

***UNAUDITED FINANCIAL
INFORMATION***

December 31, 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.



Signature

February 27, 2025

Date

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

December 31, 2024

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 12/31/2024
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 104,409	\$ 23,522	\$ 2,570	\$ 446,478	\$ 576,979
Investments	-	219	650	348,734	349,603
Receivables:					
Accounts	11,018	76	39	6,754	17,887
Interest	33	-	232	18,930	19,195
Loans held for resale	7,160	-	-	-	7,160
First and second mortgage loans	-	2,643	1,747	78,876	83,266
Due from federal government	32,675	-	-	-	32,675
Due from other state funds	3,181	-	-	-	3,181
Due from other funds	-	-	-	30,431	30,431
Total current assets	158,476	26,460	5,238	930,203	1,120,377
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	15,364	-	502	7,174	23,040
Investments	-	-	5,639	117,357	122,996
Investment interest receivable	-	-	17	591	608
Investments	-	-	-	342,482	342,482
First mortgage loans receivable	8	51,384	38,493	2,966,055	3,055,940
Allowance for non-performing first mortgage loans	-	(17)	(8)	(419)	(444)
Second mortgage loans receivable	-	-	-	130,338	130,338
Allowance for uncollectable second mortgages	-	-	-	(5,113)	(5,113)
Unamortized service release premium of in house mortgages	3,171	-	-	23,793	26,964
Unearned service release premium	2,505	-	-	-	2,505
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	28,834	51,367	44,643	3,582,258	3,707,102
Total assets	187,310	77,827	49,881	4,512,461	4,827,479
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	-	-	-	857	857
Total deferred outflows of resources	6,273	-	-	880	7,153
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 6,374	\$ 11	\$ 1	\$ 163	\$ 6,549
Compensated absences	1,470	-	-	-	1,470
Interest payable	25	-	558	72,623	73,206
Escrow deposits	3,187	-	-	-	3,187
Prepayments on mortgage loans	9	-	24	2,014	2,047
Line of credit payable	7,017	-	-	-	7,017
Due to other funds	30,431	-	-	-	30,431
Bonds payable	-	-	2,715	189,780	192,495
Total current liabilities	48,513	11	3,298	264,580	316,402
Noncurrent liabilities:					
Bonds payable	-	-	30,166	3,690,175	3,720,341
Compensated absences	1,609	-	-	-	1,609
Net pension liability	4,618	-	-	-	4,618
Total OPEB liability	662	-	-	-	662
Escrow deposits	15,933	48	-	5	15,986
Unearned revenue	109,636	1,190	-	13,860	124,686
Arbitrage rebate payable	-	-	-	597	597
Total noncurrent liabilities	132,458	1,238	30,166	3,704,637	3,868,499
Total liabilities	180,971	1,249	33,464	3,969,217	4,184,901
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	-	13,682	16,417	544,124	574,223
Restricted for grant programs	-	19,059	-	-	19,059
Restricted for Homebuyers Revolving Loan Program	3,154	-	-	-	3,154
Restricted for pension asset	45	-	-	-	45
Unrestricted	3,288	43,837	-	-	47,125
Total net position	\$ 11,081	\$ 76,578	\$ 16,417	\$ 544,124	\$ 648,200

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

For the Six Months Ended December 31, 2024

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 12/31/2024
OPERATING REVENUES					
Mortgage interest income	\$ 370	\$ 46	\$ 959	\$ 73,018	\$ 74,393
Investment income:					
Interest	31	175	103	14,087	14,396
Net increase in fair value of investments	-	277	113	14,574	14,964
Federal grant administration fees	11,533	-	-	-	11,533
Fees and other income	10,827	138	-	2	10,967
Total operating revenues	22,761	636	1,175	101,681	126,253
OPERATING EXPENSES					
Salaries and benefits	17,625	-	-	-	17,625
Contractual services	8,575	-	-	-	8,575
Materials and supplies	1,107	-	-	-	1,107
Rentals and insurance	11	-	-	-	11
Other administrative expenses	375	-	-	-	375
Other program expenses	11,880	-	11	980	12,871
Interest expense	76	-	503	67,572	68,151
Issuance costs	-	-	-	762	762
Amortization on service release premium	38	-	-	-	38
Total operating expenses	39,687	-	514	69,314	109,515
Operating income (loss)	(16,926)	636	661	32,367	16,738
NONOPERATING REVENUES (EXPENSES)					
Federal grants revenue	232,433	-	-	-	232,433
Federal grants expenses	(232,711)	-	-	-	(232,711)
Local grants expenses	(3,145)	-	-	-	(3,145)
Total nonoperating revenues (expenses)	(3,423)	-	-	-	(3,423)
Income (loss) before transfers	(20,349)	636	661	32,367	13,315
Transfers (to) other funds	-	(3,684)	(99)	(14,769)	(18,552)
Transfers from other funds	18,552	-	-	-	18,552
Change in net position	(1,797)	(3,048)	562	17,598	13,315
Total net position, July 1	12,878	79,626	15,855	526,526	634,885
Total net position, End of period	\$ 11,081	\$ 76,578	\$ 16,417	\$ 544,124	\$ 648,200

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

For the Six Months Ended December 31, 2024

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 12/31/2024
Cash flows from operating activities:					
Receipts from customers	\$ -	\$ 2,364	\$ 2,450	\$ 340,041	\$ 344,855
Receipts from federal government	11,381	-	-	-	11,381
Receipts from other funds	-	-	-	1,285	1,285
Other miscellaneous receipts	10,827	138	-	2	10,967
Acquisition of mortgage loans	-	(1,199)	-	(243,876)	(245,075)
Payments to suppliers	(75,820)	-	(15)	(1,899)	(77,734)
Payments to other funds	(1,285)	-	-	-	(1,285)
Payments to or for employees	(19,011)	-	-	-	(19,011)
Net cash provided (used) by operating activities	<u>(73,908)</u>	<u>1,303</u>	<u>2,435</u>	<u>95,553</u>	<u>25,383</u>
Cash flows from non-capital financing activities:					
Operating grants received	252,797	-	-	-	252,797
Transfers in (out)	18,552	(3,684)	(99)	(14,769)	-
Proceeds from sale of bonds	-	-	-	255,953	255,953
Operating grants paid	(257,414)	-	-	-	(257,414)
Cost of issuance paid	-	-	-	(762)	(762)
Principal payments	-	-	(1,060)	(62,295)	(63,355)
Interest paid	(73)	-	(576)	(62,803)	(63,452)
Net cash provided (used) by non-capital financing activities	<u>13,862</u>	<u>(3,684)</u>	<u>(1,735)</u>	<u>115,324</u>	<u>123,767</u>
Cash flows from investing activities:					
Proceeds from sales and maturities of investments	-	5,962	2,542	334,746	343,250
Purchases of investments	-	-	(2,435)	(552,139)	(554,574)
Investment interest received	31	175	103	12,815	13,124
Increase in fair value of investments subject to fair value reporting and classified as cash equivalents	-	154	13	5,946	6,113
Net cash provided (used) by investing activities	<u>31</u>	<u>6,291</u>	<u>223</u>	<u>(198,632)</u>	<u>(192,087)</u>
Net increase (decrease) in cash and cash equivalents	(60,015)	3,910	923	12,245	(42,937)
Cash and cash equivalents, July 1	179,788	19,612	2,149	441,407	642,956
Cash and cash equivalents, End of period	<u>\$ 119,773</u>	<u>\$ 23,522</u>	<u>\$ 3,072</u>	<u>\$ 453,652</u>	<u>\$ 600,019</u>

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

For the Six Months Ended December 31, 2024

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 12/31/2024
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (16,926)	\$ 636	\$ 661	\$ 32,367	\$ 16,738
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
Accounts receivable	(2,998)	881	(10)	2,037	(90)
Mortgage interest receivable	4	-	(14)	(1,285)	(1,295)
Loans held for resale	(258)	-	-	-	(258)
Mortgage loans receivable	-	497	1,516	20,874	22,887
Due to federal government	(152)	-	-	-	(152)
Unamortized service release premium of in house mortgages	1,114	-	-	(877)	237
Unearned service release premium	(801)	-	-	-	(801)
Interfund receivables	-	-	-	1,285	1,285
Interfund payables	(1,285)	-	-	-	(1,285)
Accounts payable	(42,440)	-	(5)	(43)	(42,488)
Accrued payroll / compensated absences	(1,146)	-	-	-	(1,146)
Due to primary government	(94)	-	-	-	(94)
Line of credit payable	200	-	-	-	200
Unearned revenue	(9,171)	(259)	-	1,522	(7,908)
Investment income included as operating revenue	(31)	(452)	(216)	(28,661)	(29,360)
Interest expense included as operating expense	76	-	503	67,572	68,151
Issuance cost included as operating expense	-	-	-	762	762
Total adjustments	<u>(56,982)</u>	<u>667</u>	<u>1,774</u>	<u>63,186</u>	<u>8,645</u>
Net cash provided (used) by operating activities	<u>\$ (73,908)</u>	<u>\$ 1,303</u>	<u>\$ 2,435</u>	<u>\$ 95,553</u>	<u>\$ 25,383</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>