

Sharing Our Earnings — The Cooperative Difference!

When Texas Land Bank does well financially, you benefit. That's the basic philosophy behind the patronage* program and also a basic financial reason for doing business with a Farm Credit lending cooperative. Every borrower also is a stockholder of the cooperative and receives part of the earnings. The more you borrow, the bigger your share of the earnings.



Texas Land Bank's commitment to sharing our earnings with you comes from our cooperative structure. No other type of lender offers you such an advantage.

Cash Dividends Direct to You

Every year, the board of directors decides how much of our earnings need to be maintained as capital to fund our growth. Then, the board is able to return the remainder as a patronage to you. A portion of this is delivered in cash to you, but it can also be reflected in allocated equity. You do not have to enroll in this program. It is an automatic benefit of doing business with us.

Earnings Reserved for You

In addition to a cash patronage program, Texas Land Bank can also allocate a portion of our earnings to our borrowers as allocated equity. In other words, part of our earnings can be earmarked in your name to be returned to you later. This allows us to use the capital to fund growth and, at the same time, to keep the majority of our earnings allocated to our borrowers. As Texas Land Bank retires the allocated equity over time, you receive that portion in cash.

Lowers Your Effective Interest Rate

The most important benefit of our patronage program is that it lowers your effective interest rate. You not only receive a competitive rate up front, but you also receive a patronage dividend in years when Texas Land Bank does well.

Referrals Keep Business Growing

A good part of our success has come from word-of-mouth referrals from customers like you. These referrals are invaluable to growing the association and maintaining a highly successful business operation. More new business will generate more earnings. More earnings will result in more patronage to you. It's a win-win situation.



*Patronage is subject to the financial performance and condition of the association and cannot be guaranteed.