

***UNAUDITED FINANCIAL  
INFORMATION***

**March 31, 2024**

I Trent Ridley hereby certify that the information contained herein is true and accurate to the best of my knowledge and belief. The enclosed unaudited financial statements were prepared in accordance with GAAP.

  
\_\_\_\_\_  
Signature

5/23/2024  
\_\_\_\_\_  
Date

**TENNESSEE HOUSING DEVELOPMENT AGENCY**  
**SCHEDULES OF NET POSITION**  
(Expressed in Thousands)  
(Unaudited)

March 31, 2024

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2024
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 143,119	\$ 19,015	\$ 2,106	\$ 420,047	\$ 584,287
Investments	-	1,899	-	133,800	135,699
Receivables:					
Accounts	8,658	83	113	6,789	15,643
Interest	12	56	225	15,671	15,964
Loans held for resale	3,794	150	-	-	3,944
First and second mortgage loans	-	2,556	1,733	77,838	82,127
Due from federal government	30,041	-	-	-	30,041
Due from other funds	-	-	-	35,439	35,439
<b>Total current assets</b>	<b>185,624</b>	<b>23,759</b>	<b>4,177</b>	<b>689,584</b>	<b>903,144</b>
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	25,365	-	15	6,985	32,365
Investments	-	-	5,993	113,797	119,790
Investment interest receivable	-	-	4	684	688
Investments	-	2,211	-	135,240	137,451
First mortgage loans receivable	8	49,487	40,927	2,955,940	3,046,362
Allowance for non-performing 1st mortgage loans	-	(39)	(15)	(327)	(381)
Second mortgage loans receivable	-	-	-	119,855	119,855
Allowance for uncollectable second mortgages	-	-	-	(50,964)	(50,964)
Other receivables	4,805	-	-	22,312	27,117
Unearned service release premium	1,498	-	-	-	1,498
Advance to local government	3,146	-	-	-	3,146
Net pension asset	167	-	-	-	167
Capital assets:					
Furniture and equipment	14,550	-	-	-	14,550
Less accumulated depreciation	(9,175)	-	-	-	(9,175)
<b>Total noncurrent assets</b>	<b>40,364</b>	<b>51,659</b>	<b>46,924</b>	<b>3,303,522</b>	<b>3,442,469</b>
<b>Total assets</b>	<b>225,988</b>	<b>75,418</b>	<b>51,101</b>	<b>3,993,106</b>	<b>4,345,613</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred amount on refundings	-	-	-	25	25
Deferred outflows related to pensions	6,305	-	-	-	6,305
Deferred outflows related to OPEB	249	-	-	-	249
Deferred outflows related to defeased bonds	-	-	-	899	899
<b>Total deferred outflows of resources</b>	<b>6,554</b>	<b>-</b>	<b>-</b>	<b>924</b>	<b>7,478</b>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	\$ 7,144	\$ 11	\$ -	\$ -	\$ 7,155
Compensated absences	998	-	-	-	998
Interest payable	26	-	297	30,006	30,329
Escrow deposits	12,932	-	-	-	12,932
Prepayments on mortgage loans	2	-	24	2,125	2,151
Line of credit payable	3,901	-	-	-	3,901
Due to other state funds	4,345	-	-	-	4,345
Due to other funds	35,439	-	-	-	35,439
Bonds payable	-	-	2,435	116,945	119,380
<b>Total current liabilities</b>	<b>64,787</b>	<b>11</b>	<b>2,756</b>	<b>149,076</b>	<b>216,630</b>
Noncurrent liabilities:					
Bonds payable	-	-	32,816	3,362,973	3,395,789
Compensated absences	1,170	-	-	-	1,170
Net pension liability	5,041	-	-	-	5,041
Total OPEB liability	1,119	-	-	-	1,119
Escrow deposits	14,970	48	-	5	15,023
Unearned revenue	120,390	1,692	-	11,490	133,572
Arbitrage rebate payable	-	-	-	73	73
<b>Total noncurrent liabilities</b>	<b>142,690</b>	<b>1,740</b>	<b>32,816</b>	<b>3,374,541</b>	<b>3,551,787</b>
<b>Total liabilities</b>	<b>207,477</b>	<b>1,751</b>	<b>35,572</b>	<b>3,523,617</b>	<b>3,768,417</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows related to pensions	541	-	-	-	541
Deferred inflows related to OPEB	1,343	-	-	-	1,343
<b>Total deferred inflows of resources</b>	<b>1,884</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,884</b>
<b>NET POSITION</b>					
Net investment in capital assets	5,375	-	-	-	5,375
Restricted for single family bond programs	-	10,678	15,529	470,413	496,620
Restricted for grant programs	-	17,334	-	-	17,334
Restricted for Homebuyers Revolving Loan Program	3,154	-	-	-	3,154
Restricted for pension asset	167	-	-	-	167
Unrestricted	14,485	45,655	-	-	60,140
<b>Total net position</b>	<b>\$ 23,181</b>	<b>\$ 73,667</b>	<b>\$ 15,529</b>	<b>\$ 470,413</b>	<b>\$ 582,790</b>

**TENNESSEE HOUSING DEVELOPMENT AGENCY**  
**SCHEDULES OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
(Expressed in Thousands)  
(Unaudited)

For the Nine Months Ended March 31, 2024

	<u>Operating Group</u>	<u>Mortgage Finance Program</u>	<u>Housing Finance Program Bonds</u>	<u>Residential Finance Program Bonds</u>	<u>Total 3/31/2024</u>
<b>OPERATING REVENUES</b>					
Mortgage interest income	\$ 417	\$ 72	\$ 1,556	\$ 99,322	\$ 101,367
Investment income:					
Interest	1,313	565	75	12,345	14,298
Net increase in the fair value of investments	-	244	262	11,850	12,356
Federal grant administration fees	15,359	-	-	-	15,359
Fees and other income	11,706	314	-	7	12,027
Total operating revenues	<u>28,795</u>	<u>1,195</u>	<u>1,893</u>	<u>123,524</u>	<u>155,407</u>
<b>OPERATING EXPENSES</b>					
Salaries and benefits	24,277	-	-	-	24,277
Contractual services	10,859	-	-	-	10,859
Materials and supplies	1,734	-	-	-	1,734
Rentals and insurance	26	-	-	-	26
Other administrative expenses	587	-	-	-	587
Other program expenses	8,373	-	10	8,243	16,626
Interest expense	250	-	767	75,493	76,510
Issuance costs	-	-	-	5,980	5,980
Amortization on service release premium	43	-	-	-	43
Total operating expenses	<u>46,149</u>	<u>-</u>	<u>777</u>	<u>89,716</u>	<u>136,642</u>
Operating income (loss)	<u>(17,354)</u>	<u>1,195</u>	<u>1,116</u>	<u>33,808</u>	<u>18,765</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Federal grants revenue	339,793	-	-	-	339,793
Federal grants expenses	(341,418)	-	-	-	(341,418)
Local grants expenses	(5,780)	-	-	-	(5,780)
Total nonoperating revenues (expenses)	<u>(7,405)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,405)</u>
Income (loss) before transfers	<u>(24,759)</u>	<u>1,195</u>	<u>1,116</u>	<u>33,808</u>	<u>11,360</u>
Transfers (to) other funds	-	(9,816)	(705)	(334)	(10,855)
Transfers from other funds	10,855	-	-	-	10,855
Change in net position	<u>(13,904)</u>	<u>(8,621)</u>	<u>411</u>	<u>33,474</u>	<u>11,360</u>
Total net position, July 1	37,085	82,288	15,118	436,939	571,430
Total net position, End of period	<u>\$ 23,181</u>	<u>\$ 73,667</u>	<u>\$ 15,529</u>	<u>\$ 470,413</u>	<u>\$ 582,790</u>

**TENNESSEE HOUSING DEVELOPMENT AGENCY**  
**SCHEDULES OF CASH FLOWS**  
(Expressed in Thousands)  
(Unaudited)

For the Nine Months Ended March 31, 2024

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2024
Cash flows from operating activities:					
Receipts from customers	\$ -	\$ 5,774	\$ 5,870	\$ 313,073	\$ 324,717
Receipts from federal government	15,416	-	-	-	15,416
Receipts from other funds	4	-	-	-	4
Other miscellaneous receipts	11,706	314	-	7	12,027
Acquisition of mortgage loans	-	(5,528)	-	(562,675)	(568,203)
Payments to suppliers	(40,805)	(2)	(14)	(12,307)	(53,128)
Payments to federal government	-	-	-	(1)	(1)
Payments to other funds	-	-	-	(4)	(4)
Payments to or for employees	(25,657)	-	-	-	(25,657)
Net cash provided (used) by operating activities	<u>(39,336)</u>	<u>558</u>	<u>5,856</u>	<u>(261,907)</u>	<u>(294,829)</u>
Cash flows from non-capital financing activities:					
Operating grants received	372,719	-	-	-	372,719
Transfers in (out)	10,855	(9,816)	(705)	(334)	-
Proceeds from sale of bonds	-	-	-	879,716	879,716
Operating grants paid	(365,702)	-	-	-	(365,702)
Cost of issuance paid	-	-	-	(5,980)	(5,980)
Principal payments	-	-	(4,785)	(171,195)	(175,980)
Interest paid	(224)	-	(1,323)	(96,955)	(98,502)
Net cash provided (used) by non-capital financing activities	<u>17,648</u>	<u>(9,816)</u>	<u>(6,813)</u>	<u>605,252</u>	<u>606,271</u>
Cash flows from investing activities:					
Proceeds from sales and maturities of investments	-	160	3,080	231,210	234,450
Purchases of investments	-	(2,000)	(1,016)	(350,875)	(353,891)
Investment interest received	1,313	511	85	11,565	13,474
Increase in fair value of investments subject to fair value reporting and classified as cash equivalents	-	171	30	5,001	5,202
Net cash provided (used) by investing activities	<u>1,313</u>	<u>(1,158)</u>	<u>2,179</u>	<u>(103,099)</u>	<u>(100,765)</u>
Net increase (decrease) in cash and cash equivalents	(20,375)	(10,416)	1,222	240,246	210,677
Cash and cash equivalents, July 1	<u>188,859</u>	<u>29,431</u>	<u>899</u>	<u>186,786</u>	<u>405,975</u>
Cash and cash equivalents, End of period	<u>\$ 168,484</u>	<u>\$ 19,015</u>	<u>\$ 2,121</u>	<u>\$ 427,032</u>	<u>\$ 616,652</u>

**TENNESSEE HOUSING DEVELOPMENT AGENCY**  
**SCHEDULES OF CASH FLOWS (cont.)**  
(Expressed in Thousands)  
(Unaudited)

For the Nine Months Ended March 31, 2024

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2024
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (17,354)	\$ 1,195	\$ 1,116	\$ 33,808	\$ 18,765
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
Accounts receivable	3,112	45	(30)	3,067	6,194
Mortgage interest receivable	(12)	-	30	(3,140)	(3,122)
Loans held for resale	(3,794)	4,510	-	-	716
Mortgage loans receivable	(3)	(2,992)	4,315	(352,061)	(350,741)
Due from federal government	57	-	-	-	57
Other receivables	1,358	-	-	(3,942)	(2,584)
Unearned service release premium	(779)	-	-	-	(779)
Interfund receivables	4	-	-	-	4
Interfund payables	-	-	-	(4)	(4)
Accounts payable	(13,633)	(2)	(5)	541	(13,099)
Accrued payroll / compensated absences	(946)	-	-	-	(946)
Due to primary government	(101)	-	-	-	(101)
Line of credit payable	3,901	-	-	-	3,901
Unearned revenue	(10,083)	(1,389)	-	2,547	(8,925)
Increase in arbitrage rebate liability	-	-	-	(1)	(1)
Investment income / expense included as operating revenue	(1,313)	(809)	(337)	(24,195)	(26,654)
Interest expense included as operating expense	250	-	767	75,493	76,510
Issuance cost included as operating expense	-	-	-	5,980	5,980
<b>Total adjustments</b>	<b>(21,982)</b>	<b>(637)</b>	<b>4,740</b>	<b>(295,715)</b>	<b>(313,594)</b>
<b>Net cash provided (used) by operating activities</b>	<b>\$ (39,336)</b>	<b>\$ 558</b>	<b>\$ 5,856</b>	<b>\$ (261,907)</b>	<b>\$ (294,829)</b>
Noncash investing, capital, and financing activities:					
Increase in fair value of investments	-	72	203	3,789	4,064
<b>Total noncash investing, capital, and financing activities</b>	<b>\$ -</b>	<b>\$ 72</b>	<b>\$ 203</b>	<b>\$ 3,789</b>	<b>\$ 4,064</b>