

***UNAUDITED FINANCIAL
INFORMATION***

March 31, 2025

I, Michell Bosch, 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.

Michell Bosch
Signature

May 23, 2025
Date

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

	March 31, 2025				
	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2025
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 105,271	\$ 18,163	\$ 662	\$ 449,937	\$ 574,033
Investments	-	221	2,009	136,733	138,963
Receivables:					
Accounts	10,302	73	35	6,845	17,255
Interest	23	10	226	19,339	19,598
Loans held for resale	3,971	-	-	-	3,971
First and second mortgage loans	-	2,629	1,738	78,956	83,323
Due from federal government	30,183	-	-	-	30,183
Due from other state funds	2,187	-	-	-	2,187
Due from other funds	-	-	-	30,434	30,434
Total current assets	151,937	21,096	4,670	722,244	899,947
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	23,573	-	1,011	7,985	32,569
Investments	-	-	5,022	117,807	122,829
Investment interest receivable	-	-	39	1,200	1,239
Investments	-	1,000	-	394,100	395,100
First mortgage loans receivable	8	50,576	37,546	2,966,394	3,054,524
Allowance for non-performing first mortgage loans	-	-	(11)	(289)	(300)
Second mortgage loans receivable	-	-	-	132,316	132,316
Allowance for uncollectable second mortgages	-	-	-	(5,160)	(5,160)
Unamortized service release premium of in house mortgages	2,677	-	-	24,210	26,887
Unearned service release premium	2,980	-	-	-	2,980
Advance to local government	3,146	-	-	-	3,146
Net pension asset	45	-	-	-	45
Capital assets:					
Furniture and equipment	15,672	-	-	-	15,672
Less accumulated depreciation	(11,077)	-	-	-	(11,077)
Total noncurrent assets	37,024	51,576	43,607	3,638,563	3,770,770
Total assets	188,961	72,672	48,277	4,360,807	4,670,717
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount on refundings	-	-	-	22	22
Deferred outflows related to pensions	5,963	-	-	-	5,963
Deferred outflows related to OPEB	310	-	-	-	310
Deferred outflows related to defeased bonds	-	-	-	844	844
Total deferred outflows of resources	6,273	-	-	866	7,139
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 4,525	\$ 12	\$ -	\$ -	\$ 4,537
Compensated absences	1,470	-	-	-	1,470
Interest payable	18	-	267	37,598	37,883
Escrow deposits	9,659	-	-	-	9,659
Prepayments on mortgage loans	10	-	25	2,166	2,201
Line of credit payable	3,805	-	-	-	3,805
Due to other funds	30,434	-	-	-	30,434
Bonds payable	-	-	2,320	116,040	118,360
Total current liabilities	49,921	12	2,612	155,804	208,349
Noncurrent liabilities:					
Bonds payable	-	-	28,971	3,626,057	3,655,028
Compensated absences	1,609	-	-	-	1,609
Net pension liability	4,618	-	-	-	4,618
Total OPEB liability	662	-	-	-	662
Escrow deposits	14,862	58	-	5	14,925
Unearned revenue	112,840	1,191	-	14,244	128,275
Arbitrage rebate payable	-	-	-	597	597
Total noncurrent liabilities	134,591	1,249	28,971	3,640,903	3,805,714
Total liabilities	184,512	1,261	31,583	3,796,707	4,014,063
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	146	-	-	-	146
Deferred inflows related to OPEB	1,385	-	-	-	1,385
Total deferred inflows of resources	1,531	-	-	-	1,531
NET POSITION					
Net investment in capital assets	4,594	-	-	-	4,594
Restricted for single family bond programs	-	10,989	16,694	564,966	592,649
Restricted for grant programs	-	20,721	-	-	20,721
Restricted for Homebuyers Revolving Loan Program	3,154	-	-	-	3,154
Restricted for pension asset	45	-	-	-	45
Unrestricted	1,398	39,701	-	-	41,099
Total net position	\$ 9,191	\$ 71,411	\$ 16,694	\$ 564,966	\$ 662,262

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

For the Nine Months Ended March 31, 2025

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2025
OPERATING REVENUES					
Mortgage interest income	\$ 441	\$ 60	\$ 1,409	\$ 109,766	\$ 111,676
Investment income:					
Interest	330	266	155	24,823	25,574
Net increase in fair value of investments	-	336	159	22,609	23,104
Federal grant administration fees	19,073	-	-	-	19,073
Fees and other income	12,991	250	-	-	13,241
Total operating revenues	32,835	912	1,723	157,198	192,668
OPERATING EXPENSES					
Salaries and benefits	26,363	-	-	-	26,363
Contractual services	14,827	-	-	-	14,827
Materials and supplies	1,702	-	-	-	1,702
Rentals and insurance	17	-	-	-	17
Other administrative expenses	8,766	-	-	-	8,766
Other program expenses	5,413	-	12	1,026	6,451
Interest expense	150	-	745	99,519	100,414
Issuance costs	-	-	-	775	775
Amortization on service release premium	60	-	-	-	60
Total operating expenses	57,298	-	757	101,320	159,375
Operating income (loss)	(24,463)	912	966	55,878	33,293
NONOPERATING REVENUES (EXPENSES)					
Federal grants revenue	376,279	-	-	-	376,279
Federal grants expenses	(376,716)	-	-	-	(376,716)
Local grants expenses	(5,478)	-	-	-	(5,478)
Total nonoperating revenues (expenses)	(5,915)	-	-	-	(5,915)
Income (loss) before transfers	(30,379)	912	965	55,879	27,377
Transfers (to) other funds	-	(9,127)	(126)	(17,439)	(26,692)
Transfers from other funds	26,692	-	-	-	26,692
Change in net position	(3,687)	(8,215)	839	38,440	27,377
 Total net position, July 1	 12,878	 79,626	 15,855	 526,526	 634,885
Total net position, End of period	\$ 9,191	\$ 71,411	\$ 16,694	\$ 564,966	\$ 662,262

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

For the Nine Months Ended March 31, 2025

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2025
Cash flows from operating activities:					
Receipts from customers	\$ -	\$ 3,185	\$ 3,869	\$ 468,687	\$ 475,741
Receipts from federal government	18,921	-	-	-	18,921
Receipts from other funds	-	-	-	1,282	1,282
Other miscellaneous receipts	12,991	250	-	-	13,241
Acquisition of mortgage loans	-	(1,199)	-	(338,040)	(339,239)
Payments to suppliers	(76,906)	-	(17)	(2,373)	(79,296)
Payments to other funds	(1,282)	-	-	-	(1,282)
Payments to or for employees	(27,913)	-	-	-	(27,913)
Net cash provided (used) by operating activities	(74,189)	2,236	3,852	129,556	61,455
Cash flows from non-capital financing activities:					
Operating grants received	400,129	-	-	-	400,129
Transfers in (out)	26,692	(9,127)	(126)	(17,439)	-
Proceeds from sale of bonds	-	-	-	255,953	255,953
Operating grants paid	(403,752)	-	-	-	(403,752)
Cost of issuance paid	-	-	-	(775)	(775)
Principal payments	-	-	(2,625)	(194,730)	(197,355)
Interest paid	(154)	-	(1,133)	(135,184)	(136,471)
Net cash provided (used) by non-capital financing activities	22,915	(9,127)	(3,884)	(92,175)	(82,271)
Cash flows from investing activities:					
Proceeds from sales and maturities of investments	-	5,964	5,102	705,286	716,352
Purchases of investments	-	(1,000)	(5,698)	(756,440)	(763,138)
Investment interest received	330	266	133	22,613	23,342
Increase in fair value of investments subject to fair value reporting and classified as cash equivalents	-	212	19	7,675	7,906
Net cash provided (used) by investing activities	330	5,442	(444)	(20,866)	(15,538)
Net increase (decrease) in cash and cash equivalents	(50,944)	(1,449)	(476)	16,515	(36,354)
Cash and cash equivalents, July 1	179,788	19,612	2,149	441,407	642,956
Cash and cash equivalents, End of period	\$ 128,844	\$ 18,163	\$ 1,673	\$ 457,922	\$ 606,602

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

For the Nine Months Ended March 31, 2025

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2025
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (24,463)	\$ 912	\$ 966	\$ 55,878	\$ 33,293
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
Accounts receivable	(2,282)	883	(7)	1,946	540
Mortgage interest receivable	14	(10)	(8)	(1,365)	(1,369)
Loans held for resale	2,931	-	-	-	2,931
Mortgage loans receivable	-	1,302	2,475	18,394	22,171
Due to federal government	(152)	-	-	-	(152)
Unamortized service release premium of in house mortgages	1,608	-	-	(1,294)	314
Unearned service release premium	(1,276)	-	-	-	(1,276)
Interfund receivables	-	-	-	1,282	1,282
Interfund payables	(1,282)	-	-	-	(1,282)
Accounts payable	(38,887)	11	(5)	(53)	(38,934)
Accrued payroll / compensated absences	(1,146)	-	-	-	(1,146)
Due to primary government	(94)	-	-	-	(94)
Line of credit payable	(3,012)	-	-	-	(3,012)
Unearned revenue	(5,968)	(260)	-	1,906	(4,322)
Investment income included as operating revenue	(330)	(602)	(314)	(47,432)	(48,678)
Interest expense included as operating expense	150	-	745	99,519	100,414
Issuance cost included as operating expense	-	-	-	775	775
Total adjustments	(49,726)	1,324	2,886	73,678	28,162
Net cash provided (used) by operating activities	\$ (74,189)	\$ 2,236	\$ 3,852	\$ 129,556	\$ 61,455
Noncash investing, capital, and financing activities:					
Increase in fair value of investments	-	64	75	10,169	10,308
Total noncash investing, capital, and financing activities	\$ -	\$ 64	\$ 75	\$ 10,169	\$ 10,308