GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE INSPECTOR GENERAL

District of Columbia

HOUSING FINANCE AGENCY

Financial Statements and
Independent Auditors' Report
For the Years Ended
September 30, 2013, and 2012

BLANCHE L. BRUCE
INTERIM INSPECTOR GENERAL

OIG No. 14-1-18HF **June 23, 2014**

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Inspector General

Inspector General

June 23, 2014

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

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

Dear Mayor Gray and Chairman Mendelson:

In connection with the audit of the District of Columbia's (the District) general purpose financial statements for fiscal year (FY) 2013, Cohn Reznick LLP (CR LLP) submitted the enclosed final report on the District of Columbia Housing Finance Agency's (Agency) financial statements, OIG Report No. 14-1-18HF.

CR LLP opined that the financial statements present fairly, in all material respects, the financial position of the Agency as of September 30, 2013, and 2012, and the changes in its financial position and its cash flows for the years then ended in accordance with generally accepted accounting principles in the United States of America.

If you have questions or need additional information, please contact Ronald W. King, Assistant Inspector General for Audits, at (202) 727-2540.

Sincerely,

Blanche L. Bruce

Blanche L. Bruce
Interim Inspector General

BLB/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, 2013 and 2012

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT
YEARS ENDED SEPTEMBER 30, 2013 AND 2012

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Independent Auditor's Report

Board of Directors
District of Columbia Housing Finance Agency

Report on the Financial Statements

We have audited the accompanying basic financial statements, as listed in the table of contents, 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, 2013 and 2012. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined 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, 2013 and 2012, 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.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the Agency early implemented Governmental Accounting Standards Board (GASB) statement No. 65 Items Previously Reported as Assets and Liabilities. Our opinion is not modified with respect to this matter.

Other Matters

The Management's Discussion and Analysis on pages 4 through 12 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

As a part of our audit of the 2013 financial statements, we also audited adjustments described in Note 2 that were applied to restate the 2012 financial statements for implementation of GASB 65 Items Previously Reported as Assets and Liabilities. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2012 financial statements of the Agency other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2012 financial statements.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying 2013 and 2012 supplementary information on pages 68 through 98 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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.

CohnReznick LLP

Baltimore, Maryland
January 17, 2014

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, 2013 and 2012. 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 four percent low-income housing tax credits to achieve its affordable housing preservation, rehabilitation, and development objectives on behalf of the District of Columbia Department of Housing and Community Development ("DHCD").

The Agency accounts for its financial activities using funds for its single family and multifamily bond programs and general operations. The 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-Share insurance program and the McKinney Act savings program. The other funds include Single Family Program, Multifamily (Conduit Bond) Program and DC Building Finance Corporation. These funds are used to account for bond proceeds, revenue and debt service and bond administration expenses related to single family mortgage revenue bonds, multifamily housing revenue bonds and certificates of participation of the District of Columbia Building Finance Corporation.

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 as they 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 have become underemployed with decreased employment income, and to pay the Agency's administrative expenses of the HomeSaver Program.

Financial Highlights for the Year Ended September 30, 2013, and Comparative Financial Highlights for the Years Ended September 30, 2012 and 2011

<u>Significant Macroeconomic Factors and Program Updates</u>

The Agency's total debt portfolio decreased by $30.46 million from $869.16 million in fiscal year 2012 to $838.70 million in fiscal year 2013, continuing the downward trend from fiscal year 2012, when the portfolio decreased from $901.27 million at beginning of the year to $869.16 million at year end. In fiscal year 2011 the portfolio underwent a net decrease of $47.54 million, when the debt portfolio went down from $948.81 million to $901.27 million. The total amount of bonds issued during fiscal year

2013 was $122.17 million, comprised completely of multifamily project issuance, compared to $126.91 million in total new bond issuance in fiscal year 2012, including $112.76 million in multifamily bonds and $14.15 million in single family bonds. In fiscal year 2011 total debt issuance was $82.68 million, including $77.68 million in multifamily issuance and $5.00 million in a General Fund draw on the PNC Bank credit line.

During fiscal year 2010, the Agency secured two committed credit lines with the PNC Bank, National Association ("PNC Bank"), in the total amount of $53.00 million: one for two years for $3.00 million to be used for acquiring ownership of and making improvements to the Agency's headquarters building; the other for one year for $50.00 million to be used for providing interim financing of the costs of extending multifamily 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. During fiscal year 2011, the Agency and PNC Bank modified the $50.00 million credit line by reducing it to $25.00 million. In fiscal year 2013, the same credit line was further modified to reduce its size down to $15.00 million. The terms of both credit lines were extended till March of 2014. As of September 30, 2011, the Agency requested and received a $5.00 million advance under the $25.00 million line of credit. The $5.00 million draw provided low-cost additional liquidity to fund the acquisition of single family mortgage-backed securities pending the issuance of long-term single family mortgage revenue bonds in December of 2011. Upon issuance of the bonds, the PNC Bank credit line advance was fully repaid with no outstanding balances as of September 30, 2013. The Agency intends to continue to maintain access to PNC credit lines for any supplemental liquidity needs.

Basic Financial Statements

The accompanying financial statements include: Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and Statement 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 Changes 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 2013 the Agency implemented a GASB Statement No. 65 *Items Previously Reported as Assets and Liabilities.* This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement affects the Agency financial statements in its presentation of debt issuance costs, which, except for any portion related to prepaid insurance costs, should be recognized as an expense in the period incurred. Also, loan origination fees, except any portion related to points, should be recognized as revenue in the period received. Accounting changes adopted to conform to the provisions of this Statement should be applied retroactively by restating financial statements for all periods presented, or the cumulative effect of applying this Statement, if any, should be reported as a restatement of beginning net position, for the earliest period reported. For more detail please refer to Note 2.

Financial Statement Analysis

The following information is an analysis of the Agency's financial statements for the year ended September 30, 2013, compared to the financial statements for the years ended September 30, 2012 and 2011.

	2013	Net Change	2012 (As Restated)	Net Change	2011 (As Restated)
Current assets	$ 179,276,946	1.2%	$ 177,133,475	-26.4%	$ 240,623,080
Non-current other assets	815,510,616	-9.2%	898,120,782	5.8%	849,149,916
Non-current capital assets	2,450,708	-7.1%	2,637,342	5.3%	2,504,128
Total assets	**$ 997,238,270**	**-7.5%**	**$ 1,077,891,599**	**-1.3%**	**$ 1,092,277,124**
Current liabilities	$ 91,673,324	-33.4%	$ 137,647,336	-0.7%	$ 138,639,505
Non-current liabilities	816,577,766	-3.6%	847,035,448	-2.4%	867,751,880
Total liabilities	**908,251,090**	**-7.8%**	**984,682,784**	**-2.2%**	**1,006,391,385**
Net position:					
Net invested in capital assets	1,660,708	-3.0%	1,712,342	18.2%	1,449,128
Restricted for:					
Bond fund, collateral and Risk Share Program	34,532,184	-16.9%	41,571,166	-5.7%	44,085,189
McKinney Act Fund	8,576,551	-3.9%	8,926,106	1.0%	8,839,007
Total Restricted	43,108,735	-14.6%	50,497,272	-4.6%	52,924,196
Unrestricted	44,217,737	7.9%	40,999,201	30.1%	31,512,415
Total Net Position	**88,987,180**	**-4.5%**	**93,208,815**	**8.5%**	**85,885,739**
Total Liabilities and Net Position	**$ 997,238,270**	**-7.5%**	**$ 1,077,891,599**	**-1.3%**	**$ 1,092,277,124**

In fiscal year 2013, the Agency's combined assets decreased by 7.5%, compared to the 1.3% decrease in fiscal year 2012. The long-term asset holdings were used to redeem bonds while the new issuance did not result in new asset increase since most of the new debt structures were done as draw down deals. Similarly, both current and non-current liabilities followed suit with 33.4% and 3.6% respective decreases in fiscal year 2013, compared to a 0.7% and 2.4% respective decreases in fiscal year 2012. The main reason for these decreases was the shorter term bond redemption pace versus the longer term new bond issuance. The 9.2% decrease in the non-current non-capital assets comes from utilization of proceeds from long-term investments and loan assets to redeem short-term bonds. This compares to the 5.8% increase in non-current non-capital assets in fiscal year 2012. The 4.5%, or $4.2 million, in net position reduction in fiscal year 2013 stems primarily from the $8.1 million decrease in unrealized gain on mortgage-backed securities driven by higher market interest rates. Current liabilities in fiscal year 2012 decreased by 0.7% due to a slight decrease in bonds coming due within one year. The 3.0% decrease in net invested in capital assets in fiscal year 2013 was due to greater depreciation and amortization of the accumulated capital assets versus the addition of new assets. In fiscal year 2012 the Agency acquired more capital assets, which are reflected in the 18.2% increase in net invested in capital assets.

Operating Results

During fiscal year 2013, the Agency's combined net position decreased by $4.22 million, or 4.5%, which comprises net revenue of $3.90 million from operations and a non-operating loss of $8.12 million due to a decrease in the unrealized fair value of mortgage-backed securities. For fiscal year 2012, net position increased by $7.48 million, consisting of a $9.69 million income from operations offset by the $2.21 million non-operating loss due to a decrease in the unrealized fair value of mortgage-backed securities.

During fiscal year 2013, combined operating revenues increased by $2.92 million or 4.4% from fiscal year 2012, primarily due to a 30.4% increase in mortgage loan interest revenue and 26.6% increase in other revenue stemming primarily from new multifamily bond issuance. The decreasing investment and mortgage-backed security income fell short of turning the operating results into negative. Combined operating expenses in fiscal year 2013 increased by 15.2% or $8.71 million from fiscal year 2012, primarily due to a 23.6% jump in interest expense based on the contingent interest and increased general and administrative and other fee expenses carried by the bond programs. This increase was slightly offset by a reduction in service project payments from the corresponding receipts due to the payoff of one of the serviced projects. The fiscal year 2013 operating income was $3.90 million, augmenting and continuing a positive trend from fiscal year 2012 with its net operating income of $9.69 million. Both the increase in interest revenue on mortgage loans and the interest expense included a one-time $8.25 million contingent interest receipt and payment based on the surplus cash agreement under one of the paid off multifamily projects. Such one-time contingent interest settlement was processed through the project trust accounts in a pass-through manner at the election of the project owners and sole bond holder.

	2013	Net Change	2012 (As Restated)	Net Change	2011 (As Restated)
Operating Revenues					
Investment interest income	$ 1,966,344	-38.6%	$ 3,203,285	-8.2%	$ 3,490,544
Mortgage-backed security interest income	6,890,283	-49.5%	13,646,776	6.6%	12,796,776
Interest on mortgage and construction loans	41,856,888	30.4%	32,089,494	3.3%	31,066,955
McKinney Act interest revenue	121,892	29.2%	94,333	-22.0%	120,930
Application and commitment fees	300,813	64.0%	183,422	6.5%	172,282
Service project receipts	4,580,901	-29.9%	6,536,023	-10.1%	7,267,771
Other	14,123,543	26.6%	11,159,842	6.5%	10,477,339
Total operating revenues	**69,840,664**	**4.4%**	**66,913,175**	**2.3%**	**65,392,597**
Non-operating revenues	(8,125,357)	-267.9%	(2,208,568)	-154.2%	4,077,132
Total revenue	**61,715,307**	**-4.6%**	**64,704,607**	**-6.9%**	**69,469,729**
Operating Expenses					
General and administrative	7,012,927	6.4%	6,591,266	-0.2%	6,602,247
Personnel and related costs	4,278,160	5.5%	4,053,725	10.7%	3,661,739
Interest expense	47,752,731	23.6%	38,625,017	-7.3%	41,687,263
Depreciation and amortization	245,364	7.5%	228,255	14.5%	199,313
Service project payments	4,581,667	-29.9%	6,532,506	-10.1%	7,267,246
Trustee fees and other expenses	2,066,093	73.7%	1,189,441	-59.0%	2,898,363
Total operating expenses	**65,936,942**	**15.2%**	**57,220,210**	**-8.2%**	**62,316,171**
Operating Income (Loss)	**3,903,722**	**-59.7%**	**9,692,965**	**215.1%**	**3,076,426**
Change in Net Position	**(4,221,635)**	**-156.4%**	**7,484,397**	**4.6%**	**7,153,558**
Net position, beginning of year, as previously stated	**93,823,368**	**7.7%**	**87,095,587**	**8.7%**	**80,091,547**
Cumulative effect of change in accounting principle	**(614,553)**	**55.2%**	**(1,371,169)**	**9.8%**	**(1,520,686)**
Net position, end of year	**$ 88,987,180**	**-4.5%**	**$ 93,208,815**	**8.7%**	**$ 85,724,419**

During fiscal year 2012, combined operating revenues increased by $1.52 million or 2.3% from fiscal year 2011, primarily due to a 6.6% increase in mortgage-backed security revenue resulting from their sale proceeds, which were used to redeem the underlying bonds. Combined with the 3.3% increase in mortgage loans revenue, mortgage-backed security income was enough to offset the 8.2% decrease in investment earnings. Combined operating expenses in fiscal year 2012 decreased by 8.2% or $5.10 million from fiscal year 2011, primarily due to a 7.3% drop in interest expense and decreased general and administrative and other fee expense carried by the bond programs as well as a reduction in service project receipts due to the maturity of one of the serviced projects. The fiscal year 2012 operating income was $9.69 million, compared with the fiscal year 2011 net operating income of $3.08 million.

In fiscal year 2013, the Agency recorded a $2.51 million net operating income and a $2.81 million overall net income in its General Fund, increasing General Fund net position from $53.60 million at the beginning of the year to $56.41 million at year end. In fiscal years 2012 and 2011, the General Fund net operating income amounted to $1.57 and $1.68 million, respectively.

Debt Administration

Debt activity, including credit lines and certificates of participation, for the years ended September 30, 2013, 2012 and 2011 was as follows:

	2013	2012	2011
Beginning balance	$ 869,157,282	$ 901,265,129	$ 948,806,448
New issuance/draws	118,218,431	126,163,530	82,678,668
Redemption/maturities	(148,676,779)	(158,271,377)	(130,219,987)
Ending balance	$ 838,698,934	$ 869,157,282	$ 901,265,129

In fiscal year 2013, the Agency's combined outstanding debt decreased by $30.46 million from fiscal year 2012. The Certificates of Participation outstanding balance decreased by $135,000 from $0.925 million at the beginning of the year to $0.79 million at year end. Total single family revenue bonds were reduced by $26.37 million due loan prepayment redemptions a small unused proceeds call. No new single family bonds have been issued in fiscal year 2013.

There was no New Issuance Bond Program (NIBP) bond issuance in fiscal year 2013 except for a $0.55 million additional market bond issuance for one of the multifamily transactions, which was redeemed by the end of the fiscal year. All of the $168.10 million in NIBP multifamily and $5.12 million in NIBP single family escrow bonds issued in fiscal year 2010, have been modified through supplemental indentures in financing seventeen multifamily projects, six of which were financed in fiscal year 2012. The release of the $173.22 million of NIBP escrow bonds was done concurrently with the issuance of $91.23 million in non-NIBP bonds.

During fiscal year 2013 DCHFA financed nine multifamily projects for a total authenticated and delivered bond amount of $139.35 million. A number of multifamily revenue bonds, closed in fiscal years 2010-2013, were issued in a draw-down mode, 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 2013 was $61.61 million. The amount of outstanding multifamily bonds from new issuance and draws on the new and existing draw down bonds during fiscal year 2013 was $118.22 million, and, when offset by $122.17 million in matured and redeemed bonds, resulted in the net decrease in multifamily bonds outstanding of $4.0 million, compared to a net increase decrease of $21.68 million in fiscal year 2012.

In fiscal year 2012, the Agency's total outstanding debt decreased by $32.11 million. The Certificates of Participation outstanding balance went down by $130,000 from $1.055 million to $0.925 million. Total single family revenue bonds were reduced by $48.66 million accounting for $14.15 million in new issuance and $62.81 million in redemptions and maturing principal.

Capital Assets

The Agency issued $2.4 million of Certificates of Participation in 1998 to finance the acquisition of its headquarters building at 815 Florida Avenue, N.W., Washington, D.C. and entered into a lease agreement with the District of Columbia Building Finance Corporation to lease the office space. The lease term is through June 2018; however, the Agency has an annual right to terminate the lease in the event that the Agency fails to budget sufficient amounts due under the lease terms for the ensuing fiscal year. The Agency has the option to purchase the building at any time during the lease at an amount necessary to discharge the outstanding Certificates of Participation. As of September 30, 2013, both the Certificates of Participation and the lease agreement had approximately five years remaining, and an outstanding balance of $0.79 million. The Agency redeemed $135,000 of the Certificates of Participation in fiscal year 2013 in addition to $130,000 and $120,000 redeemed in fiscal years 2012 and 2011, respectively.

Capital assets, net of accumulated depreciation and amortization, were $2,450,708 and $2,637,342 as of September 30, 2013 and 2012, respectively, and $2,504,128 as of September 30, 2011. The detailed analysis of changes in capital assets is in Note 6.

Key Bond Programs

<u>Multifamily New Issue Bond Program ("Multifamily NIBP")</u>

The Multifamily NIBP started in fiscal year 2010 with the issuance of $168.10 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, $5.12 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 $91.23 million in market bonds, not including $0.55 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 2010-2013 were issued in a draw down mode. The amount of draws under such existing and new draw down projects for fiscal year 2013 was $19.79 million. When offset by $26.04 million in redeemed and matured bonds, the fiscal year 2013 net decrease in total Multifamily NIBP Bonds outstanding was $6.26 million, compared to a net increase of $32.11 million in fiscal year 2012 and a net increase of $12.95 million in fiscal year 2011. As of September 30, 2013, the total bonds outstanding under the Multifamily NIBP, were $226.41 million, compared to $232.65 million as of September 30, 2012.

<u>Single Family New Issue Bond Program ("Single Family NIBP")</u>

The Single Family NIBP started in fiscal year 2010 with the issuance of $25.00 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 $14.15 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 an 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. The demand for the Agency loans remained low throughout the year due to a relatively small interest rate competitive advantage of the Agency's loans compared to conventional lender loans. Early in fiscal year 2012, the Agency master servicer, Bank of America, terminated its corresponding lender relationships, 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 $5.12 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 $5.73 million in unused NIBP single family taxable escrow bonds as the deadline for their use was December 31, 2012. Due to the executive management 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. As of September 30, 2013, the total bonds outstanding under the Single Family NIBP were $11.35 million.

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 2012, the Agency closed eight project financings involving $138.80 million in mortgage revenue bonds issued in a draw down mode. The total amount of draws on the newly issued and existing draw-down bonds in fiscal year 2013 was $98.43 million. When offset by $96.13 million in redeemed and matured bonds, the fiscal year 2013 net decrease in total Multifamily (Conduit Bond) Program bonds outstanding was $2.3 million, compared to a net increase decrease of $10.42 million in fiscal year 2012 and a net decrease of $41.20 million in fiscal year 2011.

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 the fiscal year 2013 was $23.83 million, bringing the total bonds outstanding down to $46.44 million at September 30, 2013, from $70.27 million at September 30, 2012.

HUD Risk-Sharing Program and Agency General Fund

The Agency has entered into a risk-sharing agreement 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. Any loss at the time of final claim on a defaulted multifamily project is shared between FHA at 90% and the Agency at 10%. In order to participate in this program, the Agency has set aside an initial deposit of $500,000 in a separate HUD Risk-Share Reserve account. In addition, with every risk-share project, an FHA placement fee of 1%-1.15% of the mortgage balance is collected and deposited into the reserve account. The Agency also collects under its General Fund monthly mortgage insurance premiums commensurate with the risk exposure on its HUD Risk-Share portfolio of outstanding mortgage loans. As of September 30, 2013, 2012 and 2011, the HUD Risk-Share Reserve funds had a balance of $2.53

million, $2.51 million and $2.48 million, respectively, and the outstanding principal balance of the risk-share insured loans was $133.19 million, $155.48 million and $157.27 million, respectively. During fiscal year 2013 four of the risk-share projects paid off their loans.

In fiscal year 2010, one risk-share deal, the Elsinore Courts Apartments project defaulted. The Agency filed the initial claim and paid off the underlying bonds. The project continued being occupied and covered its operating expenses with limited Agency support. In October of 2012 the Agency conducted a competitive sale of this property and submitted its final claim to HUD. The disposition of the property and finalization of the claim resulted in the actual loss to the Agency of $243,444 recorded as of September 30, 2013. The actual loss includes an estimated loss of $236,519 recorded as contingent liability as of September 30, 2012.

In addition, Parkway Overlook East & West (the Parkway Overlook Property) had its Section 8 HAP subsidies abated in 2007 by HUD due to successive Real Estate Assessment Center (REAC) failures. The Agency took over the ownership of the Parkway Overlook Property as a mortgagee in possession and is pursuing its disposition through a competitive bid process. The winning bidder was not able to honor its obligations to acquire the property on the agreed upon terms and, therefore, the Agency has elected to submit its final claim on this property to HUD based on the appraised value in summer of 2013. The Agency is currently in negotiations with HUD about the value of the property. Once the negotiations are complete, the Agency intends to dispose of the property with minimal or no additional loss. The Agency's financial exposure as joint insurer of the Parkway Overlook Property depends upon how soon the disposition of the property is finalized. Based on the anticipated value of the property, the Agency estimates the loss exposure as of September 30, 2013 to be $2.20 million, and accordingly, has established a contingent liability under the General Fund by recording additional loss of $0.153 million in the year ended September 30, 2013.

Conclusion

Management's discussion and analysis is presented to provide additional information regarding the activities of the Agency and also to meet the disclosure requirements of GASB Statement No. 34. If you have questions about the report or need additional financial information, contact the Chief Financial Officer, Sergei Kuzmenchuk, District of Columbia Housing Finance Agency, (202) 777-1620, 815 Florida Avenue, N.W. Washington DC 20001, skuzmenchuk@dchfa.org or go to our website at www.dchfa.org.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2013 AND 2012

ASSETS	2013	2012 (As Restated)
CURRENT ASSETS		
Unrestricted current assets:		
Cash and cash equivalents	$ 29,858,055	$ 24,316,950
Mortgage and construction loans receivable	146,813	167,730
Other receivables	11,526,498	10,803,751
Accrued interest receivable	20,587	189,844
Prepaid fees	126,800	213,046
Total unrestricted current assets	**41,678,753**	**35,691,321**
Restricted current assets:		
Cash and cash equivalents	101,582,019	107,485,752
Mortgage-backed securities at fair value	8,021,310	5,119,885
Mortgage and construction loans receivable	23,393,796	23,320,886
Accrued interest receivable	4,540,313	5,453,239
Other receivables	60,755	62,392
Total restricted current assets	**137,598,193**	**141,442,154**
TOTAL CURRENT ASSETS	**179,276,946**	**177,133,475**
NON-CURRENT ASSETS		
Unrestricted non-current assets:		
Investments	3,361,379	6,042,929
Mortgage and construction loans receivable	249,921	417,396
Total unrestricted non-current assets	**3,611,300**	**6,460,325**
Restricted non-current assets:		
Investments held in trust	35,721,340	52,226,369
Mortgage-backed securities at fair value	119,606,044	187,960,438
Mortgage and construction loans receivable	652,774,882	647,335,404
Loans receivable	2,464,857	2,611,404
McKinney Act loans receivable	1,332,193	1,511,430
Other receivables	-	15,412
Total restricted non-current assets	**811,899,316**	**891,660,457**
Capital assets:		
Land	573,000	573,000
Property and equipment	3,955,985	3,919,487
Leasehold improvements	1,745,285	1,723,053
Less accumulated depreciation and amortization	(3,823,562)	(3,578,198)
Total capital assets, net	**2,450,708**	**2,637,342**
TOTAL NON-CURRENT ASSETS	**817,961,324**	**900,758,124**
TOTAL ASSETS	**$ 997,238,270**	**$ 1,077,891,599**

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
STATEMENTS OF NET POSITION - CONTINUED
SEPTEMBER 30, 2013 AND 2012

LIABILITIES AND NET POSITION	2013	2012 (As Restated)
CURRENT LIABILITIES		
Current liabilities payable from unrestricted assets:		
Accounts payable and accrued liabilities	$ 2,656,374	$ 2,609,715
Accrued salary and vacation payable	267,889	235,811
Prepaid fees	1,182,997	1,041,577
Total current liabilities payable from unrestricted assets	**4,107,260**	**3,887,103**
Current liabilities payable from restricted assets:		
Accounts payable and accrued liabilities	64,982	143,569
Project funds held for borrower and other liabilities	53,678,950	98,100,076
Interest payable	8,803,336	9,640,556
Bonds payable	24,878,796	25,741,032
Certificates of participation	140,000	135,000
Total current liabilities payable from restricted assets	**87,566,064**	**133,760,233**
TOTAL CURRENT LIABILITIES	**91,673,324**	**137,647,336**
NON-CURRENT LIABILITIES		
Non-current liabilities payable from restricted assets:		
Loans payable	-	575,444
Bonds payable	815,927,766	845,670,004
Certificates of participation	650,000	790,000
Total non-current liabilities payable from restricted assets	**816,577,766**	**847,035,448**
TOTAL LIABILITIES	**908,251,090**	**984,682,784**
NET POSITION		
Net invested in capital assets	**1,660,708**	**1,712,342**
Restricted for:		
Bond Fund, collateral and Risk Share Program	34,532,184	41,571,166
McKinney Act Fund	8,576,551	8,926,106
Total restricted net position	**43,108,735**	**50,497,272**
Unrestricted net position	**44,217,737**	**40,999,201**
TOTAL NET POSITION	**88,987,180**	**93,208,815**
TOTAL LIABILITIES AND NET POSITION	**$ 997,238,270**	**$ 1,077,891,599**

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, 2013 AND 2012

	2013	2012 (As Restated)
OPERATING REVENUES		
Investment interest income	$ 1,966,344	$ 3,203,285
Mortgage-backed security interest income	6,890,283	13,646,776
Interest on mortgage and construction loans	41,856,888	32,089,494
McKinney Act interest revenue	121,892	94,333
Application and commitment fees	300,813	183,422
Service project receipts	4,580,901	6,536,023
Other	14,123,543	11,159,842
Total operating revenues	**69,840,664**	**66,913,175**
OPERATING EXPENSES		
General and administrative	7,012,927	6,591,266
Personnel and related costs	4,278,160	4,053,725
Interest expense	47,752,731	38,625,017
Depreciation and amortization	245,364	228,255
Service project payments	4,581,667	6,532,506
Trustee fees and other expenses	2,066,093	1,189,441
Total operating expenses	**65,936,942**	**57,220,210**
OPERATING INCOME	**3,903,722**	**9,692,965**
NON-OPERATING REVENUES/EXPENSES		
Decrease in fair value of mortgage-backed securities	(8,125,357)	(2,208,568)
CHANGE IN NET POSITION	**(4,221,635)**	**7,484,397**
Net position, beginning of year, as previously stated	93,823,368	87,095,587
Cumulative effect of change in accounting principle	(614,553)	(1,371,169)
Net position, beginning of year, as restated	93,208,815	85,724,418
Net position, end of year	**$ 88,987,180**	**$ 93,208,815**

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, 2013 AND 2012

	2013	2012 (As Restated)
Cash Flows From Operating Activities		
Interest received on loans	$ 42,380,964	$ 31,992,385
Other cash receipts	110,444,368	74,820,540
Payments to vendors	(7,381,588)	(5,814,128)
Payments to employees	(4,242,460)	(4,031,590)
Net mortgage and construction loans (disbursements) receipts	(5,519,343)	(94,207,338)
Receipts of service project income	4,580,901	6,536,023
Payments of service project expenses	(4,581,667)	(6,532,506)
Principal and interest received on mortgage-backed securities	65,129,701	78,424,017
Purchase of mortgage-backed securities	(626,966)	(11,153,800)
Other cash payments	(142,238,993)	(53,389,572)
Net cash provided by operating activities	57,944,917	16,644,031
Cash Flows from Capital and Related Financing Activities		
Acquisition of fixed assets	(58,730)	(361,469)
Payments of bonds and long-term debt	(135,000)	(130,000)
Net cash used in capital and related financing activities	(193,730)	(491,469)
Cash Flows From Non-Capital Financing Activities		
Interest paid on bonds and loans	(48,891,060)	(42,312,896)
Proceeds from bond issuances	118,218,431	126,399,423
Principal payments on issued debt and loans	(148,971,779)	(158,286,431)
Bond cost of issuance	-	(154,156)
Net cash used in non-capital financing activities	(79,644,408)	(74,354,060)
Cash Flows From Investing Activities		
Interest received on investments	2,350,205	3,283,380
Sale of investments	53,409,357	28,608,961
Purchase of investments	(34,228,969)	(26,330,545)
Arbitrage rebate paid	-	(107,439)
Net cash provided by investing activities	21,530,593	5,454,357
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(362,628)	(52,747,141)
Cash and cash equivalents, beginning of year	131,802,702	184,549,843
Cash and cash equivalents, end of year	$ 131,440,074	$ 131,802,702

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
STATEMENTS OF CASH FLOWS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	2013	2012 (As Restated)
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating income	$ 3,903,722	$ 9,692,964
Depreciation and amortization	245,364	228,255
Amortization of deferred items	(1,462,770)	(3,910,998)
Interest on bonds	48,891,060	42,312,896
Amortization of discount on investments	31,929	39,475
Provision for uncollectible other revenue	14,124	14,449
Provision for uncollectible interest revenue	(299,664)	(48,990)
Contingent loss expense	613,060	1,407,966
Decrease (increase) in mortgage and construction loans	(5,212,339)	(95,095,485)
Decrease in mortgage-backed securities	57,954,578	64,522,380
Purchase of mortgage-backed securities	(626,966)	(11,153,800)
Arbitrage rebate paid	-	107,439
Decrease (increase) in fair value of investments	6,189	(26,294)
Interest received on investments	(2,350,205)	(3,283,380)
Decrease (increase) in assets:		
Receivables	1,082,183	129,987
Other current assets	86,247	(29,600)
Other receivables	(625,382)	(1,899,591)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	(41,362)	1,031,702
Prepaid items	1,118,955	590,036
Project funds held for borrower and other liabilities	(44,546,589)	12,420,024
Accrued interest payable	(837,219)	(405,404)
Net cash provided by operating activities	**$ 57,944,917**	**$ 16,644,031**

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

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 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 Agency established the District of Columbia Building Finance Corporation (the "D.C. Building Finance Corporation") as a nonprofit corporation under the laws of the District of Columbia in July 1998. The D.C. Building Finance Corporation's financial transactions are included in these financial statements as a separate fund of the Agency.

The accompanying combined financial statements include DCHFA's General Fund and Revenue Obligation Funds: D.C. Building Finance Corporation Fund, Single Family 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.

NOTE 1: ORGANIZATION AND PURPOSE (Continued)

The bonds and notes issued by the Agency and the D.C. Building Finance Corporation are special obligations of the Agency and the D.C. Building Finance Corporation 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.

The General Fund credit line draw by the Agency is backed by the General Fund assets and constitutes 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 program and purchase and sale of single family mortgage-backed securities.

D.C. Building Finance Corporation Fund - The D.C. Building Finance Corporation Fund is used to account for the building located at 815 Florida Avenue, N.W., Washington, D.C., and the related lease payments and debt service on Certificates of Participation issued by the D.C. Building Finance Corporation to finance the purchase of the Agency headquarters building.

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 indentures: 1986 Whole Loan Program, 1988 Collateralized Single Family Mortgage Revenue Bonds, 1996 Taxable Residential Mortgage Revenue Bonds, 1996 Single Family Mortgage Revenue Bonds General Indenture of Trust and 2009 Single Family New Issue Bond Program (Single Family NIBP). Both the 1986 Whole Loan Program and the 1996 Taxable Residential Mortgage Revenue Bonds indentures were closed during the year ended September 30, 2012, as bonds were fully redeemed and residual assets transferred to the General Fund.

NOTE 1: ORGANIZATION AND PURPOSE (Continued)

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 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 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 financings 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") 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 ("GASB"). The Agency implemented the provisions of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November, 1989 FASB and AICPA Pronouncements.* Prior to the adoption of this standard, the Agency elected to adopt all Financial Accounting Standards Board ("FASB") statements issued after November, 1989 that did not conflict with GASB standards. With the adoption of Statement No. 62, the Agency no longer adopts or applies FASB statements.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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, HUD Section 8 housing assistance receipts, 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, housing assistance payments, 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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Position and changes in the fair value of investments are recognized in the Statements of changes in the fair value of investments are recognized in the Statements of Revenues, Expenses and Changes 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 changes in the fair value of mortgage-backed securities are recognized in the Statements of Revenues, Expenses and Changes 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. As of September 30, 2013 and 2012, no allowance for potential loan losses was necessary.

Property, Furniture and Equipment - Property, furniture 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 seven years.

Leasehold Improvements - Capital improvements to leased space are recorded as leasehold improvements under the General Fund and amortized over the shorter of the applicable lease term or the useful life of the improvement.

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.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 used by the Agency are 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 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.

- **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.

Combined Totals - The totals of similar accounts of the various Funds in the accompanying financial statements are presented for information purposes only. The totals represent an aggregation of the Funds and do not represent consolidated financial information, as inter-fund balances and transactions are not eliminated. Individual amounts may not add up to the total amount due to rounding.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adopted Accounting Pronouncements

The Agency reviews all GASB accounting pronouncement for their applicability and impact on the Agency's financial statements. During fiscal year ended September 30, 2013, the Agency adopted the following GASB statements.

In June 2011 GASB published Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.* This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments,* and other pronouncements, by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the financial statements and by renaming the residual measure as net position, rather than net assets. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2011. Accounting changes adopted to conform to the provisions of this Statement should be applied retroactively by reclassifying the statement of net position and balance sheet information, for all prior periods presented. In the period this Statement is first applied, the financial statements will disclose the nature of any reclassification and its effect. The Agency reviewed its financial statements and made the necessary line item name changes in compliance with the Statement. There is no other impact or classification changes to the Agency financial statements since no line item qualified as either a deferred outflow or inflow of resources.

In March 2012 GASB published Statement No. 65 *Items Previously Reported as Assets and Liabilities.* This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. As a result of adopting this Statement the Agency eliminated in its financial statements unamortized debt issuance costs, which, except for any portion related to prepaid insurance costs, should be recognized as an expense in the period incurred. Also, the Agency eliminated loan origination fees, which, except any portion related to points, should be recognized as revenue in the period received. Points received by a lender in relation to a loan origination should be reported as a deferred inflow of resources and recognized as revenue over the duration of the related loan. Direct loan origination costs should be recognized as an expense in the period incurred. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. The Agency has elected to early adopt this Statement effective for the year ended September 30, 2013. Accounting changes

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

adopted to conform to the provisions of this Statement have been applied retroactively by restating financial statements for all periods presented and the cumulative effect of applying this Statement, has been reported as a restatement of beginning net position, for the earliest period reported. The following provides details of the changes in combined assets and liabilities for the years ended September 30, 2012 and 2011:

	Increase (decrease) to Net Position	
	2012	**2011**
Deferred cost of bond issuance restated from asset to outflow of resources (expense)	$ (894,657)	$ (1,875,952)
Prepaid expenses and other assets restated from asset to outflow of resources (expense)	(51,463)	(60,541)
Deferred revenue restated from liability to inflow of resources (revenue)	331,567	565,323
Cumulative effect of change in accounting principle	$ (614,553)	$ (1,371,170)

NOTE 3: RECLASSIFICATIONS

Certain amounts previously reported in the fiscal year 2012 financial statements have been reclassified to conform to the fiscal year 2013 presentation.

NOTE 4: 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.

NOTE 4: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

The following assets, reported at fair value and held by the Funds at September 30, 2013, 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.

		Single Family Program Funds			Multifamily Program Funds			
Asset	General Fund	1988 Collalteralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Single Family NIB Program	Multifamily (Conduit Bond) Program	Multifamily NIB Program	DC Building Finance Corporation	Total
Cash and Cash Equivalents								
Non-Money Market Deposits	$ 37,357,858	$ -	$ -	$ -	$ 16,335,084	$ -	$ -	$ 53,692,942
Demand Money Market Deposits	7,321,105	-	-	-	17,150,710	21,882,673	-	46,354,488
Money Market Funds	259,041	944,326	4,310,750	2,659,457	22,824,152	-	188,522	31,186,248
Commercial Papers	-	-	-	-	287,577	-	-	287,577
Total Cash and Cash Equivalents	44,938,004	944,326	4,310,750	2,659,457	56,597,523	21,882,673	188,522	131,521,255
Investments								
Commercial Papers	-	-	-	-	7,094,716	-	-	7,094,716
U.S. Treasury Obligations	995,404	-	-	-	5,906,667	-	-	6,902,071
U.S. Agency Obligations	150,006	-	-	-	-	-	-	150,006
Investment Agreements	-	10,000,000	4,638,439	-	8,081,518	-	-	22,719,957
Corporate Obligations	1,136,246	-	-	-	-	-	-	1,136,246
GSE Obligations	1,079,723	-	-	-	-	-	-	1,079,723
Total Investments	3,361,379	10,000,000	4,638,439	-	21,082,901	-	-	39,082,719
Mortgage-Backed Securities								
Ginnie Mae	-	1,677,879	13,718,709	9,465,808	48,310,647	20,189,673	-	93,362,716
Fannie Mae	-	-	11,106,097	-	-	-	-	11,106,097
Freddie Mac	-	-	23,158,542	-	-	-	-	23,158,542
Total Mortgage-Backed Securities	-	1,677,879	47,983,348	9,465,808	48,310,647	20,189,673	-	127,627,355
Total Cash, Investments and Mortgage-Backed Securities	**$ 48,299,383**	**$ 12,622,205**	**$ 56,932,537**	**$ 12,125,265**	**$ 125,991,071**	**$ 42,072,346**	**$ 188,522**	**$ 298,231,329**

(continued)

NOTE 4: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

The following assets, reported at fair value and held by the Funds at September 30, 2012, were evaluated in accordance with GASB Statement No. 40 for interest rate risk, credit risk, concentration of credit risk and custodial credit risk.

		Single Family Program Funds			Multifamily Program Funds			
Asset	General Fund	1988 Collalteralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Single Family NIB Program	Multifamily (Conduit Bond) Program	Multifamily NIB Program	DC Building Finance Corporation	Total
Cash and Cash Equivalents								
Non-Money Market Deposits	$ 35,349,375	$ -	$ -	$ -	$ 132,928	$ -	$ -	$ 35,482,303
Demand Money Market Deposits	4,974,517	-	-	-	15,280,922	37,571,358	-	57,826,797
Money Market Funds	44,968	532,181	5,118,584	3,634,903	25,873,210	-	188,522	35,392,368
Commercial Papers	-	-	-	-	3,171,888	-	-	3,171,888
Total Cash and Cash Equivalents	40,368,860	532,181	5,118,584	3,634,903	44,458,948	37,571,358	188,522	131,873,356
Investments								
Certificates of Deposits	-	-	-	-	-	-	-	-
Collateralized Certificates of Deposits	2,624,000	-	-	-	-	-	-	2,624,000
U.S. Treasury Obligations	1,449,677	-	-	-	-	-	-	1,449,677
U.S. Agency Obligations	150,170	-	-	-	-	-	-	150,170
Investment Agreements	-	10,000,000	4,691,376	-	37,534,993	-	-	52,226,369
Corporate Obligations	1,188,493	-	-	-	-	-	-	1,188,493
GSE Obligations	630,589	-	-	-	-	-	-	630,589
Total Investments	6,042,929	10,000,000	4,691,376	-	37,534,993	-	-	58,269,298
Mortgage-Backed Securities								
Ginnie Mae	-	2,115,654	18,807,038	11,767,107	85,592,817	20,140,648	-	138,423,264
Fannie Mae	-	-	19,374,110	-	-	-	-	19,374,110
Freddie Mac	-	-	35,282,950	-	-	-	-	35,282,950
Total Mortgage-Backed Securities	-	2,115,654	73,464,098	11,767,107	85,592,817	20,140,648	-	193,080,324
Total Cash, Investments and Mortgage-Backed Securities	**$ 46,411,789**	**$ 12,647,835**	**$ 83,274,058**	**$ 15,402,010**	**$ 167,586,758**	**$ 57,712,006**	**$ 188,522**	**$ 383,222,978**

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 respective

NOTE 4: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

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, 2013, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for the General Fund are as follows:

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Non-Money Market Deposits	$ 37,357,859	$ 37,357,859	$ 37,357,859	$ -	$ -	$ -	$ -
Demand Money Market Deposits	7,321,105	7,321,105	7,321,105	-	-	-	-
Money Market Funds	259,040	259,040	259,040	-	-	-	-
Total Cash and Cash Equivalents	44,938,004	44,938,004	44,938,004	-	-	-	-
Investments							
U.S. Treasury Obligations	993,103	995,404	391,160	604,244	-	-	-
U.S. Agency Obligations	150,000	150,006	-	150,006	-	-	-
Corporate Obligations	1,119,218	1,136,246	221,612	914,634	-	-	-
GSE Obligations	1,079,442	1,079,723	50,237	1,029,486	-	-	-
Total Investments	3,341,763	3,361,379	663,009	2,698,370	-	-	-
General Fund Total Cash and Investments	**$ 48,279,767**	**$ 48,299,383**	**$ 45,601,013**	**$ 2,698,370**	**$ -**	**$ -**	**$ -**

(continued)

NOTE 4: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2012, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for the General Fund were as follows:

General Fund as of September 30, 2012

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Non-Money Market Deposits	$ 35,349,375	$ 35,349,375	$ 35,349,375	$ -	$ -	$ -	$ -
Demand Money Market Deposits	4,974,517	4,974,517	4,974,517	-	-	-	-
Money Market Funds	44,968	44,968	44,968	-	-	-	-
Total Cash and Cash Equivalents	40,368,860	40,368,860	40,368,860	-	-	-	-
Investments							
Collateralized Certificates of Deposits	2,624,000	2,624,000	1,624,000	1,000,000	-	-	-
U.S. Treasury Obligations	1,471,162	1,449,677	628,314	821,363	-	-	-
U.S. Agency Obligations	150,000	150,170	-	150,170	-	-	-
Investment Agreements	-	-	-	-	-	-	-
Corporate Obligations	1,138,232	1,188,493	51,288	1,137,205	-	-	-
Government Sponsored Enterprises	627,692	630,589	127,392	503,197	-	-	-
Total Investments	6,011,086	6,042,929	2,430,994	3,611,935	-	-	-
General Fund Total Cash and Investments	**$ 46,379,946**	**$ 46,411,789**	**$ 42,799,854**	**$ 3,611,935**	**$ -**	**$ -**	**$ -**

NOTE 4: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2013, 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:

			Maturities (in years)				
Asset	Cost	Fair Value	Less than 1	From 1 Up To 5	From 5 Up To 10	From 10 Up To 15	15 and More
Cash and Cash Equivalents							
Non-Money Market Deposits	$ 16,335,084	$ 16,335,084	$ 16,335,084	$ -	$ -	$ -	$ -
Demand Money Market Deposits	39,033,383	39,033,383	39,033,383	-	-	-	-
Money Market Funds	30,927,209	30,927,209	30,927,209	-	-	-	-
Commercial Papers	287,577	287,577	287,577	-	-	-	-
Total Cash and Cash Equivalents	86,583,253	86,583,253	86,583,253	-	-	-	-
Investments							
Commercial Papers	7,087,580	7,094,716	7,094,716	-	-	-	-
U.S. Treasury Obligations	5,907,766	5,906,667	2,703,051	3,203,616	-	-	-
Investment Agreements	22,719,956	22,719,956	-	1,057,755	-	10,000,000	11,662,201
Total Investments	35,715,302	35,721,339	9,797,767	4,261,371	-	10,000,000	11,662,201
Mortgage-Backed Securities							
Ginnie Mae	86,940,191	93,362,715	-	-	2,798,964	4,418,292	86,145,459
Fannie Mae	10,378,069	11,106,097	-	-	-	329,485	10,776,612
Freddie Mac	21,092,494	23,158,543	-	-	-	-	23,158,543
Total Mortgage-Backed Securities	118,410,754	127,627,355	-	-	2,798,964	4,747,777	120,080,614
Combined Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 240,709,309**	**$ 249,931,947**	**$ 96,381,020**	**$ 4,261,371**	**$ 2,798,964**	**$ 14,747,777**	**$ 131,742,815**

(continued)

NOTE 4: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2012, 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:

Combined Revenue Obligation Funds as of September 30, 2012

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Non-Money Market Deposits	$ 132,929	$ 132,929	$ 132,929	$ -	$ -	$ -	$ -
Demand Money Market Deposits	52,852,280	52,852,280	52,852,280	-	-	-	-
Money Market Funds	35,347,400	35,347,400	35,347,400	-	-	-	-
Commercial Papers	3,171,888	3,171,888	3,171,888	-	-	-	-
Total Cash and Cash Equivalents	91,504,497	91,504,497	91,504,497	-	-	-	-
Investments							
Investment Agreements	52,226,369	52,226,369	22,583,107	5,957,594	-	10,000,000	13,685,668
Total Investments	52,226,369	52,226,369	22,583,107	5,957,594	-	10,000,000	13,685,668
Mortgage-Backed Securities							
Ginnie Mae	93,647,851	138,423,263	-	-	2,931,320	6,038,962	129,452,981
Fannie Mae	17,806,788	19,374,110	-	-	-	453,297	18,920,813
Freddie Mac	31,967,130	35,282,950	-	-	-	-	35,282,950
Total Mortgage-Backed Securities	143,421,769	193,080,323	-	-	2,931,320	6,492,259	183,656,744
Combined Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 287,152,635**	**$ 336,811,189**	**$ 114,087,604**	**$ 5,957,594**	**$ 2,931,320**	**$ 16,492,259**	**$ 197,342,412**

As of September 30, 2013 and 2012, 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, 2013 and 2012, 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

NOTE 4: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

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.

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 ("GSEs") 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, 2013 and 2012 were AA+ by Standard and Poor's. 1996 Taxable Residential Mortgage Residual Revenue Bonds and 1986 Whole Loan Program indenture did not have any bonds outstanding as of September 30, 2012 or 2013. All conduit multifamily bond indentures under the Multifamily (Conduit Bond) Program 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.

(continued)

NOTE 4: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2013, the credit quality and percentages of the total portfolio of cash equivalents and investments under the Agency's General Fund are as follows:

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Non-Money Market Deposits	$ 32,130,092	66.5%		Moody's	Federal Reserve-Held Aaa Collateral
Non-Money Market Deposits	5,227,767	10.8%		Moody's	Third Party-Held Aaa Collateral
Demand Money Market Deposits	7,321,105	15.2%		Moody's	Federal Reserve-Held Aaa Collateral
Money Market Funds	259,040	0.5%	AAAm	S&P	
Total Cash and Cash Equivalents	44,938,004	93.0%			
Investments					
U.S. Treasury Obligations	995,404	2.1%	Aaa	Moody's	
U.S. Agency Obligations	150,005	0.3%	Aaa	Moody's	
Corporate Obligations	104,001	0.2%	AA+	S&P	
Corporate Obligations	61,750	0.1%	AA	S&P	
Corporate Obligations	87,059	0.2%	AA-	S&P	
Corporate Obligations	72,122	0.1%	A+	S&P	
Corporate Obligations	70,981	0.1%	A	S&P	
Corporate Obligations	664,986	1.4%	A-	S&P	
Corporate Obligations	50,257	0.1%	BBB+	S&P	
Corporate Obligations	25,091	0.1%	BBB	S&P	
GSE Obligations	1,079,723	2.3%	Aaa	Moody's	
Total Investments	3,361,379	7.0%			
General Fund Total Cash, Investments and Mortgage-Backed Securities	**$ 48,299,383**	**100.0%**			

(continued)

NOTE 4: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2012, the credit quality and percentages of the total portfolio of cash equivalents and investments under the Agency's General Fund were as follows:

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Non-Money Market Deposits	$ 29,196,704	62.9%		Moody's	Federal Reserve-Held Aaa Collateral
Non-Money Market Deposits	6,151,876	13.3%		Moody's	Third Party-Held Aaa Collateral
Non-Money Market Deposits	794	0.0%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposits	4,952,628	10.7%		Moody's	Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	8,440	0.0%	AA-	S&P	Uncollateralized, Uninsured
Demand Money Market Deposits	13,450	0.0%	Not Rated		Uncollateralized, Uninsured
Money Market Funds	44,968	0.1%	Not Rated		Uncollateralized, Uninsured
Total Cash and Cash Equivalents	40,368,860	87.0%			
Investments					
Collateralized Certificates of Deposits	2,624,000	5.7%		Moody's	Federal Reserve-Held Aaa Collateral
U.S. Treasury Obligations	1,449,677	3.1%	Aaa	Moody's	
U.S. Agency Obligations	150,170	0.3%	Aaa	Moody's	
Corporate Obligations	102,643	0.2%	AA+	S&P	
Corporate Obligations	63,331	0.1%	AA	S&P	
Corporate Obligations	112,138	0.2%	AA-	S&P	
Corporate Obligations	72,691	0.2%	A+	S&P	
Corporate Obligations	98,591	0.2%	A	S&P	
Corporate Obligations	688,587	1.5%	A-	S&P	
Corporate Obligations	50,512	0.1%	BBB+	S&P	
GSE Obligations	630,589	1.4%	Aaa	Moody's	
Total Investments	6,042,929	13.0%			
General Fund Total Cash, Investments and Mortgage-Backed Securities	**$ 46,411,789**	**100.0%**			

(continued)

NOTE 4: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2013, 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:

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Non-Money Market Deposits	$ 16,335,084	6.5%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposits	39,033,383	15.6%	AA-	S&P	Uncollateralized, Uninsured
Money Market Funds	30,927,209	12.4%	AAAm	S&P	Uncollateralized, Uninsured
Commercial Papers	287,577	0.1%	AA-	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	86,583,253	34.6%			
Investments					
Commercial Papers	7,094,716	2.8%	P-1	Moody's	
U.S. Treasury Obligations	5,906,667	2.4%	Aaa	Moody's	
Investment Agreements	12,382,277	5.0%	AA+	S&P	
Investment Agreements	7,040,826	2.8%	AA-	S&P	
Investment Agreements	3,268,281	1.3%	A	S&P	
Investment Agreements	28,572	0.0%	Not Rated		
Total Investments	35,721,339	14.3%			
Mortgage-Backed Securities					
Ginnie Mae	93,362,715	37.4%	Aaa	Moody's	
Fannie Mae	11,106,097	4.4%	Aaa	Moody's	
Freddie Mac	23,158,543	9.3%	Aaa	Moody's	
Total Mortgage-Backed Securities	127,627,355	51.1%			
Combined Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 249,931,947**	**100.00%**			

(continued)

NOTE 4: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2012, 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:

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Non-Money Market Deposits	$ 132,929	0.0%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposits	52,852,280	15.7%	AA-	S&P	Uncollateralized, Uninsured
Money Market Funds	35,347,400	10.5%	AAAm	S&P	Uncollateralized, Uninsured
Commercial Papers	3,171,888	0.9%	AA-	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	91,504,497	27.1%			
Investments					
Investment Agreements	11,172,609	3.3%	AA+	S&P	
Investment Agreements	7,553,988	2.2%	AA-	S&P	
Investment Agreements	22,532,107	6.7%	A	S&P	
Investment Agreements	7,964,273	2.4%	A2	Moody's	
Investment Agreements	3,003,391	0.9%	Not Rated		
Total Investments	52,226,368	15.5%			
Mortgage-Backed Securities					
Ginnie Mae	138,423,264	41.1%	Aaa	Moody's	
Fannie Mae	19,374,110	5.8%	Aaa	Moody's	
Freddie Mac	35,282,950	10.5%	Aaa	Moody's	
Total Mortgage-Backed Securities	193,080,323	57.4%			
Combined Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 336,811,188**	**100.00%**			

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, 2013 and 2012, 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, 2013 and 2012, consists primarily of amounts held in fully collateralized demand deposit bank accounts, collateralized certificates of deposit 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

NOTE 4: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

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 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.

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

NOTE 4: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

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.

For the year ended September 30, 2013, the Agency's Single Family Program Fund recorded a non-operating expense of $3,188,503 due to a decrease in unrealized fair value on a decreased mortgage-backed security portfolio. For the year ended September 30, 2012, the single family funds recorded as non-operating expense a decrease in unrealized fair value of mortgage-backed securities of $2,458,007, in the Statement of Revenues, Expenses and Changes in Net Position.

Under the DCHFA's Single Family NIBP Fund, a non-operating expense of $767,318 was recorded in the Statement of Revenues, Expenses and Changes in Net Position, based on the decrease in unrealized fair market value of the mortgage-backed securities during the year ended September 30, 2013. Under the same Fund, a non-operating gain of $1,037,481 was recorded in the Statement of Revenues, Expenses and Changes in Net Position, based on the increase in unrealized fair market value of the mortgage-backed securities during the year ended September 30, 2012.

As of September 30, 2012, there was a $486,969 non-operating expense under the General Fund to record the loss due to the transfer of the mortgage-backed securities at par to the Single Family NIBP portfolio. There were no single family program mortgage-backed securities under the General Fund as of September 30, 2013.

For the year ended September 30, 2013, the Agency's Multifamily (Conduit Bond) Program recorded a $4,429,511 non-operating expense from decreases in unrealized fair value of mortgage-backed securities, and $770,630 unrealized loss for the year ended September 30, 2012, in the Statements of Revenues, Expenses and Changes in Net Position.

NOTE 5: MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE

For the year ended September 30, 2013, the Agency's Multifamily NIB Program recorded a $259,975 non-operating gain from increases in unrealized fair value of mortgage-backed securities, and $469,557 unrealized gain for the year ended September 30, 2012, in the Statements of Revenues, Expenses and Changes in Net Position.

Multifamily mortgage and construction loans receivable are assets under the Multifamily (Conduit Bond) Program secured by deeds of trust evidencing first mortgage liens on related real property. These loans are either insured by the FHA, 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 the interested banks, and the risk of default and loss of principal and interest rests exclusively with respective bond holders. Fixed and variable interest rates on the loans as of September 30, 2013, range from 0.568% to 10.5%, and the loans have a repayment period of up to 42 years.

All single family mortgage loans were secured by first liens on the related property. As of September 30, 2011, all whole single family loans were under the Single Family Whole Loan Indentures. During the year ended September 30, 2012, the Agency transferred all of the whole single family mortgage loans to General Fund and redeemed all outstanding bonds under the Single Family Whole Loan Indentures. Interest rates on first lien whole single family loans range from 8.5% to 11.10%, with remaining loan terms ranging from 1 to 4 years. Substantially all single family loans originally were enhanced through the FHA or the Veteran Administration ("VA") mortgage insurance programs or by private mortgage insurance policies. The VA is a U.S. Government Agency. The outstanding loans have very low loan-to-value ratios due to short remaining terms. The outstanding balance of such loans as of September 30, 2013 and 2012 was $396,734 and $585,126 respectively. During fiscal year 2013, 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. Such allowance will be adjusted as the loans are forgiven every year. The amount of such loans and the corresponding allowance as of September 30, 2013 is $85,367.

Combined restricted mortgage and construction loans as of September 30, 2013 and 2012, were $676,168,678 and $670,656,290, respectively. For the years ended September 30, 2013 and 2012, there was no allowance for bond program loan losses under the Agency Revenue Obligation Funds.

NOTE 5: 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% 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% and the Agency at 10%. As of September 30, 2013, the HUD Risk-Share Reserve funds had a balance of $2.53 million and the outstanding principal balance of the risk-share insured loans on 18 active projects was $133.19 million. As of September 30, 2012, the HUD Risk-Share Reserve funds had a balance of $2.51 million and the outstanding principal balance of the risk-share insured loans on 22 active projects was $155.48 million.

As of September 30, 2013, the Agency's risk-share portfolio had one debenture on a defaulted risk-share loan. Based on the anticipated loss on this defaulted project the Agency recorded a net decrease in the allowance for bad debt of $65,123. See Note 15.

For the years ended September 30, 2013 and 2012, the respective balances and changes in the provision for bad debt under the risk share loans under the General Fund were included in accounts payable and accrued liabilities, as follows:

	2013	2012
Beginning balance	$ 2,265,348	$ 857,383
Net (decrease) / increase in allowance for bad debt	(65,123)	1,407,965
Ending balance	$ 2,200,225	$ 2,265,348

The Agency's exposure to a loss on this property may change depending on timing and price of final disposition.

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 the 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, 2013 the balance of total loans outstanding, before the allowance for uncollectible loans, was $1,882,592, including $452,740 in loans at various stages of default process. At September 30, 2012, the balance of total loans outstanding was $1,626,335, of which $392,639 were attributed to loans at various stages of default process.

NOTE 5: MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE (Continued)

The Agency recorded an allowance for uncollectible McKinney Act Program loans for the year ended September 30, 2013 in the amount of $452,740. The Agency did not set up an allowance for principal loss on McKinney Act Program loans at September 30, 2012.

	2013	2012
Beginning balance	$ -	$ -
Net increase in allowance for uncollectible loans	452,740	-
Ending balance	$ 452,740	$ -

For the years ended September 30, 2013 and 2012, the respective balances and changes in the provision for uncollectible interest on the McKinney Act loans under the General Fund were included in accounts payable and accrued liabilities, as follows:

	2013	2012
Beginning balance	$ 534,395	$ 595,275
Net decrease in allowance for uncollectible interest	(299,664)	(60,880)
Ending balance	$ 234,731	$ 534,395

NOTE 6: CAPITAL ASSETS

The following is the detail of changes in capital assets during the year ended September 30, 2013:

	September 30, 2012	Additions / Dispositions	September 30, 2013
Non-depreciable capital assets			
Land	$ 573,000	$ -	$ 573,000
Total non-depreciable capital assets	573,000	-	573,000
Depreciable capital assets			
Building	1,795,238	-	1,795,238
Less: accumulated depreciation	(943,792)	(66,490)	(1,010,282)
Building net of accumulated depreciation	851,446	(66,490)	784,956
Furniture and equipment	1,743,090	34,553	1,777,643
Less: accumulated depreciation	(1,602,757)	(31,141)	(1,633,898)
Furnitre and equipment net of accumulated depreciation	140,333	3,412	143,745
Total building, furniture and equipment	3,538,328	34,553	3,572,881
Less: accumulated depreciation	(2,546,549)	(97,631)	(2,644,181)
Total building, furniture and equipment, net of accmulated depreciation	991,779	(63,078)	928,700
Amortizable capital assets			
Leasehold improvements	1,723,053	22,232	1,745,285
Less: accumulated amortization	(719,728)	(123,103)	(842,831)
Leasehold improvement net of accumulated amortization	1,003,325	(100,871)	902,454
Software	381,159	1,945	383,104
Less: accumulated amortization	(311,921)	(24,629)	(336,550)
Software net of accumulated amortization	69,238	(22,684)	46,554
Total leasehold improvements and software	2,104,212	24,177	2,128,389
Less: accumulated amortization	(1,031,649)	(147,732)	(1,179,381)
Total leasehold improvements and software, net of accumulated amortization	1,072,563	(123,555)	949,008
Total depreciable and amortizable capital assets	5,642,540	58,730	5,701,270
Total capital assets	6,215,540	58,730	6,274,270
Less accumulated depreciation and amortization	(3,578,198)	(245,363)	(3,823,562)
Total capital assets	$ 2,637,342	$ (186,633)	$ 2,450,708

NOTE 6: CAPITAL ASSETS (Continued)

The following is the detail of changes in capital assets during the year ended September 30, 2012:

	September 30, 2011	Additions / Dispositions	September 30, 2012
Non-depreciable capital assets			
Land	$ 573,000	$ -	$ 573,000
Total non-depreciable capital assets	573,000	-	573,000
Depreciable capital assets			
Building	1,795,238	-	1,795,238
Less: accumulated depreciation	(877,302)	(66,490)	(943,792)
Building net of accumulated depreciation	917,936	(66,490)	851,446
Furniture and equipment	1,667,509	75,581	1,743,090
Less: accumulated depreciation	(1,560,258)	(42,499)	(1,602,757)
Furnitre and equipment net of accumulated depreciation	107,251	33,082	140,333
Total building, furniture and equipment	3,462,747	75,581	3,538,328
Less: accumulated depreciation	(2,437,560)	(108,989)	(2,546,549)
Total building, furniture and equipment, net of accmulated depreciation	1,025,187	(33,408)	991,779
Amortizable capital assets			
Leasehold improvements	1,471,366	251,687	1,723,053
Less: accumulated amortization	(622,933)	(96,795)	(719,728)
Leasehold improvement net of accumulated amortization	848,433	154,892	1,003,325
Software	346,958	34,201	381,159
Less: accumulated amortization	(289,450)	(22,471)	(311,921)
Software net of accumulated amortization	57,508	11,730	69,238
Total leasehold improvements and software	1,818,325	285,888	2,104,212
Less: accumulated amortization	(912,384)	(119,266)	(1,031,649)
Total leasehold improvements and software, net of accumulated amortization	905,940	166,622	1,072,563
Total depreciable and amortizable capital assets	5,281,072	361,469	5,642,540
Total capital assets	5,854,072	361,469	6,215,540
Less accumulated depreciation and amortization	(3,349,944)	(228,255)	(3,578,198)
Total capital assets	$ 2,504,128	$ 133,214	$ 2,637,342

Depreciation expense for fiscal years 2013 and 2012 was $245,364 and $228,255, respectively.

NOTE 7: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS

As of September 30, 2013 and 2012, there are no outstanding draws on the PNC Bank credit line under the General Fund.

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.

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%. Under the Multifamily (Conduit Bond) Program, 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.

NOTE 7: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

The following is a summary of the bond and debt activity for the year ended September 30, 2013 and the debt outstanding and loans, bonds and certificates of participation payable as of September 30, 2013.

				Bond Activity						
DC Building Finance Corporation Certificates of Participation	**Range of Interest Rates**	**Range of Maturities**	**Debt Outstanding at 9/30/2012**	**New Bonds Issued**	**Scheduled Maturity Payments**	**Bond Redeemed**	**Debt Outstanding at 9/30/2013**	**Premium (+) / Discount (-)**	**Bond Payable at 9/30/2013**	**Due Within One Year**
1998 Series	5.35%	2013 ~ 2018	$ 925,000	$ -	$ -	$ 135,000	$ 790,000	$ -	$ 790,000	$ 140,000
Total			$ 925,000	$ -	$ -	$ 135,000	$ 790,000	$ -	$ 790,000	$ 140,000

				Bond Activity						
	Range of Interest Rates	**Range of Maturities**	**Debt Outstanding at 9/30/2012**	**New Bonds Issued**	**Scheduled Maturity Payments**	**Bond Redeemed**	**Debt Outstanding at 9/30/2013**	**Premium (+) / Discount (-)**	**Bond Payable at 9/30/2013**	**Due Within One Year**
1988 Single Family Mortgage Revenue Bonds										
1988 Series E-4	6.375%	2015 ~ 2026	$ 3,060,000	$ -	$ -	$ 555,000	$ 2,505,000	$ (113,317)	$ 2,391,683	$ -
Total			$ 3,060,000	$ -	$ -	$ 555,000	$ 2,505,000	$ (113,317)	$ 2,391,683	$ -
1996 Single Family Mortgage Revenue Bonds										
2005 Series A	5.50%	2013 ~ 2025	$ 3,240,000	$ -	$ 60,000	$ 790,000	$ 2,390,000	$ 189,426	$ 2,579,426	$ 115,000
2005 Series B	4.75% ~ 5.625%	2013 ~ 2035	7,980,000	-	-	2,935,000	5,045,000	292,308	5,337,308	70,000
2006 Series A	4.95%	2012 ~ 2026	2,240,000	-	40,000	625,000	1,575,000	-	1,575,000	55,000
2006 Series B	5.1% ~ 5.35%	2013 ~ 2037	11,210,000	-	-	3,865,000	7,345,000	344,474	7,689,474	115,000
2006 Series D	4.60%	2013 ~ 2020	870,000	-	5,000	200,000	665,000	-	665,000	45,000
2006 Series E	4.65%	2013 ~ 2037	29,005,000	-	-	9,495,000	19,510,000	-	19,510,000	230,000
2007 Series A	5.15%	2013 ~ 2038	12,660,000	-	-	5,260,000	7,400,000	101,866	7,501,866	75,000
Total			$ 67,205,000	$ -	$ 105,000	$ 23,170,000	$ 43,930,000	$ 928,074	$ 44,858,074	$ 705,000
Single Family New Issue Bond Program										
2009 Series A-1	2.49%	2041	$ 13,890,000	$ -	$ -	$ 2,540,000	$ 11,350,000	$ -	$ 11,350,000	$ 150,000
Total			$ 13,890,000	$ -	$ -	$ 2,540,000	$ 11,350,000	$ -	$ 11,350,000	$ 150,000
Combined Single Family Indentures Total			**$ 84,155,000**	**$ -**	**$ 105,000**	**$ 26,265,000**	**$ 57,785,000**	**$ 814,757**	**$ 58,599,757**	**$ 855,000**

(continued)

NOTE 7: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2012	New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed	Debt Outstanding at 9/30/2013	Discount (-) / Premium (+)	Bonds Payable at 9/30/2013	Due Within One Year
Multifamily Conduit Bonds											
1994 Series D	Oak Street	7.00%	2013 ~ 2023	$ 1,225,000	$ -	$ 85,000	$ -	$ 1,140,000	$ -	1,140,000	$ 90,000
1995 Series	Tyler House	7.52%	2025	24,200,000	-	-	24,200,000	-	-	-	-
1997 Series A	Colorado Avenue	5.85% ~ 5.95%	2013 ~ 2027	735,000	-	25,000	-	710,000	6,250	716,250	30,000
1999 Series	Garfield Park Apts	7.25%	2013 ~ 2031	2,737,414	-	70,724	-	2,666,690	-	2,666,690	76,026
1999 Series A	Walbraff Apts	6.10%	2013 ~ 2039	1,810,000	-	25,000	-	1,785,000	-	1,785,000	25,000
1999 Series	Barnaby Manor	7.375%	2013 ~ 2032	3,922,693	-	86,913	-	3,835,780	-	3,835,780	166,821
1999 Series	Ft. Chapin	6.90%	2013 ~ 2035	22,625,272	-	407,833	-	22,217,439	-	22,217,439	436,878
1999 Series	Staton Glenn Apt	6.28%	2013 ~ 2042	21,710,000	-	230,000	-	21,480,000	-	21,480,000	245,000
2000 Series	Widrich Court Apt	7.30%	2013 ~ 2032	3,083,381	-	71,380		3,012,001	-	3,012,001	76,769
2000 Series C	636 Coop	6.50%	2013 ~ 2040	560,000	-	10,000		550,000	-	550,000	5,000
2000 Series A	Haven House	6.50%	2013 ~ 2042	770,000	-	10,000	-	760,000	-	760,000	10,000
2000 Series D	Chesapeake/Hartford/Knox	6.10%	2013 ~ 2041	4,250,000	-	50,000	4,200,000	-	-	-	-
2001 Series A	Douglas Knoll	5.90%	2013 ~ 2043	9,344,000	-	100,000	-	9,244,000	-	9,244,000	110,000
2001 Series D	Meridian Manor	5.70%	2013 ~ 2037	2,175,000	-	35,000	-	2,140,000	-	2,140,000	40,000
2001 Series	Woodmont Crossing	5.45%	2013 ~ 2022	9,240,000	-	190,000	9,050,000	-	-	-	-
2001 Series	Clifton Terrace	5.96%	2013 ~ 2033	4,772,725	-	112,447	-	4,660,278	-	4,660,278	119,370
2001 Series E	Huntwood Apts	5.45%	2013 ~ 2038	6,185,000	-	100,000	6,085,000	-	-	-	-
2000 Series	WDC I LP	Variable	2013 ~ 2032	7,215,000	-	220,000	-	6,995,000	-	6,995,000	230,000
2001 Series A&B	Columbia Heights	5.60% ~ 7.00%	2013 ~ 2043	32,400,000	-	-	32,400,000	-	-	-	-
2002 Series	Trenton Park Apts	Variable	2013 ~ 2035	5,770,000	-	105,000	-	5,665,000	-	5,665,000	110,000
2002 Series A	DCCH Pool: Euclid Street	5.75%	2013 ~ 2039	1,350,000	-	15,000	-	1,335,000	-	1,335,000	20,000
2002 Series C	DCCH Pool: Chapin Street	5.75%	2013 ~ 2039	1,140,000	-	10,000		1,130,000	-	1,130,000	10,000
2002 Series G	Trinity Towers Apts	4.65% ~ 5.55%	2013 ~ 2038	7,920,000	-	120,000	-	7,800,000	-	7,800,000	130,000
2002 Series E	Golden Rule Plaza	4.75% ~ 5.70%	2013 ~ 2044	6,005,000	-	60,000	-	5,945,000	-	5,945,000	65,000
2002 Series I	Henson Ridge	5.40%	2013 ~ 2045	3,865,000	-	40,000	-	3,825,000	-	3,825,000	40,000
2002 Series J	Fairmont I & II	4.50% ~ 5.30%	2013 ~ 2040	14,885,000	-	220,000	-	14,665,000	-	14,665,000	225,000
2003 Series	Bowling Green	4.50% ~ 4.70%	2013 ~ 2044	9,995,000	-	125,000	-	9,870,000	-	9,870,000	130,000
2003 Series B	Urban Village	5.25%	2013 ~ 2044	5,920,000	-	70,000	-	5,850,000	-	5,850,000	70,000
2003 Series C	St. Paul Sr. Living @ Wayne Place	5.40% ~ 5.60%	2013 ~ 2045	3,395,000	-	30,000	-	3,365,000	-	3,365,000	40,000
2004 Series A	1330 7th Street	4.10% ~ 5.00%	2013 ~ 2045	11,785,000	-	235,000	-	11,550,000	-	11,550,000	255,000
2004 Series A	Congress Park II	6.70%	2013 ~ 2041	4,610,940	-	56,124	-	4,554,816	-	4,554,816	60,003
2004 Series B&C	JW King Seniors Center	4.25% ~ 5.15%	2013 ~ 2045	5,005,000	-	55,000	-	4,950,000	-	4,950,000	55,000

(continued)

NOTE 7: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

					Bond Activity						
	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2012	New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed	Debt Outstanding at 9/30/2013	Discount (-) / Premium (+)	Bonds Payable at 9/30/2013	Due Within One Year
Multifamily Conduit Bonds (Continued)											
2004 Series	Savannah Heights	4.10% ~ 5.10%	2013 ~ 2045	7,535,000	-	80,000	-	7,455,000	-	7,455,000	85,000
2004 Series D	Henson Ridge Phase II	4.65% ~ 4.90%	2013 ~ 2047	5,600,000	-	60,000	-	5,540,000	-	5,540,000	60,000
2004 Series E	Henson Ridge Phase II	4.10% ~ 5.10%	2013 ~ 2037	6,945,000	-	140,000	-	6,805,000	-	6,805,000	145,000
2005 Series A	Faircliff Plaza - West	6.50%	2013 ~ 2047	10,887,130	-	87,742	-	10,799,388	-	10,799,388	93,622
2005 Series B	Faircliff Plaza - West	6.50%	2013 ~ 2025	479,529	-	25,474	-	454,055	-	454,055	27,178
2005 Series	DCHA Modernization Program	3.60% ~ 5.00%	2013 ~ 2025	57,120,000	-	3,205,000	-	53,915,000	2,260,063	56,175,063	3,370,000
2005 Series	Shipley Park Apts	4.25% ~ 4.80	2013 ~ 2038	11,210,000	-	190,000	-	11,020,000	-	11,020,000	200,000
2006 Series	Hunter Pines	6.25%	2013 ~ 2048	10,309,670	-	82,392	-	10,227,278	-	10,227,278	87,692
2006 Series	GW Carver Senior Apts	5.875%	2013 ~ 2049	7,339,577	-	55,040	-	7,284,537	-	7,284,537	58,362
2006 Series	Garfield Hills Apts	4.70% ~ 5.00%	2013 ~ 2036	3,735,000	-	70,000	-	3,665,000	-	3,665,000	75,000
2006 Series	Galen Terrace	6.00%	2013 ~ 2048	4,404,065	-	36,030	-	4,368,035	-	4,368,035	38,253
2006 Series A	Southview I & II	6.25%	2013 ~ 2048	10,894,022	-	84,561	-	10,809,461	-	10,809,461	90,000
2006 Series	Golden Rule Apts	5.25%	2013 ~ 2048	11,815,000	-	225,000	-	11,590,000	-	11,590,000	240,000
2006 Series A	Wesley House	4.80%	2013 ~ 2049	9,075,000	-	80,000	-	8,995,000	-	8,995,000	85,000
2006 Series	Azeeze Bates Apts	4.80%	2013 ~ 2036	3,565,000	-	130,000	-	3,435,000	-	3,435,000	135,000
2007 Series	Cavalier Apts	5.60%	2013 ~ 2049	14,998,868	-	126,197	-	14,872,671	-	14,872,671	133,448
2007 Series	Residences at Georgia Ave Apts	5.80%	2013 ~ 2050	7,545,753	-	57,636	-	7,488,117	-	7,488,117	61,069
2007 Series	R Street Apts	5.60%	2013 ~ 2056	8,821,450	-	48,171	-	8,773,279	-	8,773,279	50,939
2007 Series A	Parkside Terrace Apts	Variable	2013 ~ 2045	21,542,720	-	247,996	-	21,294,724	-	21,294,724	261,837
2008 Series	Henson Ridge UFAS Rentals	6.00%	2013 ~ 2050	4,541,529	-	78,022	-	4,463,507	-	4,463,507	82,834
2008 Series	Longfellow Arms Apts	5.70%	2013 ~ 2040	1,955,000	-	20,000	-	1,935,000	-	1,935,000	20,000
2008 A Series	Fairmont I and II Apts	5.70%	2013 ~ 2040	3,115,000	-	40,000	-	3,075,000	-	3,075,000	40,000
2008 Series A	Wheeler Terrace	Variable	2013 ~ 2050	7,489,682	-	67,305	-	7,422,377	-	7,422,377	70,868
2008 Series A&B	St. Martin's Apts	5.40%	2013 ~ 2046	11,881,341	-	125,526	-	11,755,815	-	11,755,815	132,322
2008 Series	Pentacle Apartments	Variable	2038	10,970,000	-	-	275,000	10,695,000	-	10,695,000	-
2009 Series	Georgia Commons	2.875% ~ 5.875%	2013 ~ 2051	16,625,000	-	129,972	-	16,495,028	(203,442)	16,291,586	140,000
2010 Series A	Sheridan Station	5.90%	2040	3,385,000	-	35,120	-	3,349,880	-	3,349,880	44,479
2010 Series B	Sheridan Station	Variable	2013	4,290,000	-	4,290,000	-	-	-	-	-
2010 Series	Arthur Capper	Variable	2013	4,878,942	821,058	-	-	5,700,000	-	5,700,000	5,700,000
2011 Series A-1	Victory Square	Variable	2043	254,000	1,112,847	-	-	1,366,847	-	1,366,847	-
2011 Series A-2	Victory Square	Variable	2043	-	-	-	-	-	-	-	-
2011 Series B	Victory Square	Variable	2014	7,132,000	-	-	7,132,000	-	-	-	-
2011 Series A	The Heights	Variable	2045	2,251,140	9,172,418	-	-	11,423,558	-	11,423,558	-
2012 Series	Park 7 at Minnesota Benning	Variable	2046	51,000	-	-	-	51,000	-	51,000	-
2012 Series	Fairway Park	Variable	2046	18,182,455	6,670,345	-	-	24,852,800	-	24,852,800	-
2012 Series	Yards D Building	Variable	2047	-	8,500,000	-	-	8,500,000	-	8,500,000	-
2012 Series A	Whitelaw Apartments	Variable	2029	-	2,350,000	-	-	2,350,000	-	2,350,000	-
2012 Series B	Whitelaw Apartments	Variable	2014	-	1,379,904	-	-	1,379,904	-	1,379,904	-
2012 Series	Bass Circle	4.45%	2030	-	8,428,901	-	-	8,428,901	-	8,428,901	7,810,026
2012 Series	Severna II	Variable	2049	-	2,254,467	-	-	2,254,467	-	2,254,467	-
2013 Series A	Senior Housing at O	Variable	2033	-	4,384,908	-	-	4,384,908	-	4,384,908	-
2013 Series B	Senior Housing at O	Variable	2015	-	82,341	-	-	82,341	-	82,341	-
2013 Series	SOME II	Variable	2033	-	6,169,276	-	-	6,169,276	-	6,169,276	-
2013 Series	Tyler House	3.5% ~ 4.45%	2023 ~ 2031	-	45,760,000	-	-	45,760,000	-	45,760,000	415,000
2013 Series	Sheridan Station III	Variable	2032	-	100,000	-	-	100,000	-	100,000	-
2013 Series	Sheridan Station III	Variable	2016	-	1,245,007	-	-	1,245,007	-	1,245,007	-
Combined Multifamily Conduit Bonds Total				$ 551,431,298	$ 98,431,472	$ 12,787,605	$ 83,342,000	$ 553,733,165	$ 2,062,871	$ 555,796,036	$ 22,623,796

(continued)

NOTE 7: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

					Bond Activity						
	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2012	New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed	Debt Outstanding at 9/30/2013	Discount (-) / Premium (+)	Bonds Payable at 9/30/2013	Due Within One Year
Multifamily New Issue Bond Program											
Series 2009 A-1	Villages at Chesapeake	4.09%	2013 ~ 2042	$ 10,750,000	$ -	$ 120,000	$ -	$ 10,630,000	$ -	$ 10,630,000	$ 130,000
Series 2009 A-2	Fort Stevens	4.09%	2013 ~ 2044	5,310,000	-	-	-	5,310,000	-	5,310,000	90,000
Series 2009 A-3	Webster Gardens	4.09%	2013 ~ 2044	3,280,000	-	-	-	3,280,000	-	3,280,000	50,000
Series 2010	SOME	1.80%	2013	10,200,000	-	-	10,200,000	-	-	-	-
Series 2009 A-4	SOME	4.09%	2015 ~ 2044	8,100,000	-	-	-	8,100,000	-	8,100,000	-
Series 2009 A-5	King Towers	4.09%	2015 ~ 2042	12,830,000	-	-	-	12,830,000	-	12,830,000	-
Series 2009 A-6	The Yards - Foundry Lofts	4.09%	2014 ~ 2051	47,700,000	-	-	-	47,700,000	-	47,700,000	-
Series 2009 A-7	Avalon Apartments	3.01%	2014 ~ 2044	5,040,000	-	-	-	5,040,000	-	5,040,000	90,000
Series 2010	Samuel J. Simmons	Variable	2013	5,000,000	-	5,000,000	-	-	-	-	-
Series 2010 A	Samuel J. Simmons	4.55% ~ 5.45%	2013 ~ 2033	8,000,000	-	234,997	-	7,765,003	-	7,765,003	235,000
Series 2009 A-8	Samuel J. Simmons	3.01%	2033 ~ 2040	13,000,000	-	-	-	13,000,000	-	13,000,000	-
Series 2009 A-9	The Avenue	3.01%	2014 ~ 2044	3,640,000	-	-	-	3,640,000	-	3,640,000	70,000
Series 2009 A-10	Mayfair Mansions III	2.32%	2029 ~ 2044	8,390,000	-	-	-	8,390,000	-	8,390,000	-
Series 2011 A	Mayfair Mansions III	3.70% ~ 4.7%	2015 ~ 2029	2,610,000	-	-	-	2,610,000	-	2,610,000	-
Series 2011	Mayfair Mansions III	Variable	2015	-	5,716,788	-	-	5,716,788	-	5,716,788	-
Series 2011	Dahlgreen Courts	Variable	2014	2,465,001	2,034,999	-	4,500,000	-	-	-	-
Series 2009 A-11	Dahlgreen Courts	3.53%	2014 ~ 2044	6,200,000	-	-	-	6,200,000	-	6,200,000	30,000
Series 2011 B	Alabama Avenue	Variable	2015	51,000	2,337,979	-	-	2,388,979	-	2,388,979	-
Series 2009 A-12	Alabama Avenue	2.32%	2015 ~ 2044	5,050,000	-	-	-	5,050,000	-	5,050,000	-
Series 2009 A-13	Paul Laurence Dunbar Apartments	3.53%	2013 ~ 2051	18,700,000	-	180,000	-	18,520,000	-	18,520,000	190,000
Series 2011 A	Samuel Kelsey	0.80% ~ 5.00%	2013 ~2041	16,500,000	-	240,000	-	16,260,000	-	16,260,000	265,000
Series 2009 A-14	Samuel Kelsey	2.49%	2041	7,900,000		200,000	-	7,700,000	-	7,700,000	-
Series 2011 B	Nannie Helen	Variable	2015	150,001	4,447,193	-	4,597,194	-	-	-	-
Series 2009 A-15	Nannie Helen	2.49%	2016 ~ 2044	3,630,000	-	-	-	3,630,000	-	3,630,000	-
Series 2011	Capitol Hill Towers	0.75% ~ 4.90%	2013 ~ 2040	14,610,000	-	200,000	-	14,410,000	-	14,410,000	250,000
Series 2009 A-16	Capitol Hill Towers	2.49%	2040 ~ 2041	8,370,000	-	-	-	8,370,000	-	8,370,000	-
Series 2012	House of Lebanon	Variable	2015	49,999	4,700,000	-	-	4,749,999	-	4,749,999	-
Series 2009 A-2	House of Lebanon	3.82%	2016 ~ 2033	5,120,000	-	-	-	5,120,000	-	5,120,000	-
Series 2011	Nannie Helen	Variable	2015	-	550,000	-	550,000	-	-	-	-
Combined Multifamily New Issue Bond Program Total				$ 232,646,001	$ 19,786,959	$ 6,174,997	$ 19,847,194	$ 226,410,769	$ -	$ 226,410,769	$ 1,400,000
Combined MultiFamily Indentures Total				**$ 784,077,299**	**$ 118,218,431**	**$ 18,962,602**	**$ 103,189,194**	**$ 780,143,934**	**$ 2,062,871**	**$ 782,206,805**	**$ 24,023,796**

NOTE 7: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

The following is a summary of the bond and debt activity for the year ended September 30, 2012 and the debt outstanding and bonds and certificates of participation payable as of September 30, 2012:

General Fund	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2011	Debt Activity: New Obligations	Debt Activity: Scheduled Maturity Payments	Debt Activity: Obligations Paid	Debt Outstanding at 9/30/2012	Premium (+) / Discount (-)	Bond Payable at 9/30/2012	Due Within One Year
PNC Bank Credit Line	Variable	2011	$ 5,000,000		$ -	$ 5,000,000	$ -	$ -	$ -	$ -
Total			$ 5,000,000	$ -	$ -	$ 5,000,000	$ -	$ -	$ -	$ -

DC Building Finance Corporation Certificates of Participation	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2011	Bond Activity: New Bonds Issued	Bond Activity: Scheduled Maturity Payments	Bond Activity: Bond Redeemed	Debt Outstanding at 9/30/2012	Premium (+) / Discount (-)	Bond Payable at 9/30/2012	Due Within One Year
1998 Series	5.35%	2013 ~ 2018	$ 1,055,000	$ -	$ -	$ 130,000	$ 925,000	$ -	$ 925,000	$ 135,000
Total			$ 1,055,000	$ -	$ -	$ 130,000	$ 925,000	$ -	$ 925,000	$ 135,000

	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2011	Bond Activity: New Bonds Issued	Bond Activity: Scheduled Maturity Payments	Bond Activity: Bond Redeemed	Debt Outstanding at 9/30/2012	Premium (+) / Discount (-)	Bond Payable at 9/30/2012	Due Within One Year
1986 Single Family Whole Loan Bonds										
1986 Series A	7.75%	2012	$ 1,005,000	$ -	$ -	$ 1,005,000	$ -	$ -	$ -	$ -
Total			$ 1,005,000	$ -	$ -	$ 1,005,000	$ -	$ -	$ -	$ -
1988 Single Family Mortgage Revenue Bonds										
1988 Series E-4	6.375%	2015 ~ 2026	$ 4,015,000	$ -	$ -	$ 955,000	$ 3,060,000	$ (122,033)	$ 2,937,967	$ -
Total			$ 4,015,000	$ -	$ -	$ 955,000	$ 3,060,000	$ (122,033)	$ 2,937,967	$ -
1996 Single Family Mortgage Revenue Bonds										
1996 Series A	5.40% ~ 6.15%	2012	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
1997 Series B	5.25% ~ 5.90%	2012	3,110,000	-	-	3,110,000	-	-	-	-
1998 Series A	4.90% ~ 5.35 %	2012	5,620,000	-	-	5,620,000	-	-	-	-
1999 Series A	4.95% ~ 5.45%	2012	4,980,000	-	-	4,980,000	-	-	-	-
2000 Series A	5.65% ~ 6.30%	2012	2,090,000	-	-	2,090,000	-	-	-	-
2000 Series C	5.75% ~ 6.25%	2012	730,000	-	-	730,000	-	-	-	-
2000 Series D	5.65% ~ 6.15%	2012	1,810,000	-	-	1,810,000	-	-	-	-
2001 Series A	4.95% ~ 6.85%	2012	2,840,000	-	-	2,840,000	-	-	-	-
2005 Series A	5.50%	2013 ~ 2025	3,810,000	-	-	570,000	3,240,000	204,995	3,444,995	135,000
2005 Series B	4.75% ~ 5.625%	2013 ~ 2035	9,365,000	-	-	1,385,000	7,980,000	305,495	8,285,495	105,000
2006 Series A	4.95%	2012 ~ 2026	2,635,000	-	-	395,000	2,240,000	-	2,240,000	100,000
2006 Series B	5.1% ~ 5.35%	2013 ~ 2037	15,165,000	-	-	3,955,000	11,210,000	359,030	11,569,030	150,000
2006 Series D	4.60%	2013 ~ 2020	1,150,000	-	-	280,000	870,000	-	870,000	60,000
2006 Series E	4.65%	2013 ~ 2037	33,325,000	-	-	4,320,000	29,005,000	-	29,005,000	320,000
2007 Series A	5.15%	2013 ~ 2038	16,165,000	-	-	3,505,000	12,660,000	181,192	12,841,192	120,000
Total			$ 102,795,000	$ -	$ -	$ 35,590,000	$ 67,205,000	$ 1,050,711	$ 68,255,711	$ 990,000
Single Family New Issue Bond Program										
2009 Series A-1	2.49%	2041	$ -	$ 14,150,000	$ -	$ 260,000	$ 13,890,000	$ -	$ 13,890,000	$ 330,000
2009 Series A	Variable	2041	25,000,000	-	-	25,000,000	-	-	-	-
Total			$ 25,000,000	$ 14,150,000	$ -	$ 25,260,000	$ 13,890,000	$ -	$ 13,890,000	$ 330,000
Combined Single Family Indentures Total			**$ 132,815,000**	**$ 14,150,000**	**$ -**	**$ 62,810,000**	**$ 84,155,000**	**$ 928,678**	**$ 85,083,678**	**$ 1,320,000**

NOTE 7: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2011	New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed	Debt Outstanding at 9/30/2012	Discount (-) / Premium (+)	Bonds Payable at 9/30/2012	Due Within One Year
Multifamily Conduit Bonds											
1994 Series D	Oak Street	7.00%	2013 ~ 2023	$ 1,305,000	$ -	$ 80,000	$ -	$ 1,225,000	$ -	1,225,000	$ 85,000
1995 Series	Tyler House	7.52%	2025	24,200,000	-	-	-	24,200,000	-	24,200,000	-
1995 Series	Benning Rd	6.30%	2012	495,000	-	495,000	-	-	-	-	-
1997 Series A	Colorado Avenue	5.85% ~ 5.95%	2012 ~ 2027	765,000	-	30,000	-	735,000	7,750	742,750	25,000
1998 Series	Burke, Randolph, Ft.Stephens, 7th Str.	5.15%	2012	6,960,000	-	-	6,960,000	-	-	-	-
1999 Series	Garfield Park Apts	7.25%	2012 ~ 2031	2,803,207	-	65,793	-	2,737,414	-	2,737,414	70,724
1999 Series A	Walbraff Apts	6.10%	2012 ~ 2039	1,830,000	-	20,000	-	1,810,000	-	1,810,000	25,000
1999 Series	Barnaby Manor	7.375%	2012 ~ 2032	3,943,741	-	21,048	-	3,922,693	-	3,922,693	155,330
1999 Series	Ft. Chapin	6.90%	2012 ~ 2035	23,005,986	-	380,714	-	22,625,272	-	22,625,272	407,831
1999 Series	Staton Glenn Apt	6.28%	2012 ~ 2042	21,920,000	-	210,000	-	21,710,000	-	21,710,000	230,000
2000 Series	Widrich Court Apt	7.30%	2012 ~ 2032	3,149,751	-	66,370		3,083,381	-	3,083,381	71,380
2000 Series C	636 Coop	6.50%	2013 ~ 2040	565,000	-	5,000		560,000	-	560,000	10,000
2000 Series	Aspen Court	6.15%	2012	3,645,000	-	-	3,645,000	-	-	-	-
2000 Series A	Haven House	6.50%	2012 ~ 2042	780,000	-	10,000	-	770,000	-	770,000	10,000
2000 Series D	Chesapeake/Hartford/Knox	6.10%	2012 ~ 2041	4,295,000	-	45,000	-	4,250,000	-	4,250,000	50,000
2001 Series A	Douglas Knoll	5.90%	2012 ~ 2043	9,434,000	-	90,000	-	9,344,000	-	9,344,000	100,000
2001 Series D	Meridian Manor	5.70%	2012 ~ 2037	2,210,000	-	35,000	-	2,175,000	-	2,175,000	35,000
2001 Series	Woodmont Crossing	5.70%	2013 ~ 2022	9,420,000	-	180,000	-	9,240,000	-	9,240,000	190,000
2001 Series	Clifton Terrace	5.99%	2012 ~ 2033	4,878,650	-	105,925	-	4,772,725	-	4,772,725	112,447
2001 Series E	Huntwood Apts	5.45%	2012 ~ 2038	6,275,000	-	90,000	-	6,185,000	-	6,185,000	100,000
2000 Series	WDC I LP	Variable	2012 ~ 2032	7,425,000	-	210,000	-	7,215,000	-	7,215,000	220,000
2001 Series A&B	Columbia Heights	5.60% ~ 7.00%	2012 ~ 2043	32,735,000	-	335,000	-	32,400,000	-	32,400,000	360,000
2002 Series	Jeffery Gardens	5.65% ~ 5.80%	2012	11,440,000	-	60,000	11,380,000	-	-	-	-
2002 Series	Trenton Park Apts	Variable	2013 ~ 2035	5,865,000	-	95,000	-	5,770,000	-	5,770,000	105,000
2002 Series A	DCCH Pool: Euclid Street	5.75%	2012 ~ 2039	1,385,000	-	10,000	25,000	1,350,000	-	1,350,000	15,000
2002 Series C	DCCH Pool: Chapin Street	5.75%	2012 ~ 2039	1,160,000	-	10,000	10,000	1,140,000	-	1,140,000	10,000
2002 Series G	Trinity Towers Apts	4.65% ~ 5.55%	2012 ~ 2038	8,030,000	-	110,000	-	7,920,000	-	7,920,000	120,000
2002 Series E	Golden Rule Plaza	4.75% ~ 5.70%	2012 ~ 2044	6,065,000	-	60,000	-	6,005,000	-	6,005,000	60,000
2002 Series I	Henson Ridge	5.40%	2012 ~ 2045	3,900,000	-	35,000	-	3,865,000	-	3,865,000	40,000
2002 Series J	Fairmont I & II	4.50% ~ 5.30%	2012 ~ 2040	15,090,000	-	205,000	-	14,885,000	-	14,885,000	220,000
2003 Series	Bowling Green	4.50% ~ 4.70%	2012 ~ 2044	10,115,000	-	120,000	-	9,995,000	-	9,995,000	125,000
2003 Series B	Urban Village	5.25%	2012 ~ 2044	5,980,000	-	60,000	-	5,920,000	-	5,920,000	70,000
2003 Series C	St. Paul Sr. Living @ Wayne Place	5.40% ~ 5.60%	2012 ~ 2045	3,425,000	-	30,000	-	3,395,000	-	3,395,000	30,000
2004 Series A	1330 7th Street	4.10% ~ 5.00%	2012 ~ 2045	12,010,000	-	225,000	-	11,785,000	-	11,785,000	235,000
2004 Series A	Congress Park II	6.70%	2012 ~ 2041	4,663,437	-	52,497	-	4,610,940	-	4,610,940	56,124
2004 Series B&C	JW King Seniors Center	4.25% ~ 5.15%	2012 ~ 2045	5,055,000	-	50,000	-	5,005,000	-	5,005,000	55,000

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2013 AND 2012

NOTE 7: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

					Bond Activity						
	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2011	New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed	Debt Outstanding at 9/30/2012	Discount (-) / Premium (+)	Bonds Payable at 9/30/2012	Due Within One Year
Multifamily Conduit Bonds (Continued)											
2004 Series	Savannah Heights	4.10% ~ 5.10%	2012 ~ 2045	7,615,000	-	80,000	-	7,535,000	-	7,535,000	80,000
2004 Series D	Henson Ridge Phase II	4.65% ~ 4.90%	2012 ~ 2047	5,660,000	-	60,000	-	5,600,000	-	5,600,000	60,000
2004 Series E	Henson Ridge Phase II	4.10% ~ 5.10%	2012 ~ 2037	7,075,000	-	130,000	-	6,945,000	-	6,945,000	140,000
2005 Series A	Faircliff Plaza - West	6.50%	2012 ~ 2047	10,969,368	-	82,238	-	10,887,130	-	10,887,130	-
2005 Series B	Faircliff Plaza - West	6.50%	2012 ~ 2025	503,402	-	23,873	-	479,529	-	479,529	113,218
2005 Series	DCHA Modernization Program	3.60% ~ 5.00%	2012 ~ 2025	60,210,000	-	3,090,000	-	57,120,000	2,452,409	59,572,409	3,205,000
2005 Series	Shipley Park Apts	4.25% ~ 4.80	2012 ~ 2038	11,390,000	-	180,000	-	11,210,000	-	11,210,000	190,000
2006 Series	Hunter Pines	6.25%	2012 ~ 2048	10,387,083	-	77,413	-	10,309,670	-	10,309,670	82,392
2006 Series	GW Carver Senior Apts	5.875%	2012 ~ 2049	7,391,483	-	51,907	-	7,339,576	-	7,339,576	55,040
2006 Series	Garfield Hills Apts	4.70% ~ 5.00%	2013 ~ 2036	3,805,000	-	70,000	-	3,735,000	-	3,735,000	70,000
2006 Series	Galen Terrace	6.00%	2012 ~ 2048	4,438,002	-	33,937	-	4,404,065	-	4,404,065	36,030
2006 Series A	Southview I & II	6.25%	2012 ~ 2048	10,973,473	-	79,450	-	10,894,023	-	10,894,023	84,561
2006 Series	Golden Rule Apts	5.25%	2012 ~ 2048	12,025,000	-	210,000	-	11,815,000	-	11,815,000	225,000
2006 Series A	Wesley House	4.80%	2013 ~ 2049	9,155,000	-	80,000	-	9,075,000	-	9,075,000	80,000
2006 Series	Azeeze Bates Apts	4.80%	2012 ~ 2036	3,680,000	-	115,000	-	3,565,000	-	3,565,000	130,000
2007 Series	Cavalier Apts	5.60%	2012 ~ 2049	15,118,207	-	119,340	-	14,998,867	-	14,998,867	126,197
2007 Series	Residences at Georgia Ave Apts	5.80%	2012 ~ 2050	7,600,149	-	54,396	-	7,545,753	-	7,545,753	57,636
2007 Series	R Street Apts	5.60%	2012 ~ 2056	8,867,004	-	45,554	-	8,821,450	-	8,821,450	48,171
2007 Series A	Parkside Terrace Apts	Variable	2012 ~ 2045	21,777,575	-	234,855	-	21,542,720	-	21,542,720	247,979
2008 Series	Henson Ridge UFAS Rentals	6.00%	2012 ~ 2050	4,615,018	-	73,490	-	4,541,528	-	4,541,528	78,022
2008 Series	Longfellow Arms Apts	5.70%	2012 ~ 2040	1,975,000	-	20,000	-	1,955,000	-	1,955,000	20,000
2008 A Series	Fairmont I and II Apts	5.70%	2012 ~ 2040	3,155,000	-	40,000	-	3,115,000	-	3,115,000	40,000
2008 Series A	Wheeler Terrace	Variable	2012 ~ 2050	7,553,601	-	63,919	-	7,489,682	-	7,489,682	67,305
2008 Series A&B	St. Martin's Apts	5.40%	2012 ~ 2046	12,000,000	-	118,659	-	11,881,341	-	11,881,341	125,527
2008 Series	Pentacle Apartments	Variable	2038	11,135,000	-	-	165,000	10,970,000	-	10,970,000	-
2009 Series	Georgia Commons	2.875% ~ 5.875%	2013 ~ 2051	16,695,000	-	70,000	-	16,625,000	(210,100)	16,414,900	130,000
2010 Series A	Sheridan Station	5.90%	2040	3,385,000	-	-	-	3,385,000	-	3,385,000	35,118
2010 Series B	Sheridan Station	Variable	2012	8,980,000	1,635,000	-	6,325,000	4,290,000	-	4,290,000	4,290,000
2010 Series A	Mathews Memorial	Variable	2012	60,000	2,660,000	-	2,720,000	-	-	-	-
2010 Series B	Mathews Memorial	Variable	2012	6,500,000	1,060,000	-	7,560,000	-	-	-	-
2010 Series	Arthur Capper	Variable	2013	886,009	3,992,933	-	-	4,878,942	-	4,878,942	-
2011 Series A-1	Victory Square	Variable	2043	51,000	203,000	-	-	254,000	-	254,000	-
2011 Series A-2	Victory Square	Variable	2043	-	-	-	-	-	-	-	-
2011 Series B	Victory Square	Variable	2014	-	7,132,000	-	-	7,132,000	-	7,132,000	-
2011 Series A	The Heights	Variable	2045	-	2,251,140	-	-	2,251,140	-	2,251,140	-
2012 Series	Park 7 at Minnesota Benning	Variable	2046	-	51,000	-	-	51,000	-	51,000	-
2012 Series	Fairway Park	Variable	2046	-	18,182,455	-	-	18,182,455	-	18,182,455	-
Combined Multifamily Conduit Bonds Total				$ 561,855,146	$ 37,167,528	$ 8,801,378	$ 38,790,000	$ 551,431,296	$ 2,250,059	$ 553,681,355	$ 13,216,032

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2013 AND 2012

NOTE 7: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2011	Bond Activity New Bonds Issued	Bond Activity Scheduled Maturity Payments	Bond Activity Bonds Redeemed	Debt Outstanding at 9/30/2012	Discount (-) / Premium (+)	Bonds Payable at 9/30/2012	Due Within One Year
Multifamily New Issue Bond Program											
Series 2009 A	NIB Program (Program Bonds - Taxable)	0.12%	2012	$ 33,340,000	$ -	$ -	$ 33,340,000	$ -	$ -	$ -	$ -
Series 2009 A-1	Villages at Chesapeake	4.09%	2012 ~ 2042	10,860,000	-	110,000	-	10,750,000	-	10,750,000	120,000
Series 2010	Fort Stevens	2.15%	2012	3,730,000	-	-	3,730,000	-	-	-	-
Series 2009 A-2	Fort Stevens	4.09%	2013 ~ 2044	5,310,000	-	-	-	5,310,000	-	5,310,000	20,000
Series 2010	Webster Gardens	2.15%	2012	2,780,000	-	-	2,780,000	-	-	-	-
Series 2009 A-3	Webster Gardens	4.09%	2013 ~ 2044	3,280,000	-	-	-	3,280,000	-	3,280,000	10,000
Series 2010	SOME	1.80%	2012	10,200,000	-	-	-	10,200,000	-	10,200,000	10,200,000
Series 2009 A-4	SOME	4.09%	2015 ~ 2044	8,100,000	-	-	-	8,100,000	-	8,100,000	-
Series 2010	King Towers	Variable	2012	2,780,000	-	-	2,780,000	-	-	-	-
Series 2009 A-5	King Towers	4.09%	2015 ~ 2042	12,830,000	-	-	-	12,830,000	-	12,830,000	-
Series 2009 A-6	The Yards - Foundry Lofts	4.09%	2014 ~ 2051	47,700,000	-	-	-	47,700,000	-	47,700,000	-
Series 2009 A-7	Avalon Apartments	3.01%	2014 ~ 2044	5,040,000	-	-	-	5,040,000	-	5,040,000	-
Series 2010	Samuel J. Simmons	Variable	2013	5,000,000	-	-	-	5,000,000	-	5,000,000	-
Series 2010 A	Samuel J. Simmons	4.55% ~ 5.45%	2013 ~ 2033	8,000,000	-	-	-	8,000,000	-	8,000,000	235,000
Series 2009 A-8	Samuel J. Simmons	3.01%	2033 ~ 2040	13,000,000	-	-	-	13,000,000	-	13,000,000	-
Series 2009 A-9	The Avenue	3.01%	2014 ~ 2044	3,640,000	-	-	-	3,640,000	-	3,640,000	-
Series 2009 A-10	Mayfair Mansions III	2.32%	2029 ~ 2044	-	8,390,000	-	-	8,390,000	-	8,390,000	-
Series 2011 A	Mayfair Mansions III	3.70% ~ 4.7%	2015 ~ 2029	-	2,610,000	-	-	2,610,000	-	2,610,000	-
Series 2011	Dahlgreen Courts	Variable	2014	50,001	2,415,000	-	-	2,465,001	-	2,465,001	-
Series 2009 A-11	Dahlgreen Courts	3.53%	2014 ~ 2044	6,200,000	-	-	-	6,200,000	-	6,200,000	-
Series 2011 B	Alabama Avenue	Variable	2015	-	51,000	-	-	51,000	-	51,000	-
Series 2009 A-12	Alabama Avenue	2.32%	2015 ~ 2044	-	5,050,000	-	-	5,050,000	-	5,050,000	-
Series 2009 A-13	Paul Laurence Dunbar Apartments	3.53%	2012 ~ 2051	18,700,000	-	-	-	18,700,000	-	18,700,000	180,000
Series 2011 A	Samuel Kelsey	0.80% ~ 5.00%	2012 ~2041	-	16,500,000	-	-	16,500,000	-	16,500,000	240,000
Series 2009 A-14	Samuel Kelsey	2.49%	2041	-	7,900,000	-	-	7,900,000	-	7,900,000	-
Series 2011 B	Nannie Helen	Variable	2015	-	150,001	-	-	150,001	-	150,001	-
Series 2009 A-15	Nannie Helen	2.49%	2016 ~ 2044	-	3,630,000	-	-	3,630,000	-	3,630,000	-
Series 2011	Capitol Hill Towers	0.75% ~ 4.90%	2012 ~ 2040	-	14,610,000	-	-	14,610,000	-	14,610,000	200,000
Series 2009 A-16	Capitol Hill Towers	2.49%	2040 ~ 2041	-	8,370,000	-	-	8,370,000	-	8,370,000	-
Series 2012	House of Lebanon	Variable	2015	-	50,001	-	-	50,001	-	50,001	-
Series 2009 A-2	House of Lebanon	3.82%	2016 ~ 2033	-	5,120,000	-	-	5,120,000	-	5,120,000	-
Combined Multifamily New Issue Bond Program Total				$ 200,540,001	$ 74,846,002	$ 110,000	$ 42,630,000	$ 232,646,003	$ -	$ 232,646,003	$ 11,205,000
Combined MultiFamily Indentures Total				**$ 762,395,147**	**$ 112,013,530**	**$ 8,911,378**	**$ 81,420,000**	**$ 784,077,299**	**$ 2,250,059**	**$ 786,327,358**	**$ 24,421,032**

NOTE 7: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

During fiscal years 2010 - 2013, the Agency issued certain multifamily revenue bonds in a draw down mode. 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 draw down bond activity for fiscal year 2013. Total bonds issued may be different from the debt outstanding due to redemption and maturity activity.

Bond Series	Project Name	Total Draw Down Bond Amounts	Total Bonds Issued at September 30, 2012	Draw Down Bonds Issued, Fiscal Year 2013	Total Bonds Issued at September 30, 2013
Multifamily Conduit Bonds					
2010 Series	Arthur Capper	$ 5,700,000	$ 4,878,942	$ 821,058	$ 5,700,000
2011 Series A	Victory Square	1,600,000	254,000	1,112,847	1,366,847
2011 Series A	The Heights	12,377,163	2,251,140	9,172,418	11,423,558
2012 Series	Park 7 at Minnesota Benning	45,250,000	51,000	-	51,000
2012 Series	Fairway Park	33,482,000	18,182,455	6,670,345	24,852,800
2012 Series	Severna II	17,600,000	-	2,254,467	2,254,467
2012 Series	Bass Circle	11,610,000	-	8,428,901	8,428,901
2012 Series B	Whitelaw Apartments	2,110,000	-	1,379,904	1,379,904
2013 Series	SOME II	14,912,000	-	6,169,276	6,169,276
2013 Series A	Senior Housing at O	6,840,000	-	4,384,908	4,384,908
2013 Series B	Senior Housing at O	6,170,000	-	82,340	82,340
2013 Series	Sheridan Station III	10,245,000	-	100,000	100,000
2013 Series	Sheridan Station III	12,700,000	-	1,245,007	1,245,007
Total Multifamily Conduit Bonds		**180,596,163**	**25,617,537**	**41,821,471**	**67,439,008**
Multifamily New Issue Bond Program					
2011 Series	Dahlgreen Courts	4,500,000	2,465,001	2,034,999	4,500,000
2011 Series	Mayfair Mansions III	5,730,000	-	5,716,788	5,716,788
2011 Series B	Alabama Avenue Apartments	2,388,979	51,000	2,337,979	2,388,979
2011 Series B	Nannie Helen	4,597,194	150,001	4,447,193	4,597,194
2012 Series	House of Lebanon	7,000,000	50,001	4,700,000	4,750,001
2013 Series	Nannie Helen	550,000	-	550,000	550,000
Total Multifamily New Issue Bond Program		**24,766,173**	**2,716,003**	**19,786,959**	**22,502,962**
Total Combined Multifamily Bond Program		**$ 205,362,336**	**$ 28,333,540**	**$ 61,608,430**	**$ 89,941,970**

As of September 30, 2013, 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, 2013 and excluding the effect of unamortized

NOTE 7: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

discounts/premiums (which are listed as an adjustment to totals) and interest payments for each of the next five years and in 5-year increments thereafter, are as follows:

For the Year Ending September 30,	DC Building Finance Corporation		1988 Collateralized Single Family Mortgage Revenue Bonds		1996 Single Family Mortgage Revenue Bonds	
	Interest	Principal	Interest	Principal	Interest	Principal
2014	$ 39,789	$ 140,000	$ 159,694	$ -	$ 2,145,268	$ 705,000
2015	32,122	150,000	157,903	85,000	2,079,537	1,465,000
2016	23,920	160,000	147,983	170,000	2,006,792	1,470,000
2017	15,272	165,000	137,410	165,000	1,932,622	1,505,000
2018	6,268	175,000	126,257	180,000	1,857,343	1,525,000
2019-2023	-	-	434,650	1,095,000	8,099,744	8,165,000
2024-2028	-	-	74,731	810,000	6,039,164	8,360,000
2029-2033	-	-	-	-	3,858,498	9,935,000
2034-2038	-	-	-	-	1,179,121	10,555,000
2039-2043	-	-	-	-	2,138	245,000
Totals	**$ 117,371**	**790,000**	**$ 1,238,628**	**2,505,000**	**$ 29,200,227**	**43,930,000**
Unamortized Premium / (Discount)		-		(113,316)		928,074
Bonds and Certificates of Participation Payable		**$ 790,000**		**$ 2,391,684**		**$ 44,858,074**

For the Year Ending September 30,	Single Family New Issue Bond Program		Multi-Family (Conduit Bond) Program		Multifamily New Issue Bond Program	
	Interest	Principal	Interest	Principal	Interest	Principal
2014	$ 281,380	$ 150,000	$ 25,304,999	$ 22,623,796	$ 8,266,089	$ 1,400,000
2015	274,543	300,000	24,585,126	13,188,500	8,058,916	11,840,767
2016	266,784	320,000	24,050,442	11,508,400	7,753,010	7,195,001
2017	258,816	320,000	23,516,625	10,553,933	7,639,093	2,560,000
2018	250,559	340,000	22,980,681	11,077,586	7,545,641	2,715,000
2019-2023	1,121,994	1,800,000	105,718,409	65,403,544	36,070,131	16,050,000
2024-2028	880,398	2,050,000	87,183,848	72,877,028	32,491,392	20,200,000
2029-2033	620,157	2,130,000	66,424,911	104,859,586	27,621,657	30,970,000
2034-2038	350,558	2,205,000	44,877,847	71,768,074	20,841,350	32,960,000
2039-2043	73,243	1,735,000	26,228,066	74,157,959	12,155,836	61,730,000
2044-2048	-	-	9,494,685	85,995,357	3,911,541	26,240,000
2049-2053	-	-	1,021,035	8,343,589	931,303	12,550,000
2054-2058	-	-	105,646	1,375,784	-	-
Totals	**$ 4,378,432**	**11,350,000**	**$ 461,492,320**	**553,733,136**	**$ 173,285,959**	**226,410,768**
Unamortized Premium / (Discount)		-		2,062,871		-
Bonds Payable		**$ 11,350,000**		**$ 555,796,007**		**$ 226,410,768**

NOTE 7: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

The interest calculations on outstanding variable rate bonds under the Multifamily (Conduit Bond) Program, and the Multifamily New Issue Bond Program are based on the variable rates in effect on September 30, 2013 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.

During fiscal year 2010, the Agency secured two variable rate committed credit lines with the PNC Bank, National Association ("PNC Bank"), in the total amount of $53.00 million: one for two years for $3.00 million to be used for acquiring ownership of and making improvements to the Agency's headquarters building; the other for one year for $50.00 million to be used for providing interim financing of the costs of extending multifamily 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. During fiscal year 2011, the Agency and PNC Bank modified the $50.00 million credit line by reducing it to $25.00 million, extending its term for another year. In fiscal year 2013 PNC Bank and DCHFA modified the $25.00 million credit line further by reducing the amount down to $15.00 million and extending the term into March of 2014. Under either of the credit lines there are no outstanding amounts as of September 30, 2013 and 2012.

NOTE 8: 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 earned by the bond series being greater than yields permitted to be retained by the indentures under the Code. The Code requires 90% 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 Changes 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 Changes 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.

NOTE 8: REBATE LIABILITY (Continued)

Rebate liability activity for the year ended September 30, 2013 was as follows:

	DC Building Finance Corporation	1986 Family Whole Loan Bond Program	1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	MultiFamily (Conduit Bond) Program	Multifamily New Issue Bond Program
Rebate Liability as of September 30, 2012	$ -	$ -	$ -	$ 91,144	$ -	$ -
Change in estimated liability due to excess investment earnings	-	-	-	(26,162)	-	-
Change in estimated liability due to change in fair value of investments	-	-	-	-	-	-
Less - payments made				-		
Rebate Liability as of September 30, 2013	$ -	$ -	$ -	$ 64,982	$ -	$ -

Total rebate liability as of September 30, 2013 was allocated as follows:

	DC Building Finance Corporation	1986 Family Whole Loan Bond Program	1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	MultiFamily (Conduit Bond) Program	Multifamily New Issue Bond Program
Estimated liability due to excess investment earnings	$ -	$ -	$ -	$ 64,982	$ -	$ -
Estimated liability due to change in fair value of investments	-	-	-	-	-	-
Rebate Liability as of September 30, 2013	$ -	$ -	$ -	$ 64,982	$ -	$ -

(continued)

NOTE 8: REBATE LIABILITY (Continued)

Rebate liability activity for the year ended September 30, 2012 was as follows:

	DC Building Finance Corporation	1986 Family Whole Loan Bond Program	1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	MultiFamily (Conduit Bond) Program	Multifamily New Issue Bond Program
Rebate Liability as of September 30, 2011	$ -	$ -	$ -	$ 211,177	$ -	$ -
Change in estimated liability due to excess investment earnings	-	-	-	(12,594)	-	-
Change in estimated liability due to change in fair value of investments	-	-	-	-	-	-
Less - payments made				(107,439)		
Rebate Liability as of September 30, 2012	$ -	$ -	$ -	$ 91,144	$ -	$ -

Total rebate liability as of September 30, 2012 was allocated as follows:

	DC Building Finance Corporation	1986 Family Whole Loan Bond Program	1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	MultiFamily (Conduit Bond) Program	Multifamily New Issue Bond Program
Estimated liability due to excess investment earnings	$ -	$ -	$ -	$ 91,144	$ -	$ -
Estimated liability due to change in fair value of investments	-	-	-	-	-	-
Rebate Liability as of September 30, 2012	$ -	$ -	$ -	$ 91,144	$ -	$ -

NOTE 9: CERTIFICATES OF PARTICIPATION

On July 1, 1998, the Agency entered into a lease agreement with the District of Columbia Building Finance Corporation (the “Building Finance Corporation”) to lease office space at 815 Florida Avenue, NW, Washington, D.C. (the “Building”). The Building was financed by proceeds from the Agency’s issuance of Certificates of Participation, Series 1998 (the “Certificates”) evidencing assignments of interest in rights to receive payments under the lease.

NOTE 9: CERTIFICATES OF PARTICIPATION (Continued)

The lease term is through June 2018; however, the Agency has an annual right to terminate the lease in the event that the Agency fails to budget sufficient amounts due under the lease terms for the ensuing fiscal year. The Agency also has the option to purchase the Building at any time during the lease at an amount necessary to discharge the Certificates.

The Board of Directors of the Building Finance Corporation is comprised fully of members of the Agency's management. Since the Corporation is controlled by the Agency and it is the Agency's intention to continue the lease until title to the Building is acquired by the Agency, the Building and Certificates are presented in the financial statements as if the Agency owned and financed the Building. This activity is recorded in a separate fund, the D.C. Building Finance Corporation Fund. Inter-fund transactions are recorded between the General Fund and the Building Finance Corporation Fund to reflect the lease activity. Rental income for the year ended September 30, 2013 and 2012, amounted to $183,747 and $185,791, respectively and is included in the Building Finance Fund revenue. Rental expense for these amounts is reflected in the General Fund expenses. Improvements are funded by and recorded in the General Fund. Leasehold improvements are amortized over the shorter of the estimated useful life or the lease term.

The Certificates were issued in an original principal amount of $2,400,000, with a balance at September 30, 2013 and 2012, of $790,000 and $925,000, respectively. Interest is payable semi-annually at 5.35% per annum for Certificates due through June 1, 2018.

NOTE 10: 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 4).

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

NOTE 10: PROJECT FUNDS HELD FOR BORROWER AND OTHER LIABILITIES (Continued)

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. As of September 30, 2013 and 2012, total HOME Program restricted assets were $2,773,285.

NOTE 11: 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 12: 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, 2013 and 2012 were $1,660,708 and $1,712,342, respectively.

Revenue Obligation 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, 2013 and 2012 were $32,005,579 and $39,065,924, respectively.

Risk Share Program - Under the General Fund, the initial deposit made to participate in the Risk Sharing Program and the contributions of 1% 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, 2013 and 2012 at $2,526,605 and $2,505,242, respectively.

McKinney Act Fund - The Agency qualified for 50% 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 for non-profit developers 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.

NOTE 12: NET POSITION (Continued)

Restricted net position related to the McKinney Act Fund as of September 30, 2013 and 2012 was $8,576,551 and $8,926,106, respectively.

Unrestricted Net Position – As of September 30, 2013 and 2012, under the General Fund there were $44,217,737 and $40,999,202 in unrestricted net position. The unrestricted net position is used to support the Agency's issuer credit rating.

NOTE 13: 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.

NOTE 14: OTHER INCOME

The Agency's other income for fiscal year 2013 is comprised of the following:

		2013								
		Single Family Program Funds				Multifamily Program Funds				
Description	General Fund	1986, 1996 Single Family Whole Loan Program	1988 Colalteralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Single Family New Issue Bond Program	Multifamily (Conduit Bond) Program	Multifamily New Issue Bond Program	DC Building Finance Corporation Fund	Total
Project revenue	$ -	$ -	$ -	$ -	$ -	$ 3,613,268	$ 1,830,512	$ -	$ 5,443,780
Financing fees	2,407,120	-	-	-	-	-	-	-	2,407,120
Annual administrative fees	3,610,047	-	-	-	-	-	-	-	3,610,047
Permitted spread	80,730	-	-	-	-	-	-	-	80,730
Construction and development monitoring fees	1,080,931	-	-	-	-	-	-	-	1,080,931
Tax credit fees	548,468	-	-	-	-	-	-	-	548,468
Rental income	-	-	-	-	-	-	-	183,747	183,747
Legal fees	390,000	-	-	-	-	-	-	-	390,000
Mortgage servicing fees	227,250	-	-	-	-	-	-	-	227,250
MIP Risk Share Program	71,296	-	-	-	-	-	-	-	71,296
Interest reduction payment subsidy	-	-	-	-	-	16,125	-	-	16,125
Other	63,549	-	-	-	-	-	-	500	64,049
Total	$ 8,479,391	$ -	$ -	$ -	$ -	$ 3,629,393	$ 1,830,512	$ 184,247	$ 14,123,543

(continued)

NOTE 14: OTHER INCOME (Continued)

The Agency's other income for fiscal year 2012 was comprised of the following:

2012 (As restated)

Description	General Fund	Single Family Program Funds: 1986, 1996 Single Family Whole Loan Program	Single Family Program Funds: 1988 Colalteralized Single Family Mortgage Revenue Bonds	Single Family Program Funds: 1996 Single Family Mortgage Revenue Bonds	Single Family Program Funds: Single Family New Issue Bond Program	Multifamily Program Funds: Multifamily (Conduit Bond) Program	Multifamily Program Funds: Multifamily New Issue Bond Program	DC Building Finance Corporation Fund	Total
Project revenue	$ -	$ -	$ -	$ -	$ -	$ 1,053,916	$ 1,433,593	$ -	$ 2,487,509
Transfer in from other funds	-	-	-	-	169,930	-	-	-	169,930
Financing fees	2,777,836	-	-	-	-	-	-	-	2,777,836
Annual administrative fees	3,196,283	-	-	-	-	-	-	-	3,196,283
Permitted spread	3,796	-	-	-	-	-	-	-	3,796
Construction and development monitoring fees	835,255	-	-	-	-	-	-	-	835,255
Tax credit fees	531,570	-	-	-	-	-	-	-	531,570
Service acquisition fee	7,717	-	-	-	-	-	-	-	7,717
Rental income	-	-	-	-	-	-	-	185,791	185,791
Legal fees	389,000	-	-	-	-	-	-	-	389,000
Mortgage servicing fees	212,433	-	-	-	-	-	-	-	212,433
MIP Risk Share Program	61,157	-	-	-	-			-	61,157
Interest reduction payment subsidy	-	-	-	-	-	23,122	-	-	23,122
Other	123,216	-	-	-	-	144,564	3,000	7,663	278,443
Total	$ 8,138,263	$ -	$ -	$ -	$ 169,930	$ 1,221,602	$ 1,436,593	$ 193,454	$ 11,159,842

NOTE 15: CONTINGENT LIABILITY

As of September 30, 2013, the Agency has one remaining debenture set up with regard to a defaulted HUD risk-share project. Elsinore Courts defaulted in 2010 and was sold in October 2013 through a competitive bid process at the actual loss to the Agency of $243,444 recorded as of September 30, 2013. The actual loss includes an estimated loss of $236,591 recorded as contingent liability as of September 30, 2012. The remaining project, Parkway Overlook East & West, had its Section 8 HAP subsidies abated by HUD due to successive REAC failures in 2007. The Agency took over the ownership of the Parkway Overlook Property as a mortgagee in possession and conducted a competitive bid process, which resulted in a sale price lower than the estimated value at September 30, 2011. The winning bidder was not able to honor its obligations to acquire the property on the agreed upon terms and, therefore, the Agency has elected to submit its final claim on this property to HUD based on the appraised value in summer of 2013. The Agency is currently in negotiations with HUD about the value of the property. Once the negotiations are complete, the Agency intends to dispose of the property with minimal or no additional loss. The Agency's financial exposure as joint insurer of the Parkway Overlook Property depends upon how soon the disposition of the property is finalized.

NOTE 15: CONTINGENT LIABILITY (Continued)

Based on the anticipated value of the property, the Agency estimates the loss exposure as of September 30, 2013 to be $2.20 million, and accordingly, has established a contingent liability under the General Fund by recording additional loss of $0.153 million in the year ended September 30, 2013.

NOTE 16: SUBSEQUENT EVENTS

The following subsequent events have occurred:

Multifamily (Conduit Bond) Program, New Issuances:

- On October 29, 2013, $9,000,000 of District of Columbia Housing Finance Agency Multifamily Housing Revenue Bonds, Series 2013 were issued in a draw down mode to finance the Trinity Plaza project.
- On December 20, 2013, $42,000,000 of District of Columbia Housing Finance Agency Multifamily Housing Revenue Notes, Series 2013 were issued in a draw down mode to finance the Lofts at Capital Quarter project.
- Between October 1, 2013 and January 17, 2014, the following multifamily mortgage revenue bonds were issued through draws on the draw down bonds:

Series	Project Name	Draw Date(s)	New Issue Draw Amount
2012 Series	Fairway Park	10/8/2013-1/13/2014	$ 2,482,307
2012 Series B	Whitelaw Apartments	10/30/2013-12/3/2013	393,443
2012 Series	Bass Circle	10/4/2013-12/16/2013	1,119,869
2012 Series	SeVerna II	10/1/2013 - 1/16/2014	3,704,151
2013 Series A	Senior Housing at O	10/3/2013 - 11/1/2013	2,455,092
2013 Series B	Senior Housing at O	11/1/2013-1/16/2014	3,333,605
2013 Series	Some Scattered II	10/22/2013-1/8/2014	1,977,756
2013 Series B	Sheridan Station III	10/24/2013-1/9/2014	2,993,173
2013 Series	Trinity Plaza	10/29/2013	50,001
Total			**$ 18,509,397**

NOTE 16: SUBSEQUENT EVENTS (Continued)

Single Family New Issue Bond Program Redemptions and Maturities:

- On December 1, 2013, $900,000 in District of Columbia Housing Finance Agency Single Family Housing Revenue Bonds Series 2009 A-1 were redeemed through sinking fund maturity and from prepayments.
- On December 1, 2013, the following 1996 Single Family Mortgage Revenue Bonds were redeemed:
-

Series	Maturing Principal	Principal Redemptions	Total
2005 Series A	$ -	$ 220,000	$ 220,000
2005 Series B	-	460,000	460,000
2006 Series A	-	225,000	225,000
2006 Series B	-	1,030,000	1,030,000
2006 Series D	-	90,000	90,000
2006 Series E	-	2,510,000	2,510,000
2007 Series A	-	985,000	985,000
Total	$ -	$ 5,520,000	$ 5,520,000

- On December 1, 2013, $65,000 in District of Columbia Housing Finance Agency Collateralized Single Family Housing Revenue Bonds 1988 Series E-4 were redeemed from prepayments.

NOTE 16: SUBSEQUENT EVENTS (Continued)

Multifamily New Issue Bond Program Redemptions and Maturities:

- On November 1, 2013, $2,388,979 in District of Columbia Housing Finance Agency Housing Revenue Bonds 2011 Series B (Alabama Avenue) were fully redeemed due partial loan payoff.
- Between October 1, 2013 and January 17, 2014, the following Multifamily NIBP mortgage revenue bonds were redeemed:

Series	Project Name	Redemption/ Maturity Date		Total
Series 2009 A-1	Villages at Chesapeake	10/1/2013	$	70,000
Series 2009 A-13	Paul Laurence Dunbar Apartments	12/1/2013		90,000
Series 2011 A	Samuel Kelsey Apts	12/1/2013		265,000
Series 2011	Capitol Hill Towers	12/1/2013		250,000
Total			$	675,000

Multifamily (Conduit Bond) Program, Redemptions and Maturities:

- On October 21, 2013, $9,244,000 in District of Columbia Housing Finance Agency Housing Revenue Bonds 2001 Series (Douglas Knoll) were fully redeemed due to the loan payoff.
- On October 31, 2013, $9,870,000 in District of Columbia Housing Finance Agency Housing Revenue Bonds 2003 Series (Bowling Green) were fully redeemed due to the loan payoff.
- On October 1, 2013, $5,700,000 in District of Columbia Housing Finance Agency Housing Revenue Bonds 2010 Series (Arthur Capper) were fully redeemed at maturity.

(continued)

NOTE 16: SUBSEQUENT EVENTS (Continued)

- Between October 1, 2013 and January 17, 2014, the following multifamily mortgage revenue bonds were redeemed or matured:

Series	Project Name	Redemption / Maturity Date	Principal Redeemed
1994 Series D	Oak St.	1/1/2014	$ 45,000
1997 Series A	Colorado Avenue	12/1/2013	15,000
1999 Series	Garfield Park Apts	10/1/2013 ~1/1/2014	24,734
1999 Series A	Walbraff Apts	12/1/2013	15,000
1999 Series	Barnaby Manor	10/1/2012 ~1/1/2014	28,533
1999 Series	Ft. Chaplin	10/1/2012 ~1/1/2014	142,298
1999 Series	Staton Glenn Apt	11/1/2013	120,000
2000 Series	Widrich Court Apt	10/1/2013	37,686
2000 Series A	Haven House (RS)	12/1/2013	5,000
2001 Series D	Meridian Manor	12/1/2013	20,000
2001 Series	Clifton Terrace	12/1/2013	58,794
2000 Series	WDC I LP (Regency)	12/1/2013	230,000
2002 Series A	DCCH Pool: Euclid Street	12/1/2013	10,000
2002 Series C	DCCH Pool: Chapin Street	12/1/2013	5,000
2002 Series	Trenton Park Apts	1/1/2014	55,000
2002 Series G	Trinity Towers Apts	12/1/2013	65,000
2002 Series E	Golden Rule Plaza	12/1/2013	120,000
2002 Series I	Henson Ridge (RS)	12/1/2013	20,000
2002 Series J	Fairmont I & II	12/1/2013	110,000
2003 Series B	Urban Village (RS)	12/1/2013	35,000
2003 Series C	St. Paul Sr. Living @ Wayne Place	12/1/2013	20,000
2004 Series A	1330 7th Street (RS)	12/1/2013	125,000
2004 Series A	Congress Park II	10/1/2013 ~1/15/2014	19,557
2004 Series B&C	JW King Seniors Center (RS)	12/1/2013	30,000
2004 Series	Savannah Heights	12/20/2013	40,000
2004 Series D	Henson Ridge Phase II (RS)	12/1/2013	30,000
2004 Series E	Henson Ridge Phase II (RS)	12/1/2013	70,000
2005 Series A	Faircliff Plaza - West	10/1/2013 ~1/1/2014	30,536
2005 Series B	Faircliff Plaza - West	10/1/2013 ~1/1/2014	8,864
2005 Series	Shipley Park Apts	12/1/2013	100,000
2006 Series	Hunter Pines	10/1/2013 ~1/1/2014	28,625
2006 Series	GW Carver Senior Apts	10/1/2013 ~1/1/2014	19,075
2006 Series	Garfield Hills Apts	1/1/2014	35,000
2006 Series	Galen Terrace	10/1/2013 ~12/1/2013	12,497
2006 Series A	Southview I & II	10/1/2013 ~12/1/2013	21,977
2006 Series	Golden Rule Apts	11/1/2013	120,000
2006 Series	Azeeze Bates Apts	11/1/2013	65,000
2007 Series	Cavalier Apts	10/1/2013 ~1/1/2014	43,657
2007 Series	Residences at Georgia Avenue Apts	10/1/2013 ~1/1/2014	19,965
2007 Series	R Street Apts	10/1/2013 ~1/1/2014	16,664
2007 Series A	Parkside Terrace Apts (DD)	10/1/2013 ~1/1/2014	85,702
2008 Series A	Henson Ridge UFAS Rentals	10/1/2013 ~1/1/2014	27,062
2008 Series	Longfellow Arms Apts	12/1/2013	5,000
2008 Series A	Fairmont I and II Apts (RS)	12/1/2013	20,000
2008 Series A	Wheeler Terrace (DD)	10/1/2013 ~1/1/2014	23,218
2008 Series A	St. Martin's Apts (DD)	10/1/2013 ~1/1/2014	43,318
2008 Series	Pentacle Apartments	11/1/2013	130,000
2010 Series A	Sheridan Station (DD)	10/1/2013 ~1/1/2014	14,536
Total			**$ 2,367,298**

SUPPLEMENTAL INFORMATION

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENTS OF NET POSITION
SEPTEMBER 30, 2013
(WITH COMPARATIVE TOTALS FOR 2012)

ASSETS	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily (Conduit Bond) Program Fund	Multifamily NIBP Fund	DC Building Finance Corporation	2013	2012 (As Restated)
CURRENT ASSETS								
Unrestricted current assets:								
Cash and cash equivalents	$ 29,858,055	$ -	$ -	$ -	$ -	$ -	$ 29,858,055	$ 24,316,950
Mortgage and construction loans receivable	146,813	-	-	-	-	-	146,813	167,730
Other receivables	11,526,498	-	-	-	-	-	11,526,498	10,803,751
Accrued interest receivable	20,587	-	-	-	-	-	20,587	189,844
Prepaid expenses	126,800						126,800	213,046
Total unrestricted current assets	41,678,753	-	-	-	-	-	41,678,753	35,691,321
Restricted current assets:								
Cash and cash equivalents	14,998,730	5,255,076	2,659,457	56,597,556	21,882,678	188,522	101,582,019	107,485,752
Mortgage-backed securities at fair value	-	7,411,310	-	420,000	190,000	-	8,021,310	5,119,885
Mortgage and construction loans receivable	-	-	-	22,203,796	1,190,000	-	23,393,796	23,320,886
Accrued interest receivable	22,065	475,376	28,754	2,815,565	1,198,553	-	4,540,313	5,453,239
Other receivables	-	-	-	-	-	60,755	60,755	62,392
Total restricted current assets	15,020,795	13,141,762	2,688,211	82,036,917	24,461,231	249,277	137,598,193	141,442,154
TOTAL CURRENT ASSETS	56,699,548	13,141,762	2,688,211	82,036,917	24,461,231	249,277	179,276,946	177,133,475
NON-CURRENT ASSETS								
Unrestricted non-current assets:								
Investments	3,361,379	-	-	-	-	-	3,361,379	6,042,929
Mortgage and construction loans receivable	249,921	-	-			-	249,921	417,396
Due from (to) other funds	2,684,066	(2,684,066)	-	-	-	-	-	-
Total unrestricted non-current assets	6,295,366	(2,684,066)	-	-	-	-	3,611,300	6,460,325
Restricted non-current assets:								
Investments held in trust	-	14,638,439	-	21,082,901	-	-	35,721,340	52,226,369
Mortgage-backed securities at fair value	-	42,249,915	9,465,809	47,890,648	19,999,672	-	119,606,044	187,960,438
Mortgage and construction loans receivable	-	390,000	110,000	451,792,140	200,482,742	-	652,774,882	647,335,404
Loans receivable	-	-	-	2,464,857	-	-	2,464,857	2,611,404
McKinney Act loans receivable, net	1,332,193	-	-	-	-	-	1,332,193	1,511,430
Other receivables	-	-	-	-	-	-	-	15,412
Total restricted non-current assets	1,332,193	57,278,354	9,575,809	523,230,546	220,482,414	-	811,899,316	891,660,457
Capital assets:								
Land	-	-	-	-	-	573,000	573,000	573,000
Property and equipment	2,160,747	-	-	-	-	1,795,238	3,955,985	3,919,487
Leasehold improvements	1,745,285	-	-	-	-	-	1,745,285	1,723,053
Less accumulated depreciation and amortization	(2,813,279)	-	-	-	-	(1,010,283)	(3,823,562)	(3,578,198)
Total capital assets, net	1,092,753	-	-	-	-	1,357,955	2,450,708	2,637,342
TOTAL NON-CURRENT ASSETS	8,720,312	54,594,288	9,575,809	523,230,546	220,482,414	1,357,955	817,961,324	900,758,124
TOTAL ASSETS	**$ 65,419,860**	**$ 67,736,050**	**$ 12,264,020**	**$ 605,267,463**	**$ 244,943,645**	**$ 1,607,232**	**$ 997,238,270**	**$ 1,077,891,599**

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENTS OF NET POSITION – (CONTINUED)
SEPTEMBER 30, 2013
(WITH COMPARATIVE TOTALS FOR 2012)

LIABILITIES AND NET POSITION	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily (Conduit Bond) Program Fund	Multifamily NIBP Fund	DC Building Finance Corporation	2013	2012 (As Restated)
CURRENT LIABILITIES								
Current liabilities payable from unrestristed assets:								
Accounts payable and accrued liabilities	$ 2,656,374	$ -	$ -	$ -	$ -	$ -	$ 2,656,374	$ 2,609,715
Accrued salary and vacation payable	267,889	-	-	-	-	-	267,889	235,811
Prepaid fees	1,182,997	-	-	-	-	-	1,182,997	1,041,577
Total current liabilities payable from unrestricted assets	4,107,260	-	-	-	-	-	4,107,260	3,887,103
Current liabilities payable from restricted assets:								
Accounts payable and accrued liabilities	-	64,982	-	-	-	-	64,982	143,569
Project funds held for borrower and other liabilities	4,898,953	2,773,285	-	33,189,823	12,628,529	188,360	53,678,950	98,100,076
Interest payable	-	772,188	94,205	5,325,835	2,597,020	14,088	8,803,336	9,640,556
Current portion of bonds payable	-	705,000	150,000	22,623,796	1,400,000	-	24,878,796	25,741,032
Current portion of certificates of participation	-	-	-	-	-	140,000	140,000	135,000
Total current liabilities payable from restricted assets	**4,898,953**	**4,315,455**	**244,205**	**61,139,454**	**16,625,549**	**342,448**	**87,566,064**	**133,760,233**
Total current liabilities	**9,006,213**	**4,315,455**	**244,205**	**61,139,454**	**16,625,549**	**342,448**	**91,673,324**	**137,647,336**
NON-CURRENT LIABILITIES								
Non-current liabilities payable from restristed assets:								
Loans payable	-	-	-	-	-	-	-	575,444
Bonds payable—less current portion	-	46,544,757	11,200,000	533,172,240	225,010,769	-	815,927,766	845,670,004
Certificates of participation—less current portion	-	-	-	-	-	650,000	650,000	790,000
Total non-current liabilities payable from restricted assets	-	46,544,757	11,200,000	533,172,240	225,010,769	650,000	816,577,766	847,035,448
TOTAL LIABILITIES	**9,006,213**	**50,860,212**	**11,444,205**	**594,311,694**	**241,636,318**	**992,448**	**908,251,090**	**984,682,784**
NET POSITION								
Net invested in capital assets	1,092,753	-	-	-	-	567,955	1,660,708	1,712,342
Restricted for:								
Bond fund, collateral and Risk Share Program	2,526,606	16,875,838	819,815	10,955,769	3,307,327	46,829	34,532,184	41,571,166
McKinney Act Fund	8,576,551	-	-	-	-	-	8,576,551	8,926,106
Total restricted net position	11,103,157	16,875,838	819,815	10,955,769	3,307,327	46,829	43,108,735	50,497,272
Unrestricted net position	44,217,737	-	-	-	-	-	44,217,737	40,999,201
TOTAL NET POSITION	**56,413,647**	**16,875,838**	**819,815**	**10,955,769**	**3,307,327**	**614,784**	**88,987,180**	**93,208,815**
TOTAL LIABILITIES AND NET POSITION	**$ 65,419,860**	**$ 67,736,050**	**$ 12,264,020**	**$ 605,267,463**	**$ 244,943,645**	**$ 1,607,232**	**$ 997,238,270**	**$ 1,077,891,599**

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
SEPTEMBER 30, 2013
(WITH COMPARATIVE TOTALS FOR 2012)

	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily (Conduit Bond) Program Fund	Multifamily NIBP Fund	DC Building Finance Corporation	2013	2012 (As Restated)
OPERATING REVENUES								
Investment interest income	$ 250,594	$ 880,677	$ 349	$ 822,695	$ 12,029	$ -	$ 1,966,344	$ 3,203,285
Mortgage-backed security interest income	-	3,067,602	380,235	2,665,481	776,965	-	6,890,283	13,646,776
Interest on mortgage and construction loans	43,935	-	-	33,794,780	8,018,173	-	41,856,888	32,089,494
McKinney Act interest revenue	121,892	-	-	-	-	-	121,892	94,333
Application and commitment fees	300,813	-	-	-	-	-	300,813	183,422
Service project receipts	4,580,901	-	-	-	-	-	4,580,901	6,536,023
Other	8,479,391	-	-	3,629,393	1,830,512	184,247	14,123,543	11,159,842
Total operating revenues	13,777,526	3,948,279	380,584	40,912,349	10,637,679	184,247	69,840,664	66,913,175
OPERATING EXPENSES								
General and administrative	1,692,758	70,781	31,967	4,011,311	1,206,110	-	7,012,927	6,591,266
Personnel and related costs	4,278,160	-	-	-	-	-	4,278,160	4,053,725
Interest expense	5,175	2,793,612	299,174	36,155,970	8,451,720	47,080	47,752,731	38,625,017
Depreciation and amortization	178,874	-	-	-	-	66,490	245,364	228,255
Service project payments	4,581,667	-	-	-	-	-	4,581,667	6,532,506
Trustee fees and other expenses	531,879	26,828	2,750	1,434,166	69,970	500	2,066,093	1,189,441
Total operating expenses	11,268,513	2,891,221	333,891	41,601,447	9,727,800	114,070	65,936,942	57,220,210
OPERATING INCOME (LOSS)	2,509,013	1,057,058	46,693	(689,098)	909,879	70,177	3,903,722	9,692,965
NON-OPERATING REVENUES/EXPENSES								
(Decrease) / Increase in fair value of mortgage-backed securities	-	(3,188,503)	(767,318)	(4,429,511)	259,975	-	(8,125,357)	(2,208,568)
Transfers of funds, net	301,790	-	-	(301,790)	-	-	-	-
CHANGE IN NET POSITION	2,810,803	(2,131,445)	(720,625)	(5,420,399)	1,169,854	70,177	(4,221,635)	7,484,397
Net position, beginning of year, as previously stated	53,643,448	19,421,915	1,690,740	16,376,166	2,137,478	553,622	93,823,368	87,095,587
Cumulative effect of change in accounting principle	(40,606)	(414,632)	(150,302)	-	-	(9,013)	(614,553)	(1,371,169)
Net position, end of year	$ 56,413,645	$ 16,875,838	$ 819,813	$ 10,955,767	$ 3,307,332	$ 614,786	$ 88,987,180	$ 93,208,815

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENT OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2013
(WITH COMPARATIVE TOTALS FOR 2012)

	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily (Conduit Bond) Program Fund	Multifamily NIBP Fund	DC Building Finance Corporation	2013	2012 (As Restated)
Cash Flows From Operating Activities:								
Interest received on loans	$ 103,570	$ -	$ -	$ 33,838,906	$ 8,438,488	$ -	$ 42,380,964	$ 31,992,385
Other cash receipts	16,851,539	-	-	54,457,226	38,950,615	184,988	110,444,368	74,820,540
Payments to vendors	(1,391,306)	(97,608)	-	(4,616,594)	(1,276,080)	-	(7,381,588)	(5,814,128)
Payments to employees	(4,242,460)	-	-	-	-	-	(4,242,460)	(4,031,590)
Net mortgage and construction loans principal (disbursements) / receipts	(153,502)	20,000	-	283,327	(5,669,168)	-	(5,519,343)	(94,207,338)
Receipts of service project income	4,580,901	-	-	-	-	-	4,580,901	6,536,023
Payments of service project expenses	(4,581,667)	-	-	-	-	-	(4,581,667)	(6,532,506)
Principal and interest received on mortgage-backed securities	639,602	25,898,828	1,919,142	35,683,479	988,650	-	65,129,701	78,424,017
Payment for the purchase of mortgage-backed securities	(626,966)	-	-	-	-	-	(626,966)	(11,153,800)
Other cash payments	(10,054,588)	-	(34,717)	(89,692,605)	(42,456,583)	(500)	(142,238,993)	(53,389,572)
Net cash provided by / (used in) operating activities	1,125,123	25,821,220	1,884,425	29,953,739	(1,024,078)	184,488	57,944,917	16,644,031
Cash Flows from Capital and Related Financing Activities								
Acquisition of fixed assets	(58,730)	-	-	-	-	-	(58,730)	(361,469)
Payments of bonds and long-term debt	-	-	-	-	-	(135,000)	(135,000)	(130,000)
Net cash used in capital and related financing activities	(58,730)	-	-	-	-	(135,000)	(193,730)	(491,469)
Cash Flows From Non-Capital Financing Activities								
Interest paid on bonds and loans	(5,174)	(3,302,359)	(320,256)	(36,772,929)	(8,440,854)	(49,488)	(48,891,060)	(42,312,896)
Transfer (to) from other funds	301,790	-	-	(301,790)	-	-	-	-
Proceeds from bond issuances and loans	-	-	-	98,431,472	19,786,959	-	118,218,431	126,399,423
Principal payments on issued debt and loans	-	(23,830,000)	(2,540,000)	(96,579,585)	(26,022,194)	-	(148,971,779)	(158,286,431)
Bond issuance cost	-	-	-	-	-		-	(154,156)
Net cash provided by / (used in) non-capital financing activities	296,616	(27,132,359)	(2,860,256)	(35,222,832)	(14,676,089)	(49,488)	(79,644,408)	(74,354,060)
Cash Flows From Investing Activities								
Interest received on investments	526,248	862,513	383	949,574	11,487	-	2,350,205	3,283,380
Sale of investments	3,268,252	7,620,030	-	37,520,205	5,000,870	-	53,409,357	28,608,961
Purchase of investments	(598,929)	(7,567,093)	-	(21,062,077)	(5,000,870)	-	(34,228,969)	(26,330,545)
Arbitrage rebate paid	-	-	-	-	-	-	-	(107,439)
Net cash provided by investing activities	3,195,571	915,450	383	17,407,702	11,487	-	21,530,593	5,454,357
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	4,558,580	(395,689)	(975,448)	12,138,609	(15,688,680)	-	(362,628)	(52,747,141)
Cash and cash equivalents, beginning of year	40,298,205	5,650,765	3,634,905	44,458,947	37,571,358	188,522	131,802,702	184,549,843
Cash and cash equivalents, end of year	$ 44,856,785	$ 5,255,076	$ 2,659,457	$ 56,597,556	$ 21,882,678	$ 188,522	$ 131,440,074	$ 131,802,702

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENT OF CASH FLOWS – (CONTINUED)
YEARS ENDED SEPTEMBER 30, 2013
(WITH COMPARATIVE TOTALS FOR 2012)

	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multi-Family (Conduit Bond) Program Fund	Multifamily NIBP Fund	DC Building Finance Corporation	2013	2012 (As Restated)
Reconciliation of Operating Income to Net Cash Provided by / (Used In) Operating Activities								
Operating income (loss)	$ 2,509,013	$ 1,057,058	$ 46,693	$ (689,098)	$ 909,879	$ 70,177	$ 3,903,722	$ 9,692,964
Depreciation and amortization	178,874	-	-	-	-	66,490	245,364	228,255
Amortization of prepaid items, premiuims and discounts on debt	(1,161,661)	(113,921)	-	(187,188)	-	-	(1,462,770)	(3,910,998)
Interest on bonds/loans	5,174	3,302,359	320,256	36,772,929	8,440,854	49,488	48,891,060	42,312,896
Amortization of premium on investments	31,929	-	-	-	-	-	31,929	39,475
Provision for uncollectible other revenue	14,124	-	-	-	-	-	14,124	14,449
Provision for uncollectible interest revenue	(299,664)	-	-	-	-	-	(299,664)	(48,990)
Contingent loss expense	613,060	-	-	-	-	-	613,060	1,407,966
Decrease (increase) in mortgage and construction loans	153,502	20,000	-	283,327	(5,669,168)	-	(5,212,339)	(95,095,485)
Decrease in mortgage-backed securities	626,966	22,730,023	1,533,981	32,852,658	210,950	-	57,954,578	64,522,380
Purchases of mortgage-backed securities	(626,966)	-	-	-	-	-	(626,966)	(11,153,800)
Arbitrage rebate paid	-	-	-	-	-	-	-	107,439
Decrease (increase) in fair value of investments	12,226	-	-	(6,037)	-	-	6,189	(26,294)
Interest received on investments	(526,248)	(862,513)	(384)	(949,573)	(11,487)	-	(2,350,205)	(3,283,380)
Decrease (increase) in assets:								
Accrued interest receivable	205,132	109,202	4,961	342,381	420,507	-	1,082,183	129,987
Other current assets	86,247	-	-	-	-	-	86,247	(29,600)
Other receivables	(641,538)	-	-	15,415	-	741	(625,382)	(1,899,591)
Increase (decrease) in liabilities:								
Accounts payables and accrued liabilities	36,331	(26,162)	-	(51,529)	-	-	(41,360)	1,031,702
Prepaid items	1,118,955	-	-	-	-	-	1,118,955	590,036
Project funds held for borrower and other liabilities	(1,210,334)	-	-	(37,999,776)	(5,336,479)	-	(44,546,589)	12,420,024
Accrued interest payable	-	(394,825)	(21,082)	(429,770)	10,866	(2,408)	(837,219)	(405,404)
Net cash provided by / (used in) operating activities	$ 1,125,122	$ 25,821,221	$ 1,884,425	$ 29,953,739	$ (1,024,078)	$ 184,488	$ 57,944,917	$ 16,644,031

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND
SEPTEMBER 30, 2013 AND 2012

DC Building Finance Corporation as of September 30, 2013

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Money Market Funds	$ 188,522	$ 188,522	$ 188,522	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	188,522	188,522	188,522	-	-	-	-
DC Building Finance Corporation Total Cash	**$ 188,522**	**$ 188,522**	**$ 188,522**	**$ -**	**$ -**	**$ -**	**$ -**

DC Building Finance Corporation as of September 30, 2012

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Money Market Funds	$ 188,522	$ 188,522	$ 188,522	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	188,522	188,522	188,522	-	-	-	-
DC Building Finance Corporation Total Cash	**$ 188,522**	**$ 188,522**	**$ 188,522**	**$ -**	**$ -**	**$ -**	**$ -**

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2013

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Money Market Funds	$ 944,326	$ 944,326	$ 944,326	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	944,326	944,326	944,326	-	-	-	-
Investments							
Investment Agreements	10,000,000	10,000,000	-	-	-	10,000,000	-
Total Investments	10,000,000	10,000,000	-	-	-	10,000,000	-
Mortgage-Backed Securities							
Ginnie Mae	1,552,309	1,677,879	-	-	1,677,879	-	-
Total Mortgage-Backed Securities	1,552,309	1,677,879	-	-	1,677,879	-	-
1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	**$ 12,496,635**	**$ 12,622,205**	**$ 944,326**	**$ -**	**$ 1,677,879**	**$ 10,000,000**	**$ -**

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2012

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Money Market Funds	$ 532,181	$ 532,181	$ 532,181	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	532,181	532,181	532,181	-	-	-	-
Investments							
Investment Agreements	10,000,000	10,000,000	-	-	-	10,000,000	-
Total Investments	10,000,000	10,000,000	-	-	-	10,000,000	-
Mortgage-Backed Securities							
Ginnie Mae	1,914,846	2,115,654	-	-	2,115,654	-	-
Total Mortgage-Backed Securities	1,914,846	2,115,654	-	-	2,115,654	-	-
1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	**$ 12,447,027**	**$ 12,647,835**	**$ 532,181**	**$ -**	**$ 2,115,654**	**$ 10,000,000**	**$ -**

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

1996 Single Family Mortgage Revenue Bonds as of September 30, 2013

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Money Market Funds	$ 4,310,750	$ 4,310,750	$ 4,310,750	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	4,310,750	4,310,750	4,310,750	-	-	-	-
Investments							
Investment Agreements	4,638,439	4,638,439	-	-	-	-	4,638,439
Total Investments	4,638,439	4,638,439	-	-	-	-	4,638,439
Mortgage-Backed Securities							
Ginnie Mae	12,500,460	13,718,707	-	-	1,121,085	4,418,292	8,179,330
Fannie Mae	10,378,069	11,106,097	-	-	-	329,485	10,776,612
Freddie Mac	21,092,494	23,158,543	-	-	-	-	23,158,543
Total Mortgage-Backed Securities	43,971,022	47,983,347	-	-	1,121,085	4,747,777	42,114,485
1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	**$ 52,920,211**	**$ 56,932,536**	**$ 4,310,750**	**$ -**	**$ 1,121,085**	**$ 4,747,777**	**$ 46,752,923**

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

1996 Single Family Mortgage Revenue Bonds as of September 30, 2012

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Money Market Funds	$ 5,118,584	$ 5,118,584	$ 5,118,584	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	5,118,584	5,118,584	5,118,584	-	-	-	-
Investments							
Investment Agreements	4,691,376	4,691,376	-	-	-	-	4,691,376
Total Investments	4,691,376	4,691,376	-	-	-	-	4,691,376
Mortgage-Backed Securities							
Ginnie Mae	16,564,590	18,807,038	-	-	815,665	6,038,962	11,952,411
Fannie Mae	17,806,788	19,374,110	-	-	-	453,297	18,920,813
Freddie Mac	31,967,130	35,282,950	-	-	-	-	35,282,950
Total Mortgage-Backed Securities	66,338,508	73,464,098	-	-	815,665	6,492,260	66,156,173
1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	**$ 76,148,468**	**$ 83,274,057**	**$ 5,118,584**	**$ -**	**$ 815,665**	**$ 6,492,260**	**$ 70,847,549**

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Single Family NIB Program as of September 30, 2013

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Money Market Funds	$ 2,659,457	$ 2,659,457	$ 2,659,457	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	2,659,457	2,659,457	2,659,457	-	-	-	-
Mortgage-Backed Securities							
Ginnie Mae	9,195,645	9,465,809	-	-	-	-	9,465,809
Total Mortgage-Backed Securities	9,195,645	9,465,809	-	-	-	-	9,465,809
Single Family NIB Program Total Cash and Mortgage-Backed Securities	**$ 11,855,102**	**$ 12,125,265**	**$ 2,659,457**	**$ -**	**$ -**	**$ -**	**$ 9,465,809**

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Single Family NIB Program as of September 30, 2012

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Money Market Funds	$ 3,634,903	$ 3,634,903	$ 3,634,903	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	3,634,903	3,634,903	3,634,903	-	-	-	-
Mortgage-Backed Securities							
Ginnie Mae	10,729,626	11,767,107	-	-	-	-	11,767,107
Total Mortgage-Backed Securities	10,729,626	11,767,107	-	-	-	-	11,767,107
Single Family NIB Program Total Cash and Mortgage-Backed Securities	**$ 14,364,529**	**$ 15,402,010**	**$ 3,634,903**	**$ -**	**$ -**	**$ -**	**$ 11,767,107**

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Multifamily NIB Program as of September 30, 2013

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Demand Money Market Deposits	$ 21,882,673	$ 21,882,673	$ 21,882,673	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	21,882,673	21,882,673	21,882,673	-	-	-	-
Mortgage-Backed Securities							
Ginnie Mae	18,489,050	20,189,672	-	-	-	-	20,189,672
Total Mortgage-Backed Securities	18,489,050	20,189,672	-	-	-	-	20,189,672
Multifamily NIB Program Total Cash, Investments and Mortgage-backed Securities	**$ 40,371,723**	**$ 42,072,346**	**$ 21,882,673**	**$ -**	**$ -**	**$ -**	**$ 20,189,672**

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Multifamily NIB Program as of September 30, 2012

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Demand Money Market Deposits	$ 37,571,358	$ 37,571,358	$ 37,571,358	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	37,571,358	37,571,358	37,571,358	-	-	-	-
Mortgage-Backed Securities							
Ginnie Mae	18,700,000	20,140,648	-	-	-	-	20,140,648
Total Mortgage-Backed Securities	18,700,000	20,140,648	-	-	-	-	20,140,648
Multifamily NIB Program Total Cash, Investments and Mortgage-backed Securities	**$ 56,271,358**	**$ 57,712,006**	**$ 37,571,358**	**$ -**	**$ -**	**$ -**	**$ 20,140,648**

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Multifamily (Conduit Bond) Program as of September 30, 2013

			Maturities (in years)				
Asset	**Cost**	**Fair Value**	**Less than 1**	**From 1 Up To 5**	**From 5 Up To 10**	**From 10 Up To 15**	**15 and More**
Cash and Cash Equivalents							
Non-Money Market Deposits	$ 16,335,084	$ 16,335,084	$ 16,335,084	$ -	$ -	$ -	$ -
Demand Money Market Deposits	17,150,710	17,150,710	17,150,710	-	-	-	-
Money Market Funds	22,824,154	22,824,154	22,824,154	-	-	-	-
Commercial Papers	287,577	287,577	287,577	-	-	-	-
Total Cash and Cash Equivalents	56,597,524	56,597,524	56,597,524	-	-	-	-
Investments							
Commercial Papers	7,087,580	7,094,716	7,094,716	-	-	-	-
US Treasury Obligations	5,907,766	5,906,667	2,703,051	3,203,616	-	-	-
Investment Agreements	8,081,517	8,081,517	-	1,057,755	-	-	7,023,762
Total Investments	21,076,864	21,082,900	9,797,767	4,261,371	-	-	7,023,762
Mortgage-Backed Securities							
Ginnie Mae	45,202,727	48,310,648	-	-	-	-	48,310,648
Total Mortgage-Backed Securities	45,202,727	48,310,648	-	-	-	-	48,310,648
Multifamily (Conduit Bond) Program Total Cash, Investments and Mortgage-Backed Securities	**$ 122,877,115**	**$ 125,991,072**	**$ 66,395,291**	**$ 4,261,371**	**$ -**	**$ -**	**$ 55,334,410**

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Multifamily (Conduit Bond) Program as of September 30, 2012

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
Cash and Cash Equivalents							
Non-Money Market Deposits	$ 132,929	$ 132,929	$ 132,929	$ -	$ -	$ -	$ -
Demand Money Market Deposits	15,280,922	15,280,922	15,280,922	-	-	-	-
Money Market Funds	25,873,210	25,873,210	25,873,210	-	-	-	-
Commercial Papers	3,171,888	3,171,888	3,171,888	-	-	-	-
Total Cash and Cash Equivalents	44,458,949	44,458,949	44,458,949	-	-	-	-
Investments							
Investment Agreements	37,534,993	37,534,993	22,583,107	5,957,594	-	-	8,994,292
Total Investments	37,534,993	37,534,993	22,583,107	5,957,594	-	-	8,994,292
Mortgage-Backed Securities							
Ginnie Mae	45,738,790	85,592,817	-	-	-	-	85,592,817
Total Mortgage-Backed Securities	45,738,790	85,592,817	-	-	-	-	85,592,817
Multifamily (Conduit Bond) Program Total Cash, Investments and Mortgage-Backed Securities	**$ 127,732,731**	**$ 167,586,758**	**$ 67,042,056**	**$ 5,957,594**	**$ -**	**$ -**	**$ 94,587,108**

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Combined Revenue Obligation Funds and General Fund as of September 30, 2013

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
Cash and Cash Equivalents							
Non-Money Market Deposits	$ 53,692,942	$ 53,692,942	$ 53,692,942	$ -	$ -	$ -	$ -
Demand Money Market Deposits	46,354,488	46,354,488	46,354,488	-	-	-	-
Money Market Funds	31,186,249	31,186,249	31,186,249	-	-	-	-
Commercial Papers	287,577	287,577	287,577	-	-	-	-
Total Cash and Cash Equivalents	131,521,257	131,521,257	131,521,257	-	-	-	-
Investments							
Commercial Papers	7,087,580	7,094,716	7,094,716	-	-	-	-
U.S. Treasury Obligations	6,900,870	6,902,071	3,094,212	3,807,860	-	-	-
U.S. Agency Obligations	150,000	150,006	-	150,006	-	-	-
Investment Agreements	22,719,956	22,719,956	-	1,057,755	-	10,000,000	11,662,201
Corporate Obligations	1,119,218	1,136,246	221,612	914,634	-	-	-
GSE Obligations	1,079,442	1,079,723	50,237	1,029,486	-	-	-
Total Investments	39,057,067	39,082,718	10,460,777	6,959,741	-	10,000,000	11,662,201
Mortgage-Backed Securities							
Ginnie Mae	86,940,191	93,362,715	-	-	2,798,964	4,418,292	86,145,459
Fannie Mae	10,378,069	11,106,097	-	-	-	329,485	10,776,612
Freddie Mac	21,092,494	23,158,543	-	-	-	-	23,158,543
Total Mortgage-Backed Securities	118,410,754	127,627,354	-	-	2,798,964	4,747,777	120,080,613
Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 288,989,077**	**$ 298,231,329**	**$ 141,982,033**	**$ 6,959,741**	**$ 2,798,964**	**$ 14,747,777**	**$ 131,742,815**

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Combined Revenue Obligation Funds and General Fund as of September 30, 2012

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
Cash and Cash Equivalents							
Non-Money Market Deposits	$ 35,482,303	$ 35,482,303	$ 35,482,303	$ -	$ -	$ -	$ -
Demand Money Market Deposits	57,826,797	57,826,797	57,826,797	-	-	-	-
Money Market Funds	35,392,368	35,392,368	35,392,368	-	-	-	-
Commercial Papers	3,171,888	3,171,888	3,171,888	-	-	-	-
Total Cash and Cash Equivalents	131,873,357	131,873,357	131,873,357	-	-	-	-
Investments							
Collateralized Certificates of Deposits	2,624,000	2,624,000	1,624,000	1,000,000	-	-	-
U.S. Treasury Obligations	1,471,162	1,449,677	628,314	821,363	-	-	-
U.S. Agency Obligations	150,000	150,170	-	150,170	-	-	-
Investment Agreements	52,226,369	52,226,369	22,583,107	5,957,594	-	10,000,000	13,685,668
Corporate Obligations	1,138,232	1,188,493	51,288	1,137,205	-	-	-
Government Sponsored Enterprises	627,692	630,589	127,393	503,197	-	-	-
Total Investments	58,237,455	58,269,297	25,014,101	9,569,529	-	10,000,000	13,685,668
Mortgage-Backed Securities							
Ginnie Mae	93,647,851	138,423,264	-	-	2,931,319	6,038,962	129,452,982
Fannie Mae	17,806,788	19,374,110	-	-	-	453,297	18,920,813
Freddie Mac	31,967,130	35,282,950	-	-	-	-	35,282,950
Total Mortgage-Backed Securities	143,421,770	193,080,323	-	-	2,931,319	6,492,260	183,656,745
Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 333,532,581**	**$ 383,222,977**	**$ 156,887,457**	**$ 9,569,529**	**$ 2,931,319**	**$ 16,492,260**	**$ 197,342,412**

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

DC Building Finance Corporation as of September 30, 2013

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Money Market Funds	$ 188,522	100.0%	AAAm	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	188,522	100.0%			
DC Building Finance Corporation Total Cash and Cash Equivalents	**$ 188,522**	**100.0%**			

DC Building Finance Corporation as of September 30, 2012

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Money Market Funds	$ 188,522	100.0%	AAAm	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	188,522	100.0%			
DC Building Finance Corporation Total Cash and Cash Equivalents	**$ 188,522**	**100.0%**			

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2013

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Money Market Funds	$ 944,326	7.5%	AAAm	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	944,326	7.5%			
Investments					
Investment Agreements	10,000,000	79.2%	AA+	S&P	
Total Investments	10,000,000	79.2%			
Mortgage-Backed Securities					
Ginnie Mae	1,677,879	13.3%	Aaa	Moody's	
Total Mortgage-Backed Securities	1,677,879	13.3%			
1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	**$ 12,622,205**	**100.0%**			

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2012

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Money Market Funds	$ 532,181	4.2%	AAAm	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	532,181	4.2%			
Investments					
Investment Agreements	10,000,000	79.1%	AA+	S&P	
Total Investments	10,000,000	79.1%			
Mortgage-Backed Securities					
Ginnie Mae	2,115,654	16.7%	Aaa	Moody's	
Total Mortgage-Backed Securities	2,115,654	16.7%			
1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	**$ 12,647,835**	**100.0%**			

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

1996 Single Family Mortgage Revenue Bonds as of September 30, 2013

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Money Market Funds	$ 4,310,750	7.6%	AAAm	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	4,310,750	7.6%			
Investments					
Investment Agreements	4,638,439	8.1%	AA-	S&P	
Total Investments	4,638,439	8.1%			
Mortgage-Backed Securities					
Ginnie Mae	13,718,707	24.1%	Aaa	Moody's	
Fannie Mae	11,106,097	19.5%	Aaa	Moody's	
Freddie Mac	23,158,543	40.7%	Aaa	Moody's	
Total Mortgage-Backed Securities	**47,983,347**	**84.3%**			
1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	**$ 56,932,536**	**100.0%**			

(Continued)

See Accompanying Independent Auditor’s Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

1996 Single Family Mortgage Revenue Bonds as of September 30, 2012

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Money Market Funds	$ 5,118,584	6.1%	AAAm	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	5,118,584	6.1%			
Investments					
Investment Agreements	4,691,376	5.6%	AA-	S&P	
Total Investments	4,691,376	5.6%			
Mortgage-Backed Securities					
Ginnie Mae	18,807,038	22.6%	Aaa	Moody's	
Fannie Mae	19,374,110	23.3%	Aaa	Moody's	
Freddie Mac	35,282,950	42.4%	Aaa	Moody's	
Total Mortgage-Backed Securities	**73,464,098**	**88.2%**			
1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	**$ 83,274,057**	**100.0%**			

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Single Family NIB Program as of September 30, 2013

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Money Market Funds	$ 2,659,457	21.9%	AAAm	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	2,659,457	21.9%			
Mortgage-Backed Securities					
Ginnie Mae	9,465,809	16.6%	Aaa	Moody's	
Total Mortgage-Backed Securities	**9,465,809**	**16.6%**			
Single Family NIB Program Total Cash and Mortgage-Backed Securities	**$ 12,125,265**	**100.0%**			

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Single Family NIB Program as of September 30, 2012

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Money Market Funds	$ 3,634,903	23.6%	AAAm	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	3,634,903	23.6%			
Mortgage-Backed Securities					
Ginnie Mae	11,767,107	14.1%	Aaa	Moody's	
Total Mortgage-Backed Securities	**11,767,107**	**14.1%**			
Single Family NIB Program Total Cash and Mortgage-Backed Securities	**$ 15,402,010**	**100.0%**			

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Multifamily NIB Program as of September 30, 2013

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Demand Money Market Deposit	$ 21,882,673	52.0%	AA-	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	21,882,673	52.0%			
Mortgage-Backed Securities					
Ginnie Mae	20,189,672	48.0%	Aaa	Moody's	
Total Mortgage-Backed Securities	20,189,672	48.0%			
Multifamily NIB Program Total Cash and Mortgage-Backed Securities	**$ 42,072,346**	**100.0%**			

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Multifamily NIB Program as of September 30, 2012

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Demand Money Market Deposit	$ 37,571,358	65.1%	AA-	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	37,571,358	65.1%			
Mortgage-Backed Securities					
Ginnie Mae	20,140,648	34.9%	Aaa	Moody's	
Total Mortgage-Backed Securities	20,140,648	34.9%			
Multifamily NIB Program Total Cash and Mortgage-Backed Securities	**$ 57,712,006**	**100.0%**			

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Multifamily (Conduit Bond) Program as of September 30, 2013

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Non-Money Market Deposits	$ 16,335,084	13.0%	Not Rated		Uncollateralized, Uninsured
Demand Money Market deposit	17,150,710	13.6%	AA-	S&P	Uncollateralized, Uninsured
Money Market Funds	22,824,152	18.1%	AAAm	S&P	Uncollateralized, Uninsured
Commercial Papers	287,577	0.2%	AA-	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	56,597,523	44.9%			
Investments					
Commercial Papers	7,094,716	5.6%	P-1	Moody's	
U.S. Treasury Obligations	5,906,667	4.7%	Aaa	Moody's	
Investment Agreements	2,382,277	1.9%	AA+	S&P	
Investment Agreements	2,402,387	1.9%	AA-	S&P	
Investment Agreements	3,268,281	2.6%	A	S&P	
Investment Agreements	28,573	0.0%	Not Rated		
Total Investments	21,082,900	6.4%			
Mortgage-Backed Securities					
Ginnie Mae	48,310,648	38.3%	Aaa	Moody's	
Total Mortgage-Backed Securities	48,310,648	38.3%			
Multifamily (Conduit Bond) Program Total Cash, Investments and Mortgage-Backed Securities	**$ 125,991,071**	**89.7%**			

(Continued)

See Accompanying Independent Auditor’s Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Multifamily (Conduit Bond) Program as of September 30, 2012

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Non-Money Market Deposits	$ 132,929	0.1%	Not Rated		Uncollateralized, Uninsured
Demand Money Market deposit	15,280,922	9.1%	AA-	S&P	Uncollateralized, Uninsured
Money Market Funds	25,873,210	15.4%	AAAm	S&P	Uncollateralized, Uninsured
Commercial Papers	3,171,888	1.9%	AA-	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	44,458,949	26.5%			
Investments					
Investment Agreements	1,172,609	0.7%	AA+	S&P	
Investment Agreements	2,862,613	1.7%	AA-	S&P	
Investment Agreements	22,532,107	13.4%	A	S&P	
Investment Agreements	7,964,273	4.8%	A2	Moody's	
Investment Agreements	3,003,391	1.8%	Not Rated		
Total Investments	37,534,993	22.4%			
Mortgage-Backed Securities					
Ginnie Mae	85,592,817	51.1%	Aaa	Moody's	
Total Mortgage-Backed Securities	85,592,817	51.1%			
Multifamily (Conduit Bond) Program Total Cash, Investments and Mortgage-Backed Securities	**$ 167,586,758**	**100.0%**			

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Combined Revenue Obligation Funds and General Fund as of September 30, 2013

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Non-Money Market Deposits	$ 32,130,092	10.8%		Moody's	Federal Reserve-Held Aaa Collateral
Non-Money Market Deposits	5,227,767	1.8%		Moody's	Third Party-Held Aaa Collateral
Demand Money Market Deposits	7,321,105	2.5%		Moody's	Federal Reserve-Held Aaa Collateral
Non-Money Market Deposits	16,335,084	13.0%	Not Rated		Uncollateralized, Uninsured
Money Market Funds	31,186,248	10.5%	AAAm	S&P	
Demand Money Market Deposits	39,033,383	13.1%	AA-	S&P	Uncollateralized, Uninsured
Commercial Papers	287,577	0.1%	AA-	S&P	
Total Cash and Cash Equivalents	131,521,255	44.1%			
Investments					
Commercial Papers	7,094,716	2.4%	P-1	S&P	
U.S. Treasury Obligations	6,902,071	2.3%	Aaa	Moody's	
U.S. Agency Obligations	150,006	0.1%	Aaa	Moody's	
Corporate Obligations	104,001	0.0%	AA+	S&P	
Corporate Obligations	61,750	0.0%	AA	S&P	
Corporate Obligations	87,059	0.0%	AA-	S&P	
Corporate Obligations	72,123	0.0%	A+	S&P	
Corporate Obligations	70,981	0.0%	A	S&P	
Corporate Obligations	664,986	0.2%	A-	S&P	
Corporate Obligations	50,257	0.0%	BBB+	S&P	
Corporate Obligations	25,091	0.0%	BBB	S&P	
GSE Obligations	1,079,723	0.4%	Aaa	Moody's	
Investment Agreements	12,382,277	9.8%	AA+	Moody's	
Investment Agreements	7,040,826	5.6%	AA-	S&P	
Investment Agreements	3,268,281	2.6%	A	S&P	
Investment Agreements	28,573	0.0%	Not Rated	S&P	
Total Investments	39,082,718	13.1%			
Mortgage-Backed Securities					
Ginnie Mae	93,362,715	31.3%	Aaa	Moody's	
Fannie Mae	11,106,097	3.7%	Aaa	Moody's	
Freddie Mac	23,158,543	7.8%	Aaa	Moody's	
Total Mortgage-Backed Securities	127,627,355	42.8%			
Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 298,231,329**	**100.0%**			

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2013 AND 2012

Combined Revenue Obligation Funds and General Fund as of September 30, 2012

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Non-Money Market Deposits	$ 29,196,704	7.6%			Federal Reserve-Held Aaa Collateral
Non-Money Market Deposits	6,151,876	1.6%			Third Party-Held Aaa Collateral
Non-Money Market Deposits	133,723	0.0%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposits	4,952,627	1.3%			Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	52,874,170	13.8%	AA-	S&P	Uncollateralized, Uninsured
Money Market Funds	35,347,400	9.2%	AAAm	S&P	Uncollateralized, Uninsured
Money Market Funds	44,968	0.0%	Not Rated		Uncollateralized, Uninsured
Commercial Papers	3,171,888	0.8%	AA-	S&P	
Total Cash and Cash Equivalents	131,873,357	34.4%			
Investments					
Collateralized Certificates of Deposits	2,624,000	0.7%			Federal Reserve-Held Aaa Collateral
U.S. Treasury Obligations	1,449,677	0.4%	Aaa	Moody's	
U.S. Agency Obligations	150,170	0.0%	Aaa	Moody's	
Corporate Obligations	102,643	0.0%	AA+	S&P	
Corporate Obligations	63,331	0.0%	AA	S&P	
Corporate Obligations	112,138	0.0%	AA-	S&P	
Corporate Obligations	72,691	0.0%	A+	S&P	
Corporate Obligations	98,591	0.0%	A	S&P	
Corporate Obligations	688,587	0.2%	A-	S&P	
Corporate Obligations	50,513	0.0%	BBB+	S&P	
GSE Obligations	630,589	0.2%	Aaa	Moody's	
Investment Agreements	11,172,609	6.7%	AA+	S&P	
Investment Agreements	7,553,988	4.5%	AA-	S&P	
Investment Agreements	22,532,107	13.4%	A	S&P	
Investment Agreements	7,964,273	4.8%	A2	Moody's	
Investment Agreements	3,003,391	1.8%	Not Rated	S&P	
Total Investments	58,269,297	15.2%			
Mortgage-Backed Securities					
Ginnie Mae	138,423,264	36.1%	Aaa	Moody's	
Fannie Mae	19,374,110	5.1%	Aaa	Moody's	
Freddie Mac	35,282,950	9.2%	Aaa	Moody's	
Total Mortgage-Backed Securities	193,080,323	50.4%			
Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 383,222,977**	**100.0%**			

See Accompanying Independent Auditor's Report.