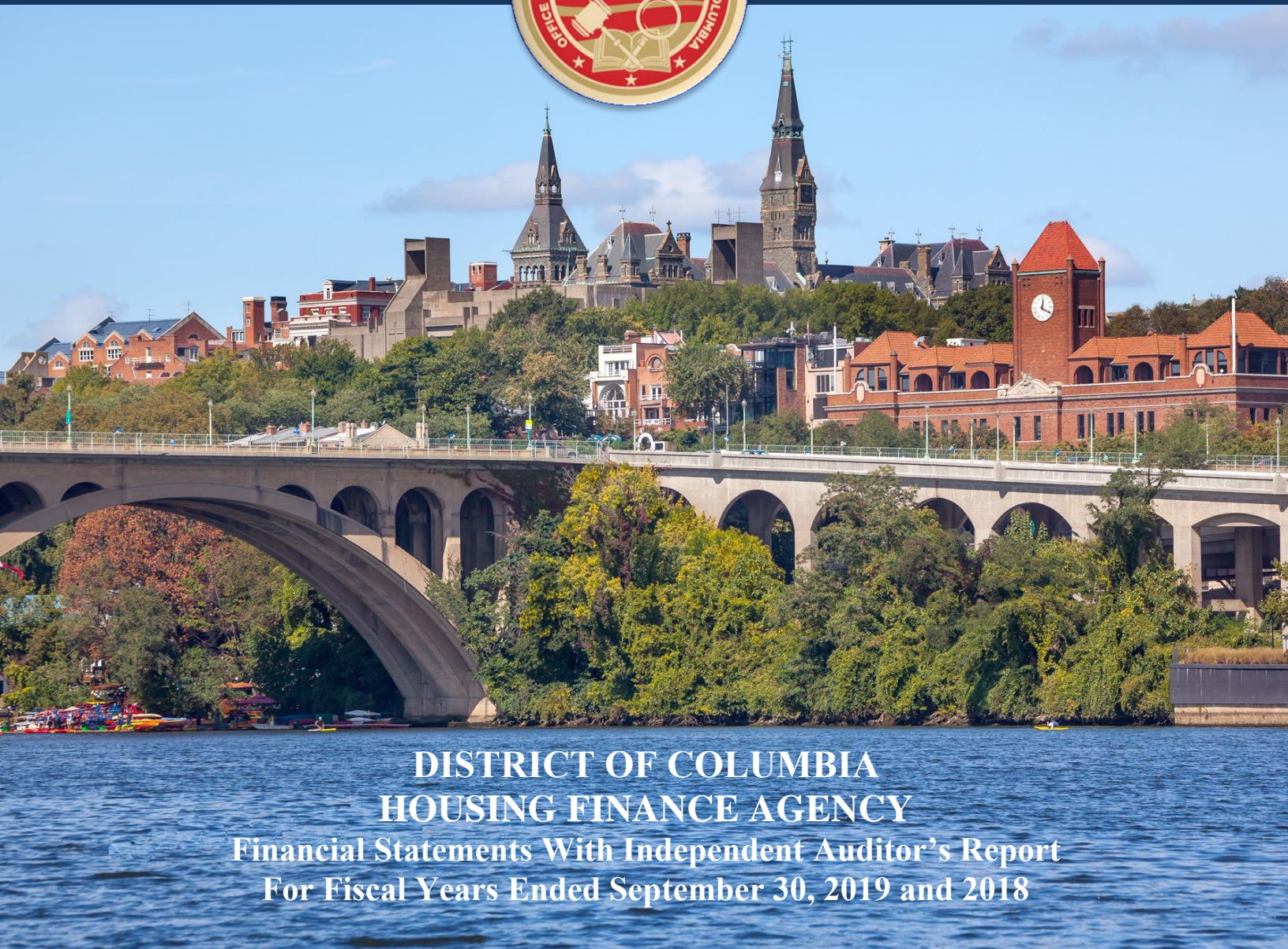


# DISTRICT OF COLUMBIA OFFICE OF THE INSPECTOR GENERAL

OIG Project No. 20-1-14HF

January 2020



## DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY

Financial Statements With Independent Auditor's Report  
For Fiscal Years Ended September 30, 2019 and 2018

### *Guiding Principles*

*Workforce Engagement \* Stakeholders Engagement \* Process-oriented \* Innovation  
\* Accountability \* Professionalism \* Objectivity and Independence \* Communication \* Collaboration  
\* Diversity \* Measurement \* Continuous Improvement*

## **Mission**

Our mission is to independently audit, inspect, and investigate matters pertaining to the District of Columbia government in order to:

- prevent and detect corruption, mismanagement, waste, fraud, and abuse;
- promote economy, efficiency, effectiveness, and accountability;
- inform stakeholders about issues relating to District programs and operations; and
- recommend and track the implementation of corrective actions.

## **Vision**

Our vision is to be a world-class Office of the Inspector General that is customer-focused, and sets the standard for oversight excellence!

## **Core Values**

Excellence \* Integrity \* Respect \* Creativity \* Ownership  
\* Transparency \* Empowerment \* Courage \* Passion  
\* Leadership



GOVERNMENT OF THE DISTRICT OF COLUMBIA

Office of the Inspector General

Inspector General



January 31, 2020

The Honorable Muriel Bowser  
Mayor of the District of Columbia  
Mayor's Correspondence Unit  
1350 Pennsylvania Avenue, N.W., Suite 316  
Washington, D.C. 20004

The Honorable Phil Mendelson  
Chairman  
Council of the District of Columbia  
John A. Wilson Building  
1350 Pennsylvania Avenue, N.W., Suite 504  
Washington, D.C. 20004


Dear Mayor Bowser and Chairman Mendelson:

Enclosed is the final report entitled *District of Columbia Housing Finance Agency Financial Statements With Independent Auditor's Report for the Fiscal Years Ended September 30, 2019 and 2018* (OIG No. 20-1-14HF). CohnReznick LLP (CohnReznick) conducted the audit and submitted this component report as part of our overall contract for the audit of the District of Columbia's general-purpose financial statements for fiscal year 2019.

On December 23, 2019, CohnReznick issued its opinion and concluded that the financial statements are presented fairly in all material respects, in accordance with accounting principles generally accepted in the United States of America. CohnReznick identified no material weaknesses in internal control over financial reporting.

If you have questions about this report, please contact me or Benjamin Huddle, Assistant Inspector General for Audits, at (202) 727-2540.

Sincerely,

  
Daniel W. Lucas  
Inspector General

DWL/ws

Enclosure

cc: See Distribution List

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**District of Columbia  
Housing Finance Agency**

Financial Statements With  
Independent Auditor's Report  
Years Ended September 30, 2019 and 2018

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY  
 FINANCIAL STATEMENTS WITH  
 INDEPENDENT AUDITOR’S REPORT  
 YEARS ENDED SEPTEMBER 30, 2019 AND 2018**

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## Independent Auditor's Report

To the Board of Directors  
District of Columbia Housing Finance Agency

We have audited the accompanying financial statements of the District of Columbia Housing Finance Agency (the "Agency"), a component unit of the Government of the District of Columbia, as of and for the years ended September 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency, as of September 30, 2019 and 2018, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The supplemental information on pages 53 through 87 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2019, on our consideration of the District of Columbia Housing Finance Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District of Columbia Housing Finance Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District of Columbia Housing Finance Agency's internal control over financial reporting and compliance.



Baltimore, Maryland  
December 23, 2019



**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2019 AND 2018 (UNAUDITED)**

Our discussion and analysis of the District of Columbia Housing Finance Agency’s financial performance provides an overview of the Agency’s financial activities for the years ended September 30, 2019 and 2018. The financial statements, accompanying notes, and additional information should be read in conjunction with the following discussion.

**Overview**

The District of Columbia Housing Finance Agency (the “Agency”) was established in 1979 to stimulate and expand homeownership and rental housing opportunities for low and moderate-income families in the District of Columbia (the “District”). The Agency primarily issues taxable and tax-exempt mortgage revenue bonds to lower the financing costs for single family homebuyers and multifamily developers acquiring, constructing, and rehabilitating rental housing in the District. In addition, the Agency administers the issuance of 4% low-income housing tax credits on behalf of the District of Columbia Department of Housing and Community Development (“DHCD”), to achieve its affordable housing preservation, rehabilitation, and development objectives. The Agency is self-sustaining and its budget, finances, procurement, and personnel system are independent of the District government.

The Agency accounts for its financial activities using program revenues and funds, through housing revenue bonds financing and mortgage enhancement and lending programs, for its single family and multifamily loan programs and its general operations. The Agency’s General Fund is used to record the receipt of income not directly pledged for repayment of debt securities, to pay expenses related to the Agency’s administrative functions and operations, including bond program administration, mortgage servicing, the United States Department of Housing and Urban Development (“HUD”) Risk-Sharing insurance program and the McKinney Act loan program. The Agency’s currently active bond programs include (i) single family mortgage revenue bonds, (ii) multifamily housing revenue bonds (conduit financing), (iii) multifamily development program bonds, for acquisition, construction, rehabilitation of single family homes and multifamily residential rental projects, and refinancing of existing debt. In conjunction with the Agency’s multifamily revenue bonds, developers may be entitled to 4% Low Income Housing Tax Credits under the Internal Revenue Code.

The Agency also operates programs that include down payment and closing cost assistance, pre-development loans, construction monitoring services, multifamily mortgage loan servicing and a wide range of other technical assistance services that are available to prospective homeowners, developers and to the Washington D.C. Metropolitan Area at large.

These single family and multifamily programs funds are used to account for proceeds of bonds, notes, debentures or other financial indebtedness of the Agency issued under these programs, cash and investments held under the bond indenture revenue fund, debt service reserve fund, rebate fund, redemption fund and program subsidy fund, mortgage loans held pursuant to the bond indenture, and repayments and prepayments collected from mortgage loans originated under the bond indenture.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2019 AND 2018 (UNAUDITED)**

The accompanying financial statements exclude the Agency’s HomeSaver Program (a U.S. Treasury Hardest Hit Fund Initiative). The Agency prepares separate financial statements for the HomeSaver Program Fund, which is set up to account for the HomeSaver Program proceeds received under the U.S. Treasury Hardest Hit Fund Initiative. The proceeds are used for program disbursements to fund mortgage loans to the homeowners of the District of Columbia who are at risk of foreclosure and who have experienced involuntary job loss or become underemployed with decreased employment income, and to pay the Agency’s administrative expenses of the HomeSaver Program. Additionally, the proceeds are used for program disbursements to fund real property tax liabilities for homeowners of the District of Columbia who are at risk of foreclosure due to delinquent real property tax payments.

**Financial Highlights for the Year Ended September 30, 2019, and Comparative Financial Highlights for the Years Ended September 30, 2018 and 2017**

Significant Macroeconomic Factors and Program Updates

The Agency’s total debt portfolio increased by \$58.3 million from \$1,447.1 million in fiscal year 2018 to \$1,505.4 million in fiscal year 2019. In fiscal year 2018, the portfolio increased from \$1,141.2 million at the beginning of the year to \$1,447.1 million at year-end, and in fiscal year 2017, the portfolio decreased by \$5.8 million, when the debt portfolio decreased from \$1,147.0 million to \$1,141.2 million. The total amount of bonds issued during fiscal year 2019 was \$240.4 million, comprised completely of multifamily project issuance, compared to \$406.7 million in total new multifamily bond issuance in fiscal year 2018. In fiscal year 2017, total debt issuance was \$193.3 million.

The Agency currently maintains a committed credit line with the PNC Bank, National Association (“PNC Bank”), in the total amount of \$15.0 million that can be used to address liquidity needs as they arise and as a source of low interest rate liquidity to fund the acquisition of single family mortgage-backed securities pending the issuance of permanent long-term single family mortgage revenue bonds at a future date. As of September 30, 2019, the outstanding balance on the PNC credit line totaled \$2.0 million, up from \$-0- at the end of fiscal year 2018. The Agency intends to continue to maintain access to the PNC credit line for any future supplemental liquidity needs.

In March 2017, DCHFAs entered into a grant agreement with the DC Department of Housing and Community Development (“DHCD”) as the sub-recipient in the administration of Community Development Block Grant (“CDBG”) funds. Accordingly, the Agency established a \$3,000,000 line of credit with Industrial Bank to serve as a facility to fund Home Purchase Assistance Program (“HPAP”) loans. The Industrial Bank credit line is paid down upon receipt of reimbursements from DHCD on a monthly basis. As of September 30, 2019, the outstanding balance on the credit line totaled \$1.5 million, down from \$1.7 million at the end of fiscal year 2018.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2019 AND 2018 (UNAUDITED)**

**Basic Financial Statements**

The accompanying financial statements include: Statements of Net Position, Statements of Revenues, Expenses and Change in Net Position and Statements of Cash Flows. The Statement of Net Position shows the financial position of the Agency and its programs as of the end of the reporting period, while the Statement of Revenues, Expenses and Change in Net Position shows the results of operations for the reporting period. The Statement of Cash Flows shows sources and uses of cash in the operating, investing and financing activities of the Agency and its programs.

During fiscal year 2014, the Agency executed an economic refunding of several of its multifamily bond series and recorded a deferred outflow of resources associated with the bond refunding in its Statement of Net Position for the fiscal years 2016, 2015 and 2014. In fiscal year 2016, the Agency adopted GASB No. 72, Fair Value Measurement and Application.

Subsequently in fiscal year 2017, the Agency issued pass-through revenue refunding bonds under the new Multifamily Development Program ("MFDP") indenture. Proceeds generated from the refunding bonds were used to refund five prior bonds outstanding under different indentures. The refunding transaction generates debt service savings over the life of the bonds.

**Financial Statement Analysis**

The following information is an analysis of the Agency's financial statements for the year ended September 30, 2019, compared to the financial statements for the years ended September 30, 2018 and 2017:

	<u>2019</u>	<u>Net Change</u>	<u>2018</u>	<u>Net Change</u>	<u>2017</u>
Current assets	\$ 314,167,747	-25.1%	\$ 419,391,612	69.5%	\$ 247,386,987
Non-current other assets	1,560,758,751	16.6%	1,338,562,893	18.9%	1,125,833,972
Non-current capital assets	2,575,036	0.9%	2,552,886	5.5%	2,420,877
<b>Total assets</b>	<b><u>1,877,501,534</u></b>	<b>6.6%</b>	<b><u>1,760,507,391</u></b>	<b>28.0%</b>	<b><u>1,375,641,836</u></b>
Total deferred outflow of resources	<u>197,556</u>	<b>-4.4%</b>	<u>206,615</u>	<b>-4.2%</b>	<u>215,674</u>
Current liabilities	\$ 259,169,330	14.8%	\$ 225,830,001	50.3%	\$ 150,245,966
Non-current liabilities	1,477,297,807	4.5%	1,413,317,566	27.1%	1,112,408,793
<b>Total liabilities</b>	<b><u>1,736,467,137</u></b>	<b>5.9%</b>	<b><u>1,639,147,567</u></b>	<b>29.8%</b>	<b><u>1,262,654,759</u></b>
<b>Net position:</b>					
Net invested in capital assets	<u>2,575,036</u>	0.9%	<u>2,552,886</u>	5.5%	<u>2,420,877</u>
Restricted for:					
Bond fund, collateral and Risk Share Program	38,108,111	30.0%	29,302,688	1.5%	28,863,175
McKinney Act Fund	9,167,744	2.7%	8,927,945	16.9%	7,638,929
Total Restricted	<u>47,275,855</u>	23.7%	<u>38,230,633</u>	4.7%	<u>36,502,104</u>
Unrestricted	<u>91,381,062</u>	13.1%	<u>80,782,920</u>	8.8%	<u>74,279,770</u>
<b>Total Net Position</b>	<b><u>141,231,953</u></b>	<b>16.2%</b>	<b><u>121,566,439</u></b>	<b>7.4%</b>	<b><u>113,202,751</u></b>
<b>Total Liabilities and Net Position</b>	<b><u>\$ 1,877,699,090</u></b>	<b>6.6%</b>	<b><u>\$ 1,760,714,006</u></b>	<b>28.0%</b>	<b><u>\$ 1,375,857,510</u></b>

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2019 AND 2018 (UNAUDITED)**

In fiscal year 2019, the Agency's combined assets increased by 6.6%, compared to the 28.0% increase in fiscal year 2018. The increase in assets is a function of increases in mortgage loans receivable as well as unrestricted cash, cash equivalents and investments held in trust. The current liabilities have increased 14.8% and 50.3%, respectively, in fiscal years 2019 and 2018 because of prepaid fees and changes in the project funds held for borrower. The 0.9% increase in net invested in capital assets in fiscal year 2019 was due to various factors: 1) depreciation and amortization of the accumulated capital assets, 2) the increase of investment in software and 3) the disposition of furniture and equipment.

Operating Results

During fiscal year 2019, the Agency's combined net position increased by \$19.6 million, or 16.2%, which comprises operating income of \$15.8 million from operations and a non-operating gain of \$3.8 million due to an increase in the unrealized fair value of mortgage-backed securities. For fiscal year 2018, net position increased by \$8.4 million, or 7.4%, consisting of \$9.0 million in operating income offset by the (\$0.6) million non-operating loss due to a decrease in the unrealized fair value of mortgage-backed securities. The value of the securities moves in opposite direction to the market interest rates. The Agency typically holds all of the mortgage-backed securities to the expected life of the underlying loans.

During fiscal year 2019, combined operating revenues increased by \$9.4 million or 10.4% from fiscal year 2018, primarily due to a 20.9% increase in mortgage and construction loans interest income, a 176.6% increase in investment interest income offset by the (14.2%) reduction in mortgage-backed security interest income, a (16.6%) reduction in other revenue primarily from project revenue in multifamily program and financing and annual administration fees in the General Fund, the (62.1%) reduction in the McKinney Act interest revenue, and a (17.0%) decrease in application and commitment fees.

Combined operating expenses in fiscal year 2019 increased by \$2.6 million, or 3.2%, from fiscal year 2018, primarily due to a 19.7% increase in interest expense, a 17.7% increase in personnel and related costs, a 29.8% increase in trustee fees and other expenses, a 9.2% increase in depreciation and amortization expense, and a (38.1%) reduction in general and administrative expenses.

During fiscal year 2018, combined operating revenues increased by \$11.5 million or 14.5% from fiscal year 2017, primarily due to a 18.6% increase in mortgage and construction loans interest income, a 12.6% increase in other revenue primarily from project revenue in multifamily program and financing and annual administration fees in the General Fund, a 46.4% increase in investment interest income, a 35.9% increase in the McKinney Act interest revenue, offset by the (39.2%) reduction in mortgage-backed security interest income, and the (50.1%) decrease in application and commitment fees.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2019 AND 2018 (UNAUDITED)**

Combined operating expenses in fiscal year 2018 increased by \$12.6 million, or 18.4%, from fiscal year 2017, primarily due to a 27.2% increase in general and administrative costs, a 181.0% increase in depreciation and amortization expense, (47.2%) decrease in trustee fees and other expenses (in correlation with the decrease in issuance of new bonds), and a 19.8% jump in interest expense due to the refunding bond deal and redemption of bonds throughout the year.

	<u>2019</u>	<u>Net</u> <u>Change</u>	<u>2018</u>	<u>Net</u> <u>Change</u>	<u>2017</u>
<b>Operating Revenues</b>					
Investment interest income	\$ 8,137,251	176.6%	\$ 2,942,316	46.4%	\$ 2,009,159
Mortgage-backed security interest income	1,629,894	-14.2%	1,899,897	-39.2%	3,124,359
Interest on mortgage and construction loans	61,019,223	20.9%	50,485,049	18.6%	42,563,900
McKinney Act interest revenue	176,596	-62.1%	466,066	35.9%	342,930
Application and commitment fees	117,651	-17.0%	141,783	-50.1%	283,856
Other	28,649,977	-16.6%	34,367,545	12.6%	30,508,783
<b>Total operating revenues</b>	<b>99,730,592</b>	<b>10.4%</b>	<b>90,302,656</b>	<b>14.5%</b>	<b>78,832,987</b>
Non-operating revenues	3,837,813	724.8%	(614,269)	62.8%	(1,650,680)
<b>Total revenue</b>	<b>103,568,405</b>	<b>15.5%</b>	<b>89,688,387</b>	<b>16.2%</b>	<b>77,182,307</b>
<b>Operating Expenses</b>					
General and administrative	14,330,903	-38.1%	23,151,660	27.2%	18,205,393
Personnel and related costs	6,601,018	17.7%	5,606,409	-4.5%	5,871,030
Interest expense	61,387,775	19.7%	51,284,949	19.8%	42,813,074
Depreciation and amortization	427,911	9.2%	391,915	181.0%	139,467
Trustee fees and other expenses	1,155,284	29.8%	889,766	-47.2%	1,686,432
<b>Total operating expenses</b>	<b>83,902,891</b>	<b>3.2%</b>	<b>81,324,699</b>	<b>18.4%</b>	<b>68,715,396</b>
<b>Operating Income (Loss)</b>	<b>15,827,701</b>	<b>76.3%</b>	<b>8,977,957</b>	<b>-11.3%</b>	<b>10,117,591</b>
<b>Change in Net Position</b>	<b>19,665,514</b>	<b>135.1%</b>	<b>8,363,688</b>	<b>-1.2%</b>	<b>8,466,911</b>
<b>Net position, beginning of year</b>	<b>121,566,439</b>	<b>7.4%</b>	<b>113,202,751</b>	<b>8.1%</b>	<b>104,735,840</b>
<b>Net position, end of year</b>	<b>\$ 141,231,953</b>	<b>16.2%</b>	<b>\$ 121,566,439</b>	<b>7.4%</b>	<b>\$ 113,202,751</b>

In fiscal year 2019, the Agency recorded a \$9.9 million operating income and a \$10.9 million overall net income in its General Fund, increasing its General Fund's net position from \$94.9 million at the beginning of the year to \$105.8 million at fiscal year-end. In fiscal years 2018 and 2017, the General Fund's operating income amounted to \$8.0 million and \$8.6 million, respectively.

### Debt Management

Debt activity, including credit lines and mortgage revenue bonds issued (including conduit bonds financing), for the years ended September 30, 2019, 2018 and 2017 was as follows:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 1,447,055,299	\$ 1,141,155,004	\$ 1,147,035,495
New issuance/draws	242,363,180	413,108,016	193,312,143
Redemptions/maturities	(183,982,515)	(107,207,721)	(199,192,634)
Ending balance	<u>\$ 1,505,435,964</u>	<u>\$ 1,447,055,299</u>	<u>\$ 1,141,155,004</u>

In fiscal year 2019, the Agency's combined outstanding debt increased by \$58.5 million from fiscal year 2018. Total single family revenue bonds were reduced by \$3.2 million because of loan prepayment redemptions. No new single family bonds have been issued in fiscal year 2019. As of September 30, 2019, the total outstanding balance on the PNC credit line was \$2.0 million. There was no outstanding balance on the PNC credit line in fiscal year 2018.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2019 AND 2018 (UNAUDITED)**

In March 2017, the Agency established a line of credit with Industrial Bank for the purpose of funding HPAP loans. As of September 30, 2019, the total outstanding balance on the Industrial credit line was \$1.5 million, down from \$1.7 million at the end of fiscal year 2018.

During fiscal year 2019, DCHFA financed fifteen multifamily projects in total through conduit financing and under the Multifamily Development Program Indenture for a total bond issuance amount of \$301.2 million. A number of multifamily revenue bonds, closed in fiscal years 2012-2019, were issued as drawdown bonds, where out of the total amount of bonds closed, only a portion may get drawn during any given reporting period. The amount of such draws during fiscal year 2019 was \$168.9 million. The amount of outstanding multifamily bonds from new issuance and draws on the new and existing drawdown bonds during fiscal year 2019 was \$240.4 million, and, when offset by \$183.7 million in matured and redeemed multifamily bonds, resulted in the net increase in multifamily bonds outstanding of \$56.7 million, compared to a net increase of \$218.2 million in fiscal year 2018.

During fiscal year 2018, DCHFA financed thirteen multifamily projects in total through conduit financing and under the Multifamily Development Program Indenture for a total bond issuance amount of \$319.4 million. A number of multifamily revenue bonds, closed in fiscal years 2012-2018, were issued as drawdown bonds, where out of the total amount of bonds closed, only a portion may get drawn during any given reporting period. The amount of such draws during fiscal year 2018 was \$306.8 million. The amount of outstanding multifamily bonds from new issuance and draws on the new and existing drawdown bonds during fiscal year 2018 was \$133.7 million, and, when offset by \$88.6 million in matured and redeemed multifamily bonds, resulted in the net increase in multifamily bonds outstanding of \$218.2 million, compared to a net decrease of \$5.8 million in fiscal year 2017.

### **Capital Assets**

Capital assets, net of accumulated depreciation and amortization, were \$2.58 million and \$2.55 million as of September 30, 2019 and 2018, respectively, and \$2.4 million as of September 30, 2017. The detailed analysis of changes in capital assets is in Note 5.

### **Key Bond Programs**

#### Multifamily Development Program ("MFDP")

The Agency desired to implement a program that provides flexible financing options for loans made to finance housing projects through the issuance of bonds, notes or other obligation by the Agency. In spring 2017, the Agency established a new multifamily bonds indenture in order to issue its multifamily mortgage revenue bonds, from time to time, for the purpose of (i) providing funds to finance, among other things, the acquisitions, construction, rehabilitation and equipping and/or permanent financing or refinancing of housing projects in the District of Columbia for occupancy by low and moderate income persons and (ii) refunding bonds previously issued by the Agency. On August 17, 2017, the DCHFA issued the Agency's MFDP Series 2017 Pass-Through Revenue Refunding Bonds (Federally Taxable) with an issuance amount of \$34,444,074. The Series 2017 Bonds are the first series of bonds issued under the new parity MFDP indenture. Proceeds generated from the Series 2017 Bonds were used to refund five prior bonds outstanding under different indentures. The refunding transaction will generate debt service savings over the life of the Series 2017 Bonds. Subsequently in fiscal year 2018, the

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Agency issued two money bonds series under the MFDP Indenture - 2018 Series A and 2018 Series B Bonds in the amount of \$25,545,000 and \$74,415,000, respectively, to finance three multifamily projects providing 459 affordable housing units in the District. In fiscal year 2019, the Agency issued two new money bonds series under the MFDP Indenture - 2019 Series A and 2019 Series B Bonds in the amount of \$12,525,000 and \$25,420,000, respectively, to finance two multifamily projects providing 283 affordable housing units in the District. These multifamily projects receive federal and or local rental subsidies providing affordable housing and are eligible for credit enhancement up to 50% of loan losses under FHA Risk-Sharing Program. Total bond redemptions and scheduled maturities for the Multifamily Development Program bonds in fiscal year 2019 was \$10.9 million, bringing the total bonds outstanding up to \$160.7 million at September 30, 2019, from \$133.7 million at September 30, 2018.

Multifamily New Issue Bond Program (“Multifamily NIBP”)

The Multifamily NIBP started in fiscal year 2010 with the issuance of \$168.1 million in taxable escrow bonds. As of September 30, 2012, all of these escrow bonds have been released in the form of tax-exempt bonds to finance sixteen multifamily projects. In addition, \$5.1 million of the Single Family NIBP escrow bonds have been released as tax-exempt bonds to fund one multifamily project. Concurrently with the release of NIBP escrow bonds, the Agency issued \$91.2 million in market bonds, not including \$0.6 million in market bonds issued for an existing project in fiscal year 2013. All seventeen transactions using NIBP bonds were structured as stand-alone pass-through financings with no direct economic recourse to the Agency as the issuer. Some of the bonds issued in fiscal years 2010-2016 were issued as drawdown bonds. There were no draws using this structure for fiscal years 2017, 2018 and 2019. In fiscal year 2019, the net decrease in total Multifamily NIBP bonds outstanding was (\$2.0) million, compared to a net decrease of (\$1.9) million in fiscal year 2018 and a net decrease of (\$47.3) million in fiscal year 2017. As of September 30, 2019, the total bonds outstanding under the Multifamily NIBP were \$136.7 million, compared to \$138.7 million as of September 30, 2018.

Single Family New Issue Bond Program (“Single Family NIBP”)

The Single Family NIBP started in fiscal year 2010 with the issuance of \$25.0 million in taxable escrow bonds. All of the Single Family NIBP bonds remained in escrow as of September 30, 2011. In fiscal year 2012, the Agency used the advantageous cost of NIBP capital to design competitive interest rate mortgage loan products offered to the District homebuyers. The Agency modified and redelivered \$14.2 million of taxable NIBP escrow bonds into tax-exempt mortgage revenue bonds. In fiscal year 2011, due to the non-negative arbitrage nature of the NIBP escrow bonds, the Agency elected to use its own General Fund monies and proceeds from the draw on the PNC Bank credit line to provide interim financing source for the acquisition of the mortgage-backed securities, the practice known as “warehousing.” The warehoused mortgage-backed securities became assets collateralizing the new NIBP tax-exempt bonds issued at the end of calendar year 2011, and the General Fund was reimbursed from the released bond proceeds. Early in fiscal year 2012, the Agency master servicer, Bank of America, terminated its corresponding lender relationship, which disrupted the Agency’s ability to securitize the originated homeownership loans into mortgage-backed securities for the remainder of the year and half of fiscal year 2013. The Agency decided to use \$5.1 million of the single family NIBP escrow bonds to finance one multifamily transaction, which is accounted for under the Multifamily NIBP, and to redeem the \$5.7 million in unused NIBP single family taxable escrow bonds as the deadline for their use was December 31, 2012. Due to the executive management

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decision, the Agency changed its single family business model from bond financing to a purchase and sale of the mortgage backed securities. These purchase and sale transactions are accounted for under the DCHFA General Fund and not under the Single Family Program Funds. Total bond redemptions and maturities for the fiscal year 2019 was \$0.4 million, bringing the total bonds outstanding down to \$4.0 million at September 30, 2019, from \$4.4 million at September 30, 2018.

Single Family Program:

Outside the Single Family NIBP, the Agency has not issued new bonds under the Single Family Program since 2007 due to persistent interest rate disadvantages of pricing loans based on the traditional tax-exempt mortgage revenue bond market. Following the prudent financial management practice of minimizing costs, the Agency elected to carry out more frequent optional bond redemptions. Total bond redemptions and maturities for 1988 and 1996 Single Family Mortgage Revenue Bonds for fiscal year 2019 was \$2.8 million, bringing the total bonds outstanding down to \$3.9 million at September 30, 2019, from \$6.7 million at September 30, 2018.

Multifamily (Conduit Bond) Program:

All mortgage revenue bond multifamily projects financed to date under the Multifamily Program have been issued by the Agency as stand-alone pass-through financings with no direct economic recourse to the Agency as the issuer. In fiscal year 2019, the Agency issued \$202.4 million of mortgage revenue bonds providing conduit financing for twenty-four multifamily rental projects. Combining all drawdowns for outstanding and newly issued bonds and offset by \$167.6 million in bonds redemption and scheduled maturities, the total net increase in Multifamily (Conduit Bond) Program bonds outstanding for fiscal year 2019 was \$34.8 million compared to a net increase of \$220.0 million in fiscal year 2018 and a net increase of \$13.4 million in fiscal year 2017.

**HUD Risk-Sharing Program and Agency General Fund**

The Agency has two risk-sharing agreements with HUD where HUD pays 100% of the amount needed to retire bonds issued in connection with a defaulted project at the time of the initial claim. Both agreements provide loss sharing in the event of default. The most recent program enhancement allows the Agency to share losses 50% between FHA and the Agency whereas the older program splits losses between FHA at 90% and the Agency at 10%. In order to participate in this program, the Agency set aside an initial deposit of \$500,000 in a separate HUD Risk-Sharing Reserve account. The Agency continues to add to the Risk-Sharing Reserve account and maintains a reserve in excess of the minimum required reserve level. As of September 30, 2019, 2018 and 2017, the HUD Risk-Sharing Reserve funds had a balance of \$2.7 million, \$2.60 million, and \$2.58 million, respectively, and the outstanding principal balance of the risk-sharing insured loans was \$181.9 million, \$167.2 million and \$71.3 million, respectively.



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In 2007, Parkway Overlook East & West (the Parkway Overlook Property) had its Section 8 HAP subsidies abated by HUD due to successive REAC failures. The Agency took over the ownership of the Parkway Overlook Property as a mortgagee in possession in 2007. In April of 2015, the Agency acquired the title to this property and sold it to the District of Columbia Housing Authority for \$5 million, or its appraised value, with a seller take-back note of \$4.975 million. The Agency submitted its final claim package to HUD, which was accepted and settled in January 2015. The Agency submitted in January 2016 its supplemental claim to HUD for all expenses that were incurred prior to January 2015 but not paid until after that date. A supplemental claim payment was made by HUD to the Agency in the amount of \$615,227 in March 2016. The note of \$4.975 million was paid in full at the development closing for Parkway Overlook on February 7, 2018.

**Conclusion**

Management’s discussion and analysis is presented to provide additional information regarding the activities of the Agency and to meet the disclosure requirements of GASB Statement No. 34. If you have questions about the report or need additional financial information, contact the Interim Chief Financial Officer, Essi Egbeto, District of Columbia Housing Finance Agency, (202) 777-1619, 815 Florida Avenue, N.W. Washington DC 20001, [eegbeto@dchfa.org](mailto:eegbeto@dchfa.org) or go to our website at [www.dchfa.org](http://www.dchfa.org).

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**STATEMENTS OF NET POSITION**  
**SEPTEMBER 30, 2019 AND 2018**

<u>ASSETS</u>	<u>2019</u>	<u>2018</u>
<b>CURRENT ASSETS</b>		
<b>Unrestricted current assets:</b>		
Cash and cash equivalents	\$ 21,805,407	\$ 29,971,955
Investments	32,017,948	16,478,968
Other receivables	4,723,993	5,873,829
Accrued interest receivable	466,945	351,029
Prepaid fees	200,770	125,934
<b>Total unrestricted current assets</b>	<b>59,215,063</b>	<b>52,801,715</b>
<b>Restricted current assets:</b>		
Cash and cash equivalents	175,557,909	216,836,747
Accounts receivable - HPAP program	3,306,548	1,990,084
Investments held in trust	58,498,844	129,373,951
Mortgage-backed securities at fair value	32,024	28,562
Mortgage and construction loans receivable, net	10,062,230	12,693,512
McKinney Act loans receivable, net	1,999,971	-
Accrued interest receivable	5,495,158	5,667,041
<b>Total restricted current assets</b>	<b>254,952,684</b>	<b>366,589,897</b>
<b>TOTAL CURRENT ASSETS</b>	<b>314,167,747</b>	<b>419,391,612</b>
<b>NON-CURRENT ASSETS</b>		
<b>Unrestricted non-current assets:</b>		
Investments	20,714,139	13,785,535
<b>Total unrestricted non-current assets</b>	<b>20,714,139</b>	<b>13,785,535</b>
<b>Restricted non-current assets:</b>		
Investments held in trust	201,509,683	70,814,623
Investments in joint ventures	1,081,539	896,342
Mortgage-backed securities at fair value	39,136,575	35,286,933
Mortgage and construction loans receivable, net	1,293,209,273	1,209,802,955
Loans receivable	3,395,326	3,649,562
McKinney Act loans receivable, net	1,712,216	4,326,943
<b>Total restricted non-current assets</b>	<b>1,540,044,612</b>	<b>1,324,777,358</b>
<b>Capital assets:</b>		
Land	573,000	573,000
Property and equipment	6,516,980	6,940,301
Less accumulated depreciation and amortization	(4,514,944)	(4,960,415)
<b>Total capital assets, net</b>	<b>2,575,036</b>	<b>2,552,886</b>
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,563,333,787</b>	<b>1,341,115,779</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,877,501,534</b>	<b>\$ 1,760,507,391</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Unamortized deferral on bond refundings	\$ 197,556	\$ 206,615
<b>Total deferred outflows of resources</b>	<b>\$ 197,556</b>	<b>\$ 206,615</b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**STATEMENTS OF NET POSITION (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

<u>LIABILITIES AND NET POSITION</u>	<u>2019</u>	<u>2018</u>
<b>CURRENT LIABILITIES</b>		
<b>Current liabilities payable from unrestricted assets:</b>		
Accounts payable and accrued liabilities	\$ 266,663	\$ 652,646
Accrued salary and vacation payable	646,034	300,062
Prepaid fees	2,854,116	1,803,302
<b>Total current liabilities payable from unrestricted assets</b>	<b><u>3,766,813</u></b>	<b><u>2,756,010</u></b>
<b>Current liabilities payable from restricted assets:</b>		
Accounts payable and accrued liabilities	121,224	653,692
Project funds held for borrower and other liabilities	218,177,589	179,069,143
Interest payable	7,950,393	8,268,646
Current portion of loan payable	3,492,406	1,726,077
Current portion of bonds payable	25,660,905	33,356,433
<b>Total current liabilities payable from restricted assets</b>	<b><u>255,402,517</u></b>	<b><u>223,073,991</u></b>
<b>TOTAL CURRENT LIABILITIES</b>	<b><u>259,169,330</u></b>	<b><u>225,830,001</u></b>
<b>NON-CURRENT LIABILITIES</b>		
<b>Non-current liabilities payable from restricted assets:</b>		
Bonds payable - less current portion	<u>1,477,297,807</u>	<u>1,413,317,566</u>
<b>Total non-current liabilities payable from restricted assets</b>	<b><u>1,477,297,807</u></b>	<b><u>1,413,317,566</u></b>
<b>TOTAL LIABILITIES</b>	<b><u>1,736,467,137</u></b>	<b><u>1,639,147,567</u></b>
<b>NET POSITION</b>		
<b>Net invested in capital assets</b>	<b><u>2,575,036</u></b>	<b><u>2,552,886</u></b>
<b>Restricted for:</b>		
Bond Fund, collateral and Risk Share Program	38,108,111	29,302,688
McKinney Act Fund	9,167,744	8,927,945
<b>Total restricted net position</b>	<b><u>47,275,855</u></b>	<b><u>38,230,633</u></b>
<b>Unrestricted net position</b>	<b><u>91,381,062</u></b>	<b><u>80,782,920</u></b>
<b>TOTAL NET POSITION</b>	<b><u>141,231,953</u></b>	<b><u>121,566,439</u></b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b><u>\$ 1,877,699,090</u></b>	<b><u>\$ 1,760,714,006</u></b>

The accompanying notes are an integral part of these financial statements.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGE IN NET POSITION**  
**YEARS ENDED SEPTEMBER 30, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<b>OPERATING REVENUES</b>		
Investment interest income	\$ 8,137,251	\$ 2,942,316
Mortgage-backed security interest income	1,629,894	1,899,897
Interest on mortgage and construction loans	61,019,223	50,485,049
McKinney Act interest revenue	176,596	466,066
Application and commitment fees	117,651	141,783
Other	28,649,977	34,367,545
<b>Total operating revenues</b>	<b><u>99,730,592</u></b>	<b><u>90,302,656</u></b>
<b>OPERATING EXPENSES</b>		
General and administrative	14,330,903	23,151,660
Personnel and related costs	6,601,018	5,606,409
Interest expense	61,387,775	51,284,949
Depreciation and amortization	427,911	391,915
Trustee fees and other expenses	1,155,284	889,766
<b>Total operating expenses</b>	<b><u>83,902,891</u></b>	<b><u>81,324,699</u></b>
<b>OPERATING INCOME</b>	<b><u>15,827,701</u></b>	<b><u>8,977,957</u></b>
<b>NON-OPERATING REVENUES/(EXPENSES)</b>		
Federal and city programs:		
Program revenue	9,013,630	9,499,918
Program expenses	(8,993,910)	(9,499,918)
Increase (decrease) in fair value of mortgage-backed securities and investments	3,818,093	(614,269)
<b>Total non-operating revenues/(expenses)</b>	<b><u>3,837,813</u></b>	<b><u>(614,269)</u></b>
<b>CHANGE IN NET POSITION</b>	<b><u>19,665,514</u></b>	<b><u>8,363,688</u></b>
Net position, beginning of year	121,566,439	113,202,751
<b>Net position, end of year</b>	<b><u>\$ 141,231,953</u></b>	<b><u>\$ 121,566,439</u></b>

The accompanying notes are an integral part of these financial statements.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED SEPTEMBER 30, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<b>Cash Flows from Operating Activities</b>		
Interest received on loans	\$ 61,607,565	\$ 50,866,255
Other cash receipts	76,752,423	109,575,897
Payments to vendors	(23,490,693)	(31,490,417)
Payments to employees	(6,255,047)	(5,585,845)
Net mortgage and construction loans disbursements	(79,906,044)	(146,881,092)
Principal and interest received on mortgage-backed securities	26,791,502	63,966,821
Payment for the purchase of mortgage-backed securities	(25,620,629)	(41,448,423)
Other cash payments	(1,155,284)	(889,766)
<b>Net cash provided by / (used in) operating activities</b>	<b><u>28,723,793</u></b>	<b><u>(1,886,570)</u></b>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Acquisition of capital assets	(256,000)	(523,925)
<b>Net cash used in capital and related financing activities</b>	<b><u>(256,000)</u></b>	<b><u>(523,925)</u></b>
<b>Cash Flows from Non-Capital Financing Activities</b>		
Interest paid on bonds and loans	(62,026,591)	(49,952,394)
Proceeds from bond issuances and loans	242,363,180	414,271,976
Principal payments on issued debt and loans	(183,982,516)	(108,371,451)
<b>Net cash (used in) / provided by non-capital financing activities</b>	<b><u>(3,645,927)</u></b>	<b><u>255,948,131</u></b>
<b>Cash Flows From Investing Activities</b>		
Investment in joint ventures	(185,197)	(355,411)
Interest received on investments	8,137,251	2,942,316
Maturities and sales of investments	274,998,587	18,034,601
Purchase of investments	(357,217,893)	(201,315,848)
<b>Net cash used in investing activities</b>	<b><u>(74,267,252)</u></b>	<b><u>(180,694,342)</u></b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>		
	(49,445,386)	72,843,294
Cash and cash equivalents, beginning of year	246,808,702	173,965,408
<b>Cash and cash equivalents, end of year</b>	<b><u>\$ 197,363,316</u></b>	<b><u>\$ 246,808,702</u></b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED SEPTEMBER 30, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<b>Reconciliation of Operating Income to Net Cash Provided by / (Used In) by Operating Activities</b>		
Operating income	\$ 15,827,701	\$ 8,977,957
Depreciation and amortization	427,911	391,915
Gain on disposal of assets	(174,341)	-
Amortization of prepaid items, premiums and discounts on debt	(320,563)	(179,008)
Interest on bonds/loans	62,026,591	49,952,163
Provision for uncollectible interest revenue	(34,396)	(77,351)
Increase in mortgage and construction loans	(79,949,162)	(146,985,379)
Decrease in mortgage-backed securities	25,517,387	62,899,865
Purchases of mortgage-backed securities	(25,620,629)	(41,448,423)
Interest received on investments	(8,137,251)	(2,942,316)
Asset / (liability) adjustment		
Decrease (increase) in assets:		
Accrued interest receivable	90,363	(840,451)
Other current assets	(74,836)	(9,447)
Other receivables	(123,510)	(2,406,676)
(Decrease) increase in liabilities:		
Accounts payable and accrued liabilities	(572,479)	992,878
Prepaid items	1,050,814	289,988
Project funds held for borrower and other liabilities	39,108,446	67,985,921
Accrued interest payable	(318,253)	1,511,794
<b>Net cash provided by / (used in) operating activities</b>	<b><u>\$ 28,723,793</u></b>	<b><u>\$ (1,886,570)</u></b>

The accompanying notes are an integral part of these financial statements.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 1: ORGANIZATION AND PURPOSE**

The District of Columbia Housing Finance Agency (the “Agency” or “DCHFA”) was created as a corporate body which has a legal existence separate from the Government of the District of Columbia (the “District”) but which is an instrumentality of the District, created to effectuate certain public purposes. The Agency is empowered to, among other activities, generate funds from public and private sources to increase the supply and lower the cost of funds available for residential mortgages and notes and for the construction of permanent multifamily rental properties.

In 1991, the Governmental Accounting Standards Board (“GASB”) issued Statement No. 14, *The Financial Reporting Entity*. The definition of the reporting entity is based primarily on the notion of financial accountability. In determining financial accountability for legally separate organizations, the Agency considered whether its officials appoint a voting majority of an organization’s governing body and the Agency is either able to impose its will on that organization or if there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Agency. The Agency also considered whether there are organizations that are fiscally dependent on it. It was determined that there are no component units of the Agency.

These financial statements present only financial information about the Agency, an enterprise fund of the District. The enterprise fund qualifies for inclusion in the District’s reporting entity pursuant to GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. These financial statements do not purport to, and do not, present fairly the financial position of the District and the changes in its financial position and cash flows, in conformity with accounting principles generally accepted in the United States of America. The Agency is included in the District’s Comprehensive Annual Financial Report as a discretely presented component unit.

The accompanying combined financial statements include DCHFA’s General Fund and Revenue Obligation Funds: Single Family Program Funds, Multifamily Program Funds and Multifamily (Conduit Bond) Program Funds. Within each Revenue Obligation Fund are separate accounts maintained for each obligation in accordance with the respective indentures.

The bonds and notes issued by the Agency are special obligations of the Agency payable principally from revenue and repayments of mortgage loans and mortgage-backed securities and investments, financed by or purchased from the proceeds of such bonds under applicable indentures and are not a debt of the District. Neither the faith and credit nor the taxing power of the District is pledged for the repayment of the bonds.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 1: ORGANIZATION AND PURPOSE (Continued)**

The General Fund credit line draw by the Agency is backed by the General Fund assets and constitutes the Agency's general obligation.

The following is a description of the funds maintained by the Agency ("Funds"):

**General Fund** - The General Fund is used to record the receipt and accrual of income not directly pledged for repayment of debt securities under the Revenue Obligation Funds, to pay expenses related to the Agency's administrative functions and operations, including mortgage servicing, HUD Risk-Share insurance program, McKinney Act loan program and purchase and sale of single family mortgage-backed securities.

**Single Family Program Funds** - The Single Family Program Funds are used to account for the proceeds of single family mortgage revenue bond issues, investments, mortgage loans and mortgage-backed securities held pursuant to the indentures authorizing the issuance of the bonds, the debt service requirements on the bonds, and debt service collected from mortgage loans purchased for the financing of owner-occupied single family residences in the District. Single Family Program Funds include the following active bond programs: 1988 Collateralized Single Family Mortgage Revenue Bonds, 1996 Single Family Mortgage Revenue Bonds and 2009 Single Family New Issue Bond Program (Single Family NIBP).

**Multifamily Development Program (MFDP) Funds** - The Multifamily Development Program Funds are used to account for proceeds of bonds, notes, debentures or other financial indebtedness of the Agency issued under the Multifamily Development Program Indenture (the "Indenture"), cash and investments held under the Indenture revenue fund, debt service reserve fund, rebate fund, redemption fund and program subsidy fund, mortgage loans held pursuant to the Indenture, and repayments and prepayments collected from mortgage loans originated to finance multifamily residential rental facilities within the District for persons or families of limited income. Mortgage revenue bonds may be issued under the Indenture on a standalone pass-through basis with no direct or indirect recourse to the Agency as the issuer and are secured solely by series pledged revenues.

**Multifamily (Conduit Bond) Program Funds** - The Multifamily (Conduit Bond) Program Funds are used to account for the proceeds of multifamily mortgage revenue bond issues, investments held pursuant to the indenture authorizing the issuance of the bonds, the debt service requirements on the bonds, and the related mortgage loan financing for newly constructed or rehabilitated multifamily rental housing development in the District. The Multifamily (Conduit Bond) Program Funds combine multifamily housing revenue bond series issued on a pass-through conduit basis with no direct or



**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 1: ORGANIZATION AND PURPOSE (Continued)**

indirect recourse to the Agency as the issuer. No individual conduit multifamily project's assets are available to collateralize other projects' debt obligations. The Multifamily New Issue Bond Program ("Multifamily NIBP") bonds have also been issued as standalone pass-through bonds. The Agency elects to include these conduit financing in its financial statements. These bonds are secured solely by the properties, financial assets and related revenues of the projects and the applicable credit enhancements or the Department of Housing and Urban Development ("HUD") subsidy receipts. Neither the faith and credit of the Agency nor the assets of any other Fund have been pledged as security for these bonds.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the Agency's significant accounting policies:

**Basis of Accounting and Measurement Focus** - For financial reporting purposes only, the Agency is a component unit of the District. The Agency's General Fund and Revenue Obligation Funds are accounted for as enterprise funds. Accordingly, the accompanying combined financial statements have been prepared using the accrual method of accounting and on the basis of accounting principles generally accepted in the United States of America.

The Agency reports its financial activities by applying Standards of the Governmental Accounting and Financial Reporting as promulgated by the Governmental Accounting Standards Board. The Agency has implemented the provisions of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November, 1989 FASB and AICPA Pronouncements*.

The Agency has adopted GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Under GASB Statement No. 34, net position should be reported as restricted when constraints placed on the net position use are either: externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or are imposed by law through constitutional provisions or enabling legislation. Accordingly, the net position of the Revenue Obligation Funds is restricted as to its use as substantially the net position within each indenture is pledged to respective bondholders.

**Operating Revenues and Expenses** - The Agency distinguishes operating revenues and expenses from non-operating items in conformity with GASB Statement No. 34. Operating revenue and expenses are identified as those activities that are directly related to financing affordable housing in the District. The Agency's activities are considered to be operating except for unrealized

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

changes in the fair value of mortgage-backed securities. Operating revenues primarily consist of interest on mortgage-backed securities, interest on mortgage and construction loans and investment of bond proceeds, issuer fees, construction monitoring fees, servicing fees and other revenues. Operating expenses primarily consist of bond interest, personnel costs, depreciation, amortization of bond cost of issuance, discounts and premiums, bond administrative fees, trustee, legal and financial advisory fees and other operating expenses.

**Cash and Cash Equivalents** - Cash and cash equivalents consist of cash, collateralized demand deposits, collateralized or FDIC-insured certificates of deposit, money market funds and investments in highly liquid short-term instruments with original maturities of three months or less at the time of purchase.

**Investments** - Investments consist of debt obligations of the U.S. Treasury and U.S. Government Agencies, government-sponsored enterprises (“GSEs”), corporate debt securities, and investment agreements. Investments are reported at fair value as determined by financial services providers, except for certain non-participating fixed interest investment contracts which are valued using cost based measures. Debt securities are stated at fair value, based on the quoted market prices. Investments of the General Fund are made in accordance with the Agency’s investment policy. Investments in the Revenue Obligation Funds follow the Agency Investment policy and consist of those permitted by the respective trust indentures adopted by the Agency providing for the issuance of notes and bonds. Investments are reported at fair value in the Statements of Net Position and changes in the fair value of investments are recognized in the Statements of Revenues, Expenses and Change in Net Position as part of operating income.

**Mortgage-Backed Securities** - Mortgage-backed securities represent certificates issued by the Government National Mortgage Association (“Ginnie Mae” or “GNMA”), the Federal National Mortgage Association (“Fannie Mae” or “FNMA”) and the Federal Home Loan Mortgage Corporation (“Freddie Mac” or “FHLMC”), which guarantee the receipt by the Agency’s trustee of monthly principal and interest from mortgages originated with proceeds from the Agency’s Single Family and Multifamily (Conduit Bond) Programs. These securities are stated at fair value, as determined by financial services providers or financial publications. These guaranteed securities are issued in connection with single family mortgage loans and mortgage loans on multifamily projects. Each of these securities is generally intended to be held to maturity or optional par redemption date for the underlying bonds or until the payoff of the related loans. The repayment and prepayments of the mortgage-backed securities are at par value based on the guarantees embedded in these securities. Mortgage-backed securities are reported at fair value on the Statements of Net Position and unrealized

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

changes in the fair value of mortgage-backed securities are recognized in the Statements of Revenues, Expenses and Change in Net Position as part of non-operating income.

**Mortgage and Construction Loans Receivable** - Mortgage loans are carried at their unpaid principal balances, and construction loans are carried at amounts advanced, net of collections and allowances for potential loan losses. The Agency's allowance for doubtful accounts policy is to charge expenses for estimated probable losses which are established as an allowance for loan losses. The allowance is an amount that management believes will be adequate to absorb losses inherent in existing loans based on evaluations of collectability and prior loss experience as well as a competitive benchmarking study.

**Property and Equipment** - Property and equipment purchases are recorded in the General Fund, capitalized at cost and depreciated using the straight-line method over the estimated useful lives in general ranging from five to forty years.

**Deferred Outflow of Resources** - The deferred outflow of resources includes unamortized deferral which resulted from the economic refunding of several bond series at call premiums and a difference between the reacquisition price and net carrying amount of the refunded bonds.

**Bond Discounts and Premiums** - Bond discounts or premiums arising from the sale of serial or term bonds are amortized using the straight-line method which approximates the effective yield method, over the life of the bond issue.

**Net Position** - Net position is reported in three separate categories:

- **Net invested in capital assets** - Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.
- **Restricted** - Net assets whose use by the Agency is subject to externally imposed stipulations (such as bond covenants) that can be fulfilled by actions of the Agency pursuant to those stipulations or that expire with the passage of time. Such net assets include all Revenue Obligation Funds, HOME and DC Open Doors Program funds under the Single Family Program, certain holdings under the General Fund: the McKinney Act Program funds, HUD Risk-Share Reserve and assets used as collateral for the credit line draws or as warehouse securities for future bond issues.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- **Unrestricted** - Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

**Financing and Other Fee Revenue** - Under the Single Family Program, the Agency originates single family mortgage loans which are pooled into mortgage-backed securities used as direct collateral for the respective bonds. As part of this securitization, the Agency earns servicing release fees net of originating lender fees. Under the Multifamily (Conduit Bond) Program, the Agency also charges application and financing fees to developers for structuring mortgage revenue bond financings, allocation of Low-Income Housing Tax Credits, legal counsel, and construction monitoring fees. These fees are recognized as revenue when the services have been performed.

**Use of Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES**

Bond proceeds and revenues from mortgages, mortgage-backed securities and investments are invested in authorized investments as defined in the respective indentures and, for the General Fund, in accordance with the Agency's Investment Policy, until required for purchasing mortgage-backed securities or originating mortgage loans, funding reserves, paying debt service or redeeming outstanding bonds and notes, and funding program and administrative and operating expenses.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)**

The following assets, reported at fair value and held by the Funds at September 30, 2019, were evaluated in accordance with GASB Statement No. 40 for interest rate risk, credit risk, concentration of credit risk and custodial credit risk. All cash and cash equivalents are stated at their actual bank balance values and may differ from the book balances and the balance of cash and cash equivalents presented in the Statements of Net Position.

Asset	General Fund	Single Family Program Funds			Multifamily Program Funds			Total
		1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Series 2009 A-1 Single Family Housing Revenue Bonds (NIBP)	FHA-Insured Pass-Through Revenue Refunding Bonds (MFDP)	Multifamily (Conduit Bond) Program	NIB (Conduit Bond) Program	
<b>Cash and Cash Equivalents</b>								
Non-Money Market Deposits	\$ 5,810,763	\$ -	\$ -	\$ -	\$ 2,081,218	\$ 700,258	\$ 8	\$ 8,592,247
Demand Money Market Deposits	33,083,810	-	-	-	2,825,879	85,025,279	15,957,171	136,892,139
Money Market Funds	-	3,701,231	1,053,138	576,759	30,241,412	16,306,390	-	51,878,930
<b>Total Cash and Cash Equivalents</b>	<b>38,894,573</b>	<b>3,701,231</b>	<b>1,053,138</b>	<b>576,759</b>	<b>35,148,509</b>	<b>102,031,927</b>	<b>15,957,179</b>	<b>197,363,316</b>
<b>Investments</b>								
Certificates of Deposits	3,014,890	-	-	-	-	13,469,709	-	16,484,599
U.S. Treasury Obligations	289,309	-	-	-	-	133,297,061	-	133,586,370
Investment Agreements	-	10,000,000	339,428	-	86,940,000	15,216,949	-	112,496,377
Corporate Obligations	49,196,239	-	-	-	-	-	-	49,196,239
GSE Obligations	231,649	-	-	-	745,380	-	-	977,029
<b>Total Investments</b>	<b>52,732,087</b>	<b>10,000,000</b>	<b>339,428</b>	<b>-</b>	<b>87,685,380</b>	<b>161,983,719</b>	<b>-</b>	<b>312,740,614</b>
<b>Mortgage-Backed Securities</b>								
Ginnie Mae	1,551,401	25,096	3,041,452	3,700,769	-	10,431,650	-	18,750,368
Fannie Mae	3,099,830	-	3,043,662	585,228	-	7,733,860	-	14,462,580
Freddie Mac	-	-	5,955,651	-	-	-	-	5,955,651
<b>Total Mortgage-Backed Securities</b>	<b>4,651,231</b>	<b>25,096</b>	<b>12,040,765</b>	<b>4,285,997</b>	<b>-</b>	<b>18,165,510</b>	<b>-</b>	<b>39,168,599</b>
<b>Total Cash, Investments and Mortgage-Backed Securities</b>	<b>\$ 96,277,891</b>	<b>\$ 13,726,327</b>	<b>\$ 13,433,331</b>	<b>\$ 4,862,756</b>	<b>\$ 122,833,889</b>	<b>\$ 282,181,156</b>	<b>\$ 15,957,179</b>	<b>\$ 549,272,529</b>

The following assets, reported at fair value and held by the Funds at September 30, 2018, were evaluated in accordance with GASB Statement No. 40 for interest rate risk, credit risk, concentration of credit risk and custodial credit risk.

Asset	General Fund	Single Family Program Funds			Multifamily Program Funds			Total
		1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Series 2009 A-1 Single Family Housing Revenue Bonds (NIBP)	FHA-Insured Pass-Through Revenue Refunding Bonds (MFDP)	Multifamily (Conduit Bond) Program	NIB (Conduit Bond) Program	
<b>Cash and Cash Equivalents</b>								
Non-Money Market Deposits	\$ 5,831,645	\$ -	\$ -	\$ -	\$ 2,279,448	\$ 2,912,472	\$ 8	\$ 11,023,573
Demand Money Market Deposits	40,654,340	-	-	-	2,419,036	85,438,105	15,952,660	144,464,141
Money Market Funds	-	864,510	902,785	253,754	74,792,474	14,507,465	-	91,320,988
<b>Total Cash and Cash Equivalents</b>	<b>46,485,985</b>	<b>864,510</b>	<b>902,785</b>	<b>253,754</b>	<b>79,490,958</b>	<b>102,858,042</b>	<b>15,952,668</b>	<b>246,808,702</b>
<b>Investments</b>								
Certificates of Deposits	-	-	-	-	-	54,949,000	-	54,949,000
Commercial Papers	14,776,950	-	-	-	-	-	-	14,776,950
U.S. Treasury Obligations	-	-	-	-	-	134,177,348	-	134,177,348
Investment Agreements	-	10,000,000	385,078	-	-	-	-	10,385,078
Corporate Obligations	15,364,878	-	-	-	-	-	-	15,364,878
GSE Obligations	122,675	-	-	-	677,148	-	-	799,823
<b>Total Investments</b>	<b>30,264,503</b>	<b>10,000,000</b>	<b>385,078</b>	<b>-</b>	<b>677,148</b>	<b>189,126,348</b>	<b>-</b>	<b>230,453,077</b>
<b>Mortgage-Backed Securities</b>								
Ginnie Mae	1,544,018	172,661	4,399,280	4,060,575	-	10,363,898	-	20,540,432
Fannie Mae	4,190,212	-	3,103,261	786,287	-	-	-	8,079,760
Freddie Mac	-	-	6,695,303	-	-	-	-	6,695,303
<b>Total Mortgage-Backed Securities</b>	<b>5,734,230</b>	<b>172,661</b>	<b>14,197,844</b>	<b>4,846,862</b>	<b>-</b>	<b>10,363,898</b>	<b>-</b>	<b>35,315,495</b>
<b>Total Cash, Investments and Mortgage-Backed Securities</b>	<b>\$ 82,484,718</b>	<b>\$ 11,037,171</b>	<b>\$ 15,485,707</b>	<b>\$ 5,100,616</b>	<b>\$ 80,168,106</b>	<b>\$ 302,348,288</b>	<b>\$ 15,952,668</b>	<b>\$ 512,577,274</b>

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)**

**Interest Rate Risk** - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Under the Revenue Obligation Funds, the terms of the investments are set to allow for no market value loss at the time the invested funds are drawn for uses authorized under the indentures. As a means of limiting its exposure to fair value losses from rising interest rates under the General Fund, the Agency's Investment Policy requires that the maturities of the investment portfolio are structured to be concurrent with cash needs in order to minimize losses that may be incurred from sale of investments prior to maturity. The money market funds operate in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended. These funds can reasonably be expected to have a fair value that will be unaffected by interest rate changes because the interest rates are variable and the principal can be recovered on demand. The cost of the money market mutual funds approximated fair value.

As of September 30, 2019, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for the General Fund are as follows:

Asset	Cost	Fair Value	Maturities (in years)				
			Less than 1	From 1 Up To 5	From 5 Up To 10	From 10 Up To 15	15 and More
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 5,810,763	\$ 5,810,763	\$ 5,810,763	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	33,083,810	33,083,810	33,083,810	-	-	-	-
<b>Total Cash and Cash Equivalents</b>	<b>38,894,573</b>	<b>38,894,573</b>	<b>38,894,573</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Investments</u>							
Certificates of Deposits	3,014,890	3,014,890	3,014,890	-	-	-	-
U.S. Treasury Obligations	276,951	289,309	-	126,963	162,346	-	-
Corporate Obligations	48,818,847	49,196,239	29,003,058	18,658,218	1,534,963	-	-
GSE Obligations	224,329	231,649	-	231,649	-	-	-
<b>Total Investments</b>	<b>52,335,017</b>	<b>52,732,087</b>	<b>32,017,948</b>	<b>19,016,830</b>	<b>1,697,309</b>	<b>-</b>	<b>-</b>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	1,495,078	1,551,401	-	-	-	-	1,551,401
Fannie Mae	3,004,554	3,099,830	-	-	-	-	3,099,830
<b>Total Mortgage-Backed Securities</b>	<b>4,499,632</b>	<b>4,651,231</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,651,231</b>
<b>General Fund Total Cash and Investments</b>	<b>\$ 95,729,222</b>	<b>\$ 96,277,891</b>	<b>\$ 70,912,521</b>	<b>\$ 19,016,830</b>	<b>\$ 1,697,309</b>	<b>\$ -</b>	<b>\$ 4,651,231</b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)**

As of September 30, 2018, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for the General Fund were as follows:

<u>General Fund as of September 30, 2018</u>			<u>Maturities (in years)</u>				
<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 5,831,645	\$ 5,831,645	\$ 5,831,645	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	40,655,140	40,654,340	40,654,340	-	-	-	-
Total Cash and Cash Equivalents	<u>46,486,785</u>	<u>46,485,985</u>	<u>46,485,985</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Commercial Papers	14,741,312	14,776,950	14,776,950	-	-	-	-
Corporate Obligations	15,494,943	15,364,878	1,627,921	12,455,161	1,281,796	-	-
GSE Obligations	125,000	122,675	74,097	48,578	-	-	-
Total Investments	<u>30,361,255</u>	<u>30,264,503</u>	<u>16,478,968</u>	<u>12,503,739</u>	<u>1,281,796</u>	<u>-</u>	<u>-</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	1,527,265	1,544,018	-	-	-	-	1,544,018
Fannie Mae	4,156,442	4,190,212	-	-	-	-	4,190,212
Total Mortgage-Backed Securities	<u>5,683,707</u>	<u>5,734,230</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,734,230</u>
<b>General Fund Total Cash and Investments</b>	<b>\$ 82,531,747</b>	<b>\$ 82,484,718</b>	<b>\$ 62,964,953</b>	<b>\$ 12,503,739</b>	<b>\$ 1,281,796</b>	<b>\$ -</b>	<b>\$ 5,734,230</b>

As of September 30, 2019, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for the Combined Revenue Obligation Funds are as follows:

<u>Combined Revenue Obligation Funds as of September 30, 2019</u>			<u>Maturities (in years)</u>				
<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 2,781,484	\$ 2,781,484	\$ 2,781,484	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	103,808,329	103,808,329	103,808,329	-	-	-	-
Money Market Funds	51,878,930	51,878,930	51,878,930	-	-	-	-
Total Cash and Cash Equivalents	<u>158,468,743</u>	<u>158,468,743</u>	<u>158,468,743</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Certificates of Deposits	13,469,709	13,469,709	13,469,709	-	-	-	-
U.S. Treasury Obligations	131,360,154	133,297,061	45,035,318	88,261,743	-	-	-
Investment Agreements	112,496,377	112,496,377	-	86,940,000	10,000,000	-	15,556,377
GSE Obligations	689,822	745,380	-	-	745,380	-	-
Total Investments	<u>258,016,062</u>	<u>260,008,527</u>	<u>58,505,027</u>	<u>175,201,743</u>	<u>10,745,380</u>	<u>-</u>	<u>15,556,377</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	16,799,448	17,198,967	32,024	499,172	895,188	1,072,151	14,700,432
Fannie Mae	10,563,414	11,362,750	-	-	68,178	-	11,294,572
Freddie Mac	5,439,511	5,955,651	-	-	-	-	5,955,651
Total Mortgage-Backed Securities	<u>32,802,373</u>	<u>34,517,368</u>	<u>32,024</u>	<u>499,172</u>	<u>963,366</u>	<u>1,072,151</u>	<u>31,950,655</u>
<b>Combined Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities</b>	<b>\$ 449,287,178</b>	<b>\$ 452,994,638</b>	<b>\$ 217,005,794</b>	<b>\$ 175,700,915</b>	<b>\$ 11,708,746</b>	<b>\$ 1,072,151</b>	<b>\$ 47,507,032</b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)**

As of September 30, 2018, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for the Combined Revenue Obligation Funds were as follows:

Asset	Cost	Fair Value	Maturities (in years)				
			Less than 1	From 1 Up To 5	From 5 Up To 10	From 10 Up To 15	15 and More
<b>Cash and Cash Equivalents</b>							
Non-Money Market Deposits	\$ 5,191,928	\$ 5,191,928	\$ 5,191,928	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	103,809,801	103,809,801	103,809,801	-	-	-	-
Money Market Funds	91,320,988	91,320,988	91,320,988	-	-	-	-
<b>Total Cash and Cash Equivalents</b>	<b>200,322,717</b>	<b>200,322,717</b>	<b>200,322,717</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investments</b>							
Certificates of Deposits	54,949,000	54,949,000	54,949,000	-	-	-	-
U.S. Treasury Obligations	134,471,866	134,177,348	74,424,951	59,752,397	-	-	-
Investment Agreements	10,385,078	10,385,078	-	-	10,000,000	-	385,078
GSE Obligations	689,822	677,148	-	-	677,148	-	-
<b>Total Investments</b>	<b>200,495,766</b>	<b>200,188,574</b>	<b>129,373,951</b>	<b>59,752,397</b>	<b>10,677,148</b>	<b>-</b>	<b>385,078</b>
<b>Mortgage-Backed Securities</b>							
Ginnie Mae	18,941,832	18,996,414	28,562	418,655	1,518,206	1,115,285	15,915,706
Fannie Mae	3,743,644	3,889,548	-	-	77,156	-	3,812,392
Freddie Mac	6,224,339	6,695,303	-	-	-	-	6,695,303
<b>Total Mortgage-Backed Securities</b>	<b>28,909,815</b>	<b>29,581,265</b>	<b>28,562</b>	<b>418,655</b>	<b>1,595,362</b>	<b>1,115,285</b>	<b>26,423,401</b>
<b>Combined Revenue Obligation Funds</b>							
<b>Total Cash, Investments and Mortgage-Backed Securities</b>	<b>\$ 429,728,298</b>	<b>\$ 430,092,556</b>	<b>\$ 329,725,230</b>	<b>\$ 60,171,052</b>	<b>\$ 12,272,510</b>	<b>\$ 1,115,285</b>	<b>\$ 26,808,479</b>

As of September 30, 2019 and 2018, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for each Revenue Obligation Fund are included as Supplemental Information to these financial statements.

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the Agency will not be able to recover its deposits or the value of its collateral securities that are in the possession of an outside party. As of September 30, 2019 and 2018, the Agency's cash and cash equivalents and investments were not subject to custodial credit risk under GASB Statement No. 40. The investments held by the trustees under the Revenue Obligation Funds are kept separate from the assets of the trustee bank and from other trust accounts and are titled in the name of respective bond indentures. The demand deposit and money market accounts and certificates of deposits under the General Fund are collateralized through a tri-party collateral agreement with an independent collateral agent bank or Federal Reserve Bank. The investments under the General Fund are held by US Bank and are titled in the Agency's name.

Additionally, demand deposits and investments in certificates of deposit are FDIC-insured up to applicable amounts.



**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)**

**Credit Risk and Concentration of Credit Risk** - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. All of General Fund cash and investments are either collateralized, FDIC-insured, or invested in the U.S. Government, U.S. Government Agency or government-sponsored enterprises or highly rated corporate debt securities. In general all investment securities under the Revenue Obligation Funds must be at a rating not adversely affecting the rating of the respective bonds; and financial institutions who are counterparty to the Agency must be rated at least comparable to the existing rating on the Agency's bonds, unless counterparty ratings lower than the bond ratings are permitted in a specific indenture and do not affect the ratings on the bonds as determined at the time the investment securities are acquired or investment agreements are executed. The ratings on the 1996 Single Family Mortgage Revenue Bonds and 1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2019 and 2018 were AA+ by Standard and Poor's. All multifamily bond indentures under the Multifamily Development and Multifamily (Conduit Bond) Programs were rated by Moody's or Standard and Poor's at various levels depending on the credit quality of the underlying collateral or were unrated private placements where investment ratings conformed to the specific bond investor requirements.

As of September 30, 2019, the credit quality and percentages of the total portfolio of cash equivalents and investments under the Agency's General Fund are as follows:

General Fund as of September 30, 2019

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 5,810,763	6.0%	Not Rated		Third Party-Held Aaa Collateral
Demand Money Market Deposits	27,600,661	28.7%	Not Rated		Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	5,483,149	5.7%	P-1	Moody's	
Total Cash and Cash Equivalents	<u>38,894,573</u>	<u>40.4%</u>			
<u>Investments</u>					
Certificates of Deposits	3,014,890	3.1%	Not Rated		Federal Reserve-Held Aaa Collateral
U.S. Treasury Obligations	289,309	0.3%	Aaa	Moody's	
Corporate Obligations	212,666	0.2%	Aaa	Moody's	
Corporate Obligations	211,573	0.2%	Aa1	Moody's	
Corporate Obligations	2,727,819	2.8%	Aa2	Moody's	
Corporate Obligations	6,583,780	6.8%	Aa3	Moody's	
Corporate Obligations	9,013,890	9.4%	A1	Moody's	
Corporate Obligations	24,032,099	25.1%	A2	Moody's	
Corporate Obligations	4,213,261	4.4%	A3	Moody's	
Corporate Obligations	2,201,151	2.3%	Baa1	Moody's	
GSE Obligations	231,649	0.2%	Aaa	Moody's	
Total Investments	<u>52,732,087</u>	<u>54.8%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	1,551,401	1.6%	Aaa	Moody's	
Fannie Mae	3,099,830	3.2%	Aaa	Moody's	
Total Investments	<u>4,651,231</u>	<u>4.8%</u>			
<b>General Fund Total Cash, Investments and Mortgage-Backed Securities</b>	<b><u>\$ 96,277,891</u></b>	<b><u>100.0%</u></b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)**

As of September 30, 2018, the credit quality and percentages of the total portfolio of cash equivalents and investments under the Agency's General Fund were as follows:

General Fund as of September 30, 2018

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 5,831,645	7.1%	Not Rated		Third Party-Held Aaa Collateral
Demand Money Market Deposits	32,663,415	39.5%	Not Rated		Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	7,990,925	9.7%	P-1	Moody's	
Total Cash and Cash Equivalents	<u>46,485,985</u>	<u>56.3%</u>			
<u>Investments</u>					
Commercial Papers	14,776,950	17.9%	P-1	Moody's	
Corporate Obligations	195,080	0.2%	Aaa	Moody's	
Corporate Obligations	208,752	0.3%	Aa1	Moody's	
Corporate Obligations	690,022	0.8%	Aa2	Moody's	
Corporate Obligations	315,850	0.4%	Aa3	Moody's	
Corporate Obligations	3,937,143	4.8%	A1	Moody's	
Corporate Obligations	4,777,340	5.8%	A2	Moody's	
Corporate Obligations	5,240,691	6.4%	A3	Moody's	
GSE Obligations	122,675	0.1%	Aaa	Moody's	
Total Investments	<u>30,264,503</u>	<u>36.7%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	1,544,018	1.9%	Aaa	Moody's	
Fannie Mae	4,190,212	5.1%	Aaa	Moody's	
Total Investments	<u>5,734,230</u>	<u>7.0%</u>			
<b>General Fund Total Cash, Investments and Mortgage-Backed Securities</b>	<b><u>\$ 82,484,718</u></b>	<b><u>100.0%</u></b>			

As of September 30, 2019, the credit quality and percentages of the total portfolio of cash equivalents, investments and mortgage-backed securities under the Revenue Obligation Funds are as follows:

Combined Revenue Obligation Funds as of September 30, 2019

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 2,781,484	0.6%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposits	103,808,329	22.9%	P1	Moody's	
Money Market Funds	51,878,930	11.5%	Aaa-mf	Moody's	
Total Cash and Cash Equivalents	<u>158,468,743</u>	<u>35.0%</u>			
<u>Investments</u>					
Certificate of Deposits	13,469,709	3.0%	Not Rated		Federal Reserve-Held Aaa Collateral
U.S. Treasury Obligations	133,297,061	29.3%	Aaa	Moody's	
Investment Agreements	84,415,000	18.6%	Aa2	Moody's	
Investment Agreements	339,428	0.1%	Aa3	Moody's	
Investment Agreements	15,216,949	3.4%	Baa1	Moody's	
Investment Agreements	12,525,000	2.8%	Not Rated	Moody's	Standard & Pooers A2
GSE Obligations	745,380	0.2%	Aaa	Moody's	
Total Investments	<u>260,008,527</u>	<u>57.4%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	17,198,967	3.8%	Aaa	Moody's	
Fannie Mae	11,362,750	2.5%	Aaa	Moody's	
Freddie Mac	5,955,651	1.3%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>34,517,368</u>	<u>7.6%</u>			
<b>Combined Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities</b>	<b><u>\$ 452,994,638</u></b>	<b><u>100.0%</u></b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)**

As of September 30, 2018, the credit quality and percentages of the total portfolio of cash equivalents, investments and mortgage-backed securities under the Revenue Obligation Funds were as follows:

Combined Revenue Obligation Funds as of September 30, 2018

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 5,191,928	1.2%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposits	103,809,801	24.1%	P1	Moody's	
Money Market Funds	90,189,177	21.0%	Aaa-mf	Moody's	
Money Market Funds	1,131,811	0.3%	P1	Moody's	
<b>Total Cash and Cash Equivalents</b>	<b>200,322,717</b>	<b>46.6%</b>			
<u>Investments</u>					
Certificates of Deposits	54,949,000	12.8%	Not Rated		Federal Reserve-Held Aaa Collateral
U.S. Treasury Obligations	134,177,348	31.1%	Aaa	Moody's	
Investment Agreements	10,000,000	2.3%	Aa2	Moody's	
Investment Agreements	385,078	0.1%	A1	Moody's	
GSE Obligations	677,148	0.2%	Aaa	Moody's	
<b>Total Investments</b>	<b>200,188,574</b>	<b>46.5%</b>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	18,996,414	4.4%	Aaa	Moody's	
Fannie Mae	3,889,548	0.9%	Aaa	Moody's	
Freddie Mac	6,695,303	1.6%	Aaa	Moody's	
<b>Total Mortgage-Backed Securities</b>	<b>29,581,265</b>	<b>6.9%</b>			
<b>Combined Revenue Obligation Funds</b>					
<b>Total Cash, Investments and Mortgage-Backed Securities</b>	<b>\$ 430,092,556</b>	<b>100.0%</b>			

The cash and cash equivalents, investment and mortgage-backed security portfolio with breakdown by credit quality and percentage of total portfolio for each of the Revenue Obligation Funds at September 30, 2019 and 2018 are listed as Supplemental Information to these financial statements.

**Cash and Cash Equivalents** - The Agency's combined cash and cash equivalents balance as of September 30, 2019 and 2018 consists primarily of amounts held in fully collateralized demand deposit bank accounts under the General Fund and in highly rated money market fund trust accounts set up for each revenue bond indenture and Certificates of Participation and administered by the Agency's bond trustees. The collateral for the demand deposits is held by either the Federal Reserve Bank or a third party, as a collateral agent under the tri-party agreements.

**Investments** - The Agency follows the Investment Policy guidelines with regard to its General Fund financial assets and Revenue Obligation Fund indentures. The policy states that the Agency financial assets shall be held in cash and cash equivalents or invested and managed with the intention of obtaining the highest possible total return consistent with the Agency's liquidity needs and a prudent level of investment risk. Under the bond programs and Certificates of Participation, the permitted investments are stipulated in the respective covenants of the indentures of trust.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)**

Investments of proceeds from bond issuances in investment agreements are governed by the covenants of the respective indentures of trust entered between the Agency, the trustee and the investment agreement provider. All investment agreements are fixed interest rate investment contracts with rated financial institutions. In case of a downgrade beyond a preset threshold, the investment providers are required to collateralize both principal and interest with qualifying securities to be held by a designated collateral agent with mark to market and undervalue cure provisions.

Investments in money market funds are short-term in nature and are held by bond trustees for the benefit of the respective indentures. They carry the highest short-term credit ratings by nationally recognized statistical rating agencies, such as Standard & Poor's and Moody's Investors Service. Investments in the U.S. Treasury securities are guaranteed by the full faith and credit of the United States Government.

**Mortgage-backed Securities** - Ginnie Mae mortgage-backed securities are guaranteed by the Government National Mortgage Association ("Ginnie Mae or GNMA"), an instrumentality of the United States Government. GNMA securities are "fully modified pass-through" mortgage-backed securities which require monthly payments by an FHA lender, as the issuer of the Guaranteed Security to the Agency. GNMA guarantees timely payment of principal and interest on Guaranteed Securities.

Fannie Mae and Freddie Mac mortgage-backed pass-through securities are top-rated by Standard & Poor's and Moody's Investors Service. The principal and interest payment on these mortgage-backed securities are guaranteed by Fannie Mae and Freddie Mac, accordingly. Though there is no explicit guarantee that Fannie Mae and Freddie Mac mortgage-backed securities are backed by the full faith and credit of the U.S. Government, there is, however, an implicit guarantee, as government-sponsored enterprises are chartered by the U.S. Congress. In 2008 both Freddie Mac and Fannie Mae were placed into the U.S. Government receivership. The rating agencies continue to assign high credit ratings to both of these entities.

Ginnie Mae, Fannie Mae and Freddie Mac mortgage-backed securities are reported at their market values in accordance with GASB Statement No. 31. It is the intention of the Agency and the indentures to hold these mortgage-backed securities until the underlying loans are paid in full, or, if allowed, until the respective bonds become optionally redeemable and the sale of these securities does not negatively affect the indenture cash flows.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)**

For the year ended September 30, 2019, under the Agency's Single Family Program Fund, \$94,596 of non-operating revenue was recorded in the Statement of Revenues, Expenses and Change in Net Position to record the unrealized gain in the fair market value of the Fund's mortgage-backed security and investment portfolio. For the year ended September 30, 2018, under the same fund, a non-operating expense of \$753,069 was recorded due to a decrease in the unrealized fair market value of the Fund's mortgage-backed security and investment portfolio.

For the year ended September 30, 2019, under the Agency's Single Family NIBP Fund, \$149,361 of non-operating revenue was recorded in the Statement of Revenues, Expenses and Change in Net Position to record the unrealized gain in the fair market value of the Fund's mortgage-backed security and investment portfolio. For the year ended September 30, 2018, under the same fund, a non-operating expense of \$240,809 was recorded due to a decrease in the unrealized fair market value of the Fund's mortgage-backed security and investment portfolio.

For the year ended September 30, 2019, under the Agency's Multifamily Development Program Fund, \$68,231 of non-operating revenue was recorded in the Statement of Revenues, Expenses and Change in Net Position to record the unrealized gain in the fair market value of the Fund's mortgage-backed security and investment portfolio. For the year ended September 30, 2018, under the same fund, a non-operating expense of \$12,674 was recorded due to a decrease in the unrealized fair market value of the Fund's mortgage-backed security and investment portfolio.

For the year ended September 30, 2019, under the Agency's General Fund, \$614,075 of non-operating revenue was recorded in the Statement of Revenues, Expenses and Change in Net Position to record the unrealized gain in the fair market value of the Fund's mortgage-backed security and investment portfolio. For the year ended September 30, 2018, under the same fund, a non-operating expense of \$371,677 was recorded due to a decrease in the unrealized fair market value of the Fund's mortgage-backed security and investment portfolio.

For the years ended September 30, 2019 and 2018, the Agency's Multifamily (Conduit Bond) Program recorded \$2,891,830 and \$763,960, respectively, of non-operating revenue in the Statement of Revenues, Expenses and Change in Net Position to record the unrealized gain in the fair market value of the Fund's mortgage-backed security and investment portfolio.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)**

For the years ended September 30, 2019 and 2018, the Agency’s Multifamily NIB Program recorded no gain or loss activity on the mortgage-backed securities in the Statements of Revenues, Expenses and Change in Net Position as the Fund held no mortgage-backed securities.

**Investments in Joint Ventures** - DCHFA established the Housing Investment Platform (“HIP”) in June 2017 to make innovative investments in support of the District of Columbia housing market outside of its traditional bond and tax credit financing. The investments are targeted towards developing workforce housing by partnering with emerging developers. DCHFA is the sole member of the DCHFA HIP Manager, LLC, which is the general partner of the DC Housing Investment Platform, LP. DC Housing Investment Platform LP is the limited partner in the ultimate development entity. The general partner agreed to contribute up to \$500 to the capital partnership. The limited partner agreed to contribute up to \$5,000,000 to the capital of the partnership in one or more pro rata installments. DCHFA Housing Investment Platform LP closed on two investments during fiscal year 2019. As of the end of fiscal year 2019, the fund has approximately 100 units in various stages of development. As of September 30, 2019 and 2018, the investment in joint ventures totaled \$1,081,539 and \$896,342, respectively.

**Fair Value of Investments**

The Agency has adopted GASB No. 72, *Fair Value Measurement and Application*. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value:

- Level 1 - quoted market prices in active markets
- Level 2 - inputs other than quoted market prices that are observable either directly or indirectly
- Level 3 - unobservable inputs

As of September 30, 2019, the following table presents the investments that the Agency measured at fair value:

	Total	Level 1	Level 2	Level 3
Certificates of Deposits	\$ 16,484,599	\$ -	\$ 16,484,599	\$ -
Investment Agreements	112,496,377	-	112,496,377	-
Corporate Obligations	49,196,239	-	49,196,239	-
GSE Obligations	977,029	-	977,029	-
U.S. Treasury Obligations	133,586,370	133,586,370	-	-
Mortgage Backed Securities	39,168,599	-	39,168,599	-
<b>Total Investments and MBS</b>	<b>\$ 351,909,213</b>	<b>\$ 133,586,370</b>	<b>\$ 218,322,843</b>	<b>\$ -</b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)**

As of September 30, 2018, the following table presents the investments that the Agency measured at fair value:

	Total	Level 1	Level 2	Level 3
Certificates of Deposits	\$ 54,949,000	\$ -	\$ 54,949,000	\$ -
Commercial Papers	14,776,950	-	14,776,950	-
Guaranteed Investments Contracts	10,385,078	-	10,385,078	-
Corporate Obligations	15,364,878	-	15,364,878	-
GSE Obligations	799,823	-	799,823	-
U.S. Treasury Obligations	134,177,348	134,177,348	-	-
Mortgage Backed Securities	35,315,495	-	35,315,495	-
Total Investments and MBS	<u>\$ 265,768,572</u>	<u>\$ 134,177,348</u>	<u>\$ 131,591,224</u>	<u>\$ -</u>

**NOTE 4: MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE**

Multifamily mortgage and construction loans receivable are assets under the Multifamily Development and Multifamily (Conduit Bond) Programs secured by deeds of trust evidencing first mortgage liens on related real property. These loans are either insured by the FHA, and the Agency through the Risk-Share Program, credit enhanced through letters of credit from private banks, or unenhanced in cases when the Agency privately places the bonds with interested banks, and the risk of default and loss of principal and interest rest exclusively with respective bondholders. Fixed and periodic variable interest rates on these construction loans as of September 30, 2019 range from 1.3% to 7.3% with a loan repayment period of up to 40 years.

During fiscal year 2019 and 2018, the Agency funded subordinate lien forgivable 0% non-amortizing down-payment assistance loans in connection with the purchased and sold first lien loans under its General Fund. Due to the low likelihood of recovery for any of these loan amounts, the Agency recorded an allowance equivalent to the original loan amounts. As of September 9, 2019, the Agency discontinued the forgivable 0% non-amortizing down-payment assistance loan program and launched a new 0% fixed rate non-amortizing down-payment assistance loan program. The new program is a deferred loan that will become immediately due and payable upon the occurrence of specific events as defined in the Loan Disclosure document(s) of the DC Open Doors Down Payment Assistance Loan program. The amount of such loans and the corresponding allowance as of September 30, 2019 and 2018 was \$3,797,051 and \$4,118,574, respectively.

Combined restricted mortgage and construction loans as of September 30, 2019 and 2018 were \$1,303,271,503 and \$1,222,496,467, respectively. For the years ended September 30, 2019 and 2018, there was no allowance for bond program loan losses under the Agency Revenue Obligation Funds.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 4: MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE (Continued)**

As part of its General Fund operations, the Agency performs loan servicing under the risk-sharing agreement with HUD, where HUD pays 100.0% of the amount needed to retire bonds issued in connection with a defaulted risk-share loan at the time of the initial claim. Any loss at the time of final claim on a defaulted multifamily project is risk-shared between FHA at 90.0% and the Agency at 10.0%. The most recent program enhancement allows the Agency to share losses on a 50%/50% basis with FHA. As of September 30, 2019, the HUD Risk-Share Reserve funds had a balance of \$2.7 million and the outstanding principal balance of the risk-share insured loans on 18 active projects comprised of 20 loans was \$181.9 million. As of September 30, 2018, the HUD Risk-Share Reserve funds had a balance of \$2.6 million and the outstanding principal balance of the risk-share insured loans on 17 active projects comprised of 19 loans was \$167.2 million.

In addition to its bond programs, within its General Fund the Agency administers the McKinney Act Program. Under its McKinney Act Program, the Agency originates predevelopment McKinney Act bridge loans to finance acquisition, predevelopment and rehabilitation costs associated with multifamily housing developments applying for bond financing with the Agency. These loans are typically unenhanced loans repaid at the time the bond financing is put in place. At September 30, 2019, the balance of total loans outstanding, before the allowance for uncollectible loans, was \$4,315,814, including \$603,627 in loans at various stages of default process. At September 30, 2018, the balance of total loans outstanding was \$4,953,941, of which \$626,998 was attributed to loans at various stages of default process.

The Agency recorded an allowance for uncollectible McKinney Act Program loans for the years ended September 30, 2019 and 2018 in the amount of \$603,627 and \$626,998, respectively. The Agency recorded a net decrease in the allowance for principal loss on McKinney Act Program loans during the year ended September 30, 2019 for recovery of bad debt in the amount of \$23,371. The Agency recorded a net increase in the allowance for principal loss on McKinney Act Program loans during the year ended September 30, 2018 for bad debt in the amount of \$74,291.

	<u>2019</u>	<u>2018</u>
Beginning balance	\$ 626,998	\$ 552,707
Net (decrease) increase in allowance for uncollectible loans	(23,371)	74,291
Ending balance	<u>\$ 603,627</u>	<u>\$ 626,998</u>



**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 4: MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE (Continued)**

For the years ended September 30, 2019 and 2018, the respective balances and changes in the provision for uncollectible interest on the McKinney Act loans under the General Fund were as follows:

	2019	2018
Beginning balance	\$ 306,961	\$ 229,610
Net increase in allowance for uncollectible interest	34,396	77,351
Ending balance	\$ 341,357	\$ 306,961

In addition to the reserves noted above for McKinney Act loans, the Agency also has an allowance for down payment assistance associated with forgivable single family loans as well as multi-family loans that are held on balance sheet (e.g. HUD risk share loans).

The Agency's allowance for doubtful accounts policy is to charge expenses for estimated probable losses which are established as an allowance for loan losses. The allowance is an amount that management believes will be adequate to absorb losses inherent in existing loans based on evaluations of collectability and prior loss experience as well as a competitive benchmarking study.

Until September 9, 2019, DCHFA's down payment assistance core product was a 5-year forgivable 0% interest rate loan. The Agency reserved for the full amount of the down payment assistance at loan inception and then booked recoveries to the extent that borrowers paid off the loan within the 5-year forgiveness period. As of September 30, 2019 and 2018, the Agency has \$3.8 million and \$4.1 million in reserves, respectively.

For the multifamily loan portfolio, the Agency has \$18.2 million of exposure after consideration for HUD risk share. In total, DCHFA has 16 active risk share loans. For 15 loans, the risk share exposure is 10% or \$5.7 million. The remaining loan has a 50% risk share exposure leaving DCHFA's exposure at \$12.5 million.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 5: CAPITAL ASSETS**

The following is the detail of changes in capital assets during the year ended September 30, 2019:

	September 30, 2018	Additions /Dispositions	September 30, 2019
Non-depreciable capital assets			
Land	\$ 573,000	\$ -	\$ 573,000
Total non-depreciable assets	<u>573,000</u>	<u>-</u>	<u>573,000</u>
Depreciable capital assets			
Building	3,540,523	-	3,540,523
Less: accumulated depreciation	(2,541,075)	(131,130)	(2,672,205)
Building net of accumulated depreciation	<u>999,448</u>	<u>(131,130)</u>	<u>868,318</u>
Furniture and equipment	2,108,101	(679,321)	1,428,780
Less: accumulated depreciation	(1,854,646)	790,383	(1,064,263)
Furniture and equipment net of accumulated depreciation	<u>253,455</u>	<u>111,062</u>	<u>364,517</u>
Total Building, furniture and equipment	5,648,624	(679,321)	4,969,303
Less: accumulated depreciation	(4,395,721)	659,253	(3,736,468)
Total Building, furniture and equipment, net of accumulated depreciation	<u>1,252,903</u>	<u>(20,068)</u>	<u>1,232,835</u>
Software	1,291,677	256,000	1,547,677
Less: accumulated amortization	(564,694)	(213,782)	(778,476)
Software net of accumulated amortization	<u>726,983</u>	<u>42,218</u>	<u>769,201</u>
Total capital assets	7,513,301	(423,321)	7,089,980
Less: accumulated depreciation and amortization	(4,960,415)	445,471	(4,514,944)
Total capital assets, net of accumulated depreciation and amortization	<u>\$ 2,552,886</u>	<u>\$ 22,150</u>	<u>\$ 2,575,036</u>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 5: CAPITAL ASSETS (Continued)**

The following is the detail of changes in capital assets during the year ended September 30, 2018:

	<u>September 30, 2017</u>	<u>Additions /Dispositions</u>	<u>September 30, 2018</u>
Non-depreciable capital assets			
Land	\$ 573,000	\$ -	\$ 573,000
Total non-depreciable assets	<u>573,000</u>	<u>-</u>	<u>573,000</u>
Depreciable capital assets			
Building	3,540,523	-	3,540,523
Less: accumulated depreciation	<u>(2,345,638)</u>	<u>(195,437)</u>	<u>(2,541,075)</u>
Building net of accumulated depreciation	<u>1,194,885</u>	<u>(195,437)</u>	<u>999,448</u>
Furniture and equipment	1,914,773	193,328	2,108,101
Less: accumulated depreciation	<u>(1,809,870)</u>	<u>(44,776)</u>	<u>(1,854,646)</u>
Furniture and equipment net of accumulated depreciation	<u>104,903</u>	<u>148,552</u>	<u>253,455</u>
Total Building, furniture and equipment	5,455,296	193,328	5,648,624
Less: accumulated depreciation	<u>(4,155,508)</u>	<u>(240,213)</u>	<u>(4,395,721)</u>
Total Building, furniture and equipment, net of accumulated	<u>1,299,788</u>	<u>(46,885)</u>	<u>1,252,903</u>
Software	961,080	330,597	1,291,677
Less: accumulated amortization	<u>(412,992)</u>	<u>(151,702)</u>	<u>(564,694)</u>
Software net of accumulated amortization	<u>548,088</u>	<u>178,895</u>	<u>726,983</u>
Total capital assets	6,989,376	523,925	7,513,301
Less: accumulated depreciation and amortization	<u>(4,568,500)</u>	<u>(391,915)</u>	<u>(4,960,415)</u>
Total capital assets, net of accumulated depreciation and amortization	<u>\$ 2,420,876</u>	<u>\$ 132,010</u>	<u>\$ 2,552,886</u>

Depreciation and amortization expense for fiscal years 2019 and 2018 was \$427,911 and \$391,915, respectively.

**NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS**

The loans, bonds and notes issued by the Agency are special obligations of the Agency and are payable from the revenue and special funds of the applicable indentures. The bonds and notes do not constitute debt of and are not guaranteed by the District or any other program of the District. All mortgage revenue bond multifamily projects financed to date have been issued by the Agency as stand-alone pass-through financings with no direct economic recourse to the Agency as the issuer.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)**

The provisions of the various bond indentures require or allow for the special redemption of bonds at par through the use of unexpended bond proceeds and excess funds accumulated primarily through prepayment of mortgage loans and mortgage-backed securities. All outstanding bonds are subject to redemption at the option of the Agency or the borrower, in whole or in part at any time, after certain dates, as specified in the respective bond indentures and bond resolutions, at prescribed redemption prices. The redemption premiums can range up to 5.0%. Under the Multifamily Development and Multifamily (Conduit Bond) Programs, this option generally cannot be exercised until the bonds have been outstanding for ten years as provided in the various indentures. Term bonds are generally subject to redemption, without premium, from mandatory sinking fund payments.

Bonds issued to provide financing for the Agency's housing programs are collateralized by:

- Mortgage-backed securities made in connection with underlying loans.
- Mortgage loans made on the related multifamily developments or single family residential mortgage loans purchased.
- Investments of bond proceeds, debt service reserves and escrow accounts, all revenues, mortgage payments, and recovery payments received by the Agency from investments, mortgage loans and mortgage-backed securities made on the related developments and pledged to the respective trust indentures.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)**

The following is a summary of the bond and debt activity for the year ended September 30, 2019 and the debt outstanding and loans, bonds and certificates of participation payable as of September 30, 2019:

General Fund	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2018	Debt Activity			Debt Outstanding at 9/30/2019	Premium (+) / Discount (-)	Bond Payable at 9/30/2019	Due Within One Year
				New Obligations	Scheduled Maturity Payments	Obligations Paid				
PNC Bank Credit Line	Variable	2020	\$ -	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 2,000,000
Total			\$ -	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 2,000,000
Industrial Bank Credit Line	Variable	2020	\$ 1,726,077	\$ -	\$ -	\$ 233,671	\$ 1,492,406	\$ -	\$ 1,492,406	\$ 1,492,406
Total			\$ 1,726,077	\$ -	\$ -	\$ 233,671	\$ 1,492,406	\$ -	\$ 1,492,406	\$ 1,492,406
<b>Credit Line Totals</b>			<b>\$ 1,726,077</b>	<b>\$ 2,000,000</b>	<b>\$ -</b>	<b>\$ 233,671</b>	<b>\$ 3,492,406</b>	<b>\$ -</b>	<b>\$ 3,492,406</b>	<b>\$ 3,492,406</b>

1988 Single Family Mortgage Revenue Bonds	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2018	Bond Activity			Debt Outstanding at 9/30/2019	Premium (+) / Discount (-)	Bond Payable at 9/30/2019	Due Within One Year
				New Bonds Issued	Scheduled Maturity Payments	Bond Redeemed				
1988 Series E-4	6.375%	2026	\$ 1,070,000	\$ -	\$ -	\$ 210,000	\$ 860,000	\$ (47,411)	\$ 812,589	\$ -
Total			\$ 1,070,000	\$ -	\$ -	\$ 210,000	\$ 860,000	\$ (47,411)	\$ 812,589	\$ -

1996 Single Family Mortgage Revenue Bonds	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2018	Bond Activity			Debt Outstanding at 9/30/2019	Premium (+) / Discount (-)	Bond Payable at 9/30/2019	Due Within One Year
				New Bonds Issued	Scheduled Maturity Payments	Bond Redeemed				
2006 Series A	4.95%	2019	\$ 160,000	\$ -	\$ -	\$ 160,000	\$ -	\$ -	\$ -	\$ -
2006 Series B	5.1% - 5.35%	2019	805,000	-	-	805,000	-	-	-	-
2006 Series D	4.60%	2020	85,000	-	-	50,000	35,000	-	35,000	35,000
2006 Series E	4.65%	2037	4,620,000	-	-	1,580,000	3,040,000	-	3,040,000	-
Total			\$ 5,670,000	\$ -	\$ -	\$ 2,595,000	\$ 3,075,000	\$ -	\$ 3,075,000	\$ 35,000

Single Family New Issue Bond Program	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2018	Bond Activity			Debt Outstanding at 9/30/2019	Premium (+) / Discount (-)	Bond Payable at 9/30/2019	Due Within One Year
				New Bonds Issued	Scheduled Maturity Payments	Bond Redeemed				
2009 Series A-1	2.49%	2020-2041	\$ 4,360,000	\$ -	\$ 160,000	\$ 240,000	\$ 3,960,000	\$ -	\$ 3,960,000	\$ 150,000
Total			\$ 4,360,000	\$ -	\$ 160,000	\$ 240,000	\$ 3,960,000	\$ -	\$ 3,960,000	\$ 150,000

Combined Single Family Indentures Total	Debt Outstanding at 9/30/2018	New Bonds Issued	Scheduled Maturity Payments	Bond Redeemed	Debt Outstanding at 9/30/2019	Premium (+) / Discount (-)	Bonds Payable at 9/30/2019	Due Within One Year
	\$ 11,100,000	\$ -	\$ 160,000	\$ 3,045,000	\$ 7,895,000	\$ (47,411)	\$ 7,847,589	\$ 185,000

MF Development Program	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2018	Bond Activity			Debt Outstanding at 9/30/2019	Premium (+) / Discount (-)	Bonds Payable at 9/30/2019	Due Within One Year
					New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed/ Adjustment				
Series 2017	Pass Through Refunding (Taxable)	3.24%	2049	\$ 33,863,034	\$ -	\$ -	\$ 10,634,304	\$ -	\$ 23,228,730	\$ -	
Series 2018 A	Woodmont Crossing Apartments	1.90% - 4.35%	2019-2058	25,400,000	-	290,000	-	-	25,110,000	290,000	
Series 2018 B-1	Delta Towers and Capitol Vista	Variable	2023	34,395,000	-	-	-	-	34,395,000	-	
Series 2018 B-2	Delta Towers and Capitol Vista	2.50% - 4.10%	2022-2039	40,020,000	-	-	-	-	40,020,000	-	
Series 2019 A-1 & A-2	Petworth	Variable	2023-2040	-	12,525,000	-	-	-	12,525,000	-	
Series 2019 B-1 & B-2	Randle Hills	Variable	2022-2039	-	25,420,000	-	-	-	25,420,000	-	
<b>MF Development Program Bonds Total</b>				<b>\$ 133,678,034</b>	<b>\$ 37,945,000</b>	<b>\$ 290,000</b>	<b>\$ 10,634,304</b>	<b>\$ -</b>	<b>\$ 160,698,730</b>	<b>\$ 290,000</b>	
<b>Subtotal Excluding Conduit Bonds</b>				<b>\$ 144,778,034</b>	<b>\$ 37,945,000</b>	<b>\$ 450,000</b>	<b>\$ 13,679,304</b>	<b>\$ (47,411)</b>	<b>\$ 168,546,319</b>	<b>\$ 475,000</b>	

(Continued)

# DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

### SEPTEMBER 30, 2019 AND 2018

## NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

Multifamily Conduit Bonds	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2018	Bond Activity				Premium (+) / Discount (-)	Bonds Payable at 9/30/2019	Due Within One Year
					New Bonds Issued	Maturity Payments	Bonds Redeemed/Adjustment	Debt Outstanding at 9/30/2019			
2000 Series	Wildrich Court Apt	7.30%	2019-2032	2,565,660	-	110,464	-	2,455,196	-	2,455,196	118,803
2001 Series	Clifton Terrace	Variable	2019-2033	3,985,262	-	160,932	-	3,824,330	-	3,824,330	170,841
2002 Series	Treaton Park Apts	Variable	2019-2035	5,020,000	-	160,000	-	4,860,000	-	4,860,000	170,000
2002 Series	DCCH Pool: Euclid Street	5.75%	2019-2039	1,235,000	-	20,000	15,000	1,200,000	-	1,200,000	30,000
2002 Series	DCCH Pool: Chapin Street	5.75%	2019-2039	1,035,000	-	20,000	5,000	1,010,000	-	1,010,000	20,000
2005 Series A&B	Faircliff West	6.50%	2019-2017	10,201,907	-	129,462	-	10,072,445	-	10,072,445	138,132
2005 Series A&B	Faircliff West	6.50%	2019-2025	361,028	-	37,582	-	323,446	-	323,446	40,999
2005 Series	DCHA Modernization Program	5.00%	2019-2025	32,405,000	-	3,970,000	-	28,435,000	1,062,565	29,497,565	416,000
2005 Series	Shiplay Park Apts	4.80%	2019-2026	9,990,000	-	265,000	-	9,625,000	-	9,625,000	285,000
2006 Series	Hunter Flats	6.25%	2019-2048	9,738,666	-	119,765	-	9,608,901	-	9,608,901	127,465
2006 Series	GW Carver Senior Apts	5.875%	2019-2049	6,955,312	-	78,232	-	6,877,080	-	6,877,080	82,954
2006 Series	Garfield Hills Apts	5.00%	2019-2036	3,240,000	-	100,000	-	3,140,000	-	3,140,000	110,000
2006 Series	Galen Terrace	6.00%	2019-2048	4,151,677	-	51,597	-	4,100,080	-	4,100,080	54,779
2006 Series A	Southview L & II	6.25%	2019-2048	10,297,728	-	122,915	-	10,174,813	-	10,174,813	130,821
2006 Series	Golden Rule Apts	5.25%	2019-2048	10,645,000	-	145,000	-	10,500,000	-	10,500,000	150,000
2006 Series	Azeze Bates Apts	4.80%	2018-2036	2,755,000	-	85,000	-	2,670,000	-	2,670,000	85,000
2007 Series	Cavalleti Apts	5.60%	2019-2046	14,124,215	-	176,454	-	13,947,761	-	13,947,761	186,593
2007 Series	R Street Apts	5.60%	2019-2051	8,474,307	-	54,078	-	8,420,229	-	8,420,229	71,225
2007 Series	Residences at Georgia Ave Apts	5.80%	2019-2051	7,157,422	-	94,836	-	7,062,586	-	7,062,586	86,415
2007 Series A	Parkside Terrace Apts	Variable	2019-2025	19,830,834	-	343,642	-	19,487,192	-	19,487,192	362,845
2008 Series	Henson Ridge UFAS Rentals	6.00%	2019-2050	3,994,994	-	111,731	-	3,883,263	-	3,883,263	118,622
2008 Series	Wheeler Terrace	Variable	2019-2050	7,028,476	-	91,723	-	6,936,753	-	6,936,753	96,997
2008 Series	Longfellow Arms Apts	5.70%	2019-2040	1,820,000	-	30,000	-	1,790,000	-	1,790,000	35,000
2008 Series A&B	St Martin's Apt	5.40%	2019-2046	11,017,120	-	173,299	-	10,843,821	-	10,843,821	172,243
2008 Series	Pennick Apartments	6.00%	2019-2028	9,195,000	-	280,000	-	8,915,000	-	8,915,000	340,000
2009 Series	Georgia Commons	4.625%-5.875%	2019	15,745,400	-	85,000	15,660,000	-	-	-	-
2010 Series A	Sheridan Station	5.90%	2019-2040	3,098,839	-	59,697	-	3,039,142	-	3,039,142	63,316
2011 Series A	The Heights	5.80%	2019-2043	7,675,412	-	66,502	-	7,608,910	-	7,608,910	70,644
2011 Series	Victory Square	Variable	2019-2043	1,284,152	-	20,211	-	1,263,941	-	1,263,941	21,642
2012 Series	Park 7 at Minnesota Benning	Variable	2046	45,200,000	-	-	1,530,000	-	-	-	-
2012 Series	Yards D Building	Variable	2047	8,500,000	-	-	-	8,500,000	-	8,500,000	-
2012 Series A	Yemas II	4.50%	2019-2049	3,569,621	-	70,249	-	3,499,372	-	3,499,372	73,733
2012 Series	SeVerna II	4.50%	2019-2049	15,010,390	-	214,864	-	14,795,526	-	14,795,526	224,735
2012 Series A	Whitelaw Apartments	5.65%	2019-2029	2,215,675	-	40,082	-	2,175,593	-	2,175,593	42,406
2012 Series A	Fairway Park	Variable	2019-2046	32,688,185	-	316,171	-	32,372,014	-	32,372,014	332,016
2013 Series	Lofts at Capital Quarter	6.12%	2028	39,370,837	-	-	317,689	39,053,148	-	39,053,148	-
2013 Series	SOME Scattered Site II	4.51%	2019-2033	6,149,669	-	83,662	-	6,066,007	-	6,066,007	87,558
2013 Series	Tyler House	3.50%	2023-2031	3,110,000	-	550,000	-	2,560,000	-	2,560,000	590,000
2013 Series	Tyler House	4.45%	2019-2023	40,230,000	-	-	-	40,230,000	-	40,230,000	-
2013 Series	Trinity Plaza	4.75%	2019-2050	5,227,255	-	68,496	-	5,158,759	-	5,158,759	71,821
2013 Series A	Senior Housing at O	4.67%	2019-2045	6,559,628	-	92,769	-	6,466,859	-	6,466,859	97,195
2013 Series A	Sheridan Station III	Variable	2019-2032	10,089,506	-	81,192	-	10,008,314	-	10,008,314	85,771
2014 Series	Hignland Dwellings	4.84%	2023	21,688,294	-	-	228,357	21,279,937	-	21,279,937	-
2014 Series	2321 4th Street NE	4.45%	2019-2046	10,353,303	-	183,725	-	10,169,578	-	10,169,578	192,070
2014 Series	Grove at Parkside	Variable	2035	17,821,769	-	-	278,947	17,542,822	-	17,542,822	-
2014 Series A	7611 - 7701 Georgia Ave	Variable	2019-2033	10,117,913	-	94,485	-	10,023,427	-	10,023,427	98,901
2014 Series A	DCHA Pace-Through Refunding	Variable	2019-2045	32,374,036	-	745,943	-	31,628,093	-	31,628,093	793,317
2014 Series A-1, A-2	Yards - Parcel N A-1, A-2	Variable	2047	80,000,000	-	-	-	80,000,000	-	80,000,000	-
2015 Series	Bowen Flats (2620 Bowen Road SE)	4.490%	2033	3,312,128	-	-	41,103	3,271,025	-	3,271,025	-
2015 Series	Trinity Terrace Apts	Variable	2049	19,499,999	-	-	-	19,499,999	-	19,499,999	-
2015 Series	Atlantic Garden Apartment	Variable	2049	12,999,999	-	-	-	12,999,999	-	12,999,999	-
2015 Series A	Brightwood Portfolio	4.02%	2019-2047	10,634,102	-	154,238	-	10,479,864	-	10,479,864	160,554
2015 Series A	North LHFC I / HNE I	Variable	2035	1,092,537	-	82,814	-	1,009,723	-	1,009,723	-
2015 Series	North LHFC II / HNE II	Variable	2035	1,144,663	-	-	78,252	1,066,311	-	1,066,311	-
2015 Series A	Square 50 West End	4.49%	2019-2036	7,130,000	-	85,046	-	7,044,954	-	7,044,954	88,105
2015 Series A	Ontario Court	4.93%	2019-2031	2,525,736	-	42,303	-	2,483,433	-	2,483,433	44,120
2015 Series FA	SOME Conway Center	Variable	2019	17,700,000	-	-	-	17,700,000	-	17,700,000	-
2015 Series TTEE	SOME Conway Center	Variable	2019	8,900,000	-	-	16,716,257	983,743	-	983,743	983,743
2016 Series	Langdon Apartments	4.625%	2019-2056	3,815,000	-	35,000	-	3,780,000	-	3,780,000	35,000
2016 Series	4000 Benning aka St. Stephens	Variable	2049	10,499,999	-	-	5,018,272	5,481,727	-	5,481,727	-
2016 Series	Placerville	Variable	2043	28,035,000	-	-	19,085,252	9,436,747	-	9,436,747	-
2016 Series	N Street Village Renovation	0.04	2048	3,947,432	-	-	72,581	3,874,851	-	3,874,851	-
2016 Series	Parkchester Apartments	Variable	2048	11,200,000	-	-	1,799,706	9,400,294	-	9,400,294	-
2016 Series	Homestead Apartments	Variable	2049	4,558,465	-	-	67,624	4,490,841	-	4,490,841	-
2016 Series	Fort Chapin Park	Variable	2051	61,000,000	-	-	-	61,000,000	-	61,000,000	-
2016 Series	Deanwood Hills	3.649%	2049	16,194,247	635,752	-	9,230,000	7,599,999	-	7,599,999	-
2016 Series A	Beacon Center	Variable	2041	7,339,999	-	-	-	7,339,999	-	7,339,999	-
2016 Series B	Archer Park	Variable	2035	20,485,000	-	-	128,499	20,356,501	-	20,356,501	-
2016 Series B	Beacon Center	Variable	2021	6,050,000	-	6,050,000	-	-	-	-	-
2016 Series B	Beacon Center	Variable	2021	11,305,714	-	2,954,285	-	12,157,581	-	12,157,581	-
2017 Series	Maple View Flats	Variable	2038	51,000	-	-	-	51,000	-	51,000	-
2017 Series	Maplewood Courts	1.80%	2019	11,310,000	-	-	11,310,000	-	-	-	-
2017 Series A	Wash Luck Project	1.72%	2019	39,000,000	-	-	-	39,000,000	-	39,000,000	-
2017 Series	Hilltop Apartments	1.94%	2021	5,850,000	-	-	-	5,850,000	-	5,850,000	-
2017 Series M-TEBS	Hilltop Apartments	3.25%	2037	7,149,000	-	-	-	7,149,000	-	7,149,000	-
Series 2017 A	Benning Heights	Variable	2049	13,688,183	2,331,817	-	2,809,059	13,190,941	-	13,190,941	-
Series 2017 A	Maycroft Apts	Variable	2034	7,200,000	-	-	-	7,200,000	-	7,200,000	-
Series 2017 A	South Capital	Variable	2037	9,420,000	-	-	-	9,420,000	-	9,420,000	-
Series 2017 A	3534 East Capitol	Variable	2038	295,298	10,304,701	-	-	10,599,999	-	10,599,999	-
Series 2017 B	SOME Spring Road	Variable	2050	1,028,813	3,171,186	-	-	10,199,999	-	10,199,999	-
Series 2017 B	Yards Parcel O	5.87%	2051	50,151,000	-	-	-	55,000,000	-	55,000,000	-
Series 2017 B	Maycroft Apts	Variable	2037	5,483,310	3,156,689	-	-	8,639,999	-	8,639,999	8,639,999
Series 2017 B	South Capital	Variable	2020	5,652,178	8,148,173	-	-	13,800,351	-	13,800,351	-
Series 2017 B	3534 East Capitol	Variable	2038	55,000,000	-	-	-	5,502,032	-	5,502,032	-
2018 Series	Liberty Place	2.13%	2021	16,800,000	-	-	-	16,800,000	-	16,800,000	-
2018 Series	Brookland Palace Apartments	Variable	2035	-	2,119,582	-	-	2,119,582	-	2,119,582	-
2018 Series	Brookland Palace Apartments	Variable	2035	-	2,727,018	-	-	4,739,999	-	4,739,999	-
2018 Series	Ainger Place	Variable	2020	2,002,981	-	-	-	13,750,000	-	13,750,000	-
2018 Series	555 E Street Senior Projects	Variable	2039	-	5,348,391	-	-</				

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)**

Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2018	Bond Activity			Debt Outstanding at 9/30/2019	Premium (+) / Discount (-)	Bonds Payable at 9/30/2019	Due Within One Year
				New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed/Adjustment				
<b>Multifamily NIBP (Conduit)</b>										
Series 2009 A-1	4.09%	2019 – 2042	\$ 9,920,000	\$ -	\$ 160,000	\$ -	\$ 9,760,000	\$ -	\$ 9,760,000	\$ 180,000
Series 2009 A-2	4.09%	2019 – 2044	4,970,000	-	60,000	10,000	4,900,000	-	4,900,000	60,000
Series 2009 A-2	3.82%	2019 – 2052	5,000,000	-	40,000	-	4,960,000	-	4,960,000	40,000
Series 2009 A-3	4.09%	2019 – 2044	3,070,000	-	40,000	-	3,030,000	-	3,030,000	40,000
Series 2009 A-4	4.09%	2019 – 2044	7,690,000	-	100,000	-	7,590,000	-	7,590,000	100,000
Series 2009 A-5	4.09%	2019 – 2044	12,050,000	-	140,000	30,000	11,880,000	-	11,880,000	140,000
Series 2009 A-7	3.01%	2019 – 2044	4,610,000	-	80,000	-	4,530,000	-	4,530,000	80,000
Series 2009 A-8	3.01%	2013 – 2044	13,000,000	-	-	-	13,000,000	-	13,000,000	-
Series 2009 A-8	4.55% – 5.45%	2019 – 2033	6,470,000	-	300,000	-	6,170,000	-	6,170,000	315,000
Series 2009 A-9	3.01%	2019 – 2044	3,400,000	-	50,000	-	3,350,000	-	3,350,000	60,000
Series 2009 A-10	Variable	2029 – 2044	8,390,000	-	-	-	8,390,000	-	8,390,000	-
Series 2009 A-10	Variable	2019 – 2029	2,140,000	-	145,000	-	1,995,000	-	1,995,000	155,000
Series 2009 A-11	3.53%	2019 – 2044	5,850,000	-	80,000	-	5,770,000	-	5,770,000	80,000
Series 2009 A-12	Variable	2019 – 2044	4,770,000	-	80,000	-	4,690,000	-	4,690,000	60,000
Series 2009 A-14	3.00% – 5.00%	2019 – 2041	14,860,000	-	310,000	-	14,550,000	-	14,550,000	325,000
Series 2009 A-14	2.49%	2041	7,700,000	-	-	-	7,700,000	-	7,700,000	-
Series 2009 A-15	2.49%	2019 – 2044	3,460,000	-	60,000	-	3,400,000	-	3,400,000	60,000
Series 2009 A-16	2.80% – 4.90%	2019 – 2040	13,030,000	-	320,000	-	12,710,000	-	12,710,000	340,000
Series 2009 A-16	2.49%	2040 – 2041	8,370,000	-	-	-	8,370,000	-	8,370,000	-
<b>Multifamily NIBP (Conduit)</b>										
<b>Total</b>			<b>\$ 138,750,000</b>	<b>\$ -</b>	<b>\$ 1,965,000</b>	<b>\$ 40,000</b>	<b>\$ 136,745,000</b>	<b>\$ -</b>	<b>\$ 136,745,000</b>	<b>\$ 2,035,000</b>
<b>Combined Multifamily (Conduit) Indentures Total</b>			<b>\$ 1,300,551,189</b>	<b>\$ 202,418,180</b>	<b>\$ 26,336,348</b>	<b>\$ 143,283,193</b>	<b>\$ 1,333,349,828</b>	<b>\$ 1,062,565</b>	<b>\$ 1,334,412,393</b>	<b>\$ 25,185,905</b>

The following is a summary of the bond and debt activity for the year ended September 30, 2018 and the debt outstanding and bonds and certificates of participation payable as of September 30, 2018:

General Fund	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2017	Debt Activity			Debt Outstanding at 9/30/2018	Premium (+) / Discount (-)	Bond Payable at 9/30/2018	Due Within One Year	
				New Obligations	Scheduled Maturity Payments	Obligations Paid					
PNC Bank Credit Line	Variable	2018	\$ 6,182,145	\$ -	\$ -	\$ 6,182,145	\$ -	\$ -	\$ -		
Total			\$ 6,182,145	\$ -	\$ -	\$ 6,182,145	\$ -	\$ -	\$ -		
Industrial Bank Credit Line	Variable	2019	\$ 2,528,387	\$ 6,384,400	\$ -	\$ 7,186,710	\$ 1,726,077	\$ -	\$ 1,726,077		
Total			\$ 2,528,387	\$ 6,384,400	\$ -	\$ 7,186,710	\$ 1,726,077	\$ -	\$ 1,726,077		
<b>Credit Line Totals</b>			<b>\$ 8,710,532</b>	<b>\$ 6,384,400</b>	<b>\$ -</b>	<b>\$ 13,368,855</b>	<b>\$ 1,726,077</b>	<b>\$ -</b>	<b>\$ 1,726,077</b>		
1988 Single Family Mortgage Revenue Bonds	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2017	Bond Activity			Debt Outstanding at 9/30/2018	Premium (+) / Discount (-)	Bond Payable at 9/30/2018	Due Within One Year	
				New Bonds Issued	Scheduled Maturity Payments	Bond Redeemed					
1988 Series E-4	6.375%	2019-2026	\$ 1,330,000	\$ -	\$ 10,000	\$ 250,000	\$ 1,070,000	\$ (70,148)	\$ 999,852	\$ 55,000	
Total			\$ 1,330,000	\$ -	\$ 10,000	\$ 250,000	\$ 1,070,000	\$ (70,148)	\$ 999,852	\$ 55,000	
1996 Single Family Mortgage Revenue Bonds	2006 Series A	4.95%	2019-2026	\$ 530,000	\$ -	\$ 20,000	\$ 350,000	\$ 160,000	\$ -	\$ 160,000	\$ 10,000
	2006 Series B	5.1% ~ 5.35%	2019-2037	2,595,000	-	45,000	1,745,000	805,000	271,699	1,076,699	10,000
	2006 Series D	4.60%	2018-2020	150,000	-	40,000	25,000	85,000	-	85,000	35,000
	2006 Series E	4.65%	2019-2037	5,470,000	-	-	850,000	4,620,000	-	4,620,000	85,000
	Total			\$ 8,745,000	\$ -	\$ 105,000	\$ 2,970,000	\$ 5,670,000	\$ 271,699	\$ 5,941,699	\$ 140,000
Single Family New Issue Bond Program	2009 Series A-1	2.49%	2018-2041	\$ 5,560,000	\$ -	\$ 160,000	\$ 1,040,000	\$ 4,360,000	\$ -	\$ 4,360,000	\$ 140,000
	Total		\$ 5,560,000	\$ -	\$ 160,000	\$ 1,040,000	\$ 4,360,000	\$ -	\$ 4,360,000	\$ 140,000	
<b>Combined Single Family Indentures Total</b>			<b>\$ 15,635,000</b>	<b>\$ -</b>	<b>\$ 275,000</b>	<b>\$ 4,260,000</b>	<b>\$ 11,100,000</b>	<b>\$ 201,551</b>	<b>\$ 11,301,551</b>	<b>\$ 335,000</b>	
MF Development Program	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2017	Bond Activity			Debt Outstanding at 9/30/2018	Premium (+) / Discount (-)	Bonds Payable at 9/30/2018	Due Within One Year
					New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed/Adjustment				
Series 2017	Pass Through Refunding (Taxable)	3.24%	2018-2049	\$ 34,444,074	\$ -	\$ -	\$ 581,040	\$ 33,863,034	\$ -	\$ 33,863,034	\$ 614,243
Series 2018 A	Woodmont Crossing Apartments	1.55% – 4.35%	2019-2038	-	25,545,000	145,000	-	25,400,000	-	25,400,000	290,000
Series 2018 B-1	Delta Towers and Capitol Vista	2.55%	2022-2022	-	34,395,000	-	-	34,395,000	-	34,395,000	-
Series 2018 B-2	Delta Towers and Capitol Vista	2.50% – 4.10%	2022-2039	-	40,020,000	-	-	40,020,000	-	40,020,000	-
<b>MF Development Program Bonds Total</b>				<b>\$ 34,444,074</b>	<b>\$ 99,960,000</b>	<b>\$ 145,000</b>	<b>\$ 581,040</b>	<b>\$ 133,678,034</b>	<b>\$ -</b>	<b>\$ 133,678,034</b>	<b>\$ 904,243</b>
<b>Subtotal Excluding Conduit Bonds</b>				<b>\$ 50,079,074</b>	<b>\$ 99,960,000</b>	<b>\$ 420,000</b>	<b>\$ 4,841,040</b>	<b>\$ 144,778,034</b>	<b>\$ 201,551</b>	<b>\$ 144,979,585</b>	<b>\$ 1,239,243</b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)**

Multifamily Conduit Bonds	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2017	Bond Activity			Debt Outstanding at 9/30/2018	Premium (+) Discount (-)	Bonds Payable at 9/30/2018	Due Within One Year
					New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed/ Adjustment				
1999 Series	Garfield Park Apts	7.25%	N/A	\$ 2,326,654	\$ -	\$ 41,408	\$ 2,285,246	\$ -	\$ -	\$ -	\$ -
2000 Series	Winch Court Apt	7.30%	2018-2032	2,668,370	-	102,710	-	2,565,660	-	2,565,660	110,464
2001 Series	Cifton Terrace	Variable	2018-2033	4,136,861	-	151,999	-	3,985,262	-	3,985,262	160,932
2002 Series	Trenton Park Apts	Variable	2019-2035	5,170,000	-	150,000	-	5,020,000	-	5,020,000	160,000
2002 Series	DCCH Pool: Euclid Street	5.75%	2018-2039	1,255,000	-	20,000	-	1,235,000	-	1,235,000	20,000
2002 Series	DCCH Pool: Chapin Street	5.75%	2018-2039	1,055,000	-	20,000	-	1,035,000	-	1,035,000	20,000
2005 Series A&B	Fanshiff West	6.50%	2018-2047	10,719,094	-	156,359	-	10,562,935	-	10,562,935	167,044
2005 Series	DCHA Modernization Program	5.00%	2019-2025	36,180,000	-	3,775,000	-	32,405,000	1,313,442	33,718,442	3,970,000
2005 Series	ShIPLEY Park Apts	4.80%	2018-2026	10,145,000	-	255,000	-	9,890,000	-	9,890,000	265,000
2006 Series	Hunter Pines	6.25%	2018-2048	9,841,193	-	112,527	-	9,728,666	-	9,728,666	119,765
2006 Series	GW Carver Senior Apts	5.875%	2018-2049	7,029,092	-	73,780	-	6,955,312	-	6,955,312	78,232
2006 Series	Garfield Hills Apts	5.00%	2018-2036	3,335,000	-	95,000	-	3,240,000	-	3,240,000	100,000
2006 Series	Galen Terrace	6.00%	2018-2049	4,200,277	-	48,600	-	4,151,677	-	4,151,677	51,997
2006 Series A	Southview I & II	6.25%	2018-2048	10,413,215	-	115,486	-	10,297,729	-	10,297,729	122,915
2006 Series	Golden Rule Apts	5.25%	2018-2048	10,780,000	-	135,000	-	10,645,000	-	10,645,000	145,000
2006 Series	Azeese Bates Apts	4.80%	2018-2036	2,845,000	-	90,000	-	2,755,000	-	2,755,000	85,000
2007 Series	Cavalier Apts	5.60%	2018-2049	14,291,081	-	166,866	-	14,124,215	-	14,124,215	176,454
2007 Series	R Street Apts	5.60%	2018-2051	7,221,117	-	63,695	-	7,157,422	-	7,157,422	67,355
2007 Series A	Residences at Georgia Ave Apts	5.80%	2018-2051	8,551,279	-	76,972	-	8,474,307	-	8,474,307	81,557
2007 Series A	Parkside Terrace Apts	Variable	2018-2025	20,156,286	-	325,452	-	19,830,834	-	19,830,834	343,642
2008 Series	Henson Ridge UFAS Rentals	6.00%	2018-2050	4,100,235	-	105,241	-	3,994,994	-	3,994,994	111,731
2008 Series	Wheeler Terrace	Variable	2018-2025	7,115,586	-	87,110	-	7,028,476	-	7,028,476	91,740
2008 Series	Longfellow Arms Apts	5.70%	2018-2049	1,845,000	-	25,000	-	1,820,000	-	1,820,000	30,000
2008 Series A&B	St Martin's Apt	5.40%	2018-2046	11,181,240	-	164,120	-	11,017,120	-	11,017,120	162,479
2008 Series	Penacle Apartments	Variable	2018-2028	9,925,000	-	-	330,000	9,195,000	-	9,195,000	345,000
2009 Series	Georgia Commons	4.625%-5.875%	2019-2051	15,910,000	-	165,000	-	15,745,000	(170,217)	15,574,783	170,000
2011 Series A	The Heights	5.80%	2018-2049	7,758,177	-	62,765	-	7,695,412	-	7,695,412	66,502
2012 Series A	Whitehaw Apartments	5.65%	2019-2029	2,653,561	-	37,886	-	2,615,675	-	2,615,675	40,886
2012 Series	Yards D Building	Variable	2047-2047	8,500,000	-	-	-	8,500,000	-	8,500,000	-
2010 Series A	Sheridan Station	5.90%	2018-2040	3,153,124	-	56,285	-	3,096,839	-	3,096,839	59,697
2011 Series A	Vanoy Square	Variable	2018-2030	1,303,027	-	18,875	-	1,284,152	-	1,284,152	20,211
2014 Series	Highland Dwellings	4.84%	2032-2032	34,995,289	514,710	-	14,001,705	21,508,294	-	21,508,294	-
2012 Series	Park 7 at Minnesota Benning	Variable	2046-2046	45,250,000	-	-	-	45,250,000	-	45,250,000	-
2012 Series A	Fairway Park	Variable	2018-2046	32,989,267	-	301,082	-	32,688,185	-	32,688,185	316,171
2012 Series	SeVerna II	4.50%	2018-2049	15,518,518	-	205,428	-	15,010,390	-	15,010,390	214,864
2013 Series	Lofts at Capital Quarter	6.12%	2028-2028	42,000,000	-	-	2,629,163	39,370,837	-	39,370,837	-
2012 Series	Basin Circle	4.45%	2018-2029	3,636,550	-	66,929	-	3,569,621	-	3,569,621	70,249
2013 Series	SOME Scattered Site II	4.51%	2018-2033	6,229,609	-	79,940	-	6,149,669	-	6,149,669	83,662
2013 Series A	Senior Housing at O	4.67%	2018-2045	6,648,186	-	88,558	-	6,559,628	-	6,559,628	92,699
2013 Series	Lofts at Capital Quarter	6.12%	2028-2028	42,000,000	-	-	-	39,370,837	-	39,370,837	-
2012 Series	Basin Circle	4.45%	2018-2029	3,636,550	-	66,929	-	3,569,621	-	3,569,621	70,249
2013 Series	SOME Scattered Site II	4.51%	2018-2033	6,229,609	-	79,940	-	6,149,669	-	6,149,669	83,662
2013 Series A	Senior Housing at O	4.67%	2018-2045	6,648,186	-	88,558	-	6,559,628	-	6,559,628	92,699
2013 Series	Tyler House	3.50%-4.45%	2018-2031	43,950,000	-	520,000	-	43,430,000	-	43,430,000	550,000
2014 Series	2321 4th Street NE	4.45%	2018-2046	10,529,036	-	175,733	-	10,353,303	-	10,353,303	183,725
2013 Series	Trinity Plaza	4.75%	2018-2050	5,292,581	-	65,326	-	5,227,255	-	5,227,255	68,496
2013 Series A	Sheridan Station III	Variable	2018-2032	10,106,363	-	76,857	-	10,089,506	-	10,089,506	81,192
2014 Series	North Capital Commons	Variable	N/A	5,850,000	-	-	5,850,000	-	-	-	-
2015 Series A	North LIHTC I / HINE I	Variable	2035-2035	1,092,537	-	-	-	1,092,537	-	1,092,537	-
2015 Series A	North LIHTC II / HINE II	Variable	2035-2035	1,144,563	-	-	-	1,144,563	-	1,144,563	-
2015 Series A	Square 50 West End	4.49%	2018-2036	7,130,000	-	-	-	7,130,000	-	7,130,000	85,046
2015 Series B	Square 50 West End	4.49%	N/A	6,242,237	-	-	6,242,237	-	-	-	-
2016 Series	Langdon Apartments	4.625%	2018-2056	5,340,000	-	1,525,000	-	3,815,000	-	3,815,000	34,469
2014 Series A	7611 - 7701 Georgia Ave	Variable	2018-2033	10,186,000	-	68,087	-	10,117,913	-	10,117,913	94,486
2016 Series	Bowen Flats (2620 Bowen Road SE)	Variable	2049-2049	9,685,940	814,059	-	-	10,499,999	-	10,499,999	-
2014 Series	Grove at Parkside	Variable	2033-2033	20,042,204	957,796	-	3,178,231	17,821,769	-	17,821,769	-
2015 Series A	Brightwood Portfolio	4.02%	2018-2047	10,782,274	-	148,172	-	10,634,102	-	10,634,102	154,238
2016 Series	Beacon Center	Variable	2041-2041	1,878,759	5,461,240	-	-	7,339,999	-	7,339,999	-
2016 Series B	Beacon Center	Variable	2021-2021	-	11,305,714	-	-	11,305,714	-	11,305,714	-
2015 Series A	SOME Conway Center	Variable	2019-2019	17,700,000	-	-	-	17,700,000	-	17,700,000	-
2015 Series TTEE	SOME Conway Center	Variable	2018-2018	8,300,000	-	-	-	8,300,000	-	8,300,000	8,300,000
2015 Series A	Ontario Court	4.35%	2018-2031	2,565,980	-	40,244	-	2,525,736	-	2,525,736	42,303
2014 Series	DCFA Pass-Through Refunding	3.875%	2045-2045	34,816,394	-	2,442,358	-	32,374,036	-	32,374,036	745,943
2014 Series A-1, A-2	Yards - Parcel N A-1, A-2	4.00%-5.25%	2047-2047	80,000,000	-	-	-	80,000,000	-	80,000,000	-
2016 Series	Plaza West	Variable	2035-2035	17,110,033	10,924,967	-	-	28,035,000	-	28,035,000	-
2016 Series	Purrier Flats	Variable	N/A	27,000,000	-	-	-	27,000,000	-	27,000,000	-
2015 Series	Bowen Flats (2620 Bowen Road SE)	4.49%	2033-2033	6,026,655	-	203,902	-	5,822,753	-	5,822,753	291,849
2015 Series	Atlantic Terrace Apts	Variable	2049-2049	18,573,045	-	-	-	19,499,999	-	19,499,999	-
2016 Series A	Archer Park	Variable	2035-2035	16,993,631	3,491,369	-	-	20,485,000	-	20,485,000	-
2016 Series B	Archer Park	Variable	2019-2019	7,800,000	-	-	-	6,050,000	-	6,050,000	6,050,000
2016 Series	N Street Village Renovation	4.00%	2048-2048	4,007,062	-	-	-	3,947,432	-	3,947,432	-
2016 Series	Pomeroy Gardens	1.10%	N/A	6,000,000	-	-	-	6,000,000	-	6,000,000	-
2016 Series	Parkechester Apartments	Variable	2048-2048	6,567,280	4,632,720	-	-	11,200,000	-	11,200,000	-
2016 Series	Homestead Apartments	Variable	2049-2049	5,720,639	779,361	-	1,941,535	4,558,465	-	4,558,465	-
2015 Series	Atlantic Gardens Apartment	Variable	2049-2049	9,277,283	3,222,716	-	-	12,599,999	-	12,599,999	-
2016 Series	Fort Chapin Park	Variable	2051-2051	61,000,000	-	-	-	61,000,000	-	61,000,000	-
2017 Series	Maple View Flats	Variable	2038-2038	51,000	-	-	-	51,000	-	51,000	-
2016 Series	Deauwood Hills	3.649%	2049-2049	7,113,332	15,482,915	-	-	16,194,247	-	16,194,247	-
Series 2017 B	SOME Spring Road	Variable	2050-2050	1,479,356	5,549,457	-	-	7,028,813	-	7,028,813	-
Series 2017 B	Yards Parcel O	5.8705%	2051-2051	3,951,000	46,200,000	-	-	50,151,000	-	50,151,000	-
Series 2017 A	Benning Heights	Variable	2049-2049	8,869,477	4,798,705	-	-	13,668,182	-	13,668,182	-
Series 2017 A	Maycroft Apts	Variable	2034-2034	7,200,000	-	-	-	7,200,000	-	7,200,000	-
Series 2017 B	Maycroft Apts	Variable	2019-2019	2,357,034	3,126,276	-	-	5,483,310	-	5,483,310	-
Series 2017 A	South Capital	Variable	2037-2037	6,273,116	3,146,884	-	-	9,420,000	-	9,420,000	-
Series 2017 B	South Capital	Variable	2019-2019	51,000	5,601,178	-	-	5,652,178	-	5,652,178	5,652,178
Series 2017 A	3534 East Capital	Variable	2038-2038	-	295,298	-	-	295,298	-	295,298	-
Series 2017	Hilltop Apartments	1.94%-3.25%	2021-2037	-	12,99						



**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)**

Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2017	Bond Activity				Debt Outstanding at 9/30/2018	Premium (+) Discount (-)	Bonds Payable at 9/30/2018	Due Within One Year
				New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed/Adjustment					
<b>Multifamily NBP (Conduit)</b>											
Series 2009 A-1	4.09%	2018 - 2042	\$ 10,080,000	\$ -	\$ -	\$ 160,000	\$ 9,920,000	\$ -	\$ 9,920,000	\$ 160,000	
Series 2009 A-2	4.09%	2018 - 2044	5,030,000	-	-	60,000	4,970,000	-	4,970,000	60,000	
Series 2009 A-2	3.82%	2018 - 2033	5,040,000	-	-	40,000	5,000,000	-	5,000,000	40,000	
Series 2009 A-3	4.09%	2018 - 2044	3,110,000	-	-	40,000	3,070,000	-	3,070,000	40,000	
Series 2009 A-4	4.09%	2018 - 2044	7,780,000	-	-	90,000	7,690,000	-	7,690,000	100,000	
Series 2009 A-5	4.09%	2018 - 2044	12,190,000	-	-	140,000	12,050,000	-	12,050,000	140,000	
Series 2009 A-7	3.01%	2018 - 2044	4,680,000	-	-	70,000	4,610,000	-	4,610,000	80,000	
Series 2009 A-8	3.01%	2033 - 2044	13,000,000	-	-	-	13,000,000	-	13,000,000	-	
Series 2009 A-8	4.55% - 5.45%	2018 - 2033	6,760,000	-	-	200,000	6,470,000	-	6,470,000	300,000	
Series 2009 A-9	3.01%	2018 - 2044	3,450,000	-	-	50,000	3,400,000	-	3,400,000	60,000	
Series 2009 A-10	2.32%	2029 - 2044	8,390,000	-	-	-	8,390,000	-	8,390,000	-	
Series 2009 A-10	3.70% - 4.7%	2018 - 2029	2,280,000	-	-	140,000	2,140,000	-	2,140,000	140,000	
Series 2009 A-11	5.3%	2018 - 2044	5,530,000	-	-	80,000	5,450,000	-	5,450,000	80,000	
Series 2009 A-12	2.32%	2018 - 2044	4,840,000	-	-	70,000	4,770,000	-	4,770,000	60,000	
Series 2009 A-14	2.10% - 5.00%	2018 - 2041	7,700,000	-	-	-	7,700,000	-	7,700,000	-	
Series 2009 A-14	2.49%	2041	15,160,000	-	300,000	-	14,860,000	-	14,860,000	310,000	
Series 2009 A-15	2.49%	2018 - 2044	3,510,000	-	-	50,000	3,460,000	-	3,460,000	60,000	
Series 2009 A-16	2.00% - 4.90%	2018 - 2040	8,370,000	-	-	-	8,370,000	-	8,370,000	-	
Series 2009 A-16	2.49%	2040 - 2041	13,440,000	-	-	-	13,030,000	-	13,030,000	320,000	
<b>Multifamily NBP (Conduit)</b>											
<b>Total</b>			<b>\$ 140,640,000</b>	<b>\$ -</b>	<b>\$ 610,000</b>	<b>\$ 1,280,000</b>	<b>\$ 138,750,000</b>	<b>\$ -</b>	<b>\$ 138,750,000</b>	<b>\$ 1,955,000</b>	
<b>Combined Multifamily (Conduit)</b>											
<b>Indentures Total</b>			<b>\$ 1,116,809,473</b>	<b>\$ 406,723,616</b>	<b>\$ 13,256,650</b>	<b>\$ 76,047,216</b>	<b>\$ 1,434,229,223</b>	<b>\$ 1,143,225</b>	<b>\$ 1,435,372,448</b>	<b>\$ 33,021,433</b>	

During fiscal years 2010 - 2019, the Agency issued certain multifamily revenue bonds as drawdown bonds. Out of the total amount of bonds closed, only a portion may get drawn during any given reporting period. The following is the detail of the drawdown bond activity for fiscal year 2019. Total bonds issued may be different from the debt outstanding due to redemption and maturity activity.

Bond Series	Project Name	Total Drawdown Bond Amounts	Total Bonds Issued at		Total Draw Down Bonds Issued at September 30, 2019
			September 30, 2018	September 30, 2019	
<b>Multifamily Conduit Bonds</b>					
2015 Series	2620 Bowen Road SE	\$ 6,550,000	\$ 6,230,558	\$ -	\$ 6,230,558
2016 Series	Beacon Center	21,600,000	18,645,715	2,954,285	21,600,000
2016 Series	Deanwood Hills	16,830,000	16,194,247	635,753	16,830,000
2016 Series	Portner Flats	27,000,000	-	-	-
2017 Series	Maple View Flats	25,090,176	51,000	-	51,000
MFHMRB Series 2017 A&B&C	Maycroft Apts	19,152,149	12,683,310	6,468,839	19,152,149
MFHMRB Series 2016	N Street Village Renovation	8,500,000	8,414,778	-	8,414,778
Series 2017 A&B	3534 East Capitol	21,500,000	295,298	15,806,733	16,102,031
Series 2017 A&B	South Capital	30,000,000	15,072,178	8,148,173	23,220,351
Series 2017 A	Benning Heights	16,000,000	13,668,183	2,331,817	16,000,000
Series 2017 B	SOME Spring Road	10,200,000	7,028,814	3,171,186	10,200,000
Series 2017 B	Yards Parcel O	55,000,000	50,151,000	4,849,000	55,000,000
Series 2018	555 E Street Seniors Project	12,000,000	-	5,348,391	5,348,391
Series 2018	Help Walter Reed	9,541,577	2,884,012	3,248,232	6,132,244
Series 2018 A	1164 Bladensburg Apt	11,100,000	1,290,403	7,275,539	8,565,942
Series 2018 A&B	Brookland Place Apartments	10,190,000	2,002,981	4,856,600	6,859,581
Series 2018 A&B	Mass Place Apartments	18,500,000	-	18,500,000	18,500,000
Series 2018 A&B	Milestone	5,500,000	-	5,001,748	5,001,748
Series 2018 A&B	Takoma Place	18,125,000	-	14,495,000	14,495,000
Series 2018 A&B	St. Elizabeth	52,400,000	-	18,700,000	18,700,000
Series 2019 A&B	1736 Rhode Island Ave.	12,200,000	-	1,039,721	1,039,721
Series 2019 A&B	Providence Place Apartments	19,699,000	-	19,699,000	19,699,000
Series 2019 A&B	Southern Avenue	50,000,000	-	25,400,000	25,400,000
Series 2019 A&B	Stanton Square Apartments	23,098,000	-	998,267	998,267
<b>Total Multifamily Conduit Bonds</b>		<b>\$ 499,775,902</b>	<b>\$ 154,612,477</b>	<b>\$ 168,928,284</b>	<b>\$ 323,540,761</b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)**

As of September 30, 2019, the required principal payments for all Agency debt outstanding (including mandatory sinking fund payments but excluding special and optional redemptions) that occurred subsequent to September 30, 2019 and excluding the effect of unamortized discounts/premiums (which are listed as an adjustment to totals) and interest payments for each of the next five years and in five-year increments thereafter are as follows:

For the Year Ending September 30,	1988 Collateralized Single Family Mortgage Revenue Bonds		Single Family Mortgage Revenue Bonds		Single Family New Issue Bonds Program	
	Interest	Principal	Interest	Principal	Interest	Principal
	2020	\$ 54,825	\$ -	\$ 142,970	\$ 35,000	\$ 97,670
2021	54,825	-	141,360	-	93,935	150,000
2022	54,825	-	141,360	-	90,200	155,000
2023	54,825	-	141,360	-	86,279	160,000
2024	54,825	-	141,360	-	82,232	170,000
2025-2029	109,650	860,000	706,800	-	347,044	865,000
2030-2034	-	-	706,800	-	235,430	935,000
2035-2039	-	-	494,760	3,040,000	118,524	945,000
2040-2044	-	-	-	-	15,438	430,000
2045-2049	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 383,775</b>	<b>\$ 860,000</b>	<b>\$ 2,616,770</b>	<b>\$ 3,075,000</b>	<b>\$ 1,166,752</b>	<b>\$ 3,960,000</b>
Unamortized Premium / (Discount)		\$ (47,411)		\$ -		\$ -
<b>Bonds Payable</b>		<b>\$ 812,589</b>		<b>\$ 3,075,000</b>		<b>\$ 3,960,000</b>

For the Year Ending September 30,	Multifamily Development Program		Multifamily (Conduit Bond) Program		Multifamily NIB (Conduit Bond) Program	
	Interest	Principal	Interest	Principal	Interest	Principal
	2020	\$ 2,756,899	\$ 290,000	\$ 47,680,116	\$ 23,150,905	\$ 4,978,615
2021	2,755,348	295,000	47,809,339	70,288,885	4,904,930	2,085,000
2022	6,609,426	655,000	45,600,660	17,801,105	4,827,768	2,555,000
2023	3,702,959	35,515,000	45,020,989	12,300,750	4,734,045	2,275,000
2024	2,803,909	1,140,000	44,479,444	12,977,631	4,639,492	2,355,000
2025-2029	12,712,418	17,100,000	206,563,661	123,746,902	21,586,670	13,315,000
2030-2034	13,154,517	6,855,000	176,856,254	134,452,018	18,437,050	16,240,000
2035-2039	39,931,230	51,715,000	133,707,541	266,825,995	14,766,287	20,220,000
2040-2044	7,187,213	10,180,000	99,335,731	49,367,950	9,411,312	69,805,000
2045-2049	5,941,726	27,348,730	82,876,230	241,697,643	762,825	2,100,000
2050-2054	1,593,170	5,190,000	27,151,380	213,775,044	366,911	3,760,000
2055-2059	392,914	4,415,000	4,742,875	725,000	-	-
2060-2064	-	-	2,033,935	29,495,000	-	-
<b>Totals</b>	<b>\$ 99,541,729</b>	<b>\$ 160,698,730</b>	<b>\$ 963,858,155</b>	<b>\$ 1,196,604,828</b>	<b>\$ 89,415,905</b>	<b>\$ 136,745,000</b>
Unamortized Premium / (Discount)		\$ -		\$ 1,062,565		\$ -
<b>Bonds Payable</b>		<b>\$ 160,698,730</b>		<b>\$ 1,197,667,393</b>		<b>\$ 136,745,000</b>

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)**

The interest calculations on outstanding variable rate bonds under the Multifamily Development and Multifamily (Conduit Bond) Programs, and the Multifamily New Issue Bond Program are based on the variable rates in effect on September 30, 2019 and are not indicative of the actual interest expense that will be incurred in future years. As rates vary, variable rate bond interest payments will vary.

The Agency secured a variable rate committed credit line with the PNC Bank, National Association (“PNC Bank”), in the total amount of \$15.0 million to be used for providing interim financing of the costs of extending multi and single family mortgages and/or mortgage-backed securities under the United States Treasury New Issue Bond Program or any subsequent bond program of the Agency as approved by PNC Bank. As of September 30, 2019 and 2018, the outstanding balance of the credit line totaled \$2,000,000 and \$-0-, respectively.

In March 2017, DCHFA entered into a grant agreement with the DC Department of Housing and Community Development (“DHCD”) as the sub-recipient in the administration of Community Development Block Grant (“CDBG”) funds. Accordingly, the Agency established a \$3.0 million line of credit with Industrial Bank to serve as a facility to fund Home Purchase Assistance Program (“HPAP”) loans. The credit line is paid down upon receipt of reimbursements for DHCD on a monthly basis. During 2018, an additional line of credit was established in the amount of \$6.3 million. As of September 30, 2019 and 2018, the total outstanding balance of the credit line totaled \$1,492,406 and \$1,726,077, respectively.

**NOTE 7: REBATE LIABILITY**

In accordance with the Internal Revenue Service Code (the “Code”), the Agency has recorded as rebate liability for excess investment earnings in connection with tax-exempt bonds and notes issued after 1981. The excess investment earnings arise due to actual investment yields permitted to be retained by the indentures under the Code. The Code requires 90.0% of such excess investment earnings to be remitted to the United States Treasury every five years and in full at the final redemption of the bonds. Interest income on the Statements of Revenues, Expenses and Change in Net Position is reduced by the rebate liability due to excess investment earnings. The increase/decrease in fair value of investments on the Statements of Revenues, Expenses and Change in Net Position is adjusted by the change in the estimated rebate liability due to the change in fair value of investments. The Revenue Obligation Funds had no rebate liability from interest income or from unrealized gains on investments. For the years ended September 30, 2019 and 2018 the rebate liability in the single family program was \$40,096 and \$40,099, respectively.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 8: PROJECT FUNDS HELD FOR BORROWER AND OTHER LIABILITIES**

The project funds held for borrower and other liabilities include funds contributed by the owners of the projects and/or funds received from low-income housing tax credit equity providers, District agencies, and the Department of Housing and Community Development. The Agency includes in the financial statements, funds received from these providers to the extent of unexpended monies in the project accounts (see Note 3).

Under the 1996 Single Family Mortgage Revenue Bonds, the Agency administers grant funds received from the District's Department of Housing and Community Development ("DHCD") under the U.S. Department of Housing and Urban Development's Home Investment Partnership Program ("HOME"). These funds were either blended with the bond proceeds to yield interest rate subsidy on mortgage loans securitized into mortgage-backed securities or were used to help homebuyers with closing costs, including down-payment assistance. Under the respective grant agreements, the Agency may recycle repayments of HOME funds into its bond programs. There was no transfer by the Agency of HOME funds back to DHCD during fiscal year 2019. As of September 30, 2019 and 2018, total HOME Program restricted assets were \$1,100,773 and \$1,100,773, respectively.

**NOTE 9: PREPAID FEES**

The prepaid fees include funds related to non-refundable construction monitoring fees associated with multifamily financing activities. The prepaid fees are recognized over each project's anticipated construction period.

**NOTE 10: NET POSITION**

**Net Invested in Capital Assets** - Capital Assets include non-depreciable land, as well as, building net of related debt and accumulated depreciation, furniture and equipment net of related accumulated depreciation, leasehold improvements and software net of related accumulated amortization. Net invested in capital assets at September 30, 2019 and 2018 were \$2,575,036 and \$2,552,886, respectively.

**Revenue Obligations Funds** - The Revenue Obligation Funds net position is restricted through debt covenants as collateral for the respective bond issues and credit lines. Combined restricted net position related to the Revenue Obligation Funds as of September 30, 2019 and 2018 were \$35,452,234 and \$26,698,594, respectively.

**Risk Share Program** - Under the General Fund, the initial deposit made to participate in the Risk Sharing Program and the contributions of 1.0% of the FHA-insured mortgage balances in the Risk Sharing Program reserve account are also restricted. The Agency maintained restricted net position related to the HUD Risk-Share Program as of September 30, 2019 and 2018 at \$2,655,877 and \$2,604,094, respectively.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 10: NET POSITION (Continued)**

**McKinney Act Fund** - The Agency qualified for 50.0% of the savings resulting from Financing Adjustment Factors (“FAF”) on Section (11)(b) bond refunding transactions. These funds are programmatically restricted as they are only to be used to benefit very low-income persons. As a result, the Agency established a revolving loan fund to provide credit enhancement or loan guarantees, and finance certain special need projects, such as, shelter for the District’s homeless and facilities for individuals who have contracted AIDS. Restricted net position related to the McKinney Act Fund as of September 30, 2019 and 2018 was \$9,167,744 and \$8,927,945, respectively.

**Unrestricted Net Position** - As of September 30, 2019 and 2018, under the General Fund were \$91,428,734 and \$80,782,920, respectively, in unrestricted net position. The unrestricted net position is used to support the Agency’s issuer credit rating.

**NOTE 11: RETIREMENT PLAN**

The Agency established a defined contribution Retirement Plan, a Money Purchase Pension Plan (the “Retirement Plan”), effective October 1, 1982, covering all eligible Agency employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Agency does not have any current or post-retirement obligations toward the Retirement Plan.

The Agency amended the Retirement Plan effective August 10, 2002. Due to the amendment, future Agency contributions to the Retirement Plan ceased effective August 10, 2002. The amendment also provides that each participant and former participant with an account balance under the Retirement Plan as of such date shall be 100% vested in his or her account. Concurrent with the amendment, the Agency commenced participating in the Social Security and Medicare programs.

The Agency terminated the Money Purchase Pension Plan effective June 10, 2016. No participants were allowed to enter the plan after the effective date of Plan termination and there will be no benefit accruals after such date. Distributions were made to all participants and/or beneficiaries.

**457 (b) Plan**

The Agency established a 457(b) deferred compensation plan (the “457(b) Plan”) for the benefit of its eligible employees effective October 1, 1997. The Plan was amended and changed recordkeepers effective October 1, 2015. The amended Plan allows for an employee match up to 7.0% of an employee’s salary on a five (5)-year vesting schedule.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 12: OTHER INCOME**

The Agency's other income for fiscal year 2019 is comprised of the following:

Description	Single Family Program Funds					Multifamily Program Funds			Total
	General Fund	1986, 1996 Single Family Whole Loan Program	1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Single Family New Issue Bond Program	2017 Multifamily Development Programs	Multifamily (Conduit Bond) Program	Multifamily New Issue Bond Program	
Project revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 473,014	\$ 8,322,509	\$ 587,864	\$ 9,383,387
Financing fees	6,371,796	-	-	-	-	-	-	-	6,371,796
Annual administration fees	6,317,193	-	-	-	-	-	-	-	6,317,193
Construction and development monitoring fees	2,435,825	-	-	-	-	-	-	-	2,435,825
Tax credit fees	1,045,651	-	-	-	-	-	-	-	1,045,651
Legal fees	600,000	-	-	-	-	-	-	-	600,000
Mortgage servicing fees	81,075	-	-	-	-	-	-	-	81,075
MIP Risk Share Program	59,318	-	-	-	-	-	-	-	59,318
Other	2,032,347	-	-	-	-	-	323,385	-	2,355,732
<b>Total</b>	<b>\$ 18,943,205</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 473,014</b>	<b>\$ 8,645,894</b>	<b>\$ 587,864</b>	<b>\$ 28,649,977</b>

The Agency's other income for fiscal year 2018 was comprised of the following:

Description	Single Family Program Funds					Multifamily Program Funds			Total
	General Fund	1986, 1996 Single Family Whole Loan Program	1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Single Family New Issue Bond Program	2017 Multifamily Development Programs	Multifamily (Conduit Bond) Program	Multifamily New Issue Bond Program	
Project revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 803,270	\$ 16,348,462	\$ 751,749	\$ 17,903,481
Financing fees	4,409,937	-	-	-	-	-	-	-	4,409,937
Annual administration fees	6,328,606	-	-	-	-	-	-	-	6,328,606
Construction and development monitoring fees	2,332,603	-	-	-	-	-	-	-	2,332,603
Tax credit fees	1,182,237	-	-	-	-	-	-	-	1,182,237
Legal fees	545,500	-	-	-	-	-	-	-	545,500
Mortgage servicing fees	92,707	-	-	-	-	-	-	-	92,707
MIP Risk Share Program	59,269	-	-	-	-	-	-	-	59,269
Other	1,513,205	-	-	-	-	-	-	-	1,513,205
<b>Total</b>	<b>\$ 16,464,064</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 803,270</b>	<b>\$ 16,348,462</b>	<b>\$ 751,749</b>	<b>\$ 34,367,545</b>

**NOTE 13: FEDERAL AND CITY PROGRAMS**

On March 1, 2017, DCHFA signed a Subrecipient Grant Agreement with the District of Columbia Department of Housing and Community Development to administer \$5.7 million of Community Development Block Grant funds, allocated to the District of Columbia by the U.S. Department of Housing and Urban Development under Title 1 of the U.S. Housing and Community Development Act of 1974. The Community Development Block Grant funds were used to fund down payment assistance activities and services. During the years ended September 30, 2019 and 2018, the DCHFA received a funding extension under the program in the total amounts of \$9.2 million and \$9.8 million, respectively, which includes \$4.8 million and \$7.3 million, respectively, to be funded from Federal funds and \$4.4 million and \$2.5 million, respectively, to be funded from local funds. As of September 30, 2019 and 2018, the Agency had incurred program expenses of \$9.0 million and \$9.5 million, funded by \$9.2 million and \$9.5 million awards, respectively. Of the program expenses incurred during the years ended September 30, 2019 and 2018, \$4.7 million and \$7.4 million, respectively, were funded by Federal funds and \$4.3 million and \$2.1 million, respectively, were funded by local funds.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**SEPTEMBER 30, 2019 AND 2018**

**NOTE 13: FEDERAL AND CITY PROGRAMS (Continued)**

In fiscal year 2019, DCHFA, by enactment by the Council of the District of Columbia, established an 18-month pilot program, Reverse Mortgage Insurance and Tax Payment (“ReMIT”), that allows qualified homeowners to apply for and receive up to \$25,000 in financial assistance for payment of past due property taxes and property insurance debts that have put qualified homeowners at risk of foreclosure. DCHFA will record a lien on the subject property in the amount of the financial assistance provided to the qualified homeowner, which will be subordinate to the reverse mortgage lender in the first position. As of September 30, 2019, DCHFA provided \$20,426 in financial assistance to qualified homeowners under the program.

**NOTE 14: COMMITMENTS AND CONTINGENCIES**

As of September 30, 2019, the Agency had total mortgage commitments in the amount of \$110.7 million on projects under construction in the Multifamily Development Program, of which \$41.5 million has been drawn and \$69.2 million remains to be drawn.

The Agency is a defendant in a lawsuit and other claims that occur in the ordinary course of operations. It is the opinion of the General Counsel that such lawsuit and claims will not have a material adverse impact on the Agency’s financial condition.

**NOTE 15: SUBSEQUENT EVENTS**

The events that occur after the date of the Statement of Net Position but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the date of the Statement of Net Position are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the date of the Statement of Net Position require disclosure in the accompanying notes. Management evaluated the activity of DCHFA through December 23, 2019 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition or disclosure in the Financial Statements or disclosure in the Notes to the Financial Statements.

**SUPPLEMENTAL INFORMATION**



**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY  
COMBINING STATEMENTS OF NET POSITION  
SEPTEMBER 30, 2019  
(WITH COMPARATIVE TOTALS FOR 2018)**

<b>ASSETS</b>	<b>General Fund</b>	<b>Single Family Program Fund</b>	<b>Single Family NIBP Fund</b>	<b>Multifamily Development Program Fund</b>	<b>Subtotal Excluding Conduit Bond</b>	<b>Multifamily (Conduit Bond) Program Fund</b>	<b>Multifamily NIBP (Conduit Bond) Fund</b>	<b>2019</b>	<b>2018</b>
<b>CURRENT ASSETS</b>									
<b>Unrestricted current assets:</b>									
Cash and cash equivalents	\$ 21,805,407	\$ -	\$ -	\$ -	\$ 21,805,407	\$ -	\$ -	\$ 21,805,407	\$ 29,971,955
Investments	32,017,948	-	-	-	32,017,948	-	-	32,017,948	16,478,968
Other receivables	4,723,993	-	-	-	4,723,993	-	-	4,723,993	5,873,829
Accrued interest receivable	466,945	-	-	-	466,945	-	-	466,945	351,029
Prepaid expenses	200,770	-	-	-	200,770	-	-	200,770	125,934
Total unrestricted current assets	<u>59,215,063</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,215,063</u>	<u>-</u>	<u>-</u>	<u>59,215,063</u>	<u>52,801,715</u>
<b>Restricted current assets:</b>									
Cash and cash equivalents	17,089,166	4,754,369	576,759	35,148,509	57,568,803	102,031,927	15,957,179	175,557,909	216,836,747
Accounts receivable - HPAP Program	3,306,548	-	-	-	3,306,548	-	-	3,306,548	1,990,084
Investments held in trust	-	-	-	-	-	58,498,844	-	58,498,844	129,373,951
Mortgage-backed securities at fair value	-	32,024	-	-	32,024	-	-	32,024	28,562
Mortgage and construction loans receivable, net	-	-	-	256,464	256,464	8,990,562	815,204	10,062,230	12,693,512
McKinney Act loans receivable, net	1,999,971	-	-	-	1,999,971	-	-	1,999,971	-
Accrued interest receivable	-	272,078	13,695	395,073	680,846	4,513,699	300,613	5,495,158	5,667,041
Total restricted current assets	<u>22,395,685</u>	<u>5,058,471</u>	<u>590,454</u>	<u>35,800,046</u>	<u>63,844,656</u>	<u>174,035,032</u>	<u>17,072,996</u>	<u>254,952,684</u>	<u>366,589,897</u>
TOTAL CURRENT ASSETS	<u>81,610,748</u>	<u>5,058,471</u>	<u>590,454</u>	<u>35,800,046</u>	<u>123,059,719</u>	<u>174,035,032</u>	<u>17,072,996</u>	<u>314,167,747</u>	<u>419,391,612</u>
<b>NON-CURRENT ASSETS</b>									
<b>Unrestricted non-current assets:</b>									
Investments	20,714,139	-	-	-	20,714,139	-	-	20,714,139	13,785,535
Due from (to) other funds	2,232,299	(1,901,066)	(149,578)	(181,655)	-	-	-	-	-
Total unrestricted non-current assets	<u>22,946,438</u>	<u>(1,901,066)</u>	<u>(149,578)</u>	<u>(181,655)</u>	<u>20,714,139</u>	<u>-</u>	<u>-</u>	<u>20,714,139</u>	<u>13,785,535</u>
<b>Restricted non-current assets:</b>									
Investments held in trust	-	10,339,428	-	87,685,380	98,024,808	103,484,875	-	201,509,683	70,814,623
Investments in joint ventures	1,081,539	-	-	-	1,081,539	-	-	1,081,539	896,342
Mortgage-backed securities at fair value	4,651,231	12,033,837	4,285,997	-	20,971,065	18,165,510	-	39,136,575	35,286,933
Mortgage and construction loans receivable, net	-	330,000	85,000	89,526,308	89,941,308	1,068,075,032	135,192,933	1,293,209,273	1,209,802,955
Loans receivable	2,024,317	-	-	-	2,024,317	1,371,009	-	3,395,326	3,649,562
McKinney Act loans receivable, net	1,712,216	-	-	-	1,712,216	-	-	1,712,216	4,326,943
Total restricted non-current assets	<u>9,469,303</u>	<u>22,703,265</u>	<u>4,370,997</u>	<u>177,211,688</u>	<u>213,755,253</u>	<u>1,191,096,426</u>	<u>135,192,933</u>	<u>1,540,044,612</u>	<u>1,324,777,358</u>
<b>Capital assets:</b>									
Land	573,000	-	-	-	573,000	-	-	573,000	573,000
Property and equipment	6,516,980	-	-	-	6,516,980	-	-	6,516,980	6,940,301
Less accumulated depreciation and amortization	(4,514,944)	-	-	-	(4,514,944)	-	-	(4,514,944)	(4,960,415)
Total capital assets, net	<u>2,575,036</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,575,036</u>	<u>-</u>	<u>-</u>	<u>2,575,036</u>	<u>2,552,886</u>
TOTAL NON-CURRENT ASSETS	<u>34,990,777</u>	<u>20,802,199</u>	<u>4,221,419</u>	<u>177,030,033</u>	<u>237,044,428</u>	<u>1,191,096,426</u>	<u>135,192,933</u>	<u>1,563,333,787</u>	<u>1,341,115,779</u>
<b>TOTAL ASSETS</b>	<b>\$ 116,601,525</b>	<b>\$ 25,860,670</b>	<b>\$ 4,811,873</b>	<b>\$ 212,830,079</b>	<b>\$ 360,104,147</b>	<b>\$1,365,131,458</b>	<b>\$ 152,265,929</b>	<b>\$ 1,877,501,534</b>	<b>\$ 1,760,507,391</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>									
Unamortized deferral on bond refundings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 197,556	\$ -	\$ 197,556	\$ 206,615
Total deferred outflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 197,556</u>	<u>\$ -</u>	<u>\$ 197,556</u>	<u>\$ 206,615</u>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**COMBINING STATEMENTS OF NET POSITION - (CONTINUED)**  
**SEPTEMBER 30, 2019**  
**(WITH COMPARATIVE TOTALS FOR 2018)**

<b>LIABILITIES AND NET POSITION</b>	<b>General Fund</b>	<b>Single Family Program Fund</b>	<b>Single Family NIBP Fund</b>	<b>Multifamily Development Program Fund</b>	<b>Subtotal Excluding Conduit Bond</b>	<b>Multifamily (Conduit Bond) Program Fund</b>	<b>Multifamily NIBP (Conduit Bond) Fund</b>	<b>2019</b>	<b>2018</b>
<b>CURRENT LIABILITIES</b>									
<b>Current liabilities payable from unrestricted assets:</b>									
Accounts payable and accrued liabilities	\$ 266,663	\$ -	\$ -	\$ -	\$ 266,663	\$ -	\$ -	\$ 266,663	\$ 652,646
Accrued salary and vacation payable	646,034	-	-	-	646,034	-	-	646,034	300,062
Prepaid fees	2,854,116	-	-	-	2,854,116	-	-	2,854,116	1,803,302
Total current liabilities payable from unrestricted assets	<u>3,766,813</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,766,813</u>	<u>-</u>	<u>-</u>	<u>3,766,813</u>	<u>2,756,010</u>
<b>Current liabilities payable from restricted assets:</b>									
Accounts payable and accrued liabilities	-	40,096	4,376	76,752	121,224	-	-	121,224	653,692
Project funds held for borrower and other liabilities	3,514,915	1,100,773	-	48,460,414	53,076,102	151,125,473	13,976,014	218,177,589	179,069,143
Interest payable	-	65,932	32,868	390,299	489,099	5,868,707	1,592,587	7,950,393	8,268,646
Current portion of loans payable	3,492,406	-	-	-	3,492,406	-	-	3,492,406	1,726,077
Current portion of bonds payable	-	35,000	150,000	290,000	475,000	23,150,905	2,035,000	25,660,905	33,356,433
Total current liabilities payable from restricted assets	<u>7,007,321</u>	<u>1,241,801</u>	<u>187,244</u>	<u>49,217,465</u>	<u>57,653,831</u>	<u>180,145,085</u>	<u>17,603,601</u>	<u>255,402,517</u>	<u>223,073,991</u>
Total current liabilities	<u>10,774,134</u>	<u>1,241,801</u>	<u>187,244</u>	<u>49,217,465</u>	<u>61,420,644</u>	<u>180,145,085</u>	<u>17,603,601</u>	<u>259,169,330</u>	<u>225,830,001</u>
<b>NON-CURRENT LIABILITIES</b>									
<b>Non-current liabilities payable from restricted assets:</b>									
Bonds payable - less current portion	-	3,852,589	3,810,000	160,408,730	168,071,319	1,174,516,488	134,710,000	1,477,297,807	1,413,317,566
Total non-current liabilities payable from restricted assets	<u>-</u>	<u>3,852,589</u>	<u>3,810,000</u>	<u>160,408,730</u>	<u>168,071,319</u>	<u>1,174,516,488</u>	<u>134,710,000</u>	<u>1,477,297,807</u>	<u>1,413,317,566</u>
<b>TOTAL LIABILITIES</b>	<u>10,774,134</u>	<u>5,094,390</u>	<u>3,997,244</u>	<u>209,626,195</u>	<u>229,491,963</u>	<u>1,354,661,573</u>	<u>152,313,601</u>	<u>1,736,467,137</u>	<u>1,639,147,567</u>
<b>NET POSITION</b>									
Net invested in capital assets	2,575,036	-	-	-	2,575,036	-	-	2,575,036	2,552,886
<b>Restricted for:</b>									
Bond fund, collateral and Risk Share Program	2,655,877	20,766,280	814,629	3,203,884	27,440,670	10,667,441	-	38,108,111	29,302,688
McKinney Act Fund	9,167,744	-	-	-	9,167,744	-	-	9,167,744	8,927,945
Total restricted net position	<u>11,823,621</u>	<u>20,766,280</u>	<u>814,629</u>	<u>3,203,884</u>	<u>36,608,414</u>	<u>10,667,441</u>	<u>-</u>	<u>47,275,855</u>	<u>38,230,633</u>
Unrestricted net position	91,428,734	-	-	-	91,428,734	-	(47,672)	91,381,062	80,782,920
<b>TOTAL NET POSITION</b>	<u>105,827,391</u>	<u>20,766,280</u>	<u>814,629</u>	<u>3,203,884</u>	<u>130,612,184</u>	<u>10,667,441</u>	<u>(47,672)</u>	<u>141,231,953</u>	<u>121,566,439</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 116,601,525</u>	<u>\$ 25,860,670</u>	<u>\$ 4,811,873</u>	<u>\$ 212,830,079</u>	<u>\$ 360,104,147</u>	<u>\$1,365,329,014</u>	<u>\$ 152,265,929</u>	<u>\$ 1,877,699,090</u>	<u>\$ 1,760,714,006</u>

See Accompanying Independent Auditor's Report.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGE IN NET POSITION**  
**YEAR ENDED SEPTEMBER 30, 2019**  
**(WITH COMPARATIVE TOTALS FOR 2018)**

	<u>General Fund</u>	<u>Single Family Program Fund</u>	<u>Single Family NIBP Fund</u>	<u>Multifamily Development Program Fund</u>	<u>Subtotal Excluding Conduit Bond</u>	<u>Multifamily (Conduit Bond) Program Fund</u>	<u>Multifamily NIBP (Conduit Bond) Fund</u>	<u>2019</u>	<u>2018</u>
<b>OPERATING REVENUES</b>									
Investment interest income	\$ 1,429,393	\$ 717,479	\$ 6,345	\$ 2,652,607	\$ 4,805,824	\$ 3,283,922	\$ 47,505	\$ 8,137,251	\$ 2,942,316
Mortgage-backed security interest income	193,699	677,974	169,045	-	1,040,718	589,176	-	1,629,894	1,899,897
Interest on mortgage and construction loans	-	-	-	4,706,495	4,706,495	51,807,247	4,505,481	61,019,223	50,485,049
McKinney Act interest revenue	176,596	-	-	-	176,596	-	-	176,596	466,066
Application and commitment fees	117,651	-	-	-	117,651	-	-	117,651	141,783
Other	18,943,205	-	-	473,014	19,416,219	8,645,894	587,864	28,649,977	34,367,545
Total operating revenues	<u>20,860,544</u>	<u>1,395,453</u>	<u>175,390</u>	<u>7,832,116</u>	<u>30,263,503</u>	<u>64,326,239</u>	<u>5,140,850</u>	<u>99,730,592</u>	<u>90,302,656</u>
<b>OPERATING EXPENSES</b>									
General and administrative	3,837,727	1,500	12,959	1,117,368	4,969,554	8,809,959	551,390	14,330,903	23,151,660
Personnel and related costs	6,601,018	-	-	-	6,601,018	-	-	6,601,018	5,606,409
Interest expense	11,074	31,366	104,310	4,490,421	4,637,171	51,720,824	5,029,780	61,387,775	51,284,949
Depreciation and amortization	427,911	-	-	-	427,911	-	-	427,911	391,915
Trustee fees and other expenses	-	14,056	2,750	51,672	68,478	1,034,558	52,248	1,155,284	889,766
Total operating expenses	<u>10,877,730</u>	<u>46,922</u>	<u>120,019</u>	<u>5,659,461</u>	<u>16,704,132</u>	<u>61,565,341</u>	<u>5,633,418</u>	<u>83,902,891</u>	<u>81,324,699</u>
<b>OPERATING INCOME (LOSS)</b>	<u><b>9,982,814</b></u>	<u><b>1,348,531</b></u>	<u><b>55,371</b></u>	<u><b>2,172,655</b></u>	<u><b>13,559,371</b></u>	<u><b>2,760,898</b></u>	<u><b>(492,568)</b></u>	<u><b>15,827,701</b></u>	<u><b>8,977,957</b></u>
<b>NON-OPERATING REVENUES/(EXPENSES)</b>									
Federal and city programs:									
Program revenue	9,013,630	-	-	-	9,013,630	-	-	9,013,630	9,499,918
Program expenses	(8,993,910)	-	-	-	(8,993,910)	-	-	(8,993,910)	(9,499,918)
Increase (decrease) in fair value of mortgage-backed securities and investments	614,075	94,596	149,361	68,231	926,263	2,891,830	-	3,818,093	(614,269)
Total non-operating revenues/(expenses)	<u>633,795</u>	<u>94,596</u>	<u>149,361</u>	<u>68,231</u>	<u>945,983</u>	<u>2,891,830</u>	<u>-</u>	<u>3,837,813</u>	<u>(614,269)</u>
Transfers of funds, net	342,937	6	(41,153)	-	301,790	(301,790)	-	-	-
<b>CHANGE IN NET POSITION</b>									
Net position, beginning of year	10,959,546	1,443,133	163,579	2,240,886	14,807,144	5,350,938	(492,568)	19,665,514	8,363,688
Net position, end of year	<u>94,867,845</u>	<u>19,323,147</u>	<u>651,050</u>	<u>962,998</u>	<u>115,805,040</u>	<u>5,316,503</u>	<u>444,896</u>	<u>121,566,439</u>	<u>113,202,751</u>
Net position, end of year	<u>\$ 105,827,391</u>	<u>\$ 20,766,280</u>	<u>\$ 814,629</u>	<u>\$ 3,203,884</u>	<u>\$ 130,612,184</u>	<u>\$ 10,667,441</u>	<u>\$ (47,672)</u>	<u>\$ 141,231,953</u>	<u>\$ 121,566,439</u>

See Accompanying Independent Auditor's Report.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**COMBINING STATEMENTS OF CASH FLOWS**  
**YEAR ENDED SEPTEMBER 30, 2019**  
**(WITH COMPARATIVE TOTALS FOR 2018)**

	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily Development Program Fund	Subtotal Excluding Conduit Bond	Multifamily (Conduit Bond)	Multifamily NIBP (Conduit Bond) Fund	2019	2018
<b>Cash Flows from Operating Activities:</b>									
Interest received on loans	\$ 176,596	\$ -	\$ -	\$ 4,594,599	\$ 4,771,195	\$ 51,807,247	\$ 5,029,123	\$ 61,607,565	\$ 50,866,255
Other cash receipts	27,269,861	-	-	30,565,166	57,835,027	18,329,532	587,864	76,752,423	109,575,897
Payments to vendors	(12,435,702)	(1,503)	(12,959)	(1,649,833)	(14,099,997)	(8,809,959)	(580,737)	(23,490,693)	(31,490,417)
Payments to employees	(6,255,047)	-	-	-	(6,255,047)	-	-	(6,255,047)	(5,585,845)
Net mortgage and construction loans principal receipts / (disbursements)	657,874	-	-	(13,249,705)	(12,591,831)	(69,343,691)	2,029,478	(79,906,044)	(146,881,092)
Principal and interest received on mortgage-backed securities	20,246,486	3,096,913	881,152	-	24,224,551	2,566,951	-	26,791,502	63,966,821
Payment for the purchase of mortgage-backed securities	(18,471,629)	-	-	-	(18,471,629)	(7,149,000)	-	(25,620,629)	(41,448,423)
Other cash payments	-	(14,056)	(2,750)	(51,672)	(68,478)	(1,034,558)	(52,248)	(1,155,284)	(889,766)
<b>Net cash provided by / (used in) operating activities</b>	<b>11,188,439</b>	<b>3,081,354</b>	<b>865,443</b>	<b>20,208,555</b>	<b>35,343,791</b>	<b>(13,633,478)</b>	<b>7,013,480</b>	<b>28,723,793</b>	<b>(1,886,570)</b>
<b>Cash Flows from Capital and Related Financing Activities</b>									
Acquisition of fixed assets	(256,000)	-	-	-	(256,000)	-	-	(256,000)	(523,925)
<b>Net cash used in capital and related financing activities</b>	<b>(256,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(256,000)</b>	<b>-</b>	<b>-</b>	<b>(256,000)</b>	<b>(523,925)</b>
<b>Cash Flows from Non-Capital Financing Activities</b>									
Interest paid on bonds and loans	(11,074)	(331,863)	(107,630)	(4,403,513)	(4,854,080)	(52,121,037)	(5,051,474)	(62,026,591)	(49,952,394)
Transfer from (to) other funds	944,282	2,279,454	(41,153)	(2,880,793)	301,790	(301,790)	-	-	-
Proceeds from bond issuances and loans	2,000,000	-	-	37,945,000	39,945,000	202,418,180	-	242,363,180	414,271,976
Principal payments on issued debt and loans	(233,671)	(2,805,000)	(400,000)	(10,924,304)	(14,362,975)	(167,614,541)	(2,005,000)	(183,982,516)	(108,371,451)
<b>Net cash provided by (used in) non-capital financing activities</b>	<b>2,699,537</b>	<b>(857,409)</b>	<b>(548,783)</b>	<b>19,736,390</b>	<b>21,029,735</b>	<b>(17,619,188)</b>	<b>(7,056,474)</b>	<b>(3,645,927)</b>	<b>255,948,131</b>
<b>Cash Flows from Investing Activities</b>									
Investment in joint ventures	(185,197)	-	-	-	(185,197)	-	-	(185,197)	(355,411)
Interest received on investments	1,429,393	717,479	6,345	2,652,607	4,805,824	3,283,922	47,505	8,137,251	2,942,316
Maturities and sales of investments	15,136,114	1,867,250	-	(84,423,901)	(67,420,537)	342,419,124	-	274,998,587	18,034,601
Purchase of investments	(37,603,698)	(1,821,600)	-	(2,516,100)	(41,941,398)	(315,276,495)	-	(357,217,893)	(201,315,848)
<b>Net cash (used in) / provided by investing activities</b>	<b>(21,223,388)</b>	<b>763,129</b>	<b>6,345</b>	<b>(84,287,394)</b>	<b>(104,741,308)</b>	<b>30,426,551</b>	<b>47,505</b>	<b>(74,267,252)</b>	<b>(180,694,342)</b>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(7,591,412)	2,987,074	323,005	(44,342,449)	(48,623,782)	(826,115)	4,511	(49,445,386)	72,843,294
Cash and cash equivalents, beginning of year	46,485,985	1,767,295	253,754	79,490,958	127,997,992	102,858,042	15,952,668	246,808,702	173,965,408
Cash and cash equivalents, end of year	<u>\$ 38,894,573</u>	<u>\$ 4,754,369</u>	<u>\$ 576,759</u>	<u>\$ 35,148,509</u>	<u>\$ 79,374,210</u>	<u>\$ 102,031,927</u>	<u>\$ 15,957,179</u>	<u>\$ 197,363,316</u>	<u>\$ 246,808,702</u>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**COMBINING STATEMENTS OF CASH FLOWS (CONTINUED)**  
**YEAR ENDED SEPTEMBER 30, 2019**  
**(WITH COMPARATIVE TOTALS FOR 2018)**

	<u>General Fund</u>	<u>Single Family Program Fund</u>	<u>Single Family NIBP Fund</u>	<u>Multifamily Development Program Fund</u>	<u>Subtotal Excluding Conduit Bond</u>	<u>Multi-Family (Conduit Bond) Program Fund</u>	<u>Multifamily NIBP (Conduit Bond) Fund</u>	<u>2019</u>	<u>2018</u>
<b>Reconciliation of Operating Income to Net Cash Provided by / (Used in) Operating Activities</b>									
Operating income (loss)	\$ 9,982,814	\$ 1,348,531	\$ 55,371	\$ 2,172,655	\$ 13,559,371	\$ 2,760,898	\$ (492,568)	\$ 15,827,701	\$ 8,977,957
Depreciation and amortization	427,911	-	-	-	427,911	-	-	427,911	391,915
Gain on disposal of assets	(174,341)	-	-	-	(174,341)	-	-	(174,341)	-
Amortization of prepaid items, premiums and discounts on debt	-	(248,962)	-	-	(248,962)	(71,601)	-	(320,563)	(179,008)
Interest on bonds/loans	11,074	331,863	107,630	4,403,513	4,854,080	52,121,037	5,051,474	62,026,591	49,952,163
Amortization of premium on investments	-	-	-	-	-	-	-	-	-
Provision for uncollectible interest revenue	(34,396)	-	-	-	(34,396)	-	-	(34,396)	(77,351)
Transfers to other funds	-	-	-	-	-	-	-	-	-
Decrease (increase) in mortgage and construction loans	614,756	-	-	(13,249,705)	(12,634,949)	(69,343,691)	2,029,478	(79,949,162)	(146,985,379)
Decrease in mortgage-backed securities	20,168,703	2,399,240	710,226	-	23,278,169	2,239,218	-	25,517,387	62,899,865
Purchases of mortgage-backed securities	(18,471,629)	-	-	-	(18,471,629)	(7,149,000)	-	(25,620,629)	(41,448,423)
Increase in fair value of investments	-	-	-	-	-	-	-	-	-
Interest received on investments	(1,429,393)	(717,479)	(6,345)	(2,652,607)	(4,805,824)	(3,283,922)	(47,505)	(8,137,251)	(2,942,316)
<b>(Increase) decrease in assets:</b>									
Accrued interest receivable	(81,520)	19,699	1,881	(111,896)	(171,836)	(261,443)	523,642	90,363	(840,451)
Other current assets	(74,836)	-	-	-	(74,836)	-	-	(74,836)	(9,447)
Other receivables	(123,510)	-	-	-	(123,510)	-	-	(123,510)	(2,406,676)
<b>(Decrease) increase in liabilities:</b>									
Accounts payable and accrued liabilities	(40,011)	(3)	-	(532,465)	(572,479)	-	-	(572,479)	992,878
Prepaid items	1,050,814	-	-	-	1,050,814	-	-	1,050,814	289,988
Project funds held for borrower and other liabilities	(637,997)	-	-	30,092,152	29,454,155	9,683,638	(29,347)	39,108,446	67,985,921
Accrued interest payable	-	(51,535)	(3,320)	86,908	32,053	(328,612)	(21,694)	(318,253)	1,511,794
<b>Net cash provided by / (used in) operating activities</b>	<u>\$ 11,188,439</u>	<u>\$ 3,081,354</u>	<u>\$ 865,443</u>	<u>\$ 20,208,555</u>	<u>\$ 35,343,791</u>	<u>\$ (13,633,478)</u>	<u>\$ 7,013,480</u>	<u>\$ 28,723,793</u>	<u>\$ (1,886,570)</u>

See Accompanying Independent Auditor's Report.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY  
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES  
AND INVESTMENTS BY FUND  
SEPTEMBER 30, 2019 AND 2018**

**1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2019**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Money Market Funds	\$ 3,701,231	\$ 3,701,231	\$ 3,701,231	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>3,701,231</u>	<u>3,701,231</u>	<u>3,701,231</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Investment Agreements	10,000,000	10,000,000	-	-	10,000,000	-	-
Total Investments	<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	24,858	25,096	18,454	6,642	-	-	-
Total Mortgage-Backed Securities	<u>24,858</u>	<u>25,096</u>	<u>18,454</u>	<u>6,642</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities</b>	<b><u>\$ 13,726,089</u></b>	<b><u>\$ 13,726,327</u></b>	<b><u>\$ 3,719,685</u></b>	<b><u>\$ 6,642</u></b>	<b><u>\$ 10,000,000</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY  
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES  
AND INVESTMENTS BY FUND (CONTINUED)  
SEPTEMBER 30, 2019 AND 2018**

**1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2018**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Money Market Funds	\$ 864,510	\$ 864,510	\$ 864,510	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>864,510</u>	<u>864,510</u>	<u>864,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Investment Agreements	10,000,000	10,000,000	-	-	10,000,000	-	-
Total Investments	<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	170,352	172,661	27,669	144,992	-	-	-
Total Mortgage-Backed Securities	<u>170,352</u>	<u>172,661</u>	<u>27,669</u>	<u>144,992</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities</b>							
	<b><u>\$ 11,034,862</u></b>	<b><u>\$ 11,037,171</u></b>	<b><u>\$ 892,179</u></b>	<b><u>\$ 144,992</u></b>	<b><u>\$ 10,000,000</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY  
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES  
AND INVESTMENTS BY FUND (CONTINUED)  
SEPTEMBER 30, 2019 AND 2018**

**1996 Single Family Mortgage Revenue Bonds as of September 30, 2019**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Money Market Funds	\$ 1,053,138	\$ 1,053,138	\$ 1,053,138	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>1,053,138</u>	<u>1,053,138</u>	<u>1,053,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Investment Agreements	339,428	339,428	-	-	-	-	339,428
Total Investments	<u>339,428</u>	<u>339,428</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>339,428</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	2,810,182	3,041,452	13,570	492,530	895,188	1,072,151	568,013
Fannie Mae	2,854,951	3,043,662	-	-	68,178	-	2,975,484
Freddie Mac	5,439,511	5,955,651	-	-	-	-	5,955,651
Total Mortgage-Backed Securities	<u>11,104,644</u>	<u>12,040,765</u>	<u>13,570</u>	<u>492,530</u>	<u>963,366</u>	<u>1,072,151</u>	<u>9,499,148</u>
<b>1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities</b>	<b><u>\$ 12,497,210</u></b>	<b><u>\$ 13,433,331</u></b>	<b><u>\$ 1,066,708</u></b>	<b><u>\$ 492,530</u></b>	<b><u>\$ 963,366</u></b>	<b><u>\$ 1,072,151</u></b>	<b><u>\$ 9,838,576</u></b>

(Continued)



**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**1996 Single Family Mortgage Revenue Bonds as of September 30, 2018**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Money Market Funds	\$ 902,785	\$ 902,785	\$ 902,785	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>902,785</u>	<u>902,785</u>	<u>902,785</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Investment Agreements	385,078	385,078	-	-	-	-	385,078
Total Investments	<u>385,078</u>	<u>385,078</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>385,078</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	4,165,344	4,399,280	893	273,663	1,518,206	1,115,285	1,491,233
Fannie Mae	2,968,856	3,103,261	-	-	77,156	-	3,026,105
Freddie Mac	6,224,339	6,695,303	-	-	-	-	6,695,303
Total Mortgage-Backed Securities	<u>13,358,539</u>	<u>14,197,844</u>	<u>893</u>	<u>273,663</u>	<u>1,595,362</u>	<u>1,115,285</u>	<u>11,212,641</u>
<b>1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities</b>	<b><u>\$ 14,646,402</u></b>	<b><u>\$ 15,485,707</u></b>	<b><u>\$ 903,678</u></b>	<b><u>\$ 273,663</u></b>	<b><u>\$ 1,595,362</u></b>	<b><u>\$ 1,115,285</u></b>	<b><u>\$ 11,597,719</u></b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Single Family NIB Program as of September 30, 2019**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Money Market Funds	\$ 576,759	\$ 576,759	\$ 576,759	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>576,759</u>	<u>576,759</u>	<u>576,759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	3,537,868	3,700,769	-	-	-	-	3,700,769
Fannie Mae	559,463	585,228	-	-	-	-	585,228
Total Mortgage-Backed Securities	<u>4,097,331</u>	<u>4,285,997</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,285,997</u>
<b>Single Family NIB Program Total Cash and Mortgage-Backed Securities</b>	<b><u>\$ 4,674,090</u></b>	<b><u>\$ 4,862,756</u></b>	<b><u>\$ 576,759</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 4,285,997</u></b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Single Family NIB Program as of September 30, 2018**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Money Market Funds	\$ 253,754	\$ 253,754	\$ 253,754	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>253,754</u>	<u>253,754</u>	<u>253,754</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	4,032,768	4,060,575	-	-	-	-	4,060,575
Fannie Mae	774,788	786,287	-	-	-	-	786,287
Total Mortgage-Backed Securities	<u>4,807,556</u>	<u>4,846,862</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,846,862</u>
<b>Single Family NIB Program Total Cash and Mortgage-Backed Securities</b>	<b><u>\$ 5,061,310</u></b>	<b><u>\$ 5,100,616</u></b>	<b><u>\$ 253,754</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 4,846,862</u></b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Multifamily Development Program (MFDP) as of September 30, 2019**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 2,081,218	\$ 2,081,218	\$ 2,081,218	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	2,825,879	2,825,879	2,825,879	-	-	-	-
Money Market Funds	30,241,412	30,241,412	30,241,412	-	-	-	-
<b>Total Cash and Cash Equivalents</b>	<b>35,148,509</b>	<b>35,148,509</b>	<b>35,148,509</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Investments</u>							
Investment Agreements	86,940,000	86,940,000	-	86,940,000	-	-	-
GSE Obligations	689,822	745,380	-	-	745,380	-	-
<b>Total Investments</b>	<b>87,629,822</b>	<b>87,685,380</b>	<b>-</b>	<b>86,940,000</b>	<b>745,380</b>	<b>-</b>	<b>-</b>
<b>Multifamily MFDP Program Total</b>							
<b>Cash and Cash Equivalents</b>	<b>\$ 122,778,331</b>	<b>\$ 122,833,889</b>	<b>\$ 35,148,509</b>	<b>\$ 86,940,000</b>	<b>\$ 745,380</b>	<b>\$ -</b>	<b>\$ -</b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Multifamily Development Program (MFDP) as of September 30, 2018**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 2,279,448	\$ 2,279,448	\$ 2,279,448	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	2,419,036	2,419,036	2,419,036	-	-	-	-
Money Market Funds	74,792,474	74,792,474	74,792,474	-	-	-	-
<b>Total Cash and Cash Equivalents</b>	<b>79,490,958</b>	<b>79,490,958</b>	<b>79,490,958</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Investments</u>							
GSE Obligations	689,822	677,148	-	-	677,148	-	-
<b>Total Investments</b>	<b>689,822</b>	<b>677,148</b>	<b>-</b>	<b>-</b>	<b>677,148</b>	<b>-</b>	<b>-</b>
<b>Multifamily MFDP Program Total</b>							
<b>Cash and Cash Equivalents</b>	<b>\$ 80,180,780</b>	<b>\$ 80,168,106</b>	<b>\$ 79,490,958</b>	<b>\$ -</b>	<b>\$ 677,148</b>	<b>\$ -</b>	<b>\$ -</b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Multifamily (Conduit Bond) Program as of September 30, 2019**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 700,258	\$ 700,258	\$ 700,258	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	85,025,279	85,025,279	85,025,279	-	-	-	-
Money Market Funds	16,306,390	16,306,390	16,306,390	-	-	-	-
<b>Total Cash and Cash Equivalents</b>	<b>102,031,927</b>	<b>102,031,927</b>	<b>102,031,927</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Investments</u>							
Certificates of Deposits	13,469,709	13,469,709	13,469,709	-	-	-	-
US Treasury Obligations	131,360,154	133,297,061	45,035,318	88,261,743	-	-	-
Investment Agreements	15,216,949	15,216,949	-	-	-	-	15,216,949
<b>Total Investments</b>	<b>160,046,812</b>	<b>161,983,719</b>	<b>58,505,027</b>	<b>88,261,743</b>	<b>-</b>	<b>-</b>	<b>15,216,949</b>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	10,426,541	10,431,650	-	-	-	-	10,431,650
Fannie Mae	7,149,000	7,733,860	-	-	-	-	7,733,860
<b>Total Mortgage-Backed Securities</b>	<b>17,575,541</b>	<b>18,165,510</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,165,510</b>
<b>Multifamily (Conduit Bond)</b>							
<b>Program Total Cash, Investments and Mortgage-Backed Securities</b>	<b>\$ 279,654,280</b>	<b>\$ 282,181,156</b>	<b>\$ 160,536,954</b>	<b>\$ 88,261,743</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 33,382,459</b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Multifamily (Conduit Bond) Program as of September 30, 2018**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 2,912,462	\$ 2,912,472	\$ 2,912,472	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	85,438,105	85,438,105	85,438,105	-	-	-	-
Money Market Funds	14,507,465	14,507,465	14,507,465	-	-	-	-
Total Cash and Cash Equivalents	<u>102,858,032</u>	<u>102,858,042</u>	<u>102,858,042</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Certificates of Deposits	54,949,000	54,949,000	54,949,000	-	-	-	-
US Treasury Obligations	134,471,866	134,177,348	74,424,951	59,752,397	-	-	-
Total Investments	<u>189,420,866</u>	<u>189,126,348</u>	<u>129,373,951</u>	<u>59,752,397</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	10,573,368	10,363,898	-	-	-	-	10,363,898
Total Mortgage-Backed Securities	<u>10,573,368</u>	<u>10,363,898</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,363,898</u>
<b>Multifamily (Conduit Bond)</b>							
<b>Program Total Cash, Investments and Mortgage-Backed Securities</b>	<b><u>\$ 302,852,266</u></b>	<b><u>\$ 302,348,288</u></b>	<b><u>\$ 232,231,993</u></b>	<b><u>\$ 59,752,397</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 10,363,898</u></b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Multifamily NIB Program as of September 30, 2019**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 8	\$ 8	\$ 8	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	15,957,171	15,957,171	15,957,171	-	-	-	-
Total Cash and Cash Equivalents	<u>15,957,179</u>	<u>15,957,179</u>	<u>15,957,179</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Multifamily NIB Program Total Cash, Investments and Mortgage- backed Securities</b>	<b><u>\$ 15,957,179</u></b>	<b><u>\$ 15,957,179</u></b>	<b><u>\$ 15,957,179</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

(Continued)



**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Multifamily NIB Program as of September 30, 2018**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 8	\$ 8	\$ 8	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	15,952,660	15,952,660	15,952,660	-	-	-	-
Total Cash and Cash Equivalents	<u>15,952,668</u>	<u>15,952,668</u>	<u>15,952,668</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Multifamily NIB Program Total Cash, Investments and Mortgage- backed Securities</b>	<b><u>\$ 15,952,668</u></b>	<b><u>\$ 15,952,668</u></b>	<b><u>\$ 15,952,668</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Combined Revenue Obligation Funds and General Fund as of September 30, 2019**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 8,592,247	\$ 8,592,247	\$ 8,592,247	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	136,892,139	136,892,139	136,892,139	-	-	-	-
Money Market Funds	51,878,930	51,878,930	51,878,930	-	-	-	-
<b>Total Cash and Cash Equivalents</b>	<b>197,363,316</b>	<b>197,363,316</b>	<b>197,363,316</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Investments</u>							
Certificates of Deposits	16,484,599	16,484,599	16,484,599	-	-	-	-
U.S. Treasury Obligations	131,637,105	133,586,370	45,035,318	88,388,705	162,347	-	-
Investment Agreements	112,496,377	112,496,377	-	86,940,000	10,000,000	-	15,556,377
Corporate Obligations	48,848,847	49,196,239	29,003,058	18,658,218	1,534,964	-	-
GSE Obligations	914,151	977,029	-	231,649	745,379	-	-
<b>Total Investments</b>	<b>310,381,079</b>	<b>312,740,614</b>	<b>90,522,975</b>	<b>194,218,572</b>	<b>12,442,690</b>	<b>-</b>	<b>15,556,377</b>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	18,294,526	18,750,368	32,024	499,172	895,188	1,072,151	16,251,833
Fannie Mae	13,567,968	14,462,580	-	-	68,178	-	14,394,402
Freddie Mac	5,439,511	5,955,651	-	-	-	-	5,955,651
<b>Total Mortgage-Backed Securities</b>	<b>37,302,005</b>	<b>39,168,599</b>	<b>32,024</b>	<b>499,172</b>	<b>963,366</b>	<b>1,072,151</b>	<b>36,601,886</b>
<b>Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities</b>							
	<b>\$ 545,046,400</b>	<b>\$ 549,272,529</b>	<b>\$ 287,918,315</b>	<b>\$ 194,717,744</b>	<b>\$ 13,406,056</b>	<b>\$ 1,072,151</b>	<b>\$ 52,158,263</b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Combined Revenue Obligation Funds and General Fund as of September 30, 2018**

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 11,023,573	\$ 11,023,573	\$ 11,023,573	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	144,464,141	144,464,141	144,464,141	-	-	-	-
Money Market Funds	91,320,988	91,320,988	91,320,988	-	-	-	-
<b>Total Cash and Cash Equivalents</b>	<b>246,808,702</b>	<b>246,808,702</b>	<b>246,808,702</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Investments</u>							
Certificates of Deposits	54,949,000	54,949,000	54,949,000	-	-	-	-
Commercial Papers	14,741,312	14,776,950	14,776,950	-	-	-	-
U.S. Treasury Obligations	134,471,866	134,177,348	74,424,951	59,752,397	-	-	-
Investment Agreements	10,385,078	10,385,078	-	-	10,000,000	-	385,078
Corporate Obligations	15,494,943	15,364,878	1,627,921	12,455,161	1,281,796	-	-
GSE Obligations	814,822	799,823	74,098	48,577	677,148	-	-
<b>Total Investments</b>	<b>230,857,021</b>	<b>230,453,077</b>	<b>145,852,920</b>	<b>72,256,135</b>	<b>11,958,944</b>	<b>-</b>	<b>385,078</b>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	20,469,097	20,540,432	28,562	418,655	1,518,206	1,115,285	17,459,724
Fannie Mae	7,900,086	8,079,760	-	-	77,156	-	8,002,604
Freddie Mac	6,224,339	6,695,303	-	-	-	-	6,695,303
<b>Total Mortgage-Backed Securities</b>	<b>34,593,522</b>	<b>35,315,495</b>	<b>28,562</b>	<b>418,655</b>	<b>1,595,362</b>	<b>1,115,285</b>	<b>32,157,631</b>
<b>Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities</b>							
	<b>\$ 512,259,245</b>	<b>\$ 512,577,274</b>	<b>\$ 392,690,184</b>	<b>\$ 72,674,790</b>	<b>\$ 13,554,306</b>	<b>\$ 1,115,285</b>	<b>\$ 32,542,709</b>

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2019**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Money Market Funds	\$ 3,701,231	27.0%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>3,701,231</u>	<u>27.0%</u>			
<u>Investments</u>					
Investment Agreements	10,000,000	72.8%	Aa2	Moody's	
Total Investments	<u>10,000,000</u>	<u>72.8%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	25,096	0.2%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>25,096</u>	<u>0.2%</u>			
<b>1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities</b>	<b><u>\$ 13,726,327</u></b>	<b><u>100.0%</u></b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2018**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Money Market Funds	\$ 864,510	7.8%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>864,510</u>	<u>7.8%</u>			
<u>Investments</u>					
Investment Agreements	10,000,000	90.6%	Aa2	Moody's	
Total Investments	<u>10,000,000</u>	<u>90.6%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	172,661	1.6%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>172,661</u>	<u>1.6%</u>			
<b>1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities</b>	<b><u>\$ 11,037,171</u></b>	<b><u>100.0%</u></b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**1996 Single Family Mortgage Revenue Bonds as of September 30, 2019**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Money Market Funds	\$ 1,053,138	7.8%	Aaa-mf	Moody's	
Total Cash and Cash Equivalents	<u>1,053,138</u>	<u>7.8%</u>			
<u>Investments</u>					
Investment Agreements	339,428	2.5%	Aa3	Moody's	
Total Investments	<u>339,428</u>	<u>2.5%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	3,041,452	22.6%	Aaa	Moody's	
Fannie Mae	3,043,662	22.7%	Aaa	Moody's	
Freddie Mac	5,955,651	44.4%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>12,040,765</u>	<u>89.7%</u>			
<b>1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities</b>	<b><u>\$ 13,433,331</u></b>	<b><u>100.0%</u></b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**1996 Single Family Mortgage Revenue Bonds as of September 30, 2018**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Money Market Funds	\$ 902,785	5.8%	Aaa-mf	Moody's	
Total Cash and Cash Equivalents	<u>902,785</u>	<u>5.8%</u>			
<u>Investments</u>					
Investment Agreements	385,078	2.5%	A1	Moody's	
Total Investments	<u>385,078</u>	<u>2.5%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	4,399,280	28.4%	Aaa	Moody's	
Fannie Mae	3,103,261	20.0%	Aaa	Moody's	
Freddie Mac	6,695,303	43.2%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>14,197,844</u>	<u>91.7%</u>			
<b>1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities</b>	<b><u>\$ 15,485,707</u></b>	<b><u>100%</u></b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Single Family NIB Program as of September 30, 2019**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Money Market Funds	\$ 576,759	11.9%	Aaa-mf	Moody's	
Total Cash and Cash Equivalents	<u>576,759</u>	<u>11.9%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	3,700,769	76.1%	Aaa	Moody's	
Fannie Mae	585,228	12.0%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>4,285,997</u>	<u>88.1%</u>			
<b>Single Family NIB Program Total Cash and Mortgage-Backed Securities</b>	<b><u>\$ 4,862,756</u></b>	<b><u>100.0%</u></b>			

(Continued)



**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Single Family NIB Program as of September 30, 2018**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Money Market Funds	\$ 253,754	5.0%	Aaa-mf	Moody's	
Total Cash and Cash Equivalents	<u>253,754</u>	<u>5.0%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	4,060,575	79.6%	Aaa	Moody's	
Fannie Mae	786,287	15.4%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>4,846,862</u>	<u>95.0%</u>			
<b>Single Family NIB Program Total Cash and Mortgage-Backed Securities</b>	<b><u>\$ 5,100,616</u></b>	<b><u>100%</u></b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Multifamily Development Program (MFDP) as of September 30, 2019**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 2,081,218	1.7%	Not Rated		Uncollateralized, Uninsured
Demand Money Market deposit	2,825,879	2.3%	P-1	Moody's	
Money Market Funds	<u>30,241,412</u>	<u>24.6%</u>	Aaa-mf	Moody's	
Total Cash and Cash Equivalents	<u>35,148,509</u>	<u>28.6%</u>			
<u>Investments</u>					
Investment Agreements	74,415,000	60.6%	Aa2	Moody's	
Investment Agreements	12,525,000	10.2%	Not Rated	Moody's	
GSE Obligations	<u>745,380</u>	<u>0.6%</u>	Aaa	Moody's	
Total Investments	<u>87,685,380</u>	<u>71.4%</u>			
<b>Multifamily MFDP Program Total</b>					
<b>Cash and Cash Equivalents</b>	<b><u>\$ 122,833,889</u></b>	<b><u>100.0%</u></b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Multifamily Development Program (MFDP) as of September 30, 2018**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 2,279,448	2.8%	Not Rated		Uncollateralized, Uninsured
Demand Money Market deposit	2,419,036	3.0%	P-1	Moody's	
Money Market Funds	<u>74,792,474</u>	<u>93.3%</u>	Aaa-mf	Moody's	
Total Cash and Cash Equivalents	<u>79,490,958</u>	<u>99.2%</u>			
<u>Investments</u>					
GSE Obligations	<u>677,148</u>	<u>0.9%</u>	Aaa	Moody's	
Total Investments	<u>677,148</u>	<u>0.9%</u>			
<b>Multifamily MFDP Program Total</b>					
<b>Cash and Cash Equivalents</b>	<b><u><u>\$ 80,168,106</u></u></b>	<b><u><u>100.0%</u></u></b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Multifamily (Conduit Bond) Program as of September 30, 2019**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<b><u>Cash and Cash Equivalents</u></b>					
Non-Money Market Deposits	\$ 700,258	0.2%	Not Rated		Uncollateralized, Uninsured
Demand Money Market deposit	85,025,279	30.1%	P-1	Moody's	
Money Market Funds	16,306,390	5.8%	Aaa-mf	Moody's	
<b>Total Cash and Cash Equivalents</b>	<b>102,031,927</b>	<b>36.1%</b>			
<b><u>Investments</u></b>					
Certificates of Deposits	13,469,709	4.8%	Not Rated		Federal Reserve-Held Aaa Collateral
U.S. Treasury Obligations	133,297,061	47.3%	Aaa	Moody's	
Investment Agreements	15,216,949	5.4%	Baa1	Moody's	
<b>Total Investments</b>	<b>161,983,719</b>	<b>57.5%</b>			
<b><u>Mortgage-Backed Securities</u></b>					
Ginnie Mae	10,431,650	3.7%	Aaa	Moody's	
Fannie Mae	7,733,860	2.7%	Aaa	Moody's	
<b>Total Mortgage-Backed Securities</b>	<b>18,165,510</b>	<b>6.4%</b>			
<b>Multifamily (Conduit Bond) Program</b>					
<b>Total Cash, Investments and Mortgage-Backed Securities</b>	<b>\$ 282,181,156</b>	<b>100.0%</b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Multifamily (Conduit Bond) Program as of September 30, 2018**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<b><u>Cash and Cash Equivalents</u></b>					
Non-Money Market Deposits	\$ 2,912,472	1.0%	Not Rated		Uncollateralized, Uninsured
Demand Money Market deposit	85,438,105	28.3%	P-1	Moody's	
Money Market Funds	13,375,654	4.4%	Aaa-mf	Moody's	
Money Market Funds	1,131,811	0.4%	P-1	Moody's	
<b>Total Cash and Cash Equivalents</b>	<b>102,858,042</b>	<b>34.1%</b>			
<b><u>Investments</u></b>					
Certificates of Deposits	54,949,000	18.2%	Not Rated		Federal Reserve-Held Aaa Collateral
U.S. Treasury Obligations	134,177,348	44.3%	Aaa	Moody's	
<b>Total Investments</b>	<b>189,126,348</b>	<b>62.5%</b>			
<b><u>Mortgage-Backed Securities</u></b>					
Ginnie Mae	10,363,898	3.4%	Aaa	Moody's	
<b>Total Mortgage-Backed Securities</b>	<b>10,363,898</b>	<b>3.4%</b>			
<b>Multifamily (Conduit Bond) Program</b>					
<b>Total Cash, Investments and Mortgage-Backed Securities</b>	<b>\$ 302,348,288</b>	<b>100.0%</b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Multifamily NIB Program as of September 30, 2019**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 8	0.0%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposit	15,957,171	100.0%	P-1	Moody's	
Total Cash and Cash Equivalents	<u>15,957,179</u>	<u>100.0%</u>			
<b>Multifamily NIB Program Total Cash and Mortgage-Backed Securities</b>	<b><u>\$ 15,957,179</u></b>	<b><u>100.0%</u></b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Multifamily NIB Program as of September 30, 2018**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 8	0.0%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposit	<u>15,952,660</u>	<u>100.0%</u>	P-1	Moody's	
Total Cash and Cash Equivalents	<u>15,952,668</u>	<u>100.0%</u>			
<b>Multifamily NIB Program Total Cash and Mortgage-Backed Securities</b>	<b><u>\$ 15,952,668</u></b>	<b><u>100.0%</u></b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Combined Revenue Obligation Funds and General Fund as of September 30, 2019**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 5,810,762	1.1%	Not Rated	Moody's	Third Party-Held Aaa Collateral
Non-Money Market Deposits	2,781,485	0.5%	Not Rated	Moody's	Uncollateralized, Uninsured
Demand Money Market Deposits	27,642,892	5.0%	Not Rated	Moody's	Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	109,249,247	19.9%	P-1	Moody's	
Money Market Funds	51,878,930	9.4%	Aaa-mf	Moody's	
<b>Total Cash and Cash Equivalents</b>	<b>197,363,316</b>	<b>35.9%</b>			
<u>Investments</u>					
Certificates of Deposits	16,484,599	3.0%	Not Rated	Moody's	Federal Reserve-Held Aaa Collateral
U.S. Treasury Obligations	133,586,370	24.3%	Aaa	Moody's	
Investment Agreements	84,415,000	15.4%	Aa2	Moody's	
Investment Agreements	339,428	0.1%	Aa3	Moody's	
Investment Agreements	15,216,949	2.8%	Baa1	Moody's	
Investment Agreements	12,525,000	2.3%	Not Rated	Moody's	Standard & Poors A2
Corporate Obligations	212,666	0.0%	Aaa	Moody's	
Corporate Obligations	211,573	0.0%	Aa1	Moody's	
Corporate Obligations	2,727,819	0.5%	Aa2	Moody's	
Corporate Obligations	6,583,780	1.2%	Aa3	Moody's	
Corporate Obligations	9,013,890	1.6%	A1	Moody's	
Corporate Obligations	24,032,099	4.4%	A2	Moody's	
Corporate Obligations	4,213,261	0.8%	A3	Moody's	
Corporate Obligations	2,201,151	0.4%	Baa1	Moody's	
GSE Obligations	977,029	0.2%	Aaa	Moody's	
<b>Total Investments</b>	<b>312,740,614</b>	<b>57.0%</b>			

(Continued)



**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Combined Revenue Obligation Funds and General Fund as of September 30, 2019**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
Ginnie Mae	18,750,368	3.4%	Aaa	Moody's	
Fannie Mae	14,462,580	2.6%	Aaa	Moody's	
Freddie Mac	5,955,651	1.1%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>39,168,599</u>	<u>7.1%</u>			
<b>Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage- Backed Securities</b>	<b><u>\$ 549,272,529</u></b>	<b><u>100.0%</u></b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Combined Revenue Obligation Funds and General Fund as of September 30, 2018**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<b><u>Cash and Cash Equivalents</u></b>					
Non-Money Market Deposits	\$ 5,831,645	1.1%	Not Rated		Third Party-Held Aaa Collateral
Non-Money Market Deposits	5,191,928	1.0%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposits	32,664,216	6.4%	Not Rated		Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	111,799,925	21.8%	P-1	Moody's	
Money Market Funds	90,189,177	17.6%	Aaa-mf	Moody's	
Money Market Funds	1,131,811	0.2%	P-1	Moody's	
<b>Total Cash and Cash Equivalents</b>	<b>246,808,702</b>	<b>48.0%</b>			
<b><u>Investments</u></b>					
Certificates of Deposits	54,949,000	10.7%	Not Rated		Federal Reserve-Held Aaa Collateral
Commercial Papers	14,776,950	2.9%	P-1	Moody's	
U.S. Treasury Obligations	134,177,348	26.2%	Aaa	Moody's	
Investment Agreements	10,000,000	2.0%	Aa2	Moody's	
Investment Agreements	385,078	0.1%	A1	Moody's	
Corporate Obligations	195,080	0.0%	Aaa	Moody's	
Corporate Obligations	208,752	0.0%	Aa1	Moody's	
Corporate Obligations	690,022	0.1%	Aa2	Moody's	
Corporate Obligations	315,850	0.1%	Aa3	Moody's	
Corporate Obligations	3,937,143	0.8%	A1	Moody's	
Corporate Obligations	4,777,340	0.9%	A2	Moody's	
Corporate Obligations	5,240,691	1.0%	A3	Moody's	
GSE Obligations	799,823	0.2%	Aaa	Moody's	
<b>Total Investments</b>	<b>230,453,077</b>	<b>45.0%</b>			

(Continued)

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY**  
**SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES**  
**AND INVESTMENTS BY FUND (CONTINUED)**  
**SEPTEMBER 30, 2019 AND 2018**

**Combined Revenue Obligation Funds and General Fund as of September 30, 2018**

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
Ginnie Mae	20,540,432	4.0%	Aaa	Moody's	
Fannie Mae	8,079,760	1.6%	Aaa	Moody's	
Freddie Mac	6,695,303	1.3%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>35,315,495</u>	<u>6.9%</u>			
<b>Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage- Backed Securities</b>	<b><u>\$ 512,577,274</u></b>	<b><u>100.0%</u></b>			

See Accompanying Independent Auditor's Report.

Independent Auditor's Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*

To the Board of Directors  
District of Columbia Housing Finance Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the District of Columbia Housing Finance Agency (the "Agency"), a component unit of the Government of the District of Columbia, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements and have issued our report thereon dated December 23, 2019.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*CohnReznick LLP*

Baltimore, Maryland  
December 23, 2019