk and alfalfa, which are at breakeven or below. Projected prices for 2018 reflect weak prices, with narrow margins because costs for inputs are unlikely to weaken as much as commodity prices. Most crops and livestock are expected to remain profitable, but some may remain near or below breakeven. Water is projected to be adequate in most areas. Agricultural real estate prices appear to be steady. The increases in real estate values in the last several years could lead to increased loan risk on those operations which purchased higher cost land if real estate values and rental rates decrease. Idaho AgCredit's net income reflects the strong economic success of its customers.

Loan Portfolio:

Gross loan volume as of March 31, 2018 decreased \$18,425,559 from \$262,801,192 at the prior quarter end to \$244,375,633, and increased \$210,500 compared to the same quarter in the prior year. The current quarter change in loan volume reflected seasonal decreases in operating loan volume and a slight increase in mortgage loan volume. The increase in gross loan volume from the prior year reflects a decrease in the portion of loan volume which was sold to participating lenders, a reduction in loan volume purchased from participating lenders and an increase in other loans.

Nonaccrual loan volume at March 31, 2018 was \$1,120,128, or .46% of gross loan volume, compared to \$2,031,099, or .83% on the same date in the prior year. Idaho AgCredit's total loan portfolio is presently graded 97.6% acceptable and OAEM compared to 97.2% acceptable and OAEM in the prior year. Idaho AgCredit's long-term goal for acceptable and OAEM credit remains at 90.0% or better.

Idaho AgCredit had no net investment in other property owned (aka acquired property) at March 31, 2018, which was the same as on the same date in the prior year. Idaho AgCredit's investment in accrual sales contracts at March 31, 2018 was \$69,974 compared to \$78,603 in the prior year. Idaho AgCredit's ratio of liabilities to net worth at March 31, 2018 was 3.56:1 compared to 3.75:1 the prior year. This ratio stability (which reflects that net worth has increased in proportion to a decrease in total liabilities) has been caused by retained earnings growing in proportion to loan volume growth and the change in the corresponding debt with CoBank.

Results of Operations:

Idaho AgCredit's net income of \$1,299,496 for the quarter was up \$275,467 compared to the same quarter in the prior year. The net interest income after the provision for losses of loan principal and commitment for the quarter was \$105,178 higher than the same period in the prior year due to an increase in net interest income of \$45,249 and a decrease in the net provision for loan losses of \$59,929. Noninterest income for the quarter was \$43,745 higher than the prior year, primarily due to a decrease in patronage from CoBank, an increase in patronage from other Farm Credit institutions and an increase in loan fees. Noninterest expenses for the quarter were \$137,544 lower than the prior year due to the increase in salaries and benefits of \$39,246, increase in purchased services of \$11,916, decrease in Farm Credit Insurance Fund premiums of \$196,313 (of which \$169,313 was a one-time rebate of prior premiums paid and \$39,000 was lower this year due to a lower premium rate compared to the prior year expense of \$66,000), and a net increase in all other noninterest expenses of \$7,607. The provision for income taxes was \$11,000 higher than the prior year due to a higher estimate of income taxes.

The Allowance for Loan Losses account balance at March 31, 2018 totaled \$1,100,268 or .45% of gross loan volume compared to an allowance of \$1,120,865 or .46% of gross loan volume for the same date in the prior year. This decrease of \$20,597 from the prior year reflects a decrease due to normal changes in credit quality and volume. After assessing the relative risk based upon economic conditions, historical annual loan loss experience and potential future losses, management believes the allowance for loan losses adequately covers the inherent risk in the loan portfolio. Ultimate losses which may be experienced by Idaho AgCredit depend upon the impact of future commodity prices, real estate values, government subsidy and disaster programs, weather-related occurrences, operating decisions and public policy. These same factors may also generate recoveries of losses previously recognized.

Capital Resources:

Shareholders' equity at March 31, 2018 was \$57,408,838, which increased \$1,285,562 from \$56,123,276 at December 31, 2017. This increase is due to net income plus net stock changes. Since January 1, 2005, Idaho AgCredit's stock requirement has been the minimum allowed by regulation, which is the lesser of 2% of the outstanding principal balance or \$1,000 per customer. Idaho AgCredit's capital amounts, categories and ratios at March 31, 2018 exceeded the FCA minimum regulatory requirements which became effective January 1, 2017.

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

	March 31, 2018 Unaudited	December 31, 2017 Audited	March 31, 2017 Unaudited
ASSETS			
Loans	\$244,375,633	\$262,801,192	\$244,165,133
Less allowance for loan losses	1,100,268	1,179,140	1,120,865
Net loans	243,275,365	261,622,052	243,044,268
Cash	1,457,598	0	1,363,125
Accrued interest receivable	4,238,506	4,575,235	4,004,417
Investment in CoBank	10,953,341	10,942,993	10,942,993
Premises and equipment, net	1,150,109	1,176,429	1,218,007
Other property owned	0	0	0
Prepaid pension expense	301,430	295,770	133,135
Deferred tax asset, net	32,000	32,000	21,000
Other assets	447,229	1,167,618	521,583
Total assets	\$261,855,578	\$279,812,097	\$261,248,528
LIABILITIES			
Note payable to CoBank	\$197,953,443	\$216,181,824	\$200,980,389
Advance conditional payments	5,568,755	3,400,937	4,474,307
Accrued interest payable	466,424	471,286	396,666
Patronage distributions payable	0	2,134,444	0
Reserve for losses on loan commitment	61,522	42,181	48,916
Other liabilities	396,596	1,458,149	396,699
Total liabilities	\$204,446,740	\$223,688,821	\$206,296,977
Commitments and Contingencies (See Notes)			
SHAREHOLDERS' EQUITY			
Capital stock and participation certificates	\$410,725	\$424,660	\$394,550
Allocated retained earnings	0	0	0
Unallocated retained earnings	56,998,113	55,698,616	54,557,001
Accumulated other comprehensive income/(loss)	0	0	0
Total shareholders' equity	\$57,408,838	\$56,123,276	\$54,951,551
Total liabilities and shareholders' equity	\$261,855,578	\$279,812,097	\$261,248,528

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended March 31,	
	2018	2017
INTEREST INCOME		
Loans	\$3,007,852	\$2,816,912
Total interest income	3,007,852	2,816,912
INTEREST EXPENSE		
Notes payable to CoBank	1,264,403	1,127,970
Advance conditional payments	17,767	8,509
Total interest expense	1,282,170	1,136,479
Net interest income	1,725,682	1,680,433
(Provision for) or Reversal of loan losses and reserves	59,531	(398)
Net interest income after (provision)/reversal	1,785,213	1,680,035
NONINTEREST INCOME		
Patronage distributions from CoBank	233,396	237,020
Patronage distributions from other Farm Credit Inst.	60,308	47,600
Loan fees	64,935	30,820
Financially related services income	0	126
Other noninterest income	1,089	417
Total Noninterest Income	359,728	315,983
NONINTEREST EXPENSE		
Salaries and employee benefits	636,631	597,385
Director's Compensation	9,852	10,087
Occupancy and equipment	41,392	40,515
Farm Credit Insurance Fund premiums	(130,313)	66,000
Supervisory and examination costs	27,787	26,997
Purchased Services	79,289	67,373
Data processing services	2,430	2,430
Losses/(Gains) on other property owned, net	0	0
Other noninterest expense	110,377	104,202
Total noninterest expense	777,445	914,989
Income (loss) before income taxes	1,367,496	1,081,029
(Provision for)/Benefit from income taxes	(68,000)	(57,000)
Net Income/Comprehensive income	\$1,299,496	\$1,024,029

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

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Capital Stock and Participation Certificates	Unallocated Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Total Shareholders' Equity
Balance at December 31, 2016	\$402,745	\$53,532,972	\$0	\$53,935,717
Net income/Comprehensive Income		1,024,029		1,024,029
Stock issued	37,155			37,155
Stock retired	(45,350)			(45,350)
Other (rounding)		0		0
Balance at March 31, 2017	\$394,550	\$54,557,001	\$0	\$54,951,551
Balance at December 31, 2017	\$424,660	\$55,698,616	\$0	\$56,123,276
Net income/Comprehensive Income		1,299,496		1,299,496
Stock issued	39,805			39,805
Stock retired	(53,740)			(53,740)
Other (rounding)		1		1
Balance at March 31, 2018	\$410,725	\$56,998,113	\$0	\$57,408,838

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**Note 1 – Organization and Significant Accounting Policies:**

A description of the organization and operations of Idaho AgCredit, ACA (Idaho AgCredit), the significant accounting policies followed, and the financial condition and results of operations as of and for the year ended December 31, 2017, are contained in the 2017 Annual Report to Shareholders (Annual Report). The accompanying unaudited first-quarter 2018 financial statements have been prepared in accordance with the accounting principles generally accepted in the U.S. (GAAP) for interim financial information. Accordingly, they do not include all 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, 2017, as contained in the Annual Report.

In the opinion of management, the unaudited financial information is complete and reflects all 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, 2018. Descriptions of the significant accounting policies are included in the Annual Report. 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 May 2014, the Financial Accounting Standards Board (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. The guidance sets forth the requirement for new and enhanced disclosures. Idaho AgCredit adopted the new standard effective January 1, 2018, using the modified retrospective approach. As the majority of Idaho AgCredit's revenues are not subject to the new guidance, the adoption of the guidance did not have a material impact on the financial position, results of operations, equity or cash flows.

In January 2016, the FASB issued guidance entitled "Recognition and Measurement of Financial Assets and Liabilities." The guidance affects, among other things, the presentation and disclosure requirements for financial instruments. For public entities, the guidance eliminates the requirement to disclose the methods and significant assumptions used to estimate the fair value of financial instruments carried at amortized cost. This guidance became effective for interim and annual periods beginning after December 15, 2017. The adoption of this guidance did not impact the Association's financial condition or its results of operations but did impact the Association's fair value disclosures.

In February 2016, the FASB issued guidance entitled "Leases." The guidance requires the recognition by lessees of lease assets and lease liabilities on the balance sheet for the rights and obligations created by those leases. Leases with lease terms of more than 12 months are impacted by this guidance. This guidance becomes effective for interim and annual periods beginning after December 15, 2018, with early application permitted. The Association is evaluating the impact of adoption on its financial condition and results of operations.

In June 2016, FASB issued guidance entitled "Measurement of Credit Losses on Financial Instruments." The guidance replaces the current incurred loss impairment methodology with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. Credit losses relating to available-for-sale securities would also be recorded through an allowance for credit losses. For public business entities that are not U.S. Securities and Exchange Commission filers this guidance becomes effective for interim and annual periods beginning after December 15, 2020, with early application permitted. The Association is evaluating the impact of adoption on its financial condition and results of operations.

In August 2016, the FASB issued guidance entitled "Classification of Certain Cash Receipts and Cash Payments." The guidance addresses specific cash flow issues with the objective of reducing the diversity in the classification of these cash flows. Included in the cash flow issues are debt prepayment or debt extinguishment costs and settlement of zero-coupon debt instruments or other debt instruments with coupon interest rates that are insignificant in relation to the effective interest rate of the borrowing. This guidance becomes effective for

interim and annual periods beginning after December 15, 2017. The adoption of this guidance did not impact the Association's financial condition or its results of operations but did change the classification of certain items in the statement of cash flows.

In March 2017, the FASB issued guidance entitled "Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Cost." The guidance requires that an employer report the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. Other components are required to be presented in the income statement separately from the service cost component and outside a subtotal of income from operations, if one is presented. This guidance became effective for interim and annual periods beginning after December 15, 2017. The adoption of this guidance did not impact the Association's financial condition but did change the classification of certain items in the results of operations.

In August 2017, the FASB issued guidance entitled "Targeted Improvements to Accounting for Hedging Activities." The guidance better aligns an entity's risk management activities and financial reporting for hedging relationships through changes to both the designation and measurement guidance for qualifying hedging relationships and the presentation of hedge results. The amendments in this guidance require an entity to present the earnings effect of the hedging instrument in the same income statement line item in which the earnings effect of the hedged item is reported. This guidance also addresses the timing of effectiveness testing, qualitative and quantitative effectiveness testing and components that can be excluded from effectiveness testing. This guidance becomes effective for interim and annual periods beginning after December 15, 2018. The Association is evaluating the impact of adoption on the Association's financial condition and its results of operations.

In February 2018, the FASB issued guidance entitled "Income Statement — Reporting Comprehensive Income — Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income." This guidance allows for the reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the recently issued tax legislation, Tax Cuts and Jobs Act (TCJA) that lowered the federal corporate tax rate from 35% to 21%. The amount of the reclassification shall include the effect of the change in the tax rate on gross deferred tax amounts and related valuation allowances at the date of enactment of the TCJA related to items remaining in accumulated other comprehensive income. The guidance becomes effective for financial statements issued for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption is permitted. The Association has early adopted this standard during the first quarter of 2018. Adoption of the standard did not result in any changes to accumulated other comprehensive loss and retained earnings.

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

Idaho AgCredit may have loans in the categories of real estate mortgage, production and intermediate term, agribusiness (which may be further broken down into loans to cooperatives, processing and marketing and farm related business), rural infrastructure, rural residential real estate, and other. Only those categories for which Idaho AgCredit had loans are shown in these schedules.

Note 2 – Loans and Allowance for Loan Losses:

A summary of loans (excluding related accrued interest) follows:

Loans	March 31, 2018	December 31, 2017
Real estate mortgage	\$143,193,430	\$141,405,642
Production and intermediate term	89,468,448	111,846,566
Agribusiness	11,713,755	9,548,984
Total loans	\$244,375,633	\$262,801,192

Idaho AgCredit purchases or sells participation interests with other parties in order to diversify risk, manage loan volume and comply with Farm Credit Administration regulations. All of Idaho AgCredit's participations purchased and participations sold are with other Farm Credit Institutions. The following table presents information regarding participations purchased and sold (excluding related accrued interest) as of March 31, 2018:

	Participations Purchased	Participations Sold
Real estate mortgage	\$22,632,403	\$13,681,904
Production and intermediate term	0	2,535,446
Agribusiness	2,754,798	952,166
Total	\$25,387,201	\$17,169,516

Nonperforming assets (including related accrued interest) and related credit quality statistics are as follows:

	March 31, 2018	December 31, 2017
<u>Nonaccrual loans:</u>		
Real estate mortgage	\$34,029	\$37,058
Production and Intermediate term	452,653	536,646
Agribusiness	633,446	666,782
Total nonaccrual loans	\$1,120,128	\$1,240,486
<u>Accruing restructured loans:</u>		
Total accruing restructured loans	\$0	\$0
<u>Accruing loans 90 days or more past due:</u>		
Real estate mortgage	\$0	\$0
Production and Intermediate term	0	0
Total accruing loans 90 days or more past due	\$0	\$0
Total nonperforming loans	\$1,120,128	\$1,240,486
Other property owned	0	0
Total nonperforming assets	\$1,120,128	\$1,240,486

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:

	March 31, 2018	December 31, 2017
Real estate mortgage		
Acceptable	93.9%	94.2%
OAEM	4.8%	4.4%
Substandard	1.3%	1.4%
	100.0%	100.0%
Production and intermediate term		
Acceptable	92.3%	94.5%
OAEM	3.3%	1.6%
Substandard	4.4%	3.9%
	100.0%	100.0%
Agribusiness		
Acceptable	100.0%	100.0%
OAEM	0.0%	0.0%
Substandard	0.0%	0.0%
	100.0%	100.0%
Total loans		
Acceptable	93.6%	94.5%
OAEM	4.0%	3.1%
Substandard	2.4%	2.4%
	100.0%	100.0%

The recorded investment in loan receivables 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. The following tables provide an age analysis of past due loans (including accrued interest) as of:

(Dollars in Thousands)	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or <30 Days Past Due	Total Loans	90 Days or More Past Due and Accruing
March 31, 2018						
Real estate mortgage	\$776	\$0	\$776	\$145,542	\$146,318	\$0
Production and intermediate term	390	453	843	89,688	90,531	0
Agribusiness	0	0	0	11,765	11,765	0
Total	\$1,166	\$453	\$1,619	\$246,995	\$248,614	\$0

December 31, 2017						
	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or <30 Days Past Due	Total Loans	90 Days or More Past Due and Accruing
Real estate mortgage	\$0	\$0	\$0	\$144,557	\$144,557	\$0
Production and intermediate term	555	0	555	112,675	113,230	0
Agribusiness	52	0	52	9,537	9,589	0
Total	\$607	\$0	\$607	\$266,769	\$267,376	\$0

Additional impaired loan information is as follows:

	At March 31, 2018			At December 31, 2017		
	Recorded Investment	Contractual Principal Balance	Related Allowance	Recorded Investment	Contractual Principal Balance	Related Allowance
<u>Impaired loans with a related allowance for credit losses:</u>						
Real estate mortgage	\$0	\$0	\$0	\$0	\$0	\$0
Production and intermediate term	0	0	0	0	0	0
Agribusiness	0	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$0	\$0
<u>Impaired loans with no related allowance for credit losses:</u>						
Real estate mortgage	\$34,029	\$91,625	\$0	\$37,058	\$93,121	\$0
Production and intermediate term	452,653	495,999	0	536,646	574,192	0
Agribusiness	633,446	736,248	0	666,782	749,134	0
Total	\$1,120,128	\$1,323,872	\$0	\$1,240,486	\$1,416,447	\$0
<u>Total impaired loans:</u>						
Real estate mortgage	\$34,029	\$91,625	\$0	\$37,058	\$93,121	\$0
Production and intermediate term	452,653	495,999	0	536,646	574,192	0
Agribusiness	633,446	736,248	0	666,782	749,134	0
Total	\$1,120,128	\$1,323,872	\$0	\$1,240,486	\$1,416,447	\$0

(Dollars in Thousands)	For the Quarter Ended			
	March 31, 2018		March 31, 2017	
	Average Impaired Loans	Interest Income Recognized	Average Impaired Loans	Interest Income Recognized
<u>Impaired with a related allowance for credit losses:</u>				
Real estate mortgage	\$0	\$0	\$0	\$0
Prod. and intermediate term	0	0	109	11
Agribusiness	0	0	0	0
Total	\$0	\$0	\$109	\$11
<u>Impaired with no related allowance for credit losses:</u>				
Real estate mortgage	\$35	\$0	\$46	\$0
Prod. and intermediate term	490	0	974	13
Agribusiness	650	0	0	0
Total	\$1,175	\$0	\$1,020	\$13
<u>Total impaired loans:</u>				
Real estate mortgage	\$35	\$0	\$46	\$0
Prod. and intermediate term	490	0	1,083	24
Agribusiness	650	0	0	0
Total	\$1,175	\$0	\$1,129	\$24

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

	Beginning Balance	Charge-offs	Recoveries	Provision for Loan Losses/ (Loan Loss Reversals)	Ending Balance
December 31, 2017 to March 31, 2018					
Real estate mortgage	\$517,797	\$0	\$0	(\$11,772)	\$506,025
Production and intermediate term	653,870	0	0	(69,069)	584,801
Agribusiness	7,473	0	0	1,969	9,442
Total	\$1,179,140	\$0	\$0	(\$78,872)	\$1,100,268
December 31, 2016 to March 31, 2017					
Real estate mortgage	\$494,611	\$0	\$0	\$3,745	\$498,356
Production and intermediate term	640,858	0	0	(26,284)	614,574
Agribusiness	3,643	0	0	4,292	7,935
Total	\$1,139,112	\$0	\$0	(\$18,247)	\$1,120,865

A summary of recorded investment (including accrued interest) for allowance evaluations is as follows:

	Allowance for Loan Losses		Recorded Investments in Loans Outstanding	
	Individually evaluated for impairment	Collectively evaluated for impairment	Individually evaluated for impairment	Collectively evaluated for impairment
March 31, 2018				
Real estate mortgage	\$0	\$506,025	\$34,029	\$146,284,003
Production and intermediate term	0	584,801	452,653	90,077,933
Agribusiness	0	9,442	633,446	11,132,075
Total	\$0	\$1,100,268	\$1,120,128	\$247,494,011
December 31, 2017				
Real estate mortgage	\$0	\$517,797	\$37,058	\$144,519,615
Production and intermediate term	0	653,870	536,646	112,693,799
Agribusiness	0	7,473	666,782	8,922,527
Total	\$0	\$1,179,140	\$1,240,486	\$266,135,941
March 31, 2017				
Real estate mortgage	\$0	\$498,356	\$46,145	\$145,222,699
Production and intermediate term	50,000	564,574	1,984,954	94,181,370
Agribusiness	0	7,935	0	6,734,382
Total	\$50,000	\$1,070,865	\$2,031,099	\$246,138,451

There were no loans acquired which had credit quality that had deteriorated since origination for the periods shown.

A restructuring of debt constitutes troubled debt restructuring 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. Idaho AgCredit had no troubled debt restructurings that occurred during the years represented in these statements.

Note 3 – Capital:

There have not been any significant capitalization bylaw changes or significant other capitalization plan or status changes since the date of the Annual Report and Idaho AgCredit is in compliance with FCA capital regulations.

Note 4 – Income Taxes:

There have not been any significant changes in the composition or valuation of tax assets or liabilities since the date of the Annual Report.

Note 5 – Contingent Liabilities and Litigation:

Idaho AgCredit has various commitments outstanding and contingent liabilities, as described in Note 14 "Commitments and Contingencies" of the Annual Report. There have not been any significant changes related to this subject area since that report, other than normal seasonal and operational variations in the amounts of outstanding commitments and deposit balances. There are no legal actions pending against Idaho AgCredit.

Note 6 – Whistleblower Notices:

Idaho AgCredit has established a whistleblower program to encourage reporting by any employee, customer or member of the public about any improper accounting or other activity to the Association's Audit Committee. Details about the whistleblower program and contact information for making whistleblower complaints are listed on the Association website at www.idahoagcredit.com.

Note 7 – Subsequent Events:

Idaho AgCredit has evaluated subsequent events through April 18, 2018, which is the date the financial statements were available to be issued.