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, 2012, and 2011

CHARLES J. WILLOUGHBY
INSPECTOR GENERAL

OIG No. 13-1-16HF **April 5, 2013**

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Inspector General

Inspector General

April 5, 2013

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) 2012, CohnReznick LLP (CR LLP) submitted the enclosed final report on the District of Columbia Housing Finance Agency's (Agency) financial statements OIG Report No. 13-1-16HF.

CR LLP opined that the financial statements present fairly, in all material respects, the net assets of the financial position of the agency as of September 30, 2012, and changes in its financial position for the year then ended in accordance with U.S. generally accepted accounting principles. The financial statements of the Agency as of September 30, 2011, were audited by other auditors whose report, dated January 9, 2012, expressed an unmodified opinion on those statements.

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

Sincerely,

Charles J. Willoughby
Inspector General

CJW/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, 2012 and 2011

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT
YEARS ENDED SEPTEMBER 30, 2012 AND 2011

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Independent Auditor's Report

Board of Directors
District of Columbia Housing Finance Agency

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 year ended September 30, 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.

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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our 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, 2012, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The financial statements of the Agency as of September 30, 2011, were audited by other auditors whose report dated January 9, 2012, expressed an unmodified opinion on those statements.

The Management's Discussion and Analysis on pages 3 through 11 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying 2012 supplementary information on pages 69 through 100 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. The 2011 supplementary information on pages 69 through 100 was subjected to the auditing procedures applied in the 2011 audit of the basic financial statements by other auditors, whose report on such information stated that it was fairly stated in all material respects in relation to the 2011 financial statements as a whole.

As described in note 2, the basic financial statements for the year ended September 30, 2011 have been restated due to a change in accounting methods in connection with how the Agency accounts for conduit multifamily transactions.

The accompanying basic financial statements have been reissued to correct a typographical error that occurred in the table in note 2 in connection with the change in accounting policy.

CohnReznick LLP

Baltimore, Maryland
January 25, 2013

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, 2012 and 2011. 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, and to pay the Agency's administrative expenses of the Homesaver Program.

Financial Highlights for the Year Ended September 30, 2012, and Comparative Financial Highlights for the Years Ended September 30, 2011 and 2010

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

On October 19, 2009, the Obama Administration announced the Initiative for State and Local Housing Finance Agencies (HFA(s)), which was designed to expand resources for working families to access affordable housing. Under this initiative, the Agency received $193.10 million in bond issuance allocation under the New Issue Bond Program ("NIBP"). The NIBP provided a temporary financing mechanism for HFAs to issue new mortgage revenue bonds. Using authority under the Housing and Economic Recovery Act of 2008 ("HERA"), the U.S. Treasury purchased securities of Fannie Mae and

Freddie Mac backed by these new mortgage revenue bonds. The bonds issued under the NIBP can have maturity dates of up to 42 years for Federal Housing Administration ("FHA")-insured and FHA Risk-Share deals and up to 34 years for Fannie Mae and Freddie Mac enhanced deals. During fiscal year 2012, the Agency finished using all of the $168.1 million in multifamily NIBP bond allocation and additional $5.12 million from the $25 million single family NIBP bond allocation to finance multifamily transactions. $14.15 million of the $25 million single family NIBP escrow bonds were converted to the tax-exempt bonds and the proceeds were intended to be used to finance single family loan originations through their securitization into Government National Mortgage Association ("GNMA") securities. The balance of the $25 million single family NIIBP escrow bonds, or $5.73 million was refunded through the unused proceeds bond redemptions.

The Agency's total debt portfolio decreased by $31.36 million from $901.27 million in fiscal year 2011 to $869.91 million in fiscal year 2012, continuing the downward trend from fiscal year 2011, when the portfolio decreased from $948.81 million at beginning of the year to $901.27 million at year end. In fiscal year 2010 the portfolio underwent a net increase of $52.04 million, when the debt portfolio went up from $896.77 million to $948.81 million. The total amount of bonds issued during fiscal year 2012 was $126.91 million, comprised of $112.76 million in multifamily bonds and $14.15 million in single family bonds, compared to $82.68 million in total new bond issuance in fiscal year 2011, including $77.68 million in multifamily bonds and $5.00 million in a General Fund draw on the PNC Bank credit line. In fiscal year 2010 total debt issuance was $330.36 million, including 305.36 million in multifamily and $25.00 million in single family mortgage revenue bond issuances. Included in the fiscal year 2010 issuance numbers were $168.10 million in multifamily and $25.00 million in single family NIBP bonds originally issued in December 2009 and delivered in January 2010. The proceeds from the NIBP bonds were deposited in non-negative arbitrage escrow accounts and were used through fiscal year 2012 to finance multifamily projects and single family loans. The unused portion of NIBP escrow bonds were used to redeem the underlying escrow NIBP bonds in fiscal year 2012.

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 multi- and single family mortgages and/or mortgage-backed securities under the United States Treasury New Issue Bond Program or any subsequent bond program of the Agency as approved by PNC Bank. During fiscal year 2011, the Agency and PNC Bank modified the $50.00 million credit line by reducing it to $25.00 million. The term of both credit lines was extended till March of 2013. 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, 2012.

Except for the $25.00 million in single family NIBP escrow bonds, there were no single family bond issued in fiscal year 2010.

Basic Financial Statements

The accompanying financial statements include: Balance Sheet, Statement of Revenues, Expenses and Changes in Net Assets and Statement of Cash Flows. The Balance Sheet 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 Assets 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.

Financial Statement Analysis

There were several Multifamily (Conduit Bond) Program transactions where the Agency before 2009 recognized the receipt of certain funds as revenue from each individual conduit project owners' contributions while other contributions were recognized as escrow liabilities. Each individual conduit project's net assets and escrow liabilities are supported with the respective project's assets, which are generally subject to distribution to the project owners based on each indenture terms throughout the life of the project. Upon such assets distribution, the corresponding escrow liabilities are decreased and the net assets are reduced through a non-operating loss recorded in the Statement of Revenues, Expenses and Change in Net Assets.

In order to achieve a greater consistency in presenting conduit multifamily transactions on the face of the financial statements, the Agency has changed the way it accounts for the pre-2009 multifamily projects by reclassifying a portion of the Multifamily (Conduit Bond) Program net assets attributable to the accounts funded with project owner contributions into escrow liabilities included in the "Project funds held for borrower and other liabilities" line item on the Balance Sheets. As a result the "Liabilities and Net Assets" section of the Balance Sheets for fiscal years 2011 and 2010 was adjusted and restated in these financial statements. The amount of the prior period adjustment is $31,629,566.

The following information is an analysis of the Agency's financial statements for the year ended September 30, 2012, compared to the financial statements for the years ended September 30, 2011 and 2010.

	2012	Net Change	2011 (As Restated)	Net Change	2010 (As Restated)
Current assets	$ 177,133,475	-26.4%	$ 240,623,080	-18.8%	$ 296,474,625
Non-current other assets	899,066,901	5.7%	850,925,087	2.7%	828,578,130
Non-current capital assets	2,637,342	5.3%	2,504,128	5.2%	2,379,246
Total assets	**$ 1,078,837,719**	**-1.4%**	**$ 1,094,052,295**	**-3.0%**	**$ 1,127,432,001**
Current liabilities	$ 137,978,902	-0.9%	$ 139,204,828	12.4%	$ 123,794,491
Non-current liabilities	847,035,449	-2.4%	867,751,880	-6.0%	923,545,963
Total liabilities	**985,014,351**	**-2.2%**	**1,006,956,708**	**-3.9%**	**1,047,340,455**
Net assets:					
Invested in capital assets, net of related debt	1,712,342	18.2%	1,449,128	20.3%	1,204,246
Restricted for:					
Bond fund, collateral and Risk Share Program	42,185,718	-6.9%	45,295,037	39.4%	32,484,447
McKinney Act Fund	8,926,106	1.0%	8,839,007	1.4%	8,714,922
Total Restricted	51,111,823	-5.6%	54,134,044	31.4%	41,199,369
Unrestricted	40,999,202	30.1%	31,512,415	-16.4%	37,687,933
Total Net Assets	**93,823,368**	**7.7%**	**87,095,587**	**8.7%**	**80,091,547**
Total Liabilities and Net Assets	**$ 1,078,837,719**	**-1.4%**	**$ 1,094,052,295**	**-3.0%**	**$ 1,127,432,001**

In fiscal year 2012, the Agency' combined assets decreased by 1.4%, compared to the 3.0% decrease in fiscal year 2011. Similarly, non-current liabilities followed suit with a 2.4% decrease in fiscal year 2012, compared to a 6.0% decrease in fiscal year 2011. The main reason for these decreases was the increased bond redemption pace versus the new bond issuance. The 26.4% decrease in the current assets comes from utilization of bond proceeds to fund long term mortgage loan and mortgage-backed securities assets and use of the liquid funds to redeem mortgage revenue bonds. Funds generated from the issuance of project specific bonds were used to fund mortgage loans, contributing to a 5.7% increase in non-current assets, compared to the 2.7% increase in fiscal year 2011. Current liabilities in fiscal year 2012 decreased by 0.9% due to a slight decrease in bonds coming due within one year. Current liabilities increased in fiscal year 2011 by 12.4% due to more bonds coming due within one year. The 18.2% increase in capital net assets in fiscal year 2012 was due to increased capital spending for leasehold improvements and equipment acquisition, which continued the trend from fiscal year 2011 with 20.3% increase in capital net assets.

Operating Results

During fiscal year 2012, the Agency's combined net assets increased by $6.73 million, which comprises a net revenue of $8.94 million from operations and a non-operating loss of $2.21 million due to a decrease in the fair value of mortgage-backed securities. For fiscal year 2011, net assets increased by $7.00 million, consisting of a $2.93 million income from operations augmented by the $4.07 million non-operating revenue due to an increase in the fair value of mortgage-backed securities.

During fiscal year 2012, combined operating revenues increased by $1.51 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 7.2% or $4.50 million from fiscal year 2011, primarily due to a 7.3% drop in interest expense and decreased general and administrative 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 $8.94 million, augmenting and continuing a positive trend from fiscal year 2011 with its net operating income of $2.93 million.

	2012	Net Change	2011 (As Restated)	Net Change	2010 (As Restated)
Operating Revenues					
Investment interest income	$ 3,203,285	-8.2%	$ 3,490,543	-14.7%	$ 4,092,589
Mortgage-backed security interest income	13,646,776	6.6%	12,796,777	-7.0%	13,753,058
Interest on mortgage and construction loans	32,089,494	3.3%	31,066,955	10.7%	28,056,241
McKinney Act interest revenue	94,333	-22.0%	120,930	133.7%	51,757
Application and commitment fees	183,422	6.5%	172,282	4.4%	164,972
Service project receipts	6,536,023	-10.1%	7,267,771	4.8%	6,934,081
Other	11,386,435	6.3%	10,713,015	-0.3%	10,747,036
Total operating revenues	**67,139,768**	**2.3%**	**65,628,273**	**2.9%**	**63,799,735**
Non-operating revenues	(2,208,568)	-154.2%	4,077,133	208.0%	1,323,558
Total revenue	**64,931,200**	**-6.8%**	**69,705,405**	**7.0%**	**65,123,293**
Operating Expenses					
General and administrative	6,591,266	-0.2%	6,602,247	90.9%	3,458,697
Personnel and related costs	4,053,725	10.7%	3,661,739	2.5%	3,574,126
Interest expense	38,625,017	-7.3%	41,687,263	0.7%	41,393,059
Depreciation and amortization	228,255	14.5%	199,313	-0.4%	200,016
Service project payments	6,532,506	-10.1%	7,267,246	4.7%	6,943,433
Bond cost of issuance amortization	983,208	155.3%	385,194	-39.2%	633,289
Trustee fees and other expenses	1,189,441	-59.0%	2,898,363	57.0%	1,845,867
Total operating expenses	**58,203,419**	**-7.2%**	**62,701,365**	**8.0%**	**58,048,486**
Operating Income (Loss)	**8,936,349**	**205.3%**	**2,926,908**	**-49.1%**	**5,751,249**
Change in Net Assets	**6,727,781**	**-3.9%**	**7,004,040**	**-1.0%**	**7,074,807**
Net assets, beginning of year (as restated)	**87,095,587**	**8.7%**	**80,091,547**	**9.7%**	**73,016,739**
Net assets, end of year	**$ 93,823,368**	**7.7%**	**$ 87,095,587**	**8.7%**	**$ 80,091,547**

During fiscal year 2011, combined operating revenues increased by $1.83 million or 2.9% from fiscal year 2010, primarily due to a 10.7% increase in mortgage loan income, which was more than enough to offset the 14.7% decrease in investment earnings and a 7% decline in interest revenue on mortgage-backed securities. Combined operating expenses in fiscal year 2011 increased by 8.0% or $4.70 million from fiscal year 2010, primarily due to increased general and administrative fee expense carried by the bond programs as well as a loss attributable to the redemption of debt. The fiscal year 2011 operating income was $2.93 million, continuing a positive trend from fiscal year 2010 with its net operating income of $5.75 million.

In fiscal year 2012, the Agency recorded a $1.56 million net operating income and a $1.82 million overall net income in its General Fund, increasing General Fund net assets from $51.82 million at the beginning of the year to $53.64 million at year end. In fiscal years 2011 and 2010, the General Fund net operating income amounted to $1.66 and $3.63 million, respectively.

Debt Administration

Debt activity, including credit lines and certificates of participation, for the years ended September 30, 2012, 2011 and 2010 was as follows:

	2012	2011	2010
Beginning balance	$ 901,265,129	$ 948,806,448	$ 896,766,099
New issuance/draws	126,163,530	82,678,668	330,364,925
Redemptions/maturities	(158,271,377)	(130,219,987)	(278,324,576)
Ending balance	$ 869,157,282	$ 901,265,129	$ 948,806,448

In fiscal year 2012, the Agency's combined outstanding debt decreased by $32.11 million from fiscal year 2011. Under the General Fund, the Agency fully repaid the $5.00 million draw on the PNC Bank credit line used to finance the single-family mortgage-backed securities prior to the issuance of the long-term single family mortgage revenue bonds in December of 2012. The Certificates of Participation outstanding balance decreased by $130,000 from $1.055 million at the beginning of the year to $0.925 million at year end. Total single family revenue bonds were reduced by $48.66 million due to large scale redemptions, which outweighed new bond issuance.

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. $14.15 million of the NIBP single family bonds have been modified through a supplemental resolution in financing single family loans in the District. As of September 30, 2011, the amount of modified and released NIBP multifamily bonds was $134.76 million, accompanied by $36.99 million of non-NIBP bonds; no NIBP single family bond issuance took place in fiscal year 2011.

In addition to the six multifamily NIBP projects issued during fiscal year 2012, the Agency also issued draw down bonds to finance three additional multifamily projects, bringing the total fiscal year 2012 multifamily project issuances to nine. A number of multifamily revenue bonds, closed in fiscal years 2010-2012, 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 2012 was $37.17 million. The amount of outstanding multifamily bonds from new issuance and draws on the existing draw down bonds during fiscal year 2012 was $112.01 million, and, when offset by $90.33 million in matured and redeemed bonds, resulted in the net increase in multifamily bonds outstanding of $21.68 million, compared to a net decrease of $28.25 million in fiscal year 2011.

In fiscal year 2011, the Agency's total outstanding debt decreased by $47.54 million. The Certificates of Participation outstanding balance went down by $120,000 from $1.175 million to $1.055 million. Total single family revenue bonds were reduced by $24.18 million, comprised solely of regular 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, 2012, both the Certificates of Participation and the lease agreement had approximately six years remaining, and an outstanding balance of $0.925 million. The Agency redeemed $130,000 of the Certificates of Participation in fiscal year 2012 in addition to $120,000 and $115,000 redeemed in fiscal years 2011 and 2010, respectively.

Capital assets, net of accumulated depreciation and amortization, were $2,637,342 and $2,504,128 as of September 30, 2012 and 2011, respectively, and $2,379,246 as of September 30, 2010. 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. 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. In fiscal year 2012, the Agency closed six project financings involving $91.89 million in mortgage revenue bonds. Some of the bonds issued in fiscal years 2010, 2011 and 2012 were issued in a draw down mode. The $72.18 million in total amount of non-draw down bonds and $2.67 million in draws on the newly issued and existing draw-down bonds in fiscal year 2012 resulted in total new issuance of $74.85 million. When offset by $42.74 million in redeemed and matured bonds, the fiscal year 2012 net increase in total Multifamily NIBP Bonds outstanding was $32.11 million, compared to a net increase of $12.95 million in fiscal year 2011 and a net increase of $187.59 million in fiscal year 2010. As of September 30, 2012, the total bonds outstanding under the Multifamily NIBP, were $232.65 million, compared to $200.54 million as of September 30, 2011.

<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 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 completely disrupted the Agency's ability to securitize the originated homeownership loans into mortgage-backed securities for the remainder of the year. 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 is December 31, 2012. As of September 30, 2012, the total bonds outstanding under the Single Family NIBP were $13.89 million.

<u>Multifamily (Conduit Bond) Program:</u>
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 three project financings involving $91.11 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 2012 was $37.17 million. When offset by $47.59 million in redeemed and matured bonds, the fiscal year 2012 net decrease in total Multifamily (Conduit Bond) Program bonds outstanding was $10.42 million, compared to a net decrease of $41.20 million in fiscal year 2011 and a net decrease of $129.42 million in fiscal year 2010.

<u>Single Family Program:</u>
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 and increasing revenues, the Agency elected to carry out more frequent optional bond redemptions and took advantage of the favorable pricing for its seasoned mortgage-backed securities and its ability to optionally redeem at par several of the Single Family Program bonds series in their entirety. Total bond redemptions and maturities for the fiscal year 2012 was $37.55 million, bringing the total bonds outstanding down to $70.23 million at September 30, 2012, from $107.82 million at September 30, 2011.

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, 2012, 2011 and 2010, the HUD Risk-Share Reserve funds had a balance of $2.51 million, $2.48 million and $2.45 million, respectively, and the outstanding principal balance of the risk-share insured loans on 22 active projects was $155.48 million, $157.27 million and $158.63 million, respectively.

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 is currently occupied and is covering its operating expenses with limited Agency support. As of September 30, 2012, based on the competitive sale of this property in October of 2012, the Agency prepared its final claim calculation for HUD's review and, correspondingly, recorded $236,591 in contingent liability to reflect the anticipated loss on the disposition of the property. In addition, Parkway Overlook East & West (the Parkway Overlook Property) had its Section 8 HAP subsidies abated in 2007 by HUD due to successive 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 process resulted in the actual sale price of $2.5 million, significantly lower than the $12.5 million value used in prior fiscal year loss estimates. 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 actual winning bid obtained in fiscal year 2012, the Agency estimates the loss exposure as of September 30, 2012 to be $2.047 million, and accordingly, has established a contingent liability under the General Fund by recording additional loss of $1.17 million in the year ended September 30, 2012.

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
BALANCE SHEETS
SEPTEMBER 30, 2012 AND 2011

ASSETS	2012	2011
CURRENT ASSETS		
Unrestricted current assets:		
Cash and cash equivalents	$ 24,316,950	$ 17,448,820
Mortgage and construction loans receivable	167,730	-
Other receivables	11,206,641	9,321,694
Total unrestricted current assets	**35,691,321**	**26,770,515**
Restricted current assets:		
Cash and cash equivalents	107,485,752	167,101,023
Mortgage-backed securities at fair value	5,119,885	8,368,179
Mortgage and construction loans receivable	23,320,886	32,805,959
Accrued interest receivable	5,453,239	5,514,362
Other receivables	62,392	63,044
Total restricted current assets	**141,442,154**	**213,852,565**
TOTAL CURRENT ASSETS	**177,133,475**	**240,623,080**
NON-CURRENT ASSETS		
Unrestricted non-current assets:		
Investments	6,042,929	8,923,737
Mortgage and construction loans receivable	417,396	-
Prepaid expenses	10,857	12,773
Total unrestricted non-current assets	**6,471,181**	**8,936,509**
Restricted non-current assets:		
Investments held in trust	52,226,369	51,597,682
Mortgage-backed securities at fair value	187,960,438	240,289,292
Mortgage and construction loans receivable	647,335,404	543,714,223
Loans receivable	2,611,404	2,567,435
McKinney Act loans receivable	1,511,430	2,025,326
Other receivables	56,019	79,988
Bond issue costs, net	894,657	1,714,631
Total restricted non-current assets	**892,595,720**	**841,988,578**
Capital assets:		
Land	573,000	573,000
Property and equipment	3,919,487	3,809,705
Leasehold improvements	1,723,053	1,471,366
Less accumulated depreciation and amortization	(3,578,198)	(3,349,943)
Total capital assets, net	**2,637,342**	**2,504,128**
TOTAL NON-CURRENT ASSETS	**901,704,244**	**853,429,216**
TOTAL ASSETS	**$ 1,078,837,719**	**$ 1,094,052,295**

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
BALANCE SHEETS - CONTINUED
SEPTEMBER 30, 2012 AND 2011

LIABILITIES AND NET ASSETS	2012	2011 (As Restated)
CURRENT LIABILITIES		
Current liabilities payable from unrestricted assets:		
Accounts payable and accrued liabilities	$ 2,609,714	$ 1,464,498
Accrued salary and vacation payable	235,811	223,301
Deferred revenue	1,041,577	504,180
Total current liabilities payable from unrestricted assets	**3,887,103**	**2,191,979**
Current liabilities payable from restricted assets:		
Accounts payable and accrued liabilities	143,569	269,593
Project funds held for borrower and other liabilities	98,100,076	85,672,889
Deferred revenue	331,567	565,323
Interest payable	9,640,556	10,045,959
Loans payable	-	5,000,000
Bonds payable	25,741,032	35,329,084
Certificates of participation	135,000	130,000
Total current liabilities payable from restricted assets	**134,091,800**	**137,012,848**
TOTAL CURRENT LIABILITIES	**137,978,902**	**139,204,828**
NON-CURRENT LIABILITIES		
Non-current liabilities payable from restricted assets:		
Loans payable	575,444	484,605
Bonds payable	845,670,004	866,342,275
Certificates of participation	790,000	925,000
Total non-current liabilities payable from restricted assets	**847,035,449**	**867,751,880**
TOTAL LIABILITIES	**985,014,351**	**1,006,956,708**
NET ASSETS		
Invested in capital assets, net of related debt	**1,712,342**	**1,449,128**
Restricted for:		
Bond Fund, collateral and Risk Share Program	42,185,718	45,295,037
McKinney Act Fund	8,926,106	8,839,007
Total restricted net assets	**51,111,823**	**54,134,044**
Unrestricted net assets	**40,999,202**	**31,512,415**
TOTAL NET ASSETS	**93,823,368**	**87,095,587**
TOTAL LIABILITIES AND NET ASSETS	**$ 1,078,837,719**	**$ 1,094,052,295**

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 ASSETS
YEARS ENDED SEPTEMBER 30, 2012 AND 2011

	2012	2011 (As Restated)
OPERATING REVENUES		
Investment interest income	$ 3,203,285	$ 3,490,543
Mortgage-backed security interest income	13,646,776	12,796,777
Interest on mortgage and construction loans	32,089,494	31,066,955
McKinney Act interest revenue	94,333	120,930
Application and commitment fees	183,422	172,282
Service project receipts	6,536,023	7,267,771
Other	11,386,435	10,713,015
Total operating revenues	**67,139,768**	**65,628,273**
OPERATING EXPENSES		
General and administrative	6,591,266	6,602,247
Personnel and related costs	4,053,725	3,661,739
Interest expense	38,625,017	41,687,263
Depreciation and amortization	228,255	199,313
Service project payments	6,532,506	7,267,246
Bond cost of issuance amortization	983,208	385,194
Trustee fees and other expenses	1,189,441	2,898,363
Total operating expenses	**58,203,419**	**62,701,365**
OPERATING INCOME	**8,936,349**	**2,926,908**
NON-OPERATING REVENUES/EXPENSES		
(Decrease) / Increase in fair value of mortgage-backed securities	(2,208,568)	4,077,133
CHANGE IN NET ASSETS	**6,727,781**	**7,004,040**
Net assets, beginning of year (as restated)	87,095,587	80,091,547
Net assets, end of year	**$ 93,823,368**	**$ 87,095,587**

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, 2012 AND 2011

	2012	2011
Cash Flows From Operating Activities		
Interest received on loans	$ 31,992,385	$ 29,988,087
Other cash receipts	74,820,540	53,596,764
Payments to vendors	(5,814,128)	(7,202,666)
Payments to employees	(4,031,590)	(3,634,426)
Net mortgage and construction loans (disbursements) receipts	(94,207,338)	(33,665,163)
Receipts of service project income	6,536,023	7,267,771
Payments of service project expenses	(6,532,506)	(7,267,246)
Principal and interest received on mortgage-backed securities	78,424,017	42,414,206
Purchase of mortgage-backed securities	(11,153,800)	(33,910,003)
Other cash payments	(53,389,572)	(38,741,030)
Net cash provided by operating activities	16,644,031	8,846,293
Cash Flows from Capital and Related Financing Activities		
Acquisition of fixed assets	(361,469)	(324,196)
Payments of bonds and long-term debt	(130,000)	(120,000)
Net cash used in capital and related financing activities	(491,469)	(444,196)
Cash Flows From Non-Capital Financing Activities		
Interest paid on bonds	(42,312,896)	(41,381,538)
Proceeds from bond issuances	126,399,423	82,877,997
Principal payments on issued debt	(158,286,431)	(130,268,738)
Bond cost of issuance	(154,156)	-
Net cash used in non-capital financing activities	(74,354,060)	(88,772,279)
Cash Flows From Investing Activities		
Interest received on investments	3,283,380	3,651,977
Sale of investments	28,608,961	44,823,810
Purchase of investments	(26,330,545)	(30,746,010)
Arbitrage rebate paid	(107,439)	(935,843)
Net cash provided by investing activities	5,454,356	16,793,934
NET DECREASE IN CASH AND CASH EQUIVALENTS	(52,747,141)	(63,576,248)
Cash and cash equivalents, beginning of year	184,549,843	248,126,091
Cash and cash equivalents, end of year	$ 131,802,702	$ 184,549,843

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
STATEMENTS OF CASH FLOWS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2012 AND 2011

	2012	2011
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating income	$ 8,936,349	$ 2,926,908
Depreciation and amortization	228,255	199,313
Amortization of deferred items	(3,154,383)	(927,568)
Interest on bonds	42,312,896	41,381,538
Amortization of discount on investments	39,475	29,908
Provision for uncollectible other revenue	14,449	18,545
Provision for uncollectible interest revenue	(48,990)	22,790
Contingent loss expense	1,407,966	152,602
Decrease (increase) in mortgage and construction loans	(95,095,485)	(33,665,163)
Decrease in mortgage-backed securities	64,522,380	29,603,748
Purchase of mortgage-backed securities	(11,153,800)	(33,910,003)
Arbitrage rebate paid	107,439	935,843
Decrease (increase) in fair value of investments	(26,294)	56,935
Interest received on investments	(3,283,380)	(3,651,977)
Asset / (liability) adjustment	-	1,199,443
Decrease (increase) in assets:		
Receivables	129,987	(776,657)
Other current assets	(29,600)	(44,018)
Other receivables	(1,899,591)	(1,402,096)
Increase (decrease) in liabilities:		
Accounts payables and accrued liabilities	1,031,702	(368,157)
Deferred revenue	590,036	(77,418)
Project funds held for borrower and other liabilities	12,420,024	6,338,855
Accrued interest payable	(405,404)	802,921
Net cash provided by operating activities	**$ 16,644,031**	**$ 8,846,293**

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, 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 and McKinney Act program.

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 all of its prior fiscal year financial statements and the accompanying financial statements for fiscal year 2012. 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"). Under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Agency has elected not to adopt the Financial Accounting Standards Board ("FASB") pronouncements issued after November 30, 1989, unless the GASB specifically adopts the FASB Statements or Interpretations, APB Opinions, and ARB of the AICPA Committee on Accounting Procedure.

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 assets should be reported as restricted when constraints placed on the net asset 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, all net assets of the Revenue Obligation Funds are restricted as to their use as substantially all net assets within each indenture are 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 Balance Sheet and changes in the fair value of investments are recognized in the Statements of Revenues, Expenses and Changes in Net Assets as part of operating income.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 balance sheet and unrealized changes in the fair value of mortgage-backed securities are recognized in the Statements of Revenues, Expenses and Changes in Net Assets 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, 2012 and 2011, 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 Issuance Costs - Except for the bond series issued under the Multifamily (Conduit Bond) Program, where costs of issuing bonds and originating mortgage loans are recognized as an outright pass-through expense of the borrower under the respective indentures, costs related to the issuance of bonds and certificates of participation are capitalized and amortized over the life of the related debt on a straight-line basis, which approximates the effective yield method. When the debt is redeemed early with mortgage prepayments, a proportionate share of the remaining unamortized costs is recognized as a loss in the Statements of Revenues, Expenses and Changes in Net Assets.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Net Assets - Net assets are reported in three separate categories:

- **Invested in capital assets, net of related debt -** Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

- **Restricted -** Net assets whose use by the Agency is subject to externally imposed stipulations (such as bond covenants) that can be fulfilled by actions of the Agency pursuant to those stipulations or that expire with the passage of time. Such net assets include all Revenue Obligation Funds, HOME 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 assets that are not subject to externally imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of management or the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

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

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Recent Accounting Pronouncements

The Agency reviews all GASB accounting pronouncement for their applicability and impact on the Agency's financial statements. The Agency determined that the following GASB statements may have an impact on the Agency financial statements once adopted.

In June 2011 GASB published Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.* This 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. Also, the reason for not reclassifying statement of net position and balance sheet information for prior periods presented will be included, if necessary.

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. An example of how this Statement will affect the Agency financial statements relates to the debt issuance costs, which, except 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. 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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. 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 or fund balance, for the earliest period reported.

Change in Accounting Policy, Net Assets and Escrow Liability Accounts for Multifamily Funds – There were several Multifamily (Conduit Bond) Program transactions where the Agency before 2009 recognized the receipt of certain funds as revenue from each individual conduit project owners' contributions while other contributions were recognized as escrow liabilities. Each individual conduit project's net assets and escrow liabilities are supported with the respective project's assets, which are generally subject to distribution to the project owners based on each indenture terms throughout the life of the project. Upon such assets distribution, the corresponding escrow liabilities are decreased and the net assets are reduced through a non-operating loss recorded in the Statement of Revenues, Expenses and Change in Net Assets.

In order to achieve a greater consistency in presenting conduit multifamily transactions on the face of the financial statements, the Agency has changed the way it accounts for the pre-2009 multifamily projects by reclassifying a portion of the Multifamily (Conduit Bond) Program net assets attributable to the accounts funded with project owner contributions into escrow liabilities included in the "Project funds held for borrower and other liabilities" line item on the Balance Sheets. There were no adjustments in the fiscal year 2011 Statement of Revenues, Expenses and Change in Net Assets except for the beginning Net Assets amount.

	2011		
	As Originally Reported	Adjustment Amount	As Adjusted
Balance Sheets			
Project funds held for borrower and other liabilities	$ 54,043,323	$ 31,629,566	$ 85,672,889
Net assets restricted for:			
Bond Fund, collateral and Risk Share Program	76,924,603	(31,629,566)	45,295,037
Total	**$ 130,967,926**	**$ -**	**$ 130,967,926**

Change in Presentation, Liability Accounts – The Agency combined the escrow deposits, deferred credits line items in the Balance Sheets under the General Fund, Single Family Program Fund, Multifamily (Conduit Bond)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Program Fund, Multifamily NIBP Fund and DC Building Finance Corporation Fund as well as the deferred revenue line item under the Multifamily (Conduit Bond) Program Fund, Multifamily NIBP Fund into one line item “Project Funds Held for Borrower and Other Liabilities” line item on the Balance Sheets.

NOTE 3: RECLASSIFICATIONS

Certain amounts previously reported in the fiscal year 2011 financial statements have been reclassified to conform to the fiscal year 2012 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.

(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. 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 Balance Sheets.

		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	$ -	$ -	$ -	$ 132,929	$ -	$ -	$ 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	44,458,949	37,571,358	188,522	131,873,357
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	-	193,080,323
Total Cash, Investments and Mortgage-Backed Securities	**$ 46,411,789**	**$ 12,647,835**	**$ 83,274,057**	**$ 15,402,010**	**$ 167,586,758**	**$ 57,712,006**	**$ 188,522**	**$ 383,222,978**

(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, 2011, 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	1986, 1996 Single Family Whole Loan Bond Program	1988 Colalteralized 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									
Demand Money Market Deposits	$ 31,538,542	$ -	$ -	$ -	$ -	$ 4	$ -	$ -	$ 31,538,545
Money Market Funds	380,967	746,113	864,551	1,112,453	25,050,142	26,950,028	33,409,993	188,522	88,702,769
Commercial Papers	242,511	-	-	-	-	16,949,446	47,116,571	-	64,308,528
Total Cash and Cash Equivalents	32,162,020	746,113	864,551	1,112,453	25,050,142	43,899,478	80,526,564	188,522	184,549,843
Investments									
Certificates of Deposits	245,040	-	-	-	-	-	-	-	245,040
Collateralized Certificates of Deposits	5,624,000	-	-	-	-	-	-	-	5,624,000
U.S. Treasury Obligations	1,296,454	-	-	-	-	-	-	-	1,296,454
U.S. Agency Obligations	50,436	-	-	-	-	-	-	-	50,436
Investment Agreements	-	120,483	10,000,000	5,469,648	-	32,980,414	2,782,098	-	51,352,643
Corporate Obligations	1,316,571	-	-	-	-	-	-	-	1,316,571
GSE Obligations	636,275	-	-	-	-	-	-	-	636,275
Total Investments	9,168,777	120,483	10,000,000	5,469,648	-	32,980,414	2,782,098	-	60,521,420
Mortgage-Backed Securities									
Ginnie Mae	8,224,125	-	2,735,997	37,244,815	-	98,025,131	19,671,091	-	165,901,158
Fannie Mae	-	-	-	30,348,193	-	7,348,803	-	-	37,696,997
Freddie Mac	-	-	-	45,059,316	-	-	-	-	45,059,316
Total Mortgage-Backed Securities	8,224,125	-	2,735,997	112,652,325	-	105,373,934	19,671,091	-	248,657,471
Total Cash, Investments and Mortgage-Backed Securities	**$ 49,554,922**	**$ 866,596**	**$ 13,600,548**	**$ 119,234,425**	**$ 25,050,142**	**$ 182,253,827**	**$ 102,979,753**	**$ 188,522**	**$ 493,728,734**

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 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

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

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, 2012, 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	$ 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	6,011,087	6,042,929	2,430,994	3,611,935	-	-	-
General Fund Total Cash and Investments	**$ 46,379,947**	**$ 46,411,789**	**$ 42,799,854**	**$ 3,611,935**	**$ -**	**$ -**	**$ -**

(continued)

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

As of September 30, 2011, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for the General Fund were 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							
Demand Money Market Deposits	$ 31,538,542	$ 31,538,542	$ 31,538,542	$ -	$ -	$ -	$ -
Money Market Funds	380,967	380,967	380,967	-	-	-	-
Commercial Papers	242,511	242,511	242,511	-	-	-	-
Total Cash and Cash Equivalents	32,162,020	32,162,020	32,162,020	-	-	-	-
Investments							
Certificates of Deposits	245,040	245,040	245,040		-	-	-
Collateralized Certificates of Deposits	5,624,000	5,624,000	1,500,000	4,124,000	-	-	-
U.S. Treasury Obligations	1,281,592	1,296,454	206,453	1,090,001	-	-	-
U.S. Agency Obligations	50,173	50,436	50,436	-	-	-	-
Investment Agreements	-	-	-	-	-	-	-
Corporate Obligations	1,331,411	1,316,571	330,479	986,093	-	-	-
Government Sponsored Enterprises	631,013	636,275	302,854	333,422	-	-	-
Total Investments	9,163,229	9,168,777	2,635,261	6,533,516	-	-	-
Mortgage-Backed Securities							
Ginnie Mae	7,737,155	8,224,125	-	-	-	-	8,224,125
Total Mortgage-Backed Securities	7,737,155	8,224,125	-	-	-	-	8,224,125
General Fund Total Cash, Investments and Mortgage-Backed Securities	**$ 49,062,404**	**$ 49,554,922**	**$ 34,797,281**	**$ 6,533,516**	**$ -**	**$ -**	**$ 8,224,125**

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 are as follows:

Asset	Cost	Fair Value	Maturities (in years) Less than 1	From 1 Up To 5	From 5 Up To 10	From 10 Up To 15	15 and More
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	138,423,264	-	-	2,931,320	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	-	-	2,931,320	6,492,260	183,656,745
Combined Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 287,152,635**	**$ 336,811,188**	**$ 114,087,603**	**$ 5,957,594**	**$ 2,931,320**	**$ 16,492,260**	**$ 197,342,412**

(continued)

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

As of September 30, 2011, 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:

			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	$ 4	$ 4	$ 4	$ -	$ -	$ -	$ -
Money Market Funds	88,321,802	88,321,802	88,321,802	-	-	-	-
Commercial Papers	64,066,017	64,066,017	64,066,017	-	-	-	-
Total Cash and Cash Equivalents	152,387,823	152,387,823	152,387,823	-	-	-	-
Investments							
Investment Agreements	51,352,643	51,352,643	1,650,582	24,963,565	377,099	10,229,192	14,132,205
Total Investments	51,352,643	51,352,643	1,650,582	24,963,565	377,099	10,229,192	14,132,205
Mortgage-Backed Securities							
Ginnie Mae	145,166,784	157,677,033	18,837,064	19,671,091	3,546,297	6,858,738	108,763,843
Fannie Mae	35,004,131	37,696,997	-	-	-	7,808,502	29,888,495
Freddie Mac	41,198,876	45,059,316	- -	-	-	-	45,059,316
Total Mortgage-Backed Securities	221,369,790	240,433,347	18,837,064	19,671,091	3,546,297	14,667,241	183,711,654
Combined Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 425,110,256**	**$ 444,173,813**	**$ 172,875,469**	**$ 44,634,656**	**$ 3,923,396**	**$ 24,896,432**	**$ 197,843,860**

As of September 30, 2012 and 2011, 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, 2012 and 2011, 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 Merrill Lynch 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, 2012 and 2011 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. As of September 30, 2011, the 1986 Whole Loan Program indenture had a credit rating of "Unrated" by Standard and Poor's. 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, 2012, 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	$ 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	4,952,627	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	50,513	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, 2011, 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					
Demand Money Market Deposits	$ 25,813,651	52.1%		Moody's	Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	5,724,892	11.6%		Moody's	Third Party-Held Aaa Collateral
Commercial Paper	242,511	0.5%	A-1	S&P	Uncollateralized, Uninsured
Money Market Funds	380,967	0.8%	Not Rated		Uncollateralized, Uninsured
Total Cash and Cash Equivalents	32,162,020	64.9%			
Investments					
Certificates of Deposits	245,040	0.5%			FDIC Insurance
Collateralized Certificates of Deposits	5,624,000	11.3%		Moody's	Federal Reserve-Held Aaa Collateral
U.S. Treasury Obligations	1,296,454	2.6%	Aaa	Moody's	
U.S. Agency Obligations	50,436	0.1%	AAA	S&P	
Corporate Obligations	405,905	0.8%	AA+	S&P	
Corporate Obligations	51,983	0.1%	AA	S&P	
Corporate Obligations	52,516	0.1%	AA-	S&P	
Corporate Obligations	77,664	0.2%	A+	S&P	
Corporate Obligations	625,285	1.3%	A	S&P	
Corporate Obligations	76,706	0.2%	A-	S&P	
Corporate Obligations	26,513	0.1%	BBB+	S&P	
GSE Obligations	636,275	1.3%	Aaa	Moody's	
Total Investments	9,168,777	18.5%			
Mortgage-Backed Securities					
Ginnie Mae	8,224,125	16.6%	Aaa	Moody's	
Total Investments	8,224,125	16.6%			
General Fund Total Cash, Investments and Mortgage-Backed Securities	**$ 49,554,922**	**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, 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	$ 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	27.2%			
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	S&P	
Total Investments	52,226,369	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	57.3%			
Combined Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 336,811,188**	**100.00%**			

(continued)

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

As of September 30, 2011, 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					
Demand Money Market Deposits	$ 4	0.0%	Not Rated	S&P	Uncollateralized, Uninsured
Money Market Funds	88,321,802	19.9%	AAAm	S&P	Uncollateralized, Uninsured
Commercial Papers	64,066,017	14.4%	A-1	S&P	
Total Cash and Cash Equivalents	152,387,823	34.3%			
Investments					
Investment Agreements	3,510,163	0.8%	Aaa	Moody's	
Investment Agreements	12,113,930	2.7%	AA+	S&P	
Investment Agreements	6,604,395	1.5%	AA-	S&P	
Investment Agreements	20,643,224	4.6%	A+	S&P	
Investment Agreements	3,240,850	0.7%	A1	Moody's	
Investment Agreements	3,668,107	0.8%	A	S&P	
Investment Agreements	922,904	0.2%	A-	S&P	
Investment Agreements	649,070	0.1%	A-1	S&P	
Total Investments	51,352,643	11.6%			
Mortgage-Backed Securities					
Ginnie Mae	157,677,033	35.5%	Aaa	Moody's	
Fannie Mae	37,696,997	8.5%	Aaa	Moody's	
Freddie Mac	45,059,316	10.1%	Aaa	Moody's	
Total Mortgage-Backed Securities	240,433,347	54.1%			
Combined Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 444,173,813**	**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, 2012 and 2011, 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, 2012 and 2011, 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 rating 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, 2012, the Agency's single family indentures recorded a non-operating expense of $2,458,007 primarily due to a decrease in unrealized fair value on a decreased mortgage-backed security portfolio as a result of the sale of several mortgage-backed securities for the purpose of redeeming the underlying bonds. For the year ended September 30, 2011, the single family Funds recorded as non-operating revenue increase in unrealized fair value of mortgage-backed securities of $1,263,731, in the Statement of Revenues, Expenses and Changes in Net Assets. As of September 30, 2011, the Agency's General Fund included a non-operating revenue of $486,969 from the increase in unrealized fair value of mortgage-backed securities, which were funded under the General Fund and subsequently transferred at amortized cost into the Single Family New Issue Bond Program. 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 these securities at par to the Single Family NIBP portfolio.

For the year ended September 30, 2012, the Agency's Multifamily (Conduit Bond) Program recorded a $770,630 non-operating loss from decreases in unrealized fair value of mortgage-backed securities, and $1,355,341 unrealized gain for the year ended September 30, 2011, in the Statements of Revenues, Expenses and Changes in Net Assets.

For the year ended September 30, 2012, the Agency's Multifamily NIB Program recorded a $469,557 non-operating gain from increases in unrealized fair value of mortgage-backed securities, and $971,091 unrealized gain for the year ended September 30, 2011, in the Statements of Revenues, Expenses and Changes in Net Assets.

NOTE 5: MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE

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 rest exclusively with respective bond holders. Fixed and variable interest rates on the loans as of September 30, 2012, range from 0.568% to 7.82%, 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 5 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.

Combined restricted mortgage and construction loans as of September 30, 2012 and 2011, were $670,656,290 and $576,520,182, respectively. For the years ended September 30, 2012 and 2011, there was no allowance for loan losses under the Agency Revenue Obligation Funds.

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, 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, 2011, the HUD Risk-Share Reserve funds had a balance of $2.48 million and the outstanding principal balance of the risk-share insured loans on 22 active projects was $157.27 million.

As of September 30, 2012, the Agency's risk-share portfolio had two debentures on defaulted risk-share loans. Based on the actual bids for both of these

NOTE 5: MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE (Continued)

properties the Agency had to record $1.41 million in additional bad debt allowance within the General Fund. See Note 14.

For the years ended September 30, 2012 and 2011, the respective balances and changes in the provision for bad debt under the risk share loans under the General Fund were as follows:

	2012	2011
Beginning balance	$ 857,383	$ 704,781
Net increase in allowance for bad debt	1,407,966	152,602
Ending balance	$ 2,265,348	$ 857,383

The Agency's exposure to a loss on these properties may change depending on timing 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, 2012 the balance of total loans outstanding was $1,626,335, including $392,639 in loans at various stages of default process. At September 30, 2011, the balance of total loans outstanding was $2,025,326, of which $392,639 were attributed to loans at various stages of default process. The Agency did not set up an allowance for principal loss at either September 30, 2012 or 2011. For the years ended September 30, 2012 and 2011, the respective balances and changes in the provision for uncollectible interest on the McKinney Act loans under the General Fund were as follows:

	2012	2011
Beginning balance	$ 595,275	$ 560,595
Net (decrease) / increase in allowance for uncollectible interest	(60,880)	34,680
Ending balance	$ 534,395	$ 595,275

NOTE 6: CAPITAL ASSETS

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)	(943,793)
Building net of accumulated depreciation	917,936	(66,490)	851,445
Furniture and equipment	1,667,509	75,580	1,743,089
Less: accumulated depreciation	(1,560,258)	(42,499)	(1,602,757)
Furnitre and equipment net of accumulated depreciation	107,251	33,081	140,332
Total building, furniture and equipment	3,462,747	75,580	3,538,327
Less: accumulated depreciation	(2,437,560)	(108,989)	(2,546,550)
Total building, furniture and equipment, net of accmulated depreciation	1,025,187	(33,410)	991,778
Amortizable capital assets			
Leasehold improvements	1,471,366	251,687	1,723,053
Less: accumulated amortization	(622,933)	(96,794)	(719,727)
Leasehold improvement net of accumulated amortization	848,433	154,893	1,003,326
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	1,818,324	285,888	2,104,212
Less: accumulated amortization	(912,384)	(119,265)	(1,031,648)
Total leasehold improvements and software, net of accumulated amortization	905,941	166,623	1,072,564
Total depreciable and amortizable capital assets	5,281,072	361,468	5,642,540
Total capital assets	5,854,072	361,468	6,215,540
Less accumulated depreciation and amortization	(3,349,944)	(228,254)	(3,578,198)
Total capital assets	$ 2,504,128	$ 133,214	$ 2,637,342

NOTE 6: CAPITAL ASSETS (Continued)

The following is the detail of changes in capital assets during the year ended September 30, 2011:

	September 30, 2010	Additions / Dispositions	September 30, 2011
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	(810,812)	(66,490)	(877,302)
Building net of accumulated depreciation	984,426	(66,490)	917,936
Furniture and equipment	1,578,555	88,954	1,667,509
Less: accumulated depreciation	(1,535,206)	(25,052)	(1,560,258)
Furnitre and equipment net of accumulated depreciation	43,349	63,902	107,251
Total building, furniture and equipment	3,373,793	88,954	3,462,747
Less: accumulated depreciation	(2,346,018)	(91,542)	(2,437,560)
Total building, furniture and equipment, net of accmulated depreciation	1,027,775	(2,588)	1,025,187
Amortizable capital assets			
Leasehold improvements	1,533,808	(62,442)	1,471,366
Less: accumulated amortization	(835,517)	212,583	(622,933)
Leasehold improvement net of accumulated amortization	698,291	150,142	848,433
Software	346,958	-	346,958
Less: accumulated amortization	(266,778)	(22,672)	(289,450)
Software net of accumulated amortization	80,180	(22,672)	57,508
Total leasehold improvements and software	1,880,766	(62,442)	1,818,324
Less: accumulated amortization	(1,102,295)	189,911	(912,384)
Total leasehold improvements and software, net of accumulated amortization	778,471	127,470	905,941
Total depreciable and amortizable capital assets	5,254,559	26,513	5,281,072
Total capital assets	5,827,559	26,513	5,854,072
Less accumulated depreciation and amortization	(3,448,313)	98,369	(3,349,944)
Total capital assets	$ 2,379,246	$ 124,882	$ 2,504,128

During the year ended September 30, 2011, the Agency wrote off $297,685 the original cost for the leasehold improvements to the old headquarters building and the same amount of the accumulated amortization. For the years ended September 30, 2012 and 2011, there were no disposals. Depreciation expense for fiscal years 2012 and 2011 was $228,255 and $199,313, respectively.

NOTE 7: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS

For the year ended September 30, 2011, the draw on the PNC Bank credit line was the Agency's general obligation under the General Fund collateralized with and repayable from the Agency General Fund assets. As of September 30, 2012, there are no outstanding draws on the PNC Bank credit line as the draw was repaid from the issuance of the Single Family bonds in December, 2011.

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, 2012 and the debt outstanding and loans, bonds and certificates of participation payable as of September 30, 2012.

General Fund	Range of Interst 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 Interst 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

(continued)

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

Single Family Indentures

	Range of Interst 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**

(continued)

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 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	-	10,115,000	125,000
2003 Series B	Urban Village	5.25%	2012 ~ 2044	5,980,000	-	60,000	-	5,920,000	-	5,980,000	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	-	3,425,000	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)

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 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	-	7,339,577	-	7,339,577	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	-	10,894,022	-	10,894,022	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	-	4,541,529	-	4,541,529	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	-	63,921	-	7,489,680	-	7,489,680	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				$ 561,855,145	$ 37,167,528	$ 8,801,377	$ 38,790,000	$ 551,431,296	$ 2,250,059	$ 553,681,355	$ 13,216,032

(continued)

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

					Bond Activity						
	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2011	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 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 Multi-Family Indentures Total				**$ 762,395,146**	**$ 112,013,530**	**$ 8,911,377**	**$ 81,420,000**	**$ 784,077,299**	**$ 2,250,059**	**$ 786,327,358**	**$ 24,421,032**

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, 2011 and the debt outstanding and bonds and certificates of participation payable as of September 30, 2011:

	Range of Interst Rates	Range of Maturities	Debt Outstanding at 9/30/2010	Debt Activity: New Obligations	Debt Activity: Scheduled Maturity Payments	Debt Activity: Obligations Paid	Debt Outstanding at 9/30/2011	Premium (+) / Discount (-)	Loan Payable at 9/30/2011	Due Within One Year
General Fund										
PNC Bank Credit Line	Variable	2011	$ -	$ 5,000,000	$ -	$ -	$ 5,000,000	$ -	$ 5,000,000	$ 5,000,000
Total			$ -	$ 5,000,000	$ -	$ -	$ 5,000,000	$ -	$ 5,000,000	$ 5,000,000

	Range of Interst Rates	Range of Maturities	Debt Outstanding at 9/30/2010	Bond Activity: New Bonds Issued	Bond Activity: Scheduled Maturity Payments	Bond Activity: Bond Redeemed	Debt Outstanding at 9/30/2011	Premium (+) / Discount (-)	Bond Payable at 9/30/2011	Due Within One Year
1998 DC Building Finance Corporation Certificates of Participation										
1998 Series	5.35%	2011 ~ 2018	$ 1,175,000	$ -	$ -	$ 120,000	$ 1,055,000	$ -	$ 1,055,000	$ 130,000
Total			$ 1,175,000	$ -	$ -	$ 120,000	$ 1,055,000	$ -	$ 1,055,000	$ 130,000

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2012 AND 2011

Single Family Indentures

	Range of Interst Rates	Range of Maturities	Debt Outstanding at 9/30/2010	Bond Activity: New Bonds Issued	Bond Activity: Scheduled Maturity Payments	Bond Activity: Bond Redeemed	Debt Outstanding at 9/30/2011	Premium (+) / Discount (-)	Bond Payable at 9/30/2011	Due Within One Year
1986 Single Family Whole Loan Bonds										
1986 Series A	7.75%	2016	$ 1,080,000	$ -	$ -	$ 75,000	$ 1,005,000	$ -	$ 1,005,000	$ -
Total			$ 1,080,000	$ -	$ -	$ 75,000	$ 1,005,000	$ -	$ 1,005,000	$ -
1988 Single Family Mortgage Revenue Bonds										
1988 Series E-4	6.375%	2015 ~ 2026	$ 4,015,000	$ -	$ -	$ -	$ 4,015,000	$ (130,750)	$ 3,884,250	$ -
Total			$ 4,015,000	$ -	$ -	$ -	$ 4,015,000	$ (130,750)	$ 3,884,250	$ -
1996 Single Family Mortgage Revenue Bonds										
1996 Series A	5.40% ~ 6.15%	2011 ~ 2028	$ -	$ -	$ -	$ -	$ -		$ -	
1997 Series B	5.25% ~ 5.90%	2012 ~ 2028	3,455,000	-	10,000	335,000	3,110,000	391,125	3,501,125	50,000
1998 Series A	4.90% ~ 5.35 %	2011 ~ 2029	6,045,000	-	25,000	400,000	5,620,000	399,599	6,019,599	135,000
1999 Series A	4.95% ~ 5.45%	2011 ~ 2030	5,470,000	-	-	490,000	4,980,000	634,896	5,614,896	145,000
2000 Series A	5.65% ~ 6.30%	2012 ~ 2031	2,470,000	-	-	380,000	2,090,000	651,813	2,741,813	30,000
2000 Series C	5.75% ~ 6.25%	2011 ~ 2031	760,000	-	5,000	25,000	730,000	-	730,000	15,000
2000 Series D	5.65% ~ 6.15%	2012 ~ 2031	2,160,000	-	-	350,000	1,810,000	660,699	2,470,699	25,000
2001 Series A	4.95% ~ 6.85%	2012 ~ 2032	3,555,000	-	-	715,000	2,840,000	264,819	3,104,819	45,000
2005 Series A	5.50%	2011 ~ 2025	4,720,000	-	-	910,000	3,810,000	220,565	4,030,565	140,000
2005 Series B	4.75% ~ 5.625%	2012 ~ 2035	12,075,000	-	-	2,710,000	9,365,000	318,681	9,683,681	105,000
2006 Series A	4.95%	2011 ~ 2026	3,050,000	-	-	415,000	2,635,000	-	2,635,000	85,000
2006 Series B	5.1% ~ 5.35%	2012 ~ 2037	19,985,000	-	-	4,820,000	15,165,000	373,585	15,538,585	145,000
2006 Series D	4.60%	2011 ~ 2020	1,390,000	-	-	240,000	1,150,000	-	1,150,000	90,000
2006 Series E	4.65%	2012 ~ 2037	40,555,000	-	-	7,230,000	33,325,000	-	33,325,000	330,000
2007 Series A	5.15%	2012 ~ 2038	21,205,000	-	-	5,040,000	16,165,000	240,191	16,405,191	135,000
Total			$ 126,895,000	$ -	$ 40,000	$ 24,060,000	$ 102,795,000	$ 4,155,972	$ 106,950,972	$ 1,475,000
Single Family New Issue Bond Program										
2009 Series A	Variable	2041	$ 25,000,000	$ -	$ -	$ -	$ 25,000,000	$ -	$ 25,000,000	$ -
Total			$ 25,000,000	$ -	$ -	$ -	$ 25,000,000	$ -	$ 25,000,000	$ -
Combined Single Family Indentures Total			**$ 156,990,000**	**$ -**	**$ 40,000**	**$ 24,135,000**	**$ 132,815,000**	**$ 4,025,223**	**$ 136,840,223**	**$ 1,475,000**

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

	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2010	Bond Activity: New Bonds Issued	Bond Activity: Scheduled Maturity Payments	Bond Activity: Bonds Redeemed	Debt Outstanding at 9/30/2011	Discount (-) / Premium (+)	Bonds Payable at 9/30/2011	Due Within One Year
Multifamily Conduit Bonds											
1994 Series D	Oak Street	7.00%	2012 ~ 2023	$ 1,375,000	$ -	$ -	$ 70,000	1,305,000	$ -	1,305,000	$ 80,000
1995 Series	Tyler House	7.52%	2025	24,200,000	-	-	-	24,200,000	-	24,200,000	-
1995 Series	Benning Rd	6.30%	2012	960,000	-	-	465,000	495,000	(1,257)	493,743	495,000
1997 Series A	Colorado Avenue	5.85% ~ 5.95%	2011 ~ 2027	790,000	-	-	25,000	765,000	9,250	774,250	30,000
1998 Series	Burke, Randolph, Ft.Stephens, 7th Str.	5.15%	2012 ~ 2026	7,230,000	-	-	270,000	6,960,000	-	6,960,000	285,000
1999 Series	Rockburne Estates	5.75%	2011 ~ 2041	7,880,000	-	-	7,880,000	-	-	-	-
1999 Series	Garfield Park Apts	7.25%	2011 ~ 2031	2,864,412	-	-	61,205	2,803,207	-	2,803,207	65,793
1999 Series A	Walbraff Apts	6.10%	2011 ~ 2039	1,850,000	-	-	20,000	1,830,000	-	1,830,000	20,000
1999 Series	Barnaby Manor	7.375%	2011 ~ 2032	4,022,667	-	-	78,926	3,943,741	-	3,943,741	84,949
1999 Series	Ft. Chapin	6.90%	2011 ~ 2035	23,361,388	-	-	355,402	23,005,986	-	23,005,986	380,714
1999 Series	Staton Glenn Apt	5.60% ~ 6.28%	2011 ~ 2042	22,120,000	-	-	200,000	21,920,000	-	21,920,000	210,000
2000 Series	Widrich Court Apt	7.30%	2011 ~ 2032	3,211,461	-	-	61,711	3,149,751	-	3,149,751	66,370
2000 Series A	Congress Park Plaza	5.95% ~ 6.25%	2011	3,195,000	-	-	3,195,000	-	-	-	-
2000 Series C	636 Coop	6.50%	2012 ~ 2040	575,000	-	-	10,000	565,000	-	565,000	5,000
2000 Series	Aspen Court	6.15%	2012 ~ 2033	3,715,000	-	-	70,000	3,645,000	-	3,645,000	75,000
2000 Series A	Haven House	6.50%	2011 ~ 2042	780,000	-	-	-	780,000	-	780,000	10,000
2000 Series D	Chesapeake / Hartford / Knox	6.10%	2011 ~ 2041	4,340,000	-	-	45,000	4,295,000	-	4,295,000	45,000
2000 Series	Carver Terrace	5.70% ~ 6.05%	2012 ~ 2033	14,000,000	-	-	14,000,000	-	-	-	-
2001 Series A	Douglas Knoll	5.90%	2011~ 2043	9,524,000	-	-	90,000	9,434,000	-	9,434,000	90,000
2001 Series D	Meridian Manor	5.70%	2011 ~ 2037	2,240,000	-	-	30,000	2,210,000	-	2,210,000	35,000
2001 Series	Woodmont Crossing	5.70%	2012 ~ 2022	9,590,000	-	-	170,000	9,420,000	-	9,420,000	180,000
2001 Series	Clifton Terrace	5.99%	2011 ~ 2033	4,978,431	-	-	99,781	4,878,650	-	4,878,650	105,925
2001 Series E	Huntwood Apts	5.45%	2011 ~ 2038	6,365,000	-	-	90,000	6,275,000	-	6,275,000	90,000
2000 Series	WDC I LP (Regency)	Variable	2011 ~ 2032	7,625,000	-	-	200,000	7,425,000	-	7,425,000	210,000
2001 Series A&B	Columbia Heights	5.60% ~ 7.00%	2011 ~ 2043	33,050,000	-	-	315,000	32,735,000	-	32,735,000	335,000
2002 Series	Jeffery Gardens	5.65% ~ 5.80%	2012 ~ 2043	11,550,000	-	-	110,000	11,440,000	-	11,440,000	120,000
2002 Series	Trenton Park Apts	Variable	2012 ~ 2035	5,955,000	-	-	90,000	5,865,000	-	5,865,000	95,000
2002 Series A	DCCH Pool: Euclid Street	5.75%	2011 ~ 2039	1,395,000	-	-	10,000	1,385,000	-	1,385,000	10,000
2002 Series C	DCCH Pool: Chapin Street	5.75%	2011 ~ 2039	1,170,000	-	-	10,000	1,160,000	-	1,160,000	10,000
2002 Series G	Trinity Towers Apts	4.65% ~ 5.55%	2011 ~ 2038	8,140,000	-	-	110,000	8,030,000	-	8,030,000	110,000
2002 Series E	Golden Rule Plaza	4.75% ~ 5.70%	2011 ~ 2044	6,120,000	-	-	55,000	6,065,000	-	6,065,000	60,000
2002 Series I	Henson Ridge	5.40%	2011 ~ 2045	3,930,000	-	-	30,000	3,900,000	-	3,900,000	35,000
2002 Series J	Fairmont I & II	4.50% ~ 5.30%	2011 ~ 2040	15,285,000	-	-	195,000	15,090,000	-	15,090,000	205,000

(continued)

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

					Bond Activity						
	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2010	New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed	Debt Outstanding at 9/30/2011	Discount (-) / Premium (+)	Bonds Payable at 9/30/2011	Due Within One Year
Multifamily Conduit Bonds (Continued)											
2003 Series	Bowling Green	4.50% ~ 4.70%	2011 ~ 2044	10,225,000	-	-	110,000	10,115,000	-	10,115,000	120,000
2003 Series B	Urban Village	5.25%	2011 ~ 2044	6,040,000	-	-	60,000	5,980,000	-	5,980,000	60,000
2003 Series C	St. Paul Sr. Living @ Wayne Place	5.40% ~ 5.60%	2011 ~ 2045	3,455,000	-	-	30,000	3,425,000	-	3,425,000	30,000
2004 Series A	1330 7th Street	3.00% ~ 5.00%	2011 ~ 2045	12,220,000	-	-	210,000	12,010,000	-	12,010,000	225,000
2004 Series A	Congress Park II	6.70%	2011 ~ 2041	4,712,541	-	-	49,104	4,663,437	-	4,663,437	52,496
2004 Series B&C	JW King Seniors Center	4.25% ~ 5.15%	2011 ~ 2045	5,105,000	-	-	50,000	5,055,000	-	5,055,000	50,000
2004 Series	Savannah Heights	4.10% ~ 5.10%	2011 ~ 2045	7,680,000	-	-	65,000	7,615,000	-	7,615,000	80,000
2004 Series D	Henson Ridge Phase II	4.65% ~ 4.90%	2011 ~ 2047	5,715,000	-	-	55,000	5,660,000	-	5,660,000	60,000
2004 Series E	Henson Ridge Phase II	4.10% ~ 5.10%	2011 ~ 2037	7,205,000	-	-	130,000	7,075,000	-	7,075,000	130,000
2005 Series A	Faircliff Plaza - West	6.50%	2011 ~ 2047	11,046,444	-	-	77,076	10,969,368	-	10,969,368	82,238
2005 Series B	Faircliff Plaza - West	6.50%	2011 ~ 2025	525,777	-	-	22,375	503,402	-	503,402	23,873
2005 Series	DCHA Modernization Program	3.375% ~ 5.00	2012 ~ 2025	63,195,000	-	2,985,000	-	60,210,000	2,644,755	62,854,755	3,090,000
2005 Series	Shipley Park Apts	3.75% ~ 4.80	2011 ~ 2038	11,560,000	-	-	170,000	11,390,000	-	11,390,000	180,000
2006 Series	Hunter Pines	6.25%	2011 ~ 2048	10,459,817	-	-	72,735	10,387,083	-	10,387,083	77,413
2006 Series	GW Carver Senior Apts	5.875%	2011 ~ 2049	7,440,435	-	-	48,952	7,391,483	-	7,391,483	51,907
2006 Series	Garfield Hills Apts	4.70% ~ 5.00%	2012 ~ 2036	3,870,000	-	-	65,000	3,805,000	-	3,805,000	70,000
2006 Series	Galen Terrace	6.00%	2011 ~ 2048	4,469,968	-	-	31,966	4,438,002	-	4,438,002	33,937
2006 Series A	Southview I & II	6.25%	2011 ~ 2048	11,048,121	-	-	74,649	10,973,473	-	10,973,473	79,450
2006 Series	Golden Rule Apts	5.25%	2011 ~ 2048	12,230,000	-	-	205,000	12,025,000	-	12,025,000	210,000
2006 Series A	Wesley House	4.80%	2012 ~ 2049	9,230,000	-	-	75,000	9,155,000	-	9,155,000	80,000
2006 Series	Azeeze Bates Apts	4.80%	2011 ~ 2036	3,795,000	-	-	115,000	3,680,000	-	3,680,000	115,000
2007 Series	Cavalier Apts	5.60%	2011 ~ 2049	15,231,062	-	-	112,855	15,118,207	-	15,118,207	119,340
2007 Series	Residences at Georgia Avenue Apts	5.80%	2011 ~ 2050	7,651,487	-	-	51,338	7,600,149	-	7,600,149	54,396
2007 Series	R Street Apts	5.60%	2011 ~ 2056	12,300,000	-	3,422,000	10,996	8,867,004	-	8,867,004	45,554
2007 Series A	Parkside Terrace Apts	Variable	2011 ~ 2045	22,000,000	-	-	222,425	21,777,575	-	21,777,575	234,855
2008 Series	Henson Ridge UFAS Rentals	6.00%	2011 ~ 2050	5,500,000	-	-	884,982	4,615,018	-	4,615,018	73,490
2008 Series	Longfellow Arms Apts	5.70%	2012 ~ 2040	1,995,000	-	-	20,000	1,975,000	-	1,975,000	10,000
2008 Series	Arthur Capper ACC Townhomes Phase I	4.25%	2011	5,100,000	-	5,100,000	-	-	-	-	-
2008 A Series	Fairmont I and II Apts	5.70%	2011 ~ 2040	3,190,000	-	-	35,000	3,155,000	-	3,155,000	40,000
2008 Series A	Wheeler Terrace	Variable	2011 ~ 2050	8,150,611	-	-	597,010	7,553,601	-	7,553,601	63,921
2008 Series B	Wheeler Terrace	1.93%	2011	7,100,000	-	-	7,100,000	-	-	-	-
2008 Series A&B	St. Martin's Apts	5.40%	2011 ~ 2046	18,682,842	1,656,658	-	8,339,500	12,000,000	-	12,000,000	107,465
2008 Series	Pentacle Apartments	Variable	2038	11,370,000	-	-	235,000	11,135,000	-	11,135,000	-
2009 Series	Georgia Commons	2.50% ~ 5.875%	2012 ~ 2051	16,695,000	-	-	-	16,695,000	(216,758)	16,478,242	70,000
2010 Series A	Sheridan Station	Variable	2040	1,710,000	1,675,000	-	-	3,385,000	-	3,385,000	-
2010 Series B	Sheridan Station	Variable	2012	-	8,980,000	-	-	8,980,000	-	8,980,000	-
2010 Series A	Mathews Memorial	Variable	2042	60,000	-	-	-	60,000	-	60,000	-
2010 Series B	Mathews Memorial	Variable	2012	1,700,000	4,800,000	-	-	6,500,000	-	6,500,000	6,500,000
2010 Series	Arthur Capper	Variable	2013	-	886,009	-	-	886,009	-	886,009	-
2011 Series A-1	Victory Square	Variable	2043	-	51,000	-	-	51,000	-	51,000	-
2011 Series A-2	Victory Square	Variable	2043	-	-	-	-	-	-	-	-
2011 Series B	Victory Square	Variable	2014	-	-	-	-	-	-	-	-
Combined Multifamily Conduit Bonds Total				$ 603,051,465	$ 18,048,667	$11,507,000	$ 47,737,987	$ 561,855,145	$ 2,435,990	$ 564,291,135	$15,764,084

(continued)

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

	Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2010	Bond Activity: New Bonds Issued	Bond Activity: Scheduled Maturity Payments	Bond Activity: Bonds Redeemed	Debt Outstanding at 9/30/2011	Discount (-) / Premium (+)	Bonds Payable at 9/30/2011	Due Within One Year
Multifamily New Issue Bond Program											
Series 2009 A	NIB Program (Program Bonds - Taxable)	0.12%	2051	$ 79,920,000	$ -	$ -	$ 46,580,000	$ 33,340,000	$ -	$ 33,340,000	$ -
Series 2009 A-1	Villages at Chesapeake	4.09%	2011 ~ 2042	10,960,000	-	-	100,000	10,860,000	-	10,860,000	110,000
Series 2010	Fort Stevens	2.15%	2012	3,730,000		-	-	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	-
Series 2010	Webster Gardens	2.15%	2012	2,780,000		-	-	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	-
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	-	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	2012	-	5,000,000	-	-	5,000,000	-	5,000,000	5,000,000
Series 2010 A	Samuel J. Simmons	4.55%	2013 ~ 2023	-	3,140,000			3,140,000	-	3,140,000	-
Series 2010 A	Samuel J. Simmons	4.75%	2024 ~ 2033	-	4,860,000			4,860,000	-	4,860,000	-
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-11	Dahlgreen Courts	Variable	2013	-	50,001	-	-	50,001	-	50,001	
Series 2009 A-11	Dahlgreen Courts	3.53%	2014 ~ 2044	-	6,200,000	-	-	6,200,000	-	6,200,000	-
Series 2009 A-13	Paul Laurence Dunbar Apartments	3.53%	2012 ~ 2051	-	18,700,000	-	-	18,700,000	-	18,700,000	-
Combined Multifamily New Issue Bond Program Total				$ 187,590,000	$ 59,630,001	$ -	$ 46,680,000	$ 200,540,001	$ -	$ 200,540,001	$18,090,000
Combined Multi-Family Indentures Total				**$ 790,641,465**	**$ 77,678,668**	**$11,507,000**	**$ 94,417,987**	**$ 762,395,146**	**$ 2,435,990**	**$ 764,831,136**	**$33,854,084**

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

During fiscal years 2010 - 2012, 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 2012. 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, 2011	Draw Down Bonds Issued, Fiscal Year 2012	Total Bonds Issued at September 30, 2012
Multifamily Conduit Bonds					
2010 Series B	Sheridan Station	$ 10,615,000	$ 8,980,000	$ 1,635,000	$ 10,615,000
2010 Series A	Mathews Memorial	2,720,000	60,000	2,660,000	2,720,000
2010 Series B	Mathews Memorial	7,560,000	6,500,000	1,060,000	7,560,000
2010 Series	Arthur Capper	5,700,000	886,009	3,992,933	4,878,942
2011 Series A	Victory Square	1,600,000	51,000	203,000	254,000
2011 Series B	Victory Square	7,132,000	-	7,132,000	7,132,000
2011 Series A	The Heights	12,377,163	-	2,251,140	2,251,140
2012 Series	Park 7 at Minnesota Benning	45,250,000	-	51,000	51,000
2012 Series	Fairway Park	33,482,000	-	18,182,455	18,182,455
Total Multifamily Conduit Bonds		**126,436,163**	**16,477,009**	**37,167,528**	**53,644,537**
Multifamily New Issue Bond Program					
2011 Series	Dahlgreen Courts	4,500,000	50,001	2,415,000	2,465,001
2011 Series B	Alabama Avenue Apartments	2,388,979	-	51,000	51,000
2011 Series B	Nannie Helen	4,594,175	-	150,001	150,001
2012 Series	House of Lebanon	7,000,000	-	50,001	50,001
Total Multifamily New Issue Bond Program		**18,483,154**	**50,001**	**2,666,002**	**2,716,003**
Total Combined Multifamily Bond Program		**$ 144,919,317**	**$ 16,527,010**	**$ 39,833,530**	**$ 56,360,540**

As of September 30, 2012, 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, 2012 and excluding the effect of unamortized discounts/premiums (which are listed as an adjustment to totals) and interest payments for each of the next five years and in 5-year increments thereafter, are as follows:

(continued)

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

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
2013	$ 47,100	$ 135,000	$ 195,075	-	$ 3,288,941	$ 990,000
2014	39,789	140,000	195,075	-	3,201,262	1,930,000
2015	32,122	150,000	193,073	95,000	3,103,373	2,000,000
2016	23,920	160,000	181,987	190,000	3,003,144	2,040,000
2017	15,272	165,000	169,399	205,000	2,899,949	2,105,000
2018-2022	6,268	175,000	620,246	1,265,000	12,846,150	11,435,000
2023-2027	-	-	165,822	1,305,000	9,851,023	12,470,000
2028-2032	-	-	-	-	6,633,816	14,400,000
2033-2037	-	-	-	-	2,654,767	17,625,000
2038-2042	-	-	-	-	50,792	2,210,000
Totals	**$ 164,472**	**925,000**	**$ 1,720,676**	**3,060,000**	**$ 47,533,216**	**67,205,000**
Unamortized Premium / (Discount)		-		(122,033)		1,050,711
Bonds and Certificates of Participation Payable		**$ 925,000**		**$ 2,937,967**		**$ 68,255,711**

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
2013	$ 341,153	$ 330,000	$ 27,715,147	$ 13,216,032	$ 8,277,576	$ 11,205,000
2014	332,729	340,000	26,969,041	21,381,294	8,000,893	8,835,001
2015	324,263	340,000	26,388,937	9,915,114	7,829,322	3,936,001
2016	315,549	355,000	25,871,840	10,278,633	7,731,919	2,495,001
2017	306,813	350,000	25,330,078	10,766,477	7,644,073	2,560,000
2018-2022	1,395,175	1,910,000	117,426,129	70,216,926	36,679,645	15,355,000
2023-2027	1,141,047	2,170,000	93,046,270	100,981,431	33,325,778	19,120,000
2028-2032	852,477	2,470,000	69,503,473	62,798,582	28,766,009	24,880,000
2033-2037	524,898	2,790,000	51,255,360	74,650,564	22,267,364	36,205,000
2038-2042	156,381	2,835,000	29,493,442	92,419,098	14,323,523	64,525,000
2043-2047	-	-	11,598,256	69,252,346	4,849,784	28,095,000
2048-2052	-	-	1,611,619	13,728,892	1,474,621	15,435,000
2053-2057	-	-	194,429	1,825,907	-	-
Totals	**$ 5,690,486**	**13,890,000**	**$ 506,404,022**	**551,431,296**	**$ 181,170,505**	**232,646,003**
Unamortized Premium / (Discount)		-		2,250,059		-
Bonds Payable		**$ 13,890,000**		**$ 553,681,355**		**$ 232,646,003**

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, 2012 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 multi- and single family mortgages and/or mortgage-backed securities under the United States Treasury New Issue Bond Program or any subsequent bond program of the Agency as approved by PNC Bank. 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 to the end of calendar year 2011. 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 was used to provide additional funding for the acquisition of single family mortgage-backed securities and fully repaid during the year ended September 30, 2012, from the proceeds of long-term single family mortgage revenue bonds issued under the Single Family NIBP in December of 2011.

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 Assets 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 Assets 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, 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	Multi-Family (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	Multi-Family (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	$ -	$ -

(continued)

NOTE 8: REBATE LIABILITY (Continued)

Rebate liability activity for the year ended September 30, 2011 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	Multi-Family (Conduit Bond) Program	Multifamily New Issue Bond Program
Rebate Liability as of September 30, 2010	$ -	$ -	$ -	$ 1,086,711	$ -	$ -
Change in estimated liability due to excess investment earnings	-	-	-	60,309	-	-
Change in estimated liability due to change in fair value of investments	-	-	-	-	-	-
Less - payments made				(935,843)		
Rebate Liability as of September 30, 2011	$ -	$ -	$ -	$ 211,177	$ -	$ -

Total rebate liability as of September 30, 2011 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	Multi-Family (Conduit Bond) Program	Multifamily New Issue Bond Program
Estimated liability due to excess investment earnings	$ -	$ -	$ -	$ 211,177	$ -	$ -
Estimated liability due to change in fair value of investments	-	-	-	-	-	-
Rebate Liability as of September 30, 2011	$ -	$ -	$ -	$ 211,177	$ -	$ -

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, 2012 and 2011, amounted to $185,791 and $183,758, 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, 2012 and 2011, of $925,000 and $1,055,000, 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, 2012 and 2011, total HOME Program restricted assets were $2,773,285.

NOTE 11: DEFERRED REVENUE

Deferred revenue includes funds related to non-refundable fees and costs associated with financing activities. The deferred fees are deferred and recognized over the life of the mortgage.

NOTE 12: NET ASSETS

Investments in Capital Assets, Net of Related Debt – 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. Capital assets, net of related debt, at September 30, 2012 and 2011 were $1,712,342 and $1,449,128, respectively.

Revenue Obligations Funds - The Revenue Obligation Funds net assets are restricted through debt covenants as collateral for the respective bond issues and credit lines. Combined restricted net assets related to the Revenue Obligation Funds as of September 30, 2012 and 2011 were $39,680,476 and $42,819,157, 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 assets related to the HUD Risk-Share Program as of September 30, 2012 and 2011 at $2,505,242 and $2,475,880, 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 ASSETS (Continued)

Restricted net assets related to the McKinney Act Fund as of September 30, 2012 and 2011 were $8,926,106 and $8,839,007, respectively.

Unrestricted Net Assets – As of September 30, 2012 and 2011, under the General Fund there were $40,999,203 and $31,512,415 in unrestricted net assets. The unrestricted net assets are 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.

(continued)

NOTE 14: OTHER INCOME

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

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
Amortization income	-	-	-	226,593	-	-	-	-	226,593
Financing fees	2,777,836	-	-	-	-	-	-	-	2,777,836
Annual administrative fees	3,196,283	-	-	-	-	-	-	-	3,196,283
Permitted spread	3,795	-	-	-	-	-	-	-	3,795
Construction and development monitoring fees	835,255	-	-	-	-	-	-	-	835,255
Tax credit fees	531,570	-	-	-	-	-	-	-	531,570
Service acquisition fee	7,716	-	-	-	-	-	-	-	7,716
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	-	-	-	-	144,565	3,000	7,663	278,444
Total	$ 8,138,261	$ -	$ -	$ 226,593	$ 169,930	$ 1,221,604	$ 1,436,593	$ 193,454	$ 11,386,435

(continued)

NOTE 14: OTHER INCOME (Continued)

The Agency's other income for fiscal year 2011 was comprised of the following:

		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	$ -	$ -	$ -	$ -	$ -	$ 2,082,182	$ 1,948,745	$ -	$ 4,030,927
Transfer in from other funds	-	-	-	-	8,017	-	-	-	8,017
Amortization income	-	-	-	101,520	-	-	-	-	101,520
Financing fees	1,254,809	-	-	-	-	-	-	-	1,254,809
Annual administrative fees	3,338,908	-	-	-	-	-	-	-	3,338,908
Permitted spread	4,020	-	-	-	-	-	-	-	4,020
Construction and development monitoring fees	740,122	-	-	-	-	-	-	-	740,122
Tax credit fees	312,322	-	-	-	-	-	-	-	312,322
Service acquisition fee	92,304	-	-	-	-	-	-	-	92,304
Rental income	-	-	-	-	-	-	-	183,758	183,758
Legal fees	270,000	-	-	-	-	-	-	-	270,000
Mortgage servicing fees	226,960	-	-	-	-	-	-	-	226,960
MIP Risk Share Program	80,299	-	-	-	-			-	80,299
Interest reduction payment subsidy	-	-	-	-	-	33,663	-	-	33,663
Other	16,467	-	-	-	-	-	16,500	2,419	35,387
Total	$ 6,336,211	$ -	$ -	$ 101,520	$ 8,017	$ 2,115,845	$ 1,965,245	$ 186,177	$ 10,713,015

NOTE 15: CONTINGENT LIABILITY

As of September 30, 2012, the Agency has two debentures set up with regard to two defaulted HUD risk-share projects. One of the projects, Elsinore Courts defaulted in 2010, was sold through a competitive bid process at an estimated loss to the Agency of $236,519. The Agency recorded a contingent liability in the same amount pending the final claim processing by HUD. The other 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. As a result the Agency recorded additional loss in the amount of $1,171,375 in the Statement of Revenue, Expense and Change in Net Assets during the year ended September 30, 2012. The Agency's actual financial exposure as joint insurer of the Parkway Overlook Property depends upon how soon the disposition of the property is carried out and when HUD processes the final claim. For Parkway Overlook, the Agency estimates the loss exposure as of September 30, 2012 to be $2,046,758, and accordingly, has established a contingent liability under the General Fund.

NOTE 16: SUBSEQUENT EVENTS

The following subsequent events have occurred:

Multifamily (Conduit Bond) Program, New Issuances:

- On October 12, 2012, $8,500,000 of District of Columbia Housing Finance Agency Multifamily Housing Revenue Bonds, Series 2012 were issued to finance the Yards/D Building project.

- On November 19, 2012, $2,350,000 of District of Columbia Housing Finance Agency Multifamily Housing Revenue Bonds, Series 2012 A were issued in a draw down mode to finance the Whitelaw Apartments project.

- On November 19, 2012, $2,110,000 of District of Columbia Housing Finance Agency Multifamily Housing Revenue Bonds, Series 2012 B were issued in a draw down mode to finance the Whitelaw Apartments project.

- On December 20, 2012, $11,610,000 of District of Columbia Housing Finance Agency Multifamily Housing Revenue Bonds, Series 2012 were issued in a draw down mode to finance the Bass Circle Apartments project.

- On December 21, 2012, $17,600,000 of District of Columbia Housing Finance Agency Multifamily Housing Revenue Bonds, Series 2012 were issued in a draw down mode to finance the SeVerna Phase II project.

- Between October 1, 2012 and January 25, 2013, 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
2010 Series	Arthur Capper	12/4/2012	$ 1,638
2011 Series A-1	Victory Square	10/2/2012 - 12/21/2012	1,007,000
2011 Series A	The Heights	10/18/2012 - 1/3/2013	2,985,417
2012 Series	Fairway Park	10/12/2012 - 1/23/2013	3,054,607
2012 Series	Whitelaw Apts	11/20/2012	50,001
2012 Series	Bass Circle	12/20/2012	1,510,517
2012 Series	SeVerna II	12/21/2012	1,768,178
Total			**$ 10,377,357**

NOTE 16: SUBSEQUENT EVENTS (Continued)

Multifamily NIB Program, New Issuances:

- Between October 1, 2012 and January 25, 2013, 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
2011 Series	Dahlgreen Courts	11/6/2012 & 12/18/2012	$	1,500,000
2011 Series	Mayfair Mansions III	10/17/2012 - 11/29/2012		3,750,000
2011 Series B	Nannie Helen	11/20/2012 & 1/18/2013		1,367,788
2012 Series	House of Lebanon	10/12/2012		100,000
Total			**$**	**6,717,788**

Single Family New Issue Bond Program Redemptions and Maturities:

- On November 1, 2012, $1,420,000 in District of Columbia Housing Finance Agency Single Family Housing Revenue Bonds Series 2009 A-1 were redeemed from unused bond proceeds.
- On December 1, 2012, $440,000 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, 2012, the following 1996 Single Family Mortgage Revenue Bonds were redeemed:

Series		Maturing Principal		Principal Redemptions		Total
2005 Series A	$	-	$	245,000	$	245,000
2005 Series B		-		555,000		555,000
2006 Series A		30,000		65,000		95,000
2006 Series B		-		890,000		890,000
2006 Series D		-		20,000		20,000
2006 Series E		-		2,530,000		2,530,000
2007 Series A		-		2,125,000		2,125,000
Total	**$**	**30,000**	**$**	**6,430,000**	**$**	**6,460,000**

- On December 1, 2012, $235,000 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:

Series	Project Name	Redemption / Maturity Date	Principal Redeemed
Series 2009 A-1	Villages at Chesapeake	10/1/2012	$ 60,000
Series 2011 A	Samuel Kelsey Apts	12/1/2012	240,000
Series 2011	Capitol Hill Towers	12/1/2012	200,000
Total			**$ 500,000**

Multifamily (Conduit Bond) Program, Redemptions and Maturities:

- On November 30, 2012, $32,225,000 in District of Columbia Housing Finance Agency Housing Revenue Bonds 2001 Series A and B were fully redeemed due to the loan payoff.

(continued)

NOTE 16: SUBSEQUENT EVENTS (Continued)

- Between October 1, 2012 and January 25, 2013, the following multifamily mortgage revenue bonds were redeemed or matured:

Series	Project Name	Redemption / Maturity Date	Principal Redeemed
1994 Series D	Oak St.	1/1/2013	$ 40,000
1997 Series A	Colorado Avenue	12/1/2012	10,000
1999 Series	Garfield Park Apts	10/1/2012 ~1/1/2013	23,009
1999 Series A	Walbraff Apts	12/1/2012	15,000
1999 Series	Barnaby Manor	10/1/2012 ~1/1/2013	28,533
1999 Series	Ft. Chaplin	10/1/2012 ~1/1/2013	132,838
1999 Series	Staton Glenn Apt	11/1/2012	115,000
2000 Series	Widrich Court Apt	10/1/2012	35,041
2000 Series C	636 Coop (RS)	12/1/2012	5,000
2000 Series A	Haven House (RS)	12/1/2012	5,000
2000 Series D	Chesapeake/Hartford/Knox (RS)	12/1/2012	25,000
2001 Series A	Douglas Knoll (RS)	12/1/2012	50,000
2001 Series D	Meridian Manor	12/1/2012	15,000
2001 Series	Clifton Terrace	12/1/2012	55,384
2001 Series E	Huntwood Apts	12/1/2012	50,000
2000 Series	WDC I LP (Regency)	12/1/2012	220,000
2001 Series B	Columbia Heights	11/20/2012	175,000
2002 Series A	DCCH Pool: Euclid Street	12/1/2012	5,000
2002 Series C	DCCH Pool: Chapin Street	12/1/2012	5,000
2002 Series	Trenton Park Apts	1/1/2013	50,000
2002 Series G	Trinity Towers Apts	12/1/2012	60,000
2002 Series E	Golden Rule Plaza	12/1/2012	30,000
2002 Series I	Henson Ridge (RS)	12/1/2012	20,000
2002 Series J	Fairmont I & II	12/1/2012	110,000
2003 Series	Bowling Green	12/20/2012	60,000
2003 Series B	Urban Village (RS)	12/1/2012	35,000
2003 Series C	St. Paul Sr. Living @ Wayne Place	12/1/2012	15,000
2004 Series A	1330 7th Street (RS)	12/1/2012	115,000
2004 Series A	Congress Park II	10/1/2012 ~1/15/2013	18,293
2004 Series B&C	JW King Seniors Center (RS)	12/1/2012	30,000
2004 Series	Savannah Heights	12/20/2012	40,000
2004 Series D	Henson Ridge Phase II (RS)	12/1/2012	30,000
2004 Series E	Henson Ridge Phase II (RS)	12/1/2012	70,000
2005 Series A	Faircliff Plaza - West	10/1/2012 ~1/1/2013	28,619
2005 Series B	Faircliff Plaza - West	10/1/2012 ~1/1/2013	8,308
2005 Series	Shipley Park Apts	12/1/2012	95,000
2006 Series	Hunter Pines	10/1/2012 ~1/1/2013	26,895
2006 Series	GW Carver Senior Apts	10/1/2012 ~1/1/2013	17,989
2006 Series	Garfield Hills Apts	1/1/2013	35,000
2006 Series	Galen Terrace	10/1/2012 ~1/1/2013	11,771
2006 Series A	Southview I & II	10/1/2012 ~1/1/2013	27,604
2006 Series	Golden Rule Apts	11/1/2012	110,000
2006 Series	Azeeze Bates Apts	11/1/2012	65,000
2007 Series	Cavalier Apts	10/1/2012 ~1/1/2013	41,284
2007 Series	Residences at Georgia Avenue Apts	10/1/2012 ~1/1/2013	18,843
2007 Series	R Street Apts	10/1/2012 ~1/1/2013	15,759
2007 Series A	Parkside Terrace Apts (DD)	10/1/2012 ~1/1/2013	81,166
2008 Series A	Henson Ridge UFAS Rentals	10/1/2012 ~1/1/2013	25,490
2008 Series	Longfellow Arms Apts	12/1/2012	5,000
2008 Series A	Fairmont I and II Apts (RS)	12/1/2012	20,000
2008 Series A	Wheeler Terrace (DD)	10/1/2012 ~1/1/2013	22,050
2008 Series A	St. Martin's Apts (DD)	10/1/2012 ~1/1/2013	41,046
2008 Series	Pentacle Apartments	11/1/2012	145,000
2010 Series A	Sheridan Station (DD)	12/1/2012 ~1/1/2013	6,886
2010 Series B	Sheridan Station (DD)	10/1/2012 ~1/1/2013	4,290,000
Total			**$ 6,831,808**

SUPPLEMENTAL INFORMATION

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING BALANCE SHEET
SEPTEMBER 30, 2012
(WITH COMPARATIVE TOTALS FOR 2011)

ASSETS	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily (Conduit Bond) Program Fund	Multifamily NIBP Fund	DC Building Finance Corporation	2012	2011
CURRENT ASSETS								
Unrestricted current assets:								
Cash and cash equivalents	$ 24,316,950	$ -	$ -	$ -	$ -	$ -	$ 24,316,950	$ 17,448,820
Mortgage and construction loans receivable	167,730	-	-	-	-	-	167,730	-
Other receivables	10,803,751	-	-	-	-	-	10,803,751	8,879,539
Accrued interest receivable	189,844	-	-	-	-	-	189,844	258,708
Prepaid expenses	213,046						213,046	183,446
Total unrestricted current assets	35,691,321	-	-	-	-	-	35,691,321	26,770,515
Restricted current assets:								
Cash and cash equivalents	15,981,255	5,650,765	3,634,903	44,458,949	37,571,358	188,522	107,485,752	167,101,023
Mortgage-backed securities at fair value	-	3,819,525	200,361	920,000	180,000	-	5,119,885	8,368,179
Mortgage and construction loans receivable	-	-	-	12,295,886	11,025,000	-	23,320,886	32,805,959
Accrued interest receivable	57,939	584,578	33,715	3,157,946	1,619,061	-	5,453,239	5,514,362
Other receivables	-	-	-	-	896	61,496	62,392	63,044
Total restricted current assets	16,039,194	10,054,867	3,868,979	60,832,781	50,396,314	250,018	141,442,154	213,852,565
TOTAL CURRENT ASSETS	51,730,515	10,054,867	3,868,979	60,832,781	50,396,314	250,018	177,133,475	240,623,080
NON-CURRENT ASSETS								
Unrestricted non-current assets:								
Investments	6,042,929	-	-	-	-	-	6,042,929	8,923,737
Mortgage and construction loans receivable	417,396	-	-			-	417,396	-
Prepaid expenses	-	-	-	-	-	10,857	10,857	12,773
Due from (to) other funds	2,684,066	(2,684,066)	-	-	-	-	-	-
Total unrestricted non-current assets	9,144,390	(2,684,066)	-	-	-	10,857	6,471,181	8,936,509
Restricted non-current assets:								
Investments held in trust	-	14,691,376	-	37,534,993	-	-	52,226,369	51,597,682
Mortgage-backed securities at fair value	-	71,760,227	11,566,746	84,672,817	19,960,648	-	187,960,438	240,289,292
Mortgage and construction loans receivable	-	410,000	110,000	461,836,830	184,978,574	-	647,335,404	543,714,223
Loans receivable	-	-	-	2,611,404	-	-	2,611,404	2,567,435
McKinney Act loans receivable	1,511,430	-	-	-	-	-	1,511,430	2,025,326
Other receivables	40,605	-	-	15,415	-	-	56,019	79,988
Bond issue costs, net	-	705,594	150,302	-	-	38,761	894,657	1,714,631
Total restricted non-current assets	1,552,035	87,567,197	11,827,049	586,671,458	204,939,222	38,761	892,595,720	841,988,578
Capital assets:								
Land	-	-	-	-	-	573,000	573,000	573,000
Property and equipment	2,124,249	-	-	-	-	1,795,238	3,919,487	3,809,705
Leasehold improvements	1,723,053	-	-	-	-	-	1,723,053	1,471,366
Less accumulated depreciation and amortization	(2,634,405)	-	-	-	-	(943,793)	(3,578,198)	(3,349,943)
Total capital assets, net	1,212,897	-	-	-	-	1,424,445	2,637,342	2,504,128
TOTAL NON-CURRENT ASSETS	11,909,322	84,883,131	11,827,049	586,671,458	204,939,222	1,474,063	901,704,244	853,429,216
TOTAL ASSETS	**$ 63,639,838**	**$ 94,937,998**	**$ 15,696,028**	**$ 647,504,239**	**$ 255,335,537**	**$ 1,724,081**	**$ 1,078,837,719**	**$ 1,094,052,295**

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING BALANCE SHEET – (CONTINUED)
SEPTEMBER 30, 2012
(WITH COMPARATIVE TOTALS FOR 2011)

LIABILITIES AND NET ASSETS	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily (Conduit Bond) Program Fund	Multifamily NIBP Fund	DC Building Finance Corporation	2012	2011 (As Restated)
CURRENT LIABILITIES								
Current liabilities payable from unrestristed assets:								
Accounts payable and accrued liabilities	$ 2,609,714	$ -	$ -	$ -	$ -	$ -	$ 2,609,714	$ 1,464,498
Accrued salary and vacation payable	235,811	-	-	-	-	-	235,811	223,301
Deferred revenue	1,041,577	-	-	-	-	-	1,041,577	504,180
Total current liabilities payable from unrestricted assets	3,887,103	-	-	-	-	-	3,887,103	2,191,979
Current liabilities payable from restricted assets:								
Accounts payable and accrued liabilities	-	91,143	-	51,530	896	-	143,569	269,593
Project funds held for borrower and other liabilities	6,109,287	2,773,285	-	71,064,136	17,965,008	188,360	98,100,076	85,672,889
Deferred revenue	-	290,962	-	-	-	40,605	331,567	565,323
Interest payable	-	1,167,013	115,287	5,755,605	2,586,154	16,496	9,640,556	10,045,959
Current portion of loans payable	-	-	-	-	-	-	-	5,000,000
Current portion of bonds payable	-	990,000	330,000	13,216,032	11,205,000	-	25,741,032	35,329,084
Current portion of certificates of participation	-	-	-	-	-	135,000	135,000	130,000
Total current liabilities payable from restricted assets	**6,109,287**	**5,312,404**	**445,287**	**90,087,303**	**31,757,058**	**380,460**	**134,091,800**	**137,012,848**
Total current liabilities	**9,996,390**	**5,312,404**	**445,287**	**90,087,303**	**31,757,058**	**380,460**	**137,978,902**	**139,204,828**
NON-CURRENT LIABILITIES								
Non-current liabilities payable from restristed assets:								
Loans payable	-	-	-	575,444	-	-	575,444	484,605
Bonds payable—less current portion	-	70,203,678	13,560,000	540,465,323	221,441,003	-	845,670,004	866,342,275
Certificates of participation—less current portion	-	-	-	-	-	790,000	790,000	925,000
Total non-current liabilities payable from restricted assets	-	70,203,678	13,560,000	541,040,767	221,441,003	790,000	847,035,449	867,751,880
TOTAL LIABILITIES	**9,996,390**	**75,516,082**	**14,005,287**	**631,128,070**	**253,198,061**	**1,170,460**	**985,014,351**	**1,006,956,708**
NET ASSETS								
Invested in capital assets—net of related debt	1,212,897	-	-	-	-	499,445	1,712,342	1,449,128
Restricted for:								
Bond fund, collateral and Risk Share Program	2,505,242	19,421,916	1,690,741	16,376,168	2,137,475	54,176	42,185,718	45,295,037
McKinney Act Fund	8,926,106	-	-	-	-	-	8,926,106	8,839,007
Total restricted net assets	11,431,348	19,421,916	1,690,741	16,376,168	2,137,475	54,176	51,111,823	54,134,044
Unrestricted net assets	40,999,202	-	-	-	-	-	40,999,202	31,512,415
TOTAL NET ASSETS	**53,643,448**	**19,421,916**	**1,690,741**	**16,376,168**	**2,137,475**	**553,621**	**93,823,368**	**87,095,587**
TOTAL LIABILITIES AND NET ASSETS	**$ 63,639,838**	**$ 94,937,998**	**$ 15,696,028**	**$ 647,504,239**	**$ 255,335,537**	**$ 1,724,081**	**$ 1,078,837,719**	**$ 1,094,052,295**

(Continued)

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS
SEPTEMBER 30, 2012
(WITH COMPARATIVE TOTALS FOR 2011)

	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily (Conduit Bond) Program Fund	Multifamily NIBP Fund	DC Building Finance Corporation	2012	2011 (As Restated)
OPERATING REVENUES								
Investment interest income	$ 380,168	$ 927,219	$ 11,899	$ 1,841,652	$ 42,348	$ -	$ 3,203,285	$ 3,490,543
Mortgage-backed security interest income	49,232	7,353,409	320,182	5,142,292	781,660	-	13,646,776	12,796,777
Interest on mortgage and construction loans	30,724	45,228	-	25,152,890	6,860,652	-	32,089,494	31,066,955
McKinney Act interest revenue	94,333	-	-	-	-	-	94,333	120,930
Application and commitment fees	183,422	-	-	-	-	-	183,422	172,282
Service project receipts	6,536,023	-	-	-	-	-	6,536,023	7,267,771
Other	8,138,261	226,593	169,930	1,221,604	1,436,593	193,454	11,386,435	10,713,015
Total operating revenues	15,412,163	8,552,450	502,011	33,358,438	9,121,252	193,454	67,139,768	65,628,273
OPERATING EXPENSES								
General and administrative	2,989,652	115,191	17,688	1,984,218	1,484,517	-	6,591,266	6,602,247
Personnel and related costs	4,053,725	-	-	-	-	-	4,053,725	3,661,739
Interest expense	10,507	1,804,539	215,465	29,085,258	7,455,124	54,124	38,625,017	41,687,263
Depreciation and amortization	161,764	-	-	-	-	66,490	228,255	199,313
Service project payments	6,532,506	-	-	-	-	-	6,532,506	7,267,246
Bond cost of issuance amortization	7,163	924,004	32,960	-	10,328	8,753	983,208	385,194
Trustee fees and other expenses	98,559	94,764	11,750	880,592	103,278	500	1,189,441	2,898,363
Total operating expenses	13,853,877	2,938,498	277,863	31,950,068	9,053,246	129,868	58,203,419	62,701,365
OPERATING INCOME (LOSS)	1,558,286	5,613,952	224,148	1,408,370	68,006	63,586	8,936,349	2,926,908
NON-OPERATING REVENUES/EXPENSES								
(Decrease) / Increase in fair value of mortgage-backed securities	(486,969)	(2,458,007)	1,037,481	(770,630)	469,557	-	(2,208,568)	4,077,133
Transfers of funds, net	752,552	(1,051,917)	400,000	(100,597)	(38)	-	-	-
CHANGE IN NET ASSETS	1,823,869	2,104,028	1,661,630	537,144	537,524	63,586	6,727,781	7,004,040
Net assets, beginning of year (as restated)	51,819,579	17,317,888	29,111	15,839,024	1,599,951	490,035	87,095,587	80,091,547
Net assets, end of year	$ 53,643,448	$ 19,421,916	$ 1,690,741	$ 16,376,168	$ 2,137,475	$ 553,621	$ 93,823,368	$ 87,095,587

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENT OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2012
(WITH COMPARATIVE TOTALS FOR 2011)

	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily (Conduit Bond) Program Fund	Multifamily NIBP Fund	DC Building Finance Corporation	2012	2011
Cash Flows From Operating Activities:								
Interest received on loans	$ 47,111	$ 38,572	$ -	$ 25,233,909	$ 6,672,793	$ -	$ 31,992,385	$ 29,988,087
Other cash receipts	13,525,957	-	169,930	29,725,513	31,212,198	186,943	74,820,540	53,596,764
Payments to vendors	(1,706,415)	(209,955)	-	(2,309,963)	(1,587,795)	-	(5,814,128)	(7,202,666)
Payments to employees	(4,031,590)	-	-	-	-	-	(4,031,590)	(3,634,426)
Net mortgage and construction loans principal (disbursements) / receipts	177,777	518,508	(110,000)	(11,453,973)	(83,339,650)	-	(94,207,338)	(33,665,163)
Receipts of service project income	6,536,023	-	-	-	-	-	6,536,023	7,267,771
Payments of service project expenses	(6,532,506)	-	-	-	-	-	(6,532,506)	(7,267,246)
Principal and interest received on mortgage-backed securities	7,811,057	44,874,037	710,689	24,246,573	781,660	-	78,424,017	42,414,206
Payment for the purchase of mortgage-backed securities	-	-	(11,153,800)	-	-	-	(11,153,800)	(33,910,003)
Other cash payments	(6,417,087)	-	(29,438)	(22,009,317)	(24,933,230)	(500)	(53,389,572)	(38,741,030)
Net cash provided by / (used in) operating activities	9,410,326	45,221,163	(10,412,619)	43,432,742	(71,194,024)	186,443	16,644,031	8,846,293
Cash Flows from Capital and Related Financing Activities								
Acquisition of fixed assets	(361,469)	-	-	-	-	-	(361,469)	(324,196)
Payments of bonds and long-term debt	-	-	-	-	-	(130,000)	(130,000)	(120,000)
Net cash used in capital and related financing activities	(361,469)	-	-	-	-	(130,000)	(491,469)	(444,196)
Cash Flows From Non-Capital Financing Activities								
Interest paid on bonds and loans	(10,507)	(5,658,965)	(152,055)	(29,736,224)	(6,698,702)	(56,443)	(42,312,896)	(41,381,538)
Transfer (to) from other funds	503,546	(802,910)	400,000	(100,597)	(38)	-	-	-
Proceeds from bond issuances and loans	-	-	14,150,000	37,403,421	74,846,002	-	126,399,423	82,877,997
Principal payments on issued debt	(5,000,000)	(37,550,000)	(25,260,000)	(47,736,431)	(42,740,000)	-	(158,286,431)	(130,268,738)
Bond issuance cost	-	-	(154,156)	-	-		(154,156)	-
Net cash provided by / (used in) non-capital financing activities	(4,506,962)	(44,011,876)	(11,016,211)	(40,169,831)	25,407,262	(56,443)	(74,354,060)	(88,772,279)
Cash Flows From Investing Activities								
Interest received on investments	442,148	927,047	13,591	1,851,137	49,457	-	3,283,380	3,651,977
Sale of investments	3,692,630	10,360,400	-	11,772,907	2,783,023	-	28,608,961	44,823,810
Purchase of investments	(540,488)	(9,461,646)	-	(16,327,486)	(925)	-	(26,330,545)	(30,746,010)
Arbitrage rebate paid	-	(107,439)	-	-	-	-	(107,439)	(935,843)
Net cash provided by / (used in) investing activities	3,594,290	1,718,361	13,591	(2,703,441)	2,831,555	-	5,454,356	16,793,934
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	8,136,185	2,927,648	(21,415,239)	559,470	(42,955,206)	-	(52,747,141)	(63,576,248)
Cash and cash equivalents, beginning of year	32,162,019	2,723,117	25,050,142	43,899,478	80,526,564	188,522	184,549,843	248,126,091
Cash and cash equivalents, end of year	$ 40,298,205	$ 5,650,765	$ 3,634,903	$ 44,458,949	$ 37,571,358	$ 188,522	$ 131,802,702	$ 184,549,843

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENT OF CASH FLOWS – (CONTINUED)
YEARS ENDED SEPTEMBER 30, 2012
(WITH COMPARATIVE TOTALS FOR 2011)

	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multi-Family (Conduit Bond) Program Fund	Multifamily NIBP Fund	DC Building Finance Corporation	2012	2011
Reconciliation of Operating Income to Net Cash Provided by / (Used In) Operating Activities								
Operating income (loss)	$ 1,558,286	$ 5,613,952	$ 224,148	$ 1,408,370	$ 68,006	$ 63,586	$ 8,936,349	$ 2,926,908
Depreciation and amortization	161,764	-	-	-	-	66,490	228,255	199,313
Amortization of deferred items	(621,360)	(2,399,133)	32,960	(185,931)	10,328	8,753	(3,154,383)	(927,568)
Interest on bonds/loans	10,507	5,658,965	152,055	29,736,224	6,698,702	56,443	42,312,896	41,381,538
Amortization of premium on investments	39,475	-	-	-	-	-	39,475	29,908
Provision for uncollectible other revenue	14,449	-	-	-	-	-	14,449	18,545
Provision for uncollectible interest revenue	(48,990)	-	-	-	-	-	(48,990)	22,790
Contingent loss expense	1,407,966	-	-	-	-	-	1,407,966	152,602
Decrease (increase) in mortgage and construction loans	(666,402)	518,508	(110,000)	(11,497,942)	(83,339,650)	-	(95,095,485)	(33,665,163)
Decrease in mortgage-backed securities	7,737,155	37,350,563	424,174	19,010,488	-	-	64,522,380	29,603,748
Purchases of mortgage-backed securities	-	-	(11,153,800)	-	-	-	(11,153,800)	(33,910,003)
Arbitrage rebate paid	-	107,439	-	-	-	-	107,439	935,843
Decrease (increase) in fair value of investments	(26,294)	-	-	-	-	-	(26,294)	56,935
Interest received on investments	(442,148)	(927,047)	(13,591)	(1,851,137)	(49,457)	-	(3,283,380)	(3,651,977)
Asset / (liability) adjustment	-	-	-	-	-	-	-	1,199,443
Decrease (increase) in assets:								-
Accrued interest receivable	91,809	188,736	(31,975)	62,166	(180,750)	-	129,987	(776,657)
Other current assets	(29,600)	-	-	-	-	-	(29,600)	(44,018)
Other receivables	(1,917,048)	-	-	16,806	-	652	(1,899,591)	(1,402,096)
								-
Increase (decrease) in liabilities:								-
Accounts payables and accrued liabilities	1,157,726	(132,939)	-	6,915	-	-	1,031,702	(368,157)
Deferred revenue	590,036	-	-	-	-	-	590,036	(77,418)
Project funds held for borrower and other liabilities	392,994	-	-	7,191,818	4,842,375	(7,163)	12,420,024	6,338,855
Accrued interest payable	-	(757,882)	63,410	(465,036)	756,422	(2,318)	(405,404)	802,921
Net cash provided by / (used in) operating activities	$ 9,410,326	$ 45,221,163	$ (10,412,619)	$ 43,432,742	$ (71,194,024)	$ 186,443	$ 16,644,031	$ 8,846,293

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND
SEPTEMBER 30, 2012 AND 2011

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**	**$ -**	**$ -**	**$ -**	**$ -**

DC Building Finance Corporation as of September 30, 2011

			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 and Cash Equivalents	**$ 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, 2012 AND 2011

There were no Cash, Cash Equivalents and Investments under the 1986, 1996 Single Family Whole Loan Program as of September 30, 2012, as all outstanding bonds were redeemed, indentures were closed, and residual assets were transferred to the General Fund.

1986, 1996 Single Family Whole Loan Program as of September 30, 2011

			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	$ 746,113	$ 746,113	$ 746,113	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	746,113	746,113	746,113	-	-	-	-
Investments							
Investment Agreements	120,483	120,483	-	120,483	-	-	-
Total Investments	120,483	120,483	-	120,483	-	-	-
1986, 1996 Single Family Whole Loan Program Total Cash and Investments	**$ 866,596**	**$ 866,596**	**$ 746,113**	**$ 120,483**	**$ -**	**$ -**	**$ -**

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2012 AND 2011

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, 2012 AND 2011

1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2011

			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	$ 864,551	$ 864,551	$ 864,551	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	864,551	864,551	864,551	-	-	-	-
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	2,369,478	2,735,997	-	-	2,735,997	-	-
Total Mortgage-Backed Securities	2,369,478	2,735,997	-	-	2,735,997	-	-
1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	**$ 13,234,029**	**$ 13,600,548**	**$ 864,551**	**$ -**	**$ 2,735,997**	**$ 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, 2012 AND 2011

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, 2012 AND 2011

1996 Single Family Mortgage Revenue Bonds as of September 30, 2011

			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	$ 1,112,453	$ 1,112,453	$ 1,112,453	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	1,112,453	1,112,453	1,112,453	-	-	-	-
Investments							
Investment Agreements	5,469,648	5,469,648	812,812		-	-	4,656,835
Total Investments	5,469,648	5,469,648	812,812	-	-	-	4,656,835
Mortgage-Backed Securities							
Ginnie Mae	33,811,812	37,244,815	-	-	810,301	6,858,738	29,575,776
Fannie Mae	28,223,750	30,348,193	-	-	-	459,699	29,888,495
Freddie Mac	41,198,876	45,059,316	-	-	-	-	45,059,316
Total Mortgage-Backed Securities	103,234,438	112,652,325	-	-	810,301	7,318,437	104,523,587
1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	**$ 109,816,539**	**$ 119,234,425**	**$ 1,925,265**	**$ -**	**$ 810,301**	**$ 7,318,437**	**$ 109,180,423**

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2012 AND 2011

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, 2012 AND 2011

Single Family NIB Program as of September 30, 2011

			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	$ 25,050,142	$ 25,050,142	$ 25,050,142	$ -	$ -	$ -	$ -
Total Cash and Cash Equivalents	25,050,142	25,050,142	25,050,142	-	-	-	-
Single Family NIB Program Total Cash	**$ 25,050,142**	**$ 25,050,142**	**$ 25,050,142**	**$ -**	**$ -**	**$ -**	**$ -**

(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, 2012 AND 2011

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)

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, 2012 AND 2011

Multifamily NIB Program as of September 30, 2011

			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	$ 33,409,993	$ 33,409,993	$ 33,409,993	$ -	$ -	$ -	$ -
Commercial Papers	47,116,571	47,116,571	47,116,571	-	-	-	-
Total Cash and Cash Equivalents	80,526,564	80,526,564	80,526,564	-	-	-	-
Investments							
Investment Agreements	2,782,098	2,782,098	-	2,782,098	-	-	-
Total Investments	2,782,098	2,782,098	-	2,782,098	-	-	-
Mortgage-Backed Securities							
Ginnie Mae	18,700,000	19,671,091	-	19,671,091	-	-	-
Total Mortgage-Backed Securities	18,700,000	19,671,091	-	19,671,091	-	-	-
Multifamily NIB Program Total Cash, Investments and Mortgage-Backed Securities	**$ 102,008,662**	**$ 102,979,753**	**$ 80,526,564**	**$ 22,453,189**	**$ -**	**$ -**	**$ -**

(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, 2012 AND 2011

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, 2012 AND 2011

Multifamily (Conduit Bond) Program as of September 30, 2011

			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	$ 4	$ 4	$ 4	$ -	$ -	$ -	$ -
Money Market Funds	26,950,028	26,950,028	26,950,028				
Commercial Papers	16,949,446	16,949,446	16,949,446	-	-	-	-
Total Cash and Cash Equivalents	43,899,478	43,899,478	43,899,478	-	-	-	-
Investments							
Investment Agreements	32,980,414	32,980,414	837,770	22,060,984	377,099	229,192	9,475,370
Total Investments	32,980,414	32,980,414	837,770	22,060,984	377,099	229,192	9,475,370
Mortgage-Backed Securities							
Ginnie Mae	90,285,493	98,025,131	18,837,064	-	-	-	79,188,067
Fannie Mae	6,780,380	7,348,803	-	-	-	7,348,803	-
Total Mortgage-Backed Securities	97,065,874	105,373,934	18,837,064	-	-	7,348,803	79,188,067
Multifamily (Conduit Bond) Program Total Cash, Investments and Mortgage-Backed Securities	**$ 173,945,766**	**$ 182,253,827**	**$ 63,574,312**	**$ 22,060,984**	**$ 377,099**	**$ 7,577,995**	**$ 88,663,437**

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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, 2012 AND 2011

Combined Revenue Obligation Funds and 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	$ 35,482,303	$ 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**

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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, 2012 AND 2011

Combined Revenue Obligation Funds and General Fund as of September 30, 2011

			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	$ 31,538,545	$ 31,538,545	$ 31,538,545	$ -	$ -	$ -	$ -
Money Market Funds	88,702,769	88,702,769	88,702,769	-	-	-	-
Commercial Papers	64,308,528	64,308,528	64,308,528	-	-	-	-
Total Cash and Cash Equivalents	184,549,843	184,549,843	184,549,843	-	-	-	-
Investments							
Certificates of Deposits	245,040	245,040	245,040	-	-	-	-
Collateralized Certificates of Deposits	5,624,000	5,624,000	1,500,000	4,124,000	-	-	-
U.S. Treasury Obligations	1,281,592	1,296,454	206,453	1,090,001	-	-	-
U.S. Agency Obligations	50,173	50,436	50,436	-	-	-	-
Investment Agreements	51,352,643	51,352,643	1,650,582	24,963,565	377,099	10,229,192	14,132,205
Corporate Obligations	1,331,411	1,316,571	330,479	986,093	-	-	-
Government Sponsored Enterprises	631,013	636,275	302,854	333,422	-	-	-
Total Investments	60,515,872	60,521,420	4,285,843	31,497,081	377,099	10,229,192	14,132,205
Mortgage-Backed Securities							
Ginnie Mae	152,903,939	165,901,158	18,837,064	19,671,091	3,546,297	6,858,738	116,987,968
Fannie Mae	35,004,131	37,696,997	-	-	-	7,808,502	29,888,495
Freddie Mac	41,198,876	45,059,316	-	-	-	-	45,059,316
Total Mortgage-Backed Securities	229,106,946	248,657,471	18,837,064	19,671,091	3,546,297	14,667,241	191,935,779
Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 474,172,660**	**$ 493,728,734**	**$ 207,672,750**	**$ 51,168,172**	**$ 3,923,396**	**$ 24,896,432**	**$ 206,067,984**

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DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2012 AND 2011

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%**			

DC Building Finance Corporation as of September 30, 2011

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%**			

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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, 2012 AND 2011

There were no Cash, Cash Equivalents and Investments under the 1986, 1996 Single Family Whole Loan Program as of September 30, 2012, as all outstanding bonds were redeemed, indentures were closed, and residual assets were transferred to the General Fund.

1986, 1996 Single Family Whole Loan Program as of September 30, 2011

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Money Market Funds	$ 746,113	86.1%	AAAm	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	746,113	86.1%			
Investments					
Investment Agreements	120,483	13.9%	Aaa	Moody's	
Total Investments	120,483	13.9%			
1986, 1996 Single Family Whole Loan Program Total Cash and Investments	**$ 866,596**	**100.0%**			

(Continued)

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DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2012 AND 2011

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)

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, 2012 AND 2011

1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2011

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Money Market Funds	$ 864,551	6.4%	AAAm	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	864,551	6.4%			
Investments					
Investment Agreements	10,000,000	73.5%	AA+	S&P	
Total Investments	10,000,000	73.5%			
Mortgage-Backed Securities					
Ginnie Mae	2,735,997	20.1%	Aaa	Moody's	
Total Mortgage-Backed Securities	2,735,997	20.1%			
1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	**$ 13,600,548**	**100.0%**			

(Continued)
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DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2012 AND 2011

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, 2012 AND 2011

1996 Single Family Mortgage Revenue Bonds as of September 30, 2011

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Money Market Funds	$ 1,112,453	0.9%	AAAm	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	1,112,453	0.9%			
Investments					
Investment Agreements	970,757	0.8%	AA+	S&P	
Investment Agreements	3,575,987	3.0%	AA-	S&P	
Investment Agreements	922,904	0.8%	A-	S&P	
Total Investments	5,469,648	4.6%			
Mortgage-Backed Securities					
Ginnie Mae	37,244,815	31.2%	Aaa	Moody's	
Fannie Mae	30,348,193	25.5%	Aaa	Moody's	
Freddie Mac	45,059,316	37.8%	Aaa	Moody's	
Total Mortgage-Backed Securities	**112,652,325**	**94.5%**			
1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	**$ 119,234,425**	**100.0%**			

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DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2012 AND 2011

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%**			

Single Family NIB Program as of September 30, 2011

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Money Market Funds	$ 25,050,142	100.0%	AAAm	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	25,050,142	100.0%			
Single Family NIB Program Total Cash	**$ 25,050,142**	**100.0%**			

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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, 2012 AND 2011

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%**			

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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, 2012 AND 2011

Multifamily NIB Program as of September 30, 2011

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Money Market Funds	$ 33,409,993	32.4%	AAAm	S&P	Uncollateralized, Uninsured
Commercial Paper	47,116,571	45.8%	A-1	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	80,526,564	78.2%			
Investments					
Investment Agreements	2,782,098	2.7%	A	S&P	
Total Investments	2,782,098	2.7%			
Mortgage-Backed Securities					
Ginnie Mae	19,671,091	19.1%	Aaa	Moody's	
Total Mortgage-Backed Securities	19,671,091	19.1%			
Multifamily NIB Program Total Cash, Investments and Mortgage-Backed Securities	**$ 102,979,753**	**100.0%**			

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DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2012 AND 2011

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%**			

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2012 AND 2011

Multifamily (Conduit Bond) Program as of September 30, 2011

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	$ 4	0.0%	Not Rated	S&P	Uncollateralized, Uninsured
Money Market Funds	26,950,028	14.8%	AAAm	S&P	Uncollateralized, Uninsured
Commercial Papers	16,949,446	9.3%	A-1	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	43,899,478	24.1%			
Investments					
Investment Agreements	3,389,680	1.9%	Aaa	Moody's	
Investment Agreements	3,028,408	1.7%	AA-	S&P	
Investment Agreements	3,240,850	1.8%	A1	Moody's	
Investment Agreements	20,643,224	11.3%	A+	S&P	
Investment Agreements	886,009	0.5%	A	S&P	
Investment Agreements	1,143,174	0.6%	AA+	S&P	
Investment Agreements	649,070	0.4%	A-1	S&P	
Total Investments	32,980,414	18.1%			
Mortgage-Backed Securities					
Ginnie Mae	98,025,131	53.8%	Aaa	Moody's	
Fannie Mae	7,348,803	4.0%	Aaa	Moody's	
Total Mortgage-Backed Securities	105,373,934	57.8%			
Multifamily (Conduit Bond) Program Total Cash, Investments and Mortgage-Backed Securities	**$ 182,253,827**	**100.0%**			

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DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2012 AND 2011

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%**			

(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
SEPTEMBER 30, 2012 AND 2011

Combined Revenue Obligation Funds and General Fund as of September 30, 2011

Asset	Fair Value	Percentage of Total Investments	Credit Rating	Rating Agency	Underlying Securities Credit Rating / Supporting Collateral
Cash and Cash Equivalents					
Demand Money Market Deposits	$ 25,813,651	5.2%		Moody's	Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	5,724,892	1.2%		Moody's	Third Party-Held Aaa Collateral
Demand Money Market Deposits	4	0.0%	Not Rated		
Money Market Funds	88,321,802	17.9%	AAAm	S&P	
Money Market Funds	380,967	0.1%	Not Rated		
Commercial Papers	64,308,528	13.0%	A-1	S&P	
Total Cash and Cash Equivalents	184,549,843	37.4%			
Investments					
Certificates of Deposits	245,040	0.0%			FDIC Insurance
Collateralized Certificates of Deposits	5,624,000	1.1%		S&P	Federal Reserve-Held Aaa Collateral
U.S. Treasury Obligations	1,296,454	0.3%	Aaa	Moody's	
U.S. Agency Obligations	50,436	0.0%	AAA	S&P	
Corporate Obligations	405,905	0.1%	AA+	S&P	
Corporate Obligations	51,983	0.0%	AA	S&P	
Corporate Obligations	52,516	0.0%	AA-	S&P	
Corporate Obligations	77,664	0.0%	A+	S&P	
Corporate Obligations	625,285	0.1%	A	S&P	
Corporate Obligations	76,706	0.0%	A-	S&P	
Corporate Obligations	26,513	0.0%	BBB+	S&P	
GSE Obligations	636,275	0.1%	Aaa	Moody's	
Investment Agreements	3,510,163	1.9%	Aaa	Moody's	
Investment Agreements	6,604,395	3.6%	AA-	S&P	
Investment Agreements	12,113,930	6.6%	AA+	S&P	
Investment Agreements	20,643,224	11.3%	A+	S&P	
Investment Agreements	3,240,850	1.8%	A1	Moody's	
Investment Agreements	3,668,107	2.0%	A	S&P	
Investment Agreements	922,904	0.5%	A-	S&P	
Investment Agreements	649,070	0.4%	A-1	S&P	
Total Investments	60,521,420	12.3%			
Mortgage-Backed Securities					
Ginnie Mae	165,901,158	33.6%	Aaa	Moody's	
Fannie Mae	37,696,997	7.6%	Aaa	Moody's	
Freddie Mac	45,059,316	9.1%	Aaa	Moody's	
Total Mortgage-Backed Securities	248,657,471	50.4%			
Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	**$ 493,728,734**	**100.0%**			

See Accompanying Independent Auditor’s Report.