



BASIC FINANCIAL STATEMENTS (UNAUDITED)

NINE MONTHS ENDED MARCH 31, 2025

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)

	March 31, 2025	June 30, 2024	Increase/(Decrease)	
Assets:				
Mortgage loans receivable, net	\$ 6,587,727	\$ 5,546,908	\$ 1,040,819	18.8%
Capital assets, net	54,975	55,285	(310)	(0.6%)
Other assets	<u>1,750,873</u>	<u>1,853,896</u>	<u>(103,023)</u>	<u>(5.6%)</u>
Total Assets	<u>8,393,575</u>	<u>7,456,089</u>	<u>937,486</u>	<u>12.6%</u>
Deferred Outflows of Resources	<u>35,480</u>	<u>40,550</u>	<u>(5,070)</u>	<u>(12.5%)</u>
Total Assets and				
Deferred Outflows of Resources	<u>\$ 8,429,055</u>	<u>\$ 7,496,639</u>	<u>\$ 932,416</u>	<u>12.4%</u>
Liabilities:				
Current liabilities	549,100	538,068	11,032	2.1%
Noncurrent liabilities	<u>6,947,149</u>	<u>6,076,751</u>	<u>870,398</u>	<u>14.3%</u>
Total Liabilities	<u>7,496,249</u>	<u>6,614,819</u>	<u>881,430</u>	<u>13.3%</u>
Deferred Inflows of Resources	<u>56,751</u>	<u>55,191</u>	<u>1,560</u>	<u>2.8%</u>
Net Position				
Net Investment in Capital Assets	24,515	23,168	1,347	5.8%
Restricted	230,732	201,980	28,752	14.2%
Unrestricted	<u>620,808</u>	<u>601,481</u>	<u>19,327</u>	<u>3.2%</u>
Total Net Position	<u>876,055</u>	<u>826,629</u>	<u>49,426</u>	<u>6.0%</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 8,429,055</u>	<u>\$ 7,496,639</u>	<u>\$ 932,416</u>	<u>12.4%</u>

PENNSYLVANIA HOUSING FINANCE AGENCY

Management's Discussion and Analysis (amounts rounded)

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

	Nine Months Ended March 31,		Increase/(Decrease)	
	2025	2024		
Revenues:				
Mortgage loan interest	\$ 198,339	\$ 138,973	\$ 59,366	42.7%
Other operating revenues	196,195	171,645	24,550	14.3%
Federal program awards	647,628	503,642	143,986	28.6%
Total Revenues	<u>1,042,162</u>	<u>814,260</u>	<u>227,902</u>	<u>28.0%</u>
Expenses:				
Interest and financing expenses	182,147	128,909	53,238	41.3%
Other operating expenses	162,961	150,479	12,482	8.3%
Federal program expenses	647,628	503,642	143,986	28.6%
Total Expenses	<u>992,736</u>	<u>783,030</u>	<u>209,706</u>	<u>26.8%</u>
Change in Net Position	49,426	31,230	18,196	58.3%
Net Position - Beginning of Year	<u>826,629</u>	<u>779,019</u>	<u>47,610</u>	<u>6.1%</u>
Net Position - End of Period	<u>\$ 876,055</u>	<u>\$ 810,249</u>	<u>\$ 65,806</u>	<u>8.1%</u>

Analysis of Overall Financial Position and Results of Operations

The balance sheet at March 31, 2025 is compared to the balance sheet at June 30, 2024, the prior audited period.

The results of operations for the nine-month period ended March 31, 2025 is compared to the nine-month period ended March 31, 2024.

- **Assets**

Total assets in the preceding condensed summary balance sheet increased by \$932 million from \$7.497 billion to \$8.429 billion. Mortgage loans receivable increased by \$1.041 billion from \$5.547 billion to \$6.588 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. Other assets decreased by \$103 million from \$1.854 billion to \$1.751 billion primarily as a result of the decrease in investments due to the purchase of single family mortgages and the disbursement of federal funds held for programs administered by the Agency.

PENNSYLVANIA HOUSING FINANCE AGENCY

Management's Discussion and Analysis (amounts rounded)

- **Liabilities**

Total liabilities increased by \$881 million from \$6.615 billion to \$7.496 billion. The net increase was primarily due to an increase in bonds and notes payable of almost \$1 billion, which came as a result of the issuance of single family mortgage revenue bond series 146, 147, and 148, off-set by a decrease in other liabilities. These issuances further 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 off-setting net decrease of \$118 million in total liabilities can be explained by a decrease in derivative instrument – interest rate swaps, net pension liability, and other liabilities due to the disbursement of federal and state grant funds, offset by an increase in accrued interest payable, development reserves, and total OPEB liability.

- **Net Position**

For the nine months ended March 31, 2025, the Agency's net position increased \$49.4 million compared to an increase of \$31.2 million in net position for the same nine-month period ending one year prior.

Mortgage loan interest income earned increased by \$59.4 million when compared to the same nine-month period ending one year prior due to the increase in the Agency's single family portfolio of mortgage loans which includes mortgage with higher interest rates. Other operating revenues increased by \$24.6 million when compared to the same nine-month period ending one year prior, due to an increase in program income and fees, investment income, net increase in fair value of investments, and the gain on early extinguishment of debt. Program income and fees increased by \$12.9 million due to the increase in grant funds disbursed by the Agency when compared to the same nine-month period ending one year prior and an increase in Multifamily program revenue due to the change in the timing of the low income tax credit application round.

Interest and financing expenses increased by \$53.2 million when compared to the same nine-month period ending one year prior due to the increase in the debt portfolio and in interest rates on newly issued mortgage revenue bonds. Other operating expenses increased by \$12.5 million when compared to the same nine-month period ending one year prior due to an increase in program expenses from an increase in grant funds disbursed by the Agency, salaries and related benefits, and provision for loan loss and real estate owned offset by a decrease in general and administrative expenses.

Federal program revenue and expenses increased by \$144.0 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)
	March 31, 2025	June 30, 2024	
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	60,685	-
Furniture, fixtures and equipment	13,694	13,283	411
Subscription based information technology arrangements	12,026	10,183	1,843
Less accumulated depreciation:			
Building	(16,056)	(15,110)	(946)
Furniture, fixtures and equipment	(12,103)	(11,745)	(358)
Subscription based information technology arrangements	(5,725)	(4,465)	(1,260)
Total depreciable capital assets, net	<u>52,521</u>	<u>52,831</u>	<u>(310)</u>
Total Capital Assets, net	<u>\$ 54,975</u>	<u>\$ 55,285</u>	<u>\$ (310)</u>

The Agency's capital assets decreased in the nine months ended March 31, 2025 due to regular depreciation and the amortization of subscription based information technology arrangements 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)
	March 31, 2025	June 30, 2024	
General Activities	\$ 26,000	\$ 27,000	\$ (1,000)
Single Family Program	6,575,255	5,575,195	1,000,060
Total Long-Term Debt	\$ 6,601,255	\$ 5,602,195	\$ 999,060

Additions

Additions to Agency bonds and notes payable for the nine-month period ended March 31, 2025 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
8/29/2024	2024-146	-	6,819	501,029	501,029	-	-
12/18/2024	2024-147	-	4,962	301,817	301,817	-	-
2/27/2025	2025-148	-	551	327,361	327,361	-	-
	Total Additions:		\$ 12,332	\$ 1,130,207			

Reductions

Reductions to Agency bonds and notes payable for the nine-month period ended March 31, 2025 included the following:

Date	Single Family Program Bond Series Refunded	Refunded Amount	Scheduled Debt Service	Advance Debt Service	Original Issue Premium Amortization
Various	-	-	78,627	44,660	7,860
	Total Reductions:	-	78,627	44,660	7,860

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
ReCLAIM (statewide)	<u>1,500</u>
Total	<u>\$ 16,500</u>

Multifamily Housing Program:

Multifamily Insurance for Agency insured or coinsured developments	\$ 10,000
Preservation from physical deterioration, financial or social distress	<u>1,500</u>
Total	<u>\$ 11,500</u>

Single Family Mortgage Loan Program:

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

Insurance Program:

Risk Retention to provide single family mortgage insurance	<u>\$ 114,999</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 March 31, 2025 and June 30, 2024 (in thousands)

	March 31,	June 30,
	2025	2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 899,294	\$ 937,121
Restricted cash and cash equivalents	356,671	361,928
Investments	13,894	44,755
Restricted investments	1,000	1,000
Accrued investment interest receivable	2,599	3,972
Mortgage loans receivable, net	146,203	145,909
Accrued mortgage loan interest receivable	28,394	23,630
Mortgages held for sale	51,501	49,214
Other current assets	4,049	4,015
Total Current Assets	1,503,605	1,571,544
Noncurrent Assets:		
Investments	281,522	308,009
Restricted investments	45,882	59,355
Mortgage loans receivable, net	6,441,524	5,400,999
Derivative instrument - interest rate swaps	1,991	2,442
Real estate owned	9,267	10,607
Capital assets, net	54,975	55,285
Other noncurrent assets	54,809	47,848
Total Noncurrent Assets	6,889,970	5,884,545
TOTAL ASSETS	8,393,575	7,456,089
DEFERRED OUTFLOWS OF RESOURCES		
OPEB-related deferred outflows	17,361	17,361
Pension-related deferred outflows	10,626	14,457
Accumulated decrease in fair value of hedging derivatives	7,493	8,732
TOTAL DEFERRED OUTFLOWS OF RESOURCES	35,480	40,550
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 8,429,055	\$ 7,496,639

See accompanying notes to financial statements.

PENNSYLVANIA HOUSING FINANCE AGENCY

Balance Sheets March 31, 2025 and June 30, 2024 (in thousands)

	March 31,	June 30,
	2025	2024
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 3,126	\$ 3,320
Bonds and notes payable, net	165,003	156,803
Accrued interest payable	121,835	48,161
Escrow deposits and development reserves	99,055	92,455
Software-based IT arrangements	2,625	2,625
Other current liabilities	157,456	234,704
Total Current Liabilities	549,100	538,068
Noncurrent Liabilities:		
Bonds and notes payable, net	6,436,252	5,445,392
Derivative instrument - interest rate swaps	7,493	8,732
Development reserves	119,772	114,947
Total OPEB liability	86,962	84,962
Net pension liability	28,146	33,040
Software-based IT arrangements	1,835	2,492
Other noncurrent liabilities	266,689	387,186
Total Noncurrent Liabilities	6,947,149	6,076,751
TOTAL LIABILITIES	7,496,249	6,614,819
DEFERRED INFLOWS OF RESOURCES		
OPEB-related deferred inflows	49,891	49,891
Pension-related deferred inflows	2,829	889
Unamortized gains on bond refundings	2,040	1,969
Accumulated increase in fair value of hedging derivatives	1,991	2,442
TOTAL DEFERRED INFLOWS OF RESOURCES	56,751	55,191
NET POSITION		
Net investment in capital assets	24,515	23,168
Restricted	230,732	201,980
Unrestricted	620,808	601,481
TOTAL NET POSITION	876,055	826,629
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 8,429,055	\$ 7,496,639

See accompanying notes to financial statements.

PENNSYLVANIA HOUSING FINANCE AGENCY

Statements of Revenues, Expenses and Changes in Net Position

Nine Months Ended March 31, 2025 and 2024 (in thousands)

	Nine Months ended	
	March 31,	
	2025	2024
Operating Revenues:		
Interest income on mortgage loans	\$ 198,339	\$ 138,973
Program income and fees	136,498	123,623
Investment income	45,078	44,467
Net increase in fair value of investments	12,253	1,388
Gain on early extinguishment of debt	2,366	2,167
Total Operating Revenues	394,534	310,618
Operating Expenses:		
Interest expense on bonds and notes	173,280	123,213
Financing expenses	8,867	5,696
Program expenses	99,905	86,387
Salaries and related benefits	37,662	36,618
General and administrative	23,243	25,706
Provision for loan loss and real estate owned	2,151	1,768
Total Operating Expenses	345,108	279,388
Operating Income	49,426	31,230
Nonoperating Revenue		
Federal program awards	647,628	503,642
Nonoperating Expense		
Federal program expense	647,628	503,642
Change in Net Position	49,426	31,230
Net Position - beginning of year	826,629	779,019
Net Position - end of period	\$ 876,055	\$ 810,249

See accompanying notes to financial statements.

PENNSYLVANIA HOUSING FINANCE AGENCY

Statements of Cash Flows

Nine Months Ended March 31, 2025 and 2024 (in thousands)

	March 31,	
	<u>2025</u>	<u>2024</u>
Cash Flows From Operating Activities		
Receipts of mortgage loan payments	\$ 251,051	\$ 203,174
Receipts of fees and other income	136,498	123,623
Receipts of interest on mortgages	193,563	138,228
Payments of escrow and reserves	(186,901)	(133,960)
Payments for mortgages and purchases	(1,303,348)	(878,604)
Payments for salaries and related benefits	(33,005)	(31,297)
Payments for goods, services and other	(128,888)	(115,356)
Net Cash Used In Operating Activities	<u>(1,071,030)</u>	<u>(694,192)</u>
Cash Flows From Noncapital Financing Activities		
Proceeds from the issuance of bonds and notes	1,130,207	751,864
Payments for retirement of bonds and notes	(122,287)	(120,859)
Payments of bonds and notes interest	(96,602)	(67,574)
Payments of financing costs	(8,867)	(5,697)
Receipts of federal program awards	647,628	503,642
Payments of federal program awards	(647,628)	(503,642)
Net Cash Provided By Noncapital Financing Activities	<u>902,451</u>	<u>557,734</u>
Cash Flows From Capital Financing Activities		
Purchases of capital assets	(2,404)	(273)
Payments for retirement of capital financing bond	(1,000)	(1,000)
Interest paid on capital debt	(638)	(682)
Net Cash Used In Capital Financing Activities	<u>(4,042)</u>	<u>(1,955)</u>
Cash Flows From Investing Activities		
Proceeds from the sale or maturity of investments	119,769	200,489
Investment interest receipts	46,463	45,263
Purchases of investments	(36,695)	(80,407)
Net Cash Provided By Investing Activities	<u>129,537</u>	<u>165,345</u>
Net Decrease In Cash and Cash Equivalents	(43,084)	26,932
Cash and cash equivalents, beginning of year	<u>1,299,049</u>	<u>1,228,729</u>
Cash and cash equivalents, end of period	<u>\$ 1,255,965</u>	<u>\$ 1,255,661</u>

See accompanying notes to financial statements.

PENNSYLVANIA HOUSING FINANCE AGENCY

Statements of Cash Flows (continued)

Nine Months Ended March 31, 2025 and 2024 (in thousands)

	Nine months ended March 31,	
	<u>2025</u>	<u>2024</u>
Reconciliation of Operating Income to Net Cash Used In Operating Activities:		
Operating Income	\$ 49,426	\$ 31,230
Investment income recognized	(45,078)	(44,467)
Net change in fair value of investments	(12,253)	(1,388)
Interest expense on bonds and notes	173,280	123,213
Financing expenses	8,867	5,696
Provision for loan loss and real estate owned	2,151	1,768
Depreciation	2,714	3,608
Gain on early extinguishment of debt	(2,366)	(2,167)
Changes in Assets and Liabilities:		
Mortgage loans receivable, net	(1,053,427)	(679,461)
Mortgage loan interest receivable	(4,776)	(745)
Real estate owned, net	1,340	2,322
Other assets	(3,435)	(1,111)
Accounts payable and accrued expenses	(193)	(8)
Escrow deposits and development reserves	11,425	6,302
Other liabilities	(198,705)	(138,984)
Net Cash Used In Operating Activities	<u>\$ (1,071,030)</u>	<u>\$ (694,192)</u>

See accompanying notes to financial statements

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

March 31, 2025 (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

March 31, 2025 (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, 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

March 31, 2025 (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

March 31, 2025 (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.

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

March 31, 2025 (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

March 31, 2025 (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

March 31, 2025 (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

March 31, 2025 (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.

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

March 31, 2025 (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. 101, *Compensated Absences*, issued June 2022, effective for the Agency's fiscal year ending June 30, 2025.
- GASB Statement No. 102, *Certain Risk Disclosures*, issued December 2023, effective for the Agency's fiscal year ending June 30, 2025.
- GASB Statement No. 103, *Financial Reporting Model Improvements*, issued April 2024, effective for the Agency's fiscal year ending June 30, 2025.
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*, issued September 2024, effective for the Agency's fiscal year ending June 30, 2026.

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

March 31, 2025 (in thousands)

4. Mortgage Loans Receivable

Amounts reported as mortgage loans receivable at March 31, 2025 and June 30, 2024 consisted of the following:

	March 31, 2025				
	General	Multifamily	Single Family	HEMAP	Total
	Activities	Program	Program	HEMAP	Total
Mortgage loans	\$ 10,026	\$ 449,758	\$ 6,224,679	\$ 42,172	\$ 6,726,635
Add:					
Loan premiums	-	-	-	-	-
Less:					
Loan discounts	-	-	-	-	-
Allowance for loan losses	5,753	94,929	15,707	22,519	138,908
Mortgage loans receivable	4,273	354,829	6,208,972	19,653	6,587,727
Current portion	-	3,052	139,478	3,673	146,203
Noncurrent portion	<u>\$ 4,273</u>	<u>\$ 351,777</u>	<u>\$ 6,069,494</u>	<u>\$ 15,980</u>	<u>\$ 6,441,524</u>
	June 30, 2024				
	General	Multifamily	Single Family	HEMAP	Total
	Activities	Program	Program	HEMAP	Total
Mortgage loans	\$ 9,571	\$ 440,007	\$ 5,190,771	\$ 45,527	\$ 5,685,876
Add:					
Loan premiums	-	-	-	-	-
Less:					
Loan discounts	-	-	-	-	-
Allowance for loan losses	5,743	94,918	14,707	23,600	138,968
Mortgage loans receivable	3,828	345,089	5,176,064	21,927	5,546,908
Current portion	-	2,752	139,178	3,979	145,909
Noncurrent portion	<u>\$ 3,828</u>	<u>\$ 342,337</u>	<u>\$ 5,036,886</u>	<u>\$ 17,948</u>	<u>\$ 5,400,999</u>

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

During the nine months ended March 31, 2025 and 2024, the Agency securitized mortgage loans with a principal balance of \$4,524 and \$4,789, 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 gains on

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

March 31, 2025 (in thousands)

the sale of MBSs for the nine months ended March 31, 2025, and 2024 equaled \$35 and \$40, respectively, reported in Investment income on the Statement of Revenues, Expenses, and Changes in Net Position. 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 \$51,501 and \$49,214 at March 31, 2025 and June 30, 2024, 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"), 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 \$4,363 and \$4,293 for the nine months ended March 31, 2025 and 2024, respectively, and the Agency's repurchase reserve for securitized loans equaled \$2,356 at March 31, 2025 and June 30, 2024.

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

March 31, 2025 (in thousands)

Allowance for Loan Loss

The allowances for loan losses at March 31, 2025 and 2024 consisted of the following:

	March 31, 2025				Total
	General Activities	Multifamily Program	Single Family		
			Program	HEMAP	
Beginning balance	\$ 5,743	\$ 94,918	\$ 14,707	\$ 23,600	\$ 138,968
Loss provision (recoveries)	-	11	1,521	(57)	1,475
Net losses	-	-	(521)	(1,024)	(1,545)
Ending balance	<u>\$ 5,743</u>	<u>\$ 94,929</u>	<u>\$ 15,707</u>	<u>\$ 22,519</u>	<u>\$ 138,898</u>

	March 31, 2024				Total
	General Activities	Multifamily Program	Single Family		
			Program	HEMAP	
Beginning balance	\$ 4,867	\$ 95,685	\$ 14,296	\$ 24,553	\$ 139,401
Loss provision (recoveries)	-	198	1,207	(60)	1,345
Net losses	-	(593)	(300)	(516)	(1,409)
Ending balance	<u>\$ 4,867</u>	<u>\$ 95,290</u>	<u>\$ 15,203</u>	<u>\$ 23,977</u>	<u>\$ 139,337</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 nine months ended March 31, 2025 and 2024 consisted of the following:

	March 31, 2025					Total
	General Activities	Multifamily Program	Single Family		HEMAP	
			Program	Insurance Program		
Loss provision (recoveries)	\$ -	\$ 11	\$ 1,521	\$ -	\$ (57)	\$ 1,475
Self-insured losses	-	-	-	750	-	750
Change in value of REOs	-	-	(254)	-	-	(254)
Accrued interest losses	-	137	-	-	-	137
Change in repurchase reserve	-	-	43	-	-	43
Provision (recoveries) for loan loss and real estate owned	<u>\$ -</u>	<u>\$ 148</u>	<u>\$ 1,310</u>	<u>\$ 750</u>	<u>\$ (57)</u>	<u>\$ 2,151</u>

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

March 31, 2025 (in thousands)

	March 31, 2024				
	General	Multifamily	Single	HEMAP	Total
	Activities	Program	Family		
			Program		
Loss provision (recoveries)	\$ -	\$ 198	\$ 1,207	\$ (60)	\$ 1,345
Self-insured losses	-	-	-	-	-
Change in value of REOs	-	-	-	-	-
Accrued interest losses	-	-	-	-	-
Change in repurchase reserve	-	-	423	-	423
Provision for loan loss and real estate owned	\$ -	\$ 198	\$ 1,630	\$ (60)	\$ 1,768

5. Real Estate Owned by the Agency

Real estate owned by the Agency included 104 properties with a net realizable value of \$9,267 at March 31, 2025, and 116 properties with a net realizable value of \$10,607 at June 30, 2024.

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 March 31, 2025, variable interest rates payable ranged from 3.60% to 4.06%. At June 30, 2024, variable interest rates payable ranged from 3.85% to 4.88%.

The aggregate principal amounts of bonds and notes payable outstanding at March 31, 2025 and June 30, 2024, maturity dates and corresponding interest rates at March 31, 2025 are illustrated in the following table.

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Notes to Financial Statements

March 31, 2025 (in thousands)

Bond Series	Interest rates at March 31, 2025		Maturity Date	Amounts outstanding at	
	Variable	Fixed		March 31, 2025	June 30, 2024
General Activities:					
Headquarters Bonds *	406 bps	-	2037	\$ 26,000	\$ 27,000
Single Family Program:					
Bonds Payable					
Series 2013 - 116	-	3.30-3.45%	2026	3,425	4,600
Series 2015 - 117	-	3.45-3.90%	2040	23,290	24,620
Series 2015 - 118	-	3.20-3.80%	2040	33,795	36,600
Series 2016 - 119	-	2.50-3.50%	2041	75,240	78,090
Series 2016 - 120	-	2.10-3.50%	2046	128,475	131,995
Series 2016 - 121	-	2.05-3.50%	2046	158,290	163,930
Series 2017 - 122	-	2.80-4.00%	2046	65,755	69,805
Series 2017 - 123	-	2.80-4.00%	2039	52,780	56,185
Series 2017 - 124	-	2.10-4.00%	2042	124,690	128,790
Series 2017 - 125	-	2.375-3.70%	2047	136,770	140,405
Series 2018 - 126	-	2.80-4.00%	2048	25,695	27,195
Series 2018 - 127	-	2.65-3.55%	2033	77,025	79,550
Series 2019 - 128	-	3.50-4.75%	2034	46,425	51,640
Series 2019 - 129	-	2.10-3.40%	2049	122,000	122,000
Series 2019 - 130	-	1.50-4.00%	2049	120,205	126,465
Series 2019 - 131	-	1.75-3.50%	2049	104,115	107,050
Series 2020 - 132* **	360 bps	1.15-3.50%	2051	171,760	180,270
Series 2020 - 133	-	1.75-5.00%	2050	177,835	184,530
Series 2021 - 134	-	0.80-5.00%	2049	127,680	131,740
Series 2021 - 135	-	1.57-5.00%	2051	153,845	157,770
Series 2021 - 136	-	1.80-5.00%	2051	260,595	266,275
Series 2021 - 137	-	1.90-5.00%	2051	230,820	234,585
Series 2022 - 138**	-	2.50-5.00%	2052	237,550	243,570
Series 2022 - 139**	-	3.35-5.00%	2052	276,510	282,990
Series 2022 - 140**	-	3.59-5.156%	2052	288,900	294,200

PENNSYLVANIA HOUSING FINANCE AGENCY

Notes to Financial Statements

March 31, 2025 (in thousands)

Bond Series	Interest Rates at March 31, 2025		Maturity Date	Amounts Outstanding at	
	Variable	Fixed		March 31, 2025	June 30, 2024
Series 2022 - 141* **	360 bps	3.10-5.75%	2053	465,120	473,125
Series 2023 - 142**	-	3.40-5.50%	2053	449,105	454,890
Series 2023 - 143**	-	4.70-6.458%	2053	471,360	474,725
Series 2024 - 144	-	3.75-6.00%	2054	263,845	264,680
Series 2024 - 145	-	3.90-6.00%	2054	449,965	449,965
Series 2024 - 146	-	3.875-6.25%	2054	494,210	-
Series 2024 - 147	-	3.25-6.25%	2054	296,855	-
Series 2024 - 148	-	3.00-6.25%	2055	326,810	-
Total Single Family Program Bonds Payable				<u>6,440,740</u>	<u>5,442,235</u>
Notes Payable from Direct Borrowings					
General Obligation Note	-	2.75%	2034	20,833	21,250
2009 Purchase Agreement	-	2.50%	2024	-	2,500
Total Single Family Program Notes Payable from Direct Borrowings				<u>20,833</u>	<u>23,750</u>
Unamortized bond premiums				<u>113,682</u>	<u>109,210</u>
Total bonds and notes payable				<u>6,601,255</u>	<u>5,602,195</u>
Current portion				<u>165,003</u>	<u>156,803</u>
Noncurrent portion				<u>\$ 6,436,252</u>	<u>\$ 5,445,392</u>

bps - basis points

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

** - The bond series includes direct placement bonds under the SF Indenture which are secured on parity with all other outstanding bonds under the same SF Indenture and there are no terms of the SF Indenture that are unique to those direct placement bonds.

7. Restricted Net Position

The Single Family Program's March 31, 2025 and June 30, 2024 net position restrictions equaling \$199,856 and \$169,733, 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 \$30,876 and \$32,247 at March 31, 2025 and June 30, 2024, respectively, represent amounts restricted for the purpose of making mortgage assistance loans.

SUPPLEMENTARY INFORMATION

PENNSYLVANIA HOUSING FINANCE AGENCY

Combining Balance Sheet

March 31, 2025 (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	\$ (70,869)	\$ 156,709	\$ 720,875	\$ 69,979	\$ 22,600	\$ -	\$ 899,294
Restricted cash and cash equivalents	28,090	90,459	238,122	-	-	-	356,671
Investments	5,984	-	7,910	-	-	-	13,894
Restricted investments	-	-	1,000	-	-	-	1,000
Accrued investment interest receivable	250	-	2,349	-	-	-	2,599
Mortgage loans receivable, net	-	3,052	139,478	-	3,673	-	146,203
Accrued mortgage loan interest receivable	-	70	28,037	-	287	-	28,394
Mortgages held for sale	-	-	51,501	-	-	-	51,501
Other current assets	4,046	3	-	-	-	-	4,049
Total Current Assets	(32,499)	250,293	1,189,272	69,979	26,560	-	1,503,605
Noncurrent Assets:							
Investments	95,884	-	135,942	49,696	-	-	281,522
Restricted investments	-	7,127	38,755	-	-	-	45,882
Mortgage loans receivable, net	4,273	351,777	6,069,494	-	15,980	-	6,441,524
Derivative instrument - interest rate swaps	885	-	1,106	-	-	-	1,991
Real estate owned	-	-	9,267	-	-	-	9,267
Capital assets, net	54,975	-	-	-	-	-	54,975
Intra-agency receivables	286,746	27,701	-	-	-	(314,447)	-
Other noncurrent assets	9,867	-	54,841	-	-	(9,899)	54,809
Total Noncurrent Assets	452,630	386,605	6,309,405	49,696	15,980	(324,346)	6,889,970
TOTAL ASSETS	420,131	636,898	7,498,677	119,675	42,540	(324,346)	8,393,575
DEFERRED OUTFLOWS OF RESOURCES							
OPEB-related deferred outflows	17,361	-	-	-	-	-	17,361
Pension-related deferred outflows	10,626	-	-	-	-	-	10,626
Accumulated decrease in fair value of hedging derivatives	-	-	7,493	-	-	-	7,493
TOTAL DEFERRED OUTFLOWS OF RESOURCES	27,987	-	7,493	-	-	-	35,480
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 448,118	\$ 636,898	\$ 7,506,170	\$ 119,675	\$ 42,540	\$ (324,346)	\$ 8,429,055

PENNSYLVANIA HOUSING FINANCE AGENCY

Combining Balance Sheet

March 31, 2025 (in thousands)

LIABILITIES	General Activities	Multifamily Housing Program	Single Family Mortgage Loan Program	Insurance Program	HEMAP	Intra-Agency Eliminations	Total
Current Liabilities:							
Accounts payable and accrued expenses:	\$ 2,723	\$ -	\$ 83	\$ -	\$ 320	\$ -	\$ 3,126
Bonds and notes payable, net	2,000	-	163,003	-	-	-	165,003
Accrued interest payable	65	-	121,770	-	-	-	121,835
Escrow deposits and development reserves:	835	32,956	65,264	-	-	-	99,055
Software-based IT arrangements	2,625	-	-	-	-	-	2,625
Other current liabilities	136,697	388	20,371	-	-	-	157,456
Total Current Liabilities	<u>144,945</u>	<u>33,344</u>	<u>370,491</u>	<u>-</u>	<u>320</u>	<u>-</u>	<u>549,100</u>
Noncurrent Liabilities:							
Bonds and notes payable, net	24,000	-	6,412,252	-	-	-	6,436,252
Derivative instruments - interest rate swap:	-	-	7,493	-	-	-	7,493
Development reserves	-	119,772	-	-	-	-	119,772
Intra-agency payables	-	-	314,447	-	-	(314,447)	-
Total OPEB liability	86,962	-	-	-	-	-	86,962
Net pension liability	28,146	-	-	-	-	-	28,146
Software-based IT arrangements	1,835	-	-	-	-	-	1,835
Other noncurrent liabilities	21,310	239,258	-	4,676	11,344	(9,899)	266,689
Total Noncurrent Liabilities	<u>162,253</u>	<u>359,030</u>	<u>6,734,192</u>	<u>4,676</u>	<u>11,344</u>	<u>(324,346)</u>	<u>6,947,149</u>
TOTAL LIABILITIES	<u>307,198</u>	<u>392,374</u>	<u>7,104,683</u>	<u>4,676</u>	<u>11,664</u>	<u>(324,346)</u>	<u>7,496,249</u>
DEFERRED OUTFLOWS OF RESOURCES:							
OPEB-related deferred inflows	49,891	-	-	-	-	-	49,891
Pension-related deferred inflows	2,829	-	-	-	-	-	2,829
Unamortized gains on bond refundings:	-	-	2,040	-	-	-	2,040
Accumulated increase in fair value of hedging derivatives	885	-	1,106	-	-	-	1,991
TOTAL DEFERRED OUTFLOWS OF RESOURCES:	<u>53,605</u>	<u>-</u>	<u>3,146</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,751</u>
NET POSITION							
Net investment in capital assets:	24,515	-	-	-	-	-	24,515
Restricted	-	-	199,856	-	30,876	-	230,732
Unrestricted	62,800	244,524	198,485	114,999	-	-	620,808
TOTAL NET POSITION	<u>87,315</u>	<u>244,524</u>	<u>398,341</u>	<u>114,999</u>	<u>30,876</u>	<u>-</u>	<u>876,055</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 448,118</u>	<u>\$ 636,898</u>	<u>\$ 7,506,170</u>	<u>\$ 119,675</u>	<u>\$ 42,540</u>	<u>\$ (324,346)</u>	<u>\$ 8,429,055</u>

PENNSYLVANIA HOUSING FINANCE AGENCY

Combining Statement of Revenues, Expenses and Changes in Net Position Nine Months Ended March 31, 2025 (in thousands)

	General Activities	Multifamily Housing Program	Single Family Mortgage Loan Program	Insurance Program	HEMAP	Total
Operating Revenues:						
Interest income on mortgage loans	\$ -	\$ 4,628	\$ 193,569	\$ -	\$ 142	\$ 198,339
Program income and fees	125,291	222	-	10,879	106	136,498
Investment income	11,976	2,862	27,483	1,984	773	45,078
Net increase in fair value of investments	6,079	288	5,496	390	-	12,253
Gain on early extinguishment of debt	-	-	2,366	-	-	2,366
Total Operating Revenues	143,346	8,000	228,914	13,253	1,021	394,534
Operating Expenses:						
Interest expense on bonds and notes	632	-	172,648	-	-	173,280
Financing expenses	28	-	8,839	-	-	8,867
Program expenses	76,547	11	23,347	-	-	99,905
Salaries and related benefits	35,882	-	-	-	1,780	37,662
General and administrative	15,111	351	7,112	-	669	23,243
Provision (recoveries) for loan loss and real estate owned	-	148	1,310	750	(57)	2,151
Total Operating Expenses	128,200	510	213,256	750	2,392	345,108
Operating (Loss) Income	15,146	7,490	15,658	12,503	(1,371)	49,426
Nonoperating Revenue						
Federal program awards	429,239	3,021	215,368	-	-	647,628
Nonoperating Expense						
Federal program expense	429,239	3,021	215,368	-	-	647,628
Income (Loss) Before Transfers	15,146	7,490	15,658	12,503	(1,371)	49,426
Intra-agency transfers	(6,628)	6	6,608	14	-	-
Change in Net Position	8,518	7,496	22,266	12,517	(1,371)	49,426
Net Position - beginning of year	78,797	237,028	376,075	102,482	32,247	826,629
Net Position - end of period	\$ 87,315	\$ 244,524	\$ 398,341	\$ 114,999	\$ 30,876	\$ 876,055

PENNSYLVANIA HOUSING FINANCE AGENCY
Combining Statement of Cash Flows
Nine Months Ended March 31, 2025 (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	\$ 111	\$ 14,850	\$ 231,726	\$ -	\$ 4,364	\$ 251,051
Receipts of fees and other income	125,291	222	-	10,879	106	136,498
Receipts of interest on mortgages	-	4,626	188,795	-	142	193,563
(Payments) Receipts of escrows and reserves	(196,748)	8,191	1,861	(205)	-	(186,901)
Payments for mortgages and purchases	(556)	(24,738)	(1,276,021)	-	(2,033)	(1,303,348)
Payments for salaries and related benefits	(33,005)	-	-	-	-	(33,005)
Payments for goods, services and other	(89,356)	(364)	(36,775)	-	(2,393)	(128,888)
Net cash (used in) provided by operating activities	<u>(194,263)</u>	<u>2,787</u>	<u>(890,414)</u>	<u>10,674</u>	<u>186</u>	<u>(1,071,030)</u>
Cash flows from noncapital financing activities:						
Proceeds from the issuance of bonds and notes	-	-	1,130,207	-	-	1,130,207
Payments for retirement of bonds and notes	-	-	(122,287)	-	-	(122,287)
Payments of bonds and notes interest	-	-	(96,602)	-	-	(96,602)
Payments of financing costs	(28)	-	(8,839)	-	-	(8,867)
Receipts (repayments) of program advances	(8,547)	6	8,527	14	-	-
Receipts of federal program awards	429,239	3,021	215,368	-	-	647,628
Payments of federal program awards	(429,239)	(3,021)	(215,368)	-	-	(647,628)
Net cash provided by (used in) noncapital financing activities	<u>(8,575)</u>	<u>6</u>	<u>911,006</u>	<u>14</u>	<u>-</u>	<u>902,451</u>
Cash flows from capital financing activities:						
Purchases of capital assets	(2,404)	-	-	-	-	(2,404)
Payments for retirement of capital financing bond	(1,000)	-	-	-	-	(1,000)
Payments for interest on capital financing bond	(638)	-	-	-	-	(638)
Net cash used in capital financing activities	<u>(4,042)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,042)</u>
Cash flows from investing activities:						
Proceeds from the sale or maturity of investments	88,730	-	31,039	-	-	119,769
Receipts of investment interest	13,693	2,577	27,424	1,984	785	46,463
Payments for purchases of investments	-	(13)	(27,055)	(9,627)	-	(36,695)
Net cash provided by (used in) investing activities	<u>102,423</u>	<u>2,564</u>	<u>31,408</u>	<u>(7,643)</u>	<u>785</u>	<u>129,537</u>
Net (decrease) increase in cash and cash equivalents	<u>(104,457)</u>	<u>5,357</u>	<u>52,000</u>	<u>3,045</u>	<u>971</u>	<u>(43,084)</u>
Cash and cash equivalents, beginning of year	<u>61,678</u>	<u>241,811</u>	<u>906,997</u>	<u>66,934</u>	<u>21,629</u>	<u>1,299,049</u>
Cash and cash equivalents, end of period	<u>\$ (42,779)</u>	<u>\$ 247,168</u>	<u>\$ 958,997</u>	<u>\$ 69,979</u>	<u>\$ 22,600</u>	<u>\$ 1,255,965</u>

PENNSYLVANIA HOUSING FINANCE AGENCY
Combining Statement of Cash Flows
Nine Months Ended March 31, 2025 (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)	\$ 15,146	\$ 7,490	\$ 15,658	\$ 12,503	\$ (1,371)	\$ 49,426
Investment income recognized	(11,976)	(2,862)	(27,483)	(1,984)	(773)	(45,078)
Net change in fair value of investments	(6,079)	(288)	(5,496)	(390)	-	(12,253)
Net change in fair value of swaps	-	-	-	-	-	-
Interest expense on bonds and notes	632	-	172,648	-	-	173,280
Financing expenses	28	-	8,839	-	-	8,867
(Recoveries) Provision for loan loss and real estate owned	-	148	1,310	750	(57)	2,151
Depreciation	2,714	-	-	-	-	2,714
Gain on early extinguishment of debt	-	-	(2,366)	-	-	(2,366)
Changes in Assets and Liabilities:	-	-	-	-	-	-
Mortgage loans receivable, net	(445)	(9,888)	(1,045,425)	-	2,331	(1,053,427)
Mortgage loans interest receivable	-	(2)	(4,774)	-	-	(4,776)
Real Estate Owned, Net	-	-	1,340	-	-	1,340
Other assets	3,586	(2)	(7,019)	-	-	(3,435)
Accounts payable and accrued expenses	490	-	(637)	-	(46)	(193)
Escrow deposits and development reserves	149	7,697	3,579	-	-	11,425
Other liabilities	(198,508)	494	(588)	(205)	102	(198,705)
Net Cash (Used In) Provided By Operating Activities	\$ (194,263)	\$ 2,787	\$ (890,414)	\$ 10,674	\$ 186	\$ (1,071,030)

PENNSYLVANIA HOUSING FINANCE AGENCY

Combining Balance Sheet

June 30, 2024 (in thousands)

	General	Multifamily	Single Family	Insurance		Intra-Agency	
ASSETS	Activities	Housing	Mortgage	Program	HEMAP	Eliminations	Total
Current assets:							
Cash and cash equivalents	\$ (32,131)	\$ 157,177	\$ 723,512	\$ 66,934	\$ 21,629	\$ -	\$ 937,121
Restricted cash and cash equivalents	93,809	84,634	183,485	-	-	-	361,928
Investments	36,897	-	2,879	4,979	-	-	44,755
Restricted investments	-	-	1,000	-	-	-	1,000
Accrued investment interest receivable	1,967	(285)	2,290	-	-	-	3,972
Mortgage loans receivable, net	-	2,752	139,178	-	3,979	-	145,909
Accrued mortgage loan interest receivable	-	68	23,263	-	299	-	23,630
Mortgages held for sale	-	-	49,214	-	-	-	49,214
Other current assets	4,014	1	-	-	-	-	4,015
Total Current Assets	104,556	244,347	1,124,821	71,913	25,907	-	1,571,544
Noncurrent Assets:							
Investments	147,622	6,826	118,861	34,700	-	-	308,009
Restricted investments	-	-	59,355	-	-	-	59,355
Mortgage loans receivable, net	3,828	342,337	5,036,886	-	17,948	-	5,400,999
Derivative instrument - interest rate swaps	1,312	-	1,130	-	-	-	2,442
Real estate owned	-	-	10,607	-	-	-	10,607
Capital assets, net	55,285	-	-	-	-	-	55,285
Intra-agency receivables	284,827	27,701	-	-	-	(312,528)	-
Other noncurrent assets	9,654	-	47,822	-	-	(9,628)	47,848
Total Noncurrent Assets	502,528	376,864	5,274,661	34,700	17,948	(322,156)	5,884,545
TOTAL ASSETS	607,084	621,211	6,399,482	106,613	43,855	(322,156)	7,456,089
DEFERRED OUTFLOWS OF RESOURCES							
OPEB-related deferred outflows	17,361	-	-	-	-	-	17,361
Pension-related deferred outflows	14,457	-	-	-	-	-	14,457
Accumulated decrease (increase) in fair value of hedging derivatives	-	-	8,732	-	-	-	8,732
TOTAL DEFERRED OUTFLOWS OF RESOURCES	31,818	-	8,732	-	-	-	40,550
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 638,902	\$ 621,211	\$ 6,408,214	\$ 106,613	\$ 43,855	\$ (322,156)	\$ 7,496,639

PENNSYLVANIA HOUSING FINANCE AGENCY

Combining Balance Sheet

June 30, 2024 (in thousands)

	General Activities	Multifamily Housing Program	Single Family Mortgage Loan Program	Insurance Program	HEMAP	Intra-Agency Eliminations	Total
LIABILITIES							
Current Liabilities:							
Accounts payable and accrued expenses	\$ 2,233	\$ -	\$ 721	\$ -	\$ 366	\$ -	\$ 3,320
Bonds and notes payable, net	2,000	-	154,803	-	-	-	156,803
Accrued interest payable	71	-	48,090	-	-	-	48,161
Escrow deposits and development reserves	686	30,084	61,685	-	-	-	92,455
Software-based IT arrangements	2,625	-	-	-	-	-	2,625
Other current liabilities	212,205	410	22,089	-	-	-	234,704
Total Current Liabilities	219,820	30,494	287,388	-	366	-	538,068
Noncurrent Liabilities:							
Bonds and notes payable, net	25,000	-	5,420,392	-	-	-	5,445,392
Derivative instruments - interest rate swaps	-	-	8,732	-	-	-	8,732
Development reserves	-	114,947	-	-	-	-	114,947
Intra-agency payables	-	-	312,528	-	-	(312,528)	-
Total OPEB liability	84,962	-	-	-	-	-	84,962
Net pension liability	33,040	-	-	-	-	-	33,040
Software-based IT arrangements	2,492	-	-	-	-	-	2,492
Other noncurrent liabilities	142,699	238,742	-	4,131	11,242	(9,628)	387,186
Total Noncurrent Liabilities	288,193	353,689	5,741,652	4,131	11,242	(322,156)	6,076,751
TOTAL LIABILITIES	508,013	384,183	6,029,040	4,131	11,608	(322,156)	6,614,819
DEFERRED INFLOWS OF RESOURCES							
OPEB-related deferred inflows	49,891	-	-	-	-	-	49,891
Pension-related deferred inflows	889	-	-	-	-	-	889
Unamortized losses on bond refundings	-	-	1,969	-	-	-	1,969
Accumulated decrease (increase) in fair value of hedging derivatives	1,312	-	1,130	-	-	-	2,442
TOTAL DEFERRED INFLOWS OF RESOURCES	52,092	-	3,099	-	-	-	55,191
NET POSITION							
Net investment in capital assets	23,168	-	-	-	-	-	23,168
Restricted	-	-	169,733	-	32,247	-	201,980
Unrestricted	55,629	237,028	206,342	102,482	-	-	601,481
TOTAL NET POSITION	78,797	237,028	376,075	102,482	32,247	-	826,629
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 638,902	\$ 621,211	\$ 6,408,214	\$ 106,613	\$ 43,855	\$ (322,156)	\$ 7,496,639

PENNSYLVANIA HOUSING FINANCE AGENCY

Combining Statement of Revenues, Expenses and Changes in Net Position Nine Months Ended March 31, 2024 (in thousands)

	General Activities	Multifamily Housing Program	Single Family Mortgage Loan Program	Insurance Program	HEMAP	Total
Operating Revenues:						
Interest income on mortgage loans	\$ -	\$ 3,636	\$ 135,196	\$ -	\$ 141	\$ 138,973
Program income and fees	115,193	420	-	7,897	113	123,623
Investment income	17,080	2,918	21,949	1,705	815	44,467
Net increase in fair value of investments	975	(99)	628	(116)	-	1,388
Gain on early extinguishment of debt	-	-	2,167	-	-	2,167
Total Operating Revenues	133,248	6,875	159,940	9,486	1,069	310,618
Operating Expenses:						
Interest expense on bonds and notes	682	136	122,395	-	-	123,213
Financing expenses	-	-	5,696	-	-	5,696
Program expenses	70,625	-	15,762	-	-	86,387
Salaries and related benefits	35,372	-	-	-	1,246	36,618
General and administrative	18,834	458	5,573	-	841	25,706
(Recoveries) Provision for loan loss and real estate owned	-	198	1,630	-	(60)	1,768
Total Operating Expenses	125,513	792	151,056	-	2,027	279,388
Operating (Loss) Income	7,735	6,083	8,884	9,486	(958)	31,230
Nonoperating Revenue						
Federal program awards	94,120	408,034	1,488	-	-	503,642
Nonoperating Expense						
Federal program expense	94,120	408,034	1,488	-	-	503,642
(Loss) Income Before Transfers	7,735	6,083	8,884	9,486	(958)	31,230
Intra-agency transfers	(3,327)	(284)	3,611	-	-	-
Change in Net Position	4,408	5,799	12,495	9,486	(958)	31,230
Net Position - beginning of year	65,915	235,030	355,527	89,824	32,723	779,019
Net Position - end of period	\$ 70,323	\$ 240,829	\$ 368,022	\$ 99,310	\$ 31,765	\$ 810,249

PENNSYLVANIA HOUSING FINANCE AGENCY
Combining Statement of Cash Flows
Nine Months Ended March 31, 2024 (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	\$ 46	\$ 10,243	\$ 188,435	\$ -	\$ 4,450	\$ 203,174
Receipts of fees and other income	115,193	420	-	7,897	113	123,623
Receipts of interest on mortgages	-	3,643	134,444	-	141	138,228
(Payments) Receipts of escrows and reserves	(144,338)	14,608	(4,211)	(19)	-	(133,960)
Payments for mortgages and purchases	(125)	(20,352)	(855,735)	-	(2,392)	(878,604)
Payments for salaries and related benefits	(31,297)	-	-	-	-	(31,297)
Payments for goods, services and other	(85,179)	(474)	(27,485)	-	(2,218)	(115,356)
Net cash (used in) provided by operating activities	(145,700)	8,088	(564,552)	7,878	94	(694,192)
Cash flows from noncapital financing activities:						
Proceeds from the issuance of bonds and notes	-	-	751,864	-	-	751,864
Payments for retirement of bonds and notes	-	-	(120,859)	-	-	(120,859)
Payments of bonds and notes interest	-	(114)	(67,460)	-	-	(67,574)
Payments of financing costs	-	-	(5,697)	-	-	(5,697)
Receipts (repayments) of program advances	(9,242)	(284)	9,526	-	-	-
Receipts of federal program awards	94,120	408,034	1,488	-	-	503,642
Payments of federal program awards	(94,120)	(408,034)	(1,488)	-	-	(503,642)
Net cash provided by (used in) noncapital financing activities	(9,242)	(398)	567,374	-	-	557,734
Cash flows from capital financing activities:						
Purchases of capital assets	(273)	-	-	-	-	(273)
Payments for retirement of capital financing bond	(1,000)	-	-	-	-	(1,000)
Payments for interest on capital financing bond	(682)	-	-	-	-	(682)
Net cash used in capital financing activities	(1,955)	-	-	-	-	(1,955)
Cash flows from investing activities:						
Proceeds from the sale or maturity of investments	185,975	5,001	9,513	-	-	200,489
Receipts of investment interest	18,213	3,159	21,361	1,705	825	45,263
Payments for purchases of investments	(62,926)	(13)	(14,686)	(2,782)	-	(80,407)
Net cash provided by (used in) investing activities	141,262	8,147	16,188	(1,077)	825	165,345
Net (decrease) increase in cash and cash equivalents	(15,635)	15,837	19,010	6,801	919	26,932
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	\$ 88,180	\$ 242,321	\$ 836,691	\$ 66,765	\$ 21,704	\$ 1,255,661

PENNSYLVANIA HOUSING FINANCE AGENCY
Combining Statement of Cash Flows
Nine Months Ended March 31, 2024 (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)	\$ 7,735	\$ 6,083	\$ 8,884	\$ 9,486	\$ (958)	\$ 31,230
Investment income recognized	(17,080)	(2,918)	(21,949)	(1,705)	(815)	(44,467)
Net change in fair value of investments	(975)	99	(628)	116	-	(1,388)
Interest expense on bonds and notes	682	136	122,395	-	-	123,213
Financing expenses	-	-	5,696	-	-	5,696
Provision (recoveries) for loan loss and real estate owned	-	198	1,630	-	(60)	1,768
Depreciation	3,608	-	-	-	-	3,608
Gain on early extinguishment of debt	-	-	(2,167)	-	-	(2,167)
Changes in Assets and Liabilities:						
Mortgage loans receivable, net	(77)	(10,109)	(671,333)	-	2,058	(679,461)
Mortgage loans interest receivable	-	7	(752)	-	-	(745)
Real Estate Owned, Net	-	-	2,322	-	-	2,322
Other assets	8,234	(16)	(9,329)	-	-	(1,111)
Accounts payable and accrued expenses	489	-	95	-	(592)	(8)
Escrow deposits and development reserves	(23)	6,489	(164)	-	-	6,302
Other liabilities	(148,293)	8,119	748	(19)	461	(138,984)
Net Cash (Used In) Provided By Operating Activities	\$ (145,700)	\$ 8,088	\$ (564,552)	\$ 7,878	\$ 94	\$ (694,192)