

PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 28, 2025

NEW ISSUE—BOOK-ENTRY ONLY

Moody's/S&P: "Aaa"/"AA+" (see "RATINGS" herein)

This cover page contains information for quick reference only. It is not a summary of the information contained in this Official Statement. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision. Capitalized terms used and not otherwise defined on this cover page have the respective meanings assigned them in this Official Statement.



\$50,000,000*

CALIFORNIA HOUSING FINANCE AGENCY

Homeowner Mortgage Revenue Bonds, 2025 Series A (Federally Taxable) (Social Bonds)

Dated: Date of delivery

Due: as shown on the inside cover page

<i>Purpose</i>	Proceeds of the Offered Bonds will be used (i) to finance single family mortgage loans indirectly through the acquisition of pass-through mortgage-backed certificates issued by Ginnie Mae, Fannie Mae or Freddie Mac and (ii) to finance loans providing down payment and/or closing costs assistance. The Agency will pay costs of issuance with respect to the Offered Bonds from its own general unrestricted funds. See "PLAN OF FINANCING."
<i>Offered Bonds as Social Bonds</i>	The Offered Bonds are designated as "Social Bonds." See "DESIGNATION OF THE OFFERED BONDS AS SOCIAL BONDS," "APPENDIX F — CALIFORNIA HOUSING FINANCE AGENCY'S SOCIAL BONDS FRAMEWORK" and "APPENDIX G — S&P SECOND-PARTY OPINION" for a discussion of the designation of the Offered Bonds as "Social Bonds."
<i>Tax Exemption</i>	In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Agency, (i) interest on the Offered Bonds is included in gross income for federal income tax purposes and (ii) under existing statutes, interest on the Offered Bonds is exempt from personal income taxes imposed by the State of California. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Offered Bonds. See "TAX MATTERS."
<i>Redemption of Offered Bonds</i>	The Offered Bonds are subject to redemption prior to maturity as described herein. See "DESCRIPTION OF THE OFFERED BONDS — Redemption."
<i>Interest Payment Dates</i>	Each February 1 and August 1, commencing August 1, 2025.
<i>Denominations</i>	\$5,000 or any integral multiple thereof.
<i>Limited Obligations</i>	The Offered Bonds are limited obligations of the Agency, payable solely from and secured by the Pledged Property. The Agency has no taxing power. The Offered Bonds shall not be deemed to constitute a debt or liability of the State or any political subdivision thereof, other than the Agency, or a pledge of the faith and credit of the State or any such political subdivision, other than the Agency, but shall be payable solely from the Pledged Property. Neither the faith and credit nor the taxing power of the State is pledged to the payment of the principal of or interest on the Offered Bonds. The Offered Bonds are not a debt of the United States of America or any agency thereof, Ginnie Mae, Fannie Mae or Freddie Mac, and are not guaranteed by the full faith and credit of the United States of America.
<i>Bond Counsel</i>	Hawkins Delafield & Wood LLP.
<i>Underwriters' Counsel</i>	Kutak Rock LLP.
<i>Disclosure Counsel</i>	Hawkins Delafield & Wood LLP.
<i>Trustee</i>	U.S. Bank Trust Company, National Association.
<i>Book-Entry System</i>	The Depository Trust Company. See "DESCRIPTION OF THE OFFERED BONDS — Book-Entry Only System."
<i>Delivery</i>	The Offered Bonds are offered when, as and if issued and received by the Underwriters, subject to certain conditions. The Offered Bonds are expected to be delivered on or about April __, 2025.

RBC Capital Markets

Morgan Stanley

Academy Securities

Ramirez & Co., Inc.

Raymond James

Dated: March __, 2025

*Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment without notice. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or filing under the securities laws of such jurisdiction. In addition, these securities may not be sold nor may offers to buy be accepted prior to the time of formal award by the Agency.

MATURITY SCHEDULE*

\$50,000,000 2025 Series A Bonds (Federally Taxable) (Social Bonds)

\$7,735,000 2025 Series A Serial Bonds

<u>Due</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>CUSIP</u> [†]
February 1, 2026	\$280,000	%	%	
August 1, 2026	285,000			
February 1, 2027	295,000			
August 1, 2027	300,000			
February 1, 2028	310,000			
August 1, 2028	320,000			
February 1, 2029	325,000			
August 1, 2029	335,000			
February 1, 2030	345,000			
August 1, 2030	355,000			
February 1, 2031	365,000			
August 1, 2031	375,000			
February 1, 2032	385,000			
August 1, 2032	395,000			
February 1, 2033	410,000			
August 1, 2033	420,000			
February 1, 2034	335,000			
August 1, 2034	350,000			
February 1, 2035	365,000			
August 1, 2035	380,000			
February 1, 2036	395,000			
August 1, 2036	410,000			
\$3,755,000 ___% 2025 Series A Term Bonds due August 1, 2040 Price: ___% CUSIP [†] _____				
\$5,785,000 ___% 2025 Series A Term Bonds due August 1, 2045 Price: ___% CUSIP [†] _____				
\$7,110,000 ___% 2025 Series A Term Bonds due August 1, 2050 Price: ___% CUSIP [†] _____				
\$8,445,000 ___% 2025 Series A Term Bonds due February 1, 2055 Price: ___% CUSIP [†] _____				
\$17,170,000 ___% 2025 Series A Term Bonds due August 1, 2055 (PAC Bonds)				
Price ___% CUSIP [†] _____				

* Preliminary, subject to change.

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright© 2025 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of Agency, the Underwriters, the Trustee or their agents or counsel assume responsibility for the accuracy of such numbers.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Offered Bonds, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, broker, salesperson or other person has been authorized by the California Housing Finance Agency or any of the Underwriters named on the cover page (collectively, the “Underwriters”) to give any information or to make any representations other than as contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing.

The information set forth herein has been obtained from the California Housing Finance Agency and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Underwriters or by any of such sources as to information from any other source. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the California Housing Finance Agency or the other matters described herein since the date hereof.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

THE OFFERED BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE OFFERED BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE OFFERED BONDS TO CERTAIN DEALERS AND DEALER BANKS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

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OFFICIAL STATEMENT

CALIFORNIA HOUSING FINANCE AGENCY
\$50,000,000*
Homeowner Mortgage Revenue Bonds
2025 Series A (Federally Taxable) (Social Bonds)

INTRODUCTION

Purpose of this Official Statement

This Official Statement, which includes the cover page, inside cover page and the appendices, provides certain information concerning the California Housing Finance Agency (the “Agency”) in connection with the sale of its Homeowner Mortgage Revenue Bonds, 2025 Series A (the “Offered Bonds”).

The following is a description of certain information concerning the Agency, its program to finance mortgage loans indirectly through the acquisition of pass-through mortgage-backed securities issued by Ginnie Mae, Fannie Mae or Freddie Mac, the Offered Bonds and all other Bonds (defined below) issued or to be issued under the General Indenture (defined below) and the security therefor. A more complete description of such information and additional information that may affect decisions to invest in the Offered Bonds are contained throughout this Official Statement, which should be read in its entirety together with the appendices attached hereto. Certain terms used in this Official Statement are defined in “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE” hereto.

Authorization of Issuance

The Offered Bonds will be issued pursuant to the Zenovich-Moscone-Chacon Housing and Home Finance Act, consisting of Parts 1 through 4 of Division 31 of the California Health and Safety Code (the “Act”), a resolution of the Board of Directors of the Agency (the “Board”), an Indenture, dated as of March 1, 2025 (the “General Indenture”), by and between the Agency and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), and the 2025 Series A Series Indenture, dated as of March 1, 2025 (the “Offered Bonds Series Indenture”), by and between the Agency and the Trustee. All bonds outstanding under the General Indenture (including additional bonds that may hereafter be issued) are referred to herein as the “Bonds.” Each series of Bonds is issued pursuant to a Series Indenture. The General Indenture, all Series Indentures (including the Offered Bonds Series Indenture) and all Supplemental Indentures are referred to herein collectively as the “Indenture.” The Offered Bonds are the first series of Bonds issued under the Indenture. Capitalized terms used in this Official Statement and not otherwise defined have the respective meanings ascribed thereto in the Indenture.

Bonds may be issued under the General Indenture to (i) purchase Mortgage-Backed Securities, (ii) finance loans providing down payment and/or closing costs assistance, (iii) make

* Preliminary, subject to change.

deposits into Funds established under the Indenture, or (iv) refund bonds or other obligations issued by the Agency or another issuer. See “THE PROGRAM.”

The Agency

The Agency is a public instrumentality and a political subdivision of the State of California (the “State”), created pursuant to the Act for the primary purpose of meeting the housing needs of persons and families of low or moderate income and exists within the Business, Consumer Services and Housing Agency of the State. See “APPENDIX J — THE AGENCY.”

Use of Proceeds; Social Bonds

The proceeds of the Offered Bonds are expected to be used by the Agency to finance single family Underlying Loans indirectly through the acquisition of pass-through Mortgage-Backed Securities issued by Ginnie Mae, Fannie Mae or Freddie Mac and to finance loans providing down payment and/or closing costs assistance. The Agency will pay costs of issuance with respect to the Offered Bonds from its own general unrestricted funds. See “SOURCES AND USES,” “PLAN OF FINANCING,” “SECURITY FOR THE BONDS — Mortgage-Backed Securities,” “THE PROGRAM” and “APPENDIX B — GINNIE MAE, FANNIE MAE AND FREDDIE MAC PROGRAMS” hereto.

The Agency is issuing the Offered Bonds as Social Bonds based solely on the views of S&P Global Ratings, a division of Standard & Poor’s Financial Services LLC (“S&P”) as set forth in the S&P Second-Party Opinion included as “APPENDIX G — S&P SECOND-PARTY OPINION” hereto (the “S&P Second-Party Opinion”). See “DESIGNATION OF THE OFFERED BONDS AS SOCIAL BONDS.”

Security for the Offered Bonds

The Offered Bonds are limited obligations of the Agency payable solely from and secured by the Pledged Property. The Agency has no taxing power. The Offered Bonds shall not be deemed to constitute a debt or liability of the State or of any political subdivision thereof, other than the Agency, or a pledge of the faith and credit of the State or any such political subdivision, other than the Agency, but shall be payable solely from the Pledged Property. Neither the faith and credit nor the taxing power of the State is pledged to the payment of the principal of or interest on the Offered Bonds. The issuance of the Offered Bonds shall not directly or indirectly or contingently obligate the State or any political subdivision of the State to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. The Offered Bonds are not a debt of the United States of America or any agency thereof, Ginnie Mae, Fannie Mae or Freddie Mac, and are not guaranteed by the full faith and credit of the United States of America. See “SECURITY FOR THE BONDS.”

The Offered Bonds are being issued on a parity with, and shall be entitled to the same benefit and security of the Indenture as, all other Bonds (other than Subordinate Bonds or Bonds which the related Series Indenture expressly provides are separately secured from all other Bonds) to be issued thereunder. Pursuant to the General Indenture (except as otherwise expressly provided therein or in a Series Indenture authorizing a Series of Bonds), all Bonds issued thereunder, if any, are equally and ratably secured by the Revenues and assets pledged thereunder.

The Agency may issue Additional Bonds under the General Indenture pursuant to the conditions set forth therein, which include delivery of a Cash Flow Statement. See “SECURITY FOR THE BONDS — Additional Bonds” and “— Cash Flow Statements” and “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE” hereto.

Descriptions of the Agency, the Offered Bonds and sources of payment therefor, the Mortgage-Backed Securities, the Program and the Indenture are included in this Official Statement. All summaries or descriptions herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the Offered Bonds are qualified in their entirety by reference to the Indenture and the provisions with respect thereto included in the aforesaid documents and agreements. The Agency has committed to provide certain information on an ongoing basis to the Municipal Securities Rulemaking Board. For a description of the Agency’s undertaking with respect to ongoing disclosure, see “CONTINUING DISCLOSURE.”

DESIGNATION OF THE OFFERED BONDS AS SOCIAL BONDS

General

The Agency’s homebuyer program and down payment assistance programs are discussed in detail in the California Housing Finance Agency’s Social Bonds Framework, which is attached hereto as “APPENDIX F — CALIFORNIA HOUSING FINANCE AGENCY’S SOCIAL BONDS FRAMEWORK” (the “CalHFA Social Bonds Framework”) and speaks as of the date of the S&P Second-Party Opinion.

The Offered Bonds have been designated as Social Bonds pursuant to the S&P Second-Party Opinion, in which S&P assesses the CalHFA Social Bonds Framework and its alignment with the Social Bond Principles and mapping to UNSDGs, each as described in the S&P Second-Party Opinion.

The term “Social Bonds” is neither defined in nor related to provisions of the Indenture. Holders of the Offered Bonds do not have any security other than as provided in the Indenture as described below under “SECURITY FOR THE BONDS.”

None of the Agency, the Underwriters or the Trustee, or any of their counsels, has independently confirmed or verified the information below or assumed any obligation to ensure that the Offered Bonds or the loans financed with proceeds thereof align with the ICMA Social Bond Principles, map or contribute to UNSDGs or comply with any legal or other standards or principles that may be related to Social Bonds.

In a press release entitled “New EMMA Feature Helps Investors Identify Green, Social, Climate and Sustainable Bond Investments,” dated October 25, 2021, MSRB CEO Mark Kim stated “... there is no universally accepted [environmental, social and governance (ESG)] standard or definition on labeling an ESG security in the municipal market....” No assurance can be given that a clear definition will develop over time, or, if developed, will include the program to be financed with the proceeds of the Offered Bonds. Accordingly, no assurance is or can be given to investors that any uses of the Offered Bonds will meet investor expectations regarding “social” or other equivalently labelled performance objectives.

Social Bonds Designation

The International Capital Market Association, in its publication, *Social Bond Principles: Voluntary Process Guidelines for Issuing Social Bonds*, defines Social Bonds as “any type of bond instrument where the proceeds, or an equivalent amount, will be exclusively applied to finance or re-finance, in part or in full, new and/or existing eligible Social Projects and which are aligned with the four core components of the Social Bond Principles” and in addition states that “Social Project categories include ... providing ... affordable housing.”

The S&P Second-Party Opinion finds that “CalHFA commits to allocate the net proceeds issued under the framework exclusively to eligible social projects” and that the CalHFA Social Bonds Framework is aligned with each of the four core components of the Social Bond Principles. The S&P Second-Party Opinion also finds that the CalHFA Social Bonds Framework maps to, and intends to contribute to, certain of the United Nations Sustainable Development Goals (“UNSDGs”) adopted by the United Nations General Assembly in 2015 as part of its 2030 Agenda for Sustainable Development. See the S&P Second-Party Opinion included as “APPENDIX G — S&P SECOND-PARTY OPINION” hereto.

Independent Second-Party Opinion on Social Bond Designation and Disclaimer

The S&P Second-Party Opinion assesses the CalHFA Social Bonds Framework and its alignment with Social Bond Principles and mapping to UNSDGs.

The S&P Second-Party Opinion does not, and is not intended to, make any representation or give any assurance with respect to any other matter relating to the Offered Bonds. The S&P Second-Party Opinion is not a recommendation to any person to purchase, hold or sell the Offered Bonds, does not address the market price or suitability of the Offered Bonds for a particular investor and does not and is not in any way intended to address the likelihood of timely payment of interest or principal when due.

In issuing the S&P Second-Party Opinion, S&P has assumed and relied upon the accuracy and completeness of the information made publicly available by the Agency or that was otherwise made available to S&P.

Post-Issuance Reporting

The Agency expects to provide a report regarding the disbursement of the lendable proceeds of the Offered Bonds for the financing of Underlying Loans backing Mortgage-Backed Securities once such lendable proceeds have been fully expended. The Agency expects that such report will consist of the information outlined in “APPENDIX H — FORM OF SOCIAL BONDS REPORT” hereto; however, the specific form and content of such updates are in the absolute discretion of the Agency.

The Agency expects to post such report as a voluntary filing on the Electronic Municipal Market Access System (“EMMA”) of the Municipal Securities Rulemaking Board (“MSRB”). Although the Agency intends to provide such report, it is separate from the Agency’s obligations described under “CONTINUING DISCLOSURE.” Failure by the Agency to provide such report

is not a default or an event of default under the Indenture or a failure to perform in accordance with the Continuing Disclosure Agreement.

SOURCES AND USES*

The proceeds of the Offered Bonds received by the Agency upon the sale of the Offered Bonds, together with other available moneys of the Agency, are expected to be applied approximately as follows:

SOURCES

Proceeds of Bonds.....	\$
Other Available Moneys.....	_____
TOTAL SOURCES	\$ _____

USES

Deposit to Bond Proceeds Account to Purchase 2025 Series A Mortgage-Backed Securities.....	\$
Deposit to Bond Proceeds Account to Purchase 2025 Series A DPA Loans.....	
Deposit to 2025 Series A Special Reserve Account of the Special Reserve Fund	
Costs of Issuance [†]	_____
TOTAL USES.....	\$ _____

[†] Includes Underwriters' fees. See "UNDERWRITING."

PLAN OF FINANCING

Proceeds of the Offered Bonds will be used to finance single-family Underlying Loans indirectly through the acquisition of pass-through Mortgage-Backed Securities issued by Ginnie Mae, Fannie Mae or Freddie Mac (the "2025 Series A Mortgage-Backed Securities") and to finance loans providing down payment and/or closing costs assistance (the "2025 Series A DPA Loans"). The Agency will pay costs of issuance with respect to the Offered Bonds from its own general unrestricted funds. Proceeds of the Offered Bonds are expected to be used by August 1, 2025 to acquire newly-originated 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans. See "SOURCES AND USES," "DESCRIPTION OF THE OFFERED BONDS — Projected Weighted Average Lives of PAC Bonds," "SECURITY FOR THE BONDS — Mortgage-Backed Securities" and "— DPA Loans," "THE PROGRAM," "CERTAIN OTHER PROGRAMS OF THE AGENCY — TBA Program" and "APPENDIX B — GINNIE MAE, FANNIE MAE AND FREDDIE MAC PROGRAMS" hereto.

* Preliminary, subject to change.

DESCRIPTION OF THE OFFERED BONDS

General

The Offered Bonds will be dated their date of delivery and will bear interest at fixed rates to their maturity (or prior redemption). The Offered Bonds will mature on the dates and in the amounts and will bear interest (calculated on the basis of a 360-day year of twelve 30-day months) from their dated date to their maturity (or prior redemption) at the applicable rates, all as set forth on the inside cover page.

Interest on the Offered Bonds will be payable on February 1 and August 1, commencing August 1, 2025. The Offered Bonds will be issued in denominations of \$5,000 or any integral multiple thereof.

The Offered Bonds are issued only as fully-registered bonds without coupons, in book-entry form only, registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Offered Bonds. See “Book-Entry Only System” below. U.S. Bank Trust Company, National Association, is the Trustee.

Redemption*

Optional Redemption

The Offered Bonds are subject to optional redemption, in whole or in part, on any date on and after February 1, 2033, from any moneys (including the proceeds of the voluntary sale of Mortgage-Backed Securities or DPA Loans) made available for such purpose, at a Redemption Price equal to the principal amount thereof, without premium, plus interest, if any, accrued to the redemption date; *provided* that the portion of any redemption of Offered Bonds maturing August 1, 2055 (the “PAC Bonds”) that reduces the Outstanding principal amount of PAC Bonds below the applicable PAC Outstanding Amount following such redemption shall be at the Redemption Prices provided below.

<u>Redemption Date</u>	<u>Redemption Price</u>
February 1, 2033	%
August 1, 2033	
February 1, 2034 and thereafter	100.000

If the PAC Bonds are redeemed as provided above on a date other than a redemption date listed above, the redemption price, as of such redemption date, will be determined by the Agency using straight line interpolation between the redemption prices for the redemption dates listed above immediately preceding and succeeding such redemption date.

* Preliminary, subject to change.

Special Redemption

The Offered Bonds are subject to redemption, at the option of the Agency, in whole or in part, on any date, at a Redemption Price equal to the principal amount thereof (*provided* that the Redemption Price of PAC Bonds redeemed from amounts described in clause (i) below shall be at a Redemption Price equal to the original issue price for the PAC Bonds set forth on the inside cover page of this Official Statement), plus interest, if any, accrued to the redemption date, in an amount equal to

(i) proceeds of the Offered Bonds not applied to purchase 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans;

(ii) available Principal Prepayments of Mortgage-Backed Securities and DPA Loans related to any Series of Bonds; and

(iii) available Revenues (other than Principal Prepayments) related to any Series of Bonds;

provided that amounts described in clauses (ii) and (iii) may be applied to redeem the PAC Bonds *only* if and to the extent that the principal amount of PAC Bonds Outstanding exceeds the PAC Outstanding Amount for the related period, *unless* no other Offered Bonds remain Outstanding.

Sinking Fund Redemption

The Offered Bonds that are Term Bonds are subject to mandatory redemption in part on the respective dates and in the respective amounts as set forth below. The Redemption Price for any redemption described under this subheading will be equal to the principal amount of the Bonds being redeemed plus accrued interest to the date of redemption. Such redemptions will be in a principal amount equal to the applicable Sinking Fund Requirement for such date (subject to reduction as discussed below under “General Redemption Provisions Applicable to Offered Bonds — Adjustments to and Credits against Sinking Fund Requirements”).

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Sinking Fund Requirements

2025 Series A Term Bonds Maturing August 1, 2040

Date	Amount
February 1, 2037	\$430,000
August 1, 2037	445,000
February 1, 2038	465,000
August 1, 2038	455,000
February 1, 2039	475,000
August 1, 2039	495,000
February 1, 2040	520,000
August 1, 2040	470,000 [†]

[†] Stated maturity.

2025 Series A Term Bonds Maturing August 1, 2045

Date	Amount
February 1, 2041	\$495,000
August 1, 2041	515,000
February 1, 2042	545,000
August 1, 2042	570,000
February 1, 2043	595,000
August 1, 2043	575,000
February 1, 2044	600,000
August 1, 2044	630,000
February 1, 2045	615,000
August 1, 2045	645,000 [†]

[†] Stated maturity.

2025 Series A Term Bonds Maturing August 1, 2050

Date	Amount
February 1, 2046	\$680,000
August 1, 2046	615,000
February 1, 2047	650,000
August 1, 2047	685,000
February 1, 2048	725,000
August 1, 2048	715,000
February 1, 2049	755,000
August 1, 2049	750,000
February 1, 2050	795,000
August 1, 2050	740,000 [†]

[†] Stated maturity.

2025 Series A Term Bonds Maturing February 1, 2055

Date	Amount
February 1, 2051	\$ 790,000
August 1, 2051	790,000
February 1, 2052	840,000
August 1, 2052	845,000
February 1, 2053	900,000
August 1, 2053	955,000
February 1, 2054	1,015,000
August 1, 2054	1,075,000
February 1, 2055	1,235,000 [†]

[†] Stated maturity.

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2025 Series A Term Bonds Maturing August 1, 2055

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
February 1, 2034	\$100,000	February 1, 2045	\$ 300,000
August 1, 2034	100,000	August 1, 2045	300,000
February 1, 2035	100,000	February 1, 2046	300,000
August 1, 2035	100,000	August 1, 2046	400,000
February 1, 2036	100,000	February 1, 2047	400,000
August 1, 2036	100,000	August 1, 2047	400,000
February 1, 2037	100,000	February 1, 2048	400,000
August 1, 2037	100,000	August 1, 2048	450,000
February 1, 2038	100,000	February 1, 2049	450,000
August 1, 2038	130,000	August 1, 2049	500,000
February 1, 2039	130,000	February 1, 2050	500,000
August 1, 2039	130,000	August 1, 2050	600,000
February 1, 2040	130,000	February 1, 2051	600,000
August 1, 2040	200,000	August 1, 2051	650,000
February 1, 2041	200,000	February 1, 2052	650,000
August 1, 2041	200,000	August 1, 2052	700,000
February 1, 2042	200,000	February 1, 2053	700,000
August 1, 2042	200,000	August 1, 2053	700,000
February 1, 2043	200,000	February 1, 2054	700,000
August 1, 2043	250,000	August 1, 2054	700,000
February 1, 2044	250,000	February 1, 2055	605,000
August 1, 2044	250,000	August 1, 2055	2,795,000 [†]

[†] Stated maturity.

Mandatory Redemption of PAC Bonds

The PAC Bonds are subject to mandatory redemption, in whole or in part, on each February 1 and August 1, commencing February 1, 2026, at a Redemption Price equal to the principal amount thereof, plus interest, if any, accrued to the redemption date, in an amount (*subject to* reduction as provided below) equal to the lesser of (i) Principal Prepayments received through the immediately preceding month with respect to 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans (except to the extent needed to pay scheduled principal and sinking fund payments of Offered Bonds) and (ii) the amount by which the principal amount of PAC Bonds then Outstanding exceeds the PAC Outstanding Amount (set forth below and subject to adjustment as described below) for the related period.

Amounts described above that are otherwise available to redeem PAC Bonds are subject to reduction to the extent required under the Indenture to be (x) applied to the payment of principal of or interest on Bonds, (y) applied to the payment of Expenses or (z) deposited to the Debt Reserve Fund to cause the amount on deposit therein to equal the Debt Reserve Requirement (there is currently no Debt Reserve Requirement under the Indenture, but the Agency may at any time establish a Debt Reserve Requirement in connection with the issuance of Additional Bonds).

<u>Period Ending</u>	<u>PAC Outstanding Amount</u>
Date of Issuance	\$17,170,000
August 1, 2025	17,170,000
February 1, 2026	16,995,000
August 1, 2026	16,525,000
February 1, 2027	15,760,000
August 1, 2027	14,715,000
February 1, 2028	13,415,000
August 1, 2028	12,040,000
February 1, 2029	10,715,000
August 1, 2029	9,440,000
February 1, 2030	8,210,000
August 1, 2030	7,030,000
February 1, 2031	5,890,000
August 1, 2031	4,790,000
February 1, 2032	3,735,000
August 1, 2032	2,720,000
February 1, 2033	1,745,000
August 1, 2033	805,000
February 1, 2034 and thereafter	0

If PAC Bonds are redeemed from unexpended proceeds of the Offered Bonds as described in clause (i) under “Special Redemption” below, then each PAC Outstanding Amount will be recalculated to be an amount equal to the product of (i) the original PAC Outstanding Amount and (ii) the fraction whose numerator is the remainder of (a) the original principal amount of the PAC Bonds less (b) the cumulative principal amount of PAC Bonds redeemed pursuant to all such unexpended proceeds redemptions, and whose denominator is the original principal amount of the PAC Bonds.

The PAC Outstanding Amounts are based on assumptions that include, among other assumptions, receipt of principal prepayments on 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans at a rate equal to 100 percent of the Securities Industry and Financial Markets Association’s (formerly known as the Bond Market Association and prior to that as the Public Securities Association) standard prepayment speed assumption model (the “SIFMA Prepayment Model”) for 30-year mortgage loans. See “Projected Weighted Average Lives of PAC Bonds” below.

Proceeds of (i) the voluntary sale of DPA Loans, *unless* such DPA Loans are in default or are not in compliance with the Agency’s Program requirements, and (ii) the voluntary sale of Mortgage-Backed Securities, are *not* permitted to be applied to the redemption of PAC Bonds as described under this heading “Mandatory Redemption of PAC Bonds.” See “General Redemption Provisions Applicable to Offered Bonds — Principal Prepayments” below.

Cross-Calling; Recycling

Principal Prepayments of 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans (i) must first be applied to redeem the PAC Bonds up to the applicable amount described above under “Redemption — Mandatory Redemption of PAC Bonds” and (ii) may thereafter be applied for any purpose permitted under the Indenture, including to redeem Offered Bonds other than the PAC Bonds or purchase new 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans. Principal Prepayments of Mortgage-Backed Securities other than 2025 Series A Mortgage-Backed Securities, and Principal Prepayments of DPA Loans other than 2025 Series A DPA Loans, available under the Indenture, and other Revenues available under the Indenture, may be applied to redeem Offered Bonds as described above under “Redemption — Special Redemption.” There are currently no such other Mortgage-Backed Securities or DPA Loans whose Principal Prepayments may be so applied to redeem Offered Bonds, but it is expected there will be following the issuance of Additional Bonds.

Assumptions as to Revenues, Debt Service and Expenses with Respect to the Offered Bonds*

The Agency expects that the scheduled payments of principal and interest, together with prepayments received, if any, on the 2025 Series A Mortgage-Backed Securities, certain amounts pledged by the Agency and amounts held under the Indenture and the earnings thereon will be sufficient to pay, when due, the debt service on the Offered Bonds and the Agency’s expenses incurred in connection with the Program.

The Agency has made certain assumptions, including those set forth below (some or all of which are unlikely to reflect actual experience), in structuring the maturities and Sinking Fund Requirements of the Offered Bonds:

- (i) 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans will not prepay.
- (ii) Annual Expenses under the Indenture will be comprised of a Trustee fee equal to 0.035% per annum of the principal amount of all Bonds Outstanding, which will be paid semiannually in advance commencing August 1, 2025, and an Agency fee equal to 0.20% per annum of the principal balance of all Mortgage-Backed Securities, which will be paid semiannually in advance commencing February 1, 2026.
- (iii) The Agency will not establish any Debt Reserve Requirement with respect to the Offered Bonds under the Indenture.
- (iv) No Additional Bonds will be issued under the Indenture.

The Agency expects that 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans will prepay, although the amount and timing of such prepayments are not predictable, and the Agency does presently expect to issue Additional Bonds under the Indenture in the future

* Preliminary, subject to change.

and may in conjunction therewith establish a Debt Reserve Requirement with respect to Bonds Outstanding under the Indenture.

Projected Weighted Average Lives of PAC Bonds*

The table under this heading “Projected Weighted Average Lives of PAC Bonds” sets forth projections, based upon certain assumptions, of the weighted average lives of the PAC Bonds.

The weighted average life of a bond refers to the average of the length of time that will elapse from the date of issuance of such bond to the date each installment of principal is paid to the bondholder, weighted by the amount of such installment. The weighted average life of a bond is determined by (i) multiplying the amount of each principal payment by the number of years from the date of issuance of the bond to the related principal payment date, (ii) adding the results and (iii) dividing the sum by the total principal paid on the bond.

The weighted average lives of the PAC Bonds will be influenced by, among other things, the rate at which principal prepayments are received on the 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans and when 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans are purchased.

Prepayments of mortgage loans are commonly projected in accordance with a prepayment model. The projected weighted average lives of the PAC Bonds set forth in the table below have been calculated using the SIFMA Prepayment Model.

The SIFMA Prepayment Model represents an assumed monthly rate of prepayment of the then-outstanding principal balance of a pool of newly-originated mortgage loans. One hundred percent (100%) of the SIFMA Prepayment Model assumes a series of prepayment rates beginning with 0.2 percent per year of the then-unpaid principal balance of such mortgage loans in the first month of the life of a pool of mortgage loans and increased by 0.2 percent per year in each month thereafter until the 30th month. Beginning in the 30th month and in each month thereafter during the life of the mortgage loans, 100% of the SIFMA Prepayment Model assumes a constant prepayment rate of six percent per year. Percentages of the SIFMA Prepayment Model are calculated from such series of rates. For example, 200% of the SIFMA Prepayment Model assumes prepayment rates will be 0.4 percent per year in the first month, 0.8 percent per year in the second month, reaching 12% per year in month 30 and remaining constant at 12% per year thereafter.

The SIFMA Prepayment Model does not purport to describe historical prepayment experience or to predict the prepayment rate of the 2025 Series A Mortgage-Backed Securities or 2025 Series A DPA Loans. An investor must make an independent decision regarding the appropriate principal prepayment scenarios to use in making any investment decision.

Set forth in the following table are the projected weighted average lives (in years) of the PAC Bonds, based upon various rates of prepayment of the 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans, expressed as percentages of the SIFMA Prepayment Model. The numbers set forth in the following table have not been independently verified or

* Preliminary, subject to change.

audited by any third party, including the Underwriters, and the Agency does not make any representation or warranty as to the accuracy of such information. The Agency has made no projections as to the weighted average lives of the PAC Bonds at rates of prepayment of the 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans exceeding 700 percent of the SIFMA Prepayment Model. Such projected weighted average lives are based on many assumptions, including certain assumptions regarding the exercise of certain discretionary rights of the Agency, which may not reflect actual results. These assumptions include:

(i) Proceeds of the Offered Bonds will be used by August 1, 2025 to purchase approximately \$49,000,000 aggregate principal amount of 2025 Series A Mortgage-Backed Securities, consisting of approximately \$34,300,000 aggregate principal amount of Ginnie Mae mortgage-backed securities and approximately \$14,700,000 aggregate principal amount of Fannie Mae mortgage-backed securities, with an approximate weighted average pass-through certificate rate of 6.54% per annum.

(ii) Proceeds of the Offered Bonds will be used by August 1, 2025 to purchase approximately \$1,225,000 aggregate principal amount of 2025 Series A DPA Loans bearing interest at an approximate weighted average rate of 1.00% per annum.

(iii) Principal Prepayments of 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans will be applied to redeem PAC Bonds as described under “Redemption — Mandatory Redemption of PAC Bonds” above.

(iv) The 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans will prepay at the applicable percentage of the SIFMA Prepayment Model indicated in the table below.

(v) Principal Prepayments of Mortgage-Backed Securities other than 2025 Series A Mortgage-Backed Securities and Principal Prepayments of DPA Loans other than 2025 Series A DPA Loans will not be applied to redeem Offered Bonds or purchase 2025 Series A Mortgage-Backed Securities or 2025 Series A DPA Loans.

(vi) No Offered Bonds will be redeemed as described under “Redemption — Optional Redemption” or “— Special Redemption” above.

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Prepayment Speed of 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans (expressed as a percentage of SIFMA Prepayment Model)	Projected Weighted Average Life of PAC Bonds (in years)
0%	16.4
25	10.4
50	7.2
75	5.6
100	5.0
200	5.0
300	5.0
400	5.0
500	5.0
600	5.0
700	4.7

The SIFMA Prepayment Model is not a prediction of the rate of prepayment of the 2025 Series A Mortgage-Backed Securities or 2025 Series A DPA Loans, and such principal prepayments will not conform to any of the assumed prepayment rates. No representation is made as to the percentage of the principal balances of the 2025 Series A Mortgage-Backed Securities or 2025 Series A DPA Loans that will be paid as of any date or as to the overall rate of prepayment.

SUBJECT TO THE ABOVE-DESCRIBED MANDATORY APPLICATION TO THE REDEMPTION OF PAC BONDS, THE AGENCY MAY APPLY PRINCIPAL PREPAYMENTS AND OTHER REVENUES, AND MAY REDEEM BONDS, IN ANY MANNER PERMITTED BY THE INDENTURE, INCLUDING PURCHASING ADDITIONAL MORTGAGE-BACKED SECURITIES. The PAC Bonds are subject to redemption only as described under “Redemption” above.

General Redemption Provisions Applicable to Offered Bonds

Principal Prepayments

Principal Prepayments of 2025 Series A Mortgage-Backed Securities and 2025 Series A DPA Loans that must be applied to the redemption of PAC Bonds to the extent described under “Redemption — Mandatory Redemption of PAC Bonds” above, and Principal Prepayments of all Mortgage-Backed Securities and DPA Loans that can be applied by the Agency to the redemption of the Offered Bonds as described in clause (ii) under “Redemption — Special Redemption” above, do *not* include (i) the proceeds of the voluntary sale of DPA Loans, unless such DPA Loans are in default or are not in compliance with the Agency's Program requirements, or (ii) the proceeds of the voluntary sale of Mortgage-Backed Securities.

Revenues

Revenues that can be applied by the Agency to the redemption of the Offered Bonds as described in clause (iii) under “Redemption — Special Redemption” above do *not* include (i) the proceeds of the voluntary sale of DPA Loans, unless such DPA Loans are in default or are not in compliance with the Agency's Program requirements, or (ii) the proceeds of the voluntary sale of Mortgage-Backed Securities.

Adjustments to and Credits against Sinking Fund Requirements

Pursuant to the Indenture, if less than all of the Term Bonds Outstanding of any maturity of a Series (or subseries, if applicable) is purchased or called for redemption (other than in satisfaction of Sinking Fund Requirements), the principal amount of such Term Bonds that are so purchased or redeemed will be credited as directed by the Agency against all remaining Sinking Fund Requirements for the Term Bonds of such Series and maturity, if no direction is given, to the extent practicable against all remaining Sinking Fund Requirements for the Term Bonds of such Series (or subseries, if applicable) and maturity in the proportion which the then remaining balance of each such Sinking Fund Requirement bears to the total of all Bonds of such Series (or subseries, if applicable) and maturity then Outstanding.

General Provisions as to Purchase or Redemption of Bonds

Pursuant to the General Indenture, the Trustee may at any time purchase Bonds:

(i) that are subject to Sinking Fund Requirements on the next date such payments are scheduled, upon direction of any Authorized Officer, from moneys on deposit in the Revenue Fund prior to being transferred to the Principal Account in satisfaction of such Sinking Fund Requirements, at a price, *except* as described below, not to exceed the Redemption Price (plus accrued interest to the date of redemption, if any) that would be payable on the next redemption date; no such purchase may be made, *however*, by the Trustee after the giving of notice of redemption by the Trustee; and

(ii) from moneys on deposit in the Special Redemption Account and the Optional Redemption Account, upon direction of any Authorized Officer, at a price, *except* as described below, not to exceed the Redemption Price (plus accrued interest to the date of redemption, if any) that would be payable on the next redemption date; no such purchase may be made, *however*, after the giving of notice by the Trustee that such Bonds are subject to redemption, *except* (a) from moneys other than moneys set aside for such redemption or (b) if such purchase is from the party that has received such notice.

Subject to applicable law, notwithstanding the maximum purchase price set forth in (i) and (ii) above, (i) the purchase price may exceed the Redemption Price if and to the extent that the price in excess of the Redemption Price is paid from funds not pledged under the Indenture at such time or (ii) if at any time the investment earnings on the moneys available for such purchase shall be less than the interest accruing on the Bonds to be redeemed, then the Trustee may pay a purchase price for any such Bond in excess of the Redemption Price that would be payable on the next

redemption date to the Owner of such Bond under the applicable Series Indenture, if an Authorized Officer certifies to the Trustee that the amount paid in excess of said Redemption Price is less than the interest that is to accrue on said Bond less any investment earnings on such available moneys for the period from the settlement date of the proposed purchase to the redemption date.

Selection of Bonds for Redemption

The Trustee will select the Bonds or portions of Bonds to be redeemed or purchased in accordance with the General Indenture and the applicable Series Indenture. *Except* as otherwise stated in the Series Indenture authorizing a Series of Bonds with respect to all or any part of the Series of Bonds authorized thereunder, moneys will, upon direction by an Agency Request to the Trustee, be applied by the Trustee to the purchase or the redemption of Bonds selected from among the Series (and subseries, if applicable), maturities, and interest rates on the basis specified by the Agency in such Agency Request accompanied by a Cash Flow Certificate or Cash Flow Statement. *Except* as otherwise provided in a Series Indenture, the Agency Request relating to each redemption of Bonds will be filed with the Trustee at least 30 days prior to the date fixed for redemption or such lesser number of days as shall be acceptable to the Trustee.

Except as otherwise provided in a Series Indenture, if less than all of the Bonds of one Series (and subseries, if applicable) and one maturity bearing the same interest rate (and otherwise of like tenor) are called for redemption, the particular Bonds of such Series (and subseries, if applicable) and maturity bearing the same interest rate (and otherwise of like tenor) to be redeemed will be selected not later than 20 days prior to the date fixed for redemption in such manner as directed by the Agency pursuant to an Agency Request or, if no such direction is received by the Trustee, by lot or in such manner as the Trustee in its discretion may determine; *provided, however*, that the portion of Bonds of any such maturity and Series (and subseries, if applicable) to be redeemed will be in the minimum principal amount or an integral multiple thereof established for such Bonds in the applicable Series Indenture, and that in selecting Bonds for redemption, the Trustee will treat each Bond as representing that number of Bonds that is obtained by dividing the principal amount of such Bond by said minimum principal amount.

The Offered Bonds Series Indenture provides that so long as all of the Offered Bonds are registered in the name of Cede & Co., as nominee of DTC, the Trustee will select the particular Offered Bonds of a Series, subseries (if applicable) and maturity bearing the same interest rate to be redeemed not later than 25 days prior to the date fixed for redemption or such lesser number of days as shall be acceptable to the Trustee.

Notice of Optional Redemption or Special Redemption

So long as the Offered Bonds are held by DTC (or its nominee), notice of any redemption of Offered Bonds as described under “Redemption — Optional Redemption” or “— Special Redemption” above will be delivered by the Trustee to DTC during the period then required by DTC, which is currently not less than two business days plus 20 calendar days prior to the redemption date, subject to the requirements of the General Indenture. *DTC is responsible for notifying Direct Participants, and Direct Participants and Indirect Participants are responsible for notifying Beneficial Owners. Neither the Trustee nor the Agency is responsible for sending notices to Beneficial Owners or for the consequences of any action or inaction by the Agency as a*

result of the response or failure to respond by DTC or its nominee as Bondowner. (“Direct Participants,” “Indirect Participants,” and “Beneficial Owners” are defined in “APPENDIX E — BOOK-ENTRY ONLY SYSTEM.”)

In the event that the Offered Bonds are no longer held by DTC (or its nominee), notice of any redemption of Offered Bonds as described under “Redemption — Optional Redemption” or “— Special Redemption” above will be mailed at least 3 days but no more than 90 days prior to the date set for redemption to the registered Owners of Offered Bonds to be redeemed at their addresses as they appear in the registration books kept by the Bond Registrar.

In the case of any redemption as described under “Redemption — Optional Redemption” or “— Special Redemption” above that is conditioned on the occurrence of certain events, the notice of redemption will set forth, among other things, the conditions precedent to the redemption. Once a redemption notice is sent in accordance with the provisions of the Indenture, any such notice shall be effective with respect to an Offered Bond to be redeemed whether or not received by the Bondowner thereof.

Book-Entry Only System

DTC will act as securities depository for the Offered Bonds. The Offered Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Offered Bond Certificate will be issued for all Offered Bonds of like Series, maturity, interest rate and initial CUSIP number, totaling in the aggregate the principal amount of such Offered Bonds, and will be deposited with DTC. See “APPENDIX E — BOOK-ENTRY ONLY SYSTEM” for a discussion of DTC and the book-entry only system. So long as Cede & Co. is the registered owner of the Offered Bonds, as nominee for DTC, references herein to Holders or registered owners of the Offered Bonds (other than under the captions “TAX MATTERS” and “CONTINUING DISCLOSURE”) shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined in “APPENDIX E — BOOK-ENTRY ONLY SYSTEM”) of the Offered Bonds.

SECURITY FOR THE BONDS

Limited Obligation; Pledge of the Indenture

The Bonds are limited obligations of the Agency payable solely from and secured by the Pledged Property. The Agency has no taxing power. The Bonds shall not be deemed to constitute a debt or liability of the State or of any political subdivision thereof, other than the Agency, or a pledge of the faith and credit of the State or of any such political subdivision, other than the Agency, but shall be payable solely from the Pledged Property. Neither the faith and credit nor the taxing power of the State is pledged to the payment of the principal of or interest on the Bonds. The issuance of the Bonds shall not directly or indirectly or contingently obligate the State or any political subdivision of the State to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. The Bonds are not a debt of the United States of America or any agency thereof, Ginnie Mae, Fannie Mae or Freddie Mac, and are not guaranteed by the full faith and credit of the United States of America.

See the definition of Pledged Property under “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE — Certain Defined Terms.”

Amounts in the Funds and Accounts may be applied only as provided in the General Indenture. Amounts in the General Fund may, *however*, at the request of the Agency, be withdrawn free and clear of the pledge of the General Indenture if permitted pursuant to a Cash Flow Statement filed with the Trustee. See “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE — Cash Flow Statements.” Amounts in the Special Reserve Fund may, at the request of the Agency and subject to any restrictions in any Series Indenture or Supplemental Indenture, be withdrawn free and clear of the pledge of the General Indenture upon the direction of the Agency. See “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE — Special Reserve Fund.”

Certain Investments

See “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE — Security for Deposits; Investment of Moneys” and the definition of Investment Obligations under “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE — Certain Defined Terms.”

Mortgage-Backed Securities

Under the General Indenture, there are no general requirements for the characteristics of Mortgage-Backed Securities or Underlying Loans other than as set forth in the definitions of such terms under “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE — Certain Defined Terms” hereto. The General Indenture provides that certain requirements and certain matters with respect to Mortgage-Backed Securities and Underlying Loans (the “Series Program Determinations”) be determined (or provisions for determining the Series Program Determinations at certain specified times in the future be set forth) with respect to each Series of Bonds that will finance Mortgage-Backed Securities in the Series Indenture authorizing the issuance of such Series (or, if each Rating Agency has confirmed that doing so will not adversely affect the then-existing rating of the Bonds by such Rating Agency, pursuant to an Agency Request).

The Series Program Determinations set forth in the Offered Bonds Series Indenture include the following requirements that must be met with respect to the Mortgage-Backed Securities and Underlying Loans financed with proceeds of the Offered Bonds: (i) each Mortgage-Backed Security shall be guaranteed by Ginnie Mae, Fannie Mae or Freddie Mac, (ii) each Underlying Loan shall be secured by a first-lien mortgage; (iii) each Underlying Loan shall have approximately equal monthly payments and shall have a fixed rate of interest; (iv) the maximum term to maturity of each Underlying Loan shall be 30 years; (v) each residence to which each Underlying Loan relates shall be a principal residence; (vi) each Underlying Loan that will underlie a Mortgage-Backed Security guaranteed by Ginnie Mae shall be insured or guaranteed by the Federal Housing Administration (“FHA”), the U.S. Department of Veterans Affairs (“VA”), the U.S. Department of Housing and Urban Development (“HUD”) or U.S. Department of Agriculture, Rural Development (“RD”); and each Underlying Loan that will underlie a Mortgage-Backed Security guaranteed by Fannie Mae or Freddie Mac shall be insured to the extent required

by Fannie Mae or Freddie Mac, respectively; and (vii) each Underlying Loan must relate to a single family, one-unit residence, including a unit in a condominium.

DPA Loans

Under the General Indenture, there are no general requirements for the characteristics of DPA Loans other than as set forth in the definitions of such terms under “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE — Certain Defined Terms” hereto. The General Indenture provides that Series Program Determinations with respect to DPA Loans be determined (or provisions for determining the Series Program Determinations at certain specified times in the future be set forth) with respect to each Series of Bonds that will finance DPA Loans in the Series Indenture authorizing the issuance of such Series (or, if each Rating Agency has confirmed that doing so will not adversely affect the then-existing rating of the Bonds by such Rating Agency, pursuant to an Agency Request).

The Series Program Determinations set forth in the Offered Bonds Series Indenture include the following requirements that must be met with respect to the DPA Loans financed with proceeds of the Offered Bonds: (i) each 2025 Series A DPA Loan shall be secured by a third-lien mortgage and shall be made only in connection with and contemporaneously with a related Underlying Loan on the same residence; (ii) each 2025 Series A DPA Loan shall bear interest at a rate of 1.00%, with no principal payments due prior to sale or transfer of the related residence or payment in full of the related Underlying Loan on the residence, at which time the entire principal amount of the 2025 Series A DPA Loan shall be due and payable; (iii) the maximum term to maturity of each 2025 Series A DPA Loan shall be 30 years; and (iv) each residence to which each Underlying Loan relates shall be expected to be a principal residence.

The Agency expects that down payment and/or closing costs assistance provided in conjunction with Underlying Loans will come from two sources: the Agency’s MyHome Assistance Program and its MyAccess Assistance Program (see “THE PROGRAM — Loan Program Information — Subordinate Loans” below). The MyAccess Assistance Program will be in the form of DPA Loans made with proceeds of Bonds issued under the General Indenture, and will be third-lien loans. The MyHome Assistance Program will be in the form of loans made with amounts in the Agency’s Home Purchase Assistance Fund, *not* from or pledged to the General Indenture, and will be second-lien loans, superior in priority to the DPA Loans.

Debt Reserve Fund

The General Indenture requires that no Series of Bonds may be issued unless the amount on deposit in the Debt Reserve Fund is at least equal to the Debt Reserve Requirement. The Debt Reserve Requirement means, as of any particular date of calculation, an amount equal to the aggregate of all amounts established for all Series of Bonds Outstanding in the Series Indentures authorizing the issuance of such Bonds, or a lesser amount if each Rating Agency has confirmed that such lesser amount will not adversely affect the then-existing rating of the Bonds by such Rating Agency. The Offered Bonds Series Indenture establishes such amount as zero with respect to the Offered Bonds. Currently, there are no amounts on deposit in the Debt Reserve Fund and no amounts will be deposited in the Debt Reserve Fund in connection with the issuance of the

Offered Bonds. See “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE — Debt Reserve Fund.”

Special Reserve Fund

In connection with the issuance of the Offered Bonds, the Agency expects to transfer approximately \$2.5 million* to the credit of the 2025 Series A Special Reserve Account of the Special Reserve Fund, which shall be invested in investments set forth in clauses (x) and/or (xi) of the definition of Investment Obligations, which shall be available to pay, among other things, capitalized interest on Offered Bonds. The Offered Bonds Series Indenture provides that amounts on deposit in the 2025 Series A Special Reserve Account of the Special Reserve Fund and any earnings thereon may be withdrawn and paid to the Agency free and clear of the lien and pledge of the General Indenture pursuant to an Agency Request; *provided* that such withdrawal (i) is reflected in the most recent Cash Flow Statement filed with the Trustee pursuant to the General Indenture and (ii) does not, in and of itself, adversely affect, or cause the Bonds to fail to retain, the then-existing rating assigned to them by each Rating Agency. See “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE — Special Reserve Fund” and “— Cash Flow Statements.” Amounts on deposit in the Special Reserve Fund are available to be transferred or drawn upon for transfer, as applicable, by the Trustee to the Interest or Principal Account, in that order, if so directed by the Agency, as described under “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE — Deficiencies in Debt Service Fund.”

Additional Bonds

The General Indenture provides that the Agency may issue additional Bonds, including refunding Bonds (“Additional Bonds”). See “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE — Issuance of Bonds.” The General Indenture also provides that the Agency, so long as any Bonds shall be Outstanding, shall not issue any other obligations secured by any pledge of or other lien or charge on the Pledged Property, nor shall the Agency create or cause to be created any such lien or charge on the Pledged Property. However, under the General Indenture the Agency shall not be prevented from issuing any obligations that are payable from or secured by a lien on and pledge of the Pledged Property so long as such lien and pledge shall be in all respects subordinate to the lien and pledge created by the General Indenture.

Additional Bonds may have interest payment dates that differ from such dates for the Offered Bonds.

Cash Flow Statements

The General Indenture provides that, while any Bonds are Outstanding, the Agency shall file with the Trustee a Cash Flow Statement (i) whenever any Series of Bonds is issued, if the most recently filed Cash Flow Statement was filed more than twelve months prior to the date of issuance; (ii) at least once during each Fiscal Year; (iii) upon purchase or redemption of Bonds in a manner materially inconsistent with the last Cash Flow Statement filed by the Agency with the Trustee;

* Preliminary, subject to change.

and (iv) prior to applying amounts in the General Fund for payment to the Agency free and clear of the lien of the Indenture.

The Offered Bonds Series Indenture provides that any withdrawal by the Agency free and clear of the lien and pledge of the General Indenture of amounts deposited to the credit of the Special Reserve Fund in connection with the Offered Bonds and related earnings be reflected in the most recent Cash Flow Statement on file with the Trustee.

See “APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE — Cash Flow Statements.”

THE PROGRAM

General

The purpose of the Agency’s Program is to assist low- to moderate-income homebuyers in California to purchase single family homes by providing first-mortgage home financing, as well as down payment and/or closing costs assistance. The primary objectives of the Program are (1) to enable low- and moderate-income persons and families to purchase homes on affordable terms, (2) to make available home mortgage financing in mortgage-deficient areas and (3) to stimulate the housing construction industry by making attractive, permanent mortgage financing available through qualified lenders.

Loan Program Information

Below are general summaries of the Agency’s current first mortgage loan and down payment/closing costs assistance programs, and key borrower, income and property requirements for loan eligibility. This summary does not purport to be comprehensive. Detailed loan program information, guidelines, procedures and requirements for each loan program and descriptions of capitalized terms used and not otherwise defined under this heading can be located on the Agency’s website.

First Mortgage Loans

The Agency offers first mortgage loans intended for the purchase of a single family residence by low- to moderate-income homebuyers (the “Borrower”). First mortgage loans under the Program currently include Government Loans (insured by FHA or VA or guaranteed by RD) and Conventional Loans. To provide such loans, the Agency works only with mortgage lenders approved by the Agency and the Agency’s designated master servicer (the “Servicer”) in accordance with prescribed lender requirements. Approved lenders (“Lenders”) are required to enter into a Mortgage Purchase Master Agreement (“MPMA”) with the Agency. Lenders will accept applications, screen potential mortgagors, obtain the applicable loan insurance, close loans, and sell qualifying loans to the Agency. Lenders must originate loans that comply with the Agency’s loan requirements set out for Government Loans or Conventional Loans. Under the Indenture, first mortgage loans may not be held as whole loans, but may only be Underlying Loans. First mortgage loans may be made in conjunction with subordinate loans as described below under “Subordinate Loans,” but are not required to be.

Subordinate Loans

Subordinate loans may be used for down payment and/or closing costs assistance. Subordinate loans under the Program available to be made in conjunction with first mortgage loans financed (indirectly through the acquisition of Mortgage-Backed Securities) under the Indenture currently include loans made under the MyHome Assistance Program and the MyAccess Assistance Program. Lenders must originate subordinate loans that comply with the Agency's loan requirements set out for Down Payment Assistance Programs or Special Programs. Subordinate loans may *only* be made in conjunction with CalHFA first mortgage loans that are either Government Loans insured by FHA or Conventional Loans.

Subordinate loans under the MyHome Assistance Program will be second-lien loans financed with amounts from the Agency's Home Purchase Assistance Fund, *not* from or pledged to the General Indenture, will bear simple interest at 1.0% per annum, with payments of principal and interest deferred until sale or transfer of the mortgaged property or payment in full of the related first mortgage loan, in a principal amount up to 3.5% of the lesser of the purchase price or appraised value of the mortgaged property. Subordinate loans under the MyHome Assistance Program are *not* required to be made in conjunction with a loan made under the MyAccess Assistance Program.

Subordinate loans under the MyAccess Assistance Program will be third-lien loans financed with Bond proceeds, will bear simple interest at 1.0% per annum, with payments of principal and interest deferred until sale or transfer of the mortgaged property or payment in full of the related first mortgage loan, in a principal amount up to 2.5% of the total first mortgage loan amount. Subordinate loans under the MyAccess Assistance Program may *only* be made in conjunction with a loan under the MyHome Assistance Program

Borrower Eligibility

All Borrowers must be either a citizen or other National of the United States, or a "Qualified Alien" as defined at 8 U.S.C Section 1641. Single family lending programs may be available to both first-time and non-first-time homebuyers, although certain State and federal laws and regulations may require mortgage loans to be restricted to first-time homebuyers. Determination of first-time homebuyer status involves the considerations of several nuances including ownership of rental property, ownership of certain types of manufactured homes and community property interests of spouses; however, generally, a first-time homebuyer is a person who does not have or has not had, an ownership interest in any principal residence during the three-year period prior to the execution of the mortgage loan documents.

Borrowers must intend to occupy the financed property as their primary residence and must occupy the property within 60 day of closing. Some State and federal laws and regulations may require the Borrower to occupy the property as their principal residence for the term of the loan or until the property is sold.

Borrowers must qualify under the prudent underwriting credit standards of the Lender, Ginnie Mae, Fannie Mae, Freddie Mac, the Servicer and the Agency. Borrowers must have sufficient funds to meet the required down payment, closing costs, necessary reserves and the

monthly mortgage payments, as determined by the Lender, Ginnie Mae, Fannie Mae, Freddie Mac, the Servicer and the Agency.

Income Eligibility

The income of all Borrowers cannot exceed the published Agency income limits established for the county in which the property is located. Currently, the income limit is approximately the lesser of \$300,000 or 198% of Area Median Family Income. The Agency may, in the future, establish different income limits as State law permits or requires.

Lenders are required to calculate income to qualify Borrowers for loan approval using Ginnie Mae, Freddie Mac, Fannie Mae and Servicer guidelines. The Agency will use the Lender's credit-qualifying income to determine if the loan exceeds the maximum program income limit. Income not used by the Lender for credit qualifying will not be used by the Agency.

Eligible Single Family Properties

Eligible single family properties may be either newly-constructed or existing single family residences located anywhere in the State. Single family residences include detached housing in standard subdivisions and planned unit developments built using conventional construction techniques. Manufactured homes that are taxed as "real estate" and have permanent foundations are acceptable property types. Single unit accessory dwelling units ("ADU"), guest houses, "granny" units and "in-law" quarters may meet eligible criteria. Attached housing includes individual units located primarily in low-rise condominiums and attached planned unit developments with homeowners associations to support maintenance of the common areas. Co-ops are not eligible.

Properties must meet the minimum eligibility requirements of the applicable mortgage insurer/guarantor, investor guidelines and city/county zoning ordinances. Appraisal requirements, resale restrictions and loan assumption policies must adhere to the guidelines and approval processes of the Servicer, Ginnie Mae, Fannie Mae, Freddie Mac and the Agency, as applicable. There are no sales price limits.

Lender Applications

Under the Program, the Agency currently operates a single loan reservation process, which offers funds on a continuous basis, at stated interest rates, accepting reservations on a first-come, first-served basis.

Each Lender will be permitted to submit requests for Underlying Loan reservations individually on a first-come, first-served basis with a 90-day delivery requirement (120 days for new construction loans) from the date of reservation. Lenders directly access the single loan reservation system, via the internet, to initiate and/or cancel single loan reservations through the Mortgage Access System ("MAS"). Upon initiating a reservation or at any time during the reservation period, a Lender may lock an interest rate for the loan for the lesser of 90 days or the remainder of the reservation period. The Lender must submit a fully underwritten loan package for conditional approval by the Agency. Approval of this loan package creates an obligation on the part of the Agency to cause the Servicer to purchase the Underlying Loan and on the part of

the Lender to close, fund, and deliver the Underlying Loan upon the terms and the procedures prescribed during the Agency's Underlying Loan approval process and by the MPMA, which incorporates by reference the Agency's Lender Program Manual. The Agency will rescind individual Underlying Loan reservations if certain delivery progress requirements are not met.

Upon closing and funding of the loan, the Lender will deliver the Underlying Loan for purchase by the Servicer. Delivery of the loan for purchase is to be made in sufficient time to permit the Servicer to review and purchase the Underlying Loan within the 90-day (or 120-day) reservation period and before the expiration of the rate lock. The Servicer will accept delivery of the loan for purchase up to 30 days after the end of the rate lock period for a charge of one percent (1.00%) of the principal amount of the loan, in which case the reservation period is also extended. Failure by the Lender to deliver prescribed loan documents in sufficient time to permit purchase by the end of the reservation period, or any such extension, will result in cancellation of the reservation. Loans closed for a period of more than 90 days are ineligible for purchase under the Program.

All funds allocated through the single loan reservation process are managed in conformance with the production goals for the Program as set forth in the Agency's Business Plan by making periodic adjustments to the interest rate schedule or modifications to the borrower, property or loan eligibility parameters as necessary.

Origination of Underlying Loans

Each Lender is required to execute a MPMA pursuant to which the Lender agrees to use its best efforts to originate Underlying Loans meeting the requirements of the Program to be purchased by, and with servicing released to, the Servicer under an agreement between the applicable Lender and the Servicer. The Servicer may also purchase Underlying Loans from Lenders where qualifying loans have been originated or packaged by third-party originators or correspondents under arrangements with the Lenders.

Lenders originating Underlying Loans may charge borrowers or sellers an origination fee, processing fee, underwriting fee and other charges so long as all fees and charges meet Agency, Servicer, Ginnie Mae, Fannie Mae and Freddie Mac, as applicable, requirements and applicable law.

The Lender is obligated to use its best efforts to originate Underlying Loans in accordance with the terms of the MPMA, the Act, the posted underwriting guidelines on the Agency's website, the Lender Program Manual, applicable Program Bulletins and Loan Program Handbooks, the requirements of, as applicable, FHA or the respective mortgage insurer (if any) and Ginnie Mae, Fannie Mae and Freddie Mac. In accordance with such requirements, unless the Agency approves an exception, each Underlying Loan originated by a Lender must be made to a borrower (i) who intends to occupy the residence financed by such Underlying Loan as such borrower's principal place of residence (and not in a trade or business or as an investment property or recreational home) within 60 days after the date of such Underlying Loan, (ii) who has not had a present ownership interest in a principal residence at any time during the three years preceding the date of the Underlying Loan (except, under certain circumstances, to veterans or for the refinancing of an existing mortgage loan), and (iii) whose maximum household income does not exceed the income

limits of the Program. In addition, the amount of the Underlying Loan may not exceed the loan limits set by FHA, Fannie Mae or Freddie Mac, as applicable.

The Lender will solicit and receive from potential borrowers applications for Underlying Loans. Homebuyer education (completed online, in person or by telephone) is required for each borrower. The Agency will accept a homebuyer education counseling certificate of completion issued through Ginnie Mae, Fannie Mae or Freddie Mac counseling administration agencies, mortgage insurance companies, or HUD-approved homebuyer counselors.

After the loan application has been submitted to the Lender by a potential borrower, the Lender will request a reservation from the Agency, subject to the availability of funds on a first-come, first-served basis through the CalHFA MAS. Each potential borrower has an affirmative obligation under the Program to furnish the Lender with such documentary evidence as shall establish to the Lender's satisfaction that an Underlying Loan to such potential borrower will comply with all requirements of the Program. In addition to obtaining the required documentary evidence from the potential borrowers, the Lender is also required to verify the accuracy of such information by undertaking a review of such documentation and other supporting materials to determine their completeness and internal consistency by establishing such procedures as may be necessary to verify adequate information contained in such application.

Documentary evidence that the Lender is required to obtain from potential borrowers includes, but is not limited to, an affidavit setting forth the information required to establish such borrower's eligibility for an Underlying Loan under the Program, and, to the extent available, such other documentation and supporting materials which verify the information contained in the application such as the borrower's federal income tax returns for the prior three (3) years, current wage statements, purchase contracts and any other appropriate corroborative materials. Each affidavit will also describe the consequences to the borrower of any material misstatements made therein, which, under the Program, may include a default and acceleration of the Underlying Loan, and, potentially, civil or criminal penalties such as a fine or jail sentence. In the event that the described documentation is unavailable or inappropriate in any particular case, the Lender will require such potential borrower to furnish such other independent corroborative evidence as is necessary, in the Lender's opinion, to assure the Lender that an Underlying Loan to such potential borrower will comply with all Program requirements. If the Lender determines, in its discretion, that the evidence produced by the potential borrower is in any respect inadequate, inconclusive, inconsistent or incomplete or that it fails in any other respect to adequately establish a potential borrower's eligibility for an Underlying Loan, the Lender will not originate an Underlying Loan to such potential borrower.

The Lender must forward to the Agency a completed Underlying Loan application package of items not previously submitted for the Agency's review, and the Agency must issue a conditional approval prior to the Lender's closing and submitting the Underlying Loan to the Servicer for purchase. The Agency will determine whether the proposed Underlying Loan meets the requirements of the Program by evaluating, among other things, the amount of the proposed Underlying Loan, whether such residence is located in a rural area and the income of the potential borrower. The Agency will review all of the documents delivered to determine compliance with the Program requirements, for internal consistency and to determine whether the borrower is eligible under the Act and that the real estate which will be the subject of the Mortgage Loan

produces no income other than incidentally. To the extent that these requirements are not complied with, the Lender will be asked to provide sufficient additional explanation or documentation to enable the Agency to determine the status of the application. When the Agency determines that the proposed Underlying Loan meets the requirements of the Program, it will notify the Lender of its conditional approval. After the Lender has secured a conditional approval for an Underlying Loan from the Agency, the Lender may close and fund the Underlying Loan and deliver the Underlying Loan for purchase by the Servicer.

Prior to the origination of an Underlying Loan that will underlie a Mortgage-Backed Security guaranteed by Ginnie Mae, a Lender must arrange for approval of FHA insurance. Each such Underlying Loan must be insured by FHA upon delivery for purchase by the Servicer. Prior to the origination of an Underlying Loan that will underlie a Mortgage-Backed Security guaranteed by Fannie Mae or Freddie Mac, a Lender must arrange for approval of mortgage insurance to the extent required by Fannie Mae or Freddie Mac, respectively. Each such Underlying Loan must be insured to the extent so required upon delivery for purchase by the Servicer.

Underlying Loans will be serviced by Lakeview (as defined and described below) in accordance with the Amended and Restated Servicing Agreement, dated as of June 1, 2017 (as further amended and supplemented from time to time, the “Servicing Agreement”), between the Agency and Lakeview, and the applicable servicing procedures described in “APPENDIX B — GINNIE MAE, FANNIE MAE AND FREDDIE MAC PROGRAMS.”

THE SERVICER

The information under this caption was provided solely by Lakeview Loan Servicing, LLC (“Lakeview”). The Agency assumes no responsibility for the accuracy of statements made in this section (except the immediately following paragraph).

Lakeview serves as Servicer to service Underlying Loans originated by each Lender with proceeds of the Bonds pursuant to the Servicing Agreement.

As of December 31, 2024, Lakeview serviced approximately 2.8 million single-family mortgage loans purchased, with an aggregate principal balance of approximately \$759 billion. Lakeview currently services single-family mortgage loans for state and local housing finance authorities, GNMA, Fannie Mae and Freddie Mac, and other investors. The Servicer is (i) an FHA- and VA-approved lender in good standing, (ii) a GNMA-approved seller and servicer of mortgage loans and an issuer of mortgage-backed securities guaranteed by GNMA, (iii) a Fannie Mae approved seller and servicer of Fannie Mae Securities and (iv) a Freddie Mac approved seller and servicer.

Lakeview has not participated in the structuring of the Program or the Offered Bonds or the preparation of this Official Statement, except to the extent of providing the information contained under the heading “THE SERVICER.” Lakeview accepts no responsibility for the accuracy or completeness of this Official Statement or for the Offered Bonds or the creditworthiness of the Offered Bonds.

CERTAIN OTHER PROGRAMS OF THE AGENCY

In addition to the Program, the Agency is currently operating the financing programs described below, among others. Assets and revenues under each such program are pledged solely to the related program and are not Pledged Property under the Indenture. For certain additional information regarding the indentures of the Agency, see the financial statements attached as “APPENDIX C — ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CALIFORNIA HOUSING FINANCE FUND FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND JUNE 30, 2023” hereto.

The Agency currently operates the following financing programs, among others:

Affordable Housing Revenue Bond Program

Pursuant to the Affordable Housing Revenue Bond Program, loans are financed or refinanced and serviced directly by the Agency to provide acquisition, construction (both for new construction and rehabilitation) and/or permanent financing for developments intended for occupancy by persons and families of low and/or moderate income. Such loans may be uninsured, insured by FHA or may underlie a mortgage-backed security. The Agency issues bonds under such program to provide permanent financing for such developments.

Conduit Financing for Affordable Multifamily Housing

The Agency has issued bonds to finance and refinance a number of affordable multifamily housing developments on a conduit basis, meaning that the bonds issued are special, limited obligations of the Agency, typically issued under a single stand-alone indenture for each development, payable only from revenues of the subject developments. The Agency takes no real estate or other credit risk with respect to such financings.

Homeownership Programs

The Agency purchases eligible mortgage loans on newly constructed or existing single family homes, condominiums, planned unit developments and manufactured housing permanently attached to the land and originated by qualified lenders. The Agency then sells first-lien mortgages to the To Be Announced (“TBA”) market (for later securitization into MBS) and those first-lien mortgages are serviced by a master servicer. The Agency retains junior (i.e., second- or third-lien) downpayment assistance mortgages and services such mortgages in-house.

NO LITIGATION

There is no litigation pending (as to which the Agency has received service of process) or, to the actual knowledge of the Agency, overtly threatened in writing, directly against the Agency to restrain or enjoin the issuance, sale, execution or delivery of the Offered Bonds or the application thereof toward the financing of the Mortgage-Backed Securities, or in any way contesting or affecting the validity of the Offered Bonds, the Indenture, the Continuing Disclosure Agreement, any investment agreement related to the Offered Bonds or any proceedings of the Agency with respect to the issuance or sale of the Offered Bonds, or the financing of the Mortgage-Backed

Securities, or the pledge, collection or application of any moneys or security for the Offered Bonds or the existence of the Agency.

TAX MATTERS

General

The following discussion is a brief summary of the principal United States federal income tax consequences of the acquisition, ownership and disposition of the Offered Bonds by original purchasers of the Offered Bonds who are “U.S. Holders,” as defined herein. This summary (i) is based on the Code, Treasury Regulations, revenue rulings and court decisions, all as currently in effect and all subject to change at any time, possibly with retroactive effect; (ii) assumes that the Offered Bonds will be held as “capital assets”; and (iii) does not discuss all of the United States federal income tax consequences that may be relevant to a U.S. Holder in light of its particular circumstances or to U.S. Holders subject to special rules, such as insurance companies, financial institutions, tax-exempt organizations, dealers in securities or foreign currencies, persons holding the Offered Bonds as a position in a “hedge” or “straddle,” U.S. Holders whose functional currency (as defined in Section 985 of the Code) is not the United States dollar, U.S. Holders who acquire Offered Bonds in the secondary market, or individuals, estates and trusts subject to the tax on unearned income imposed by Section 1411 of the Code.

Certain taxpayers who are required to prepare certified financial statements and file such financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Offered Bonds at the time that such income, gain or loss is taken into account on such financial statements instead of under the rules described below. In addition, interest on the Offered Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

U.S. Holders of Offered Bonds should consult with their own tax advisors concerning the United States federal income tax and other consequences with respect to the acquisition, ownership and disposition of the Offered Bonds as well as any tax consequences that may arise under the laws of any state, local or foreign tax jurisdiction.

Opinion of Bond Counsel

In the opinion of Bond Counsel to the Agency, (i) interest on the Offered Bonds is included in gross income for federal income tax purposes and (ii) under existing statutes, interest on the Offered Bonds is exempt from personal income taxes imposed by the State of California.

Bond Counsel expresses no opinion regarding any other federal, state or local tax consequences arising with respect to the Offered Bonds, or the ownership or disposition thereof, except as stated in the immediately preceding paragraph. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their

occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters.

Original Issue Discount

In general, if OID is greater than a statutorily defined de minimis amount, a U.S. Holder of an Offered Bond must include in federal gross income (for each day of the taxable year, or portion of the taxable year, in which such U.S. Holder holds such Offered Bond) the daily portion of OID, as it accrues (generally on a constant-yield method) and regardless of the U.S. Holder's method of accounting. "OID" is the excess of (i) the "stated redemption price at maturity" over (ii) the "issue price." For purposes of the foregoing: "issue price" means the first price at which a substantial amount of the Offered Bond is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers); "stated redemption price at maturity" means the sum of all payments, other than "qualified stated interest," provided by such Offered Bond; "qualified stated interest" is stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate; and "de minimis amount" is an amount equal to 0.25 percent of the Offered Bond's stated redemption price at maturity multiplied by the number of complete years to its maturity. A U.S. Holder may irrevocably elect to include in gross income all interest that accrues on an Offered Bond using the constant-yield method, subject to certain modifications.

Bond Premium

In general, if an Offered Bond is originally issued for an issue price (excluding accrued interest) that reflects a premium over the sum of all amounts payable on the Offered Bond other than "qualified stated interest" (a "Taxable Premium Bond"), that Taxable Premium Bond will be subject to Section 171 of the Code, relating to bond premium. In general, if the U.S. Holder of a Taxable Premium Bond elects to amortize the premium as "amortizable bond premium" over the remaining term of the Taxable Premium Bond, determined based on constant-yield principles (in certain cases involving a Taxable Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the highest yield on such bond), the amortizable premium is treated as an offset to interest income; the U.S. Holder will make a corresponding adjustment to the U.S. Holder's basis in the Taxable Premium Bond. Any such election is generally irrevocable and applies to all debt instruments of the U.S. Holder (other than tax-exempt bonds) held at the beginning of the first taxable year to which the election applies and to all such debt instruments thereafter acquired. Under certain circumstances, the U.S. Holder of a Taxable Premium Bond may realize a taxable gain upon disposition of the Taxable Premium Bond even though it is sold or redeemed for an amount less than or equal to the U.S. Holder's original acquisition cost.

Disposition and Defeasance

Generally, upon the sale, exchange, redemption, or other disposition (which would include a legal defeasance) of an Offered Bond, a U.S. Holder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable

to accrued interest not previously includable in income) and such U.S. Holder's adjusted tax basis in the Offered Bond.

The Agency may cause the deposit of moneys or securities in escrow in such amount and manner as to cause the Offered Bonds to be deemed to be no longer Outstanding under the General Indenture (a "defeasance"). See "APPENDIX A — SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE — Defeasance." For federal income tax purposes, such defeasance could result in a deemed exchange under Section 1001 of the Code and a recognition by such owner of taxable income or loss, without any corresponding receipt of moneys. In addition, the character and timing of receipt of payments on the Offered Bonds subsequent to any such defeasance could also be affected.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to non-corporate U.S. Holders of the Offered Bonds with respect to payments of principal, payments of interest, and the accrual of OID on an Offered Bond and the proceeds of the sale of an Offered Bond before maturity within the United States. Backup withholding may apply to U.S. Holders of Offered Bonds under Section 3406 of the Code. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner's United States federal income tax provided the required information is furnished to the Internal Revenue Service.

U.S. Holders

The term "U.S. Holder" means a beneficial owner of an Offered Bond that is: (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to United States federal income taxation regardless of its source or (iv) a trust whose administration is subject to the primary jurisdiction of a United States court and which has one or more United States fiduciaries who have the authority to control all substantial decisions of the trust.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Offered Bonds under state law and could affect the market price or marketability of the Offered Bonds.

Prospective purchasers of the Offered Bonds should consult their own tax advisors regarding the foregoing matters.

UNDERWRITING

The Underwriters have jointly and severally agreed, subject to certain conditions, to purchase the Offered Bonds from the Agency at an aggregate purchase price of \$_____, and to make a public offering of the Offered Bonds. The Underwriters will be obligated to purchase all of the Offered Bonds if any are purchased. The Offered Bonds may be offered and sold to

certain dealers at prices lower than such public offering price, and such public offering price may be changed, from time to time, by the Underwriters. The Underwriters will receive an underwriting fee in the amount of \$_____, which amount includes expenses for such underwriting.

The following paragraph has been provided by the Underwriters:

The Underwriters and their respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriters and their respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriters and their respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the Agency. The Underwriters and their respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the Agency.

The following paragraph has been provided by Academy Securities, Inc.:

Academy Securities, Inc. has entered into third-party distribution agreements with various dealers for the retail distribution of certain municipal securities at the original issue prices. Pursuant to these third-party distribution agreements, Academy Securities may share a portion of its underwriting compensation with the respective dealers.

The following paragraph has been provided by Morgan Stanley & Co. LLC:

Morgan Stanley & Co. LLC, an Underwriter of the Offered Bonds, has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Offered Bonds.

RATINGS

Moody's Investors Service ("Moody's") has assigned the Offered Bonds a rating of "Aaa" and S&P has assigned the Offered Bonds a rating of "AA+". The Agency has furnished to each such rating agency certain information and materials with respect to the Offered Bonds. Generally, rating agencies base their ratings on such information and materials, and on investigations, studies and assumptions made by the rating agencies. The obligation of the Underwriters to purchase the Offered Bonds is conditioned on the assignment by Moody's and S&P of the respective aforementioned ratings to the Offered Bonds. Such ratings reflect only the views of such rating agencies, and an explanation of the significance of each such rating may be obtained from the related rating agency. There is no assurance that either or both of such ratings will be retained for any given period of time or that the same will not be revised downward or withdrawn entirely by the related rating agency if, in its judgment, circumstances so warrant. Any such downward

revision or withdrawal of such ratings, or either of them, will have an adverse effect on the market price of the Offered Bonds.

CERTAIN LEGAL MATTERS

All legal matters incident to the authorization, issuance, sale and delivery of the Offered Bonds by the Agency are subject to the approval of Hawkins Delafield & Wood LLP, Bond Counsel to the Agency. Certain legal matters will be passed upon for the Agency by its General Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Kutak Rock LLP. Certain legal matters related to the Offered Bonds will be passed upon for the Agency by Hawkins Delafield & Wood LLP, Disclosure Counsel to the Agency.

FINANCIAL STATEMENTS

The Annual Comprehensive Financial Report of the California Housing Finance Fund for the fiscal years ended June 30, 2024 and June 30, 2023, which is included as APPENDIX C to this Official Statement, have been audited by CliftonLarsenAllen LLP, independent auditors, as stated in their report appearing therein. CliftonLarsenAllen LLP has not been engaged to perform and has not performed, since the date of such report, any procedures on the financial statements addressed in such report. CliftonLarsenAllen LLP also has not performed any procedures relating to this Official Statement.

SUCH FINANCIAL STATEMENTS CONTAIN NO INFORMATION REGARDING THE BONDS, THE MORTGAGE-BACKED SECURITIES, THE DPA LOANS OR ANY OTHER PLEDGED PROPERTY. THE ASSETS OF THE AGENCY DESCRIBED IN SUCH FINANCIAL STATEMENTS ARE NOT PLEDGED PROPERTY AND ARE NOT A SOURCE OF PAYMENT OR SECURITY FOR THE BONDS.

CONTINUING DISCLOSURE

In connection with the issuance of the Offered Bonds, the Agency will enter into a Continuing Disclosure Agreement, the form of which is attached as APPENDIX I hereto, pursuant to which the Agency will undertake to provide certain annual financial information and audited financial statements, commencing with the fiscal year ending June 30, 2024, and notice of certain listed events.

During the past five years, there have been instances when the Agency has been late in filing required annual financial information with respect to previous continuing disclosure undertakings related to other bonds issued by the Agency because a component of the annual financial information necessary to finalize such annual financial information was not available. The Agency has filed on EMMA a notice of its failure to timely file such information and the Agency has filed such information as such information has been made available to it. On occasion, the Agency has not timely linked to every applicable CUSIP number, its timely-filed annual financial information, but has made the necessary corrections.

FURTHER INFORMATION

The information contained in this Official Statement is subject to change without notice and no implication should be derived therefrom or from the sale of the Offered Bonds that there has been no change in the affairs of the Agency from the date hereof. Pursuant to the Indenture, the Agency has covenanted to keep proper books of record and account in which complete and accurate entries will be made of all its dealings and transactions under the Indenture. The Indenture requires that such books be open to inspection by the Trustee and any Bondowner during regular business hours of the Agency and upon reasonable notice.

MISCELLANEOUS

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such, and not as representations of fact. This Official Statement is not to be construed as an agreement or contract between the Agency and the purchasers or owners of any Offered Bonds.

This Official Statement is submitted in connection with the sale of the Offered Bonds and may not be reproduced or used, as a whole or in part, for any other purpose. This Official Statement and the distribution thereof has been duly authorized and approved by the Agency, and duly executed and delivered on behalf of the Agency.

CALIFORNIA HOUSING FINANCE AGENCY

By: _____
Erwin Tam
Director of Financing

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SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE

The following is a summary of certain provisions of the General Indenture. This summary does not purport to be comprehensive or definitive and is subject to all of the terms and provisions of the General Indenture, to which reference is made and copies of which are available from the Trustee or the Agency.

Certain Defined Terms

The following are definitions in summary form of some of the terms contained in the General Indenture and used therein:

“Agency Request” means a written request or direction of the Agency signed by an Authorized Officer.

“Amortized Value” means (i) for securities purchased at par, par; and (ii) for securities purchased at a premium above or a discount below par, the value as of any given date obtained by dividing the total amount of the premium or the discount at which such securities were purchased by the number of days remaining to maturity on such securities at the time of such purchase and by multiplying the amount so calculated by the number of days having passed from the date of such purchase; and (a) in the case of securities purchased at a premium, by deducting the product thus obtained from the purchase price, and (b) in the case of securities purchased at a discount, by adding the product thus obtained to the purchase price.

“Appreciated Amount” means with respect to a Deferred Interest Bond, (i) as of any date of computation with respect to any Deferred Interest Bond up to the date, if any, set forth in the Series Indenture authorizing such Deferred Interest Bond as the date on which such Deferred Interest Bond shall commence to bear interest payable thereafter on applicable interest payment dates, an amount equal to the initial principal amount of such Deferred Interest Bond plus the interest accrued on such Deferred Interest Bond from the date of original issuance of such Deferred Interest Bond to the applicable interest payment date next preceding the date of computation or the date of computation if an applicable interest payment date, such increased amount to accrue at the rate per annum set forth in the Series Indenture authorizing such Deferred Interest Bonds, compounded on each applicable interest payment date, plus, if such date of computation shall not be an applicable interest payment date, a portion of the difference between the Appreciated Amount as of the immediately preceding applicable interest payment date (or the date of original issuance if the date of computation is prior to the first applicable interest payment date succeeding the date of original issuance) and the Appreciated Amount as of the immediately succeeding applicable interest payment date, calculated based upon an assumption that the Appreciated Amount accrues in equal daily amounts on the basis set forth in the Series Indenture authorizing such Deferred Interest Bonds; and (ii) as of any date of computation on and after the date, if any, set forth in the Series Indenture authorizing such Deferred Interest Bond as the date on which such Deferred Interest Bond shall commence to bear interest payable thereafter on applicable interest payment dates, the Appreciated Amount as of such current interest payment commencement date.

For the purposes of actions, requests, notifications, consents or directions of Bondowners under the General Indenture, the calculation of the Appreciated Amount shall be as of the applicable interest payment dates preceding such date of calculation (unless such date of calculation shall be an applicable interest payment date, in which case, as of the date of calculation).

“Bond Counsel’s Opinion” means an opinion signed by any attorney or firm of attorneys of nationally recognized standing in the field of state and local debt issuance.

“Cash Flow Certificate” means a certificate of the Agency signed by an Authorized Officer to the effect that the action proposed to be taken is consistent with the assumptions set forth in the Cash Flow Statement last filed with the Trustee.

“Code” means applicable provisions of Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder, if any.

“Costs of Issuance” means all items of expense payable or reimbursable directly or indirectly by the Agency and related to the authorization, sale, issuance and remarketing of the Bonds, as certified by an Authorized Officer.

“Debt Reserve Requirement” means, as of any particular date of calculation, an amount equal to the aggregate of all amounts established for all Series of Bonds Outstanding in the Series Indentures authorizing the issuance of such Bonds, or a lesser amount if each Rating Agency has confirmed that such lesser amount will not adversely affect the then-existing rating of the Bonds by such Rating Agency. The Trustee may rely upon a certificate from an Authorized Officer of the Agency which states the Debt Reserve Requirement as of the date of said certificate.

“Deferred Interest Bond” means any Bond designated as such by the Series Indenture authorizing the issuance of such Bond.

“DPA Loan” means a whole mortgage loan providing down payment and/or closing costs assistance contemporaneously with the purchase of a residence with proceeds of an Underlying Loan. Unless otherwise provided in a Series Indenture, a Supplemental Indenture, or an Authorized Officer’s Determination, “DPA Loan” does not include any down payment and/or closing costs assistance loans that are not financed from moneys on deposit in the Acquisition Fund.

“Expenses” means any moneys required by the Agency to pay the expenses of the Trustee and any expenses which the Agency may lawfully pay, *except* as limited with respect to any Series of Bonds by the applicable Series Indenture. Expenses deposited in any Fiscal Year to the credit of the Expense Fund shall not exceed the aggregate of all such amounts set forth for all Series of Bonds in the respective Series Indentures. The Trustee may rely upon a certificate from an Authorized Officer of the Agency which states the outstanding principal balance of Mortgage-Backed Securities.

“Fiscal Year” means the year beginning on the first day of July and ending on the last day of June in the next succeeding year.

“Government Obligations” means obligations of the United States of America (including obligations issued or held in book-entry form on the books of the U.S. Department of the Treasury) or obligations the principal of and interest on which are guaranteed as to timely payment by the United States of America.

“Insurance Proceeds” means payments received with respect to the Underlying Loans, DPA Loans or Mortgage-Backed Securities under any insurance policy or guarantee or under any fidelity bond, to the extent not applied to the repair or restoration of any mortgaged premises.

“Investment Obligations” means, to the extent authorized by law for investment of moneys of the Agency at the time of such investment,

(i) (A) Government Obligations, or (B) obligations rated in either of the two highest rating categories of each Rating Agency of any state of the United States of America or any political subdivision of such a state, payment of which is secured by an irrevocable pledge of Government Obligations;

(ii) (A) bonds, debentures or other obligations issued by Federal Home Loan Banks, Tennessee Valley Authority, Federal Farm Credit System Obligations, World Bank, International Bank for Reconstruction and Development and Inter-American Development Bank; or (B) bonds, debentures or other obligations issued by Fannie Mae and Federal Home Loan Mortgage Corporation (excluding mortgage securities which are valued greater than par on the portion of unpaid principal or mortgage securities which represent payments of principal only or interest only with respect to the underlying mortgage loans);

(iii) obligations issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America, or temporary notes, preliminary loan notes or project notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America, in each case rated in either of the two highest rating categories (or the highest rating of short-term obligations if the investment is a short-term obligation) by each Rating Agency;

(iv) time deposits, certificates of deposit or any other deposit with a bank, trust company, national banking association, savings bank, federal mutual savings bank, savings and loan association, federal savings and loan association or any other institution chartered or licensed by any state or the U.S. Comptroller of the Currency to accept deposits in such state (as used in the General Indenture, “deposits” shall mean obligations evidencing deposit liability which rank at least on a parity with the claims of general creditors in liquidation), which are (a) fully secured by any of the obligations described in (i) above having a market value (exclusive of accrued interest) not less than the uninsured amount of such deposit or (b) (1) unsecured or (2) secured to the extent, if any, required by the Agency and, in both (1) and (2), made with an institution whose unsecured debt securities are rated in either of the two highest rating categories and the highest short-term rating category (or the highest rating of short-term obligations if the investment is a short-term obligation) by each Rating Agency;

(v) repurchase agreements backed by or related to obligations described in (i) or (ii) above with any institution whose unsecured debt securities are rated in either of the two highest rating categories (or the highest rating of short-term obligations if the investment is a short-term obligation) by each Rating Agency;

(vi) investment agreements, secured or unsecured as required by the Agency, with any institution whose debt securities are rated in either of the two highest rating categories (or the highest rating of short-term obligations if the investment is a short-term obligation) by each Rating Agency;

(vii) direct and general obligations of or obligations unconditionally guaranteed by the State, the payment of the principal of and interest on which the full faith and credit of the State is pledged, and certificates of participation in obligations of the State which obligation may be subject to annual appropriations, which obligations are rated in either of the two highest rating categories by each Rating Agency;

(viii) direct and general obligations of or obligations unconditionally guaranteed by any state, municipality or political subdivision or agency thereof, which obligations are rated in either of the two highest rating categories by each Rating Agency;

(ix) bonds, debentures, or other obligations issued by any insurance company, corporation, government or governmental entity (foreign or domestic), provided, that such bonds, debentures or other obligations are (a) payable in any coin or currency of the United States of America which at the time of payment will be legal tender for the payment of public and private debts, and (b) rated in either of the two highest rating categories by each Rating Agency;

(x) commercial paper (having original maturities of not more than 365 days) rated in the highest rating category by each Rating Agency;

(xi) money market funds which invest in Government Obligations and which funds have been rated in the highest rating category by each Rating Agency;

(xii) deposits in the Surplus Money Investment Fund referred to in Section 51003 of the Act or any successor fund thereto if each Rating Agency has confirmed that investment therein, in and of itself, will not adversely affect the then-existing rating of the Bonds by such Rating Agency; or

(xiii) any investments authorized in a Series Indenture authorizing Bonds, as long as the related Bonds are rated by each Rating Agency.

Provided, that it is expressly understood that the definition of Investment Obligations shall be, and be deemed to be, expanded, or new definitions and related provisions shall be added to the General Indenture by a Supplemental Indenture or an Authorized Officer's Determination, thus permitting investments with different characteristics from those permitted which the Board of Directors or the Executive Director of the Agency deems from time to time to be in the interests of the Agency to include as Investment Obligations if at the time of inclusion such inclusion will

not, in and of itself, impair, or cause the Bonds to fail to retain, the then-existing rating assigned to them by each Rating Agency.

For purposes of this definition, “institution” means an individual, partnership, corporation, trust or unincorporated organization, or a government or agency, instrumentality, program, account, fund, political subdivision or corporation thereof. “Liquidation Proceeds” means amounts (*except* Insurance Proceeds) received in connection with the liquidation of a defaulted Underlying Loan, whether through foreclosure, trustee’s sale, repurchase by a Mortgage Lender, or otherwise.

“Mortgage-Backed Securities” means (i) obligations representing undivided beneficial ownership interests (and any other interest therein allowed by the Act) in mortgage loans, which obligations are issued by or guaranteed by the Government National Mortgage Association, Fannie Mae, Federal Home Loan Mortgage Corporation or, to the extent set forth in a Series Indenture, a Supplemental Indenture, or an Authorized Officer’s Determination, (a) any other agency or instrumentality of or chartered by the United States to which the powers of any of them have been transferred or which have similar powers to purchase mortgage loans and (b) any financial institution provided each of the Rating Agencies has confirmed that acquisition of such mortgage-backed securities will not adversely affect its then-existing rating of the Bonds and (ii) any evidence of an ownership interest in such obligations. Unless otherwise provided in a Series Indenture, a Supplemental Indenture, or an Authorized Officer’s Determination, “Mortgage-Backed Securities” does not include any mortgage-backed securities that are not financed from moneys on deposit in the Acquisition Fund.

“Mortgage Lender” means any person (including the Agency) approved by the Agency for participation in the Program who shall participate in financing Underlying Loans or DPA Loans and/or sell Mortgage-Backed Securities to the Agency.

“Outstanding Bonds” means, as of any date, all Bonds theretofore authenticated and delivered by the Trustee under the General Indenture, *except*:

(a) any Bond, following its maturity date, if sufficient moneys or Government Obligations are held in trust for the owner of such Bond by the Trustee on such maturity date to pay the principal amount of and accrued interest on such Bond;

(b) any Bond canceled by, or delivered for cancellation to, the Trustee because of payment at maturity or redemption or purchase prior to maturity;

(c) any Bond deemed paid in accordance with the redemption provisions of the General Indenture;

(d) any Bond deemed paid in accordance with the defeasance provisions of the General Indenture; and

(e) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to the General Indenture, unless proof satisfactory to the Trustee is presented that any Bond for which a Bond in lieu thereof or in substitution therefor shall have been authenticated and delivered is held by a bona fide purchaser, as that term is defined in the Uniform Commercial Code-Investment Securities

of the State (Sections 8101-8116 of the California Commercial Code), as amended (or any similar successor provision), in which case both the Bond so substituted and replaced and the Bond or Bonds authenticated and delivered in lieu thereof or in substitution therefor shall be deemed Outstanding.

“Pledged Property” means the proceeds of the sale of the Bonds, Revenues and all other moneys in all Funds (except the Rebate Fund) and Accounts established under the General Indenture, including the investments, if any, thereof, and the earnings, if any, thereon until applied in accordance with the terms of the General Indenture; and all right, title and interest of the Agency in and to the Mortgaged-Backed Securities, and related notes, *but excluding* Mortgage-Backed Securities accrued interest not purchased by the Agency; *except* that the pledge of assets or property in a Series Indenture may be limited in purpose and time, as set forth in said Series Indenture.

“principal” or “Principal” means (a) as such term references the principal amount of a Deferred Interest Bond or Deferred Interest Bonds, the Appreciated Amount thereof, and (b) as such term references the principal amount of any other Bond or Bonds, the principal amount at maturity of such Bond or Bonds.

“Principal Prepayment” means (i) any amounts received in connection with a Mortgage-Backed Security that reflect any payment by a mortgagor or other recovery of principal of an Underlying Loan which is not applied to a scheduled installment of principal or interest on an Underlying Loan and the portion of any Insurance Proceeds, Liquidation Proceeds or other payments representing such principal amounts, including from the sale of an Underlying Loan; (ii) the proceeds of the sale of Mortgage-Backed Securities; and (iii) any payment by a mortgagor or other recovery of principal of a DPA Loan which is not applied to a scheduled installment of principal or interest on a DPA Loan and the portion of any Insurance Proceeds, Liquidation Proceeds or other payments representing such principal amounts, including from the sale of a DPA Loan.

“Program” means the mortgage finance program of the Agency pursuant to which the Agency will issue the Bonds and apply the proceeds thereof to finance Mortgage-Backed Securities under the General Indenture.

“Rating Agency” means each nationally recognized securities rating agency that is maintaining the rating on the Bonds at the request of the Agency.

“Refunding Bonds” means all Bonds, whether issued in one or more Series, authenticated and delivered on original issuance pursuant to the Indenture (and all Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Indenture) for the purpose of the refunding of Bonds.

“Revenues” means all moneys received by or on behalf of the Agency or Trustee representing (i) principal and interest payments on the Mortgage-Backed Securities and DPA Loans including all Principal Prepayments representing the same and all prepayment premiums or penalties received by or on behalf of the Agency in respect to the Mortgage-Backed Securities and DPA Loans, (ii) interest earnings, amortization of discount, and gain, all as received as cash on the

investment of amounts in any Account or Fund (*except* the Rebate Fund and the Special Reserve Fund as provided in the General Indenture), (iii) amounts transferred to the Revenue Fund in accordance with the General Indenture, (iv) amounts transferred to the Special Redemption Account from the Debt Reserve Fund, and (v) amounts deposited in the Revenue Fund pursuant to the General Indenture.

“Serial Bonds” means the Bonds which are not Term Bonds.

“Series Program Determinations” means determinations by the Agency relating to Underlying Loans and Mortgage-Backed Securities and certain other matters required in connection with a Series of Bonds under the Program to be set forth (or provided to be determined at certain specified times in the future) in a Series Indenture (or, if each Rating Agency has confirmed that doing so will not adversely affect the then-existing rating of the Bonds by such Rating Agency, pursuant to an Agency Request) and shall include the following: (i) the types of Mortgage-Backed Securities to be financed by such Bonds, (ii) whether each Underlying Loan or DPA Loan shall be secured by a first-lien mortgage, a subordinate-lien mortgage or a combination; (iii) whether each Underlying Loan or DPA Loan shall have approximately equal monthly payments or shall be a graduated payment mortgage loan or shall not require principal payment prior to sale, transfer or refinance or the residence or have a fixed or variable rate of interest or bear no interest and; (iv) the maximum term to maturity of each Underlying Loan or DPA Loan; (v) whether each residence to which each Underlying Loan or DPA Loan relates shall be a principal residence; (vi) required primary mortgage insurance, if any, and the levels of coverage thereof; (vii) limitations, if any, applicable to purchases of Underlying Loans or DPA Loans relating to planned unit developments, and/or cooperatives or condominiums, geographic concentration, and type of principal and interest characteristics; (viii) Supplemental Mortgage Coverage, if any; (ix) provisions relating to Principal Prepayments, including application thereof for redemption or financing new Mortgage-Backed Securities or DPA Loans; (x) maximum Expenses for such Series; (xi) restrictions, if any, on the applications of the proceeds of the voluntary sale of Mortgage-Backed Securities or DPA Loans, if any; and (xii) any other provision deemed advisable by the Agency not in conflict with the General Indenture.

“Sinking Fund Requirement” means, as of any particular date of calculation, with respect to the Term Bonds of any Series and maturity, the amount of money required to be applied on any applicable date to the redemption prior to maturity or the purchase of the Term Bonds, except as such Requirement shall have been previously reduced by the principal amount of such Term Bonds with respect to which such Sinking Fund Requirement is payable which are to be purchased or redeemed (except out of Sinking Fund Requirements). Sinking Fund Requirements may be established as fixed dollar amounts or as method(s) of calculation thereof.

“Supplemental Mortgage Coverage” means the coverage, if any, of loss from Underlying Loan defaults or DPA Loan defaults provided in a Series Indenture which supplements any primary mortgage insurance.

“Term Bonds” means the Bonds with respect to which Sinking Fund Requirements have been established.

“Underlying Loan” means a mortgage loan underlying any Mortgage-Backed Securities.

Payment Due or Acts to be Performed on Weekends and Holidays

If the date for making any payment of principal or premium, if any, or interest or the last date for performance of any act or the exercising of any right, as provided in the General Indenture, shall be a legal holiday or a day on which banking institutions in the city where the Trustee is located are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or not a day on which such banking institutions are authorized by law to remain closed, unless otherwise provided in a Series Indenture, with the same force and effect as if done on the nominal date provided in the General Indenture.

General Indenture to Constitute Contract

In consideration of the purchase and acceptance of any and all of the Bonds issued under the General Indenture by those who shall own the same from time to time, the General Indenture shall be deemed to be and shall constitute a contract among the Agency and the owners of the Bonds. The pledges made in the General Indenture and the covenants and agreements set forth in the General Indenture to be performed by the Agency shall be for the equal benefit, protection and security of the owners of any and all of the Bonds, all of which, without regard to the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by the General Indenture or by a Series Indenture.

Limited Obligation; Pledge of the General Indenture

The Bonds are limited obligations of the Agency payable solely from and secured by the Pledged Property. The Agency has no taxing power. The Bonds shall not be deemed to constitute a debt or liability of the State or of any political subdivision of the State, other than the Agency, or a pledge of the faith and credit of the State or of any such political subdivision, other than the Agency, but shall be payable solely from the Pledged Property. Neither the Agency, any of its members, the State, nor any political subdivision thereof (except the Agency, to the limited extent set forth in the General Indenture) nor any public agency shall in any event be liable for the payment of the principal or Redemption Price of, premium (if any) or interest on the Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever except as set forth in the General Indenture, and none of the Bonds or any of the Agency's agreements or obligations shall be construed to constitute an indebtedness of or a pledge of the faith and credit of or a loan of the credit of or a moral obligation of any of the foregoing within the meaning of any constitutional or statutory provision whatsoever. Neither the faith and credit nor the taxing power of the State is pledged to the payment of the principal of or interest on the Bonds. The issuance of the Bonds shall not directly or indirectly or contingently obligate the State or any political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment.

Issuance of Bonds

The Bonds shall be executed substantially in the form and manner set forth in the General Indenture and shall be deposited with the Trustee for authentication, but before Bonds shall be authenticated and delivered by the Trustee, there shall be on file with the Trustee the following:

- (1) a copy, duly certified by an Authorized Officer, of the General Indenture and the Series Indenture for such Series of Bonds;
- (2) a Bond Counsel's Opinion stating in the opinion of such counsel that said Bonds have been duly authorized and constitute valid and binding limited obligations of the Agency and that the General Indenture and the applicable Series Indenture have been duly authorized, executed and delivered by, and are valid and binding obligations of, the Agency;
- (3) a Cash Flow Statement, if required by the General Indenture, conforming to the requirements of the General Indenture;
- (4) a request and authorization to the Trustee on behalf of the Agency, signed by an Authorized Officer, to authenticate and deliver said Bonds to the purchaser or purchasers therein identified upon payment to the Trustee for the account of the Agency of the purchase price therefor; and
- (5) evidence that the issuance of said Bonds will not adversely affect the then-existing ratings of any of the Bonds by any Rating Agency.

Simultaneously with the delivery of the Bonds, the Trustee shall deposit or credit the proceeds of said Bonds into the applicable Series Bond Proceeds Account of the Bond Proceeds Fund. Unless otherwise provided in the applicable Series Indenture the Trustee shall apply such proceeds, together with any other available funds, as follows:

- (i) an amount shall be transferred to and deposited to the credit of the Debt Reserve Fund such that the amount on deposit in such Fund will at least equal the Debt Reserve Requirement;
- (ii) the total amount of such proceeds designated by the Agency as accrued interest and capitalized interest shall be transferred to and deposited to the credit of the Revenue Fund;
- (iii) an amount equal to the Costs of Issuance for such Bonds shall be transferred to and deposited to the credit of the Series Account in the Costs of Issuance Fund established for such Series;
- (iv) an amount to the extent set forth in the applicable Series Indenture shall be transferred to and deposited in the Expense Fund;

(v) an amount to be transferred to and deposited into any Fund or Account not referred to in clauses (i)-(iv) above or (vi) below as provided in the applicable Series Indenture; and

(vi) the balance of such moneys shall be transferred to and deposited to the credit of the Acquisition Account in the Acquisition Fund established for such Series.

Notwithstanding the foregoing or anything in the General Indenture to the contrary, a Series Indenture or Supplemental Indenture may provide for the issuance of Bonds, and/or the execution and delivery of obligations related to liquidity or credit support or interest rate or other hedges, to be secured and payable on one or more bases subordinate to or separate and distinct from Bonds or such other obligations issued or executed and delivered prior and subsequent thereto. In furtherance thereof, there may be established one or more accounts or subaccounts subject to such provisions within any Fund or Account created under the General Indenture.

Refunding Bonds

Refunding Bonds of the Agency may be issued under and secured by the General Indenture for the purpose of providing funds, with any other available funds, for (i) redeeming (or purchasing in lieu of redemption) prior to their maturity or maturities, or retiring at their maturity or maturities, all or any part of the Outstanding Bonds of any Series, including the payment of any redemption premium (or premium, to the extent permitted by law, included in the purchase price if purchased in lieu of redemption), (ii) making any required deposits to the Debt Reserve Fund, (iii) if deemed necessary by the Agency, for paying the interest to accrue on the Refunding Bonds or refunded Bonds to the date fixed for their redemption (or purchase) and (iv) any expenses in connection with such refunding. Before any Bonds shall be issued under the provisions of this paragraph, the Agency shall execute a Series Indenture authorizing the issuance of such Series of Bonds, fixing the amount and the details thereof and describing the Bonds to be refunded. Except as may otherwise be provided in the applicable Series Indenture and *except* as to any differences in the maturities thereof or interest payment dates or the rate or rates of interest or the provisions for redemption, such Refunding Bonds shall be on a parity with and shall be entitled to the same benefit and security of the General Indenture as all other Bonds issued under the General Indenture.

Prior to or simultaneously with the authentication and delivery of such Refunding Bonds by the Trustee to or upon the order of the purchasers thereof there shall be filed with the Trustee the following:

(a) a copy, duly certified by an Authorized Officer, of the General Indenture and the Series Indenture for such Series of Refunding Bonds;

(b) a Bond Counsel's Opinion stating in the opinion of such counsel that such Refunding Bonds have been duly authorized and constitute valid and binding limited obligations of the Agency and that the General Indenture and the applicable Series Indenture have been duly authorized, executed, and delivered by, and are valid and binding obligations of, the Agency;

(c) a Cash Flow Statement, if required by the General Indenture, conforming to the requirements of the General Indenture;

(d) a certificate of an Authorized Officer stating that the proceeds (excluding accrued interest but including any premium) of such Refunding Bonds, together with any moneys to be withdrawn from the Debt Service Fund by the Trustee and any other moneys which have been made available to the Trustee for such purposes, or the principal of and the interest on the investment of such proceeds or any such moneys, will be not less than an amount sufficient to pay the principal of and the redemption premium, if any, on the Bonds to be refunded and the interest which will become due and payable on or prior to the date of their payment or redemption, the expenses in connection with such refunding and to make any required deposits to the Debt Reserve Fund and specifying transfers, if any, from the Series Acquisition Accounts applicable to the Series of Bonds to be refunded and the Refunding Bonds;

(e) if all or part of the refunded Bonds are to be redeemed prior to maturity, irrevocable instructions from an Authorized Officer of the Agency to the Trustee to redeem the applicable Bonds;

(f) a request and authorization to the Trustee on behalf of the Agency, signed by an Authorized Officer, to authenticate and deliver Bonds to the purchaser or purchasers therein identified upon payment to the Trustee for the account of the Agency of the purchase price therefor; and

(g) evidence that the issuance of said Bonds will not adversely affect the then-existing rating of any of the Bonds by any Rating Agency.

Issuance of Additional Obligations

The Agency may issue any obligations which are payable from or secured by a lien on and pledge of the Pledged Property, so long as such lien and pledge shall be in all respects subordinate to the lien and pledge created by the General Indenture.

Bonds No Longer Outstanding

Bonds shall no longer be treated as Outstanding (a) if they have been duly called for redemption or irrevocable instructions to call such Bonds for redemption shall have been given by the Agency to the Trustee and (b) with respect to which the Trustee holds money or Government Obligations sufficient to pay the Principal and Redemption Price of and interest on such on their respective interest payment, stated maturity or prescribed redemption dates.

Funds and Accounts

The following Funds and Accounts thereunder are created and designated as set forth below:

Bond Proceeds Fund	Redemption Fund
Series Bond Proceeds Accounts	Special Redemption Account
Acquisition Fund	Optional Redemption Account
Series Acquisition Accounts	Expense Fund
Costs of Issuance Fund	Debt Reserve Fund
Series Costs of Issuance Accounts	Special Reserve Fund
Revenue Fund	General Fund
Debt Service Fund	Principal Prepayment Fund
Interest Account	Series Principal Prepayment Accounts
Principal Account	Rebate Fund

Additional Funds and Accounts (including for the purpose of depositing amounts required to be rebated to the United States, *i.e.*, a Rebate Account within the Rebate Fund) may be created and designated in Series Indentures.

Bond Proceeds Fund—Series Bond Proceeds Accounts

Upon the issuance of a Series of Bonds, the Trustee shall establish a Series Account within the Bond Proceeds Fund applicable to such Series of Bonds and may deposit amounts received in connection with the issuance of such Bonds into such Account and thereupon apply such proceeds at the times and in the amounts set forth in the Series Indenture authorizing the issuance of such Bonds.

Acquisition Fund—Series Acquisition Accounts

Upon the issuance of a Series of Bonds, unless otherwise provided in the applicable Series Indenture, the Trustee shall establish a Series Acquisition Account (which may relate to more than one Series of Bonds) within the Acquisition Fund applicable to such Series of Bonds. Moneys in the Acquisition Fund shall be applied by the Trustee to finance the acquisition of Mortgage-Backed Securities and DPA Loans (the characteristics of which conform to the applicable Series Program Determinations) upon Agency Request or as otherwise provided in the Series Indenture. The Trustee shall transfer from any Series Acquisition Account to the Special Redemption Account any amount specified by the Agency from time to time in an Agency Request for the purpose of redeeming or purchasing Bonds of the Series for which such Series Acquisition Account was established unless otherwise provided in the applicable Series Indenture.

The Trustee shall transfer any amount representing Principal Prepayments deposited in a Series Acquisition Account to the Principal Prepayment Fund, upon an Agency Request in the amount and at the time(s) stated in such Agency Request.

Moneys held for the credit of the Acquisition Fund shall be transferred to the Interest or Principal Account, in that order, pursuant to the General Indenture.

Costs of Issuance Fund—Series Costs of Issuance Accounts

Upon the issuance of a Series of Bonds, unless otherwise provided in the applicable Series Indenture, the Trustee shall establish a Series Account within the Costs of Issuance Fund applicable to such Series of Bonds and shall transfer amounts from the Bond Proceeds Fund received in connection with the issuance of such Bonds into such Account in the amount set forth in the applicable Series Indenture authorizing the issuance thereof. In addition, the Agency may deposit other amounts available therefor in such Account. Moneys held in a Series Account in the Costs of Issuance Fund shall be disbursed to pay the Costs of Issuance related to the applicable Series of Bonds upon a requisition, signed by an Authorized Officer of the Agency, identifying generally the nature and amount of such Costs of Issuance. Upon Agency Request any amount remaining in a Series Costs of Issuance Account shall be transferred to the Revenue Fund and treated as Revenues, to the Acquisition Fund or to the Special Redemption Account of the Redemption Fund.

Revenue Fund; Application of Revenues

All Revenues shall be deposited in the Revenue Fund as received by the Trustee.

At any time, upon Agency Request, the Trustee shall apply amounts in the Revenue Fund to pay for accrued interest in connection with the Trustee's purchase of Investment Obligations for deposit in any Fund or Account maintained under the General Indenture and to pay accrued interest with respect to the financing of Mortgage-Backed Securities and DPA Loans.

Upon deposit in the Revenue Fund, the Trustee shall transfer to the credit of the applicable Series Acquisition Account amounts equal to the amounts expended from such Account to pay accrued interest with respect to the financings of Mortgage-Backed Securities and DPA Loans funded from amounts on deposit in such Account.

The Trustee shall transfer Revenues in the Revenue Fund in the amounts specified in an Agency Request or as may be provided in a Series Indenture, on the dates therein specified, to the credit of the Funds and Accounts in, and in the priority of, clauses (1) - (8) below:

- (1) To any Account in the Rebate Fund, the amount(s), if any, specified by the Agency;
- (2) Principal payments, including Principal Prepayments, of Mortgage-Backed Securities and DPA Loans shall be transferred to the Principal Account or the Special Redemption Account, as directed by the Agency;
- (3) To the Interest Account, in the amount necessary to pay interest due on the next succeeding debt service payment date on the Bonds;
- (4) To the Principal Account, in the amount necessary, after taking into account the amount transferred pursuant to clause (2) and the amount applied to the purchase of Bonds at the times, in the manner and for the purposes set forth in the General Indenture, to pay principal due on the next succeeding debt service payment date on the Bonds;

(5) To the credit of the Debt Reserve Fund, an amount sufficient to cause the amount on deposit in and credited to said Fund to equal the Debt Reserve Requirement;

(6) To the credit of the Expense Fund, an amount of Expenses specified in the Agency Request which shall not exceed the remainder of (i) the product of (A) the maximum amount of Expenses which may be deposited in the Expense Fund during the then-current Fiscal Year and (B) the fraction whose numerator is the number of days from the beginning of such Fiscal Year to the next succeeding debt service payment date on the Bonds and whose denominator is 365 or 366, whichever represents the number of days in such Fiscal Year, less (ii) the aggregate amount of Expenses previously deposited into the Expense Fund during such Fiscal Year. In no event in any Fiscal Year can the amount deposited on any date, when aggregated with amounts already deposited during such Fiscal Year, cause the aggregate amount deposited in any Fiscal Year to exceed the maximum amount of Expenses which may be deposited in the Expense Fund in a Fiscal Year;

(7) To the credit of the Expense Fund, the amount of Expenses specified in an Agency Request accompanied by a Cash Flow Certificate but only to the maximum allowable pursuant to the Series Indentures; and

(8) To the General Fund, the balance.

Revenues in the Revenue Fund shall be applied to the purchase of Bonds at the times, in the manner and for the purposes set forth in the General Indenture.

Debt Service Fund—Interest Account

The Trustee shall, on each interest payment date, withdraw from the Interest Account and remit by such method of transfer acceptable to the Agency, to each owner of Bonds the amounts required for paying the interest on Bonds as such interest becomes due and payable.

Debt Service Fund—Principal Account

The Trustee shall, on each principal payment date, set aside in the Principal Account the amounts required for paying the principal of all Bonds as such principal becomes due and payable.

Amounts on deposit in the Revenue Fund prior to being deposited to the credit of the Principal Account in satisfaction of Sinking Fund Requirements shall be applied as applicable to the purchase of Term Bonds of each Series then Outstanding subject to Sinking Fund Requirements on the next date such payments are scheduled as provided in this paragraph. The Trustee, upon direction of an Authorized Officer, shall endeavor to purchase the Term Bonds or portions of Term Bonds of each Series stated to mature on the next maturity date or to be redeemed pursuant to Sinking Fund Requirements for Term Bonds of such Series then Outstanding at a price not to exceed the Redemption Price (plus accrued interest to the date of redemption) which would be payable on the next redemption date to the owners of such Term Bonds under the provisions of the applicable Series Indenture if such Term Bonds or portions of Term Bonds should be called for redemption on such date. *Provided, however,* that subject to applicable law, notwithstanding the maximum purchase price set forth in the preceding sentence, (i) the purchase price may exceed the Redemption Price if and to the extent that the price in excess of the Redemption Price is paid

from funds not pledged under the Indenture at such time or (ii) if at any time the investment earnings on the moneys in the Revenue Fund equal to the Sinking Fund Requirements for the next date such payments are scheduled shall be less than the interest accruing on the Bonds to be redeemed on such date from such Sinking Fund Requirement, then the Trustee may pay a purchase price for any such Bond in excess of the Redemption Price which would be payable on the next redemption date to the owner of such Bond under the provisions of the applicable Series Indenture, if an Authorized Officer certifies to the Trustee that the amount paid in excess of said Redemption Price is expected to be less than the interest which is expected to accrue on said Bond less any investment earnings on such available moneys during the period from the settlement date of the proposed purchase to the redemption date. The Trustee shall pay the interest accrued on such Term Bonds or portions of Term Bonds to the date of settlement therefor from the Revenue Fund or the Interest Account of the Debt Service Fund. Notwithstanding the foregoing, no such purchase shall be made by the Trustee after the giving of notice of redemption by the Trustee.

Any purchase or redemption of Bonds shall be made pursuant to the provisions of Article III of the General Indenture. Upon the retirement of any Term Bonds by purchase or redemption pursuant to the provisions of the General Indenture, the Trustee shall file with the Agency a statement identifying such Bonds and setting forth the date of their purchase or redemption, the amount of the purchase price or the Redemption Price of such Bonds and the amount paid as interest thereon. The expenses in connection with the purchase or redemption of any such Bonds shall be paid by the Trustee from the Expense Fund or from any other moneys available therefor.

Moneys held for the credit of the Principal Account shall be transferred to the Interest Account pursuant to the General Indenture.

Redemption Fund

The Trustee shall apply all moneys deposited to the credit of the Special Redemption Account and the Optional Redemption Account to the purchase or redemption of Bonds issued pursuant to the General Indenture as follows:

- (a) The Trustee, upon the direction of the Agency, shall endeavor to purchase Bonds or portions of Bonds then Outstanding, whether or not such Bonds or portions of such Bonds shall then be subject to redemption, at a price not to exceed the Redemption Price (plus accrued interest, if any, to the date of redemption) which would be payable on the next redemption date. Such maximum purchase price may be exceeded in accordance with either of the tests described in the proviso in the second paragraph under “Debt Service Fund—Principal Account” above. The Trustee shall pay the interest accrued on such Bonds to the date of settlement therefor from the Revenue Fund or the Interest Account of the Debt Service Fund and the balance of the purchase price from the Special Redemption Account or Optional Redemption Account, as applicable, but no such purchase shall be contracted for by the Trustee after the giving of notice by the Trustee that such Bonds have been called for redemption except from moneys other than moneys set aside in the Special Redemption Account or Optional Redemption Account, as applicable, for the redemption of such Bonds unless such purchase is from the party that has received such notice.

(b) The Trustee, having endeavored to purchase Bonds pursuant to paragraph (a) above, shall call for redemption on the earliest practicable date on which Bonds are subject to redemption from moneys in the Special Redemption Account or Optional Redemption Account, as applicable, and, with respect to accrued interest on such Bonds payable upon redemption, the Revenue Fund or the Interest Account of the Debt Service Fund, such amount (computed on the basis of Redemption Prices) of Bonds as will exhaust the moneys held for the credit of the Special Redemption Account or Optional Redemption Account, as applicable, as nearly as may be practicable.

Moneys held for the credit of the Redemption Fund shall be transferred to the Interest or Principal Account, in that order, pursuant to the General Indenture.

Any amounts deposited in the Redemption Fund for the redemption of Bonds which remain on deposit after the payment in full of the Redemption Price of the applicable Bonds shall be transferred to the Revenue Fund at the times and in the amounts set forth in an Agency Request and shall continue to be treated as Revenues.

Expense Fund

Moneys held for the credit of the Expense Fund shall be applied by the Trustee for the following purposes in any order of priority:

- (a) the payment of the fees and expenses of the Trustee and fees of the providers of credit enhancement on Bonds, Funds, Mortgage-Backed Securities and DPA Loans; and
- (b) for transfer to the Interest or Principal Accounts, pursuant to the General Indenture; and
- (c) upon requisition by Agency Request, the payment or reimbursement of any Expenses; and
- (d) upon Agency Request, for transfer to the Revenue Fund and thereafter to be treated as Revenues.

Debt Reserve Fund

Moneys held for the credit of the Debt Reserve Fund shall be transferred or drawn upon for transfer, as applicable, by the Trustee to the Interest or Principal Account, in that order, as described under “Deficiencies in Debt Service Fund” below.

Moneys held for the credit of the Debt Reserve Fund as of any date in excess of the Debt Reserve Requirement upon Agency Request shall be transferred to the Revenue Fund or the Special Redemption Account.

Special Reserve Fund

At any time, there may be deposited to the credit of the Special Reserve Fund mortgages, loans or other assets or moneys contributed by the Agency as authorized by the Agency. Moneys

held for the credit of the Special Reserve Fund may be transferred or drawn upon for transfer, as applicable, by the Trustee to the Interest or Principal Account, in that order, if so directed by the Agency, as described under “Deficiencies in Debt Service Fund” below. All interest, income, gains and earnings on amounts on deposit in the Special Reserve Fund shall be credited to the Special Reserve Fund and neither credited to the Revenue Fund nor treated as Revenues. *Notwithstanding* the foregoing or anything in the General Indenture to the contrary, amounts on deposit in the Special Reserve Fund may be withdrawn and paid to the Agency free and clear of the lien and pledge of the General Indenture upon the direction of the Agency, *subject to* any restrictions with respect thereto in any Series Indenture or Supplemental Indenture, including but not limited to any requirement that such withdrawal does not, in and of itself, adversely affect, or cause the Bonds to fail to retain, the then-existing rating assigned to them by each Rating Agency.

General Fund

Except as otherwise provided in a Series Indenture, moneys held for the credit of the General Fund shall be transferred by the Trustee in the following order of priority listed in subsections (i) through (iii) and thereafter at any time upon Agency Request to the following Funds and Accounts:

- (i) to the credit of the Interest Account, an amount sufficient to cause the amount on deposit in said Account to equal any interest previously due and unpaid on Bonds;
- (ii) to the credit of the Principal Account, an amount sufficient to make the amount then on deposit in said Account equal to any regularly scheduled principal of the Bonds previously due and unpaid;
- (iii) to the credit of the Debt Reserve Fund, an amount sufficient to cause the amount on deposit in said Fund to equal the Debt Reserve Requirement;
- (iv) to the credit of the Expense Fund;
- (v) to the credit of the Optional Redemption Account for the redemption or purchase of Bonds;
- (vi) to the credit of the Special Redemption Account for redemption or purchase of Bonds;
- (vii) to any specified Series Acquisition Account in the Acquisition Fund;
- (viii) to the credit of any Series Account in the Costs of Issuance Fund; or
- (ix) unless provided otherwise in a Series Indenture, to the Agency, for any other purpose authorized or required under the Act free and clear of the pledge and lien of the General Indenture; *provided, however*, that no such payment shall be made under this clause unless permitted pursuant to a Cash Flow Statement filed with the Trustee pursuant to the General Indenture.

Principal Prepayment Fund—Series Principal Prepayment Accounts

Upon the issuance of a Series of Bonds the Trustee shall establish a Series Principal Prepayment Account within the Principal Prepayment Fund applicable to such Series of Bonds. Unless provided otherwise in a Series Indenture, the Trustee shall transfer amounts in the Principal Prepayment Fund at any time upon Agency Request to the Principal Account, the Special Redemption Account, the Optional Redemption Account or an Acquisition Account(s) of the Acquisition Fund. Moneys held for the credit of the Principal Prepayment Fund shall be transferred by the Trustee to the Interest Account or Principal Account in that order, pursuant to the General Indenture. If the Trustee does not receive an Agency Request with respect to a mandatory redemption from Principal Prepayments set forth in a Series Indenture, the Trustee shall transfer Principal Prepayments in an amount sufficient to accomplish such mandatory redemption from the applicable Series Principal Prepayment Account of the Principal Prepayment Fund to the Special Redemption Account and shall call Bonds for redemption (subject to any other priority set forth in the applicable Series Indenture) on a pro rata basis, as nearly as practicable, from among each maturity of the Series (and subseries, if applicable) of Bonds that financed the Mortgage-Backed Security that was prepaid.

Deficiencies in Debt Service Fund

In the event that amounts in the Debt Service Fund shall be insufficient on any interest payment date or principal payment date to pay the principal of and interest on the Bonds due and unpaid on such date, the Trustee shall withdraw amounts from the following Funds and Accounts in the following order of priority to the extent necessary to eliminate such deficiency; *provided, however,* that no amounts on deposit in the Special Redemption Account, the Optional Redemption Account, the Principal Prepayment Fund or the Principal Account shall be used for such purpose to the extent that such amounts have been set aside for the payment of Bonds which have been identified for purchase or called for redemption, and no amounts on deposit in any Series Acquisition Account shall be used for such purpose to the extent that the Agency is contractually obligated to finance or originate identified Mortgage-Backed Securities or DPA Loans acceptable for financing with amounts on deposit in such Series Acquisition Account:

- (i) Revenue Fund;
- (ii) General Fund;
- (iii) Optional Redemption Account;
- (iv) Principal Prepayment Fund;
- (v) Special Redemption Account;
- (vi) Expense Fund;
- (vii) Acquisition Fund (but only if the Agency has received a Bond Counsel's Opinion that such use will not adversely affect the exclusion (if excluded) of interest on the Bonds from gross income of the Owners thereof for Federal income tax purposes);

(viii) Bond Proceeds Fund (but only if the Agency has received a Bond Counsel's Opinion that such use will not adversely affect the exclusion (if excluded) of interest on the Bonds from gross income of the Owners thereof for Federal income tax purposes);

(ix) Costs of Issuance Fund;

(x) Debt Reserve Fund;

(xi) Principal Account;

(xii) Acquisition Fund (if the Bond Counsel's Opinion referred to in (vii) above has not been received); and

(xiii) Bond Proceeds Fund (if the Bond Counsel's Opinion referred to in (viii) above has not been received).

Notwithstanding the foregoing or anything in the General Indenture to the contrary, the Agency may direct the Trustee to withdraw amounts on deposit in the Special Reserve Fund to eliminate such deficiencies in lieu of or in conjunction with using amounts from the foregoing Funds and Accounts.

Security for Deposits; Investment of Moneys

All amounts held by the Trustee under the General Indenture, except as otherwise expressly provided in the General Indenture, shall be held in trust.

Moneys deposited for the credit of the Funds and Accounts under the General Indenture shall, as nearly as may be practicable, be continuously invested and reinvested by the Trustee upon the direction of an Authorized Officer (promptly confirmed by delivery of an Agency Request) in Investment Obligations which shall be in such amounts and bear interest at such rates with the objective that sufficient money will be available to pay the interest due on Bonds and shall mature, or which shall be subject to redemption by the holder thereof, at the option of such holder, with the objective that sufficient moneys will be available for the purposes intended in accordance with the General Indenture.

Any Investment Obligations so purchased in any Account or Fund shall be deemed at all times to be part of such Account or Fund. Any interest paid as cash, amortization of discount received as cash, or gain received as cash on the investment in any Account or Fund (*except* the Rebate Fund and the Special Reserve Fund) shall be credited to the Revenue Fund when received and thereafter treated as Revenues. Any interest paid or other earnings on the investment of the Rebate Fund shall be credited to the Rebate Fund. Any interest paid or other earnings on the investment of the Special Reserve Fund shall be credited to the Special Reserve Fund.

In computing the amount on deposit to the credit of any Account or Fund, obligations in which money in such Account or Fund shall have been invested shall be valued at Amortized Value plus the amount of interest on such obligations purchased with moneys in such Account or Fund.

Cash Flow Statements

The General Indenture provides that, while any Bonds are Outstanding, the Agency shall file with the Trustee a Cash Flow Statement (i) whenever any Series of Bonds is issued, if the most recently filed Cash Flow Statement was filed more than twelve months prior to the date of issuance (provided that no Cash Flow Statement shall be required to be filed in connection with the issuance of the first Series of Bonds issued under the General Indenture); (ii) at least once during each Fiscal Year; (iii) upon purchase or redemption of Bonds in a manner materially inconsistent with the last Cash Flow Statement filed by the Agency with the Trustee; and (iv) prior to applying amounts in the General Fund for payment to the Agency free and clear of the lien of the General Indenture.

The General Indenture provides that a Cash Flow Statement shall consist of a certificate of an Authorized Officer of the Agency giving effect to the action proposed to be taken and demonstrating in the current and each succeeding Fiscal Year in which Bonds are scheduled to be Outstanding that, as of each date on which principal or interest will be due on Bonds in each such Fiscal Year, (x) Pledged Property then expected to be on deposit in the Funds and Accounts maintained under the General Indenture will be at least equal to all amounts required by the General Indenture to be on deposit in such Funds and Accounts for the timely payment of Bonds and for the funding of, or crediting to, the Debt Reserve Fund to the Debt Reserve Requirement, *except* that, to the extent specified in a Series Indenture or Supplemental Indenture, a Fund or Account or assets or property shall not be taken into account when preparing such Cash Flow Statement; and (y) the aggregate of the Pledged Property on deposit in all Funds and Accounts under the General Indenture, other than the Costs of Issuance Fund, Expense Fund, Interest Account and Special Reserve Fund, plus the aggregate principal balances of all Mortgage-Backed Securities, shall at least equal the sum of the aggregate principal amount of the Bonds Outstanding plus accrued interest. The Cash Flow Statement shall set forth the assumptions upon which the estimates therein are based. The General Indenture requires that a Cash Flow Statement assume that all amounts held under the General Indenture with respect to which an investment arrangement is *not* in effect that guarantees a certain rate or rates are invested at a rate that does not exceed the applicable assumed interest rates determined by the then-current requirements of the Rating Agencies for bonds which bear the same rating as the then-current rating on the Bonds. In addition, the General Indenture provides that, in preparing a Cash Flow Statement, the Agency shall utilize with respect to Bonds the cash flow assumptions and tests required by the Rating Agencies in order to obtain or maintain a rating on the Bonds.

The General Indenture provides that except with respect to the annual Cash Flow Statement and actions being taken contemporaneously with the delivery of a Cash Flow Statement, facts reflected in a Cash Flow Statement may be as of a date or reasonably adjusted to the date of the most recently available data as determined by the Agency.

If any Cash Flow Statement shall show a deficiency in any Fiscal Year in the amount of funds expected to be available for the purposes described in the General Indenture during such Fiscal Year, the Agency shall not be in default under the General Indenture but shall take all reasonable actions to eliminate such deficiency.

Tax Covenants

The Agency shall at all times comply with the applicable tax covenants, if any, contained in any applicable Series Indenture. If applicable and unless otherwise provided in the applicable Series Indenture, the Agency shall pay moneys in any Account in the Rebate Fund to the United States of America as required by the Code.

Books and Records

The Trustee shall keep proper books of record and account in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocations and applications of all moneys received by the Trustee under the General Indenture, and such books shall be available for inspection by the Agency and any Bondowner during business hours, upon reasonable notice and under reasonable conditions.

On or before the tenth business day of each month the Trustee shall furnish to the Agency a statement of the Agency's revenues and expenditures and of the changes in its fund balances during the previous month.

The Agency shall keep proper books of record and account for all its transactions, other than those recorded in the books maintained by the Trustee described above, and such books shall be available for inspection by the Trustee and any Bondowner during business hours and upon reasonable notice.

Annual Audit and Report

Within 120 days of the end of the later of (a) each June 30 (the period from the immediately preceding July 1 to and including June 30, the "reporting period") and (b) the date of receipt of all information required or necessary to be supplied by the State to the Agency for such purpose, the Agency shall furnish to the Trustee (i) a statement of its revenues, expenses and of the changes in net assets during the previous reporting period, certified to by an Accountant, (ii) a report of its activities during the previous reporting period, and (iii) a certificate from an Authorized Officer stating that there is no current Event of Default and that no Event of Default occurred during the preceding reporting period (or if there has been an Event of Default, providing the details thereof and describing the steps the Agency took, or is taking, to cure such Event of Default).

Program Covenants

The Agency warrants and covenants (a) that no Underlying Loan or DPA Loan shall be financed by the Agency under the Program unless the Underlying Loan or DPA Loan complies in all respects with the Act in effect on the date of financing and (b) to comply with any additional program covenants contained in any Series Indenture.

Events of Default

Each of the following events constitutes an Event of Default under the General Indenture:

(i) payment of the principal or Redemption Price of any of the Bonds (other than subordinated Bonds) shall not be made when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or

(ii) payment of any installment of interest on any Bonds shall not be made when the same shall become due and payable; or

(iii) the entry of a decree or order for relief by a court having jurisdiction in the premises in respect of the Agency in an involuntary case under the Federal bankruptcy laws, as now or hereafter constituted, or any other applicable Federal or State bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Agency or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or order unstayed and in effect for the period of 60 consecutive days; or

(iv) the commencement by the Agency of a voluntary case under the Federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable Federal or State bankruptcy, insolvency or other similar law, or the consent by it to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of the Agency or for any substantial part of its property, or the making by it of any assignment for the benefit of creditors, or the taking of action by the Agency in furtherance of any of the foregoing; or

(v) the Agency defaults in the due and punctual performance of any other covenants or agreements contained in the Bonds or in the General Indenture and such default continues for 90 days after written notice requiring same to be remedied shall have been given to the Agency by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding; provided, however, that so long as following such notice the Agency is diligently taking actions to remedy such default, such default shall not be an Event of Default.

Acceleration of Maturity

Upon the happening and continuance of any Event of Default, then and in every such case (*except* as may be limited in a Series Indenture with respect to covenants set forth in such Series Indenture), the Trustee may and, subject to the Trustee's right to indemnification, upon the written direction of the owners of not less than 51% in aggregate principal amount of Bonds then Outstanding, shall, by notice in writing to the Agency, declare the principal of all the Bonds then Outstanding (if not then due and payable) to be due and payable immediately; and upon such declaration the same shall become immediately due and payable, anything contained in the Bonds or in the General Indenture to the contrary notwithstanding. The Trustee may, and upon the written request of the owners of not less than 51% in aggregate principal amount of the Bonds not then due and payable by their terms and then Outstanding shall, by written notice to the Agency, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Enforcement of Remedies

Upon the happening and continuance of any Event of Default under the General Indenture, then and in every such case the Trustee may, and upon the written direction of the owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall, proceed, subject to the right of the Trustee to indemnification, to protect and enforce its rights and the rights of the Bondowners under applicable laws or under the General Indenture for the specific performance of any covenant or agreement contained in the General Indenture or in aid or execution of any power granted in the General Indenture or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under the General Indenture, the Trustee shall be entitled to sue for, enforce payment of and recover judgment for any and all amounts then or after any default becoming, and at any time remaining, due from the Agency for principal of the Bonds, premium, if any, on the Bonds, interest on the Bonds or otherwise and unpaid, with, to the extent permitted by the applicable law, interest on overdue payments of principal of the Bonds and of interest on the Bonds at the rate or rates of interest specified in the Bonds, together with any and all costs and expenses.

Regardless of the happening of an Event of Default, the Trustee may, and, subject to the right of indemnification, if requested in writing by the owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding shall, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the Pledged Property by any acts which may be unlawful or in violation of the General Indenture or of any resolution authorizing the Bonds or Series Indenture, or (ii) to preserve or protect the interest of the Bondowners, provided that such request is in accordance with law and the provisions of the General Indenture and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of the owners of the Bonds not making such request.

If a covenant is set forth in a Series Indenture, limitations on the remedies available upon an Event of Default related to such covenant may be set forth in said Series Indenture.

Pro Rata Application of Funds

Anything in the General Indenture to the contrary notwithstanding, any time the money in the Funds and Accounts maintained under the General Indenture shall not be sufficient to pay the principal of or interest on the Bonds as the same shall become due and payable (either by their terms or by acceleration of maturities under the General Indenture) such money, together with any money then available, or thereafter becoming available for such purpose, shall be applied, following the satisfaction of any payments due to the Trustee, as follows:

- (i) If the principal on the Bonds shall not have become or shall not have been declared due and payable, all such money shall be applied:

FIRST: to the payment to the persons entitled thereto of all installments of interest on Bonds other than subordinated Bonds (*except* interest on overdue principal) then accrued and unpaid in the chronological order in which such

installments of interest accrued and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably, according to the amounts due on such installment, to the persons entitled thereto as owners of Bonds other than subordinated Bonds, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds other than subordinated Bonds;

SECOND: to the payment to the persons entitled thereto of the unpaid principal of any of the Bonds other than subordinated Bonds which shall have become due and payable (*except* Bonds other than subordinated Bonds called for redemption for the payment of which money is held pursuant to the provisions of the General Indenture) in the order of their stated payment dates, with interest on the principal amount of such Bonds other than subordinated Bonds at the respective rates specified therein from the respective dates upon which such Bonds other than subordinated Bonds became due and payable, and, if the amount available shall not be sufficient to pay in full the principal of the Bonds other than subordinated Bonds by their stated terms due and payable on any particular date, together with such interest, then to the payment first of such interest, ratably, according to the amount of such interest due on such date, with such payment being made to owners of Bonds other than subordinated Bonds, and then to the payment of such principal, ratably, according to the amount of such principal due on such date, to the persons entitled thereto as owners of Bonds other than subordinated Bonds, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds other than subordinated Bonds;

THIRD: to the payment when due of the interest on and the principal of the Bonds other than subordinated Bonds, to the purchase and retirement of Bonds other than subordinated Bonds and to the redemption of the Bonds other than subordinated Bonds;

FOURTH: to the payment to the persons entitled thereto of interest on subordinated Bonds (except interest on overdue principal) then accrued and unpaid in the chronological order in which such installments of interest accrued and, if the amount available shall not be sufficient to pay in full any particular daily installment, then to the payment, ratably, according to the amounts due on such daily installment, to the persons entitled thereto as owners of subordinated Bonds, without any discrimination or preference except as to any difference in the respective rates of interest specified in the subordinated Bonds;

FIFTH: to the payment to the persons entitled thereto of the unpaid principal of any of the subordinated Bonds which shall have become due and payable (except subordinated Bonds called for redemption for the payment of which, money is held pursuant to the provisions of the General Indenture) in the order of their stated payment dates, with interest on the principal amount of such subordinated Bonds at the respective rates specified therein from the respective dates upon which such subordinated Bonds became due and payable, and, if the amount available shall not be sufficient to pay in full the principal of the

subordinated Bonds by their stated terms due and payable on any particular date, together with such interest, then to the payment first of such interest, ratably, according to the amount of such interest due on such date, with such payment being made to owners of subordinated Bonds, and then to the payment of such principal, ratably, according to the amount of such principal due on such date, to the persons entitled thereto as owners of subordinated Bonds, without any discrimination or preference except as to any difference in the respective rates of interest specified in the subordinated Bonds; and

SIXTH: to the payment of the interest on and the principal of the subordinated Bonds, to the purchase and retirement of subordinated Bonds and to the redemption of subordinated Bonds.

(ii) If the principal of all the Bonds shall have become or shall have been declared due and payable, all such money shall be applied:

FIRST: to the payment of the principal and premium, if any, and interest then accrued and unpaid upon the Bonds which are not subordinated Bonds, without preference or priority of principal over interest or of interest over principal, or of any daily accrual of interest over any other daily accrual of interest, or of any Bond which is not a subordinated Bond over any other Bond which is not a subordinated Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to the respective rates of interest specified in the Bonds which are not subordinated Bonds; and

SECOND: to the payment of the principal and premium, if any, and interest then accrued and unpaid upon the subordinated Bonds, without preference or priority of principal over interest or of interest over principal, or of any daily accrual of interest over any other daily accrual of interest, or of any subordinated Bond over any other subordinated Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to the respective rates of interest specified in the subordinated Bonds.

(iii) If the principal of all the Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled, then, subject to (ii) above in the event that the principal of all the Bonds shall later become or be declared due and payable, the money remaining in and thereafter accruing to the Debt Service Fund and the Debt Reserve Fund, together with any other money held by the Trustee under the General Indenture, shall be applied in accordance with the provisions of (i) above.

Restrictions Upon Actions by Individual Bondowner

No owner of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Bond or for the execution of any trust under the General Indenture or for the enforcement of any remedy under the General Indenture unless such owner previously shall

have given to the Trustee written notice of the Event of Default on account of which such suit, action or proceeding is to be instituted, and unless also the owners of not less than fifteen per centum (15%) in aggregate principal amount of the Bonds then Outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted in the General Indenture or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of the General Indenture or to any other remedy under the General Indenture; *provided, however,* that notwithstanding the foregoing and without complying therewith, the owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding may institute any such suit, action or proceeding in their own names for the benefit of all owners of Bonds.

Trustee Entitled to Indemnity

The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under the General Indenture, or to enter any appearance or in any way defend in any suit in which it may be named a defendant, or to take any steps in the execution of the trusts created by the General Indenture or in the enforcement of any rights and powers under the General Indenture, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the Agency shall reimburse the Trustee for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith.

Compensation and Indemnification of Trustee

Subject to the provisions of any contract between the Agency and the Trustee relating to the compensation of the Trustee, the Agency shall pay, from the Pledged Property, to the Trustee reasonable compensation for all services performed by it under the General Indenture and also all its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees incurred in and about the administration and execution of the trusts created by the General Indenture and the performance of its powers and duties under the General Indenture, and, from such source only, shall, if and to the extent permitted by law, indemnify and save the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties under the General Indenture.

Resignation and Removal of Trustee

The Trustee may resign by notice in writing to be given to the Agency and mailed, first-class postage prepaid, to all registered owners of Bonds at their addresses as they appear on the registration books kept by the Bond Registrar(s), not less than 60 days before such resignation is

to take effect, and such resignation shall take effect immediately upon the appointment of a new Trustee.

The Trustee may be removed upon 30 days' written notice (i) at any time by an instrument in writing executed by the owners of not less than a majority in principal amount of the Bonds then Outstanding or (ii) by the Agency in its sole and absolute discretion at any time except during the continuance of an Event of Default by filing with the Trustee notice of removal in the form of an Agency Request. The Trustee may also be removed at any time for reasonable cause by any court of competent jurisdiction upon the application of the Agency pursuant to resolution or upon the application of the owners of not less than 10% in principal amount of Bonds then Outstanding.

No resignation or removal of the Trustee or appointment of a successor Trustee shall become effective until the acceptance of appointment under the General Indenture by the successor Trustee.

Appointment of Successor Trustee

If the Trustee shall resign, be removed, be dissolved, or otherwise become incapable of acting under the General Indenture or if the position of Trustee becomes vacant for any other reason, then the Agency shall appoint a Trustee to fill such vacancy and shall cause notice of such appointment to be mailed, first-class postage prepaid, to all registered owners of Bonds at their addresses as they appear on the registration books kept by the Bond Registrar(s).

At any time within one year after any such vacancy shall have occurred the owners of a majority in principal amount of the Bonds Outstanding may appoint a successor Trustee by an instrument in writing filed with the Agency, which Trustee shall supersede any Trustee theretofore appointed by the Agency.

If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions within 10 days after the vacancy shall have occurred, the owner of any Bond Outstanding under the General Indenture or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribed, appoint a successor Trustee.

Any successor Trustee must be a bank or trust company having a corporate trust office in the State, duly authorized to exercise corporate trust powers and subject to examination by Federal or State authority, of good standing, and having at the time of its appointment a combined capital and surplus of not less than \$50,000,000 as shown on its most recently published report of its financial condition.

Supplemental Indentures

The Agency, without obtaining the consent of the owners of the Bonds, from time to time and at any time, may execute such indentures supplemental to the provisions of the General Indenture:

- (a) to make provisions to cure any ambiguity or correct, cure or supplement any defect or omission in the General Indenture or in regard to questions arising under the

General Indenture which the Agency may deem desirable or necessary and not inconsistent with the General Indenture; or

(b) to grant to or confer upon the Trustee for the benefit of the Bondowners any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondowners or the Trustee; or

(c) to include as pledged revenues or money under, and subject to the provisions of, the General Indenture any additional revenues or money legally available therefor; or

(d) to cure any ambiguity, to correct or supplement any provision of the General Indenture which may be inconsistent with any other provision thereof, or to make any other provisions with respect to matters or questions arising under the General Indenture which shall not be inconsistent with the provisions thereof, provided such action shall not adversely affect the interest of the Bondowners; or

(e) to add to the covenants and agreements of the Agency in the General Indenture other covenants and agreements thereafter to be observed by the Agency or to surrender any right or power in the General Indenture reserved to or conferred upon the Agency; or

(f) to add provisions relating to coupon Bonds or Bonds issued with full book-entry delivery; or

(g) to modify any of the provisions of the General Indenture in any respect whatever; *provided, however*, that either (i) such modification shall apply only to Series of Bonds issued after the effective date of the Supplemental Indenture and shall not materially adversely affect the interests of the owners of Bonds of any Series Outstanding on the effective date of the Supplemental Indenture or (ii)(a) such modification shall be effective only after all Bonds then Outstanding shall cease to be Outstanding, and (b) such Supplemental Indenture shall be specifically referred to in the text of all Bonds authenticated and delivered after the execution of such Supplemental Indenture and of Bonds issued in exchange therefor or in place thereof; or

(h) to modify, amend or supplement the General Indenture in such manner as to permit, if presented, the qualification thereof under the Trust Indenture Act of 1939 or any similar Federal statute hereafter in effect or under any state Blue Sky Law; or

(i) to surrender any right, power or privilege reserved to or conferred upon the Agency by the terms of the General Indenture, provided that the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Agency contained in the General Indenture; or

(j) to add to the definition of Investment Obligations pursuant to the last proviso of the definition thereof; or

(k) to modify, amend or supplement the General Indenture in such manner as to permit a trustee (other than the Trustee) with respect to any subordinated Bonds issued under the General Indenture; or

(l) to modify, amend or supplement the General Indenture in order to maintain the tax-exempt status of any Bonds; or

(m) if authorized by resolution of the Agency, to modify, amend or supplement the General Indenture in any manner to include provisions related to issuing variable rate bonds, including but not limited to provisions regarding liquidity or credit support and interest rate or other hedges, *provided* that such modification, amendment or supplement does not materially adversely affect the interest of the Bondowners (evidence that such modification, amendment or supplement, at the time thereof, will not, in and of itself, impair, or cause the Bonds to fail to retain, the then-existing rating(s) assigned to them by the Rating Agencies, shall constitute sufficient evidence that such modification, amendment or supplement does not materially adversely affect the interest of the Bondowners); or

(n) to make any other change that does not materially adversely affect the interest of the Bondowners (as to any change relating to security for the Bonds, evidence that such change, at the time of such change, will not, in and of itself, impair, or cause the Bonds to fail to retain, the then-existing rating(s) assigned to them by the Rating Agencies, shall constitute sufficient evidence that such change does not materially adversely affect the interest of the Bondowners).

Anything contained in the General Indenture to the contrary *notwithstanding*,

(i) the Owners of not less than fifty-one per centum (51%) in aggregate principal amount of the Bonds then Outstanding,

(ii) if less than all of the Bonds then Outstanding are affected, the Owners of greater than fifty per centum (50%) in principal amount of Bonds so affected then Outstanding, and

(iii) in case the terms of any Sinking Fund Requirements are changed, the Owners of greater than fifty per centum (50%) in principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Requirements and then Outstanding,

shall have the right, from time to time, to consent to and approve the execution by the Agency and the Trustee of such indenture or indentures supplemental to the General Indenture as shall be deemed necessary or desirable by the Agency for the purpose of modifying, altering, amending, adding to, repealing or rescinding, in any particular, any of the terms or provisions contained in the General Indenture; *provided, however*, no Supplemental Indenture shall permit, or be construed as permitting, any of the following without the consent of all of the adversely affected Bondowners: (a) a change in the terms of redemption or of the maturity of the principal of or the interest on any Bonds, or (b) a reduction in the principal amount of any Bond or the redemption premium or the rate of interest on any Bond, or (c) the creation of a lien upon or pledge of

Revenues, or any part thereof, other than the lien and pledge created or permitted by the General Indenture, or (d) a preference or priority of any Bond or Bonds over any other Bond or Bonds, except as may be permitted by the applicable Series Indenture(s), or (e) a reduction in the aggregate principal amount or classes of the Bonds required for consent to such Supplemental Indenture. A Series shall be deemed to be affected by a modification or amendment of the General Indenture if the same adversely affects or diminishes the rights of the Owner of Bonds of such Series. The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment, Bonds of any particular Series and maturity would be affected by any modification or amendment of the General Indenture and any such determination shall be binding and conclusive on the Agency and all Owners of Bonds.

Upon the execution of any Supplemental Indenture pursuant to the provisions described above, the General Indenture shall be and be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under the General Indenture of the Agency, the Trustee and all Bondowners shall thereafter be determined, exercised and enforced in all respects under the provisions of the General Indenture as so modified and amended.

Notice of any proposed Supplemental Indenture to be effective with consent of Bondowners will be mailed to all Bondowners, but any failure to mail such notice shall not affect the validity of such Supplemental Indenture when consented to as described above.

Defeasance

If, when the Bonds secured by the General Indenture shall have become due and payable in accordance with their terms or otherwise as provided in the General Indenture, and all Bonds not described in the prior clause shall have been duly called for redemption or irrevocable instructions to call such Bonds for redemption shall have been given by the Agency to the Trustee, and the whole amount of the principal of, Redemption Price, and the interest on all of such Bonds shall be paid or the Trustee shall hold money or Government Obligations or shall hold money and Government Obligations sufficient to pay the principal of, Redemption Price, and interest on all Outstanding Bonds or which when due will provide sufficient moneys to pay the principal of, Redemption Price, and the interest on such Bonds, and provisions shall also be made for paying all other sums payable under the General Indenture by the Agency, then and in that case, the right, title and interest of the Trustee under the General Indenture shall thereupon cease, terminate and become void, and the Trustee in such case, on demand of the Agency, shall release the General Indenture and shall release the security and shall execute such documents to evidence such release as may be reasonably required by the Agency, and shall turn over to the Agency or to such officer, board or body as may then be entitled to receive the same, all the remaining property held by the Trustee under the General Indenture.

Governing Law

The laws of the State shall govern the construction of the General Indenture.

GINNIE MAE, FANNIE MAE AND FREDDIE MAC PROGRAMS

Ginnie Mae and the GNMA Certificates

The summary and explanation of the Government National Mortgage Association (“Ginnie Mae or “GNMA”), GNMA’s mortgage-backed securities program and the other documents referred to herein do not purport to be complete. Reference is made to the *Ginnie Mae Mortgage-Backed Securities Guide* (HUD Handbook 5500.3) (the “GNMA Guide”) and to said documents for full and complete statements of their provisions. At the time of printing this Official Statement, the GNMA Guide can be accessed at https://www.ginniemae.gov/issuers/program_guidelines/Pages/mbsguidelib.aspx and general information regarding GNMA can be accessed at: <http://www.ginniemae.gov>. The procedures and fees described below and in the GNMA Guide are those currently in effect and are subject to change at any time by GNMA.

General

GNMA is a wholly-owned corporate instrumentality of the United States within the Department of Housing and Urban Development (“HUD”), with its principal office in Washington, D.C. GNMA’s powers are prescribed generally by Title III of the National Housing Act, as amended (12 U.S.C. § 1716 *et seq.*).

GNMA is authorized by Section 306(g) of Title III of the National Housing Act, as amended, to guarantee the timely payment of the principal of and interest on certificates (“GNMA Certificates”) that represent an undivided ownership interest in a pool of mortgage loans that are: (i) insured by the Federal Housing Administration (“FHA”) under the National Housing Act of 1934, as amended; (ii) guaranteed by the Department of Veterans Affairs under the Servicemen’s Readjustment Act of 1944, as amended; (iii) guaranteed by the Rural Housing Service (“RHS”) of the USDA/RD pursuant to Section 502 of Title V of the Housing Act of 1949, as amended; or (iv) guaranteed by the Secretary of Housing and Urban Development (“HUD”) under Section 184 of the Housing and Community Development Act of 1992, as amended and administered by the Office of Public and Indian Housing (“PIH”). The GNMA Certificates are issued by approved servicers and not by GNMA. GNMA guarantees the timely payment of principal of and interest on the GNMA Certificates. Section 306(g) further provides that “the full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guaranty under this subsection.” An opinion, dated December 9, 1969, of an Assistant Attorney General of the United States, states that such guaranties under Section 306(g) of mortgage-backed certificates of the type being delivered to the Trustee on behalf of the Agency (“GNMA Guaranty Agreements”) are authorized to be made by GNMA and “would constitute general obligations of the United States backed by its full faith and credit.” In order to meet its obligations under such guaranties, GNMA, in its corporate capacity under Section 306(d) of Title III of the Housing Act, may issue its general obligations to the United States Treasury Department in an amount outstanding at any one time sufficient to enable GNMA, with no limitations as to amount, to perform its obligations under its guaranties of the timely payment of the principal of or interest on all GNMA Certificates. The Treasury is authorized to purchase any

obligations so issued by GNMA and has indicated in a letter dated February 13, 1970 from the Secretary of the Treasury to the Secretary of HUD that the Treasury will make loans to GNMA, if needed, to implement GNMA's guaranties. Under the terms of its guaranties, GNMA warrants that, in the event it is called upon at any time to make payment on its guaranties, it will, if necessary, in accordance with Section 306(d) of Title III of the Housing Act, apply to the Treasury Department of the United States for a loan or loans in amounts sufficient to make payments of principal and interest.

GNMA administers two guarantee programs the "Ginnie Mae I MBS Program" and the "Ginnie Mae II MBS Program." The Ginnie Mae I MBS Program is based on single-issuer pools in which the underlying mortgage loans generally have the same or similar maturities and bear the same interest rate. Ginnie Mae I payments are made to holders on the 15th day of each month. The Ginnie Mae II MBS Program permits multiple-issuer as well as single-issuer pools. Loans with different interest rates, within a one percent (1%) range, may be included in the same pool or loan package under the Ginnie Mae II MBS Program. Ginnie Mae II MBS payments are made to holders on the 20th day of each month.

To issue GNMA Certificates, the Servicer must apply for and receive from GNMA a Commitment to Guarantee Mortgage-Backed Securities ("GNMA Commitment"). A GNMA Commitment authorizes the Servicer to issue GNMA Certificates up to a stated amount during a one year period following the date thereof. The Servicer is obligated to pay GNMA commitment fees and guaranty fees.

Each GNMA Certificate is to be backed by a mortgage pool consisting of mortgage loans in a minimum aggregate amount of \$1,000,000 (or such lesser amount as may be approved by GNMA). Each GNMA I Certificate will be a "mortgage loan pass-through" certificate which will require the Servicer to pass through to the paying and transfer agent therefor (the "GNMA Paying Agent") by the 15th day of each month (or the 16th day, if such day is not a business day, *provided that*, if neither the 15th nor the 16th day is a business day, then the first business day prior to the 15th day of the month), the regular monthly payments on the mortgage loans (less the GNMA guaranty fee and the Servicer's servicing fee), whether or not the Servicer receives such payments, plus any prepayments of principal of the mortgage loans received by the Servicer in the previous month. Each GNMA II Certificate will require the Servicer to pass through to the central paying and transfer agent for the GNMA II Program, by the 19th day of each month (or the 20th day, if such day is not a business day, *provided that*, if neither the 19th nor the 20th day is a business day, then the first business day prior to the 19th day of the month), the regular monthly payments on the mortgage loans (less the GNMA guaranty fee and the Servicer's servicing fee), whether or not the Servicer receives such payments, plus any prepayments of principal of the mortgage loans received by the Servicer in the previous month. The GNMA Paying Agent is then required to pass through to the Trustee on or before the third business day following the 19th day of each month the scheduled payments received from the Servicer. GNMA guarantees timely payment of principal of and interest with respect to the GNMA Certificate.

GNMA, upon execution of the GNMA Guaranty Agreement (defined below), issuance of a GNMA Certificate by the Servicer and subsequent sale of such GNMA Certificate to the Trustee, will have guaranteed to the Trustee as holder of such GNMA Certificate the timely payment of principal of and interest on such GNMA Certificate.

Servicing of the Mortgages

Under contractual arrangements to be made between the Servicer and GNMA, and pursuant to the GNMA Guaranty Agreement, the Servicer is responsible for servicing the mortgage loans constituting GNMA Pools in accordance with FHA, RD or VA regulations, as applicable, and GNMA regulations.

The monthly remuneration of the Servicer for its servicing functions, and the guaranty fee charged by GNMA, are based on the unpaid principal amount of the GNMA Certificates outstanding. In compliance with GNMA regulations and policies, the total of these servicing and guaranty fees equals 0.50% per annum calculated on the principal balance of each mortgage loan outstanding on the last day of the month preceding such calculation. The Pass-Through Rate is determined by deducting from the Mortgage Rate the 0.50% servicing and guaranty fees because the servicing and guaranty fees are deducted from payments on the mortgage loans before payments are passed through to the Trustee.

It is expected that interest and principal payments on the mortgage loans received by the Servicer will be the source of money for payments on the GNMA Certificates. If such payments are less than the amount then due, the Servicer is obligated to advance its own funds to ensure timely payment of all scheduled payments on the GNMA Certificates. GNMA guarantees such timely payment in the event of the failure of the Servicer to pass through an amount equal to the scheduled payments (whether or not made by the mortgagors). If such payments are not received as scheduled the Trustee has recourse directly to GNMA.

The Servicer is required to advise GNMA in advance of any impending default on scheduled payments so that GNMA as guarantor will be able to continue such payments as scheduled in accordance with the GNMA.

The GNMA guaranty agreement to be entered into by GNMA and the Servicer upon issuance of the GNMA Certificates (the "GNMA Guaranty Agreement") will provide that, in the event of a default by the Servicer, including (i) a request to GNMA to make a payment of principal of or interest on a GNMA Certificate when the mortgagor is not in default under the mortgage note, (ii) insolvency of the Servicer, or (iii) default by the Servicer under any other guaranty agreement with GNMA, GNMA shall have the right, by letter to the Servicer, to effect and complete the extinguishment of the Servicer's interest in the related mortgage loans, and the related mortgage loans shall thereupon become the absolute property of GNMA, subject only to the unsatisfied rights of the holder of the GNMA Certificates. In such event, all power and authority of the Servicer with respect to the servicing of such GNMA Pools, including the right to collect the servicing fee, also will terminate and expire. The authority and power of the Servicer under the terms of the GNMA Guide will be required to pass to and be vested in GNMA, and GNMA will be the successor in all respects to the Servicer in its capacity as servicer, and will be subject to all duties placed on the Servicer by the GNMA Guide. At any time, GNMA may enter into an agreement with an institution approved by GNMA under which such institution undertakes and agrees to assume any part or all of such duties, and no such agreement will detract from or diminish the responsibilities, duties or liabilities of GNMA in its capacity as guarantor.

Treasury and Federal Housing Finance Agency Action Regarding Fannie Mae and Freddie Mac

The Housing and Economic recovery Act of 2008 (“HERA”) establishes the Federal Housing Finance Agency (“FHFA”), an independent agency of the federal government, as the new supervisory and general regulatory authority for Fannie Mae and Freddie Mac. Fannie Mae and Freddie Mac are subject to the supervision and regulation of FHFA to the extent provided in HERA, and the Director of FHFA has general regulatory authority over Fannie Mae and Freddie Mac to ensure that the purposes of HERA, the authorizing statutes and any other applicable laws are carried out.

On September 7, 2008, the U.S. Treasury released a statement (the “Statement”) by the Secretary of the United States Treasury (the “Treasury”) entitled “*Treasury and Federal Housing Finance Agency Action to Protect Financial Markets and Taxpayers.*” According to the Statement, Fannie Mae and Freddie Mac were both placed into conservatorship by the FHFA, and certain other actions were taken by the Treasury and FHFA. The Agency cannot predict the long term consequences of the conservatorship of these entities and the corresponding impact on the participants and the Program. For the full text of the Statement and related documents, see www.treas.gov. The Statement, as it existed on the Treasury website on September 7, 2008, is incorporated into this Official Statement by reference, but the Agency assumes no responsibility for maintaining the Statement, or for any other content on the website and assumes no responsibility for the accuracy of statements made therein.

Uniform Mortgage-Backed Security – Fannie Mae and Freddie Mac

On June 3, 2019, Fannie Mae and Freddie Mac (each an “Enterprise” and together, the “Enterprises”) began issuing new, common, single mortgage-backed securities, formally known as the Uniform Mortgage-Backed Security (“UMBS”). The UMBS issued by the Enterprises finance the same types of fixed-rate mortgages that back Fannie Mae Certificates and Freddie Mac Certificates and are guaranteed by either Fannie Mae or Freddie Mac depending upon which Enterprise issues the UMBS. As a first-level security, the UMBS is backed by fixed-rate mortgage loans purchased entirely by one of the Enterprises, thus there is no commingling of collateral. The UMBS have characteristics similar to Fannie Mae Certificates and Freddie Mac has modified its security structure to more closely align with Fannie Mae Certificates. Freddie Mac will offer investors the opportunity to exchange existing Freddie Mac Certificates for “mirror” UMBS backed by the same loans as the existing securities and with the same characteristics as the corresponding securities. The Enterprises may be required to consult with each other to ensure specific Enterprise programs or policies do not cause or have the potential to cause cash flows to investors of mortgage-backed securities to misalign. Proceeds of the Offered Bonds are expected to be used to purchase the Mortgage-Backed Securities, which include UMBS. For purposes of this Official Statement, the term “Mortgage-Backed Securities” includes UMBS.

Fannie Mae and the Fannie Mae Certificates

The summary and explanation of the Federal National Mortgage Association (“FNMA” or “Fannie Mae”), Fannie Mae’s mortgage-backed securities program and the other documents referred to herein do not purport to be complete. Reference is made to said documents for full and

complete statements of their provisions. Said documents and the MBS Program (as defined below) are subject to change at any time by Fannie Mae. At the time of printing this Official Statement, general information regarding Fannie Mae can be accessed at <http://www.fanniemae.com>.

General

Fannie Mae is a federally-chartered and stockholder-owned corporation organized and existing under the Federal National Mortgage Association Charter Act (12 U.S.C. §1716 *et seq.*). Fannie Mae was originally established in 1938 as a United States government agency to provide supplemental liquidity to the mortgage market. Fannie Mae became a stockholder-owned and privately managed corporation in 1968. As discussed above, Fannie Mae is subject to the supervision and regulation of the FHFA to the extent provided in the HERA. The Secretary of HUD also exercises general regulatory power over Fannie Mae.

Mortgage-Backed Securities Program

Fannie Mae provides funds to the mortgage market by purchasing mortgage loans from lenders, thereby replenishing their funds for additional lending. Fannie Mae acquires funds to purchase mortgage loans from many capital market investors that may not ordinarily invest in mortgage loans, thereby expanding the total amount of funds available for housing. Fannie Mae operates a mortgage-backed securities program pursuant to which Fannie Mae issues securities backed by pools of mortgage loans (the “MBS Program”).

The obligations of Fannie Mae, including its obligations under the Fannie Mae Certificates, are obligations solely of Fannie Mae and are not backed by, or entitled to, the full faith and credit of the United States of America.

The terms of the MBS Program are governed by the Fannie Mae Selling and Servicing Guides published by Fannie Mae (the “Fannie Mae Guides”), as modified by the Pool Purchase Contract, a Trust Indenture, and a supplement thereto to be issued by Fannie Mae in connection with each pool. The MBS Program is further described in the MBS Prospectus issued by Fannie Mae (the “Fannie Mae Prospectus”). The Fannie Mae Prospectus is updated and supplemented from time to time.

Copies of the Fannie Mae Prospectus and Fannie Mae’s most recent annual and quarterly reports and proxy statements are available without charge from the Office of Investor Relations, Fannie Mae, 3900 Wisconsin Avenue, N.W., Washington, D.C. 20016. At the time of printing this Official Statement, these documents can be accessed at https://capitalmarkets.fanniemae.com/syndicated/documents/mbs/mbspros/SF_January_1_2021.pdf and <https://www.fanniemae.com>.

The summary of the MBS Program set forth under this caption does not purport to be comprehensive and is qualified in its entirety by reference to the Fannie Mae Guides, the Fannie Mae Certificates, the Fannie Mae Prospectus and the other documents referred to herein.

Fannie Mae Certificates

Fannie Mae Certificates are Mortgage-Backed Securities issued and guaranteed by Fannie Mae under the MBS Program. As of June 3, 2019, each Fannie Mae Certificate will be a UMBS.

Each Fannie Mae Certificate represents the entire interest in a specified pool of conventional mortgage loans purchased by Fannie Mae and identified in records maintained by Fannie Mae. The Pool Purchase Contract will require that each Fannie Mae Certificate be in a minimum amount of \$500,000 in the case of adjustable rate mortgage loans and generally in a minimum amount of \$1,000,000 in the case of fixed-rate mortgage loans (or, in each case, a lesser amount as may be approved by Fannie Mae). The Mortgage Loans backing each Fannie Mae Certificate will bear interest at a specified rate per annum, and each Fannie Mae Certificate will bear interest at a lower rate per annum (the “Pass-Through Rate”). The difference between the interest rate on the conventional mortgage loans and the Pass-Through Rate on the Fannie Mae Certificate will be collected by the servicer and used to pay the servicer’s servicing fee and Fannie Mae’s guaranty fee.

Fannie Mae will guarantee to the registered holder of the Fannie Mae Certificates that it will distribute amounts representing scheduled principal and interest at the applicable Pass-Through Rate on the mortgage loans in the pools represented by such Fannie Mae Certificates, whether or not received, and the full principal balance of any foreclosed or other finally liquidated mortgage loans, whether or not such principal balance is actually received. *The obligations of Fannie Mae under such guarantees are obligations solely of Fannie Mae and are not backed by, nor entitled to the faith and credit of the United States.* If Fannie Mae were unable to satisfy such obligations, distributions to the Trustee, as the registered holder of the Fannie Mae Certificates, would consist solely of payments and other recoveries on the underlying conventional mortgage loans, and accordingly, monthly distributions to the Trustee, as the holder of the Fannie Mae Certificates, and payments on the Offered Bonds could be adversely affected by delinquent payments and defaults on such conventional mortgage loans. Although the Secretary of the Treasury of the United States has certain discretionary authority to purchase obligations of Fannie Mae, neither the United States nor any agency or instrumentality thereof is obligated to finance Fannie Mae’s obligations or to assist Fannie Mae in any manner, subject, however, to the recent actions discussed in the Statement (as defined above under the caption “Treasury and Federal Housing Finance Agency Action Regarding Fannie Mae and Freddie Mac”).

Payments on the Mortgage Loans; Distributions on the Fannie Mae Certificates

Payments on a Fannie Mae Certificate will be made to the Trustee on the 25th day of each month (beginning with the month following the month such Fannie Mae Certificate is issued), or if such 25th day is not a business day, on the first business day next succeeding such 25th day. With respect to each Fannie Mae Certificate, Fannie Mae will distribute to the Trustee an amount equal to the total of (1) the principal due on the mortgage loans in the related pool underlying such Fannie Mae Certificate during the period beginning on the second day of the month before the month of such distribution and ending on the first day of such month of distribution, (2) the stated principal balance of any mortgage loan that was prepaid in full during the second month next preceding the month of such distribution (including as prepaid for this purpose any mortgage loan repurchased by Fannie Mae because of Fannie Mae’s election to repurchase the mortgage loan after it is delinquent, in whole or in part, with respect to four consecutive installments of principal and interest or because of Fannie Mae’s election to repurchase such mortgage loan under certain other circumstances as permitted by the Trust Indenture), (3) the amount of any partial prepayment of a mortgage loan received in the second month next preceding the month of distribution, and (4) one month’s interest at the Pass-Through Rate on the principal balance of the Fannie Mae

Certificate as reported to the Trustee (assuming the Trustee is the registered holder) in connection with the previous distribution (or, respecting the first distribution, on the principal balance of the Fannie Mae Certificate on its issue date).

For purposes of distributions, a mortgage loan will be considered to have been prepaid in full if, in Fannie Mae's reasonable judgment, the full amount finally recoverable on account of such mortgage loan has been received, whether or not such full amount is equal to the stated principal balance of the mortgage loan. Fannie Mae may, in its discretion, include with any distribution principal prepayments, both full and partial, received during the month before the month of distribution but is under no obligation to do so.

Freddie Mac and the Freddie Mac Certificates

The following summary of the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Freddie Mac Guarantor Program, the Freddie Mac Certificates and Freddie Mac's mortgage purchase and servicing standards does not purport to be complete and is qualified in its entirety by reference to Freddie Mac's Mortgage Participation Certificates Offering Circular, any applicable Offering Circular Supplements, Freddie Mac's Information Statement, any Information Statement Supplements and any other documents made available by Freddie Mac. Copies of these documents can be obtained by writing, calling or e-mailing Freddie Mac's Investor inquiry Department at 8200 Jones Branch Drive, McLean, Virginia 22102 (800-336-FMPC; e-mail: Investor_Inquiry@freddiemac.com). The Agency does not and will not participate in the preparation of Freddie Mac's Mortgage Participation Certificates Offering Circular, Information Statement or Supplements. At the time of printing this Official Statement, general information regarding Freddie Mac can be accessed at <http://www.freddiemac.com>.

General

Freddie Mac is a publicly traded company listed on the New York Stock Exchange (symbol: FRE). Information on Freddie Mac and its financial condition is contained in annual, quarterly and current reports, proxy statements and other information that Freddie Mac files with the SEC. You may read and copy any document Freddie Mac files with the SEC at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. These SEC filings are also available to the public from the SEC's website at <http://www.sec.gov>.

Freddie Mac is a shareholder-owned, government-sponsored enterprise created on July 24, 1970, pursuant to the Federal Home Loan Mortgage Corporation Act (Title III of the Emergency Home Finance Act of 1970, as amended (12 U.S.C. §§ 1451-1459) (the "Freddie Mac Act"). As discussed above, Freddie Mac is subject to the supervision and regulation of the FHFA to the extent provided in the HERA.

Freddie Mac's statutory mission is (i) to provide stability in the secondary market for residential mortgages, (ii) to respond appropriately to the private capital market, (iii) to provide ongoing assistance to the secondary market for residential mortgages (including activities relating to mortgages on housing for low-and moderate-income families) and (iv) to promote access to mortgage credit throughout the United States (including central cities, rural areas and underserved

areas) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing.

The obligations of Freddie Mac, including its obligations under the Freddie Mac Certificates, are obligations solely of Freddie Mac and are not backed by, or entitled to, the full faith and credit of the United States of America.

Neither the United States nor any agency or instrumentality of the United States is obligated, either directly or indirectly, to fund the mortgage purchase or financing activities of Freddie Mac or to assist Freddie Mac in any manner, subject, however, to the recent actions discussed in the Statement (as defined above under the caption “Treasury and Federal Housing Finance Agency Action Regarding Fannie Mae and Freddie Mac”).

Freddie Mac Guarantor Program

Freddie Mac has established a mortgage purchase program pursuant to which Freddie Mac purchases a group of mortgages from a single seller in exchange for a Freddie Mac Certificate representing an undivided interest in a pool consisting of the same mortgages (the “Guarantor Program”). Freddie Mac approves the institutions that may sell and service mortgages under the Guarantor Program on an individual basis after consideration of factors such as financial condition, operational capability and mortgage origination and/or servicing experience. Most sellers and servicers are HUD-approved mortgagees or FDIC-insured financial institutions.

Freddie Mac Certificates

Freddie Mac Certificates will be mortgage-backed pass-through securities issued and guaranteed by Freddie Mac under its Guarantor Program. As of June 3, 2019, each Freddie Mac Certificate will be a UMBS. Freddie Mac Certificates are issued only in book-entry form through the Federal Reserve Banks’ book-entry system. Each Freddie Mac Certificate represents an undivided interest in a pool of mortgages. Payments by borrowers on the mortgages in the pool are passed through monthly by Freddie Mac to record holders of the Freddie Mac Certificates representing interests in that pool.

The minimum original principal balance for a pool of mortgages is generally \$1,000,000. All of the mortgages are either conventional mortgages or mortgages guaranteed or insured by FHA, the Department of Veterans Affairs or the Rural Housing Service. Conventional mortgages are pooled separately from mortgages guaranteed or insured by FHA, the Department of Veterans Affairs or the Rural Housing Service.

Payments on Freddie Mac Certificates that are not UMBS begin on or about the 15th day of the first month following issuance. Payments on Freddie Mac Certificates that are UMBS begin on the 25th day of the first month following issuance, or if the 25th day is not a business day, on the first business day next succeeding the 25th day. Each month, Freddie Mac passes through to record holders of Freddie Mac Certificates their proportionate share of principal payments on the mortgages in the related pool and one month’s interest at the applicable pass-through rate. The pass-through rate for a Freddie Mac Certificate is determined by subtracting from the lowest interest rate on any of the mortgages in the pool the applicable servicing fee and Freddie Mac’s management and guarantee fee, if any. The interest rates on the mortgages in a pool formed under

Freddie Mac's Guarantor Program must fall within a range from the pass-through rate on the Freddie Mac Certificate plus the minimum required servicing fee through the pass-through rate plus 250 basis points.

Freddie Mac will guarantee to the extent of the applicable certificate rate on the registered holder's pro rata share of the unpaid principal balance outstanding on the mortgage loans underlying such Freddie Mac Certificate. Freddie Mac also will guarantee to the Trustee or its nominee as the registered holder of such Freddie Mac Certificate full and final payment of principal. Pursuant to its guarantee, Freddie Mac will indemnify the holder of such Freddie Mac Certificate against any diminution in principal by reason of charges for property repairs, maintenance and foreclosure. Freddie Mac may remit the amount due on account of its guarantee of collection of principal at any time after default on an underlying mortgage loan, but not later than (a) 30 days following foreclosure sale, (b) 30 days following payment of the claim by any mortgage issue, or (c) 30 days following the expiration of any right of redemption, whichever occurs last, but in any event no later than one year after demand has been made upon the mortgagor for accelerated payment of principal.

The obligations of Freddie Mac under its guarantees of the Freddie Mac Certificates are obligations of Freddie Mac only. The Freddie Mac Certificates, including the interest thereon, are not guaranteed by the United States and do not constitute debts or obligations of the United States or any agency or instrumentality of the United States other than Freddie Mac. If Freddie Mac were unable to satisfy its obligations under its guarantees, distributions on the Freddie Mac Certificates would consist solely of payment and other recoveries on the related mortgage; accordingly, delinquencies and defaults on the mortgages would affect distributions on the Freddie Mac Certificates and could adversely affect payments on the Bond of such Series. Although the Secretary of the Treasury of the United States has certain discretionary authority to purchase obligations of Fannie Mae, neither the United States nor any agency or instrumentality thereof is obligated to finance Fannie Mae's obligations or to assist Fannie Mae in any manner, subject, however, to the recent actions discussed in the Statement (as defined above under the caption "Treasury and Federal Housing Finance Agency Action Regarding Fannie Mae and Freddie Mac").

Mortgage Purchase and Servicing Standards

All mortgages purchased by Freddie Mac must meet certain standards established by the Freddie Mac Act. In addition, Freddie Mac has established its own set of mortgage purchase standards, including credit, appraisal and underwriting guidelines. These guidelines are designed to determine the value of the real property securing a mortgage and the credit worthiness of the borrower. Freddie Mac's administration of its guidelines may vary based on its evaluation of and experience with the seller of the mortgages, the loan-to-value ratio and age of the mortgages, the type of property securing the mortgages and other factors.

Freddie Mac has also established servicing policies and procedures to support the efficient and uniform servicing of the mortgages it purchases. Each servicer must perform diligently all services and duties customary to the servicing of mortgages in a manner consistent with prudent servicing standards. The duties performed by a servicer include collection and remittance of principal and interest to Freddie Mac administration of escrow accounts; collection of insurance

or guaranty claims; property inspections; and, if necessary, foreclosure. Freddie Mac monitors servicers' performance through periodic and special reports and inspections.

In the event of an existing or impending delinquency or other default on a mortgage, Freddie Mac may attempt to resolve the default through a variety of measures. In determining which measures to pursue with respect to a given mortgage and when to initiate such measures, Freddie Mac seeks to minimize the costs that may be incurred in servicing the mortgage, as well as Freddie Mac's possible exposure under its guarantees. However, the measures that Freddie Mac may choose to pursue to resolve a default will not affect Freddie Mac's guarantees. Freddie Mac generally repurchases from a pool any mortgage that has remained delinquent for at least 120 consecutive days and makes payment of principal to record holders.

APPENDIX C

**ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE
CALIFORNIA HOUSING FINANCE FUND FOR THE FISCAL YEARS
ENDED JUNE 30, 2024 AND JUNE 30, 2023**

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2023/24

Annual Comprehensive Financial Report

of the California Housing Finance Fund for the Fiscal Years Ended June 30, 2023 and June 30, 2024

Purposeful Lending



California Housing Finance Agency
A Component Unit of the State of California



ANNUAL COMPREHENSIVE FINANCIAL REPORT
of the California Housing Finance Fund
for the fiscal years ended June 30, 2023 and June 30, 2024

Prepared through the joint efforts of CalHFA team members.



A Component Unit of the State of California

500 Capitol Mall, Suite 1400, Sacramento, CA 95814

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Introductory Section



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December 9, 2024

To the Board of Directors, Legislature and Residents of the State of California:

The California Housing Finance Agency (CalHFA) is pleased to present this Annual Comprehensive Financial Report (ACFR) of the California Housing Finance Fund (Fund) for the Fiscal Year ended June 30, 2024. This report gives a general overview of CalHFA's financial position, satisfying the annual reporting requirements of California Health and Safety Code (HSC) Section 51005. It also shows our continuing commitment to prudent and responsible financial management, in addition to giving context and background about the environment in which we operate.

The Fund's management is responsible for establishing and maintaining internal controls designed to provide reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, transactions are executed in accordance with management's authorization, and transactions are recorded properly to permit the preparation of the financial statements in accordance with generally accepted accounting principles (GAAP). Internal control is also designed to reduce, to an acceptable level, the risk that errors or irregularities in amounts that would be material in relation to the financial statements may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Management believes the Fund's internal accounting and operational controls adequately meet the above criteria.

CalHFA is not subject to an appropriated budget by the State, however, pursuant to HSC Section 50913, an annual budget is prepared by staff and approved by the CalHFA's Board of Directors. In addition, CalHFA produces quarterly reports to the Board of Directors on the business plan and operating budget.

The Fund is a discretely presented enterprise fund reported using the full accrual basis of accounting in accordance with GAAP accounting principles. The Fund's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed Certified Public Accountants. The independent auditor concluded, based upon the audit, the Fund's financial statements as of and for the Fiscal Year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditor's report expresses an unmodified opinion and is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and the two should be read in conjunction.

LETTER OF TRANSMITTAL

About CalHFA

For nearly 50 years, CalHFA has been dedicated to addressing the needs of renters and homebuyers by offering financing and programs for low- to moderate-income Californians. Established in 1975 as the State of California's affordable housing lender, CalHFA remains committed to this mission, continuing to provide essential support to those it serves.

CalHFA is a discretely presented component unit of the State of California governed by a Board of Directors, whose names and biographies can be found later in this report. The Board oversees an Executive Director, who is an appointee of the Governor and directs the day-to-day operations of CalHFA.

CalHFA has an established Audit Committee to assist the Board of Directors in fulfilling its oversight responsibilities of financial reporting and accounting integrity. The Audit Committee is comprised of no fewer than three voting members of the Board, selected by the Chairman of the Board to serve on a rotational basis with staggered terms. The Committee meets at least twice per year to conduct meetings with the independent auditor, management and staff that serve as resources for their understanding of CalHFA's financial reporting responsibilities and any significant issues related to financial reporting and accounting policies.

CalHFA's mission of investing in diverse communities with financing programs that help more Californians have a place to call home is accomplished through a variety of housing programs and activities.

CalHFA's Multifamily Division finances affordable rental housing through partnerships with local jurisdictions, affordable housing developers and other financial institutions. CalHFA's Single Family Division provides mortgage products including down payment assistance for first-time homebuyers through the CalHFA's vast network of lending partners.

CalHFA's operations are primarily self-funded by revenues generated through its lending activities. In recent years, however, some special program funding has come from California's General Fund and voter-approved initiatives that are continuously appropriated to CalHFA. CalHFA also oversees disbursement of funds allocated by the federal government for other special programs.

Since 1975 CalHFA has helped more than 226,000 Californians purchase their first home with a mortgage they can afford and helped build or preserve more than 78,000 units in affordable housing developments for veterans, seniors, those with special needs and families in danger of experiencing homelessness.

Financial Condition

Economic Impact

Since CalHFA is self-supporting, its operating budget does not draw upon the general taxing authority of the State. As the State of California's affordable housing lender, however, CalHFA's operations can be directly impacted by several market/economic factors as follows:

- Trends in single family home prices – California home prices have steadily increased for the last ten years in addition to more recent sustained high interest rates. This upward trend has had an overall positive impact on CalHFA’s lending activity in terms of dollar volume, although fiscal year 2023-24’s numbers are slightly down from the prior year. Many first-time homebuyers are currently unable to afford homes in high-cost areas. Cash buyers, and other competitors to the typical first-time homebuyer also offer challenges.
- Trends in interest rates – CalHFA’s lending programs are impacted by the volatility in short and long-term interest rates. Fluctuations in interest rates will affect potential borrowers’ interest in CalHFA’s loan products. CalHFA’s cost of capital also will change based on prevailing interest rates. CalHFA continues an interest rate hedging program for multifamily permanent loan commitments, begun in January 2022, to mitigate interest rate risk.
- Trends in rental housing demand — California continues to experience very high rents in many areas, which has led to a high demand for new rental housing. CalHFA’s ability to participate in the market depends on its ability to offer attractive rates and programs to developers and other partners.
- Trends in CalHFA’s credit ratings — CalHFA may be affected by its credit ratings, which are discussed in the MD&A.

Major Initiatives

CalHFA experienced an 18% decrease in the number of single-family loans this year primarily due to the end of the Forgivable Equity Builder Loan program and utilization of approximately 85% of Dream for All (DFA) shared appreciation loan funds in Fiscal Year 2022-23. Although the DFA program received a new allocation from the state legislature for the 2023-24 fiscal year, securitization of these loans will not commence until the 2024-25 Fiscal Year. Despite the ongoing rise in housing prices, the dollar volume of loans decreased by only approximately 8%. In Fiscal Year 2023-24, CalHFA securitized 6,037 first mortgage loans for low- and moderate-income homebuyers, totaling over \$2.5 billion.

The MyHome Assistance Program remains the cornerstone of Single Family lending. Over 98% of our non-DFA first mortgage loans included a MyHome loan, underscoring the persistent demand for down payment and closing cost assistance among low- and moderate-income homebuyers.

CalHFA’s Multifamily Division continued its innovations to enhance California’s broader affordable housing finance system. Utilizing CalHFA’s diverse range of financing products—such as conduit bond issuance, recycled bonds, permanent first lien loans, mixed-income subordinate loans, and funding for projects serving Californians with special needs—CalHFA successfully created or preserved 3,904 units, with over \$1.8 billion in financing, during Fiscal Year 2023-2024.

Looking ahead to Fiscal Year 2024-2025 and beyond, CalHFA remains committed to increasing its efforts to provide safe, decent, and affordable housing to low- and moderate-income renters and homebuyers.

LETTER OF TRANSMITTAL

CalHFA continued its administration of \$300 million from the National Mortgage Settlement (NMS). The multi-phase program began with \$50 million allocated to HUD-approved Housing Counseling Agencies, offering free housing counseling to homeowners, former homeowners, and renters. Additional funds have been provided to expand the reach of this assistance. As of June 30, 2024, the NMS Program has supported over 78,000 families with free counseling sessions.

Additionally, through its special purpose affiliate, the CalHFA Homeowner Relief Corporation (CalHRC), CalHFA utilized California's full \$1.06 billion allocation of the federal Homeowner Assistance Fund to administer the California Mortgage Relief Program (MRP). The MRP program is scheduled to wind down through fiscal year 2024-25, with CalHRC maintaining its own audited financial reporting.

Awards and Designations

The Government Finance Officers Association of the United States and Canada (GFOA) has yet to issue a Certificate of Achievement for Excellence in Financial Reporting to the Fund for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. This would be the seventh year the fund has achieved this prestigious award, bestowed for publishing an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

This report gives a reliable, complete picture of CalHFA's financial operations for Fiscal Year 2023-2024. It also can be used as a basis for making informed management decisions, to determine compliance with legal statutes and to demonstrate the Board's responsible direction of CalHFA.

The preparation of this report has been accomplished through the dedicated team effort of CalHFA employees. I also would like to take this opportunity, on behalf of the staff and residents served by CalHFA, to acknowledge the members of the Board for their continued support and guidance.

Respectfully Submitted,



Tiena Johnson Hall
Executive Director



Dalila Sotelo
Governor Appointee
Senior Development
Executive
Integral Group
Term Ends:
September 26, 2025



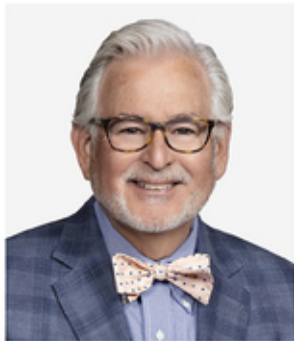
AnaMarie Avila Farias
Governor Appointee
Operations Director
Contra Costa Juvenile Hall
Term Ends:
September 26, 2026



Preston Prince
Governor Appointee
Executive Director
Santa Clara County
Housing Authority
Term Ends:
September 26, 2025



Maria Cabildo
Speaker of the Assembly
Appointee
Director of Housing and
Economic Opportunity
California Community
Foundation
Term Ends:
April 19, 2027



Jim Cervantes
Governor Appointee and
Chairperson
Retired, former Managing
Director of Public Finance
Stifel, Nicolaus & Company
Term Ends:
September 26, 2025



Frederick White
Governor Appointee
Housing Capital Advisor
City of Los Angeles
Office of Homelessness
Initiatives
Term Ends:
September 26, 2027



Stephen Russell
Senate Committee on
Rules Appointee
Executive Director
San Diego Housing
Federation
Term Ends:
November 18, 2025



Noerena Limón
Governor Appointee
Principal
Mariposa Strategies
Term Ends:
September 26, 2027

BOARD OF DIRECTORS



Tyrone Roderick Williams
Governor Appointee
Chief Executive Officer
Fresno Housing Authority
Term Ends:
September 26, 2027



Lindsey Sin
Ex Officio Member
Secretary
California Department
of Veterans Affairs



Fiona Ma
Ex Officio Member
California State Treasurer



Tomiquia Moss*
Ex Officio Member
Secretary, Business,
Consumer Services &
Housing Agency



Gustavo Velasquez
Ex Officio Member
Director
California Department of
Housing and Community
Development



Samuel Assefa
Ex Officio Member
Director
Office of Planning &
Research



Joe Stephenshaw
Ex Officio Member
Director
California Department of
Finance



Tiena Johnson Hall
Ex Officio Member
Executive Director California
Housing Finance Agency

CALHFA ORGANIZATIONAL CHART



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Financial Section



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CliftonLarsonAllen LLP

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INDEPENDENT AUDITORS' REPORT

Board of Directors
California Housing Finance Fund
Sacramento, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the California Housing Finance Fund of the California Housing Finance Agency, a component unit of the State of California as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the California Housing Finance Fund's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the California Housing Finance Fund, as of June 30, 2024 and 2023, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the California Housing Finance Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the California Housing Finance Fund and do not purport to, and do not, present fairly the financial position of the California Housing Finance Agency, as of June 30, 2024 and 2023, the changes in its financial position, or, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See [CLAGlobal.com/disclaimer](https://www.claglobal.com/disclaimer).

INDEPENDENT AUDITORS' REPORT

Board of Directors
California Housing Finance Fund

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the California Housing Finance Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Board of Directors
California Housing Finance Fund

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedule of the Fund's Proportionate Share of the Net Pension Liability, the Schedule of Fund Contributions - Pension, the Schedule of the Fund's Proportionate Share of the Net OPEB Liability, the Schedule of the Fund Contributions - OPEB and the Notes to the Required Supplementary Information as outlined in the table contents be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the California Housing Finance Fund's basic financial statements. The combining schedules of net position, combining schedules of revenues, expenses and changes in net position and combining schedule of cash flows (supplementary information) are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section and statutory requirements sections but does not include the basic financial statements and our auditors' report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

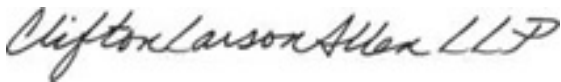
In connection with our audits of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

INDEPENDENT AUDITORS' REPORT

Board of Directors
California Housing Finance Fund

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2024, on our consideration of the California Housing Finance Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the California Housing Finance Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering California Housing Finance Fund's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Baltimore, Maryland
December 9, 2024

Overview of The Financial Statements

Management of the California Housing Finance Agency is pleased to offer readers of the Agency's financial statements this narrative overview and analysis of its basic financial statements for the fiscal years ended June 30, 2024 and 2023, with comparative data from year ending June 30, 2022. The intent of this management discussion and analysis (MD&A) is to provide a comprehensive view of financial performance as a whole. We suggest that readers review the MD&A section in conjunction with the Letter of Transmittal, the Agency's financial statements, and the notes to the financial statements to further enhance their understanding of the Agency's financial performance.

The basic financial statements of the California Housing Finance Fund (Fund) have been prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP). GAAP requires the inclusion of three basic financial statements: the statement of net position (balance sheet); the statement of revenues, expenses, and changes in net position (income statement); and the statement of cash flows. These required statements offer short-term and long-term financial information about the Fund.

The following MD&A applies only to activities of the Fund. Operations of the Fund include the issuance of Agency bonds and notes to fund loans to qualified borrowers for single-family houses and multifamily developments. The Agency issues its own bonds and uses other available monies to provide the necessary financing for loan programs. Any interest paid to bondholders is generally exempt from both state and federal tax; however, the Agency may issue federally taxable bonds. The Agency's operations are entirely self-funded and does not draw upon the general taxing authority of the State.

The multifamily conduit issuances of the Agency are designed to facilitate both for-profit and non-profit developers in accessing tax- exempt and taxable bonds for the financing of affordable family, senior, and mixed-income housing developments. The goals of the program are to increase and preserve the supply of affordable rental housing, maintain a quality living environment, leverage private sector funds to the greatest extent possible, and to cooperate with local jurisdictions to advance affordable housing goals. Conduit issuances are limited obligations of the Agency, payable solely from the revenues and other funds and money pledged and assigned under the applicable indenture, series indenture, master pledge and assignment, or funding loan agreement. Neither the Agency or the State, nor any political subdivision thereof, is obligated in any manner for repayment of the debt. Accordingly, these bonds and notes are not reported as liabilities in the Agency's financial statements. For more information, see Note 7 – Long and Short-term Liabilities.

The financial statements present the totals of the programs and accounts of the Fund. The supplemental combining information of the Fund is organized by the following major categories: Homeownership Programs, Multifamily Rental Housing Programs, Other Programs and Accounts, and Contract Administration Programs. This supplemental information and additional information for specific programs and accounts are reported after the notes to the financial statements.

Historically, the Homeownership Programs provided low-cost mortgage capital through the issuance of home mortgage revenue bonds to a network of approved lenders, from whom the Fund purchases previously funded and closed loans secured by single-family homes purchased by individual borrowers. However, over the last ten years, the Homeownership Programs have achieved success by participating in the To Be Announced (TBA) Market Rate Program, which does not require the issuance of bonds to fund single-family loans. Therefore, the TBA Market Rate Program activities are not recorded within Homeownership Programs but within the Other Programs and Accounts category. Homeownership Programs only include the pledged loan and bond activities of Home Mortgage Revenue Bonds, which were fully redeemed during Fiscal Year 22-23.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

The Multifamily Rental Housing Programs are typically used to directly fund loans to developers and housing sponsors for the construction or acquisition of multifamily rental housing developments. Within these programs, only the pledged loan and bond activities of Multifamily Housing Revenue Bonds III, Multifamily Special/Limited Obligation Bonds, and Multifamily Affordable Housing Revenue Bonds are recorded. The latest bond, the Affordable Housing Revenue Bonds (AHRB), was issued in August 2023. Historically, the Multifamily Housing Revenue Bonds III indenture and the Multifamily Affordable Housing Revenue Bonds have participated in the FHA-HFA Multifamily Risk-Sharing Program with the U.S. Department of Housing and Urban Development (HUD).

In FY 2016-17, the Agency entered into an agreement with the Federal Financing Bank (FFB) to provide capital for the multifamily loans under the FHA-HFA Multifamily Risk-Sharing Program, eliminating the need to issue Multifamily Housing Revenue Bonds for the permanent loan. The Agency continues to participate in this program, and all new FFB loans are structured to comply with its requirements.

The Other Programs and Accounts category includes all non-bond-related activities of the Fund. This category encompasses the activities of Housing Assistance Trust (HAT), Federal Programs, Loan Servicing, and other accounts:

- HAT is a source of funding used to assist in the development of single and multifamily projects through various low-interest loan and technical assistance programs and support the Agency's business operations. Within HAT, the TBA Market Rate Program activities are being reported along with other remaining investments or loans from fully redeemed bond series or loans previously funded by HAT. The TBA Market Rate Program allows for the easy trade of eligible mortgage-backed securities (MBS) while supporting well-priced, long-termed, fixed-rate mortgages with or without a subordinate loan. The TBA market allows for the sale of securities before they have been finalized or before the mortgages that back the securities have been identified. Because the loans can be sold to investors prior to being finalized, the TBA market allows lenders to offer borrowers a predetermined interest rate or rate lock in advance of their loan closing. This protects the borrower from a rate increase while they finalize their loan. The TBA market ensures a steady supply of capital for long-term fixed rate mortgages because the program is viable for lenders, affordable to consumers and attractive for investors. Under the TBA Market Rate Program there is no balance sheet risk as the Fund does not hold any whole loans mortgages under this program. Once the mortgages are pooled into an MBS, the Fund purchases the MBS pool, immediately sells them to investors that same day and records a gain on sale of securities for the transaction along with other revenues and expenses of the program. Additionally, the Agency may use either HAT funds or a credit facility from the Federal Home Loan Bank of San Francisco to purchase a select portfolio of Fannie Mae and Ginnie Mae MBS composed of loans it has originated for low to moderate income homebuyers.
- Federal Programs includes the Section 8 Housing Assistance Program and the Section 811 Supportive Housing for Person with Disabilities.
- Other accounts provide security for the issuance of bonds, identify credit or loan agreements and emergency contingencies, and report in-house loan servicing operations. The operating expenses of the Agency's loan and bond programs are paid from the Agency's Operating Account, ensuring that the programs are self-supporting.

The Contract Administration Programs (CAP) includes the Mental Health Services Act Housing Program (MHSA), Special Needs Housing Program (SNHP), Building Home and Jobs Act Housing Program (BHJ), Low and Moderate Income Housing Program (LMI), National Mortgage Settlement Housing Counseling Program (NMS), Homebuyer Assistance Program (HBA), and Accessory Dwelling Unit Program (ADU). These programs are administered for the State or another State Department on a contract basis.

Financial Highlights

- The Single Family TBA Market Rate program continued to succeed, achieving over \$2.57 billion in securitization volume for FY 2023-24. The program generated approximately \$57.1 million in revenue during the same period.
- Operating income was \$112.3 million for FY 2023-24 compared to \$132 million for FY 2022-23, a decrease of \$19.7 million. Operating revenues increased by \$15 million from \$220.2 million in FY 2022-23 to \$235.2 million in FY 2023-24. Operating expenses also increased by \$34.6 million from \$88.2 million in FY 2022-23 to \$122.8 million in FY 2023-24. For more information, see Condensed Schedule of Revenues, Expenses and Changes in Net Position.
- Total assets increased by \$280.8 million to \$4.56 billion compared to the prior year. Total liabilities increased by \$121.4 million to \$1.29 billion compared to FY 2022-23. For more information, see Condensed Statements of Net Position.
- The assets and deferred outflows of resources of the Fund exceeded its liabilities and deferred inflows of resources by \$3.22 billion (net position) for FY 2023-24. The change in net position prior to transfers was \$114.2 million, a decrease of \$44.6 million compared to the prior year.
- The Fund's proportionate share of the State's overall Net Pension liability is \$38.5 million. For more information, see Note 9 – Pension Plan.
- The Fund's proportionate share of the State's overall Net Other Post-employment Benefits (OPEB) liability is \$52 million. For more information, see Note 10 – Other Post-employment Benefits.
- In August 2023, \$84.9 million in multifamily bonds were issued under the new Affordable Housing Revenue Bonds indenture. For more information, see Note 7 - Long and Short-Term Liabilities.
- The Fund's Single Family first loan portfolio comprised 5,144 loans as of June 30, 2024 compared to 5,504 loans as of June 30, 2023. Overall, the Single Family loan portfolio declined by 360 loans (6.5%). The overall delinquency ratio of the Fund's Single Family first loan portfolio was 5.9% (303 delinquent loans) as of June 30, 2024. In comparison, the delinquency ratio for the Agency's Single Family portfolio was 5.7% (312 delinquent loans) as of June 30, 2023.

Financial Analysis

Statements of Net Position

The Statement of Net Position provides readers with a snapshot of the Fund's fiscal condition at a specific point in time. Over time, increases or decreases in the Fund's net position serve as an indicator of whether its financial status is improving, stable, or deteriorating. Additionally, other factors should be considered when reviewing the operational results, such as changes in the interest rate environment, the bond market, state and federal laws governing the Fund's programs, the tax code, and the real estate market in the State.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Condensed Statements of Net Position

as of June 30 (dollars in thousands)

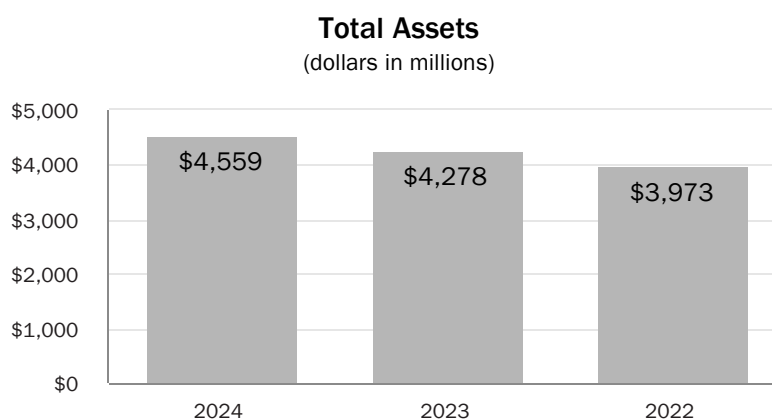
	2024	2023	2022	Change 2024/2023	Change 2023/2022
ASSETS					
Current Assets					
Cash and investments	\$1,743,295	\$1,660,383	\$1,504,562	\$82,912	\$155,821
Program loans receivable-net	60,056	61,956	66,330	(1,900)	(4,374)
Other	206,466	184,891	208,881	21,575	(23,990)
Total Current assets	\$2,009,817	\$1,907,230	\$1,779,773	\$102,587	\$127,457
Noncurrent Assets					
Investments	\$400,917	\$299,399	\$236,080	\$101,518	\$63,319
Program loans receivable-net	2,079,072	2,020,416	1,916,651	58,656	103,765
Capital assets	20,885	23,163	26,098	(2,278)	(2,935)
Other noncurrent assets	47,910	27,578	14,262	20,332	13,316
Total Noncurrent Assets	\$2,548,784	\$2,370,556	\$2,193,091	\$178,228	\$177,465
Total Assets	\$4,558,601	\$4,277,786	\$3,972,864	\$280,815	\$304,922
DEFERRED OUTFLOWS OF RESOURCES	\$22,134	\$21,982	\$14,775	\$152	\$7,207
LIABILITIES					
Current Liabilities					
Bonds payable-net	\$4,396	\$430	\$21,725	\$3,966	(\$21,295)
Notes payable	3,396	3,243	2,947	153	296
Loans payable	204,600	151,422	102,305	53,178	49,117
Other current liabilities	246,970	240,208	246,447	6,762	(6,239)
Total Current liabilities	\$459,362	\$395,303	\$373,424	\$64,059	\$21,879
Noncurrent Liabilities					
Bonds payable-net	\$120,461	\$40,525	\$99,530	\$79,936	(\$59,005)
Notes payable	283,465	286,860	272,461	(3,395)	14,399
Loans payable	379	1,201	2,180	(822)	(979)
Other noncurrent liabilities	431,227	449,628	429,863	(18,401)	19,765
Total Noncurrent Liabilities	\$835,532	\$778,214	\$804,034	\$57,318	(\$25,820)
Total Liabilities	\$1,294,894	\$1,173,517	\$1,177,458	\$121,377	(\$3,941)
DEFERRED INFLOWS OF RESOURCES	\$64,993	\$46,489	\$41,609	\$18,504	\$4,880
NET POSITION					
Net investment in capital assets	(\$730)	(\$384)	\$305	(\$346)	(\$689)
Restricted net position	3,294,458	3,132,039	2,857,944	162,419	274,095
Unrestricted net position (deficit)	(72,880)	(51,893)	(89,677)	(20,987)	37,784
Total Net Position	\$3,220,848	\$3,079,762	\$2,768,572	\$141,086	\$311,190

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Assets

Total assets were \$4.56 billion as of June 30, 2024 compared to \$4.28 billion as of June 30, 2023, and \$3.97 billion as of June 30, 2022. This represents an increase of \$280.8 million (or 6.6%) from the prior year and an increase of \$304.9 million (7.7%) from June 30, 2022 to June 30, 2023. The increase in total assets for FY 2023-24 is primarily due to a \$120.2 million increase in cash and cash equivalents, a \$101.5 million increase in investments in securities, a \$56.8 million increase in program loans receivable, a \$27.2 million increase in cash collateral held by counterparties, a \$21.3 million increase in derivative swap assets (fair value swaps), and an \$8.9 million increase in interest receivables. This increase is partially offset by a \$37.2 million decrease in investments in the State's Surplus Money Investment Fund (SMIF) and commercial paper, an \$11.1 million decrease in amounts due from other government entities, a \$3.3 million decrease in defeasible liens receivable, a \$2.3 million decrease in capital assets, and a \$1 million decrease in Real Estate Owned mortgages.

Of the Fund's assets, 94% consisted of cash and investments, and program loans receivable.



Cash and Investments

Total cash and investments were \$2.14 billion as of June 30, 2024 compared to \$1.96 billion as of June 30, 2023 and \$1.74 billion as of June 30, 2022. This represents an increase of \$184.4 million (9.4%) from the prior fiscal year and an increase of \$219.1 million (12.6%) from June 30, 2022 to June 30, 2023.

Of the Fund's assets, 47% is in the form of cash and investments at June 30, 2024. Approximately \$1.55 billion of the Fund's investments are held in the SMIF and earn a variable rate of interest. The amount of funds invested in SMIF decreased by \$37.2 million primarily due to the transfer of funds from SMIF to US Bank for the purchase of mortgage-backed securities, and other investment purposes.

The composition of cash and investments as of June 30 and the changes from the prior year are shown in the table below:

Cash and Investments (dollars in thousands)	2024	2023	2022	Change	Change 2023/2022
Cash	\$197,788	\$77,573	\$139,932	\$120,215	(\$62,359)
SMIF	1,545,507	1,582,737	1,364,588	(37,230)	218,149
Open Commercial Paper	—	73	42	(73)	31
Securities	400,917	299,399	236,080	101,518	63,319
Total Cash & Investments	\$2,144,212	\$1,959,782	\$1,740,642	\$184,430	\$219,140

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Deferred Outflows of Resources

Deferred outflows of resources were \$22.1 million as of June 30, 2024 compared to \$22 million as of June 30, 2023 and \$14.8 million as of June 30, 2022. This represents an increase of \$0.1 million from the prior fiscal year as a result of an increase in OPEB and pension related outflows.

Liabilities

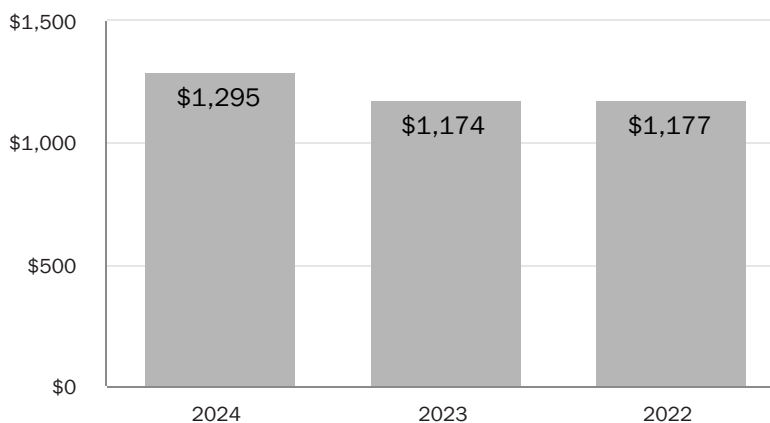
Total liabilities were \$1.29 billion as of June 30, 2024 compared to \$1.17 billion as of June 30, 2023 and \$1.18 billion as of June 30, 2022. This represents an increase of \$121.4 million (10.3%) from the prior fiscal year in contrast to a decrease of \$3.9 million (0.3%) from June 30, 2022 to June 30, 2023.

Of the Fund's total liabilities, 9.6% is in the form of bond indebtedness, 22.2% is in the form of notes indebtedness, and 15.8% is in the form of loan indebtedness compared to 3.5%, 24.7%, and 13% in prior year, respectively. The Fund's net bonds payable as of June 30, 2024 increased by \$83.9 million compared to the prior year. This increase was primarily due to the issuance of \$84.9 million in new bonds and a balance of \$0.7 million in unamortized forward interest rate hedging gains from termination at bond issuance treated as a bond premium. The increase from new bond issuances was partially offset by \$1.6 million in scheduled principal maturities and \$0.1 million in bond redemptions. Additionally, notes payable to FFB decreased by \$3.2 million due to notes repayments. Conversely, the balance of short-term loans payable with the Federal Home Loan Bank (FHLB) of San Francisco and credit facility agreement with Braeburn, LLC increased by \$53.2 million.

Other liabilities decreased by \$11.6 million, primarily due to a \$22.8 million reduction in unearned revenues, as grants revenues were recognized upon meeting all applicable eligibility criteria, along with a \$1.2 million reduction in pension liability. However, these declines were partially offset by a \$3.7 million increase in deposit accounts for impound withholding, a \$1.3 million rise in bond interest payable related to the increase in bonds payable, and a \$7.5 million increase in OPEB liability.

Total Liabilities

(dollars in millions)



Bonds Payable

As of June 30, 2024, the outstanding balance of federally taxable bonds was zero, while tax-exempt bonds increased by \$83.2 million to \$124.1 million due to a new bond issuance, representing 100% of all bonds outstanding. Multifamily conduit bond issuances are not reported within the Fund. For more information, see Note 7 - Long and Short-term Liabilities. Shown below are the amounts of variable and fixed rate indebtedness, by tax status, as of June 30 and the changes from the previous year:

Bonds Payable (dollars in thousands)	2024	2023	2022	Change	Change 2023/2022
Tax-Exempt Bonds					
Variable Rate	\$30,000	—	—	\$30,000	—
Fixed Rate	94,145	40,955	41,490	53,190	(535)
Total Tax-Exempt Bonds	\$124,145	\$40,955	\$41,490	\$83,190	(\$535)
Federally Taxable Bonds					
Fixed Rate	—	—	\$79,765	—	(\$79,765)
Total Federally Taxable Bonds	—	—	\$79,765	—	(\$79,765)
Total Bonds Outstanding	\$124,145	\$40,955	\$121,255	\$83,190	(\$80,300)

Deferred Inflows of Resources

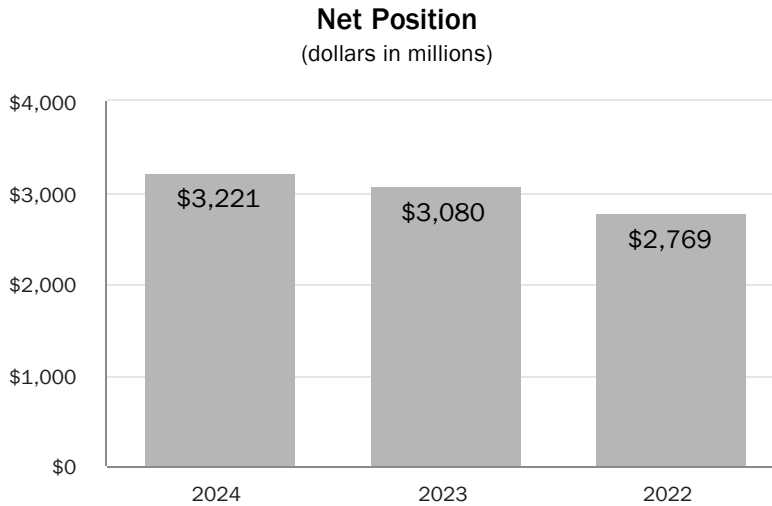
Deferred inflows of resources were \$65 million as of June 30, 2024 compared to \$46.5 million as of June 30, 2023 and \$41.6 million as of June 30, 2022. This represents an increase of \$18.5 million from the prior fiscal year and an increase of \$4.9 million from Fiscal Year 2021-22 to Fiscal Year 2022-23. The increase in Fiscal Year 2023-24 was mainly due to a \$21.3 million increase in the fair value of hedging derivatives, which was partially offset by a \$2.8 million decrease in OPEB and pension related inflows.

Net Position

The Fund's net position is either 1) restricted pursuant to trust agreements with bondholders and the Agency's enabling legislation or 2) unrestricted, or 3) classified as net investment in capital assets. As of June 30, 2024, the total net position of the Fund is \$3.22 billion, reflecting an increase of \$141.1 million from FY 2022-23 and a \$311.2 million increase from FY 2021-22 to FY 2022-23. The growth in net position was primarily due to a \$280.8 million increase in total assets, which was partially offset by a \$121.4 million increase in total liabilities and an \$18.5 million increase in deferred inflows of resources. The unrestricted net position shows a deficit of \$72.9 million mainly due to recorded liabilities related to pension (see Note 9) and other post employment benefits (see Note 10).

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Of the \$3.22 billion in total net position, the Fund's restricted and unrestricted net position represents 100% of the total.



Capital Assets

The Fund's capital assets comprise 0.6% of the total net position of \$3.22 billion. As of June 30, 2024, net capital assets were \$20.9 million, reflecting a decrease of \$2.3 million from the previous year and a decrease of \$2.9 million from FY 2021-22 to FY 2022-23.

The policy of capitalizing assets is described in Note 6 – Capital Assets. The table below shows the Agency's capital assets and accumulated depreciation and amortization as of June 30 and changes from the previous year:

Capital Assets (dollars in thousands)	2024	2023	2022	Change	Change 2023/2022
Data processing equipment	\$363	\$328	\$576	\$35	(\$248)
Office furniture and equipment	338	271	292	67	(21)
Leased buildings	27,987	27,987	27,990	—	(3)
Total Capital Assets	\$28,688	\$28,586	\$28,858	\$102	(\$272)
Less Accumulated Depreciation For					
Data processing equipment	(\$212)	(\$174)	(\$189)	(\$38)	\$15
Office furniture and equipment	(243)	(194)	(42)	(49)	(152)
Less Accumulated Amortization For					
Leased buildings	(\$7,348)	(\$5,055)	(\$2,529)	(\$2,293)	(\$2,526)
Total Accumulated Depreciation and Amortization	(\$7,803)	(\$5,423)	(\$2,760)	(\$2,380)	(\$2,663)
Total Capital Assets, Net	\$20,885	\$23,163	\$26,098	(\$2,278)	(\$2,935)

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Statements of Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the revenues generated by the Fund, both operating and non-operating revenues, and the expenses incurred through operating and non-operating expenditures, and any other interfund transfers.

Following is a comparison of the Fund's condensed Statement of Revenues, Expenses, and Changes in Fund Net Position:

Condensed Statements of Revenues, Expenses, and Changes in Net Position

as of June 30 (dollars in thousands)

	2024	2023	2022	Change	Change 2023/2022
OPERATING REVENUES					
Interest income - program loans, net	\$83,786	\$81,799	\$95,402	\$1,987	(\$13,603)
Interest income - Investment, net	72,884	38,386	10,676	34,498	27,710
Realized/Unrealized gain on sale of securities	3,879	6,999	20,613	(3,120)	(13,614)
Other loan fees	23,050	40,802	17,357	(17,752)	23,445
Other revenues	51,559	52,168	22,407	(609)	29,761
Total Operating Revenues	\$235,158	\$220,154	\$166,455	\$15,004	\$53,699
OPERATING EXPENSES					
Interest	\$24,338	\$17,525	\$14,351	\$6,813	\$3,174
Mortgage servicing fees	1,925	2,064	2,334	(139)	(270)
Salaries & general expenses	41,072	13,194	22,487	27,878	(9,293)
Other expenses	55,477	55,419	11,766	58	43,653
Total Operating Expenses	\$122,812	\$88,202	\$50,938	\$34,610	\$37,264
Operating Income	\$112,346	\$131,952	\$115,517	(\$19,606)	\$16,435
NON-OPERATING REVENUES & EXPENSES					
Investment SWAP revenue (fair value)	—	\$21,777	\$45,685	(\$21,777)	(\$23,908)
Prepayment penalty	1,743	4,104	10,269	(2,361)	(6,165)
Other	151	1,053	167	(902)	886
Total Non-operating Revenues and Expenses	\$1,894	\$26,934	\$56,121	(\$25,040)	(\$29,187)
Change in net position before transfers	114,240	158,886	171,638	(44,646)	(12,752)
Transfers in (out)	26,846	152,304	(221,889)	(125,458)	374,193
Increase (decrease) in net position	\$141,086	\$311,190	(\$50,251)	(\$170,104)	\$361,441
Net Position at Beginning of Year	\$3,079,762	\$2,768,572	\$2,818,823	\$311,190	(\$50,251)
Net Position at End of Year	\$3,220,848	\$3,079,762	\$2,768,572	\$141,086	\$311,190

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

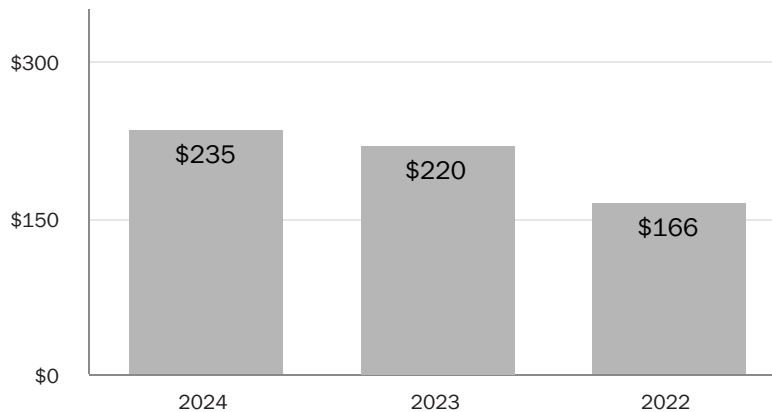
Operating Revenues

Total operating revenues of the Fund reached \$235.2 million for FY 2023-24, up from \$220.2 million in FY 2022-23, and \$166.5 million in FY 2021-22. This represents an increase of \$15 million (6.8%) from FY 2022-23 and a rise of \$53.7 million (32.3%) from FY 2021-22 to FY 2022-23. The increase in FY 2023-24 is primarily due to the reasons illustrated below:

- Investment interest income increased by \$34.5 million in FY 2023-24 due to a \$14.2 million increase from mortgage-backed securities (MBS) and a \$20.3 million increase from the Surplus Money Investment Fund (SMIF), both attributed to higher fiscal year-end interest rates compared to the previous fiscal year. Additionally, there was a \$2 million increase in interest income from program loans and loan agreements, resulting from the purchase of new loans.
- Realized and unrealized gains on the sale of securities decreased by \$3.1 million primarily due to an \$8.3 million decrease in realized gains from securitization related to the TBA Market Rate Program. The decrease was partially offset by a \$5.2 million increase in the change in fair value of investments for FY 2023-24.
- Other loan fees and revenues decreased by \$18.4 million, primarily due to a \$17 million reduction in administrative fees revenue resulting from a decline in contract administration program loan purchases. Additionally, acquisition fee revenues decreased by \$5.7 million compared to the prior year, mainly due to a lower volume of the securitization in the Single Family TBA Market Rate Program. The decrease was partially offset by a \$0.6 million increase in commitment fees, a \$0.5 million increase in application fees, and a \$3.1 million increase in investment swap revenue, as no revenue was recognized in FY 2023-24 compared to a \$3.1 million loss in the previous fiscal year due to the termination of ineffective swaps.

Operating Revenues

(dollars in millions)

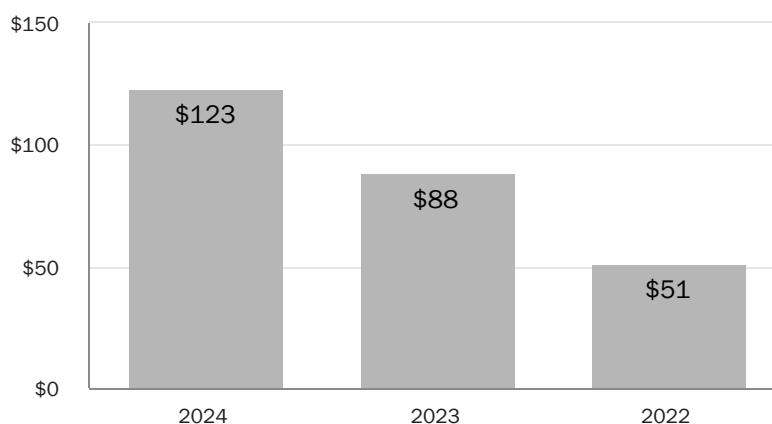


Operating Expenses

Total operating expenses of the Fund were \$122.8 million for FY 2023-24, compared to \$88.2 million for FY 2022-23 and \$50.9 million for FY 2021-22. This reflects an increase of \$34.6 million (39.2%) from FY 2022-23 to FY 2023-24 and an increase of \$37.3 million (73.2%) from FY 2021-22 to FY 2022-23. The increase in FY 2023-24 is primarily due to the reasons illustrated below:

- Interest expenses increased by \$6.8 million, primarily due to a \$2.3 million rise in bond interest expenses resulting from \$84.9 million in new bond issuances. Additionally, loan interest expenses increased by \$4.1 million due to increased financing activity with the Federal Home Loan Bank (FHLB) of San Francisco and the Braeburn Credit Facility, along with a \$0.5 million rise in notes interest expenses.
- Salaries and general expenses increased by \$27.9 million, mainly due to a \$2 million increase in salaries and benefits expenses, a \$1.6 million increase in pension expense, a \$20.5 million increase in OPEB expense, and a \$3.9 million increase in general expenses.

Operating Expenses
(dollars in millions)



Non-Operating Revenues and Expenses

Total non-operating revenues and expenses for FY 2023-24 were \$1.9 million, reflecting a decrease of \$25 million from FY 2022-23. This decline includes a \$21.8 million reduction in revenue from investment swap fair value, resulting from the termination of all ineffective fixed payer and basis swaps in FY 2022-23. Specifically, there was a gain of \$38.2 million in fair value investment swap revenue and a loss of \$16.4 million from the termination of swaps; no further revenue from these items will be recognized moving forward. Additionally, there was a \$2.4 million decrease in prepayment penalty revenue and a \$1 million decrease in breakage fee revenue.

Change in Net Position before Transfers

Operating income for fiscal year 2023-24 was \$112.3 million compared to \$132 million for FY 2022-23. Change in net position before transfers was \$114.2 million for FY 2023-24 compared to \$158.9 million for FY 2022-23.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Economic Condition and Outlook

The Agency's housing programs are the primary source of income for the Fund. Macroeconomic factors, such as economic growth, employment rates, and inflation rates impact the Agency through changes in the supply and demand for housing in California, the volume of mortgage lending (including refinancing), and the Agency's cost of capital. In addition, the Agency can be affected by various regulatory and statutory changes, impacting results from its Single Family and Multifamily production divisions and the Agency's overall operations.

FY 2023-24 Operating Results

Single Family revenues generated from participation in the TBA market rate program accounted for approximately 24.3% of the Agency's total operating revenue during FY 2023-24. The volume of single-family first mortgage purchases through the TBA market rate program reached over \$2.57 billion. The Agency also provided \$156.3 million in subordinate lending for down payment assistance and closing costs.

Multifamily program revenues are mainly composed of interest received from the Agency's permanent loans. The Agency makes a financial commitment to refinance construction loans up to 42 months prior to the refinancing. Only after this refinancing does the Agency realize interest revenue from this financial commitment. As such, annual commitments will not materially impact the Agency's immediate financial condition. As of June 30, 2024, the Agency had \$930.1 million in outstanding commitments to fund first lien monthly paying Multifamily Program loans.

Current Single family delinquency rate as of June 30, 2024 is approximately 5.90% and 90+ days delinquency rate is approximately 1.91%. Due to continued high inflation, the Federal Reserve has increased the Fed Fund rate from 5.25% at the start of the fiscal year to 5.50% by June 30, 2024 . The high interest rates have resulted in prepayments of single-family portfolio being under 75% of SIFMA for the year. The continued high interest rate has also resulted in the continued low origination of the agency's single family ZIP loan program.

Authorized Indebtedness

The Fund's total amount of outstanding indebtedness cannot exceed \$13.15 billion at any time. The Agency's board of directors approves an annual new debt lending limit for the Fund. As of June 30, 2024, the Fund program limit for 501(c)(3) and taxable bond issuance for direct lending is set at \$500 million. The Fund program limit for 501(c)(3), taxable, and non-private activity tax-exempt conduit issuances is \$2.5 billion. The Fund program limit for new money private activity bond issuance is subject to the Agency's authorization to apply for up to \$2.5 billion in private activity volume cap for multifamily and single-family bond issuance. The Fund is authorized to have up to \$1 billion in credit facilities available for use.

Outlook

A major challenge to the U.S. economy is inflation and increasing interest rates. This new economic environment, coupled with the decreased level of support by the Federal Reserve for the MBS market, has resulted in decreased revenue from the Agency's TBA market rate program. The Agency is currently exploring financial alternatives for improved performance from its Single-Family production division. Multifamily developments in planning or construction are facing challenges with higher material cost and availability. This has resulted in project delays and, in the rare cases, cancellation. The Agency is currently exploring financial alternatives to support the completion of multifamily developments.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

The Agency has primarily two credit ratings that impact its financial results:

- i. CalHFA's issuer credit rating (S&P's "AA Stable outlook"/Moody's "Aa2 Stable outlook")
 - During FY 2023-24, CalHFA maintained its issuer credit rating of "AA" with a stable outlook from Standard & Poor's (S&P's) and "Aa2" with a stable outlook from Moody's.
- ii. Affordable Housing Revenue Bonds (S&P's "AA Stable outlook"/Moody's "Aa2 Stable outlook")

Request for Information

To view or download a copy of this Annual Comprehensive Financial Report (ACFR), please go to the CalHFA website: www.calhfa.ca.gov/about/financials/reports

Questions concerning any of the information presented in this financial report or requests for additional information should be addressed to:

CalHFA Financing Division
500 Capitol Mall, Suite 1400
Sacramento, CA 95814
Phone: 916.326.8650
financing@calhfa.ca.gov

FINANCIAL STATEMENTS

CALIFORNIA HOUSING FINANCE FUND

Statements of Net Position¹

June 30, 2024 and June 30, 2023 (dollars in thousands)

	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents - (Note 2)	\$197,788	\$77,573
Investments - (Note 2)	1,545,507	1,582,810
Current portion - program loans receivable, net of allowance - (Note 4)	60,056	61,956
Interest Receivable		
Program loans, net	\$85,394	\$83,018
Investments	19,671	13,182
Defeasible liens receivable	5,878	9,172
Accounts receivable	2,565	2,688
Due from other government entities - (Note 3)	—	11,100
Other assets	92,958	65,731
Total Current Assets	\$2,009,817	\$1,907,230
Noncurrent Assets		
Investments - (Note 2)	\$400,917	\$299,399
Program loans receivable, net of allowance - (Note 4)	2,079,072	2,020,416
Capital assets - (Note 6)	20,885	23,163
Other assets	47,910	27,578
Total Noncurrent Assets	\$2,548,784	\$2,370,556
Total Assets	\$4,558,601	\$4,277,786
DEFERRED OUTFLOWS OF RESOURCES		
OPEB related outflows - (Note 10)	\$7,862	\$7,038
SB84 Supplement contributions - (Note 7)	379	1,201
Unamortized difference & change related in pension - (Note 9)	13,893	13,743
Total Deferred Outflows of Resources	\$22,134	\$21,982
LIABILITIES		
Current Liabilities		
Bonds payable - (Note 7)	\$4,396	\$430
Notes payable - (Note 7)	3,396	3,243
Loans payable - (Note 7)	204,600	151,422
Interest payable	3,314	2,079
Due to other government entities, net- (Note 3)	1,092	1,118
Compensated absences - (Note 7)	200	200
Lease liabilities - (Note 7)	2,018	1,932
Deposits and other liabilities - (Note 7)	240,346	234,879
Total Current Liabilities	\$459,362	\$395,303

¹ The accompanying notes are an integral part of these financial statements.

CALIFORNIA HOUSING FINANCE FUND

Statements of Net Position¹ (continued)

June 30, 2024 and June 30, 2023 (dollars in thousands)

	2024	2023
Noncurrent Liabilities		
Bonds payable - (Note 7)	\$120,461	\$40,525
Notes payable - (Note 7)	283,465	286,860
Loans payable - SB84 - (Note 7)	379	1,201
Net OPEB obligation - (Note 10)	51,954	44,476
Net pension liability - (Note 9)	38,486	39,718
Compensated absences - (Note 7)	2,736	2,556
Lease liabilities - (Note 7)	19,597	21,615
Unearned revenues - (Note 7)	318,454	341,263
Total Noncurrent Liabilities	\$835,532	\$778,214
Total Liabilities	\$1,294,894	\$1,173,517
DEFERRED INFLOWS OF RESOURCES		
Accumulated increase in fair value of hedging derivatives	\$47,545	\$26,275
OPEB related inflows - (Note 10)	12,947	15,261
Unamortized pension, net difference - (Note 9)	4,501	4,953
Total Deferred Inflows of Resources	\$64,993	\$46,489
NET POSITION		
Net investment in capital assets	(\$730)	(\$384)
Restricted by indenture	790,624	749,992
Restricted by statute	2,503,834	2,382,047
Unrestricted (deficit)	(72,880)	(51,893)
Total Net Position	\$3,220,848	\$3,079,762

¹ The accompanying notes are an integral part of these financial statements.

FINANCIAL STATEMENTS

CALIFORNIA HOUSING FINANCE FUND

Statements of Revenues, Expenses, and Changes in Net Position¹

Years ended June 30, 2024 and June 30, 2023 (dollars in thousands)

	2024	2023
OPERATING REVENUES		
Interest Income		
Program loans, net	\$83,786	\$81,799
Interest on investment	72,884	38,386
Realized and unrealized gain on investments	3,879	6,999
Loan commitment fees	3,918	3,305
Other loan fees	19,132	37,497
Other revenues	51,559	52,168
Total Operating Revenues	\$235,158	\$220,154
OPERATING EXPENSES		
Interest	\$24,383	\$17,525
Amortization of bond discount and bond premium	(45)	—
Mortgage servicing expenses	1,925	2,064
Provision (reversal) for program loan losses - (Note 5)	9,314	3,349
Salaries and general expenses	41,072	13,194
Depreciation and amortization expenses	2,418	2,953
Other expenses	43,745	49,117
Total Operating Expenses	\$122,812	\$88,202
Total Operating Income	\$112,346	\$131,952
NON-OPERATING REVENUES AND EXPENSES		
Investment SWAP revenue (fair value) - (Note 7)	—	\$38,172
Investment (loss) gain on termination SWAP- (Note 7)	—	(16,395)
Federal pass-through revenues - HUD/UST	5,708	14,047
Federal pass-through expenses - HUD/UST	(5,708)	(14,047)
Accessory Dwelling Unit (ADU) revenues	20,803	80,547
Accessory Dwelling Unit (ADU) expenses	(20,803)	(80,547)
Forgivable Equity Builder Loan (EBL) revenues	15,949	4,837
Forgivable Equity Builder Loan (EBL) expenses	(15,949)	(4,837)
National Mortgage Settlement (NMS) revenues	21,028	26,158
National Mortgage Settlement (NMS) expenses	(21,028)	(26,158)
Prepayment penalty	1,743	4,104
Other	151	1,053
Total Non-Operating Income (Expense)	\$1,894	\$26,934
Change in net position before transfers	114,240	158,886
Transfers in (out) - (Note 3)	26,846	152,304
Increase (decrease) in net position	141,086	311,190
Net Position at Beginning of Year	\$3,079,762	\$2,768,572
Net Position at End of Year	\$3,220,848	\$3,079,762

¹ The accompanying notes are an integral part of these financial statements.

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FINANCIAL STATEMENTS

CALIFORNIA HOUSING FINANCE FUND

Statements of Cash Flows

Years ended June 30, 2024 and June 30, 2023 (dollars in thousands)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$71,274	\$74,302
Payments to suppliers	(10,483)	(7,694)
Payments to employees and related benefits	(35,323)	(23,229)
Receipts from loan related activities	150,103	168,933
Payments to loan related expenses	(192,107)	(231,878)
Other receipts	67,785	232,046
Other payments	(89,241)	(121,894)
Due from other government entities	11,016	(10,884)
Due to other government entities	5,483	(6,700)
Net Cash (Used for) Provided by Operating Activities	(\$21,493)	\$73,002
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from sales of bonds, notes, and loans	\$1,126,011	\$747,287
Payment of bonds, notes, and loans principal	(991,999)	(694,775)
Early bond redemptions	(130)	(69,000)
Interest paid on debt	(22,808)	(22,314)
Interfund transfers	26,846	152,304
Net Cash Provided by (Used for) Noncapital Financing Activities	\$137,920	\$113,502
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on lease	(\$1,932)	(\$2,246)
Interest paid on lease	(340)	(370)
Net Cash (Used for) Provided by Capital and Related Financing Activities	(\$2,272)	(\$2,616)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from maturity and sale of investments	\$3,036,219	\$4,299,794
Purchase of investments	(3,096,555)	(4,574,295)
Interest on investments, net	66,396	28,254
Net Cash Provided by (Used for) Investing Activities	\$6,060	(\$246,247)
Net increase (decrease) in cash and cash equivalents	120,215	(62,359)
Cash and cash equivalents at beginning of year	77,573	139,932
Cash and Cash Equivalents at End of Year	\$197,788	\$77,573

CALIFORNIA HOUSING FINANCE FUND

Statements of Cash Flows (continued)

Years ended June 30, 2024 and June 30, 2023 (dollars in thousands)

	2024	2023
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR)		
OPERATING ACTIVITIES:		
Operating income	\$112,346	\$131,952
Adjustments to Reconcile Operating Income to Net Cash Provided by (used for)		
Operating Activities:		
Interest expense on debt	\$24,383	\$17,525
Interest on investments	(72,884)	(38,386)
Changes in fair value of investments	3,220	8,387
Realized gain on sale of securities	(7,100)	(15,386)
Amortization of hedge termination	(45)	—
Amortization of deferred losses on refunding of debt	—	(100)
Loan commitment fees	(3,918)	(3,305)
Other revenues	65,425	152,524
Depreciation and amortization	2,418	2,953
Provision (reversal) for estimated loan losses	9,314	3,349
Other expenses	(63,532)	(125,589)
Effects of Changes in Operating Assets and Liabilities:		
(Purchase) sale of program loans, net	(\$192,107)	(\$231,878)
Collection of principal from program loans, net	127,053	128,132
Interest receivable	(12,511)	(7,398)
Allowance for interest receivable	10,135	9,520
Defeasible liens receivable	3,294	13,350
Accounts receivable	45	1,738
Other assets	(48,637)	15,685
Compensated absences	180	(237)
Deferred outflows of resources:		
Pension	\$672	(\$6,739)
OPEB	(824)	(468)
Deferred inflows of resources:		
Pension	(\$452)	(\$11,330)
OPEB	(2,314)	3,970
Deposits and other liabilities	5,467	1,312
Due from other government entities	11,016	(10,884)
Due to other government entities	5,483	(6,700)
Unearned revenue	2,380	41,005
Net Cash (Use for) Provided by Operating Activities	(\$21,493)	\$73,002
Supplemental Disclosure of Cash Flow Information		
Noncash transfer of program loan to REO	\$1,015	(\$1,005)

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**a) Organization and Program Descriptions**

The California Housing Finance Agency (Agency) was created by the Zenovich-Moscone-Chacon Housing and Home Finance Act (Act), as amended, as a public instrumentality and political subdivision of the State of California (State), and administers the activities of the California Housing Finance Fund (Fund) and the California Housing Loan Insurance Fund (CaHLIF). These funds allow the Agency to carry out its purpose of financing the housing needs of persons and families of low and moderate income within the State.

The Agency is authorized to issue its bonds, notes and other obligations to fund loans to qualified borrowers for single family houses and multifamily developments. The Agency has no taxing power and is exempt from federal income taxes and state franchise taxes.

Funding of loan programs on an on-going basis is derived from bond proceeds, credit facilities, interest earned on loans and investments and by participating in the To Be Announced (TBA) Market Rate Program. As part of the TBA program, the Agency has agreed to sell on a mandatory delivery basis certain specified Agency mortgage pass-through securities, the repayment of which is guaranteed in full as to principal and interest by Federal National Mortgage Association (Fannie Mae) or Government National Mortgage Association (GNMA).

b) Financial Reporting Entity

In the State's Annual Comprehensive Financial Report (ACFR), CalHFA is designated as a component unit of the State. Component units are organizations that are legally separate from the State, but for which the State is financially accountable, or organizations whose relationship with the State is such that exclusion would cause the State's financial statements to be misleading. Of the three different types of component units of the State (blended, fiduciary, and discretely presented), CalHFA is considered a discretely presented component unit. Discretely presented component units are legally separate from the primary government (defined as funds, organizations, institutions, agencies, departments, and offices that are not legally separate from the State) and usually provide services to entities and individuals outside the primary government.

The Agency is governed by a Board of Directors which consists of 12 voting members and three non-voting members. Of the 12 voting members, six are appointed by the Governor, four are ex-officio and two are appointed by the Legislature. The statutory role of the Board is to: 1) enact the annual financing resolutions that permit the issuance of bonds; 2) enact the Agency's operating budget and business plan; 3) authorize any sale of obligations or securities or other debt obligations and shall approve other major contractual agreements. Any other contractual agreements or debt obligations may be approved by the executive director pursuant to regulations of the Board. Subject to the supervision of the Board, the Agency's day-to-day operational authority statutorily resides with the Agency's Executive Director.

NOTES TO FINANCIAL STATEMENTS

Assembly Bill No. 129, Chapter 40, enacted July 10, 2023 removed the Agency from the California Department of Housing and Community Development (HCD) budgetary presentation to directly under the Business, Consumer Services, and Housing Agency. Pursuant to Health and Safety Code section 51000, expenditures from the California Housing Finance Fund are administered by the Agency and are not subject to the supervision or approval of any other officer or division of state government. Further, pursuant to the Health and Safety Code section 51000.1, no officer or division of state government has the authority to transfer any sums of money from any fund or account of the Agency, except as authorized by the executive director of the Agency or designated trustee pursuant to authority contained in appropriate adopted resolutions pertaining to notes or bonds issued by the Agency.

The Agency may also provide administrative, consulting and technical services in connection with the financing of housing developments; act as a state representative in receiving and allocating federal housing subsidies; and make grants, under certain circumstances, to housing sponsors (providing that grants may not be made with proceeds from the sale of bonds or notes).

The Agency is the administrator of the Home Purchase Assistance Fund (HPA), established by Section 51341 of the Health and Safety Code et seq., the funds of which are neither generated nor held within the Fund, and therefore, not included in the accompanying financial statements.

The Agency is the administrator of the Dream for All Program (DFA) fund, established in 2022 by Section 51520 of the Health and Safety Code et seq. which is a shared appreciation down payment loan program, the funds of which are neither generated nor held within the Fund, and therefore, not included in the accompanying financial statements.

The accompanying financial statements are the financial statements of the Fund and do not include the financial position or the results of operations of CaHLIF which insures loans owned by the Agency and others to finance the acquisition, new construction or rehabilitation of residential structures in California. As of December 31, 2023, the CaHLIF had total assets of \$0.04 million and deficit net position of \$39.8 million (not covered by this Independent Auditors' Report).

Veterans and Affordable Housing Bond Act 2018 - Senate Bill 3 (SB-3): Chaptered September 29, 2017, SB-3 designated \$150 million to be transferred into CalHFA's Home Purchase Assistance (HPA) Fund from the Department of Housing and Community Development. The HPA Fund is not included in the Housing Finance Fund financial statements. Pursuant to CalHFA's board's September 12, 2019 Resolution No. 19-14, the Agency identified HPA mortgage transactions that were eligible for reimbursement from funds on deposit in the Housing Finance Fund.

c) Programs and Accounts

The Fund has the following program and accounts:

Homeownership Programs

Home Mortgage Revenue Bonds: The Home Mortgage Revenue Bonds (HMRB) provided financing for the Agency's Home Mortgage Program which purchases eligible mortgage loans, secured by trust deeds on newly constructed or existing single family homes, condominiums, planned unit developments and manufactured housing permanently attached to the land and originated and serviced by qualified lending institutions. All mortgage loans purchased under this program are insured either by the Federal Housing Administration (FHA), CaHLIF, the Department of Veterans Affairs (VA), a private mortgage guaranty insurance policy, or a combination thereof, covering a loss of up to fifty percent (50%), one hundred percent (100%) in the case of a FHA insured loan, of the outstanding principal amount of the mortgage loans. All bonds under the HMRB indenture were fully redeemed or defeased as of December 2022.

Multifamily Rental Housing Programs

Multifamily Housing Revenue Bonds III: The Multifamily Housing Revenue Bonds III (MFHRB III) are fixed or variable rate bonds collateralized by GNMA mortgage-backed securities and/or FHA insured loans and/or uninsured loans. The bonds provide financing for multi-unit rental housing developments which are utilized for occupancy by persons and families of low and moderate income. The loans may provide acquisition, construction (both for new construction and rehabilitation), and permanent financing for developments. All bonds under the MFHRB III indenture were fully redeemed as of March 2022.

Special Obligation Multifamily Housing Revenue Bonds and Multifamily Housing Revenue Bonds: The Special Obligation Multifamily Housing Revenue Bonds (SOMHRB) and Multifamily Housing Revenue Bonds (MHRB) are secured by FHA risk-share insured mortgage loans. The bonds provide financing for the acquisition and rehabilitation of multifamily affordable residential rental development.

Affordable Housing Revenue Bonds: The Affordable Housing Revenue Bonds (AHRB) are fixed or variable rate bonds collateralized by FHA insured, FHA risk-share or uninsured multifamily loans. Currently the loans provide permanent financing for MF projects previously financed through other programs.

Other Programs and Accounts

Housing Assistance Trust: The Housing Assistance Trust (HAT) is comprised of remaining investments in mortgage loans from fully redeemed bond indentures, and funds to assist in the development of single and multifamily projects through various low-interest loan and technical assistance programs. Also, included within HAT are the TBA Market Rate Program and funds held in trust representing Earned Surplus and Financial Adjustment Factor (FAF) Savings from HUD Section 8 projects. Earned Surplus is to be used in lowering the rents for persons and families of low or moderate income in accordance with state law. FAF Savings are to be used in providing decent, safe, and sanitary housing, which is available for very-low income families and persons qualifying in accordance with federal law.

NOTES TO FINANCIAL STATEMENTS

Supplementary Bond Security Account: This account was established exclusively to secure issuances of bonds. This security may be accomplished by creating supplementary reserve accounts to provide for payment of the principal, interest, redemption premiums or sinking fund payments on bonds, or by insuring mortgage loans made with the proceeds of bond issues.

Emergency Reserve Account: This account was updated in 2017 by Board Resolution 17-12 for the purpose of funding unforeseen expenditures for previously Board authorized obligations, funding necessary administrative and operating expenses for which funds may not otherwise be available, and/or to fund the payment of any obligations or commitments previously approved by the Board which are necessary to protect the credit ratings of the Agency and the security interest of holders of the Agency's bonds, notes or other debt instruments, including other financing instruments and obligations associated with the issuance of the Agency's bonds, notes or other debt instruments. To the extent funds are available as determined by the Director of Financing, the Emergency Reserve Account shall be computed and shall be established and funded no later than each June 30th at not less than one hundred percent (100%) of the approved operating budget for the upcoming fiscal year, rounded to the nearest million.

Loan Servicing: The Agency services nearly all multifamily program loans, junior or subordinate lien homeownership program loans and certain other loans for the California State Teachers' Retirement System and Fannie Mae. The Agency's homeownership program loans in first lien position are all serviced by CalHFA approved servicers or sub-servicer.

Federal Programs: The Agency administers loan and grant programs for HUD Section 8 Housing Assistance Payments, and HUD Section 811 Supportive Housing for Persons with Disabilities.

Operating Account: The Operating Account was established for purposes of depositing funds available to the Agency for payment of operating and administrative expenses of the Agency and financing expenditures not associated with specific bond funds.

Federal Financing Bank: The Agency has entered into agreements with the U.S. Treasury and the Department of Housing and Urban Development in order to provide capital for multifamily loans at reduced rates otherwise unavailable in the current market. Under this program, the U.S. Treasury will use the Federal Financing Bank (FFB) to participate in multifamily loans insured under the Federal Housing Administration's HFA Risk-Sharing Program. This program provides permanent financing at very competitive interest rates which helps preserve and increase affordable housing.

Federal Home Loan Bank: In September 2017 the Agency was approved for \$200 million in financing availability from the Federal Home Loan Bank of San Francisco (FHLB). The Agency has access to the FHLB secured credit line to fund a select portfolio of Fannie Mae and Ginnie Mae mortgage-backed securities composed of single family loans it has originated for low to moderate income homebuyers. Beginning in 2022 the Agency utilizes the FHLB credit line to warehouse multifamily loans prior to refunding by bond issuance. The Agency believes that access to FHLB's competitively priced funding will provide the Agency with flexibility in how the Agency raises capital for lending and will expand our lending capacity. It will help the Agency manage its liquidity and lower the costs of capital, which will ultimately help more Californians have a place to call home.

Credit Facility Braeburn: On June 18, 2020 the Agency entered into a \$250 million Credit Facility agreement with Braeburn Capital, Inc. for the Agency's Tax-Exempt Bond Recycling program. The Credit Facility is used to refinance the tax-exempt portion of bond/note issuances resulting in the preservation of tax-exempt allocations awarded by the California Debt Limit Allocation Committee (CDLAC) from an annual lending cap.

Contract Administration Programs

The Agency administers loan and grant programs for the Mental Health Services Act Housing Program, Special Needs Housing Program, Building Homes and Jobs Program, Low to Moderate Income Housing Program, National Mortgage Settlement Housing Counseling Program, Homebuyer Assistance Program, and Accessory Dwelling Unit Program. Funding of these programs was appropriated by the legislature or voter authorized State bond programs to other departments and agencies within the State that have contracted with the Agency for this purpose. All monies transferred in accordance with the agreements and for the purposes of the program are considered assets of the Fund.

Mental Health Services Act Housing Program (MHSA): The program was developed in 2008 as a result of voter approved Proposition 63 and offers permanent financing and capitalized operating subsidies for the development of permanent supportive housing to serve persons with serious mental illness and their families who are homeless or at risk of homelessness. The \$400 million MHSA appropriation was shared by 53 participating mental health agencies. The Agency administers the funds on behalf of the mental health agencies. The MHSA Housing Program ended on May 30, 2016 with expiration of the 8-year Interagency Agreement between CalHFA and the Department of Health Care Services (DHCS).

Special Needs Housing Program (SNHP): The SNHP was created to replace the expired Mental Health Services Act (MHSA or Act) Housing Program as an option for local governments to begin or continue to develop supportive housing for MHSA-eligible persons, and to more fully utilize MHSA funds for housing purposes. An advantage of the SNHP allows local governments to roll over their unused MHSA Housing funds. The Agency provides housing development expertise and real estate lending services for the benefit of other governmental entities in the State of California for the construction, rehabilitation, and development of housing for persons qualifying for mental health services under the Act. On November 4, 2019, the California Department of Health Care Services (DHCS) notified the County Behavioral Health Directors of the discontinuation of the SNHP as of January 3, 2020. The Agency was instructed to continue to process project loan applications under the program through January 3, 2020, for projects with a construction financing close of no later than June 30, 2022. On January 19, 2022, the Agency extended the construction financing closing deadline to December 31, 2022. The Agency transferred unencumbered funds to existing project Capitalized Operating Subsidy Reserves (COSR) per their received instructions or returned the unencumbered funds to all participating counties except for Los Angeles County by August 25, 2020. In 2022 the Agency transferred funds to COSR per Los Angeles County Attachment B instructions. Los Angeles County informed the Agency they will delay the MHSA/SNHP 2023 Annual distribution, and funds will be released pending future instructions.

NOTES TO FINANCIAL STATEMENTS

Building Homes and Jobs Program (BHJ): The program was created in FY 2019-20 through Bill No. 2, Chapter 364, enacted September 29, 2017. This bill established the Building Homes and Jobs Act, imposing a fee of \$75 to be paid at the time of recording of every real estate instrument, paper, or notice required or permitted by law to be recorded, except as provided. This bill allocated fifteen percent of the fees, collected on and after January 1, 2019, deposited in the Building Homes and Jobs Trust Fund, be continuously appropriated to the Agency for the purpose of creating mixed income multifamily residential housing for lower to moderate income households pursuant to Chapter 6.7 (commencing with Section 51325) of Part 3.

Low to Moderate Income Housing Program (LMI): The program was created in FY 2019-20 as a result of Assembly Bill No. 101, Chapter 159, Statutes of 2019, enacted July 31, 2019. The Bill appropriated \$500 million to the Agency via Housing and Community Developments' Self-Help Housing Fund over a 5-year period. These moneys are to be used by the Agency to finance low and moderate income housing. Department of Finance altered the yearly release amount from the State's General Fund through Assembly Bill No. 89, Chapter 7, enacted June 29, 2020, and Senate Bill No. 129, Chapter 69, enacted July 12, 2021.

National Mortgage Settlement Housing Counseling Program (NMS): California's FY 2020-21 State Budget allocated \$300 million from the National Mortgage Settlement (NMS) funds to CalHFA to provide HUD-certified housing counseling services to homeowners, former homeowners, or renters and to provide mortgage assistance to qualified California households. Housing Counseling Agencies receive \$750 for a client's first one-on-one personalized counseling session. An additional \$750 is allowed if the same client returns for a second one-on-one session or a more in-depth level of counseling is needed (i.e. loan modification assistance). The maximum per household limit is \$1,500.

Homebuyer Assistance Program (HBA): The program was created in FY 2021-22 as a result of Senate Bill No. 129, Chapter 69, amending the Budget Act of 2021, Section 2.00, Chapter 69, enacted July 12, 2021. The Bill appropriated \$100 million to the Agency for providing homebuyer assistance. Board Resolution 22-02 allocated \$88 million for a Forgivable Down Payment Assistance for low-income households and \$12 million to fund State Route 710 Affordable Sales Program Phase 2.

Accessory Dwelling Unit Program (ADU): The ADU program provides grants up to \$40,000 towards pre-development and non-reoccurring closing costs associated with the construction of accessory dwelling units. It was created in budget year 2021-22 with an \$81 million allocation through Senate Bill 115, Chapter 2, chaptered February 9, 2022. These funds were received in August 2022. The program received an additional allocation of \$50 million through AB-178, Chapter 45, enacted June 30, 2022. This amount was later reduced to \$25 million through SB-104, Chapter 189, enacted September 13, 2023.

d) Basis of Presentation and Accounting

The Fund is accounted for as an enterprise fund. Accordingly, the accompanying financial statements have been prepared using the economic resources measurement focus and accrual basis of accounting as required by accounting principles generally accepted in the United States of America (hereinafter referred to as "Generally Accepted Accounting Principles", "GAAP"). Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made regardless of the measurement focus applied. Under accrual basis of accounting, revenues are recorded when earned, and expenses are recorded when liabilities are incurred.

The Agency follows the business-type accounting requirements of GASB Statement 34, as amended, which provides the following sections be included in the annual financial report:

- Management’s discussion and analysis
- Basic financial statements including a statement of net position, statement of revenues, expenses and changes in net position, and a statement of cash flows.
- Notes to basic financial statements
- Required supplementary information including schedules related to pension and other post-employment benefits funding

e) Recently Adopted Accounting Pronouncements

In June 2022, GASB issued Statement 100, Accounting Changes and Error Corrections, effective for reporting periods beginning after June 15, 2023. The primary objective of this Statement is to enhance accounting and financial reporting requirement for certain changes in accounting principles and accounting estimates. The Agency has adopted GASB 100 for reporting periods beginning July 1, 2023. There were no accounting changes or error correction for the Fiscal Year 2023-24.

f) New Accounting Pronouncements to be adopted in the future

In June 2022, GASB issued Statement 101, Compensated Absences, effective for reporting periods beginning after December 15, 2023. The objective of the Statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidelines for compensated absences. The Agency will adopt GASB 101 for reporting periods beginning July 1, 2024

In June 2023, GASB issued Implementation Guide No. 2023-1 Implementation Guidance Update-2023. The primary objective of this Implementation Guide is to provide guidance that clarifies, explains, or elaborates on GASB Statements. This guide amends Implementation Guide No. 2019-3, Leases and 2021-1. The Agency believes Implementation Guide No 2023-1 will have no effect on the financial statement of the fund.

In December 2023, GASB issued Statement 102, Certain Risk Disclosures effective for reporting periods beginning after June 15, 2024. The scope of this Statement is to provide timely information regarding certain concentrations or constraints and related events that make governments vulnerable to a substantial impact. The Agency believes adoption of GASB 102 will not have an effect for reporting periods beginning July 1, 2024.

In April 2024, GASB issued Statement 103, Financial Reporting Model Improvements, effective for reporting periods beginning after June 15, 2025. The scope of this Statement is to improve key components of the financial reporting model to enhance its effectiveness. The Agency will adopt GASB 103 for reporting periods beginning July 1, 2025.

In September, 2024, GASB issued Statement 104, Disclosure of Certain Capital Assets, effective for reporting periods beginning after June 15, 2025. The scope of this Statement is to improve financial reporting by providing users with essential information about certain types of capital assets, such as those held-for-sale. The Agency will adopt GASB 104 for reporting periods beginning July 1, 2025.

g) Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates are used in determining the fair values of the interest rate swaps and the allowance for loan losses. The fair values of the swaps are based on factors such as future interest rates and a discount rate. Actual results could differ materially from those estimates. Estimates for loan losses are based on historical 3 to 5 year default rates and loan losses. Loans are evaluated individually based on recent payment history, and for single family first lien loans the home value trends of the zip code of the property.

h) Cash and Cash Equivalents

The Agency considers cash on hand, cash on deposit with financial institutions and cash held in money market funds to be cash and cash equivalents.

i) Investments

Investment of funds is restricted by the California Code section 16430 – 16431, Agency's Investment Policy, and various bond resolutions and indentures of the Agency.

GASB No. 72, Fair Value Measurement and Application (Statement No. 72), revises and establishes new financial reporting requirements for governments related to fair value measurements. The Agency was already in compliance with the Statement's requirement that investments be measured at fair value.

Investment securities, other than certain non-participating fixed interest investment contracts, are stated at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between two market participants at the measurement date. Purchase and sale transactions are recorded on the trade date.

Within the state centralized treasury system, any monies determined to be in excess of the Funds' immediate needs are swept into the Surplus Money Investment Fund (SMIF), managed by the California State Treasurer for investment. All earnings derived from investments of SMIF are apportioned to the contributing funds as provided in the code. The value of each participating dollar equals the fair value divided by the amortized cost of the SMIF. The funds of the SMIF are invested by the Pooled Money Investment Board. The SMIF is not rated.

j) Income from Investments

Income from investments is recognized when earned and includes interest, dividends, and other income.

k) Swap Agreements

Forward Swap Agreements: The Agency enters into forward swaps agreements for its Multifamily Program (MF) to hedge against the change in interest rates over the two-to-four-year period between the loan rate commitment for MF projects for construction conversion and the bond rate at issuance for bonds backed by the MF project permanent loans. No forward swap payments or receipt of funds occur until the mandatory termination date of the forward swap at the conversion of the construction loan to a permanent funding loan. Changes to the fair market value of the forward swaps are reported as deferred inflows or deferred outflows in the statement of net position. In the event the forward swap ceases to meet the hedge effectiveness criteria, changes to the fair market value are reported in the statement of revenues, expenses and changes in fund net position. Please see Note 7 – Short and Long Term Liabilities for detailed information regarding swap agreements.

l) Program Loans Receivable, net

Loans receivable are carried at their outstanding principal balances, less an allowance for loan losses.

m) Allowance for Program Loan Losses

The Agency's policy is to charge expenses for estimated probable losses which are established as an allowance for loan losses. The allowance is an amount that management believes will be adequate to absorb losses inherent in existing loans based on evaluations of collectability and prior loss experience. Additional information regarding these calculations can be found in Note 5 to the financial statements. While management uses the best information available to evaluate the adequacy of its allowance, future adjustments to the allowance may be necessary if actual experience differs from the factors used in making the evaluations.

n) Defeasible Liens Receivable

This represents the projected amount that will be received from forgivable liens transferred to the Agency from the sunset of CalHFA MAC June 11, 2020. The estimate is periodically re-evaluated based on historical data and market expectations.

o) Capital Assets

The capital assets of the Agency, with capitalization threshold of \$5,000, include data processing equipment, office furniture & equipment. Under GASB 87 implementation, right to use lease assets with a \$100,000 capitalization threshold are included under Capital Assets. Capital assets are depreciated using straight-line method. Depreciation is charged as an expense against the Housing Finance Fund. Information regarding capital assets and accumulated depreciation is reported in Note 6 Capital Assets to the financial statements.

NOTES TO FINANCIAL STATEMENTS

p) Other Real Estate Owned (REO)

Property acquired by the Agency through foreclosure is recorded at the lower of estimated fair value less estimated selling costs (fair value) or the carrying value of the related loan at the date of foreclosure and is included in "Other Assets" on the accompanying financial statements. At the time the property is acquired, if the fair value is less than the loan amounts outstanding, any difference is charged against the allowance for loan losses. After acquisition, valuations are periodically performed and, if the carrying value of the property exceeds the current fair value, a valuation allowance is established by a charge to operations. Subsequent increases in the fair value may reduce or eliminate the allowance. Operating costs on foreclosed real estate are expensed as incurred. Costs incurred for physical improvements to foreclosed real estate are capitalized if the value is recoverable through future sale.

q) Bonds Payable, Notes Payable and Loans Payable, net

Bonds Payable are carried at their outstanding principal balances plus unamortized bond premiums and less unamortized bond discounts. Notes and Loans Payable are carried at their outstanding principal balances.

r) Bond Issuance Costs, Premiums and Discounts

The costs and related fees associated with issuing bonds are recognized in the current period in accordance with GASB No. 65 in the statements of revenues, expenses, and changes in net position. Premium and discounts are amortized using straight line method. For debt refunding, the difference between the reacquisition price of the refunded bonds and the net carrying amount of the refunded bonds is deferred.

s) Compensated Absences

Agency employees accrue vacation or annual leave in varying amounts for each monthly period worked. Employees may accumulate leave time, subject to certain limitations, and upon retirement, termination, or death may be compensated for certain accumulated amounts at their then current rates of pay. The Agency records an expense for all accumulated leave that the Agency would be required to pay if all employees terminated their employment.

t) Unearned Revenue

Unearned revenue represents the receipt of certain loan fees from lenders and borrowers, which is generally recognized as revenue over the life of the associated loans, and funds received for non-exchange transactions for contract administration programs where revenue is recognized at the time of expense recognition of expenditure of program monies.

u) Deferred Outflows and Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future periods, and deferred inflows of resources is an acquisition of net assets that applies to future periods.

The Fund's deferred outflows of resources include accumulated decrease in fair value of hedging derivatives, deferred loss on refunding, employer contribution difference for pensions and OPEB, difference between expected and actual experience for pensions, net difference between projected and actual earnings on investments for pensions, and employer contributions of pension and OPEB from current fiscal year. Accumulated increase in fair value of hedging derivatives, deferred gain on refunding, net difference between projected and actual earnings on investments for pensions and OPEB and change in assumptions for pensions and OPEB are reported under the Fund's deferred inflows of resources.

v) Net Position

Net Position is equal to assets plus deferred outflows of resources less the sum of liabilities plus deferred inflows of resources. Net position is classified as net investment in capital assets, restricted, or unrestricted net position. Net investment in capital assets represents investments in office equipment and furniture net of depreciation and right-to-use lease assets net of amortization and lease liabilities. The fund reported a negative net investment in capital assets. This is due to the right-to-use leased asset depreciating at a faster rate than the corresponding lease liability is being amortized (paid down), which is a result of the leased asset is depreciated on a straight-line basis over the term of the lease and interest expense is front-loaded as the lease obligation is amortized. Restricted net position represents net position balances under the lien of bond indentures that are therefore pledged to bondholders. State statutes further restrict other net position of the Fund solely for purposes of the Agency and provide for a continuing appropriation of such assets for the benefit of bondholders. Unrestricted net position represents net position of the Agency's operating expenses, not restricted for any project or other purpose.

w) Extinguishment of Debt

The Agency accounts for gains and losses associated with debt refundings by deferring such gains or losses and recognizing them as revenues or expenses over the shorter of the term of the bonds extinguished or the term of the refunding bonds. Gains or losses associated with debt redemptions and maturing principal, other than refundings, are recognized as income or expense at the date of the extinguishment.

x) Operating Revenues and Expenses

The Fund's operating revenues and expenses are activities classified as core business activities of the Fund. The Fund's primary operating revenue is derived from the TBA Market Rate Program fee revenue and gain on sale of the TBA Market Rate securities, investment of bond proceeds in the loan programs and investment in securities. The Fund's primary expenses comprise salaries, other expenses and interest expense on bonds outstanding. Net interest income is an important measure of performance for the Fund. "Interest income program loans" and "interest income investments-net" are shown as operating revenues in the statement of revenue, expenses and changes in net position.

NOTES TO FINANCIAL STATEMENTS

y) Non-Operating Revenues and Expenses

The Fund's non-operating revenues and expenses include the reporting of HUD's Section 8 Housing Assistance Program and Section 811 Project Rental Assistance Demonstration Program, the Accessory Dwelling Unit (ADU) Grant program, the Forgivable Equity Builder Loan (FEBL) program, the National Mortgage Settlement (NMS) program, along with Other Programs and Accounts. Also included in this section are activities not classified as core business activities of the Fund.

z) Pension

As part of the State, the primary government, the Fund contributes to the Miscellaneous Plan (Plan) and it is administered by the California Public Employees' Retirement System (CalPERS). The Plan is included in the Public Employees' Retirement Fund A (PERF A). PERF is comprised of and reported as PERF A, PERF B, and PERF C for accounting purposes. PERF A is comprised of agent multiple-employer plans, which include State and most public agencies rate plans. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Please see Note 9 - Pension Plan to the financial statements for detailed information regarding pensions.

aa) Other Post-Employment Benefits (OPEB) Plan

The State provides medical and prescription drug benefits to retired state employees and dependents through CalPERS under the Public Employees' Medical and Hospital Care Act. The State, and certain bargaining units and judicial employees have agreed to prefund retiree healthcare benefits. Assets are held in separate accounts by valuation group within the California Employers' Retiree Benefit Trust (CERBT). The Schedule of OPEB Pay-as-You Go contribution and OPEB Prefunding contribution by Valuation Group are used to calculate each state entity's proportionate share of OPEB amount. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expenses, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. Please see Note 10 - OPEB to the financial statements for detailed information regarding the fund's position related to OPEB.

bb) Reclassification

Certain prior year balances have been reclassified to conform to current year's presentation. The reclassification occurred between cash flows from noncapital financing activities and cash flows from capital and related financing activities.

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS

a) Cash and Cash Equivalents

The Fund utilizes a cash and investment pool maintained by the State Treasurer's Office (STO). The Agency is allowed to withdraw funds from the investment pool, at any time, given that the Agency follows the standard claim schedule process. Each program and account's portion of this pool is included in investments on the statements of net position. In addition, other types of investments are separately held by most of the programs and accounts.

Cash and Cash Equivalents: At June 30, 2024 and 2023, all cash and cash equivalents, totaling \$197.8 million and \$77.6 million, respectively, were covered by federal depository insurance or by collateral held by the Agency's agent in the Agency's name.

b) Investments

Investments: Investment of funds is restricted by the Act and the various bond resolutions and indentures of the Agency, generally, to certain types of investment securities, including direct obligations of the U.S. Government and its agencies, the State Treasurer's Pooled Money Investment Account, long term investment agreements which are issued by institutions rated within the top two ratings of a nationally recognized rating service, and other financial instruments. Investments of funds are also made in accordance with the Agency's Investment Policy.

The Agency entered into an U.S. Bank National Association Daily Liquid (open-ended) Commercial Paper (Open CP) agreement with U.S. Bank in March 2013. The Open CP agreements are unsecured promissory notes issued by U.S. Bank National Association. The Open CP is not insured by Federal Deposit Insurance Corporation (FDIC) or guaranteed by any governmental agency or authority, or by U.S. Bank. As of June 30, 2024 the Open CP agreements were terminated and there was no longer any par value and market value of Open CP agreements. As of June 30, 2023, there was a balance of \$0.07 million par and market value for Open CP agreements.

The Agency's investment measured at amortized cost includes investments in surplus money investment fund (SMIF), and Open CP, totaling \$1.5 billion and \$1.6 billion for the fiscal year ended June 30, 2024, and June 30, 2023, respectively.

The Agency is required to post collateral based on the Agency's current Long Term Debt Ratings assigned by either Standard and Poor's Rating Group or Moody's Investor Service, Inc., as set forth in each International Swap Dealers Association, Inc. (ISDA) Master Agreement (see Note 7 - Long- and Short-term Liabilities). The total cash and fair market value of investment securities posted as collateral at June 30, 2024 and 2023 was \$155.9 million and \$168.9 million, respectively. As of June 30, 2024, investment collateral posted is solely for the FHLB credit line as all fixed rate and basis swaps were terminated by June 30, 2023. Cash collateral for outstanding draws on the Braeburn credit facility as shown in Current Assets: Other as of June 30, 2024 and 2023 was \$92.5 million and \$65.3 million, respectively.

NOTES TO FINANCIAL STATEMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Agency has the ability to access.

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair market value measurement.

Investments with Fair Value Measurement at June 30, 2024 and 2023 are as follows:

Investments with Fair Value Measurements

(dollars in thousands)	June 30, 2024 Level 1	June 30, 2024 Level 2	June 30, 2024 Level 3	June 30, 2024 Total	June 30, 2023 Level 1	June 30, 2023 Level 2	June 30, 2023 Level 3	June 30, 2023 Total
U.S. Agency Securities - GNMA	—	\$213,037	0	\$213,037	—	\$173,986	—	\$173,986
Federal Agency Securities	—	187,880	—	187,880	—	125,413	—	125,413
Total Investments by fair value level	—	\$400,917	—	\$400,917	—	\$299,399	—	\$299,399

The Agency measures and records its investments using fair value measurement guidelines established by general accepted accounting principles. As of June 30, 2024, all the securities were using quoted price from similar asset in active markets through Interactive Data Corp (IDC) and are classified in Level 2.

There are many factors that can affect the value of investments. Some, such as credit risk, custodial credit risk, and concentration of credit risk and interest rate risk, may affect both equity and fixed income securities. Equity and debt securities respond to such factors as economic conditions, individual company earnings performance and market liquidity, while fixed income securities are particularly sensitive to credit risks and changes in interest rates. It is the investment policy of the Agency to invest substantially all of its funds in fixed income securities, which limits the Agency's exposure to most types of risk.

Credit Risk: Fixed income securities are subject to credit risk, which is the chance that an issuer will fail to pay interest or principal in a timely manner, or that negative perceptions of the issuer’s ability to make these payments will cause security prices to decline. Certain fixed income securities, including obligations of the U.S. government or those explicitly guaranteed by the U.S. government are not considered to have credit risk.

The credit risk profile for fixed income securities including mortgage-backed securities and rated investment agreements at June 30, 2024 and 2023 are as follows:

Credit Risk Profile for Fixed Income Securities

(dollars in thousands)

	2024	2023
U.S. Government Guaranteed	\$400,917	\$299,399
Total Fixed Income Securities	<u>\$400,917</u>	<u>\$299,399</u>

Custodial Credit Risk: Custodial credit risk is the risk that in the event of the failure of the custodian, the investments may not be returned. As of June 30, 2024 and 2023, the Agency did not have any investments exposed to custodial credit. All investments are held by the State of California or by pledging financial institutions in the name of the Agency.

Concentration of Credit Risk: Concentration of credit risk is the risk associated with a lack of diversification, such as having substantial investments in a few individual issuers, thereby exposing the Agency to greater risks resulting from adverse economic, political, regulatory, geographic, or credit developments. Investments issued or guaranteed by the U.S. government and investments in external investment pools, such as the commingled funds managed by the Agency are not considered subject to concentration of credit risk. As of June 30, 2024 and 2023, no investments in any one issuer exceed 5% of the net position, except for securities issued by the U.S. government or its agencies.

Interest Rate Risk: Interest rate risk is the risk that the value of fixed income securities will decline due to decreasing interest rates. The terms of a debt investment may cause its fair value to be highly sensitive to interest rate changes. As of June 30, 2024, the Agency does not have any debt investments that are highly sensitive to changes in interest rates.

Effective duration is the approximate change in price of a security resulting from a 100 basis points (1 percentage point) change in the level of interest rates. It is not a measure of time. The effective duration for U.S. government guaranteed fixed income securities as of June 30, 2024 and 2023 are as follows:

Fixed Income Securities

(number in years)

	2024	2023
Fixed Income Securities		
U.S. government guaranteed	16.6	17.7

NOTE 3 – TRANSFERS FROM/TO AND DUE FROM/TO OTHER FUNDS/GOVERNMENT ENTITIES

For the year ended June 30, 2024, there were net transfers in of \$26.8 million, compared to \$152.3 million for the year ended June 30, 2023. Transfers for FY 2023-24 included \$53.4 million funds received for various programs and \$26.6 million transferred to different counties from the Mental Health Services Act Housing Program and the Special Needs Housing Program.

As of June 30, 2024, the net amount due to other governments was \$91.5 million, an increase from \$74.2 million as of June 30, 2023. The “Due from/to other government entities” category encompasses amounts due from and due to California and federal agencies, and it also includes pension and OPEB liabilities. For detailed disclosures regarding pension and OPEB liabilities, please refer to Notes 9 and 10.

NOTE 4 – PROGRAM LOANS RECEIVABLE

Program loans receivable increased by \$56.8 million during FY 2023-24. The increase in program loans receivable were primarily due to new loans purchased. Loan prepayments decreased by \$11.2 million to \$27.7 million in FY 2023-24 compared to \$38.9 million in FY 2022-23.

Changes in program loans receivable for the years ended June 30, 2024 and 2023 are as follows:

Changes in Program Loans Receivable

(dollars in thousands)

	2024	2023
Beginning of year balance	\$2,082,372	\$1,982,981
Loans purchased/funded	192,002	231,655
Noncash transfer - REO	(1,015)	1,005
Amortized principal repayments	(82,374)	(89,406)
Prepayments	(27,715)	(38,892)
Forgivable Equity Builder Loan Program	(15,949)	(839)
Chargeoffs	(315)	(1,152)
Unamortized Mortgage Discount	105	223
Transfer to REO-net of write-down	1,015	(1,005)
Allowance for loan loss	(8,998)	(2,198)
End of Year Balance	\$2,139,128	\$2,082,372
Current portion	\$60,056	\$61,956
Noncurrent portion	2,079,072	2,020,416
Total	\$2,139,128	\$2,082,372

NOTE 5 – ALLOWANCE FOR PROGRAM LOAN LOSSES

Single Family: The Agency’s policy takes into consideration a variety of factors using Markov Chain Monte Carlo (MCMC) simulation for probable losses which are established as an allowance for loan losses on Single Family loans. These evaluations take into consideration loan status, previous 36-month payment history, housing price index (HPI), and location of the property.

Multi Family: The Agency’s policy in setting loan loss reserves on the Multi-Family Portfolio is determined on a loan level basis. Loan loss reserve calculations take into consideration lien priority, Section 8 Units, Tax credit status, Loan-To-Value ratio (LTV), Debt Service Coverage Ratio (DSCR), occupancy percentage, FHA insurance or FHA-Risk Share Coverage, and delinquency status.

Changes in the allowance for program loan losses for the years ended June 30, 2024 and 2023 are as follows:

Changes in The Allowance for Program Loan Losses (dollars in thousands)	Homeownership Programs	Multifamily Rental Housing Programs	Other Program And Accounts	Contract Administration Programs	2024 Total	2023 Total
Beginning of year balance	\$116	\$304	\$14,771	\$61,870	\$77,061	\$74,864
Provision (reversal) to program loan losses	(276)	1,564	(153)	8,179	9,314	3,349
Charge-offs	211	—	(444)	(83)	(316)	(1,152)
End of Year Balance	\$51	\$1,868	\$14,174	\$69,966	\$86,059	\$77,061

Total allowance for loan loss reserves increased \$9 million to \$86.1 million in FY 2023-24. The increase was primarily due to increases in loans purchased.

NOTE 6 – CAPITAL ASSETS

The capital assets of the Agency include data processing equipment, office furniture and equipment, and leased buildings.

Data processing equipment, office furniture, and office equipment are reported at historical cost. The Agency has established a policy of capitalizing assets with an acquisition cost or established value of \$5,000 or greater. Depreciation on capital assets is computed using the straight-line method over estimated useful lives ranging from one to ten years. Depreciation used by the Agency is charged as an expense against the Agency's General Operating Fund. When assets are retired or otherwise disposed of, the costs and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in operations in the period of disposal.

The Agency recognizes the right-to-use lease asset for contracts with \$100,000 or more in total future lease payments and 12 months or more remaining on the contract from July 1, 2021, to the end of the lease term. The lease asset is measured at the amount of the initial measurement of the lease liability and amortized on a straight-line method over the lease term or the useful life of the underlying asset, whichever is shorter. The amortization expense is reported with depreciation expense for capital assets. See Note 7 – Long- and Short-Term Liabilities - Lease liabilities for more information.

NOTES TO FINANCIAL STATEMENTS

In accordance with GASB statement 42, the Agency is required to evaluate prominent events or changes in circumstances that may result in impairment of capital assets. No such events or circumstances were encountered as of June 30, 2024.

The table below shows the changes and balances of the Agency's capital assets for the years ended June 30, 2024 and 2023:

Changes and Balances of Capital Assets (dollars in thousands)	2024			2023			2023	
	Beginning Balance	2024 Increases	2024 Decreases	2024 Ending Balance	2023 Beginning Balance	2023 Increases	2023 Decreases	2023 Ending Balance
Capital Assets								
Data processing equipment	\$328	\$73	(\$38)	\$363	\$576	—	(\$248)	\$328
Office furniture & equipment	271	67	—	338	292	21	(42)	271
Leased Buildings	27,987	—	—	27,987	27,990	—	(3)	27,987
Total Capital Assets Being Depreciated/Amortized	\$28,586	\$140	(\$38)	\$28,688	\$28,858	\$21	(\$293)	\$28,586
Less Accumulated Depreciation For								
Data processing equipment	(\$174)	(\$76)	\$38	(\$212)	(\$189)	(\$233)	\$248	(\$174)
Office furniture & equipment	(194)	(49)	—	(243)	(42)	(194)	42	(194)
Less Accumulated Amortization for				—				—
Leased Buildings	(5,055)	(2,293)	—	(7,348)	(2,529)	(2,529)	3	(5,055)
Total Accumulated Depreciation and Amortization	(\$5,423)	(\$2,418)	\$38	(\$7,803)	(\$2,760)	(\$2,956)	\$293	(\$5,423)
Capital Assets, Net	\$23,163	(\$2,278)	—	\$20,885	\$26,098	(\$2,935)	\$-	\$23,163

NOTE 7 – LONG- AND SHORT-TERM LIABILITIES

The Act empowers the Agency, on behalf of the Fund, to issue both federally taxable and tax-exempt bonds and notes. Bonds and notes issued by the Agency are not debts of the State but are special and general obligations of the Agency payable solely from and collateralized by the revenues and other assets pledged under the respective indentures. The Act provides the Agency with the authority to have outstanding bonds or notes, at any one time, in the aggregate principal amount of \$13.15 billion excluding refunding issues and certain taxable securities.

The Agency, on behalf of the Fund, as part of its interest rate risk management program, has entered into interest rate swap agreements with various counterparties wherein the Agency has agreed to pay fixed or variable rates of interest and receive floating rate payments.

In the event of a default, as defined in the Indenture, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture. The Indenture provides that in certain events such declaration and its consequences may be rescinded by the registered owners of at least twenty-five percent (25%) in Aggregate Principal Amount of the Bonds then outstanding. The Indenture does not provide for Termination Events or Acceleration Clauses. The underlying loans are pledged to the respective Bond Indentures. Additionally, unencumbered Agency assets are pledged to the Multifamily Housing Revenue III Bonds.

NOTES TO FINANCIAL STATEMENTS

Bonds payable and the terms, interest rate and reset terms as of June 30, 2024 are as follows:

Bonds Payable and Terms with Associated Swaps Information

(dollars in thousands)

Bond Issue	Type of Bond	Interest Rate Range	Variable Rate Type	Reset Term	Final Maturity Date	Original Issuance Amount	Outstanding Fixed	Outstanding Variable	Total
Special Obligation Multifamily Housing Revenue Bonds (Virginia Terrace):									
2015									
Issue A ¹	Tax-Exempt	4.170%	-	-	2057	\$5,245	\$3,625	—	\$3,625
						\$5,245	\$3,625	—	\$3,625
Special Obligation Multifamily Housing Revenue Bonds (Ocean View Senior):									
2015									
Issue B ¹	Tax-Exempt	4.170%	-	-	2058	\$18,075	\$8,805	—	8805000
						\$18,075	\$8,805	—	8805000
Multifamily Housing Revenue Bonds (Maplewood - FHA Risk-Share):									
2016									
Issue A	Tax-Exempt	0.8% - 3.250%	-	-	2035	\$8,600	\$4,340	—	\$4,340
						\$8,600	\$4,340	—	\$4,340
Multifamily Housing Revenue Bonds (Woodglen Vista - FHA Risk-Share):									
2016									
Issue B	Tax-Exempt	0.8% - 3.800%	-	-	2053	\$31,000	\$23,625	—	\$23,625
						\$31,000	\$23,625	—	\$23,625
Affordable Housing Revenue Bonds									
2023									
Issue A-1	Tax-Exempt	3.20% - 4.125%	-	-	2038	\$54,940	\$53,750	—	\$53,750
Issue A-2	Tax-Exempt	3.60% - 3.60%	Softput 9%	Feb 1 - Aug 1 2026	2063	30,000	—	30,000	30,000
						\$84,940	\$53,750	\$30,000	\$83,750
						\$117,860	\$94,145	\$30,000	\$124,145
								Unamortized discount	—
								Unamortized premium	\$712
								Total Bonds	\$124,857

¹ Private Placement Bond.

NOTES TO FINANCIAL STATEMENTS

Bonds payable and the terms, interest rate and reset terms as of June 30, 2023 are as follows:

Bonds Payable and Terms with Associated Swaps Information (continued)

(dollars in thousands)

Bond Issue	Type of Bond	Interest Rate Range	Variable Rate Type	Reset Term	Final Maturity Date	Original Issuance Amount	Outstanding Fixed	Outstanding Variable	Total
Special Obligation Multifamily Housing Revenue Bonds (Virginia Terrace):									
2015									
Issue A	Tax-Exempt	4.170%	-	-	2057	\$5,245	\$3,660	—	3660000
						\$5,245	\$3,660	—	3660000
Special Obligation Multifamily Housing Revenue Bonds (Ocean View Senior):									
2015									
Issue B	Tax-Exempt	4.170%	-	-	2058	\$18,075	\$8,900	—	8900000
						\$18,075	\$8,900	—	8900000
Multifamily Housing Revenue Bonds (Maplewood - FHA Risk-Share):									
2016									
Issue A	Tax-Exempt	0.8% - 3.250%	-	-	2035	\$8,600	\$4,410	—	4410000
						\$8,600	\$4,410	—	4410000
Multifamily Housing Revenue Bonds (Woodglen Vista - FHA Risk-Share):									
2016									
Issue B	Tax-Exempt	0.8% - 3.800%	-	-	2053	\$31,000	\$23,985	—	23985000
						\$31,000	\$23,985	—	23985000
						\$62,920	\$40,955	—	40955000
								Unamortized discount	—
								Unamortized premium	—
								Total Bonds	<u>40955000</u>

NOTES TO FINANCIAL STATEMENTS

Reconciliation of Bonds Payable: Changes in bonds payable for the years ended June 30, 2024 and 2023 are as follows:

Changes in Bonds Payable

(dollars in thousands)	2024	2023
Beginning of year balance	\$40,955	\$121,255
New bonds issued	85,697	—
Scheduled maturities	(1,620)	(11,300)
Redemptions	(130)	(69,000)
Amortized discount	—	—
Amortized premium	(45)	—
End of Year Balance	\$124,857	\$40,955
Current portion	4,396	430
Noncurrent portion	120,461	40,525
Total	\$124,857	\$40,955

Bond Debt Service Requirements: The table below provides a summary of bond debt service requirements for the next five years and in five year increments thereafter:

Fixed Rate Bonds

(dollars in thousands)	Principal	Interest	Total
2025	\$4,396	\$4,351	\$8,747
2026	4,550	4,213	8,763
2027	4,910	4,068	8,978
2028	5,275	3,903	9,178
2029	5,480	4,188	9,668
2030-2034	21,565	17,003	38,568
2035-2039	20,705	12,711	33,416
2040-2044	10,520	9,931	20,451
2045-2049	12,565	7,863	20,428
2050-2054	12,725	5,381	18,106
2055-2059	19,050	2,382	21,432
2060-2064	2,404	209	2,613
Total	\$124,145	\$76,203	\$200,348

Notes Payable: In Fiscal Year 2016-17, the Agency entered into an agreement with Federal Financing Bank (FFB) to borrow capital specifically for multifamily loans to support its participation in FHA’s HFA Risk-Sharing Program. The Housing & Urban Development (HUD) commissioner can declare the Agency is in default in event of any violation of the agreement. In the event of a default the commissioner or designee can impose any or all of the following:

- Require that the Housing Finance Agency (HFA) execute a trust agreement and fund such account which may be drawn upon by HUD for purposes of meeting the HFA's risk-sharing obligations.
- Require the HFA to assume a higher portion of risk for the subject and future mortgages.
- Recommend that the HFA be required to contract its loan servicing to a third party.
- Recommend that the mortgage insurance be terminated. The insurance amount may be transferred to an insured mortgage not in accord with the requirements.
- Recommend that approval for the HFA to participate in the program be suspended or withdrawn.
- Recommend that the HFA's mortgage approval be withdrawn.
- Require additional financial or other reports as may be necessary to monitor the activities of the HFA more closely.

There are no subjective acceleration or termination clauses in the agreement. Underlying loans are pledged to the Notes.

The balance and changes in notes payable for the years ended June 30, 2024 and 2023 are as follows:

Balance and Changes in Notes Payable

(dollars in thousands)

	2024	2023
Beginning of year balance	\$290,103	\$275,408
FFB Notes Issued	—	17,655
Principal payments	(3,242)	(2,960)
End of Year Balance	\$286,861	\$290,103
Current portion	3,396	3,243
Noncurrent portion	283,465	286,860
Total	\$286,861	\$290,103

NOTES TO FINANCIAL STATEMENTS

The table below provides a summary of note payment requirements for the next five years and in five year increments thereafter:

Note Payment Requirements

(dollars in thousands)

	Principal	Interest	Total
2025	\$3,396	\$14,088	\$17,484
2026	3,556	13,920	17,476
2027	3,723	13,745	17,468
2028	3,898	13,561	17,459
2029	4,082	13,368	17,450
2030-2034	23,486	63,608	87,094
2035-2039	36,290	56,859	93,149
2040-2044	35,796	47,725	83,521
2045-2049	45,135	37,856	82,991
2050-2054	56,836	25,368	82,204
2055-2059	58,416	10,127	68,543
2060-2064	12,247	745	12,992
Total	\$286,861	\$310,970	\$597,831

Loans Payable – Short Term: Short term loans consist of loan draws from the Federal Home Loan Bank (FHLB) and the Braeburn Credit Facility. In Fiscal Year 2016-17, the Agency entered into an agreement with the FHLB of San Francisco. Currently, the Agency has access to \$200 million secured credit line to fund select portfolios of Fannie Mae and Ginnie Mae MBS composed of single family loans it has originated for low to moderate income homebuyers and multi-family projects. The FHLB advances can have terms up to one year and terms can be renewed for up to one year at each maturity date. Accrued interest is paid at the time of renewal.

Upon the occurrence of and during the continuation of any Event of Default, the FHLB may declare all Indebtedness to be immediately due and payable without presentment, demand, protest or any further notice, and terminate any obligation on the part of the FHLB in respect of any Commitment or to make or continue any Advances. The Agency has pledged MBS securities as collateral for the credit line.

To preserve portions of the Agency's annual CDLAC tax-exempt lending cap, at the end of FY 2019-20, the Agency entered into a \$250 million Credit Facility Agreement with Braeburn, LLC to serve as a partial/full refunding vehicle for existing issuances. The Credit Facility is a stand-alone instrument that is fully collateralized by borrower funds on deposit in a collateral account held at Bank of New York. Loan draws on the Credit Facility are refunded by new issuances within a 180 day period or paid by the release of collateral.

The balance and changes in short term loans payable for the years ended June 30, 2024 and 2023 are as follows:

Balances and Changes in Short Term Loans Payable

(dollars in thousands)	2024	2023
Beginning of year balance	\$151,422	\$102,305
Loans added	1,040,314	729,633
Principal payments	(987,136)	(680,516)
End of Year Balance	\$204,600	\$151,422

Loans Payable – SB84: California Senate Bill 84, Chapter 50, Statutes of 2017, authorized a one-time \$6 billion supplemental pension payment to CalPERS funded through a cash loan from the Surplus Money Investment Fund (SMIF). The \$6 billion loan amount will be repaid to SMIF via the State’s General fund and funds from other agency and department funds that are responsible for retirement contributions. Agencies and departments were allocated a loan liability amount of the \$6 billion based on their proportionate share of the State’s unfunded pension liability.

Beginning FY 2018-19, CalHFA recorded their proportionate share of the loan as reported by the State Controller’s Office as an Interfund Loan Payable. The principal balances as of June 30, 2024 and 2023 were \$0.4 million and \$1.2 million, respectively. A tentative repayment schedule through 2030 has been provided by the Department of Finance (DOF). Each year loan repayments are allocated as a percentage of total current retirement contributions of each agency and department fund. Although the Agency has no collateral pledged directly to the interfund loan, SB84 authorizes the California Department of Finance to instruct the California State Controller’s Office to withdraw the annual payment amount from Agency funds on deposit in SMIF. There is no subjective acceleration or termination clause for the interfund loan.

The table below shows the estimated schedule of the Agency's share of principal and interest (P&I) loan payments through 2025. A breakout of annual interest is unavailable:

SB84 Loan Repayment

(dollars in thousands)	P&I Payments
2025	\$794
	\$794

NOTES TO FINANCIAL STATEMENTS

Conduit Debt Obligations: Beginning in 2009, the Agency issued conduit housing revenue debt obligations to provide financial assistance for the acquisition, construction, and development of multifamily rental housing. They are limited obligations of the Agency, payable solely from the revenues and other funds and money pledged and assigned under the applicable indenture, series indenture, master pledge and assignment, or funding loan agreement. The Agency will not assume liability for the debt service of the conduit issues in the event of default.

The Agency had 258 series of conduit debt obligations aggregating \$6.2 billion as of June 30, 2024, and 239 series of conduit debt obligations aggregating \$5.5 billion as of June 30, 2023. For the years ended June 30, 2024 and 2023, the Agency initially issued \$1.5 billion and \$1.4 billion in conduit debt obligations, respectively. The aggregate balances as of June 30, 2024 and 2023 include draws from previously issued draw-down conduits offset by maturities and redemptions.

The Agency may collect amounts from borrowers for application processing, issuance fees, administration fees, special issuer fees, unearned revenue-prepaid administration fees and California Debt Limit Allocation Committee (CDLAC) performance fees. If the conduit debt obligations are issued, the CDLAC performance fees are returned. For the year ended June 30, 2024, the Agency collected \$1.9 million in issuance fees and \$2.2 million in administration fees. The cumulative balance of unearned revenue – prepaid administrative fees as of June 30, 2024 was \$1.3 million. For the year ended June 30, 2023, the Agency collected \$1.8 million in issuance fees, and \$1.8 million in administration fees. The cumulative balance of unearned revenue – prepaid administrative fees as of June 30, 2023 was \$0.9 million.

Objective of the Interest Rate Swaps: In order to protect against rising rates, the Agency primarily entered into swaps to establish synthetic fixed rates for a like amount of the Agency's variable rate bond obligations. The majority of the Agency's interest rate swap transactions were structured for the Agency to pay a fixed interest rate while receiving a variable interest rate (fixed payer swaps) and exceptions are listed under Basis Risk Associated with Interest Rate Swaps. Synthetic fixed rates provide the Agency with a significantly lower fixed cost of funds compared to issuing fixed-rate bonds; however, the increased risks related to the synthetic fixed rates have the effect of increasing costs to the Agency. The Agency has redeemed all outstanding variable rate debt as of June 30, 2021. All associated fixed payer and basis derivative contracts were terminated during Fiscal Year 22-23.

NOTES TO FINANCIAL STATEMENTS

Objective of Forward Swaps: Beginning Fiscal Year 18-19, the Agency entered into the forward swaps agreements for its Multifamily Program (MF). These forward swaps are to hedge against the change in interest rates over the two-to-four-year period between the loan rate commitment for MF projects for construction conversion and the bond rate at issuance for bonds backed by the MF project permanent loans. No forward swap payments or receipt of funds occur until the mandatory termination date of the forward swap at the conversion of the construction loan to a permanent funding loan. The following table outlines the outstanding forward swap agreements as of June 30, 2024 (dollars in thousands):

Project Name	Swap Type	Fixed Rate	Floating Rate Received by Agency	Termination Date	Maturity Date	Notional	
		Paid by Agency				Outstanding	Fair Value
Elm Lane	Forward	1.90%	100.00% of FedFunds	1/1/2025	1/1/2039	\$24,700	\$4,995
California Grand Manor	Forward	2.81%	100.00% of SOFR	5/1/2025	5/1/2040	4,270	507
Sarah's Court	Forward	2.81%	100.00% of SOFR	6/1/2025	6/1/2040	3,925	452
Kiku	Forward	1.06%	58.31% of FedFunds	7/1/2025	1/1/2047	72,048	11,419
College Creek	Forward	1.89%	100.00% of FedFunds	8/1/2025	2/1/2040	19,300	3,838
Vista Woods	Forward	1.89%	100.00% of FedFunds	8/1/2025	3/1/2040	24,100	4,809
Marina Village	Forward	1.84%	100.00% of FedFunds	8/8/2025	5/1/2047	12,600	3,279
Monroe Street	Forward	2.89%	100.00% of FedFunds	8/29/2025	9/1/2040	7,690	756
Dunes Monterey Bay	Forward	3.11%	100.00% of SOFR	11/1/2025	11/1/2040	12,860	952
Alamo	Forward	2.94%	100.00% of SOFR	12/1/2025	12/1/2046	26,520	2,844
Kelsey Ayer	Forward	2.84%	100.00% of SOFR	1/1/2026	12/1/2043	9,315	1,052
Anton	Forward	3.39%	100.00% of SOFR	2/1/2026	5/1/2026	15,735	884
Mainline North Apts.	Forward	3.03%	100.00% of SOFR	3/1/2026	3/1/2041	10,720	863
Serra Apartments	Forward	3.03%	100.00% of SOFR	3/1/2026	3/1/2041	18,840	1,680
Shiloh Crossing	Forward	3.03%	100.00% of SOFR	3/1/2026	3/1/2041	14,145	1,262
The Bluffs at 44th	Forward	4.05%	100.00% of SOFR	4/15/2026	9/15/2041	8,850	(165)
8181 Allison	Forward	3.03%	100.00% of SOFR	5/1/2026	5/1/2041	13,840	1,133
Alves Lane	Forward	3.03%	100.00% of SOFR	5/1/2026	5/1/2041	12,940	1,029
Mirasol Village Block D	Forward	3.03%	100.00% of SOFR	5/1/2026	5/1/2041	9,280	819
515 Pioneer	Forward	2.63%	100.00% of SOFR	5/1/2026	4/1/2049	14,815	2,171
Fiddymment	Forward	2.63%	100.00% of SOFR	5/1/2026	4/1/2049	18,170	2,662
La Vista	Forward	2.63%	100.00% of SOFR	5/1/2026	4/1/2049	13,875	2,033
1178 Sonora Court	Forward	4.07%	100.00% of SOFR	4/1/2027	8/1/2042	17,940	(367)
1400 Long Beach	Forward	4.07%	100.00% of SOFR	5/1/2027	10/1/2042	14,690	(298)
Devonwood Apts.	Forward	4.07%	100.00% of SOFR	5/1/2027	10/1/2042	7,475	(152)
Demaree Street Apts	Forward	3.90%	100.00% of SOFR	5/1/2027	4/1/2051	10,450	(238)
Stevens Creek Promenade	Forward	3.90%	100.00% of SOFR	5/1/2027	4/1/2051	19,380	(442)
The Gardens at Bella Breeze	Forward	3.90%	100.00% of SOFR	5/1/2027	4/1/2051	10,165	(232)
						\$448,638	\$47,545

NOTES TO FINANCIAL STATEMENTS

Terms, Fair Value and Credit Risk: The terms and fair values of the outstanding fixed payer swaps as of June 30, 2024 are summarized in the table at the beginning of this note. The terms and fair values of the outstanding basis swaps are summarized in the table under Basis Risk.

The fair value of the swaps is reported as “Derivative swap asset” within “Other assets” or as “Derivative swap liability” within “Other liabilities” in the statement of net position. The accumulated decrease or increase in the fair value of the effective swaps is reported as “Accumulated decrease in fair value of hedging derivatives” within “Deferred outflows of resources” or “Accumulated increase in fair value of hedging derivatives” within “Deferred inflows of resources” in the statement of net position. As of June 30, 2024, only forward swaps were classified as effective hedging derivatives. Alternatively, the gain or loss on the fair value of the ineffective swaps is reported as “Investment swap revenue” within “Other revenues” in the statement of revenues, expenses and changes in net position.

The Agency did not pay or receive any cash when swap transactions were initiated except for in-substance assignments. For the year ended June 30, 2024 and 2023, all single family and multi-family fixed payer swaps were considered investment derivatives due to no longer meeting the criteria for effective hedges. All of the Agency's fixed payer and basis swaps were terminated by June 30, 2023.

The following table summarizes the swap fair value activity in the statement of net position as of June 30, 2024 and 2023 and the statement of revenues, expenses and changes in net position for the years ended June 30, 2024 and 2023:

Statement of Net Position

(dollars in thousands)

	2024	2023
Derivative swap asset	\$47,545	\$26,274
Derivative swap liability	—	—
Statement of Revenue, Expenses and Changes in Net position		
Investment swap revenue (fair value)	—	\$21,777

As of June 30, 2024, the Agency has interest rate swap agreements with 3 swap counterparty guarantors for its forward swap agreements. None of the Agency's forward rate swap agreements require the Agency to post collateral based on its general obligation credit ratings. Cash collateral and securities collateral are reported as “Current assets: Other Assets” and “Noncurrent assets: Investments,” respectively, in the statement of net position. As of June 30, 2024 and 2023, the Agency has no posted fair value of mortgage-backed securities as collateral with forward swap counterparties, and no cash was posted as collateral with swap counterparties.

The Agency's forward swap agreements had an aggregate fair value of \$47.5 million as of June 30, 2024 and \$26.3 million million for aggregate fixed-payer, basis and forward swaps as of June 30, 2023. The ineffective negative fair value is reflected as a derivative swap liability. Fair values are estimated using the zero-coupon method as reported by Bloomberg data service. This zero-coupon method calculates the future net settlement payments required by the swap, assuming the current forward rates implied by the yield curve correctly anticipate future spot interest rates.

These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps. The swaps are classified in Level 2 of the fair value hierarchy. Level 2 is described in the Cash, Cash Equivalents and Investments note.

As of June 30, 2024, the Agency's swap portfolio had an aggregate asset position of \$47.5 million. This represents the maximum loss that would be reported at the reporting date if all counterparties failed to perform as contracted.

The following table shows the total number of the Agency’s fixed payer, basis and forward swaps with outstanding notional amounts by the counterparties’ respective credit ratings as of June 30, 2024:

Counterparties Credit Ratings

(dollars in thousands)

	Moody's	Standard & Poors	Outstanding Notional Amount	Number of Swap Transactions
	Aa2	AA-	\$107,883	3
	Aa2	A+	340,755	25
Total			\$448,638	28

Interest Rate Risk: The Agency was not exposed to interest rate risk as all fixed payer and basis swaps were terminated by June 30, 2023.

Basis Risk: All of the Agency’s interest rate swaps contain an element of basis risk, the risk that the floating rate component of the swap will not match the floating rate of the underlying bonds. This risk arises because floating rates paid by swap counterparties are based on indices, which consist of market-wide averages, while interest paid on the Agency’s variable rate bonds is specific to individual bond issues.

Multiple swap formulas have been used by the Agency. For the Agency’s forward swaps, the formulas for the swap portfolio utilized either the Secured Overnight Financing Rate (SOFR) or the Effective Federal Fund Rate (EFFR). As of June 30, 2024, rates for the SOFR and EFFR were 5.33% and 5.33%, respectively. The swap formulas will continue to be monitored for effectiveness in case the Agency chooses to enter into any future interest rate swaps.

Termination Risk: Counterparties to the Agency’s forward swap agreements have ordinary termination rights that require settlement payments by the Agency or the counterparty based on the fair value of the swap at the date of termination.

Right to Terminate Following Event of Default: If either an Illegality or a Tax Event occurs and there is only one Affected Party, the Affected Party will use all reasonable efforts to transfer within 20 days after it gives notice all its rights and obligations under the agreement to another of its Offices or Affiliates so that such Termination Event ceases to exist.

Rollover Risk: The Agency is exposed to rollover risk on forward swaps that are hedges of future market rates for housing bonds. If these forward swaps are terminated prior to the date of the future interest rate contracts for loans underlying future bond issuance, the Agency could be re-exposed to the risks being hedged by the swaps.

NOTES TO FINANCIAL STATEMENTS

Compensated absences: The liability for compensated absences related to accumulated vacation and annual leave totaled \$2.9 million and \$2.8 million for fiscal year ended June 30, 2024 and 2023, respectively. Changes and balances in compensated absences for the years ended June 30, 2024 and 2023 are as follows:

Changes and Balances in Compensated Absences

(dollars in thousands)	2024	2023
Beginning of year balance	\$2,756	\$2,993
Increase	310	168
Decrease	(130)	(405)
End of Year Balance	\$2,936	\$2,756
Current portion	200	200
Noncurrent portion	2,736	2,556
Total	\$2,936	\$2,756

Lease liabilities: To comply with the GASB 87 pronouncement, the Agency has recognized a lease liability and a right-to-use lease asset. The lease liability is measured at the present value of payments expected to be made during the lease term, and it is reduced by lease payments (less amount for interest expense). See Note 6 – Capital Assets for more information. Changes and balances of lease liabilities for the years ended June 30, 2024 and 2023 are as follows:

Changes and Balances of Lease Liabilities

(dollars in thousands)	2024	2023
Beginning of year balance	\$23,547	\$25,793
Increase	—	—
Decrease	(1,932)	(2,246)
End of Year Balance	\$21,615	\$23,547
Current portion	2,018	1,932
Noncurrent portion	19,597	21,615
Total	\$21,615	\$23,547

The table below provides a summary of lease payment requirements for the next five years and in five-year increments thereafter:

Lease Payment Requirements

(dollars in thousands)	Principal Payments	Interest Payments	Total
2025	\$2,018	\$311	\$2,329
2026	2,107	279	2,386
2027	2,199	247	2,446
2028	2,294	213	2,507
2029	2,392	179	2,571
2029-2033	10,605	333	10,938
Total	\$21,615	\$1,562	\$23,177

Unearned revenues: Fiscal Year 2023-24 unearned revenues include \$1.2 million for administration fees collected in advance, \$24.1 million for Accessory Dwelling Unit Grant Program, \$67.6 million for Forgivable Equity Builder Loan Program, and \$225.6 million for National Mortgage Settlement Program. Changes and balances of unearned revenue for the years ended June 30, 2024 and 2023 are as follows:

Changes and Balances of Unearned Revenues

(dollars in thousands)

	2024	2023
Beginning of year balance	\$341,263	\$277,717
Increase	42,382	192,915
Decrease	(65,191)	(129,369)
End of Year Balance	\$318,454	\$341,263

Deposits and other liabilities: As of June 30, 2024, the current deposits and other liabilities contains deposits, bad debt reserves, and accounts payable. The non-current other liabilities are comprised of derivative swap liabilities. The following table shows the changes of other liabilities for fiscal years ended June 30, 2024 and 2023:

Changes and Balances of Other Liabilities

(dollars in thousands)

	2024	2023
Beginning of year balance	\$234,879	\$271,753
Increase	2,875,229	3,705,041
Decrease	(2,869,762)	(3,741,915)
End of Year Balance	\$240,346	\$234,879
Current portion	\$240,346	\$234,879
Non-current portion	—	—
Total	\$240,346	\$234,879

NOTE 8 – NON-MORTGAGE INVESTMENT AND MORTGAGE YIELD

In accordance with Federal law, the Agency is required to rebate to the Internal Revenue Service (IRS) the excess of the amount earned on all non-mortgage investments (derived from investing the bond proceeds) over the amount that would have been earned had those investments borne a rate equal to the yield on the bond issue, plus any income attributable to such excess. As of June 30, 2024 and 2023, the Fund had no rebate liabilities to IRS. The Agency has identified all bond series that were issued as variable rate plans of finance and subject to review and monitoring of mortgage yield excess. As of June 30, 2024 and 2023 the Fund had no mortgage yield excess liability to the IRS. Any liabilities would be reported in the statements of net position as “Due to IRS” within “Due to other government entities.” The net effects of changes in the liability would be recorded as increases in “Interest income: Program loans” in the statements of revenues, expenses and changes in net position. The Agency will continue to monitor the status of mortgage yield compliance to mitigate further liability.

NOTE 9 – PENSION PLAN

Plan Description, Benefits Provided and Employees Covered: The Agency employees are enrolled in the State of California Miscellaneous Plan (Plan), an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). The Plan is included in the Public Employee's Retirement Fund A (PERF A) PERF is comprised of and reported as PERF A, PERF B, and PERF C for accounting purposes. CalPERS acts as a common investment and administrative agent for participating public entities within the State and uses the accrual basis of accounting. The State is considered the employer and the Agency is a component unit of the State. Benefit provisions and all other requirements are established by state statute. All state agencies are considered collectively to be a single employer, and the actuarial present value of vested and non-vested accumulated plan benefits attribute to the Agency's employees is determined as Agency's percentage of the State as a single employer. Similarly, the net position available for benefits of the Agency employees is determined as the Agency's percentage of the State. A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions, and membership information are listed in the June 30, 2022 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. CalPERS issues a separate annual comprehensive financial report that includes financial statements and required supplementary information. CalPERS' annual financial report and the Annual Actuarial Valuation Report may be obtained via the internet at www.calpers.ca.gov under Forms and Publications.

GASB 68 Accounting Valuation Reports: The State requested CalPERS GASB 68 Accounting Valuation Reports for the Plan. Copies of these reports may be obtained from the State Controller's Office, Division of Accounting and Reporting.

Contributions: Generally, full time employees are eligible to participate as members of CalPERS and are eligible to retire at age 50 with at least five years of service or age 55 with at least ten years of service, depending on the plan selected by the employee. Employees hired after January 1, 2013, must be at least age 52 to retire. Annual retirement benefits are determined based on age at retirement, length of membership service, and the amount of earnings based on the highest or last 12 or 36 consecutive months' average. Health care and dental benefits may be provided to members depending on the date hired and the years of credited service of a member. If members are not fully vested, the health care and dental contributions are prorated based of the years of service.

The Fund's Active Employee Pension Benefit contribution rates were 30.87% for fiscal year ended June 30, 2024, and 30.71% for the years ended June 30, 2023. The number of Active employees covered by the benefit terms is 183 and 170 for the years ended in June 30, 2024 and June 30, 2023 respectively.

Pension Liabilities, Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions: As of June 30, 2024 and 2023, the Fund reported a liability of \$38.5 million and \$39.7 million, respectively, for its proportionate share of the State's net pension liability. The net pension liabilities were measured as of June 30, 2023 and 2022 and were based on the Fund's pensionable compensation as a percentage of the State's total pensionable compensation. As of June 30, 2023 and 2022, the Fund's proportionate share was 0.100% and 0.105%, respectively.

NOTES TO FINANCIAL STATEMENTS

The Fund recognized pension expense of \$3.6 million for FY 2023-24 and negative \$3.1 million for FY 2022-23. As of June 30, 2024, and 2023, the Fund reported deferred outflows of resources and deferred inflows of resources related to pensions for the following sources:

Pension-Deferred Inflows/Outflows (dollars in thousands)	2024 Deferred Outflows of Resources	2024 Deferred Inflows of Resources	2023 Deferred Outflows of Resources	2023 Deferred Inflows of Resources
Differences between expected & actual experience	\$1,844	\$598	\$628	899
Net differences between projected & actual earnings on pension plan investments ¹	4,659	—	5,176	—
Differences between Fund contributions & proportionate share of contributions	5	1,556	10	942
Changes in proportion	—	2,347	—	3,112
Changes of assumptions	1,998	—	3,006	—
Fund contributions subsequent to the measurement date	5,387	—	4,923	—
Total	\$13,893	\$4,501	\$13,743	\$4,953

¹ Deferred outflows of resources and deferred inflows of resources arising from differences between projected and actual pension plan investments earnings in different measurement periods were aggregated and reported as a net deferred outflow or inflow.

As of June 30, 2024, the \$5.4 million reported as deferred outflows of resources related to pensions resulting from Fund contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30

(dollars in thousands)

	Deferred Outflows/Inflows of Resources
2025	\$316
2026	528
2027	3,073
2028	88
Total	\$4,005

NOTES TO FINANCIAL STATEMENTS

Actuarial Assumptions: For the measurement period ended June 30, 2023, the total pension liability was determined by rolling forward the June 30, 2022 total pension liability. The June 30, 2023 total pension liability was based on the following actuarial assumptions:

Actuarial Methods and Assumptions	2023
Inflation	2.30%
Salary increases	Varies by entry age and service
Investment rate of return	6.8% net of pension plan investment and administrative expenses; includes inflation
Postretirement benefit increase	The lesser of contract COLA or 2.30% until purchasing power protection allowance floor on purchasing power applies, 2.30% thereafter

For the measurement period ended June 30, 2022, the total pension liability was determined by rolling forward the June 30, 2021 total pension liability. The June 30, 2022 total pension liabilities were based on the following actuarial assumptions:

Actuarial Methods and Assumptions	2022
Inflation	2.30%
Salary increases	Varies by entry age and service
Investment rate of return	7.0% net of pension plan investment and administrative expenses; includes inflation
Postretirement benefit increase	The lesser of contract COLA or 2.30% until purchasing power protection allowance floor on purchasing power applies, 2.30% thereafter

For the measurement periods ended June 30, 2023 and 2022, the mortality tables were developed based on CalPERS' specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS 2021 experience study report from November 2021 that can be obtained via the internet at www.calpers.ca.gov under Forms and Publications.

Long-term Expected Rate of Return: The long term expected rate of return on pension plan investments was determined using a building-block method in which best- estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

NOTES TO FINANCIAL STATEMENTS

The following table reflects expected real rate of returns by asset class for the measurement period ended June 30, 2023:

Asset Class ¹	Assumed Asset Allocation	Real Return ^{1,2}
Global Equity - Cap-weighted	30.0 %	4.54 %
Global Equity - Non-Cap-weighted	12.0	3.84
Private Equity	13.0	7.28
Treasury	5.0	0.27
Mortgage-backed Securities	5.0	0.50
Investment Grade Corporates	10.0	1.56
High Yield	5.0	2.27
Emerging Market Debt	5.0	2.48
Private Debt	5.0	3.57
Real Assets	15.0	3.21
Leverage	(5.0)	(0.59)
	<u>100 %</u>	

¹ An expected inflation of 2.30% used for this period.

² Figure are based on the 2021 Asset Liability Management study.

The following table reflects expected real rate of returns by asset class for the measurement period ended June 30, 2022:

Asset Class ¹	Assumed Asset Allocation	Real Return ^{1,2}
Global Equity - Cap-weighted	30.0 %	4.54 %
Global Equity - Non-Cap-weighted	12.0	3.84
Private Equity	13.0	7.28
Treasury	5.0	0.27
Mortgage-backed Securities	5.0	0.50
Investment Grade Corporates	10.0	1.56
High Yield	5.0	2.27
Emerging Market Debt	5.0	2.48
Private Debt	5.0	3.57
Real Assets	15.0	3.21
Leverage	(5.0)	(0.59)
	<u>100 %</u>	

¹ An expected inflation of 2.30% used for this period.

² Figure are based on the 2021 Asset Liability Management study.

NOTES TO FINANCIAL STATEMENTS

Discount Rate: The discount rate used to measure the total pension liability for the measurement periods ended June 30, 2023 and 2022 was 6.90% and 6.90%, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Sensitivity of the Fund's Proportionate Share of the Net Pension Liability to Changes in Discount Rate: The following presents the Fund's proportionate share of the net pension liability as of the June 30, 2023 measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

Changes in Discount Rate (dollars in thousands)	Discount Rate – 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Fund's Net Pension Liability	\$55,842	\$38,486	\$23,996

The following presents the Fund's proportionate share of the net pension liability as of the June 30, 2022 measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

Changes in Discount Rate (dollars in thousands)	Discount Rate – 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Fund's Net Pension Liability	\$57,151	\$39,718	\$25,164

Pension Plan Fiduciary Net Position: As of June 30, 2023 and 2022, the Plan's fiduciary net position was \$101.1 billion and \$95.4 billion, respectively. Detailed information about PERF A's fiduciary net position is available via the internet at www.calpers.ca.gov under Forms and Publications.

Payable to the Pension Plan: As of June 30, 2023 and 2022, the Fund did not report any payables related to pension contributions.

Subsequent Events: During the time period between the valuation date and publication of the CalPERS GASB 68 Accounting Valuation Reports, price inflation has been higher than the assumed rate of 2.3% per annum. Since inflation influences cost of living adjustments for retirees and beneficiaries and active member pay increases, higher inflation is likely to put at least some upward pressure on the pension expense and the net pension liability in future valuations. The actual impact of higher inflation on future valuation results will depend on, among other factors, how long higher inflation persists. At this time, we continue to believe the long-term price inflation assumption of 2.3 per annum is appropriate.

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan description: The Agency's employees are provided with OPEB through California Employer's Retiree Benefit Trust Fund (CERBTF) which is a trust for employers to pre-fund health, dental, and other non-pension post-employment benefits. CERBTF was established by Chapter 331 of the 1988 Statutes and is an agent multiple-employer plan administered by CalPERS. The purpose of the fund is to receive contributions from participating employers and establish separate employer prefunding accounts to pay for health care or other post-employment benefits in accordance with the terms of the participating employers' plans.

CalPERS administers OPEB benefits for the Agency's retirees including medical, prescription drug and dental benefits (healthcare benefits) through a single-employer defined benefit plan. These OPEB benefits are partially pre-funded through the Agency's participation in CERBTF. Retirees pay the portion of premiums for these benefits exceeding the State's 100/90 percent contribution formula. Other OPEB offered but not funded through CERBTF include vision benefits, life insurance, and long term care insurance.

Post-retirement health care benefits are also provided to CalHFA employees through the programs sponsored by the State as administered by CalPERS and the California Department of Human Resources (CalHR). The Agency's Net OPEB Obligation (NOO) was \$52.0 million and \$44 million for the years ended June 30, 2024 and 2023, respectively. The allocated contribution of OPEB from the Fund was \$2.7 million and \$2.1 million for the years ended June 30, 2024 and 2023. CalPERS issues a publicly available Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information for the OPEB.

Benefits: As the post-retirement health care plan is sponsored by the state it is considered a single-employer plan. CalHFA is considered a component unit of the State. Health care and dental benefits may be provided to the members depending on the date hired and the member's years of credited service. Post-retirement health benefits include medical, prescription drug, and dental benefits, and are currently funded on a pay-as-you-go basis. Employer contributions for retiree health premiums during the Fiscal Year 2023-24 maintained the 100/90 percent contribution formula established by Government Code for employees hired prior to 2017. Under this formula, the State uses 100 percent of weighted average premiums of the four largest health benefit plans to calculate the maximum amount the State will contribute towards the retiree's health benefits. The State also contributes 90 percent of this average for the health benefits of each of the retiree's dependents. The retiree is responsible for paying all health benefit plan costs that exceed the average of the four largest benefit plans. Under the 100/90 percent contribution formula the monthly estimated contribution is \$983 for a single enrollee, \$1,890 for an enrollee and one dependent, and \$2,366 for an enrollee and two or more dependents. Dental care premiums vary by plan and number of dependents. The contribution formulas are subject to approval and amendment by the State Legislature. If members are not fully vested, the health care and dental contributions are prorated based on the years of service.

NOTES TO FINANCIAL STATEMENTS

For employees hired post 2016, the State maintains an 80/80 percent contribution utilizing 80 percent of weighted average premiums of the four largest health benefit plans to calculate the maximum amount the State will contribute towards the retiree's health benefits. The State also contributes 80 percent of this average for the health benefits of each of the retirees dependents. The retiree is responsible for paying all health benefit plan costs that exceed the average of the four largest benefit plans. Under the 80/80 percent contribution formula the monthly estimated contribution is \$747 for a single enrollee, \$1,492 for an enrollee and one dependent, and \$1,936 and enrollee and two or more dependents. Dental care premiums vary by plan and number of dependents. The contribution formulas are subject to approval and amendment by the State Legislature. If members are not fully vested, the health care and dental contributions are prorated based on the years of service.

Contributions: The State and employees in all bargaining units have agreed to pre-fund retiree healthcare benefits. The State and all active members make contributions into each respective employee group. The Agency contributed \$0.5 million for employer CERBT pre-funding and \$1.8 million for current retiree pro-rata for the fiscal year ending June 30, 2024 for a total of \$2.3 million. For the fiscal year ending June 30, 2023, the Agency contributed \$1.7 million for retiree pro-rata and \$0.5 million for employer CERBT pre-funding for a total of \$2.2 million.

OPEB Liabilities, OPEB expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB: Entries for the fiscal year ending June 30, 2024 are calculated based on the June 30, 2023 actuarial valuation report (AVR) measurement. The AVR is available on the State Controller's Office (SCO) website www.sco.ca.gov. At June 30, 2024, the Agency reported a liability of \$52.0 million for its proportionate share of the net OPEB liability. The Agency's proportion of the net OPEB liability was based on a projection of the Agency's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At the measurement date of June 30, 2023, the Agency's proportion was 0.061 percent of the total State net OPEB liability, including Agency non participatory bargaining units.

For FY 2023-24, the Agency recognized OPEB expense of \$6.6 million. The SCO's policy is to fully expense each year's proportionate share change adjustment. The Agency followed this policy and fully expensed its' proportionate share change adjustment. The Agency contributed \$2.3 million in FY 2023-24 which was after the measurement date of June 30, 2023. This contribution is reported in FY 2023-24 as deferred outflows of resources related to OPEB and will be recognized as a deduction of net OPEB liability in the year ended June 30, 2025.

NOTES TO FINANCIAL STATEMENTS

At June 30, 2024 and 2023 the Agency reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

OPEB Related Deferred Outflow/Inflow of Resources (dollars in thousands)	2024 Deferred Outflow of Resources	2024 Deferred Inflow of Resources	2023 Deferred Outflow of Resources	2023 Deferred Inflow of Resources
Recognition of Contribution after Measurement Date	\$2,274	—	\$2,155	—
Recognition due to Non-investment Experience	2,679	4,175	1,941	5,124
Recognition due to Investment Experience	227	—	281	—
Recognition due to Assumption Changes	2,682	8,772	2,661	10,137
Recognition due to Proportion Changes	—	—	—	—
Recognition due to Contribution Changes	—	—	—	—
Total	\$7,862	\$12,947	\$7,038	\$15,261

Of the total amount reported as deferred outflows of resources related to OPEB, \$2.3 million resulting from direct contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Fiscal Year Ending June 30 (dollars in thousands)	Deferred Outflow/Inflow Recognized as OPEB Expense
2025	(\$2,104)
2026	(1,275)
2027	(1,239)
2028	(1,289)
2029	(1,088)
Thereafter	(364)
Total	(\$7,359)

NOTES TO FINANCIAL STATEMENTS

Actuarial Methods and Assumptions: The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Methods and Assumptions	2023
Inflation	2.30%, compounded annually
Wage inflation	2.80%, compounded annually
Investment rate of return	6.00%, net of OPEB plan investment expenses other than administrative Pre-Medicare coverage – Actual increases for 2024, increasing to 7.00% in 2025 grading down to 4.50% for 2030 and to 2038, then to 4.25% for 2039 and later years
Healthcare cost trend rates	Post-Medicare coverage – Actual rates for 2024 increasing to a range of 7.00%-7.66% in 2024, then grading down to 4.50% for 2030 - 2038, and 4.25% for 2039 and later years. Dental coverage – 0.23% for 2024, 2.00% for 2025, 3.00% for 2026, 4.00% for 2027 and 4.25% for 2028 and later years.
Mortality rates	Derived using CalPERS' membership data for all membership. The CalPERS' Experience Study can be obtained from CalPERS' website, at www.CalPERS.ca.gov .
Actuarial Cost Method	Individual entry age normal in accordance with the requirements of GASB 75 Healthcare related assumptions are based on the 2023 review for the period from 2018 to 2022. The actuarial valuation report can be obtained from the State Controller's website at www.SCO.ca.gov .
Actuarial study period	CalPERS 2022 Experience Study was for the period from 2018 to 2022. The Experience Study report is available at www.CalPERS.ca.gov .

The long-term expected rate of return on OPEB plan investments was determined by Gabriel, Roeder, Smith & Company using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. Expected compound (geometric) real returns were calculated over a closed period. Based on separate expected real returns for the short-term (first 5 years) and the long-term (6-20 years), and an average inflation assumption of 2.30%, a single expected nominal return rate of 6.00% was calculated for the combined short-term and long-term periods.

The following table reflects the long-term expected real rate of return by asset class as of the June 30, 2023 valuation date:

Asset Class	Current Target % Allocation	Real Return Years 1-10	Real Return Years 11 - 60
Global Equity	49.0%	4.40%	4.50%
Fixed Income	23.0	(1.00)	2.20
Treasury Inflation-Protected Securities	5.0	(1.80)	1.30
Real Estate Investment Trusts	20.0	3.00	3.90
Commodities	3.0	0.80	1.20
Source: CalPERS	<u>100%</u>		

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Methods and Assumptions	2022
Inflation	2.30%, compounded annually
Wage inflation	2.80%, compounded annually
Investment rate of return	6.00%, net of OPEB plan investment expenses other than administrative
	Pre-Medicare coverage – Actual increases for 2023, increasing to 7.00% in 2024 grading down to 4.50% for 2029 and to 2037, then to 4.25% for 2038 and later years
Healthcare cost trend rates	Post-Medicare coverage – Actual rates for 2023 increasing to a range of 7.00%-8.06% in 2024, then grading down to 4.50% for 2029 - 2037, and 4.25% for 2038 and later years. Dental coverage – 0.03% for 2023, 2.00% for 2024, 3.00% for 2025, 4.00% for 2026 and 4.25% for 2027 and later years.
Mortality rates	Derived using CalPERS' membership data for all membership. The CalPERS' Experience Study can be obtained from CalPERS' website, at www.CalPERS.ca.gov .
Actuarial Cost Method	Individual entry age normal in accordance with the requirements of GASB 75
	July 1, Healthcare related assumptions are based on the 2018 review for the period from 2014 to 2018. The actuarial valuation report can be obtained from the State Controller's website at www.SCO.ca.gov .
Actuarial study period	CalPERS 2021 Experience Study was for the period from 2000 to 2019. The Experience Study report is available at www.CalPERS.ca.gov .

The long-term expected 6.00% rate of return on OPEB plan investments was determined using CalPERS strategy as disclosed in CalPERS OPEB assumption model for the June 30, 2022 measurement date:

Asset Class	Current Target % Allocation	Real Return Years 1-10	Real Return Years 11 - 60
Global Equity	49.0%	4.40%	4.50%
Global Fixed Income	23.0	(1.00)	2.20
Inflation Sensitive	5.0	(1.80)	1.30
Real Estate	20.0	3.00	3.90
Commodities	3.0	0.80	1.20
	<u>100%</u>		

The Real Return Years 1-10 used an expected inflation rate of 1.75% for this period. The Real Return Years 11-60 used an expected inflation rate of 2.67% for this period.

NOTES TO FINANCIAL STATEMENTS

Discount rate: The blended discount rate used to measure the total OPEB liability consists of the 20-year Municipal G.O. Bonds AA Index rate of 3.86% as reported by Fidelity as of June 30, 2023 if pre-funding assets are not available to pay benefits, and 6.00% if pre-funding assets are available to pay benefits. For measurement date of June 30, 2023, the cash flow projections used to calculate the blended discount rate were developed assuming that prefunding agreements in which actuarial determined normal costs are shared between employees and the State will continue and that the required contributions will be made on time and as scheduled in future years. Detailed information on the blended discount rates is available in the State of California Retiree Health Benefits Program GASB Nos. 74 and 75 Actuarial Valuation Report as of June 30, 2023, on the SCO's website, at www.SCO.ca.gov.

Sensitivity of the Fund's proportionate share of the net OPEB liability to changes in the discount rate: Based on the June 30, 2023 AVR measurement, the following presents the Fund's proportionate share of the net OPEB liability, as well as what the Fund's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current blended discount rate (from 3.690% - 4.174%) as of June 30, 2024 (dollars in thousands):

	1% Decrease (2.86% - 3.283%)	Baseline Discount Rate (3.86% - 4.283%)	1% Increase (4.86% - 5.283%)
Net OPEB Liability	\$60,677	\$51,954	\$44,655

Based on the June 30, 2022 AVR measurement, the following presents the Fund's proportionate share of the net OPEB liability, as well as what the Fund's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current blended discount rate (from 3.62% to 4.282%) as of June 30, 2023 (dollars in thousands):

	1% Decrease (2.690% - 3.174%)	Baseline Discount Rate (3.690% - 4.174%)	1% Increase (4.690% - 5.174%)
Net OPEB Liability	\$52,039	\$44,476	\$38,334

Sensitivity of the Fund's proportionate share of the net OPEB liability to changes in the healthcare cost trend rate: Based on the June 30, 2023 AVR measurement, the following presents the Fund's proportionate share of the net OPEB liability, as well as what the Fund's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rate that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates as of June 30, 2024 (dollars in thousands):

	1% Decrease 3.25%	Healthcare Cost Trend Rate 4.25%	1% Increase 5.25%
Net OPEB Liability	\$46,129	\$51,954	\$59,476

NOTES TO FINANCIAL STATEMENTS

Based on the June 30, 2022 AVR measurement, the following presents the Fund's proportionate share of the net OPEB liability, as well as what the Fund's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rate that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates as of June 30, 2023 (dollars in thousands):

	1% Decrease 3.25%	Healthcare Cost Trend Rate 4.25%	1% Increase 5.25%
Net OPEB Liability	\$37,752	\$44,476	\$53,039

OPEB plan fiduciary net position: Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CalPERS ACFR. The report can be found at www.CalPERS.ca.gov.

The following table shows the components of the Fund's allocated annual OPEB cost, the amount actually contributed to the plan and the net OPEB obligation as of and for the AVR measurement date of June 30, 2023:

Change in Net OPEB Liability (dollars in thousands)	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at 6/30/23	\$47,386	\$2,910	\$44,476
Changes for the Year			
Change in Proportionate Share	\$5,220	—	\$5,220
Service cost	1,750	—	1,750
Interest on total OPEB liability	2,188	—	2,188
Changes of assumptions	428	—	428
Benefit payments	(1,846)	—	(1,846)
Difference between Expected & Actual Experience	987	—	987
Employer PayGO	—	1,846	(1,846)
Employer pre funding	—	516	(516)
Active Member Contribution	—	516	(516)
Net investment income	—	217	(217)
Benefit payments	—	(1,846)	1,846
Net Changes	\$8,727	\$1,249	\$7,478
Ending Balance	\$56,113	\$4,159	\$51,954

NOTES TO FINANCIAL STATEMENTS

The following table shows the components of the Fund's allocated annual OPEB cost, the amount actually contributed to the plan and the net OPEB obligation as of and for the AVR measurement date of June 30, 2022:

Change in Net OPEB Liability (dollars in thousands)	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at 6/30/22	\$66,015	\$2,017	\$63,998
Changes for the Year			
Change in Proportionate Share	(\$12,551)	—	(\$12,551)
Service cost	2,084		2,084
Interest on total OPEB liability	1,469		1,469
Changes of assumptions	(10,207)		(10,207)
Benefit payments	(1,584)		(1,584)
Difference between Expected & Actual Experience	2,160		2,160
Employer PayGO		1,584	(1,584)
Employer pre funding		823	(823)
Active Member Contribution	—	436	(436)
Net investment income		(366)	366
Benefit payments		(1,584)	1,584
Net Changes	(\$18,629)	\$893	(\$19,522)
Ending Balance	\$47,386	\$2,910	\$44,476

NOTE 11 – COMMITMENTS

As of June 30, 2024, the Agency had no outstanding commitments to fund Homeownership Program loans and \$930.1 million in outstanding commitments to fund Multifamily Program loans. As of June 30, 2024, the Agency had no proceeds available from bonds issued to Homeownership Program loans and no proceeds available from bonds issued for Multifamily Program loans.

NOTE 12 – ARRANGEMENTS WITH CAHLIF

All operating and administrative expenses of the Agency are initially paid from the Fund including certain operating and administrative expenses in support of mortgage guarantee insurance programs which are reported in CaHLIF. Monthly, the Fund charges CaHLIF for these expenses and is reimbursed from premiums of policies still in force and the remaining amount is used to pay outstanding claims of the CaHLIF.

Effective March 1, 2003, CaHLIF entered into a reinsurance treaty and administrative services agreement with Genworth Insurance Corporation (Genworth). This agreement cedes to Genworth a 75% quota share of the insurance risk for most loans insured by CaHLIF and provides for certain administrative services to be performed by Genworth. Prior to February 2011, Genworth was paying the full amount of the loss (100%) to the insured and was billing the CaHLIF for its portion of the loss (25%) each month. Effective February 1, 2011, Genworth is paying for their portion of the loss (75%) directly to the insured and the CaHLIF is paying for its portion of the loss (25%) directly to the insured. As of June 30, 2024, there was no cash or investments remaining in CaHLIF to pay outstanding claims. The California Housing Finance Fund has written off foreclosed loans insured by CaHLIF. As of June 30, 2024, the allowance for loan loss reserve amount established under the Homeownership Programs indenture was \$51 thousand.

NOTE 13 – RISK MANAGEMENT

Through its business operations, the Fund is exposed to various risks of loss related to potential loan losses on program mortgages, fire, liability, and employee wrongdoing. To reduce risk of loss on program mortgages, the Fund has various types of mortgage insurance. At June 30, 2024, 39.09% of the Fund's Single Family Bond Program loans were VA, USDA Rural Development, or FHA guaranteed. Approximately 69.40% of the multifamily loan portfolio are either federally insured or guaranteed and/or are subject to HUD section 8 rental assistance subsidies administered by the Agency.

The Fund is a defendant in various legal proceedings arising in the normal course of business. In the opinion of management and its legal counsel, the ultimate resolution of these proceedings will not have a material adverse effect on the Fund's financial position. The Agency participates in the pool for worker's compensation insurance through the State of California Compensation Insurance Fund and is bonded against theft in the aggregate amount of \$3.6 million through a private insurance company. The Fund also pays an annual premium for Errors and Omissions (E&O) coverage and has a general liability and umbrella policy. There have been no significant settlements in excess of insurance coverage during the past three calendar years.

NOTE 14 – LITIGATION

Certain lawsuits and claims arising in the ordinary course of business have been filed or are pending against the Agency. Based upon information available to the Agency, its review of such lawsuits and claims and consultation with counsel, the Agency believes the liability relating to these actions, if any, would not have a material adverse effect on the Fund's financial statements.

NOTE 15 – RELATED PARTY TRANSACTIONS

CalHFA Homeowner Relief Corporation (CalHRC): On July 1, 2021 the Agency was contracted to provide administrative and support services to CalHFA HRC, a non-profit CalHFA Homeowner Relief Corporation (HRC) that administers the California Mortgage Relief Program funded from federal Housing Assistance Fund (HAF) monies. Previously the Agency distributed all HAF monies it received from the federal government to CalHRC as its subrecipient. The Agency will continue its administrative support services to CalHRC for the duration of the California Mortgage Relief Program.

NOTE 16 – SUBSEQUENT EVENTS

FHLB credit limit increase: On September 17, 2024 the FHLB Bank of San Francisco increased the Agency's credit limit to \$300 million, without change to agreement terms. As the higher limit is utilized, additional collateral in the form of MBS will be deposited with the FHLB.

AHRB bond issuance: On November 14, 2024, the Agency issued \$107.6 million in non-AMT bonds under the AHRB indenture for 2024 Series A. These bonds refinanced the FHLB credit line for multifamily project loans warehoused through FHLB loans.

REQUIRED SUPPLEMENTAL INFORMATION

Schedule of the Fund's Proportionate Share of Changes in the Net Pension Liability Pension - Miscellaneous Plan

For the Fiscal Year Ended June 30 (dollars in thousands)

	2024	2023	2022	2021	2020
TOTAL PENSION LIABILITY					
Fund's Proportion of the Net Pension Liability	0.100%	0.105%	0.106%	0.115%	0.129%
Change in Proportionate Share	(\$1,853)	(\$205)	(\$2,969)	(\$4,913)	(\$4,206)
Services Cost	2,571	2,562	2,345	2,434	2,638
Interest on Total Pension Liability	9,181	9,195	9,118	9,492	10,292
Changes of Benefit Terms	—	—	—	—	—
Changes of Assumptions	—	3,918	—	—	—
Difference Between Expected and Actual Experience	2,109	(1,172)	666	850	2,624
Benefit payments, Including Refunds of Employee Contributions	(7,582)	(7,538)	(7,261)	(7,459)	(7,994)
Net Change in Total Pension Liability	4,426	6,760	1,899	404	3,354
Total Pension Liability - Beginning ¹	192,541	185,781	183,882	183,478	180,124
Total Pension Liability - Ending	\$196,967	\$192,541	\$185,781	\$183,882	\$183,478
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$6,282	\$5,369	\$4,004	\$5,736	\$4,878
Contributions - Employee	1,146	1,136	984	1,152	1,218
Net Investment Income	5,884	(8,232)	20,453	4,739	6,667
Benefit Payments, Including Refunds of Employee Contributions	(7,582)	(7,538)	(7,261)	(7,460)	(7,994)
Net Plan to Plan Resource Movement	(2)	(3)	(2)	(5)	(2)
Administrative Expense	(70)	(68)	(92)	(135)	(74)
Other Miscellaneous Income/(Expense)	—	—	—	—	—
Net Change in Fiduciary Net Position	\$5,658	(\$9,336)	\$18,086	\$4,027	\$4,693
Plan Fiduciary Net Position - Beginning	\$152,823	\$162,159	\$144,073	\$140,046	\$135,353
Plan Fiduciary Net Position - Ending	\$158,481	\$152,823	\$162,159	\$144,073	\$140,046
Net Pension Liability ²	\$38,486	\$39,718	\$23,622	\$39,809	\$43,432
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.46%	79.37%	87.29%	78.35%	76.33%
Covered Payroll	\$15,511	\$15,472	\$13,681	\$15,551	\$16,674
Fund's net Pension Liability as a Percentage of Covered-Employee Payroll	248.12%	256.71%	172.66%	255.99%	260.48%

¹ Includes any beginning of year adjustment.

² Net pension liability is based on the measurement period of one year prior to the reporting period.

REQUIRED SUPPLEMENTAL INFORMATION

Schedule of The Fund's Proportionate Share of Changes in The Net Pension Liability (continued)

Pension - Miscellaneous Plan

For the Fiscal Year Ended June 30 (dollars in thousands)

	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY					
Fund's Proportion of the Net Pension Liability	0.143%	0.150%	0.161%	0.167%	0.173%
Change in Proportionate Share	(\$2,860)	(\$3,376)	(\$1,786)	(\$3,995)	—
Services Cost	2,785	2,898	2,679	2,631	2,642
Interest on Total Pension Liability	10,791	11,097	11,592	11,632	11,521
Changes of Benefit Terms	—	—	—	—	—
Changes of Assumptions	(1,963)	8,521	—	—	—
Difference Between Expected and Actual Experience	635	(582)	(163)	1,157	—
Benefit payments, Including Refunds of Employee Contributions	(8,360)	(8,378)	(8,584)	(8,507)	(8,398)
Net Change in Total Pension Liability	1,028	10,180	3,738	2,918	5,765
Total Pension Liability - Beginning ¹	179,096	168,916	165,178	162,260	156,495
Total Pension Liability - Ending	<u>\$180,124</u>	<u>\$179,096</u>	<u>\$168,916</u>	<u>\$165,178</u>	<u>\$162,260</u>
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$10,039	\$4,653	\$4,525	\$4,353	\$3,738
Contributions - Employee	1,240	1,269	1,286	1,287	1,330
Net Investment Income	8,733	11,020	545	2,511	17,978
Benefit Payments, Including Refunds of Employee Contributions	(8,360)	(8,378)	(8,584)	(8,507)	(8,398)
Net Plan to Plan Resource Movement	(2)	(4)	(2)	(1)	—
Administrative Expense	(160)	(148)	(67)	(128)	(150)
Other Miscellaneous Income/(Expense)	(305)	—	—	—	—
Net Change in Fiduciary Net Position	\$11,185	\$8,412	(\$2,297)	(\$485)	\$14,498
Plan Fiduciary Net Position - Beginning	\$124,168	\$115,756	\$118,053	\$118,538	\$104,040
Plan Fiduciary Net Position - Ending	\$135,353	\$124,168	\$115,756	\$118,053	\$118,538
Net Pension Liability ²	<u>\$44,771</u>	<u>\$54,928</u>	<u>\$53,160</u>	<u>\$47,125</u>	<u>\$43,722</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.14%	69.33%	68.53%	71.47%	73.05%
Covered Payroll	\$17,465	\$17,427	\$17,964	\$17,756	\$17,256
Fund's net Pension Liability as a Percentage of Covered-Employee Payroll	256.35%	315.19%	295.93%	265.40%	253.37%

¹ Includes any beginning of year adjustment.

² Net pension liability is based on the measurement period of one year prior to the reporting period.

REQUIRED SUPPLEMENTAL INFORMATION

Notes to Schedule of the Fund's Proportionate Share of Changes in the Net Pension Liability:

Fund's Proportion (percentage) of the Net Pension Liability: The Agency is a component unit of the State. All state agencies are considered collectively to be a single employer. The calculated percentage is based on the Fund's Share of the Pensionable compensation to the State's Total Pensionable Compensation amounts for Miscellaneous Plan, an Agent Multiple-Employer Defined Benefit Pension Plan.

Benefit Changes: The figures in the schedule include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Services Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

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REQUIRED SUPPLEMENTAL INFORMATION

Schedule of Fund Contributions Pension - Miscellaneous Plan

For the Fiscal Year Ended June 30 (dollars in thousands)

	2024	2023	2022	2021	2020
Contractually required contribution	\$5,141	\$4,746	\$4,445	\$3,991	\$4,787
Contribution in relation to contractually required contribution	(5,387)	(4,923)	(4,492)	(4,022)	(4,793)
Contribution deficiency (excess)	(\$246)	(\$177)	(\$47)	(\$31)	(\$6)
Fund's covered payroll	\$16,655	\$15,511	\$15,472	\$13,681	\$15,551
Contributions as a percentage of covered payroll	32.35%	31.74%	29.03%	29.40%	30.82%

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2022-23 were derived from the June 30, 2021 funding valuation report.

Actuarial Methods and Assumptions	Fiscal Year 2022-23
Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method/Period	For details, see June 30, 2021 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2021 Funding Valuation Report.
Inflation	2.3%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.8%
Investment Rate of Return	6.8% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.
Mortality	The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.

Other information: For the changes to previous years' information, refer to past Annual Comprehensive Financial Reports.

Schedule of Fund Contributions (continued)

Pension - Miscellaneous Plan

For the Fiscal Year Ended June 30 (dollars in thousands)

	2019	2018	2017	2016	2015
Contractually required contribution	\$4,861	\$4,892	\$4,636	\$4,506	\$4,357
Contribution in relation to contractually required contribution	(4,902)	(4,969)	(4,662)	(4,518)	(4,311)
Contribution deficiency (excess)	(\$41)	(\$77)	(\$26)	(\$12)	\$46
Fund's covered payroll	\$16,674	\$17,465	\$17,427	\$17,964	\$17,756
Contributions as a percentage of covered payroll	29.40%	28.45%	26.75%	25.15%	24.28%

REQUIRED SUPPLEMENTAL INFORMATION

Schedule of the Fund's Proportionate Share of the Net OPEB Liability OPEB Plan

For the Fiscal Year Ended June 30 ^{1, 2} (dollars in thousands)

	2024	2023	2022	2021
TOTAL OPEB LIABILITY				
Change in Proportionate Share	\$5,220	(\$12,551)	(\$2,980)	(\$6,383)
Service cost	1,750	2,084	2,337	2,265
Interest on total OPEB liability	2,188	1,469	2,047	2,441
Changes of assumptions	428	(10,207)	2,631	1,020
Benefit payments	(1,846)	(1,584)	(1,817)	(1,806)
Diff btwn Expected & Actual Experience	987	2,160	(4,448)	(2,310)
Net Change in Total OPEB Liability	\$8,727	(\$18,629)	(\$2,230)	(\$4,773)
Total OPEB Liability - beginning	\$47,386	\$66,015	\$68,245	\$73,018
Total OPEB Liability - Ending	\$56,113	\$47,386	\$66,015	\$68,245
PLAN FIDUCIARY NET POSITION				
Employer PayGO	\$1,846	\$1,584	\$1,817	\$1,806
Employer pre funding	516	823	471	359
Active Member Contribution	516	436	—	359
Net investment income	217	(366)	344	22
Benefit payments	(1,846)	(1,584)	(1,817)	(1,806)
Net Changes	\$1,249	\$893	\$815	\$740
Plan Fiduciary Net Position - Beginning	\$2,910	\$2,017	\$1,202	\$462
Plan Fiduciary Net Position - Ending	\$4,159	\$2,910	\$2,017	\$1,202
Net OPEB Liability - Ending	\$51,954	\$44,476	\$63,998	\$67,043
Plan Fiduciary Net Position as a % Total OPEB Liability	8.01%	6.21%	3.06%	1.76%
Covered Payroll	\$16,655	\$15,511	\$15,472	\$13,681
Fund's Net OPEB Liability as a Percentage of Covered Payroll	311.94%	286.74%	413.64%	490.04%

¹ This is a 10-year schedule. However, the information in this schedule is not available for periods prior to Fiscal Year 2018. Years will be added to this schedule until 10 years of information is available.

² The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2023-24 were derived from the June 30, 2023 actuarial valuation report available on the State Controller's website, www.sco.ca.gov, and experience reports available from CalPERS website, www.calpers.ca.gov.

The Fund's proportion of the net OPEB liability is allocated among various collective bargaining units with different proportions of liability. The Fund's proportion of the total State net OPEB liability as of the June 30, 2023 measurement date is 0.061%, including the Fund's non-participatory bargaining units.

Schedule of the Fund's Proportionate Share of the Net OPEB Liability (continued)

OPEB Plan

For the Fiscal Year Ended June 30 ^{1, 2} (dollars in thousands)

	2020	2019	2018
TOTAL OPEB LIABILITY			
Change in Proportionate Share	(\$12,488)	\$8,195	—
Service cost	2,420	2,988	3,189
Interest on total OPEB liability	2,739	3,355	2,745
Changes of assumptions	1,926	(3,178)	(8,607)
Benefit payments	(1,937)	(1,923)	(1,653)
Diff btwn Expected & Actual Experience	(738)	(6,538)	—
Net Change in Total OPEB Liability	(\$8,078)	\$2,899	(\$4,326)
Total OPEB Liability - beginning	\$81,096	\$78,197	\$82,523
Total OPEB Liability - Ending	\$73,018	\$81,096	\$78,197
PLAN FIDUCIARY NET POSITION			
Employer PayGO	\$1,937	\$1,923	\$312
Employer pre funding	167	16	18
Active Member Contribution	167	16	—
Net investment income	25	7	2
Benefit payments	(1,937)	(1,923)	(312)
Net Changes	\$359	\$39	\$20
Plan Fiduciary Net Position - Beginning	\$103	\$80	—
Plan Fiduciary Net Position - Ending	\$462	\$119	\$20
Net OPEB Liability - Ending	\$72,556	\$80,977	\$78,177
Plan Fiduciary Net Position as a % Total OPEB Liability	0.63%	0.15%	0.03%
Covered Payroll	\$15,551	\$16,674	\$17,465
Fund's Net OPEB Liability as a Percentage of Covered Payroll	466.57%	485.65%	447.62%

¹ This is a 10-year schedule. However, the information in this schedule is not available for periods prior to Fiscal Year 2018. Years will be added to this schedule until 10 years of information is available.

² The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2023-24 were derived from the June 30, 2023 actuarial valuation report available on the State Controller's website, www.sco.ca.gov, and experience reports available from CalPERS website, www.calpers.ca.gov.

REQUIRED SUPPLEMENTAL INFORMATION

Schedule of Fund Contributions OPEB Plan

For the Fiscal Year Ended June 30 ¹ (dollars in thousands)

	2024	2023	2022	2021	2020	2019	2018
Actuarially Determined Contribution	\$2,686	\$2,143	\$3,135	\$3,123	\$3,470	\$1,955	\$3,871
Contributions in relation to contractually required contribution	2,274	2,363	2,407	2,289	2,165	2,103	1,748
Contribution deficiency (excess) ¹	\$412	(\$220)	\$728	\$834	\$1,305	(\$148)	\$2,123
Fund's covered payroll	\$16,655	\$15,511	\$15,472	\$13,681	\$15,551	\$16,674	\$17,465
Contribution as a percentage of covered payroll	13.65%	15.23%	15.56%	16.73%	13.92%	12.61%	10.01%

¹ This is a 10-year schedule. However, the information in this schedule is not available for periods prior to Fiscal Year 2018. Years will be added to this schedule until 10 years of information is available. Fiscal Year 2024 payroll from Agency records pending State Controller's Office Compensation Amounts and Calculated Percentages.

Notes to Schedule of the Fund's Proportionate Share of Net OPEB Liability and Schedule of Fund Contributions:

The actuarial assumptions were derived from the June 30, 2023 State Controller's actuarial valuation report and CalPERS experience reports available at www.SCO.ca.gov and www.CalPERS.ca.gov.

Changes of Assumption	2023
Inflation	2.30%, compounded annually
Discount Rate	Blended rate from each actuarial group from 3.860% - 4.283%
Investment Rate of Return	6.00%, net of OPEB plan investment expenses other than administrative
Overall Payroll Growth	2.80%, compounded annually
Healthcare Cost Trend Rates	Pre-Medicare coverage – Actual increases for 2024, increasing to 7.0% in 2025 grading down to 4.5% for 2030 and to 2038, then to 4.25% for 2039 and later years
	Post-Medicare coverage – Actual rates for 2024 increasing to a range of 7.00%-7.66% in 2024, then grading down to 4.50% for 2030 - 2038, and 4.25% for 2039 and later year
Mortality Rates	Derived using CalPERS' membership data for all membership. The CalPERS' Experience Study can be obtained from CalPERS' website, at www.CalPERS.ca.gov .
Actuarial Study Period	Healthcare related assumptions are based on the 2023 review for the period from 2018 to 2022. The actuarial valuation report can be obtained from the State Controller's website at www.SCO.ca.gov . CalPERS 2022 Experience Study was for the period from 2018 to 2022. The Experience Study report is available at www.CalPERS.ca.gov .

Other information: For the changes to previous years' information, refer to past Annual Comprehensive Financial Reports.

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SUPPLEMENTAL COMBINING PROGRAM INFORMATION

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - WITH ADDITIONAL COMBINING INFORMATION

June 30, 2024 (dollars in thousands)

	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	CONTRACT ADMINISTRATION PROGRAMS	COMBINED TOTALS
ASSETS					
Current Assets					
Cash and cash equivalents	\$107	\$100,772	\$87,846	\$9,063	\$197,788
Investments	99,022	—	759,859	686,626	1,545,507
Current portion - program loans receivable, net of allowance	23,055	16,123	20,628	250	60,056
Interest receivable:					
Program loans, net	1,444	1,679	27,323	54,948	85,394
Investments	1,019	389	10,816	7,447	19,671
Defeasible liens receivable	—	—	5,878	—	5,878
Accounts receivable	346	—	2,219	—	2,565
Due (to) from other funds	(878)	—	762	116	—
Other assets	—	29	92,914	15	92,958
Total Current Assets	\$124,115	\$118,992	\$1,008,245	\$758,465	\$2,009,817
Noncurrent Assets					
Investments	\$8,618	\$1,056	\$391,243	—	\$400,917
Program loans receivable, net of allowance	313,720	350,471	913,282	501,599	2,079,072
Capital assets	—	—	20,885	—	20,885
Other assets	332	—	47,578	—	47,910
Total Noncurrent Assets	\$322,670	\$351,527	\$1,372,988	\$501,599	\$2,548,784
Total Assets	\$446,785	\$470,519	\$2,381,233	\$1,260,064	\$4,558,601
DEFERRED OUTFLOWS OF RESOURCES					
OPEB related outflows	—	—	\$7,862	—	\$7,862
SB84 Supplement contributions	—	—	379	—	379
Unamortized difference & change related in pension	—	—	13,893	—	13,893
Total Deferred Outflows of Resources	—	—	\$22,134	—	\$22,134

SUPPLEMENTAL COMBINING PROGRAM INFORMATION

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - WITH ADDITIONAL COMBINING INFORMATION (continued)

June 30, 2024 (dollars in thousands)

	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	CONTRACT ADMINISTRATION PROGRAMS	COMBINED TOTALS
LIABILITIES					
Current Liabilities					
Bonds payable	—	\$4,396	—	—	\$4,396
Notes payable	—	—	3,396	—	3,396
Loans payable	—	—	204,600	—	204,600
Interest payable	—	1,722	1,592	—	3,314
Due to other government entities, net	—	—	1,092	—	1,092
Compensated absences	—	—	200	—	200
Lease liabilities	—	—	2,018	—	2,018
Deposits and other liabilities	101	—	239,490	755	240,346
Total Current Liabilities	\$101	\$6,118	\$452,388	\$755	\$459,362
Noncurrent Liabilities					
Bonds payable	—	\$120,461	—	—	\$120,461
Notes payable	—	—	283,465	—	283,465
Loans payable - SB84	—	—	379	—	379
Net OPEB obligation	—	—	51,954	—	51,954
Net pension liability	—	—	38,486	—	38,486
Compensated absences	—	—	2,736	—	2,736
Lease liabilities	—	—	19,597	—	19,597
Unearned revenues	—	—	1,216	317,238	318,454
Total Noncurrent Liabilities	—	\$120,461	\$397,833	\$317,238	\$835,532
Total Liabilities	\$101	\$126,579	\$850,221	\$317,993	\$1,294,894
DEFERRED INFLOWS OF RESOURCES					
Accumulated increase in fair value of hedging derivatives	—	—	\$47,545	—	\$47,545
OPEB related inflows	—	—	12,947	—	12,947
Unamortized pension, net difference	—	—	4,501	—	4,501
Total Deferred Inflows of Resources	—	—	\$64,993	—	\$64,993
NET POSITION					
Net investment in capital assets	—	—	(\$730)	—	(\$730)
Restricted by indenture	446,684	343,940	—	—	790,624
Restricted by statute	—	—	1,561,763	942,071	2,503,834
Unrestricted (deficit)	—	—	(72,880)	—	(72,880)
Total Net Position	\$446,684	\$343,940	\$1,488,153	\$942,071	\$3,220,848

SUPPLEMENTAL COMBINING PROGRAM INFORMATION

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - WITH ADDITIONAL COMBINING INFORMATION

Year Ended June 30, 2024 (dollars in thousands)

	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	CONTRACT ADMINISTRATION PROGRAMS	COMBINED TOTALS
OPERATING REVENUES					
Interest income:					
Program loans, net	\$18,257	\$20,242	\$31,757	\$13,530	\$83,786
Interest on investment	3,107	2,911	49,196	17,670	72,884
Realized and unrealized (loss) gain on investments	(35)	(15)	3,929	—	3,879
Loan commitment fees	—	—	3,918	—	3,918
Other loan fees	—	—	19,132	—	19,132
Other revenues	83	—	51,476	—	51,559
Total Operating Revenues	\$21,412	\$23,138	\$159,408	\$31,200	\$235,158
OPERATING EXPENSES					
Interest	—	\$4,108	\$20,275	—	\$24,383
Amortization of bond discount and bond premium	—	(45)	—	—	(45)
Mortgage servicing expenses	1,143	-	782	—	1,925
(Reversal) provision for program loan losses	(276)	1,564	(153)	8,179	9,314
Salaries and general expenses	—	—	41,072	—	41,072
Depreciation and amortization expenses	—	—	2,418	—	2,418
Other expenses	11	1,149	30,909	11,676	43,745
Total Operating Expenses	\$878	\$6,776	\$95,303	\$19,855	\$122,812
Total Operating Income (Expenses)	\$20,534	\$16,362	\$64,105	\$11,345	\$112,346

SUPPLEMENTAL COMBINING PROGRAM INFORMATION

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - WITH ADDITIONAL COMBINING INFORMATION (continued)

Year Ended June 30, 2024 (dollars in thousands)

	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	CONTRACT ADMINISTRATION PROGRAMS	COMBINED TOTALS
NON-OPERATING REVENUES AND EXPENSES					
Federal pass-through revenues - HUD/UST	—	—	\$5,708	—	\$5,708
Federal pass-through expenses - HUD/UST	—	—	(5,708)	—	(5,708)
Accessory Dwelling Unit (ADU) revenues	—	—	—	20,803	20,803
Accessory Dwelling Unit (ADU) expenses	—	—	—	(20,803)	(20,803)
Forgivable Equity Builder Loan (EBL) revenues	—	—	—	15,949	15,949
Forgivable Equity Builder Loan (EBL) expenses	—	—	—	(15,949)	(15,949)
National Mortgage Settlement (NMS) revenues	—	—	—	21,028	21,028
National Mortgage Settlement (NMS) expenses	—	—	—	(21,028)	(21,028)
Prepayment penalty	—	1,699	44	—	1,743
Other	1	—	150	—	151
Total Non-operating Income (Expenses)	\$1	\$1,699	\$194	—	\$1,894
Change in net position before transfers	20,535	18,061	64,299	11,345	114,240
Transfers in (out)	—	—	3,826	23,020	26,846
Transfers intrafund	—	2,036	(2,036)	—	—
Increase (Decrease) in Net Position	\$20,535	\$20,097	\$66,089	\$34,365	\$141,086
Net Position at Beginning of Year	\$426,149	\$323,843	\$1,422,064	\$907,706	\$3,079,762
Net Position at End of Year	\$446,684	\$343,940	\$1,488,153	\$942,071	\$3,220,848

SUPPLEMENTAL COMBINING PROGRAM INFORMATION

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF CASH FLOWS - WITH ADDITIONAL COMBINING INFORMATION

Year Ended June 30, 2024 (dollars in thousands)

	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	CONTRACT ADMINISTRATION PROGRAMS	COMBINED TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$18,357	\$20,125	\$29,833	\$2,959	\$71,274
Payments to suppliers	(1,148)	(14)	(9,321)	—	(10,483)
Payments to employees and related benefits	—	—	(35,323)	—	(35,323)
Receipts from loan related activities	37,719	33,002	61,008	18,374	150,103
Payments to loan related expenses	(1,150)	(85,672)	(32,778)	(72,507)	(192,107)
Other receipts	87	1,808	4,323	61,567	67,785
Other payments	(31)	(1,135)	(5,832)	(82,243)	(89,241)
Intrafund transfers	—	2,036	(2,036)	—	—
Due from other government entities	—	—	11,016	—	11,016
Due to other government entities	—	—	5,483	—	5,483
Net Cash Provided by (Used For) Operating Activities	\$53,834	(\$29,850)	\$26,373	(\$71,850)	(\$21,493)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Proceeds from sales of bonds, notes, and loans	—	\$85,697	\$1,040,314	—	\$1,126,011
Payment of bonds, notes, and loans principal	—	(1,620)	(990,379)	—	(991,999)
Early bond redemptions	—	(130)	-	—	(130)
Interest paid on debt	—	(2,838)	(19,970)	—	(22,808)
Interfund transfers	—	—	3,826	23,020	26,846
Net Cash Provided by (Used For) Noncapital Financing Activities	—	\$81,109	\$33,791	\$23,020	\$137,920
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal paid on lease	—	—	(\$1,932)	—	(\$1,932)
Interest paid on lease	—	—	(340)	—	(340)
Net Cash (Used For) Provided by Capital and Related Financing Activities	—	—	(\$2,272)	—	(\$2,272)

SUPPLEMENTAL COMBINING PROGRAM INFORMATION

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF CASH FLOWS - WITH ADDITIONAL COMBINING INFORMATION (continued)

Year Ended June 30, 2024 (dollars in thousands)

	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	CONTRACT ADMINISTRATION PROGRAMS	COMBINED TOTALS
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from maturity and sale of investments	\$1,010	\$52,427	\$2,843,332	\$139,450	\$3,036,219
Purchase of investments	(57,206)	(9,854)	(2,914,331)	(115,164)	(3,096,555)
Interest on investments, net	2,371	2,824	47,250	13,951	66,396
Net Cash (Used For) Provided by Investing Activities	(\$53,825)	\$45,397	(\$23,749)	\$38,237	\$6,060
Net increase (decrease) in cash and cash equivalents	9	96,656	34,143	(10,593)	120,215
Cash and cash equivalents at beginning of year	98	4,116	53,703	19,656	77,573
Cash and cash equivalents at end of year	\$107	\$100,772	\$87,846	\$9,063	\$197,788
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:					
Operating Income (Loss)	\$20,534	\$16,362	\$64,105	\$11,345	\$112,346
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Interest expense on debt	—	\$4,108	\$20,275	—	\$24,383
Interest on investments	(3,107)	(2,911)	(49,196)	(17,670)	(72,884)
Changes in fair value of investments	35	15	3,170	—	3,220
Realized gain on sale of securities	—	—	(7,100)	—	(7,100)
Amortization of hedge termination	—	(45)	—	—	(45)
Loan commitment fees	—	—	(3,918)	—	(3,918)
Other revenues	—	1,699	5,946	57,780	65,425
Depreciation and amortization	—	—	2,418	—	2,418
(Reversal) provision for estimated loan losses	(276)	1,564	(153)	8,179	9,314
Other expenses	1	—	(5,753)	(57,780)	(63,532)

SUPPLEMENTAL COMBINING PROGRAM INFORMATION

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF CASH FLOWS - WITH ADDITIONAL COMBINING INFORMATION (continued)

Year Ended June 30, 2024 (dollars in thousands)

	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	CONTRACT ADMINISTRATION PROGRAMS	COMBINED TOTALS
Effects of Changes in Operating Assets and Liabilities:					
(Purchase) sale of program loans, net	(\$1,150)	(\$85,672)	(\$32,778)	(\$72,507)	(\$192,107)
Collection of principal from program loans, net	37,719	33,002	37,958	18,374	127,053
Interest receivable	100	(117)	(1,923)	(10,571)	(12,511)
Allowance for interest receivable	—	—	39	10,096	10,135
Defeasible liens receivable	—	—	3,294	—	3,294
Accounts receivable	(20)	7	44	14	45
Due to (from) other funds	24	—	(3,797)	3,773	—
Other assets	—	102	(48,739)	—	(48,637)
Compensated absences	—	—	180	—	180
Deferred outflows of resources:					
Pension	—	—	\$672	—	\$672
OPEB	—	—	(824)	—	(824)
Deferred inflows of resources:					
Pension	—	—	(\$452)	—	(\$452)
OPEB	—	—	(2,314)	—	(2,314)
Deposits and other liabilities	(26)	—	5,201	292	5,467
Intrafund transfers	—	2,036	(2,036)	—	—
Due from other government entities	—	—	11,016	—	11,016
Due to other government entities	—	—	5,483	—	5,483
Unearned revenue	—	—	25,555	(23,175)	2,380
Net Cash Provided by (Used For) Operating Activities	\$53,834	(\$29,850)	\$26,373	(\$71,850)	(\$21,493)
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION					
Noncash transfer of program loan to REO	\$872	—	\$143	—	\$1,015

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - HOMEOWNERSHIP PROGRAMS

June 30, 2024 (dollars in thousands)

	HOME MORTGAGE REVENUE BONDS	TOTAL HOMEOWNERSHIP PROGRAMS
ASSETS		
Current Assets		
Cash and cash equivalents	\$107	\$107
Investments	99,022	99,022
Current portion - program loans receivable, net of allowance	23,055	23,055
Interest receivable:		
Program loans, net	\$1,444	\$1,444
Investments	1,019	1,019
Accounts receivable	346	346
Due (to) from other funds	(878)	(878)
Total Current Assets	\$124,115	\$124,115
Noncurrent Assets		
Investments	\$8,618	\$8,618
Program loans receivable, net of allowance	313,720	313,720
Other assets	332	332
Total Noncurrent Assets	\$322,670	\$322,670
Total Assets	\$446,785	\$446,785
LIABILITIES		
Current Liabilities		
Deposits and other liabilities	\$101	\$101
Total Current Liabilities	\$101	\$101
Total Liabilities	\$101	\$101
NET POSITION		
Restricted by indenture	\$446,684	\$446,684
Total Net Position	\$446,684	\$446,684

HOMEOWNERSHIP PROGRAM

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - HOMEOWNERSHIP PROGRAM

Year Ended June 30, 2024 (dollars in thousands)

	HOME MORTGAGE REVENUE BONDS	TOTAL HOMEOWNERSHIP PROGRAMS
OPERATING REVENUES		
Interest income:		
Program loans, net	\$18,257	\$18,257
Interest on investment	3,107	3,107
Realized and unrealized (loss) gain on investments	(35)	(35)
Other revenues	83	83
Total Operating Revenues	\$21,412	\$21,412
OPERATING EXPENSES		
Mortgage servicing expenses	\$1,143	\$1,143
(Reversal) provision for program loan losses	(276)	(276)
Other expenses	11	11
Total Operating Expenses	\$878	\$878
Total Operating Income	\$20,534	\$20,534
NON-OPERATING REVENUES AND EXPENSES		
Other	\$1	\$1
Total Non-operating Income (Expenses)	\$1	\$1
Change in net position before transfers	20,535	20,535
Increase (Decrease) in Net Position	\$20,535	\$20,535
Net Position at Beginning of Year	\$426,149	\$426,149
Net Position at End of Year	\$446,684	\$446,684

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HOMEOWNERSHIP PROGRAM

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - HOMEOWNERSHIP PROGRAMS

Year Ended June 30, 2024 (dollars in thousands)

	HOME MORTGAGE REVENUE BONDS	TOTAL HOMEOWNERSHIP PROGRAMS
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$18,357	\$18,357
Payments to suppliers	(1,148)	(1,148)
Receipts from loan related activities	37,719	37,719
Payments to loan related expenses	(1,150)	(1,150)
Other receipts	87	87
Other payments	(31)	(31)
Net Cash provided by (Used for) Operating Activities	\$53,834	\$53,834
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from maturity and sale of investments	\$1,010	\$1,010
Purchase of investments	(57,206)	(57,206)
Interest on investments, net	2,371	2,371
Net Cash (Used for) Provided by Investing Activities	(\$53,825)	(\$53,825)
Net increase (decrease) in cash and cash equivalents	9	9
Cash and cash equivalents at beginning of year	98	98
Cash and Cash Equivalents at End of Year	\$107	\$107

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - HOMEOWNERSHIP PROGRAMS (continued)

Year Ended June 30, 2024 (dollars in thousands)

	HOME MORTGAGE REVENUE BONDS	TOTAL HOMEOWNERSHIP PROGRAMS
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:		
Operating Income (Loss)	\$20,534	\$20,534
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Interest on investments	(\$3,107)	(\$3,107)
Changes in fair value of investments	35	35
(Reversal) provision for estimated loan losses	(276)	(276)
Other expenses	1	1
Effects of Changes in Operating Assets and Liabilities:		
(Purchase) sale of program loans, net	(\$1,150)	(\$1,150)
Collection of principal from program loans, net	37,719	37,719
Interest receivable	100	100
Accounts receivable	(20)	(20)
Due to (from) other funds	24	24
Deposits and other liabilities	(26)	(26)
Net Cash Provided by (Used For) Operating Activities	\$53,834	\$53,834
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Noncash transfer of program loan to REO	\$872	\$872

MULTIFAMILY RENTAL HOUSING PROGRAMS

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - MULTIFAMILY RENTAL HOUSING PROGRAMS

June 30, 2024 (dollars in thousands)

	MULTIFAMILY HOUSING REVENUE BONDS III	MULTIFAMILY SPECIAL/LIMITED OBLIGATION BONDS	MULTIFAMILY AFFORDABLE HOUSING REVENUE BONDS	TOTAL MULTIFAMILY RENTAL HOUSING PROGRAMS
ASSETS				
Current Assets				
Cash and cash equivalents	—	\$4,814	\$95,958	\$100,772
Current portion - program loans receivable, net of allowance	—	\$603	\$15,520	\$16,123
Interest receivable:				
Program loans, net	—	\$170	\$1,509	\$1,679
Investments	—	\$19	\$370	\$389
Other assets	—	\$29	—	\$29
Total Current Assets	—	\$5,635	\$113,357	\$118,992
Noncurrent Assets				
Investments	—	—	\$1,056	\$1,056
Program loans receivable, net of allowance	—	\$39,526	\$310,945	\$350,471
Total Noncurrent Assets	—	\$39,526	\$312,001	\$351,527
Total Assets	—	\$45,161	\$425,358	\$470,519
LIABILITIES				
Current Liabilities				
Bonds payable	—	\$450	\$3,946	\$4,396
Interest payable	—	\$457	\$1,265	\$1,722
Total Current Liabilities	—	\$907	\$5,211	\$6,118
Noncurrent Liabilities				
Bonds payable	—	\$39,945	\$80,516	\$120,461
Total Noncurrent Liabilities	—	\$39,945	\$80,516	\$120,461
Total Liabilities	—	\$40,852	\$85,727	\$126,579
NET POSITION				
Restricted by indenture	—	\$4,309	\$339,631	\$343,940
Total Net Position	—	\$4,309	\$339,631	\$343,940

MULTIFAMILY RENTAL HOUSING PROGRAMS

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - MULTIFAMILY RENTAL HOUSING PROGRAMS

Year Ended June 30, 2024 (dollars in thousands)

	MULTIFAMILY HOUSING REVENUE BONDS III	MULTIFAMILY SPECIAL/LIMITED OBLIGATION BONDS	MULTIFAMILY AFFORDABLE HOUSING REVENUE BONDS	TOTAL MULTIFAMILY RENTAL HOUSING PROGRAMS
OPERATING REVENUES				
Interest income:				
Program loans, net	\$2,390	\$2,051	\$15,801	\$20,242
Interest on investment	421	226	2,264	2,911
Realized and unrealized (loss) gain on investments	—	—	(15)	(15)
Total Operating Revenues	\$2,811	\$2,277	\$18,050	\$23,138
OPERATING EXPENSES				
Interest	—	\$1,502	\$2,606	\$4,108
Amortization of bond discount and bond premium	—	—	(45)	(45)
(Reversal) provision for program loan losses	(304)	—	1,868	1,564
Other expenses	29	80	1,040	1,149
Total Operating Expenses	(\$275)	\$1,582	\$5,469	\$6,776
Total Operating Income (Expenses)	\$3,086	\$695	\$12,581	\$16,362
NON-OPERATING REVENUES AND EXPENSES				
Prepayment penalty	—	—	\$1,699	\$1,699
Total Non-operating Income (Expenses)	—	—	\$1,699	\$1,699
Change in net position before transfers	3,086	695	14,280	18,061
Transfers intrafund	(323,315)	—	325,351	2,036
(Decrease) Increase in Net Position	(\$320,229)	\$695	\$339,631	\$20,097
Net Position at Beginning of Year	\$320,229	\$3,614	—	\$323,843
Net Position at End of Year	—	\$4,309	\$339,631	\$343,940

MULTIFAMILY RENTAL HOUSING PROGRAMS

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - MULTIFAMILY RENTAL HOUSING PROGRAMS

Year Ended June 30, 2024 (dollars in thousands)

	MULTIFAMILY HOUSING REVENUE BONDS III	MULTIFAMILY SPECIAL/LIMITED OBLIGATION BONDS	MULTIFAMILY AFFORDABLE HOUSING REVENUE BONDS	TOTAL MULTIFAMILY RENTAL HOUSING PROGRAMS
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$3,779	\$2,054	\$14,292	\$20,125
Payments to suppliers	—	(14)	—	(14)
Receipts from loan related activities	3,960	574	28,468	33,002
Payments to loan related expenses	271,129	—	(356,801)	(85,672)
Other receipts	109	—	1,699	1,808
Other payments	(29)	(66)	(1,040)	(1,135)
Intrafund transfers	(323,315)	—	325,351	2,036
Net Cash (Used for) Provided by Operating Activities	(\$44,367)	\$2,548	\$11,969	(\$29,850)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Proceeds from sales of bonds, notes, and loans	—	—	\$85,697	\$85,697
Payment of bonds, notes, and loans principal	—	(430)	(1,190)	(1,620)
Early bond redemptions	—	(130)	—	(130)
Interest paid on debt	—	(1,496)	(1,342)	(2,838)
Net Cash (Used for) Provided by Noncapital Financing Activities	—	(\$2,056)	\$83,165	\$81,109
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from maturity and sale of investments	\$52,166	—	\$261	\$52,427
Purchase of investments	(8,522)	—	(1,332)	(9,854)
Interest on investments, net	723	206	1,895	2,824
Net Cash Provided by (Used for) Investing Activities	\$44,367	\$206	\$824	\$45,397
Net increase (decrease) in cash and cash equivalents	—	698	95,958	96,656
Cash and cash equivalents at beginning of year	—	4,116	—	4,116
Cash and Cash Equivalents at End of Year	—	\$4,814	\$95,958	\$100,772

MULTIFAMILY RENTAL HOUSING PROGRAMS

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - MULTIFAMILY RENTAL HOUSING PROGRAMS (continued)

Year Ended June 30, 2024 (dollars in thousands)

	MULTIFAMILY HOUSING REVENUE BONDS III	MULTIFAMILY SPECIAL/LIMITED OBLIGATION BONDS	MULTIFAMILY AFFORDABLE HOUSING REVENUE BONDS	TOTAL MULTIFAMILY RENTAL HOUSING PROGRAMS
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:				
Operating Income (Loss)	\$3,086	\$695	\$12,581	\$16,362
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Interest expense on debt	—	\$1,502	\$2,606	\$4,108
Interest on investments	(421)	(226)	(2,264)	(2,911)
Changes in fair value of investments	—	—	15	15
Amortization of hedge termination	—	—	(45)	(45)
Other revenues	—	—	1,699	1,699
(Reversal) provision for estimated loan losses	(304)	—	1,868	1,564
Effects of Changes in Operating Assets and Liabilities:				
Sale (purchase) of program loans, net	\$271,129	—	(\$356,801)	(\$85,672)
Collection of principal from program loans, net	3,960	574	28,468	33,002
Interest receivable	1,389	3	(1,509)	(117)
Accounts receivable	7	—	—	7
Other assets	102	—	—	102
Intrafund transfers	(323,315)	—	325,351	2,036
Net Cash (Used For) Provided by Operating Activities	(\$44,367)	\$2,548	\$11,969	(\$29,850)

OTHER PROGRAMS AND ACCOUNTS

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - OTHER PROGRAMS AND ACCOUNTS

June 30, 2024 (dollars in thousands)

	HOUSING ASSISTANCE TRUST	SUPPLEMENTAL BOND SECURITY ACCOUNT	EMERGENCY RESERVE ACCOUNT	LOAN SERVICING
ASSETS				
Current Assets				
Cash and cash equivalents	\$54,827	\$1	\$89	\$27,852
Investments	443,787	10,738	66,611	218,960
Current portion - program loans receivable, net allowance	16,131	—	—	—
Interest receivable:				
Program loans, net	\$25,828	—	—	—
Investments	6,021	117	756	2,372
Defeasible liens receivable	—	—	—	5,878
Accounts receivable	1,170	—	116	512
Due from (to) other funds	95	1,235	—	(613)
Other assets	371	—	—	—
Total Current Assets	\$548,230	\$12,091	\$67,572	\$254,961
Noncurrent Assets				
Investments	\$225,980	—	\$9,326	—
Program loans receivable, net of allowance	524,183	—	—	—
Capital assets	—	—	—	—
Other assets	47,578	—	—	—
Total Noncurrent Assets	\$797,741	—	\$9,326	—
Total Assets	\$1,345,971	\$12,091	\$76,898	\$254,961
DEFERRED OUTFLOWS OF RESOURCES				
OPEB related outflows	—	—	—	—
SB84 Supplement contributions	—	—	—	—
Unamortized difference & change related in pension	—	—	—	—
Total Deferred Outflows of Resources	—	—	—	—

OTHER PROGRAMS AND ACCOUNTS

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - OTHER PROGRAMS AND ACCOUNTS (continued)

June 30, 2024 (dollars in thousands)

FEDERAL PROGRAMS	OPERATING ACCOUNT	FEDERAL FINANCING BANK	FEDERAL HOME LOAN BANK	CREDIT FACILITY BRAEBURN	TOTAL OTHER PROGRAMS AND ACCOUNTS
\$1	\$1,992	\$3,084	—	—	\$87,846
1,066	18,697	—	—	—	759,859
—	—	3,396	1,101	—	20,628
—	—	\$1,114	\$381	—	\$27,323
12	220	14	774	530	10,816
—	—	—	—	—	5,878
—	421	—	—	—	2,219
(3)	48	—	—	—	762
—	9	28	—	92,506	92,914
\$1,076	\$21,387	\$7,636	\$2,256	\$93,036	\$1,008,245
—	—	—	\$155,937	—	\$391,243
—	—	283,465	105,634	—	913,282
—	20,885	—	—	—	20,885
—	—	—	—	—	47,578
—	\$20,885	\$283,465	\$261,571	—	\$1,372,988
\$1,076	\$42,272	\$291,101	\$263,827	\$93,036	\$2,381,233
—	\$7,862	—	—	—	\$7,862
—	379	—	—	—	379
—	13,893	—	—	—	13,893
—	\$22,134	—	—	—	\$22,134

OTHER PROGRAMS AND ACCOUNTS

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - OTHER PROGRAMS AND ACCOUNTS (continued)

June 30, 2024 (dollars in thousands)

	HOUSING ASSISTANCE TRUST	SUPPLEMENTAL BOND SECURITY ACCOUNT	EMERGENCY RESERVE ACCOUNT	LOAN SERVICING
LIABILITIES				
Current Liabilities				
Notes payable	—	—	—	—
Loans payable	—	—	—	—
Interest payable	—	—	—	—
Due to (from) other government entities, net	—	—	—	1,723
Compensated absences	—	—	—	—
Lease liabilities	—	—	—	—
Deposits and other liabilities	4,393	—	—	229,406
Total Current Liabilities	\$4,393	—	—	\$231,129
Noncurrent Liabilities				
Notes payable	—	—	—	—
Loans payable - SB84	—	—	—	—
Net OPEB obligation	—	—	—	—
Net pension liability	—	—	—	—
Compensated absences	—	—	—	—
Lease liabilities	—	—	—	—
Unearned revenues	—	—	—	—
Total Noncurrent Liabilities	—	—	—	—
Total Liabilities	\$4,393	—	—	\$231,129
DEFERRED INFLOWS OF RESOURCES				
Accumulated increase in fair value of hedging derivatives	\$47,545	—	—	—
OPEB related inflows	—	—	—	—
Unamortized pension, net difference	—	—	—	—
Total Deferred Inflows of Resources	\$47,545	—	—	—
NET POSITION				
Net investment in capital assets	—	—	—	—
Restricted by indenture	—	—	—	—
Restricted by statute	1,294,033	12,091	76,898	23,832
Unrestricted (deficit)	—	—	—	—
Total Net Position	\$1,294,033	\$12,091	\$76,898	\$23,832

OTHER PROGRAMS AND ACCOUNTS

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - OTHER PROGRAMS AND ACCOUNTS (continued)

June 30, 2024 (dollars in thousands)

FEDERAL PROGRAMS	OPERATING ACCOUNT	FEDERAL FINANCING BANK	FEDERAL HOME LOAN BANK	CREDIT FACILITY BRAEBURN	TOTAL OTHER PROGRAMS AND ACCOUNTS
—	—	\$3,396	—	—	\$3,396
—	—	—	112,094	92,506	204,600
—	—	685	377	530	1,592
—	(631)	—	—	—	1,092
—	200	—	—	—	200
—	2,018	—	—	—	2,018
1,076	4,613	2	—	—	239,490
\$1,076	\$6,200	\$4,083	\$112,471	\$93,036	\$452,388
—	—	\$283,465	—	—	\$283,465
—	379	—	—	—	379
—	51,954	—	—	—	51,954
—	38,486	—	—	—	38,486
—	2,736	—	—	—	2,736
—	19,597	—	—	—	19,597
—	1,216	—	—	—	1,216
—	\$114,368	\$283,465	—	—	\$397,833
\$1,076	\$120,568	\$287,548	\$112,471	\$93,036	\$850,221
—	—	—	—	—	\$47,545
—	12,947	—	—	—	12,947
—	4,501	—	—	—	4,501
—	\$17,448	—	—	—	\$64,993
—	(\$730)	—	—	—	(\$730)
—	—	—	—	—	—
—	—	3,553	151,356	—	1,561,763
—	(72,880)	—	—	—	(72,880)
—	(\$73,610)	\$3,553	\$151,356	—	\$1,488,153

OTHER PROGRAMS AND ACCOUNTS

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - OTHER PROGRAMS AND ACCOUNTS

Year Ended June 30, 2024 (dollars in thousands)

	HOUSING ASSISTANCE TRUST	SUPPLEMENTAL BOND SECURITY ACCOUNT	EMERGENCY RESERVE ACCOUNT	LOAN SERVICING
OPERATING REVENUES				
Interest income:				
Program loans, net	\$21,699	—	—	—
Interest on investment	28,755	467	2,963	—
Realized and unrealized gain (loss) on investments	6,761	—	(58)	—
Loan commitment fees	—	—	—	—
Other loan fees	1,232	—	—	901
Other revenues	50,718	—	—	342
Total Operating Revenues	\$109,165	\$467	\$2,905	\$1,243
OPERATING EXPENSES				
Interest	—	—	—	—
Mortgage servicing expenses	294	—	—	488
Provision (reversal) for program loan losses	302	—	—	—
Salaries and general expenses	—	—	—	—
Depreciation and amortization expenses	—	—	—	—
Other expenses	30,005	—	—	242
Total Operating Expenses	\$30,601	—	—	\$730
Total Operating Income (Expenses)	\$78,564	\$467	\$2,905	\$513
NON-OPERATING REVENUES AND EXPENSES				
Federal pass-through revenues - HUD/UST	—	—	—	—
Federal pass-through expenses - HUD/UST	—	—	—	—
Prepayment penalty	44	—	—	—
Other	3	—	—	—
Total Non-operating Income (Expenses)	\$47	—	—	—
Change in net position before transfers	78,611	467	2,905	513
Transfers in (out)	—	—	—	3,826
Transfers intrafund	15,314	—	—	—
Increase (Decrease) in Net Position	\$93,925	\$467	\$2,905	\$4,339
Net Position at Beginning of Year	\$1,200,108	\$11,624	\$73,993	\$19,493
Net Position at End of Year	\$1,294,033	\$12,091	\$76,898	\$23,832

OTHER PROGRAMS AND ACCOUNTS

CALIFORNIA HOUSING FINANCE FUND

**SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - OTHER PROGRAMS AND ACCOUNTS
(continued)**

Year Ended June 30, 2024 (dollars in thousands)

FEDERAL PROGRAMS	OPERATING ACCOUNT	FEDERAL FINANCING BANK	FEDERAL HOME LOAN BANK	CREDIT FACILITY BRAEBURN	TOTAL OTHER PROGRAMS AND ACCOUNTS
—	—	\$8,259	\$1,799	—	\$31,757
—	991	175	7,126	8,719	49,196
—	—	—	(2,774)	—	3,929
—	3,918	—	—	—	3,918
—	16,999	—	—	—	19,132
—	416	—	—	—	51,476
—	\$22,324	\$8,434	\$6,151	\$8,719	\$159,408
—	\$434	\$8,264	\$2,858	\$8,719	\$20,275
—	—	—	—	—	782
—	—	—	(455)	—	(153)
—	41,072	—	—	—	41,072
—	2,418	—	—	—	2,418
—	562	94	6	—	30,909
—	\$44,486	\$8,358	\$2,409	\$8,719	\$95,303
—	(\$22,162)	\$76	\$3,742	—	\$64,105
\$5,708	—	—	—	—	\$5,708
(5,708)	—	—	—	—	(5,708)
—	—	—	—	—	44
—	147	—	—	—	150
—	\$147	—	—	—	\$194
—	(22,015)	76	3,742	—	64,299
—	—	—	—	—	3,826
—	682	100	(18,132)	—	(2,036)
—	(\$21,333)	\$176	(\$14,390)	—	\$66,089
—	(\$52,277)	\$3,377	\$165,746	—	\$1,422,064
—	(\$73,610)	\$3,553	\$151,356	—	\$1,488,153

OTHER PROGRAMS AND ACCOUNTS

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - OTHER PROGRAMS AND ACCOUNTS

Year Ended June 30, 2024 (dollars in thousands)

	HOUSING ASSISTANCE TRUST	SUPPLEMENTAL BOND SECURITY ACCOUNT	EMERGENCY RESERVE ACCOUNT	LOAN SERVICING
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$19,980	—	—	—
Payments to suppliers	(297)	—	—	(488)
Payments to employees and related benefits	—	—	—	—
Receipts from loan related activities	35,592	—	—	901
Payments to loan related expenses	(8,600)	—	—	—
Other receipts	29,438	136	—	(224)
Other payments	(8,037)	—	—	3,306
Intrafund transfers	15,314	—	—	—
Due from other government entities	—	—	—	—
Due to other government entities	—	—	—	58
Net Cash Provided by (Used for) Operating Activities	\$83,390	\$136	—	\$3,553
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Proceeds from sales of bonds, notes, and loans	—	—	—	—
Payment of bonds, notes, and loans principal	—	—	—	—
Interest paid on debt	—	—	—	—
Interfund transfers	—	—	—	3,826
Net Cash Provided by (Used for) Noncapital Financing Activities	—	—	—	\$3,826
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal paid on lease	—	—	—	—
Interest paid on lease	—	—	—	—
Net Cash (Used for) Provided by Capital and Related Financing Activities	—	—	—	—
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from maturity and sale of investments	\$2,731,279	\$5	\$5,738	\$54,110
Purchase of investments	(2,812,410)	(567)	(8,361)	(56,463)
Interest on investments, net	26,652	426	2,712	882
Net Cash (Used for) Provided by Investing Activities	(\$54,479)	(\$136)	\$89	(\$1,471)
Net increase (decrease) in cash and cash equivalents	28,911	—	89	5,908
Cash and cash equivalents at beginning of year	25,916	1	—	21,944
Cash and Cash Equivalents at End of Year	\$54,827	\$1	\$89	\$27,852

OTHER PROGRAMS AND ACCOUNTS

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - OTHER PROGRAMS AND ACCOUNTS (continued)

Year Ended June 30, 2024 (dollars in thousands)

FEDERAL PROGRAMS	OPERATING ACCOUNT	FEDERAL FINANCING BANK	FEDERAL HOME LOAN BANK	CREDIT FACILITY BRAEBURN	TOTAL OTHER PROGRAMS AND ACCOUNTS
—	—	\$8,271	\$1,582	—	\$29,833
—	(8,442)	(94)	—	—	(9,321)
—	(35,323)	—	—	—	(35,323)
—	20,917	3,243	355	—	61,008
—	—	—	(24,178)	—	(32,778)
5,709	(3,526)	—	—	(27,210)	4,323
(5,691)	4,595	—	(5)	—	(5,832)
—	682	100	(18,132)	—	(2,036)
—	11,016	—	—	—	11,016
—	5,425	—	—	—	5,483
\$18	(\$4,656)	\$11,520	(\$40,378)	(\$27,210)	\$26,373
—	—	—	\$580,809	\$459,505	\$1,040,314
—	—	(3,243)	(554,840)	(432,296)	(990,379)
—	(94)	(8,272)	(2,760)	(8,844)	(19,970)
—	—	—	—	—	3,826
—	(\$94)	(\$11,515)	\$23,209	\$18,365	\$33,791
—	(\$1,932)	—	—	—	(\$1,932)
—	(340)	—	—	—	(340)
—	(\$2,272)	—	—	—	(\$2,272)
\$63	\$41,951	—	\$10,186	—	\$2,843,332
(77)	(36,453)	—	—	—	(2,914,331)
(4)	985	162	6,952	8,483	47,250
(\$18)	\$6,483	\$162	\$17,138	\$8,483	(\$23,749)
—	(539)	167	(31)	(362)	34,143
1	2,531	2,917	31	362	53,703
\$1	\$1,992	\$3,084	—	—	\$87,846

OTHER PROGRAMS AND ACCOUNTS

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - OTHER PROGRAMS AND ACCOUNTS (continued)

Year Ended June 30, 2024 (dollars in thousands)

	HOUSING ASSISTANCE TRUST	SUPPLEMENTAL BOND SECURITY ACCOUNT	EMERGENCY RESERVE ACCOUNT	LOAN SERVICING
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH (USED FOR) PROVIDED BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$78,564	\$467	\$2,905	\$513
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Interest expense on debt	—	—	—	—
Interest on investments	(28,755)	(467)	(2,963)	—
Changes in fair value of investments	338	—	58	—
Realized gain on sale of securities	(7,100)	—	—	—
Loan commitment fees	—	—	—	—
Other revenues	47	—	—	—
Depreciation and amortization	—	—	—	—
Provision (reversal) for estimated loan losses	302	—	—	—
Other expenses	—	—	—	—

OTHER PROGRAMS AND ACCOUNTS

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - OTHER PROGRAMS AND ACCOUNTS (continued)

Year Ended June 30, 2024 (dollars in thousands)

FEDERAL PROGRAMS	OPERATING ACCOUNT	FEDERAL FINANCING BANK	FEDERAL HOME LOAN BANK	CREDIT FACILITY BRAEBURN	TOTAL OTHER PROGRAMS AND ACCOUNTS
—	(\$22,162)	\$76	\$3,742	—	\$64,105
—	\$434	\$8,264	\$2,858	\$8,719	\$20,275
—	(991)	(175)	(7,126)	(8,719)	(49,196)
—	—	—	2,774	—	3,170
—	—	—	—	—	(7,100)
—	(3,918)	—	—	—	(3,918)
5,708	191	—	—	—	5,946
—	2,418	—	—	—	2,418
—	—	—	(455)	—	(153)
(5,708)	(45)	—	—	—	(5,753)

OTHER PROGRAMS AND ACCOUNTS

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - OTHER PROGRAMS AND ACCOUNTS (continued)

Year Ended June 30, 2024 (dollars in thousands)

	HOUSING ASSISTANCE TRUST	SUPPLEMENTAL BOND SECURITY ACCOUNT	EMERGENCY RESERVE ACCOUNT	LOAN SERVICING
Effects of Changes in Operating Assets and Liabilities:				
(Purchase) sale of program loans, net	(\$8,600)	—	—	—
Collection of principal from program loans, net	34,360	—	—	—
Interest receivable	(1,719)	—	—	—
Allowance for interest receivable	39	—	—	—
Defeasible liens receivable	—	—	—	3,294
Accounts receivable	140	—	—	100
Due (from) to other funds	(63)	136	—	(3,961)
Other assets	(21,403)	—	—	—
Compensated absences	—	—	—	—
Deferred outflows of resources:				
Pension	—	—	—	—
OPEB	—	—	—	—
Deferred inflows of resources:				
Pension	—	—	—	—
OPEB	—	—	—	—
Deposits and other liabilities	656	—	—	3,549
Intrafund transfers	15,314	—	—	—
Due from other government entities	—	—	—	—
Due to other government entities	—	—	—	58
Unearned revenue	21,270	—	—	—
Net Cash Provided by (Used for) Operating Activities	\$83,390	\$136	—	\$3,553
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION				
Noncash transfer of program loan to REO	\$143	—	—	—

OTHER PROGRAMS AND ACCOUNTS

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - OTHER PROGRAMS AND ACCOUNTS (continued)

Year Ended June 30, 2024 (dollars in thousands)

FEDERAL PROGRAMS	OPERATING ACCOUNT	FEDERAL FINANCING BANK	FEDERAL HOME LOAN BANK	CREDIT FACILITY BRAEBURN	TOTAL OTHER PROGRAMS AND ACCOUNTS
—	—	—	(\$24,178)	—	(\$32,778)
—	—	3,243	355	—	37,958
—	—	12	(216)	—	(1,923)
—	—	—	—	—	39
—	—	—	—	—	3,294
—	(196)	—	—	—	44
—	91	—	—	—	(3,797)
—	(126)	—	—	(27,210)	(48,739)
—	180	—	—	—	180
—	\$672	—	—	—	\$672
—	(824)	—	—	—	(824)
—	(\$452)	—	—	—	(\$452)
—	(2,314)	—	—	—	(2,314)
18	978	—	—	—	5,201
—	682	100	(18,132)	—	(2,036)
—	11,016	—	—	—	11,016
—	5,425	—	—	—	5,483
—	4,285	—	—	—	25,555
\$18	(\$4,656)	\$11,520	(\$40,378)	(\$27,210)	\$26,373
—	—	—	—	—	\$143

CONTRACT ADMINISTRATION PROGRAMS

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - CONTRACT ADMINISTRATION PROGRAMS

June 30, 2024 (dollars in thousands)

	MENTAL HEALTH SERVICES ACT (MHP)	SPECIAL NEEDS HOUSING PROGRAM (SNP)	BUILDING HOMES & JOBS PROGRAM (BHJ)
ASSETS			
Current Assets			
Cash and cash equivalents	\$6	\$2	\$1
Investments	1,660	4,475	178,036
Current portion - program loans receivable, net of allowance	—	—	—
Interest receivable:			
Program loans, net	\$47,185	\$3,361	\$1,722
Investments	20	56	1,896
Due from (to) other funds	—	—	—
Other assets	—	—	—
Total Current Assets	\$48,871	\$7,894	\$181,655
Noncurrent Assets			
Program loans receivable, net of allowance	\$231,445	\$82,178	\$83,063
Total Noncurrent Assets	\$231,445	\$82,178	\$83,063
Total Assets	\$280,316	\$90,072	\$264,718
LIABILITIES			
Current Liabilities			
Deposits and other liabilities	\$57	\$698	—
Total Current Liabilities	\$57	\$698	—
Noncurrent Liabilities			
Unearned revenues	—	—	—
Total Noncurrent Liabilities	—	—	—
Total Liabilities	\$57	\$698	—
NET POSITION			
Restricted by statute	\$280,259	\$89,374	\$264,718
Total Net Position	\$280,259	\$89,374	\$264,718

CONTRACT ADMINISTRATION PROGRAMS

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - CONTRACT ADMINISTRATION PROGRAMS (continued)

June 30, 2024 (dollars in thousands)

LOW/MODERATE INCOME HOUSING PROGRAM (LMI)	NATIONAL MORTGAGE SETTLEMENT (NMS)	HOMEBUYER ASSISTANCE PROGRAM (HBA)	ACCESSORY DWELLING UNIT PROGRAM (ADU)	TOTAL CONTRACT ADMINISTRATION PROGRAMS
\$2,282	\$398	\$143	\$6,231	\$9,063
247,109	222,733	17,216	15,397	686,626
250	—	—	—	250
2,680	—	—	—	54,948
2,686	2,438	183	168	7,447
160	—	—	(44)	116
15	—	—	—	15
\$255,182	\$225,569	\$17,542	\$21,752	\$758,465
43,491	—	61,422	—	501,599
\$43,491	—	\$61,422	—	\$501,599
\$298,673	\$225,569	\$78,964	\$21,752	\$1,260,064
—	—	—	—	755
—	—	—	—	\$755
2,361	225,569	67,556	21,752	317,238
\$2,361	\$225,569	\$67,556	\$21,752	\$317,238
\$2,361	\$225,569	\$67,556	\$21,752	\$317,993
\$296,312	—	\$11,408	—	\$942,071
\$296,312	—	\$11,408	—	\$942,071

CONTRACT ADMINISTRATION PROGRAMS

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - CONTRACT ADMINISTRATION PROGRAMS

Year Ended June 30, 2024 (dollars in thousands)

	MENTAL HEALTH SERVICES ACT (MHP)	SPECIAL NEEDS HOUSING PROGRAM (SNP)	BUILDING HOMES & JOBS PROGRAM (BHJ)
OPERATING REVENUES			
Interest income:			
Program loans, net	\$7,106	\$3,221	\$1,573
Interest on investment	—	—	7,629
Total Operating Revenues	\$7,106	\$3,221	\$9,202
OPERATING EXPENSES			
(Reversal) provision for program loan losses	(\$53)	\$202	\$8,308
Other expenses	7,138	2,948	1,559
Total Operating Expenses	\$7,085	\$3,150	\$9,867
Total Operating Income (Expenses)	\$21	\$71	(\$665)
NON-OPERATING REVENUES AND EXPENSES			
Accessory Dwelling Unit (ADU) revenues	—	—	—
Accessory Dwelling Unit (ADU) expenses	—	—	—
Forgivable Equity Builder Loan (EBL) revenues	—	—	—
Forgivable Equity Builder Loan (EBL) expenses	—	—	—
National Mortgage Settlement (NMS) revenues	—	—	—
National Mortgage Settlement (NMS) expenses	—	—	—
Total Non-operating Income	—	—	—
Change in net position before transfers	21	71	(665)
Transfers (out) in	(2,101)	(6,063)	31,184
Transfers intrafund	—	—	—
(Decrease) Increase in Net Position	(\$2,080)	(\$5,992)	\$30,519
Net Position at Beginning of Year	282,339	95,366	234,199
Net Position at End of Year	\$280,259	\$89,374	\$264,718

CONTRACT ADMINISTRATION PROGRAMS

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - CONTRACT ADMINISTRATION PROGRAMS (continued)

Year Ended June 30, 2024 (dollars in thousands)

LOW/MODERATE INCOME HOUSING PROGRAM (LMI)	NATIONAL MORTGAGE SETTLEMENT (NMS)	HOME BUYER ASSISTANCE PROGRAM (HBA)	ACCESSORY DWELLING UNIT PROGRAM (ADU)	TOTAL CONTRACT ADMINISTRATION PROGRAMS
\$1,630	—	—	—	\$13,530
9,563	—	478	—	17,670
\$11,193	—	\$478	—	\$31,200
(\$3)	—	(\$275)	—	\$8,179
31	—	—	—	11,676
\$28	—	(\$275)	—	\$19,855
\$11,165	—	\$753	—	\$11,345
\$8,508	—	—	\$12,295	\$20,803
(8,508)	—	—	(12,295)	(20,803)
—	—	15,949	—	15,949
—	—	(15,949)	—	(15,949)
—	21,028	—	—	21,028
—	(21,028)	—	—	(21,028)
—	—	—	—	—
11,165	—	753	—	11,345
—	—	—	—	23,020
—	—	—	—	—
\$11,165	—	\$753	—	\$34,365
285,147	—	10,655	—	907,706
\$296,312	—	\$11,408	—	\$942,071

CONTRACT ADMINISTRATION PROGRAMS

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - CONTRACT ADMINISTRATION PROGRAMS

Year Ended June 30, 2024 (dollars in thousands)

	MENTAL HEALTH SERVICES ACT (MHP)	SPECIAL NEEDS HOUSING PROGRAM (SNP)	BUILDING HOMES & JOBS PROGRAM (BHJ)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$1,416	\$423	—
Receipts from loan related activities	283	94	—
Payments to loan related expenses	—	(397)	(72,110)
Other receipts	—	—	—
Other payments	22	270	(1,559)
Net cash provided by (used for) operating activities	\$1,721	\$390	(\$73,669)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund transfers	(\$2,101)	(\$6,063)	\$31,184
Net cash (used for) provided by noncapital financing activities	(\$2,101)	(\$6,063)	\$31,184
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from maturity and sale of investments	\$2,018	\$8,521	\$95,986
Purchase of investments	(1,636)	(2,878)	(60,871)
Interest on investments, net	(6)	29	7,370
Net cash provided by (used for) investing activities	\$376	\$5,672	\$42,485
Net (decrease) increase in cash and cash equivalents	(4)	(1)	—
Cash and cash equivalents at beginning of year	10	3	1
Cash and cash equivalents at end of year	\$6	\$2	\$1

CONTRACT ADMINISTRATION PROGRAMS

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - CONTRACT ADMINISTRATION PROGRAMS (continued)

Year Ended June 30, 2024 (dollars in thousands)

LOW/MODERATE INCOME HOUSING PROGRAM (LMI)	NATIONAL MORTGAGE SETTLEMENT (NMS)	HOMEBUYER ASSISTANCE PROGRAM (HBA)	ACCESSORY DWELLING UNIT PROGRAM (ADU)	TOTAL CONTRACT ADMINISTRATION PROGRAMS
\$1,120	—	—	—	\$2,959
1,725	—	16,272	—	18,374
—	—	—	—	(72,507)
12,372	21,028	15,963	12,204	61,567
(17,036)	(33,104)	(31,819)	983	(82,243)
(\$1,819)	(\$12,076)	\$416	\$13,187	(\$71,850)
—	—	—	—	\$23,020
—	—	—	—	\$23,020
\$35	\$16,788	\$12	\$16,090	\$139,450
(13,714)	(6,254)	(4,404)	(25,407)	(115,164)
6,991	(703)	391	(121)	13,951
(\$6,688)	\$9,831	(\$4,001)	(\$9,438)	\$38,237
(8,507)	(2,245)	(3,585)	3,749	(10,593)
10,789	2,643	3,728	2,482	19,656
\$2,282	\$398	\$143	\$6,231	\$9,063

CONTRACT ADMINISTRATION PROGRAMS

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - CONTRACT ADMINISTRATION PROGRAMS (continued)

Year Ended June 30, 2024 (dollars in thousands)

	MENTAL HEALTH SERVICES ACT (MHP)	SPECIAL NEEDS HOUSING PROGRAM (SNP)	BUILDING HOMES & JOBS PROGRAM (BHJ)
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH (USED FOR) PROVIDED BY OPERATING ACTIVITIES:			
Operating Income (Loss)	\$21	\$71	(\$665)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Interest on investments	—	—	(\$7,629)
Other revenues	—	—	—
(Reversal) provision for estimated loan losses	(53)	202	8,308
Other expenses	—	—	—
Effects of Changes in Operating Assets and Liabilities:			
(Purchase) sale of program loans, net	—	(\$397)	(\$72,110)
Collection of principal from program loans, net	284	93	—
Interest receivable	(5,691)	(2,797)	(1,573)
Allowance for interest receivable	7,138	2,948	—
Accounts receivable	—	—	—
Due to (from) other funds	—	—	—
Deposits and other liabilities	22	270	—
Unearned revenue	—	—	—
Net cash provided by (used for) operating activities	\$1,721	\$390	(\$73,669)

CONTRACT ADMINISTRATION PROGRAMS

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - CONTRACT ADMINISTRATION PROGRAMS (continued)

Year Ended June 30, 2024 (dollars in thousands)

LOW/MODERATE INCOME HOUSING PROGRAM (LMI)	NATIONAL MORTGAGE SETTLEMENT (NMS)	HOMEBUYER ASSISTANCE PROGRAM (HBA)	ACCESSORY DWELLING UNIT PROGRAM (ADU)	TOTAL CONTRACT ADMINISTRATION PROGRAMS
\$11,165	—	\$753	—	\$11,345
(\$9,563)	—	(\$478)	—	(\$17,670)
8,508	21,028	15,949	12,295	57,780
(3)	—	(275)	—	8,179
(8,508)	(21,028)	(15,949)	(12,295)	(57,780)
—	—	—	—	(\$72,507)
1,725	—	16,272	—	18,374
(510)	—	—	—	(10,571)
10	—	—	—	10,096
—	—	14	—	14
3,865	—	—	(92)	3,773
—	—	—	—	292
(8,508)	(12,076)	(15,870)	13,279	(23,175)
(\$1,819)	(\$12,076)	\$416	\$13,187	(\$71,850)

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Statistical Section



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Statistical Section Contents

This part of the California Housing Finance Agency's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about CalHFA's overall financial health.

Financial Trends/Revenue Capacity

These schedules contain trend information to help the reader understand how the Fund's financial performance and well-being have changed over time and how to assess the most significant revenue sources for Single Family and Multifamily Lending. Historical Net Positions show CalHFA's financial health over a ten-year period.

Debt Capacity Information

These schedules contain trend information to help the reader understand the Fund's outstanding debt, the capacity to repay that debt, and the ability to issue additional debt in the future. They include ratios of outstanding debt, underlying revenue base of debt and use of authority for revenue debt.

Demographic and Economic/Operating Information

These charts show demographic and economic indicators to help the reader understand the environment and operating information within which the Fund's financial activities take place. Demographic and economic information for multifamily renters and single-family homebuyers is detailed along with corresponding programs. California demographic and economic data is provided along with CalHFA operating information.

CONDENSED SCHEDULE OF NET POSITION

Condensed Schedule of Net Position as of June 30

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
ASSETS					
Cash & Investments	\$1,468,746	\$1,551,519	\$1,366,843	\$1,166,816	\$1,161,495
Program loan receivable - net	3,423,104	3,107,849	2,645,847	2,495,995	2,393,534
Other assets	96,106	76,826	55,939	60,926	76,848
Total Assets	\$4,987,956	\$4,736,194	\$4,068,629	\$3,723,737	\$3,631,877
Total Deferred Outflows of Resources	\$28,302	\$37,995	\$25,123	\$23,778	\$17,286
LIABILITIES					
Bonds, Notes, & Loans payable	\$2,969,206	\$2,618,939	\$2,208,826	\$1,675,846	\$1,386,661
Other liabilities	521,195	554,786	475,579	488,349	489,113
Total Liabilities	\$3,490,401	\$3,173,725	\$2,684,405	\$2,164,195	\$1,875,774
Total Deferred Inflows of Resources	\$8,230	\$9,164	\$8,833	\$18,198	\$25,689
NET POSITION					
Net Investment in Capital Assets	\$754	\$587	\$652	\$594	\$460
Restricted by indenture	531,976	531,130	576,548	620,505	629,421
Restricted by statute	984,897	1,059,583	823,314	944,023	1,117,819
Unrestricted (deficit)	—	—	—	—	—
Total Net Position	\$1,517,627	\$1,591,300	\$1,400,514	\$1,565,122	\$1,747,700
ASSETS					
Cash & Investments	\$1,269,347	\$1,702,692	\$1,740,642	\$1,959,782	\$2,144,212
Program loan receivable - net	2,280,758	2,106,451	1,982,981	2,082,372	2,139,128
Other assets	85,482	145,433	249,241	235,632	275,261
Total Assets	\$3,635,587	\$3,954,576	\$3,972,864	\$4,277,786	\$4,558,601
Total Deferred Outflows of Resources	\$17,090	\$14,886	\$14,775	\$21,982	\$22,134
LIABILITIES					
Bonds, Notes, & Loans payable	\$1,386,661	\$938,801	\$542,928	\$407,810	\$483,681
Other liabilities	489,113	493,014	588,655	769,648	746,220
Total Liabilities	\$1,875,774	\$1,431,815	\$1,131,583	\$1,173,517	\$1,294,894
Total Deferred Inflows of Resources	\$25,689	\$20,982	\$19,056	\$46,489	\$64,993
NET POSITION					
Net Investment in capital assets	\$599	\$620	\$305	(\$384)	(\$730)
Restricted by indenture	578,610	645,690	709,312	749,992	790,624
Restricted by statute	1,620,672	2,172,513	2,058,955	2,382,047	2,503,834
Unrestricted (deficit)	(103,291)	(95,921)	(89,677)	(51,893)	(72,880)
Total Net Position	\$2,096,590	\$2,722,902	\$2,678,895	\$3,079,762	\$3,220,848

NET POSITION BY COMPONENT

Net Position By Component as of June 30

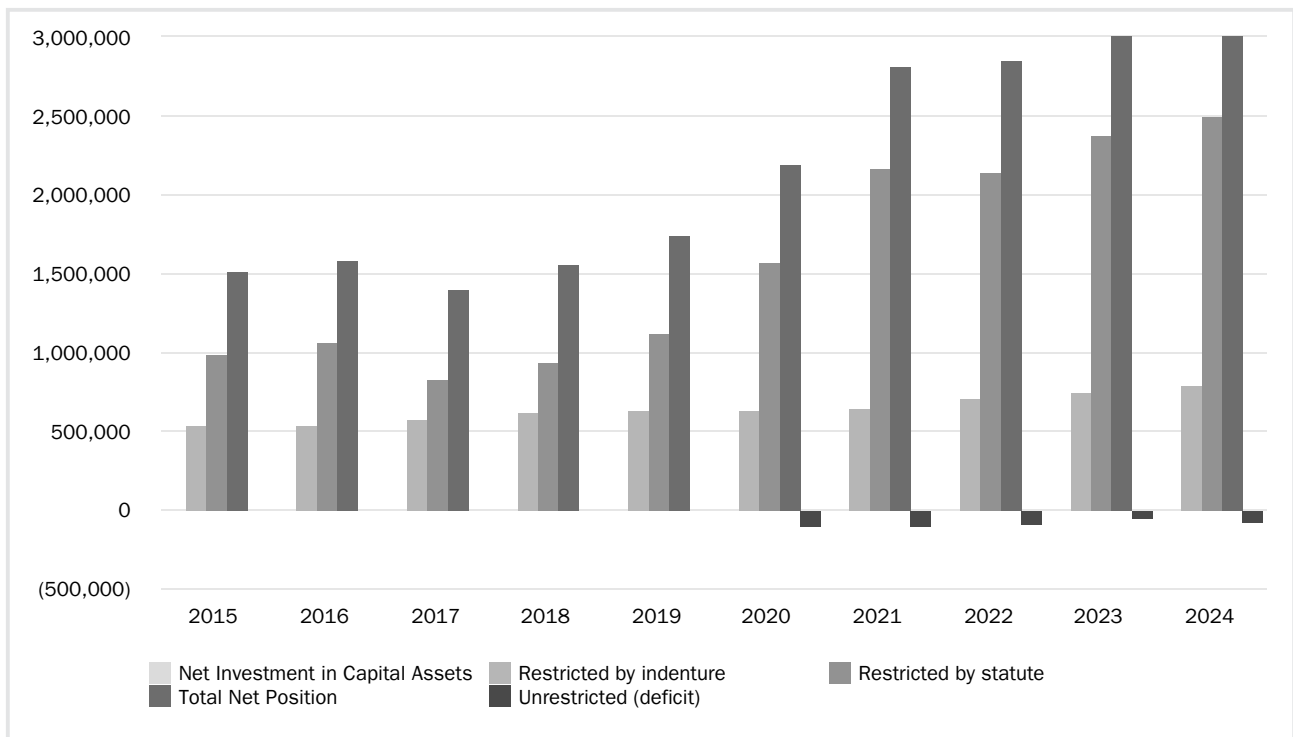
Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
Net Investment in Capital Assets	\$754	\$587	\$652	\$594	\$460
Restricted by indenture	531,976	531,130	576,548	620,505	629,421
Restricted by statute	984,897	1,059,583	823,314	944,023	1,117,819
Unrestricted (deficit)	—	—	—	—	—
Total Net Position	\$1,517,627	\$1,591,300	\$1,400,514	\$1,565,122	\$1,747,700

	2020	2021	2022	2023	2024
Net Investment in Capital Assets	\$599	\$620	\$305	(\$384)	(\$730)
Restricted by indenture	629,421	645,690	709,312	749,992	790,624
Restricted by statute	1,569,861	2,172,513	2,148,632	2,382,047	2,503,834
Unrestricted (deficit)	(103,291)	(95,921)	(89,677)	(51,893)	(72,880)
Total Net Position	\$2,199,881	\$2,818,823	\$2,858,249	\$3,079,762	\$3,220,848

Net Position by Components

(dollars in thousands)



CONDENSED SCHEDULE OF REVENUES, EXPENSES & CHANGES IN NET POSITION

Condensed Schedule of Revenues, Expenses and Changes in Net Position as of June 30

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
Operating Revenues					
Interest income	\$212,495	\$185,714	\$161,900	\$146,615	\$120,185
Realized & unrealized gain/Loss on sale of securities ¹	4,114	47,317	82,553	70,548	3,879
Loan commitment fees	459	885	1,070	1,563	3,918
Administrative and other loan fees	17,143	21,793	17,522	17,154	19,132
Other revenues	(44,562)	(28,529)	(6,169)	7,384	51,559
Total Operating Revenues	\$189,649	\$227,180	\$256,876	\$243,264	\$235,158
Operating Expenses					
Interest expense	\$89,960	\$72,288	\$64,123	\$49,244	\$24,383
Amortization of bond discount and premium	(941)	(1,300)	(874)	(799)	(45)
Mortgage servicing fees	7,312	6,008	5,021	4,722	1,925
Provision for estimated loan losses	(22,113)	(12,069)	(2,381)	(3,851)	9,314
Salaries and General expenses	39,546	40,117	39,796	39,098	41,072
Other expenses	36,283	40,487	52,244	39,776	46,163
Total Operating Expenses	\$150,047	\$145,531	\$157,929	\$128,190	\$122,812
Operating Income	\$39,602	\$81,649	\$98,947	\$115,074	\$115,074
Non-operating Revenues and Expenses					
Interest: Positive arbitrage	(\$205)	(\$189)	(\$200)	(\$81)	(\$81)
Investment SWAP revenue (fair value)	22,397	(10,625)	45,579	30,974	30,974
Investment gain/loss on termination SWAP	—	—	—	—	—
Federal pass-through revenues	59,575	60,184	57,250	52,596	52,596
Federal pass-through expenses	(59,575)	(60,184)	(57,250)	(52,596)	(52,596)
Contract Administration pass-through revenues	—	—	—	—	—
Contract Administration pass-through expenses	—	—	—	—	—
Prepayment penalty	26,949	8,392	5,494	1,954	1,954
Other	(450)	(1,889)	409	3,942	3,942
Total Non-operating Revenues and Expenses	\$48,691	(\$4,311)	\$51,282	\$36,789	\$36,789
Income (loss) before transfers	88,293	77,338	150,229	151,863	151,863
Transfers	(432)	(3,665)	(341,015)	60,095	60,095
Increase (decrease) in net position	87,861	73,673	(190,786)	211,958	211,958
GASB 68 & 71 (2015), GASB 75 (2018)	(48,828)	—	(47,350)	(47,350)	(47,350)
Net Position at Beginning of Year	\$1,458,139	\$1,478,594	\$1,517,627	\$1,400,514	\$1,400,514
Net Position at End of Year	\$1,497,172	\$1,552,267	\$1,279,491	\$1,565,122	\$1,565,122

¹ Note: Changes in fair value of investments were combined into "Realized & unrealized gain/loss on sale of securities." No effect to the net position.

CONDENSED SCHEDULE OF REVENUES, EXPENSES & CHANGES IN NET POSITION

Condensed Schedule of Revenues, Expenses and Changes in Net Position as of June 30 (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
Operating Revenues					
Interest income	\$129,844	\$106,711	\$106,078	\$120,185	\$120,185
Realized & unrealized gain/Loss on sale of securities	114,917	97,352	20,613	6,999	3,879
Loan commitment fees	1,298	2,524	2,596	3,305	3,918
Administrative and other loan fees	26,492	20,283	14,761	37,497	19,132
Other revenues	75,371	27,330	22,407	52,168	51,559
Total Operating Revenues	\$347,922	\$254,200	\$166,455	\$220,154	\$235,158
Operating Expenses					
Interest expense	\$34,483	\$21,498	\$14,283	\$17,525	\$24,383
Amortization of bond discount and premium	(31)	(70)	68	—	(45)
Mortgage servicing fees	3,755	3,102	2,334	2,064	1,925
Provision for estimated loan losses	5,576	1,454	(28,223)	3,349	9,314
Salaries and General expenses	21,451	23,838	22,487	13,194	41,072
Other expenses	55,734	52,861	39,989	52,070	46,163
Total Operating Expenses	\$120,968	\$102,683	\$50,938	\$88,202	\$122,812
Operating Income	\$226,954	\$151,517	\$115,517	\$131,952	\$112,346
Non-operating Revenues and Expenses					
Interest: Positive arbitrage, S	—	—	—	—	—
Investment SWAP revenue (fair value)	(24,122)	31,223	45,314	38,172	—
Investment gain/loss on termination SWAP	—	—	371	(16,395)	—
Federal pass-through revenues	50,179	31,158	1,069,808	14,047	5,708
Federal pass-through expenses	(50,179)	(31,158)	(1,069,808)	(14,047)	(5,708)
Contract Administration pass-through revenues	—	—	28,601	111,542	111,542
Contract Administration pass-through expenses	—	—	(28,601)	(111,542)	(111,542)
Prepayment penalty	6,884	6,820	10,269	4,104	1,743
Other	102	427	167	1,053	151
Total Non-operating Revenues and Expenses	(\$17,136)	\$38,470	\$56,121	\$26,934	\$1,894
Income (loss) before transfers	209,818	189,987	171,638	158,886	114,240
Transfers	242,363	428,955	(221,889)	152,304	26,846
Increase (decrease) in net position	452,181	618,942	(50,251)	311,190	141,086
GASB 68 & 71 (2015), GASB 75 (2018)	—	—	—	—	—
Net Position at Beginning of Year	\$1,747,700	\$2,199,881	\$2,818,823	\$2,768,572	\$3,079,762
Net Position at End of Year	\$2,199,881	\$2,818,823	\$2,768,572	\$3,079,762	\$3,220,848

¹ Note: Changes in fair value of investments were combined into "Realized & unrealized gain/loss on sale of securities." No effect to the net position.

DEBT SERVICE CAPACITY

Home Mortgage Revenue Bonds (HMRB) ¹

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
HMRB Financial Ratios ²					
Total Asset	\$2,157,574	\$2,017,439	\$1,729,408	\$1,190,506	\$1,024,847
Total Liability	1,895,843	1,739,280	1,417,367	854,568	667,800
Deferred Inflow of Resources	—	—	1,250	1,106	969
Net Position	261,731	278,159	310,791	334,832	356,078
Deferred Outflow Of Resources	—	—	—	—	—
Liability to Asset Ratio	87.87%	86.21%	81.96%	71.78%	65.16%
Net Position to Asset Ratio	12.13	13.79	17.97	28.13	34.74
HMRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$2,044,205	\$1,683,898	\$1,374,858	\$1,125,858	\$947,558
Whole Loan Interest Earned	117,098	89,647	73,220	58,696	49,506
Average Loan Rate	5.73%	5.32%	5.33%	5.21%	5.22%
Single Family Whole Loans Percentage	100.00	100.00	100.00	100.00	100.00
HMRB Revenue Bond Coverage (Debt Service Coverage Ratio) ³					
Total Debt Service	\$524,914	\$436,190	\$634,665	\$209,339	\$209,339
Net Revenue to Pay Debt Service	535,746	440,285	660,655	228,452	228,452
Debt Service Coverage Ratio	102.06%	100.94%	104.10%	109.13%	109.13%

¹ Debt Service requirement information obtained from Agency's Debt Management System. HMRB, a Special Obligation Indenture, was defeased in substance on December 29, 2022.

² Deferred inflows/outflows added to Financial Ratios per GASB 65 beginning 2013.

³ Sources of revenue include mortgage loan repayment, mortgage loan interest earnings, mortgage backed securities (MBS) payment, and investment interest earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

Home Mortgage Revenue Bonds (HMRB) ¹ (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
HMRB Financial Ratios ²					
Total Asset	\$871,101	\$624,430	\$505,107	\$426,276	\$446,785
Total Liability	498,877	214,368	80,875	127	101
Deferred Inflow of Resources	516	191	100	—	—
Net Position	371,707	409,871	424,132	426,149	446,684
Deferred Outflow Of Resources	—	—	—	—	—
Liability to Asset Ratio	57.27%	34.33%	16.01%	0.03%	0.02%
Net Position to Asset Ratio	42.67	65.64	83.97	99.97	99.98
HMRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$645,479	\$626,327	\$410,687	\$393,755	\$354,543
Whole Loan Interest Earned	41,824	31,063	23,575	20,156	18,258
Average Loan Rate	6.48%	4.96%	5.74%	5.12%	5.15%
Single Family Whole Loans Percentage	100.00	100.00	100.00	100.00	100.00
HMRB Revenue Bond Coverage (Debt Service Coverage Ratio) ³					
Total Debt Service	\$180,400	\$294,220	\$137,126	\$81,043	—
Net Revenue to Pay Debt Service	199,860	314,528	314,528	20,861	—
Debt Service Coverage Ratio	110.79%	106.90%	229.37%	25.74%	—

¹ Debt Service requirement information obtained from Agency's Debt Management System. HMRB, a Special Obligation Indenture, was defeased in substance on December 29, 2022.

² Deferred inflows/outflows added to Financial Ratios per GASB 65 beginning 2013.

³ Sources of revenue include mortgage loan repayment, mortgage loan interest earnings, mortgage backed securities (MBS) payment, and investment interest earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

DEBT SERVICE CAPACITY

Residential Mortgage Revenue Bonds Single Family RMRB (SF)

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
RMRBSF Financial Ratios					
Total Asset	\$563,753	\$455,636	\$370,202	\$276,635	\$195,690
Total Liability	504,781	392,423	302,285	218,600	148,420
Total Liability and Fund Equity	58,972	63,213	67,917	58,035	47,270
Net Position	58,972	63,213	67,917	58,035	47,270
Liability to Asset Ratio	86%	82%	79%	77%	76%
Net Position to Asset Ratio	14	18	21	23	24
RMRBSF Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$302,044	\$253,470	\$206,547	\$168,238	\$181,199
Whole Loan Interest Earned	14,877	11,828	9,652	7,626	6,468
Average Loan Rate	5%	5%	5%	5%	4%
Single Family Whole Loans Percentage	96	95	97	100	100
Multifamily Whole Loans Percentage	4	5	3	—	—
RMRBSF Revenue Bond Coverage (Debt Service Coverage Ratio)					
Total Debt Service	\$130,006	\$103,010	\$96,723	\$49,724	\$31,802
Net Revenue to Pay Debt Service	134,382	106,496	89,663	45,161	26,122
Debt Service Coverage Ratio	103%	103%	93%	91%	82%

Residential Mortgage Revenue Bonds Single Family RMRB (SF) (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
RMRBSF Financial Ratios					
Total Asset	\$26,515	—	—	—	—
Total Liability	22,657	—	—	—	—
Total Liability and Fund Equity	3,858	—	—	—	—
Net Position	3,858	—	—	—	—
Liability to Asset Ratio	85.45%	—	—	—	—
Net Position to Asset Ratio	14.55	—	—	—	—
RMRBSF Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$82,025	\$135	—	—	—
Whole Loan Interest Earned	1,455	3	—	—	—
Average Loan Rate	1.77%	2.02%	—	—	—
Single Family Whole Loans Percentage	100.00	100.00	—	—	—
Multifamily Whole Loans Percentage	—	—	—	—	—
RMRBSF Revenue Bond Coverage (Debt Service Coverage Ratio)					
Total Debt Service	\$127,233	\$22,718	—	—	—
Net Revenue to Pay Debt Service	127,636	22,792	—	—	—
Debt Service Coverage Ratio	82.14%	82.14%	—	—	—

DEBT SERVICE CAPACITY

Multifamily Housing Revenue Bonds III (MF3) ^{1, 2}

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
MF3 Financial Ratios					
Total Asset	\$737,296	\$637,971	\$559,441	\$531,346	\$504,243
Deferred Outflow of Resources	22,975	26,328	10,283	3,721	8
Total Liability	590,636	500,454	382,802	320,507	302,867
Total Liability and Fund Equity	169,635	163,846	186,922	214,560	201,384
Net Position	169,635	163,846	186,922	214,560	201,384
Liability to Asset Ratio	80.11%	78.44%	68.43%	60.32%	65.16%
Net Position to Asset Ratio	23.01	25.68	33.41	40.38	34.74
MF3 Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$653,403	\$610,274	\$563,157	\$520,741	\$487,432
Whole Loan Interest Earned	38,751	35,687	33,250	31,838	31,558
Average Loan Rate	5.86%	5.93%	5.85%	6.11%	6.47%
Multifamily Whole Loans Percentage	100.00	100.00	100.00	100.00	100.00
MF3 Revenue Bond Coverage (Debt Service Coverage Ratio) ³					
Total Debt Service	\$190,439	\$119,614	\$84,241	\$46,776	\$64,309
Net Revenue to Pay Debt Service	198,131	131,289	86,815	58,384	79,111
Debt Service Coverage Ratio	104.04%	109.76%	103.05%	124.82%	123.02%

¹ General Obligation of the Agency. The MF3I Indenture was fully redeemed March 30, 2022.

² Debt service requirements information obtained from Agency's Debt Management System.

³ Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

Multifamily Housing Revenue Bonds III (MF3) ^{1, 2} (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
MF3 Financial Ratios					
Total Asset	\$462,802	\$368,377	\$320,367	\$320,229	—
Deferred Outflow of Resources	6	—	—	—	—
Total Liability	262,024	135,071	38,199	—	—
Total Liability and Fund Equity	200,784	233,306	282,168	320,229	—
Net Position	200,784	233,306	282,168	320,229	—
Liability to Asset Ratio	56.62%	36.67%	11.92%	—	—
Net Position to Asset Ratio	43.38	63.33	88.08	100.00	—
MF3 Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$435,798	\$376,206	\$318,971	\$284,689	—
Whole Loan Interest Earned	25,250	21,996	18,471	16,392	2,390
Average Loan Rate	5.79%	5.85%	5.79%	5.76%	5.76%
Multifamily Whole Loans Percentage	100.00	100.00	100.00	100.00	100.00
MF3 Revenue Bond Coverage (Debt Service Coverage Ratio) ³					
Total Debt Service	\$66,588	\$110,042	\$60,728	—	—
Net Revenue to Pay Debt Service	77,068	120,863	73,784	—	—
Debt Service Coverage Ratio	115.74%	109.83%	121.50%	—	—

¹ General Obligation of the Agency. The MF3I Indenture was fully redeemed March 30, 2022.

² Debt service requirements information obtained from Agency's Debt Management System.

³ Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

DEBT SERVICE CAPACITY

Residential Mortgage Revenue Bonds Multifamily RMRB (MF) ¹

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
RMRB (MF) Financial Ratios					
Total Asset	\$53,119	\$53,370	\$52,639	\$52,287	\$50,722
Total Liability	49,680	49,680	48,705	48,101	46,090
Total Liability and Fund equity	3,439	3,690	3,934	4,186	4,632
Net Position	3,439	3,690	3,934	4,186	4,632
Liability to Asset Ratio	93.53%	93.09%	92.53%	91.99%	90.87%
Net Position to Asset Ratio	6.47	6.91	7.47	8.01	9.13
RMRB (MF) Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$53,949	\$50,169	\$49,576	\$48,955	\$48,300
Whole Loan Interest Earned	2,648	2,505	2,475	2,444	2,412
Average Loan Rate	4.91%	4.99%	4.99%	4.99%	4.99%
Multifamily Whole Loans Percentage	100.00	100.00	100.00	100.00	100.00
RMRB (MF) Revenue Bond Coverage (Debt Service Coverage Ratio) ²					
Total Debt Service	\$22,438	\$1,616	\$2,562	\$2,169	\$3,564
Net Revenue to Pay Debt Service	22,575	1,867	2,806	2,421	4,010
Debt Service Coverage Ratio	100.61%	115.53%	109.54%	111.60%	112.51%

¹ Debt service requirement information obtained from Agency's Debt Management System. RMRB (MF), a Special Obligation indenture, was fully redeemed on March 2, 2020.

² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

Residential Mortgage Revenue Bonds Multifamily RMRB (MF) ¹ (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
RMRB (MF) Financial Ratios					
Total Asset	—	—	—	—	—
Total Liability	—	—	—	—	—
Total Liability and Fund equity	—	—	—	—	—
Net Position	—	—	—	—	—
Liability to Asset Ratio	—	—	—	—	—
Net Position to Asset Ratio	—	—	—	—	—
RMRB (MF) Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$28,703	—	—	—	—
Whole Loan Interest Earned	1,389	—	—	—	—
Average Loan Rate	4.84%	—	—	—	—
Multifamily Whole Loans Percentage	100.00	—	—	—	—
RMRB (MF) Revenue Bond Coverage (Debt Service Coverage Ratio) ²					
Total Debt Service	\$48,841	—	—	—	—
Net Revenue to Pay Debt Service	46811000	—	—	—	—
Debt Service Coverage Ratio	112.51%	—	—	—	—

¹ Debt service requirement information obtained from Agency's Debt Management System. RMRB (MF), a Special Obligation indenture, was fully redeemed on March 2, 2020.

² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

DEBT SERVICE CAPACITY

Affordable Multifamily Housing Revenue Bonds (AMHRB) ¹

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
AMHRB Financial Ratios					
Total Asset	\$94,433	\$96,520	\$92,485	\$83,382	\$83,418
Total Liability	84,014	80,963	78,383	69,609	65,734
Total Liability and Fund Equity	10,419	15,557	14,102	13,773	17,684
Net Position	10,419	15,557	14,102	13,773	17,684
Liability to Asset Ratio	88.97%	83.88%	84.75%	83.48%	78.80%
Net Position to Asset Ratio	11.03	16.12	15.25	16.52	21.20
AMHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$53,178	\$52,130	\$51,027	\$49,275	\$43,990
Whole Loan Interest Earned	2,914	2,856	2,795	2,685	2,408
Average Loan Rate	5.48%	5.48%	5.48%	5.45%	5.47%
Multifamily Whole Loans Percentage	100.00	100.00	100.00	100.00	100.00
AMHRB Revenue Bond Coverage (Debt Service Coverage Ratio) ²					
Total Debt Service	\$7,432	\$4,963	\$4,404	\$10,544	\$5,459
Net Revenue to Pay Debt Service	8,742	6,297	5,759	11,845	6,738
Debt Service Coverage Ratio	117.63%	126.88%	130.77%	112.34%	123.43%

¹ Debt service requirement information obtained from Agency's Debt Management System. AMHRB, a Special Obligation indenture, was fully redeemed on April 1, 2020.

² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

Affordable Multifamily Housing Revenue Bonds (AMHRB) ¹ (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
AMHRB Financial Ratios					
Total Asset	—	—	—	—	—
Total Liability	—	—	—	—	—
Total Liability and Fund Equity	—	—	—	—	—
Net Position	—	—	—	—	—
Liability to Asset Ratio	—	—	—	—	—
Net Position to Asset Ratio	—	—	—	—	—
AMHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$33,506	—	—	—	—
Whole Loan Interest Earned	1,596	—	—	—	—
Average Loan Rate	4.76%	—	—	—	—
Multifamily Whole Loans Percentage	100.00	—	—	—	—
AMHRB Revenue Bond Coverage (Debt Service Coverage Ratio) ²					
Total Debt Service	\$66,537	—	—	—	—
Net Revenue to Pay Debt Service	70,785	—	—	—	—
Debt Service Coverage Ratio	94.00%	—	—	—	—

¹ Debt service requirement information obtained from Agency's Debt Management System. AMHRB, a Special Obligation indenture, was fully redeemed on April 1, 2020.

² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

DEBT SERVICE CAPACITY

Citibank Notes ^{1,2}

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
Citibank Financial Ratios					
Total Asset	\$54,608	\$35,078	—	—	—
Total Liability	54,878	35,097	—	—	—
Total Liability and Fund Equity	(270)	(18)	—	—	—
Net Position	(270)	(19)	—	—	—
Liability to Asset Ratio	100.50%	100.05%	—	—	—
Net Position to Asset Ratio	(0.50)	(0.05)	—	—	—
Citibank Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$59,054	\$44,736	—	—	—
Whole Loan Interest Earned	3,189	2,614	—	—	—
Average Loan Rate	5.40%	5.84%	—	—	—
Multifamily Whole Loans Percentage	100.00	100.00	—	—	—
Citibank Revenue Bond Coverage (Debt Service Coverage Ratio) ³					
Total Debt Service	\$9,972	\$20,246	—	—	—
Net Revenue to Pay Debt Service	9,972	20,301	—	—	—
Debt Service Coverage Ratio	100.00%	100.27%	—	—	—

¹ General Obligation of the Agency. Citibank Notes paid in full on November 21, 2016.

² Debt service requirements information obtained from Agency's Debt Management System.

³ Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

Citibank Notes ^{1,2} (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
Citibank Financial Ratios					
Total Asset	—	—	—	—	—
Total Liability	—	—	—	—	—
Total Liability and Fund Equity	—	—	—	—	—
Net Position	—	—	—	—	—
Liability to Asset Ratio	—	—	—	—	—
Net Position to Asset Ratio	—	—	—	—	—
Citibank Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	—	—	—	—	—
Whole Loan Interest Earned	—	—	—	—	—
Average Loan Rate	—	—	—	—	—
Multifamily Whole Loans Percentage	—	—	—	—	—
Citibank Revenue Bond Coverage (Debt Service Coverage Ratio) ³					
Total Debt Service	—	—	—	—	—
Net Revenue to Pay Debt Service	—	—	—	—	—
Debt Service Coverage Ratio	—	—	—	—	—

¹ General Obligation of the Agency. Citibank Notes paid in full on November 21, 2016.

² Debt service requirements information obtained from Agency's Debt Management System.

³ Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

DEBT SERVICE CAPACITY

Multifamily Loan Purchase Bonds (MLPB) ¹

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
MLPB Financial Ratios					
Total Asset	\$1,027	\$216	—	—	—
Total Liability	1,030	219	—	—	—
Total Liability and Fund Equity	(3)	(3)	—	—	—
Net Position	(3)	(3)	—	—	—
Liability to Asset Ratio	100.29%	101.85%	—	—	—
Net Position to Asset Ratio	(0.29)	(1.39)	—	—	—
MLPB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$2,176	\$550	—	—	—
Whole Loan Interest Earned	121	26	—	—	—
Average Loan Rate	5.56%	4.73%	—	—	—
Multifamily Whole Loans Percentage	100.00	100.00	—	—	—
MLPB Revenue Bond Coverage (Debt Service Coverage Ratio) ²					
Total Debt Service	\$2,635	\$763	—	—	—
Net Revenue to Pay Debt Service	3	763320.77	—	—	—
Debt Service Coverage Ratio	100.00%	100.00%	—	—	—

¹ Debt service requirement information obtained from Agency's Debt Management System. MLPB, a Limited Obligation indenture, was fully paid on February 1, 2017.

² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

Multifamily Loan Purchase Bonds (MLPB) ¹ (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
MLPB Financial Ratios					
Total Asset	—	—	—	—	—
Total Liability	—	—	—	—	—
Total Liability and Fund Equity	—	—	—	—	—
Net Position	—	—	—	—	—
Liability to Asset Ratio	—	—	—	—	—
Net Position to Asset Ratio	—	—	—	—	—
MLPB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	—	—	—	—	—
Whole Loan Interest Earned	—	—	—	—	—
Average Loan Rate	—	—	—	—	—
Multifamily Whole Loans Percentage	—	—	—	—	—
MLPB Revenue Bond Coverage (Debt Service Coverage Ratio) ²					
Total Debt Service	—	—	—	—	—
Net Revenue to Pay Debt Service	—	—	—	—	—
Debt Service Coverage Ratio	—	—	—	—	—

¹ Debt service requirement information obtained from Agency's Debt Management System. MLPB, a Limited Obligation indenture, was fully paid on February 1, 2017.

² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

DEBT SERVICE CAPACITY

Special Obligation Multifamily Housing Revenue Bonds (SOMHRB) ^{1, 2}

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
SOMHRB Financial Ratios					
Total Asset	—	\$24,109	\$22,937	\$14,006	\$14,060
Total Liability	—	23,375	21,984	13,176	13,075
Total Liability and Fund Equity	—	734,044.79	952,636.44	830,000.00	985,000.00
Net Position	—	734	953	830	985
Liability to Asset Ratio	—	96.96%	95.85%	94.07%	92.99%
Net Position to Asset Ratio	—	3.04	4.15	5.93	7.01
SOMHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	—	\$23,320	\$21,922	\$14,249	\$13,059
Whole Loan Interest Earned	—	576	934	719	695
Average Loan Rate	—	4.24%	4.26%	5.04%	5.32%
Multifamily Whole Loans Percentage	—	100.00	100.00	100.00	100.00
SOMHRB Revenue Bond Coverage (Debt Service Coverage Ratio)					
Total Debt Service	—	\$399	\$2,044	\$9,374	\$646
Net Revenue to Pay Debt Service	—	734	2,263	9,896	800
Debt Service Coverage Ratio	—	183.96%	110.71%	105.57%	123.84%

¹ Debt service requirement information obtained from Agency's Debt Management System. Bonds under SOMHRB, a Special Obligation Indenture, originated and had loans transferred at end of 2016.

² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

Special Obligation Multifamily Housing Revenue Bonds (SOMHRB) ^{1, 2} (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
SOMHRB Financial Ratios					
Total Asset	\$13,736	\$13,595	\$13,576	\$13,583	\$13,617
Total Liability	12,960	12,855	12,734	12,604	12,483
Total Liability and Fund Equity	776	740	841	979	1,134
Net Position	776	740	841	979	1,134
Liability to Asset Ratio	94.35%	94.56%	93.80%	92.79%	91.67%
Net Position to Asset Ratio	5.65	5.44	6.20	7.21	8.33
SOMHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$12,952	\$12,840	\$12,722	\$12,597	\$12,444
Whole Loan Interest Earned	691	683	677	670	663
Average Loan Rate	5.34%	5.32%	5.32%	5.32%	5.33%
Multifamily Whole Loans Percentage	100.00	100.00	100.00	100.00	100.00
SOMHRB Revenue Bond Coverage (Debt Service Coverage Ratio)					
Total Debt Service	\$656	\$642	\$652	\$657	\$651
Net Revenue to Pay Debt Service	807	751	753	698	719
Debt Service Coverage Ratio	123.02%	116.98%	115.55%	106.25%	110.46%

¹ Debt service requirement information obtained from Agency's Debt Management System. Bonds under SOMHRB, a Special Obligation Indenture, originated and had loans transferred at end of 2016.

² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

DEBT SERVICE CAPACITY

Multifamily Housing Revenue Bonds (MHRB) ^{1, 2}

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
MHRB Financial Ratios					
Total Asset	—	\$41,195	\$37,954	\$32,275	\$32,383
Total Liability	—	39,965	36,143	30,727	30,321
Total Liability and Fund Equity	—	1,230	1,811	1,548	2,062
Net Position	—	1,230	1,811	1,548	2,062
Liability to Asset Ratio	—	97.01%	95.23%	95.20%	93.63%
Net Position to Asset Ratio	—	2.99	4.77	4.80	6.37
MHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	—	\$39,600	\$35,701	\$30,887	\$29,895
Whole Loan Interest Earned	—	709	1,696	1,535	1,485
Average Loan Rate	—	4%	5%	5%	5%
Multifamily Whole Loans Percentage	—	100	100	100	100
MHRB Revenue Bond Coverage (Debt Service Coverage Ratio)					
Total Debt Service	—	\$364	\$4,944	\$6,567	\$1,406
Net Revenue to Pay Debt Service	—	1,230	5,524	6,430	1,920
Debt Service Coverage Ratio	—	337.91%	111.73%	102.14%	136.56%

¹ Debt service requirement information obtained from Agency's Debt Management System. Bonds under MHRB, a Special Obligation Indenture, originated and had loans transferred at end of 2016.

² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

Multifamily Housing Revenue Bonds (MHRB) ^{1, 2} (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
MHRB Financial Ratios					
Total Asset	\$31,454	\$31,370	\$31,381	\$31,437	\$31,543
Total Liability	29,969	29,597	29,210	28,802	28,369
Total Liability and Fund Equity	1,485	1,773	2,171	2,635	3,175
Net Position	1,485	1,773	2,171	2,635	3,175
Liability to Asset Ratio	95.28%	94.35%	93.08%	91.62%	89.94%
Net Position to Asset Ratio	4.72	5.65	6.92	8.38	10.06
MHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	\$29,528	\$29,166	\$28,788	\$28,381	\$27,868
Whole Loan Interest Earned	1,467	1,449	1,430	1,408	1,388
Average Loan Rate	4.97%	4.97%	4.97%	4.97%	4.98%
Multifamily Whole Loans Percentage	100.00	100.00	100.00	100.00	100.00
MHRB Revenue Bond Coverage (Debt Service Coverage Ratio)					
Total Debt Service	\$1,345	\$1,363	\$1,373	\$1,387	\$1,405
Net Revenue to Pay Debt Service	1,798	1,768	1,771	1,490	1,558
Debt Service Coverage Ratio	133.68%	129.71%	128.97%	107.44%	110.90%

¹ Debt service requirement information obtained from Agency's Debt Management System. Bonds under MHRB, a Special Obligation Indenture, originated and had loans transferred at end of 2016.

² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

DEBT SERVICE CAPACITY

Multifamily Housing Revenue Note (MHRN) ^{1,2}

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
MHRN Financial Ratios					
Total Asset	—	—	\$13,538	\$13,688	\$13,688
Total Liability	—	—	14,327	14,327	14,327
Total Liability and Fund Equity	—	—	—	—	—
Net Position	—	—	(789)	(639)	(639)
Liability to Asset Ratio	—	—	106%	105%	105%
Net Position to Asset Ratio	—	—	(6)	(5)	(5)
MHRN Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	—	—	\$14,300	\$14,300	\$14,300
Whole Loan Interest Earned	—	—	143	485	485
Average Loan Rate	—	—	3%	3%	3%
Multifamily Whole Loans Percentage	—	—	100	100	100
MHRN Revenue Note Coverage (Debt Service Coverage Ratio)					
Total Debt Service	—	—	\$68	\$322	\$322
Net Revenue to Pay Debt Service	—	—	10	472	472
Debt Service Coverage Ratio	—	—	15%	147%	147%

¹ General Obligation of the Agency. MHRN originated and whole loan transferred at end of fiscal year 2018. MHRN was fully redeemed September 19, 2019.

² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

Multifamily Housing Revenue Note (MHRN) ^{1,2} (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
MHRN Financial Ratios					
Total Asset	—	—	—	—	—
Total Liability	—	—	—	—	—
Total Liability and Fund Equity	—	—	—	—	—
Net Position	—	—	—	—	—
Liability to Asset Ratio	—	—	—	—	—
Net Position to Asset Ratio	—	—	—	—	—
MHRN Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	—	—	—	—	—
Whole Loan Interest Earned	—	—	—	—	—
Average Loan Rate	—	—	—	—	—
Multifamily Whole Loans Percentage	—	—	—	—	—
MHRN Revenue Note Coverage (Debt Service Coverage Ratio)					
Total Debt Service	—	—	—	—	—
Net Revenue to Pay Debt Service	—	—	—	—	—
Debt Service Coverage Ratio	—	—	—	—	—

¹ General Obligation of the Agency. MHRN originated and whole loan transferred at end of fiscal year 2018. MHRN was fully redeemed September 19, 2019.

² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

DEBT SERVICE CAPACITY

Affordable Housing Revenue Bonds (AHRB)^{1, 2}

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
AHRB Financial Ratios					
Total Asset	—	—	—	—	—
Total Liability	—	—	—	—	—
Total Liability and Fund Equity	—	—	—	—	—
Net Position	—	—	—	—	—
Liability to Asset Ratio	—	—	—	—	—
Net Position to Asset Ratio	—	—	—	—	—
AHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	—	—	—	—	—
Whole Loan Interest Earned	—	—	—	—	—
Average Loan Rate	—	—	—	—	—
Multifamily Whole Loans Percentage	—	—	—	—	—
AHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	—	—	—	—	—
Whole Loan Interest Earned	—	—	—	—	—
Average Loan Rate	—	—	—	—	—
Multifamily Whole Loans Percentage	—	—	—	—	—

¹ Bond Indenture issued August 24, 2023.

² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

Affordable Housing Revenue Bonds (AHRB)^{1, 2}(continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
AHRB Financial Ratios					
Total Asset	—	—	—	—	\$425,358
Total Liability	—	—	—	—	85,727
Total Liability and Fund Equity	—	—	—	—	339,631
Net Position	—	—	—	—	339,631
Liability to Asset Ratio	—	—	—	—	20%
Net Position to Asset Ratio	—	—	—	—	80%
AHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	—	—	—	—	\$300,109
Whole Loan Interest Earned	—	—	—	—	15,801
Average Loan Rate	—	—	—	—	5%
Multifamily Whole Loans Percentage	—	—	—	—	100%
AHRB Revenue Note Coverage (Debt Service Coverage Ratio)					
Total Debt Service	—	—	—	—	\$2,531
Net Revenue to Pay Debt Service	—	—	—	—	18,050
Debt Service Coverage Ratio	—	—	—	—	713%

¹ Bond Indenture issued August 24, 2023.² Sources of revenue include mortgage loan repayments, mortgage loan interest earnings, Mortgage Backed Securities (MBS) payments, and investment earnings.

Qualified mortgage revenue bonds are structured in such a way that both mortgage loan repayments and gross revenues are used for bond repayment. Accordingly, to achieve adequate debt service coverage, mortgage loan repayments must be considered. Due to the nature of qualified mortgage revenue bonds, the Fund's bond resolutions and indentures do not have required bond coverage percentages. The above information is provided for general information purposes only.

RATIO OUTSTANDING DEBT

Ratio Of Outstanding Debt ^{1, 2, 3, 4}

Last Ten Fiscal Years (dollars in thousands)

	Debt Issuance	2015	2016	2017	2018	2019
Multifamily Housing Revenue Bonds III (Agency GO Bonds)		\$483,986	\$371,552	\$295,507	\$256,740	\$223,549
Percentage of Total Debt		16%	14%	14%	18%	16%
All Other Multifamily Housing Revenue Bonds		\$134,122	\$193,195	\$184,160	\$160,620	\$154,255
Percentage of Total Debt		5%	7%	9%	11%	11%
Multifamily Housing Notes/Loans		\$54,579	\$34,987	—	\$14,300	\$14,300
Percentage of Total Debt		1.84%	1.34%	—	0.99%	—
Single Family Housing Revenue Bonds		\$2,296,519	\$2,019,205	\$1,616,207	\$1,016,419	\$804,129
Percentage of Total Debt		77%	77%	77%	70%	59%
Other Programs and Accounts		—	—	—	—	\$190,736
Percentage of Total Debt		—	—	—	—	14%
Lease Liability		N/A	N/A	N/A	N/A	N/A
Percentage of Total Debt		N/A	N/A	N/A	N/A	N/A
Total Debt		\$2,969,205	\$2,618,940	\$2,095,874	\$1,448,079	\$1,372,669
Total Percentage		100%	100%	100%	100%	100%

¹ Includes unamortized bond discounts and premiums.

² MFHRB III bonds considered General Obligation (GO) debt as Agency resources would be utilized in the event of default.

³ Excludes Senate Bill 84 mandated Interfund Loan and conduit issuances.

⁴ Per GASB 87.

Ratio Of Outstanding Debt ^{1, 2, 3, 4} (continued)

Last Ten Fiscal Years (dollars in thousands)

	Debt Issuance	2020	2021	2022	2023	2024
Multifamily Housing Revenue Bonds III (Agency GO Bonds)	\$163,517	\$58,717	—	—	—	—
Percentage of Total Debt	17%	10%	—	—	—	—
All Other Multifamily Housing Revenue Bonds	\$42,470	\$41,995	\$41,490	\$40,955	\$124,857	
Percentage of Total Debt	5%	7%	8%	8%	20%	
Multifamily Housing Notes/Loans	—	—	—	—	—	—
Percentage of Total Debt	—	—	—	—	—	—
Single Family Housing Revenue Bonds	\$515,269	\$211,325	\$79,765	—	—	—
Percentage of Total Debt	55.13%	36.66%	15.20%	—	—	—
Other Programs and Accounts	\$213,372	\$264,380	\$377,713	\$441,525	\$491,460	
Percentage of Total Debt	22.83%	45.87%	71.98%	87.25%	77.04%	
Lease Liability	N/A	\$27,990	\$25,793	\$23,547	\$21,615	
Percentage of Total Debt	N/A	N/A	4.92%	4.65%	3.39%	
Total Debt	\$934,628	\$576,417	\$524,761	\$506,027	\$637,932	
Total Percentage	100%	100%	100%	100%	100%	100%

¹ Includes unamortized bond discounts and premiums.² MFHRB III bonds considered General Obligation (GO) debt as Agency resources would be utilized in the event of default.³ Excludes Senate Bill 84 mandated Interfund Loan and conduit issuances.⁴ Per GASB 87.

OUTSTANDING INDEBTEDNESS

Multifamily Housing Revenue Bonds III

Last Ten Fiscal Years (dollars in thousands)

Bond Series	Issue Amount	2015	2016	2017	2018	2019
MHRBIII 2001D	\$6,070	\$465	—	—	—	—
MHRBIII 2001E	78,735	29,265	27,195	13,970	—	—
MHRBIII 2001F	19,040	10,025	9,320	8,580	7,815	—
MHRBIII 2001G	73,975	19,675	18,820	17,960	17,095	—
MHRBIII 2002D	12,760	3,655	3,515	—	—	—
MHRBIII 2002E	71,305	14,465	14,190	—	—	—
MHRBIII 2003C	97,295	24,765	23,705	—	—	—
MHRBIII 2004B	99,510	22,015	—	—	—	—
MHRBIII 2004C	13,940	6,190	4,000	3,655	3,290	2,565
MHRBIII 2004D	138,475	40,240	—	—	—	—
MHRBIII 2005C	9,025	7,640	—	—	—	—
MHRBIII 2005D	91,225	15,355	14,885	14,375	13,840	—
MHRBIII 2005E	22,935	17,985	—	—	—	—
MHRBIII 2007C	27,970	9,275	9,065	—	—	—
MHRBIII 2008A	11,370	7,265	7,115	—	—	—
MHRBIII 2008B	104,890	24,605	23,080	21,495	—	—
MHRBIII 2008C	33,390	18,100	17,605	17,085	16,555	—
MHRBIII 2014A	38,915	38,915	24,965	24,290	24,045	23,790
MHRBIII 2015A	174,180	174,180	174,180	174,180	174,180	174,180
MHRBIII 2018A	23,090	—	—	—	—	23,090
MHRBIII Total	\$1,148,095	\$484,080	\$371,640	\$295,590	\$256,820	\$223,625

Multifamily Housing Revenue Bonds III (continued)

Last Ten Fiscal Years (dollars in thousands)

Bond Series	2020	2021	2022	2023	2024
MHRBIII 2001D	—	—	—	—	—
MHRBIII 2001E	—	—	—	—	—
MHRBIII 2001F	—	—	—	—	—
MHRBIII 2001G	—	—	—	—	—
MHRBIII 2002D	—	—	—	—	—
MHRBIII 2002E	—	—	—	—	—
MHRBIII 2003C	—	—	—	—	—
MHRBIII 2004B	—	—	—	—	—
MHRBIII 2004C	1,900	—	—	—	—
MHRBIII 2004D	—	—	—	—	—
MHRBIII 2005C	—	—	—	—	—
MHRBIII 2005D	—	—	—	—	—
MHRBIII 2005E	—	—	—	—	—
MHRBIII 2007C	—	—	—	—	—
MHRBIII 2008A	—	—	—	—	—
MHRBIII 2008B	—	—	—	—	—
MHRBIII 2008C	—	—	—	—	—
MHRBIII 2014A	23,515	23,225	—	—	—
MHRBIII 2015A	115,080	35,560	—	—	—
MHRBIII 2018A	23,090	—	—	—	—
MHRBIII Total	\$163,585	\$58,785	—	—	—

OUTSTANDING INDEBTEDNESS

Multifamily Loan Purchase Bonds (MLPB)

Last Ten Fiscal Years (dollars in thousands)

Bond Series	Issue Amount	2015	2016	2017	2018	2019
MLPB 2000A	\$269,024	\$1,022	\$215	—	—	—
MLPB Total	\$269,024	\$1,022	\$215	—	—	—

Residential Mortgage Revenue Bonds (RMRB (MFP))

Bond Series	Issue Amount	2015	2016	2017	2018	2019
RMRB (MFP) 2009A-6	\$69,950	\$49,410	\$49,410	\$48,440	\$47,840	\$45,840
RMRB (MFP) Total	\$69,950	\$49,410	\$49,410	\$48,440	\$47,840	\$45,840

Affordable Multifamily Housing Revenue Bonds (AMHRB)

Bond Series	Issue Amount	2015	2016	2017	2018	2019
AMHRB 2009A	\$380,530	—	—	—	—	—
AMHRRB 2009A-21	55,990	49,250	46,980	45,220	37,340	34,390
AMHRRB 2009A-22	36,680	34,440	33,670	32,860	32,000	31,090
AMHRB Total	\$473,200	\$83,690	\$80,650	\$78,080	\$69,340	\$65,480

Multifamily Housing Revenue Bonds (MHRB)

Bond Series	Issue Amount	2015	2016	2017	2018	2019
MHRB 2016A	\$8,600	—	\$8,600	\$4,710	\$4,710	\$4,650
MHRB 2016B	31,000	—	31,000	31,000	25,600	25,255
MHRB Total	\$39,600	—	39,600	\$35,710	\$30,310	\$29,905

Multifamily Loan Purchase Bonds (MLPB) (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
Bond Series					
MLPB 2000A	—	—	—	—	—
MLPB Total	—	—	—	—	—

Residential Mortgage Revenue Bonds (RMRB (MFP)) (continued)

	2020	2021	2022	2023	2024
Bond Series					
RMRB (MFP) 2009A-6	—	—	—	—	—
RMRB (MFP) Total	—	—	—	—	—

Affordable Multifamily Housing Revenue Bonds (AMHRB) (continued)

	2020	2021	2022	2023	2024
Bond Series					
AMHRB 2009A	—	—	—	—	—
AMHRRB 2009A-21	—	—	—	—	—
AMHRRB 2009A-22	—	—	—	—	—
AMHRB Total	—	—	—	—	—

Multifamily Housing Revenue Bonds (MHRB) (continued)

	2020	2021	2022	2023	2024
Bond Series					
MHRB 2016A	\$4,595	\$4,535	\$4,475	\$4,410	\$4,340
MHRB 2016B	24,960	24,650	24,325	23,985	23,625
MHRB Total	\$29,555	\$29,185	\$28,800	\$28,395	\$27,965

OUTSTANDING INDEBTEDNESS

Special Obligation Multifamily Housing Revenue Bonds (SOMHRB)

Last Ten Fiscal Years (dollars in thousands)

	Issue Amount	2015	2016	2017	2018	2019
Bond Series						
SOMHRB 2015A	\$5,245	—	\$5,245	\$3,855	\$3,825	\$3,795
SOMHRB 2015B	18,075	—	18,075	18,075	9,305	9,235
SOMHRB Total	\$23,320	—	23,320	\$21,930	\$13,130	\$13,030

Multifamily Housing Revenue Note (MHRN)

	Issue Amount	2015	2016	2017	2018	2019
Bond Series						
MHRN Bartlett Hill Manor	\$14,300	—	—	—	\$14,300	\$14,300
MHRN Total	\$14,300	—	—	—	\$14,300	\$14,300

Affordable Housing Revenue Bonds (AHRB)

	Issue Amount	2015	2016	2017	2018	2019
Bond Series						
AHRB 2023 A-1	\$54,940	—	—	—	—	—
AHRB 2023 A-2	30,000	—	—	—	—	—
AHRB Total	\$84,940	—	—	—	—	—

Special Obligation Multifamily Housing Revenue Bonds (SOMHRB) (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
Bond Series					
SOMHRB 2015A	\$3,760	\$3,735	\$3,700	\$3,660	\$3,625
SOMHRB 2015B	9,155	9,075	8,990	8,900	8,805
SOMHRB Total	\$12,915	\$12,810	\$12,690	\$12,560	\$12,430

Multifamily Housing Revenue Note (MHRN) (continued)

	2020	2021	2022	2023	2024
Bond Series					
MHRN Bartlett Hill Manor	—	—	—	—	—
MHRN - Bartlett Hill Manor Apartments	—	—	—	—	—

Affordable Housing Revenue Bonds (AHRB) (continued)

	2020	2021	2022	2023	2024
Bond Series					
AHRB 2023 A-1	—	—	—	—	\$53,750
AHRB 2023 A-2	—	—	—	—	30,000
AHRB Total	—	—	—	—	\$83,750

OUTSTANDING INDEBTEDNESS

Citibank N.A Loan Sale (Tax-Exempt)

Last Ten Fiscal Years (dollars in thousands)

Project Name	Issue Amount	2015	2016	2017	2018	2019
CLS Belvedere Place	\$1,326	\$1,162	\$1,124	—	—	—
CLS Casa De Vida	558	374	330	—	—	—
CLS Conant Place Seniors	748	571	528	—	—	—
CLS Corralitos Creek	2,311	2,044	1,984	—	—	—
CLS Delaware Street	1,034	1,034	1,034	—	—	—
CLS Doretha Mitchell	1,164	1,100	—	—	—	—
CLS Flower Park Plaza	9,148	7,486	7,032	—	—	—
CLS Gateway Apts	7,224	6,414	—	—	—	—
CLS Hillside Terrace	847	786	755	—	—	—
CLS Madera Villa	4,253	4,043	—	—	—	—
CLS Napa Creek Manor	4,079	3,688	—	—	—	—
CLS Padre Apartments	2,451	1,641	—	—	—	—
CLS Pickleweed Apts	1,550	1,322	—	—	—	—
CLS Plaza Del Sol	7,528	7,441	7,341	—	—	—
CLS Redwood Court	1,252	1,113	1,082	—	—	—
CLS Redwood Oaks	1,585	1,367	1,319	—	—	—
CLS South Delaware	752	674	656	—	—	—
CLS Via Del Mar	787	671	644	—	—	—
CLS Villa Cesar Chavez	2,811	2,231	2,093	—	—	—
CLS Villa Madera	4,082	3,365	3,254	—	—	—
Tax Exempt Note (Citibank N.A Loan Sale) Total	\$55,491	\$48,526	\$29,176	—	—	—

Citibank N.A Loan Sale (Taxable)

Project Name	Issue Amount	2015	2016	2017	2018	2019
CLS Delaware Street T	\$1,243	\$53	\$18	—	—	—
CLS Plaza Del Sol T	8,012	119	118	—	—	—
CLS Redwood Court T	1,939	610	593	—	—	—
CLS Thomas Paine	5,137	4,522	4,361	—	—	—
CLS Thomas Paine T	6,087	748	721	—	—	—
Taxable Note (Citibank N.A Loan Sale) Total	\$133,399	\$6,053	\$5,811	—	—	—

Citibank N.A Loan Sale (Tax-Exempt) (continued)

Last Ten Fiscal Years (dollars In thousands)

	2020	2021	2022	2023	2024
Bond Series					
CLS Belvedere Place	—	—	—	—	—
CLS Casa De Vida	—	—	—	—	—
CLS Conant Place Seniors	—	—	—	—	—
CLS Corralitos Creek	—	—	—	—	—
CLS Delaware Street	—	—	—	—	—
CLS Doretha Mitchell	—	—	—	—	—
CLS Flower Park Plaza	—	—	—	—	—
CLS Gateway Apts	—	—	—	—	—
CLS Hillside Terrace	—	—	—	—	—
CLS Madera Villa	—	—	—	—	—
CLS Napa Creek Manor	—	—	—	—	—
CLS Padre Apartments	—	—	—	—	—
CLS Pickleweed Apts	—	—	—	—	—
CLS Plaza Del Sol	—	—	—	—	—
CLS Redwood Court	—	—	—	—	—
CLS Redwood Oaks	—	—	—	—	—
CLS South Delaware	—	—	—	—	—
CLS Via Del Mar	—	—	—	—	—
CLS Villa Cesar Chavez	—	—	—	—	—
CLS Villa Madera	—	—	—	—	—
Tax Exempt Note					
(Citibank N.A Loan Sale) Total	—	—	—	—	—

Citibank N.A Loan Sale (Taxable) (continued)

	2020	2021	2022	2023	2024
Bond Series					
CLS Delaware Street T	—	—	—	—	—
CLS Plaza Del Sol T	—	—	—	—	—
CLS Redwood Court T	—	—	—	—	—
CLS Thomas Paine	—	—	—	—	—
CLS Thomas Paine T	—	—	—	—	—
Taxable Note					
(Citibank N.A Loan Sale) Total	—	—	—	—	—

OUTSTANDING INDEBTEDNESS

Home Mortgage Revenue Bonds

Last Ten Fiscal Years (dollars in thousands)

Bond Series	Issue Amount	2015	2016	2017	2018	2019
HMRB 2000N	\$50,000	\$10,400	\$8,385	\$5,795	\$4,340	\$3,240
HMRB 2000V	102,000	10,140	—	—	—	—
HMRB 2000Z	102,000	29,715	28,950	28,950	28,950	24,065
HMRB 2001D	112,000	35,505	35,505	35,505	—	—
HMRB 2001G	105,000	28,290	28,290	28,290	26,875	—
HMRB 2001K	144,000	37,610	37,610	37,610	37,610	—
HMRB 2001O	126,000	35,420	35,420	—	—	—
HMRB 2001S	80,745	25,070	6,230	—	—	—
HMRB 2001V	66,000	13,210	—	—	—	—
HMRB 2002H	70,000	13,195	11,205	—	—	—
HMRB 2002J	103,570	25,605	15,975	—	—	—
HMRB 2003H	150,000	8,730	—	—	—	—
HMRB 2003I	50,000	27,415	27,415	27,415	27,415	27,415
HMRB 2003M	150,000	38,580	28,745	—	—	—
HMRB 2003N	50,000	20,660	20,660	20,660	—	—
HMRB 2004E	129,105	40,690	26,140	—	—	—
HMRB 2004F	50,000	33,675	33,675	33,675	33,675	—
HMRB 2005A	200,000	61,380	49,335	37,915	29,150	29,150
HMRB 2005B	200,000	59,490	51,020	40,075	—	—
HMRB 2005F	180,000	73,980	48,710	—	—	—
HMRB 2006C	175,000	68,100	56,205	46,620	41,100	—
HMRB 2006D	20,000	10,920	7,550	—	—	—
HMRB 2006E	100,000	34,600	34,600	—	—	—
HMRB 2006F	120,000	26,090	20,490	—	—	—
HMRB 2006H	75,200	6,030	—	—	—	—
HMRB 2006I	165,310	53,105	49,025	—	—	—
HMRB 2006K	267,210	97,070	77,080	—	—	—

Home Mortgage Revenue Bonds (continued)

Last Ten Fiscal Years (dollars in thousands)

Bond Series	2020	2021	2022	2023	2024
HMRB 2000N	—	—	—	—	—
HMRB 2000V	—	—	—	—	—
HMRB 2000Z	—	—	—	—	—
HMRB 2001D	—	—	—	—	—
HMRB 2001G	—	—	—	—	—
HMRB 2001K	—	—	—	—	—
HMRB 2001O	—	—	—	—	—
HMRB 2001S	—	—	—	—	—
HMRB 2001V	—	—	—	—	—
HMRB 2002H	—	—	—	—	—
HMRB 2002J	—	—	—	—	—
HMRB 2003H	—	—	—	—	—
HMRB 2003I	—	—	—	—	—
HMRB 2003M	—	—	—	—	—
HMRB 2003N	—	—	—	—	—
HMRB 2004E	—	—	—	—	—
HMRB 2004F	—	—	—	—	—
HMRB 2005A	25,205	—	—	—	—
HMRB 2005B	—	—	—	—	—
HMRB 2005F	—	—	—	—	—
HMRB 2006C	—	—	—	—	—
HMRB 2006D	—	—	—	—	—
HMRB 2006E	—	—	—	—	—
HMRB 2006F	—	—	—	—	—
HMRB 2006H	—	—	—	—	—
HMRB 2006I	—	—	—	—	—
HMRB 2006K	—	—	—	—	—

OUTSTANDING INDEBTEDNESS

Home Mortgage Revenue Bonds (continued)

Last Ten Fiscal Years (dollars in thousands)

Bond Series	Issue Amount	2015	2016	2017	2018	2019
HMRB 2006L	\$50,185	\$1,450	—	—	—	—
HMRB 2006M	219,815	80,570	70,560	—	—	—
HMRB 2007A	90,000	79,840	75,530	71,180	—	—
HMRB 2007B	40,000	40,000	40,000	40,000	40,000	40,000
HMRB 2007C	20,000	20,000	20,000	20,000	20,000	20,000
HMRB 2007D	76,010	16,050	3,310	3,310	—	—
HMRB 2007E	193,990	84,645	78,780	64,650	—	—
HMRB 2007F	48,260	13,420	6,905	3,505	—	—
HMRB 2007G	201,740	80,670	71,495	65,615	—	—
HMRB 2007H	100,000	34,975	27,480	—	—	—
HMRB 2007I	17,280	5,205	3,965	1,360	—	—
HMRB 2007J	92,720	4,580	—	—	—	—
HMRB 2007K	50,000	27,555	24,265	19,875	—	—
HMRB 2007M	90,000	71,560	68,660	65,740	—	—
HMRB 2007N	60,000	60,000	60,000	60,000	60,000	60,000
HMRB 2008A	43,475	20,450	15,195	13,030	—	—
HMRB 2008B	35,960	11,710	10,320	8,780	—	—
HMRB 2008D	100,000	23,200	10,525	—	—	—
HMRB 2008F	25,000	11,925	—	—	—	—
HMRB 2008G	50,000	50,000	—	—	—	—
HMRB 2008H	100,000	50,695	41,100	31,475	21,815	12,120
HMRB 2008K	220,475	79,700	60,775	46,060	—	—
HMRB 2008L	189,790	74,040	52,020	34,670	—	—
HMRB 2016A	236,350	—	236,350	229,130	209,275	194,155
HMRB 2017A	278,240	—	—	278,240	262,040	246,345
HMRB Total	\$5,772,430	\$1,866,915	\$1,715,455	\$1,399,130	\$842,245	\$656,490

Home Mortgage Revenue Bonds (continued)

Last Ten Fiscal Years (dollars in thousands)

Bond Series	2020	2021	2022	2023	2024
HMRB 2006L	—	—	—	—	—
HMRB 2006M	—	—	—	—	—
HMRB 2007A	—	—	—	—	—
HMRB 2007B	40,000	—	—	—	—
HMRB 2007C	10,000	—	—	—	—
HMRB 2007D	—	—	—	—	—
HMRB 2007E	—	—	—	—	—
HMRB 2007F	—	—	—	—	—
HMRB 2007G	—	—	—	—	—
HMRB 2007H	—	—	—	—	—
HMRB 2007I	—	—	—	—	—
HMRB 2007J	—	—	—	—	—
HMRB 2007K	—	—	—	—	—
HMRB 2007M	—	—	—	—	—
HMRB 2007N	60,000	—	—	—	—
HMRB 2008A	—	—	—	—	—
HMRB 2008B	—	—	—	—	—
HMRB 2008D	—	—	—	—	—
HMRB 2008F	—	—	—	—	—
HMRB 2008G	—	—	—	—	—
HMRB 2008H	2,365	—	—	—	—
HMRB 2008K	—	—	—	—	—
HMRB 2008L	—	—	—	—	—
HMRB 2016A	123,920	59,620	35,570	—	—
HMRB 2017A	231,205	151,705	44,195	—	—
HMRB Total	\$492,695	\$211,325	\$79,765	—	—

OUTSTANDING INDEBTEDNESS

Residential Mortgage Revenue Bonds

Last Ten Fiscal Years (dollars in thousands)

	Issue Amount	2015	2016	2017	2018	2019
Bond Series						
RMRB 2010A	\$24,000	\$13,645	\$10,810	\$7,385	\$5,655	\$4,470
RMRB 2011A	72,000	33,370	23,100	15,260	10,825	8,255
RMRB 2013A	100,210	57,593	42,834	30,670	23,516	20,270
RMRB 2013B	33,550	24,807	20,907	15,779	13,250	11,598
RMRB 2009A-5	466,115	260,535	202,755	147,000	120,805	102,930
RMRB Total	\$695,875	\$389,950	\$300,406	\$216,094	\$174,051	\$147,523

Housing Program Bonds

	Issue Amount	2015	2016	2017	2018	2019
Bond Series						
HPB 2006A	\$47,090	\$34,900	—	—	—	—
HPB Total	\$47,090	\$34,900	—	—	—	—

Other Programs and Accounts

	Issue Amount	2015	2016	2017	2018	2019
Bond Series						
Federal Home Loan Bank Line of Credit	N/A	—	—	\$79,595	\$108,815	\$32,694
Braeburn Credit Facility	N/A	—	—	—	—	—
Promissory Notes Payable - Federal Financing Bank	N/A	—	—	33,357	118,952	158,042
Other Programs and Accounts Total	—	—	—	—	\$227,767	\$190,736

Source: California Housing Finance Agency Debt Management System and General Ledger

Residential Mortgage Revenue Bonds (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
Bond Series					
RMRB 2010A	—	—	—	—	—
RMRB 2011A	6,075	—	—	—	—
RMRB 2013A	16,424	—	—	—	—
RMRB 2013B	—	—	—	—	—
RMRB 2009A-5	—	—	—	—	—
RMRB Total	\$22,499	—	—	—	—

Housing Program Bonds (continued)

	2020	2021	2022	2023	2024
Bond Series					
HPB 2006A	—	—	—	—	—
HPB Total	—	—	—	—	—

Other Programs and Accounts (continued)

	2020	2021	2022	2023	2024
Bond Series					
Federal Home Loan Bank Line of Credit	—	—	\$8,967	\$86,125	\$112,094
Braeburn Credit Facility	—	36,666	93,338	65,297	92,506
Promissory Notes Payable - Federal Financing Bank	213,372	227,714	275,408	290,103	286,860
Other Programs and Accounts Total	\$213,372	\$264,380	\$377,713	\$441,525	\$491,460

OUTSTANDING INDEBTEDNESS

Use Of Revenue Bonding Authority ¹

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
For the Year Ending June 30th					
Authorized by Chapter 7 HSC 51350	\$13,150,000	\$13,150,000	\$13,150,000	\$13,150,000	\$13,150,000
Non-Conduit Outstanding	2,909,966	2,616	2,095,874	1,448,036	1,398,693
Conduit Outstanding	372,412	591,639	700,113	868,567	882,419
Total Outstanding	3,282,378	594,255	2,795,987	2,316,603	2,281,112
Balance of Remaining Authority	9,867,622	12,555,745	10,354,013	10,833,397	10,868,888
Percentage of Authority Used	25%	5%	21%	18%	17%
Percentage of Authority Remaining	75	95	79	82	83

¹ Excludes Other Programs and Accounts. Per legislation, authority relates solely to revenue or Agency general obligation debt. Although conduit issuances are not liabilities of the Agency and are excluded from the Agency financial statements, they are included in the reduction of the Agency's bonding authority. Excludes Senate Bill 84 mandated Interfund loan.

OUTSTANDING INDEBTEDNESS

Use Of Revenue Bonding Authority ¹

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
For the Year Ending June 30th					
Authorized by Chapter 7 HSC 51350	\$13,150,000	\$13,150,000	\$13,150,000	\$13,150,000	\$13,150,000
Non-Conduit Outstanding	721,249	312,105	121,255	40,955	124,857
Conduit Outstanding	2,019,274	3,136,124	4,597,571	5,478,259	6,160,415
Total Outstanding	2,740,523	3,448,229	4,718,826	5,519,214	6,285,272
Balance of Remaining Authority	10,409,477	9,701,771	8,431,174	7,630,786	6,864,728
Percentage of Authority Used	21%	26%	36%	42%	48%
Percentage of Authority Remaining	79	74	64	58	52

¹ Excludes Other Programs and Accounts. Per legislation, authority relates solely to revenue or Agency general obligation debt. Although conduit issuances are not liabilities of the Agency and are excluded from the Agency financial statements, they are included in the reduction of the Agency's bonding authority. Excludes Senate Bill 84 mandated Interfund loan.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Summary of Single Family Lending Activity (Securitized)

Last Ten Fiscal Years ^{1, 2}

	2015	2016	2017	2018	2019
Total Lending Activity					
Loan Count	1,053	4,725	7,259	7,598	12,049
Loan Amount	\$240,485,117	\$1,111,351,448	\$1,859,412,462	\$2,070,926,361	\$3,501,933,572
Average Loan Amount	\$228,381	\$235,207	\$256,153	\$272,562	\$290,641
Average Borrower Annual Income	\$64,098	\$62,201	\$66,739	\$74,774	\$84,623
By Loan Type					
FHA - Loan Count	455	2,797	5,290	5,116	7,100
Conventional - Loan Count	598	1,928	1,969	2,466	4,859
VA - Loan Count	—	—	—	16	90
USDA - Loan Count	—	—	—	—	—
Total	1,053	4,725	7,259	7,598	12,049
FHA- Loan Amount	\$100,749,945	\$641,184,226	\$1,339,086,158	\$1,370,140,421	\$1,997,143,722
Conventional - Loan Amount	\$139,735,172	\$470,167,222	\$520,326,304	\$694,530,908	\$1,473,291,200
VA - Loan Amount	—	—	—	\$6,255,032	\$31,498,650
Amount	—	—	—	—	—
Total	\$240,485,117	\$1,111,351,448	\$1,859,412,462	\$2,070,926,361	\$3,501,933,572
By Geography					
Metropolitan - Loan Count					
Urban	1,023	4,619	7,118	7,379	11,606
Rural	3	66	76	115	229
Non-Metropolitan - Loan Count	27	40	65	104	214
Total	1,053	4,725	7,259	7,598	12,049
Targeted Areas					
Loan Count	195	625	903	1,080	1,333
Loan Amount	\$39,575,653	\$123,602,510	\$185,667,586	\$237,262,932	\$304,583,096
Average Loan Amount	\$202,952	\$197,764	\$205,612	\$219,688	\$228,494
Average Borrower Annual Income	\$57,030	\$54,057	\$54,715	\$63,061	\$68,608
MCC Activity					
MCCs Issued	1,242	1,801	4,556	3,469	840
MCC Amount	\$64,541,293	\$99,490,788	\$270,547,089	\$216,365,406	\$55,591,064
MCC Mortgage Amount	\$322,706,464	\$797,453,942	\$1,352,735,443	\$1,081,827,030	\$277,955,318

¹ MCC program ended FY 2019-20.

² USDA loan program began FY 2019-20.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Summary of Single Family Lending Activity (Securitizations) (continued)

Last Ten Fiscal Years ^{1, 2}

	2020	2021	2022	2023	2024
Total Lending Activity					
Loan Count	13,060	7,603	5,659	7,320	6,037
Loan Amount	\$4,074,184,355	\$2,475,556,629	\$2,034,275,642	\$2,839,861,738	\$2,570,466,298
Average Loan Amount	\$311,959	\$325,603	\$359,476	\$387,959	\$425,785
Average Borrower Annual Income	\$83,586	\$83,803	\$89,433	\$101,424	\$117,671
By Loan Type					
FHA - Loan Count	10,621	5,496	3,946	3,240	3,370
Conventional - Loan Count	2,345	2,084	1,643	3,999	2,626
VA - Loan Count	53	9	26	36	26
USDA - Loan Count	41	14	44	45	15
Total	13,060	7,603	5,659	7,320	6,037
FHA- Loan Amount	\$3,298,216,530	\$1,764,320,120	\$1,406,071,026	\$1,207,909,023	\$ 1,375,025,510
Conventional - Loan Amount	\$746,183,212	\$703,931,906	\$602,160,293	\$1,606,460,998	\$ 1,179,934,486
VA - Loan Amount	\$19,456,590	\$3,326,130	\$12,696,817	\$13,911,343	\$ 11,296,786
Amount	\$10,328,023	\$3,978,473	\$13,347,506	\$11,580,374	\$ 4,209,516
Total	\$4,074,184,355	\$2,475,556,629	\$2,034,275,642	\$2,839,861,738	\$ 2,570,466,298
By Geography					
Metropolitan - Loan Count					
Urban	12,540	7,248	5,342	6,909	5,611
Rural	296	203	177	221	239
Non-Metropolitan - Loan Count	224	152	140	190	187
Total	13,060	7,603	5,659	7,320	6,037
Targeted Areas					
Loan Count	1,308	1,029	895	754	586
Loan Amount	\$317,209,167	\$270,551,351	\$268,594,380	\$231,107,370	\$ 199,947,624
Average Loan Amount	\$242,901	\$262,926	\$300,105	\$306,508	\$ 341,208
Average Borrower Annual Income	\$64,215	\$66,707	\$73,576	\$80,390	\$ 95,069
MCC Activity					
MCCs Issued	9	—	—	—	—
MCC Amount	\$650,255	—	—	—	—
Total Mortgage Amount	\$3,251,274	—	—	—	—

¹ MCC program ended FY 2019-20.

² USDA loan program began FY 2019-20.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Single Family Loans by Sales Price

Last Ten Fiscal Years

		2015	2015	2016	2016	2017	2017	2018	2018
		Count	%	Count	%	Count	%	Count	%
Sales Price									
Less than	\$100,000	21	2.0%	73	1.5%	48	0.6%	37	0.5%
	\$100,001 to \$150,000	135	12.8%	472	10.0%	478	6.6%	343	4.5%
	\$150,001 to \$200,000	226	21.5%	1,048	22.2%	1,363	18.8%	1,167	15.3%
	\$200,001 to \$250,000	229	21.8%	1,184	25.0%	1,793	24.7%	1,731	22.8%
	\$250,001 to \$300,000	197	18.7%	821	17.4%	1,400	19.3%	1,524	20.1%
	\$300,001 to \$350,000	152	14.4%	579	12.3%	960	13.2%	1,210	15.9%
	\$350,001 and over	93	8.8%	548	11.6%	1,217	16.8%	1,586	20.9%
Total		1,053	100.0%	4,725	100.0%	7,259	100.0%	7,598	100.0%
<hr/>									
		2019	2019	2020	2020	2021	2021	2022	2022
		Count	%	Count	%	Count	%	Count	%
Sales Price									
Less than	\$100,000	37	0.3%	21	0.2%	5	0.1%	1	—
	\$100,001 to \$150,000	396	3.3%	249	1.9%	79	1.0%	32	0.6%
	\$150,001 to \$200,000	1,429	11.8%	1,121	8.6%	455	6.0%	184	3.3%
	\$200,001 to \$250,000	2,501	20.8%	2,299	17.6%	1,158	15.2%	496	8.8%
	\$250,001 to \$300,000	2,520	20.9%	2,814	21.5%	1,568	20.6%	883	15.6%
	\$300,001 to \$350,000	1,965	16.3%	2,300	17.6%	1,495	19.7%	1,159	20.5%
	\$350,001 and over	3,201	26.6%	4,256	32.6%	2,843	37.4%	2,904	51.3%
Total		12,049	100.0%	13,060	100.0%	7,603	100.0%	5,659	100.0%
<hr/>									
		2023	2023	2024	2024				
		Count	%	Count	%				
Sales Price									
Less than	\$100,000	2	—	2	—				
	\$100,001 to \$150,000	33	0.5%	14	0.2%				
	\$150,001 to \$200,000	176	2.4%	80	1.3%				
	\$200,001 to \$250,000	470	6.4%	241	4.0%				
	\$250,001 to \$300,000	778	10.6%	492	8.1%				
	\$300,001 to \$350,000	1,081	14.8%	798	13.2%				
	\$350,001 and over	4,780	65.3%	4,410	73.0%				
Total		7,320	100.0%	6,037	100.0%				

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Single Family Loans by Borrower Income (Revised Income Range)

Last Ten Fiscal Years (dollars in thousands)

	2015 Count	2015 %	2016 Count	2016 %	2017 Count	2017 %	2018 Count	2018 %
Borrower Income								
Less than \$25,000	15	1.4%	57	1.2%	64	1.0%	36	0.4%
\$25,001 to \$40,000	97	9.2%	514	10.9%	620	8.5%	454	6.0%
\$40,001 to \$55,000	264	25.1%	1,223	25.9%	1,646	22.7%	1,196	15.7%
\$55,001 to \$70,000	283	26.9%	1,349	28.6%	1,952	26.9%	1,759	23.2%
\$70,001 to \$85,000	230	21.8%	993	21.0%	1,542	21.2%	1,729	22.8%
\$85,001 to \$100,000	122	11.6%	465	9.8%	925	12.7%	1,248	16.4%
\$100,001 and over	42	4.0%	124	2.6%	510	7.0%	1,176	15.5%
Total	1,053	100.0%	4,725	100.0%	7,259	100.0%	7,598	100.0%

	2019 Count	2019 %	2020 Count	2020 %	2021 Count	2021 %	2022 Count	2022 %
Borrower Income								
Less than \$25,000	51	0.5%	12	0.1%	2	-	2	—
\$25,001 to \$40,000	406	3.4%	465	3.6%	262	3.4%	109	1.9%
\$40,001 to \$55,000	1,386	11.5%	1,683	12.9%	932	12.3%	475	8.4%
\$55,001 to \$70,000	2,197	18.2%	2,522	19.3%	1,549	20.4%	1,009	17.8%
\$70,001 to \$85,000	2,327	19.3%	2,574	19.7%	1,536	20.2%	1,175	20.8%
\$85,001 to \$100,000	2,172	18.0%	2,299	17.6%	1,324	17.4%	1,013	17.9%
\$100,001 and over	3,510	29.1%	3,505	26.8%	1,998	26.3%	1,876	33.2%
Total	12,049	100.0%	13,060	100.0%	7,603	100.0%	5,659	100.0%

	2023 Count	2023 %	2024 Count	2024 %
Borrower Income				
Less than \$25,000	1	—	—	—
\$25,001 to \$40,000	66	0.9%	13	0.2%
\$40,001 to \$55,000	486	6.6%	136	2.3%
\$55,001 to \$70,000	1,031	14.1%	404	6.7%
\$70,001 to \$85,000	1,235	16.9%	721	11.9%
\$85,001 to \$100,000	1,094	14.9%	907	15.0%
\$100,001 and over	3,407	46.5%	3,856	63.9%
Total	7,320	100.0%	6,037	100.0%

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Single Family Loans by Ethnicity

Last Ten Fiscal Years (dollars in Thousands)

	2015	2015	2016	2016	2017	2017	2018	2018	2019	2019
	Count	%	Count	%	Count	%	Count	%	Count	%
Ethnicity										
Hispanic	508	48.3%	2,534	53.6%	4,036	55.6%	4,247	55.9%	6,388	53.0%
African American	97	9.2%	371	7.8%	648	8.9%	699	9.2%	955	7.9%
Asian	40	3.8%	206	4.4%	300	4.2%	304	4.0%	553	4.6%
White	373	35.4%	1,554	32.9%	2,186	30.1%	2,250	29.6%	4,037	33.5%
Other	21	2.0%	60	1.3%	89	1.2%	98	1.3%	115	1.0%
Unknown	14	1.3%	—	—	—	—	—	—	—	—
Total	1,053	100.0%	4,725	100.0%	7,259	100.0%	7,598	100.0%	12,048	100.0%
	2020	2020	2021	2021	2022	2022	2023	2023	2024	2024
	Count	%	Count	%	Count	%	Count	%	Count	%
Ethnicity										
Hispanic	6,977	53.4%	4,036	53.1%	3,042	53.8%	3,126	42.7%	2,830	46.9%
African American	1,072	8.2%	577	7.6%	488	8.6%	480	6.6%	299	5.0%
Asian	510	3.9%	305	4.0%	202	3.6%	784	10.7%	470	7.8%
White	4,360	33.4%	2,285	30.1%	1,548	27.4%	2,244	30.7%	1,826	30.2%
Other	128	1.0%	67	0.9%	49	0.9%	686	9.4%	612	10.1%
Unknown	13	0.1%	333	4.4%	330	5.8%	—	—	—	—
Total	13,060	100.0%	7,603	100.0%	5,659	100.0%	7,320	100.1%	6,037	100.0%

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Single Family Loans by Household Size

Last Ten Fiscal Years

	2015 Count	2015 %	2016 Count	2016 %	2017 Count	2017 %	2018 Count	2018 %	2019 Count	2019 %
Household Size										
1 - 2	377	35.8%	1,271	26.9%	1,643	22.6%	2,003	26.3%	5,671	47.1%
3 - 4	408	38.8%	1,962	41.5%	2,886	39.8%	2,946	38.8%	4,326	35.9%
5 - 6	217	20.6%	1,125	23.8%	2,079	28.6%	2,049	27.0%	1,762	14.6%
6 +	51	4.8%	367	7.8%	651	9.0%	600	7.9%	290	2.4%
Total	1,053	100%	4,725	100%	7,259	100%	7,598	100%	12,049	100%

	2020 Count	2020 %	2021 Count	2021 %	2022 Count	2022 %	2023 Count	2023 %	2024 Count	2024 %
Household Size										
1 - 2	7,507	57.5%	4,686	61.6%	3,595	63.5%	5,020	68.6%	4,013	66.5%
3 - 4	4,046	31.0%	2,211	29.1%	1,490	26.3%	1,763	24.1%	1,549	25.7%
5 - 6	1,359	10.4%	637	8.4%	518	9.2%	479	6.5%	426	7.1%
6 +	148	1.1%	69	0.9%	56	1.0%	58	0.8%	49	0.8%
Total	13,060	100%	7,603	100%	5,659	100%	7,320	100%	6,037	100%

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Programs

Fiscal Year Ended June 30, 2024 (dollars in thousands)

PROGRAM	COUNTY	LOAN AMOUNT	TOTAL UNITS	VERY LOW INCOME UNITS
Permanent Only				
Subsidy Loans	—	—	—	—
Total	—	—	—	—
Conduit Projects				
Junipers	San Diego	\$23,176	81	20
Chris Hartmire Plaza	Los Angeles	\$58,000	90	14
Eucalyptus Grove Apartments	San Mateo	\$57,275	69	29
The Pardes 1	Sacramento	\$36,771	96	34
West LA VA - Building 158	Los Angeles	\$26,986	49	48
West LA VA - MacArthur Field B	Los Angeles	\$40,500	75	74
Symphony at Del Sur	San Diego	\$58,994	171	83
Vista Lane Affordable Apartments	San Diego	\$34,540	100	20
1633 Valencia	San Francisco	\$42,799	146	101
Humble Heart	San Diego	\$36,615	73	46
Potrero Power Station Block 7B	San Francisco	\$54,775	105	21
Ridge View Commons	Alameda	\$39,669	200	20
Playa del Alameda Apartments	Alameda	\$15,410	40	8
Ocean View Garden Apartments	Alameda	\$28,500	62	14
Bandar Salaam	San Diego	\$16,105	68	7
Lion Creek Crossings Phase I	Alameda	\$27,045	115	114
Lion Creek Crossings Phase II	Alameda	\$32,266	146	117
Shoreview Apartments	San Francisco	\$76,500	156	78
Ira D. Hall Square	Santa Clara	\$94,760	176	131
1400 Long Beach	Los Angeles	\$70,135	163	33
Stevens Creek Promenade	Santa Clara	\$105,500	173	58
Demaree Street Apartments	Tulare	\$55,781	222	45
The Gardens at Bella Breeze	Placer	\$53,130	189	39
The Bluffs at 44th	Santa Cruz	\$28,368	36	25
Valley Pride Village	Los Angeles	\$62,150	180	68
1612 Apartments	Stanislaus	\$27,044	144	47
Battery Point Apartments	Del Norte	\$47,250	162	71
Devonwood Apartments	Merced	\$44,370	156	110
Maison's Sierra	Los Angeles	\$40,900	196	49
Meridian Family Apartments	Santa Clara	\$135,820	233	91
Supplemental CDLAC Allocated Bonds Issued ¹	—	\$14,525	Counted in Prior FY	Counted in Prior FY
Total		\$1,485,659	3,872	1,615

¹ Projects that construction closed in a prior fiscal year and issued supplemental bonds prior to permanent conversion: Terracina at the Dunes \$1,600,000, Anton Viridian \$1,425,000, Residency at the Mayer Hollywood \$11,500,000.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Programs (continued)

Fiscal Year Ended June 30, 2024 (dollars in thousands)

PROGRAM	COUNTY	LOAN AMOUNT	VERY LOW INCOME	
			TOTAL UNITS	UNITS
Special Needs Housing Program (SNHP)				
SNHP Desert Haven	San Bernardino	\$2,173,669	32	31
Total		\$2,173,669	32	31
Projects Construction Loan Closed, Waiting for Permanent Loan Conversion				
Permanent				
Ira D. Hall Square	Santa Clara	\$25,533,000	176	131
1400 Long Beach	Los Angeles	\$21,170,000	163	33
Stevens Creek Promenade	Santa Clara	\$36,052,500	173	58
Demaree Street Apartments	Tulare	\$19,437,000	222	45
The Gardens at Bella Breeze	Placer	\$19,600,000	189	39
The Bluffs at 44th	Santa Cruz	\$12,196,429	36	25
Valley Pride Village	Los Angeles	\$22,265,000	180	68
1612 Apartments	Stanislaus	\$9,673,530	144	47
Battery Point Apartments	Del Norte	\$16,375,000	162	71
Devonwood Apartments	Merced	\$9,770,338	156	110
Maison's Sierra	Los Angeles	\$27,875,000	196	49
Meridian Family Apartments	Santa Clara	\$70,550,000	233	91
Totals		\$290,497,797	2,030	767
Small Loan Program		—	—	—
Small Loan Program Sub-Total		—	—	—

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Programs (continued)

Fiscal Year Ended June 30, 2024 (dollars in thousands)

PROGRAM	COUNTY	LOAN AMOUNT	TOTAL UNITS	VERY LOW INCOME UNITS
Mixed Income Program				
Ira D. Hall Square	Santa Clara	\$1,739,000	176	131
1400 Long Beach	Los Angeles	\$4,000,000	163	33
Stevens Creek Promenade	Santa Clara	\$4,000,000	173	58
Demaree Street Apartments	Tulare	\$4,000,000	222	45
The Gardens at Bella Breeze	Placer	\$4,000,000	189	39
The Bluffs at 44th	Santa Cruz	\$2,100,000	36	25
Valley Pride Village	Los Angeles	\$4,000,000	180	68
1612 Apartments	Stanislaus	\$3,931,976	144	47
Battery Point Apartments	Del Norte	\$4,000,000	162	71
Devonwood Apartments	Merced	\$4,000,000	156	110
Maison's Sierra	Los Angeles	\$1,600,000	196	49
Meridian Family Apartments	Santa Clara	\$4,000,000	233	91
Mixed Income Program Sub-Total		\$41,370,976	2,030	767
Projects Construction Loan Closed				
Totals		\$331,868,773	4,060	1,534
Permanent Conversion Projects Counted in Prior Fiscal Years				
The Monarch @ Chinatown	Fresno	\$1,885,000	57	29
Gateway Rising	San Mateo	\$44,364,000	140	14
Beacon Villa	Contra Costa	\$12,939,000	54	6
Brand Haven Senior Apartments	Fresno	\$11,505,982	180	54
One Lake Family Apartments	Solano	\$27,431,301	190	96
Salvator Apartments	Sacramento	\$13,609,845	120	14
Subsidy Loans ¹		\$4,275,000	Counted above	Counted above
Totals		\$116,010,128	741	213

¹ Projects that received Subsidy Loans: The Monarch at Chinatown, Gateway Rising.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Programs (continued)

Fiscal Year Ended June 30, 2024 (dollars in thousands)

PROGRAM	COUNTY	LOAN AMOUNT	TOTAL UNITS	VERY LOW INCOME UNITS
Mixed Income Program Conversion Projects Counted in Prior Fiscal Years				
Beacon Villa	Contra Costa	\$6,350,000	54	6
Brand Haven Senior Apartments	Fresno	\$4,181,215	180	54
One Lake Family Apartments	Solano	\$14,255,000	190	96
Arena Senior Apartments	Sacramento	\$6,000,000	240	57
Salvator Apartments	Sacramento	\$7,287,347	120	14
ARY Place	Sacramento	\$7,900,000	159	78
Antioch Senior & Family Apartments	Contra Costa	\$3,000,000	394	91
The Helm	San Diego	\$3,785,968	78	32
Mosaic on Mission	Alameda	\$5,000,000	140	29
Glen Loma Ranch	Santa Clara	\$7,850,000	158	76
Courtyards at Kimball	San Diego	\$6,500,000	131	65
Totals		\$72,109,530	1844	598
Net Production				
Permanent Only		—	—	—
Conduit Projects		\$1,485,659,213	3,872	1,654
Special Needs Housing Program (SNHP)		\$2,173,669	32	31
Mental Health Services Act Housing Program (MHSA)		—	—	—
Projects Construction Loan Closed, waiting for Permanent Loan Conversion ¹		\$331,868,773	4,060	1,534
Unit Adjustment for Construction to Permanent Financing		—	(4,060)	(1,534)
Permanent Conversion Projects		\$116,010,128	741	213
Permanent Conversions Counted in Prior Fiscal Years		(\$116,010,128)	(741)	(213)
Mixed Income Program Conversion Projects		\$72,109,530	1,844	598
Projects Counted in Prior Fiscal Years		(\$72,109,530)	(1,844)	(598)
Net Lending and Unit Production Total		\$1,819,701,655	3,904	1,685

¹ Units already counted in prior years.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Geographic and Financing Data: Acquisition/Rehabilitation Projects

Last Ten Fiscal Years ¹ (dollars in thousands)

	2015	2016	2017	2018	2019
ACQUISITION/REHABILITATION PROJECTS					
Loans Closed Amount	—	\$65,235,000	\$9,675,000	\$15,580,000	\$23,090,000
Number of Projects Financed	—	4	2	2	1
Total Units Financed	—	443	87	129	100
CalHFA Regulated Low or Moderate Units	—	332	31	97	20
Source of Financing					
CalHFA Revenue Bonds Funds	—	\$62,920,000	—	\$14,300,000	\$23,090,000
Housing Assistance Trust Funds	—	—	\$9,675,000	—	—
Other Financing	—	\$2,315,000	—	\$1,280,000	—
Geographic Distribution of Units Financed					
Northern California Metropolitan Counties					
Urban Areas	—	100	43	64	100
Rural Areas	—	—	—	—	—
Total Northern California	—	100	43	64	100
Southern California Metropolitan Counties					
Urban Areas	—	264	—	65	—
Rural Areas	—	79	44	—	—
Total Southern California	—	343	44	65	—
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	—	443	87	129	100

¹ No lending from these programs FY 2019-20 to present.

Multifamily Geographic and Financing Data: Acquisition/Rehabilitation Projects (continued)

Last Ten Fiscal Years ¹ (dollars in thousands)

	2020	2021	2022	2023	2024
ACQUISITION/REHABILITATION PROJECTS					
Loans Closed Amount	—	—	—	—	—
Number of Projects Financed	—	—	—	—	—
Total Units Financed	—	—	—	—	—
CalHFA Regulated Low or Moderate Units	—	—	—	—	—
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	—	—	—	—
Geographic Distribution of Units Financed					
Northern California Metropolitan Counties					
Urban Areas	—	—	—	—	—
Rural Areas	—	—	—	—	—
Total Northern California	—	—	—	—	—
Southern California Metropolitan Counties					
Urban Areas	—	—	—	—	—
Rural Areas	—	—	—	—	—
Total Southern California	—	—	—	—	—
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	—	—	—	—	—

¹ No lending from these programs FY 2019-20 to present.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Geographic and Financing Data: Permanent Conversion Projects

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
PROJECTS					
Loans Closed Amount	\$39,660,000	\$25,130,000	\$8,575,000	\$47,990,000	\$14,510,000
Number of Projects Financed	5	3	2	6	3
Total Units Financed	540	383	155	482	170
CalHFA Regulated Low or Moderate Units	430	111	55	344	96
Source of Financing					
CalHFA Revenue Bonds Funds	\$39,240,000	\$24,460,000	\$8,575,000	\$34,950,000	—
Housing Assistance Trust Funds	—	—	—	—	\$3,900,000
Other Financing	\$420,000	\$670,000	—	\$13,040,000	\$10,610,000
Units Financed in Northern California Metropolitan Counties					
Urban Areas	—	100	—	143	138
Rural Areas	—	—	—	—	—
Total Northern California	—	100	—	143	138
Units Financed in Southern California Metropolitan Counties					
Urban Areas	540	283	76	339	32
Rural Areas	—	—	79	—	—
Total Southern California	540	283	155	339	32
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	540	383	155	482	170

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Geographic and Financing Data: Permanent Conversion Projects (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
PERMANENT CONVERSION PROJECTS					
Loans Closed Amount	\$64,016,202	\$71,822,632	\$38,031,812	\$110,789,646	\$116,010,128
Number of Projects Financed	10	5	7	9	6
Total Units Financed	639	653	635	808	741
CalHFA Regulated Low or Moderate Units	280	345	430	476	699
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	\$64,016,202	\$71,822,632	\$38,031,812	\$110,789,646	\$116,010,128
Units Financed in Northern California Metropolitan Counties					
Urban Areas	208	522	556	693	741
Rural Areas	175	60	31	47	—
Total Northern California	383	582	587	740	741
Units Financed in Southern California Metropolitan Counties					
Urban Areas	130	71	48	—	—
Rural Areas	—	—	—	—	—
Total Southern California	130	71	48	—	—
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	126	—	—	68	—
Total All Counties	639	653	635	808	741

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Geographic and Financing Data: Mixed Income Permanent Conversion Projects

Last Ten Fiscal Years ¹ (dollars in thousands)

	2015	2016	2017	2018	2019
MIXED INCOME PROGRAM CONVERSION PROJECTS					
Loans Closed Amount	—	—	—	—	—
Number of Projects Financed	—	—	—	—	—
Total Units Financed	—	—	—	—	—
CalHFA Regulated Low or Moderate Units	—	—	—	—	—
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	—	—	—	—
Units Financed in Northern California Metropolitan Counties					
Urban Areas	—	—	—	—	—
Rural Areas	—	—	—	—	—
Total Northern California	—	—	—	—	—
Units Financed in Southern California Metropolitan Counties					
Urban Areas	—	—	—	—	—
Rural Areas	—	—	—	—	—
Total Southern California	—	—	—	—	—
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	—	—	—	—	—

¹ FY 22-23 was first year for Mixed Income Program Conversion Projects.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Geographic and Financing Data: Mixed Income Permanent Conversion Projects (continued)

Last Ten Fiscal Years ¹ (dollars in thousands)

	2020	2021	2022	2023	2024
MIXED INCOME PROGRAM CONVERSION PROJECTS					
Loans Closed Amount	—	—	—	\$21,688,000	\$72,109,530
Number of Projects Financed	—	—	—	5	11
Total Units Financed	—	—	—	468	1,844
CalHFA Regulated Low or Moderate Units	—	—	—	422	598
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	—	—	\$21,688,000	\$72,109,530
Units Financed in Northern California Metropolitan Counties					
Urban Areas	—	—	—	298	1,635
Rural Areas	—	—	—	—	—
Total Northern California	—	—	—	298	1,635
Units Financed in Southern California Metropolitan Counties					
Urban Areas	—	—	—	102	209
Rural Areas	—	—	—	—	—
Total Southern California	—	—	—	102	209
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	68	—
Total All Counties	—	—	—	468	1,844

¹ FY 22-23 was first year for Mixed Income Program Conversion Projects.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Geographic and Financing Data: Permanent Only Projects ^{1, 2}

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
PERMANENT ONLY PROJECTS					
Loans Closed Amount	—	—	\$48,034,000	\$65,876,000	\$76,276,000
Number of Projects Financed	—	—	5	3	4
Total Units Financed	—	—	606	385	553
CalHFA Regulated Low or Moderate Units	—	—	242	203	238
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	—	\$48,034,000	\$65,876,000	\$76,276,000
Units Financed in Northern California Metropolitan Counties					
Urban Areas	—	—	—	385	553
Rural Areas	—	—	250	—	—
Total Northern California	—	—	250	385	553
Units Financed in Southern California Metropolitan Counties					
Urban Areas	—	—	356	—	—
Rural Areas	—	—	—	—	—
Total Southern California	—	—	356	—	—
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	—	—	606	385	553

¹ Programs/reports were not available prior to 2015-2016 fiscal year.

² No lending from these programs for FY19-20, FY 22-23.

Multifamily Geographic and Financing Data: Permanent Only Projects^{1, 2} (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
PERMANENT ONLY PROJECTS					
Loans Closed Amount	—	\$12,867,000	\$35,145,000	—	—
Number of Projects Financed	—	3	4	—	—
Total Units Financed	—	151	340	—	—
CalHFA Regulated Low or Moderate Units	—	47	70	—	—
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	\$12,867,000	\$35,145,000	—	—
Units Financed in Northern California Metropolitan Counties					
Urban Areas	—	151	141	—	—
Rural Areas	—	—	—	—	—
Total Northern California	—	151	141	—	—
Units Financed in Southern California Metropolitan Counties					
Urban Areas	—	—	199	—	—
Rural Areas	—	—	—	—	—
Total Southern California	—	—	199	—	—
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	—	151	340	—	—

¹ Programs/reports were not available prior to 2015-2016 fiscal year.

² No lending from these programs for FY19-20, FY 22-23, FY 23-24.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Geographic and Financing Data: Small Loan Projects ¹

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
SMALL LOAN PROJECTS					
Loans Closed Amount	—	\$2,200,000	—	\$3,480,000	—
Number of Projects Financed	—	1	—	2	—
Total Units Financed	—	40	—	85	—
CalHFA Regulated Low or Moderate Units	—	40	—	59	—
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	\$3,480,000	—
Other Financing	—	\$2,200,000	—	—	—
Units Financed in Northern California Metropolitan Counties					
Urban Areas	—	—	—	—	—
Rural Areas	—	—	—	—	—
Total Northern California	—	40	—	—	—
Units Financed in Southern California Metropolitan Counties					
Urban Areas	—	—	—	85	—
Rural Areas	—	—	—	—	—
Total Southern California	—	—	—	85	—
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	—	40	—	85	—

¹ Program information unavailable prior to FY 2016-17. No lending FY 2016-17, 2019-20 to present.

Multifamily Geographic and Financing Data: Small Loan Projects ¹ (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
SMALL LOAN PROJECTS					
Loans Closed Amount	—	—	—	—	—
Number of Projects Financed	—	—	—	—	—
Total Units Financed	—	—	—	—	—
CalHFA Regulated Low or Moderate Units	—	—	—	—	—
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	—	—	—	—
Units Financed in Northern California Metropolitan Counties					
Urban Areas	—	—	—	—	—
Rural Areas	—	—	—	—	—
Total Northern California	—	—	—	—	—
Units Financed in Southern California Metropolitan Counties					
Urban Areas	—	—	—	—	—
Rural Areas	—	—	—	—	—
Total Southern California	—	—	—	—	—
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	—	—	—	—	—

¹ Program information unavailable prior to FY 2016-17. No lending FY 2016-17, 2019-20 to present.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Geographic and Financing Data: Conduit Projects

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
CONDUIT PROJECTS					
Loans Closed Amount	\$59,146,886	\$275,338,000	\$290,183,231	\$182,141,667	\$418,085,150
Number of Projects Financed	4	15	7	11	18
Total Units Financed	337	1,217	1,016	916	2,155
CalHFA Regulated Low or Moderate Units	97	264	408	248	919
Source of Financing					
CalHFA Revenue Bonds Funds	\$59,146,886	\$275,338,000	\$290,183,231	\$182,141,667	\$418,085,150
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	—	—	—	—
Units Financed in Northern California Metropolitan Counties					
Urban Areas	142	1,073	476	548	1,456
Rural Areas	—	—	—	64	—
Total Northern California	142	1,073	476	612	1,456
Units Financed in Southern California Metropolitan Counties					
Urban Areas	195	144	540	304	699
Rural Areas	—	—	—	—	—
Total Southern California	195	144	540	304	699
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	337	1,217	1,016	916	2,155

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Geographic and Financing Data: Conduit Projects (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
CONDUIT PROJECTS					
Loans Closed Amount	\$789,478,909	\$1,372,619,535	\$980,486,748	\$1,397,073,802	\$1,485,659,213
Number of Projects Financed	19	34	21	25	30
Total Units Financed	2,736	4,252	2,967	3,848	3,872
CalHFA Regulated Low or Moderate Units	1,186	2,343	2,130	865	2,813
Source of Financing					
CalHFA Revenue Bonds Funds	\$789,478,909	\$1,372,619,535	\$980,486,748	\$1,397,073,802	\$1,485,659,213
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	—	—	—	—
Units Financed in Northern California Metropolitan Counties					
Urban Areas	1,869	2,583	706	1,920	2,464
Rural Areas	163	472	982	—	—
Total Northern California	2,032	3,055	1,688	1,920	2,464
Units Financed in Southern California Metropolitan Counties					
Urban Areas	656	1,141	1,141	1,928	1,246
Rural Areas	—	—	138	—	—
Total Southern California	656	1,141	1,279	1,928	1,246
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	48	56	—	—	162
Total All Counties	2,736	4,252	2,967	3,848	3,872

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Geographic and Financing Data: Special Needs Housing Program ¹

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
SPECIAL NEEDS HOUSING PROGRAM					
Loans Closed Amount	—	—	\$1,200,000	\$13,241,098	\$20,467,800
Number of Projects Financed	—	—	1	6	7
Total Units Financed	—	—	65	433	584
CalHFA Restricts Rents On MHSA/ SNHP Units	—	—	—	131	169
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	—	\$1,200,000	\$13,241,098	\$20,467,800
Units Financed in Northern California Metropolitan Counties					
Urban Areas	—	—	—	—	92
Rural Areas	—	—	—	—	—
Total Northern California	—	—	—	—	92
Units Financed in Southern California Metropolitan Counties					
Urban Areas	—	—	—	433	492
Rural Areas	—	—	65	—	—
Total Southern California	—	—	—	433	492
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	—	—	65	433	584

¹ New Program beginning FY 2015-16.

Multifamily Geographic and Financing Data: Special Needs Housing Program ¹ (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
SPECIAL NEEDS HOUSING PROGRAM					
Loans Closed Amount	\$32,859,565	\$25,861,291	\$7,341,759	\$11,066,741	\$2,173,669
Number of Projects Financed	14	11	4	7	1
Total Units Financed	726	792	243	362	32
CalHFA Restricts Rents On MHSA/ SNHP Units	200	198	51	82	15
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	\$32,859,565	\$25,861,291	\$7,341,759	\$11,066,741	\$2,173,669
Units Financed in Northern California Metropolitan Counties					
Urban Areas	74	42	—	—	—
Rural Areas	—	—	—	—	—
Total Northern California	74	42	—	—	—
Units Financed in Southern California Metropolitan Counties					
Urban Areas	519	647	243	345	32
Rural Areas	133	71	—	17	—
Total Southern California	652	718	243	362	32
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	32	—	—	—
Total All Counties	726	792	243	362	32

¹ New Program beginning FY 2015-16.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Geographic and Financing Data: Mental Health Services Act Housing Program ¹

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
MENTAL HEALTH SERVICES ACT					
Loans Closed Amount	\$32,927,604	\$28,856,201	\$14,418,734	\$2,454,150	\$2,463,895
Number of Projects Financed	18	17	5	4	2
Total Units Financed	1,160	910	227	298	20
CalHFA Restricts Rents On MHSA/SNHP Units	217	234	75	31	19
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	\$32,927,604	\$28,856,201	\$14,418,734	\$2,454,150	\$2,463,895
Units Financed in Northern California Metropolitan Counties					
Urban Areas	558	330	131	98	20
Rural Areas	—	32	6	—	—
Total Northern California	558	362	137	98	20
Units Financed in Southern California Metropolitan Counties					
Urban Areas	602	548	90	200	—
Rural Areas	—	—	—	—	—
Total Southern California	602	548	90	200	—
Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	1,160	910	227	298	20

¹ No lending from MHSA program for FY 19-20 through present.

Multifamily Geographic and Financing Data: Mental Health Services Act Housing Program ¹ (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
MENTAL HEALTH SERVICES ACT					
Loans Closed Amount	—	—	—	—	—
Number of Projects Financed	—	—	—	—	—
Total Units Financed	—	—	—	—	—
CalHFA Restricts Rents On MHSA/SNHP Units	—	—	—	—	—
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	—	—	—	—
Units Financed in Northern California Metropolitan Counties					
Urban Areas	—	—	—	—	—
Rural Areas	—	—	—	—	—
Total Northern California	—	—	—	—	—
Units Financed in Southern California Metropolitan Counties					
Urban Areas	—	—	—	—	—
Rural Areas	—	—	—	—	—
Total Southern California	—	—	—	—	—
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	—	—	—	—	—

¹ No lending from MHSA program for FY 19-20 through present.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Occupancy: Acquisition/Rehabilitation Projects

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
ACQ/REHABILITATION PROJECTS					
Occupancy Type					
Elderly	—	99	44	—	100
Non Elderly Handicapped	—	—	—	8	—
All Other	—	344	43	121	—
Total	—	443	87	129	100
Number of Bedrooms					
Studio - (Zero Bedroom)	—	—	20	—	—
One Bedroom	—	157	35	48	84
Two Bedrooms	—	194	18	67	16
Three Bedrooms	—	92	14	14	—
Four or More Bedrooms	—	—	—	—	—
Total	—	443	87	129	100
PERMANENT CONVERSION PROJECTS					
Occupancy Type					
Elderly	364	114	—	192	—
Non Elderly Handicapped	—	16	—	5	—
All Other	176	253	155	285	170
Total	540	383	155	482	170
Number of Bedrooms					
Studio - (Zero Bedroom)	1	—	—	20	—
One Bedroom	403	197	13	221	114
Two Bedrooms	123	165	98	162	42
Three Bedrooms	13	15	44	79	14
Four or More Bedrooms	—	6	—	—	—
Total	540	383	155	482	170

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Occupancy: Acquisition/Rehabilitation Projects (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
ACQ/REHABILITATION PROJECTS					
Occupancy Type					
Elderly	—	—	—	—	—
Non Elderly Handicapped	—	—	—	—	—
All Other	—	—	—	—	—
Total	—	—	—	—	—
Number of Bedrooms					
Studio - (Zero Bedroom)	—	—	—	—	—
One Bedroom	—	—	—	—	—
Two Bedrooms	—	—	—	—	—
Three Bedrooms	—	—	—	—	—
Four or More Bedrooms	—	—	—	—	—
Total	—	—	—	—	—

	2020	2021	2022	2023	2024
PERMANENT CONVERSION PROJECTS					
Occupancy Type					
Elderly	267	—	63	46	178
Non Elderly Handicapped	8	35	172	43	65
All Other	364	618	400	719	498
Total	639	653	635	808	741
Number of Bedrooms					
Studio - (Zero Bedroom)	32	4	27	130	23
One Bedroom	414	204	257	142	300
Two Bedrooms	163	310	284	329	225
Three Bedrooms	30	135	61	198	155
Four or More Bedrooms	—	—	6	9	38
Total	639	653	635	808	741

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Occupancy: Acquisition/Rehabilitation Projects (continued)

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
PERMANENT ONLY PROJECTS					
Occupancy Type					
Elderly	—	—	250	129	146
Non Elderly Handicapped	—	—	12	—	—
All Other	—	—	344	256	407
Total	—	—	606	385	553
Number of Bedrooms					
Studio - (Zero Bedroom)	—	—	22	—	—
One Bedroom	—	—	277	177	253
Two Bedrooms	—	—	232	137	207
Three Bedrooms	—	—	75	71	93
Four or More Bedrooms	—	—	—	—	—
Total	—	—	606	385	553

Multifamily Occupancy: Acquisition/Rehabilitation Projects (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
PERMANENT ONLY PROJECTS					
Occupancy Type					
Elderly	—	—	—	—	—
Non Elderly Handicapped	—	—	—	—	—
All Other	—	151	340	—	—
Total	—	151	340	—	—
Number of Bedrooms					
Studio - (Zero Bedroom)	—	4	59	—	—
One Bedroom	—	13	167	—	—
Two Bedrooms	—	44	42	—	—
Three Bedrooms	—	79	58	—	—
Four or More Bedrooms	—	11	14	—	—
Total	—	151	340	—	—

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Occupancy: Small Loan Projects and Conduit Projects

Last Ten Fiscal Years

	2015	2016	2017	2018	2019
SMALL LOAN PROJECTS					
Occupancy Type					
Elderly	—	—	—	—	—
Non Elderly Handicapped	—	—	—	—	—
All Other	—	40	—	85	—
Total	—	40	—	85	—
Number of Bedrooms					
Studio - (Zero Bedroom)	—	—	—	32	—
One Bedroom	—	10	—	33	—
Two Bedrooms	—	24	—	9	—
Three Bedrooms	—	6	—	11	—
Four or More Bedrooms	—	—	—	—	—
Total	—	40	—	85	—
CONDUIT PROJECTS					
Occupancy Type					
Elderly	226	344	106	198	121
Non Elderly Handicapped	—	—	—	—	25
All Other	111	873	910	718	2,009
Total	337	1,217	1,016	916	2,155
Number of Bedrooms					
Studio - (Zero Bedroom)	27	18	—	25	379
One Bedroom	211	584	405	367	785
Two Bedrooms	91	387	376	335	795
Three Bedrooms	8	142	211	161	187
Four or More Bedrooms	—	86	24	28	9
Total	337	1,217	1,016	916	2,155

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Occupancy: Small Loan Projects and Conduit Projects (continued)

Last Ten Fiscal Years

	2020	2021	2022	2023	2024
SMALL LOAN PROJECTS					
Occupancy Type					
Elderly	—	—	—	—	—
Non Elderly Handicapped	—	—	—	—	—
All Other	—	—	—	—	—
Total	—	—	—	—	—
Number of Bedrooms					
Studio - (Zero Bedroom)	—	—	—	—	—
One Bedroom	—	—	—	—	—
Two Bedrooms	—	—	—	—	—
Three Bedrooms	—	—	—	—	—
Four or More Bedrooms	—	—	—	—	—
Total	—	—	—	—	—
	2020	2021	2022	2023	2024
CONDUIT PROJECTS					
Occupancy Type					
Elderly	1,215	64	550	167	298
Non Elderly Handicapped	75	117	201	355	539
All Other	1,446	4,071	2,216	3,326	3,035
Total	2,736	4,252	2,967	3,848	3,872
Number of Bedrooms					
Studio - (Zero Bedroom)	131	486	608	575	536
One Bedroom	1,247	1,656	827	1,869	1,345
Two Bedrooms	843	1,375	892	861	1,036
Three Bedrooms	469	673	576	521	836
Four or More Bedrooms	46	62	64	22	119
Total	2,736	4,252	2,967	3,848	3,872

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Occupancy: Mixed Income Program Conversion Projects

Last Ten Fiscal Years

	2015	2016	2017	2018	2019
MIXED INCOME PROGRAM CONVERSION PROJECTS					
Occupancy Type					
Elderly	—	—	—	—	—
Non Elderly Handicapped	—	—	—	—	—
All Other	—	—	—	—	—
Total	—	—	—	—	—
Number of Bedrooms					
Studio - (Zero Bedroom)	—	—	—	—	—
One Bedroom	—	—	—	—	—
Two Bedrooms	—	—	—	—	—
Three Bedrooms	—	—	—	—	—
Four or More Bedrooms	—	—	—	—	—
Total	—	—	—	—	—

Multifamily Occupancy: Mixed Income Program Conversion Projects (continued)

Last Ten Fiscal Years

	2020	2021	2022	2023	2024
MIXED INCOME PROGRAM CONVERSION PROJECTS					
Occupancy Type					
Elderly	—	—	—	129	593
Non Elderly Handicapped	—	—	—	—	71
All Other	—	—	—	339	1,180
Total	—	—	—	468	1,844
Number of Bedrooms					
Studio - (Zero Bedroom)	—	—	—	12	101
One Bedroom	—	—	—	140	724
Two Bedrooms	—	—	—	210	556
Three Bedrooms	—	—	—	106	392
Four or More Bedrooms	—	—	—	—	71
Total	—	—	—	468	1,844

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Summary

Last Ten Fiscal Years (dollars in thousands)

MULTIFAMILY SUMMARY	2015	2016	2017	2018	2019	2020
ACQ/REHABILITATION PROJECTS						
Number of Units Financed	—	443	87	129	100	—
Loan Amounts	—	\$65,235,000	\$9,675,000	\$15,580,000	\$23,090,000	—
PERMANENT FINANCING PROJECTS						
Number of Units Financed	—	—	606	385	553	—
Loan Amounts	—	—	\$48,034,000	\$65,876,000	\$76,276,000	—
SMALL LOAN PROJECTS						
Number of Units Financed	—	40	—	85	—	—
Loan Amounts	—	\$2,200,000	—	\$3,480,000	—	—
CONDUIT PROJECTS						
Number of Units Financed	337	1,217	1,016	916	2,155	2,736
Loan Amounts	\$59,146,886	\$275,338,000	\$290,183,231	\$182,141,667	\$418,085,150	\$789,478,909
SPECIAL NEEDS HOUSING PROGRAM						
Number of Units Financed	—	—	65	433	584	726
Loan Amounts	—	—	\$1,200,000	\$13,241,098	\$20,467,800	\$32,859,565
MENTAL HEALTH SERVICES ACT HOUSING PROGRAM (MHSA)						
Number of Units Financed	1,160	910	227	298	20	—
Loan Amounts	\$32,927,604	\$28,856,201	\$14,418,734	\$2,454,150	\$2,463,895	—
PERMANENT CONVERSIONS COUNTED IN PRIOR FISCAL YEARS						
Number of Units Financed	540	383	155	482	170	639
Loan Amounts	\$39,660,000	\$25,130,000	\$8,575,000	\$47,990,000	\$14,510,000	\$64,016,282

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Summary (continued)

Last Ten Fiscal Years (dollars in thousands)

MULTIFAMILY SUMMARY	2021	2022	2023	2024	10 Year Totals
ACQ/ REHABILITATION PROJECTS					
Number of Units Financed	—	—	—	—	759
Loan Amounts	—	—	—	—	\$113,580,000
FINANCING PROJECTS					
Number of Units Financed	151	340	—	—	2,035
Loan Amounts	\$12,867,000	\$35,145,000	—	—	\$238,198,000
SMALL LOAN PROJECTS					
Number of Units Financed	—	—	—	—	125
Loan Amounts	—	—	—	—	\$5,680,000
CONDUIT PROJECTS					
Number of Units Financed	4,252	2,967	3,848	3,872	23,316
Loan Amounts	\$1,372,619,535	\$980,486,748	\$1,397,073,802	\$1,485,659,213	\$7,250,213,141
SPECIAL NEEDS HOUSING PROGRAM					
Number of Units Financed	792	243	362	32	3,237
Loan Amounts	\$25,861,291	\$7,341,759	\$11,066,741	\$2,173,669	\$114,211,923
MENTAL HEALTH SERVICES ACT HOUSING PROGRAM (MHSA)					
Number of Units Financed	—	—	—	—	2,615
Loan Amounts	—	—	—	—	\$81,120,584
PERMANENT CONVERSIONS COUNTED IN PRIOR FISCAL YEARS					
Number of Units Financed	653	635	808	741	5,206
Loan Amounts	\$71,822,632	\$38,031,812	\$110,789,646	\$116,010,128	\$536,535,500

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Summary (continued)

Last Ten Fiscal Years (dollars in thousands)

MULTIFAMILY SUMMARY	2015	2016	2017	2018	2019	2020
MIXED INCOME PROGRAM CONVERSIONS COUNTED IN PRIOR FISCAL YEARS						
Number of Units Financed	—	—	—	—	—	—
Loan Amounts	—	—	—	—	—	—
NET LENDING PRODUCTION UNITS						
Closed Loans - All Programs	2,037	2,993	2,156	2,728	3,582	4,101
Construction Loans Closed	—	—	—	684	1,043	1,563
Construction to Permanent Financing Unit Adjustment	—	—	—	(348)	(1,043)	(1,516)
Permanent Conversions Counted in Prior Fiscal Years	(540)	(383)	(155)	(375)	(170)	(639)
Mixed Income Program Conversions Counted in Prior Fiscal Years	—	—	—	—	—	—
Number of Units Financed - Net Production	1,497	2,610	2,001	2,689	3,412	3,509
NET PRODUCTION LOAN AMOUNTS						
Closed Loans - All Programs	\$131,734,490	\$396,759,201	\$372,085,965	\$330,762,915	\$554,892,845	\$886,354,756
Construction Loans Closed	—	—	—	75,216,500	78,447,891	108,140,973
Permanent Conversions Counted in Prior Fiscal Years	—	—	—	—	(14,510,000)	(64,016,282)
Mixed Income Program Conversions Counted in Prior Fiscal Years	—	—	—	—	—	—
Loan Amounts - Net Production	\$131,734,490	\$396,759,201	\$372,085,965	\$405,979,415	\$618,830,736	\$930,479,447

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Multifamily Summary (continued)

Last Ten Fiscal Years (dollars in thousands)

MULTIFAMILY SUMMARY	2021	2022	2023	2024	10 Year Totals
MIXED INCOME PROGRAM CONVERSIONS COUNTED IN PRIOR FISCAL YEARS					
Number of Units Financed	—	—	468	1,844	2,312
Loan Amounts	—	—	\$21,688,000	\$72,109,530	\$93,797,530
NET LENDING PRODUCTION UNITS					
Closed Loans - All Programs	5,697	4,185	5,486	6,489	39,454
Construction Loans Closed	3,874	3,517	4,210	4,060	18,951
Construction to Permanent Financing Unit Adjustment	(3,874)	(3,517)	(4,210)	(4,060)	(18,568)
Permanent Conversions Counted in Prior Fiscal Years	(653)	(635)	(808)	(741)	(5,099)
Mixed Income Program Conversions Counted in Prior Fiscal Years	—	—	(468)	(1,844)	(2,312)
Number of Units Financed - Net Production	5,044	3,550	4,210	3,904	32,426
NET LENDING LOAN AMOUNTS					
Closed Loans - All Programs	\$1,483,170,458	\$1,061,005,319	\$1,540,618,189	\$1,675,952,540	\$8,433,336,678
Construction Loans Closed	\$323,748,870	\$379,350,174	\$376,928,277	\$331,868,773	\$1,673,701,458
Permanent Conversions Counted in Prior Fiscal Years	(\$71,822,632)	(\$38,031,812)	(\$110,789,646)	(\$116,010,128)	(\$415,180,500)
Mixed Income Program Conversions Counted in Prior Fiscal Years	—	—	(\$21,688,000)	(\$72,109,530)	(\$93,797,530)
Loan Amounts - Net Production	\$1,735,097	\$1,402,324	\$1,785,069	\$1,819,702	\$9,598,060

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Summary - Multifamily Loans in Portfolio at Year End as of June 30

Last Ten Fiscal Years (dollars in thousands)

MULTIFAMILY PORTFOLIO YEAR END	2015	2016	2017	2018	2019
SUMMARY OF PROJECTS					
Section 8 Projects	96	93	88	82	78
Non-Section 8 Projects	309	297	318	322	315
Mental Health S A Projects	127	129	136	153	176
Section 8 Projects Monitored by PBCA	22	23	28	31	29
Total Projects	554	542	570	588	598
SUMMARY OF UNITS					
Section 8 Projects - CalHFA Regulated					
Occupied Units	6,222	6,080	5,383	4,742	4,369
Vacant Units	43	75	70	143	188
Non-Section 8 Projects - CalHFA Regulated					
Occupied Units	6,779	6,467	7,286	7,524	7,681
Vacant Units	86	164	204	591	253
Total CalHFA Regulated Units	13,130	12,786	12,943	13,000	12,491
Mental Health Services Act (MHSA)	1,899	1,911	2,006	2,189	2,779
Non-CalHFA Regulated Units	20,582	19,970	21,787	23,068	22,897
Non-Regulated Market Rate Units	4,466	4,440	4,440	4,330	4,660
Section 8 Projects Monitored by PBCA	1,504	1,480	2,190	2,301	2,134
Total All Units	41,581	40,587	43,366	44,888	44,961

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Summary - Multifamily Loans in Portfolio at Year End as of June 30 (continued)

Last Ten Fiscal Years (dollars in thousands)

MULTIFAMILY PORTFOLIO YEAR END	2020	2021	2022	2023	2024
SUMMARY OF PROJECTS					
Section 8 Projects	64	10	10	41	41
Non-Section 8 Projects	323	409	315	391	438
Mental Health S A Projects	177	177	180	207	176
Section 8 Projects Monitored by PBCA	32	53	93	—	—
Total Projects	596	649	598	639	655
SUMMARY OF UNITS					
Section 8 Projects - CalHFA Regulated					
Occupied Units	3,969	680	611	325	399
Vacant Units	46	8	9	247	164
Non-Section 8 Projects - CalHFA Regulated					
Occupied Units	8,504	8,685	8,743	10,608	13,174
Vacant Units	178	268	333	726	1,210
Total CalHFA Regulated Units	12,697	9,641	9,696	11,906	14,947
Mental Health Services Act (MHSA)	2,808	2,808	2,837	3,167	2,887
Non-CalHFA Regulated Units	22,587	21,494	24,591	26,918	24,176
Non-Regulated Market Rate Units	4,660	4,660	4,660	4,660	4,716
Section 8 Projects Monitored by PBCA	2,124	5,451	3,411	—	—
Total All Units	44,876	44,054	45,195	46,651	46,726

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Section 8 - CalHFA Regulated Units: Tenant Family Income and Monthly Rent

Last Ten Fiscal Years (dollars in thousands)

SECTION 8 INCOME AND RENT	2015	2016	2017	2018	2019
ANNUAL FAMILY INCOME					
Less than \$5,001	413	387	319	311	256
5,001 to 7,500	295	273	266	253	207
7,501 to 10,000	377	369	377	304	290
10,001 to 12,500	2,648	2,555	2,195	1,888	1,684
12,501 to 15,000	493	464	406	355	360
15,001 to 20,000	1,089	1,053	916	757	765
More than \$20,000	907	979	904	876	807
TOTAL PROJECTS	6,222	6,080	5,383	4,744	4,369
MONTHLY TENANT RENT					
Less than \$51	410	385	321	332	268
51 to 100	265	237	233	231	202
101 to 150	270	271	252	199	219
151 to 200	445	435	434	360	322
201 to 250	1,921	1,833	1,653	1,312	1,014
251 to 300	888	863	655	657	777
301 to 400	710	663	619	553	539
401 to 500	706	711	587	475	458
More than \$500	607	682	629	625	570
TOTAL	6,222	6,080	5,383	4,744	4,369

Section 8 - CalHFA Regulated Units: Tenant Family Income and Monthly Rent (continued)

Last Ten Fiscal Years (dollars in thousands)

SECTION 8 INCOME AND RENT	2020	2021	2022	2023	2024
ANNUAL FAMILY INCOME					
Less than \$5,001	219	18	31	19	35
5,001 to 7,500	163	19	10	2	8
7,501 to 10,000	229	36	22	13	13
10,001 to 12,500	1,589	246	177	24	53
12,501 to 15,000	355	119	107	189	173
15,001 to 20,000	642	115	100	35	46
More than \$20,000	772	127	164	43	71
TOTAL PROJECTS	3,969	680	611	325	399
MONTHLY TENANT RENT					
Less than \$51	244	21	31	18	34
51 to 100	146	12	7	6	13
101 to 150	186	22	24	5	14
151 to 200	250	76	23	3	14
201 to 250	801	84	62	11	79
251 to 300	868	168	174	22	95
301 to 400	448	96	71	201	65
401 to 500	479	85	68	19	34
More than \$500	547	116	151	40	51
TOTAL	3,969	680	611	325	399

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Non-Section 8 - CalHFA Regulated Units: Tenant Family Income and Monthly Rent

Last Ten Fiscal Years (dollars in thousands)

NON-SECTION 8 INCOME AND RENT	2015	2016	2017	2018	2019
ANNUAL FAMILY INCOME					
Less than \$5,001	255	239	258	274	248
5,001 to 7,500	180	146	152	166	171
7,501 to 10,000	259	245	289	289	278
10,001 to 12,500	1,435	1,346	1,594	1,660	1,721
12,501 to 15,000	518	458	506	510	468
15,001 to 20,000	1,172	1,135	1,202	1,216	1,183
More than \$20,000	2,960	2,898	3,285	3,413	3,612
TOTAL PROJECTS	6,779	6,467	7,286	7,528	7,681
MONTHLY TENANT RENT					
Less than \$51	155	138	148	154	162
51 to 100	117	96	111	131	129
101 to 150	126	122	141	151	167
151 to 200	250	260	283	298	303
201 to 250	647	600	705	717	719
251 to 300	417	416	563	659	693
301 to 400	483	475	568	556	567
401 to 500	652	604	665	640	636
More than \$500	3,932	3,756	4,102	4,221	4,304
TOTAL	6,779	6,467	7,286	7,527	7,680

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Non-Section 8 - CalHFA Regulated Units: Tenant Family Income and Monthly Rent (continued)

Last Ten Fiscal Years (dollars in thousands)

NON-SECTION 8 INCOME AND RENT	2020	2021	2022	2023	2024
ANNUAL FAMILY INCOME					
Less than \$5,001	250	312	462	842	1,384
5,001 to 7,500	135	278	121	298	417
7,501 to 10,000	277	251	264	509	759
10,001 to 12,500	1,723	1,628	1,342	1,593	1,864
12,501 to 15,000	701	701	724	1,834	3,178
15,001 to 20,000	1,309	1,253	911	956	1,635
More than \$20,000	4,109	4,262	4,919	4,576	3,937
TOTAL PROJECTS	8,504	8,685	8,743	10,608	13,174
MONTHLY TENANT RENT					
Less than \$51	195	172	282	594	992
51 to 100	127	89	107	158	267
101 to 150	278	226	133	261	369
151 to 200	336	473	218	437	624
201 to 250	722	688	572	957	1,291
251 to 300	699	525	630	808	864
301 to 400	645	791	503	527	994
401 to 500	735	825	461	913	1,370
More than \$500	4,767	4,896	5,837	5,953	6,403
TOTAL	8,504	8,685	8,743	10,608	13,174

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Regulatory Agreement End Date

Units Affected

FISCAL YEAR	SECTION 8	CALHFA OTHER LOW INCOME	TOTAL
2023 - 2024	—	203	203
2024 - 2025	—	204	204
2025 - 2026	—	275	275
2026 - 2027	37	29	66
2027 - 2028	—	73	73
2028 - 2029	—	224	224
2029 - 2030	—	878	878
2030 - 2031	—	398	398
2031 - 2032	—	463	463
2032 - 2033	—	306	306
2033 - 2034	—	270	270
2034 - 2035	88	332	420
2035 - 2036	10	518	528
2036 - 2037	24	262	286
2037 - 2038	15	336	351
2038 - 2039	28	274	302
2039 - 2040	35	255	290
2040 - 2041	117	520	637
2041 - 2042	184	38	222
2042 - 2043	25	49	74
2043 - 2044	—	21	21
2044 - 2045	—	47	47
2045 - 2046	—	249	249
2046 - 2047	—	99	99
2047 - 2048	—	80	80
2048 - 2049	—	22	22
2049 - 2050	—	4,818	4,818
2050 - >>>>	—	3,141	3,141
Total	563	14,384	14,947

Projected Use of Revenue Bonding Authority

Aggregate Principal Amount Of CalHFA Debt Outstanding
Current Actual And Estimated Future Amounts

	AMOUNTS AUTHORIZED
Amounts Authorized by Statute as of 6/30/2024	
Authorized by Chapter 7	\$13,150,000,000
Amount Outstanding (non-conduits) as of 6/30/2024	124,145,000
Amount Outstanding (conduits) as of 6/30/2024 ¹	6,160,414,901
Total Outstanding as of 6/30/2024	\$6,284,559,901
Balance of Remaining Authority as of 6/30/2024	\$6,865,440,099
Estimated Increases in Aggregate Principal Amount of CalHFA Bonds Outstanding for FY 2024-2025	
New Single Family Bonds	\$100,000,000
New Multifamily Bonds	1,200,000,000
TOTAL NEW BONDS	\$1,300,000,000
Estimated Decreases During FY 2024-2025	
(Retirement of Bonds Not Being Refunded)	(\$200,000,000)
Net increase estimated for FY 2024-2025	1,100,000,000
Estimated Remaining Authority as of 6/30/2024	
Authorized by Chapter 7	\$5,765,440,099

¹ Starting fiscal year 2013-14 the outstanding indebtedness does not include indebtedness associated with conduit deals.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

CalHFA Capital Assets

Last Ten Fiscal Years (dollars in thousands)

	2015	2016	2017	2018	2019
Data processing equipment & office furniture	\$1,782	\$1,546	\$1,249	\$1,286	\$1,322
Leased buildings	—	—	—	—	—
Total capital assets being depreciated/ amortized	\$1,782	\$1,546	\$1,249	\$1,286	\$1,322
Less accumulated depreciation for					
Data processing equipment & office furniture	\$940	\$792	\$662	\$634	\$728
Leased buildings	—	—	—	—	—
Total accumulated depreciation and amortization	\$940	\$792	\$662	\$634	\$728
Capital assets, net	\$842	\$754	\$587	\$652	\$594

CalHFA Capital Assets (continued)

Last Ten Fiscal Years (dollars in thousands)

	2020	2021	2022	2023	2024
Data processing equipment & office furniture	\$1,218	\$1,393	\$930	\$868	\$599
Leased buildings	—	—	27,990	27,990	27,987
Total capital assets being depreciated/ amortized	\$1,218	\$1,393	\$28,920	\$28,858	\$28,586
Less Accumulated depreciation for					
Data processing equipment & office furniture	\$758	\$794	\$310	\$231	\$368
Leased buildings ¹	—	—	—	2,529	5,055
Total accumulated depreciation and amortization	\$758	\$794	\$310	\$2,760	\$5,423
Capital assets, net	\$460	\$599	\$28,610	\$26,098	\$23,163

¹ 2022 Leased Buildings beginning balance as restated per GASB 87 implementation.

CALHFA DEMOGRAPHICS & ECONOMIC INFORMATION

Number of CalHFA Employees

Last Ten Fiscal Years

	2015	2016	2017	2018	2019
Divisions					
Executive	6	7	7.0	5	5
General Counsel	19	16	12.0	12	12
Financing & Fiscal Services	56	51	45.0	39	36
Administration	17	18	16.0	16	17
Information Technology	20	18	18.0	19	16
Marketing	6	6	7.0	6	8
Loan Servicing	19	23	23.0	Combined with SFL	N/A
Multifamily & Asset Management	48	47	50.0	49	43
Enterprise Risk Management	N/A	N/A	N/A	11	7
Single Family Lending (SFL)	53	46	41.0	51	47
Total	244	231	219	208	191

Number of CalHFA Employees (continued)

Last Ten Fiscal Years

Divisions	2020	2021	2022	2023	2024
Executive	4	4	8	4	6
General Counsel	12	12	12	13	14
Financing & Fiscal Services	36	32	32	34	36
Administration	16	14	15	12	13
Information Technology	18	20	20	23	26
Marketing	8	8	7	9	8
Loan Servicing	N/A	N/A	N/A	N/A	N/A
Multifamily & Asset Management	37	35	36	32	35
Enterprise Risk Management	N/A	N/A	N/A	5	6
Single Family Lending (SFL)	44	45	43	38	39
Total	175	170	173	170	183

Source: CalHFA Administration Division
 Staffing levels are based on actual number of permanent employees as of June 30 each year.

CALIFORNIA DEMOGRAPHICS & ECONOMIC INFORMATION

California Industry Number of Employees by Size Category

Last Ten Fiscal Years

	2014	2015	2016	2017	2018
INDUSTRY					
Agriculture, Forestry, Fishing, Hunting	\$467,923	\$471,566	\$474,766	\$473,554	\$475,503
Mining	29,142	25,668	21,218	20,130	20,545
Utilities	57,829	57,577	58,008	57,766	56,571
Construction	691,811	748,872	789,841	830,446	880,556
Manufacturing	1,283,779	1,303,651	1,304,915	1,318,709	1,337,213
Wholesale Trade	713,642	719,576	718,853	723,984	701,831
Retail Trade	1,615,557	1,645,332	1,654,247	1,670,450	1,673,554
Transportation and Warehousing	455,070	488,428	517,790	553,571	592,578
Information	459,781	486,838	517,275	526,390	542,792
Finance and Insurance	514,826	523,933	540,844	544,423	541,035
Real Estate and Rental and Leasing	265,335	271,617	278,001	285,957	296,584
Services	7,056,066	7,247,138	7,442,898	7,630,490	7,888,061
Nonclassifiable Establishment	63,478	102,851	119,680	82,201	12,948
Federal, State and Local Government	2,317,813	2,388,336	2,434,565	2,346,343	2,366,731
TOTAL FOR ALL INDUSTRIES	\$15,992,052	\$16,481,383	\$16,872,901	\$17,064,414	\$17,386,502

California Industry Number of Employees by Size Category (continued)

Last Ten Years

INDUSTRY	2019	2020	2021	2022	2023
Agriculture, Forestry, Fishing, Hunting	\$478,758	\$450,194	\$404,736	\$396,541	\$477,799
Mining	20,133	16,690	16,980	17,402	17,134
Utilities	56,499	59,009	60,113	62,469	65,028
Construction	908,159	861,502	896,376	912,111	932,718
Manufacturing	1,333,653	1,259,018	1,299,211	1,341,547	1,337,824
Wholesale Trade	694,166	634,092	660,675	673,841	667,952
Retail Trade	1,643,399	1,503,656	1,659,808	1,650,348	1,597,706
Transportation and Warehousing	635,648	652,616	773,084	794,536	745,276
Information	562,689	513,216	587,668	605,429	538,655
Finance and Insurance	540,286	532,862	544,205	528,784	507,658
Real Estate and Rental and Leasing	305,824	273,053	302,754	310,240	305,399
Services	8,077,285	6,909,280	7,968,242	8,310,307	8,364,745
Nonclassifiable Establishment	1,543	1,364	3,878	1,760	8,347
Federal, State and Local Government	2,390,055	2,276,430	2,454,756	2,518,775	2,461,209
TOTAL FOR ALL INDUSTRIES	\$17,648,097	\$15,942,982	\$17,632,486	\$18,124,090	\$18,027,450

Source: California Employment Development Department, as of Q4 2023

CALIFORNIA DEMOGRAPHICS & ECONOMIC INFORMATION

California Population, Income, and Employment

Last Ten Years

YEAR	POPULATION (IN THOUSANDS)	PERSONAL INCOME (IN MILLIONS)	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
2014	38,636	\$1,955,718	\$50,619	6.8%
2015	38,966	\$2,097,050	\$53,817	5.7%
2016	39,223	\$2,191,138	\$55,863	5.0%
2017	39,424	\$2,295,049	\$58,214	4.5%
2018	39,536	\$2,411,055	\$60,984	4.1%
2019	39,548	\$2,539,747	\$64,219	4.0%
2020	39,503	\$2,769,103	\$70,098	9.8%
2021	39,145	\$3,009,557	\$76,882	7.3%
2022	39,041	\$3,003,826	\$76,941	4.3%
2023	38,965	\$3,166,135	\$81,255	4.8%

Source: Bureau of Economic Analysis, California EDD. Data available through 2023

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Glossary of Acronyms

ACFR: Annual Comprehensive Financial Report

ADU: Accessory Dwelling Unit Program

AHRB: Affordable Housing Revenue Bonds

AMHRB: Affordable Multifamily Housing Revenue Bonds

AVR: Actuarial Valuation Report

BHJ: Building Homes and Jobs Program

CaHLIF: California Housing Loan Insurance Fund

CalHFA: California Housing Finance Agency

CalHR: California Department of Human Resources

CalPERS: California Public Employees' Retirement System

CAP: Contract Administration Programs

CDLAC: California Debt Limit Allocation Committee

CERBT: California Employer's Retiree Benefit Trust

CERBTF: California Employer's Retiree Benefit Trust Fund

COLA: Cost-of-Living Adjustments

COSR: Capitalized Operating Subsidy Reserves

DFA: Dream for All Program

DHCS: Department of Health Care Services

DSCR: Debt Service Coverage Ratio

DOF: Department of Finance

E&O: Errors and Omissions

EBL: Forgivable Equity Builder Loan

EFFR: Effective Federal Fund Rate

FAF: Financial Adjustment Factor

Fannie Mae: Federal National Mortgage Association

FDIC: Federal Deposit Insurance Corporation

FFB: Federal Financing Bank

FHLB: Federal Home Loan Bank of San Francisco

FHA: Federal Housing Administration

GAAP: Generally Accepted Accounting Principles

GNMA: Government National Mortgage Association

GO: General Obligation

HAF: Housing Assistance Fund

HAT: Housing Assistance Trust

HBA: Homebuyer Assistance Program

HCD: California Department of Housing and Community Development

HFA: Housing Finance Agency

HMRB: Home Mortgage Revenue Bonds

HPA Fund: Home Purchase Assistance Fund

HPI: Housing Price Index

HRC: Homeowner Relief Corporation

HUD: Housing and Urban Development

IDC: Interactive Data Corp

IRS: Internal Revenue Service

ISDA: International Swap Dealers Association, Inc.

LMI: Low to Moderate Income Housing Program

LTV: Loan-To-Value

MBS: Mortgage-Backed Securities

MCMC: Markov Chain Monte Carlo

MD&A: Management Discussion and Analysis

MF: Multifamily Program

MFHRB III: Multifamily Housing Revenue Bonds III

MHRB: Multifamily Housing Revenue Bonds

MHRN: Multifamily Housing Revenue Note

MHSA: Mental Health Services Act Housing Program

MLPB: Multifamily Loan Purchase Bonds

NMS: National Mortgage Settlement Housing Counseling Program

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NOO: Net OPEB Obligation

OPEB: Other Post-Employment Benefits

P&I: Principal and Interest

PERF A: Public Employees' Retirement Fund A

REO: Real Estate Owned

RMRB: Residential Mortgage Revenue Bonds

SCO: State Controller's Office

SMIF: Surplus Money Investment Fund

SNHP: Special Needs Housing Program

SOFR: Secured Overnight Financing Rate

SOMHRB: Special Obligation Multifamily Housing
Revenue Bonds

STO: State Treasurer's Office

TBA Market Rate Program: To Be Announced
Market Rate Program

VA: Department of Veteran Affairs

Statutory Requirements

In accordance with Health & Safety Code (HSC) Section 51005, the California Housing Finance Agency (CalHFA) provides the below referenced information. The following table provides guidance on where these items are located within the Annual Comprehensive Financial Report. Information not provided in tables is detailed in the narrative below.

Government Code	Section	Sub-Section/ Table Name
HSC 51005(c)	Financial Section	Independent Auditor's Report
26 USC Sec 142 26 USC Sec 103 HSC 50952(h) HSC 51005(b)(14) HSC 51005(d)	Statistical Section	Multifamily Geographic and Financing Data
HSC 50952(h) HSC 50156 HSC 51005(b)(13) HSC 51005(d) HSC 51005(e) HSC 51230	Statistical Section	Multifamily Occupancy
26 USC Sec 142 26 USC Sec 103 HSC 51005(b)(14)	Statistical Section	Multifamily Programs
HSC 50952(h)	Statistical Section	Multifamily Summary
HSC 50951 HSC 51005(b)(11) HSC 51226 HSC 51226.5 HSC 51227	Statistical Section	Regulatory Agreement End Date
HSC 50952(h) HSC 51005(d)	Statistical Section	Single Family Loans by Borrower Income, Single Family Loans by Ethnicity, Single Family Loans by Household Size, Single Family Loans by Sales Price
HSC 50951 HSC 51005(b)(2) HSC 51005(b)(11) HSC 51226 HSC 51226.5 HSC 51227	Statistical Section	Summary - Multifamily Loans in Portfolio at Year End
HSC 50952(h) HSC 51005(d)	Statistical Section	Summary of Single Family Lending Activity (Securitizations)
HSC 51004.5 HSC 51005(b)(12)	Statistical Section	Use and Projection of Revenue Bonding Authority

Statutory Requirements (continued)

Government Code	Section	Sub-Section/ Table Name
HSC 50950 HSC 50154 HSC 50952(h) HSC 50952(n) HSC 51005(b)(5) HSC 51005(b)(6)	Statistical Section	Multifamily – The Agency is required by statute to use the Statewide Housing Plan for the allocation of Agency funds. The current plan was issued by the Department of Housing &Community Development (HCD), in March 2022. Single Family Lending - The Agency's goal is to meet the housing needs of low to moderate income homebuyers on a continuous basis by making financing available for the purchase of newly constructed and existing homes in every county of the state.
HSC 51005(a)	Statistical Section	Pursuant to Proposition 209 (also referenced as Article 1, Section 31 of the California Constitution), CalHFA does not give preferences in awarding contracts based upon race or gender. Pursuant to federal and state law, the Agency requires affirmative marketing for all housing developments to assure that housing opportunities generated by CalHFA provide attractive housing options in diverse locations for low income, disabled and senior households, and are open to all regardless of race, sex, sexual orientation, marital status, religion, national origin, ancestry, familial status or disability.
HSC 50952(a) HSC 50952(j) HSC 51005(b)(1)	Statistical Section	Multifamily – CalHFA encourages sponsors to request and accept renewals on all rental housing subsidy contracts that are part of approved financing on any given multifamily development. The Agency has combined its financing with participation and contributions from governmental entities utilizing federal, state, county and local resources including but not limited to FHA insurance, Low Income Housing Tax Credits (LIHTC), federally tax-exempt bonds, tax increment and agency funds, Department of Housing and Community Development (HCD) funds, and local resources. Single Family Lending - CalHFA offers a variety of Government loans, including FHA, VA, USDA and Conventional first mortgage loans and down payment loan products that provide both first-time and non-first-time California homebuyers the opportunity to purchase a house with an affordable mortgage.
HSC 50952(b) HSC 51005(b)(2)	Statistical Section	Multifamily - The present multifamily rental programs of the Agency integrate very low and low income housing opportunities with market rate rentals whenever possible. All of CalHFA's housing developments are planned and designed to visually and physically integrate all elements of a housing complex into a socially harmonious environment. There are no visual or physical differences between units to be occupied by the very low income, low income or market rate tenants. The Agency requires that asset management personnel ensure that developments maintain high quality rental units. Housing developments are required to distribute low or very low income units throughout the development. Single Family Lending - The Agency's loan programs are designed to provide funding models as market conditions permit, to meet housing needs throughout the state. The programs are designed to provide financing to first time homebuyers, who are low to moderate income homebuyers including down payment and closing cost assistance.

Statutory Requirements (continued)

Government Code	Section	Sub-Section/ Table Name
HSC 50952(c)	Statistical Section	<p>Multifamily - Agency developments and amenities are architecturally reflective of comparable market projects within a locale, being indistinguishable as a low income project. Through local participation architectural design requirements keep designs comparable to other multifamily housing in the neighborhood. Whenever market conditions allow, the Agency encourages the development of larger units to accommodate larger low income and other families. Within a development, a proportionate share of all unit types is reserved for low income families. Single Family Lending - The Agency provides mortgage lending products and downpayment and/or closing cost assistance to low to moderate income borrowers throughout the State. This ensures that affordable financing is available to assist low to moderate income households to enjoy the amenities and benefits of homeownership in locations that meet their family needs. All properties must be in good condition and satisfy Government Sponsored Enterprise requirements.</p>
HSC 50952(d)	Statistical Section	<p>Multifamily - In compliance with applicable laws, the Agency requires affirmative marketing and adequate placement for all projects to assure that housing opportunities assisted by CalHFA and other financing mechanisms provide attractive housing options in diverse locations for low income families, disabled, and senior households.</p>
HSC 50952(e)	Statistical Section	<p>Multifamily - Through the sale of tax exempt bonds, voter initiatives and other financing mechanisms, the Agency delivers low-cost mortgages to developers who then pass along this benefit to lower income tenants through reduced rents. The Agency also uses available subsidy funds to lower the cost of preserving affordable rental developments. The Agency continues to actively participate in the FHA-HFA Multifamily Risk-Sharing program for a large percentage of our multifamily lending activity. The FHA-HFA Risk-Sharing program, created in 1992, allows state HFAs that meet rigorous financial standards to underwrite FHA multifamily loans in return for sharing the risk of losses on those loans. The program helps to mitigate financial risk to the Agency and increases the credit quality of multifamily loans the agency originates; thus, improving the financing rates available to our clients. The Agency participates in a risk-sharing program with the Federal Financing Bank (FFB) and HUD to access low cost, 40-year fixed rate financing for affordable multifamily developments.</p>
HSC 50952(f)	Statistical Section	<p>Single Family Lending - The Agency provides first time homebuyers down payment and/or closing cost assistance through various programs such as the Zero Interest Program (ZIP), MyHome and Dream for All Assistance Programs. The result is a financing structure well suited for low to moderate income homebuyers. These programs complement first mortgage lending programs offered by CalHFA-approved lenders throughout the State.</p>

Statutory Requirements (continued)

Government Code	Section	Sub-Section/ Table Name
HSC 50952(g)	Statistical Section	Multifamily - Within every multifamily development, the Agency ensures there are benefits derived from building the project, i.e., construction and related employment, etc. As part of its underwriting considerations, the Agency examines critical factors including vacancy rates, market demand and cost feasibility.
HSC 50952(i)	Statistical Section	Multifamily - The Agency reviews development fees and verifies that they comply with the limitations of other state funding sources. Single Family Lending – The Agency limits the lender fees and points charged under lending programs. Dodd-Frank also places detailed limits on lender fees.
HSC 50952(k)	Statistical Section	Multifamily and Single Family Lending - The Agency markets its programs in a manner which seeks out development projects and individual loan commitments that provide funds for the purchase of homes sponsored by local public entities and nonprofit or for profit developers working with cities and/or counties. The Agency has provided incentives for these developments, and works with local governmental entities, State agencies and nonprofits that provide other sources of subsidy or financing to help make affordable housing available to low income families. The Agency directly reaches out to cities and counties in an effort to acquaint relevant officials with programs offered by the Agency. The draft Statewide Housing Plan includes a separate study of Native American community housing needs and challenges and the Agency has reviewed the study as part of the overall plan review.
HSC 50952(l)	Statistical Section	Multifamily - The Agency works in cooperation with local public entities, such as housing authorities, to coordinate financing to meet local housing needs and promote the revitalization of urban areas. Single Family Lending - The homeownership programs promote the growth and recovery of business activity by assisting permanent mortgage financing in all areas of the State.
HSC 50952(m)	Statistical Section	Multifamily - Development of Agency projects in central city areas have resulted in the replacement and rehabilitation of substandard housing while increasing or preserving the supply of housing units available. Agency projects have assisted with the revitalization of urban areas by providing visual activity of constructive neighborhood improvement, resulting in a wider range of housing opportunities and choices within depressed areas of the city and discouraging migration outside the inner city neighborhoods. This development has increased the quality of housing units available, provided the type of mixed income and market rate projects that have attracted a diversity of groups for a more dynamic economic integration and transformed vacant and/or blighted lots into useful housing infrastructure. Single Family Lending - Competitive interest rates and the availability of Agency down payment assistance programs improve affordability for low to moderate income buyers in these areas.

Statutory Requirements (continued)

Government Code	Section	Sub-Section/ Table Name
HSC 50952(o)	Statistical Section	Multifamily – The Agency works in partnership with local public agencies, many of which promote Transit Oriented development. Low Income Housing Tax Credits also provide incentives for development near transit. CalHFA multifamily lending products are compatible with Transit Oriented development. Single Family Lending – The amount of down payment assistance offered under the MyHome Assistance Program is for all first time homebuyers, regardless of location.
HSC 50952(p)	Statistical Section	The Agency's low interest rate mortgage financing for rental housing developments attracts private equity investment, especially in those circumstances where the federal low income housing tax credit is available. Pension funds have not yet been equity investors in any Agency financed rental housing developments.
HSC 50952(q) GC 65852.1	Statistical Section	The Agency launched a program to help finance ADUs in Fiscal Year 21-22.
HSC 51005(b)(3) HSC 51230	Statistical Section	The Agency requires that the design of all newly constructed units comply with the applicable accessibility requirements.
HSC 51005(b)(4) HSC 51007	Statistical Section	As of June 30, 2024, there were no funds derived from the issuance of bonds by the Agency, which can be declared surplus moneys. All moneys available to the Agency are, subject to agreement with the bondholders, required to service or retire bonds issued on behalf of the Agency, repay loans, pay administrative expenses of the Agency, and accumulate necessary operating reserves (including swap collateral posting and loan warehousing) or loan loss reserves.
HSC 51005(b)(7) HSC 51610	Statistical Section	The California Housing Loan Insurance Fund (CalHLIF) insures loans made by the Agency and other lenders which finance the acquisition of residential units in California. CalHLIF has requested to withdraw its ratings from both Standard and Poor's and Moody's. In Fiscal Year 2023-24, CalHLIF insured no new mortgages. As of December 31, 2023, there were 169 active mortgage certificates. During the year, three claims were received totaling \$0.17 million. Claims were paid through a risk share reinsurance arrangement with Genworth Mortgage Insurance Inc. through its end date, December 31, 2017. CalHLIF schedules its portion of claim payments from premiums as they are received. As of December 31, 2023, there were six insured loans totaling \$1.16 million reported delinquent 120+ days.
HSC 51005(b)(8)	Statistical Section	In Fiscal Year 2023-24 the Agency securitized 185 Manufactured homes, bringing the total to 2,345 manufactured homes financed since 1983.

Statutory Requirements (continued)

Government Code	Section	Sub-Section/ Table Name
<p>HSC 51005(b)(9) HSC 51005(c) HSC 51365</p>	<p>Statistical Section</p>	<p>All proceeds from the issuance of Agency bonds were applied to housing programs identified in the Agency’s Business Plan and its Annual Report, to service the bonds and swaps, pay administrative expenses, maintain required reserves, and repay Agency loans. Over the past two fiscal years, all available reserves derived from the proceeds of bonds are being used for loan losses and additional costs related to bonds and swaps. There are no excess fund balances that exceed indenture requirements. The Agency’s financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) and follow the Standards of Governmental Accounting and Financial reporting as promulgated by the Governmental Accounting Standards Board (GASB). All net assets of the Housing Finance Fund (HFF), whether or not currently held under the liens of bond indentures, are properly reported as “restricted” in accordance with GASB Statement No. 34 and State statutes. The Agency’s bond issues are structured to comply with bondholder agreements and the requirements of credit rating agencies, bond insurers and other financial institutions providing credit enhancement or security in support of the issuance of the Agency’s bonds. In addition, some of the Agency’s financings and all swap agreements are guaranteed by the pledge of the Agency’s general obligation (refer to the MD&A for Agency rating information). Under State statutes, all assets of the HFF, whether or not held under the liens of bond indentures, are continuously appropriated in support of the Agency’s financial obligations. One basis for the Agency’s general obligation rating is predicated on the HFF’s continuous appropriation. The Agency’s interest rate swap portfolio is comprised of 28 swaps with three different financial institutions acting as counterparties. All of the Agency’s interest rate swaps are forward starting with a mandatory termination at the effective date of the swap. The estimated net market value (excluding accrued interest) of these swaps as of June 30, 2024 was \$47.5 million. This value represents the payments the Agency would receive from its counterparties in the event the swaps were terminated.</p>
<p>HSC 51005(b)(10) HSC 51005(d)</p>	<p>Statistical Section</p>	<p>The MyHome Assistance Program provides down payment assistance and is available in rural areas throughout California.</p>
<p>HSC 51005(b)(15) HSC 51218</p>	<p>Statistical Section</p>	<p>Although the Agency continues to finance rental properties for seniors under other authority, no bonds or projects have been financed specifically as a result of Article 5.7. CalHFA continues to evaluate the financial viability of affordable assisted living projects.</p>
<p>HSC 51342(a)</p>	<p>Statistical Section</p>	<p>Those borrowers whose owner-occupied home was destroyed or declared uninhabitable may apply for Agency first mortgage programs, including the MyHome Assistance Program for down payment and/or closing cost assistance only when used with either the CalPLUS FHA or CalPLUS Conventional loan program.</p>

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California Housing Finance Agency
500 Capitol Mall, Suite 1400, Sacramento CA 95814

APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL TO THE AGENCY

Upon the delivery of the Offered Bonds, Bond Counsel proposes to issue an approving opinion in substantially the following form:

[CLOSING DATE]

California Housing Finance Agency
Sacramento, California

We have acted as Bond Counsel to the California Housing Finance Agency (the “Agency”), and in such capacity we have examined a record of proceedings in connection with the issuance by the Agency of its Homeowner Mortgage Revenue Bonds, 2025 Series A, in the aggregate principal amount of \$_____ (the “Bonds”).

The Bonds are issued under and pursuant to (i) Parts 1 through 4 of Division 31 of the Health and Safety Code of the State of California (the “Act”), (ii) the Homeowner Mortgage Revenue Bonds Indenture, dated as of March 1, 2025 (the “General Indenture”), by and between the Agency and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), and (iii) the related Homeowner Mortgage Revenue Bonds Series Indenture, dated as of March 1, 2025 (the “Series Indenture”; together with the General Indenture, the “Indenture”), by and between the Agency and the Trustee. The Bonds are dated, mature on the dates in the principal amounts, bear interest, if any, and are payable as provided in the Series Indenture. The Bonds are subject to redemption prior to maturity in whole or in part, as provided in the Indenture. Capitalized terms not otherwise defined herein shall have the respective meanings ascribed thereto in the Indenture.

We are of the opinion that:

(1) The Agency has been duly created and validly exists with good right and lawful authority to perform its obligations in accordance with law and the terms and conditions of the Indenture.

(2) The Bonds have been duly authorized and constitute valid and binding limited obligations of the Agency, payable solely from the Revenues and other assets pledged therefor under the Indenture which shall have been lawfully appropriated therefor.

(3) The Indenture has been duly authorized, executed and delivered by, and is a valid and binding obligation of, the Agency. The Indenture creates a valid pledge, to secure the payment of the principal of and interest on the Bonds, of the rights, title, and interest of the Agency in, to, and under the Mortgage-Backed Securities, all of the Revenues, all proceeds of the sale of Bonds, and all Funds and Accounts (other than the Rebate Fund) and the moneys and securities therein, in each case subject to the provisions of the Indenture permitting the use and application thereof for or to the purposes and on the terms and conditions set forth in the Indenture.

(4) The Bonds do not constitute a debt or liability of the State of California or any political subdivision thereof, other than the Agency, or a pledge of the faith and credit of the State of California or any such political subdivision, other than the Agency, to the extent provided in the Indenture. Neither the faith and credit nor the taxing power of the State of California is pledged to the payment of the principal of or interest on the Bonds.

(5) Interest on the Bonds is included in gross income for federal income tax purposes.

(6) Under existing statutes, interest on the Bonds is exempt from personal income taxes imposed by the State of California.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated in paragraphs 5 and 6 above. We render our opinion under existing statutes and court decisions as of the issue date, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters. We undertake no responsibility for the accuracy, completeness, or fairness of any official statement or other offering materials relating to the Bonds and express herein no opinion relating thereto.

We have assumed, without undertaking to verify, the genuineness of all documents, certificates and opinions presented to us (whether as originals or as copies) and of the signatures thereon, the accuracy of the factual matters represented, warranted, or certified therein, and the due and legal execution thereof by, and the validity against, any parties other than the Agency.

In rendering this opinion, we are advising you that the rights and obligations under the Bonds and the Indenture and their enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, arrangement, fraudulent conveyance, or other laws affecting creditors' rights or remedies and is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), to the exercise of judicial discretion in appropriate cases, and to limitations on legal remedies. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, waiver, or severability provisions contained in the documents described herein.

Very truly yours,

BOOK-ENTRY ONLY SYSTEM

The Offered Bonds will be issued as fully-registered bonds in the name of Cede & Co., as nominee of DTC, as registered owner of the Offered Bonds. Purchasers of such Bonds will not receive physical delivery of bond certificates. For purposes of this Official Statement, so long as all of the Offered Bonds of a Series and maturity are immobilized in the custody of DTC, references to holders or owners of the Offered Bonds (except under “TAX MATTERS” and “CONTINUING DISCLOSURE”) mean DTC or its nominee.

The information in this section concerning DTC and the DTC book-entry system has been obtained from DTC, and neither the Agency nor the Underwriters take responsibility for the accuracy or completeness thereof.

DTC will act as securities depository for the Offered Bonds. The Offered Bonds will be issued as fully-registered securities registered in the name of Cede & Co., DTC’s partnership nominee (“Cede”), or such other name as may be requested by an authorized representative of DTC. One fully-registered Offered Bond certificate will be issued for each maturity of a Series thereof, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Offered Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Offered Bonds on DTC's records. The ownership interest of each actual purchaser of each Offered Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Offered Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Offered Bonds, except in the event that use of the book-entry system for the Offered Bonds is discontinued.

To facilitate subsequent transfers, all Offered Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede, or such other name as may be requested by an authorized representative of DTC. The deposit of the Offered Bonds with DTC and their registration in the name of Cede or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Offered Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Offered Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Offered Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Offered Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Indenture. For example, Beneficial Owners of Offered Bonds may wish to ascertain that the nominee holding the Offered Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of a maturity of a Series of the Offered Bonds is being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede (nor any other DTC nominee) will consent or vote with respect to the Offered Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Agency as soon as possible after the record date. The Omnibus Proxy assigns Cede's consenting or voting rights to those Direct Participants to whose accounts the Offered Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of and interest on the Offered Bonds will be made to Cede, or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail

information from the Agency or the Trustee on a payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee or the Agency, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants. NEITHER THE AGENCY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS, TO THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE OFFERED BONDS, OR TO ANY BENEFICIAL OWNER IN RESPECT OF THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT, THE PAYMENT BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE OFFERED BONDS, ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDOWNERS UNDER THE INDENTURE, THE SELECTION BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE OFFERED BONDS OR ANY OTHER ACTION TAKEN BY DTC AS REGISTERED BONDOWNER.

DTC may discontinue providing its services as securities depository with respect to the Offered Bonds at any time by giving reasonable notice to the Agency or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Offered Bond certificates are required to be printed and delivered as described in the Indenture.

The Agency may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Offered Bond certificates will be required to be printed and delivered as described in the Indenture.

In the event that the book-entry system with respect to the Offered Bonds is discontinued as described above, the following requirements of the Indenture will apply. The Indenture provides for issuance of bond certificates directly to registered owners of the Offered Bonds other than DTC or its nominee at the expense of such registered owners. Interest on such Offered Bonds will be payable by check mailed to the persons whose names appear on the registration books of the Agency maintained by the Trustee. Principal of each Offered Bond will be payable to the registered owner thereof upon surrender of such Offered Bond at the office of the Trustee in San Francisco, California or, at the option of the registered owner, at the office of U.S. Bank National Association in St. Paul, Minnesota. Notwithstanding the foregoing, upon written request of a registered owner of \$5,000,000 or more in aggregate principal amount of the Offered Bonds, interest on, and upon surrender, principal of such Bonds will be payable by wire transfer from the Trustee to the registered owner thereof. Any Offered Bond may be exchanged or transferred with an assignment duly executed by the registered owner or his or her attorney or legal representative in such form as shall be satisfactory to the Trustee, at the corporate trust office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the

Indenture, and upon surrender and cancellation of the Offered Bonds to be exchanged or transferred. No transfer or exchange of Bonds shall be required to be made during the 15 days immediately preceding an interest payment date on the Bonds, or, in the case of any proposed redemption of Bonds, immediately preceding the date of notice of such redemption, or after such Bonds or any portion thereof shall have been selected for redemption. Upon such exchange or transfer, a new Offered Bond or Bonds, as applicable, of the same or any other authorized denomination or denominations for the same aggregate principal amount, will be issued to the owner or transferee, as the case may be, in exchange therefor.

CALIFORNIA HOUSING FINANCE AGENCY'S SOCIAL BONDS FRAMEWORK

CalHFA Affordable Housing Programs and Mission

Established in 1975, CalHFA was chartered as the State's affordable housing lender and continues to serve that purpose. The Agency supports the needs of homebuyers in California by providing financing programs for low- to moderate-income Californians. CalHFA's mission of investing in diverse communities with financing programs that help more Californians have a place to call home is accomplished through a variety of housing programs and activities.

CalHFA has excelled in fulfilling its mandate as evidenced by the below accomplishments:

- ✓ Over the course of its existence, CalHFA has helped more than **226,000 Californians purchase their first home** with a mortgage they can afford.
- ✓ In fulfilling its mission to create financing programs so more Californians have a place to call home, CalHFA helped **6,037 low- and moderate-income families achieve the dream of homeownership** with more than **\$2.57 billion in first mortgages and more than \$156.3 million in down payment/closing costs assistance during Fiscal Year 2023-2024.**
- ✓ In 2023, CalHFA launched the first phase of the *California Dream for All* shared appreciation downpayment assistance program, which provides up to the lesser of **20% of the sales price (or appraised value) or \$150,000** for low-to-moderate income first-time homebuyers with phase two launched in 2024.
- ✓ CalHFA's production is done in collaboration with public and private partners, and in accordance with fair housing principles.

CalHFA Social Bond Issuances


CalHFA provides financing for affordable housing through the sale of mortgages and by issuing bonds and notes to finance single family mortgage loans. CalHFA designates certain bonds to finance single family loans under the CalHFA Homeowner Mortgage Revenue Bonds General Indenture (the "Indenture") as **Social Bonds** to highlight to investors the social and environmental aspects of CalHFA programs. The CalHFA Social Bonds Framework does not encompass any multifamily bond issuances and is unrelated to the CalHFA Social Bond Framework for the Purchase and Financing of Citibank, N.A. Affordable Housing Loans¹. CalHFA Homeowner Mortgage Revenue Bonds **Social Bonds** issuances to date include:

¹ CalHFA Social Bond Framework for the Purchase and Financing of Citibank, N.A. Affordable Housing Loans (August 2021)

Single Family Division (Homeowner Mortgage Revenue Bonds)
✓ Provides single family mortgage lending products and down payment assistance for low- and moderate-income individuals in the State, including first-time homebuyers.
✓ Expected \$50 million Social Bonds issuance in April 2025 ✓ Inaugural Social Bonds issuance – 2025

CalHFA Programs and Alignment to the CalHFA Social Bonds Framework

As summarized below, CalHFA’s single family program’s **Social Bonds** are aligned with the four core components of the International Capital Market Association’s (“ICMA”) Social Bond Principles and are aligned with several of the United Nations Sustainable Development Goals (“SDGs”).

CalHFA’s Social Bonds Framework	
Lending Program	Single Family Programs
Indenture	Homeowner Mortgage Revenue Bonds
ESG Designation	Social Bonds
ICMA Alignment	Social Bond Principles (2023)
<i>Use of Proceeds</i>	- Finance single family mortgage loans for first-time homebuyers through the acquisition of MBS, and make down payment and/or closing costs assistance loans
<i>Process for Loan Evaluation and Selection</i>	- Meet eligibility criteria under CalHFA’s Single Family Program guidelines, procedures and requirements
<i>Management of Proceeds</i>	- Proceeds are deposited in segregated accounts and invested in Investment Obligations until disbursed to purchase MBSs or finance third-lien DPA loans
<i>Reporting</i>	Annual (as of June 30 th)
UN SDGs	
UN SDG Targets	1.4, 8.10, 10.2, 11.1

The following pages provide additional details on: I. CalHFA’s Single Family Programs, II. CalHFA’s Governance, and III. the Second-Party Opinion by S&P Global Ratings on the CalHFA Social Bonds Framework.

I. CALHFA’S SINGLE FAMILY PROGRAMS

The purpose of the Agency’s Program is to assist low- to moderate-income homebuyers in California to purchase single family homes by providing first-mortgage home financing, as well

as down payment and/or closing costs assistance. The primary objectives of the Program are (1) to enable low- and moderate-income persons and families to purchase homes on affordable terms, (2) to make available home mortgage financing in mortgage-deficient areas and (3) to stimulate the housing construction industry by making attractive, permanent mortgage financing available through qualified lenders. CalHFA may designate as **Social Bonds** certain bonds issued under the Indenture used to finance first mortgage loans indirectly through the acquisition of mortgage-backed securities and to finance third-lien loans for down payment and closing costs assistance.

Loan Program Information

Below are general summaries of the Agency's current first mortgage loan and down payment/closing costs assistance programs, and key borrower, income and property requirements for loan eligibility. This summary does not purport to be comprehensive. Detailed loan program information, guidelines, procedures and requirements for each loan program and descriptions of capitalized terms used and not otherwise defined under this heading can be located on the Agency's website.

First Mortgage Loans

The Agency offers first mortgage loans intended for the purchase of a single family residence by low- to moderate-income homebuyers (the "Borrower"). First mortgage loans under the Program currently include Government Loans (insured by FHA or VA or guaranteed by RD) and Conventional Loans. To provide such loans, the Agency works only with mortgage lenders approved by the Agency and the Agency's designated master servicer (the "Servicer") in accordance with prescribed lender requirements. Approved lenders ("Lenders") are required to enter into a Mortgage Purchase Master Agreement with the Agency. Lenders will accept applications, screen potential mortgagors, obtain the applicable loan insurance, close loans, and sell qualifying loans to the Agency. Lenders must originate loans that comply with the Agency's loan requirements set out for Government Loans or Conventional Loans. Under the Indenture, first mortgage loans may not be held as whole loans, but may only be Underlying Loans. First mortgage loans may be made in conjunction with subordinate loans as described below under "Subordinate Loans," but are not required to be.

Subordinate Loans

Subordinate loans may be used for down payment and/or closing costs assistance. Subordinate loans under the Program available to be made in conjunction with first mortgage loans financed (indirectly through the acquisition of Mortgage-Backed Securities) under the Indenture currently include loans made under the MyHome Assistance Program and the MyAccess Assistance Program. Lenders must originate subordinate loans that comply with the Agency's loan requirements set out for Down Payment Assistance Programs or Special Programs. Subordinate loans may *only* be made in conjunction with CalHFA first mortgage loans that are either Government Loans insured by FHA or Conventional Loans.

Subordinate loans under the MyHome Assistance Program will be second-lien loans financed with amounts from the Agency's Home Purchase Assistance Fund, *not* from or pledged to the Indenture, will bear simple interest at 1.0% per annum, with payments of principal and

interest deferred until sale or transfer of the mortgaged property or payment in full of the related first mortgage loan, in a principal amount up to 3.5% of the sales price or appraised value, whichever is less. Subordinate loans under the MyHome Assistance Program are *not* required to be made in conjunction with a loan made under the MyAccess Assistance Program.

Subordinate loans under the MyAccess Assistance Program will be third-lien loans financed with Bond proceeds, will bear simple interest at 1.0% per annum, with payments of principal and interest deferred until sale or transfer of the mortgaged property or payment in full of the related first mortgage loan, in a principal amount up to 2.5% of the total first mortgage loan amount. Subordinate loans under the MyAccess Assistance Program may *only* be made in conjunction with a loan under the MyHome Assistance Program.

(1) Use of Proceeds

The proceeds of the **Social Bonds** are used to finance first-mortgage loans (indirectly through the purchase of mortgage-backed securities) as well as down payment and/or closing costs assistance to assist low- to moderate-income homebuyers in California to purchase single family homes.

(2) Process for Loan Evaluation and Selection

Borrower Eligibility

All Borrowers must be either a citizen or other National of the United States, or a “Qualified Alien” as defined at 8 U.S.C Section 1641. Single family lending programs may be available to both first-time and non-first-time homebuyers, although certain State and federal laws and regulations may require mortgage loans to be restricted to first-time homebuyers. Generally, a first-time homebuyer is a person who does not have, or has not had, an ownership interest in any principal residence during the three-year period prior to the execution of the mortgage loan documents.

Borrowers must intend to occupy the financed property as their primary residence and must intend to occupy the property within 60 days of closing. Some State and federal laws and regulations may require the Borrower to occupy the property as their principal residence for the term of the loan or until the property is sold.

Borrowers must qualify under the prudent underwriting credit standards of the Lender, Ginnie Mae, Fannie Mae, Freddie Mac, the Servicer and the Agency. Borrowers must have sufficient funds to meet the required down payment, closing costs, necessary reserves and the monthly mortgage payments, as determined by the Lender, Ginnie Mae, Fannie Mae, Freddie Mac, the Servicer and the Agency.

Income Eligibility

The income of all Borrowers cannot exceed the published Agency income limits established for the county in which the property is located. Currently, the income limit is approximately the lesser of \$300,000 or 198% of Area Median Family Income. The Agency may, in the future, establish different income limits as State law permits or requires.

Lenders are required to calculate income to qualify Borrowers for loan approval using Ginnie Mae, Freddie Mac, Fannie Mae and Servicer guidelines. The Agency will use the Lender's credit-qualifying income to determine if the loan exceeds the maximum program income limit. Income not used by the Lender for credit qualifying will not be used by the Agency.

Eligible Single Family Properties

Eligible single family properties may be either newly-constructed or existing single family residences located anywhere in the State. Single family residences include detached housing in standard subdivisions and planned unit developments built using conventional construction techniques. Manufactured homes that are taxed as "real estate" and have permanent foundations are acceptable property types. Single unit accessory dwelling units ("ADU"), guest houses, "granny" units and "in-law" quarters may meet eligible criteria. Attached housing includes individual units located primarily in low-rise condominiums and attached planned unit developments with homeowners associations to support maintenance of the common areas. Co-ops are not eligible.

Properties must meet the minimum eligibility requirements of the applicable mortgage insurer/guarantor, investor guidelines and city/county zoning ordinances. Appraisal requirements, resale restrictions and loan assumption policies must adhere to the guidelines and approval processes of the Servicer, Ginnie Mae, Fannie Mae, Freddie Mac and the Agency, as applicable. There are no sales price limits.

(3) Management of Proceeds

Net of certain transaction costs, the proceeds of CalHFA's single family **Social Bonds** are invested in Investment Obligations, as defined in the Indenture, until disbursed to purchase MBSs or finance third-lien DPA Loans under the Indenture. All disbursements are tracked by CalHFA.

(4) Reporting

The Agency expects to provide a report regarding the disbursement of the lendable proceeds of the **Social Bonds** for the financing of Underlying Loans backing Mortgage-Backed Securities once such lendable proceeds have been fully expended. The Agency expects that such report will consist of the information outlined in the "Form of Social Bonds Report" as shown below. However, the specific form and content of such updates are in the absolute discretion of the Agency.

The Agency expects to post such report as a voluntary filing on the Electronic Municipal Market Access System ("EMMA") of the Municipal Securities Rulemaking Board ("MSRB"). Although the Agency intends to provide such report, it is separate from the Agency's obligations under its Continuing Disclosure Agreement (the "CDA"). Failure by the Agency to provide such report is not a default or an event of default under the Indenture or a failure to perform in accordance with the CDA.

FORM OF SOCIAL BONDS REPORT

Series Bond Lendable Proceeds Summary

Total Original Lendable Proceeds	\$[]
Amount of Proceeds Spent to Finance Underlying Loans	
Amount of Proceeds Spent to Finance downpayment assistance/closing costs	
% of Underlying Loans using bond funded downpayment assistance/closing costs	

Series Bond Underlying Loans Originated by Borrower Income as a Percentage of Area Median Income (AMI)[†]

AMI Band	# of Loans	\$ of Loans (\$000s)
80% and below		
81% - 119%		
120% - 159%		
160% and above		
Totals		

[†] Based on household qualifying income and area median income as defined and determined by U.S. Department of Housing and Urban Development (HUD).

Alignment with ICMA Four Core Components and United Nations Sustainable Development Goals

As described below, the **Social Bonds** designation reflects the use of proceeds in a manner that is consistent with the four core components described by the International Capital Market Association (“ICMA”) in its publication, *Social Bond Principles: Voluntary Process Guidelines for Issuing Social Bonds (June 2023)*: (1) Use of Proceeds, (2) Process for Project Evaluation and Selection, (3) Management of Proceeds, and (4) Reporting.

In addition, by reference to the ICMA’s *Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals (June 2023)*. The **Social Bonds** designation also reflects the intended use of proceeds in a manner that is consistent with the following United Nations Sustainable Development Goals (“SDGs”):

- “Goal No. 1: No Poverty,” is focused on ending poverty in all its forms everywhere. Target 1.4 maps to the SDG categories of Affordable Housing, Access to Essential Services, and Socioeconomic Advancement and Empowerment.
- Goal No. 8: “Decent Work and Economic Growth”, is focused on promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Target 8.10 maps to the SDG category of Access to Essential Services.
- “Goal No. 10: Reduced Inequalities” is focused on the needs of disadvantaged and marginalized populations. Target 10.2 maps to the SDG categories of Socioeconomic Advancement and Empowerment and Access to Essential Services.
- “Goal No. 11: Sustainable Cities and Communities,” is focused on making cities and human settlements inclusive, safe, resilient, and sustainable. Target 11.1 maps to the SDG categories of Affordable Housing and Affordable Basic Infrastructure.

II. GOVERNANCE

The Agency is administered by the Board, which consists of 13 voting members when all positions are filled. Members of the Board are:

- The State Treasurer, the Secretary of Business, Consumer Services and Housing Agency, the Director of the Department of Housing and Community Development (“HCD”), and the Secretary of Veterans Affairs, or their designees, are voting *ex officio* members.
- Seven members are appointed by the Governor and confirmed by the Senate.

Currently, there is one vacancy on the Board pending appointment by the Governor. One member is appointed by the Speaker of the Assembly. One member is appointed by the Senate Committee on Rules. All such appointments are for six-year terms. In addition, the Act provides that the Director of the Department of Finance, the Director of the Governor’s Office of Planning and Research, and the Executive Director of the Agency shall serve as non-voting *ex officio* members of the Board. The Chairperson of the Board is selected by the Governor from among his appointees.

III. SECOND-PARTY OPINION

CalHFA has engaged an independent third party, S&P Global Ratings, to evaluate its **Social Bonds** Framework within its Impact Framework. As discussed in detail in its Second-Party Opinion, S&P Global Ratings has concluded that the CalHFA Social Bonds Framework aligns with the Social Bonds Principles and the United Nations Sustainable Development Goals.

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S&P SECOND-PARTY OPINION

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An S&P Global Second Party Opinion (SPO) includes S&P Global Ratings' opinion on whether the documentation of a sustainable finance instrument, framework, or program, or a financing transaction aligns with certain third-party published sustainable finance principles. Certain SPOs may also provide our opinion on how the issuer's most material sustainability factors are addressed by the financing. An SPO provides a point-in-time opinion, reflecting the information provided to us at the time the SPO was created and published, and is not surveilled. We assume no obligation to update or supplement the SPO to reflect any facts or circumstances that may come to our attention in the future. An SPO is not a credit rating, and does not consider credit quality or factor into our credit ratings. See [Analytical Approach: Second Party Opinions](#).

Second Party Opinion

California Housing Finance Agency's Social Bonds Framework

Feb. 27, 2025

Primary contact

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henrik.cotran
@spglobal.com

Location: U.S.

Sector: Real estate

Alignment Summary

Aligned = Conceptually aligned = Not aligned =

Social Bond Principles, ICMA, 2023

See [Alignment Assessment](#) for more detail.

Strengths

California Housing Finance Agency (CalHFA) has a strong social license to operate in the communities it serves. Since its inception, CalHFA has helped more than 226,000 low- to medium-income Californians purchase their first home via its affordable single-family loans and down payment assistance program, and helped preserve or build more than 78,000 affordable homes. Underpinning CalHFA's efforts are ambitious education and counseling services, which aim to promote financial literacy and upward mobility to the populations it serves, including historically underserved groups.

A stringent regulatory framework underscores compliance with social objectives. Various federal and state laws, which set specific requirements to lend to and set aside housing for low- to moderate-income residents and maintain affordable rent levels for all residents, govern CalHFA's single-family mortgage loans.

Weaknesses

No weakness to report.

Areas to watch

The properties that CalHFA finances are subject to physical climate risks. The properties are in California, which is prone to extreme weather events and the physical impacts of climate change (such as wildfires, droughts, heat waves, and floods) and earthquake risks. CalHFA requires insurance for certain hazards, including fire and flood, where relevant, and Title 24 of the California Building Code stipulates additional protective building features for houses situated in wildfire-prone areas. While we believe these measures help address some environmental risks, they do not mitigate the potential physical risks of CalHFA's properties and its residents.

It is important that mortgages financed under the framework are not previously labelled as social bonds by loan originators or other parties to avoid double-counting of social benefits. If the MBS purchased by CalHFA already carry a social label, the social benefits of financings could be counted twice.

Issuer Sustainability Context

This section provides an analysis of the issuer's sustainability management and the embeddedness of the financing framework within its overall strategy.

Company Description

CalHFA is a state agency established in 1975 that provides financing and programs that help low- and moderate-income individuals and families throughout the state access affordable housing, both as homebuyers and renters. Its mission is to invest in diverse communities with financing programs to advance its single- and multifamily programs. To date, CalHFA has helped more than 226,000 Californians purchase their first home with a mortgage they can afford and helped build or preserve more than 78,000 units in affordable housing developments for veterans, seniors, those with special needs and families in danger of experiencing homelessness. Through its social bond framework, CalHFA will finance single family underlying mortgage loans indirectly through the acquisition of pass-through mortgage-backed securities (MBS), typically issued by Ginnie Mae, Fannie Mae, or Freddie Mac and through down payment assistance loans.

Material Sustainability Factors

Access and affordability

Low housing stock and lack of affordable options can severely influence people's livelihoods, especially vulnerable, low-income populations who can face the threat of homelessness. Access and affordability are especially important for residential tenants in areas where rents can account for a large percentage of residents' incomes. Lack of accessibility and affordability of commercial properties can also hinder the sustainable growth of local communities.

Impact on communities

Properties, and by extension the owners, are inherently part of the communities in which they operate because they provide an essential service and can shape communities economically and socially. The residential sector is particularly meaningful to communities, where affordable housing and gentrification pressures can alter communities' social fabric and can be challenging to remediate.

Not-for-profit housing operators are not significantly exposed to consumer preferences as providers of safety-net accommodation. Rather, we see more localized risks related to residents being opposed to public housing or negative externalities (concerns about high crime, for example). Similarly, if a public housing association fails to keep its residents safe with proper housing standards, its reputation and relations with various stakeholders can be damaged, increasing risks around social cohesion and community unrest.

Physical climate risk

The geographically fixed nature of real estate assets exposes them to physical climate risks. While varying by location, these could include acute risks (such as wildfires, floods, and storms), which are becoming more frequent and severe, as well as chronic risks (such as long-term changes in temperature and precipitation patterns and rising sea levels). Acute and chronic risks could damage properties or place tenant health and safety at risk.

These challenges can also require investments to manage the potential impact on, in severe cases, relocation of tenants. While aggregate impact is moderate—the type, number, and magnitude of these risks varies by region—highly exposed regions may be subject to material physical climate risk exposure. Most participants have some insurance coverage, but it could become more difficult to secure insurance for the most exposed assets in the future, absent adaptation.

Issuer And Context Analysis

The framework's single-family housing investments aim to address access and affordability and impact on communities, which we view as the most material sustainability factors in the sector. In our view, physical climate risk is also a relevant consideration for the issuer's housing portfolio due to the increasing frequency of extreme weather events, such as wildfires, in the state of California.

By financing the preservation and creation of affordable housing in California, CalHFA directly addresses the issues of access and affordability. It invests in diverse communities by providing financing programs that help more Californians have affordable homes. They offer single-family mortgage loans and down payment assistance (DPA) for low- and moderate-income individuals, including first-time homebuyers. The issuer maintains programs specifically targeted to boost home ownership, including the California Dream for All DPA program for first-time homebuyers and MyHome loans and bond-funded MyAccess loans that offer deferred-payment junior loans to assist with down payment and/or closing costs.

California is among the most unaffordable states in terms of housing in the country. Constructing more housing units, including affordable housing units, is a strategic priority for the state, which has a goal to build 2.5 million new homes by 2030. Given the decreasing availability of affordable housing in the state, CalHFA plays an increasingly crucial role in promoting and preserving access and affordability for vulnerable populations in California.

CalHFA's affordable housing preservation and creation programs can provide social benefits for communities. From 2023-2024, CalHFA utilized over \$2.5 billion in lending activity and bond issuances to develop and preserve single-family homes along with more than 3,900 affordable rental units for Californian families with incomes below 80% of the area median income (AMI) for multifamily properties. By targeting investments toward economically disadvantaged populations, CalHFA plays a crucial role in maintaining the social fabric of local communities throughout California.

Physical climate risk is a key sustainability issue for affordable housing providers, especially in California, a region prone to extreme weather events and other physical impacts of climate change. When physical risks such as wildfire and flooding materialize, the low- and moderate-income populations housed in the assets financed by CalHFA may have less financial capacity to rebuild their homes and communities. The loans acquired by CalHFA meet insurance requirements established by the government-sponsored enterprises (GSE)s. The agency requires certain loans to be covered by flood insurance. The California Building Code requires buildings constructed in wildfire-prone areas to meet extra requirements to improve fire resistance, such as using fire-resistant exterior materials and maintaining a defensible perimeter around a home to prevent flammable vegetation from igniting. While we believe these measures address some environmental risks, they do not mitigate the potential physical risks of CalHFA's properties and its residents.

Alignment Assessment

This section provides an analysis of the framework's alignment to Social Bond principles.

Alignment Summary

Aligned = ✓

Conceptually aligned = ○

Not aligned = ✗

✓ Social Bond Principles, ICMA, 2023

✓ Use of proceeds

We consider the social project categories within the framework aligned. CalHFA commits to allocate the net proceeds issued under the framework exclusively to eligible social projects and contributing to specific Sustainable Development Goals (SDGs). Please refer to the Analysis of Eligible Projects section for more information on our analysis of the social benefits of the expected use of proceeds. The company will use all proceeds to purchase MBS issued by Ginnie Mae, Fannie Mae, or Freddie Mac to finance underlying mortgage loans and DPA loans associated with underlying mortgages to eligible borrowers.

✓ Process for project evaluation and selection

The framework includes eligibility criteria for single-family property loan mortgages that cover borrower income and property eligibility. Borrowers' income limit criteria vary by county, with a broad income limit of 198% of AMI or \$300,000, whichever is lower. For the selection of MBS and DPA loans, the bond documentation has set forth requirements, which include issuance of such securities by Ginnie Mae, Fannie Mae, or Freddie Mac, and underlying mortgage loans should be insured by Federal Housing Administration (FHA) or U.S. Department of Veterans Affairs (VA), or guaranteed by U.S. Department of Agriculture, Rural Development (RD), or conventional loans. The home insurance requirements of the above agencies and California building codes help to manage perceived environmental risks associated with eligible projects. The issuer also offers education and counseling services, which aim to promote financial literacy and upward mobility to the populations it serves, helping address perceived social risks.

✓ Management of proceeds

CalHFA will create subaccounts to track the net proceeds after the issuance of a social bond. At the time of issuance, the bond trustee will establish a bond series account within the proceeds fund to deposit bond proceeds, and a series acquisition account within the acquisition fund to transfer proceeds for the acquisition of MBS. The issuer will track all disbursements. Pending allocation, money deposited with the trustee in any account or fund will be invested in accordance with the issuer's treasury policy and defined under the indenture as investment obligations.

✓ Reporting

CalHFA commits to report on the allocation of the net proceeds and on the financed projects' impact upon full allocation of the net proceeds in its Social Bonds Report, while the issuer reports the remaining balance of outstanding bond series in its annual financial statements. Where applicable and feasible, quantitative performance indicators such as the projects' total financing amounts, number and value of loans per AMI band, and the amount of proceeds spent for down payment and closing cost assisted loans are included. As a quasi-public state agency subject to federal regulations, CalHFA is also legally mandated to conduct annual financial audits, including reviewing the allocation of the proceeds from the bond series, which will be made available on Electronic Municipal Market Access System (EMMA). Additionally, CalHFA's annual financial reporting is subject to audit.

Analysis Of Eligible Projects

This section provides details of our analysis of eligible projects considered to have clear social benefits and to address or mitigate a key social issue.

Social project categories

Affordable housing

Financing single-family underlying mortgage loans that provide affordable housing indirectly through the acquisition of pass-through MBS issued by Ginnie Mae, Fannie Mae, or Freddie Mac, and down payment and closing costs assistance loans.

Analytical considerations



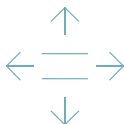

- The construction and preservation of single-family homes will improve living conditions for low- and moderate-income residents in California by helping maintain and expand access to safe, affordable housing.
- The Homeowner Mortgage Revenue Bond program provides low-interest rate home financing and down payment and closing costs assistance. The primary objectives of the program are to enable low- and moderate-income individuals and families to purchase homes on affordable terms, to make available home mortgage financing in mortgage-deficient areas, and to stimulate the housing construction industry by making attractive, permanent mortgage financing available through qualified lenders. Importantly, most borrowers receive such down payment and closing costs assistance, according to the issuer, greatly increasing the affordability of homes. This underscores the strong social benefit that market participants such as CalHFA provide.
- CalHFA offers several loan programs with competitive rates and long-term financing to advance the creation and preservation of affordable homes. Single-family lending programs are primarily targeted toward first-time homebuyers, though certain state and federal laws may allow single-family mortgage loans to non-first-time homebuyers. Single-family properties may be either newly-constructed or existing. CalHFA will invest bond proceeds in MBS and DPA loans associated with underlying mortgages issued by government-sponsored mortgage companies including Ginnie Mae, Fannie Mae, and Freddie Mac. These firms provide liquidity to the mortgage market by purchasing mortgage loans from lenders, thereby replenishing lender funds for additional loans.
- We believe CalHFA's use of AMI, a metric the U.S. Department of Housing and Urban Development (HUD) utilizes, is a best practice when defining low-income target populations. The income eligibility of borrowers under the single-family program is consistent with income limits established by the State of California. The income limit varies by county; for certain urban counties under this issuance, the highest tier is the lesser of \$300,000 or 198% of AMI. We note this income eligibility limit is relatively high for single-family affordable housing in the U.S. However, California has some of the highest housing and other living costs in the nation. The demand for housing in California, particularly in urban areas, has surged due to population and economic growth and a limited housing supply. This has resulted in significant increases in home prices, making it challenging for low- and moderate-income families to find affordable single-family options. According to the California Association of Realtors, the median home price in California was \$861,000 in December 2024, while the median household income was approximately \$96,000 in 2023, per the U.S. Census Bureau. Given this background, the issuer's adjustment of higher income and broader AMI bracket eligibility criteria improves the ability of the target population to achieve home ownership.
- We also believe the broad AMI bracket adequately seeks to minimize income segregation, which is a common social risk associated with affordable housing. In prior decades, government-sponsored public housing projects, which exclusively housed those with low incomes, had the unintended consequence of creating areas of economic disinvestment and, as a secondary consequence, areas of higher crime and safety concerns. More than half of the loans made in 2024 were to borrowers with incomes at or below \$100,000. Additionally, the issuer lends to a high proportion of minority borrowers, with approximately half of borrowers identifying as either Hispanic/Latino or Black in the issuer's 2024 loans.
- We believe CalHFA's established record providing affordable single-family housing, combined with its comprehensive policies, procedures, and programs, such as compliance with various federal and state laws, ensures that both perceived and realized social risks associated with the eligible projects are appropriately identified, managed, and mitigated.
- The properties financed by CalHFA are exposed to physical climate impacts including floods, wildfires, rising sea levels, extreme weather events, and other risks including earthquakes. CalHFA requires insurance for certain hazards, including fire and flood, where relevant, and Title

24 of the California Building Code stipulates additional protective building features for houses situated in wildfire-prone areas. The issuer does not have separate policies for physical climate risk mitigation and adaptation.

Mapping To the U.N.'s Sustainable Development Goals

Where the financing documentation references the Sustainable Development Goals (SDGs), we consider which SDGs it contributes to. We compare the activities funded by the financing to the International Capital Markets Association (ICMA) SDG mapping and outline the intended linkages within our SPO analysis. Our assessment of SDG mapping does not affect our alignment opinion.

This framework intends to contribute to the following SDGs:

Use of Proceeds	SDGs			
Affordable housing	 1. No poverty*	 8. Decent work and economic growth	 10. Reduced inequalities	 11. Sustainable cities and communities*

*The eligible project categories link to these SDGs in the ICMA mapping.

Related Research

- [Analytical Approach: Second Party Opinions: Use of Proceeds](#), July 27, 2023
- [FAQ: Applying Our Integrated Analytical Approach for Use-of-Proceeds Second Party Opinions](#), July 27, 2023
- [Analytical Approach: Shades of Green Assessments](#), July 27, 2023

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Second Party Opinion: California Housing Finance Agency's Social Bonds Framework

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FORM OF SOCIAL BONDS REPORT

Offered Bonds Lendable Proceeds Summary

Total Original Lendable Proceeds	\$ _____
Amount of Proceeds Spent to Finance Underlying Loans	\$ _____
Amount of Proceeds Spent to Finance DPA Loans	\$ _____
% of Underlying Loans using DPA Loans	_____%

**Offered Bonds Underlying Loans originated
by Borrower Income as a Percentage of
Area Median Income (AMI)[†]**

AMI Band	# of Loans	\$ of Loans (\$000s)
80% and below		
81% - 119%		
120% - 159%		
160% and above		
Totals		

[†] Based on household qualifying income and area median income as defined and determined by U.S. Department of Housing and Urban Development (HUD).

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FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Agreement”) dated April __, 2025 by and between the CALIFORNIA HOUSING FINANCE AGENCY, a public instrumentality and a political subdivision of the State of California (the “Issuer”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee (the “Trustee”) under that certain Homeowner Mortgage Revenue Bonds General Indenture, dated as of March 1, 2025, as it may be supplemented and amended from time to time (the “Indenture”), between the Issuer and the Trustee, is executed and delivered in connection with the issuance of the Issuer’s Homeowner Mortgage Revenue Bonds, 2025 Series A (the “Bonds”). Capitalized terms used in this Agreement which are not otherwise defined in the Indenture shall have the respective meanings specified above or in Article IV hereof.

ARTICLE I

The Undertaking

Section 1.1. Purpose. This Agreement is being executed and delivered for the benefit of holders of the Bonds and to assist the underwriters of the Bonds in complying with subsection (b)(5) of the Rule.

Section 1.2. Annual Financial Information. (a) The Issuer shall provide Annual Financial Information with respect to each fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2025, by no later than March 31st after the end of the respective fiscal year, to the MSRB.

(b) The Issuer shall provide, in a timely manner, notice of any failure of the Issuer to provide the Annual Financial Information by the date specified in subsection (a) above to the MSRB.

Section 1.3. Audited Financial Statements. If not provided as part of Annual Financial Information by the date required by Section 1.2(a) hereof, the Issuer shall provide Audited Financial Statements, when and if available, to the MSRB.

Section 1.4. Notice Events. (a) If a Notice Event occurs, the Issuer shall provide, in a timely manner not in excess of ten (10) business days after the occurrence of such Notice Event, notice of such Notice Event to (i) the MSRB and (ii) the Trustee.

(b) Any notice of a defeasance of Bonds shall state whether the Bonds have been escrowed to maturity or to an earlier redemption date and the timing of such maturity or redemption.

(c) The Trustee shall promptly advise the Issuer whenever, in the course of performing its duties as Trustee under the Indenture, the Trustee has actual notice of an occurrence which, if material, would require the Issuer to provide notice of a Notice Event hereunder; provided, however, that the failure of the Trustee so to advise the Issuer shall not constitute a breach by the Trustee of any of its duties and responsibilities under this Agreement or the Indenture.

Section 1.5. Additional Information. Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information or notice of Notice Event hereunder, in addition to that which is required by this Agreement. If the Issuer chooses to do so, the Issuer shall have no obligation under this Agreement to update such additional information or include it in any future Annual Financial Information or notice of a Notice Event hereunder.

ARTICLE II

Operating Rules

Section 2.1. Reference to Other Filed Documents. It shall be sufficient for purposes of Section 1.2 hereof if the Issuer provides Annual Financial Information by specific reference to documents (i) available to the public on the MSRB Internet Web site (currently, www.emma.msrb.org) or (ii) filed with the SEC. The provisions of this Section shall not apply to notices of Notice Events pursuant to Section 1.4 hereof.

Section 2.2. Submission of Information. Annual Financial Information may be set forth or provided in one document or a set of documents, and at one time or in part from time to time.

Section 2.3. Dissemination Agents. The Issuer may from time to time designate an agent to act on its behalf in providing or filing notices, documents and information as required of the Issuer under this Agreement, and revoke or modify any such designation.

Section 2.4. Transmission of Notices, Documents and Information. (a) Unless otherwise required by the MSRB, all notices, documents and information provided to the MSRB shall be provided to the MSRB's Electronic Municipal Markets Access (EMMA) system, the current Internet Web address of which is www.emma.msrb.org.

(b) All notices, documents and information provided to the MSRB shall be provided in an electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

Section 2.5. Fiscal Year. (a) The Issuer's current fiscal year is July 1 through June 30, and the Issuer shall promptly notify (i) the MSRB and (ii) the Trustee of each change in its fiscal year.

(b) Annual Financial Information shall be provided at least annually notwithstanding any fiscal year longer than 12 calendar months.

ARTICLE III

Effective Date, Termination, Amendment and Enforcement

Section 3.1. Effective Date; Termination. (a) This Agreement shall be effective upon the issuance of the Bonds.

(b) The Issuer's and the Trustee's obligations under this Agreement shall terminate upon a legal defeasance, prior redemption or payment in full of all of the Bonds.

(c) This Agreement, or any provision hereof, shall be null and void in the event that the Issuer (1) delivers to the Trustee an opinion of Counsel, addressed to the Issuer and the Trustee, to the effect that those portions of the Rule which require this Agreement, or such provision, as the case may be, do not or no longer apply to the Bonds, whether because such portions of the Rule are invalid, have been repealed, or otherwise, as shall be specified in such opinion, and (2) delivers copies of such opinion to the MSRB.

Section 3.2. Amendment. (a) This Agreement may be amended, by written agreement of the parties, without the consent of the holders of the Bonds (except to the extent required under clause (4)(ii) below), if all of the following conditions are satisfied: (1) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of the Issuer or the type of business conducted thereby, (2) this Agreement as so amended would have complied with the requirements of the Rule as of the date of this Agreement, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, (3) the Issuer shall have delivered to the Trustee an opinion of Counsel, addressed to the Issuer and the Trustee, to the same effect as set forth in clause (2) above, (4) either (i) the Issuer shall have delivered to the Trustee an opinion of Counsel or a determination by an entity, in each case unaffiliated with the Issuer (such as bond counsel or the Trustee), addressed to the Issuer and the Trustee, to the effect that the amendment does not materially impair the interests of the holders of the Bonds or (ii) the holders of the Bonds consent to the amendment to this Agreement pursuant to the same procedures as are required for amendments to the Indenture with consent of holders of Bonds pursuant to the Indenture as in effect at the time of the amendment, and (5) the Issuer shall have delivered copies of such opinion(s) and amendment to the MSRB.

(b) This Agreement may be amended, by written agreement of the parties, without the consent of the holders of the Bonds, if all of the following conditions are satisfied: (1) an amendment to the Rule is adopted, or a new or modified official interpretation of the Rule is issued, after the effective date of this Agreement which is applicable to this Agreement, (2) the Issuer shall have delivered to the Trustee an opinion of Counsel, addressed to the Issuer and the Trustee, to the effect that performance by the Issuer and Trustee under this Agreement as so amended will not result in a violation of the Rule and (3) the Issuer shall have delivered copies of such opinion and amendment to the MSRB.

(c) This Agreement may be amended by written agreement of the parties, without the consent of the holders of the Bonds, if all of the following conditions are satisfied: (1) the Issuer shall have delivered to the Trustee an opinion of Counsel, addressed to the Issuer and the Trustee, to the effect that the amendment is permitted by rule, order or other official pronouncement, or is consistent with any interpretive advice or no-action positions of Staff, of the SEC, and (2) the Trustee shall have delivered copies of such opinion and amendment to the MSRB.

(d) To the extent any amendment to this Agreement results in a change in the type of financial information or operating data provided pursuant to this Agreement, the first Annual Financial Information provided thereafter shall include a narrative explanation of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

(e) If an amendment is made pursuant to Section 3.2(a) hereof to the accounting principles to be followed by the Issuer in preparing its financial statements, the Annual Financial Information for the fiscal year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative and, to the extent reasonably feasible, quantitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information.

Section 3.3. Benefit; Third Party Beneficiaries; Enforcement. (a) The provisions of this Agreement shall constitute a contract with and inure solely to the benefit of the holders from time to time of the Bonds, except that beneficial owners of Bonds shall be third party beneficiaries of this Agreement. The provisions of this Agreement shall create no rights in any person or entity except as provided in this subsection (a) and in subsection (b) of this Section.

(b) The obligations of the Issuer to comply with the provisions of this Agreement shall be enforceable (i) in the case of enforcement of obligations to provide financial statements, financial information, operating data and notices, by any holder of Outstanding Bonds, or by the Trustee on behalf of the holders of Outstanding Bonds, or (ii) in the case of challenges to the adequacy of the financial statements, financial information and operating data so provided, by the Trustee on behalf of the holders of Outstanding Bonds; provided, however, that the Trustee shall not be required to take any enforcement action except at the direction of the holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds at the time Outstanding who shall have provided the Trustee with adequate security and indemnity. The holders' and Trustee's rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the Issuer's obligations under this Agreement. In consideration of the third party beneficiary status of beneficial owners of Bonds pursuant to subsection (a) of this Section, beneficial owners shall be deemed to be holders of Bonds for purposes of this subsection (b).

(c) Any failure by the Issuer or the Trustee to perform in accordance with this Agreement shall not constitute a default or an Event of Default under the Indenture, and the rights and remedies provided by the Indenture upon the occurrence of a default or an Event of Default shall not apply to any such failure.

(d) This Agreement shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of this Agreement shall be instituted in a court of competent jurisdiction in the State; provided, however, that to the extent this Agreement addresses matters of federal securities laws, including the Rule, this Agreement shall be construed in accordance with such federal securities laws and official interpretations thereof.

ARTICLE IV

Definitions

Section 4.1. Definitions. The following terms used in this Agreement shall have the following respective meanings:

(1) “Annual Financial Information” means, collectively, (i) updated versions of the following financial information and operating data, for each fiscal year of the Issuer, consisting of statements or tables regarding the amounts on deposit in the Bond Proceeds Account, the principal amount of Bonds of each Series Outstanding and the remaining balance of each of the 2025 Series A Mortgage-Backed Securities; (ii) the Audited Financial Statements; *provided*, that if Audited Financial Statements are not available by the dates described above, Unaudited Financial Statements may be provided and such Audited Financial Statements shall be delivered to the MSRB when they become available; and (iii) the information regarding amendments to this Agreement required pursuant to Sections 3.2(d) and (e) of this Agreement.

The descriptions contained in Section 4.1(1)(i) hereof of financial information and operating data constituting Annual Financial Information are of general categories of financial information and operating data. When such descriptions include information that no longer can be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be provided in lieu of such information. Any Annual Financial Information containing modified financial information or operating data shall explain, in narrative form, the reasons for the modification and the impact of the modification on the type of financial information or operating data being provided.

(2) “Audited Financial Statements” means the annual financial statements, if any, of the Issuer, audited by such auditor as shall then be required or permitted by State law or the Indenture. Audited Financial Statements shall be prepared in accordance with GAAP; *provided, however*, that pursuant to Sections 3.2(a) and (e) hereof, the Issuer may from time to time, if required by federal or State legal requirements, modify the accounting principles to be followed in preparing its financial statements. The notice of any such modification required by Section 3.2(a) hereof shall include a reference to the specific federal or State law a regulation describing such accounting principles, or other description thereof.

(3) “Counsel” means Hawkins Delafield & Wood LLP or other nationally recognized bond counsel or counsel expert in federal securities laws.

(4) “Financial Obligation” means “financial obligation” as such term is defined in the Rule.

(5) “GAAP” means generally accepted accounting principles as prescribed from time to time for governmental units by the Governmental Accounting Standards Board, the Financial Accounting Standards Board, or any successor to the duties and responsibilities of either of them.

(6) “MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Agreement.

(7) “Notice Event” means any of the following events with respect to the Bonds:

- (i) principal and interest payment delinquencies;
- (ii) non payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the Issuer[†];
- (xiii) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action

[†] Note to clause (xii): For the purposes of the event identified in clause (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;

or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(8) “Official Statement” means the Official Statement dated March __, 2025 of the Issuer relating to the Bonds.

(9) “Rule” means Rule 15c2 12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2 12), as amended, as in effect on the date of this Agreement, including any official interpretations thereof issued either before or after the effective date of this Agreement which are applicable to this Agreement.

(10) “SEC” means the United States Securities and Exchange Commission.

(11) “Unaudited Financial Statements” means the same as Audited Financial Statements, except that they shall not have been audited.

ARTICLE V

Miscellaneous

Section 5.1. Duties, Immunities and Liabilities of Trustee. The Trustee shall have only such duties under the Agreement as are specifically set forth in this Agreement, and the Issuer agrees to indemnify and save the Trustee, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys’ fees) of defending against any claim of liability, but excluding liabilities due to the Trustee’s negligence or willful misconduct in the performance of its duties hereunder. Such indemnity shall be separate from and in addition to that provided to the Trustee under the Indenture. The obligations of the Issuer under this Section shall survive resignation or removal of the Trustee and payment of the Bonds.

Section 5.2. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have each caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

CALIFORNIA HOUSING FINANCE AGENCY

By:_____

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

By:_____

THE AGENCY

Powers

The Agency was created in 1975 by the Act as a public instrumentality and a political subdivision of the State for the primary purpose of meeting the housing needs of persons and families of low or moderate income and exists within the Business, Consumer Services and Housing Agency of the State.

The Agency is authorized to issue its bonds, notes and other obligations for a variety of purposes, including (1) making development loans, construction loans, mortgage loans and property improvement loans to qualified borrowers to finance housing developments and other residential structures; (2) purchasing such loans through qualified mortgage lenders; and (3) making loans to qualified mortgage lenders under terms and conditions requiring the proceeds thereof to be used for certain loans.

The Agency may also provide consulting and technical services in connection with the financing of housing developments and may act as a State representative in receiving and allocating federal housing subsidies.

The Act currently provides the Agency with the authority to have outstanding bonds or notes, at any one time, in the aggregate principal amount of \$13,150,000,000, excluding refunding issues and certain taxable securities. As of December 31, 2024, approximately \$6.661 billion aggregate principal amount of such bonds and notes were outstanding.

The Agency has sold and delivered obligations other than the Bonds, and expects to do so in the future, which other obligations are and will be secured by instruments separate and apart from the Indenture and the Bonds. The holders of such obligations of the Agency have no claim on the security for the Bonds, and the owners of the Bonds will have no claim on the security for such other obligations issued by the Agency.

Management

The Agency is administered by the Board, which consists of 13 voting members when all positions are filled. The State Treasurer, the Secretary of Business, Consumer Services and Housing, the Director of the Department of Housing and Community Development (“HCD”), and the Secretary of Veterans Affairs, or their designees, are voting *ex officio* members. Seven members are appointed by the Governor and confirmed by the Senate. Currently, there is one vacancy on the Board pending appointment by the Governor. One member is appointed by the Speaker of the Assembly. One member is appointed by the Senate Committee on Rules. All such appointments are for six-year terms. In addition, the Act provides that the Director of the Department of Finance, the Director of the Governor’s Office of Land Use and Climate Innovation, and the Executive Director of the Agency shall serve as non-voting *ex officio* members of the

Board. The Chairperson of the Board is selected by the Governor from among his appointees. Members of the Board are:

<u>Name</u>	<u>Term Expires</u>	<u>Principal Occupation</u>
<i>Voting Board Members</i>		
Jim Cervantes [†]	September 26, 2025	Retired as a Managing Director in the Public Finance Department with Stifel, Nicolaus & Co.
Dalila Sotelo	September 26, 2025	Senior Development Executive at the Integral Group
Frederick P. White	September 26, 2027	Housing Capital Advisor for the City of Los Angeles Office of City Homelessness Initiatives
Stephen Russell	November 18, 2025	Executive Director of the San Diego Housing Federation
Tyrone Roderick Williams	September 26, 2027	Chief Executive Officer of the Fresno Housing Authority
Preston Prince	September 26, 2025	Executive Director of the Santa Clara Housing Authority
Maria Cabildo	April 19, 2027	Director of Housing and Economic Opportunity at the California Community Foundation
Noerena Limón	September 26, 2027	Chief Executive Officer of the Casita Coalition
Gustavo F. Velasquez	‡	Director of the Department of Housing and Community Development
Fiona Ma	‡	State Treasurer
Tomiquia Moss	‡	Secretary of the Business, Consumer Services and Housing Agency
Lindsey Sin	‡	Secretary of the California Department of Veterans Affairs
<i>Non-Voting Board Members</i>		
Samuel Assefa	‡	Director of the Governor’s Office of Land Use and Climate Innovation
Joe Stephenshaw	‡	Director of the California Department of Finance
Vacant	‡	Executive Director of the Agency

[†] Board Chair.

[‡] *ex officio*.

Organization and Staff

The Agency is organized into the following divisions under the Executive Director: Single Family Programs, Multifamily Programs, Financing, Fiscal Services, Office of General Counsel, Marketing, Administration, Information Technology, and Enterprise Risk Management.

The Single Family Division is responsible for directing and administering the Agency's single family lending programs, servicing of down payment and certain legacy single family loans, directing and administering the single family loan portfolio, including quality assurance, loss mitigation, and servicer administration/short sales. The majority of single family loans are serviced by the master servicer, as described above under "CERTAIN OTHER PROGRAMS OF THE AGENCY — Homeownership Program."

The Multifamily Programs Division contains two units, multifamily lending and asset management. Multifamily Lending is responsible for underwriting all multifamily direct loans, preparing documentation for loan closings and monitoring the construction of developments financed by direct loans from the Agency.

Asset Management is responsible for monitoring the financial and physical status of the Agency's multifamily loan portfolio of approximately 300 projects, as well as occupancy compliance for low-income units.

The Financing Division is responsible for the Agency's financing activities, including the investment of Agency funds and management of the Agency's outstanding debt portfolio through the issuance of bonds, notes, and other debt instruments. The Financing Division also manages financial agreements such as interest rate swaps, bank credit facilities, and remarketing agreements. The Financing Division is responsible for filing timely and accurate financial reporting and disclosures in compliance with regulatory and statutory requirements.

The Fiscal Services Division is responsible for accounting activities, fiscal operations, in-house servicing of loans, preparation of the annual budget for the Agency, and preparation of Agency financial statements.

The Office of General Counsel is responsible for all legal matters that affect the Agency, including review of all contracts and legislation and supervision of loan closings for multifamily developments. The Office of General Counsel also provides legal advice to the Agency's Board of Directors.

The Marketing Division is responsible for developing and implementing the Agency's marketing programs and for managing all public information activities such as preparation of the annual report and press releases.

The Administration Division is responsible for directing and administering the Agency's personnel, training, and business services.

The Information Technology Division has responsibility for developing, implementing and maintaining the IT infrastructure and application systems supporting the Agency.

The Enterprise Risk Management Division provides the foundation and organizational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout CalHFA. The Enterprise Risk Management Division also contains the Agency's project management office.

The Agency's senior staff are listed below.

Rebecca Franklin, Ed.D.

Chief Deputy Director

Ms. Franklin was appointed CalHFA's Chief Deputy Director by Governor Gavin Newsom in November 2024. Prior to that, Ms. Franklin held the Governor-appointed position of Director of Enterprise Risk Management and Compliance from 2020 to 2024. Prior to coming to CalHFA, Ms. Franklin was Director of Innovation for the State Compensation Insurance Fund from 2019 to 2020, where she led the establishment and development of the State Fund Innovation Design Center. Ms. Franklin previously spent five years holding various positions at the California State Teachers Retirement System, including Associate Management Consultant and Program Planning Analyst. She earned her Doctorate in Educational and Organizational Leadership from the University of the Pacific and a Master of Organizational Leadership degree from Gonzaga University. Ms. Franklin holds Strategic Management Certification from DePaul University and certification in Performance Management in Governments and Nonprofits from the University of Massachusetts at Boston.

Erwin J. Tam

Director of Financing

Mr. Tam was appointed CalHFA's Director of Financing by Governor Gavin Newsom in September 2021. Prior to coming to CalHFA, Mr. Tam held multiple positions including Senior Vice President at Backstrom, McCarley, Berry & Co. LLC (2020 to 2021 and 2009 to 2014) and was Vice President at KNN Public Finance from 2014 to 2020. He was previously an associate at RBC Capital Markets and Bear, Stearns & Co Inc., and earned a double major in Economics and Environmental Science from University of California, Berkeley.

Claire Tauriainen, J.D.

General Counsel

Ms. Tauriainen was appointed CalHFA's General Counsel in July 2018 after serving as Deputy General Counsel from 2017-2018 and Attorney III from 2007 to 2017. She previously was an Associate Attorney at Stockdale Law Firm and an Associate Broker for Realty World-Port Richmond. Ms. Tauriainen earned her Juris Doctor degree from the University of the Pacific McGeorge School of Law.

Ellen Martin, MPP

Director of Homeownership

Ms. Martin was appointed CalHFA's Director of Homeownership by Governor Gavin Newsom in March 2023. Prior to that, Ms. Martin held the Governor-appointed position of Director of Business Development and Stakeholder Relations for CalHFA from 2021 to 2024. Before coming to CalHFA, she spent 16 years at Economic & Planning Systems, Inc., a land economics consulting firm, ending as Principal. Ms. Martin previously worked as Legislative and Policy Coordinator for the United Domestic Workers and earned a Master of Public Policy and Administration degree from California State University in Sacramento.

Stephanie McFadden

Director of Multifamily Programs

Ms. McFadden was appointed Director of Multifamily Programs by CalHFA's Board of Directors in November 2024. Prior to coming to CalHFA, Ms. McFadden was Senior Vice President and Chief Lending Officer at Low Income Investment Fund (LIIF) and Senior Advisor in the FHA Office of Multifamily Production for U.S. Department of Housing and Urban Development (HUD). Previously, she was responsible for nationwide FHA-insured multifamily lending at CBRE and held senior positions at PNC Real Estate, Vitus Group, ARCS Commercial Mortgage and Bank of America, with a career-long focus on affordable multifamily lending and product development. Ms. McFadden earned a Master of City Planning degree from the University of California, Berkeley and a bachelor's in civil engineering from Princeton.

Kelly Madsen

Director of Enterprise Risk Management and Compliance

Ms. Madsen was appointed CalHFA's Director of Enterprise Risk Management and Compliance by Governor Gavin Newsom in February 2025. Ms. Madsen was previously CalHFA's Deputy Director of Innovation and Special Initiatives. Prior to coming to CalHFA, she was Business Manager at the Waverley Street Foundation and Director of Scheduling in the Office of Governor Gavin Newsom. Ms. Madsen's previous experience includes management and analyst positions at Psyberware and Viator from 2015 to 2021 and various positions including Strategic Initiatives Coordinator, Policy Advisor and Director of Scheduling for the California Department of Education in the Office of State Superintendent of Public Instruction Tom Torlakson from 2011 to 2014. She earned a Bachelor of Arts degree in Political Science from UC Davis.

Mehgie Tabar

Director of Legislation

Ms. Tabar has served as CalHFA's Director of Legislation since April 2024, after serving as Principal Consultant for the California Senate Housing Committee since 2022. She was previously a Data and Research Manager and Senior Housing Specialist for the California Department of Housing and Community Development and has held various other research and consulting positions. She earned her Master's in Urban and Regional Planning from the University of California at Irvine.

Oksana Glushchenko

Comptroller

Ms. Glushchenko has served as CalHFA's Comptroller since June 2022 after serving as the Deputy Comptroller since 2016. She previously held various accounting positions with CalHFA since 1999, including Accounting Administrator, and earned a Bachelor of Sciences degree from Plekhanov Russian University of Economics in Moscow, Russia.

Ashish Kumar
Chief Information Officer

Mr. Kumar has served as CalHFA's Chief Information Officer since May 2019 after serving as Chief Information Security Officer since 2014 and a Systems Analyst – VoIP Engineer from 2010 to 2013. He was previously a support engineer at Sundt Construction and Home Improvement and Operations Manager at Sears. Mr. Kumar earned his Bachelor of Sciences degree in Information Systems Security from ITT Technical Institute.

Jennifer LeBoeuf
Director of Administration

Ms. LeBoeuf has served as CalHFA's Director of Administration since August 2017. She previously served as Director of Human Resources and Administrative Servicer for Pacific Municipal Consultants and Officer Manager for Interface Engineering. Ms. LeBoeuf earned her Bachelor of Arts degree from California State University, Sacramento.

Kathy Phillips
Director of Marketing & Communications

Ms. Phillips has served as CalHFA's Director of Marketing & Communications since October 2016 after serving as Marketing & Communications Manager since 2015. She previously held various website and technology positions at CalHFA from 2001 to 2015 and was technical support manager at iMOTORS.com. Ms. Phillips earned her Associates of Science degree at Heald College.

The position of Executive Director is currently vacant.

The Agency's principal office is located at 500 Capitol Mall, Suite 1400, Sacramento, California 95814, and its telephone number is (877) 922-5432.

Business Disruption Risk

General

Certain external events, such as pandemics, natural disasters, severe weather, technological emergencies, riots, acts of war or terrorism or other circumstances, could potentially disrupt the Agency's ability to conduct its business. A prolonged disruption in the Agency's operations could have an adverse effect on the Agency's financial condition and results of operations. To plan for and mitigate the impact such an event may have on its operations, the Agency has developed a business continuity plan (the "Plan"). The Plan is designed to (i) provide for the continued execution of the mission-essential functions of the Agency and minimize disruption if an emergency threatens, interrupts or incapacitates the Agency's operations, (ii) provide Agency leadership with timely direction, control and coordination before, during and after an emergency, and (iii) facilitate the return to normal operating conditions as soon as practical based on the circumstances surrounding any given emergency. No assurances can be given that the Agency's efforts to mitigate the effects of an emergency or other event will be successful in preventing any and all disruptions to its operations in the event of an emergency.

Cybersecurity

The Agency relies on a complex technology environment to conduct its operations. As a recipient and provider of personal, private and sensitive information, the Agency faces multiple cyber threats including, but not limited to, hacking, viruses, malware, ransomware, phishing, business email compromise, and other attacks on computers and other sensitive digital networks, systems, and assets. Housing finance authorities and other public finance entities have been targeted by outside third parties, including technically sophisticated and well-resourced actors, attempting to misappropriate assets or information or cause operational disruption and damage. Further, third parties, such as hosted solution providers, that provide services to the Agency, could also be a source of security risk in the event of a failure of their own security systems and infrastructure.

The Agency uses a layered approach that employs sound operational strategies and security technology solutions to secure against, detect, and mitigate the effects of cyber threats on its infrastructure and information assets. The Agency conducts regular information security and privacy awareness training that is mandatory for all Agency staff and regularly conducts risk assessments and tests of its cybersecurity systems and infrastructure. The Agency's Chief Information Officer (CIO) and Chief Information Security Officer (CISO) focuses on and leads the efforts of the Agency to keep its cyber and technology assets secure.

Despite its efforts, no assurances can be given that the Agency's security and operational control measures will be successful in guarding against any and each cyber threat and attack, especially because the techniques used are increasingly sophisticated, change frequently, are complex, and are often not recognized until launched. To date, cyberattacks have not had a material impact on the financial condition, results or business of the Agency; however, the Agency is not able to predict the severity of these attacks. The results of any attack on the Agency's computer and information technology systems could impact its operations for an unknown period of time, damage the Agency's digital networks and systems, and damage the Agency's reputation, financial performance, and customer or vendor relationships. Such an attack could also result in litigation or regulatory investigations or actions, including regulatory actions by state and federal governmental authorities. The costs of remedying any such damage could be substantial and such damage to the Agency's reputation and relationships could adversely affect the Agency's ability to make loans and issue Bonds in the future.

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