



Allow me to introduce myself

My name is Jeff Norte and I was recently selected as the new president and chief executive officer of Capital Farm Credit.

Although I'm new to the role, I'm not new to Capital Farm Credit. I've been fortunate to be part of the leadership team here for more than 10 years as chief credit officer. I've had the great benefit of working with, and learning from, one of the best in Ben Novosad, who served as CEO for 35 years. It is an incredible honor for me to follow in Ben's footsteps to lead and serve such a great company.



It is through his long-tenured leadership that our association was able to grow into what it is today. We are a strong and stable organization with a depth of knowledge and experience keenly positioned to help you achieve your dreams.

As a cooperative, Capital Farm Credit is owned by you — the ranchers, farmers, landowners and rural homeowners we serve. We have a long tradition of supporting agriculture and rural communities with reliable, consistent credit and financial services. We've faithfully served our customers for more than a century.

As we begin this journey together, I assure you Capital Farm Credit will continue our absolute commitment to providing service and value to our members. And we will remain focused on our core values of commitment, trust, value and family. These values are the daily reminders of why we do what we do.

I look forward to getting to know you better. But in the meantime, I'd love to hear from you about how we're doing, or if there are ways we can improve. Please feel free to drop me a note at jeff.norte@capitalfarmcredit.com.

I thank you for entrusting your business to Capital Farm Credit, and ask that you consider us for any future agricultural financing needs you may have.

Warm regards,

Jeff Norte
President and Chief Executive Officer

Jeff Norte named Capital Farm Credit CEO

Capital Farm Credit Board Chairman John Malazzo announced earlier this year the selection of Jeff Norte as CEO-elect. Last September, current CEO Ben Novosad announced his intention to retire in 2021 after 35 years of leading the association.

“We conducted a comprehensive national search, and got to know a number of outstanding candidates,” said Malazzo. “It became clear to all of us that Jeff is absolutely the right person to build on the strong foundation we have in place. He is a seasoned leader with significant experience. And he has a solid command of our business, which will be key as we continue our strong momentum and positive growth trajectory.”

“We’re grateful to Ben for his many years of leadership,” added Malazzo. “His efforts have set us up for continued and long-term success. We’re equally excited about Jeff and the future of Capital Farm Credit under his leadership.”

“Ben has led the organization with a strong focus on serving our mission, and a vision of being the partner of choice through our people, performance and member value,” said Norte. “I share that focus and look forward to leveraging the strong foundation he has built, leading a highly talented team. I’m very optimistic about the future for Capital.”

“The strength of Capital Farm Credit has always been our people,” said Novosad. “It has been my honor and privilege to serve as CEO and lead this team over a long and rewarding career.”

“I’ve had the opportunity to work with Jeff over the years and I truly believe we share the same vision for this organization,” Novosad added. “I have no doubt that I will be leaving the association in the most capable hands with Jeff. I can’t wait to see the success that is sure to come.”

Norte has more than 30 years of banking and risk experience. He joined Capital Farm Credit in 2010, and has led the credit, special assets group, risk and strategic operations areas at the association. He is active in Farm Credit systemwide initiatives, including the Farm Credit System (FCS) risk management workgroup.

Before joining Capital, he spent five years with CoBank in Denver, where he oversaw the credit department for Corporate Agribusiness Banking and International Trade Finance. Prior to that, he spent 14 years as a bank regulator with the FDIC in the Kansas City region, and two years working for a bank in the Midwest. Norte is a proud veteran, having served in the Army at Fort Riley, Kansas.

News from around the state

Brenham — As we continually look to improve our service offerings and locations, Capital Farm Credit proudly announces a new location in Brenham. The Brenham office will allow the association to better serve its growing cooperative membership base in Washington County.

Led by Brenham native Kyler Crenshaw, the new location further strengthens Capital Farm Credit’s mission of providing reliable credit and financial services to agriculture and rural communities.

“At Capital Farm Credit, we take great pride in providing superior, relational lending experiences to go along with unmatched support of local youth and agricultural organizations,” said Crenshaw. “Capital Farm Credit is thrilled to become a bigger part of the Brenham community.”

The Brenham office is located at 2309 South Day Street in Brenham, Texas, and the phone number is 979-421-4840.

Seminole — Capital Farm Credit transitioned the Seminole branch into a full-time and fully staffed location earlier this year. Dustin Tisdale, vice president, leads this credit office and is no stranger to the Seminole community. Sandra Tubbs joins Dustin as loan administrator and welcomes members and guests to stop by and visit.

Littlefield — The lending team in Littlefield relocated to 230 East Marshall Howard Boulevard, just south of Highway 84. The newly remodeled office offers a warm and friendly atmosphere with a more convenient location. The phone number remains the same at 806-385-4425.

Victoria — As we continue our efforts to offer convenient office locations for our members, be on the lookout for a new office in Victoria. We plan to formally open in July at 1501 E. Mockingbird, Suite 100A, 361-582-9500.



Partnership that really pays

Capital Farm Credit continues to return profits back to our members through our cooperative returns program.

In March, we returned \$98.3 million in cash patronage and another \$117.6 million in allocated equities for future disbursement consideration. The total 2020 patronage declaration of \$215.9 million continues building on Capital Farm Credit's strong reputation for returning earnings to our members.

The better Capital Farm Credit does financially, the more tangible the benefits we can pass to our customers who choose us as their financial partner. Our members own the cooperative and share in the earnings through our patronage dividend program, with benefits that include:

- A return of your share of the earnings
- Reduction of your borrowing cost
- Allocated equities recorded in your name for future disbursement consideration

Since 2006, we've returned almost \$2 billion in cash and allocated equities. The five-year totals are listed below.

Capital Farm Credit — Historical Patronage (5-year totals)

<i>(dollars in thousands)</i>	2020	2019	2018	2017	2016
Cooperative returns distributed in cash	\$ 98.3	\$ 87.5	\$ 77.4	\$ 57.1	\$ 56.7
Previously allocated equities distributed in cash	\$ 55.0	\$ 38.2	\$ 50.0	\$ 36.8	\$ 36.8
Earnings allocated for future distribution	\$ 117.6	\$ 96.8	\$ 96.8	\$ 86.3	\$ 77.8

Capital Farm Credit helps Texans in need

Just when we thought we might catch a break from the weather challenges agriculture and our nation have recently faced, Mother Nature had a different plan. Most of Texas was belted with destructive and unprecedented winter storms.

Capital Farm Credit, along with nine other Farm Credit associations, partnered to donate \$250,000 to support relief efforts for rural communities and residents across the Lone Star State.

The donation supported the Texas Department of Agriculture's STAR fund, the Texas and Southwestern Cattle Raisers' Disaster Relief fund and the American Red Cross.

Funds will help reimburse and assist farmers, ranchers and agribusiness owners in rebuilding fences, restoring operations and paying for other ag-related needs. This is yet another reason to partner with Capital Farm Credit — we take care of our own.

If you would like to donate or learn more, visit texasagriculture.gov or tscra.org/relieffund.

Working through COVID

As Capital Farm Credit management continues to monitor COVID-19, a number of office locations reopened lobbies to the public. While we are still sensitive to potential risk, we believe providing safe and effective customer service is also a top priority. Visitors are encouraged to wear masks and not enter if experiencing any COVID-related symptoms. Please contact your local credit office for more information.

Peach of a Legacy

Fredericksburg peach growers prepare business for next generation.

Photos courtesy of Eckhardt Orchards

Otto and Antonia Eckhardt sold their first peach in 1936. Now 85 years later, the third generation of Eckhardts is growing the family legacy with financing from Capital Farm Credit (CFC).

Operated by Dianne Eckhardt and her sister, Debbie Cox, Eckhardt Orchards is the oldest commercial peach operation in Gillespie County.

Known for quality as well as longevity, the family orchards draw customers from as far away as Oklahoma and New Mexico.

“Peaches are in our blood,” Dianne says. “It’s a labor of love.”

Tough, but good life

Dianne will be the first to admit growing peaches is a complicated, hard business. It’s labor-intensive, year-round work pruning, spraying and cultivating their 2,500 trees. And that’s before picking ever starts, which is all done by hand.

The Eckhardts only pick peaches at the peak of ripeness so each one is perfect. It’s not a u-pick operation.

At the height of the season, crews pick about 50 bushels of freestone peaches a day. The season runs May through September, seven days a week.

“Peaches make people happy,” says Dianne. “What’s better than that?”

And if the sisters have their way, Eckhardt peaches will be available well into the fall. Dianne

continually experiments with new varieties that ripen late in the year. Currently, they grow about 20 varieties on their 50 acres of orchards.



Quentin Cox, left, is learning about the orchard business from his grandfather, longtime peach grower Donald Eckhardt.



“Peaches make people happy. What’s better than that?”

– Dianne Eckhardt



The Eckhardts have been growing peaches for 85 years. Pictured at the Peach Jamboree Festival in the late 1970s are, from left, family members Dianne, Carol, Donald and Debbie, along with Duery Menzies, former Gillespie County extension agent. Donald won the champion half bushel award at the event.

Third-generation peach grower Dianne Eckhardt offers homegrown peaches plus other fruits and locally grown produce at Eckhardt Orchards’ roadside store on Hwy. 87 south of Fredericksburg.

Partners in growth

“Dianne came to us in 2019 with the goal of making the business sustainable,” says Jason Helfrich, relationship manager. “Since then we’ve partnered to improve and grow their operation.”

The Eckhardts used their mixed loan to purchase more acres, plant new trees and install an irrigation system.

“People at Capital know farming and ranching and understand what it takes to succeed,” Dianne says. “They’re always responsive. They’ve been great to work with. And the patronage check is wonderful.”

Good neighbors, stronger community

The family legacy may have begun with peaches, but it’s branching out. They also grow pears, persimmons and plums. And

they’ll be planting apricot and fig trees soon to increase sales.

In addition, the Eckhardts are growing their neighbors’ businesses. They sell fruit and vegetables from area farms at the Eckhardt roadside store. Customers can also purchase goat cheese, jams and jellies, and homemade ice cream — all made locally. And what’s the best-selling ice cream flavor? Peach.

“If it’s local, we love carrying it,” Dianne adds.

Challenging times, more sales

Unlike many businesses, Eckhardt Orchards didn’t suffer the ill effects of the pandemic or last winter’s severe weather. More urbanites are flocking to the country after being stuck at home so long. And they buy peaches.

In addition, this winter’s storm produced a bumper crop. Peach trees need freezing weather to lie dormant. Without this rest period, buds set the previous summer can’t bloom. No blossoms – no fruit. But thankfully, peaches are plentiful.

Enduring legacy

Dianne and Debbie are positioning the orchards so the fourth generation can take over one day. Debbie’s 12-year-old son, Quentin, and 10-year-old twins, Evelyn and Jordan, have been hanging out at the orchard with Grandpa Donald and Grandma Carol since they were pre-schoolers. “They love every minute of it,” Debbie adds.

And when asked how the business has succeeded for so many years, Donald says, “It takes willpower, determination and good old German stubbornness.”



Deep Roots

Eddie Robinson is best known for his pro baseball career. But at Capital Farm Credit, he's also known as a pecan farmer. Eddie Robinson talks about his careers in pro baseball — and pecan farming!

As our national pastime, baseball is a game rooted in history. And no one has experienced as much baseball as Eddie Robinson.

Eddie was on the field when Babe Ruth walked into Yankee Stadium to have his number retired. He played for the Cleveland Indians when they won the World Series in 1948. More than 25 years later, Eddie was general manager for the Atlanta Braves when he watched Hank Aaron break Babe Ruth's home run record.

Nowadays, the 100-year-old Capital Farm Credit customer can look back over his life with pride and appreciation. And he can fondly talk about how a first baseman ended up a pecan farmer in Bastrop County, Texas.

Humble beginnings

Eddie was born in 1920 and raised in the rural community of Paris, Texas. As the only child of a single mom during the Depression era, Eddie did all he could to help provide. When not in school, he picked cotton and loaded trucks to deliver produce for a freight business.

But Eddie had a passion for sports where he excelled in baseball.

“Back then we didn't have high school baseball teams. We played for community teams,” says Eddie. “I played for Charlie Osborne's Cubs.

I was a pretty good hitter.”

Big break

Through high school, Eddie played for Osborne's team and later for the Coca-Cola Bottlers. Then after his senior year, he had a decision to make.

“A couple of minor league teams gave me baseball contracts, and I was offered a scholarship to play for the University of Texas,” says Eddie. “My mom and I discussed it and we decided that if I was any good, I could be in the big leagues in three or four years.

“So I signed with the Knoxville Smokies because they offered me a \$300 signing bonus. That was a lot of money to us. The first thing I did was buy mom a washing machine. It cost \$35.”

Life in the minor leagues

In 1939, Eddie began his career playing in Valdosta, Georgia, at the lowest level of professional baseball. It wasn't quite the start he had in mind.

“I nearly got released,” says Eddie. “The coach told me I should move back home and open an ice cream parlor. That motivated me to get better.”

And Eddie would get better. By his third season he was sent to Elmira, New York, to play at the highest minor league level.

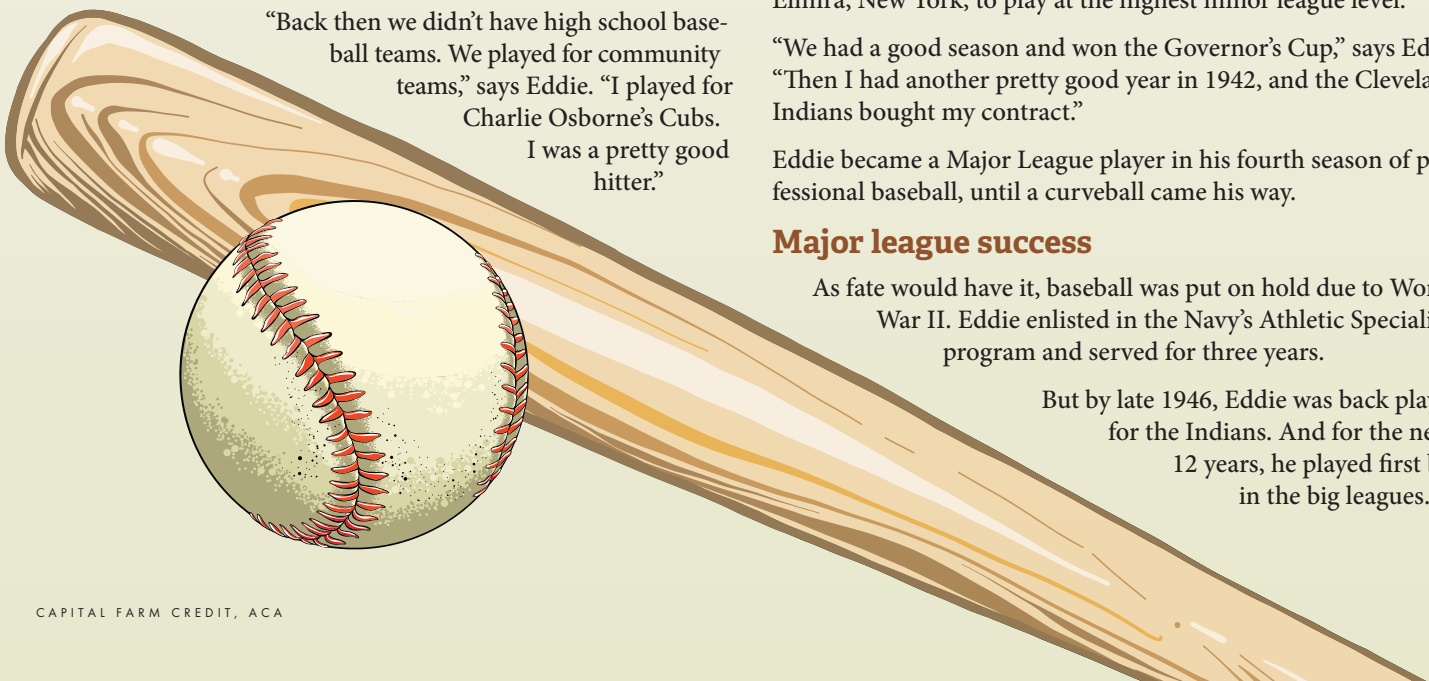
“We had a good season and won the Governor's Cup,” says Eddie. “Then I had another pretty good year in 1942, and the Cleveland Indians bought my contract.”

Eddie became a Major League player in his fourth season of professional baseball, until a curveball came his way.

Major league success

As fate would have it, baseball was put on hold due to World War II. Eddie enlisted in the Navy's Athletic Specialists program and served for three years.

But by late 1946, Eddie was back playing for the Indians. And for the next 12 years, he played first base in the big leagues.





Eddie met his wife Bette shortly after being traded to the New York Yankees. They were married following the 1955 season and spent the next three months honeymooning around the world.

Eddie's playing career took him to Cleveland, Washington, Chicago, New York, Kansas City, Detroit and Baltimore. He was a four-time All-Star and played in two World Series, winning one as an Indian in 1948.

"I was blessed to play during the Golden Age of baseball," says Eddie. "Winning the World Series in Cleveland was special, but my best years were in Chicago. And I enjoyed playing for the Yankees with great players like Yogi Berra, Billy Martin and Mickey Mantle."

First base to front office to farming

When Eddie's playing days ended, his baseball career was just beginning. Over the next several decades, Eddie would be a scout, coach, director of player development and general manager for various teams.

He spent time with the Houston Colt .45s (Astros), Atlanta Braves, Kansas City Athletics, Boston Red Sox and Texas Rangers.

"We moved around a lot, which can be hard for a family," says Eddie. "It was important to Bette [Eddie's wife] that we put down roots somewhere. She wanted our boys to think of Texas as home."

So, in the late 1970s they bought land in Central Texas with the idea that they'd go into pecan farming.

Pecans, peaches and partners

One of Eddie's teammates, Roy Petty, had once pitched the idea of pecan farming.

"I was blessed to spend 65 years in baseball. A friend of mine once said, 'I never had a real job.' I guess that's what kept me so young."

– Eddie Robinson



Photo courtesy of The National Baseball Hall of Fame

Eddie, who turned 100 years old in 2020, won a World Series title with the 1948 Cleveland Indians. He played first base.

"I didn't know much about it, but Bette was interested," says Eddie. "So I called a friend of mine who was doing pecan research for Texas A&M University."

That friend was George Madden, who was cultivating new pecan varieties, many of which are still grown in Texas. Eddie, George and Roy decided to partner up and try pecan farming, and they bought land along the Colorado River near Bastrop.

"That first year we planted 7,000 pecan trees and 4,000 peach trees," says Eddie. "We thought we'd make some money on the peaches, while we waited on the pecan trees to mature."

"But that didn't work out so well. All those peaches came off at the same time and we had a hell of a time getting rid of them."

Long-lasting lender relationship

The pecan trees, however, continue to produce. Business partners have changed over the years, but the Robinsons still own their 60-acre pecan grove. These days the acreage is leased to Gary Lehman, an experienced and successful pecan grower.



Photo courtesy of The National Baseball Hall of Fame

In 1948, the New York Yankees retired Babe Ruth's number. In poor health at the time, Babe had a hard time walking onto the field. Eddie loaned him a bat to use for stability. Eddie can be seen to the right of Babe, applauding on the top step. Babe Ruth would die two months later.

In 2005, Eddie and Bette became Capital Farm Credit customers when they made improvements to their property. Since the beginning, they've worked with Tim Knesek, regional president for Capital.

"My wife and I have had the opportunity to spend time with Eddie and Bette and enjoy their great hospitality," says Knesek. "They are wonderful people, and my life always seems a little richer after being with them."

The feelings are mutual.

"We've known Tim for a long time," says Eddie. "I appreciate how Tim and Capital do business. They've always been upright with us. Plus I really like that bonus check that shows up every year."

Extra innings

Among his many honors, Eddie is the oldest living former Major League baseball player. He's the only living person to win a World Series with the Cleveland Indians. And he is the last surviving member of the 1943 Navy World Series.

"I was blessed to spend 65 years in baseball," says Eddie. "A friend of mine once said, 'I never had a real job.' I guess that's what kept me so young."

If you'd like to learn more about Eddie Robinson and his life in baseball, look for his book, "Lucky Me."

Or subscribe to his podcast, "The Golden Age of Baseball with Eddie Robinson" to hear stories that bring former players back to life.

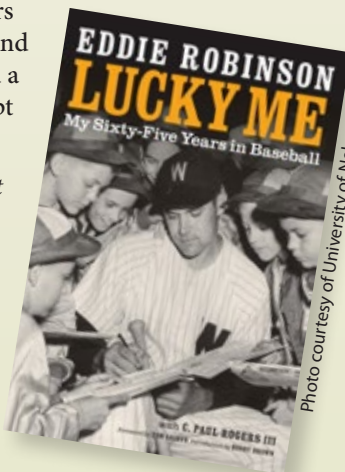


Photo courtesy of University of Nebraska Press

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Capital Farm Credit is pleased to sponsor "Ag Law in the Field," a podcast hosted by Texas A&M AgriLife Extension ag law specialist, Tiffany Lashmet.

"Ag Law in the Field" has been discussing agriculture law topics with guests since 2017. Subject areas include water law, oil and gas law, leasing, property rights, right to farm statutes, landowner liability and more.

Capital Farm Credit is honored to partner with this accredited resource for people in agriculture and rural communities.

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