

***UNAUDITED FINANCIAL
INFORMATION***

September 30, 2024

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

February 27, 2025
Date

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

September 30, 2024

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 9/30/2024
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 106,556	\$ 17,948	\$ 1,152	\$ 340,919	\$ 466,575
Investments	-	6,152	643	211,926	218,721
Receivables:					
Accounts	8,219	71	41	6,769	15,100
Interest	45	8	217	17,348	17,618
Loans held for resale	7,551	-	-	-	7,551
First and second mortgage loans	-	2,629	1,737	78,399	82,765
Due from federal government	27,820	-	-	-	27,820
Due from other state funds	3,879	-	-	-	3,879
Due from other funds	-	-	-	31,353	31,353
Total current assets	154,070	26,808	3,790	686,714	871,382
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	37,273	-	533	22,836	60,642
Investments	-	-	5,604	102,514	108,118
Investment interest receivable	-	-	32	799	831
Investments	-	-	-	267,471	267,471
First mortgage loans receivable	8	51,749	39,427	2,996,595	3,087,779
Allowance for non-performing first mortgage loans	-	(17)	-	(226)	(243)
Second mortgage loans receivable	-	-	-	127,629	127,629
Allowance for uncollectable second mortgages	-	-	-	(5,037)	(5,037)
Unamortized service release premium of in house mortgages	3,758	-	-	23,458	27,216
Unearned service release premium	2,154	-	-	-	2,154
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	50,979	51,732	45,596	3,536,039	3,684,346
Total assets	205,049	78,540	49,386	4,222,753	4,555,728
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount on refundings	-	-	-	23	23
Deferred outflows related to pensions	5,963	-	-	-	5,963
Deferred outflows related to OPEB	310	-	-	-	310
Deferred outflows related to defeased bonds	-	-	-	871	871
Total deferred outflows of resources	6,273	-	-	894	7,167
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 1,428	\$ 12	\$ -	\$ -	\$ 1,440
Accrued payroll and related liabilities	1,113	-	-	-	1,113
Compensated absences	1,470	-	-	-	1,470
Interest payable	43	-	279	36,273	36,595
Escrow deposits	23,503	-	-	-	23,503
Prepayments on mortgage loans	5	-	27	2,031	2,063
Line of credit payable	7,435	-	-	-	7,435
Due to other funds	25,490	5,863	-	-	31,353
Bonds payable	-	-	2,270	115,720	117,990
Total current liabilities	60,487	5,875	2,576	154,024	222,962
Noncurrent liabilities:					
Bonds payable	-	-	30,616	3,509,087	3,539,703
Compensated absences	1,609	-	-	-	1,609
Net pension liability	4,618	-	-	-	4,618
Total OPEB liability	662	-	-	-	662
Escrow deposits	16,300	48	-	5	16,353
Unearned revenue	118,323	1,378	-	13,161	132,862
Arbitrage rebate payable	-	-	-	597	597
Total noncurrent liabilities	141,512	1,426	30,616	3,522,850	3,696,404
Total liabilities	201,999	7,301	33,192	3,676,874	3,919,366
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	-	14,021	16,194	546,773	576,988
Restricted for grant programs	-	20,153	-	-	20,153
Restricted for Homebuyers Revolving Loan Program	3,154	-	-	-	3,154
Restricted for pension asset	45	-	-	-	45
Unrestricted	-	37,065	-	-	37,065
Total net position	\$ 7,793	\$ 71,239	\$ 16,194	\$ 546,773	\$ 641,999

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

For the Three Months Ended September 30, 2024

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 9/30/2024
OPERATING REVENUES					
Mortgage interest income	\$ 141	\$ 22	\$ 502	\$ 36,655	\$ 37,320
Investment income:					
Interest	3	94	54	6,069	6,220
Net increase (decrease) in the fair value of investments	-	188	78	13,544	13,810
Federal grant administration fees	3,889	-	-	-	3,889
Fees and other income	5,315	63	-	-	5,378
Total operating revenues	9,348	367	634	56,268	66,617
OPERATING EXPENSES					
Salaries and benefits	8,974	-	-	-	8,974
Contractual services	4,151	-	-	-	4,151
Materials and supplies	451	-	-	-	451
Rentals and insurance	5	-	-	-	5
Other administrative expenses	163	-	-	-	163
Other program expenses	10,153	-	-	350	10,503
Interest expense	22	-	229	32,005	32,256
Amortization on service release premium	24	-	-	-	24
Total operating expenses	23,943	-	229	32,355	56,527
Operating income (loss)	(14,595)	367	405	23,913	10,090
NONOPERATING REVENUES (EXPENSES)					
Federal grants revenue	96,227	-	-	-	96,227
Federal grants expenses	(97,239)	-	-	-	(97,239)
Local grants expenses	(1,964)	-	-	-	(1,964)
Total nonoperating revenues (expenses)	(2,976)	-	-	-	(2,976)
Income (loss) before transfers	(17,571)	367	405	23,913	7,114
Transfers (to) other funds	-	(8,754)	(66)	(3,666)	(12,486)
Transfers from other funds	12,486	-	-	-	12,486
Change in net position	(5,085)	(8,387)	339	20,247	7,114
Total net position, July 1	12,878	79,626	15,855	526,526	634,885
Total net position, End of period	\$ 7,793	\$ 71,239	\$ 16,194	\$ 546,773	\$ 641,999

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

For the Three Months Ended September 30, 2024

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 9/30/2024
Cash flows from operating activities:					
Receipts from customers	\$ -	\$ 1,775	\$ 1,074	\$ 173,824	\$ 176,673
Receipts from federal government	3,737	-	-	-	3,737
Receipts from other funds	-	5,863	-	363	6,226
Other miscellaneous receipts	5,315	63	-	-	5,378
Acquisition of mortgage loans	-	(799)	-	(141,564)	(142,363)
Payments to suppliers	(42,143)	-	(2)	(1,037)	(43,182)
Payments to other funds	(6,226)	-	-	-	(6,226)
Payments to or for employees	(9,117)	-	-	-	(9,117)
Net cash provided (used) by operating activities	<u>(48,434)</u>	<u>6,902</u>	<u>1,072</u>	<u>31,586</u>	<u>(8,874)</u>
Cash flows from non-capital financing activities:					
Operating grants received	120,748	-	-	-	120,748
Transfers in (out)	12,486	(8,754)	(66)	(3,666)	-
Operating grants paid	(120,761)	-	-	-	(120,761)
Principal payments	-	-	(1,060)	(62,295)	(63,355)
Interest paid	(1)	-	(576)	(62,794)	(63,371)
Net cash provided (used) by non-capital financing activities	<u>12,472</u>	<u>(8,754)</u>	<u>(1,702)</u>	<u>(128,755)</u>	<u>(126,739)</u>
Cash flows from investing activities:					
Proceeds from sales and maturities of investments	-	-	765	191,482	192,247
Purchases of investments	-	-	(640)	(180,620)	(181,260)
Investment interest received	3	91	39	5,332	5,465
Increase in fair value of investments subject to fair value reporting and classified as cash equivalents	-	97	2	3,323	3,422
Net cash provided by investing activities	<u>3</u>	<u>188</u>	<u>166</u>	<u>19,517</u>	<u>19,874</u>
Net increase (decrease) in cash and cash equivalents	(35,959)	(1,664)	(464)	(77,652)	(115,739)
Cash and cash equivalents, July 1	179,788	19,612	2,149	441,407	642,956
Cash and cash equivalents, End of period	<u>\$ 143,829</u>	<u>\$ 17,948</u>	<u>\$ 1,685</u>	<u>\$ 363,755</u>	<u>\$ 527,217</u>

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

For the Three Months Ended September 30, 2024

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 9/30/2024
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (14,595)	\$ 367	\$ 405	\$ 23,913	\$ 10,090
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
Accounts receivable	(199)	885	(13)	2,022	2,695
Mortgage interest receivable	(8)	(5)	1	(445)	(457)
Loans held for resale	(649)	-	-	-	(649)
Mortgage loans receivable	-	146	584	(6,749)	(6,019)
Due from federal government	(152)	-	-	-	(152)
Unamortized service release premium of in house mortgages	526	-	-	(542)	(16)
Unearned service release premium	(450)	-	-	-	(450)
Interfund receivables	-	5,863	-	363	6,226
Interfund payables	(6,226)	-	-	-	(6,226)
Accounts payable	(26,707)	1	(2)	(189)	(26,897)
Accrued payroll / compensated absences	(33)	-	-	-	(33)
Due to primary government	(94)	-	-	-	(94)
Line of credit payable	618	-	-	-	618
Unearned revenue	(484)	(72)	-	821	265
Investment income / expense included as operating revenue	(3)	(283)	(132)	(19,613)	(20,031)
Interest expense included as operating expense	22	-	229	32,005	32,256
Total adjustments	<u>(33,839)</u>	<u>6,535</u>	<u>667</u>	<u>7,673</u>	<u>(18,964)</u>
Net cash provided (used) by operating activities	<u>\$ (48,434)</u>	<u>\$ 6,902</u>	<u>\$ 1,072</u>	<u>\$ 31,586</u>	<u>\$ (8,874)</u>
Noncash investing, capital, and financing activities:					
Increase in fair value of investments	-	11	111	6,327	6,449
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ 11</u>	<u>\$ 111</u>	<u>\$ 6,327</u>	<u>\$ 6,449</u>