

***UNAUDITED FINANCIAL
INFORMATION***

March 31, 2022

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

5/26/2022

Date

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

March 31, 2022

	Operating Group	Mortgage Finance Program	Home- ownership Program Bonds	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2022
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 177,056	\$ 15,929	\$ -	\$ 3,652	\$ 255,935	\$ 452,572
Investments	-	-	-	-	40,904	40,904
Receivables:						
Accounts	11,712	36	61	188	6,188	18,185
Interest	4	4	46	432	16,625	17,111
Loans held for resale	1,137	-	-	-	-	1,137
First mortgage loans	-	2,415	1,413	1,992	73,757	79,577
Due from federal government	30,193	-	-	-	-	30,193
Due from other state funds	14,733	-	-	-	-	14,733
Due from other funds	-	-	68	-	35,422	35,490
Total current assets	234,835	18,384	1,588	6,264	428,831	689,902
Noncurrent assets:						
Restricted assets:						
Cash and cash equivalents	20,639	-	-	18	9,185	29,842
Investments	-	-	-	6,313	105,571	111,884
Investment interest receivable	-	-	-	2	283	285
Investments	-	2,079	-	-	32,109	34,188
First mortgage loans receivable	8	46,027	-	51,692	2,480,778	2,578,505
Second mortgage loans receivable	-	-	81,914	-	-	81,914
Allowance for uncollectable second mortgages	-	-	(35,996)	-	-	(35,996)
Other receivables	8,174	-	-	-	14,584	22,758
Unearned service release premium	415	-	-	-	-	415
Advance to local government	3,146	-	-	-	-	3,146
Net pension asset	230	-	-	-	-	230
Capital assets:						
Furniture and equipment	10,706	-	-	-	-	10,706
Less accumulated depreciation	(5,535)	-	-	-	-	(5,535)
Total noncurrent assets	37,783	48,106	45,918	58,025	2,642,510	2,832,342
Total assets	272,618	66,490	47,506	64,289	3,071,341	3,522,244
DEFERRED OUTFLOWS OF RESOURCES						
Deferred amount on refundings	-	-	-	-	29	29
Deferred outflows related to pensions	2,749	-	-	-	-	2,749
Deferred outflows related to OPEB	237	-	-	-	-	237
Deferred outflows related to defeased bonds	-	-	-	-	1,004	1,004
Total deferred outflows of resources	2,986	-	-	-	1,033	4,019
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 6,419	\$ 11	\$ -	\$ -	\$ 4	\$ 6,434
Compensated absences	861	-	-	-	-	861
Interest payable	1	-	-	423	19,387	19,811
Escrow deposits	13,391	-	-	-	-	13,391
Prepayments on mortgage loans	1	-	10	30	1,157	1,198
Line of credit payable	1,131	-	-	-	-	1,131
Due to federal government	762	-	-	-	-	762
Due to other funds	35,490	-	-	-	-	35,490
Bonds payable	-	-	-	1,975	167,110	169,085
Total current liabilities	58,056	11	10	2,428	187,658	248,163
Noncurrent liabilities:						
Bonds payable	-	-	32	48,689	2,485,945	2,534,666
Compensated absences	1,006	-	-	-	-	1,006
Net pension liability	7,122	-	-	-	-	7,122
Total OPEB liability	1,389	-	-	-	-	1,389
Escrow deposits	15,429	48	-	-	4	15,481
Unearned revenue	163,323	2,471	-	-	418	166,212
Total noncurrent liabilities	188,269	2,519	32	48,689	2,486,367	2,725,876
Total liabilities	246,325	2,530	42	51,117	2,674,025	2,974,039
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	315	-	-	-	-	315
Deferred inflows related to OPEB	1,792	-	-	-	-	1,792
Total deferred inflows of resources	2,107	-	-	-	-	2,107
NET POSITION						
Net investment in capital assets	5,171	-	-	-	-	5,171
Restricted for single family bond programs	-	3,791	47,464	13,172	398,349	462,776
Restricted for grant programs	-	17,890	-	-	-	17,890
Restricted for Homebuyers Revolving Loan Program	3,153	-	-	-	-	3,153
Restricted for pension asset	230	-	-	-	-	230
Unrestricted	18,618	42,279	-	-	-	60,897
Total net position	\$ 27,172	\$ 63,960	\$ 47,464	\$ 13,172	\$ 398,349	\$ 550,117

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

For the Nine Months Ended March 31, 2022

	Operating Group	Mortgage Finance Program	Home- ownership Program Bonds	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2022
OPERATING REVENUES						
Mortgage interest income	\$ 39	\$ 13	\$ 1,549	\$ 2,136	\$ 78,840	\$ 82,577
Investment income:						
Interest	100	19	142	27	934	1,222
Net decrease in the fair value of investments	-	(94)	(716)	(289)	(6,081)	(7,180)
Federal grant administration fees	27,857	-	-	-	-	27,857
Fees and other income	10,630	-	2,785	-	-	13,415
Total operating revenues	<u>38,626</u>	<u>(62)</u>	<u>3,760</u>	<u>1,874</u>	<u>73,693</u>	<u>117,891</u>
OPERATING EXPENSES						
Salaries and benefits	19,376	-	-	-	-	19,376
Contractual services	22,196	-	-	-	16	22,212
Materials and supplies	1,213	-	-	-	-	1,213
Rentals and insurance	28	-	-	-	-	28
Other administrative expenses	248	-	-	-	-	248
Other program expenses	7,885	-	3,452	57	834	12,228
Interest expense	14	-	803	1,155	51,386	53,358
Issuance costs	-	-	-	-	1,762	1,762
Amortization on service release premium	13	-	-	-	-	13
Total operating expenses	<u>50,973</u>	<u>-</u>	<u>4,255</u>	<u>1,212</u>	<u>53,998</u>	<u>110,438</u>
Operating income (loss)	<u>(12,347)</u>	<u>(62)</u>	<u>(495)</u>	<u>662</u>	<u>19,695</u>	<u>7,453</u>
NONOPERATING REVENUES (EXPENSES)						
Federal grants revenue	334,270	-	-	-	-	334,270
Federal grants expenses	(334,335)	-	-	-	-	(334,335)
Local grants expenses	(5,942)	-	-	-	-	(5,942)
Total nonoperating revenues (expenses)	<u>(6,007)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,007)</u>
Income (loss) before transfers	<u>(18,354)</u>	<u>(62)</u>	<u>(495)</u>	<u>662</u>	<u>19,695</u>	<u>1,446</u>
Transfers (to) other funds	-	(14,693)	(43,667)	-	-	(58,360)
Transfers from other funds	36,972	-	-	567	20,821	58,360
Change in net position	<u>18,618</u>	<u>(14,755)</u>	<u>(44,162)</u>	<u>1,229</u>	<u>40,516</u>	<u>1,446</u>
Total net position, July 1	8,554	78,715	91,626	11,943	357,833	548,671
Total net position, End of period	<u>\$ 27,172</u>	<u>\$ 63,960</u>	<u>\$ 47,464</u>	<u>\$ 13,172</u>	<u>\$ 398,349</u>	<u>\$ 550,117</u>

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

For the Nine Months Ended March 31, 2022

	Operating Group	Mortgage Finance Program	Home- ownership Program Bonds	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2022
Cash flows from operating activities:						
Receipts from customers	\$ 135,882	\$ 5,332	\$ 23,352	\$ 13,641	\$ 486,491	\$ 664,698
Receipts from federal government	27,516	-	-	-	-	27,516
Receipts from other funds	-	-	-	-	17,378	17,378
Other miscellaneous receipts	10,630	-	2,785	-	-	13,415
Acquisition of mortgage loans	-	(1,850)	(12,349)	-	(270,248)	(284,447)
Payments to suppliers	(36,962)	-	(24)	(60)	(794)	(37,840)
Payments to other funds	(11,804)	(5,574)	-	-	-	(17,378)
Payments to or for employees	(20,338)	-	-	-	-	(20,338)
Net cash provided (used) by operating activities	<u>104,924</u>	<u>(2,092)</u>	<u>13,764</u>	<u>13,581</u>	<u>232,827</u>	<u>363,004</u>
Cash flows from non-capital financing activities:						
Operating grants received	317,415	-	-	-	-	317,415
Transfers in (out)	36,972	(14,693)	27,225	567	(50,071)	-
Proceeds from sale of bonds	-	-	-	-	276,535	276,535
Operating grants paid	(357,168)	-	-	-	-	(357,168)
Cost of issuance paid	-	-	-	-	(1,762)	(1,762)
Principal payments	-	-	(59,800)	(12,220)	(400,425)	(472,445)
Interest paid	(14)	-	(2,048)	(2,040)	(82,961)	(87,063)
Net cash (used) by non-capital financing activities	<u>(2,795)</u>	<u>(14,693)</u>	<u>(34,623)</u>	<u>(13,693)</u>	<u>(258,684)</u>	<u>(324,488)</u>
Cash flows from investing activities:						
Proceeds from sales and maturities of investments	-	9,179	13,346	2,845	153,295	178,665
Purchases of investments	-	(1,225)	-	(4,345)	(149,868)	(155,438)
Investment interest received	100	15	272	32	806	1,225
Increase in fair value of investments subject to fair value reporting and classified as cash equivalents	-	2	1	-	43	46
Net cash provided (used) by investing activities	<u>100</u>	<u>7,971</u>	<u>13,619</u>	<u>(1,468)</u>	<u>4,276</u>	<u>24,498</u>
Net increase (decrease) in cash and cash equivalents	102,229	(8,814)	(7,240)	(1,580)	(21,581)	63,014
Cash and cash equivalents, July 1	<u>95,466</u>	<u>24,743</u>	<u>7,240</u>	<u>5,250</u>	<u>286,701</u>	<u>419,400</u>
Cash and cash equivalents, End of period	<u>\$ 197,695</u>	<u>\$ 15,929</u>	<u>\$ -</u>	<u>\$ 3,670</u>	<u>\$ 265,120</u>	<u>\$ 482,414</u>

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

For the Nine Months Ended March 31, 2022

	Operating Group	Mortgage Finance Program	Home- ownership Program Bonds	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2022
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ (12,347)	\$ (62)	\$ (495)	\$ 662	\$ 19,695	\$ 7,453
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Changes in assets and liabilities:						
Accounts receivable	(152)	463	555	(75)	600	1,391
Mortgage interest receivable	(1)	-	611	224	1,883	2,717
Loans held for resale	643	-	-	-	-	643
Mortgage loans receivable	669	720	11,761	11,363	134,900	159,413
Due from federal government	(341)	-	-	-	-	(341)
Other receivables	1,660	-	-	-	175	1,835
Unearned service release premium	(152)	-	-	-	-	(152)
Interfund receivables	-	-	-	-	17,378	17,378
Interfund payables	(11,804)	(5,574)	-	-	-	(17,378)
Accounts payable	(17,732)	(185)	(45)	(10)	(517)	(18,489)
Accrued payroll / compensated absences	(855)	-	-	-	-	(855)
Due to primary government	(92)	-	-	-	-	(92)
Line of credit payable	(647)	-	-	-	-	(647)
Unearned revenue	146,161	2,471	-	-	418	149,050
Investment income / expense included as operating revenue	(100)	75	574	262	5,147	5,958
Interest expense included as operating expense	14	-	803	1,155	51,386	53,358
Issuance cost included as operating expense	-	-	-	-	1,762	1,762
Total adjustments	<u>117,271</u>	<u>(2,030)</u>	<u>14,259</u>	<u>12,919</u>	<u>213,132</u>	<u>355,551</u>
Net cash provided (used) by operating activities	<u>\$ 104,924</u>	<u>\$ (2,092)</u>	<u>\$ 13,764</u>	<u>\$ 13,581</u>	<u>\$ 232,827</u>	<u>\$ 363,004</u>
Noncash investing, capital, and financing activities:						
Decrease in fair value of investments	-	(86)	-	(289)	(6,162)	(6,537)
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ (86)</u>	<u>\$ -</u>	<u>\$ (289)</u>	<u>\$ (6,162)</u>	<u>\$ (6,537)</u>