



BASIC FINANCIAL STATEMENTS (UNAUDITED)

SIX MONTHS ENDED DECEMBER 31, 2023

PENNSYLVANIA HOUSING FINANCE AGENCY

Basic Financial Statements (unaudited)

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PENNSYLVANIA HOUSING FINANCE AGENCY

Management's Discussion and Analysis (amounts rounded)

Management's Discussion and Analysis

Introduction

The discussion and analysis provided herein is designed to furnish an objective and easily understandable review of the financial activities of the Pennsylvania Housing Finance Agency ("Agency"). Readers are encouraged to consider the information presented in conjunction with the basic financial statements as a whole, which follow this section.

Understanding the Basic Financial Statements

The basic financial statements are designed to provide a broad overview of the Agency's finances, and include three required statements: The Balance Sheet, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows.

The Balance Sheet presents financial information respective of all of the Agency's assets, liabilities and deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Position reflect revenue and expenses within a given period in order to measure the success of the Agency's operations during that period and to illustrate how the Agency has funded its costs of operations.

The Statement of Cash Flows is presented using the direct method, which reports cash receipts and cash payments in four major classes of activities: Operating, Noncapital Financing, Capital Financing and Investing. Cash receipts and disbursements are presented within this statement in order to illustrate the net increase or decrease in cash and cash equivalents within a given period.

The basic financial statements are accompanied by a set of notes. The notes to the basic financial statements provide additional information necessary to acquire a full understanding of the data presented in the basic financial statements and a means to obtain a more comprehensive assessment of factors affecting the Agency's financial condition.

PENNSYLVANIA HOUSING FINANCE AGENCY

Management's Discussion and Analysis (amounts rounded)

Condensed Summary Balance Sheet *(In thousands)*

	December 31, 2023	June 30, 2023	Increase/(Decrease)	
Assets:				
Mortgage loans receivable, net	\$ 5,098,251	\$ 4,633,251	\$ 465,000	10.0%
Capital assets, net	54,735	57,026	(2,291)	(4.0%)
Other assets	1,747,039	1,892,737	(145,698)	(7.7%)
Total Assets	6,900,025	6,583,014	317,011	4.8%
Deferred Outflows of Resources	65,136	47,531	17,605	37.0%
Total Assets and Deferred Outflows of Resources	\$ 6,965,161	\$ 6,630,545	\$ 334,616	5.0%
Liabilities:				
Current liabilities	606,341	504,200	102,141	20.3%
Noncurrent liabilities	5,501,852	5,287,769	214,083	4.0%
Total Liabilities	6,108,193	5,791,969	316,224	5.5%
Deferred Inflows of Resources	54,522	59,557	(5,035)	(8.5%)
Net Position				
Net Investment in Capital Assets	22,202	22,901	(699)	(3.1%)
Restricted	184,687	174,602	10,085	5.8%
Unrestricted	595,557	581,516	14,041	2.4%
Total Net Position	802,446	779,019	23,427	3.0%
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 6,965,161	\$ 6,630,545	\$ 334,616	5.0%

PENNSYLVANIA HOUSING FINANCE AGENCY

Management's Discussion and Analysis (amounts rounded)

Condensed Summary of Revenues, Expenses and Changes in Net Position *(In thousands)*

	Six months ended December 31,		Increase/(Decrease)	
	2023	2022		
Revenues:				
Mortgage loan interest	\$ 88,133	\$ 67,274	\$ 20,859	31.0%
Other operating revenues	113,854	97,992	15,862	16.2%
Federal program awards	340,906	321,425	19,481	6.1%
Total Revenues	<u>542,893</u>	<u>486,691</u>	<u>56,202</u>	<u>11.5%</u>
Expenses:				
Interest and financing expenses	82,536	55,220	27,316	49.5%
Other operating expenses	96,024	116,205	(20,181)	(17.4%)
Federal program expenses	340,906	321,425	19,481	6.1%
Total Expenses	<u>519,466</u>	<u>492,850</u>	<u>26,616</u>	<u>5.4%</u>
Change in Net Position	23,427	(6,159)	29,586	480.4%
Net Position - Beginning of Year	<u>779,019</u>	<u>755,818</u>	<u>23,201</u>	<u>3.1%</u>
Net Position - End of Period	<u>\$ 802,446</u>	<u>\$ 749,659</u>	<u>\$ 52,787</u>	<u>7.0%</u>

Analysis of Overall Financial Position and Results of Operations

The balance sheet at December 31, 2023 is compared to the balance sheet at June 30, 2023, the prior audited period.

The results of operations for the six-month period ended December 31, 2023 is compared to the six-month period ended December 31, 2022.

- **Assets**

Total assets in the preceding condensed summary balance sheet increased by approximately \$317 million from \$6.583 billion to \$6.900 billion. Mortgage loans receivable increased by \$465 million from \$4.633 billion to \$5.098 billion as a result of the Agency utilizing its mortgage revenue bond program to purchase single family mortgages to further increase its single family program loan portfolio and its balance sheet. Consequently, other assets decreased by \$146 million from \$1.893 billion to \$1.747 billion primarily as a result of the decrease in cash and cash equivalents and investments due to purchases of single family mortgages and the disbursement of federal and state funds which were held by the Agency for various grant programs. Capital assets decreased \$2.3 million from \$57.0 million to \$54.7 million due to annual depreciation offset by normal operational purchases.

PENNSYLVANIA HOUSING FINANCE AGENCY

Management's Discussion and Analysis (amounts rounded)

- **Liabilities**

Total liabilities increased by \$316 million from \$5.792 billion to \$6.108 billion. The net increase was primarily due to an increase in bonds and notes payable of \$355 million, which came as a result of the issuance of single family mortgage revenue bond series 143 of with total proceeds of \$481 million off-set by scheduled debt service of \$54 million, advance debt service of \$67 million, and the reduction of original issue premium of \$5 million. This issuance furthers the Agency's efforts to increase the size of its single family loan portfolio and its balance sheet by purchasing and holding mortgage loans receivable by utilizing capital provided by the single family mortgage revenue bonds. The remaining net decrease of \$39 million in total liabilities can be explained by a decreased in other liabilities due to the disbursement of federal and state grant funds, escrow deposits and development reserves, and software-based IT arrangements off-set by an increase in accrued interest payable, derivative instrument – interest rate swaps, and total OPEB and net pension liabilities.

- **Net Position**

For the six months ended December 31, 2023, the Agency's net position increased \$23 million compared to a decrease of \$6 million in net position for the same six-month period ending one year prior.

Mortgage loan interest income earned increased by \$21 million when compared to the same six-month period ending one year prior due to the increase in the Agency's single family portfolio of mortgage loans. Other operating revenues increased by \$16 million when compared to the same six-month period ending one year prior, due to an increase in investment income and the net increase in fair value of investments, offset by a decrease in program income and fees, the net increase in fair value of swaps, and the gain on early extinguishment of debt. Program income and the related program expenses decreased by \$4 million due to the slight decrease in grant funds disbursed by the Agency when compared to the same six-month period ending one year prior. Investment income increased by \$17 million resulting from increased funds held. The net increase in fair value of investments increased by \$28.

Interest and financing expenses increased by \$27 million when compared to the same six-month period ending one year prior due to the increase in interest rates on newly issued mortgage revenue bonds. Other operating expenses decreased by \$20 million primarily due to a decrease in program expenses offset by an increase of \$10 million in salaries and related benefits, general and administrative, and provision for loan loss and real estate owned. Federal program revenue and expenses increased by \$20 million due to increased disbursement of federal funds for grants administered by the Agency.

PENNSYLVANIA HOUSING FINANCE AGENCY

Management's Discussion and Analysis (amounts rounded)

Analysis of Capital Asset Activity *(In thousands)*

	Balances at		Increase/ (Decrease)
	December 31, 2023	June 30, 2023	
Nondepreciable Capital Assets:			
Land	\$ 2,454	\$ 2,454	\$ -
Total nondepreciable capital assets	<u>2,454</u>	<u>2,454</u>	<u>-</u>
Depreciable Capital Assets:			
Building	60,685	60,659	26
Furniture, fixtures and equipment	12,850	12,715	135
Subscription based information technology arrangements	7,127	7,127	-
Less accumulated depreciation:			
Building	(14,420)	(13,732)	(688)
Furniture, fixtures and equipment	(10,919)	(10,195)	(724)
Subscription based information technology arrangements	(3,042)	(2,002)	(1,040)
Total depreciable capital assets, net	<u>52,281</u>	<u>54,572</u>	<u>(2,291)</u>
Total Capital Assets, net	<u><u>\$ 54,735</u></u>	<u><u>\$ 57,026</u></u>	<u><u>\$ (2,291)</u></u>

The Agency's capital assets decreased in the six months ended December 31, 2023 due to regular depreciation offset by normal operational purchases.

PENNSYLVANIA HOUSING FINANCE AGENCY

Management’s Discussion and Analysis (amounts rounded)

Analysis of Long-Term Debt Activity (In thousands)

Agency Program	Long -Term Debt at		Increase (Decrease)
	December 31, 2023	June 30, 2023	
General Activities	\$ 28,000	\$ 29,000	\$ (1,000)
Multifamily Program	5,250	5,250	-
Single Family Program	4,965,409	4,609,752	355,657
Total Long-Term Debt	\$ 4,998,659	\$ 4,644,002	\$ 354,657

Additions

Additions to Agency bonds and notes payable for the six-month period ended December 31, 2023 included the following:

Date	Single Family Program Bond Series	General Obligation Bond Series	Original Issue Premium	Total Proceeds	New Mortgage Loan Production Proceeds	Refunding Proceeds	Single Family Program Bond Series Refunded
11/30/2023	2023-143	-	5,784	481,055	481,055	-	-
		Total Additions:	\$ 5,784	\$ 481,055			

Reductions

Reductions to Agency bonds and notes payable for the six-month period ended December 31, 2023 included the following:

Date	Single Family Program Bond Series Refunded	Refunded Amount	Scheduled Debt Service	Advance Debt Service	Original Issue Premium Amortization
Various	-	-	53,467	67,490	5,441
	Total Reductions:	-	53,467	67,490	5,441

PENNSYLVANIA HOUSING FINANCE AGENCY

Management's Discussion and Analysis (amounts rounded)

Designated Net Position (in thousands)

The Agency has designated certain amounts of the unrestricted net position of the Agency's various activities and programs for purposes indicated in the following table. These designations of net position are not binding and may be changed by the Agency.

General Activities:

Disadvantaged Developers Program	\$ 10,000
Asset building program	2,000
Home4Good	1,000
Homebuyer Counseling for education of first-time homebuyers	2,000
Multifamily Insurance for Agency insured or coinsured developments	10,000
ReCLAIM (statewide)	1,500
Total	<u>\$ 26,500</u>

Multifamily Housing Program:

Penn HOMES Program to lower development costs for apartments	\$ 10,000
Preservation from physical deterioration, financial or social distress	1,500
Total	<u>\$ 11,500</u>

Single Family Mortgage Loan Program:

Closing Cost Assistance	\$ 2,000
Neighborhood Homeownership Initiative	10,000
Total	<u>\$ 12,000</u>

Insurance Program:

Risk Retention to provide single family mortgage insurance	<u>\$ 96,469</u>
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Additional Information

This discussion and analysis are intended to provide additional information regarding the activities of the Agency. Additional current or historical audited or unaudited financial information may be found at the Agency's website at www.phfa.org.

PENNSYLVANIA HOUSING FINANCE AGENCY

Balance Sheets

December 31, 2023 and June 30, 2023 (in thousands)

	December 31, 2023	June 30, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 843,257	\$ 805,709
Restricted cash and cash equivalents	353,320	423,020
Restricted investments	1,001	1,001
Accrued investment interest receivable	3,503	3,722
Mortgage loans receivable, net	133,238	132,578
Accrued mortgage loan interest receivable	17,925	16,403
Mortgages held for sale	56,424	56,243
Other current assets	3,728	4,722
Total Current Assets	1,412,396	1,443,398
Noncurrent Assets:		
Investments	333,265	447,904
Restricted investments	82,316	79,623
Mortgage loans receivable, net	4,965,013	4,500,673
Derivative instrument - interest rate swaps	2,038	7,488
Real estate owned	7,686	11,016
Capital assets, net	54,735	57,026
Other noncurrent assets	42,576	35,886
Total Noncurrent Assets	5,487,629	5,139,616
TOTAL ASSETS	6,900,025	6,583,014
DEFERRED OUTFLOWS OF RESOURCES		
OPEB-related deferred outflows	22,415	22,415
Pension-related deferred outflows	21,546	21,546
Accumulated decrease in fair value of hedging derivatives	21,175	3,570
TOTAL DEFERRED OUTFLOWS OF RESOURCES	65,136	47,531
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 6,965,161	\$ 6,630,545
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 3,823	\$ 3,785
Bonds and notes payable, net	149,462	144,242
Accrued interest payable	41,338	34,276
Escrow deposits and development reserves	75,962	79,331
Software-based IT arrangements	3,022	3,022
Other current liabilities	332,734	239,544
Total Current Liabilities	606,341	504,200
Noncurrent Liabilities:		
Bonds and notes payable, net	4,849,197	4,499,760
Derivative instrument - interest rate swaps	21,175	3,570
Development reserves	106,019	104,621
Total OPEB liability	96,261	92,761
Net pension liability	40,223	39,723
Software-based IT arrangements	1,511	2,234
Other noncurrent liabilities	387,466	545,100
Total Noncurrent Liabilities	5,501,852	5,287,769
TOTAL LIABILITIES	6,108,193	5,791,969
DEFERRED INFLOWS OF RESOURCES		
OPEB-related deferred inflows	49,414	49,414
Pension-related deferred inflows	1,220	1,220
Unamortized gains on bond refundings	1,850	1,435
Accumulated increase in fair value of hedging derivatives	2,038	7,488
TOTAL DEFERRED INFLOWS OF RESOURCES	54,522	59,557
NET POSITION		
Net investment in capital assets	22,202	22,901
Restricted	184,687	174,602
Unrestricted	595,557	581,516
TOTAL NET POSITION	802,446	779,019
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 6,965,161	\$ 6,630,545

See accompanying notes to financial statements.

PENNSYLVANIA HOUSING FINANCE AGENCY

Statements of Revenues, Expenses and Changes in Net Position

Six Months Ended December 31, 2023 and 2022 (in thousands)

	Six months ended	
	December 31,	
	2023	2022
Operating Revenues:		
Interest income on mortgage loans	\$ 88,133	\$ 67,274
Program income and fees	78,484	81,962
Investment income	28,157	11,515
Net increase in fair value of investments	5,046	-
Net increase in fair value of swaps	-	1,591
Gain on early extinguishment of debt	2,167	2,924
Total Operating Revenues	201,987	165,266
Operating Expenses:		
Interest expense on bonds and notes	78,819	53,709
Financing expenses	3,717	1,511
Program expenses	55,842	62,703
Salaries and related benefits	25,591	20,474
General and administrative	13,691	11,456
Net decrease in fair value of investments	-	22,911
Provision (recoveries) for loan loss and real estate owned	900	(1,339)
Total Operating Expenses	178,560	171,425
Operating Income (Loss)	23,427	(6,159)
Nonoperating Revenue		
Federal program awards	340,906	321,425
Nonoperating Expense		
Federal program expense	340,906	321,425
Change in Net Position	23,427	(6,159)
Net Position - beginning of year	779,019	755,818
Net Position - end of period	\$ 802,446	\$ 749,659

See accompanying notes to financial statements.

PENNSYLVANIA HOUSING FINANCE AGENCY

Statements of Cash Flows

Six Months Ended December 31, 2023 and 2022 (in thousands)

	Six months ended December 31,	
	<u>2023</u>	<u>2022</u>
Cash Flows From Operating Activities		
Receipts of mortgage loan payments	\$ 137,901	\$ 151,131
Receipts of fees and other income	78,484	82,017
Receipts of interest on mortgages	86,615	66,992
(Payments) Receipts of escrow and reserves	(67,024)	184,366
Payments for mortgages and purchases	(609,008)	(504,046)
Payments for salaries and related benefits	(21,125)	(18,059)
Payments for goods, services and other	(69,989)	(68,237)
Net Cash Used In Operating Activities	<u>(464,146)</u>	<u>(105,836)</u>
Cash Flows From Noncapital Financing Activities		
Proceeds from the issuance of bonds and notes	481,055	306,367
Payments for retirement of bonds and notes	(119,957)	(174,425)
Payments of bonds and notes interest	(69,132)	(48,482)
Payments of financing costs	(3,717)	(1,511)
Receipts of federal program awards	340,906	321,425
Payments of federal program awards	(340,906)	(321,425)
Net Cash Provided By Noncapital Financing Activities	<u>288,249</u>	<u>81,949</u>
Cash Flows From Capital Financing Activities		
Purchases of capital assets	(162)	(202)
Payments for retirement of capital financing bond	(1,000)	(1,000)
Interest paid on capital debt	(459)	(491)
Net Cash Used In Capital Financing Activities	<u>(1,621)</u>	<u>(1,693)</u>
Cash Flows From Investing Activities		
Proceeds from the sale or maturity of investments	149,754	2,565
Investment interest receipts	28,374	10,803
Purchases of investments	(32,762)	(135,619)
Net Cash Provided By (Used In) Investing Activities	<u>145,366</u>	<u>(122,251)</u>
Net Decrease In Cash and Cash Equivalents	(32,152)	(147,831)
Cash and cash equivalents, beginning of year	<u>1,228,729</u>	<u>999,390</u>
Cash and cash equivalents, end of period	<u>\$ 1,196,577</u>	<u>\$ 851,559</u>

See accompanying notes to financial statements.

PENNSYLVANIA HOUSING FINANCE AGENCY

Statements of Cash Flows (continued)

Six Months Ended December 31, 2023 and 2022 (in thousands)

	Six months ended Dcember 31,	
	2023	2022
Reconciliation of Operating Income (Loss) to		
Net Cash Used In Operating Activities:		
Operating Income (Loss)	\$ 23,427	\$ (6,159)
Investment income recognized	(28,157)	(11,460)
Net change in fair value of investments	(5,046)	22,911
Net change in fair value of swaps	-	(1,591)
Interest expense on bonds and notes	78,819	53,709
Financing expenses	3,717	1,511
Provision (Recoveries) for loan loss and real estate owned	900	(1,339)
Depreciation	2,452	1,712
Gain on early extinguishment of debt	(2,167)	(2,924)
Changes in Assets and Liabilities:		
Mortgage loans receivable, net	(476,267)	(341,531)
Mortgage loan interest receivable	(1,518)	(282)
Real estate owned, net	3,330	(1,140)
Other assets	(5,044)	(591)
Accounts payable and accrued expenses	38	(896)
Escrow deposits and development reserves	(1,971)	(3,841)
Other liabilities	(56,659)	186,075
	<u>(464,146)</u>	<u>(105,836)</u>
Net Cash Used In Operating Activities	\$ (464,146)	\$ (105,836)

See accompanying notes to financial statements

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

1. Organization

The Pennsylvania Housing Finance Agency (“Agency”) was created by the General Assembly of the Commonwealth of Pennsylvania (“Commonwealth”) in 1972 to provide affordable housing for older adults, persons and families of modest means and persons with disabilities. Pursuant to the Housing Finance Agency Law, Act of 1959, P. L. 1688, No. 620 (“Act”), as amended, the Agency is authorized and empowered, among other things, to finance the construction and rehabilitation of housing units for persons and families of low and moderate income, persons with special needs or the elderly, including those who receive assistance from federal government programs.

The Act was amended to authorize the Agency to make or purchase mortgage loans used to finance the purchase, construction, improvement or rehabilitation of owner-occupied single-family residences and to finance the construction and rehabilitation of housing units without requiring the housing units to be subsidized or assisted by a federal government program. The initial legislation and subsequent amendments grant the Agency the power to issue debt in order to finance its programs and operations. Debt obligations issued under the provisions of the Act are not a debt or liability of the Commonwealth or any of its political subdivisions or a pledge of the faith and credit of the Commonwealth or of any of its political subdivisions. Additional powers have been provided by the General Assembly over the years to expand the Agency’s authority and to encourage related community activities.

The Board of the Agency sets policy and oversees the organization's operations. The Board has 14 members. The Secretary of Banking and Securities (chair), the Secretary of Community and Economic Development, the Secretary of Human Services and the State Treasurer serve by virtue of their offices. Four members of the Board serve at the pleasure of the majority and minority leaders of the State Senate and House of Representatives. Six private citizen members are appointed by the Governor, confirmed by the State Senate, and serve for staggered six-year terms or until their successors are appointed.

The Agency is a component unit of the Commonwealth, as defined by the Governmental Accounting Standards Board (“GASB”) – the source of generally accepted accounting principles used by State and Local governments in the United States. The Agency’s financial information is discretely presented in the Commonwealth’s financial statements, but the Agency is not considered part of the Commonwealth’s primary government.

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

2. Summary of Significant Accounting Policies

Basis of Accounting

The Agency presents its financial statements in accordance with U.S. Generally Accepted Accounting Principles (“GAAP”), as established by GASB. For financial reporting purposes, the Agency is considered a special-purpose government engaged in business-type activities. The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when incurred. All significant intra-Agency transactions have been eliminated.

Description of Programs

The Agency accounts for its lending and operating activities in various programs based upon management designations and for ease of accountability, summarized as follows:

General Activities – Consists of a group of accounts used to record income and expenses that are not directly pledged to or associated with the programs described below, and includes activity related to various Agency programs and initiatives, including loan servicing and the payment of expenses related to the Agency’s administrative functions.

Multifamily Housing Program (“Multifamily Program”) – Records the activity related to financing the construction, rehabilitation or operational expenses of multifamily rental housing developments generally designed for persons or families of low and moderate income or the elderly.

Single Family Mortgage Loan Program (“Single Family Program”) – Records the activity related to providing capital for the purchase and servicing of mortgage loans for owner-occupied single-family residences for persons or families of low and moderate income.

Insurance Program – The Agency provides primary mortgage insurance coverage through this program to cover the risk of mortgage default for certain single-family borrowers.

Homeowners’ Emergency Mortgage Assistance Program (“HEMAP”) – Created by Act 91 of 1982 (as later amended) by the Pennsylvania General Assembly to provide emergency mortgage assistance loans to mortgagors facing foreclosure due to circumstances beyond their control. HEMAP’s primary operating revenues are derived from funding received from the Commonwealth and from program repayments and income from investments, and are reported as a component of Program Income and Fees within the Agency’s financial statements.

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

Fair Value Application and Measurement

Fair value is applied to assets and liabilities that the Agency holds primarily for the purpose of income or profit and that have a present service capacity based solely on their ability to generate cash or to be sold to generate cash. The Agency categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based upon valuation inputs used to measure the fair value of the respective asset or liability. Level 1 inputs include quoted prices in active markets for identical assets; Level 2 inputs include observable inputs other than quoted prices included in Level 1 inputs; Level 3 inputs include unobservable inputs.

Cash and Cash Equivalents

Cash includes currency on hand and currency equivalents that may be accessed immediately or near-immediately. Cash equivalents are defined as short-term investments with original maturities of three months or less that are readily convertible to known amounts of cash. Agency cash and cash equivalents consist of demand deposit checking and savings accounts, cash held in trust and money market funds.

Investments

Investments are reported at fair value, determined by reference to published market prices and quotations. Changes in fair values are recognized separately within the Statement of Revenues, Expenses and Changes in Net Position.

Restricted Cash, Cash Equivalents and Investments

Restricted cash, cash equivalents and investments consist of cash, cash equivalents and investments restricted primarily by escrow agreements, bond resolutions, debt servicing agreements, creditor agreements or other contractual agreements. The Agency collects mortgage payments on behalf of mortgagees for whom the Agency acts as a servicer. The Agency holds monies from multifamily property owners and single-family homeowners for payments of real estate taxes, property insurance and operating reserves, and has recorded a corresponding liability related to these balances. The Agency maintains certain balances of cash, cash equivalents and investments, restricted as to their use, in order to comply with bond debt capital reserve and self-insurance requirements and certain investor or creditor covenants.

Mortgage Loans Receivable, Net

Mortgage loans receivable consist primarily of single family and multifamily loans. The current portion of mortgage loans receivable represents the contractual amount due within the forthcoming year.

Mortgage loans that the Agency has the ability and intent to hold for the foreseeable future are deemed to be held for investment and are valued at amortized cost. Amortized cost includes the balances of principal outstanding, unamortized premiums and discounts and capitalized

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

origination costs and fees. Mortgage loans held-for-investment also have an allowance for loan loss applied as needed.

Mortgage loans that the Agency has the ability and intent to sell within the foreseeable future are deemed to be held for sale and are reported at the lower of cost or fair value, determined on an individual basis by loan type as of the date of the financial statements. Mortgage loans held for sale include loans subject to investor purchase commitments (committed loans) and loans held on a speculative basis (uncommitted loans). Fair value of committed loans is based upon commitment prices; fair value of uncommitted loans is based upon the market in which the mortgage banking activity operates. Amounts, if any, by which cost exceeds fair value are included within an allowance for loan loss.

The allowance for loan loss represents an adjustment applied to the balances of mortgage loans receivable in order to reflect amounts deemed collectible, using management's best estimate of probable losses inherent in the portfolio and evaluation of the underlying loans and their likelihood of becoming real estate owned. The allowance for loan loss is based upon the Agency's best information available under the circumstances, including the estimated market values of the properties representing collateral, mortgage insurance coverage on the collateral, the financial condition of the respective borrower, government guarantees and the economy as a whole.

Mortgage servicing rights/servicing release premiums are amortized over the life of the related loans using the effective interest method, and include servicing rights associated with both mortgages owned by the Agency and mortgages sold by the Agency for which servicing rights were retained. Mortgage servicing rights retained for underlying loans sold by the Agency are reported at the lower of amortized cost or fair value.

Troubled Debt Restructuring

A troubled debt restructuring occurs when a creditor, for economic or legal reasons related to a debtor's financial difficulties, grants a concession to a debtor experiencing financial difficulties that the creditor would not otherwise consider. Regardless of the form of concession granted by the creditor to the debtor in a troubled debt restructuring, the creditor's objective is to assist the debtor in a difficult situation – the creditor expects to receive a return on investment or increase the probability of receipt of payment by granting the concessions than by not granting them. When conducted in a prudent manner, modifications of problem loans can serve the interests of both the creditor and the debtor and can lead to improved loan performance and reduced credit risk. In some instances, loan modifications are mandated by federal insurance programs. The Agency engages in troubled debt restructuring activities by affording modifications to the terms and interest rates of certain mortgage loans.

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

Real Estate Owned

Real estate owned represents single-family real estate acquired as a result of foreclosure, acceptance of a deed in lieu of foreclosure or other defaults of nonperforming mortgage loans. Balances of real estate owned approximate net realizable value, based upon actual recoveries for similar asset disposals resulting from anticipated mortgage insurance settlement proceeds or estimated sales prices less costs to sell. Net realizable values of real estate owned also include an allowance for losses attributable to potentially foregone interest and corporate and escrow advances.

Capital Assets

Capital assets are valued at historical cost. The Agency capitalizes assets with an initial cost of \$1 (one-thousand dollars) or more. Depreciation is calculated using the straight-line method over the estimated useful lives, which are 5 years for furniture, fixtures and equipment and 45 years for the Agency's building. When capital assets are disposed, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recorded.

Other Assets

Other assets include federal and Pennsylvania grant and program funding receivable and prepaid expenses.

Deferred Outflows of Resources

Deferred outflows of resources include OPEB-related deferred outflows, which result from the Agency's post-employment healthcare benefits plan ("OPEB Plan"); pension-related deferred outflows, which result from the Agency's Employees' Retirement Plan ("Pension Plan") and Governmental Excess Benefit Plan ("Excess Plan") (collectively "Pensions" or "Pension Plans"); and the accumulated decrease in fair value of hedging derivatives. OPEB-related and Pension-related deferred outflows of resources represent differences between expected and actual experience, changes in assumptions and amounts resulting from contributions made during the Agency's fiscal year subsequent to the OPEB Plan's or Pension Plan's measurement dates. Deferred outflows of resources are recognized over a closed period, and are amortized over the remaining average service life of all active and inactive employees who are provided OPEB or Pensions through the aforementioned plans.

Bonds and Notes Payable, Net

The Agency issues bonds and notes to provide capital for its mortgage programs and other uses consistent with its mission. The resultant debt is a general obligation of the Agency, and is secured and payable by the respective mortgage loans, investments, other assets and revenues within the respective programs or accounts established by the associated bond indentures. Bonds and notes payable are stated at their outstanding balances plus any unamortized premiums less any unamortized discounts. The current portion of bonds and notes payable represents the scheduled principal payable within the forthcoming year.

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

Escrow Deposits and Development Reserves

Escrow deposits represent balances of receipts from Single Family Program homeowners and Multifamily Program developments for anticipated payments of real estate taxes, property insurance and mortgage insurance. Development reserves represent cash held on behalf of owners of multifamily properties for repairs and replacement, property improvements, supportive services and potential operating deficits experienced by Multifamily Program developments.

Derivative Instruments – Interest Rate Swaps

The Agency enters into interest rate swap agreements (“swaps”) with various counterparties to hedge the interest rate exposure associated with variable rate debt and to reduce overall borrowing costs. Swaps are structured whereby the Agency pays a fixed interest rate to a counterparty in exchange for the same counterparty paying to the Agency a variable interest rate, which is established based upon a common market index.

Swaps are reported at fair value and are classified as either hedging derivatives, amended hedging derivatives or investment derivatives. Hedging derivatives include swaps with critical terms that have not changed since their inception. Amended hedging derivatives include swaps with critical terms that have since been amended. The changes in fair values of hedging derivatives and amended hedging derivatives are reported as accumulated decrease in fair values of hedging derivatives on the Balance Sheet, which equal the values of the corresponding swaps. Investment derivatives include swaps that are not considered to be effective hedges; the changes in fair values of investment derivatives are reported as a net increase or decrease in the fair value of swaps and recognized as a revenue or expense.

Total OPEB Liability

The Agency is required to measure and disclose amounts relating to total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense and the fiduciary net position of the Agency’s OPEB Plan. The Agency does not fund its OPEB liability; rather, the Agency provides health insurance for its retirees on a pay-as-you-go basis, therefore, the OPEB Plan has no fiduciary net position.

Net Pension Liability

Net pension liability represents the portion of the present value of projected benefit payments attributed to past periods of service to be provided through the Agency’s Pensions to current active and inactive employees less the fiduciary net position of the Pensions. It represents the Agency’s total pension liability less the fiduciary net position available to pay that liability. Investments included within fiduciary net position are reported at fair value.

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

Other Liabilities

Other liabilities consist mainly of unearned revenues, unearned federal funding, amounts due to Pennsylvania State Employees Retirement System (“SERS”) and accrued expenses.

Deferred Inflows of Resources

Deferred inflows of resources include net unamortized gains (losses) on bond refundings, which are amortized over the shorter of the remaining life of the old debt or the life of the new debt; OPEB Plan-related and Pension Plan-related deferred Inflows, which represent the difference between projected and actual earnings on investments within the Agency’s Pensions, are recognized over a closed period and are amortized over a 5-year period, the difference between expected and actual experience, and changes in assumptions are recognized over a closed period and are amortized over the remaining average service life of all active and inactive employees who are provided OPEB or Pensions through the aforementioned plans; and the accumulated increase in fair value of hedging derivatives, which represents the anticipated future utilization of the value of interest rate swap agreements deemed to be effective hedging derivatives.

Net Position

Net position is classified in the following three components:

Net Investment in Capital Assets – Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any debt attributable to the acquisition, construction or improvement of those assets.

Restricted – Consists of assets with constraints placed on their use by laws, regulations, Agency bond resolutions or external groups, such as creditors or grantors.

Unrestricted – Consists of assets that do not meet the definition of Net Investment in Capital Assets or Restricted. This component includes assets designated for specific purposes by the actions of the Board.

When both restricted and unrestricted resources are available, it is the Agency’s policy to use restricted resources to the extent allowed and only use unrestricted resources when needed.

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

Classification of Revenues and Expenses

Operating revenues include all revenue from mortgage and loan activity, mortgage servicing, investment income and gains on the sale of pooled loans via the Government National Mortgage Association (“GNMA”) and the Federal National Mortgage Association (“FNMA”). Operating revenues also include amounts received for the grant programs, which includes administrative fees for the oversight of award distribution, monitoring of subrecipients and reporting to federal and Commonwealth agencies and allocations for the costs of required independent annual audits of federal awards expended. The costs of mortgage loan servicing, investment and grant programs are reported as operating expenses.

Non-operating revenues and expenses include federal program awards and the corresponding direct program costs for which those awards are received and recognized, and consist primarily of pass-through amounts related to the Agency’s role as contract administrator of the U.S. Department of Housing and Urban Development’s (“HUD”) Section 8 subsidy program.

Interest Income on Mortgage Loans

Interest received for mortgage loans is based upon the constant yield method. Interest accrues on performing and nonperforming loans for up to 150 days or until the underlying obligation is satisfied or the associated property is sold, foreclosed-upon or transferred to another entity.

Investment Income

Investment income includes net receipts and payments associated with swaps deemed to be investment derivatives, gains or losses on sales of investments and investment interest income.

The Agency participates in the GNMA and FNMA mortgage backed securities programs, whereby GNMA or FNMA guarantees securities that are issued by the Agency and backed by pools of mortgage loans. Gains on sales of MBSs are recorded at the time of settlement and represent the difference between the sale price of the MBSs and the carrying value of the underlying pool of mortgages backing them. These gains are included in investment income.

Pension and Other Postemployment Benefits Expense

Pension expense and other postemployment benefit expense are reported as salaries and related benefits and represent the estimated cost of the benefits earned by employees during the period, with the addition or subtraction of amounts that are deferred and amortized into expense over time as required by GAAP.

Compensated Absences

Employees earn vacation and illness leave benefits. Upon separation of service, employees are compensated for accumulated leave balances, limited by Agency policy. Compensated absence leave is recorded as an accrued expense in the period earned.

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

Debt Issuance Costs, Discounts and Other Related Costs

Costs related to bond and note issuance are expensed when incurred. Bond discounts and premiums are amortized over the lives of the corresponding bonds using the effective interest method. Net swap agreement payments are recorded as a component of interest expense on bonds and notes.

Accounting Standards Issued But Not Yet Adopted

GASB issued the following Statements that will become effective in future reporting periods. Management is currently evaluating the potential impact on the Agency's financial statements.

- GASB Statement No. 100, *Accounting Changes and Error Corrections*, issued June 2022, effective for the Agency's fiscal year ending June 30, 2024.
- GASB Statement No. 101, *Compensated Absences*, issued June 2022, effective for the Agency's fiscal year ending June 30, 2024.
- GASB Statement No. 102, *Certain Risk Disclosures*, issued December 2023, effective for the Agency's fiscal year ending June 30, 2024.

3. Cash, Cash Equivalents and Investments

The Agency maintains a policy whereby cash and cash equivalents must be held in insured depositories satisfactory to the Agency.

Commonwealth of Pennsylvania statutes and contractual provisions contained within the Agency's bond trust indentures govern the investment policies of the Agency. The Housing Finance Agency Law, 1959, Dec. 3, P.L. 1688 as amended Dec. 5, 1972, P.L. 1259, No. 282 and bond indentures provide the authority to invest all Agency funds. In compliance with the Act and bond indentures, it is the policy of the Agency to invest in securities that provide suitable returns, preserve principal, meet liquidity needs and further the mission of the Agency.

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

4. Mortgage Loans Receivable

Amounts reported as mortgage loans receivable at December 31, 2023 and June 30, 2023 consisted of the following:

	December 31, 2023				
	General Activities	Multifamily Program	Single Family Program	HEMAP	Total
Mortgage loans	\$ 9,229	\$ 431,346	\$ 4,750,334	\$ 46,718	\$ 5,237,627
Add:					
Loan premiums	-	-	-	-	-
Less:					
Loan discounts	-	-	-	-	-
Allowance for loan losses	4,867	95,685	14,753	24,071	139,376
Mortgage loans receivable	4,362	335,661	4,735,581	22,647	5,098,251
Current portion	-	2,771	126,533	3,934	133,238
Noncurrent portion	<u>\$ 4,362</u>	<u>\$ 332,890</u>	<u>\$ 4,609,048</u>	<u>\$ 18,713</u>	<u>\$ 4,965,013</u>
	June 30, 2023				
	General Activities	Multifamily Program	Single Family Program	HEMAP	Total
Mortgage loans	\$ 9,262	\$ 426,989	\$ 4,287,502	\$ 48,899	\$ 4,772,652
Add:					
Loan premiums	-	-	-	-	-
Less:					
Loan discounts	-	-	-	-	-
Allowance for loan losses	4,867	95,685	14,296	24,553	139,401
Mortgage loans receivable	4,395	331,304	4,273,206	24,346	4,633,251
Current portion	-	2,471	126,233	3,874	132,578
Noncurrent portion	<u>\$ 4,395</u>	<u>\$ 328,833</u>	<u>\$ 4,146,973</u>	<u>\$ 20,472</u>	<u>\$ 4,500,673</u>

Securitizations, Gains on the Sale of Mortgage-Backed Securities and Mortgages Held for Sale

During the six months ended December 31, 2023 and 2022, the Agency securitized mortgage loans with a principal balance of \$3,577 and \$5,483, respectively, into MBSs through GNMA or directly to FNMA through their cash window. MBSs are either sold to private investors or purchased by the Agency. Ongoing revenue for the Agency is generated from servicing the loans pooled into MBSs, which is reported as program income and fees, and by gains derived from the sale price less the value of the underlying mortgages of the MBSs at the time of settlement. Total

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

gains on the sale of MBSs for the six months ended December 31, 2023 and 2022 equaled \$18 and \$55, respectively. Mortgages held for sale are reported at fair value measured by Level 2 inputs based upon observable quoted prices of similar assets. Mortgages held for sale totaled \$56,424 and \$56,243 at December 31, 2023 and June 30, 2023, respectively.

Mortgage Loan Collateral and Insurance Coverage

General Activity mortgage loans receivable represent amounts disbursed through the Agency's Mixed-Use Facility Financing Initiative ("MUFFI"), Homeownership Choice Program ("HCP") and Revised Community Leveraging Assistance Initiative Mortgage ("ReCLAIM"). The loans are not insured, but they are secured by promissory notes and mortgages on the associated properties.

Multifamily Program mortgage loans receivable are not insured, but are collateralized by mortgages on the related projects. The federal government subsidizes certain projects included in the Multifamily Program mortgage loan portfolio.

Single Family Program mortgage loans are secured by liens on the related real property, and private mortgage insurance is generally required on all mortgage loans where the loan principal amount exceeds 80% of the lesser of the purchase price or the initial appraised value of the property. Private mortgage insurance for Single Family Program mortgage loans is provided by commercial companies, the Agency's Insurance Program, certain federal programs through the Federal Housing Administration ("FHA"), United States Department of Veterans Affairs ("VA") and United States Department of Agriculture – Rural Development ("RD"), FNMA and varying other sources.

Mortgage-Backed Security Repurchase Reserve

Mortgage loans securitized into MBSs through either GNMA or FNMA ("securitized loans") are not included in the Agency's financial statements. If a borrower fails to make a timely payment on a mortgage loan, the Agency must use its own funds to ensure that holders of Agency-issued MBSs receive timely payment. In circumstances of significant borrower delinquency, the Agency will repurchase a securitized loan from its respective MBS. Repurchased mortgage loans are included in the Agency's financial statements; as a result, the risk of loss, net of mortgage insurance, associated with these loans is considered in management's routine evaluation of the allowances for loan losses and the Agency has, therefore, established a repurchase reserve for these securitized loans. Securitized loans repurchased by the Agency totaled \$3,337 and \$4,168 for the six months ended December 31, 2023 and 2022, respectively, and the Agency's repurchase reserve for securitized loans equaled \$2,886 at December 31, 2023 and June 30, 2023.

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

Allowance for Loan Loss

The allowances for loan losses at December 31, 2023 and 2022 consisted of the following:

	December 31, 2023				Total
	General Activities	Multifamily Program	Single Family Program	HEMAP	
Beginning balance	\$ 4,867	\$ 95,685	\$ 14,296	\$ 24,553	\$ 139,401
Loss (Recoveries) provision	-	90	741	(45)	786
Net losses	-	(90)	(284)	(437)	(811)
Ending balance	<u>\$ 4,867</u>	<u>\$ 95,685</u>	<u>\$ 14,753</u>	<u>\$ 24,071</u>	<u>\$ 139,376</u>

	December 31, 2022				Total
	General Activities	Multifamily Program	Single Family Program	HEMAP	
Beginning balance	\$ 4,867	\$ 97,117	\$ 15,060	\$ 31,481	\$ 148,525
Loss provision	-	1,548	101	(2,882)	(1,233)
Net losses	-	(558)	(701)	(1,892)	(3,151)
Ending balance	<u>\$ 4,867</u>	<u>\$ 98,107</u>	<u>\$ 14,460</u>	<u>\$ 26,707</u>	<u>\$ 144,141</u>

Amounts reported as provision for loan loss and real estate owned on the statement of revenues, expenses and changes in net position for the six months ended December 31, 2023 and 2022 consisted of the following:

	December 31, 2023				Total
	General Activities	Multifamily Program	Single Family Program	HEMAP	
Loss (recoveries) provision	\$ -	\$ 90	\$ 741	\$ (45)	\$ 786
Self-insured losses	-	-	-	-	-
Change in value of REOs	-	-	-	-	-
Accrued interest losses	-	-	-	-	-
Change in repurchase reserve	-	-	114	-	114
Provision (recoveries) for loan loss and real estate owned	<u>\$ -</u>	<u>\$ 90</u>	<u>\$ 855</u>	<u>\$ (45)</u>	<u>\$ 900</u>

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

	December 31, 2022				Total
	General Activities	Multifamily Program	Single Family Program	HEMAP	
Loss provision (recoveries)	\$ -	\$ 1,548	\$ 101	\$ (2,882)	\$ (1,233)
Self-insured losses	-	-	-	-	-
Change in value of REOs	-	-	600	-	600
Accrued interest losses	-	(957)	-	-	(957)
Change in repurchase reserve	-	-	251	-	251
Provision for loan loss and real estate owned	\$ -	\$ 591	\$ 952	\$ (2,882)	\$ (1,339)

5. Real Estate Owned by the Agency

Real estate owned by the Agency included 102 properties with a net realizable value of \$7,686 at December 31, 2023 and 131 properties with a net realizable value of \$11,016 at June 30, 2023.

6. Bonds and Notes Payable

The Agency issues bonds and notes payable to finance its lending programs. Proceeds from long-term debt of the Multifamily Program and Single Family Program are used to fund Multifamily and Single Family mortgage loans. General Activities long-term debt is used to finance the Agency's headquarters in Harrisburg, Pennsylvania.

Interest on bonds and notes payable is payable semi-annually. Interest rates on variable rate debt reset on a quarterly, monthly or weekly basis. Interest paid on indexed floating-rate tax-exempt bonds is closely correlated with the Securities Industry and Financial Markets Association Municipal Swap ("SIFMA") rate. At December 31, 2023, variable interest rates payable ranged from 3.70% to 4.88%. At June 30, 2023, variable interest rates payable ranged from 3.95% to 4.65%.

The aggregate principal amounts of bonds and notes payable outstanding at December 31, 2023 and June 30, 2023, maturity dates and corresponding interest rates at December 31, 2023 are illustrated in the following table.

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

Bond Series	Interest rates at December 31, 2023		Maturity Date	Amounts outstanding at	
	Variable	Fixed		December 31, 2023	June 30, 2023
General Activities:					
Headquarters Bonds *	488 bps	-	2037	\$ 28,000	\$ 29,000
Multifamily Program:					
Series 2022A	-	4.33%	2025	5,250	5,250
Single Family Program:					
Bonds Payable					
Series 2007 - 98 *	-	-	-	-	1,775
Series 2007 - 100 *	-	-	-	-	1,160
Series 2013 - 115	-	-	-	-	2,760
Series 2013 - 116	-	3.20-3.45%	2026	5,750	7,185
Series 2015 - 117	-	3.20-3.90%	2040	27,025	29,830
Series 2015 - 118	-	3.05-3.80%	2040	39,980	43,120
Series 2016 - 119	-	2.30-3.50%	2041	81,420	85,630
Series 2016 - 120	-	1.95-3.50%	2046	136,040	140,050
Series 2016 - 121	-	1.90-3.50%	2046	168,830	174,410
Series 2017 - 122	-	2.60-4.00%	2046	74,945	81,205
Series 2017 - 123	-	2.55-4.00%	2039	60,285	64,410
Series 2017 - 124	-	2.10-4.00%	2042	132,800	137,780
Series 2017 - 125	-	2.375-3.70%	2047	143,965	147,905
Series 2018 - 126	-	2.60-4.00%	2048	28,515	30,265
Series 2018 - 127	-	2.65-3.55%	2033	81,735	83,870
Series 2019 - 128	-	2.80-4.75%	2034	56,175	61,355
Series 2019 - 129	-	2.10-3.40%	2049	122,000	122,000
Series 2019 - 130	-	1.40-4.00%	2049	132,735	139,040
Series 2019 - 131	-	1.625-3.50%	2049	110,940	114,950
Series 2020 - 132*	370 bps	0.85-3.50%	2051	188,895	199,280
Series 2020 - 133	-	1.75-5.00%	2050	189,040	193,600
Series 2021 - 134	-	0.80-5.00%	2049	136,160	141,020
Series 2021 - 135	-	1.57-5.00%	2051	161,830	166,220
Series 2021 - 136	-	1.80-5.00%	2051	273,920	280,905
Series 2021 - 137	-	1.90-5.00%	2051	239,805	244,835
Series 2022 - 138	-	2.50-5.00%	2052	248,720	252,325
Series 2022 - 139	-	3.35-5.00%	2052	287,685	292,890
Series 2022 - 140	-	3.59-5.156%	2052	298,410	301,775

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

December 31, 2023 (in thousands)

Bond Series	Interest Rates at September 30, 2023		Maturity Date	Amounts Outstanding at	
	Variable	Fixed		September 30, 2023	June 30, 2023
Series 2022 - 141	375 bps	3.10-5.75%	2053	479,125	482,500
Series 2023 - 142	-	3.40-5.50%	2053	458,270	458,705
Series 2023 - 143	-	4.70-6.458%	2053	475,270	-
Total Single Family Program Bonds Payable				4,840,270	4,482,755
Notes Payable from Direct Borrowings					
General Obligation Note	-	2.60%	2024	1,203	2,989
General Obligation Note	-	2.75%	2034	21,667	22,083
2009 Purchase Agreement	-	2.50%	2024	2,500	2,500
Total Single Family Program Notes Payable from Direct Borrowings				25,370	27,572
Unamortized bond premiums				99,769	99,425
Total bonds and notes payable				4,998,659	4,644,002
Current portion				149,462	144,242
Noncurrent portion				\$ 4,849,197	\$ 4,499,760

bps - basis points

* – All or a portion of the balances of these bonds payable include variable rate demand obligations ("VRDO's"). Interest rates on VRDO's reset on a weekly basis.

7. Restricted Net Position

The Single Family Program's December 31, 2023 and June 30, 2023 net position restrictions equaling \$152,123 and \$141,879, respectively, are restricted pursuant to the Agency's obligations to its bondholders; provisions are present within the Single Family Program bond indenture. Net position restrictions within HEMAP totaling \$32,564 and \$32,723 at December 31, 2023 and June 30, 2023, respectively, represent amounts restricted for the purpose of making mortgage assistance loans.

SUPPLEMENTARY INFORMATION

PENNSYLVANIA HOUSING FINANCE AGENCY

Combining Balance Sheet

December 31, 2023 (in thousands)

	General Activities	Multifamily Housing Program	Single Family Mortgage Loan Program	Insurance Program	HEMAP	Intra-Agency Eliminations	Total
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 20,411	\$ 165,364	\$ 574,622	\$ 61,194	\$ 21,666	\$ -	\$ 843,257
Restricted cash and cash equivalents	152,650	70,802	129,868	-	-	-	353,320
Restricted investments	-	1	1,000	-	-	-	1,001
Accrued investment interest receivable	1,575	7	1,921	-	-	-	3,503
Mortgage loans receivable, net	-	2,771	126,533	-	3,934	-	133,238
Accrued mortgage loan interest receivable	-	60	17,556	-	309	-	17,925
Mortgages held for sale	-	-	56,424	-	-	-	56,424
Other current assets	3,682	46	-	-	-	-	3,728
Total Current Assets	178,318	239,051	907,924	61,194	25,909	-	1,412,396
Noncurrent Assets:							
Investments	175,478	12,002	106,703	39,082	-	-	333,265
Restricted investments	-	-	82,316	-	-	-	82,316
Mortgage loans receivable, net	4,362	332,890	4,609,048	-	18,713	-	4,965,013
Derivative instrument - interest rate swaps	935	-	1,103	-	-	-	2,038
Real estate owned	-	-	7,686	-	-	-	7,686
Capital assets, net	54,735	-	-	-	-	-	54,735
Intra-agency receivables	283,357	27,701	-	-	-	(311,058)	-
Other noncurrent assets	10,580	-	42,114	-	-	(10,118)	42,576
Total Noncurrent Assets	529,447	372,593	4,848,970	39,082	18,713	(321,176)	5,487,629
TOTAL ASSETS	707,765	611,644	5,756,894	100,276	44,622	(321,176)	6,900,025
DEFERRED OUTFLOWS OF RESOURCES							
OPEB-related deferred outflows	22,415	-	-	-	-	-	22,415
Pension-related deferred outflows	21,546	-	-	-	-	-	21,546
Accumulated decrease in fair value of hedging derivatives	-	-	21,175	-	-	-	21,175
TOTAL DEFERRED OUTFLOWS OF RESOURCES	43,961	-	21,175	-	-	-	65,136
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 751,726	\$ 611,644	\$ 5,778,069	\$ 100,276	\$ 44,622	\$ (321,176)	\$ 6,965,161
LIABILITIES							
Current Liabilities:							
Accounts payable and accrued expenses	\$ 2,767	\$ -	\$ 719	\$ -	\$ 337	\$ -	\$ 3,823
Bonds and notes payable, net	2,000	-	147,462	-	-	-	149,462
Accrued interest payable	80	57	41,201	-	-	-	41,338
Escrow deposits and development reserves	845	24,274	50,843	-	-	-	75,962
Software-based IT arrangements	3,022	-	-	-	-	-	3,022
Other current liabilities	312,583	483	19,668	-	-	-	332,734
Total Current Liabilities	321,297	24,814	259,893	-	337	-	606,341
Noncurrent Liabilities:							
Bonds and notes payable, net	26,000	5,250	4,817,947	-	-	-	4,849,197
Derivative instruments - interest rate swaps	-	-	21,175	-	-	-	21,175
Development reserves	-	106,019	-	-	-	-	106,019
Intra-agency payables	-	-	311,058	-	-	(311,058)	-
Total OPEB liability	96,261	-	-	-	-	-	96,261
Net pension liability	40,223	-	-	-	-	-	40,223
Software-based IT arrangements	1,511	-	-	-	-	-	1,511
Other noncurrent liabilities	145,275	236,781	-	3,807	11,721	(10,118)	387,466
Total Noncurrent Liabilities	309,270	348,050	5,150,180	3,807	11,721	(321,176)	5,501,852
TOTAL LIABILITIES	630,567	372,864	5,410,073	3,807	12,058	(321,176)	6,108,193
DEFERRED OUTFLOWS OF RESOURCES							
OPEB-related deferred inflows	49,414	-	-	-	-	-	49,414
Pension-related deferred inflows	1,220	-	-	-	-	-	1,220
Unamortized gains on bond refundings	-	-	1,850	-	-	-	1,850
Accumulated increase in fair value of hedging derivatives	935	-	1,103	-	-	-	2,038
TOTAL DEFERRED OUTFLOWS OF RESOURCES	51,569	-	2,953	-	-	-	54,522
NET POSITION							
Net investment in capital assets	22,202	-	-	-	-	-	22,202
Restricted	-	-	152,123	-	32,564	-	184,687
Unrestricted	47,388	238,780	212,920	96,469	-	-	595,557
TOTAL NET POSITION	69,590	238,780	365,043	96,469	32,564	-	802,446
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 751,726	\$ 611,644	\$ 5,778,069	\$ 100,276	\$ 44,622	\$ (321,176)	\$ 6,965,161

PENNSYLVANIA HOUSING FINANCE AGENCY

Combining Statement of Revenues, Expenses and Changes in Net Position

Six Months Ended December 31, 2023 (in thousands)

	General Activities	Multifamily Housing Program	Single Family Mortgage Loan Program	Insurance Program	HEMAP	Total
Operating Revenues:						
Interest income on mortgage loans	\$ -	\$ 2,309	\$ 85,728	\$ -	\$ 96	\$ 88,133
Program income and fees	73,362	-	-	5,046	76	78,484
Investment income	11,274	1,823	13,482	1,039	539	28,157
Net increase in fair value of investments	1,891	55	2,540	560	-	5,046
Gain on early extinguishment of debt	-	-	2,167	-	-	2,167
Total Operating Revenues	86,527	4,187	103,917	6,645	711	201,987
Operating Expenses:						
Interest expense on bonds and notes	463	79	78,277	-	-	78,819
Financing expenses	-	-	3,717	-	-	3,717
Program expenses	45,313	-	10,529	-	-	55,842
Salaries and related benefits	25,125	-	-	-	466	25,591
General and administrative	9,999	83	3,160	-	449	13,691
Provision (recoveries) for loan loss and real estate owned	-	90	855	-	(45)	900
Total Operating Expenses	80,900	252	96,538	-	870	178,560
Operating (Loss) Income	5,627	3,935	7,379	6,645	(159)	23,427
Nonoperating Revenue						
Federal program awards	69,458	270,254	1,194	-	-	340,906
Nonoperating Expense						
Federal program expense	69,458	270,254	1,194	-	-	340,906
Income (Loss) Before Transfers	5,627	3,935	7,379	6,645	(159)	23,427
Intra-agency transfers	(1,952)	(185)	2,137	-	-	-
Change in Net Position	3,675	3,750	9,516	6,645	(159)	23,427
Net Position - beginning of year	65,915	235,030	355,527	89,824	32,723	779,019
Net Position - end of period	\$ 69,590	\$ 238,780	\$ 365,043	\$ 96,469	\$ 32,564	\$ 802,446

PENNSYLVANIA HOUSING FINANCE AGENCY
Combining Statement of Cash Flows
Six Months Ended December 31, 2023 (in thousands)

	General Activities	Multifamily Housing Program	Single Family Mortgage Loan Program	Insurance Program	HEMAP	Total
Cash flows from operating activities:						
Receipts of mortgage loan payments	\$ 33	\$ 6,796	\$ 127,955	\$ -	\$ 3,117	\$ 137,901
Receipts of fees and other income	73,362	-	-	5,046	76	78,484
Receipts of interest on mortgages	-	2,319	84,200	-	96	86,615
(Payments) Receipts of escrows and reserves	(68,339)	10,163	(8,829)	(19)	-	(67,024)
Payments for mortgages and purchases	-	(11,243)	(596,392)	-	(1,373)	(609,008)
Payments for salaries and related benefits	(21,125)	-	-	-	-	(21,125)
Payments for goods, services and other	(51,733)	(101)	(16,585)	-	(1,570)	(69,989)
Net cash (used in) provided by operating activities	(67,802)	7,934	(409,651)	5,027	346	(464,146)
Cash flows from noncapital financing activities:						
Proceeds from the issuance of bonds and notes	-	-	481,055	-	-	481,055
Payments for retirement of bonds and notes	-	-	(119,957)	-	-	(119,957)
Payments of bonds and notes interest	-	(114)	(69,018)	-	-	(69,132)
Payments of financing costs	-	-	(3,717)	-	-	(3,717)
Receipts (repayments) of program advances	(6,224)	(185)	6,409	-	-	-
Receipts of federal program awards	69,458	270,254	1,194	-	-	340,906
Payments of federal program awards	(69,458)	(270,254)	(1,194)	-	-	(340,906)
Net cash provided by (used in) noncapital financing activities	(6,224)	(299)	294,772	-	-	288,249
Cash flows from capital financing activities:						
Purchases of capital assets	(162)	-	-	-	-	(162)
Payments for retirement of capital financing bond	(1,000)	-	-	-	-	(1,000)
Payments for interest on capital financing bond	(459)	-	-	-	-	(459)
Net cash used in capital financing activities	(1,621)	-	-	-	-	(1,621)
Cash flows from investing activities:						
Proceeds from the sale or maturity of investments	145,939	-	3,815	-	-	149,754
Receipts of investment interest	11,871	2,057	12,872	1,039	535	28,374
Payments for purchases of investments	(12,917)	(10)	(14,999)	(4,836)	-	(32,762)
Net cash provided by (used in) investing activities	144,893	2,047	1,688	(3,797)	535	145,366
Net (decrease) increase in cash and cash equivalents	69,246	9,682	(113,191)	1,230	881	(32,152)
Cash and cash equivalents, beginning of year	103,815	226,484	817,681	59,964	20,785	1,228,729
Cash and cash equivalents, end of period	\$ 173,061	\$ 236,166	\$ 704,490	\$ 61,194	\$ 21,666	\$ 1,196,577

PENNSYLVANIA HOUSING FINANCE AGENCY
Combining Statement of Cash Flows
Six Months Ended December 31, 2023 (in thousands)

	General Activities	Multifamily Housing Program	Single Family Mortgage Loan Program	Insurance Program	HEMAP	Total
Reconciliation of Operating Income (Loss) to						
Net Cash (Used In) Provided By Operating Activities:						
Operating Income (Loss)	\$ 5,627	\$ 3,935	\$ 7,379	\$ 6,645	\$ (159)	\$ 23,427
Investment income recognized	(11,274)	(1,823)	(13,482)	(1,039)	(539)	(28,157)
Net change in fair value of investments	(1,891)	(55)	(2,540)	(560)	-	(5,046)
Interest expense on bonds and notes	463	79	78,277	-	-	78,819
Financing expenses	-	-	3,717	-	-	3,717
Provision (recoveries) for loan loss and real estate owned	-	90	855	-	(45)	900
Depreciation	2,452	-	-	-	-	2,452
Gain on early extinguishment of debt	-	-	(2,167)	-	-	(2,167)
Changes in Assets and Liabilities:						
Mortgage loans receivable, net	33	(4,447)	(473,597)	-	1,744	(476,267)
Mortgage loans interest receivable	-	10	(1,528)	-	-	(1,518)
Real Estate Owned, Net	-	-	3,330	-	-	3,330
Other assets	1,202	(18)	(6,228)	-	-	(5,044)
Accounts payable and accrued expenses	648	-	2	-	(612)	38
Escrow deposits and development reserves	74	2,360	(4,405)	-	-	(1,971)
Other liabilities	(65,136)	7,803	736	(19)	(43)	(56,659)
Net Cash (Used In) Provided By Operating Activities	\$ (67,802)	\$ 7,934	\$ (409,651)	\$ 5,027	\$ 346	\$ (464,146)

PENNSYLVANIA HOUSING FINANCE AGENCY

Combining Balance Sheet

June 30, 2023 (in thousands)

	General Activities	Multifamily Housing Program	Single Family Mortgage Loan Program	Insurance Program	HEMAP	Intra-Agency Eliminations	Total
ASSETS							
Current assets:							
Cash and cash equivalents	\$ (116,482)	\$ 156,425	\$ 685,017	\$ 59,964	\$ 20,785	\$ -	\$ 805,709
Restricted cash and cash equivalents	220,297	70,059	132,664	-	-	-	423,020
Restricted investments	-	1	1,000	-	-	-	1,001
Accrued investment interest receivable	2,171	240	1,311	-	-	-	3,722
Mortgage loans receivable, net	-	2,471	126,233	-	3,874	-	132,578
Accrued mortgage loan interest receivable	-	70	16,028	-	305	-	16,403
Mortgages held for sale	-	-	56,243	-	-	-	56,243
Other current assets	4,694	28	-	-	-	-	4,722
Total Current Assets	110,680	229,294	1,018,496	59,964	24,964	-	1,443,398
Noncurrent Assets:							
Investments	306,609	11,937	95,672	33,686	-	-	447,904
Restricted investments	-	-	79,623	-	-	-	79,623
Mortgage loans receivable, net	4,395	328,833	4,146,973	-	20,472	-	4,500,673
Derivative instrument - interest rate swaps	1,225	-	6,263	-	-	-	7,488
Real estate owned	-	-	11,016	-	-	-	11,016
Capital assets, net	57,026	-	-	-	-	-	57,026
Intra-agency receivables	279,085	27,701	-	-	-	(306,786)	-
Other noncurrent assets	10,770	-	35,886	-	-	(10,770)	35,886
Total Noncurrent Assets	659,110	368,471	4,375,433	33,686	20,472	(317,556)	5,139,616
TOTAL ASSETS	769,790	597,765	5,393,929	93,650	45,436	(317,556)	6,583,014
DEFERRED OUTFLOWS OF RESOURCES							
OPEB-related deferred outflows	22,415	-	-	-	-	-	22,415
Pension-related deferred outflows	21,546	-	-	-	-	-	21,546
Accumulated decrease (increase) in fair value of hedging derivatives	-	-	3,570	-	-	-	3,570
TOTAL DEFERRED OUTFLOWS OF RESOURCES	43,961	-	3,570	-	-	-	47,531
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 813,751	\$ 597,765	\$ 5,397,499	\$ 93,650	\$ 45,436	\$ (317,556)	\$ 6,630,545
LIABILITIES							
Current Liabilities:							
Accounts payable and accrued expenses	\$ 2,119	\$ -	\$ 717	\$ -	\$ 949	\$ -	\$ 3,785
Bonds and notes payable, net	2,000	-	142,242	-	-	-	144,242
Accrued interest payable	76	91	34,109	-	-	-	34,276
Escrow deposits and development reserves	771	23,312	55,248	-	-	-	79,331
Software-based IT arrangements	3,022	-	-	-	-	-	3,022
Other current liabilities	215,004	448	24,092	-	-	-	239,544
Total Current Liabilities	222,992	23,851	256,408	-	949	-	504,200
Noncurrent Liabilities:							
Bonds and notes payable, net	27,000	5,250	4,467,510	-	-	-	4,499,760
Derivative instruments - interest rate swaps	-	-	3,570	-	-	-	3,570
Development reserves	-	104,621	-	-	-	-	104,621
Intra-agency payables	-	-	306,786	-	-	(306,786)	-
Total OPEB liability	92,761	-	-	-	-	-	92,761
Net pension liability	39,723	-	-	-	-	-	39,723
Software-based IT arrangements	2,234	-	-	-	-	-	2,234
Other noncurrent liabilities	311,267	229,013	-	3,826	11,764	(10,770)	545,100
Total Noncurrent Liabilities	472,985	338,884	4,777,866	3,826	11,764	(317,556)	5,287,769
TOTAL LIABILITIES	695,977	362,735	5,034,274	3,826	12,713	(317,556)	5,791,969
DEFERRED INFLOWS OF RESOURCES							
OPEB-related deferred inflows	49,414	-	-	-	-	-	49,414
Pension-related deferred inflows	1,220	-	-	-	-	-	1,220
Unamortized losses on bond refundings	-	-	1,435	-	-	-	1,435
Accumulated decrease (increase) in fair value of hedging derivatives	1,225	-	6,263	-	-	-	7,488
TOTAL DEFERRED INFLOWS OF RESOURCES	51,859	-	7,698	-	-	-	59,557
NET POSITION							
Net investment in capital assets	22,901	-	-	-	-	-	22,901
Restricted	-	-	141,879	-	32,723	-	174,602
Unrestricted	43,014	235,030	213,648	89,824	-	-	581,516
TOTAL NET POSITION	65,915	235,030	355,527	89,824	32,723	-	779,019
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 813,751	\$ 597,765	\$ 5,397,499	\$ 93,650	\$ 45,436	\$ (317,556)	\$ 6,630,545

PENNSYLVANIA HOUSING FINANCE AGENCY

Combining Statement of Revenues, Expenses and Changes in Net Position Six Months Ended December 31, 2022 (in thousands)

	General Activities	Multifamily Housing Program	Single Family Mortgage Loan Program	Insurance Program	HEMAP	Total
Operating Revenues:						
Interest income on mortgage loans	\$ -	\$ 1,537	\$ 65,638	\$ -	\$ 99	\$ 67,274
Program income and fees	78,282	13	1	3,578	88	81,962
Investment income	4,766	740	5,014	745	250	11,515
Increase in the fair value of swaps	-	-	1,591	-	-	1,591
Gain on early extinguishment of debt	-	-	2,924	-	-	2,924
Total Operating Revenues	83,048	2,290	75,168	4,323	437	165,266
Operating Expenses:						
Interest expense on bonds and notes	491	252	52,966	-	-	53,709
Financing expenses	13	-	1,498	-	-	1,511
Program expenses	55,088	-	7,615	-	-	62,703
Salaries and related benefits	18,059	-	-	-	2,415	20,474
General and administrative	7,898	70	3,077	-	411	11,456
Net decrease in fair value of investments	8,201	680	12,127	1,903	-	22,911
(Recoveries) Provision for loan loss and real estate owned	-	591	952	-	(2,882)	(1,339)
Total Operating Expenses	89,750	1,593	78,235	1,903	(56)	171,425
Operating (Loss) Income	(6,702)	697	(3,067)	2,420	493	(6,159)
Nonoperating Revenue						
Federal program awards	64,584	255,635	1,206	-	-	321,425
Nonoperating Expense						
Federal program expense	64,584	255,635	1,206	-	-	321,425
(Loss) Income Before Transfers	(6,702)	697	(3,067)	2,420	493	(6,159)
Intra-agency transfers	(45,888)	98	790	45,000	-	-
Change in Net Position	(52,590)	795	(2,277)	47,420	493	(6,159)
Net Position - beginning of year	117,027	227,770	344,737	38,547	27,737	755,818
Net Position - end of period	\$ 64,437	\$ 228,565	\$ 342,460	\$ 85,967	\$ 28,230	\$ 749,659

PENNSYLVANIA HOUSING FINANCE AGENCY
Combining Statement of Cash Flows
Six Months Ended December 31, 2022 (in thousands)

	General Activities	Multifamily Housing Program	Single Family Mortgage Loan Program	Insurance Program	HEMAP	Total
Cash flows from operating activities						
Receipts of mortgage loan payments	\$ 28	\$ 6,780	\$ 140,905	\$ -	\$ 3,418	\$ 151,131
Receipts from fees and other income	78,337	13	1	3,578	88	82,017
Receipts from interest on mortgages	-	1,487	65,406	-	99	66,992
Receipts (payments) of escrows and reserves	194,171	4,204	(14,739)	730	-	184,366
Payments for mortgage purchases	(516)	(11,689)	(490,777)	-	(1,064)	(504,046)
Payments for salaries and related benefits	(18,059)	-	-	-	-	(18,059)
Payments for goods, services and other	(62,302)	(53)	(4,256)	-	(1,626)	(68,237)
Net cash (used in) provided by operating activities	<u>191,659</u>	<u>742</u>	<u>(303,460)</u>	<u>4,308</u>	<u>915</u>	<u>(105,836)</u>
Cash flows from noncapital financing activities						
Proceeds from the issuance of bonds and notes	-	-	306,367	-	-	306,367
Payments for retirement of bonds and notes	-	(219)	(174,206)	-	-	(174,425)
Payments for bonds and notes interest	-	(274)	(48,208)	-	-	(48,482)
Payments of financing costs	(13)	-	(1,498)	-	-	(1,511)
Receipts (repayments) of program advances	(148,630)	98,597	5,033	45,000	-	-
Receipts of federal program awards	64,584	255,635	1,206	-	-	321,425
Payments of federal program awards	(64,584)	(255,635)	(1,206)	-	-	(321,425)
Net cash provided by (used in) noncapital financing activities	<u>(148,643)</u>	<u>98,104</u>	<u>87,488</u>	<u>45,000</u>	<u>-</u>	<u>81,949</u>
Cash flows from capital financing activities						
Purchases of capital assets	(202)	-	-	-	-	(202)
Payments for retirement of capital financing bond	(1,000)	-	-	-	-	(1,000)
Payments for interest on capital financing bond	(491)	-	-	-	-	(491)
Net cash used in capital financing activities	<u>(1,693)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,693)</u>
Cash flows from investing activities						
Proceeds from the sale or maturity of investments	26	-	2,539	-	-	2,565
Receipts of investment interest	4,180	705	4,907	745	266	10,803
Payments for purchases of investments	(127,665)	(3,008)	(3,959)	(987)	-	(135,619)
Net cash (used in) provided by investing activities	<u>(123,459)</u>	<u>(2,303)</u>	<u>3,487</u>	<u>(242)</u>	<u>266</u>	<u>(122,251)</u>
Net increase in cash and cash equivalents	(82,136)	96,543	(212,485)	49,066	1,181	(147,831)
Cash and cash equivalents, beginning of year	<u>337,305</u>	<u>135,054</u>	<u>494,636</u>	<u>13,496</u>	<u>18,899</u>	<u>999,390</u>
Cash and cash equivalents, end of period	<u>\$ 255,169</u>	<u>\$ 231,597</u>	<u>\$ 282,151</u>	<u>\$ 62,562</u>	<u>\$ 20,080</u>	<u>\$ 851,559</u>

PENNSYLVANIA HOUSING FINANCE AGENCY
Combining Statement of Cash Flows
Six Months Ended December 30, 2022 (in thousands)

	General Activities	Multifamily Housing Program	Single Family Mortgage Loan Program	Insurance Program	HEMAP	Total
Reconciliation of Operations (Loss) Income to						
Net Cash (Used In) Provided By Operating Activities:						
Operating (Loss) Income	\$ (6,702)	\$ 697	\$ (3,067)	\$ 2,420	\$ 493	\$ (6,159)
Investment income recognized	(4,711)	(740)	(5,014)	(745)	(250)	(11,460)
Net change in fair value of investments	8,201	680	12,127	1,903	-	22,911
Net change in fair value of swaps	-	-	(1,591)	-	-	(1,591)
Interest expense on bonds and notes	491	252	52,966	-	-	53,709
Financing expenses	13	-	1,498	-	-	1,511
(Recoveries) Provision for loan loss and real estate owned	-	591	952	-	(2,882)	(1,339)
Depreciation	1,712	-	-	-	-	1,712
Early extinguishment of debt	-	-	(2,924)	-	-	(2,924)
Changes in Assets and Liabilities:						
Mortgage loans receivable, net	(488)	(4,909)	(338,488)	-	2,354	(341,531)
Mortgage loans interest receivable	-	(50)	(232)	-	-	(282)
Real Estate Owned, Net	-	-	(1,140)	-	-	(1,140)
Other assets	57	17	(666)	-	1	(591)
Accounts payable and accrued expenses	(990)	-	68	-	26	(896)
Escrow deposits and development reserves	108	2,350	(6,299)	-	-	(3,841)
Other liabilities	193,968	1,854	(11,650)	730	1,173	186,075
Net Cash (Used In) Provided By Operating Activities	\$ 191,659	\$ 742	\$ (303,460)	\$ 4,308	\$ 915	\$ (105,836)