



***UNAUDITED FINANCIAL
INFORMATION***

September 30, 2020

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



Date

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

September 30, 2020

	Operating Group	Mortgage Finance Program	Home- ownership Program Bonds	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 9/30/2020
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 10,404	\$ 24,605	\$ 5,917	\$ 2,359	\$ 223,824	\$ 267,109
Investments	-	715	1,590	1,010	58,586	61,901
Receivables:						
Accounts	9,208	59	748	444	7,933	18,392
Interest	1	5	691	760	15,048	16,505
Loans held for resale	2,069	-	-	-	-	2,069
First mortgage loans	96	2,350	5,180	2,564	69,319	79,509
Due from federal government	26,406	-	-	-	-	26,406
Due from other funds	-	-	68	-	36,433	36,501
Total current assets	48,184	27,734	14,194	7,137	411,143	508,392
Noncurrent assets:						
Restricted assets:						
Cash and cash equivalents	50,521	-	1,853	38	8,098	60,510
Investments	-	-	15,490	6,574	105,627	127,691
Investment interest receivable	-	-	44	6	101	151
Investments	-	1,858	-	-	2,456	4,314
First mortgage loans receivable	584	46,873	85,483	72,355	2,617,666	2,822,961
Second mortgage loans receivable	-	-	81,525	-	-	81,525
Allowance for uncollectable second mortgages	-	-	(30,283)	-	-	(30,283)
Other receivables	11,553	-	-	-	13,562	25,115
Unearned service release premium	52	-	-	-	-	52
Advance to local government	3,144	-	-	-	-	3,144
Net pension asset	261	-	-	-	-	261
Capital assets:						
Furniture and equipment	9,180	-	-	-	-	9,180
Less accumulated depreciation	(3,999)	-	-	-	-	(3,999)
Total noncurrent assets	71,296	48,731	154,112	78,973	2,747,510	3,100,622
Total assets	119,480	76,465	168,306	86,110	3,158,653	3,609,014
DEFERRED OUTFLOWS OF RESOURCES						
Deferred amount on refundings	-	-	-	-	166	166
Deferred outflows related to pensions	2,982	-	-	-	-	2,982
Deferred outflows related to OPEB	233	-	-	-	-	233
Deferred outflows related to defeased bonds	-	-	-	-	1,087	1,087
Total deferred outflows of resources	3,215	-	-	-	1,253	4,468
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 1,513	\$ 11	\$ -	\$ -	\$ 5	\$ 1,529
Accrued payroll and related liabilities	800	-	-	-	-	800
Compensated absences	827	-	-	-	-	827
Interest payable	2	-	642	607	22,270	23,521
Escrow deposits	30,496	-	-	-	-	30,496
Prepayments on mortgage loans	-	-	51	37	1,288	1,376
Line of credit payable	2,071	-	-	-	-	2,071
Due to federal government	15,954	-	-	-	-	15,954
Due to other funds	36,501	-	-	-	-	36,501
Bonds payable	-	-	5,095	3,315	104,485	112,895
Total current liabilities	88,164	11	5,788	3,959	128,048	225,970
Noncurrent liabilities:						
Bonds payable	-	-	67,158	70,358	2,681,594	2,819,110
Compensated absences	858	-	-	-	-	858
Net pension liability	6,288	-	-	-	-	6,288
Total OPEB liability	1,653	-	-	-	-	1,653
Escrow deposits	9,286	234	-	-	9,499	19,019
Arbitrage rebate payable	-	-	23	-	-	23
Total noncurrent liabilities	18,085	234	67,181	70,358	2,691,093	2,846,951
Total liabilities	106,249	245	72,969	74,317	2,819,141	3,072,921
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	1,097	-	-	-	-	1,097
Deferred inflows related to OPEB	1,842	-	-	-	-	1,842
Total deferred inflows of resources	2,939	-	-	-	-	2,939
NET POSITION						
Net investment in capital assets	5,181	-	-	-	-	5,181
Restricted for single family bond programs	-	-	95,337	11,793	340,765	447,895
Restricted for grant programs	-	21,311	-	-	-	21,311
Restricted for Homebuyers Revolving Loan Prog	3,153	-	-	-	-	3,153
Restricted for pension asset	261	-	-	-	-	261
Unrestricted	4,912	54,909	-	-	-	59,821
Total net position	\$ 13,507	\$ 76,220	\$ 95,337	\$ 11,793	\$ 340,765	\$ 537,622

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

For the Three Months Ended September 30, 2020

	Operating Group	Mortgage Finance Program	Home- ownership Program Bonds	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 9/30/2020
OPERATING REVENUES						
Mortgage interest income	\$ 17	\$ 20	\$ 1,138	\$ 896	\$ 28,851	\$ 30,922
Investment income:						
Interest	25	5	87	6	194	317
Net (decrease) in the fair value of investments	-	(2)	(70)	(1)	(54)	(127)
Federal grant administration fees	3,680	-	-	-	-	3,680
Fees and other income	2,444	1	-	-	-	2,445
Total operating revenues	<u>6,166</u>	<u>24</u>	<u>1,155</u>	<u>901</u>	<u>28,991</u>	<u>37,237</u>
OPERATING EXPENSES						
Salaries and benefits	5,815	-	-	-	-	5,815
Contractual services	1,406	-	-	-	-	1,406
Materials and supplies	288	-	-	-	-	288
Rentals and insurance	9	-	-	-	-	9
Other administrative expenses	50	-	-	-	-	50
Other program expenses	1,599	260	1,802	45	362	4,068
Interest expense	6	-	533	508	19,180	20,227
Issuance costs	-	-	-	-	1,110	1,110
Amortization on service release premium	8	-	-	-	-	8
Total operating expenses	<u>9,181</u>	<u>260</u>	<u>2,335</u>	<u>553</u>	<u>20,652</u>	<u>32,981</u>
Operating income (loss)	<u>(3,015)</u>	<u>(236)</u>	<u>(1,180)</u>	<u>348</u>	<u>8,339</u>	<u>4,256</u>
NONOPERATING REVENUES (EXPENSES)						
Federal grants revenue	66,807	-	-	-	-	66,807
Federal grants expenses	(66,783)	-	-	-	-	(66,783)
Local grants expenses	(2,025)	-	-	-	-	(2,025)
Total nonoperating revenues (expenses)	<u>(2,001)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,001)</u>
Income (loss) before transfers	<u>(5,016)</u>	<u>(236)</u>	<u>(1,180)</u>	<u>348</u>	<u>8,339</u>	<u>2,255</u>
Transfers (to) other funds	-	-	(2,249)	-	(23,086)	(25,335)
Transfers from other funds	9,592	15,218	-	525	-	25,335
Change in net position	<u>4,576</u>	<u>14,982</u>	<u>(3,429)</u>	<u>873</u>	<u>(14,747)</u>	<u>2,255</u>
Total net position, July 1	8,931	61,238	98,766	10,920	355,512	535,367
Total net position, End of period	<u>\$ 13,507</u>	<u>\$ 76,220</u>	<u>\$ 95,337</u>	<u>\$ 11,793</u>	<u>\$ 340,765</u>	<u>\$ 537,622</u>

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

For the Three Months Ended September 30, 2020

	Operating Group	Mortgage Finance Program	Home- ownership Program Bonds	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 9/30/2020
Cash flows from operating activities:						
Receipts from customers	\$ 1,319	\$ 1,098	\$ 7,198	\$ 4,106	\$ 130,426	\$ 144,147
Receipts from federal government	3,497	-	-	-	-	3,497
Receipts from other funds	3,572	-	-	-	-	3,572
Other miscellaneous receipts	2,444	1	-	-	-	2,445
Acquisition of mortgage loans	-	(724)	(5,513)	-	(115,807)	(122,044)
Payments to suppliers	(9,747)	(281)	(30)	(51)	(1,572)	(11,681)
Payments to other funds	-	-	-	-	(3,572)	(3,572)
Payments to or for employees	(5,833)	-	-	-	-	(5,833)
Net cash provided (used) by operating activities	<u>(4,748)</u>	<u>94</u>	<u>1,655</u>	<u>4,055</u>	<u>9,475</u>	<u>10,531</u>
Cash flows from non-capital financing activities:						
Operating grants received	82,017	-	-	-	-	82,017
Transfers in (out)	9,592	15,218	(2,249)	525	(23,086)	-
Proceeds from sale of bonds	-	-	-	-	148,502	148,502
Operating grants paid	(80,036)	-	-	-	-	(80,036)
Cost of issuance paid	-	-	-	-	(1,110)	(1,110)
Principal payments	-	-	(3,270)	(9,455)	(81,260)	(93,985)
Interest paid	2	-	(1,352)	(1,409)	(41,479)	(44,238)
Net cash provided (used) by non-capital financing activities	<u>11,575</u>	<u>15,218</u>	<u>(6,871)</u>	<u>(10,339)</u>	<u>1,567</u>	<u>11,150</u>
Cash flows from investing activities:						
Proceeds from sales and maturities of investments	-	9,999	1,300	1,120	101,597	114,016
Purchases of investments	-	(10,834)	(2,890)	(2,129)	(53,156)	(69,009)
Investment interest received	25	-	173	1	317	516
Increase in fair value of investments subject to fair value reporting and classified as cash equivalents	-	-	-	-	3	3
Net cash provided (used) by investing activities	<u>25</u>	<u>(835)</u>	<u>(1,417)</u>	<u>(1,008)</u>	<u>48,761</u>	<u>45,526</u>
Net increase (decrease) in cash and cash equivalents	6,852	14,477	(6,633)	(7,292)	59,803	67,207
Cash and cash equivalents, July 1	<u>54,073</u>	<u>10,128</u>	<u>14,403</u>	<u>9,689</u>	<u>172,119</u>	<u>260,412</u>
Cash and cash equivalents, End of period	<u>\$ 60,925</u>	<u>\$ 24,605</u>	<u>\$ 7,770</u>	<u>\$ 2,397</u>	<u>\$ 231,922</u>	<u>\$ 327,619</u>

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

For the Three Months Ended September 30, 2020

	Operating Group	Mortgage Finance Program	Home- ownership Program Bonds	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 9/30/2020
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	\$ (3,015)	\$ (236)	\$ (1,180)	\$ 348	\$ 8,339	\$ 4,256
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	(918)	(59)	(148)	92	141	(892)
(Increase) decrease in mortgage interest receivable	(2)	-	(8)	16	(1,020)	(1,014)
(Increase) decrease in loans held for resale	(157)	-	-	-	2	(155)
(Increase) decrease in mortgage loans receivable	-	413	2,477	3,105	(22,463)	(16,468)
(Increase) in due from federal government	(183)	-	-	-	-	(183)
(Increase) decrease in other receivables	402	-	-	-	(1,096)	(694)
(Increase) in unearned service release premium	(39)	-	-	-	-	(39)
Decrease in interfund receivables	3,572	-	-	-	-	3,572
(Decrease) in interfund payables	-	-	-	-	(3,572)	(3,572)
Increase (decrease) in accounts payable	(4,445)	(21)	(2)	(9)	8,994	4,517
(Decrease) in accrued payroll / compensated absences	(15)	-	-	-	-	(15)
(Decrease) in due to primary government	(79)	-	-	-	-	(79)
Increase in line of credit payable	156	-	-	-	-	156
Investment income included as operating revenue	(25)	(3)	(17)	(5)	(140)	(190)
Interest expense included as operating expense	-	-	533	508	19,180	20,221
Issuance cost included as operating expense	-	-	-	-	1,110	1,110
Total adjustments	<u>(1,733)</u>	<u>330</u>	<u>2,835</u>	<u>3,707</u>	<u>1,136</u>	<u>6,275</u>
Net cash provided (used) by operating activities	<u>\$ (4,748)</u>	<u>\$ 94</u>	<u>\$ 1,655</u>	<u>\$ 4,055</u>	<u>\$ 9,475</u>	<u>\$ 10,531</u>
Noncash investing, capital, and financing activities:						
(Decrease) in fair value of investments	-	(3)	(70)	(1)	(50)	(124)
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ (3)</u>	<u>\$ (70)</u>	<u>\$ (1)</u>	<u>\$ (50)</u>	<u>\$ (124)</u>