



VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)

Basic Financial Statements and
Supplementary Information

September 30, 2022 and 2021

(Unaudited)

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)

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VIRGINIA HOUSING AND DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)

Summary of the Quarterly Report

September 30, 2022 and 2021

(Unaudited)

This condensed report provides highlights of the financial performance of the Virginia Housing Development Authority (the Authority) for the first quarter of fiscal year 2023. The information provided is an abbreviated version of the full financial report published annually. Sections and notes included are based on an analysis of significant interim information necessary to provide an accurate representation of the Authority's year-to-date activity.

The basic financial statements consist of the Statements of Net Position, the Statements of Revenues, Expenses and Changes in Net Position, Statements of Cash Flows, the Statements of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position and the accompanying abbreviated notes to the basic financial statements constitute the condensed financial statements.

The *Statement of Net Position* reports all of the Authority's assets and deferred outflows of resources and liabilities and deferred inflows of resources, both financial and capital, presented in order of liquidity and using the accrual basis of accounting in conformity with U.S. generally accepted accounting principles. The difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources is presented as net position, and is displayed in three components: net investment in capital assets; restricted portion of net position; and unrestricted portion of net position. Net position is restricted when external constraints are placed upon their use, such as bond indentures, legal agreements, or statutes. Over time, changes in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *Statement of Revenues, Expenses, and Changes in Net Position* identifies all the Authority's revenues and expenses for the reporting period, distinguishing between operating and nonoperating activities. This statement measures the success of the Authority's operations for the first quarter and can be used to determine whether the Authority has successfully recovered all of its costs through mortgage loan income, investment income, externally funded programs and other revenue sources.

The *Statement of Cash Flows* provides information about the Authority's cash receipts and cash payments during the reporting period. This statement reports cash transactions, including receipts, payments, and net changes resulting from operations, noncapital financing, capital financing, and investing activities. This statement provides information regarding the sources and use of cash and the change in cash during the reporting period.

The *Statement of Fiduciary Net Position* reports the assets, deferred outflows of resources, liabilities, deferred inflows of resources and fiduciary net position of pension (and other employee benefit) trust funds and custodial funds. The purpose of this statement is to report the financial position of activities the Authority has stewardship of that are not assets or liabilities of the Authority.

The *Statement of Changes in Fiduciary Net Position* reports the additions and deductions from pension (and other employee benefit) trust funds and custodial funds. The purpose of this statement is to report the financial activities which includes the receipts and disbursements of funds the Authority has stewardship of but are not included in the Authority's financial activities.

The *Notes to Basic Financial Statements* provide additional information that is essential for understanding financial data that may not be displayed on the face of the basic financial statements and as such, are an integral part of the Authority's financial statements. The report includes abbreviated notes which are necessary to provide context to the interim financial activity.

The most recent audited financial report as of June 30, 2022 is available on the Authority's website at www.virginiahousing.com/partners/investors/financial-statements.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Statements of Net Position
September 30, 2022 and 2021
(Unaudited)

	2022	2021
Assets		
Current assets:		
Cash and cash equivalents (note 3)	\$ 1,918,793,074	1,491,230,914
Interest receivable – investments	6,038,069	2,841,578
Derivative instruments (note 1)	5,047,672	907,847
Mortgage loans held for sale (note 1)	184,762,408	498,523,617
Mortgage and other loans receivable, net	185,491,735	209,278,183
Interest receivable – mortgage and other loans	23,290,877	25,698,731
Other real estate owned (note 1)	6,573,016	2,826,182
Other assets	40,028,121	16,916,222
Total current assets	2,370,024,972	2,248,223,274
Noncurrent assets:		
Investments (note 5)	838,550,697	1,054,828,908
Mortgage and other loans receivable	6,323,761,564	5,989,293,846
Less allowance for loan loss (note 1)	139,389,953	169,695,267
Mortgage and other loans receivable, net	6,184,371,611	5,819,598,579
Capital Assets, net of accumulated depreciation and amortization of \$52,666,318 and \$49,314,816 respectively	20,303,068	22,414,216
Mortgage servicing rights, net (note 1)	43,182,426	42,720,574
Other assets	19,148,416	14,694,684
Total noncurrent assets	7,105,556,218	6,954,256,961
Total assets	9,475,581,190	9,202,480,235
Deferred outflows of resources		
Other postemployment benefits - change in assumptions (note 1)	1,911,020	2,071,266
Other postemployment benefits - difference between expected and actual experience (note 1)	6,868,575	6,631,614
Total deferred outflows of resources	8,779,595	8,702,880

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Statements of Net Position
September 30, 2022 and 2021
(Unaudited)

	2022	2021
Liabilities		
Current liabilities:		
Notes and bonds payable (note 4)	\$ 724,831,292	807,392,671
Accrued interest payable on notes and bonds	42,018,720	38,248,536
Escrows	42,617,075	43,111,361
Federal grant awards held	203,718,657	36,479,121
Accounts payable and other liabilities	23,962,586	25,060,860
Total current liabilities	1,037,148,330	950,292,549
Noncurrent liabilities:		
Bonds payable, net (note 4)	4,525,428,638	4,309,595,104
Project reserves	108,177,161	108,395,433
Loan participation payable to Federal Financing Bank	34,626,936	35,405,525
Other liabilities	8,508,198	6,669,015
Total noncurrent liabilities	4,676,740,933	4,460,065,077
Total liabilities	5,713,889,263	5,410,357,626
Deferred inflows of resources		
Deferred fees and points on multifamily loans (note 1)	63,951,263	60,791,824
Other postemployment benefits - change in assumptions (note1)	665,047	743,223
Other postemployment benefits - difference between expected and actual experience (note 1)	124,609	145,377
Other postemployment benefits - difference between projected and actual earning (note 1)	5,757,970	3,165,139
Total deferred inflows of resources	70,498,889	64,845,563
Net position (notes 1):		
Net investment in capital assets	11,913,770	11,603,996
Restricted by bond indentures	3,186,714,904	3,349,848,968
Unrestricted	501,343,959	374,526,962
Total net position	\$ 3,699,972,633	3,735,979,926

See accompanying notes to basic financial statements.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Statements of Revenues, Expenses, and Changes in Net Position
Three months ended September 30, 2022 and 2021
(Unaudited)

	2022	2021
Operating revenues:		
Interest on mortgage and other loans receivable	\$ 76,101,647	72,195,168
Housing Choice Voucher program administrative income (note 1)	2,677,107	1,835,968
Gains and recoveries on sale of other real estate owned	77,344	58,218
Gain/(loss) on sale of single family mortgage loans	(1,046,347)	7,377,459
Mortgage servicing fees net of guaranty fees	10,592,094	9,201,760
Other	4,074,904	5,737,978
Total operating revenues	92,476,749	96,406,551
Operating expenses:		
Interest on notes and bonds payable	39,616,465	34,644,722
Salaries and related employee benefits	17,398,158	17,963,429
General operating expenses	7,918,085	6,650,970
Note and bond expenses	313,834	152,721
Bond issuance expenses	-	1,515,904
Grant expenses	15,306,004	9,862,914
Housing Choice Voucher program expenses (note 1)	1,859,074	2,164,813
Mortgage servicing rights amortization and other servicing costs	7,282,061	12,001,649
Losses on other real estate owned	896,430	181,603
Provision for loan losses (note 1)	(3,746,797)	149,696
Total operating expenses	86,843,314	85,288,421
Operating income	5,633,435	11,118,130
Nonoperating revenues (losses):		
Pass-through grant awards	43,953,769	84,860,012
Pass-through grants expenses	(43,953,769)	(84,860,012)
Investment income	(24,582,023)	8,266,353
Unrealized loss on investments	(27,980,786)	(1,836,766)
Other, net	-	10
Total nonoperating (expenses)/revenues, net	(52,562,809)	6,429,597
Change in net position	(46,929,374)	17,547,727
Total net position, beginning of year	3,746,902,007	3,718,432,199
Total net position, end of three months	\$ 3,699,972,633	3,735,979,926

See accompanying notes to basic financial statements.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

(A Component Unit of the Commonwealth of Virginia)

Statements of Cash Flows

Three months ended September 30, 2022 and 2021

(Unaudited)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Cash payments for mortgage and other loans	\$ (389,531,961)	(821,745,561)
Principal repayments on mortgage and other loans	105,980,613	188,680,481
Sale of mortgage loans	297,225,076	259,862,244
Interest received on mortgage and other loans	77,812,662	70,189,583
Pass-through grant awards received	20,862,362	61,942,807
Pass-through grant awards disbursed	(60,861,944)	(84,860,013)
Grant administrative fees received	-	665,495
Housing Choice Voucher payments received	2,236,788	3,591,498
Housing Choice Voucher payments disbursed	(2,557,139)	(2,840,169)
Escrow and project reserve payments received	69,994,723	45,412,709
Escrow and project reserve payments disbursed	(53,832,884)	(37,742,130)
Other operating revenues	14,610,179	24,144,323
Cash payments/cash received for loan origination fees and loan discounts	(14,057)	1,615,518
Cash paid for loan origination fees and loan premiums	(981,559)	(5,488,609)
Cash payments for salaries and related benefits	(19,199,100)	(19,079,505)
Cash payments on grants	(15,306,004)	(9,862,914)
Cash payments for general operating expenses	(11,163,751)	(8,905,669)
Cash payments for servicing release premiums and guaranty fees	(8,714,606)	(13,070,869)
Proceeds from sale of other real estate owned	2,992,160	267,152
Net cash provided by/(used in) operating activities	<u>29,551,558</u>	<u>(347,223,629)</u>
Cash flows from noncapital financing activities:		
Proceeds from issuance of notes and bonds	40,000,000	273,168,047
Principal payments on notes and bonds	(179,860,749)	(225,104,043)
Principal payments on loan participation - FFB	(197,597)	(189,802)
Interest payments on notes and bonds	(29,639,212)	(30,137,632)
Cash payments for bond issuance expenses	-	(1,515,904)
Net cash (used in)/provided by noncapital financing activities	<u>(169,697,558)</u>	<u>16,220,666</u>
Cash flows from capital and related financing activities:		
Purchases of property, furniture, and equipment	(163,278)	(57,911)
Net cash used in capital and related financing activities	<u>(163,278)</u>	<u>(57,911)</u>
Cash flows from investing activities:		
Purchases of investments	-	(9,251,052)
Proceeds from sales or maturities of investments	217,049,603	53,781,990
Interest received on investments	15,989,506	8,269,092
Net cash provided by investing activities	<u>233,039,109</u>	<u>52,800,030</u>
Net increase/(decrease) in cash and cash equivalents	92,729,831	(278,260,844)
Cash and cash equivalents, at beginning of year	1,826,063,243	1,769,491,758
Cash and cash equivalents, at end of three months	\$ <u>1,918,793,074</u>	<u>1,491,230,914</u>

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Statements of Cash Flows
Three months ended September 30, 2022 and 2021
(Unaudited)

	2022	2021
Reconciliation of operating income to net cash provided by/(used in) operating activities:		
Operating income	\$ 5,633,435	11,118,130
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation of property, furniture, and equipment	912,244	1,123,856
Bond issuance costs	-	1,515,904
Interest on notes and bonds payable	39,616,465	34,644,722
Decrease/(increase) in mortgage loans held for sale	131,343,601	(336,344,848)
Increase in mortgage and other loans receivable	(118,261,442)	(43,878,029)
(Decrease)/increase in allowance for loan loss	(4,065,149)	112,668
Decrease in interest receivable – mortgage and other loans	601,909	167,575
(Increase)/decrease in other real estate owned	(1,954,875)	196,310
Decrease in mortgage servicing rights	892,131	1,692,009
Increase in other assets	(13,858,300)	(1,862,315)
Increase in deferred inflows of resources	17,073	11,543,329
Decrease in Federal funds held	(23,091,405)	(34,335,467)
Decrease in accounts payable and other liabilities	(4,329,039)	(588,052)
Increase in escrows and project reserves	16,094,910	7,670,579
Net cash provided by/(used in) operating activities	\$ 29,551,558	(347,223,629)
Supplemental disclosure of noncash activity:		
Increase in other real estate owned as a result of loan foreclosures	\$ 4,993,883	12,625
Decrease in mortgage and other loans receivable from transferring loans to MBS securities retained as investments	\$ 70,188,682	15,954,052

See accompanying notes to basic financial statements.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2022 and 2021
(Unaudited)

	<u>2022</u>		<u>2021</u>	
	<u>Retiree Health Care Plan *</u>	<u>Custodial Funds</u>	<u>Retiree Health Care Plan *</u>	<u>Custodial Funds</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,666	93,574,286	729,421	153,312,940
Interest receivable - investments	-	9,524	-	250
Interest receivable - mortgage and other loans	-	65,847	-	52,468
Other assets	-	64,984	-	65,824
Total current assets	<u>1,666</u>	<u>93,714,641</u>	<u>729,421</u>	<u>153,431,482</u>
Noncurrent assets:				
Mortgage and other loans receivable	-	37,402,687	-	29,263,004
Investments	50,660,106	-	46,286,901	-
Total noncurrent assets	<u>50,660,106</u>	<u>37,402,687</u>	<u>46,286,901</u>	<u>29,263,004</u>
Total assets	<u>50,661,772</u>	<u>131,117,328</u>	<u>47,016,322</u>	<u>182,694,487</u>
LIABILITIES				
Accounts payable	-	-	727,928	-
Other liabilities	-	5,297,019	-	4,597,228
Total liabilities	<u>-</u>	<u>5,297,019</u>	<u>727,928</u>	<u>4,597,228</u>
NET POSITION				
Restricted for:				
Other postemployment benefit plan other than pension	50,661,772	-	46,288,394	-
Funds held in escrow	-	85,760,686	-	145,531,588
Other governmental agency	-	40,059,623	-	32,565,671
Total Net Position	<u>\$ 50,661,772</u>	<u>125,820,309</u>	<u>46,288,394</u>	<u>178,097,259</u>

*March 31, 2022 and 2021 year-end.
See accompanying notes to basic financial statements.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Three months ended September 30, 2022 and 2021
(Unaudited)

	2022		2021	
	Retiree Health Care Plan *	Custodial Funds	Retiree Health Care Plan *	Custodial Funds
ADDITIONS				
Contribution:				
Borrower payments	\$ -	508,576,880	-	808,288,737
Employers	23,510	106,895	36,276	141,569
Other governmental agency	-	1,313,105	-	3,128,525
Total Contributions	<u>23,510</u>	<u>509,996,880</u>	<u>36,276</u>	<u>811,558,831</u>
Investment earnings:				
Net (decrease)/increase in fair value of investments	(3,218,088)	-	1,077,947	-
Interest, dividends, and other	178,797	24,521	202,521	4,026
Securities lending income (gain on sales)	200,911	-	45,348	-
Total investment earnings	<u>(2,838,380)</u>	<u>24,521</u>	<u>1,325,816</u>	<u>4,026</u>
Total additions	<u>(2,814,870)</u>	<u>510,021,401</u>	<u>1,362,092</u>	<u>811,562,857</u>
DEDUCTIONS				
Other governmental agency	-	14,164	-	14,023
Disbursement of escrow funds	-	516,552,357	-	803,370,691
Administrative expense	23,510	-	36,276	-
Total deductions	<u>23,510</u>	<u>516,566,521</u>	<u>36,276</u>	<u>803,384,714</u>
Net (decrease)/increase in fiduciary net position	(2,838,380)	(6,545,120)	1,325,816	8,178,142
Net position - beginning of year	53,500,152	132,365,429	44,962,578	169,919,117
Net position - end of three months	<u>\$ 50,661,772</u>	<u>125,820,309</u>	<u>46,288,394</u>	<u>178,097,259</u>

*March 31, 2022 and 2021 year-end.
See accompanying notes to basic financial statements.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)

Notes to Basic Financial Statements

September 30, 2022 and 2021

(Unaudited)

(1) Organization and Summary of Significant Accounting Policies

(a) Organization

The Virginia Housing Development Authority (Authority) was created under the Virginia Housing Development Authority Act, as amended (Act) enacted by the 1972 Session of the Virginia General Assembly. The Act empowers the Authority, among other authorized activities, to finance the acquisition, construction, rehabilitation and ownership of housing intended for occupancy or ownership, or both, by families of low or moderate income. Mortgage loans are generally financed by the proceeds of notes, bonds, or other debt obligations of the Authority or by Government National Mortgage Association (GNMA), Federal National Mortgage Association (FNMA) and Federal Home Loan Mortgage Corporation (FHLMC) guaranteed mortgage backed securities (see note 1 (g)). The notes, bonds and other debt obligations do not constitute a debt or grant or loan of credit of the Commonwealth of Virginia (Commonwealth), and the Commonwealth is not liable for the repayment of such obligations.

For financial reporting purposes, the Authority is a component unit of the Commonwealth. The accounts of the Authority, along with other component units, are combined to form the component units of the Commonwealth. The Authority reports all of its activities as one enterprise fund, in accordance with U.S. generally accepted accounting principles (GAAP). See note 2 for further discussion.

(b) Measurement Focus and Basis of Accounting

The Authority utilizes the economic resources measurement focus and accrual basis of accounting in preparing its basic financial statements where revenues are recognized when earned and expenses when incurred. The accounts are organized on the basis of funds and groups of funds, which are set up in accordance with the Act and the various note and bond resolutions.

(c) Use of Estimates

The preparation of basic financial statements, in conformity with GAAP, requires management to make estimates and judgments that affect reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and the disclosures of contingencies at the date of the basic financial statements and revenues and expenses recognized during the reporting period. Actual results could differ from those estimates.

(d) Investments

Investments include various debt and asset backed securities which are reported at fair value in the Statements of Net Position, with changes in fair value recognized in investment income in the Statements of Revenues, Expenses, and Changes in Net Position. The fair value of the debt securities and asset backed securities is derived from management's review of third party pricing services that use various models that are based on quoted market prices when available or on adjusted values in relation to observable prices on similar investments.

(e) Derivative Instruments

Forward sales securities commitments are utilized to hedge changes in fair value of mortgage loan inventory and commitments to originate mortgage loans. At September 30, 2022, the Authority had outstanding 49 forward sales transactions with a \$262.9 million notional amount with six counterparties. At September 30, 2021, the Authority had outstanding 65 forward sales transactions with a \$699.0 million notional amount with five counterparties.

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Notes to Basic Financial Statements

September 30, 2022 and 2021

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(f) *Mortgage Loans Held for Sale*

The Authority is an authorized issuer of GNMA, FNMA and FHLMC Mortgage-Backed Securities (MBS). Through the MBS programs, GNMA, FNMA and FHLMC guarantee securities that are backed by pools of mortgage loans originated or purchased by the Authority. These mortgage loan securitizations are treated as sales for accounting and reporting purposes. Upon the sale, the Authority no longer recognizes the mortgage loans receivable in the Statements of Net Position.

Mortgage loans originated or acquired with the intent to sell through the MBS programs are carried at the lower of cost or fair value. The fair values of the loans are based on observable market prices for similar instruments traded on the secondary mortgage loan markets. Any gains or losses on loan sales are reported in the Statements of Revenues, Expenses, and Changes in Net Position.

(g) *Mortgage and Other Loans Receivable*

Mortgage and other loans receivable are stated at their unpaid principal balance, net of premiums and discounts and an allowance for loan losses. Pricing premiums and discounts are deferred and amortized, using the interest method, over the contractual life of the loans as an adjustment to yield. The interest method is computed on a loan-by-loan basis and any unamortized premiums and discounts on loans fully repaid are recognized as income in the year in which such loans are repaid.

(h) *Allowance for Loan Losses*

The Authority provides for expected losses when a specific need for an allowance is identified. The provision for loan losses charged or credited to operating expense is the amount necessary, in management's judgment, to maintain the allowance at a level it believes sufficient to cover losses in collection of its mortgage loans. Estimates of future losses involve the exercise of management's judgment and assumptions with respect to future conditions. The principal factors considered by management in determining the adequacy of the allowance are the composition of the loan portfolio, historical loss experience and delinquency statistics, the value and adequacy of collateral, and economic conditions.

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Notes to Basic Financial Statements

September 30, 2022 and 2021

(Unaudited)

The allowance for loan losses decreased by \$4,065,150 for the three months ended September 30, 2022 and increased by \$112,668 for the three months ended September 30, 2021.

	Three months ended September 30	
	2022	2021
Beginning Balance, July 1	\$ 143,455,103	169,582,599
Provision:		
Homeownership	(841,873)	716,641
Rental Housing	(2,904,924)	(566,945)
Provision	(3,746,797)	149,696
Net (charge-offs)/recoveries:		
Homeownership	(318,353)	(37,028)
Rental Housing	-	-
Net charge-offs	(318,353)	(37,028)
Net change	(4,065,150)	112,668
Ending Balance, September 30	\$ 139,389,953	169,695,267

(i) Mortgage Servicing Rights

The Authority pays mortgage servicing release premiums when purchasing homeownership mortgage loans from participating lenders. These premiums are capitalized at cost and amortized on a loan-by-loan basis over the estimated life of the related mortgage loans using the sum-of-years-digits method. Mortgage servicing rights are recorded when those mortgage loans are securitized through either GNMA, FNMA or FHLMC and the Authority remains the servicer of the loans. Estimated life is determined to be 7 years.

(j) Notes and Bonds Payable

Notes and bonds payable are stated at their unpaid balance less any unamortized premiums or discounts. Bond premiums and discounts are amortized over the lives of the issues using the interest method. The Authority generally has the right to specially redeem bonds, without premium, upon the occurrence of certain specified events, such as the prepayment of a mortgage loan. The Authority also has the right to optionally redeem the various bonds. The optional redemptions generally cannot be exercised until the bonds have been outstanding for approximately ten years. All issues generally have term bonds, which are subject to partial redemption, without premium, from mandatory sinking fund installments.

(k) Retirement Plans and Other Postemployment Benefit Plans

The Authority has three defined contribution retirement savings plans covering substantially all employees. Retirement expense is fully funded as incurred. To the extent terminating employees are

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Notes to Basic Financial Statements

September 30, 2022 and 2021

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less than 100% vested in the Authority's contributions, the unvested portion is forfeited and redistributed to the remaining participating employees.

The Authority also provides postretirement healthcare benefits administered through a trust under a defined benefit plan to all employees who have met the years of service requirement and who retire from the Authority on or after attaining age 55 or become permanently disabled. Effective for the plan year ended December 31, 2017, the Authority adopted GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and the Authority adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the fiscal year ended June 30, 2018. For purposes of measuring the net OPEB liability, deferred outflows or inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Virginia Housing Development Authority Retiree Health Care Plan (the Plan) and additions to or deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognized benefit payments when due and payable in accordance with the benefit terms of the Plan. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost, which approximates fair value.

(l) Cash Equivalents

Cash equivalents consist of highly liquid short term instruments with original maturities of three months or less from the date of purchase and are recorded at amortized cost. Cash equivalents include commercial paper, repurchase agreements, money-market securities, and other short-term instruments.

(m) Statements of Net Position

The assets presented in the Statements of Net Position represent the total of similar accounts of the Authority's various groups (see note 2). Since the assets of certain of the groups are restricted by the related debt resolutions, the total does not indicate that the combined assets are available in any manner other than that provided for in the resolutions for the separate groups. When both restricted and unrestricted resources are available for use, the Authority's policy is to use restricted resources first and thereafter, unrestricted resources as needed.

(n) Operating and Nonoperating Revenues and Expenses

The Authority's Statements of Revenues, Expenses, and Changes in Net Position distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally arise from financing the acquisition, construction, rehabilitation, and ownership of housing intended for occupancy and ownership, by families of low or moderate income. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses, Deferred Outflows of Resources and Deferred Inflows of Resources.

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The Authority reports deferred outflows of resources and deferred inflows of resources on its statement of net position. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and is not recognized as an outflow of resources (expense) until the applicable period. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until a future period.

(2) Basis of Presentation

The accounts of the Authority are presented in a single proprietary fund set of basic financial statements consisting of various programs. The Authority's activities include the following programs:

(a) General Operating Accounts

The General Operating Accounts consist of a group of accounts used to record the receipt of income not directly pledged to the repayment of specific notes and bonds and the payment of expenses related to the Authority's administrative functions.

(b) Rental Housing Bond Group

The proceeds of the Rental Housing Bonds are used to finance construction and permanent mortgage loans on rental housing developments, as well as, temporary financing for other rental housing real estate owned and the financing of the Authority's office facilities.

(c) Commonwealth Mortgage Bond Group

The proceeds of Commonwealth Mortgage Bonds are used to purchase or make long-term mortgage loans to owner occupants of homeownership dwellings, as well as, temporary financing for other homeownership real estate owned.

(d) Homeownership Mortgage Bond Group

The Homeownership Mortgage Bond group was established to encompass the Authority's participation in the U.S. Department of the Treasury's New Issue Bond Program, which was created to assist state and local housing finance agencies in acquiring cost-effective mortgage loan capital. The proceeds of Homeownership Mortgage Bonds are used to purchase or make long-term mortgage loans to owner occupants of homeownership dwellings.

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(3) Cash, Cash Equivalents, and Investments

Cash includes cash on hand and amounts in checking accounts, which are insured by the Federal Depository Insurance Corporation or are collateralized under provisions of the Virginia Security for Public Deposits Act. At September 30, 2022 and 2021, the carrying amount of the Authority's deposits was \$365,478,187 and \$101,384,528, respectively. The associated bank balance of the Authority's deposits was \$346,100,142 and \$99,479,434 at September 30, 2022 and 2021, respectively. The difference between the carrying amount and the bank balance is due to outstanding checks, deposits in transit, and other reconciling items.

Cash equivalents include investments with original maturities of three months or less from date of purchase. Investments consist of U.S. government and agency securities, repurchase agreements, asset-backed securities, agency-mortgage backed securities, money market securities and other interest-bearing securities held at the FHLB Atlanta. Investments in the bond funds consist of those permitted by the various resolutions adopted by the Authority. At September 30, 2022 and 2021, total cash equivalents were \$1,553,314,887 and \$1,389,846,386, respectively.

The Investment of Public Funds Act of the Code of Virginia as well as the various bond resolutions establishes permitted investments for the Authority. Within the permitted statutory framework, the Authority's investment policy is to fully invest all monies and maximize the return thereon, by investing and managing investments in a prudent manner that will enable the Authority to fulfill its financial commitments. Approved investments include but are not limited to: direct obligations of the U.S. government, direct obligations of any state or political subdivision of the U.S. government, obligations unconditionally guaranteed by the U.S. government or other political subdivisions, bonds, debentures, certificates of deposit, repurchase agreements, swap contracts, futures contracts, and forward contracts. No more than 3.0% of the Authority's total assets may be invested in any one entity, excluding obligations issued or guaranteed by the U.S. government and repurchase agreement transactions. However, repurchase agreements cannot be no more than the Authority's total assets and must mature in less than one month. Such agreements must be collateralized with U.S. Treasury or Agency securities with a fair value at least equal to 102% of the principal amount of the agreement.

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy is to generally hold all investments to maturity and to limit the length of an investment at purchase, to coincide with expected timing of its use.

(a) Interest Rate Risk

Interest rate risk is the risk that changes in market rates of interest will adversely affect the fair value of an investment. Investments with interest rates that are fixed for longer periods are likely to be subject to more variability in their fair values as a result of future changes in interest rates. As a means of communicating interest rate risk, the Authority has elected the segmented time distribution method of disclosure, which requires the grouping of investment cash flows into sequential time periods in tabular form.

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As of September 30, 2022, the Authority had the following investments (including cash equivalents) and maturities:

<u>Investment type</u>	<u>Less than 1 year</u>	<u>1-5 years</u>	<u>6-10 years</u>	<u>Over 10 years</u>	<u>Total</u>
U.S. government and agency	\$ 640,293,238	-	-	-	640,293,238
Repurchase agreements	625,000,000	-	-	-	625,000,000
Asset-backed securities	-	-	248,383	1,424,767	1,673,150
Collateralized mortgage obligations	-	-	-	24,834,271	24,834,271
Agency-mortgage backed securities	-	-	465,861	810,453,078	810,918,939
Money market securities	288,021,649	-	-	-	288,021,649
Total investments	<u>\$ 1,553,314,887</u>	<u>-</u>	<u>714,244</u>	<u>836,712,116</u>	<u>2,390,741,247</u>

As of September 30, 2021, the Authority had the following investments (including cash equivalents) and maturities:

<u>Investment type</u>	<u>Less than 1 year</u>	<u>1-5 years</u>	<u>6-10 years</u>	<u>Over 10 years</u>	<u>Total</u>
U.S. government and agency	\$ 469,963,723	-	-	-	469,963,723
Repurchase agreements	625,000,000	-	-	-	625,000,000
Asset-backed securities	-	-	-	2,247,406	2,247,406
Collateralized mortgage obligations	-	-	-	16,692,093	16,692,093
Agency-mortgage backed securities	-	-	718,538	1,033,670,872	1,034,389,410
Money market securities	294,882,663	-	-	-	294,882,663
Total investments	<u>\$ 1,389,846,386</u>	<u>-</u>	<u>718,538</u>	<u>1,052,610,371</u>	<u>2,443,175,295</u>

(b) Equity Investment

On January 31, 2021, the Authority made an equity investment in IndieDwell Virginia Inc. for \$1.5 million, which equates to a 37.5 percent interest in the company. As of September 30, 2022, the equity investment has a fair market value of \$1.1 million. Additionally, two of the five Board members of the company are Authority associates which together giving the Authority reasonable influence of the company. Therefore, the Authority will be using the equity method of accounting for the investment. IndieDwell Virginia Inc. is currently in the developmental stages to acquire a location to begin its home manufacturing process in Virginia some time in 2023.

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(4) Notes and Bonds Payable

Notes and bonds payable at June 30, 2022 and September 30, 2022 and changes for the three months ended September 30, 2022 were as follows:

Description	Balance at June 30, 2022	Issued	Retired	Balance at September 30, 2022
(Amounts shown in thousands)				
General operating accounts:				
Revolving line of credit:				
Bank of America				
floating daily rate (rate of				
3.86% at September 30, 2022)				
termination date of December 1, 2026	\$ —	40,000	40,000	—
Federal Home Loan Bank				
varying fixed rate notes with 30-day maturities				
(average of 2.81% as of September 30, 2022 and				
0.19% at September 30, 2021), maturities range				
from October 3, 2022 to October 26, 2022	710,300	—	100,000	610,300
Total general operating				
accounts	\$ 710,300	40,000	140,000	610,300

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Description	Balance at June 30, 2022	Issued	Retired	Balance at September 30, 2022
		(Amounts shown in thousands)		
Rental housing bond group:				
final due date October 1, 2042	\$ 121,810	—	—	121,810
2012 Series E dated November 2, 2042, 3.16% effective interest rate, final due date November 1, 2042	8,590	—	—	8,590
2013 Series A/B dated April 11, 2013, 3.95% effective interest rate, final due date April 1, 2043	27,575	—	—	27,575
2013 Series C dated May 2, 2013, 3.82% effective interest rate, final due date February 1, 2043	131,440	—	2,245	129,195
2013 Series D dated May 30, 2013, 4.06% effective interest rate, final due date June 1, 2043	91,810	—	—	91,810
2013 Series E dated July 11, 2013, 4.15% effective interest rate, final due date July 1, 2043	17,405	—	550	16,855
2013 Series F dated October 10, 2013, 4.98% effective interest rate, final due date October 1, 2043	50,490	—	—	50,490
2013 Series G dated December 3, 2013, 4.39% effective interest rate, final due date December 1, 2043	8,920	—	—	8,920
2014 Series A dated August 19, 2014, 3.75% effective interest rate, final due date August 1, 2049	11,390	—	240	11,150
2014 Series B dated October 28, 2014, 3.30% effective interest rate, final due date October 1, 2044	7,695	—	—	7,695
2014 Series C dated November 20, 2014, 4.29% effective interest rate, final due date November 1, 2044	114,420	—	—	114,420
2015 Series A dated March 18, 2015, 3.50% effective interest rate, final due date March 1, 2045	33,865	—	—	33,865

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(Amounts shown in thousands)				
2015 Series B dated May 12, 2015, 3.44% effective interest rate, final due date May 1, 2045	\$ 10,065	—	—	10,065
2015 Series C dated August 5, 2015, 3.68% effective interest rate, final due date August 1, 2045	20,055	—	580	19,475
2015 Series D dated November 10, 2015, 3.55% effective interest rate, final due date November 1, 2045	30,935	—	—	30,935
2015 Series E/F dated December 8, 2015, 3.94% effective interest rate, final due date December 1, 2045	73,530	—	—	73,530
2016 Series A dated March 8, 2016, 2.99% effective interest rate, final due date March 1, 2046	4,250	—	—	4,250
2016 Series B dated May 17, 2016, 3.35% effective interest rate, final due date May 1, 2046	62,065	—	—	62,065
2016 Series C dated July 19, 2016, 2.72% effective interest rate, final due date July 1, 2046	4,215	—	120	4,095
2016 Series D dated October 18, 2016, 2.89% effective interest rate, final due date October 1, 2046	7,160	—	—	7,160
2017 Series A dated March 14, 2017, 3.66% effective interest rate, final due date March 1, 2049	26,170	—	—	26,170
2017 Series B dated June 13, 2017, 3.35% effective interest rate, final due date June 1, 2047	6,375	—	—	6,375
2017 Series C dated September 13, 2017, 3.24% effective interest rate, final due date September 1, 2047	2,685	—	75	2,610
2017 Series D dated October 19, 2017, 3.21% effective interest rate, final due date October 1, 2047	5,250	—	—	5,250

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	(Amounts shown in thousands)			
2017 Series E dated December 5, 2017, 3.28% effective interest rate, final due date December 1, 2050	\$ 45,875	—	—	45,875
2018 Series A dated March 27, 2018, 3.62% effective interest rate, final due date March 1, 2053	32,340	—	—	32,340
2018 Series B dated June 5, 2018, 3.76% effective interest rate, final due date June 1, 2053	26,270	—	—	26,270
2018 Series C dated August 28, 2018, 3.63% effective interest rate, final due date August 1, 2053	18,405	—	340	18,065
2018 Series D dated October 2, 2018, 3.79% effective interest rate, final due date October 1, 2053	71,105	—	—	71,105
2018 Series E dated December 4, 2018, 3.90% effective interest rate, final due date December 1, 2049	42,090	—	—	42,090
2019 Series A dated March 26, 2019, 3.70% effective interest rate, final due date March 1, 2054	62,405	—	615	61,790
2019 Series B dated May 22, 2019, 3.10% effective interest rate, final due date May 1, 2054	16,620	—	—	16,620
2019 Series C dated August 21, 2019 3.13% effective interest rate, final due date August 1, 2054	49,575	—	875	48,700
2019 Series D dated October 16, 2019 3.12% effective interest rate, final due date October 1, 2054	49,570	—	—	49,570
2019 Series E dated December 12, 2019 3.00% effective interest rate, final due date December 1, 2054	63,700	—	5,710	57,990
2020 Series A dated March 25, 2020 2.74% effective interest rate, final due date March 1, 2055	74,300	—	—	74,300

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		(Amounts shown in thousands)		
2020 Series B dated March 25, 2020 2.30% effective interest rate, final due date March 1, 2055	\$ 75,905	—	—	75,905
2020 Series C dated April 28, 2020 3.57% effective interest rate, final due date April 1, 2055	200,000	—	—	200,000
2020 Series D dated May 27, 2020 3.58% effective interest rate, final due date June 1, 2055	425,000	—	—	425,000
2020 Series E dated July 28, 2020 2.40% effective interest rate, final due date July 1, 2055	44,770	—	—	44,770
2020 Series F dated July 21, 2020 3.09% effective interest rate, final due date July 1, 2055	200,000	—	—	200,000
2020 Series G dated October 14, 2020 2.20% effective interest rate, final due date September 1, 2055	23,050	—	—	23,050
2020 Series H dated October 7, 2020 2.94% effective interest rate, final due date September 1, 2055	175,000	—	—	175,000
2020 Series I dated December 9, 2020 2.33% effective interest rate, final due date November 1, 2053	44,970	—	—	44,970
2020 Series J dated December 2, 2020 3.04% effective interest rate, final due date November 1, 2055	50,000	—	—	50,000
2021 Series A dated March 2, 2021 2.68% effective interest rate, final due date February 1, 2056	81,590	—	—	81,590
2021 Series B dated March 30, 2021 2.12% effective interest rate, final due date March 1, 2056	49,975	—	—	49,975
2021 Series C dated April 22, 2021 2.85% effective interest rate, final due date April 1, 2056	101,620	—	—	101,620
2021 Series D dated June 3, 2021 2.17% effective interest rate, final due date May 1, 2056	32,195	—	—	32,195

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Description	Balance at June 30, 2022	Issued	Retired	Balance at September 30, 2022
		(Amounts shown in thousands)		
2021 Series E dated June 24, 2021 2.71% effective interest rate, final due date June 1, 2056	\$ 80,000	—	—	80,000
2021 Series F dated July 27, 2021 2.17% effective interest rate, final due date July 1, 2056	50,000	—	—	50,000
2021 Series G dated July 27, 2021 2.56% effective interest rate, final due date August 1, 2056	30,000	—	—	30,000
2021 Series H dated September 2, 2021 2.58% effective interest rate, final due date September 1, 2056	30,000	—	—	30,000
2021 Series I dated October 12, 2021 2.23% effective interest rate, final due date October 1, 2056	5,925	—	—	5,925
2021 Series J dated November 9, 2021 2.98% effective interest rate, final due date November 1, 2056	226,630	—	—	226,630
2021 Series K dated December 7, 2021 2.39% effective interest rate, final due date December 1, 2056	149,080	—	—	149,080
2022 Series A dated February 2, 2022 2.95% effective interest rate, final due date February 1, 2057	40,000	—	—	40,000
2022 Series B dated March 8, 2022 3.12% effective interest rate, final due date March 1, 2057	57,755	—	—	57,755
2022 Series C dated March 29, 2022 3.91% effective interest rate, final due date April 1, 2057	50,000	—	—	50,000
2022 Series D dated May 3, 2022 3.91% effective interest rate, final due date May 1, 2057	23,425	—	—	23,425
2022 Series E dated June 30, 2022 4.12% effective interest rate, final due date June 1, 2057	41,750	—	—	41,750
	<u>3,719,060</u>	<u>—</u>	<u>11,350</u>	<u>3,707,710</u>
Unamortized premium	(493)	—	6	(487)
Total rental housing bonds	<u>\$ 3,718,567</u>	<u>—</u>	<u>6</u>	<u>3,707,223</u>

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Description	Balance at June 30, 2022	Issued	Retired	Balance at September 30, 2022
(Amounts shown in thousands)				
Commonwealth mortgage bonds group:				
2006 Series C, dated June 8, 2006, 6.35% effective interest rate, final due date June 25, 2034	\$ 5,259	—	154	5,105
2008 Series A, dated March 25, 2008, 6.13% effective interest rate, final due March 25, 2038	6,266	—	316	5,950
2008 Series B, dated April 10, 2008, 6.21% effective interest rate, final due date March 25, 2038	9,757	—	422	9,335
2008 Series C, dated November 18, 2008, 6.56% effective interest rate, final due date June 25, 2038	4,065	—	159	3,906
2012 Series A, dated December 20, 2012, 2.10% effective interest rate, final due date July 1, 2026	36,400	—	4,000	32,400
2012 Series B/C, dated December 20, 2012, 3.09% effective interest rate, final due date July 1, 2039.	215,370	—	—	215,370
2013 Series B, dated May 21, 2013, 2.75% effective interest rate, final due date April 25, 2042	18,781	—	1,101	17,680
2013 Series C, dated October 24, 2013, 4.25% effective interest rate, final due date October 25, 2043	22,367	—	978	21,389
2013 Series D, dated December 19, 2013, 4.30% effective interest rate, final due date December 25, 2043	20,931	—	1,454	19,477

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Description	Balance at June 30, 2022	Issued	Retired	Balance at September 30, 2022
		(Amounts shown in thousands)		
2014 Series A, dated December 11, 2014, 3.50% effective interest rate, final due date October 25, 2037	\$ 32,296	—	1,269	31,027
2015 Series A, dated November 10, 2015, 3.25% effective interest rate, final due date June 25, 2045	51,276	—	2,631	48,645
2016 Series A, dated June 9, 2016, 3.10% effective interest rate, final due date June 25, 2041	48,571	—	2,080	46,491
2017 Series A, dated June 13, 2017, 3.13% effective interest rate, final due date November 25, 2039	58,212	—	2,820	55,392
2019 Series A, dated November 5, 2019, 2.95% effective interest rate, final due date October 25, 2049	51,158	—	1,558	49,600
2020 Series A, dated February 12, 2020, 2.85% effective interest rate, final due date December 25, 2049	67,937	—	1,833	66,104
2020 Series B, dated April 21, 2020, 2.75% effective interest rate, final due date October 25, 2046	85,389	—	3,068	82,321
2021 Series A, dated August 17, 2021, 2.13% effective interest rate, final due date July 25, 2051	143,911	—	2,806	141,105
2022 Series A, dated February 1, 2022, 2.88% effective interest rate, final due date February 25, 2052	41,048	—	274	40,774
	<u>918,994</u>	<u>—</u>	<u>26,923</u>	<u>892,071</u>
Unamortized premium	(396)	—	16	(380)
Total commonwealth mortgage bonds group	<u>\$ 918,598</u>			<u>891,691</u>

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<u>Description</u>	<u>Balance at June 30, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance at September 30, 2022</u>
		(Amounts shown in thousands)		
Homeownership mortgage bonds group:				
2013 Series A, dated March 27, 2013, 3.25% effective interest rate, final due date August 25, 2042	\$ 42,634	—	1,588	41,046
Total homeownership mortgage bonds group	<u>42,634</u>	<u>—</u>	<u>1,588</u>	<u>41,046</u>
 Total	 \$ <u>5,390,099</u>			 <u>5,250,260</u>

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Notes and bonds payable at June 30, 2021 and September 30, 2021 and changes for the three months ended September 30, 2021 were summarized as follows (amounts in thousands):

Description	Balance at June 30, 2021	Issued	Retired	Increase/ (decrease) in unamortized premium/ discount	Balance at September 30, 2021
General operating accounts	\$ 710,300	12,000	12,000	-	710,300
Rental housing bonds group	3,340,043	110,000	125,735	6	3,324,314
Commonwealth mortgage bonds group	964,300	151,168	83,724	34	1,031,778
Homeownership mortgage bonds group	54,241	-	3,645	-	50,596
Total	<u>\$ 5,068,884</u>	<u>273,168</u>	<u>225,104</u>	<u>40</u>	<u>5,116,988</u>

The principal payment obligations and associated interest related to all note and bond indebtedness (excluding the effect of unamortized discounts and premium) commencing October 1, 2022 and thereafter are as follows:

Year Ending September 30	Outstanding principal	Current interest	Total debt service
2023	\$ 724,831,292	160,976,980	885,808,272
2024	126,945,000	140,748,962	267,693,962
2025	123,945,000	138,412,654	262,357,654
2026	114,615,000	136,008,900	250,623,900
2027	102,715,000	133,324,855	236,039,855
2028-2032	569,300,000	622,277,695	1,191,577,695
2033-2037	644,258,880	531,506,547	1,175,765,427
2038-2042	867,570,345	410,899,150	1,278,469,495
2043-2047	748,298,109	261,258,293	1,009,556,402
2048-2052	855,219,169	141,399,852	996,619,021
2053-2057	373,430,000	27,407,291	400,837,291
Total	<u>\$ 5,251,127,795</u>	<u>2,704,221,179</u>	<u>7,955,348,974</u>

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(5) Loan Participation Payable to Federal Financing Bank

On March 23, 2015, the Authority was designated as a “qualified Housing Finance Agency” under the Risk-Sharing Act and entered into a Risk-Sharing Agreement with HUD. In conjunction with the Risk-Sharing Agreement, the Authority elected to participate in a program offered by the Federal Financing Bank (FFB) for the financing of rental housing mortgage loans. The FFB is a government corporation, under the general supervision and direction of the Secretary of the Treasury, created by Congress with statutory authority to purchase any obligation that is fully guaranteed by another federal agency. To the extent that FFB proceeds are utilized to finance certain mortgage loans, such mortgage loans would not be available to be financed under the Rental Housing Bond Group other than on a temporary basis prior to such FFB financing. In February 2016, the Authority executed the necessary agreements to allow the Authority to participate in such FFB financing.

Under the program established by the Risk-Sharing Act (the “Risk-Sharing Program”), the Authority retains underwriting, mortgage loan management and property disposition functions and responsibility for defaulted loans. Following default under a mortgage loan subject to a HUD contract of mortgage insurance under the Risk-Sharing Program, HUD agrees to make an initial claim payment of 100% of the loan’s unpaid principal balance and accrued interest, subject to certain adjustments that passes through the Authority to FFB. After a period during which the Authority may work toward curing the default, foreclosing the mortgage, or reselling the related project, any losses are calculated and apportioned between the Authority and HUD according to a specified risk-sharing percentage determined at the time of its endorsement for insurance. At its election, the Authority may choose a risk percentage ranging from 50% to 90%, which in turn determines its reimbursement obligation to HUD. During the intervening period prior to the final loss settlement, the Authority is obligated to pay interest on the amount of the initial claim payment under a debenture required to be issued to HUD at the time of the initial claim payment.

For each rental housing mortgage loan to be financed by the FFB, the Authority will sell to the FFB a certificate representing a participation interest in the rental housing mortgage loan consisting of all principal payments due thereon and all interest payments due thereon, whereby the rate to FFB will be less than the mortgage loan interest rate. The participation proceeds from the FFB are recorded as a debt obligation payable to the FFB.

Under these agreements, the Authority will retain responsibility for originating, closing and servicing the rental housing mortgage loans underlying the certificates sold to the FFB. As servicer, the Authority will remit the balance of each mortgage payment to U.S. Bank, N.A. (“Custodian”). The Custodian will fund any required account and pay the amounts due to the FFB, deduct their fees, then remit any amount remaining to the Authority as servicing fees.

Under the terms of the agreements in the Risk-Sharing Program, the Authority has sold certificates representing the beneficial interest in the following mortgage loans to FFB:

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)

Notes to Basic Financial Statements

September 30, 2022 and 2021

(Unaudited)

Description	Balance at June 30, 2022	Issued	Retired	Balance at September 30, 2022
Participation Certificates Outstanding:				
Colonnade at Rocktown - Note rate of 4.68%				
Risk-Share percentage (10% HUD / 90% VHDA)				
Pass-through rate of 3.45%				
Maturity date of May 1, 2047	\$ 2,744,589	—	14,639	2,729,950
Wilsondale II - Note rate of 4.47%				
Risk-Share percentage (10% HUD / 90% VHDA)				
Pass-through rate of 3.12%				
Maturity date of July 1, 2047	7,119,941	—	38,726	7,081,215
Baker Woods - Note rate of 3.91%				
Risk-Share percentage (10% HUD / 90% VHDA)				
Pass-through rate of 2.89%				
Maturity date of December 1, 2052	5,231,730	—	22,418	5,209,312
Twin Canal Village - Note rate of 3.82%				
Risk-Share percentage (10% HUD / 90% VHDA)				
Pass-through rate of 3.18%				
Maturity date of April 1, 2043	6,489,274	—	51,233	6,438,041
Treesdale - Note rate of 4.22%				
Risk-Share percentage (10% HUD / 90% VHDA)				
Pass-through rate of 3.30%				
Maturity date of November 1, 2048	3,505,695	—	18,159	3,487,536
Landing at Weyers Cove - Note rate of 4.22%				
Risk-Share percentage (10% HUD / 90% VHDA)				
Pass-through rate of 3.30%				
Maturity date of November 1, 2048	2,305,525	—	11,943	2,293,582
Belle Hall - Note rate of 3.57%				
Risk-Share percentage (10% HUD / 90% VHDA)				
Pass-through rate of 2.72%				
Maturity date of September 1, 2049	4,210,652	—	22,947	4,187,705
Campostella Commons - Note rate of 3.57%				
Risk-Share percentage (10% HUD / 90% VHDA)				
Pass-through rate of 2.72%				
Maturity date of September 1, 2049	3,217,127	—	17,532	3,199,595
Total participation certificates payable	\$ 34,824,533	—	197,597	34,626,936

VIRGINIA HOUSING
(A Component Unit of the Commonwealth of Virginia)
Combining Schedule of Net Position
September 30, 2022
(Unaudited)

Assets	General Operating Accounts	Rental Housing Bond Group	Commonwealth Mortgage Bond Group	Home- ownership Bond Group	Total
Current assets:					
Cash and cash equivalents	\$ 465,965,196	1,069,755,651	358,143,935	24,928,292	1,918,793,074
Interest receivable – investments	2,398,454	2,133,842	1,458,771	47,002	6,038,069
Derivative instruments	-	-	5,047,672	-	5,047,672
Mortgage loans held for sale	-	-	184,762,408	-	184,762,408
Mortgage and other loans receivable, net	8,790,960	103,468,762	69,062,585	4,169,428	185,491,735
Interest receivable – mortgage and other loans	810,365	17,319,450	4,854,123	306,939	23,290,877
Other real estate owned	5,259,113	427,000	803,903	83,000	6,573,016
Other assets	40,020,528	-	7,593	-	40,028,121
Total current assets	<u>523,244,616</u>	<u>1,193,104,705</u>	<u>624,140,990</u>	<u>29,534,661</u>	<u>2,370,024,972</u>
Noncurrent assets:					
Investments	679,597,512	-	157,828,848	1,124,337	838,550,697
Mortgage and other loans receivable	312,974,037	4,334,352,313	1,567,918,831	108,516,383	6,323,761,564
Less allowance for loan loss	47,075,314	52,992,939	38,229,682	1,092,018	139,389,953
Mortgage and other loans receivable, net	<u>265,898,723</u>	<u>4,281,359,374</u>	<u>1,529,689,149</u>	<u>107,424,365</u>	<u>6,184,371,611</u>
Capital Assets, net of accumulated depreciation and amortization of \$52,666,318	12,857,518	7,445,550	-	-	20,303,068
Mortgage servicing rights, net	43,182,426	-	-	-	43,182,426
Other Assets	19,148,416	-	-	-	19,148,416
Total noncurrent assets	<u>1,020,684,595</u>	<u>4,288,804,924</u>	<u>1,687,517,997</u>	<u>108,548,702</u>	<u>7,105,556,218</u>
Total assets	<u><u>1,543,929,211</u></u>	<u><u>5,481,909,629</u></u>	<u><u>2,311,658,987</u></u>	<u><u>138,083,363</u></u>	<u><u>9,475,581,190</u></u>
Deferred outflows of resources					
Other postemployment benefits - change in assumptions	1,911,020	-	-	-	1,911,020
Other postemployment benefits - difference between expected and actual experience	6,868,575	-	-	-	6,868,575
Total Deferred outflows of resources	<u>8,779,595</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,779,595</u>

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Combining Schedule of Net Position
September 30, 2022
(Unaudited)

Liabilities	General Operating Accounts	Rental Housing Bond Group	Commonwealth Mortgage Bond Group	Home- ownership Bond Group	Total
Current liabilities:					
Notes and bonds payable	610,300,000	71,830,000	41,189,063	1,512,229	724,831,292
Accrued interest payable on notes and bonds	792,586	36,956,639	4,158,328	111,167	42,018,720
Escrows	42,617,075	-	-	-	42,617,075
Federal grand awards held	203,718,657	-	-	-	203,718,657
Accounts payable and other liabilities	23,962,586	-	-	-	23,962,586
Total current liabilities	<u>881,390,904</u>	<u>108,786,639</u>	<u>45,347,391</u>	<u>1,623,396</u>	<u>1,037,148,330</u>
Noncurrent liabilities:					
Bonds payable, net	-	3,635,392,604	850,501,916	39,534,118	4,525,428,638
Project reserves	108,177,161	-	-	-	108,177,161
Loan participation payable to Federal Financing Bank	34,626,936	-	-	-	34,626,936
Other (assets) liabilities	8,508,198	-	-	-	8,508,198
Total noncurrent liabilities	<u>151,312,295</u>	<u>3,635,392,604</u>	<u>850,501,916</u>	<u>39,534,118</u>	<u>4,676,740,933</u>
Total liabilities	<u>1,032,703,199</u>	<u>3,744,179,243</u>	<u>895,849,307</u>	<u>41,157,514</u>	<u>5,713,889,263</u>
Deferred inflows of resources					
Deferred fees and points on multifamily loans	480,663	63,470,600	-	-	63,951,263
Other postemployment benefits - change in assumptions	665,047	-	-	-	665,047
Other postemployment benefits - difference between expected and actual experience	124,609	-	-	-	124,609
Other postemployment benefits - difference between projected and actual earning	5,757,970	-	-	-	5,757,970
Total deferred inflows of resources	<u>7,028,289</u>	<u>63,470,600</u>	<u>-</u>	<u>-</u>	<u>70,498,889</u>
Net position:					
Net investment in capital assets	11,633,359	280,411	-	-	11,913,770
Restricted by bond indentures	-	1,673,979,375	1,415,809,680	96,925,849	3,186,714,904
Unrestricted	501,343,959	-	-	-	501,343,959
Total net position	<u>\$ 512,977,318</u>	<u>1,674,259,786</u>	<u>1,415,809,680</u>	<u>96,925,849</u>	<u>3,699,972,633</u>

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Combining Schedule of Revenues, Expenses, and Changes in Net Position
Three months ended September 30, 2022
(Unaudited)

	General Operating Accounts	Rental Housing Bond Group	Commonwealth Mortgage Bond Group	Home- ownership Bond Group	Total
Operating revenues:					
Interest on mortgage and other loans receivable	\$ 4,648,369	50,896,778	19,269,325	1,287,175	76,101,647
Housing Choice Voucher program administrative income	2,677,107	-	-	-	2,677,107
Gains and recoveries on sale of other real estate owned	40,423	-	35,869	1,052	77,344
Gain/(loss) on sale of single family mortgage loans	-	-	(1,046,347)	-	(1,046,347)
Mortgage servicing fees net of guaranty fees	10,592,094	-	-	-	10,592,094
Other	2,738,611	1,333,733	2,560	-	4,074,904
Total operating revenues	<u>20,696,604</u>	<u>52,230,511</u>	<u>18,261,407</u>	<u>1,288,227</u>	<u>92,476,749</u>
Operating expenses:					
Interest on notes and bonds payable	3,681,470	28,888,260	6,708,024	338,711	39,616,465
Salaries and related employee benefits	17,398,158	-	-	-	17,398,158
General operating expenses	7,918,085	-	-	-	7,918,085
Note and bond expenses	313,834	-	-	-	313,834
Grant expenses	15,306,004	-	-	-	15,306,004
Housing Choice Voucher program expenses	1,859,074	-	-	-	1,859,074
Mortgage servicing rights amortization and other servicing costs	7,466,869	-	(184,808)	-	7,282,061
Losses on other real estate owned	553,140	-	336,671	6,619	896,430
Provision for loan losses	(125,601)	(2,901,911)	(697,498)	(21,787)	(3,746,797)
Total operating expenses	<u>54,371,033</u>	<u>25,986,349</u>	<u>6,162,389</u>	<u>323,543</u>	<u>86,843,314</u>
Operating income (expense)	<u>(33,674,429)</u>	<u>26,244,162</u>	<u>12,099,018</u>	<u>964,684</u>	<u>5,633,435</u>
Nonoperating revenues (expenses):					
Pass-through grant awards	43,953,769	-	-	-	43,953,769
Pass-through grants expenses	(43,953,769)	-	-	-	(43,953,769)
Investment income	7,291,082	5,262,245	(37,248,934)	113,584	(24,582,023)
Unrealized loss on investments	(27,127,726)	-	(853,060)	-	(27,980,786)
Total nonoperating revenues, net	<u>(19,836,644)</u>	<u>5,262,245</u>	<u>(38,101,994)</u>	<u>113,584</u>	<u>(52,562,809)</u>
Income (loss) before transfers	<u>(53,511,073)</u>	<u>31,506,407</u>	<u>(26,002,976)</u>	<u>1,078,268</u>	<u>(46,929,374)</u>
Transfers between funds	137,327,911	(42,153,718)	(95,204,090)	29,897	-
Change in net position	<u>83,816,838</u>	<u>(10,647,311)</u>	<u>(121,207,066)</u>	<u>1,108,165</u>	<u>(46,929,374)</u>
Total net position, beginning of year	429,160,480	1,684,907,097	1,537,016,746	95,817,684	3,746,902,007
Total net position, end of three months	<u>\$ 512,977,318</u>	<u>1,674,259,786</u>	<u>1,415,809,680</u>	<u>96,925,849</u>	<u>3,699,972,633</u>

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Combining Schedule of Fiduciary Net Position
Fiduciary Funds - Custodial Funds
September 30, 2022
(Unaudited)

	Escrow Funds (GNMA, FNMA, FHLMC, Habitat)	Commonwealth Priority Housing Fund	Virginia Housing Trust Fund	National Housing Trust Fund	Total Custodial Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 85,760,686	4,418,103	1,775,150	1,620,347	93,574,286
Interest receivable - investments	-	6,343	1,806	1,375	9,524
Interest receivable - mortgage and other loans	-	1,046	56,176	8,625	65,847
Other assets	-	64,984	-	-	64,984
Total current assets	<u>85,760,686</u>	<u>4,490,476</u>	<u>1,833,132</u>	<u>1,630,347</u>	<u>93,714,641</u>
Noncurrent assets:					
Mortgage and other loans receivable	-	2,702,870	24,898,970	9,800,847	37,402,687
Total noncurrent assets	<u>-</u>	<u>2,702,870</u>	<u>24,898,970</u>	<u>9,800,847</u>	<u>37,402,687</u>
Total assets	<u>85,760,686</u>	<u>7,193,346</u>	<u>26,732,102</u>	<u>11,431,194</u>	<u>131,117,328</u>
LIABILITIES					
Other liabilities	-	1,838,865	1,810,084	1,648,070	5,297,019
Total liabilities	<u>-</u>	<u>1,838,865</u>	<u>1,810,084</u>	<u>1,648,070</u>	<u>5,297,019</u>
NET POSITION					
Restricted for:					
Funds held in escrow	85,760,686	-	-	-	85,760,686
Other governmental agency	-	5,354,481	24,922,018	9,783,124	40,059,623
Total Net Position	<u>\$ 85,760,686</u>	<u>5,354,481</u>	<u>24,922,018</u>	<u>9,783,124</u>	<u>125,820,309</u>

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Combining Schedule of Changes in Fiduciary Net Position
Fiduciary Funds - Custodial Funds
Three months ended September 30, 2022
(Unaudited)

	Escrow Funds (GNMA, FNMA, FHLMC Habitat)	Commonwealth Priority Housing Fund	Virginia Housing Trust Fund	National Housing Trust Fund	Total Custodial Funds
ADDITIONS					
Contribution:					
Borrower payments	\$ 508,576,880	-	-	-	508,576,880
Employers	-	-	76,208	30,687	106,895
Other governmental agency minus Employers	-	-	543,792	769,313	1,313,105
Total Contributions	<u>508,576,880</u>	<u>-</u>	<u>620,000</u>	<u>800,000</u>	<u>509,996,880</u>
Investment earnings:					
Interest, dividends, and other	-	18,616	3,307	2,598	24,521
Total investment earnings	<u>-</u>	<u>18,616</u>	<u>3,307</u>	<u>2,598</u>	<u>24,521</u>
Total additions	<u>508,576,880</u>	<u>18,616</u>	<u>623,307</u>	<u>802,598</u>	<u>510,021,401</u>
DEDUCTIONS					
Other governmental agency	-	-	14,164	-	14,164
Disbursement of escrow funds	516,552,357	-	-	-	516,552,357
Total deductions	<u>516,552,357</u>	<u>-</u>	<u>14,164</u>	<u>-</u>	<u>516,566,521</u>
Net (decrease)/increase in fiduciary net position	(7,975,477)	18,616	609,143	802,598	(6,545,120)
Net position - beginning of year	93,736,163	5,335,865	24,312,875	8,980,526	132,365,429
Net position - end of three months	<u>\$ 85,760,686</u>	<u>5,354,481</u>	<u>24,922,018</u>	<u>9,783,124</u>	<u>125,820,309</u>

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Combining Schedule of Net Position
September 30, 2021
(Unaudited)

Assets	General Operating Accounts	Rental Housing Bond Group	Commonwealth Mortgage Bond Group	Home- ownership Bond Group	Total
Current assets:					
Cash and cash equivalents	\$ 211,379,761	1,052,677,861	217,546,114	9,627,178	1,491,230,914
Interest receivable – investments	2,113,275	31,468	696,571	264	2,841,578
Derivative instruments	-	-	907,847	-	907,847
Mortgage loans held for sale	-	-	498,523,617	-	498,523,617
Mortgage and other loans receivable, net	7,421,887	104,210,390	93,217,809	4,428,097	209,278,183
Interest receivable – mortgage and other loans	667,405	19,213,191	5,482,483	335,652	25,698,731
Other real estate owned	1,830,240	427,000	369,864	199,078	2,826,182
Other assets	16,905,957	-	10,265	-	16,916,222
Total current assets	<u>240,318,525</u>	<u>1,176,559,910</u>	<u>816,754,570</u>	<u>14,590,269</u>	<u>2,248,223,274</u>
Noncurrent assets:					
Investments	833,414,602	-	219,914,306	1,500,000	1,054,828,908
Mortgage and other loans receivable	258,323,964	4,007,162,189	1,595,014,296	128,793,397	5,989,293,846
Less allowance for loan loss	54,191,283	63,415,132	50,461,655	1,627,197	169,695,267
Mortgage and other loans receivable, net	<u>204,132,681</u>	<u>3,943,747,057</u>	<u>1,544,552,641</u>	<u>127,166,200</u>	<u>5,819,598,579</u>
Capital Assets, net of accumulated depreciation and amortization of \$49,314,816	14,272,231	8,141,985	-	-	22,414,216
Mortgage servicing rights, net	42,720,574	-	-	-	42,720,574
Other Assets	14,694,684	-	-	-	14,694,684
Total noncurrent assets	<u>1,109,234,772</u>	<u>3,951,889,042</u>	<u>1,764,466,947</u>	<u>128,666,200</u>	<u>6,954,256,961</u>
Total assets	<u>1,349,553,297</u>	<u>5,128,448,952</u>	<u>2,581,221,517</u>	<u>143,256,469</u>	<u>9,202,480,235</u>
Deferred outflows of resources					
Other postemployment benefits - change in assumptions	2,071,266	-	-	-	2,071,266
Other postemployment benefits - difference between expected and actual experience	6,631,614	-	-	-	6,631,614
Total Deferred outflows of resources	<u>8,702,880</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,702,880</u>

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Combining Schedule of Net Position
September 30, 2021
(Unaudited)

Liabilities	General Operating Accounts	Rental Housing Bond Group	Commonwealth Mortgage Bond Group	Home- ownership Bond Group	Total
Current liabilities:					
Notes and bonds payable	710,300,000	42,390,000	52,992,343	1,710,328	807,392,671
Accrued interest payable on notes and bonds	29,834	32,999,321	5,082,347	137,034	38,248,536
Escrows	43,111,361	-	-	-	43,111,361
Federal grant awards held	36,479,121	-	-	-	36,479,121
Accounts payable and other liabilities	25,060,860	-	-	-	25,060,860
Total current liabilities	<u>814,981,176</u>	<u>75,389,321</u>	<u>58,074,690</u>	<u>1,847,362</u>	<u>950,292,549</u>
Noncurrent liabilities:					
Bonds payable, net	-	3,281,924,166	978,785,501	48,885,437	4,309,595,104
Project reserves	108,395,433	-	-	-	108,395,433
Loan participation payable to Federal Financing Bank	35,405,525	-	-	-	35,405,525
Other (assets) liabilities	6,669,015	-	-	-	6,669,015
Total noncurrent liabilities	<u>150,469,973</u>	<u>3,281,924,166</u>	<u>978,785,501</u>	<u>48,885,437</u>	<u>4,460,065,077</u>
Total liabilities	<u>965,451,149</u>	<u>3,357,313,487</u>	<u>1,036,860,191</u>	<u>50,732,799</u>	<u>5,410,357,626</u>
Deferred inflows of resources					
Deferred fees and points on multifamily loans	335,206	60,456,618	-	-	60,791,824
Other postemployment benefits - change in assumptions	743,223	-	-	-	743,223
Other postemployment benefits - difference between expected and actual experience	145,377	-	-	-	145,377
Other postemployment benefits - difference between projected and actual earning	3,165,139	-	-	-	3,165,139
Total deferred inflows of resources	<u>4,388,945</u>	<u>60,456,618</u>	<u>-</u>	<u>-</u>	<u>64,845,563</u>
Net position:					
Net investment in capital assets	13,889,121	(2,285,125)	-	-	11,603,996
Restricted by bond indentures	-	1,712,963,972	1,544,361,326	92,523,670	3,349,848,968
Unrestricted	374,526,962	-	-	-	374,526,962
Total net position	<u>\$ 388,416,083</u>	<u>1,710,678,847</u>	<u>1,544,361,326</u>	<u>92,523,670</u>	<u>3,735,979,926</u>

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Combining Schedule of Revenues, Expenses, and Changes in Net Position
Three months ended September 30, 2021
(Unaudited)

	General Operating Accounts	Rental Housing Bond Group	Commonwealth Mortgage Bond Group	Home- ownership Bond Group	Total
Operating revenues:					
Interest on mortgage and other loans receivable	\$ 2,118,915	49,474,311	19,190,478	1,411,464	72,195,168
Housing Choice Voucher program administrative income	1,835,968	-	-	-	1,835,968
Gains and recoveries on sale of other real estate owned	58,218	-	-	-	58,218
Gains on sale of single family mortgage loans	-	-	7,377,459	-	7,377,459
Mortgage servicing fees net of guaranty fees	9,201,760	-	-	-	9,201,760
Other	3,047,081	2,690,815	82	-	5,737,978
Total operating revenues	<u>16,261,942</u>	<u>52,165,126</u>	<u>26,568,019</u>	<u>1,411,464</u>	<u>96,406,551</u>
Operating expenses:					
Interest on notes and bonds payable	338,954	26,292,310	7,593,301	420,157	34,644,722
Salaries and related employee benefits	17,963,429	-	-	-	17,963,429
General operating expenses	6,650,970	-	-	-	6,650,970
Note and bond expenses	152,721	-	-	-	152,721
Bond issuance expenses	9,532	720,985	785,387	-	1,515,904
Grant expenses	9,862,914	-	-	-	9,862,914
Housing Choice Voucher program expenses	2,164,813	-	-	-	2,164,813
Mortgage servicing rights amortization and other servicing costs	6,635,316	-	5,366,333	-	12,001,649
Losses on other real estate owned	137,769	-	37,361	6,473	181,603
Provision for loan losses	578,962	(781,101)	335,357	16,478	149,696
Total operating expenses	<u>44,495,380</u>	<u>26,232,194</u>	<u>14,117,739</u>	<u>443,108</u>	<u>85,288,421</u>
Operating income (expense)	<u>(28,233,438)</u>	<u>25,932,932</u>	<u>12,450,280</u>	<u>968,356</u>	<u>11,118,130</u>
Nonoperating revenues (expenses):					
Pass-through grant awards	84,860,012	-	-	-	84,860,012
Pass-through grants expenses	(84,860,012)	-	-	-	(84,860,012)
Investment income	4,627,795	112,122	(105,370)	834	4,635,381
Unrealized gain on investments	-	-	1,794,206	-	1,794,206
Other, net	10	-	-	-	10
Total nonoperating revenues, net	<u>4,627,805</u>	<u>112,122</u>	<u>1,688,836</u>	<u>834</u>	<u>6,429,597</u>
Income (loss) before transfers	<u>(23,605,633)</u>	<u>26,045,054</u>	<u>14,139,116</u>	<u>969,190</u>	<u>17,547,727</u>
Transfers between funds	33,914,546	(26,722,046)	(7,203,513)	11,013	-
Change in net position	<u>10,308,913</u>	<u>(676,992)</u>	<u>6,935,603</u>	<u>980,203</u>	<u>17,547,727</u>
Total net position, beginning of year	378,107,170	1,711,355,839	1,537,425,723	91,543,467	3,718,432,199
Total net position, end of three months	<u>\$ 388,416,083</u>	<u>1,710,678,847</u>	<u>1,544,361,326</u>	<u>92,523,670</u>	<u>3,735,979,926</u>

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Combining Schedule of Fiduciary Net Position
Fiduciary Funds - Custodial Funds
September 30, 2021
(Unaudited)

	Escrow Funds (GNMA, FNMA, FHLMC, Habitat)	Commonwealth Priority Housing Fund	Virginia Housing Trust Fund	National Housing Trust Fund	Total Custodial Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 145,531,588	3,790,411	2,473,297	1,517,644	153,312,940
Interest receivable - investments	-	125	80	45	250
Interest receivable - mortgage and other loans	-	1,046	46,756	4,667	52,468
Other assets	-	65,824	-	-	65,824
Total current assets	<u>145,531,588</u>	<u>3,857,406</u>	<u>2,520,133</u>	<u>1,522,355</u>	<u>153,431,482</u>
Noncurrent assets:					
Mortgage and other loans receivable	-	2,254,370	20,307,787	6,700,847	29,263,004
Total noncurrent assets	<u>-</u>	<u>2,254,370</u>	<u>20,307,787</u>	<u>6,700,847</u>	<u>29,263,004</u>
Total assets	<u>145,531,588</u>	<u>6,111,776</u>	<u>22,827,920</u>	<u>8,223,202</u>	<u>182,694,487</u>
LIABILITIES					
Other liabilities	-	656,674	2,427,075	1,513,479	4,597,228
Total liabilities	<u>-</u>	<u>656,674</u>	<u>2,427,075</u>	<u>1,513,479</u>	<u>4,597,228</u>
NET POSITION					
Restricted for:					
Funds held in escrow	145,531,588	-	-	-	145,531,588
Other governmental agency	-	5,455,101	20,400,846	6,709,723	32,565,671
Total Net Position	<u>\$ 145,531,588</u>	<u>5,455,101</u>	<u>20,400,846</u>	<u>6,709,723</u>	<u>178,097,259</u>

VIRGINIA HOUSING DEVELOPMENT AUTHORITY
(A Component Unit of the Commonwealth of Virginia)
Combining Schedule of Changes in Fiduciary Net Position
Fiduciary Funds - Custodial Funds
Three months ended September 30, 2021
(Unaudited)

	<u>Escrow Funds (GNMA, FNMA, FHLMC, Habitat)</u>	<u>Commonwealth Priority Housing Fund</u>	<u>Virgina Housing Trust Fund</u>	<u>National Housing Trust Fund</u>	<u>Total Custodial Funds</u>
ADDITIONS					
Contribution:					
Borrower payments	\$ 808,288,737	-	-	-	808,288,737
Employers	-	22,091	86,619	32,859	141,569
Other governmental agency minus Employers	-	-	1,628,525	1,500,000	3,128,525
Total Contributions	<u>808,288,737</u>	<u>22,091</u>	<u>1,715,144</u>	<u>1,532,859</u>	<u>811,558,831</u>
Investment earnings:					
Interest, dividends, and other	-	3,662	249	114	4,026
Total investment earnings	<u>-</u>	<u>3,662</u>	<u>249</u>	<u>114</u>	<u>4,026</u>
Total additions	<u>808,288,737</u>	<u>25,753</u>	<u>1,715,393</u>	<u>1,532,973</u>	<u>811,562,857</u>
DEDUCTIONS					
Other governmental agency	-	-	14,023	-	14,023
Disbursement of escrow funds	803,370,691	-	-	-	803,370,691
Total deductions	<u>803,370,691</u>	<u>-</u>	<u>14,023</u>	<u>-</u>	<u>803,384,714</u>
Net increase in fiduciary net position	4,918,045	25,753	1,701,370	1,532,973	8,178,142
Net position - beginning of year	140,613,543	5,429,348	18,699,476	5,176,750	169,919,117
Net position - end of three months	<u>\$ 145,531,588</u>	<u>5,455,101</u>	<u>20,400,846</u>	<u>6,709,723</u>	<u>178,097,259</u>