This Preliminary Remarketing Circular and the information contained herein are subject to completion or amendment without notice. Under no circumstances shall this Preliminary Remarketing Circular 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 any 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.

PRELIMINARY REMARKETING CIRCULAR DATED JUNE 25, 2026

REMARKETING – NOT A NEW ISSUE — BOOK-ENTRY ONLY

On the date of original issuance of the 2023 Series A-2 Bonds, Orrick, Herrington & Sutcliffe LLP ("Bond Counsel") delivered its opinion (the "Original Opinion"), based upon an analysis of then existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, that interest on the 2023 Series A-2 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), except that no opinion was expressed as to the status of interest on any 2023 Series A-2 Bond for any period that such 2023 Series A-2 Bond is held by a "substantial user" of the facilities financed or refinanced by the 2023 Series A-2 Bonds or by a "related person" within the meaning of Section 147(a) of the Code. The Original Opinion observed that interest on the 2023 Series A-2 Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. The Original Opinion observed that, for tax years beginning after December 31, 2022, interest on the 2023 Series A-2 Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. The Original Opinion stated that interest on the 2023 Series A-2 Bonds is exempt from State of California personal income taxes. Bond Counsel expressed no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the 2023 Series A-2 Bonds. See "Tax Matters" herein for additional information.

$26,250,000*
CALIFORNIA HOUSING FINANCE AGENCY
Affordable Housing Revenue Bonds,
$26,250,000* 2023 Series A-2 (Non-AMT) (Sustainability Bonds)

Reoffering Date: July 22, 2026

Due: as shown on the inside cover page
Price: 100%

This cover page contains selected information for quick reference only. It is not a summary of relevant information. Potential investors must read the Remarketing Circular to obtain information essential to making an informed investment decision. Capitalized terms are defined inside.

The Remarketed Bonds consist of a portion of the California Housing Finance Agency's Affordable Housing Revenue Bonds 2023 Series A-2 (Non-AMT) (Sustainability Bonds) (the "2023 Series A-2 Bonds") maturing August 1, 2063. Additionally, on the Reoffering Date, the Agency intends to optionally redeem approximately $3,750,000 of the 2023 Series A-2 Bonds. The Agency's Affordable Housing Revenue Bonds 2023 Series A-1 (Non-AMT) (Sustainability Bonds), issued concurrently with the 2023 Series A-2 Bonds, are not the subject of this Remarketing Circular. On the Reoffering Date, the Remarketed Bonds are expected to be reoffered at the interest rate described in the inside cover page.

THIS REMARKETING CIRCULAR IS TO BE READ TOGETHER WITH, AND IS SUBJECT IN CERTAIN RESPECTS TO MORE COMPLETE INFORMATION CONTAINED IN, THE CALIFORNIA HOUSING FINANCE AGENCY AFFORDABLE HOUSING REVENUE BONDS 2026 SERIES A (SUSTAINABILITY BONDS) OFFICIAL STATEMENT (THE "AGENCY OFFICIAL STATEMENT") DATED JULY __, 2026 AND ATTACHED HERETO AS APPENDIX B, AS INCORPORATED BY REFERENCE TO THE EXTENT SET FORTH HEREIN. NO PERSON IS AUTHORIZED TO DETACH THIS REMARKETING CIRCULAR OR OTHERWISE USE IT WITHOUT THE AGENCY OFFICIAL STATEMENT.

The Remarketed Bonds will mature on the dates and in the amounts listed on the inside front cover page.

Interest on the Remarketed Bonds is payable on February 1 and August 1 of each year. See "The Remarketed Bonds" herein. The Remarketed Bonds are remarketed in denominations of $5,000 or in denominations of any whole multiple thereof. DTC will hold the Remarketed Bonds in book-entry form. Purchasers will not receive certificates representing their interests in the Remarketed Bonds. Interest on and principal of the Remarketed Bonds are payable on behalf of the Agency by U.S. Bank Trust Company, National Association under the Indenture, dated August 1, 2023 (the "Indenture"). So long as DTC or its nominee remains the registered owner of the Remarketed Bonds, disbursement of payments to Direct Participants is the responsibility of DTC and disbursement of payments to the Beneficial Owners of the Remarketed Bonds is the responsibility of Direct Participants and Indirect Participants. See "APPENDIX E – Book-Entry Only System" to the Agency Official Statement for more information.

The Remarketed Bonds are subject to mandatory tender and redemption prior to maturity. See "The Remarketed Bonds."

Raymond James & Associates, Inc. is initial Remarketing Agent with respect to the Remarketed Bonds.

Raymond James

as Remarketing Agent

July __, 2026

* Preliminary, subject to change.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES

$26,250,000[*]
2023 Series A-2 Bonds (Non-AMT)
(Sustainability Bonds)

$26,250,000[*] _____% 2023 Series A-2 Fixed Rate Term Bonds Due August 1, 2063 - Price 100% CUSIP[†]: 13032WBB9

Mandatory Tender Date[‡]:	August 1, 2032[*]
Redeemable on or after:	February 1, 2032[*]
Maximum Rate:	9%

Interest Payment Dates: Interest on the 2023 Series A-2 Bonds is payable on February 1 and August 1, commencing August 1, 2026 and on any redemption or tender date.

Authorized Denominations: $5,000 or any integral multiple thereof.

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[*] Preliminary, subject to change.

[†] CUSIP numbers have been assigned by an independent company not affiliated with the Agency and are included solely for the convenience of the owners of the Remarketed Bonds. The Agency is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Remarketed Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Remarketed Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity, tender and remarketing, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Remarketed Bonds.

[‡] The 2023 Series A-2 Bonds are subject to mandatory tender for purchase (with no right to retain) on or after August 1, 2032[*] or such earlier date on or after February 1, 2032[*] as determined by the Agency for all or a portion of the 2023 Series A-2 Bonds, subject to the provisions described herein regarding subsequent mandatory tender.

No dealer, broker, salesperson or other person has been authorized by the Agency or the Remarketing Agent to give any information or to make any representations, other than those contained in this Remarketing Circular, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Remarketing Circular does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Remarketed Bonds, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the Agency and by other sources that are believed to be reliable. The Remarketing Agent has provided the following sentence for inclusion in this Remarketing Circular. The Remarketing Agent has reviewed the information in this Remarketing Circular in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Remarketing Agent does not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Remarketing Circular nor any sale made pursuant hereto shall, under any circumstances, create any implication that there has been no change in the affairs of the Agency since the date hereof.

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IN CONNECTION WITH THIS OFFERING THE REMARKETING AGENT MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE REMARKETED 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 REMARKETING AGENT MAY OFFER AND SELL THE REMARKETED BONDS TO CERTAIN DEALER BANKS AND BANKS ACTING AS AGENT AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE REMARKETING AGENT.

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REMARKETING CIRCULAR
of the
California Housing Finance Agency
relating to
**$26,250,000*
Affordable Housing Revenue Bonds**
2023 Series A-2 (Non-AMT)
(Sustainability Bonds)

INTRODUCTION

This Remarketing Circular provides information concerning the California Housing Finance Agency (the "Agency" or "CalHFA") and the following series and maturities of its Affordable Housing Revenue Bonds (the "Remarketed Bonds"), together with certain related features:

Bond Series and Maturities	Outstanding Principal Amount Being Remarketing	Federal Tax Character of Interest	Interest Rate Character	Defined Term Used in this Remarketing Circular
2023 Series A-2 due August 1, 2063	$26,250,000*	Non-AMT	Term Rate	"Remarketed Bonds"

The Agency originally issued the Remarketed Bonds pursuant to 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 August 1, 2023, as amended (the "General Indenture"), by and among the Agency and U.S. Bank Trust Company, National Association, as trustee (the "Trustee") and the First Supplemental Indenture (the "First Supplemental Indenture"), dated as of August 1, 2023 by and among the Agency and the Trustee. All bonds outstanding under the General Indenture (including additional bonds that may hereafter be issued) are herein called "Bonds." Each series of Bonds is issued pursuant to a Supplemental Indenture. The General Indenture, collectively with all Supplemental Indentures, is herein called the "Indenture." The Bonds issued under the Indenture prior to the date of this Remarketing Circular are collectively herein called the "Prior Series of Bonds." Capitalized terms used in this Remarketing Circular and not otherwise defined have the meanings specified in the Agency Official Statement attached as Appendix B hereto and the appendices attached thereto.

The Remarketed Bonds consist of a portion of the Agency's Affordable Housing Revenue Bonds, 2023 Series A-2 maturing August 1, 2063. On the Reoffering Date, the Agency intends to optionally redeem approximately $3,750,000 of the Outstanding 2023 Series A-2 Bonds. The Agency's Affordable Housing Revenue Bonds, 2023 Series A-1 (the "2023 Series A-1 Bonds") issued concurrently with the Remarketed Bonds, are not subject to this Remarketing Circular. The Remarketed Bonds together with the 2023 Series A-1 Bonds are referred to herein collectively as the "2023 Bonds."

This Remarketing Circular is to be read in conjunction with the Official Statement, dated July __, 2026, (the "Agency Official Statement"), attached hereto as Appendix B, with respect to the Agency's $157,030,000* Affordable Housing Revenue Bonds, 2026 Series A (the "2026 Series A Bonds"). The Agency intends to issue the 2026 Series A Bonds on the Reoffering Date of the Remarketed Bonds. The information contained in the Agency Official Statement relating to the Agency, the Program, the Indenture and to the Bonds issued under the Indenture, including the Remarketed Bonds, is incorporated herein by reference. The information contained in this Remarketing Circular (including information incorporated by reference) supersedes the information provided in the Agency Official Statement in all respects to the extent of any inconsistency between this Remarketing Circular and the Agency Official Statement, and to the extent that this Remarketing Circular specifically describes the Remarketed Bonds and the terms thereof.

* Preliminary, subject to change.

THIS REMARKETING CIRCULAR IS TO BE READ TOGETHER WITH, AND IS SUBJECT IN CERTAIN RESPECTS TO MORE COMPLETE INFORMATION CONTAINED IN, THE CALIFORNIA HOUSING FINANCE AGENCY AFFORDABLE HOUSING REVENUE BONDS OFFICIAL STATEMENT DATED JULY __, 2026 AND ATTACHED HERETO AS APPENDIX B, AS INCORPORATED BY REFERENCE TO THE EXTENT SET FORTH HEREIN. NO PERSON IS AUTHORIZED TO DETACH THIS REMARKETING CIRCULAR OR OTHERWISE USE IT WITHOUT THE AGENCY OFFICIAL STATEMENT.

The Remarketed Bonds were issued to provide moneys to enable the Agency to finance or refinance loans for the 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.

The mortgage loans made or purchased with proceeds attributable to the 2023 Bonds are referred to herein as the "2023 Series A Borrower Loans" and the developments financed by the 2023 Series A Borrower Loans are referred to herein as the "2023 Series A Projects." The 2023 Series A Borrower Loans, and the mortgage loans allocated to the other Series of Bonds are referred to herein collectively as the "Borrower Loans." Each loan is evidenced by certain documents, including a Promissory Note, and secured by a Deed of Trust, a Loan Agreement and a Regulatory Agreement. See "Security for the Bonds — Borrower Loans" within APPENDIX B — AGENCY OFFICIAL STATEMENT.

Descriptions of the Agency, the security for the Bonds, the Remarketed Bonds, the Program and the Indenture are included in this Remarketing Circular, which includes such portions of the Agency Official Statement attached as Appendix B which are incorporated into this Remarketing Circular by reference to the extent set forth herein. All summaries or descriptions in this Remarketing Circular of documents and agreements are qualified in their entirety by reference to such documents and agreements and all summaries in this Remarketing Circular of the Remarketed Bonds are qualified in their entirety by reference to the Indenture and the provisions with respect thereto included in the aforesaid documents and agreements, copies of which are available for inspection at the offices of the Agency or the Remarketing Agent.

THE REMARKETED BONDS

General

The Remarketed Bonds will bear interest at a fixed rate to August 1, 2032* or to the earlier date, if any, on which the Remarketed Bonds are purchased upon mandatory tender at the option of the Agency. The Remarketed Bonds will be subject to mandatory tender for purchase, at a Purchase Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest, on August 1, 2032* if not redeemed or purchased prior to such date. The Remarketed Bonds will mature on the date and in the amount set forth on the inside cover page of this Remarketing Circular. U.S. Bank Trust Company, National Association, is the Trustee for the Bonds, including the Remarketed Bonds, and is the Tender Agent for the Remarketed Bonds.

The Remarketed Bonds are dated the original date of delivery thereof and were issued as fully registered bonds in denominations of $5,000 or in denominations of any whole multiple thereof. Prior to August 1, 2032,* interest on the Remarketed Bonds will accrue from July 22, 2026 (the "Reoffering Date") and be payable on February 1 and August 1, commencing August 1, 2026* and on any redemption or mandatory tender date. Interest on the Remarketed Bonds will be payable at the rate per annum set forth on the inside cover page of this Remarketing Circular. Interest on the Remarketed Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

The Remarketed Bonds are also subject to optional redemption or mandatory tender at the option of the Agency on any date on or after February 1, 2032,* as described below. In addition, the Remarketed Bonds are subject to mandatory sinking fund redemption, as described below.

* Preliminary, subject to change.

This Remarketing Circular in general describes the Remarketed Bonds only prior to August 1, 2032[*] or the earlier date, if any, on which the Remarketed Bonds are purchased upon mandatory tender at the option of the Agency.

Designation of the 2023 Bonds as Sustainability Bonds

The Agency designated the 2023 Bonds as "Sustainability Bonds" based on the use of proceeds of the 2023 Bonds to refinance fully-converted permanent mortgage loans for six multifamily rental housing projects that provide affordable housing and include energy efficiency standards and features. This designation is intended to comport with the International Capital Market Association ("ICMA") guidelines contained in the ICMA publications, *Green Bond Principles: Voluntary Process Guidelines for Issuing Green Bonds*, *Social Bond Principles: Voluntary Process Guidelines for Issuing Green Bonds* and *Sustainability Bond Guidelines* (collectively, the "ICMA Guidelines").

The Agency obtained a Second-Party Opinion (the "Second-Party Opinion") from S&P Global Ratings, which confirmed that the use and the manner of expenditure of the proceeds of the 2023 Bonds were consistent with the four core components of the ICMA Guidelines: (1) Use of Proceeds, (2) Process for Evaluation and Selection, (3) Management of Proceeds and (4) Reporting. By reference to the ICMA's "Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals" (June 2022), S&P Global Ratings also determined that the designation of the 2023 Bonds as "Sustainability Bonds" reflected the use of the proceeds of the 2023 Bonds in a manner that is consistent with "Goal 1: No Poverty," "Goal 7: Affordable and Clean Energy," "Goal 10: Reduced Inequalities," and "Goal 11: Sustainable Cities and Communities" of the United Nations 17 Sustainable Development Goals (referred to as "UNSDGs" generally and "SDG 1," "SDG 7," "SDG 10" and "SDG 11" specifically). The UNSDGs were adopted by the United Nations General Assembly in September 2015 as part of its 2030 Agenda for Sustainable Development. The Agency does not make any representation as to the suitability of the Second-Party Opinion. The Second-Party Opinion may not reflect all "sustainable" considerations of the 2023 Series A Projects, nor is it a guarantee that the 2023 Bonds will satisfy any investor's environmental, social, or other similarly labeled investment objectives, mandates, strategy, needs or criteria. See APPENDIX D – SECOND-PARTY OPINION.

The term "Sustainability Bonds" is neither defined in nor related to provisions in the Indenture. The use of such term herein is for identification purposes only and is not intended to provide or imply that an owner of Sustainability Bonds is entitled to any additional security beyond that provided therefor in the Indenture. Holders of Sustainability Bonds do not assume any specific project risk with respect to any of the funded 2023 Series A Projects by reason of the 2023 Bonds being designated as Sustainability Bonds, and such Bonds are secured on a parity with all other Bonds issued and to be issued under the Indenture.

There is no clear definition in the U.S. (legal, regulatory or otherwise) or market consensus as to what constitutes, or what precise attributes are required for a particular asset to constitute a "sustainability" or similarly labeled asset, nor can any assurance be given that a clear definition or market consensus will develop over time. Accordingly, there can be no assurance that the 2023 Bonds will be suitable for any particular "sustainability" or other similarly labeled investment objectives, mandate or strategy. Future changes in the characteristics or operation of the 2023 Series A Projects, including their status as affordable housing, or a change in the ICMA Guidelines or other relevant sustainability criteria may affect the value of the 2023 Bonds due to a change in investors' perceptions of the 2023 Bonds as "sustainability bonds" and may cause adverse consequences for certain investors with portfolios with mandates to invest in sustainability assets. Further, the value of investments in the 2023 Bonds could decline if investor interest in "sustainability bonds" decreases.

Mandatory Tender of the Remarketed Bonds

The Remarketed Bonds will be subject to mandatory tender for purchase, at a Purchase Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest, on August 1, 2032[*] if not redeemed or purchased prior to such date.

[*] Preliminary, subject to change.

No liquidity facility has been obtained to pay the Purchase Price of any Remarketed Bonds that are tendered and not remarketed or redeemed. The Agency has the option, but is not obligated, to pay the Purchase Price on August 1, 2032.* Amounts on deposit in the 2023 Series A Restricted Sub-Account of the Special Reserve Fund will not be available to pay the Purchase Price of Remarketed Bonds subject to mandatory tender as described hereunder. **The Agency has no liability or obligation to pay or make available the Purchase Price on August 1, 2032.* Failure to pay the Purchase Price of the Remarketed Bonds does not, in and of itself, constitute an Event of Default under the Indenture.**

In the event that the Purchase Price or the Redemption Price of the Remarketed Bonds is not paid on August 1, 2032,* the Outstanding Remarketed Bonds will bear interest at a rate equal to 9% per annum from August 1, 2032* to but not including the date on which such Remarketed Bonds are redeemed or purchased as described under "Optional Redemption or Mandatory Tender at the Option of the Agency of Remarketed Bonds," at a Redemption Price or purchase price, as applicable, equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the date of redemption or purchase, or to maturity.

Optional Redemption or Mandatory Tender at the Option of the Agency of Remarketed Bonds*

The Remarketed Bonds shall be subject to optional redemption or mandatory tender for purchase at the option of the Agency, in whole or in part, from any available moneys of the Agency, on any date on and after February 1, 2032, at a Redemption Price or Purchase Price, as applicable, equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the date of redemption or purchase.

Sinking Fund Redemption of Remarketed Bonds*

In the event that the Purchase Price or the Redemption Price of the Remarketed Bonds is not paid on August 1, 2032, the Remarketed Bonds will be subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on February 1 and August 1 of each year the principal amount of such Remarketed Bonds specified for each of the Redemption Dates shown below:

* Preliminary, subject to change.

Redemption Date	Principal Amount	Redemption Date	Principal Amount
Feb. 1, 2039	$490,000	Aug. 1, 2051	$685,000
Aug. 1, 2039	510,000	Feb. 1, 2052	680,000
Feb. 1, 2040	505,000	Aug. 1, 2052	705,000
Aug. 1, 2040	525,000	Feb. 1, 2053	585,000
Feb. 1, 2041	510,000	Aug. 1, 2053	610,000
Aug. 1, 2041	540,000	Feb. 1, 2054	600,000
Feb. 1, 2042	530,000	Aug. 1, 2054	620,000
Aug. 1, 2042	550,000	Feb. 1, 2055	615,000
Feb. 1, 2043	545,000	Aug. 1, 2055	640,000
Aug. 1, 2043	565,000	Feb. 1, 2056	635,000
Feb. 1, 2044	555,000	Aug. 1, 2056	655,000
Aug. 1, 2044	580,000	Feb. 1, 2057	650,000
Feb. 1, 2045	570,000	Aug. 1, 2057	670,000
Aug. 1, 2045	590,000	Feb. 1, 2058	560,000
Feb. 1, 2046	580,000	Aug. 1, 2058	475,000
Aug. 1, 2046	610,000	Feb. 1, 2059	270,000
Feb. 1, 2047	600,000	Aug. 1, 2059	240,000
Aug. 1, 2047	620,000	Feb. 1, 2060	235,000
Feb. 1, 2048	615,000	Aug. 1, 2060	245,000
Aug. 1, 2048	640,000	Feb. 1, 2061	240,000
Feb. 1, 2049	630,000	Aug. 1, 2061	255,000
Aug. 1, 2049	655,000	Feb. 1, 2062	250,000
Feb. 1, 2050	650,000	Aug. 1, 2062	255,000
Aug. 1, 2050	670,000	Feb. 1, 2063	225,000
Feb. 1, 2051	665,000	Aug. 1, 2063†	150,000

† Stated maturity

The amounts accumulated for each Sinking Fund Payment may be applied by the Trustee, at the direction of the Agency, prior to the forty-fifth (45th) day preceding the due date of such Sinking Fund Payment, to the purchase of the Remarketed Bonds to be redeemed from such Sinking Fund Payments, at prices (including any brokerage and other charges) not exceeding the applicable Redemption Price, plus accrued interest to the date of purchase; provided, however, that the purchase of such Remarketed Bonds may, to the extent permitted by law, be at prices exceeding the applicable Redemption Price if the Agency files a Cash Flow Statement with the Trustee as provided in the Indenture.

Upon the purchase or redemption of any Remarketed Bonds of a maturity for which Sinking Fund Payments shall have been established, other than by application of Sinking Fund Payments, (i) in the case of a purchase or redemption other than from Recoveries of Principal, an amount equal to the principal amount of the Remarketed Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Payment thereafter to become due with respect to the Remarketed Bonds of such maturity and the amount of any excess of the amounts so credited over the amount of such Sinking Fund Payment shall be credited by the Trustee against future Sinking Fund Payments in direct chronological order, unless otherwise instructed in writing by an Authorized Officer at the time of such purchase or redemption, and (ii) in the case of a purchase or redemption from Recoveries of Principal, an amount equal to the principal amount of the Remarketed Bonds so purchased or redeemed shall be credited toward the Sinking Fund Payments for the Remarketed Bonds of such maturity on a reasonably proportionate basis among such Sinking Fund Payments based upon the principal amount of such Sinking Fund Payments, unless specifically directed otherwise by written instructions of an Authorized Officer accompanied by a Cash Flow Statement.

Provisions with Respect to Redemption of Remarketed Bonds

Selection of Remarketed Bonds to be Redeemed

In the event of a redemption of less than all of the Remarketed Bonds, the Trustee shall select the Remarketed Bonds to be redeemed by lot, using such method of selection as it shall deem proper in its sole discretion. Notwithstanding anything to the contrary contained in the Indenture or the 2023 Series A Supplemental Indenture, no Remarketed Bond shall be selected for redemption if the portion of such Remarketed Bond remaining after such redemption would not be in a denomination authorized by the Indenture or the 2023 Series A Supplemental Indenture.

Agency's Right to Purchase Remarketed Bonds

The Agency retains the right to purchase any Remarketed Bonds, at such times, in such amounts and at such prices as the Agency shall determine, subject to the provisions of the Indenture, and, apply the same as credits against its obligations, including Sinking Fund Payments, if any, for such Remarketed Bonds. See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates."

Notice of Redemption

When the Trustee receives notice from the Agency of its election or direction to redeem Remarketed Bonds, or is otherwise required to redeem Remarketed Bonds, the Trustee will give notice, in the name of the Agency, of the redemption of such Remarketed Bonds or portions thereof. Such notice will specify the Remarketed Bonds to be redeemed, the Redemption Date, any conditions precedent to such redemption and the place or places where amounts due upon such redemption will be payable. Not less than twenty (20) days before the Redemption Date for the Remarketed Bonds (other than a Redemption Date that is also a mandatory tender date), the Trustee is to mail a copy of such notice to the registered owners of any Remarketed Bonds or portions thereof which are to be redeemed, at their last addresses appearing upon the registry books. Interest will not be payable on any Remarketed Bonds or portions thereof after the Redemption Date if notice has been given and if sufficient monies have been deposited with the Trustee to pay the principal or applicable Redemption Price of and interest on such Remarketed Bonds on such date and all conditions precedent, if any, to such redemption shall have been satisfied.

Provisions with Respect to Tender of Remarketed Bonds

The Trustee is required to deliver, or mail by first class mail, postage prepaid, to the owner of each Remarketed Bond subject to mandatory tender for purchase, at its address shown on the registration books of the Agency held by the Trustee, a notice not later than twenty (20) days prior to the mandatory tender date. Any notice given in such manner shall be conclusively presumed to have been duly given, whether or not the owner receives such notice. Such notice shall set forth, in substance, that such owners shall be deemed to have tendered their affected Remarketed Bonds for purchase on such mandatory tender date, and the Purchase Price for such Remarketed Bonds.

Owners of affected Remarketed Bonds shall be required to tender their affected Remarketed Bonds to the Tender Agent for purchase at the applicable Purchase Price on the mandatory tender date with an appropriate endorsement for transfer to the Tender Agent, or accompanied by a bond power endorsed in blank. Any Remarketed Bonds not so delivered to the Tender Agent on or prior to the purchase date (the "Undelivered Remarketed Bonds") for which there has been irrevocably deposited in trust with the Trustee or Tender Agent an amount of moneys sufficient to pay the applicable Purchase Price of such Undelivered Remarketed Bonds shall be deemed to have been purchased at the applicable Purchase Price on the mandatory tender date. IN THE EVENT OF A FAILURE BY AN OWNER OF AFFECTED REMARKETED BONDS TO DELIVER ITS AFFECTED REMARKETED BONDS ON OR PRIOR TO THE MANDATORY TENDER DATE, SAID OWNER SHALL NOT BE ENTITLED TO ANY PAYMENT (INCLUDING ANY INTEREST TO ACCRUE SUBSEQUENT TO THE MANDATORY TENDER DATE) OTHER THAN THE APPLICABLE PURCHASE PRICE FOR SUCH UNDELIVERED REMARKETED BONDS, AND ANY UNDELIVERED REMARKETED BONDS SHALL NO

LONGER BE ENTITLED TO THE BENEFITS OF THE INDENTURE, EXCEPT FOR THE PAYMENT OF THE APPLICABLE PURCHASE PRICE THEREFOR.

If, following the provision of notice of mandatory tender for purchase of the Remarketed Bonds, the Trustee receives notice from the Agency that such purchase cannot be effected or is canceled, the mandatory tender shall be canceled. The Trustee shall promptly deliver or mail by first class mail, postage prepaid, a notice to the owners of the Remarketed Bonds stating that such mandatory tender shall not occur (and the reasons therefor) and shall be canceled.

If only a portion of the Remarketed Bonds are to be subject to mandatory tender for purchase, such Remarketed Bonds to be tendered (which shall be in authorized denominations) shall be selected by the Trustee by lot, using such method as it shall determine in its sole discretion except that the Trustee shall not select any Remarketed Bond for tender which would result in any remaining Remarketed Bond not being in an authorized denomination as provided in the Indenture.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Remarketed Bonds. The Remarketed 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 Remarketed Bond Certificate will be issued for all Remarketed Bonds, totaling in the aggregate the principal amount of such Remarketed Bonds, and will be deposited with DTC. See APPENDIX E – "BOOK-ENTRY ONLY SYSTEM" to the Agency Official Statement attached hereto as APPENDIX B, for a discussion of DTC and the book-entry only system. So long as Cede & Co. is the registered owner of the Remarketed Bonds, as nominee for DTC, references herein to Holders or registered owners of the Remarketed 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 Agency Official Statement) of the Remarketed Bonds.

TAX MATTERS

On the date of original issuance of the 2023 Bonds, Orrick, Herrington & Sutcliffe LLP ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, delivered its opinion (the "Original Opinion") to the effect that interest on the 2023 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), except that no opinion was expressed as to the status of interest on any 2023 Bond for any period that such 2023 Bond is held by a "substantial user" of the facilities financed or refinanced by the 2023 Bonds or by a "related person" within the meaning of Section 147(a) of the Code. The Original Opinion observed that interest on the 2023 Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. The Original Opinion observed that, for tax years beginning after December 31, 2022, interest on the 2023 Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. The Original Opinion stated that interest on the 2023 Bonds is exempt from State of California personal income taxes. Bond Counsel expressed no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the 2023 Bonds. A complete copy of the opinion of Bond Counsel relating to the 2023 Bonds is set forth in Appendix A hereto.

In connection with the remarketing of the Remarketed Bonds, Bond Counsel is not rendering any opinion as to whether interest on the 2023 Bonds is excludable from gross income for federal income tax purposes or as to any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the 2023 Bonds. However, in connection with the remarketing of the Remarketed Bonds, Bond Counsel will provide an opinion that changing to a subsequent Term Rate Period is consistent with the provisions of the First Supplemental Indenture and will not, in and of itself, adversely affect any exclusion of interest on the Remarketed Bonds from gross income for federal income tax purposes.

2023 Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

As described in the Official Statement relating to the original issuance of the 2023 Bonds, the Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the 2023 Bonds. The Agency has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the 2023 Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the 2023 Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the 2023 Bonds. The Original Opinion assumed the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the 2023 Bonds may adversely affect the value of, or the tax status of interest on, the 2023 Bonds. Accordingly, the Original Opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel rendered its opinion that interest on the 2023 Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the 2023 Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expressed no opinion regarding any such other tax consequences.

Current and future federal or state legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the 2023 Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the 2023 Bonds. Prospective purchasers of the 2023 Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The Original Opinion was based on then current legal authority, covered certain matters not directly addressed by such authorities, and represented Bond Counsel's judgment as to the proper treatment of the 2023 Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel could not give and has not given any opinion or assurance about the future activities of the Agency or the borrowers of the 2023 Series A-2 Borrower Loans (the "2023 Borrowers"), or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Agency and the 2023 Borrowers have covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the 2023 Bonds ended with the mandatory tender and remarketing of the Remarketed Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Agency, the 2023 Borrowers or the Beneficial Owners regarding the tax-exempt status of the 2023 Bonds in the event of an audit examination by the IRS. Under current procedures, Beneficial Owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Agency legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the 2023 Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar

tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the Agency or the Beneficial Owners to incur significant expense.

Payments on the 2023 Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate Beneficial Owner of 2023 Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the 2023 Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a Beneficial Owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain Beneficial Owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

CERTAIN LEGAL MATTERS

The original legal opinion of Bond Counsel delivered upon initial issuance of the Remarketed Bonds undertakes no responsibility for the accuracy, completeness or fairness of this Remarketing Circular or other offering material relating to the Remarketed Bonds and expresses therein no opinion with respect thereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Remarketing Circular or other offering material relating to the Remarketed Bonds and expresses no opinion with respect thereto.

Certain legal matters incident to the remarketing of the Remarketed Bonds will be approved by Orrick, Herrington & Sutcliffe LLP, San Francisco, California, 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 Remarketing Agent by its counsel Kutak Rock LLP. Certain legal matters will be passed upon for the Agency by Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Disclosure Counsel to the Agency.

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 tender, remarketing, sale, execution or delivery of the Remarketed Bonds, or in any way contesting or affecting the validity of the Remarketed Bonds, the Indenture, the Disclosure Agreement, any investment agreement related to the Remarketed Bonds or any proceedings of the Agency with respect to the mandatory tender, remarketing or sale of the Remarketed Bonds, or the pledge, collection or application of any monies or security for the Remarketed Bonds or the existence of the Agency.

LEGALITY FOR INVESTMENT

Under the Act, the Remarketed Bonds are legal investments for all public officers and public bodies of the State of California or its political subdivisions, all municipalities and municipal subdivisions, all insurance companies or banks, savings and loan associations, building and loan associations, trust companies, savings banks, savings associations and investment companies, and administrators, guardians, conservators, executors, trustees and other fiduciaries, and may be used as security for public deposits.

REMARKETING

The Remarketed Bonds are expected to be subject to mandatory tender by the owners thereof for purchase on the Reoffering Date at a purchase price equal to par plus accrued interest. Raymond James & Associates, Inc., as remarketing agent, has agreed, subject to certain conditions, to purchase the Remarketed Bonds at an aggregate

purchase price of par to remarket such Remarketed Bonds at par. Such Remarketing Agent will receive a remarketing agent's fee in the amount of $_____, which includes expenses for such remarketing of the Remarketed Bonds.

The Remarketing Agent and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities and mortgage loan servicing. The Remarketing Agent and its affiliates have, from time to time, performed, and may in the future perform, various financial services and investment banking services for the Agency, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Remarketing Agent and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Agency.

The Remarketing Agent and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

RATINGS

Moody's Investors Service, Inc. and S&P Global Ratings have assigned the 2023 Bonds a rating of "Aa2" and "AA", respectively. Such ratings reflects only the respective views of such rating agencies, and an explanation of the significance of such ratings may be obtained from the rating agency furnishing the same. 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 such rating agency furnishing the same if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or either of them, may have an adverse effect on the market price of the 2023 Bonds.

CONTINUING DISCLOSURE

In order to assist the original underwriters and the Remarketing Agent in complying with the provisions of paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the Agency and the Trustee will enter into a Continuing Disclosure Agreement for the benefit of the holders of the Remarketed Bonds (the "Disclosure Agreement") to provide certain financial information and operating data relating to the Agency (the "Annual Financial Information") by not later than March 31st following the Agency's most recent Fiscal Year, and to provide notices of the occurrence of certain enumerated events ("Notice Events") in a timely manner not in excess of ten (10) business days after the occurrence of such Notice Event. The Disclosure Agreement requires that the Annual Financial Information and the notices of the occurrence of Notice Events be filed by the Agency with the Municipal Securities Rulemaking Board through EMMA. The specific nature of the information to be contained in the Annual Financial Information and the notices of Notice Events is included in APPENDIX C – "FORM OF CONTINUING DISCLOSURE AGREEMENT." The Agency and the Trustee previously entered into a Continuing Disclosure Agreement, dated August 1, 2023 with respect to the 2023 Bonds (the "Original Disclosure Agreement"). The Disclosure Agreement will replace and supersede the Original Disclosure Agreement.

MISCELLANEOUS

The agreements of the Agency with the owners of the Remarketed Bonds are fully set forth in the Indenture, and this Remarketing Circular is not to be construed as a contract with the purchasers of the Remarketed Bonds. Any statements made in this Remarketing Circular involving matters of opinion, whether or not expressly so stated, are intended merely as such and not as representations of fact.

The execution and delivery of this Remarketing Circular have been duly authorized by the Agency.

CALIFORNIA HOUSING FINANCE AGENCY

By: _____
Director of Financing

Dated: July __, 2026

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APPENDIX A

ORIGINAL LEGAL OPINION

Upon the original issuance and delivery of the 2023 Series A-2 Bonds, Bond Counsel issued the approving opinion on the following pages:

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Orrick, Herrington & Sutcliffe LLP
The Orrick Building
405 Howard Street
San Francisco, CA 94105-2669
+1 415 773 5700
orrick.com

August 24, 2023

California Housing Finance Agency
Sacramento, California

California Housing Finance Agency
Affordable Housing Revenue Bonds,
2023 Series A-1 and 2023 Series A-2
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the California Housing Finance Agency (the "Agency") in connection with the issuance of $54,940,000 aggregate principal amount of California Housing Finance Agency Affordable Housing Revenue Bonds, 2023 Series A-1 (the "2023 Series A-1 Bonds") and $30,000,000 aggregate principal amount of California Housing Finance Agency Affordable Housing Revenue Bonds, 2023 Series A-2 (the "2023 Series A-2 Bonds" and, collectively with the 2023 Series A-1 Bonds, the "Bonds"), issued pursuant to an indenture, dated as of August 1, 2023, between the Agency and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as supplemented by a supplemental indenture, dated as of August 1, 2023, between the Agency and the Trustee (collectively, the "Indenture"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

In such connection, we have reviewed the Indenture, the tax certificate executed by the Agency, dated the date hereof (the "Tax Certificate"), the regulatory agreements executed by the Borrowers of the Borrower Loans financed with the proceeds of the Bonds (collectively, the "Regulatory Agreements"), opinions of counsel to the Agency and the Trustee, certificates of the Agency, the Trustee and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after original delivery of the Bonds on the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after original delivery of the Bonds on the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. We disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures provided to us and the due and legal execution and delivery thereof by, and validity against, any parties other than the Agency. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in

the opinions, referred to in the second paragraphs hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture, the Tax Certificate and the Regulatory Agreements, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Indenture and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute or to have the effect of a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the assets described in or as subject to the lien of the Indenture or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no opinion or view with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute the valid and binding limited obligations of the Agency.

2. The Indenture has been duly authorized, executed and delivered by, and constitutes the 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 Trust Estate, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture.

3. The Bonds are not a lien or charge upon the funds or property of the Agency except to the extent of the aforementioned pledge. Neither the faith and credit nor the taxing power of the State of California or of any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. The Bonds are not a debt of the State of California, and said State is not liable for the payment thereof.

4. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), except that no opinion is expressed as to the status of interest on any Bond for any period that such Bond is held by a "substantial user" of the facilities financed or refinanced by the Bonds or by a "related person" within the meaning of Section 147(a) of the Code. Interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that,

for tax years beginning after December 31, 2022, interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Interest on the Bonds is exempt from State of California personal income taxes. We express no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

Very truly yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per [redacted]

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APPENDIX B

AGENCY OFFICIAL STATEMENT

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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 any 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.

PRELIMINARY OFFICIAL STATEMENT DATED JUNE 25, 2026

NEW ISSUE—BOOK-ENTRY ONLY

Moody's/S&P: "Aa2"/"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.

$157,030,000*
CALIFORNIA HOUSING FINANCE AGENCY
Affordable Housing Revenue Bonds,
2026 Series A (Non-AMT) (Sustainability Bonds)

Dated: Date of delivery **Due: as shown on the inside cover page**

Purpose	The Agency will use the proceeds of the Affordable Housing Revenue Bonds, 2026 Series A (the "Offered Bonds") to refinance the Agency's previous financing of six (6) permanent mortgage loans (the "2026 Series A Borrower Loans") for six (6) multifamily rental housing developments (collectively, the "2026 Series A Projects"). See "PLAN OF FINANCING."
Offered Bonds as Sustainability Bonds	The Offered Bonds are designated as "Sustainability Bonds." See "DESIGNATION OF THE Offered Bonds AS SUSTAINABILITY BONDS."
Tax Exemption	In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Agency, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Offered Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), except that no opinion is expressed as to the status of interest on any Offered Bond for any period that such Offered Bond is held by a "substantial user" of the facilities financed or refinanced by the Offered Bonds or by a "related person" within the meaning of Section 147(a) of the Code. In the further opinion of Bond Counsel, interest on the Offered Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the Offered Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that interest on the Offered Bonds is exempt from State of California personal income taxes. 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."
Redemption of Offered Bonds	The Offered Bonds are subject to redemption prior to maturity as described herein. See "DESCRIPTION OF THE Offered Bonds."
Interest Payment Dates	Each February 1 and August 1, commencing February 1, 2027.*
Denominations	$5,000 or any integral multiple thereof.
Security	The Offered Bonds are limited obligations of the Agency and will be payable solely from and secured by the Revenues and assets pledged therefor pursuant to the Indenture, including, without limitation, certain payments to be made under or with respect to the 2026 Series A Borrower Loans. The Offered Bonds are the fifth series of Bonds issued under the Indenture and will be secured on a parity with and will be entitled to the same benefit and security as other Bonds (other than Subordinate Bonds) issued and to be issued in the future under the Indenture, except as described herein. **Neither the Agency, any of its members, the State of California, nor any political subdivision thereof (except the Agency, to the limited extent set forth in the 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 Offered Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever except as set forth in the Indenture, and none of the Offered 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. The Agency has no taxing power.**
Bond Counsel	Orrick, Herrington & Sutcliffe LLP.
Underwriters' Counsel	Kutak Rock LLP.
Disclosure Counsel	Orrick, Herrington & Sutcliffe LLP.
Trustee	U.S. Bank Trust Company, National Association.
Book-Entry System	The Depository Trust Company. See APPENDIX E – "Book-Entry Only System."
Delivery	The Offered Bonds are offered when, as and if issued and received by the Underwriters, subject to the approval as to their legality by Orrick, Herrington & Sutcliffe, LLP, Bond Counsel to the Issuer, and certain other conditions. The Offered Bonds are expected to be delivered on or about July __, 2026.

Raymond James
Academy Securities, Inc.
Siebert Williams Shank

BofA Securities
Fidelity Capital Markets
Wells Fargo Securities

Dated: June __, 2026

* Preliminary, subject to change.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES*

$157,030,000 2026 Series A Bonds (Sustainability Bonds)

$26,150,000 2026 Series A Fixed Rate Serial Bonds

Due	Amount	Interest Rate	Price	CUSIP No.†
Feb. 1, 2027	$625,000	%	%	
Aug. 1, 2027	900,000			
Feb. 1, 2028	955,000			
Aug. 1, 2028	925,000			
Feb. 1, 2029	985,000			
Aug. 1, 2029	955,000			
Feb. 1, 2030	1,015,000			
Aug. 1, 2030	985,000			
Feb. 1, 2031	1,045,000			
Aug. 1, 2031	1,020,000			
Feb. 1, 2032	1,080,000			
Aug. 1, 2032	1,055,000			
Feb. 1, 2033	1,115,000			
Aug. 1, 2033	1,095,000			
Feb. 1, 2034	1,155,000			
Aug. 1, 2034	1,135,000			
Feb. 1, 2035	1,200,000			
Aug. 1, 2035	1,180,000			
Feb. 1, 2036	1,245,000			
Aug. 1, 2036	1,225,000			
Feb. 1, 2037	1,295,000			
Aug. 1, 2037	1,280,000			
Feb. 1, 2038	1,345,000			
Aug. 1, 2038	1,335,000			

$8,785,000 ____% 2026 Series A Fixed Rate Term Bonds due August 1, 2041 —Price ____% CUSIP No.† _____

$54,750,000 ____% 2026 Series A Fixed Rate Term Bonds due August 1, 2043 —Price ____% CUSIP No.† _____

$6,460,000 ___% 2026 Series A Fixed Rate Term Bonds due August 1, 2046 —Price ____% CUSIP No.† _____

$13,185,000 ____% 2026 Series A Fixed Rate Term Bonds due August 1, 2051 —Price ____% CUSIP No.† _____

$47,700,000 ____% 2026 Series A Fixed Rate Term Bonds due February 1, 2056 —Price ____% CUSIP No.† _____

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* Preliminary, subject to change.

† CUSIP numbers have been assigned by an independent company not affiliated with the Agency and are included solely for the convenience of the owners of the Offered Bonds. The Agency is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Offered Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Offered Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity, tender and remarketing, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Offered Bonds.

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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 web site 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 web sites 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.

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OFFICIAL STATEMENT

$157,030,000*
CALIFORNIA HOUSING FINANCE AGENCY
Affordable Housing Revenue Bonds,
2026 Series A (Sustainability 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" or "CalHFA") in connection with the sale of $157,030,000* principal amount of its Affordable Housing Revenue Bonds, 2026 Series A (the "Offered Bonds").

The following is a description of certain information concerning the Agency, its Multifamily Programs (defined below), the Offered Bonds and all other bonds issued or to be issued under the 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 is 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 hereto.

Authorization of Issuance

The Offered Bonds will be issued under the provisions of an Indenture, dated as of August 1, 2023, as supplemented (the "General Indenture"), by and between the Agency and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as further supplemented by the Sixth Supplemental Indenture, dated as of July 1, 2026, by and between the Agency and the Trustee, relating to the Offered Bonds (the "2026 Series A Supplemental Indenture" and, together with the General Indenture, the "Indenture").

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 until July 1, 2026. As of July 1, 2026, the Agency shall exist within the California Housing and Homelessness Agency pursuant to the State of California Governor's Reorganization Plan, No. 1 ("GRP-1"), introduced on May 5, 2025 and effective as of July 5, 2025. See APPENDIX H — "THE AGENCY."

Use of Proceeds; Sustainability Bonds

The proceeds of the Offered Bonds will be used by the Agency to refinance six (6) fully-converted permanent mortgage loans (the "2026 Series A Borrower Loans") for six (6) multifamily rental housing developments in California (collectively, the "2026 Series A Projects"). Construction or rehabilitation, as applicable, of the 2026 Series A Projects was originally financed through the Agency's

* Preliminary, subject to change.

Conduit Issuer Program (defined below), and all such construction or rehabilitation work is complete. See "PLAN OF FINANCING" and APPENDIX F-1 – "SUSTAINABILITY BOND DESIGNATION AND SUMMARY OF SUSTAINABILITY PROJECTS – 2026 Series A Project Summaries." The Agency is issuing the Offered Bonds as part of one of its programs (the "Multifamily Programs"), pursuant to which 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. Any loan made, purchased or otherwise acquired with the proceeds of Bonds issued under the Indenture and specified as such in a Supplemental Indenture is a "Borrower Loan." A Borrower Loan may also be a participation by the Agency with another party or parties, public or private, in a loan made to a Borrower with respect to a Project, or an instrument evidencing an ownership interest in one or more such loans, and any replacement of any of said Borrower Loan as provided in the Indenture. See APPENDIX H – "THE AGENCY—MULTIFAMILY PROGRAMS."

The Agency's Multifamily Programs are described in detail in Appendix F-2 – "THE CALHFA IMPACT FRAMEWORK."

The Agency is issuing the Offered Bonds as Sustainability 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 in APPENDIX F-3 – "SECOND-PARTY OPINION." See APPENDIX F-2 – "CALHFA IMPACT FRAMEWORK."

Security for the Bonds

The Offered Bonds are special limited obligations of the Agency secured by the Trust Estate pledged to the Bonds under the Indenture. Payment of the principal or Redemption Price of and interest on the Offered Bonds will be secured by the Revenues and assets pledged to such payment including, without limitation, certain payments to be made under or with respect to the 2026 Series A Borrower Loans. The Offered Bonds are the fifth series of Bonds issued under the Indenture and 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) issued and to be issued thereunder. As of April 30, 2026, the aggregate principal balance of Bonds Outstanding under the Indenture is $470,400,000. On or about the date of issuance of the Offered Bonds the Agency intends to call for mandatory tender and remarket approximately $26,250,000* and redeem approximately $3,750,000* of its Affordable Housing Revenue Bonds, 2023 Series A-2 which are currently Outstanding under the Indenture. See "BONDS OUTSTANDING UNDER THE INDENTURE." Pursuant to the Indenture (except as otherwise expressly provided therein or in a Supplemental Indenture authorizing a series of bonds), all bonds issued thereunder, together with any Qualified Hedge Payments, are equally and ratably secured by the Revenues and assets pledged thereunder. All bonds issued or to be issued under the Indenture, including the Offered Bonds, are herein referred to as the "Bonds." See "SECURITY FOR THE BONDS."

The 2026 Series A Borrower Loans will be evidenced by Promissory Notes payable to the Agency. All of the 2026 Series A Borrower Loans will be secured by Supplemental Security in the form of FHA Risk-Sharing Insurance. See "PLAN OF FINANCING."

The Agency expects to issue additional Bonds to finance additional Borrower Loans in furtherance of the Multifamily Programs.

* Preliminary, subject to change.

The Agency has pledged to the lien of the Indenture certain permanent mortgage loans previously financed by the Agency with funds other than proceeds of Bonds issued under the Indenture. Such loans constitute part of the Trust Estate pledged to the Bonds under the Indenture and are held in the Special Reserve Fund. The Trustee may apply amounts received with respect to such mortgage loans to pay regularly scheduled debt service, and the redemption price in certain instances, on the Bonds to the extent certain other amounts under the Indenture are unavailable therefor. Such loans are pledged to the hereinafter defined Unrestricted Account or the Restricted Account of the Special Reserve Fund. Amounts derived from the Unrestricted Account of the Special Reserve Fund may be unconditionally released from the lien of the Indenture at any time at the option of the Agency, and accordingly no assurance can be given that the Trust Estate will include such loans and amounts at any given time. See "PLAN OF FINANCING – Special Reserve Fund" and "SECURITY FOR THE BONDS – Special Reserve Fund."

The Agency will also fund the Debt Service Reserve Account, from available monies of the Agency other than proceeds of the Offered Bonds, in an amount equal to the Debt Service Reserve Account Requirement for the Offered Bonds. See "PLAN OF FINANCING—Debt Service Reserve Account."

Under the Indenture, the Agency is authorized to issue Bonds to finance any of its corporate purposes for which bonds may be issued under the Act, or any other applicable law now or hereafter enacted, including but not limited to financing mortgage loans. Issuance of such additional Bonds under the Indenture requires delivery of a Cash Flow Statement.

If Borrower Loans are to be financed by any such additional Bonds and pledged to secure the Bonds, such Borrower Loans need not create a first mortgage lien on such Projects and such Borrower Loans or the Projects financed thereby may, but are not required to, be subject to Supplemental Security insuring or securing against Borrower Loan default losses.

The Indenture does not require that the Agency pledge its interests in the assets financed with the proceeds of additional Bonds, or the revenues derived therefrom, to secure the Bonds. Moreover, the Agency may withdraw from the pledge and lien of the Indenture Borrower Loans, including any 2026 Series A Borrower Loan, assets pledged to or deposited in any Restricted Sub-Account of the Special Reserve Fund, and surplus revenues upon, delivering a Cash Flow Statement or a Cash Flow Certificate, as more fully described under the subheading "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates." Special Reserve Assets held in the Unrestricted Account of the Special Reserve Fund may be released from the lien of the Indenture at any time at the option of the Agency upon filing a Certificate of an Authorized Officer with the Trustee.

The Bonds are limited obligations of the Agency, payable solely from the Trust Estate. Neither the Agency, any of its members, the State, nor any political subdivision thereof (except the Agency, to the limited extent set forth herein) 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 herein, 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. The Agency has no taxing power.

Descriptions of the Agency, the Offered Bonds and sources of payment therefor, the 2026 Series A Borrower Loans, the 2026 Series A Projects, the Multifamily Programs 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." Summaries of the Supplemental Security are qualified in their entirety by reference to any statutes, regulations or agreements mentioned in such summaries.

THE AGENCY AND THE MULTIFAMILY PROGRAMS

The Agency is a public instrumentality and a political subdivision of the State of California (the "State"), created pursuant to Parts 1 through 4 of Division 31 of the California Health and Safety Code (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 until July 1, 2026. As of July 1, 2026, the Agency shall exist within the California Housing and Homelessness Agency pursuant to GRP-1, introduced on May 5, 2025 and effective as of July 5, 2025. As of April 30, approximately $8,339,914,855 aggregate principal amount of bonds and notes of the Agency, including conduit bond issuances, were outstanding.

The Agency has sold and delivered obligations other than the Bonds Outstanding under the Indenture and the Offered Bonds, which other obligations are and will be secured by instruments separate and apart from the Indenture, the Bonds and the Offered Bonds. The holders of such obligations of the Agency have no claim on the security for the Offered Bonds, and the owners of the Offered Bonds will have no claim on the security for such other obligations issued by the Agency.

The Agency offers a variety of loan programs with competitive rates and long-term financing to advance the creation and preservation of affordable multifamily housing to help address the unprecedented shortage of affordable rental housing in the State. The Agency's Multifamily Programs provide permanent, long-term financing as well as financing for new construction or the acquisition, rehabilitation, and/or development of an existing project. The current programs are the Tax-Exempt Permanent Loan Program ("Tax-Exempt Loan Program") and the Conduit Issuer Program ("Conduit Issuer Program"), each of which provide long-term financing, and both of which may be paired with the Agency's Mixed-Income Loan Program ("MIP") where the Agency is the first-lien permanent lender.

Projects financed under these programs are required to set aside units for households with incomes at or below a specified percentage of area median income ("AMI"), with adjustments for household size. Certain projects financed by the Agency receive equity financing from non-governmental parties in connection with the allocation of federal or State low-income housing tax credits ("LIHTC") and subsidy financing under various federal, State, and local county and city subsidy and subordinate loan programs. These subsidy programs are described in APPENDIX G – "DESCRIPTION OF SUBSIDY PROGRAMS AND SUPPLEMENTAL SECURITY."

Tax-Exempt Permanent Loan Program. The Tax-Exempt Permanent Loan Program provides competitive tax-exempt, long-term financing for affordable multifamily rental housing projects. Occupancy requirements involve maintaining the greater of: (a) existing affordability restrictions; or (b) either: (i) at least 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of AMI or (ii) at least 40% of the units must be rent restricted and occupied by individuals whose income is 60% or less of AMI; provided, however, in the case of (b)(ii), a minimum of 10% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of AMI.

Conduit Issuer Program (Conduit). The Conduit Issuer Program provides developers with access to tax-exempt and taxable bonds to finance eligible projects that provide affordable multifamily rental housing for individuals, families, seniors, veterans or special needs tenants. The conduit bond proceeds may be used to finance the acquisition, rehabilitation, and/or development of an existing project, or the construction of a new project. Occupancy restrictions require either: (a) at least 20% of the units must be rent restricted to individuals earning 50% or less of AMI, or (b) at least 40% of the units must be rent restricted to individuals earning 60% or less of AMI; provided, however, in the case of (b), a minimum of 10% of the units must be rent restricted to individuals earning 50% or less of AMI.

Mixed-Income Loan Program (MIP). The MIP provides competitive, long-term, subordinate financing for new construction of multifamily housing projects that restrict units to rent levels between 30% and 120% of AMI. MIP affordability set-aside requirements vary from year-to-year. For 2025, eligible projects must reserve at least: (a) 10% of total units at or below 30% of AMI, (b) 20% of total units at or below 50% of AMI; (c) 10% of total units between 60% and 80% of AMI, with an average of 70% or greater of AMI; (d) 60% of total units up to 120% AMI, and (e) the minimum range between the lowest and highest targeted occupancy level is at least 40%. Affordability under the MIP may be deeper or greater than the requirements set forth in this paragraph. Multifamily housing projects financed by the MIP must comply with the affordability set-aside requirements in place at the time MIP financing was awarded to the project.

The Governor of the State of California introduced the GRP-1 on May 5, 2025, which became effective as of July 5, 2025 pursuant to California Government Code Section 12080.5. GRP-1 eliminates the Business, Consumer Services and Housing Agency ("BCSH"), and creates two new state agencies: The Business and Consumer Services Agency ("BCSA") and the California Housing and Homelessness Agency ("CHHA"). The reorganization of the agencies under GRP-1 is effective as of July 1, 2026. The CHHA will consist of the mainly housing focused agencies previously under BCSH: the Department of Housing and Community Development; the California Housing Finance Agency; the Civil Rights Department, as well as a newly independent Interagency Council on Homelessness and the new Housing Development and Finance Committee (the "HDF Committee"), which is intended to coordinate state housing finance for specified programs. The remainder of the departments under BCSH will be under the new BCSA.

Pursuant to the GRP-1, the Agency's 15% share of the Building Homes and Jobs Trust Fund, for the purpose of creating mixed income multifamily housing for low to moderate income households, will be subject to the administration by the proposed HDF Committee. This is the main source of financing for subordinate loans made by the Agency under the Agency's MIP subsidy program. The HDF Committee will be authorized to administer, or alternately, to enter into agreements with other governmental agencies, including for the administration of a housing or community development program of the HDF Committee by another governmental agency. The Agency cannot predict the impact, if any, of the GRP-1 on the availability of funding for the financing of new subordinate loans under the MIP subsidy program as may be allocated by the HDF Committee.

For more information about the Agency and its programs, see APPENDIX H – "THE AGENCY."

DESIGNATION OF THE OFFERED BONDS AS SUSTAINABILITY BONDS

General

The Agency's multifamily programs are discussed in detail in the California Housing Finance Agency's Impact Framework, which is attached hereto as APPENDIX F-2 —"CALHFA IMPACT

FRAMEWORK" (the "CalHFA Impact Framework") and speaks as of the date of the S&P Second-Party Opinion.

The Offered Bonds have been designated as Sustainability Bonds pursuant to the S&P Second-Party Opinion, in which S&P assesses the CalHFA Impact Framework and its alignment with the International Capital Market Association's Green Bond Principles, Social Bond Principles, and Sustainability Bonds Guidelines (the "ICMA Guidelines") and mapping to UNSDGs, each as described in the S&P Second-Party Opinion.

The term "Sustainability 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 counsel, has independently confirmed or verified the information below or assumed any obligation to ensure that the Offered Bonds or the 2026 Series A Borrower Loans financed with proceeds thereof align with the ICMA Guidelines, map or contribute to UNSDGs or comply with any legal or other standards or principles that may be related to Sustainability 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 "sustainability" or other equivalently labelled performance objectives.

Sustainability Bonds Designation

The International Capital Market Association (the "ICMA"), in its publication, *Sustainability Bond Guidelines,* June 2021, defines Sustainability Bonds as "any type of bond instrument where the proceeds will be exclusively applied to finance or re-finance, a combination of green and social projects and which are aligned with the four core components of the [Green Bond Principles] and/or the [Social Bond Principles]." In its publication, *Social Bond Principles,* June 2023, the ICMA 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 green and social projects" and that the CalHFA Impact Framework is aligned with each of the four core components of the Green Bonds Principles and/or the Social Bond Principles. The S&P Second-Party Opinion also finds that the CalHFA Impact 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 F-3 hereto.

Independent Second-Party Opinion on Sustainability Bond Designation and Disclaimer

The S&P Second-Party Opinion assesses the CalHFA Impact Framework and its alignment with Green Bonds Principles and 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.

The construction or rehabilitation, as applicable, of the 2026 Series A Projects was originally financed through the Agency's Conduit Issuer Program, and all such construction or rehabilitation work is complete. Therefore, the Agency does not expect to post any voluntary filings on the Electronic Municipal Market Access System ("EMMA") of the Municipal Securities Rulemaking Board ("MSRB") regarding the disbursement of the lendable proceeds of the Offered Bonds.

SOURCES AND USES*

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

SOURCES	
Proceeds of Bonds	$
Other Available Monies	
TOTAL SOURCES	$
USES	
Deposit to Bond Proceeds Account[1]	$
Deposit to Debt Service Reserve Account	
Cost of Issuance[2]	
TOTAL USES	$

[1] Proceeds of the Offered Bonds deposited to the Bond Proceeds Account are expected to be used by the Agency, together with approximately $_____ of funds of the Agency, to finance the 2026 Series A Borrower Loans. See "PLAN OF FINANCING."

[2] Includes compensation to the Underwriters of the Offered Bonds and will be paid with available moneys of the Agency and not with proceeds of the Offered Bonds. See "UNDERWRITING."

PLAN OF FINANCING

2026 Series A Borrower Loans

The proceeds of the Offered Bonds will be used by the Agency to refinance the 2026 Series A Borrower Loans for the 2026 Series A Projects described in the chart below. Construction or rehabilitation, as applicable, of the 2026 Series A Projects was originally financed through the Agency's Conduit Issuer Program (see, APPENDIX H – "THE AGENCY—MULTIFAMILY PROGRAMS"). All

* Preliminary, subject to change.

such construction or rehabilitation work is complete, and each of the 2026 Series A Borrower Loans is a fully-converted permanent mortgage loan.

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2026 Series A Borrower Loans
(As of July 22, 2026)

2026 Series A Project Name	City/ County	Units	Original Principal Amount	Outstanding Principal Amount	Loan Maturity Date	Loan Amortization Date	Loan Term/ Amortization Period	Gross Interest Rate	Earliest Loan Prepayment Date	Supplemental Security[(1)]	CalHFA Subsidy Program[(2)]	LIHTC
Sarah's Court Apartments	Fresno / Fresno County	120	$6,364,866.00	$6,345,835.32	12/1/2042	12/1/2065	17 years/ 40 years	6.65%	12/1/2035	FHA Risk-Sharing	MIP	Yes
California Grand Manor Apartments	Atascadero / San Luis Obispo County	76	$6,183,589.00	$6,166,663.80	1/1/2043	1/1/2066	17 years/ 40 years	6.40%	1/1/2036	FHA Risk-Sharing	MIP	Yes
Alamo Street Apartments	Simi Valley / Ventura County	271	$61,000,000.00	$60,685,070.54	1/1/2056	1/1/2066	30 years/ 40 years	5.15%	1/1/2036	FHA Risk-Sharing	MIP	Yes
Fiddyment Apartments	Roseville / Placer County	330	$38,566,525.00	$38,455,360.55	1/1/2056	1/1/2066	30 years/ 40 years	6.21%	1/1/2036	FHA Risk-Sharing	MIP	Yes
Shiloh Terrace	Windsor / Sonoma County	134	$33,500,000.00	$33,450,457.80	5/1/2043	5/1/2066	17 years/ 40 years	4.54%	5/1/2036	FHA Risk-Sharing	MIP	Yes
8181 Allison	La Mesa / San Diego County	147	$24,485,000.00	$24,450,928.40	4/1/2043	4/1/2066	17 years/ 40 years	6.31%	4/1/2036	FHA Risk-Sharing	MIP	Yes
Total/Weighted Average		**1,078**	**$170,099,980.00**	**$169,554,316.41**				**5.54%**				

(1) For a description of FHA Risk-Sharing Insurance, see APPENDIX G – "DESCRIPTION OF SUBSIDY PROGRAMS AND SUPPLEMENTAL SECURITY—Supplemental Security—FHA Risk-Sharing Insurance Program."

(2) For a description of the CalHFA Subsidy Programs, see "THE AGENCY AND THE MULTIFAMILY PROGRAMS" and APPENDIX H – "THE AGENCY—Multifamily Programs."

For additional information about the 2026 Series A Projects, see APPENDIX F-1 – "THE CALIFORNIA HOUSING FINANCE AGENCY'S SUSTAINABILITY BOND DESIGNATION AND SUMMARY OF THE 2026 SERIES A PROJECTS—2026 Series A Projects."

Each of the 2026 Series A Borrower Loans bears interest at a fixed rate and is partially amortizing, with a balloon payment due at either 17 years or 30 years, as set forth in the table above. Each of the 2026 Series A Borrower Loans is evidenced by a Promissory Note payable to the Agency and is secured by a deed of trust granting a first priority lien on the applicable 2026 Series A Project in favor of the Agency. The Agency will service the 2026 Series A Borrower Loans.

Additionally, each of the 2026 Series A Borrower Loans may be prepaid at par upon or after 15 years or with the payment of a yield maintenance fee between years 10 and 15. Any prepayment of a 2026 Series A Borrower Loan may be used to redeem Offered Bonds. See "DESCRIPTION OF THE OFFERED BONDS—Special Optional Redemption of Offered Bonds." Any yield maintenance fee received by the Agency in connection with a prepayment of a 2026 Series A Borrower Loan will be retained by the Agency and will not constitute part of the Trust Estate pledged to the Bonds under the Indenture.

Additional information regarding each 2026 Series A Borrower Loan is set forth in APPENDIX J – "BORROWER LOANS AND SPECIAL RESERVE ASSETS PLEDGED UNDER THE INDENTURE."

Special Reserve Fund

The Agency has pledged permanent mortgage loans to the Special Reserve Fund (the "Special Reserve Assets") to the lien of the Indenture, as described below. Such Special Reserve Assets were previously financed by the Agency with funds other than proceeds of Bonds issued under the Indenture. No additional Special Reserve Assets will be pledged in connection with the issuance of the Offered Bonds or refinanced with proceeds of the Offered Bonds. The Special Reserve Assets constitute part of the Trust Estate pledged to the Bonds under the Indenture.

Restricted Sub-Accounts of the Special Reserve Fund

On or before each Interest Payment Date, after (i) paying from the Revenue Account principal and interest due on any Bonds, including the Offered Bonds, and Qualified Hedge Payments, if any, due on such date, and (ii) applying amounts in the Redemption Account to the purchase or redemption of Bonds which are to be paid or redeemed from such amounts on such date, the Trustee will apply amounts in the Restricted Sub-Account(s) of the Special Reserve Fund for the applicable series of Bonds to accomplish the purposes set forth in (i) and (ii) above, respectively, for the purposes described in clauses (i) and (ii) above, to the extent amounts on deposit in the Revenue Account or the Redemption Account, respectively, are insufficient; provided, however, that amounts in the Special Reserve Fund (except for amounts in the 2026 Series A Surplus Restricted Sub-Account) may not be applied to accomplish the purposes set forth in (ii) above with respect to the Offered Bonds prior to February 1, 2034* if any such purchase or redemption of the Offered Bonds is at the option of the Agency. See APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Special Reserve Fund."

Each of the mortgage loans pledged to a Restricted Sub-Account of the Special Reserve Fund may be prepaid at par at any time, subject to the consent of the Agency and the payment of a prepayment penalty. In connection with any such prepayment, the Agency shall either (i) replace any such prepaying

* Preliminary, subject to change.

mortgage loan with a substitute mortgage loan, pledge additional assets to the applicable Restricted Sub-Account of the Special Reserve Fund and/or transfer amounts (if any) from the Unrestricted Account of the Special Reserve Fund to the applicable Restricted Sub-Account of the Special Reserve Fund in an aggregate outstanding principal amount at least equal to the outstanding principal amount of such prepaying mortgage loan, or (ii) deliver to the Trustee a Cash Flow Statement. Any such prepayment may not be applied to redeem Offered Bonds.

Mortgage loans pledged to a Restricted Sub-Account of the Special Reserve Fund may be released from the lien of the Indenture upon the Agency's filing of a Cash Flow Statement with the Trustee. The Agency may also, upon the Agency's filing of a Cash Flow Statement with the Trustee, substitute other mortgage loans and pledge such other mortgage loans to secure the Bonds in connection with any such release. For a description of restricted assets under the program pledged prior to the date hereof, see APPENDIX J – "BORROWER LOANS AND SPECIAL RESERVE ASSETS PLEDGED UNDER THE INDENTURE – RESTRICTED ASSETS."

Unrestricted Account of the Special Reserve Fund

Seventy-one mortgage loans constituting Special Reserve Assets, in the aggregate outstanding principal amount of $111,806,603 as of April 30, 2026, have been pledged to the Unrestricted Account of the Special Reserve Fund. The Special Reserve Assets in the Unrestricted Account of the Special Reserve Fund have a Weighted Average Coupon of 5.48% and a Weighted Average Maturity of 14.7 Years. 15% of the Special Reserve Assets in the Unrestricted Account are secured by Supplemental Security in the form of FHA Risk Sharing Insurance and 85% have received allocation of LIHTC.

On or before each Interest Payment Date, after (i) paying from the Revenue Account principal and interest due on any Bonds, including the Offered Bonds, and Qualified Hedge Payments, if any, due on such date, (ii) applying amounts in the Redemption Account to the purchase or redemption of Bonds which are to be paid or redeemed from such amounts on such date, and (iii) applying amounts in the Restricted Sub-Accounts of the Special Reserve Fund as described above in the second paragraph under "Restricted Sub-Accounts of the Special Reserve Fund" the Trustee will apply amounts, if any, in the Unrestricted Account of the Special Reserve Fund to accomplish the purposes set forth in (i), (ii) and (iii) above, respectively, for the purposes described in clauses (i), (ii) and (iii) above, to the extent amounts on deposit in the Revenue Account, the Redemption Account or the Restricted Sub-Accounts of the Special Reserve Fund, respectively, are insufficient. See APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Special Reserve Fund."

The Agency is not required to maintain any Special Reserve Assets in the Unrestricted Account, and Special Reserve Assets in the Unrestricted Account may be released from the lien of the Indenture at any time at the option of the Agency upon filing a Certificate of an Authorized Officer with the Trustee. In addition, a mortgage loan constituting an Unrestricted Asset may prepay at any time, and the Agency may choose not to replace such Special Reserve Asset upon any such release or prepayment. No Offered Bonds are required to be redeemed in connection with any release of Special Reserve Assets from the Unrestricted Account and no Offered Bonds may be redeemed as a result of a prepayment of a mortgage loan constituting an Unrestricted Asset. ***Accordingly, no assurance can be given that the Trust Estate will include any amounts on deposit in the Special Reserve Fund other than amounts on deposit in the Restricted Sub-Accounts.***

Debt Service Reserve Account

Pursuant to the Indenture, the Debt Service Reserve Requirement with respect to the Bonds issued prior to the date hereof is $4,787,433. As of April 30, $7,192,342.19 is on deposit in the Debt Service Reserve Account.

Under the terms of the 2026 Series A Supplemental Indenture, the Debt Service Reserve Account Requirement with respect to the Offered Bonds shall equal, as of any date of calculation, an amount equal to $1,793,626*. The Agency will fund the Debt Service Reserve Sub-Account for the Offered Bonds in an amount equal to the Debt Service Reserve Account Requirement for the Offered Bonds with funds or Investment Securities of the Agency other than proceeds of the Offered Bonds.

For further information on the Debt Service Reserve Account and the Debt Service Reserve Account Requirement for the Bonds, see APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Debt Service Reserve Account."

DESCRIPTION OF THE OFFERED BONDS

General

The Offered Bonds will bear interest at fixed rates to maturity. The Offered Bonds will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. U.S. Bank Trust Company, National Association, is the Trustee for the Bonds, including the Offered Bonds.

The Offered Bonds will be dated the date of delivery thereof and will be issued as fully registered bonds in denominations of $5,000 or in denominations of any whole multiple thereof. Interest on the Offered Bonds will accrue from their dated date and be payable on February 1 and August 1, commencing February 1, 2027*, at the rates per annum set forth on the inside cover page of this Official Statement. Interest on the Offered Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

The Offered Bonds are subject to redemption prior to maturity, as described below.

Optional Redemption of Offered Bonds*

The Offered Bonds shall be subject to optional redemption, in whole or in part, from any available moneys of the Agency, on any date on and after February 1, 2034 at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the date of redemption.

Special Optional Redemption of Offered Bonds*

The Offered Bonds are subject to redemption, at the option of the Agency, in whole or in part, on any date, in each case at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Offered Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date, from amounts representing monies received by the Agency with respect to a Project financed or refinanced by a 2026 Series A Borrower Loan from (i) proceedings taken by the Agency in the event of the default by the Borrower under such 2026 Series A Borrower Loan, including the sale, assignment or other disposition of such 2026 Series A Borrower Loan or the related Project, and including the proceeds of any mortgage insurance or credit enhancement with respect to a 2026 Series A Borrower Loan that, in

* Preliminary, subject to change.

the sole judgment of the Agency, is in default, (ii) the condemnation of a Project financed or refinanced by a 2026 Series A Borrower Loan or any part thereof or from hazard insurance proceeds payable with respect to the damage or destruction of a Project financed or refinanced by a 2026 Series A Borrower Loan and that are not applied to the repair or reconstruction of such Project, and (iii) any prepayment of such 2026 Series A Borrower Loan by the Borrower thereof.

The Offered Bonds are also subject to redemption, at the option of the Agency, in whole or in part, on any date at a redemption price equal to one hundred percent (100%) of the principal amount of the Offered Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date, from moneys in accounts held under the Indenture not otherwise required to be retained in such accounts, excluding the Unrestricted Account of the Special Reserve Fund.

Sinking Fund Redemption of Offered Bonds*

The Offered Bonds maturing on August 1, 2041 are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on February 1 and August 1 of each year the principal amount of such Offered Bonds specified for each of the Redemption Dates shown below:

OFFERED BONDS
MATURING ON AUGUST 1, 2041

Redemption Date	Principal Amount	Redemption Date	Principal Amount
Feb. 1, 2039	$1,405,000	Aug. 1, 2040	$1,460,000
Aug. 1, 2039	1,395,000	Feb. 1, 2041	1,535,000
Feb. 1, 2040	1,465,000	Aug. 1, 2041†	1,525,000

† Stated maturity

The Offered Bonds maturing on August 1, 2043 are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on February 1 and August 1 of each year the principal amount of such Offered Bonds specified for each of the Redemption Dates shown below:

OFFERED BONDS
MATURING ON AUGUST 1, 2043

Redemption Date	Principal Amount	Redemption Date	Principal Amount
Feb. 1, 2042	$1,605,000	Feb. 1, 2043	$10,720,000
Aug. 1, 2042	1,600,000	Aug. 1, 2043†	40,825,000

† Stated maturity

The Offered Bonds maturing on August 1, 2046 are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts

* Preliminary, subject to change.

sufficient to redeem on February 1 and August 1 of each year the principal amount of such Offered Bonds specified for each of the Redemption Dates shown below:

OFFERED BONDS
MATURING ON AUGUST 1, 2046

Redemption Date	Principal Amount	Redemption Date	Principal Amount
Feb. 1, 2044	$1,020,000	Aug. 1, 2045	$1,080,000
Aug. 1, 2044	1,030,000	Feb. 1, 2046	1,125,000
Feb. 1, 2045	1,070,000	Aug. 1, 2046†	1,135,000

† Stated maturity

The Offered Bonds maturing on August 1, 2051 are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on February 1 and August 1 of each year the principal amount of such Offered Bonds specified for each of the Redemption Dates shown below:

OFFERED BONDS
MATURING ON AUGUST 1, 2051

Redemption Date	Principal Amount	Redemption Date	Principal Amount
Feb. 1, 2047	$1,180,000	Aug. 1, 2049	$1,325,000
Aug. 1, 2047	1,195,000	Feb. 1, 2050	1,375,000
Feb. 1, 2048	1,240,000	Aug. 1, 2050	1,395,000
Aug. 1, 2048	1,260,000	Feb. 1, 2051	1,445,000
Feb. 1, 2049	1,305,000	Aug. 1, 2051†	1,465,000

† Stated maturity

The Offered Bonds maturing on February 1, 2056 are subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption thereof, from mandatory Sinking Fund Payments which are required to be made in amounts sufficient to redeem on February 1 and August 1 of each year the principal amount of such Offered Bonds specified for each of the Redemption Dates shown below:

OFFERED BONDS
MATURING ON FEBRUARY 1, 2056

Redemption Date	Principal Amount	Redemption Date	Principal Amount
Feb. 1, 2052	$1,520,000	Aug. 1, 2054	$1,710,000
Aug. 1, 2052	1,540,000	Feb. 1, 2055	1,770,000
Feb. 1, 2053	1,600,000	Aug. 1, 2055	1,800,000
Aug. 1, 2053	1,625,000	Feb. 1, 2056†	34,455,000
Feb. 1, 2054	1,680,000		

† Stated maturity

The amounts accumulated for each Sinking Fund Payment may be applied by the Trustee, at the direction of the Agency, prior to the forty-fifth (45th) day preceding the due date of such Sinking Fund Payment, to the purchase of the Offered Bonds to be redeemed from such Sinking Fund Payments, at

prices (including any brokerage and other charges) not exceeding the applicable Redemption Price, plus accrued interest to the date of purchase; provided, however, that the purchase of such Offered Bonds may, to the extent permitted by law, be at prices exceeding the applicable Redemption Price if the Agency files a Cash Flow Statement with the Trustee as provided in the Indenture.

Upon the purchase or redemption of any Offered Bonds of a maturity for which Sinking Fund Payments shall have been established, other than by application of Sinking Fund Payments, (i) in the case of a purchase or redemption other than from Recoveries of Principal, an amount equal to the principal amount of the Offered Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Payment thereafter to become due with respect to the Offered Bonds of such maturity and the amount of any excess of the amounts so credited over the amount of such Sinking Fund Payment shall be credited by the Trustee against future Sinking Fund Payments in direct chronological order, unless otherwise instructed in writing by an Authorized Officer at the time of such purchase or redemption, and (ii) in the case of a purchase or redemption from Recoveries of Principal or surplus redemptions, an amount equal to the principal amount of the Offered Bonds so purchased or redeemed shall be credited toward the Sinking Fund Payments for the Offered Bonds of such maturity on a reasonably proportionate basis among such Sinking Fund Payments based upon the principal amount of such Sinking Fund Payments, unless specifically directed otherwise by written instructions of an Authorized Officer accompanied by a Cash Flow Statement.]

Provisions with Respect to Redemption of Offered Bonds

(i) Selection of Offered Bonds to be Redeemed

Subject to the redemption requirements set forth in the 2026 Series A Supplemental Indenture, in the event of a redemption of Offered Bonds as described under "—Special Optional Redemption of Offered Bonds" above, the maturity or maturities, CUSIP Numbers and the amount thereof to be so redeemed shall be selected as directed by the Agency in written instructions filed with the Trustee accompanied by a Cash Flow Statement. In the absence of such direction, (i) Offered Bonds subject to redemption shall be redeemed in connection with Recoveries of Principal derived from or with respect to the 2026 Series A Borrower Loans and (ii) Offered Bonds of each maturity subject to redemption shall be redeemed in the proportion that the amount Outstanding of each such maturity bears to the total amount of all Outstanding Offered Bonds. The maturities of Offered Bonds to be redeemed at the option of the Agency as described under "—Optional Redemption of Offered Bonds" above shall be selected as directed by the Agency. In the event of a redemption of less than all of the Offered Bonds of the same maturity and CUSIP Number, the Trustee shall select the Offered Bonds to be redeemed by lot, using such method of selection as it shall deem proper in its sole discretion. Notwithstanding anything to the contrary contained in the Indenture or the 2026 Series A Supplemental Indenture, no Offered Bond shall be selected for redemption if the portion of such Offered Bond remaining after such redemption would not be in a denomination authorized by the Indenture or the 2026 Series A Supplemental Indenture.

(ii) Agency's Right to Purchase Offered Bonds

The Agency retains the right to purchase any Offered Bonds, at such times, in such amounts and at such prices as the Agency shall determine, subject to the provisions of the Indenture, and apply the same as credits against its obligations, including Sinking Fund Payments, if any, for such Offered Bonds. See "SECURITY FOR THE BONDS—Cash Flow Statements and Cash Flow Certificates."

(iii) Notice of Redemption

When the Trustee receives notice from the Agency of its election or direction to redeem Offered Bonds, or is otherwise required to redeem Offered Bonds, the Trustee will give notice, in the name of the Agency, of the redemption of such Offered Bonds or portions thereof. Such notice will specify the maturities of the Offered Bonds to be redeemed, the Redemption Date, any conditions precedent to such redemption and the place or places where amounts due upon such redemption will be payable. Not less than twenty (20) days before the Redemption Date for the Offered Bonds, the Trustee is to mail a copy of such notice to the registered owners of any Offered Bonds or portions thereof which are to be redeemed, at their last addresses appearing upon the registry books. Interest will not be payable on any Offered Bonds or portions thereof after the Redemption Date if notice has been given and if sufficient monies have been deposited with the Trustee to pay the principal or applicable Redemption Price of and interest on such Offered Bonds on such date and all conditions precedent, if any, to such redemption shall have been satisfied.

Book-Entry Only System

The Depository Trust Company ("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 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

General

The Bonds are special limited obligations of the Agency secured by the Trust Estate pledged to the Bonds under the Indenture, which consists of: (i) all of the right, title and interest of the Agency in, to and under the Borrower Loans (including the 2026 Series A Borrower Loans) financed or refinanced pursuant to the Indenture and the Special Reserve Assets; (ii) all of the Revenues (as defined below); (iii) all proceeds of the sale of the Bonds; (iv) all Accounts held under the Indenture (other than the Rebate Fund), and the assets, moneys and securities therein; and (v) all property which is by the express provisions of the Indenture required to be subject to the lien thereof; and any additional property that may, from time to time, by delivery or by writing of any kind, be subjected to the lien thereof, by the Agency or by anyone on its behalf, including the 2026 Series A Restricted Assets. The Indenture authorizes the issuance of Bonds having a charge and lien on the Revenues and other assets pledged under the Indenture subordinate to the charge and lien of the Bonds (the "Subordinate Bonds"). Prior to the issuance of any Bonds, the Indenture requires that the Trustee be provided with a Cash Flow Statement. See "— Additional Bonds" below.

The "Revenues" consist of, among other things, unless otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, all payments received by the Agency from or on account of the Borrower Loans and Special Reserve Assets, including scheduled, delinquent and advance payments of principal of and interest on such Borrower Loans and Special Reserve Assets, proceeds from the sale,

assignment, endorsement or other disposition of such Borrower Loans and Special Reserve Assets, amounts received on account of the acceleration of payments due under such Borrower Loans and Special Reserve Assets or other remedial proceedings taken in the event of a default thereon, proceeds of any mortgage insurance or credit enhancement with respect to such defaulted Borrower Loans and Special Reserve Assets, proceeds of any hazard insurance or condemnation award, Hedge Receipts, Termination Receipts, and income derived from the investment of funds held by the Trustee in Accounts established under or pursuant to the Indenture. Revenues do not, however, include amounts required to be deposited in the Rebate Fund, Escrow Payments, late charges or administrative, credit enhancement, financing, extension, servicing or settlement fees on account of any Borrower Loan or Special Reserve Asset. Payment of the Bonds and Qualified Hedge Payments, if any, is also secured by a pledge by the Agency of its right, title and interest in and to the Borrower Loans and Special Reserve Assets and, except as otherwise provided in any Supplemental Indenture authorizing a particular Series of Bonds, of all Accounts established pursuant to the Indenture (including the investments thereof, if any). Pursuant to the Indenture, all Revenues are required to be deposited promptly with the Trustee in the Revenue Account; provided, however, that any amounts constituting Revenues derived from or with respect to any Special Reserve Asset held, or any other amounts and the earnings on such amounts on deposit, in the Unrestricted Account of the Special Reserve Fund and any subaccounts therein will be retained therein and will not be deposited in the Revenue Account. Under the Indenture, the Agency is not required to subject to the pledge and lien of the Indenture assets, including mortgage loans, financed by Bonds issued thereunder. See APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

The foregoing pledges are also subject to the terms and provisions of the Indenture requiring transfers of amounts to the Rebate Fund and permitting the application of the Revenues and amounts in such Accounts for certain purposes, including financing Borrower Loans, funding the Debt Service Reserve Account in order to maintain such Account at its required level, paying certain amounts to the Trustee, the Agency and Credit Facility Providers, if any, paying certain investment fees, if any, and paying Subordinate Obligations, if any. The Agency is also authorized under the Indenture to withdraw surplus revenues, Borrower Loans and assets pledged to or deposited in any Restricted Sub-Account of the Special Reserve Fund, free and clear of the pledge and lien of the Indenture, upon filing a Cash Flow Statement or (with respect to surplus revenues) a Cash Flow Certificate with the Trustee; provided, however, that the Agency may withdraw assets pledged to or deposited in the Unrestricted Account of the Special Reserve Fund, free and clear of the pledge and lien of the Indenture, upon request by the Agency. See "—Cash Flow Statements and Cash Flow Certificates" below and APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Revenue Account."

Special Reserve Fund

Pursuant to the Indenture, the Agency has established a Special Reserve Fund and the Unrestricted Account as a sub-account in the Special Reserve Fund. The Agency previously established certain Restricted Sub-Accounts existing prior to the issuance of the Offered Bonds in the Special Reserve Fund and has pledged Restricted Assets to certain of the Restricted Sub-Accounts in connection with the issuance of the applicable Series of Bonds, all as set forth in Appendix J to this Official Statement. Additionally, the Agency has pledged Special Reserve Assets to the Unrestricted Account to pay debt service on the Bonds to the extent amounts on deposit in the Revenue Account and the Redemption Account and, with respect to the applicable Series of Bonds, the related Restricted Sub-Account of the Special Reserve Fund, are insufficient for such purpose. For further information on the Special Reserve Fund, see "PLAN OF FINANCING—Special Reserve Fund" and APPENDIX J – "BORROWER LOANS AND SPECIAL RESERVE ASSETS PLEDGED UNDER THE INDENTURE."

Debt Service Reserve Account

The Agency will fund the Debt Service Reserve Sub-Account for the Offered Bonds in an amount equal to the Debt Service Reserve Account Requirement for the Offered Bonds with funds or Investment Securities other than the proceeds of the Offered Bonds. For further information on the Debt Service Reserve Account and the Debt Service Reserve Account Requirement for the Bonds, see "PLAN OF FINANCING—Debt Service Reserve Account" herein and APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Debt Service Reserve Account." As of April 30, the Debt Service Reserve Account had a balance of $7,192,342.19. The aggregate Debt Service Reserve Account Requirement for all of the Bonds Outstanding under the Indenture was met as of such date. Monies held in the Debt Service Reserve Account are invested in Investment Securities. For information regarding the investment of amounts on deposit in the Debt Service Reserve Account, see "Certain Investments" below.

Limited Obligations

The Bonds are limited obligations of the Agency, payable solely from the funds and moneys pledged and assigned under the Indenture. Neither the Agency nor the State of California, or any political subdivision thereof (except the Agency, to the limited extent set forth in the Indenture) shall in any event be liable for the payment of the principal 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 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. The Agency has no taxing power.

Borrower Loans

Under the Indenture, the Agency is authorized to issue Bonds to finance any of its corporate purposes for which the Agency may issue bonds under the Act, or any other applicable law now or hereafter enacted. Such corporate purposes include, but are not limited to, financing one or more Borrower Loans. The term Borrower Loan is defined under the Indenture as a loan made, purchased or otherwise acquired, evidenced by a promissory note, for a Project, including for the construction or acquisition and rehabilitation thereof, secured by a deed of trust and specified in a Supplemental Indenture. The Indenture does not require Borrower Loans to be secured by first priority liens on their respective Project. The term Borrower Loan also includes a participation by the Agency with another party or parties, public or private, in a loan made to a Borrower with respect to a Project, and any instrument evidencing an ownership in any such loan or the cash flow therefrom, including, but not limited to, guaranteed mortgage-backed securities. See APPENDIX J – "BORROWER LOANS AND SPECIAL RESERVE ASSETS PLEDGED UNDER THE INDENTURE" for a description of the Borrower Loans outstanding under the Indenture, including the 2026 Series A Borrower Loans to be financed under the Indenture by the issuance of the Bonds. The Agency may withdraw surplus revenues from the pledge and lien of the Indenture upon the filing with the Trustee of a Cash Flow Statement or a Cash Flow Certificate. See "—Cash Flow Statements and Cash Flow Certificates" below. In addition to Borrower Loans, the Agency may finance mortgage loans and other assets that are not subject to the pledge of the Indenture.

If Borrower Loans are financed under the Indenture, such Borrower Loans may, but are not required to, be subject to Supplemental Security insuring or securing against Borrower Loan default losses. Such Supplemental Security, if any, may be in the form of, among other things, mortgage insurance provided by the Federal Housing Administration ("FHA"), including insurance through the

FHA Risk-Sharing Insurance Program. See APPENDIX G – "DESCRIPTION OF SUBSIDY PROGRAMS AND SUPPLEMENTAL SECURITY—Supplemental Security."

The Agency expects to issue additional Bonds to finance additional Borrower Loans in furtherance of the Multifamily Programs. The Agency will pledge the 2026 Series A Borrower Loans to the Program Account of the Indenture.

Except as otherwise provided in a Supplemental Indenture authorizing Bonds, the Agency shall do all acts and things necessary to receive and collect Revenues (including diligent enforcement of the prompt collection of all arrears on Borrower Loans), shall diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of the Agency to protect its rights with respect to or to maintain any Supplemental Security on Borrower Loans or any subsidy payments in connection with the Projects securing the Borrower Loans or the occupancy thereof and to enforce all terms, covenants and conditions of the Borrower Loans, including the collection, custody and prompt application of all Escrow Payments for the purposes for which they were made, and shall take all steps, actions and proceedings necessary, in the judgment of the Agency, to protect its rights with respect to the deeds of trust securing the Borrower Loans. See APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Covenants with Respect to Borrower Loans and Special Reserve Assets." In the event of a default on the Borrower Loans that are not secured by Supplemental Security, the related deed of trust liens would be the sole security for repayment of such Borrower Loans (see APPENDIX H – "THE AGENCY—MULTIFAMILY PROGRAMS—Certain Factors Affecting the Loans—California Foreclosure Procedures").

For more information regarding the Agency's lending programs and its underwriting and asset management operations, see APPENDIX H – "THE AGENCY."

Cash Flow Statements and Cash Flow Certificates

The Indenture provides that the Agency shall file with the Trustee a current Cash Flow Statement: (i) whenever any Series of Bonds is issued, or any change in a term of an Outstanding Bond requiring Bondholder consent is made; (ii) upon purchase or redemption of Bonds of a Series from Recoveries of Principal, or the crediting of Sinking Fund Payments established for any Bond to be so purchased or redeemed, in a manner other than (a) as contemplated in the last Cash Flow Statement filed by the Agency with the Trustee or (b) on a basis whereby the Bonds of each maturity of such Series are purchased or redeemed in the proportion that the amount Outstanding of such maturity bears to the total amount of all Bonds Outstanding of such Series and each Sinking Fund Payment established for any Bond to be so purchased or redeemed is credited in the proportion that the amount of such Sinking Fund Payment bears to the total amount of all Sinking Fund Payments established for such Bond; (iii) prior to transferring any Borrower Loan or amounts from the Project Account to the Unrestricted Account of the Special Reserve Fund or to the Agency free and clear of the pledge and lien of the Indenture; (iv) prior to withdrawing monies for payment to the Agency, pursuant to the Indenture, free and clear of the pledge and lien of the Indenture, in an amount in excess of the amounts determined to be available for such purpose in the last Cash Flow Statement filed with the Trustee; (v) prior to the application of Recoveries of Principal to any use other than the purchase or redemption of Bonds; (vi) if required pursuant to certain provisions of the Indenture prior to the purchase of Bonds pursuant to such provisions of the Indenture at prices in excess of those specified in the Indenture; (vii) if required pursuant to certain provisions of the Indenture prior to a withdrawal from the Restricted Sub-Account of the Special Reserve Fund or substitution of assets therein; (viii) prior to the application of monies in the Redemption Account resulting from Recoveries of Principal derived from or with respect to any Borrower Loans to the purchase or redemption of Bonds of a Series other than the Series issued to finance such Borrower Loans; and (ix) prior to entering into or amending a Qualified Hedge.

A Cash Flow Statement consists of a statement of an Authorized Officer giving effect to actions proposed to be taken and demonstrating in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding that amounts then expected to be on deposit in the Accounts in each such Bond Year will be at least equal to all amounts required by the Indenture to be on deposit in the Accounts for the payment of the principal and Redemption Price of and interest on the Bonds and Qualified Hedge Payments, if any, and for the funding of the Debt Service Reserve Account to the Debt Service Reserve Account Requirement. However, a Supplemental Indenture may provide that an Account established in such Supplemental Indenture not be taken into account when preparing the Cash Flow Statement. The Cash Flow Statement shall set forth the assumptions upon which the estimates therein are based, which assumptions are to be based upon the Agency's reasonable expectations and must not adversely affect any of the Rating Agencies' ratings on the Rated Bonds. In calculating the amount of interest due in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding on Bonds bearing interest at a variable rate, the interest rate used shall be assumed to be the fixed rate, which in the judgment of the remarketing agents for such Bonds, or such other financial consultant selected by the Agency and experienced in the sale of municipal securities (having due regard to the prevailing market conditions), would be necessary to enable such Bonds to be sold at par in the secondary market on the date of such calculation or such higher or lower rate which does not adversely affect any of the Rating Agencies' ratings on the Rated Bonds. Upon filing a Cash Flow Statement with the Trustee, the Agency is to perform its obligations under the Indenture in accordance, in all material respects, with the assumptions set forth in such Cash Flow Statement. Except with respect to 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 a date not more than 180 days prior to the date of delivery of such statement.

In lieu of filing a Cash Flow Statement, a Cash Flow Certificate may be filed in order to take the actions described in clause (iv) of the first paragraph of this subsection, but only if, in the judgment of the Agency, such amendments do not materially adversely affect the cash flow projections contained in the last Cash Flow Statement. A Cash Flow Certificate shall consist of a statement of an Authorized Officer to the effect of one of the following:

(a) The proposed action is consistent with the assumptions set forth in the latest Cash Flow Statement; or

(b) After giving effect to the proposed action, in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding, amounts expected to be on deposit in the Accounts in each such Bond Year will be at least equal to all amounts required by the Indenture to be on deposit in such Accounts for the payment of the principal and Redemption Price of and interest on the Bonds and Qualified Hedge Payments, if any, and for the funding of the Debt Service Reserve Account to the Debt Service Reserve Account Requirement, except that to the extent specified in a Supplemental Indenture an Account established in said Supplemental Indenture shall not be taken into account in connection with such Cash Flow Certificate; or

(c) The proposed action will not in and of itself adversely affect the amounts expected to be on deposit in the Accounts in the current and each succeeding Bond Year in which Bonds are scheduled to be Outstanding, except that the Cash Flow Certificate shall not consider any Accounts which a Supplemental Indenture specifies shall not be taken into account in connection with the delivery of a Cash Flow Certificate.

No Cash Flow Statement or Cash Flow Certificate required by the Indenture shall include, as either assets or revenues, projected or otherwise, (i) amounts in or to be deposited into the Rebate Fund in

satisfaction of the Rebate Amount, or (ii) amounts on deposit in the Unrestricted Account of the Special Reserve Fund.

Additional Bonds

Additional Bonds, subordinate to or on parity with the Bonds then Outstanding, may be issued by the Agency pursuant to the Indenture. Prior to the issuance of any such additional Bonds (other than the Subordinate Bonds), the Indenture requires that the Trustee be provided with, among other things, a Cash Flow Statement. See APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Provisions for Issuance of Bonds" for a description of the requirements that must be met under the Indenture prior to the issuance of additional Bonds.

Qualified Hedges

The Agency is permitted under the Indenture to enter into Qualified Hedges. Prior to entering into a Qualified Hedge, the Indenture requires that the Trustee be provided with a Cash Flow Statement. The net amount required to be paid by the Agency under a Qualified Hedge on any Interest Payment Date (except for Termination Payments and fees, expenses or similar other charges or obligations thereunder) is payable from the Revenue Account (and then from amounts, if any, in the Restricted Sub-Account of the Special Reserve Fund, the Unrestricted Account of the Special Reserve Fund and the Debt Service Reserve Account) on a parity with the Principal Installments and interest then due on Outstanding Bonds. Termination Payments are Subordinate Obligations, payable from any amounts remaining in the Revenue Account on each Interest Payment Date after payment of the Principal Installments and interest due on Outstanding Bonds and certain other amounts. See APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Revenue Account." The net amounts required to be paid to the Agency under a Qualified Hedge, including a Termination Receipt, constitute Pledged Receipts (subject to the Agency's right to apply all or a portion of a Termination Receipt to payment of the purchase price of another Qualified Hedge).

The Agency does not anticipate entering into a Qualified Hedge in connection with the issuance of the Offered Bonds.

Bonds Not a Debt of the State

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 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 herein, 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. The Agency has no taxing power.

Certain Investments

The Agency at times may invest amounts held in the Accounts under the Indenture in Investment Securities in accordance with the Agency's investment guidelines. Notwithstanding anything to the contrary contained in the Indenture, any Investment Securities purchased by the Trustee with funds that are pledged pursuant to the Indenture must, as of the date of such purchase, be rated by at least one nationally recognized rating agency in a category at least equivalent to the rating category of the Rated Bonds (without regard to any Credit Facility securing such Rated Bonds) (or "A-1" or "P-1", as

applicable, if the Investment Security has a remaining term at the time it is provided not exceeding one (1) year); provided, however, that the Trustee may purchase Investment Securities that are rated lower than that set forth above, so long as the purchase of such Investment Securities does not, as of the date of such purchase, in and of itself, result in a reduction or withdrawal of the then existing rating assigned to the Rated Bonds by any of the Rating Agencies. A change in the rating of any Investment Securities purchased by the Trustee, subsequent to the date of purchase, would not require the Trustee to sell such Investment Securities. If a rating agency were to downgrade or withdraw the rating on any Investment Securities previously purchased by the Trustee, the rating on the Offered Bonds could be negatively affected. See "RATINGS." Investment earnings on Accounts are to be transferred to the Revenue Account except as otherwise provided by the Indenture. See APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Deposits and Investments" and "—Revenue Account."

BONDS OUTSTANDING UNDER THE INDENTURE

As of April 30, 2026, the following Series of Bonds are Outstanding under the Indenture.

Series Designation	Original Par Amount	Outstanding Par Amount	Date of Issue
2023 Series A-1	$54,940,000	$45,725,000	August 24, 2023
2023 Series A-2[†]	30,000,000	30,000,000	August 24, 2023
2024 Series A-1	67,580,000	65,115,000	November 14, 2024
2024 Series A-2	40,000,000	40,000,000	November 14, 2024
2025 Series A	156,730,000	155,135,000	June 11, 2025
2025 Series B	134,695,000	134,425,000	November 12, 2025
TOTAL	$483,945,000	$470,400,000	

[†] On or about the date of issuance of the Offered Bonds, the Agency intends to call for mandatory tender and remarket approximately $26,250,000[*] and redeem approximately $3,750,000[*] of its Affordable Housing Revenue Bonds 2023 Series A-2 which are currently Outstanding under the Indenture.

None of the Bonds Outstanding are Subordinate Bonds.

CERTAIN INVESTOR CONSIDERATIONS

Limited Security

The Bonds are special limited obligations of the Agency secured by the Trust Estate pledged to the Bonds under the Indenture. See "SECURITY FOR THE BONDS—General." There is no assurance that the Borrower Loans in or expected to be in the Trust Estate will perform in accordance with the assumptions made and that Revenues will be sufficient to pay debt service on the Bonds when due. See APPENDIX B—"SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Revenue Account." Additional Bonds may be issued by the Agency under the Indenture subordinate to or on a parity with Bonds then Outstanding, upon satisfaction of certain conditions set forth in the Indenture.

Origination of Borrower Loans

There are numerous reasons why the entire amount deposited to any subaccount of the Bond Proceeds Account for a particular Series of Bonds might not be used to refinance or originate new Borrower Loans as expected and within the required timeframes. Proceeds of a Series of Bonds and

[*] Preliminary, subject to change.

exchanged amounts relating thereto in the related subaccount of the Bond Proceeds Account which have not been used to make new Borrower Loans must be used to redeem Bonds of such Series pursuant to the terms of the related Supplemental Indenture.

Considerations Regarding Redemption

A significant portion of the outstanding Special Reserve Assets are now subject to voluntary prepayment by the respective Borrowers at any time and, additionally, numerous loans will become subject to voluntary prepayment by the Borrowers prior to the optional redemption date. Voluntary prepayments may result from a refinancing provided by any source, including the Agency. Involuntary prepayments may also be made on the Borrower Loans and Special Reserve Assets as a result of damage or destruction of the housing facilities, or acceleration or sale of a Borrower Loan of Special Reserve Asset in the event of a Borrower default. Any Borrower Loan or Special Reserve Asset is also subject without restriction to voluntary sale, assignment or other disposition.

PURSUANT TO THE SPECIAL REDEMPTION PROVISIONS OF THE INDENTURE, EXCEPT AS OTHERWISE PROVIDED IN THE RELATED SERIES INDENTURE, THE BONDS MAY BE REDEEMED PRIOR TO THEIR STATED MATURITY FROM VOLUNTARY OR INVOLUNTARY PREPAYMENTS AND AMOUNTS DEPOSITED AS A RESULT OF ANY OTHER EVENT AS DESCRIBED HEREIN. THE TIME OR RATE OF SUCH PREPAYMENTS OR DEPOSITS CANNOT BE PREDICTED. **The Offered Bonds are subject to redemption as described in "DESCRIPTION OF THE OFFERED BONDS."**

Tax Exempt Status of Tax-Exempt Bonds

Any opinion to be delivered by Bond Counsel concurrently with delivery of any tax-exempt Bonds will assume compliance by the Agency with certain requirements of the Code that must be met subsequent to the issuance of such Bonds. The Agency will certify, represent and covenant to comply with such requirements. Failure to comply with such requirements could cause the interest on the tax-exempt Bonds to be included in gross income, or could otherwise adversely affect such opinions, retroactive to the date of issuance of such Bonds. Furthermore, the opinion of Bond Counsel is rendered as of the date of delivery of the particular Series of Bonds and speaks only to laws in effect as of such date. Amendments to federal and state tax laws are proposed from time to time and could be enacted in the future. There can be no assurance that any such future amendments will not adversely affect the value of such Series of Bonds, the exclusion of interest on the tax-exempt Bonds from gross income, alternative minimum taxable income, state taxable income, or any combination from the date of issuance of the particular Series of Bonds or any other date, or that such changes will not result in other adverse federal or state tax consequences.

Conditions to Payment of FHA Insurance

The failure to maintain adequate casualty insurance on any Project insured under an FHA program may result in the loss of FHA mortgage insurance benefits in the event of damage to or destruction of such Project. FHA mortgage insurance benefits may also be impaired as a result of the failure to pay required mortgage insurance premiums to the FHA and failure of the mortgagee to provide the FHA on a timely basis with required notice. As described in APPENDIX G—"DESCRIPTION OF SUBSIDY PROGRAMS AND SUPPLEMENTAL SECURITY – Supplemental Security," the mortgagee is responsible for servicing the Borrower Loans and the maintenance of the FHA mortgage insurance in connection with FHA insured Borrower Loans.

Defaults on Borrower Loans

There may be delinquent Borrower Loan payments and foreclosed Borrower Loans. In the event that a Borrower defaults in the payment of a Borrower Loan and the Agency institutes foreclosure proceedings, there may be certain required time delays which, should they occur with respect to a sufficient number of Borrower Loans, could disrupt the flow of Revenues available for the payment of principal of and interest on the Bonds. These time delays derive from the procedures applicable to the collection of insurance or guarantees as well as those required under California law for the enforcement of rights of beneficiaries under deeds of trusts. As of June 1, 2026, no Borrower Loans held under the Indenture are in forbearance. As of June 1, 2026, there are no delinquent (91 days or greater) Borrower Loans in the Indenture.

Information Security and Privacy Risks

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.

Business Disruption Risk

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.

Climate Change, Natural Disasters and Potential Drought Conditions

The sites of the projects supported by loans pledged under the Indenture (the "Indenture Projects") may be subject to unpredictable seismic activity, wildfires or flooding or similar events, such as mudslides, in the wake of fires or in the event of unseasonable rainfall. Some commentators remark that climate change could have a significant impact on weather patterns across the State, resulting in unpredictable weather extremes and increased wildfire risk. In short, the occurrence of seismic activity, fires, flooding or other casualties in or around the sites of the Indenture Projects could result in all or portions of the affected Indenture Projects becoming temporarily or permanently uninhabitable, which may affect the repayment of the applicable Borrower Loan.

Expiration of HAP Contracts

A portion of the Borrower Loans pledged under the Indenture are secured in part by housing assistance payments ("HAP") contracts with terms expiring prior to expiration of the related insured and uninsured Borrower Loan. Generally, these HAP contracts are renewals of previous HAP contracts, in some cases after "mark-to-market" mortgage restructurings, pursuant to the Multifamily Assisted Housing Reform and Affordability Act of 1997, as amended. The insured and uninsured Borrower Loans typically require borrowers to renew the respective HAP contract for the longer of the minimum period that the related project is subject to low-income occupancy and rent restrictions under the CalHFA Regulatory Agreement or the period the insured or uninsured Borrower Loan is outstanding. There is no assurance that such renewals will be provided by HUD, as they are subject, among other things, to the availability of Congressional appropriations. The failure or inability to renew the HAP contracts could adversely affect the sufficiency of revenues available to the Project owners to make required payments on their Borrower Loans, which payments are pledged under the Indenture for payment of the Bonds outstanding thereunder or increase the level of prepayments. See "Considerations Regarding Redemption" under this caption. For more information regarding the Section 8 Subsidy Program as it applies to the Loans securing the Bonds, see APPENDIX G – DESCRIPTION OF SUBSIDY PROGRAMS AND SUPPLEMENTAL SECURITY – Federal Subsidy Programs."

Enforcement of Regulatory Agreements

The CalHFA Regulatory Agreements allow for enforcement by declaration of default under the Borrower Loans and an acceleration of the Borrower Loans at the discretion of the Agency. Such acceleration may, under certain circumstances, require HUD consent. Despite the authority granted under the Borrower Loan documents, it may not be feasible to accelerate the debt evidenced by the Borrower Loans for a covenant default relating to the Projects, including a tax-related covenant default. *There is no provision in the Bonds or the Indenture for an acceleration of the indebtedness evidenced by the Bonds or payment of additional interest in the event interest on the Bonds were declared taxable, and the Agency will not be liable under the Bonds or the Indenture for any such payment on the Bonds whatsoever.*

Secondary Markets and Prices

No representation is made concerning the existence of any secondary market for the Bonds. The Underwriters will not be obligated to repurchase any of the Bonds, nor can any assurance be given that any secondary market will develop following the completion of the offering of the Bonds. Further, there can be no assurance that the initial offering prices for the Bonds will continue for any period of time. Furthermore, the Bonds should be purchased for their projected returns only and not for any resale potential, which may or may not exist.

Future Legislation; IRS Examination

Projects financed by the proceeds of the Bonds, the operation of such Projects and the treatment of interest on the Bonds are subject to various laws, rules and regulations adopted by the local, State and federal governments and their agencies. There can be no assurance that relevant local, State or federal laws, rules and regulations will not be amended or modified or interpreted in the future in a manner that could adversely affect the Bonds, the Trust Estate, the Projects financed with the proceeds of the Bonds, or the financial condition of or ability of the Agency to comply with its obligations under the various transaction documents.

In recent years, the IRS has increased the frequency and scope of its examination and other enforcement activity regarding tax-exempt bonds. Currently, the primary penalty available to the IRS under the Code is a determination that interest on bonds is subject to federal income taxation. Such event could occur for a variety of reasons, including, without limitation, failure to comply with certain requirements imposed by the Code relating to investment restrictions, periodic payments of arbitrage profits to the United States of America, the timely and proper use of Bond proceeds and the facilities financed therewith and certain other matters. See "TAX MATTERS" herein. No assurance can be given that the IRS will not examine the Agency, the Bonds, or any Projects financed with the proceeds of the Bonds. If the Bonds are examined, it may have an adverse impact on their price and marketability.

Summary

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement and the Appendices hereto.

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 2026 Series A Borrower Loans, or in any way contesting or affecting the validity of the Offered Bonds, the Indenture, the Disclosure Agreement (as defined below), 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 2026 Series A Borrower Loans, or the pledge, collection or application of any monies or security for the Offered Bonds or the existence of the Agency.

LEGALITY FOR INVESTMENT

Under the Act, the Offered Bonds are legal investments for all public officers and public bodies of the State of California or its political subdivisions, all municipalities and municipal subdivisions, all

insurance companies or banks, savings and loan associations, building and loan associations, trust companies, savings banks, savings associations and investment companies, and administrators, guardians, conservators, executors, trustees and other fiduciaries, and may be used as security for public deposits.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Agency ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Offered Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), except that no opinion is expressed as to the status of interest on any Offered Bond for any period that such Offered Bond is held by a "substantial user" of the facilities financed or refinanced by the Bonds or by a "related person" within the meaning of Section 147(a) of the Code. Bond Counsel is of the further opinion that interest on the Offered Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the Offered Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that interest on the Offered Bonds is exempt from State of California personal income taxes. 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. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX D hereto.

To the extent the issue price of any maturity of the Offered Bonds is less than the amount to be paid at maturity of such Offered Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Offered Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Offered Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Offered Bonds is the first price at which a substantial amount of such maturity of the Offered Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Offered Bonds accrues daily over the term to maturity of such Offered Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Offered Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Offered Bonds. Beneficial Owners of the Offered Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Offered Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Offered Bonds in the original offering to the public at the first price at which a substantial amount of such Offered Bonds is sold to the public.

Offered Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Offered Bonds. The Agency and the Borrowers of the 2026 Series A Borrower Loans (the "2025 Borrowers") have made certain representations and have covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Offered Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Offered Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Offered Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Offered Bonds may adversely affect the value of, or the tax status of interest on, the Offered Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Offered Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Offered Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Offered Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Offered Bonds. Prospective purchasers of the Offered Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Agency or the 2025 Borrowers, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Agency and the 2025 Borrowers have covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Offered Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Agency, the 2025 Borrowers or the Beneficial Owners regarding the tax-exempt status of the Offered Bonds in the event of an audit examination by the IRS. Under current procedures, Beneficial Owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Agency legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Offered Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the Agency or the Beneficial Owners to incur significant expense.

Payments on the Offered Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate Beneficial Owner of Offered Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Offered Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a Beneficial Owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain Beneficial Owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

UNDERWRITING

Raymond James & Associates, Inc., as senior manager, and the co-senior managing underwriter and co-managing underwriters listed on the cover page, 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 an initial public offering of the Offered Bonds at prices that are not in excess of the public offering prices stated on the inside cover page of this Official Statement. Such 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 such Underwriters. Such Underwriters will receive an underwriting fee in the amount of $_____, which amount includes expenses for such underwriting.

Certain of the Underwriters have entered into distribution agreements with other broker-dealers (that have not been designated by the Agency as Underwriters) for the distribution of the Offered Bonds at the original issue prices. Such agreements generally provide that the relevant Underwriter will share a portion of its underwriting compensation or selling concession with such broker-dealers.

The following three paragraphs have been provided by the Underwriters.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities and mortgage loan servicing. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial services and investment banking services for the Agency, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Agency.

The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in

respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

RATINGS

Moody's Investors Service, Inc. and S&P Global Ratings have assigned the Offered Bonds a rating of "Aa2" and "AA", respectively. Such ratings reflect only the respective views of such rating agencies, and an explanation of the significance of such ratings may be obtained from the rating agency furnishing the same. 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 such rating agency furnishing the same if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or either of them, may 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 Orrick, Herrington & Sutcliffe LLP, San Francisco, California, 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 Orrick, Herrington & Sutcliffe LLP, San Francisco, California, 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, 2025 and June 30, 2024, 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.

The information contained in such financial statements, which are provided for informational purposes only, should not be used in any way to modify the description of the security for the Bonds contained herein. The assets of the Agency, other than those pledged pursuant to the Indenture, are not pledged to Bondholders and are not available to Bondholders.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the provisions of paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the Agency and the Trustee will enter into a Continuing Disclosure Agreement for the benefit of the holders of the Offered Bonds (the "Disclosure Agreement") to provide certain financial information and operating data relating to the Agency (the "Annual Financial Information") by not later than March 31st following the Agency's most recent Fiscal Year, and to provide notices of the occurrence of certain enumerated events ("Notice Events") in a timely manner not in excess of ten (10) business days after the occurrence of such Notice Event. The Continuing Disclosure Agreement requires that the Annual Financial Information and the notices of the occurrence of Notice Events be filed by the Agency with the Municipal Securities Rulemaking Board through EMMA. The specific nature of the information to be contained in the Annual Financial Information and the notices of

Notice Events is included in APPENDIX I – "FORM OF CONTINUING DISCLOSURE AGREEMENT."

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 unavailable. 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. Additionally, the Agency did not timely file (i) the Annual Financial Information for the fiscal year ended June 30, 2024 and (ii) notice regarding the reduction effective July 25, 2025 of a revolving letter of credit entered into June 17, 2015, as required by the Disclosure Agreements the Agency entered into in connection with the issuance of certain prior Series of Bonds. Corrective filings have since been made.

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 the owners of not less than five percent (5%) of the Bonds then Outstanding issued thereunder during regular business hours of the Agency.

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 have 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

APPENDIX A

DEFINITIONS OF CERTAIN TERMS

Set forth below are certain defined terms used in this Official Statement and in the Indenture. In some instances, the Indenture permits the modification of certain of its provisions by a Supplemental Indenture relating to a specific Series of Bonds. Certain modifications to the Indenture, which have been made with respect to the Offered Bonds by the provisions of the 2026 Series A Supplemental Indenture, are reflected in the defined terms below. This APPENDIX A does not purport to be comprehensive or definitive and is qualified by reference to the Indenture and the Supplemental Indenture relating to each Series of Bonds, copies of which may be obtained from the Agency.

The following terms shall have the following meanings in this Official Statement and in the Indenture unless the context shall clearly indicate otherwise:

"Account" means one of the special accounts or funds (other than the Rebate Fund) created and established pursuant to the Indenture or a Supplemental Indenture.

"Acquired Project" means a Project, the title to or the right to possession thereof has been acquired by the Agency through protection and enforcement of its rights conferred by law or the Deed of Trust upon such Project.

"Acquired Project Expenses" means all costs and expenses arising from the acquisition, ownership, possession, operation or maintenance of an Acquired Project, including reasonable operating, repair and replacement reserves therefor.

"Acquired Project Gross Operating Income" means all moneys received in connection with the acquisition, ownership, possession, operation or maintenance of an Acquired Project.

"Acquired Project Net Operating Income" means Acquired Project Gross Operating Income less Acquired Project Expenses.

"Act" means Parts 1 through 4 of Division 31 of the Health and Safety Code of the State, and all law supplementary thereto and amendatory thereof.

"Administrative Fee" means the fee, if any, payable to the Agency and set forth in a Supplemental Indenture.

"Agency" means the California Housing Finance Agency, a public instrumentality and a political subdivision of the State, created by and existing under the Act.

"Agency Purposes" means any purpose for which the Agency may issue bonds pursuant to the Act or other applicable law.

"Authorized Officer" means the Chairperson, the Executive Director, the Director of Financing, the Chief Deputy Director, or any other person authorized by resolution of the Agency or designated in writing by the Executive Director to act as an Authorized Officer under the Indenture.

"Bond" means one of the bonds to be authenticated and delivered pursuant to the Indenture.

"Bond Counsel's Opinion" means an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal, state and public agency financing, selected by the Agency and satisfactory to the Trustee.

"Bondholder" "Holder" or "owner" or words of similar import, when used with reference to a Bond, means any person who shall be the registered owner of any Outstanding Bond.

"Bond Proceeds Account" means the Bond Proceeds Account established pursuant to the Indenture.

"Bond Year" means the period of twelve consecutive months ending on August 1 in any year in which Bonds are or will be Outstanding.

"Borrower" means the direct or indirect obligor on a Borrower Loan or a Special Reserve Asset.

"Borrower Loan" means a loan made, purchased or otherwise acquired, evidenced by a Promissory Note, for a Project, including for the construction or acquisition and rehabilitation thereof, secured by a Deed of Trust and identified as such in a Supplemental Indenture; provided, that Borrower Loan shall also mean a participation by the Agency with another party or parties, public or private, in a loan made to a Borrower with respect to a Project; provided, further, that Borrower Loan shall also mean an instrument evidencing an ownership interest in such loans, including, but not limited to, a mortgage-backed security guaranteed by the Government National Mortgage Association, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, and any replacement of any of said Borrower Loans as provided in the Indenture.

"Business Day" means any day other than (a) a Saturday, Sunday or legal holiday in the State, (b) any day on which the corporate trust office of the Trustee is closed, (c) any day on which the New York Stock Exchange is closed or (d) so long as any Series of Bonds is held in book-entry form, any day on which the securities depository with respect thereto is closed.

"Capitalized Interest" means interest to be paid or reserved from the proceeds of the issuance of Bonds.

"Cash Equivalent" means a Letter of Credit, Insurance Policy, Surety, Guaranty or other Security Arrangement (each as defined and provided for in a Supplemental Indenture), provided by an entity which has received a rating of its claims paying ability from at least one nationally recognized rating agency at least equivalent to the then-existing rating on the Rated Bonds (without regard to any Credit Facility securing such Rated Bonds) or whose unsecured long-term debt securities have received a rating from at least one nationally recognized rating agency at least equivalent to the then-existing rating on the Rated Bonds (without regard to any Credit Facility securing such Rated Bonds) (or equivalent to "A-1" or "P-1", if the Cash Equivalent has a remaining term at the time of acquisition not exceeding one year); provided, however, that a Cash Equivalent may be provided by an entity which has received a rating of its claims paying ability which is lower than that set forth above or whose unsecured long-term (or short-term) debt securities are rated lower than that set forth above, so long as the providing of such Cash Equivalent does not, as of the date it is provided, in and of itself, result in the reduction or withdrawal of the then existing rating assigned to the Rated Bonds (without regard to any Credit Facility securing such Rated Bonds) by any of the Rating Agencies.

"Cash Flow Certificate" means a Cash Flow Certificate conforming to the requirements of the Indenture.

"Cash Flow Statement" means a Cash Flow Statement conforming to the requirements of the Indenture.

"Certificate" means a signed document either attesting to or acknowledging the circumstances, representations or other matters therein stated or set forth or setting forth matters to be determined pursuant to the Indenture or a Supplemental Indenture.

"Code" means the Internal Revenue Code of 1986, as amended.

"Costs of Issuance" means all items of expense, directly or indirectly payable or reimbursable by or to the Agency and related to the authorization, sale and issuance of Bonds, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of Bonds, and any other cost, charge or fee in connection with the original issuance of Bonds.

"Credit Facility" means any of the following if designated as a Credit Facility hereunder in a Supplemental Indenture: (i) a letter of credit, (ii) cash, (iii) a certified or bank check, (iv) Investment Securities, (v) a policy of bond insurance, (vi) a liquidity facility, (vii) any other credit facility similar to the above in purpose and effect, including, but not limited to, a guaranty, standby loan or purchase commitment, insurance policy, surety bond or financial security bond or any combination thereof.

"Credit Facility Provider" means the issuer of or obligor under a Credit Facility.

"Debt Service" means, with respect to any particular Bond Year, an amount equal to the sum of (i) all interest payable on Outstanding Bonds during such Bond Year, plus (ii) any Principal Installments of such Bonds during such Bond Year.

"Debt Service Reserve Account" means the Debt Service Reserve Account established pursuant to the Indenture.

"Debt Service Reserve Account Requirement" means as of any date of calculation, the aggregate of the amounts specified as the Debt Service Reserve Account Requirement for each Series of Bonds in the Supplemental Indenture authorizing the issuance of a Series of Bonds; provided, however, that a Supplemental Indenture may provide that the Debt Service Reserve Account Requirement for the Series of Bonds authorized thereunder may be funded, in whole or in part, through Cash Equivalents and such method of funding shall be deemed to satisfy all provisions of the Indenture with respect to the Debt Service Reserve Account Requirement and the amounts required to be on deposit in the Debt Service Reserve Account.

"Debt Service Reserve Sub-Account" means the 2026 Series A Debt Service Reserve Sub-Account established under the Supplemental Indenture for the Offered Bonds.

"Deed of Trust" means a deed of trust or other instrument which constitutes a lien on real property and improvements thereon and secures a Borrower Loan or a Special Reserve Asset.

"DTC" means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors or assigns.

"Escrow Payments" means and includes all amounts whether paid directly to the Agency or to the servicer of any Borrower Loan or Special Reserve Asset representing payments to obtain or maintain

mortgage insurance or any subsidy with respect to such Borrower Loan or Special Reserve Asset or the Project premises or payments in connection with real estate taxes, assessments, water charges, sewer rents, ground rents, fire or other insurance, replacement or operating reserves or other like payments in connection therewith.

"Event of Default" means any of the events specified as an Event of Default in the Indenture.

"FHA" means the Federal Housing Administration.

"FHA Insurance" means the federal mortgage insurance authorized pursuant to Section 220, 221(d)(3), 221 (d)(4) or 223(f) of Title II of the National Housing Act of 1934, as amended.

"FHA Risk-Sharing Insurance" means the federal mortgage insurance authorized pursuant to Section 542(c) of the Housing and Community Development Act of 1992.

"GNMA" means the Government National Mortgage Association.

"Government Obligations" means direct general obligations of the United States of America or of the State, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by the United States of America, any federal agency of the United States of America, or the State.

"Hedge Receipt" means the net amount required to be paid to the Agency under a Qualified Hedge, but shall not include any Termination Receipt.

"Housing Act" means the United States Housing Act of 1937, as amended.

"HUD" means the United States Department of Housing and Urban Development, or any successor thereof.

"Indenture" means the Indenture, dated as of August 1, 2023, by and between the Agency and U.S. Bank Trust Company, National Association, as trustee, as it may be from time to time amended, modified or supplemented by Supplemental Indentures.

"Interest Payment Date" means any date upon which interest on the Bonds is due and payable in accordance with their terms.

"Investment Securities" means and includes any of the following obligations, to the extent the same are at the time legal for investment of funds of the Agency under the Act, including the amendments thereto hereafter made, or under other applicable law:

(1) Government Obligations;

(2) bonds, consolidated bonds, collateral trust debentures, consolidated debentures, or other obligations issued by Federal Land Banks or Federal Intermediate Credit Banks established under the Federal Farm Loan Act, as amended, debentures and consolidated debentures issued by the Central Bank for Cooperatives and Banks for Cooperatives established under the Farm Credit Act of 1933, as amended, bonds or debentures of the Federal Home Loan Bank Board established under the Federal Home Loan Bank Act, stock, bonds, debentures and other obligations of Fannie Mae or of the Government National Mortgage Association, established under the National Housing Act, as amended, bonds of any Federal Home Loan Bank

established under said act, bonds, debentures and other obligations of the Federal Home Loan Mortgage Corporation guaranteeing timely payment of principal and interest, bonds, notes, and other obligations issued by the Tennessee Valley Authority under the Tennessee Valley Authority Act, as amended, except, in each case, securities evidencing ownership interests in specified portions of the interest on or principal of such obligations;

(3) commercial paper rated within the highest three Rating Categories of each Rating Agency and issued by corporations (a) organized and operating within the United States; and (b) having total assets in excess of five hundred million dollars ($500,000,000);

(4) bills of exchange or time drafts drawn on and accepted by a commercial bank the general obligations of which are rated within the highest three Rating Categories by each Rating Agency, otherwise known as bankers acceptances, which are eligible for purchase by the Federal Reserve System, and negotiable certificates of deposits issued by a nationally or state-chartered bank or savings and loan association which are insured by federal deposit insurance, or which are issued by an institution the general obligations of which are rated within the highest three Rating Categories by each Rating Agency;

(5) bonds, debentures, and notes issued by corporations organized and operating within the United States and rated within the highest three Rating Categories by each Rating Agency;

(6) repurchase agreements or reverse repurchase agreements, with nationally recognized broker-dealers which are agreements for the purchase or sale of Investment Securities pursuant to which the seller or buyer agrees to repurchase or sell back such securities on or before a specified date and for a specified amount, which seller or buyer has outstanding long-term indebtedness which are rated within the highest three Rating Categories by each Rating Agency;

(7) investment agreements with corporations, financial institutions or national associations within the United States the general obligations of which (or, if payment of such investment agreement is guaranteed, the general obligations of the guarantor) are rated within the highest three Rating Categories by each Rating Agency;

(8) interest bearing accounts in State or national banks or other financial institutions having principal offices in the State (including those of the Trustee or its affiliates) which, to the extent they are not insured by federal deposit insurance, are issued by an institution the general obligations of which are rated within the highest three Rating Categories by each Rating Agency;

(9) interests in any short-term investment fund (including those of the Trustee or its affiliates) restricted to investment in obligations described in any of clauses (1) through (5) above, which are rated within the highest three Rating Categories by each Rating Agency;

(10) deposits in the Surplus Money Investment Fund referred to in Section 51003 of the Act; and

(11) money market funds rated AAA by S&P which are registered with the Securities and Exchange Commission and which meet the requirements of Rule 2(a)(7) of the Investment Company Act of 1940, as amended.

"Outstanding," when used with reference to Bonds, means, as of any date, except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Bonds, all Bonds theretofore or thereupon being authenticated and delivered under the Indenture, except:

(1) any Bond cancelled by the Trustee or delivered to the Trustee for cancellation at or prior to such date;

(2) any Bond (or portion of a Bond) for the payment or redemption of which there have been separately set aside and held in a Redemption Account under the Indenture (except with respect to any Bond for any period during which, pursuant to the applicable Supplemental Indenture, such Bond is not subject to defeasance pursuant to the Indenture) either:

(a) monies in an amount sufficient to effect payment of the principal or applicable Redemption Price thereof, together with accrued interest on such Bond to the payment date or Redemption Date, which payment date or Redemption Date shall be specified in irrevocable instructions to the Trustee to apply such monies to such payment or redemption on the date so specified; or

(b) Government Obligations, as described in the section of the Indenture entitled "Defeasance," in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications as shall be necessary to provide monies in an amount sufficient to effect payment of the principal or applicable Redemption Price of such Bond, together with accrued interest on such Bond to the payment date or Redemption Date, which payment date or Redemption Date shall be specified in irrevocable instructions to the Trustee to apply such monies to such payment or redemption on the date so specified; or

(c) any combination of (a) and (b) above;

(3) any Bond in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to the Indenture or, pursuant to the applicable Supplemental Indenture, in connection with a tender of such Bond; and

(4) any Bond deemed to have been paid as described in the section of the Indenture entitled "Defeasance."

"Permitted Encumbrances" means such liens, encumbrances, declarations, reservations, easements, rights of way and other clouds on title as do not impair the use or value of the premises or such other liens, encumbrances, declarations, reservations, easements, rights of way and other clouds on title as are specified in a Supplemental Indenture with respect to a Borrower Loan or a Special Reserve Asset.

"Pledged Receipts" means, except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Bonds, (i) the scheduled or other payments required by any Borrower Loan or Special Reserve Asset and paid to or to be paid to the Agency from any source, including, but not limited to, interest, rent or other subsidy payments, and including both timely and delinquent payments, (ii) Hedge Receipts, (iii) Termination Receipts, (iv) accrued interest received at the sale of Bonds, (v) Acquired Project Net Operating Income, and (vi) all income earned or gain realized in excess of losses suffered on any investment or deposit of monies in the Accounts established and maintained pursuant to the Indenture or a Supplemental Indenture, or monies provided by the Agency and held in trust for the benefit of the Bondholders pursuant to the Indenture, but shall not mean or include amounts required to be

deposited into the Rebate Fund, Recoveries of Principal, any payments with respect to any Borrower Loan or Special Reserve Asset received prior to the date that Revenues therefrom are pledged under the Indenture, Escrow Payments, late charges, administrative or credit enhancement fees, if any, of the Agency or any amount retained by the servicer (which may include the Agency) of any Borrower Loan or Special Reserve Asset, as financing, servicing, extension or settlement fees.*

"Principal Installment" means, as of any date of calculation, (i) the aggregate principal amount of Outstanding Bonds due on a certain future date, reduced by the aggregate principal amount of such Bonds which would be retired by reason of the payment when due and application in accordance with the Indenture of Sinking Fund Payments payable before such future date, plus (ii) the unsatisfied balance, determined as provided in the Indenture, of any Sinking Fund Payments due on such certain future date, together with the aggregate amount of the premiums, if any, applicable on such future date upon the redemption of such Bonds by application of such Sinking Fund Payments in a principal amount equal to said unsatisfied balance.

"Principal Office," when used with respect to the Trustee means U.S. Bank Trust Company, National Association, One California Street, Suite 1000, San Francisco, California 94111, Attention: Global Corporate Trust, and when used with respect to the Tender Agent means the same address as that of the Trustee or the address of any successor Tender Agent appointed in accordance with the terms of the 2026 Series A Supplemental Indenture, or such other offices designated to the Agency in writing by the Trustee or the Tender Agent, as the case may be.

"Program Account" means the Program Account established pursuant to the Indenture.

"Project" means any multifamily rental housing development or other facility financeable by the Agency under the Act or other applicable law and approved by the Agency.

"Promissory Note" means the promissory note evidencing a Borrower Loan or a Special Reserve Asset.

"Purchase Price" means an amount equal to one hundred percent (100%) of the principal amount of any Offered Bond, plus, unless the Purchase Price is to be paid on an Interest Payment Date (in which case interest will be paid in the normal manner), accrued and unpaid interest thereon to the date of purchase.

"Qualified Hedge" means, to the extent from time to time permitted by law, any financial arrangement (i) which is entered into by the Agency with an entity that is a Qualified Hedge Provider at the time the arrangement initially is entered into; (ii) which is a cap, floor or collar; forward rate; future rate; swap; asset, index, price or market-linked transaction or agreement; other exchange or rate protection transaction agreement; other similar transaction (however designated); or any combination thereof; or any option with respect thereto; or any similar arrangement; and (iii) which has been designated in writing to the Trustee by an Authorized Officer as a Qualified Hedge hereunder.

* The 2026 Series A Supplemental Indenture provide that, (i) with respect to the 2026 Series A Borrower Loans, any prepayment premiums or penalties and any Monitoring Fees (as such term is defined in the Regulatory Agreement of the Agency with respect to each 2026 Series A Borrower Loan) shall not constitute Pledged Receipts, and (ii) with respect to the 2026 Series A Borrower Loans and any federal subsidy payments pursuant to Section 236 of the National Housing Act of 1934, as amended, or Section 8 of the United States Housing Act of 1937, as amended, with respect thereto, only federal subsidy payments duly and properly paid and actually received by or on behalf of the Agency or the Trustee pursuant to Section 236 of the National Housing Act of 1934, as amended, or Section 8 of the United States Housing Act of 1937, as amended, shall constitute Pledged Receipts.

"Qualified Hedge Payment" means the net amount required to be paid by the Agency under a Qualified Hedge, other than (a) Termination Payments and (b) fees, expenses or similar other charges or obligations thereunder.

"Qualified Hedge Provider" means an entity whose general obligations at the time of execution of the related Qualified Hedge are rated "A" or equivalent or better by each Rating Agency; provided, however, that the definition of Qualified Hedge Provider shall be, and be deemed to be, expanded, or new definitions and related provisions shall be added to the Indenture by a Supplemental Indenture, thus permitting hedge providers with different characteristics from those permitted pursuant to this definition, which the Agency deems from time to time to be in the interests of the Agency to include as Qualified Hedge Providers if at the time of inclusion there is delivered to the Trustee a Rating Confirmation regarding such inclusion.

"Rated Bond" means a Bond (other than a Subordinate Bond) that has been assigned a rating, without regard to any Credit Facility securing such Bond, by a Rating Agency pursuant to a request for a rating by the Agency, but excludes any such Bond during any period that commences on a date of remarketing of such Bond if no Rating Agency has at the request of the Agency assigned such a rating to such Bond during such period.

"Rating Agency" means any nationally recognized rating agency when any Bonds are rated by such agency, pursuant to a request for a rating by the Agency.

"Rating Category" means one of the general rating categories of a Rating Agency (in the case of long-term securities only, without regard to any refinement or graduation of such rating category by numerical or symbolic modifier or otherwise).

"Rating Confirmation" means, with respect to a proposed action, a statement by at least one Rating Agency that refers to the proposed action and states, with respect to each Rated Bond rated by such Rating Agency, that its then-existing rating is confirmed or that such action will not cause such Rating Agency to lower, suspend or withdraw the rating assigned to such Rated Bond. (For purposes of this definition, "rating" with respect to a Rated Bond and a Rating Agency means such Rating Agency's rating of such Rated Bond without regard to any Credit Facility securing such Rated Bond.)

"Rebate Amount" means, with respect to a particular Series of Bonds, the amount, if any, required to be deposited in the Rebate Fund in order to comply with the tax covenants contained in the Indenture.

"Rebate Fund" means the Rebate Fund established pursuant to the Indenture.

"Record Date" means the fifteenth (15th) day next preceding an Interest Payment Date.

"Recoveries of Principal" means, except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Bonds, all amounts received by the Agency as a recovery of the principal amount disbursed by the Agency in connection with any Borrower Loan or Special Reserve Asset, including any premium or penalty with respect thereto, on account of (i) the advance payment of amounts to become due pursuant to such Borrower Loan or Special Reserve Asset, at the option of the Borrower, (ii) the sale, assignment, endorsement or other disposition thereof, (iii) the acceleration of payments due thereunder or other remedial proceedings taken in the event of the default thereon, (iv) proceeds of any insurance award resulting from the damage or destruction of a Project which are required to be applied to payment of a Promissory Note pursuant to a Deed of Trust, (v) proceeds of any condemnation award resulting from the taking by condemnation (or by agreement of interested parties in

lieu of condemnation) by any governmental body or by any person, firm, or corporation acting under governmental authority, of title to or any interest in or the temporary use of, a Project or any portion thereof, which proceeds are required to be applied to payment of a Promissory Note pursuant to a Deed of Trust, (vi) proceeds of sale of an Acquired Project, or (vii) proceeds of any mortgage insurance or credit enhancement with respect to such Borrower Loan or Special Reserve Asset which is in default.*

"Redemption Account" means the Redemption Account established pursuant to the Indenture.

"Redemption Date" means the date or dates upon which Bonds are to be called for redemption pursuant to the Indenture or the applicable Supplemental Indenture.

"Redemption Price" means, with respect to any Bonds, the principal amount thereof, plus the applicable premium, if any, payable upon redemption thereof.

"Restricted Assets" means, with respect to a Series of Bonds, the assets pledged to the Restricted Sub-Account under the applicable Supplemental Indenture for the Series of Bonds.

"Restricted Sub-Account" means an account established pursuant to the Indenture to be designated "_____ Series _____ Restricted Sub-Account" (inserting therein the appropriate series and other necessary designation) under the applicable Supplemental Indenture.

"Revenue Account" means the Revenue Account established pursuant to the Indenture.

"Revenues" means the Pledged Receipts and Recoveries of Principal.

"Series" means any Series of Bonds issued pursuant to the Indenture.

"Sinking Fund Payment" means, with respect to a particular Bond of a Series, as of any particular date of calculation, the amount required to be paid in all events by the Agency on a single future date for the retirement of Outstanding Bonds of such Series which mature after said future date, but does not include any amount payable by the Agency by reason of the maturity of a Bond of such Series or by call for redemption at the election of the Agency.

"Special Reserve Asset" means a loan, evidenced by a Promissory Note, for a Project, including for the construction or acquisition and rehabilitation thereof, secured by a Deed of Trust and identified as such in a Supplemental Indenture, or any other amounts, securities and other property identified as such in a Supplemental Resolution; provided, that Special Reserve Asset shall also mean a participation by the Agency with another party or parties, public or private, in a loan made to a Borrower with respect to a Project; provided, further, that Special Reserve Asset shall also mean an instrument evidencing an ownership interest in such loans, including, but not limited to, a mortgage-backed security guaranteed by the Government National Mortgage Association, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, and any replacement of any of said Special Reserve Asset as provided in the Indenture.

"Special Reserve Fund" means the Special Reserve Fund established pursuant to the Indenture.

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* The 2026 Series A Supplemental Indenture provides that, (i) with respect to the 2026 Series A Borrower Loans , any prepayment premiums or penalties and any Monitoring Fees (as such term is defined in the Regulatory Agreement of the Agency with respect to each 2026 Series A Borrower Loan) shall not constitute Recoveries of Principal, and (ii) with respect to any 2026 Series A Borrower Loan insured by FHA Insurance or FHA Risk-Sharing Insurance, (a) the advance payment of principal amounts to become due with respect to such 2026 Series A Borrower Loan, at the option of the Borrower or at the option or direction of the Federal Housing Administration, and (b) proceeds of FHA Insurance or FHA Risk-Sharing Insurance, shall constitute Recoveries of Principal.

"State" means the State of California.

"Subordinate Bonds" means any Bonds which, pursuant to the Supplemental Indenture authorizing such Bonds, are secured by a subordinate charge and lien on the Revenues and assets pledged under the Indenture.

"Subordinate Obligations" means (i) the Agency's obligation to make Termination Payments and (ii) any other payment obligation of the Agency that arises under a contract, agreement or other obligation of the Agency and has been designated in writing to the Trustee by an Authorized Officer as a Subordinate Obligation hereunder.

"Supplemental Indenture" means any indenture supplemental to or amendatory of the Indenture, executed by the Agency and the Trustee and effective in accordance with the Indenture.

"Supplemental Security" means mortgage insurance or other mortgage credit enhancement, such as mortgage insurance provided by FHA, including FHA Risk-Sharing Insurance.

"Tender Agent" means U.S. Bank Trust Company, National Association, a national banking association, and its successors and assigns appointed in accordance with the 2026 Series A Supplemental Indenture.

"Termination Payment" means, with respect to a Qualified Hedge, an amount required to be paid by the Agency to a Qualified Hedge Provider as a result of the termination, in advance of the stated termination date or scheduled reduction, of the related Qualified Hedge, or required to be paid by the Agency into a collateral account as a source of payment of such an amount required to be paid to a Qualified Hedge Provider.

"Termination Receipt" means an amount required to be paid to the Agency under a Qualified Hedge by the Qualified Hedge Provider as a result of the termination, in advance of the stated termination date or scheduled reduction, of such a Qualified Hedge.

"Trustee" means the trustee designated as Trustee in the Indenture and its successor or successors and any other person at any time substituted in its place pursuant to the Indenture.

APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

Set forth below are abridged or summarized excerpts of certain sections of the Indenture. In some instances, the Indenture permits the modification of certain of its provisions by a Supplemental Indenture relating to a specific Series of Bonds. Certain modifications to the Indenture, which have been made with respect to the Offered Bonds by the provisions of the 2026 Series A Supplemental Indenture, have also been summarized below. The excerpts set forth below do not purport to be complete or to cover all sections of the Indenture. Reference is made to the Indenture and the Supplemental Indenture relating to each Series of Bonds, copies of which are on file with the Agency and the Trustee, for a complete statement of the rights, duties and obligations of the Agency, the Trustee and the Bondholders thereunder.

Provisions for Issuance of Bonds

In order to provide sufficient funds for financing the Agency Purposes, Bonds of the Agency are authorized to be issued without limitation as to amount except as may be provided by law. The Bonds shall be executed by the Agency for issuance and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Agency or upon its order, but only upon the receipt by the Trustee of, among other things:

(a) a Bond Counsel's Opinion to the effect that (i) such Bonds constitute the valid and binding limited obligations of the Agency, (ii) each of the Indenture and the Supplemental Indenture has been duly executed and delivered by, and constitutes the valid and binding obligation of, the Agency, and (iii) the Indenture and such Supplemental Indenture create the valid pledge, to secure the payment of the principal of and interest on such Bonds, of the Trust Estate, subject to the provisions of the Indenture and such Supplemental Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture and such Supplemental Indenture;

(b) a written order as to the delivery of such Bonds, signed by an Authorized Officer;

(c) the amount of the proceeds of such Bonds to be deposited with the Trustee pursuant to the Indenture; and

(d) a Cash Flow Statement conforming to the requirements of the Indenture.

Refunding Bonds

Refunding Bonds of the Agency may be issued under and secured by the Indenture, subject to the conditions provided in the Indenture, from time to time, 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 thereon (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 Service Reserve Account, (iii) if deemed necessary by the Agency, paying the interest to accrue on the refunding Bonds or refunded Bonds to the date fixed for their redemption (or purchase) and (iv) paying any expenses in connection with such refunding. Before such Bonds shall be issued, the Agency and the Trustee shall execute a Supplemental Indenture authorizing the issuance and sale of such Bonds, fixing the amount and the details thereof, describing the Bonds to be redeemed and setting forth determinations required by the Indenture.

Except as otherwise provided in the Supplemental Indenture authorizing a Series of refunding Bonds, refunding Bonds shall be 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) issued under the Indenture, provided, however, a Supplemental Indenture may provide for differences in the maturities thereof or the Interest Payment Dates or the rate or rates of interest or the provisions for redemption.

Before any Series of refunding Bonds shall be authenticated and delivered by the Trustee, there shall be on file with the Trustee, among other things, the following:

(a) the documents specified in subsections (a) through (c) under the heading "Provisions for Issuance of Bonds";

(b) either (i) a Cash Flow Statement conforming to the requirements of the Indenture or (ii) a certificate of an Authorized Officer demonstrating that the issuance of such Series and the refunding of the Bonds to be refunded will not result in a reduction of the Debt Service Reserve Account Requirement as of the date the Bonds to be refunded cease to be Outstanding;

(c) a certificate of an Authorized Officer stating that the proceeds (excluding accrued interest but including any premium) of such refunding Bonds, together with any monies which have been made available to the Trustee for the purpose of paying Debt Service, or the principal of and the interest on the investment of such proceeds or any such monies, 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 and the expenses in connection with such refunding and to make any required deposits to the Debt Service Reserve Account; and

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

The proceeds of such refunding Bonds and the investment income therefrom shall, to the extent practicable, be invested and reinvested by the Trustee, with the approval of the Agency in Investment Securities, and the monies so invested shall be available for use when required.

Perfection of Pledge

The pledge made and the security interest granted by the Indenture shall attach, be perfected and be valid and binding from and after the time of the delivery by the Trustee of the initial Series of Bonds without any further action on the part of the Agency. The proceeds of the sale of Bonds, Revenues, Borrower Loans, Special Reserve Assets and all Accounts and moneys and securities therein so pledged and then or thereafter received by the Agency or the Trustee shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Agency, irrespective of whether such parties have notice thereof.

Application of Bond Proceeds

The proceeds of sale of a Series of Bonds and any other money provided to the Agency in connection with the issuance of such Bonds shall, as soon as practicable upon the delivery of such Bonds, be deposited and applied as set forth in the applicable Supplemental Indenture.

Deposits and Investments

Any amounts that are pledged pursuant to the Indenture and held by the Trustee in any Accounts under or pursuant to the Indenture may be invested in Investment Securities. In computing the amount in any Account, obligations purchased as an investment of monies therein shall be valued at amortized value or if purchased at par, at par.

Upon receipt of written instructions from an Authorized Officer, the Trustee shall exchange any coin or currency of the United States of America or Investment Securities held by it pursuant to the Indenture or any Supplemental Indenture for any other coin or currency of the United States of America or Investment Securities of like amount.

Notwithstanding anything to the contrary contained in the Indenture, any Investment Securities purchased by the Trustee with funds that are pledged pursuant to the Indenture must, as of the date of such purchase, be rated by at least one nationally recognized rating agency in a category at least equivalent to the rating category of the Rated Bonds (without regard to any Credit Facility securing such Rated Bonds) (or "A-1" or "P-1", as applicable if the Investment Security has a remaining term at the time it is provided not exceeding one year); provided, however, that the Trustee may purchase Investment Securities that are rated lower than that set forth above, so long as the purchase of such Investment Securities does not, as of the date of such purchase, in and of itself, result in a reduction or withdrawal of the then existing rating assigned to the Rated Bonds by any of the Rating Agencies.

Establishment of Accounts and Funds

The Indenture establishes the following special trust accounts and funds to be held and maintained by the Trustee in accordance with the Indenture:

(1) Bond Proceeds Account;

(2) Program Account;

(3) Revenue Account;

(4) Redemption Account;

(5) Debt Service Reserve Account; and

(6) Special Reserve Fund (including the Unrestricted Account therein).

The Agency may establish such other Accounts or sub-accounts within any Account pursuant to a Supplemental Indenture as may reasonably be necessary to accomplish the purposes of the Indenture and such Supplemental Indenture. All such Accounts and sub-accounts shall be held and maintained by the Trustee and shall be identified by the Agency and the Trustee according to the designations therein provided in such manner as to distinguish such Accounts from the accounts established by the Agency for any other of its obligations. All monies or securities held by the Trustee pursuant to the Indenture or a Supplemental Indenture shall be held in trust and applied only in accordance with the provisions of the Indenture, the applicable Supplemental Indenture, the Act and other applicable law.

Bond Proceeds Account

There shall be deposited from time to time in the Bond Proceeds Account any proceeds of the sale of Bonds representing principal or premium or other amounts required to be deposited therein pursuant to the Indenture and any Supplemental Indenture and any other amounts determined by the Agency to be deposited therein from time to time. Upon the issuance, sale and delivery of any Series of Bonds pursuant to the Indenture, the Agency shall establish on the books of the Agency a separate sub-account designated "_____ Series _____ Bond Proceeds Sub-Account" (inserting therein the appropriate series and other necessary designation). Upon payment of any amounts from the Bond Proceeds Account, such payments shall be charged to the appropriate Bond Proceeds Sub-Account on the books of the Agency.

Amounts in the Bond Proceeds Account shall be expended only (i) to finance one or more of the Agency Purposes, including but not limited to, the financing of Borrower Loans, which may include making Borrower Loans, acquiring Borrower Loans or refinancing Borrower Loans; (ii) to pay Costs of Issuance; (iii) to pay principal of and interest on the Bonds when due and Qualified Hedge Payments, if any, when due, in accordance with the Indenture, to the extent amounts in the Revenue Account are insufficient for such purpose; (iv) to purchase or redeem Bonds in accordance with the Indenture; (v) to pay, purchase or redeem bonds, notes or other obligations of the Agency or any other entity in accordance with the Indenture; (vi) if so provided in a Supplemental Indenture, to pay Capitalized Interest on the related Bonds, and (vii) if so provided in a Supplemental Indenture, to reimburse a Credit Facility Provider for amounts obtained under a Credit Facility for the purposes described in clauses (iii), (iv), (v) or (vi) of this paragraph.

At least one day prior to each Interest Payment Date, the Agency shall deliver to the Trustee a Certificate of an Authorized Officer setting forth the amounts necessary and available to pay the principal of and interest on the Bonds and Qualified Hedge Payments, if any, from the amount on deposit in the Bond Proceeds Account, after giving effect to the actual and expected application of amounts therein to the financing of the Agency Purposes as of the date of such Certificate, the amount on deposit for such use in the Revenue Account, and any other amount available for such use pursuant to a Supplemental Indenture. On each Interest Payment Date the Trustee shall transfer the amounts so stated to the Revenue Account.

If so provided in a Supplemental Indenture authorizing the issuance of a Series of Bonds, the Agency may direct the Trustee in writing to transfer amounts in the Bond Proceeds Account to fund the payment, purchase or redemption of bonds, notes or other obligations, which may include interest thereon, theretofore issued by the Agency or any other entity upon receipt by the Trustee of a written requisition setting forth (i) the issue of bonds, notes or other obligations with respect to which the transfer is to be made, and (ii) the amount of the transfer.

Program Account

There shall be deposited from time to time in the Program Account any Borrower Loans required to be deposited therein pursuant to the Indenture and any Supplemental Indenture and any other assets determined by the Agency to be deposited therein from time to time. Upon the issuance, sale and delivery of any Series of Bonds pursuant to the Indenture, the Agency shall establish on the books of the Agency a separate sub-account designated "_____ Series _____ Program Sub-Account" (inserting therein the appropriate series and other necessary designation). Upon transfer of any amounts from the Program Account, such payments shall be charged to the appropriate Program Sub-Account on the books of the Agency.

On the Business Day prior to each Interest Payment Date, the Trustee shall transfer all amounts in the Program Sub-Accounts derived from or with respect to the Borrower Loans to the Revenue Account (or the applicable sub-accounts therein).

With respect to any Borrower Loan financed entirely with the proceeds of Bonds that are no longer Outstanding, the Agency may direct that such Borrower Loan and amounts derived therefrom on deposit in the Program Account be transferred to any Restricted Sub-Account of the Special Reserve Fund or, upon filing with the Trustee of a Cash Flow Statement pursuant to the Indenture, transferred to the Unrestricted Account of the Special Reserve Fund or released to the Agency free and clear of the pledge and lien of the Indenture.

Revenue Account

Upon the issuance, sale and delivery of any Series of Bonds pursuant to the Indenture, the Agency may establish on the books of the Agency a separate sub-account designated "_____ Series _____ Revenue Sub-Account" (inserting therein the appropriate series and other necessary designation). Upon transfer of any amounts from any Program Sub-Account, such payments shall be charged to the corresponding sub-account of the Revenue Account on the books of the Agency. Any transfers to or from the Revenue Account described in this section may be transferred to or from a sub-account therein, and any transfers to or from a sub-account of the Revenue Account described in this section may be transferred to or from the Revenue Account, at the discretion of the Agency.

The Agency shall cause all Pledged Receipts and Recoveries of Principal to be deposited promptly with the Trustee in the Revenue Account; provided, however, that any amounts constituting Pledged Receipts or Recoveries of Principal derived from or with respect to any Special Reserve Asset held, or any other amounts on deposit, in the Unrestricted Account of the Special Reserve Fund shall be retained therein and shall not be deposited in the Revenue Account. There shall also be deposited in the Revenue Account any other amounts required to be deposited therein pursuant to the Indenture and any Supplemental Indenture. Earnings on all Accounts established under the Indenture not required to be deposited in the Rebate Fund shall be deposited, as realized, in the Revenue Account (except that earnings on amounts on deposit in the Unrestricted Account of the Special Reserve Fund and any sub-accounts therein shall be retained therein).

All Recoveries of Principal shall be transferred to the Redemption Account and applied to the redemption of Bonds as soon as practically possible; provided, however, that, except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Bonds, in lieu of such transfer, the Agency may, upon filing a Cash Flow Statement, direct the Trustee to transfer all or a portion of any such Recoveries of Principal to the Bond Proceeds Account or retain all or a portion of any such Recoveries of Principal in the Revenue Account.

The Trustee shall pay out of the Revenue Account (or the applicable sub-accounts therein) (i) on or before each Interest Payment Date, the amounts required for the payment of the Principal Installments, if any, and interest due on the Outstanding Bonds on such date and Qualified Hedge Payments, if any, due on such date, and (ii) on or before the Redemption Date or date of purchase, the amounts required for the payment of accrued interest on Outstanding Bonds to be redeemed or purchased on such date unless the payment of such accrued interest shall be otherwise provided for, and in each such case, such amounts shall be applied by the Trustee to such payments; provided, however, that if, pursuant to a Supplemental Indenture, amounts obtained under a Credit Facility are to be used to make the payments referred to in this paragraph, then amounts in the Revenue Account which would have otherwise been used to make such payments may be applied to reimburse the Credit Facility Provider for the amounts so obtained, all in accordance with such Supplemental Indenture.

Any amount accumulated in the Revenue Account up to the unsatisfied balance of each Sinking Fund Payment may, and if so directed in writing by the Agency shall, be applied (together with amounts accumulated in the Revenue Account with respect to interest on the Bonds for which such Sinking Fund Payment was established) by the Trustee prior to the forty-fifth day preceding the due date of such Sinking Fund Payment (i) to the purchase of Bonds of the maturity for which such Sinking Fund Payment was established, at prices (including any brokerage and other charges) not exceeding the Redemption Price plus accrued interest, or (ii) to the redemption of such Bonds, if then redeemable by their terms, at the Redemption Prices referred to above; provided, however, that, to the extent permitted by law, the purchase of such Bonds may be at prices exceeding that set forth in clause (i) of this paragraph if (x) the difference between the purchase price and the Redemption Price is paid from funds of the Agency or (y) the Agency shall have filed with the Trustee a Cash Flow Statement pursuant to the Indenture, and provided further, however, that if, pursuant to a Supplemental Indenture, amounts obtained under a Credit Facility are to be used to make the purchases referred to in this paragraph, then amounts in the Revenue Account which would have otherwise been used to make such purchases may be applied to reimburse the Credit Facility Provider for the amounts so obtained, all in accordance with such Supplemental Indenture.

Except as otherwise provided in an applicable Supplemental Indenture, upon the purchase or redemption of any Bond for which Sinking Fund Payments have been established from amounts in the Revenue Account, an amount equal to the principal amount of the Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Payment thereafter to become due with respect to the Bonds of such maturity and the amount of any excess of the amounts so credited over the amount of such Sinking Fund Payment shall be credited by the Trustee against future Sinking Fund Payments in direct chronological order, unless otherwise instructed in writing by an Authorized Officer at the time of such purchase or redemption.

As soon as practicable after the forty-fifth day preceding the due date of any such Sinking Fund Payment, the Trustee shall call for redemption on such due date, Bonds of the maturity for which such Sinking Fund Payment was established in such amount as shall be necessary to complete the retirement of a principal amount of Bonds equal to the unsatisfied balance of such Sinking Fund Payment. The Trustee shall so call such Bonds for redemption whether or not it then has monies in the Revenue Account sufficient to pay the applicable Redemption Price thereof on the Redemption Date.

On each Interest Payment Date, the Trustee shall transfer from the Revenue Account (i) first, to the Debt Service Reserve Account, an amount equal to the amount necessary to be transferred to such Account in order that the amount on deposit therein be equal to the Debt Service Reserve Account Requirement (or such lesser amount as may be available), (ii) second, to the Bond Proceeds Account, such amount as the Agency determines is required to finance Agency Purposes, as evidenced by a Certificate of an Authorized Officer, (iii) third, if so directed by the Agency, to the Trustee, an amount equal to the Trustee's unpaid fees and expenses, (iv) fourth, if so directed by the Agency, to any Credit Facility Providers, an amount equal to any fees due and owing to such Credit Facility Providers, (v) fifth, to the entities providing Investment Securities with respect to the Accounts or any arrangements or agreements with respect thereto, amounts equal to the fees due and payable on or before the next succeeding Interest Payment Date to such entities, as designated in a Certificate of an Authorized Officer, (vi) sixth, to the Agency, an amount equal to the Administrative Fee to the extent unpaid, and (vii) seventh, to the entities to whom Subordinate Obligations are due, such Subordinate Obligations then due. At any time after the transfers described in (i), (ii), (iii), (iv), (v), (vi) and (vii) above have been made, except as otherwise provided in a Supplemental Indenture, the Agency may, upon the written request of an Authorized Officer, direct the Trustee to transfer any amount remaining in the Revenue Account to any Restricted Sub-Account of the Special Reserve Fund or, upon filing with the Trustee of a Cash Flow Statement or a Cash Flow Certificate pursuant to the Indenture, to the Unrestricted Account of the Special Reserve Fund or to the Agency free and clear of the pledge and lien of the Indenture.

Notwithstanding any other provision under this section, the Trustee may at any time make transfers from the Revenue Account, upon the written direction of an Authorized Officer, to the Redemption Account for the purposes of such Account. No such transfer shall be made, however, unless there is delivered to the Trustee a Cash Flow Statement reflecting such transfer or there is on deposit in the Revenue Account after such transfer an amount equal to the sum of (a) the interest accrued on all Outstanding Bonds as of the date of such transfer, (b) with respect to each Qualified Hedge, the portion of the Qualified Hedge Payment thereunder next due that is accrued as of the date of such transfer, and (c) the product of (i) the aggregate principal amount of Outstanding Bonds and Sinking Fund Payments due on the next succeeding date on which any Outstanding Bond or Sinking Fund Payment is due, and (ii) a fraction, the numerator of which is the number of days from the immediately preceding date on which any Outstanding Bond or Sinking Fund Payment became due to the date of such transfer and the denominator of which is the number of days from such immediately preceding date to such next succeeding date.

Notwithstanding any other provision under this section, the Agency in lieu of depositing all or any portion of a Termination Receipt in the Revenue Account may apply such moneys to, and the Trustee upon the written direction of an Authorized Officer may at any time apply moneys in the Revenue Account representing all or a portion of a Termination Receipt to, the payment of the purchase price of a Qualified Hedge.

Notwithstanding any other provision under this section, no payments shall be required to be made into the Revenue Account so long as the amount on deposit therein shall be sufficient to pay all Outstanding Bonds (including the Sinking Fund Payments for the retirement thereof) and all Qualified Hedge Payments in accordance with their terms, and any Revenues thereafter received by the Agency may be applied to any corporate purpose of the Agency free and clear of the pledge and lien of the Indenture.

Redemption Account

There shall be deposited in the Redemption Account all amounts which are required to be deposited therein pursuant to the Indenture and any Supplemental Indenture and any other amounts available therefor and determined by the Agency to be deposited therein. Subject to the provisions of the Indenture or of any Supplemental Indenture authorizing the issuance of a Series of Bonds, requiring the application thereof to the payment, purchase or redemption of any particular Bonds, the Trustee shall apply any amounts deposited in the Redemption Account to the purchase or redemption of Bonds at the times and in the manner provided in the Indenture.

Notwithstanding anything to the contrary contained in the Indenture, if, pursuant to a Supplemental Indenture, amounts obtained under a Credit Facility are to be used to purchase or redeem Bonds, then amounts in the Redemption Account which would otherwise have been used for such purposes may be applied to reimburse the Credit Facility Provider for the amounts so obtained, all in accordance with such Supplemental Indenture.

Debt Service Reserve Account

There shall be deposited in the Debt Service Reserve Account all amounts required to be deposited therein pursuant to the Indenture and any Supplemental Indenture and any other amounts received and determined to be deposited therein by the Agency.

Amounts on deposit in the Debt Service Reserve Account shall be applied, to the extent other funds are not available therefor pursuant to the Indenture and the applicable Supplemental Indenture, to

pay the Principal Installments of and interest on the Outstanding Bonds when due, whether by call for redemption or otherwise, and Qualified Hedge Payments, if any, when due.

Whenever the amount in the Debt Service Reserve Account exceeds the Debt Service Reserve Account Requirement, the amount of such excess, upon the direction of the Agency, shall be transferred to the Revenue Account.

Monies in the Debt Service Reserve Account may, and at the direction of the Agency shall, be withdrawn by the Trustee and deposited in the Redemption Account for the purchase or redemption of Bonds at any time, provided that subsequent to such purchase or redemption the amount in the Debt Service Reserve Account will not be less than the Debt Service Reserve Account Requirement.

If on any Interest Payment Date or Redemption Date for the Bonds the amount in the Revenue Account and the Redemption Account, as applicable, shall be less than the amount required for the payment of the Principal Installments and interest due on the Outstanding Bonds on such date and Qualified Hedge Payments, if any, due on such date, and if amounts on deposit in the appliable Restricted Sub-Account of the Special Reserve Fund and amounts (if any) on deposit in the Unrestricted Account of the Special Reserve Fund are insufficient to remedy any such deficiency, the Trustee shall apply amounts from the Debt Service Reserve Account to the extent necessary to make good the deficiency.

Notwithstanding anything to the contrary contained in the Indenture, if, pursuant to a Supplemental Indenture, amounts obtained under a Credit Facility are to be used to pay the Principal Installments of and interest on Bonds, then amounts in the Debt Service Reserve Account which would otherwise have been used for such purposes may be applied to reimburse the Credit Facility Provider for the amounts so obtained, all in accordance with such Supplemental Indenture.

The Indenture provides that the Debt Service Reserve Account Requirement for any Series of Bonds may be funded, in whole or in part, through Cash Equivalents if so provided in a Supplemental Indenture authorizing such Series. In the event any such Cash Equivalents are so provided (other than in connection with the initial issuance of the applicable Series of Bonds, or to replenish the Debt Service Reserve Account) in replacement of funds on deposit in the Debt Service Reserve Account, the Trustee shall make such deposit and transfer funds in an equivalent amount from the Debt Service Reserve Account to the Revenue Account.

Under the Indenture, the Debt Service Reserve Account Requirement is the aggregate of the amounts specified as the Debt Service Reserve Account Requirement for each Series of Bonds in a Supplemental Indenture authorizing the issuance of such Series of Bonds. There is no minimum Debt Service Reserve Account Requirement under the Indenture.

Special Reserve Fund

If so directed in the applicable Supplemental Indenture upon the issuance, sale and delivery of a Series of Bonds, the Agency shall establish on the books of the Agency a separate sub-account in the Special Reserve Fund designated "_____ Series _____ Restricted Sub-Account" (inserting therein the appropriate series and other necessary designation) (a "Restricted Sub-Account"). There shall be deposited in the Special Reserve Fund and the accounts and sub-accounts therein all Special Reserve Assets determined to be deposited therein by the Agency from time to time.

Amounts on deposit in the sub-accounts of the Special Reserve Fund shall be applied as set forth in the Supplemental Indenture pursuant to which such sub-accounts were established.

Except as otherwise provided in a Supplemental Indenture with respect to any sub-account of the Special Reserve Fund established pursuant to such Supplemental Indenture, the Trustee shall withdraw from the Special Reserve Fund and pay to the Agency, free and clear of the pledge and lien of the Indenture, any Special Reserve Assets, including any interest or income earned thereon, or shall replace any Special Reserve Asset with another Special Reserve Asset, but only upon receipt of (i) with respect to any Restricted Sub-Account of the Special Reserve Fund, (x) a Certificate of an Authorized Officer setting forth such Special Reserve Assets and (y) a Cash Flow Statement pursuant to the Indenture, and (ii) with respect to the Unrestricted Account of the Special Reserve Fund, a Certificate of an Authorized Officer setting forth such Special Reserve Assets.

The Agency may create a lien on all or any part of the moneys, investments or assets held in the Special Reserve Fund, and not otherwise restricted by a previous Agency direction, to secure any obligation of the Agency, and, if so specified in such Agency direction, such lien shall be prior to the lien on the otherwise unrestricted moneys, investments or assets in the Special Reserve Fund.

Rebate Fund

The Indenture also establishes the Rebate Fund as a special trust account to be held and maintained by the Trustee. Except as otherwise provided in a Supplemental Indenture with respect to an Account established thereunder which is not pledged to the payment of the Bonds or to any Credit Facility Provider in connection with a Credit Facility securing one or more Series of Bonds, earnings on all Accounts required to be deposited into the Rebate Fund shall be deposited, at least as frequently as the end of each fifth Bond Year and at the time that the last Bond that is part of the Series for which a Rebate Amount is required is discharged, into the Rebate Fund.

The Rebate Fund and the amounts deposited therein shall not be subject to a security interest, pledge, assignment, lien or charge in favor of the Trustee or any Bondholder or any other person other than as set forth in the Indenture.

The Trustee, upon the receipt of a certification of the Rebate Amount from an Authorized Officer, shall deposit in the Rebate Fund at least as frequently as the end of each fifth Bond Year and at the time that the last Bond that is part of the Series for which a Rebate Amount is required is discharged, an amount such that the amount held in the Rebate Fund after such deposit is equal to the Rebate Amount calculated as of such time of calculation. The amount deposited in the Rebate Fund pursuant to the previous sentence shall be deposited from amounts withdrawn from the Revenue Account, and to the extent such amounts are not available in the Revenue Account, directly from earnings on the Accounts.

Amounts on deposit in the Rebate Fund shall be invested in the same manner as amounts on deposit in the Accounts, except as otherwise specified by an Authorized Officer to the extent necessary to comply with the tax covenant set forth in the Indenture, and except that the income or interest earned and gains realized in excess of losses suffered by the Rebate Fund due to the investment thereof shall be deposited in or credited to the Rebate Fund from time to time and reinvested.

In the event that, on any date of calculation of the Rebate Amount, the amount on deposit in the Rebate Fund exceeds the Rebate Amount, the Trustee, upon the receipt of written instructions from an Authorized Officer, shall withdraw such excess amount and deposit it in the Revenue Account.

The Trustee, upon the receipt of written instructions and certification of the Rebate Amount from an Authorized Officer, shall pay to the United States, out of amounts in the Rebate Fund, (i) not less frequently than once each six (6) years after the date of original issuance of each Series for which a Rebate Amount is required, an amount such that, together with prior amounts paid to the United States,

the total paid to the United States is equal to 90% of the Rebate Amount with respect to each Series for which a Rebate Amount is required as of the date of such payment, and (ii) notwithstanding the provisions of the Indenture, not later than sixty (60) days after the date on which all Bonds of a Series for which a Rebate Amount is required have been paid in full, 100% of the Rebate Amount as of the date of payment.

Payment of Bonds

The Agency covenants that it will duly and punctually pay or cause to be paid, as provided in the Indenture, the principal or Redemption Price of every Bond and the interest thereon, at the dates and places and in the manner stated in the Bonds, according to the true intent and meaning thereof and shall duly and punctually pay or cause to be paid all Sinking Fund Payments, if any, becoming payable with respect to any of the Bonds.

Tax Covenants

The following covenants are made solely for the benefit of the owners of, and shall be applicable solely to, any Bonds as designated in a Supplemental Indenture to which the Agency intends that the following covenants shall apply.

The Agency shall at all times do and perform all acts and things necessary or desirable in order to assure that interest paid on the Bonds shall be excluded from gross income for federal income tax purposes, except in the event that the owner of any such Bond is a "substantial user" of the facilities financed by the Bonds or a "related person" within the meaning of the Code.

The Agency shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Agency to be used directly or indirectly to acquire any securities or obligations or other investment property, the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 148(a) of the Code.

Except as otherwise permitted in a Supplemental Indenture authorizing the issuance of a Series of Bonds, the Agency shall not permit any person or "related person" (as defined in the Code) to purchase Bonds in an amount related to the Borrower Loan to be acquired by the Agency from such person or "related person."

Covenants with Respect to Borrower Loans and Special Reserve Assets

The Agency pledges for the benefit of the Bondholders and the entities to whom Qualified Hedge Payments are due all of its right, title and interest in and to the Borrower Loans and the Special Reserve Assets, which pledge shall be valid and binding from and after the date of the Indenture. Such Borrower Loans and Special Reserve Assets shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Agency, irrespective of whether such parties have notice thereof. Notwithstanding anything to the contrary contained in the Indenture, the Agency may, pursuant to a Supplemental Indenture authorizing a Series of Bonds, (i) also pledge one or more Borrower Loans for the benefit of one or more Credit Facility Providers who have provided Credit Facilities to secure such Series of Bonds, and such further pledge may be either on a parity with or subordinate to the pledge set forth in this paragraph to secure the payment of the Bonds and Qualified Hedge Payments, all as set forth in such Supplemental Indenture, or (ii) provide that any or all of the Borrower Loans financed by the Series of Bonds authorized pursuant to such Supplemental Indenture be excluded from the pledge set forth in this paragraph to secure the payment of the Bonds and

Qualified Hedge Payments or otherwise limit such pledge with respect to such Borrower Loans. Upon the happening of an event of default specified under the heading "Events of Default," the written request of the Trustee or the owners of not less than twenty-five per centum (25%) in principal amount of the Outstanding Bonds (other than Subordinate Bonds), the Agency shall effectuate the assignment and deliver the Borrower Loans and the Special Reserve Assets to or at the direction of the Trustee. If, however, the Trustee and the Bondholders are restored to their positions in accordance with the Indenture, the Trustee shall assign such Borrower Loans and Special Reserve Assets with respect thereto back to the Agency.

With respect to any 2026 Series A Borrower Loan or Special Reserve Asset insured by FHA Risk-Sharing Insurance, the 2026 Series A Supplemental Indenture provides that no assignment or reassignment of such 2026 Series A Borrower Loan or Special Reserve Asset as described in the second preceding paragraph shall be permitted so long as such FHA Risk-Sharing Insurance is in effect with respect to such 2026 Series A Borrower Loan or Special Reserve Asset, and HUD shall have no obligation to recognize or deal with anyone other than the Agency in its role as mortgagee of record and as party to a risk sharing agreement with HUD with respect to rights, benefits and obligations of the Agency under the FHA Risk-Sharing Insurance contract.

In order to pay the Principal Installments of and interest on the Bonds when due, the Agency shall, except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Bonds, from time to time, with all practical dispatch and in a sound and economical manner consistent in all respects with the Act, any other applicable law, the provisions of the Indenture and sound banking practices and principles, (i) use and apply the proceeds of the Bonds, to the extent not reasonably or otherwise required for other purposes of the kind permitted by the Indenture, to finance the Agency Purposes pursuant to the Act, any other applicable law and the Indenture and any applicable Supplemental Indenture, (ii) do all such acts and things as shall be necessary to receive and collect Revenues (including diligent enforcement of the prompt collection of all arrears on Borrower Loans and Special Reserve Assets), (iii) diligently enforce, and take all steps, actions and proceedings reasonably necessary in the judgment of the Agency to protect its rights with respect to or to maintain any insurance on Borrower Loans and Special Reserve Assets or any subsidy payments in connection with the Projects securing the Borrower Loans and the Special Reserve Assets or the occupancy thereof and to enforce all terms, covenants and conditions of the Borrower Loans and the Special Reserve Assets, including the collection, custody and prompt application of all Escrow Payments for the purposes for which they were made, and (iv) take all steps, actions and proceedings necessary, in the judgment of the Agency, to protect its rights with respect to the Deeds of Trust securing the Borrower Loans and the Special Reserve Assets.

With respect to any Borrower Loan or Special Reserve Asset, except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Bonds, the following additional provisions shall apply:

(1) Whenever, in the Agency's judgment, it shall be necessary in order to protect and enforce the rights of the Agency under a Deed of Trust securing a Borrower Loan or Special Reserve Asset and to protect and enforce the rights and interests of Bondholders, the Agency may, in its discretion, commence foreclosure proceedings against the Borrower in default under the provisions of such Deed of Trust and/or, in protection and enforcement of its rights under such Deed of Trust, the Agency may, in its discretion, acquire and take possession of the Project covered by such Deed of Trust by bidding for and purchasing such Project at the foreclosure sale thereof, by deed in lieu of foreclosure or otherwise.

(2) Upon acquisition by the Agency of a Project securing a Borrower Loan or Special Reserve Asset (other than a Special Reserve Asset held in the Unrestricted Account of the Special

Reserve Fund) by foreclosure, deed in lieu of foreclosure or otherwise, and so long as the Agency shall have title thereto or be in possession thereof, the Agency shall, as the case may be, construct, operate and administer such Project in the place and stead of the Borrower in such manner as the Agency' reasonably determines is in the best interests of the Bondholders. In so doing, the Agency, to the extent it may have money available for such purpose, may complete the construction and development thereof if not already completed, if the Agency determines in its reasonable judgment that completion of such construction is in the best interests of the Bondholders. From money received by the Agency from the ownership and operation of the Project, to the extent such money is sufficient for the following purposes, the Agency shall first pay or make provisions for payment of the costs and expenses of taxes, insurance, foreclosure fees, including appraisal and legal fees and similar expenses required to preserve or acquire unencumbered title to the Project, and after providing currently for these expenses shall pay the cost and expenses of operating the Project, including the repayments which the Borrower was obligated to pay, which repayments shall be paid to the Trustee for deposit in the Revenue Account.

(3) Notwithstanding the provisions of paragraph (2) above, upon acquisition by the Agency of a Project securing a Borrower Loan or Special Reserve Asset, whether by foreclosure, deed in lieu of foreclosure or otherwise:

(a) The Agency may at any time thereafter sell such Project to another qualified entity and make a loan with respect thereto as if such entity were the original Borrower, and which new loan shall constitute a replacement Borrower Loan or Special Reserve Asset, as the case may be, provided that (i) the Deed of Trust securing such loan shall contain the terms, conditions, provisions and limitations substantially similar to the Deed of Trust of such Project which had previously secured the related Borrower Loan or Special Reserve Asset, (ii) said new loan shall automatically become subject to the lien of the Indenture and (iii) the Agency shall file with the Trustee a Certificate of an Authorized Officer describing said replacement Borrower Loan or Special Reserve Asset and specifying which Borrower Loan or Special Reserve Asset has been so replaced; or

(b) The Agency may at any time thereafter sell such Project provided that the proceeds of such sale shall be treated as a Recovery of Principal.

(4) In addition, and as an alternative to the rights of the Agency described above, following a default under a Borrower Loan or Special Reserve Asset, the Agency may, in its discretion, cause or consent to the sale of a Project securing such Borrower Loan or Special Reserve Asset to another qualified entity and, in connection with any such sale (a) allow the purchaser to assume the related Deed of Trust, or (b) make a loan with respect thereto as if such entity were the original Borrower, and which new loan shall constitute a replacement Borrower Loan or Special Reserve Asset, as the case may be, if such sale shall occur after the original Deed of Trust shall have been discharged, provided, however, that (i) the Deed of Trust securing such loan shall contain the terms, conditions, provisions and limitations substantially similar to the Deed of Trust of such Project which had previously secured the related Borrower Loan or Special Reserve Asset, (ii) said new loan shall automatically become subject to the lien of the Indenture and (iii) the Agency shall file with the Trustee a Certificate of an Authorized Officer describing said replacement Borrower Loan or Special Reserve Asset and specifying which Borrower Loan or Special Reserve Asset has been so replaced.

(5) Notwithstanding the foregoing, from and after the date on which a 2026 Series A Borrower Loan or Special Reserve Asset is insured by FHA Risk-Sharing Insurance, the

provisions of (1) - (4) above shall apply with respect to such 2026 Series A Borrower Loan or Special Reserve Asset only during the period that HUD has failed to honor its payment obligations under such FHA Risk-Sharing Insurance.

(6) In addition, and as a further alternative to the rights of the Agency described above, following a default under a Borrower Loan or Special Reserve Asset, the Agency may, in its discretion, obtain amounts under any letter of credit or other credit enhancement securing such Borrower Loan or Special Reserve Asset or under any agreement entered into by the Agency and the provider of such letter of credit or other credit enhancement in connection with the providing of such letter of credit or credit enhancement, in accordance with the terms thereof; provided that if the Agency obtains funds in an amount equal to the outstanding principal balance of such Borrower Loan or Special Reserve Asset, plus the lesser of (i) accrued interest thereon or (ii) the maximum amount available with respect to accrued interest thereon, pursuant to any such letter of credit, credit enhancement or other agreement, the Agency shall immediately assign such Borrower Loan or Special Reserve Asset to or upon the order of the provider thereof free and clear of the pledge and lien of the Indenture.

(7) In addition, and as an alternative to the rights of the Agency described above, following a default under a Borrower Loan or Special Reserve Asset, the Agency may, in its discretion, release such defaulted Borrower Loan or Special Reserve Asset from the lien of the Indenture and in substitution therefore pledge a new Borrower Loan or Special Reserve Asset, provided, however, that (i) the new Borrower Loan or Special Reserve Asset shall automatically become subject to the lien of the Indenture, (ii) the Agency shall file with the Trustee a Certificate of an Authorized Officer describing said replacement Borrower Loan or Special Reserve Asset and specifying which Borrower Loan or Special Reserve Asset has been so replaced and (iii) the Trustee shall have received a Bond Counsel's Opinion to the effect that the substitution of a new Borrower Loan or Special Reserve Asset, as applicable, for the defaulted Borrower Loan or Special Reserve Asset will not, in and of itself, adversely affect any exclusion of interest on such Bonds from gross income for purposes of federal income taxation.

With respect to any 2026 Series A Borrower Loan or Special Reserve Asset insured by FHA Risk-Sharing Insurance, the 2026 Series A Supplemental Indenture provides as follows. Upon receipt of proceeds of FHA Risk-Sharing Insurance, such 2026 Series A Borrower Loan or Special Reserve Asset shall no longer be pledged for the benefit of the owners of the Bonds and will be free and clear of the pledge and lien of the Indenture. The Agency shall comply with and shall not take any action in conflict with the regulations or prescribed mortgage documents of the Federal Housing Administration so as to jeopardize the FHA Risk-Sharing Insurance and shall notify the Federal Housing Administration, on a timely basis, of the occurrence of a default on such 2026 Series A Borrower Loan or Special Reserve Asset. The Agency shall promptly advise the Trustee of the occurrence of a default on such 2026 Series A Borrower Loan or Special Reserve Asset and shall keep the Trustee advised as to any actions taken to cure such default and/or to claim the benefits of FHA Risk-Sharing Insurance. Other than as permitted by HUD, the Agency shall not seek any extension of the deadline for filing notice of its intention to file a claim for FHA Risk-Sharing Insurance. The Agency shall take any and all action necessary or desirable to ensure that all benefits of FHA Risk-Sharing Insurance are paid to the Agency in cash, in accordance with all applicable regulations of the Federal Housing Commissioner.

The provisions described under this heading "Covenants with Respect to Borrower Loans and Special Reserve Assets" with respect to any Special Reserve Asset shall be subject to the provisions described above under the heading "Special Reserve Fund."

Issuance of Additional Obligations

The Agency shall not hereafter create or permit the creation of or issue any obligations or create any indebtedness which will be secured by a superior charge and lien on the Revenues and assets pledged under or pursuant to the Indenture for the payment of Bonds (other than Subordinate Bonds). In addition, the Agency shall not hereafter create or permit the creation of or issue any obligations or create any additional indebtedness (other than additional Bonds and except as expressly permitted by the Indenture with respect to pledges made for the benefit of Credit Facility Providers) which will be secured by an equal charge and lien on the Revenues and assets pledged under or pursuant to the Indenture. The Agency expressly reserves the right (i) to issue one or more Series of Subordinate Bonds pursuant to Supplemental Indentures and (ii) to issue one or more series of bonds, notes or other obligations pursuant to other indentures which will be secured by a subordinate charge and lien on the Revenues and assets pledged under the Indenture.

State Pledge

In accordance with the Act, the following pledge is included in the Indenture: The State pledges with the Holders of any Bonds issued under the Indenture that the State will not limit or alter the rights vested in the Agency to fulfill the terms of any agreements made with the Holders or in any way impair the rights and remedies of such Holders until such Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully met and discharged.

Sale of Borrower Loans and Special Reserve Assets

The Agency is authorized to sell, assign or otherwise dispose of a Borrower Loan or Special Reserve Asset, in addition to a sale, assignment or disposition required pursuant to the Indenture or any applicable Supplemental Indenture, provided the proceeds of such sale, assignment or disposition shall be treated as Recoveries of Principal for purposes of the Indenture. The provisions described under this heading "Sale of Borrower Loans and Special Reserve Assets" with respect to any Special Reserve Asset shall be subject to the provisions described above under the heading "Special Reserve Fund."

Powers of Amendment

Any modification of or amendment to the Indenture and of the rights and obligations of the Agency and of the owners of the Bonds may be made by a Supplemental Indenture, with the written consent (given as provided in the Indenture), (i) of the owners of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given, and (ii) in case less than all of the Bonds then Outstanding are affected by the modification or amendment, of the owners of at least a majority in principal amount of the Bonds so affected and Outstanding at the time such consent is given; provided, however, that in addition to the foregoing and notwithstanding anything to the contrary contained in the Indenture, any modification of or amendment to a Supplemental Indenture authorizing the issuance of a Series of Bonds and of the rights and obligations of the Agency and of the owners of the Bonds of such Series thereunder, in any particular, may, if no Bonds other than the Bonds of such Series are affected by the modification or amendment, be made by a Supplemental Indenture, but only, in the event such Supplemental Indenture shall require the consent of Bondholders, with the written consent given as provided in the Indenture, (i) of the owners of at least a majority in principal amount of the Bonds of such Series Outstanding at the time such consent is given, and (ii) in case less than all of the Bonds of such Series then Outstanding are affected by the modification or amendment, of the owners of at least a majority in principal amount of the Bonds of such Series so affected and Outstanding at the time such consent is given. If any such modification or amendment will not take effect so long as any Bonds of any

specified Series and maturity remain Outstanding however, the consent of the owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this paragraph. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond, or of any right or obligation to tender such Bond for purchase, or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the owner of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the owners of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee without its written assent thereto.

The Agency and the Trustee may enter into, without the consent of any owners of the Bonds, Supplemental Indentures to, among other things, (i) provide limitations and restrictions in addition to the limitations and restrictions contained in the Indenture on the issuance of other evidences of indebtedness; add to the covenants and agreements or limitations and restrictions on, the Agency's other covenants and agreements or limitations and restrictions which are not contrary to or inconsistent with the Indenture; (ii) surrender any right, power or privilege of the Agency under the Indenture, but only if the surrender is not contrary to or inconsistent with the covenants and agreements of the Agency contained in the Indenture; (iii) confirm any pledge under the Indenture of the Revenues or of any other revenues or assets; (iv) modify any of the provisions of the Indenture in any respect whatever, but only if such modification by its terms is effective only after all Bonds issued before the date of such Supplemental Indenture are no longer Outstanding; (v) provide for the issuance of Bonds in coupon form payable to bearer; (vi) authorize the issuance of a Series of Bonds and prescribe the terms and conditions thereof; (vii) cure any ambiguity or correct any defect or inconsistent provision in the Indenture; (viii) comply with the Code; (ix) pledge under the Indenture any additional collateral as further security for the Bonds or specific Series of Bonds, including, but not limited to, additional Borrower Loans, Special Reserve Assets or other assets or revenues; (x) appoint a trustee (other than the Trustee) with respect to any Subordinate Bonds; (xi) make any other change in the Indenture or, in the case of a Series of Bonds, in the related Supplemental Indenture, including any change otherwise requiring the consent of Bondholders as provided in the Indenture, if such change affects only Bonds which are subject to mandatory or optional tender for purchase and if (a) with respect to Bonds subject to mandatory tender, such change is effective as of a date for such mandatory tender, and (b) with respect to Bonds subject to tender at the option of the holders thereof, notice of such change is given to such holders at least thirty (30) days before the effective date thereof; or (xii) make any additions, deletions or modifications to the Indenture which, in the opinion of the Trustee, are not materially adverse to the interests of the Bondholders.

Events of Default

Each of the following events shall constitute an "Event of Default" with respect to the Bonds: (1) except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Bonds, payment of the principal or Redemption Price, if any, of or interest on any Bond when and as the same shall become due, whether at maturity or upon call for redemption or otherwise, shall not be made when and as the same shall become due; or (2) the Agency shall fail or refuse to comply with the provisions of the Indenture or shall default in the performance or observance of any of the covenants, agreements or conditions on its part contained therein or in any applicable Supplemental Indenture or the Bonds, and such failure, refusal or default shall continue for a period of ninety (90) days after written notice thereof by the Trustee or the owners of not less than 5% in principal amount of the Outstanding Bonds (other than Subordinate Bonds).

Remedies

Upon the happening and continuance of any Event of Default specified in clause (1) of the preceding paragraph, the Trustee shall proceed, or upon the happening and continuance of any Event of Default specified in clause (2) of the preceding paragraph, the Trustee may proceed and, upon the written request of the owners of not less than 25% in principal amount of the Outstanding Bonds (other than Subordinate Bonds), shall proceed, in its own name, subject to the provisions of the Indenture, to protect and enforce the rights of the Bondholders by such of the following remedies, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights: (1) by mandamus or other suit, action or proceeding at law or in equity, to enforce all rights of the Bondholders, including the right to require the Agency to receive and collect Revenues adequate to carry out the covenants and agreements as to the Borrower Loans and the Special Reserve Assets and to require the Agency to carry out any other covenants or agreements with such Bondholders, including the assignment of the Borrower Loans and the Special Reserve Assets, and to perform its duties under the Act; (2) by bringing suit upon the Bonds; (3) by action or suit in equity, to require the Agency to account as if it were the trustee of an express trust for the owners of the Bonds; (4) by action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the owners of the Bonds; (5) by declaring all Outstanding Bonds due and payable (provided that with respect to an Event of Default specified in clause (2) of the preceding paragraph, no such declaration shall be made without the consent of the owners of 100% in principal amount of the Outstanding Bonds (other than Subordinate Bonds)), and if all defaults shall be cured, then, with the written consent of the owners of not less than 25% in principal amount of the Outstanding Bonds (other than Subordinate Bonds), by annulling such declaration and its consequences; or (6) in the event that all Outstanding Bonds are declared due and payable, by selling Borrower Loans, Special Reserve Assets and any Investment Securities securing such Bonds.

In the enforcement of any rights and remedies under the Indenture, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due and unpaid from the Agency for principal, Redemption Price, interest or otherwise, under any provisions of the Indenture or a Supplemental Indenture or of the Bonds with interest on overdue payments at the rate of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings thereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce a judgment or decree against the Agency for any portion of such amounts remaining unpaid, with interest, costs and expenses (including without limitation pre-trial, trial and appellate attorneys' fees), and to collect from any monies available for such purpose, in any manner provided by law, the monies adjudged or decreed to be payable.

Anything in the Indenture to the contrary notwithstanding, the owners of the majority in principal amount of the Bonds then Outstanding (other than Subordinate Bonds) shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee under the Indenture, provided that such direction shall not be otherwise than in accordance with law or the provisions of the Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

No owner of any Bond shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law under the Indenture, or for the protection or enforcement of any right under the Indenture unless such owner shall have given to the Trustee written notice of the Event of Default or breach of duty on account of which such suit, action or proceeding is to be taken, and unless the owners of not less than 25% in principal amount of the Bonds then Outstanding (other than Subordinate Bonds) 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 occurred, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers in the Indenture granted or granted under the law or to institute such action, suit or proceeding in its name and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses (including legal fees and 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. Nothing contained in the Indenture shall affect or impair the right of any Bondholder to enforce the payment of the principal of and interest on such owner's Bonds, or the obligation of the Agency to pay the principal of and interest on each Bond issued under the Indenture to the owner thereof at the time and place in said Bond expressed.

Unless remedied or cured, the Trustee shall give to the Bondholders notice of each Event of Default under the Indenture known to the Trustee within ninety (90) days after actual knowledge by the Trustee of the occurrence thereof. However, except in the case of default in the payment of the principal or Redemption Price, if any, of or interest on any of the Bonds, or in the making of any payment required to be made into the Bond Proceeds Account, the Trustee may withhold such notice if it determines that the withholding of such notice is in the interest of the Bondholders.

Priority of Payments After Default

In the event that upon the happening and continuance of any Event of Default the funds held by the Trustee shall be insufficient for the payment of the principal or Redemption Price, if any, of and interest then due on the Bonds affected, such funds (other than funds held for the payment or redemption of particular Bonds which have theretofore become due at maturity or by call for redemption) and any other amounts received or collected by the Trustee acting pursuant to the Act and the Indenture, after making provision for the payment of any expenses necessary in the opinion of the Trustee to protect the interest of the owners of such Bonds and for the payment of the charges and expenses and liabilities incurred and advances made by the Trustee in the performance of its duties under the Indenture, shall be applied as follows:

(1) Unless the principal of all of such Bonds shall have become or have been declared due and payable:

(a) To the payment to the persons entitled thereto of all installments of interest then due with respect to such Bonds (other than Subordinate Bonds) and of Qualified Hedge Payments in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference,

(b) To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any such Bonds (other than Subordinate Bonds) which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds (other than Subordinate Bonds) due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price, if any, due on such date, to the persons entitled thereto, without any discrimination or preference,

(c) To the payment to the persons entitled thereto of all installments of interest then due with respect to Subordinate Bonds in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any

installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference,

(d) To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Subordinate Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Subordinate Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price, if any, due on such date, to the persons entitled thereto, without any discrimination or preference, and

(e) To the payment of any Subordinate Obligations then due, and, if the amounts available shall not be sufficient to pay in full all such Subordinate Obligations, then to the payment thereof ratably, according to the amounts due, to the persons entitled thereto, without any discrimination or preference.

(2) If the principal of all such Bonds shall have become or have been declared due and payable, first to the payment of the principal and interest then due and unpaid upon such Bonds (other than Subordinate Bonds) and Qualified Hedge Payments without preference or priority among principal, interest and Qualified Hedge Payments, and without preference or priority of any installment of interest or Qualified Hedge Payments over any other installment of interest or Qualified Hedge Payments, or of any such Bond (other than Subordinate Bonds) over any other such Bond (other than Subordinate Bonds), ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in such Bonds (other than Subordinate Bonds) or in the Qualified Hedges, and second, to the payment of the principal and interest then due and unpaid upon the Subordinate Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any such Subordinate Bond over any other such Subordinate 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 any difference in the respective rates of interest specified in such Subordinate Bonds, and third, to the payment of any Subordinate Obligations when due, ratably, according to the amounts due, to the persons entitled thereto, without any discrimination or preference.

Defeasance

If the Agency shall pay or cause to be paid to the owners of all Bonds then Outstanding the principal and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the Indenture, then the pledge of any Revenues and other monies, securities, funds and property pledged by the Indenture and all other rights granted by the Indenture shall be discharged and satisfied.

Bonds or interest installments for the payment or redemption of which monies shall have been set aside and shall be held in trust by the Trustee (through deposit by the Agency of funds for such payment or redemption or otherwise) at the maturity or Redemption Date thereof shall be deemed to have been paid within the meaning and with the effect expressed in the above paragraph. Except as otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Bonds, all Outstanding Bonds of any Series shall, prior to the maturity or Redemption Date thereof, be deemed to have been paid within the meaning and with the effect expressed in the above paragraph if: (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Agency shall have given to the Trustee in form

satisfactory to it irrevocable instructions to give as provided in the Indenture notice of redemption on said date of such Bonds, (ii) there shall have been set aside and shall be held in trust by the Trustee (through deposit by the Agency of funds for such payment or redemption or otherwise) either (a) monies in an amount which shall be sufficient, or (b) Government Obligations or (c) obligations (1) validly issued by or on behalf of a state or political subdivision thereof, and (2) fully secured by a first lien on Government Obligations, the principal of and the interest on which when due will provide monies which, together with the monies, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal or Redemption Price, if any, of and interest due and to become due on said Bonds on and prior to the Redemption Date or maturity date thereof, as the case may be, and (iii) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Agency shall have given the Trustee in form satisfactory to it irrevocable instructions to give by mail, as soon as practicable, notice to the owners of such Bonds that the deposit required by this subsection has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with the Indenture and stating such maturity or Redemption Date upon which monies are to be available for the payment of the principal or Redemption Price, if any, on said Bonds. To the extent required for the payment of the principal or Redemption Price, if applicable, of and interest on said Bonds, neither monies deposited with the Trustee pursuant to the Indenture nor principal or interest payments on any such Government Obligations or obligations described in clause (c) above and deposited with the Trustee pursuant to the Indenture shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if any, of and interest on said Bonds; provided that any cash received from such principal or interest payments on such Government Obligations or obligations described in clause (c) above and deposited with the Trustee pursuant to the Indenture, if not then needed for such purpose, shall, to the extent practicable, be reinvested in obligations described in clauses (b) or (c) above maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if any, of and interest to become due on said Bonds on and prior to such Redemption Date or maturity date thereof, as the case may be, and, if not required for the payment of such Bonds, any monies deposited with the Trustee pursuant to the Indenture and principal and interest payments on the obligations described in clauses (b) or (c) above shall be paid over to the Agency, as received by the Trustee, free and clear of any trust, lien or pledge. The Trustee may sell, transfer or otherwise dispose of the obligations described in clauses (b) and (c) above deposited with the Trustee pursuant to the Indenture; provided that the amounts received upon any such sale, transfer or other disposition, or a portion of such amounts, shall be applied to the purchase of other obligations described in clauses (b) and (c) above, the principal of and the interest on which when due will provide monies which, together with the monies on deposit with the Trustee, shall be sufficient to pay when due the principal or Redemption Price, if applicable, of and interest due and to become due on said Bonds on and prior to the Redemption Date or maturity date thereof, as the case may be, in accordance with the Indenture.

Amounts held by the Trustee for the payment of principal or Redemption Price of, or interest on, Bonds held by particular Bondholders with respect to which no claim for payment has been made shall be disposed of as provided by applicable law, or if there shall be no such applicable law, shall be returned to the Agency three years after the date on which payment of such amounts would have been due.

If so provided in a Supplemental Indenture authorizing a Series of Bonds, so long as the Credit Facility Provider with respect to a Credit Facility is not in default of any of its obligations under such Credit Facility, such Credit Facility Provider (i) may be deemed to be the owner of the Bonds of any Series which receives the benefits of such Credit Facility at all times for the purpose of the execution and delivery of a Supplemental Indenture or any amendment, change or modification to the Indenture and (ii) may initiate any action which may be initiated by Bondholders under the Indenture to be undertaken by the Trustee at the Bondholder's request which under the Indenture requires the written approval or consent of or can be initiated by the owners of Bonds of the applicable Series at the time Outstanding; provided, however, that no such amendment, change, modification or action shall permit a change in the

terms of redemption or maturity of principal or of any installment of interest thereon, or a change in the terms of any right or obligation to tender such Bond for purchase, or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon, without the consent of the actual owner of such Bond, or shall reduce the percentages of Bonds, the consent of the owner of which is required to effect such amendment, change or modification or initiate such action, without the consent of the actual owner of such Bonds.

APPENDIX C

ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CALIFORNIA HOUSING FINANCE FUND FOR THE FISCAL YEARS ENDED JUNE 30, 2025 AND JUNE 30, 2024

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50TH ANNIVERSARY

CalHFA℠

BRINGING PEOPLE HOME FOR 50 YEARS

2024/25 ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE CALIFORNIA HOUSING FINANCE FUND FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND JUNE 30, 2025

CALIFORNIA HOUSING FINANCE AGENCY
A Component Unit of the State of California

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ANNUAL COMPREHENSIVE FINANCIAL REPORT

of the California Housing Finance Fund
for the fiscal years ended June 30, 2024 and June 30, 2025

Prepared through the joint efforts of CalHFA team members.

A Component Unit of the State of California

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INTRODUCTORY SECTION

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

California Housing Finance Agency

For its Annual Comprehensive

Financial Report

For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

California Housing Finance Agency

BRINGING PEOPLE HOME FOR 50 YEARS

State of California

CalHFA

December 22, 2025

Members of the CalHFA Board of Directors, California Legislature, and Residents of California:

The California Housing Finance Agency (CalHFA or Agency) is pleased to present the Annual Comprehensive Financial Report (ACFR) of the California Housing Finance Fund (Fund) for the fiscal years ended June 30, 2025, and 2024. This report provides an overview of CalHFA's financial position, fulfilling the annual reporting requirements of California Health and Safety Code Section 51005. It also reflects the Agency's ongoing commitment to prudent financial management and offers context for the economic environment in which we operate.

CalHFA Overview and Governance

This year marks CalHFA's 50th Anniversary supporting renters and homebuyers through financing and programs for low- to moderate-income Californians. Chartered in 1975 as the State's affordable housing lender, CalHFA continues to fulfill its mission with a strong commitment to housing equity.

CalHFA is governed by a Board of Directors, whose biographies are included later in this report, and is led by an Executive Director, appointed by the Governor. The Board's Audit and Risk Management (ARM) Committee assists in overseeing financial reporting and accounting integrity. The ARM Committee is comprised of no fewer than three rotating voting members of the Board, appointed by the Chairman. The Committee meets at least twice per year with the independent auditor, management, and staff to discuss key issues related to financial reporting and accounting policies.

CalHFA's mission to invest in diverse communities through financing programs that help more Californians have a place to call home is realized through a variety of housing programs and activities:

- Multifamily Division: Administers programs providing affordable rental housing through partnerships with local jurisdictions, affordable housing developers and other financial institutions.
- Single-Family Division: Offers lending products and down payment assistance for first-time homebuyers through a statewide network of approved lenders.

CalHFA is primarily self-funded through revenues from lending activities and investments. Select programs receive funding from California's General Fund, or other legislation, and the Agency also administers federally allocated funds for specific housing-related initiatives. Since its inception, CalHFA has assisted more than 233,000 Californians purchase their first home and supported the creation or preservation of more than 85,000 affordable rental units serving veterans, seniors, individuals with special needs, and families at risk of homelessness.

Economic Environment

While CalHFA is financially self-supporting, and its operations do not rely on the State's general tax authority, we are influenced by broad market and economic trends including:

- Home Prices: Affordability and market competition remain barriers for many first-time homebuyers. CalHFA remains one of the few providers of down payment assistance programs in California, resulting in relatively stable lending volume.
- Interest Rates: Volatile short- and long-term rates affect both borrower demand for CalHFA products, and the Agency's capital market costs. CalHFA manages its interest rate risk through its hedging program, initiated in January 2021, for multifamily permanent loan commitments.
- Rental Construction: High construction costs for new affordable rental projects continue to challenge the Agency's role in financing multifamily programs.
- Credit Ratings: The Agency's access to capital markets and cost of borrowing is affected by its credit ratings, which are discussed in the MD&A section.

Major Initiatives and Program Developments

CalHFA's single-family lending increased in FY 2024-25, supported by rising home prices and strong demand for affordable mortgage products. The Agency securitized 6,955 first mortgage loans totaling more than $3.14 billion, to assist low- and moderate-income homebuyers across the state.

The MyHome Program remains foundational, with over 72% of the Agency's first mortgage loans utilizing it for down payment assistance, demonstrating sustained demand. In FY 2024-25, CalHFA re-entered the capital market for single-family programs through bond financing and introduced the MyAccess Down Payment Assistance Program, offering borrowers greater flexibility and increased financial support.

CalHFA's multifamily programs continue to play a critical role in California's affordable housing finance ecosystem, offering specialized financing tools, such as conduit bond issuance, recycled bonds, permanent first lien loans, and mixed-income subordinate loans. While multifamily financing saw a modest decline this year, the Agency still helped create or preserve 2,779 affordable rental units, providing over $1.12 billion in net financing.

The Agency also continued its administration of National Mortgage Settlement (NMS) funds, providing free housing counseling to more than 97,550 families through HUD-approved agencies as of June 30, 2025. In FY 2024–25, $100 million of the original $300 million allocation was redirected to establish the CalAssist Mortgage Fund, supporting homeowners impacted by natural disasters such as wildfires.

Through its special-purpose affiliate, the CalHFA Homeowner Relief Corporation (CalHRC), CalHFA successfully utilized the $1.06 billion federal Homeowner Assistance Fund allocation to administer the California Mortgage Relief Program (MRP). While MRP is now in its final wind-down, it provided mortgage relief to 37,301 households and prevented 902 imminent foreclosures.

Looking ahead to FY 2025–26, CalHFA will build on its ongoing commitment to provide safe, affordable housing to Californians across income levels.

Management's Responsibility and Financial Reporting

Management is responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and executed, and financial statements are accurate and prepared in accordance with generally accepted accounting principles (GAAP). Because the cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements. These controls are intended to reduce the risk of error or irregularity to an acceptable level and enable timely detection. Management believes the Fund's accounting and operational controls meet these standards.

CalHFA is not subject to an appropriated budget by the State nor is it required to adopt a legally authorized, non-appropriated budget. However, as part of sound fiscal governance, an annual budget is presented to and approved by the Board of Directors. Quarterly budget reports are provided to managers and executive staff; mid-year budget and business plan updates are presented to the Board; and monthly financial reports are shared with the Agency's Leadership Team.

The Fund's financial statements have been audited by CliftonLarsonAllen LLP, independent certified public accountants. Their report expresses an unmodified opinion, concluding that the financial statements are fairly presented in accordance with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides additional narrative and analysis of the Basic Financial Statements. The MD&A complements this letter of transmittal and the two should be read in conjunction.

Awards and Recognition

The Government Finance Officers Association (GFOA) awarded the Fund a Certificate of Achievement for Excellence in Financial Reporting for its FY 2023-24 ACFR, marking the eighth consecutive year the Fund has earned this distinction. This award recognizes that CalHFA goes beyond the minimum requirements of GAAP and exemplifies the spirit of transparency and full disclosure. We believe this year's report meets those high standards and have submitted it to the GFOA for review.

Acknowledgments

This report reflects CalHFA's commitment to transparency, accountability, and sound financial stewardship. We acknowledge the dedicated efforts and contributions of CalHFA team members, along with the ongoing guidance and oversight of our Board of Directors.

Respectfully submitted,

Rebecca Franklin
Chief Deputy Director

BOARD OF DIRECTORS

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

Nick Hardeman
Governor Appointee
Principal
Hardeman Strategies and Consulting
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
Chief Executive Officer
The Durfee 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
Director, Affordable Housing Liaison Unit
City of Los Angeles
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
Chief Executive Officer
Casita Coalition
Term Ends:
September 26, 2027

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

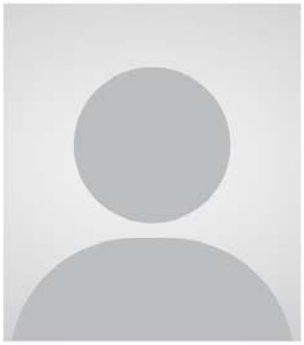
Fiona Ma
Ex Officio Member
California State Treasurer

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



Vacant
Ex Officio Member
Executive Director
California Housing Finance
Agency

CALHFA ORGANIZATIONAL CHART

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, 2025 and 2024, 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 respective financial position of the California Housing Finance Fund, as of June 30, 2025 and 2024, 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 audit 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 audit. 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, 2025 and 2024, the changes in its financial position, or, its cash flows for the years 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.

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Board of Directors
California Housing Finance Fund

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.

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 opinions. 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 basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 basic 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 basic financial statements or to the basic 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 basic 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 audit of the basic 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.

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 22, 2025, 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 22, 2025

Overview of The Financial Statements

Management of the California Housing Finance Agency (CalHFA or 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, 2025 and 2024, with comparative data from year ending June 30, 2023. 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 2022-23. In Fiscal Year 2024-25, newly issued Homeowner

Mortgage Revenue Bonds provided financing for single-family underlying loans, with revenue generated from Mortgage Back Security interest.

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 Special/Limited Obligation Bonds and Multifamily Affordable Housing Revenue Bonds are recorded. Historically, 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 its success in FY 2024-25, achieving over $3.09 billion in securitization volume and generating approximately $76.2 million in revenue during the same period.
- Operating income was $161.5 million for FY 2024-25 compared to $112.4 million in FY 2023-24, an increase of $49.1 million. Operating revenues increased by $49.9 million from $235.2 million in FY 2023-24 to $285.1 million in FY 2024-25. Operating expenses increased by $0.8 million from $122.8 million in FY 2023-24 to $123.6 million in FY 2024-25. For more information, see Condensed Schedule of Revenues, Expenses and Changes in Net Position.
- Total assets increased by $421.4 million to $4.98 billion compared to the prior fiscal year. Total liabilities increased by $216.5 million to $1.51 billion compared to FY 2023-24. 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 $3.44 billion (net position) for FY 2024-25. The change in net position prior to transfers was $183.7 million, an increase of $69.5 million compared to the prior fiscal year.
- The Fund’s proportionate share of the State’s overall Net Pension liability is $35.2 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 $55.6 million. For more information, see Note 10 – Other Post-employment Benefits.
- In Fiscal Year 2024–25, a total of $314.3 million in bonds were successfully issued, including $264.3 million in multifamily bonds under the Affordable Housing Revenue Bonds indenture and $50 million in single-family bonds under the Homeowner Mortgage Revenue Bonds indenture. For more information, see Note 7 - Long and Short-Term Liabilities.
- The Fund’s Single Family first loan portfolio comprised 4,805 loans as of June 30, 2025 compared to 5,144 loans as of June 30, 2024. Overall, the Single Family loan portfolio declined by 339 loans (6.59%). The overall delinquency ratio of the Fund’s Single Family first loan portfolio was 6.22% (299 delinquent loans) as of June 30, 2025. In comparison, the delinquency ratio for the Agency’s Single Family portfolio was 5.89% (303 delinquent loans) as of June 30, 2024.

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.

Condensed Statements of Net Position

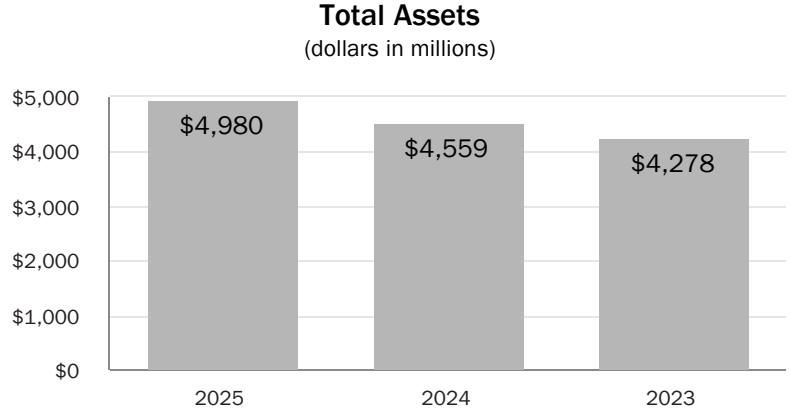
as of June 30 (dollars in thousands)

	2025	2024	2023	Change 2025/2024	Change 2024/2023
ASSETS					
Current Assets					
Cash and investments	$1,963,046	$1,743,295	$1,660,383	$219,751	$82,912
Program loans receivable-net	60,099	60,056	61,956	43	(1,900)
Other assets	186,518	206,466	184,891	(19,948)	21,575
Total Current assets	$2,209,663	$2,009,817	$1,907,230	$199,846	$102,587
Noncurrent Assets					
Investments	$454,476	$400,917	$299,399	$53,559	$101,518
Program loans receivable-net	2,263,787	2,079,072	2,020,416	184,715	58,656
Capital assets	18,829	20,885	23,163	(2,056)	(2,278)
Other noncurrent assets	33,276	47,910	27,578	(14,634)	20,332
Total Noncurrent Assets	$2,770,368	$2,548,784	$2,370,556	$221,584	$178,228
Total Assets	$4,980,031	$4,558,601	$4,277,786	$421,430	$280,815
DEFERRED OUTFLOWS OF RESOURCES	19,948	22,134	21,982	(2,186)	152
LIABILITIES					
Current Liabilities					
Bonds payable-net	$8,915	$4,396	$430	$4,519	$3,966
Notes payable	3,556	3,396	3,243	160	153
Loans payable	113,268	204,600	151,422	(91,332)	53,178
Other current liabilities	266,011	246,970	240,208	19,041	6,762
Total Current liabilities	$391,750	$459,362	$395,303	($67,612)	$64,059
Noncurrent Liabilities					
Bonds payable-net	$450,425	$120,461	$40,525	$329,964	$79,936
Notes payable	279,909	283,465	286,860	(3,556)	(3,395)
Loans payable	—	379	1,201	(379)	(822)
Other noncurrent liabilities	389,334	431,227	449,628	(41,893)	(18,401)
Total Noncurrent Liabilities	$1,119,668	$835,532	$778,214	$284,136	$57,318
Total Liabilities	$1,511,418	$1,294,894	$1,173,517	$216,524	$121,377
DEFERRED INFLOWS OF RESOURCES	45,643	64,993	46,489	(19,350)	18,504
NET POSITION					
Net investment in capital assets	($768)	($730)	($384)	($38)	($346)
Restricted net position	3,518,019	3,294,458	3,132,039	223,561	162,419
Unrestricted net position (deficit)	(74,333)	(72,880)	(51,893)	(1,453)	(20,987)
Total Net Position	$3,442,918	$3,220,848	$3,079,762	$222,070	$141,086

Assets

Total assets were $4.98 billion as of June 30, 2025 compared to $4.56 billion as of June 30, 2024, and $4.28 billion as of June 30, 2023. This reflects an increase of $421.4 million (9.24%) from the prior fiscal year and $280.8 million (6.56%) from June 30, 2023 to June 30, 2024. The increase in total assets for FY 2024-25 was primarily due to a $110.1 million increase in cash and cash equivalents, a $109.6 million increase in investment in the State's Surplus Money Investment Fund (SMIF), a $53.6 million increase in investments in securities, a $184.8 million increase in program loans receivable, and a $4.7 million increase in interest receivable. These gains were partially offset by a $24.2 million decrease in cash collateral held by counterparties, a $2.1 million decline in capital assets, and a $14.4 million reduction in the fair value of derivative swap assets.

Of the Fund's assets, 95.21% consisted of cash and investments, and program loans receivable.



Cash and Investments

Total cash and investments were $2.42 billion as of June 30, 2025 compared to $2.14 billion as of June 30, 2024 and $1.96 billion as of June 30, 2023. This represents an increase of $273.3 million (12.75%) from the prior fiscal year and an increase of $184.4 million (9.41%) from June 30, 2023 to June 30, 2024.

Of the Fund's assets, 48.54% is in the form of cash and investments at June 30, 2025. Approximately $1.66 billion of the Fund's investments are held in the SMIF and earn a variable rate of interest. Funds invested in SMIF increased by $109.6 million mainly due to loan repayments received and monthly transfers from the Down Payment Assistance revenue account at U.S. Bank.

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)

	2025	2024	2023	Change 2025/2024	Change 2024/2023
Cash	$307,896	$197,788	$77,573	$110,108	$120,215
SMIF	1,655,150	1,545,507	1,582,737	109,643	(37,230)
Open Commercial Paper	—	—	73	—	(73)
Securities	454,476	400,917	299,399	53,559	101,518
Total Cash & Investments	$2,417,522	$2,144,212	$1,959,782	$273,310	$184,430

Deferred Outflows of Resources

Deferred outflows of resources totaled $19.9 million as of June 30, 2025 compared to $22.1 million as of June 30, 2024 and $22 million as of June 30, 2023. This represents a decrease of $2.2 million from the prior fiscal year primarily due to a $4.1 million reduction in pension related outflows, partially offset by a $2.3 million increase in OPEB related outflows.

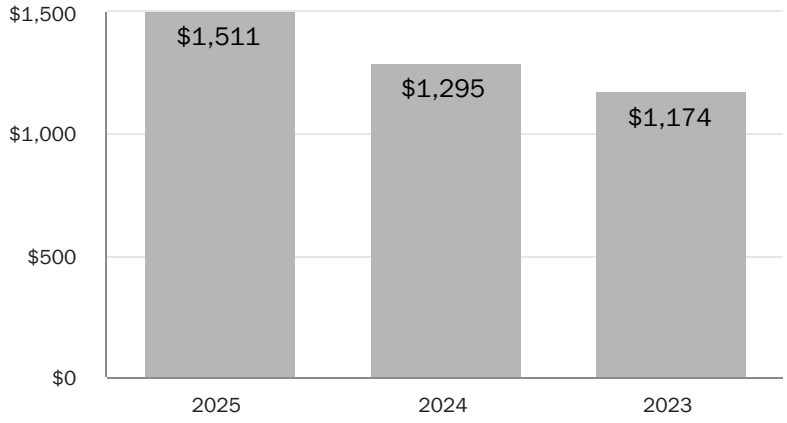
Liabilities

Total liabilities were $1.51 billion as of June 30, 2025 compared to $1.29 billion as of June 30, 2024 and $1.17 billion as of June 30, 2023. This represents an increase of $216.5 million (16.72%) from the prior fiscal year and an increase of $121.4 million (10.34%) from June 30, 2023 to June 30, 2024.

Of the Fund's total liabilities, 30.39% is in the form of bond indebtedness, 18.75% in notes indebtedness, and 7.49% in loan indebtedness compared to 9.64%, 22.15%, and 15.83%, respectively, in the prior fiscal year. The Fund's net bonds payable as of June 30, 2025, increased by $334.5 million compared to the prior fiscal year. This increase was primarily due to the issuance of $314.3 million in new bonds, a $0.9 million increase in unamortized bond premiums, and a $23.8 million increase in unamortized forward interest rate hedging gains from terminations at bond issuance recognized as bond premiums. These increases were partially offset by $4.5 million in scheduled principal maturities and bond redemptions. Additionally, notes payable to the Federal Financing Bank (FFB) decreased by $3.4 million due to repayments. The balance of short-term loans payable to the Federal Home Loan Bank (FHLB) of San Francisco decreased by $67.1 million, also due to repayments. The credit facility loan payable to Braeburn, LLC decreased by $92.5 million following its termination on June 17, 2025. These decreases were partially offset by a $68.3 million increase in credit facility loans resulting from the issuance of a new loan with the Royal Bank of Canada (RBC) on the same day.

Other liabilities decreased by $22.9 million, primarily due to a $40.9 million reduction in unearned revenues, as grant revenues were recognized upon meeting all applicable eligibility criteria, along with a $3.3 million reduction in pension liability. However, these decreases were partially offset by an $11.5 million increase in deposit accounts for impound withholding, a $1.3 million increase in accounts payable for operating expenses, a $2.5 million rise in bond interest payable related to the increase in bonds payable, a $3.6 million increase in OPEB liability, and a $2.3 million increase in compensated absences due to the adoption of GASB Statement No. 101, which changed the measurement methodology for compensated absences.

Total Liabilities
(dollars in millions)



Bonds Payable

As of June 30, 2025, the outstanding balance of federally taxable bonds was $50 million, while tax-exempt bonds increased by $259.8 million to $383.9 million due to new bond issuances, representing 88.48% 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)

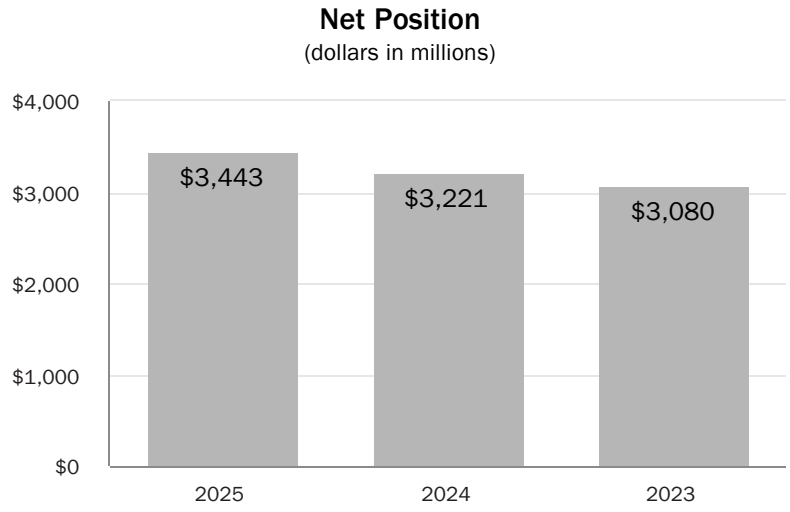
	2025	2024	2023	Change 2025/2024	Change 2024/2023
Tax-Exempt Bonds					
Variable Rate	$70,000	$30,000	—	$40,000	$30,000
Fixed Rate	313,915	94,145	40,955	219,770	53,190
Total Tax-Exempt Bonds	$383,915	$124,145	$40,955	$259,770	$83,190
Federally Taxable Bonds					
Fixed Rate	$50,000	—	—	$50,000	—
Total Federally Taxable Bonds	50,000	—	—	50,000	—
Total Bonds Outstanding	$433,915	$124,145	$40,955	$309,770	$83,190

Deferred Inflows of Resources

Deferred inflows of resources were $45.6 million as of June 30, 2025 compared to $65 million as of June 30, 2024 and $46.5 million as of June 30, 2023. This represents a decrease of $19.4 million from the prior fiscal year and an increase of $18.5 million from FY 2022-23 to FY 2023-24. The decrease in FY 2024-25 was mainly due to a $14.4 million decrease in the fair value of hedging derivatives and a $5 million decrease in OPEB and pension related inflows.

Net Position

The Fund’s net position is classified as either: 1) restricted pursuant to trust agreements with bondholders and the Agency’s enabling legislation, 2) unrestricted, or 3) net investment in capital assets. As of June 30, 2025, the Fund's total net position was $3.44 billion, reflecting an increase of $222.1 million from FY 2023-24 and a $141.1 million increase from FY 2022-23 to FY 2023-24. The growth in net position was primarily due to a $421.4 million increase in total assets and a $19.4 million decrease in deferred inflows of resources, partially offset by a $216.5 million increase in total liabilities and a $2.2 million decrease in deferred outflows of resources. The unrestricted net position shows a deficit of $74.3 million mainly due to liabilities recorded for pension (see Note 9) and other post employment benefits (see Note 10). Of the $3.44 billion in total net position, the Fund’s restricted and unrestricted net position represents approximately 100% of the total.



Capital Assets

The Fund's capital assets comprise 0.55% of the total net position of $3.44 billion. As of June 30, 2025, net capital assets were $18.8 million, reflecting a decrease of $2.1 million from the previous year and a decrease of $2.3 million from FY 2022-23 to FY 2023-24.

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)	2025	2024	2023	Change 2025/2024	Change 2024/2023
Data processing equipment	$335	$363	$328	($28)	$35
Office furniture and equipment	371	338	271	33	67
Leased buildings	27,987	27,987	27,987	—	—
Total Capital Assets	$28,693	$28,688	$28,586	$5	$102
Less Accumulated Depreciation For					
Data processing equipment	($27)	($212)	($174)	$185	($38)
Office furniture and equipment	(196)	(243)	(194)	47	(49)
Less Accumulated Amortization For					
Leased buildings	($9,641)	($7,348)	($5,055)	($2,293)	($2,293)
Total Accumulated Depreciation and Amortization	($9,864)	($7,803)	($5,423)	($2,061)	($2,380)
Total Capital Assets, Net	$18,829	$20,885	$23,163	($2,056)	($2,278)

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)

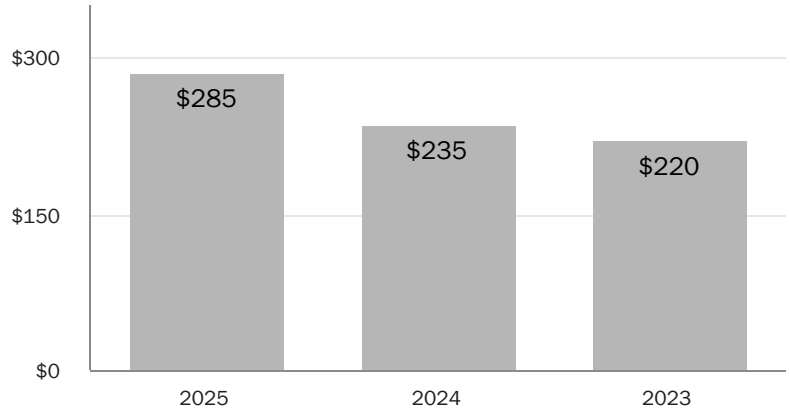
	2025	2024	2023	Change 2025/2024	Change 2024/2023
OPERATING REVENUES					
Interest income - program loans, net	$85,651	$83,786	$81,799	$1,865	$1,987
Interest income - Investment, net	83,720	72,884	38,386	10,836	34,498
Realized/Unrealized gain on sale of securities	23,887	3,879	6,999	20,008	(3,120)
Other loan fees	29,978	23,050	40,802	6,928	(17,752)
Other revenues	61,816	51,559	52,168	10,257	(609)
Total Operating Revenues	$285,052	$235,158	$220,154	$49,894	$15,004
OPERATING EXPENSES					
Interest	$26,976	$24,338	$17,525	$2,638	$6,813
Mortgage servicing fees	1,732	1,925	2,064	(193)	(139)
Salaries & general expenses	38,044	41,072	13,194	(3,028)	27,878
Other expenses	56,849	55,477	55,419	1,372	58
Total Operating Expenses	$123,601	$122,812	$88,202	$789	$34,610
Operating Income	$161,451	$112,346	$131,952	$49,105	($19,606)
NON-OPERATING REVENUES & EXPENSES					
Interest: positive arbitrage	($64)	—	—	($64)	—
Investment SWAP revenue (fair value)	—	—	21,777	—	(21,777)
Prepayment penalty	3,044	1,743	4,104	1,301	(2,361)
Other	19,293	151	1,053	19,142	(902)
Total Non-operating Revenues and Expenses	$22,273	$1,894	$26,934	$20,379	($25,040)
Change in net position before transfers	183,724	114,240	158,886	69,484	(44,646)
Transfers in (out)	38,346	26,846	152,304	11,500	(125,458)
Increase (decrease) in net position	$222,070	$141,086	$311,190	$80,984	($170,104)
Net Position at Beginning of Year	$3,220,848	$3,079,762	$2,768,572	$141,086	$311,190
Net Position at End of Year	$3,442,918	$3,220,848	$3,079,762	$222,070	$141,086

Operating Revenues

Total operating revenues of the Fund reached $285.1 million for FY 2024-25, up from $235.2 million in FY 2023-24, and $220.2 million in FY 2022-23. This represents an increase of $49.9 million (21.22%) from FY 2023-24 and a rise of $15 million (6.82%) from FY 2022-23 to FY 2023-24. The increase in FY 2024-25 is primarily due to the reasons illustrated below:

- Investment interest income increased by $12.7 million in FY 2024–25, driven by an $8.7 million increase from mortgage-backed securities (MBS) and a $2.1 million increase from the Surplus Money Investment Fund (SMIF), both resulting from higher investment balances and elevated interest rates compared to the prior fiscal year. Additionally, interest income from program loans and loan agreements increased by $1.9 million, primarily due to the purchase of new loans during the year.
- Realized and unrealized gains on the sale of securities increased by $20 million. This included an $8 million increase in realized gains from securitizations under the TBA Market Rate Program and a $12 million increase in the change in the fair value of investments.
- Acquisition fee revenue increased by $11.6 million compared to the prior year, mainly due to a higher volume of securitizations in the Single Family TBA Market Rate Program. Administrative fee revenue increased by $6.5 million, primarily due to higher loan purchase activity within contract administration programs, including the Dream For All program.
- These increases were partially offset by a $0.7 million decrease in gain on the sale of loans.

Operating Revenues
(dollars in millions)

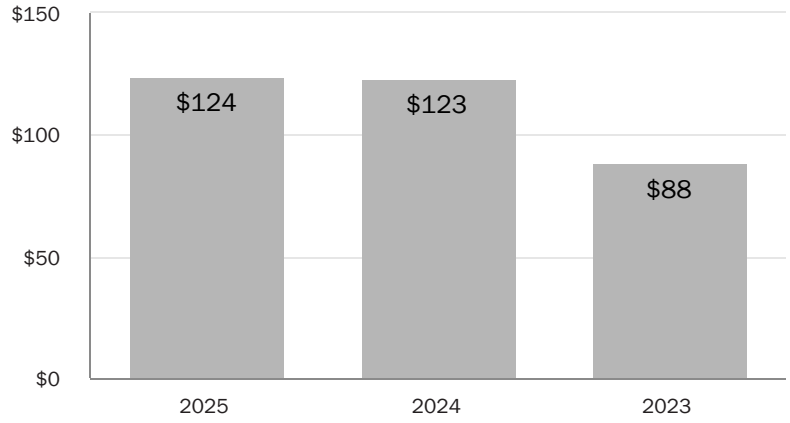


Operating Expenses

Total operating expenses of the Fund were $123.6 million for FY 2024-25, compared to $122.8 million in FY 2023-24 and $88.2 million in FY 2022-23. This reflects an increase of $0.8 million (0.65%) from FY 2023-24 to FY 2024-25 and an increase of $34.6 million (39.24%) from FY 2022-23 to FY 2023-24. The increase in FY 2024-25 is primarily due to the reasons illustrated below:

- Interest expenses increased by $2.6 million, primarily due to a $3.7 million rise in bond interest expenses, partially offset by a $0.1 million reduction from the amortization of bond premium, resulting from $314.3 million in new bond issuances during the fiscal year. This increase was further offset by a $0.7 million decrease in loan interest expenses following the termination of the credit facility loan payable to Braeburn, LLC. These adjustments reflect the agency's evolving capital structure and ongoing efforts to manage debt obligations efficiently.
- Salaries and general expenses decreased by $3 million. The decrease is mainly due to a $6 million reduction in Other Post-Employment Benefits (OPEB) expense, due to revised actuarial assumptions and plan modifications, and a $1.2 million decrease in general operating expenses, reflecting administrative cost containment. These reductions were partially offset by a $4.2 million increase in salaries and benefits expenses, of which $1.9 million was attributable to the implementation of GASB Statement No. 101, Compensated Absences.
- Other expenses increased by $1.4 million, primarily due to a $1.5 million increase in underwriter fees associated with new bond issuances, a $1.4 million increase in HUD risk-share reserve expenses, and a $5.2 million increase in program expenses under the Single Family TBA Market Rate Program, resulting from higher securitization volume. These increases were partially offset by a $7 million decrease in the loan loss provision and a $0.2 million decrease in bad debt expense, mainly due to lower reserve rates on subordinate loans and higher reserves already set aside for uninsured loans originated in FY 2023–24.

Operating Expenses
(dollars in millions)



Non-Operating Revenues and Expenses

Total non-operating revenues and expenses for FY 2024-25 totaled $22.3 million, an increase of $20.4 million compared to FY 2023-24. This increase was driven primarily by the recognition of $19.1 million in revenue due to a strategic shift within the Low & Moderate Income Program, whereby funds originally designated for grant disbursement related to the ADU program are now being allocated to support programmatic lending activities, such

as repayable down payment assistance. In addition, prepayment penalty income increased by $1.3 million, reflecting higher early loan payoff activity during the fiscal year.

Change in Net Position before Transfers

Operating income for FY 2024-25 was $161.5 million compared to $112.3 million in FY 2023-24, reflecting continued growth in operating revenues and effective expense management. The change in net position before transfers totaled $183.7 million for FY 2024-25 up from $114.2 million in FY 2023-24, representing an annual increase of $69.5 million.

Economic Condition

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 2024-25 Operating Results

Single Family revenues generated from participation in the TBA market rate program accounted for approximately 26.72% of the Agency's total operating revenue during FY 2024-25. The volume of single-family first mortgage purchases through the TBA market rate program reached over $3.09 billion. The Agency also provided $277.7 million in subordinate lending for down payment assistance and closing costs, and had $48.4 million outstanding commitments to fund first lien Homeownership Program loans.
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, 2025, the Agency had $1.39 billion in outstanding commitments to fund monthly paying Multifamily Program project loans.

Current Single family delinquency rate as of June 30, 2025, is approximately 6.2% and 90+ days delinquency rate is approximately 2.04%. Due to declining inflation, the Federal Reserve has decreased the Fed Fund rate from 5.50% at the start of the fiscal year to 4.50% by June 30, 2025. Average 30 Year fixed mortgage rates have declined from around 7.15% at the start of the fiscal year to 6.65% by June 30, 2025. The continued high interest rates have resulted in continued low prepayment of existing single-family mortgages.

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, 2025, the Fund program limit for 501(c)(3) and taxable bond issuance is set at $500 million for Multifamily housing Purposes, and $2 billion for Single-Family housing purposes. The Fund program limit for new money private activity bond issuance is subject to the Agency's authorization to apply for up to $2.50 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 for Multifamily housing purposes and $1 billion for Single-family housing purposes.

Outlook

Inflation and long-term interest rates have shown signs of decreasing in the past fiscal year; however long-term interest rate remains high compared to years prior to 2022. While the Agency's TBA market rate program revenue has improved this past fiscal year, it remains significantly below 2022 levels. In FY 2024-25 the Agency created an alternative taxable bond execution to finance its homeownership programs. Multifamily developments in planning or construction are facing challenges with higher material cost and availability. This has resulted in project delays and cost increases. The Agency is currently exploring financial products for the funding of additional Multifamily development.

The Agency has primarily three 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 2024-25, 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")

iii. Homeownership Revenue Bonds (S&P's "AA+ Stable outlook" /Moody's "Aa1 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

CALIFORNIA HOUSING FINANCE FUND

Statements of Net Position[1]

June 30, 2025 and June 30, 2024 (dollars in thousands)

	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents - (Note 2)	$307,896	$197,788
Investments - (Note 2)	1,655,150	1,545,507
Current portion - program loans receivable, net of allowance - (Note 4)	60,099	60,056
Interest Receivable:		
Program loans, net	$89,084	$85,394
Investments	20,678	19,671
Defeasible liens receivable	5,210	5,878
Accounts receivable	2,656	2,565
Other assets	68,890	92,958
Total Current Assets	$2,209,663	$2,009,817
Noncurrent Assets		
Investments - (Note 2)	$454,476	$400,917
Program loans receivable, net of allowance - (Note 4)	2,263,787	2,079,072
Capital assets - (Note 6)	18,829	20,885
Other assets	33,276	47,910
Total Noncurrent Assets	$2,770,368	$2,548,784
Total Assets	$4,980,031	$4,558,601
DEFERRED OUTFLOWS OF RESOURCES		
OPEB related outflows - (Note 10)	$10,156	$7,862
SB84 Supplement contributions - (Note 7)	—	379
Unamortized difference & change related in pension - (Note 9)	9,792	13,893
Total Deferred Outflows of Resources	$19,948	$22,134
LIABILITIES		
Current Liabilities		
Bonds payable - (Note 7)	$8,915	$4,396
Notes payable - (Note 7)	3,556	3,396
Loans payable - (Note 7)	113,268	204,600
Interest payable	5,192	3,314
Due to (from) other government entities, net - (Note 7)	1,349	1,092
Compensated absences - (Note 7)	1,844	200
Lease liabilities - (Note 7)	2,107	2,018
Deposits and other liabilities - (Note 7)	255,519	240,346
Total Current Liabilities	$391,750	$459,362

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

CALIFORNIA HOUSING FINANCE FUND

Statements of Net Position[1] (continued)

June 30, 2025 and June 30, 2024 (dollars in thousands)

	2025	2024
Noncurrent Liabilities		
Bonds payable - (Note 7)	$450,425	$120,461
Notes payable - (Note 7)	279,909	283,465
Loans payable - SB84 - (Note 7)	—	379
Due to other government entities, net - (Note 7)	65	—
Net OPEB obligation - (Note 10)	55,550	51,954
Net pension liability - (Note 9)	35,204	38,486
Compensated absences - (Note 7)	3,425	2,736
Lease liabilities - (Note 7)	17,490	19,597
Unearned revenues - (Note 7)	277,600	318,454
Total Noncurrent Liabilities	$1,119,668	$835,532
Total Liabilities	$1,511,418	$1,294,894
DEFERRED INFLOWS OF RESOURCES		
Accumulated increase in fair value of hedging derivatives	$33,160	$47,545
OPEB related inflows - (Note 10)	9,465	12,947
Unamortized pension, net difference - (Note 9)	3,018	4,501
Total Deferred Inflows of Resources	$45,643	$64,993
NET POSITION		
Net investment in capital assets	($768)	($730)
Restricted by indenture	857,444	790,624
Restricted by statute	2,660,575	2,503,834
Unrestricted (deficit)	(74,333)	(72,880)
Total Net Position	$3,442,918	$3,220,848

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

CALIFORNIA HOUSING FINANCE FUND

Statements of Revenues, Expenses, and Changes in Net Position[1]

Years ended June 30, 2025 and June 30, 2024 (dollars in thousands)

	2025	2024
OPERATING REVENUES		
Interest Income		
Program loans, net	$85,651	$83,786
Interest on investment	83,720	72,884
Realized and unrealized gain on investments	23,887	3,879
Loan commitment fees	4,444	3,918
Other loan fees	25,534	19,132
Other revenues	61,816	51,559
Total Operating Revenues	$285,052	$235,158
OPERATING EXPENSES		
Interest	$27,150	$24,383
Amortization of bond discount and bond premium	(174)	(45)
Mortgage servicing expenses	1,732	1,925
Provision (reversal) for program loan losses - (Note 5)	2,344	9,314
Salaries and general expenses	38,044	41,072
Depreciation and amortization expenses	2,429	2,418
Other expenses	52,076	43,745
Total Operating Expenses	$123,601	$122,812
Total Operating Income	$161,451	$112,346

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

CALIFORNIA HOUSING FINANCE FUND

Statements of Revenues, Expenses, and Changes in Net Position[1] (continued)

Years ended June 30, 2025 and June 30, 2024 (dollars in thousands)

	2025	2024
NON-OPERATING REVENUES AND EXPENSES		
Interest: positive arbitrage	($64)	—
Federal pass-through revenues - HUD/UST	7,920	5,708
Federal pass-through expenses - HUD/UST	(7,920)	(5,708)
Accessory Dwelling Unit (ADU) revenues, net	(1,237)	20,803
Accessory Dwelling Unit (ADU) expenses, net	1,237	(20,803)
Forgivable Equity Builder Loan (EBL) revenues	15,851	15,949
Forgivable Equity Builder Loan (EBL) expenses	(15,851)	(15,949)
National Mortgage Settlement (NMS) revenues	17,841	21,028
National Mortgage Settlement (NMS) expenses	(17,841)	(21,028)
Prepayment penalty	3,044	1,743
Other	19,293	151
Total Non-Operating Income (Expense)	$22,273	$1,894
Change in net position before transfers	183,724	114,240
Transfers in (out) - (Note 3)	38,346	26,846
Increase (decrease) in net position	222,070	141,086
Net Position at Beginning of Year	3,220,848	3,079,762
Net Position at End of Year	$3,442,918	$3,220,848

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

CALIFORNIA HOUSING FINANCE FUND

Statements of Cash Flows

Years ended June 30, 2025 and June 30, 2024 (dollars in thousands)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$71,993	$71,274
Payments to suppliers	(8,192)	(10,483)
Payments to employees and related benefits	(30,885)	(35,323)
Receipts from loan related activities	159,116	150,103
Payments to loan related expenses	(316,046)	(192,107)
Other receipts	158,807	67,785
Other payments	(119,261)	(89,241)
Due from other government entities	(132)	11,016
Due to other government entities	323	5,483
Net Cash (Used for) Provided by Operating Activities	($84,277)	($21,493)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from sales of bonds, notes, and loans	$2,448,375	$1,126,011
Payment of bonds, notes, and loans principal	(2,208,301)	(991,999)
Early bond redemptions	(145)	(130)
Interest paid on debt	(24,959)	(22,808)
Interfund transfers	38,346	26,846
Net Cash Provided by (Used for) Noncapital Financing Activities	$253,316	$137,920
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on lease	($2,018)	($1,932)
Interest paid on lease	(311)	(340)
Net Cash (Used for) Provided by Capital and Related Financing Activities	($2,329)	($2,272)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from maturity and sale of investments	$3,572,027	$3,036,219
Purchase of investments	(3,711,342)	(3,096,555)
Interest on investments, net	82,713	66,396
Net Cash (Used for) Provided by Investing Activities	($56,602)	$6,060
Net increase (decrease) in cash and cash equivalents	110,108	120,215
Cash and cash equivalents at beginning of year	197,788	77,573
Cash and Cash Equivalents at End of Year	$307,896	$197,788

CALIFORNIA HOUSING FINANCE FUND

Statements of Cash Flows (continued)

Years ended June 30, 2025 and June 30, 2024 (dollars in thousands)

	2025	2024
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:		
Operating income	$161,451	$112,346
Adjustments to Reconcile Operating Income to Net Cash Provided by (used for) Operating Activities:		
Interest expense on debt	$27,150	$24,383
Interest on investments	(83,720)	(72,884)
Changes in fair value of investments	(8,768)	3,220
Realized gain on sale of securities	(15,118)	(7,100)
Amortization of bond premium	(10)	—
Amortization of hedge termination	(164)	(45)
Loan commitment fees	(4,444)	(3,918)
Other revenues	62,722	65,425
Depreciation and amortization	2,429	2,418
Provision (reversal) for estimated loan losses	2,344	9,314
Provision (reversal) for yield reduction payments	65	—
Other expenses	(40,450)	(63,532)
Effects of Changes in Operating Assets and Liabilities:		
(Purchase) sale of program loans, net	($316,046)	($192,107)
Collection of principal from program loans, net	129,136	127,053
Interest receivable	(13,658)	(12,511)
Allowance for interest receivable	9,968	10,135
Defeasible liens receivable	668	3,294
Accounts receivable	(32)	45
Other assets	38,077	(48,637)
Compensated absences	2,332	180
Deferred outflows of resources:		
Pension	$4,481	$672
OPEB	(2,294)	(824)
Deferred inflows of resources:		
Pension	($1,484)	($452)
OPEB	(3,482)	(2,314)
Deposits and other liabilities	15,173	5,467
Due from other government entities	(132)	11,016
Due to other government entities	323	5,483
Unearned revenue	(50,794)	2,380
Net Cash (Use for) Provided by Operating Activities	($84,277)	($21,493)
Supplemental Disclosure of Cash Flow Information		
Noncash transfer of program loan to REO	$192	$1,015

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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.

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, 2024, 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.

Homeowner Mortgage Revenue Bonds: The Homeowner Mortgage Revenue Bonds (HOMRB) provide financing for single family Underlying Loans indirectly through the acquisition of pass-through Mortgage-Backed Securities issued by Ginnie Mae, Fannie Mae or Freddie Mac, providing the MyAccess down payment and/or closing costs assistance, and to pay certain other related costs.

Multifamily Rental Housing Programs

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.

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). This secured credit line allows the Agency 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 began utilizing the FHLB credit line to warehouse multifamily loans prior to refunding by bond issuance. On September 17, 2024, the FHLB increased the Agency's credit limit to $300 million, with no changes to the agreement terms. 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. This will help the Agency manage liquidity and lower the costs of capital, which will ultimately help more Californians have a place to call home.

Credit Facilities: 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 was utilized 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. The Credit Facility agreement with Braeburn Capital, Inc. was terminated on June 17, 2025. On the same day, June 17, 2025, the Agency executed a new $300 million Revolving Credit Agreement with the Royal Bank of Canada (RBC) for the Agency's Tax-Exempt Bond Recycling program. Similar to the previous facility, this agreement is designed to refinance the tax-exempt portion of bond and note issuances resulting in the preservation of tax-exempt allocations awarded by 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.

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): In the FY 2020-21 State Budget, California allocated $300 million from the National Mortgage Settlement (NMS) funds to CalHFA to provide HUD-certified housing counseling services to homeowners, former homeowners, and renters, as well as 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 requires a more in-depth level of counseling services, such as assistance with loan modification. The maximum per household limit is $1,500. On February 20, 2025, Board Resolution 25-05 authorized the allocation of $112 million to the CalAssist Mortgage Fund to provide financial relief to Californians who lost their homes due to a qualified disaster.

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 thousand 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 No. 101, Compensated Absences, effective for reporting periods beginning after December 15, 2023. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidelines for compensated absences. The Agency adopted GASB Statement No. 101 for the reporting periods beginning July 1, 2024. As a result of the implementation, an increase of $1.9 million in the compensated absences liability was recognized as of July 1, 2024. This amount was fully expensed for FY 2024-25.

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 adopted Implementation Guide No 2023-1 as of July 1, 2024. The implementation had no effect on the financial statement of the fund.

In December 2023, GASB issued Statement No. 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 adopted GASB Statement No. 102 as of July 1, 2024. The implementation had no effect on the notes for reporting periods beginning July 1, 2024.

f) New Accounting Pronouncements to be adopted in the future

In April 2024, GASB issued Statement No. 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 Statement No. 103 for reporting periods beginning July 1, 2025.

In September, 2024, GASB issued Statement No. 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 Statement No. 104 for reporting periods beginning July 1, 2025.

In June, 2025 GASB issued Implementation Guide No. 2025-1. The primary objective of this Implementation Guide is to provide guidance that clarifies, explains, or elaborates on GASB Statements. The Implementation Guide supersedes Implementation Guide No. 2015-1, Question 2.18.2 and amends Implementation Guide No. 2015-1 Questions 7.96, 7.73.2 and Z.54.30. The Agency will adopt Implementation Guide No. 2025-1 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, the allowance for loan losses, and liabilities for compensated absences. 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. The estimate methodology for current and non-current liabilities for compensated absences is based on the prior three fiscal years of salary, leave accrual, and leave usage data.

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.

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, annual leave, and sick leave based on qualifying months of service. In accordance with GASB Statement No. 101, Compensated Absences, the Agency recognizes an expense and related liability for all accrued leave and associated payroll costs that would be required to be paid if all employees terminated their employment as of the reporting date, along with outstanding sick leave that has been earned and is more likely-than-not to be taken.

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. This occurs because the leased asset is depreciated on a straight-line basis over the term of the lease, while 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.

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.

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, 2025 and 2024, all cash and cash equivalents, totaling $307.9 million and $197.8 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's investment measured at amortized cost includes investments in surplus money investment fund (SMIF),totaling $1.66 billion and $1.55 billion for the fiscal year ended June 30, 2025, and June 30, 2024, 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, 2025 and 2024 was $238.1 million and $155.9 million, respectively. As of June 30, 2025, 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 and RBC credit facilities as shown in Current Assets: Other as of June 30, 2025 and 2024 was $68.3 million and $92.5 million, respectively.

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, 2025 and 2024 are as follows:

Investments with Fair Value Measurements (dollars in thousands)	June 30, 2025 Level 1	June 30, 2025 Level 2	June 30, 2025 Level 3	June 30, 2025 Total	June 30, 2024 Level 1	June 30, 2024 Level 2	June 30, 2024 Level 3	June 30, 2024 Total
U.S. Agency Securities - GNMA	—	$257,098	—	$257,098	—	$213,037	—	$213,037
Federal Agency Securities	—	197,378	—	197,378	—	187,880	—	187,880
Total Investments by fair value level	—	$454,476	—	$454,476	—	$400,917	—	$400,917

The Agency measures and records its investments using fair value measurement guidelines established by general accepted accounting principles. As of June 30, 2025, 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, 2025 and 2024 are as follows:

Credit Risk Profile for Fixed Income Securities

(dollars in thousands)

	2025	2024
U.S. Government Guaranteed	$454,476	$400,917
Total Fixed Income Securities	$454,476	$400,917

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, 2025 and 2024, 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, 2025 and 2024, 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, 2025, 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, 2025 and 2024 are as follows:

Fixed Income Securities

(number in years)

	2025	2024
Fixed Income Securities		
U.S. government guaranteed	16.3	16.6

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

For the year ended June 30, 2025, net transfers totaled $38.3 million, compared to $26.8 million for the prior year ended June 30, 2024. Transfers for FY 2024-25 included $39.7 million in funds received for various programs, offset by $1.4 million transferred to other counties under the Mental Health Services Act Housing Program and the Special Needs Housing Program.

NOTE 4 – PROGRAM LOANS RECEIVABLE

Program loans receivable increased by $184.8 million during FY 2024-25. The increase in program loans receivable were primarily due to new loans purchased. Loan prepayments decreased by $3.3 million to $24.4 million in FY 2024-25 compared to $27.7 million in FY 2023-24.

Changes in program loans receivable for the years ended June 30, 2025 and 2024 are as follows:

Changes in Program Loans Receivable

(dollars in thousands)	2025	2024
Beginning of year balance	$2,139,128	$2,082,372
Loans purchased/funded	315,941	192,002
Noncash transfer - REO	(192)	(1,015)
Amortized principal repayments	(88,736)	(82,374)
Prepayments	(24,357)	(27,715)
Forgivable Equity Builder Loan Program	(15,851)	(15,949)
Chargeoffs	(514)	(315)
Unamortized Mortgage Discount	105	105
Transfer to REO-net of write-down	192	1,015
Allowance for loan loss	(1,830)	(8,998)
End of Year Balance	$2,323,886	$2,139,128
Current portion	60,099	60,056
Noncurrent portion	2,263,787	2,079,072
Total	$2,323,886	$2,139,128

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) simulations to generate 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, 2025 and 2024 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	2025 Total	2024 Total
Beginning of year balance	$51	$1,868	$14,174	$69,966	$86,059	$77,061
Provision (reversal) to program loan losses	(23)	2,668	(4,043)	3,742	2,344	9,314
Charge-offs	—	—	(385)	(129)	(514)	(316)
End of Year Balance	$28	$4,536	$9,746	$73,579	$87,889	$86,059

Total allowance for loan loss reserves increased $1.8 million to $87.9 million in FY 2024-25. 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.

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, 2025.

The table below shows the changes and balances of the Agency's capital assets for the years ended June 30, 2025 and 2024:

Changes and Balances of Capital Assets (dollars in thousands)	2025 Beginning Balance	2025 Increases	2025 Decreases	2025 Ending Balance	2024 Beginning Balance	2024 Increases	2024 Decreases	2024 Ending Balance
Capital Assets								
Data processing equipment	$363	$233	($261)	$335	$328	$73	($38)	$363
Office furniture & equipment	338	140	(107)	371	271	67	—	338
Leased Buildings	27,987	—	—	27,987	27,987	—	—	27,987
Total Capital Assets Being Depreciated/Amortized	$28,688	$373	($368)	$28,693	$28,586	$140	($38)	$28,688
Less Accumulated Depreciation For								
Data processing equipment	($212)	($76)	$261	($27)	($174)	($76)	$38	($212)
Office furniture & equipment	(243)	(60)	107	(196)	(194)	(49)	—	(243)
Less Accumulated Amortization for								
Leased Buildings	(7,348)	(2,293)	—	(9,641)	(5,055)	(2,293)	—	(7,348)
Total Accumulated Depreciation and Amortization	($7,803)	($2,429)	$368	($9,864)	($5,423)	($2,418)	$38	($7,803)
Capital Assets, Net	$20,885	($2,056)	—	$18,829	$23,163	($2,278)	—	$20,885

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 policy, 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 if all defaults shall be cured, then, with the written consent of the owners of not less than 25% in principal amount of the Outstanding Bonds (other than Subordinate Bonds), such declaration and its consequences may be annulled. The Indenture does not provide for Termination Events or Acceleration Clauses. The underlying loans are pledged to the respective Bond Indentures.

Bonds payable and the terms, interest rate and reset terms as of June 30, 2025 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
Homeowner Mortgage Revenue Bonds									
2025 Series A	**Taxable**	4.19% - 6.25%	-	-	2055	$50,000	$50,000	—	$50,000
						$50,000	$50,000	—	$50,000
Special Obligation Multifamily Housing Revenue Bonds (Virginia Terrace):									
2015 Issue A [1]	**Non-AMT**	4.17%	-	-	2057	$5,245	$3,580	—	$3,580
						$5,245	$3,580	—	$3,580
Special Obligation Multifamily Housing Revenue Bonds (Ocean View Senior):									
2015 Issue B [1]	**Non-AMT**	4.170%	-	-	2058	$18,075	$8,705	—	$8,705
						$18,075	$8,705	—	$8,705
Multifamily Housing Revenue Bonds (Maplewood - FHA Risk-Share):									
2016 Issue A	**Non-AMT**	0.80% - 3.250%	-	-	2035	$8,600	$4,270	—	$4,270
						$8,600	$4,270	—	$4,270
Multifamily Housing Revenue Bonds (Woodglen Vista - FHA Risk-Share):									
2016 Issue B	**Non-AMT**	0.80% - 3.800%	-	-	2053	$31,000	$23,245	—	$23,245
						$31,000	$23,245	—	$23,245
Affordable Housing Revenue Bonds									
2023 Series A-1	**Non-AMT**	3.20% - 4.125%	-	-	2038	$54,940	$49,805	—	$49,805
2023 Series A-2	**Non-AMT**	3.60% - 3.60%	Soft-put 9%	Feb 1 - Aug 1 2026	2063	$30,000	—	$30,000	$30,000
2024 Series A-1	**Non-AMT**	2.95% - 4.30%	-	-	2052	$67,580	$67,580	—	$67,580
2024 Series A-2	**Non-AMT**	3.25% - 3.25%	Soft-put 9%	Aug 1 2027 - Feb 1 2028	2064	$40,000	—	$40,000	$40,000
2025 Series A	**Non-AMT**	3.10% - 5.00%	-	-	2055	$156,730	$156,730	—	$156,730
						$349,250	$274,115	$70,000	$344,115
						$462,170	$363,915	$70,000	$433,915
							Unamortized discount		—
							Unamortized premium		$25,425
							Total Bonds		$459,340

[1] Private Placement Bond.

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 (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 [1]	**Non-AMT**	4.17%	-	-	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]	**Non-AMT**	4.170%	-	-	2058	$18,075	$8,805	—	$8,805
						$18,075	$8,805	—	$8,805
Multifamily Housing Revenue Bonds (Maplewood - FHA Risk-Share):									
2016 Issue									
A	**Non-AMT**	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	**Non-AMT**	0.8% - 3.800%	-	-	2053	$31,000	$23,625	—	$23,625
						$31,000	$23,625	—	$23,625
Affordable Housing Revenue Bonds									
2023 Series A-1	**Non-AMT**	3.20% - 4.125%	-	-	2038	$54,940	$53,750	—	$53,750
2023 Series A-2	**Non-AMT**	3.60% - 3.60%	Soft-put 9%	Feb 1 - Aug 1 2026	2063	$30,000	—	$30,000	$30,000
						$84,940	$53,750	$30,000	$83,750
						$147,860	$94,145	$30,000	$124,145
							Unamortized discount		—
							Unamortized premium		$712
							Total Bonds		$124,857

[1] Private Placement Bond.

Reconciliation of Bonds Payable: Changes in bonds payable for the years ended June 30, 2025 and 2024 are as follows:

Changes in Bonds Payable

(dollars in thousands)

	2025	2024
Beginning of year balance	$124,857	$40,955
New bonds issued	339,197	85,697
Scheduled maturities	(4,395)	(1,620)
Redemptions	(145)	(130)
Amortized discount	—	—
Amortized premium	(174)	(45)
End of Year Balance	$459,340	$124,857
Current portion	8,915	4,396
Noncurrent portion	450,425	120,461
Total	$459,340	$124,857

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/Variable Rate Bonds [1]

(dollars in thousands)

	Fixed Rate Principal	Fixed Rate Interest	Variable Rate Principal	Variable Rate Interest	Total Debt Service
2026	$8,890	$12,594	—	$2,380	$23,864
2027	11,155	15,434	—	2,380	28,969
2028	11,725	15,069	—	2,380	29,174
2029	12,110	14,678	—	2,380	29,168
2030	12,560	14,265	—	2,380	29,205
2031-2035	56,345	65,008	—	11,900	133,253
2036-2040	54,205	53,158	1,720	11,869	120,952
2041-2045	77,840	38,475	6,245	11,095	133,655
2046–2050	39,450	25,179	7,070	9,907	81,606
2051-2055	46,385	15,521	16,270	8,242	86,418
2056-2060	33,250	1,794	23,105	4,577	62,726
2061-2065	—	—	15,590	1,228	16,818
Total	$363,915	$271,175	$70,000	$70,718	$775,808

[1] Bond debt service projections amounts exclude amortization of discounts, premiums, and termination of hedges.

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, 2025 and 2024 are as follows:

Balance and Changes in Notes Payable

(dollars in thousands)	2025	2024
Beginning of year balance	$286,861	$290,103
FFB Notes Issued	—	—
Principal payments	(3,396)	(3,242)
End of Year Balance	$283,465	$286,861
Current portion	3,556	3,396
Noncurrent portion	279,909	283,465
Total	$283,465	$286,861

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
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	4,274	13,166	17,440
2031-2035	24,594	62,443	87,037
2036-2040	37,419	55,086	92,506
2041-2045	37,494	45,932	83,426
2046–2050	47,279	35,588	82,867
2051-2055	59,463	22,502	81,965
2056-2060	51,732	7,292	59,025
2061-2065	5,951	277	6,228
Total	$283,465	$296,881	$580,346

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 $300 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 Braeburn Credit Facility was terminated June 17, 2025, and on the same date, a replacement fully collateralized $300 million Revolving Credit Agreement was executed with the Royal Bank of Canada (RBC). This line of credit continues the Agency’s Tax-Exempt Bond Recycling program without the limitations of 180-day period for refundings.

The balance and changes in short term loans payable for the years ended June 30, 2025 and 2024 are as follows:

Balances and Changes in Short Term Loans Payable

(dollars in thousands)	2025	2024
Beginning of year balance	$204,600	$151,422
Loans added	2,109,178	1,040,314
Principal payments	(2,200,510)	(987,136)
End of Year Balance	$113,268	$204,600

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 final payment was made in FY 24-25 and as of June 30, 2025 the loan was paid in full. The principal balance as of June 30, 2024 was $0.4 million. 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.

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 283 series of conduit debt obligations aggregating $6.82 billion as of June 30, 2025, and 258 series of conduit debt obligations aggregating $6.28 billion as of June 30, 2024. For the years ended June 30, 2025 and 2024, the Agency initially issued $1 billion and $1.55 billion in conduit debt obligations, respectively. The aggregate balances as of June 30, 2025 and 2024 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, 2025, the Agency collected $1.3 million in issuance fees and $3.4 million in administration fees. The cumulative balance of unearned revenue – prepaid administrative fees as of June 30, 2025 was $1.6 million. 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.

Objective of Forward Swaps: Beginning Fiscal Year 20-21, 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, 2025 (dollars in thousands):

Project Name	Swap Type	Fixed Rate Paid by Agency	Floating Rate Received by Agency	Termination Date	Maturity Date	Notional Outstanding	Fair Value
Vista Woods	Forward	1.89%	100.00% of FedFunds	8/1/2025	3/1/2040	$24,100	$5,098
Marina Village	Forward	1.84%	100.00% of FedFunds	8/8/2025	5/1/2047	12,600	3,710
Dunes Monterey Bay	Forward	3.11%	100.00% of SOFR	11/1/2025	11/1/2040	12,860	1,036
Alamo	Forward	2.94%	100.00% of SOFR	12/1/2025	12/1/2046	26,520	3,531
Kelsey Ayer	Forward	2.84%	100.00% of SOFR	1/1/2026	12/1/2043	9,315	1,212
Manor	Forward	2.81%	100.00% of SOFR	1/2/2026	1/1/2041	4,270	526
Anton	Forward	3.39%	100.00% of SOFR	2/1/2026	5/1/2026	15,735	992
Mainline North Apts.	Forward	3.03%	100.00% of SOFR	3/1/2026	3/1/2041	10,720	956
Serra Apts.	Forward	3.03%	100.00% of SOFR	3/1/2026	3/1/2041	18,840	1,846
Shiloh Crossing	Forward	3.03%	100.00% of SOFR	3/1/2026	3/1/2041	14,145	1,386
The Bluffs at 44th	Forward	4.05%	100.00% of SOFR	4/15/2026	9/15/2041	8,850	(136)
8181 Allison	Forward	3.03%	100.00% of SOFR	5/1/2026	5/1/2041	13,840	1,278
Alves Lane	Forward	3.03%	100.00% of SOFR	5/1/2026	5/1/2041	12,940	1,157
Mirasol Village Block D	Forward	3.03%	100.00% of SOFR	5/1/2026	5/1/2041	9,280	911
515 Pioneer	Forward	2.63%	100.00% of SOFR	5/1/2026	4/1/2049	14,815	2,692
Fiddyment	Forward	2.63%	100.00% of SOFR	5/1/2026	4/1/2049	18,170	3,301
La Vista	Forward	2.63%	100.00% of SOFR	5/1/2026	4/1/2049	13,875	2,521
Sarah's Court	Forward	2.81%	100.00% of SOFR	6/1/2026	6/1/2040	3,925	435
1178 Sonora Court	Forward	4.07%	100.00% of SOFR	4/1/2027	8/1/2042	17,940	(158)
1400 Long Beach	Forward	4.07%	100.00% of SOFR	5/1/2027	10/1/2042	14,690	(113)
Demaree Street Apts	Forward	3.91%	100.00% of SOFR	5/1/2027	4/1/2051	10,450	143
Devonwood Apartments	Forward	4.07%	100.00% of SOFR	5/1/2027	10/1/2042	7,475	(58)
Stevens Creek Promenade	Forward	3.91%	100.00% of SOFR	5/1/2027	4/1/2051	19,380	264
The Gardens at Bella Breeze	Forward	3.91%	100.00% of SOFR	5/1/2027	4/1/2051	10,165	139
Holt & Main	Forward	3.93%	100.00% of SOFR	7/3/2028	9/3/2043	14,555	242
BUSD Workforce	Forward	3.72%	100.00% of SOFR	8/1/2028	10/1/2054	5,830	249
						$345,285	$33,160

Terms, Fair Value and Credit Risk: The terms and fair values of the outstanding fixed payer swaps as of June 30, 2025 are summarized in the table at the beginning of this note.

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, 2025, only forward swaps were classified as effective hedging derivatives. Alternatively, the gain or loss on the fair value of any 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.

The following table summarizes the swap fair value activity in the statement of net position as of June 30, 2025 and 2024 and the statement of revenues, expenses and changes in net position for the years ended June 30, 2025 and 2024:

Statement of Net Position

(dollars in thousands)	2025	2024
Derivative swap asset	$33,160	$47,545
Derivative swap liability	—	—
Statement of Revenue, Expenses and Changes in Net position		
Investment swap revenue (fair value)	—	—

As of June 30, 2025, 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, 2025 and 2024, 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 effective forward swap agreements had an aggregate fair value of $33.2 million as of June 30, 2025 and $47.5 million for forward swaps as of June 30, 2024. Any 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, 2025, the Agency's swap portfolio had an aggregate asset position of $33.2 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 forward swaps with outstanding notional amounts by the counterparties' respective credit ratings as of June 30, 2025:

Counterparties Credit Ratings
(dollars in thousands)

Moody's	Standard & Poors	Outstanding Notional Amount	Number of Swap Transactions
Aa2	AA-	$35,835	2
Aa2	A+	289,065	22
A2	A	20,385	2
Total		$345,285	26

Interest Rate Risk: The Agency is not exposed to current interest rate risk as all fixed payer and basis swaps for variable debt were terminated by June 30, 2023, along with the redemption or defeasance of the Agency's outstanding variable bond debt. Interest rate risk for future bond issuances to fund committed Multifamily projects at a specified rate is mitigated through forward swap interest rate agreements.

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 changing rates of the upcoming bond issuance. This risk arises because floating rates paid by swap counterparties are based on indices, which consist of market-wide averages, while pricing of the Agency's upcoming bond issuance specific to individual bond issue factors and market conditions.

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, 2025, rates for the SOFR and EFFR were 4.45% and 4.33%, 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.

Due to (from) other government entities: The liability of Due to (from) other government entities incudes due to (from) other California agencies and federal agencies. This category includes pension liability and OPEB. Please see Note 9 and 10 for detail disclosure for pension liability and OPEB. Changes and balances in Due to (from) other government entities for the years ended June 30, 2025 and 2024 are as follows.

Changes and Balances in Due to (from) Other Government Entities

(dollars in thousands)	2025	2024
Beginning of year balance	$91,532	$74,212
Increase	50,277	52,831
Decrease	(49,641)	(35,511)
End of Year Balance	$92,168	$91,532
Current portion	1,349	1,092
Noncurrent portion	90,819	90,440
Total	$92,168	$91,532

Compensated absences: Effective July 1, 2024, the Agency implemented Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. This standard provides updated guidance for the recognition and measurement of liabilities related to compensated absences. In accordance with GASB 101, the Agency revised its accounting methodology for compensated absences for the fiscal year ending June 30, 2025. As a result of this change, the Agency's reported leave liability increased significantly. The increase of $5.3 million included $1.9 million cumulative effect from GASB 101 implementation which was fully expensed in FY 2024-25.

As of June 30, 2025, the total liability for compensated absences including accrued vacation, annual leave, sick leave, compensatory time, and other applicable leave types was $5.3 million, compared to $2.9 million as of June 30, 2024. Changes and balances in compensated absences for the years ended June 30, 2025 and 2024 are as follows:

Changes and Balances in Compensated Absences

(dollars in thousands)	2025	2024
Beginning of year balance	$2,936	$2,756
Increase	5,328	310
Decrease	(2,995)	(130)
End of Year Balance	$5,269	$2,936
Current portion	1,844	200
Noncurrent portion	3,425	2,736
Total	$5,269	$2,936

Lease liabilities: The Agency holds a single operating lease in Sacramento, California, which is set to mature on July 31, 2033. This lease includes an early termination option that permits the Agency to request an extension, cancellation, termination, surrender, amendment, or modification under pre-agreed terms. In accordance with GASB Statement No. 87, the Agency has recognized both a lease liability and a right-to-use (RTU) lease asset. The lease liability is measured at the present value of expected lease payments over the lease term and is reduced over time by lease payments, excluding the portion attributable to interest. For additional information, refer to Note 6 – Capital Assets. Changes and balances of lease liabilities for the years ended June 30, 2025 and 2024 are as follows:

Changes and Balances of Lease Liabilities

(dollars in thousands)

	2025	2024
Beginning of year balance	$21,615	$23,547
Increase	—	—
Decrease	(2,018)	(1,932)
End of Year Balance	$19,597	$21,615
Current portion	2,107	2,018
Noncurrent portion	17,490	19,597
Total	$19,597	$21,615

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
2026	$2,107	$279	$2,386
2027	2,199	247	2,446
2028	2,294	213	2,507
2029	2,392	179	2,571
2030	2,493	142	2,635
2031-2033	8,112	191	8,303
Total	$19,597	$1,251	$20,848

Unearned revenues: Fiscal Year 2024-25 unearned revenues include $1.3 million for administration fees collected in advance, $7.0 million for Accessory Dwelling Unit Grant Program, $52.0 million for Forgivable Equity Builder Loan Program, and $217.3 million for National Mortgage Settlement Program. Changes and balances of unearned revenue for the years ended June 30, 2025 and 2024 are as follows:

Changes and Balances of Unearned Revenues

(dollars in thousands)	2025	2024
Beginning of year balance	$318,454	$341,263
Increase	30,584	42,382
Decrease	(71,438)	(65,191)
End of Year Balance	$277,600	$318,454

Deposits and other liabilities: As of June 30, 2025, 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 deposits other liabilities for fiscal years ended June 30, 2025 and 2024:

Changes and Balances of Other Liabilities

(dollars in thousands)	2025	2024
Beginning of year balance	$240,346	$234,879
Increase	3,444,641	2,875,229
Decrease	(3,429,468)	(2,869,762)
End of Year Balance	$255,519	$240,346
Current portion	255,519	240,346
Non-current portion	—	—
Total	$255,519	$240,346

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, 2025, the Fund had rebate liabilities to IRS of $65 thousand. There was no rebate liability as of June 30, 2024. 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, 2025 and 2024 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, 2023 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 31.39% for fiscal year ended June 30, 2025, and 30.87% for the years ended June 30, 2024. The number of Active employees covered by the benefit terms is 194 and 183 for the years ended in June 30, 2025 and June 30, 2024 respectively.

Pension Liabilities, Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions: As of June 30, 2025 and 2024, the Fund reported a liability of $35.2 million and $38.5 million, respectively, for its proportionate share of the State's net pension liability. The net pension liabilities were measured as of June 30, 2024 and 2023 and were based on the Fund's pensionable compensation as a percentage of the State's total pensionable compensation. As of June 30, 2024 and 2023, the Fund's proportionate share was 0.101% and 0.100%, respectively.

The Fund recognized pension expense of $4.1 million for FY 2024-25 and $3.6 million for FY 2023-24. As of June 30, 2025, and 2024, 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)	2025 Deferred Outflows of Resources	2025 Deferred Inflows of Resources	2024 Deferred Outflows of Resources	2024 Deferred Inflows of Resources
Differences between expected & actual experience	$1,897	$342	$1,844	$598
Net differences between projected & actual earnings on pension plan investments [1]	1,691	—	4,659	—
Differences between Fund contributions & proportionate share of contributions	1	1,604	5	1,556
Changes in proportion	315	1,072	—	2,347
Changes of assumptions	1,144	—	1,998	—
Fund contributions subsequent to the measurement date	4,744	—	5,387	—
Total	$9,792	$3,018	$13,893	$4,501

[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, 2025, the $4.7 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, 2026. 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
2026	$138
2027	2,712
2028	(376)
2029	(444)
Total	$2,030

Actuarial Assumptions: For the measurement period ended June 30, 2024, the total pension liability was determined by rolling forward the June 30, 2023 total pension liability. The June 30, 2024 total pension liability was based on the following actuarial assumptions:

Actuarial Methods and Assumptions	2024
Inflation	2.30%
Salary increases	Varies by entry age and service
Investment rate of return	6.80% 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, 2023, the total pension liability was determined by rolling forward the June 30, 2022 total pension liability. The June 30, 2023 total pension liabilities were 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	6.80% 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, 2024 and 2023, 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.

The following table reflects expected real rate of returns by asset class for the measurement period ended June 30, 2024:

Asset Class [1]	Assumed Asset Allocation	Real Return[1,2]
Global Equity - Cap-weighted	30.00 %	4.54 %
Global Equity - Non-Cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)
	100.00 %	

[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, 2023:

Asset Class [1]	Assumed Asset Allocation	Real Return[1,2]
Global Equity - Cap-weighted	30.00 %	4.54 %
Global Equity - Non-Cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)
	100.00 %	

[1] An expected inflation of 2.30% used for this period.
[2] Figure are based on the 2021 Asset Liability Management study.

Discount Rate: The discount rate used to measure the total pension liability for the measurement periods ended June 30, 2024 and 2023, 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, 2024 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	$53,429	$35,204	$19,992

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

Pension Plan Fiduciary Net Position: As of June 30, 2024 and 2023, the Plan's fiduciary net position was $110.0 billion and $101.1 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, 2024 and 2023, 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 2.30% 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.

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. 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 $55.6 million and $52 million for the years ended June 30, 2025 and 2024, respectively. The allocated contribution of OPEB from the Fund was $2.9 million and $2.7 million for the years ended June 30, 2025 and 2024. 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 2024-25 maintained the 100/90% contribution formula established by Government Code for employees hired prior to 2017. Under this formula, the State uses 100% 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% contribution formula the monthly estimated contribution is $1,060 for a single enrollee, $2,039 for an enrollee and one dependent, and $2,551 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.

For employees hired post 2016, the State maintains an 80/80% contribution utilizing 80% 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% 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% contribution formula the monthly estimated contribution is $809 for a single enrollee, $1,615 for an enrollee and one dependent, and $2,097 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 $2.3 million for current retiree pro-rata for the fiscal year ending June 30, 2025 for a total of $2.8 million. For the fiscal year ending June 30, 2024, the Agency contributed $1.8 million for retiree pro-rata and $0.5 million for employer CERBT pre-funding for a total of $2.3 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, 2025 are calculated based on the June 30, 2024 actuarial valuation report (AVR) measurement. The AVR is available on the State Controller's Office (SCO) website www.sco.ca.gov. At June 30, 2025, the Agency reported a liability of $55.6 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, 2024, the Agency's proportion was 0.061% of the total State net OPEB liability, including Agency non participatory bargaining units.

For FY 2024-25, the Agency recognized OPEB expense of $0.6 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 $2.8 million in FY 2024-25 which was after the measurement date of June 30, 2024. This contribution is reported in FY 2024-25 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, 2026.

At June 30, 2025 and 2024 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)	2025 Deferred Outflow of Resources	2025 Deferred Inflow of Resources	2024 Deferred Outflow of Resources	2024 Deferred Inflow of Resources
Recognition of Contribution after Measurement Date	$2,775	—	$2,274	—
Recognition due to Non-investment Experience	5,046	2,597	2,679	4,175
Recognition due to Investment Experience	—	27	227	—
Recognition due to Assumption Changes	2,335	6,841	2,682	8,772
Recognition due to Proportion Changes	—	—	—	—
Recognition due to Contribution Changes	—	—	—	—
Total	$10,156	$9,465	$7,862	$12,947

Of the total amount reported as deferred outflows of resources related to OPEB, $2.8 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, 2026. 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
2026	($822)
2027	(786)
2028	(836)
2029	(641)
2030	(22)
Thereafter	1,023
Total	($2,084)

Actuarial Methods and Assumptions: The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Methods and Assumptions	June 30, 2024
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
Healthcare cost trend rates	Pre-Medicare coverage – Actual increases for 2025, increasing to 7.00% in 2026 grading down to 4.50% for 2031 and to 2039, then to 4.25% for 2040 and later years Post-Medicare coverage – Actual rates for 2025 increasing to a range of 7.00%-8.01% in 2026, then grading down to 4.50% for 2031 - 2039, and 4.25% for 2040 and later years. Dental coverage – 0.00% for 2025, 2.00% for 2026, 3.00% for 2027, 4.00% for 2028 and 4.25% for 2029 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
Actuarial study period	Healthcare related assumptions are based on the 2024 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.

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, 2024 valuation date:

	Current Target % Allocation	Real Return Years 1-10	Real Return Years 11 - 60
Asset Class			
Global Equity	49.00%	4.40%	4.50%
Fixed Income	23.00	(1.00)	2.20
Treasury Inflation-Protected Securities	5.00	(1.80)	1.30
Real Estate Investment Trusts	20.00	3.00	3.90
Commodities	3.00	0.80	1.20
Source: CalPERS	100%		

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	June 30, 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
Healthcare cost trend rates	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 Post-Medicare coverage – Actual rates for 2024 increasing to a range of 7.00%-8.06% in 2025, 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
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.

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, 2023 measurement date:

	Current Target % Allocation	Real Return Years 1-10	Real Return Years 11 - 60
Asset Class			
Global Equity	49.00%	4.40%	4.50%
Global Fixed Income	23.00	(1.00)	2.20
Inflation Sensitive	5.00	(1.80)	1.30
Real Estate	20.00	3.00	3.90
Commodities	3.00	0.80	1.20
	100%		

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.

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 3.97% as reported by Fidelity as of June 30, 2024 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, 2024, 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, 2024 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 3.970% - 4.435%) as of June 30, 2025 (dollars in thousands):

	1% Decrease (2.970% - 3.435%)	Baseline Discount Rate (3.970% - 4.435%)	1% Increase (4.970% -5.435%)
Net OPEB Liability	$65,357	$55,550	$47,587

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 3.860% to 4.283%) 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

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, 2024 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, 2025 (dollars in thousands):

	1% Decrease 3.25%	Healthcare Cost Trend Rate 4.25%	1% Increase 5.25%
Net OPEB Liability	$66,645	$55,550	$46,841

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

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, 2024:

Change in Net OPEB Liability (dollars in thousands)	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at 6/30/24	$56,113	$4,159	$51,954
Changes for the Year			
Change in Proportionate Share	($868)		($868)
Service cost	1,799		1,799
Interest on total OPEB liability	2,376		2,376
Changes of assumptions	470		470
Benefit payments	(1,980)		(1,980)
Difference between Expected & Actual Experience	3,303		3,303
Employer PayGO	—	1,980	(1,980)
Employer pre funding	—	504	(504)
Active Member Contribution	—	504	(504)
Net investment income	—	496	(496)
Benefit payments	—	(1,980)	1,980
Net Changes	$5,100	$1,504	$3,596
Ending Balance	$61,213	$5,663	$55,550

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

NOTE 11 – COMMITMENTS

As of June 30, 2025, the Agency had $48.4 million in outstanding commitments to fund first lien Homeownership Program loans, $1.2 million in outstanding commitments to fund subordinate lien Homeownership Program loans, and $1.39 billion in outstanding commitments to fund Multifamily Program project loans, As of June 30, 2025, the Agency had $0.9 million in 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, 2025, 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, 2025, the allowance for loan loss reserve amount established under the Homeownership Programs indenture was $28 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, 2025, 38.06% of the Fund's Single Family Bond Program loans were VA, USDA Rural Development, or FHA guaranteed. Approximately 69.38% 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 curse 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 while CalHRC enters its final wind-down period.

NOTE 16 – SUBSEQUENT EVENTS

U.S. Bank Credit Facility Line: On July 1, 2025, the Agency entered a contract with U.S. Bank, N.A, for a $150 million Revolving Credit Agreement for the Agency's Tax-Exempt Bond Recycling program. The Agreement is used to refinance the tax-exempt portion of bond/note issuances resulting in the preservation of tax-exempt allocation awarded by the California Debt Limit Allocation Committee (CDLAC) from an annual spending cap. It will be reported under Credit Facilities Bank of Other Programs and Accounts.

Governor's Reorganization Plan: Effective July 5, 2025, GR-1 reorganized the structure of the Business, Consumer Services, and Housing Agency into two new Agencies; the Business and Consumer Services Agency, and the California Housing and Homelessness Agency (CAHA). As part of the reorganization plan, CalHFA has been moved under the CAHA, and does not anticipate any significant changes to its programs. The reorganization becomes operational July 1, 2026.

HOMRB bond issuance: On July 9, 2025, the Agency issued $80 million of taxable bonds under the HOMRB indenture for 2025 Series B. Proceeds from this issuance are for the purchase of MBS and MyAccess down payment assistance loans.

Dream for All (DFA) additional allocation: On July 21, 2025, the Agency received a $300 million transfer from the State's General Fund per SB101, Chapter 4, Budget Act of 2025, as administrator of the DFA fund. Monies from this transfer are neither generated nor held within the CalHFF Fund.

S&P credit rating upgrade: Citing increased financial strength and extremely strong management team and board members, S&P Global Ratings upgraded the Agency's issuer credit rating to AA+ with a stable outlook as of August 20, 2025.

AHRB bond issuance: On November 12, 2025, the Agency issued $134.7 million in Non-AMT bonds under the AHRB indenture for 2025 Series B. These bonds refinanced the FHLB credit line for multifamily project loans warehoused through FHLB loans.

Building Purchase: On November 13, 2025, the Agency acquired a commercial building located at 520 Capitol Mall, Sacramento, CA for $22.3 million. The acquisition was funded entirely with cash and is recorded as an investment in property on the Agency's balance sheet.

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)

	2025	2024	2023	2022	2021
TOTAL PENSION LIABILITY					
Fund's Proportion of the Net Pension Liability	0.101%	0.100%	0.105%	0.106%	0.115%
Change in Proportionate Share	$515	($1,853)	($205)	($2,969)	($4,913)
Services Cost	2,754	2,571	2,562	2,345	2,434
Interest on Total Pension Liability	9,652	9,181	9,195	9,118	9,492
Changes of Benefit Terms	—	—	—	—	—
Changes of Assumptions	—	—	3,918	—	—
Difference Between Expected and Actual Experience	925	2,109	(1,172)	666	850
Benefit payments, Including Refunds of Employee Contributions	(8,029)	(7,582)	(7,538)	(7,261)	(7,459)
Net Change in Total Pension Liability	$5,817	$4,426	$6,760	$1,899	$404
Total Pension Liability - Beginning [1]	$196,967	$192,541	$185,781	$183,882	$183,478
Total Pension Liability - Ending	$202,784	$196,967	$192,541	$185,781	$183,882
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	$6,185	$6,282	$5,369	$4,004	$5,736
Contributions - Employee	1,293	1,146	1,136	984	1,152
Net Investment Income	9,735	5,884	(8,232)	20,453	4,739
Benefit Payments, Including Refunds of Employee Contributions	(8,029)	(7,582)	(7,538)	(7,261)	(7,460)
Net Plan to Plan Resource Movement	(1)	(2)	(3)	(2)	(5)
Administrative Expense	(84)	(70)	(68)	(92)	(135)
Other Miscellaneous Income/(Expense)	—	—	—	—	—
Net Change in Fiduciary Net Position	$9,099	$5,658	($9,336)	$18,086	$4,027
Plan Fiduciary Net Position - Beginning	$158,481	$152,823	$162,159	$144,073	$140,046
Plan Fiduciary Net Position - Ending	$167,580	$158,481	$152,823	$162,159	$144,073
Net Pension Liability [2]	$35,204	$38,486	$39,718	$23,622	$39,809
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.64%	80.46%	79.37%	87.29%	78.35%
Covered Payroll	$16,941	$15,511	$15,472	$13,681	$15,551
Fund's net Pension Liability as a Percentage of Covered-Employee Payroll	207.80%	248.12%	256.71%	172.66%	255.99%

[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.

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)

	2020	2019	2018	2017	2016
TOTAL PENSION LIABILITY					
Fund's Proportion of the Net Pension Liability	0.129%	0.143%	0.150%	0.161%	0.167%
Change in Proportionate Share	($4,206)	($2,860)	($3,376)	($1,786)	($3,995)
Services Cost	2,638	2,785	2,898	2,679	2,631
Interest on Total Pension Liability	10,292	10,791	11,097	11,592	11,632
Changes of Benefit Terms	—	—	—	—	—
Changes of Assumptions	—	(1,963)	8,521	—	—
Difference Between Expected and Actual Experience	2,624	635	(582)	(163)	1,157
Benefit payments, Including Refunds of Employee Contributions	(7,994)	(8,360)	(8,378)	(8,584)	(8,507)
Net Change in Total Pension Liability	$3,354	$1,028	$10,180	$3,738	$2,918
Total Pension Liability - Beginning [1]	$180,124	$179,096	$168,916	$165,178	$162,260
Total Pension Liability - Ending	$183,478	$180,124	$179,096	$168,916	$165,178
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	$4,878	$10,039	$4,653	$4,525	$4,353
Contributions - Employee	1,218	1,240	1,269	1,286	1,287
Net Investment Income	6,667	8,733	11,020	545	2,511
Benefit Payments, Including Refunds of Employee Contributions	(7,994)	(8,360)	(8,378)	(8,584)	(8,507)
Net Plan to Plan Resource Movement	(2)	(2)	(4)	(2)	(1)
Administrative Expense	(74)	(160)	(148)	(67)	(128)
Other Miscellaneous Income/(Expense)	—	(305)	—	—	—
Net Change in Fiduciary Net Position	$4,693	$11,185	$8,412	($2,297)	($485)
Plan Fiduciary Net Position - Beginning	$135,353	$124,168	$115,756	$118,053	$118,538
Plan Fiduciary Net Position - Ending	$140,046	$135,353	$124,168	$115,756	$118,053
Net Pension Liability [2]	$43,432	$44,771	$54,928	$53,160	$47,125
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.33%	75.14%	69.33%	68.53%	71.47%
Covered Payroll	$16,674	$17,465	$17,427	$17,964	$17,756
Fund's net Pension Liability as a Percentage of Covered-Employee Payroll	260.48%	256.35%	315.19%	295.93%	265.40%

[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.

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 (June 30, 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. In addition, demographic assumptions and the price inflation 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 June 30, 2017, through June 30, 2021, and 7.65% for measurement dates June 30, 2015, through June 30, 2016.

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Schedule of Fund Contributions

Pension - Miscellaneous Plan

For the Fiscal Year Ended June 30 (dollars in thousands)

	2025	2024	2023	2022	2021
Contractually required contribution	$5,213	$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)	($175)	($177)	($47)	($31)	($6)
Fund's covered payroll	$16,941	$15,511	$15,472	$13,681	$15,551
Contributions as a percentage of covered payroll	31.80%	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 2023-24 were derived from the June 30, 2022 funding valuation report.

Actuarial Methods and Assumptions	Fiscal Year 2023-24
Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method/Period	For details, see June 30, 2022 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2022 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)

	2020	2019	2018	2017	2016
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)	$47
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%

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)

	2025	2024	2023	2022
TOTAL OPEB LIABILITY				
Change in Proportionate Share	($868)	$5,220	($12,551)	($2,980)
Service cost	1,799	1,750	2,084	2,337
Interest on total OPEB liability	2,376	2,188	1,469	2,047
Changes of assumptions	470	428	(10,207)	2,631
Benefit payments	(1,980)	(1,846)	(1,584)	(1,817)
Diff btwn Expected & Actual Experience	3,303	987	2,160	(4,448)
Net Change in Total OPEB Liability	$5,100	$8,727	($18,629)	($2,230)
Total OPEB Liability - beginning	$56,113	$66,015	$66,015	$68,245
Total OPEB Liability - Ending	$61,213	$47,386	$47,386	$66,015
PLAN FIDUCIARY NET POSITION				
Employer PayGO	$1,980	$1,846	$1,584	$1,817
Employer pre funding	504	516	823	471
Active Member Contribution	504	516	436	—
Net investment income	496	217	(366)	344
Benefit payments	(1,980)	(1,846)	(1,584)	(1,817)
Net Changes	$1,504	$1,249	$893	$815
Plan Fiduciary Net Position - Beginning	$4,159	$2,910	$2,017	$1,202
Plan Fiduciary Net Position - Ending	$5,663	$4,159	$2,910	$2,017
Net OPEB Liability - Ending	$55,550	$51,954	$44,476	$63,998
Plan Fiduciary Net Position as a % Total OPEB Liability	9.25%	7.41%	6.21%	3.06%
Covered Payroll	$16,941	$15,511	$15,472	$13,681
Fund's Net OPEB Liability as a Percentage of Covered Payroll	327.90%	334.95%	287.46%	467.79%

[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 2024-25 were derived from the June 30, 2024 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, 2024 measurement date is 0.06%, 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)

	2021	2020	2019	2018
TOTAL OPEB LIABILITY				
Change in Proportionate Share	($6,383)	($12,488)	$8,195	—
Service cost	2,265	2,420	2,988	3,189
Interest on total OPEB liability	2,441	2,739	3,355	2,745
Changes of assumptions	1,020	1,926	(3,178)	(8,607)
Benefit payments	(1,806)	(1,937)	(1,923)	(1,653)
Diff btwn Expected & Actual Experience	(2,310)	(738)	(6,538)	—
Net Change in Total OPEB Liability	($4,773)	($8,078)	$2,899	($4,326)
Total OPEB Liability - beginning	$73,018	$81,096	$78,197	$82,523
Total OPEB Liability - Ending	$68,245	$73,018	$81,096	$78,197
PLAN FIDUCIARY NET POSITION				
Employer PayGO	$1,806	$1,937	$1,923	$312
Employer pre funding	359	167	16	18
Active Member Contribution	359	167	16	—
Net investment income	22	25	7	2
Benefit payments	(1,806)	(1,937)	(1,923)	(312)
Net Changes	$740	$359	$39	$20
Plan Fiduciary Net Position - Beginning	$462	$103	$80	—
Plan Fiduciary Net Position - Ending	$1,202	$462	$119	$20
Net OPEB Liability - Ending	$67,043	$72,556	$80,977	$78,177
Plan Fiduciary Net Position as a % Total OPEB Liability	1.76%	0.63%	0.15%	0.03%
Covered Payroll	$15,551	$16,674	$17,465	$17,427
Fund's Net OPEB Liability as a Percentage of Covered Payroll	431.12%	435.14%	463.65%	448.60%

[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 2024-25 were derived from the June 30, 2024 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.

Schedule of Fund Contributions

OPEB Plan

For the Fiscal Year Ended June 30 [1] (dollars in thousands)

	2025	2024	2023	2022
Actuarially Determined Contribution	$2,927	$2,686	$2,143	$3,135
Contributions in relation to contractually required contribution	2,485	2,275	2,363	2,407
Contribution deficiency (excess) [1]	$442	$411	($220)	$728
Fund's covered payroll	$16,941	$15,511	$15,472	$13,681
Contribution as a percentage of covered payroll	14.67%	14.67%	15.27%	17.59%

[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 2025 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, 2024 State Controller's actuarial valuation report and CalPERS experience reports available at www.SCO.ca.gov and www.CalPERS.ca.gov.

Changes of Assumption	June 30, 2024
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 2025, increasing to 7.0% in 2026 grading down to 4.5% for 2031 and to 2039, then to 4.25% for 2040 and later years
	Post-Medicare coverage – Actual rates for 2025 increasing to a range of 7.00%-8.01% in 2026, then grading down to 4.50% for 2031 - 2039, and 4.25% for 2040 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 2024 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.

Schedule of Fund Contributions (continued)

OPEB Plan

For the Fiscal Year Ended June 30 [1] (dollars in thousands)

	2021	2020	2019	2018
Actuarially Determined Contribution	$3,123	$3,470	$1,955	$3,871
Contributions in relation to contractually required contribution	2,289	2,165	2,103	1,748
Contribution deficiency (excess) [1]	$834	$1,305	($148)	$2,123
Fund's covered payroll	$15,551	$16,674	$17,465	$17,427
Contribution as a percentage of covered payroll	14.72%	12.98%	12.04%	10.03%

[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 2025 payroll from Agency records pending State Controller's Office Compensation Amounts and Calculated Percentages.

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - WITH ADDITIONAL COMBINING INFORMATION

June 30, 2025 (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	$4,200	$160,746	$128,366	$14,584	$307,896
Investments	153,632	—	858,474	643,044	1,655,150
Current portion - program loans receivable, net of allowance	23,235	17,897	18,705	262	60,099
Interest receivable:					
Program loans, net	1,301	2,492	28,163	57,128	89,084
Investments	1,859	552	11,148	7,119	20,678
Defeasible liens receivable	—	—	5,210	—	5,210
Accounts receivable	353	—	2,303	—	2,656
Due (to) from other funds	(695)	—	(4,061)	4,756	—
Other assets	—	29	68,847	14	68,890
Total Current Assets	$183,885	$181,716	$1,117,155	$726,907	$2,209,663
Noncurrent Assets					
Investments	$60,230	$4,782	$389,464	—	$454,476
Program loans receivable, net of allowance	279,906	610,596	824,185	549,100	2,263,787
Capital assets	—	—	18,829	—	18,829
Other assets	93	—	33,183	—	33,276
Total Noncurrent Assets	$340,229	$615,378	$1,265,661	$549,100	$2,770,368
Total Assets	$524,114	$797,094	$2,382,816	$1,276,007	$4,980,031
DEFERRED OUTFLOWS OF RESOURCES					
OPEB related outflows	—	—	$10,156	—	$10,156
SB84 Supplement contributions	—	—	—	—	—
Unamortized difference & change related in pension	—	—	9,792	—	9,792
Total Deferred Outflows of Resources	—	—	$19,948	—	$19,948

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - WITH ADDITIONAL COMBINING INFORMATION (continued)

June 30, 2025 (dollars in thousands)

	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	CONTRACT ADMINISTRATION PROGRAMS	COMBINED TOTALS
LIABILITIES					
Current Liabilities					
Bonds payable	$281	$8,634	—	—	$8,915
Notes payable	—	—	3,556	—	3,556
Loans payable	—	—	113,268	—	113,268
Interest payable	597	3,656	939	—	5,192
Due to other government entities, net	—	—	1,349	—	1,349
Compensated absences	—	—	1,844	—	1,844
Lease liabilities	—	—	2,107	—	2,107
Deposits and other liabilities	106	—	254,718	695	255,519
Total Current Liabilities	$984	$12,290	$377,781	$695	$391,750
Noncurrent Liabilities					
Bonds payable	$50,633	$399,792	—	—	$450,425
Notes payable	—	—	279,909	—	279,909
Due to other government entities, net	—	65	—	—	65
Net OPEB obligation	—	—	55,550	—	55,550
Net pension liability	—	—	35,204	—	35,204
Compensated absences	—	—	3,425	—	3,425
Lease liabilities	—	—	17,490	—	17,490
Unearned revenues	—	—	1,287	276,313	277,600
Total Noncurrent Liabilities	$50,633	$399,857	$392,865	$276,313	$1,119,668
Total Liabilities	$51,617	$412,147	$770,646	$277,008	$1,511,418

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - WITH ADDITIONAL COMBINING INFORMATION (continued)

June 30, 2025 (dollars in thousands)

	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	CONTRACT ADMINISTRATION PROGRAMS	COMBINED TOTALS
DEFERRED INFLOWS OF RESOURCES					
Accumulated increase in fair value of hedging derivatives	—	—	$33,160	—	$33,160
OPEB related inflows	—	—	9,465	—	9,465
Unamortized pension, net difference	—	—	3,018	—	3,018
Total Deferred Inflows of Resources	—	—	$45,643	—	$45,643
NET POSITION					
Net investment in capital assets	—	—	($768)	—	($768)
Restricted by indenture	472,497	384,947	—	—	857,444
Restricted by statute	—	—	1,661,576	998,999	2,660,575
Unrestricted (deficit)	—	—	(74,333)	—	(74,333)
Total Net Position	$472,497	$384,947	$1,586,475	$998,999	$3,442,918

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CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - WITH ADDITIONAL COMBINING INFORMATION

Year Ended June 30, 2025 (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	$16,067	$21,497	$32,510	$15,577	$85,651
Interest on investment	6,404	5,835	52,639	18,842	83,720
Realized and unrealized gain (loss) on investments	2,097	106	21,684	—	23,887
Loan commitment fees	—	—	4,444	—	4,444
Other loan fees	9	—	25,525	—	25,534
Other revenues	520	—	61,296	—	61,816
Total Operating Revenues	$25,097	$27,438	$198,098	$34,419	$285,052
OPERATING EXPENSES					
Interest	$598	$7,247	$19,305	—	$27,150
Amortization of bond discount and bond premium	(10)	(164)	—	—	(174)
Mortgage servicing expenses	1,025	—	707	—	1,732
(Reversal) provision for program loan losses	(23)	2,668	(4,043)	3,742	2,344
Salaries and general expenses	—	—	38,044	—	38,044
Depreciation and amortization expenses	—	—	2,429	—	2,429
Other expenses	1,087	2,434	36,519	12,036	52,076
Total Operating Expenses	$2,677	$12,185	$92,961	$15,778	$123,601
Total Operating Income (Expenses)	$22,420	$15,253	$105,137	$18,641	$161,451

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - WITH ADDITIONAL COMBINING INFORMATION (continued)

Year Ended June 30, 2025 (dollars in thousands)

	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	CONTRACT ADMINISTRATION PROGRAMS	COMBINED TOTALS
NON-OPERATING REVENUES AND EXPENSES					
Interest: positive arbitrage	—	($64)	—	—	($64)
Federal pass-through revenues - HUD/UST	—	—	7,920	—	7,920
Federal pass-through expenses - HUD/UST	—	—	(7,920)	—	(7,920)
Accessory Dwelling Unit (ADU) revenues, net	—	—	—	(1,237)	(1,237)
Accessory Dwelling Unit (ADU) expenses, net	—	—	—	1,237	1,237
Forgivable Equity Builder Loan (EBL) revenues	—	—	—	15,851	15,851
Forgivable Equity Builder Loan (EBL) expenses	—	—	—	(15,851)	(15,851)
National Mortgage Settlement (NMS) revenues	—	—	—	17,841	17,841
National Mortgage Settlement (NMS) expenses	—	—	—	(17,841)	(17,841)
Prepayment penalty	—	2,860	184	—	3,044
Other	—	—	193	19,100	19,293
Total Non-operating Income (Expenses)	—	$2,796	$377	$19,100	$22,273
Change in net position before transfers	22,420	18,049	105,514	37,741	183,724
Transfers in (out)	—	—	6,379	31,967	38,346
Transfers intrafund	3,393	22,958	(13,571)	(12,780)	—
Increase (Decrease) in Net Position	$25,813	$41,007	$98,322	$56,928	$222,070
Net Position at Beginning of Year	$446,684	$343,940	$1,488,153	$942,071	$3,220,848
Net Position at End of Year	$472,497	$384,947	$1,586,475	$998,999	$3,442,918

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF CASH FLOWS - WITH ADDITIONAL COMBINING INFORMATION

Year Ended June 30, 2025 (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	$16,209	$20,684	$32,051	$3,049	$71,993
Payments to suppliers	(1,034)	(19)	(7,139)	—	(8,192)
Payments to employees and related benefits	—	—	(30,885)	—	(30,885)
Receipts from loan related activities	34,489	40,316	66,292	18,019	159,116
Payments to loan related expenses	(638)	(304,883)	58,749	(69,274)	(316,046)
Other receipts	386	2,859	108,646	46,916	158,807
Other payments	(1,074)	(2,414)	(40,646)	(75,127)	(119,261)
Intrafund transfers	3,393	22,958	(13,571)	(12,780)	—
Due from other government entities	—	—	(132)	—	(132)
Due to other government entities	—	—	323	—	323
Net Cash Provided by (Used For) Operating Activities	$51,731	($220,499)	$173,688	($89,197)	($84,277)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Proceeds from sales of bonds, notes, and loans	$50,923	$288,274	$2,109,178	—	$2,448,375
Payment of bonds, notes, and loans principal	—	(4,395)	(2,203,906)	—	(2,208,301)
Early bond redemptions	—	(145)	—	—	(145)
Interest paid on debt	—	(5,313)	(19,646)	—	(24,959)
Interfund transfers	—	—	6,379	31,967	38,346
Net Cash Provided by (Used for) Noncapital Financing Activities	$50,923	$278,421	($107,995)	$31,967	$253,316
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal paid on lease	—	—	($2,018)	—	($2,018)
Interest paid on lease	—	—	(311)	—	(311)
Net Cash (Used for) Provided by Capital and Related Financing Activities	—	—	($2,329)	—	($2,329)

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF CASH FLOWS - WITH ADDITIONAL COMBINING INFORMATION (continued)

Year Ended June 30, 2025 (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	$733	$492	$3,442,612	$128,190	$3,572,027
Purchase of investments	(104,858)	(4,112)	(3,517,764)	(84,608)	(3,711,342)
Interest on investments, net	5,564	5,672	52,308	19,169	82,713
Net Cash (Used For) Provided by Investing Activities	($98,561)	$2,052	($22,844)	$62,751	($56,602)
Net increase (decrease) in cash and cash equivalents	4,093	59,974	40,520	5,521	110,108
Cash and cash equivalents at beginning of year	107	100,772	87,846	9,063	197,788
Cash and cash equivalents at end of year	$4,200	$160,746	$128,366	$14,584	$307,896

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF CASH FLOWS - WITH ADDITIONAL COMBINING INFORMATION (continued)

Year Ended June 30, 2025 (dollars in thousands)

	HOMEOWNERSHIP PROGRAMS	MULTIFAMILY RENTAL HOUSING PROGRAMS	OTHER PROGRAMS AND ACCOUNTS	CONTRACT ADMINISTRATION PROGRAMS	COMBINED TOTALS
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:					
Operating Income (Loss)	$22,420	$15,253	$105,137	$18,641	$161,451
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Interest expense on debt	$598	$7,247	$19,305	—	$27,150
Interest on investments	(6,404)	(5,835)	(52,639)	(18,842)	(83,720)
Changes in fair value of investments	(2,097)	(105)	(6,566)	—	(8,768)
Realized gain on sale of securities	—	—	(15,118)	—	(15,118)
Amortization of bond premium	(10)	—	—	—	(10)
Amortization of hedge termination	—	(164)	—	—	(164)
Loan commitment fees	—	—	(4,444)	—	(4,444)
Other revenues	—	2,860	8,306	51,556	62,722
Depreciation and amortization	—	—	2,429	—	2,429
(Reversal) provision for estimated loan losses	(23)	2,668	(4,043)	3,742	2,344
Provision (reversal) for yield reduction payments	—	65	—	—	65
Other expenses	—	(65)	(7,929)	(32,456)	(40,450)

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF CASH FLOWS - WITH ADDITIONAL COMBINING INFORMATION (continued)

Year Ended June 30, 2025 (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	($638)	($304,883)	$58,749	($69,274)	($316,046)
Collection of principal from program loans, net	34,479	40,316	36,322	18,019	129,136
Interest receivable	142	(813)	(460)	(12,527)	(13,658)
Allowance for interest receivable	—	—	(381)	10,349	9,968
Defeasible liens receivable	—	—	668	—	668
Accounts receivable	48	—	(80)	—	(32)
Due (from) to other funds	(182)	—	4,822	(4,640)	—
Other assets	—	(1)	38,078	—	38,077
Compensated absences	—	—	2,332	—	2,332
Deferred outflows of resources:					
Pension	—	—	$4,481	—	$4,481
OPEB	—	—	(2,294)	—	(2,294)
Deferred inflows of resources:					
Pension	—	—	($1,484)	—	($1,484)
OPEB	—	—	(3,482)	—	(3,482)
Deposits and other liabilities	5	—	15,228	(60)	15,173
Intrafund transfers	3,393	22,958	(13,571)	(12,780)	—
Due from other government entities	—	—	(132)	—	(132)
Due to other government entities	—	—	323	—	323
Unearned revenue	—	—	(9,869)	(40,925)	(50,794)
Net Cash Provided by (Used For) Operating Activities	$51,731	($220,499)	$173,688	($89,197)	($84,277)
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION					
Noncash transfer of program loan to REO	$184	—	$8	—	$192

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - HOMEOWNERSHIP PROGRAMS

June 30, 2025 (dollars in thousands)

	HOME MORTGAGE REVENUE BONDS	HOMEOWNER MORTGAGE REVENUE BONDS	TOTAL HOMEOWNERSHIP PROGRAMS
ASSETS			
Current Assets			
Cash and cash equivalents	$494	$3,706	$4,200
Investments	153,632	—	153,632
Current portion - program loans receivable, net of allowance	23,235	—	23,235
Interest receivable:			
Program loans, net	1,301	—	1,301
Investments	1,596	263	1,859
Accounts receivable	353	—	353
Due (to) from other funds	(695)	—	(695)
Total Current Assets	$179,916	$3,969	$183,885
Noncurrent Assets			
Investments	$8,068	$52,162	$60,230
Program loans receivable, net of allowance	279,906	—	279,906
Other assets	93	—	93
Total Noncurrent Assets	$288,067	$52,162	$340,229
Total Assets	$467,983	$56,131	$524,114
LIABILITIES			
Current Liabilities			
Bonds payable	—	$281	$281
Interest payable	—	597	597
Deposits and other liabilities	106	—	$106
Total Current Liabilities	$106	$878	$984
Noncurrent Liabilities			
Bonds payable	—	$50,633	$50,633
Total Noncurrent Liabilities	—	$50,633	$50,633
Total Liabilities	$106	$51,511	$51,617
NET POSITION			
Restricted by indenture	$467,877	$4,620	$472,497
Total Net Position	$467,877	$4,620	$472,497

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - HOMEOWNERSHIP PROGRAM

Year Ended June 30, 2025 (dollars in thousands)

	HOME MORTGAGE REVENUE BONDS	HOMEOWNER MORTGAGE REVENUE BONDS	TOTAL HOMEOWNERSHIP PROGRAMS
OPERATING REVENUES			
Interest income:			
Program loans, net	$16,067	—	$16,067
Interest on investment	5,841	563	6,404
Realized and unrealized gain (loss) on investments	266	1,831	2,097
Other loan fees	—	9	9
Other revenues	15	505	520
Total Operating Revenues	$22,189	$2,908	$25,097
OPERATING EXPENSES			
Interest	—	$598	$598
Amortization of bond discount and bond premium	—	(10)	(10)
Mortgage servicing expenses	1,025	—	1,025
(Reversal) provision for program loan losses	(23)	—	(23)
Other expenses	(6)	1,093	1,087
Total Operating Expenses	$996	$1,681	$2,677
Total Operating Income	$21,193	$1,227	$22,420
Change in net position before transfers	21,193	1,227	22,420
Transfers intrafund	—	3,393	3,393
Increase (decrease) in Net Position	$21,193	$4,620	$25,813
Net Position at Beginning of Year	$446,684	—	$446,684
Net Position at End of Year	$467,877	$4,620	$472,497

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - HOMEOWNERSHIP PROGRAMS

Year Ended June 30, 2025 (dollars in thousands)

	HOME MORTGAGE REVENUE BONDS	HOMEOWNER MORTGAGE REVENUE BONDS	TOTAL HOMEOWNERSHIP PROGRAMS
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$16,209	—	$16,209
Payments to suppliers	(1,034)	—	(1,034)
Receipts from loan related activities	34,480	9	34,489
Payments to loan related expenses	(638)	—	(638)
Other receipts	(119)	505	386
Other payments	19	(1,093)	(1,074)
Intrafund transfers	—	3,393	3,393
Net Cash provided by (Used for) Operating Activities	$48,917	$2,814	$51,731
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Proceeds from sales of bonds, notes, and loans	—	$50,923	$50,923
Net Cash Provided by (Used for) Noncapital Financing Activities	—	$50,923	$50,923
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from maturity and sale of investments	$920	($187)	$733
Purchase of investments	(54,714)	(50,144)	(104,858)
Interest on investments, net	5,264	300	5,564
Net Cash (Used for) Provided by Investing Activities	($48,530)	($50,031)	($98,561)
Net increase (decrease) in cash and cash equivalents	387	3,706	4,093
Cash and cash equivalents at beginning of year	107	—	107
Cash and Cash Equivalents at End of Year	$494	$3,706	$4,200
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:			
Operating Income (Loss)	$21,193	$1,227	$22,420
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Interest expense on debt	—	$598	$598
Interest on investments	(5,841)	(563)	(6,404)
Changes in fair value of investments	(266)	(1,831)	(2,097)
Amortization of bond premium	—	(10)	(10)
(Reversal) provision for estimated loan losses	(23)	—	(23)
Effects of Changes in Operating Assets and Liabilities:			
(Purchase) sale of program loans, net	(638)	—	(638)
Collection of principal from program loans, net	34,479	—	34,479
Interest receivable	142	—	142

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - HOMEOWNERSHIP PROGRAMS (continued)

Year Ended June 30, 2025 (dollars in thousands)

	HOME MORTGAGE REVENUE BONDS	HOMEOWNER MORTGAGE REVENUE BONDS	TOTAL HOMEOWNERSHIP PROGRAMS
Accounts receivable	48	—	48
Due (from) to other funds	(182)	—	(182)
Deposits and other liabilities	5	—	5
Intrafund transfers	—	3,393	3,393
Net Cash Provided by (Used For) Operating Activities	$48,917	$2,814	$51,731
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION			
Noncash transfer of program loan to REO	$184		$184

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - MULTIFAMILY RENTAL HOUSING PROGRAMS

June 30, 2025 (dollars in thousands)

	MULTIFAMILY SPECIAL/LIMITED OBLIGATION BONDS	MULTIFAMILY AFFORDABLE HOUSING REVENUE BONDS	TOTAL MULTIFAMILY RENTAL HOUSING PROGRAMS
ASSETS			
Current Assets			
Cash and cash equivalents	$5,499	$155,247	$160,746
Current portion - program loans receivable, net of allowance	635	17,262	17,897
Interest receivable:			
Program loans, net	167	2,325	2,492
Investments	18	534	552
Other assets	28	1	29
Total Current Assets	$6,347	$175,369	$181,716
Noncurrent Assets			
Investments	—	$4,782	$4,782
Program loans receivable, net of allowance	38,891	571,705	610,596
Total Noncurrent Assets	$38,891	$576,487	$615,378
Total Assets	$45,238	$751,856	$797,094
LIABILITIES			
Current Liabilities			
Bonds payable	$470	$8,164	$8,634
Interest payable	442	3,214	3,656
Total Current Liabilities	$912	$11,378	$12,290
Noncurrent Liabilities			
Bonds payable	$39,330	$360,462	$399,792
Due to other government entities, net	—	65	65
Total Noncurrent Liabilities	$39,330	$360,527	$399,857
Total Liabilities	$40,242	$371,905	$412,147
NET POSITION			
Restricted by indenture	$4,996	$379,951	$384,947
Total Net Position	$4,996	$379,951	$384,947

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - MULTIFAMILY RENTAL HOUSING PROGRAMS

Year Ended June 30, 2025 (dollars in thousands)

	MULTIFAMILY SPECIAL/LIMITED OBLIGATION BONDS	MULTIFAMILY AFFORDABLE HOUSING REVENUE BONDS	TOTAL MULTIFAMILY RENTAL HOUSING PROGRAMS
OPERATING REVENUES			
Interest income:			
Program loans, net	$2,022	$19,475	$21,497
Interest on investment	211	5,624	5,835
Realized and unrealized gain (loss) on investments	—	106	106
Total Operating Revenues	$2,233	$25,205	$27,438
OPERATING EXPENSES			
Interest	$1,468	$5,779	$7,247
Amortization of bond discount and bond premium	—	(164)	(164)
Provision (reversal) for program loan losses	—	2,668	2,668
Other expenses	78	2,356	2,434
Total Operating Expenses	$1,546	$10,639	$12,185
Total Operating Income (Expenses)	$687	$14,566	$15,253
NON-OPERATING REVENUES AND EXPENSES			
Interest: positive arbitrage	—	($64)	($64)
Prepayment penalty	—	2,860	2,860
Total Non-operating Income (Expenses)	—	$2,796	$2,796
Change in net position before transfers	687	17,362	18,049
Transfers intrafund	—	22,958	22,958
Increase (Decrease) in Net Position	$687	$40,320	$41,007
Net Position at Beginning of Year	$4,309	$339,631	$343,940
Net Position at End of Year	$4,996	$379,951	$384,947

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - MULTIFAMILY RENTAL HOUSING PROGRAMS

Year Ended June 30, 2025 (dollars in thousands)

	MULTIFAMILY SPECIAL/LIMITED OBLIGATION BONDS	MULTIFAMILY AFFORDABLE HOUSING REVENUE BONDS	TOTAL MULTIFAMILY RENTAL HOUSING PROGRAMS
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$2,024	$18,660	$20,684
Payments to suppliers	(13)	(6)	(19)
Receipts from loan related activities	603	39,713	40,316
Payments to loan related expenses	—	(304,883)	(304,883)
Other receipts	—	2,859	2,859
Other payments	(65)	(2,349)	(2,414)
Intrafund transfers	—	22,958	22,958
Net Cash Provided by (Used for) Operating Activities	$2,549	($223,048)	($220,499)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Proceeds from sales of bonds, notes, and loans	—	$288,274	$288,274
Payment of bonds, notes, and loans principal	(450)	(3,945)	(4,395)
Early bond redemptions	(145)	—	(145)
Interest paid on debt	(1,482)	(3,831)	(5,313)
Net Cash (Used for) Provided by Noncapital Financing Activities	($2,077)	$280,498	$278,421
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from maturity and sale of investments	—	$492	$492
Purchase of investments	—	(4,112)	(4,112)
Interest on investments, net	213	5,459	5,672
Net Cash Provided by (Used for) Investing Activities	$213	$1,839	$2,052
Net increase (decrease) in cash and cash equivalents	685	59,289	59,974
Cash and cash equivalents at beginning of year	4,814	95,958	100,772
Cash and Cash Equivalents at End of Year	$5,499	$155,247	$160,746

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - MULTIFAMILY RENTAL HOUSING PROGRAMS (continued)

Year Ended June 30, 2025 (dollars in thousands)

	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)	$687	$14,566	$15,253
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Interest expense on debt	$1,468	$5,779	$7,247
Interest on investments	(211)	(5,624)	(5,835)
Changes in fair value of investments	—	(105)	(105)
Amortization of hedge termination	—	(164)	(164)
Other revenues	—	2,860	2,860
Provision (reversal) for estimated loan losses	—	2,668	2,668
Provision (reversal) for yield reduction payments	—	65	65
Other expenses	—	(65)	(65)
Effects of Changes in Operating Assets and Liabilities:			
(Purchase) sale of program loans, net	—	($304,883)	($304,883)
Collection of principal from program loans, net	603	39,713	40,316
Interest receivable	2	(815)	(813)
Other assets	—	(1)	(1)
Intrafund transfers	—	22,958	22,958
Net Cash Provided by (Used For) Operating Activities	$2,549	($223,048)	($220,499)

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - OTHER PROGRAMS AND ACCOUNTS

June 30, 2025 (dollars in thousands)

	HOUSING ASSISTANCE TRUST	SUPPLEMENTAL BOND SECURITY ACCOUNT	EMERGENCY RESERVE ACCOUNT	LOAN SERVICING
ASSETS				
Current Assets				
Cash and cash equivalents	$79,366	—	$1	$38,156
Investments	529,414	11,382	70,954	226,225
Current portion - program loans receivable, net allowance	14,876	—	—	—
Interest receivable:				
Program loans, net	$27,040	—	—	—
Investments	6,441	122	783	2,399
Defeasible liens receivable	—	—	—	5,210
Accounts receivable	1,149	—	125	500
Due from (to) other funds	142	1,129	—	(762)
Other assets	492	—	—	—
Total Current Assets	$658,920	$12,633	$71,863	$271,728
Noncurrent Assets				
Investments	$142,700	—	$8,707	—
Program loans receivable, net of allowance	499,599	—	—	—
Capital assets	—	—	—	—
Other assets	33,183	—	—	—
Total Noncurrent Assets	$675,482	—	$8,707	—
Total Assets	$1,334,402	$12,633	$80,570	$271,728
DEFERRED OUTFLOWS OF RESOURCES				
OPEB related outflows	—	—	—	—
SB84 Supplement contributions	—	—	—	—
Unamortized difference & change related in pension	—	—	—	—
Total Deferred Outflows of Resources	—	—	—	—

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - OTHER PROGRAMS AND ACCOUNTS (continued)

June 30, 2025 (dollars in thousands)

FEDERAL PROGRAMS	OPERATING ACCOUNT	FEDERAL FINANCING BANK	FEDERAL HOME LOAN BANK	CREDIT FACILITIES	TOTAL OTHER PROGRAMS AND ACCOUNTS
$1	$7,605	$3,234	$3	—	$128,366
1,002	19,497	—	—	—	858,474
—	—	3,556	273	—	18,705
—	—	$1,101	$22	—	$28,163
11	244	11	933	204	11,148
—	—	—	—	—	5,210
—	529	—	—	—	2,303
(3)	(4,567)	—	—	—	(4,061)
—	8	29	—	68,318	68,847
$1,011	$23,316	$7,931	$1,231	$68,522	$1,117,155
—	—	—	$238,057	—	$389,464
—	—	279,909	44,677	—	824,185
—	18,829	—	—	—	18,829
—	—	—	—	—	33,183
—	$18,829	$279,909	$282,734	—	$1,265,661
$1,011	$42,145	$287,840	$283,965	$68,522	$2,382,816
—	$10,156	—	—	—	$10,156
—	—	—	—	—	—
—	9,792	—	—	—	9,792
—	$19,948	—	—	—	$19,948

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - OTHER PROGRAMS AND ACCOUNTS (continued)

June 30, 2025 (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	—	—	—	2,112
Compensated absences	—	—	—	—
Lease liabilities	—	—	—	—
Deposits and other liabilities	6,694	—	—	238,464
Total Current Liabilities	$6,694	—	—	$240,576
Noncurrent Liabilities				
Notes payable	—	—	—	—
Net OPEB obligation	—	—	—	—
Net pension liability	—	—	—	—
Compensated absences	—	—	—	—
Lease liabilities	—	—	—	—
Unearned revenues	—	—	—	—
Total Noncurrent Liabilities	—	—	—	—
Total Liabilities	$6,694	—	—	$240,576
DEFERRED INFLOWS OF RESOURCES				
Accumulated increase in fair value of hedging derivatives	$33,160	—	—	—
OPEB related inflows	—	—	—	—
Unamortized pension, net difference	—	—	—	—
Total Deferred Inflows of Resources	$33,160	—	—	—
NET POSITION				
Net investment in capital assets	—	—	—	—
Restricted by indenture	—	—	—	—
Restricted by statute	1,294,548	12,633	80,570	31,152
Unrestricted (deficit)	—	—	—	—
Total Net Position	$1,294,548	$12,633	$80,570	$31,152

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - OTHER PROGRAMS AND ACCOUNTS (continued)

June 30, 2025 (dollars in thousands)

FEDERAL PROGRAMS	OPERATING ACCOUNT	FEDERAL FINANCING BANK	FEDERAL HOME LOAN BANK	CREDIT FACILITIES	TOTAL OTHER PROGRAMS AND ACCOUNTS
—	—	$3,556	—	—	$3,556
—	—	—	44,950	68,318	113,268
—	—	677	38	224	939
—	(763)	—	—	—	1,349
—	1,844	—	—	—	1,844
—	2,107	—	—	—	2,107
1,011	8,537	2	—	10	254,718
$1,011	$11,725	$4,235	$44,988	$68,552	$377,781
—	—	$279,909	—	—	$279,909
—	55,550	—	—	—	55,550
—	35,204	—	—	—	35,204
—	3,425	—	—	—	3,425
—	17,490	—	—	—	17,490
—	1,287	—	—	—	1,287
—	$112,956	$279,909	—	—	$392,865
$1,011	$124,681	$284,144	$44,988	$68,552	$770,646
—	—	—	—	—	$33,160
—	9,465	—	—	—	9,465
—	3,018	—	—	—	3,018
—	$12,483	—	—	—	$45,643
—	($768)	—	—	—	($768)
—	—	—	—	—	—
—	—	3,696	238,977	—	1,661,576
—	(74,303)	—	—	(30)	(74,333)
—	($75,071)	$3,696	$238,977	($30)	$1,586,475

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - OTHER PROGRAMS AND ACCOUNTS

Year Ended June 30, 2025 (dollars in thousands)

	HOUSING ASSISTANCE TRUST	SUPPLEMENTAL BOND SECURITY ACCOUNT	EMERGENCY RESERVE ACCOUNT	LOAN SERVICING
OPERATING REVENUES				
Interest income:				
Program loans, net	$19,738	—	—	—
Interest on investment	32,085	542	3,403	399
Realized and unrealized gain (loss) on investments	16,520	—	269	—
Loan commitment fees	—	—	—	—
Other loan fees	1,709	—	—	832
Other revenues	60,674	—	—	370
Total Operating Revenues	$130,726	$542	$3,672	$1,601
OPERATING EXPENSES				
Interest	—	—	—	—
Mortgage servicing expenses	246	—	—	461
(Reversal) provision for program loan losses	(1,147)	—	—	—
Salaries and general expenses	—	—	—	—
Depreciation and amortization expenses	—	—	—	—
Other expenses	35,921	—	—	209
Total Operating Expenses	$35,020	—	—	$670
Total Operating Income (Expenses)	$95,706	$542	$3,672	$931
NON-OPERATING REVENUES AND EXPENSES				
Federal pass-through revenues - HUD/UST	—	—	—	—
Federal pass-through expenses - HUD/UST	—	—	—	—
Prepayment penalty	184	—	—	—
Other	(4)	—	—	—
Total Non-operating Income (Expenses)	$180	—	—	—
Change in net position before transfers	95,886	542	3,672	931
Transfers (out) in	(10)	—	—	6,389
Transfers intrafund	(95,361)	—	—	—
Increase (Decrease) in Net Position	$515	$542	$3,672	$7,320
Net Position at Beginning of Year	1,294,033	12,091	76,898	23,832
Net Position at End of Year	$1,294,548	$12,633	$80,570	$31,152

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - OTHER PROGRAMS AND ACCOUNTS (continued)

Year Ended June 30, 2025 (dollars in thousands)

FEDERAL PROGRAMS	OPERATING ACCOUNT	FEDERAL FINANCING BANK	FEDERAL HOME LOAN BANK	CREDIT FACILITIES	TOTAL OTHER PROGRAMS AND ACCOUNTS
—	—	$8,163	$4,609	—	$32,510
—	1,022	147	10,511	4,530	52,639
—	—	—	4,895	—	21,684
—	4,444	—	—	—	4,444
—	22,984	—	—	—	25,525
—	252	—	—	—	61,296
—	$28,702	$8,310	$20,015	$4,530	$198,098
—	$291	$8,167	$6,297	$4,550	$19,305
—	—	—	—	—	707
—	—	—	(2,896)	—	(4,043)
—	38,044	—	—	—	38,044
—	2,429	—	—	—	2,429
—	274	93	12	10	36,519
—	$41,038	$8,260	$3,413	$4,560	$92,961
—	($12,336)	$50	$16,602	($30)	$105,137
$7,920	—	—	—	—	$7,920
(7,920)	—	—	—	—	(7,920)
—	—	—	—	—	184
—	197	—	—	—	193
—	$197	—	—	—	$377
—	(12,139)	50	16,602	(30)	105,514
—	—	—	—	—	6,379
—	10,678	93	71,019	—	(13,571)
—	($1,461)	$143	$87,621	($30)	$98,322
—	(73,610)	3,553	151,356	—	1,488,153
—	($75,071)	$3,696	$238,977	($30)	$1,586,475

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - OTHER PROGRAMS AND ACCOUNTS

Year Ended June 30, 2025 (dollars in thousands)

	HOUSING ASSISTANCE TRUST	SUPPLEMENTAL BOND SECURITY ACCOUNT	EMERGENCY RESERVE ACCOUNT	LOAN SERVICING
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$18,908	—	—	—
Payments to suppliers	(250)	—	—	(461)
Payments to employees and related benefits	—	—	—	—
Receipts from loan related activities	33,391	—	—	832
Payments to loan related expenses	(4,687)	—	—	—
Other receipts	75,103	105	(10)	1,199
Other payments	(48,392)	—	—	8,849
Intrafund transfers	(95,361)	—	—	—
Due from other government entities	—	—	—	—
Due to other government entities	—	—	—	389
Net Cash (Used for) Provided by Operating Activities	($21,288)	$105	($10)	$10,808
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	(10)	—	—	6,389
Net Cash (Used for) Provided by Noncapital Financing Activities	($10)	—	—	$6,389
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	$3,305,698	—	$4,798	$54,623
Purchase of investments	(3,291,526)	(644)	(8,253)	(61,888)
Interest on investments, net	31,665	538	3,377	372
Net Cash Provided by (Used for) Investing Activities	$45,837	($106)	($78)	($6,893)
Net increase (decrease) in cash and cash equivalents	24,539	(1)	(88)	10,304
Cash and cash equivalents at beginning of year	54,827	1	89	27,852
Cash and Cash Equivalents at End of Year	$79,366	—	$1	$38,156

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - OTHER PROGRAMS AND ACCOUNTS (continued)

Year Ended June 30, 2025 (dollars in thousands)

FEDERAL PROGRAMS	OPERATING ACCOUNT	FEDERAL FINANCING BANK	FEDERAL HOME LOAN BANK	CREDIT FACILITIES	TOTAL OTHER PROGRAMS AND ACCOUNTS
—	—	$8,175	$4,968	—	$32,051
—	(6,335)	(93)	—	—	(7,139)
—	(30,885)	—	—	—	(30,885)
—	27,428	3,396	1,245	—	66,292
—	—	—	63,436	—	58,749
7,921	140	—	—	24,188	108,646
(7,985)	6,895	—	(13)	—	(40,646)
—	10,678	93	71,019	—	(13,571)
—	(132)	—	—	—	(132)
—	(66)	—	—	—	323
($64)	$7,723	$11,571	$140,655	$24,188	$173,688
—	—	—	$1,845,576	$263,602	$2,109,178
—	—	(3,396)	(1,912,720)	(287,790)	(2,203,906)
—	20	(8,175)	(6,635)	(4,856)	(19,646)
—	—	—	—	—	6,379
—	$20	($11,571)	($73,779)	($29,044)	($107,995)
—	($2,018)	—	—	—	($2,018)
—	(311)	—	—	—	(311)
—	($2,329)	—	—	—	($2,329)
$149	$52,794	—	$24,550	—	$3,442,612
($85)	($53,594)	—	($101,774)	—	($3,517,764)
—	999	150	10,351	4,856	52,308
$64	$199	$150	($66,873)	$4,856	($22,844)
—	5,613	150	3	—	40,520
1	1,992	3,084	—	—	87,846
$1	$7,605	$3,234	$3	—	$128,366

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - OTHER PROGRAMS AND ACCOUNTS (continued)

Year Ended June 30, 2025 (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)	$95,706	$542	$3,672	$931
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Interest expense on debt	—	—	—	—
Interest on investments	(32,085)	(542)	(3,403)	(399)
Changes in fair value of investments	(1,402)	—	(269)	—
Realized gain on sale of securities	(15,118)	—	—	—
Loan commitment fees	—	—	—	—
Other revenues	188	—	—	—
Depreciation and amortization	—	—	—	—
(Reversal) provision for estimated loan losses	(1,147)	—	—	—
Other expenses	(9)	—	—	—

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - OTHER PROGRAMS AND ACCOUNTS (continued)

Year Ended June 30, 2025 (dollars in thousands)

FEDERAL PROGRAMS	OPERATING ACCOUNT	FEDERAL FINANCING BANK	FEDERAL HOME LOAN BANK	CREDIT FACILITIES	TOTAL OTHER PROGRAMS AND ACCOUNTS
—	($12,336)	$50	$16,602	($30)	$105,137
—	$291	$8,167	$6,297	$4,550	$19,305
—	(1,021)	(147)	(10,512)	(4,530)	(52,639)
—	—	—	(4,895)	—	(6,566)
—	—	—	—	—	(15,118)
—	(4,444)	—	—	—	(4,444)
7,920	198	—	—	—	8,306
—	2,429	—	—	—	2,429
—	—	—	(2,896)	—	(4,043)
(7,920)	—	—	—	—	(7,929)

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - OTHER PROGRAMS AND ACCOUNTS (continued)

Year Ended June 30, 2025 (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	($4,687)	—	—	—
Collection of principal from program loans, net	31,682	—	—	—
Interest receivable	(832)	—	—	—
Allowance for interest receivable	(381)	—	—	—
Defeasible liens receivable	—	—	—	668
Accounts receivable	25	—	(10)	13
Due (from) to other funds	(46)	105	—	148
Other assets	14,263	—	—	—
Compensated absences	—	—	—	—
Deferred outflows of resources:				
Pension	—	—	—	—
OPEB	—	—	—	—
Deferred inflows of resources:				
Pension	—	—	—	—
OPEB	—	—	—	—
Deposits and other liabilities	2,300	—	—	9,058
Intrafund transfers	(95,361)	—	—	—
Due from other government entities	—	—	—	—
Due to other government entities	—	—	—	389
Unearned revenue	(14,384)	—	—	—
Net Cash (Used for) Provided by Operating Activities	($21,288)	$105	($10)	$10,808
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION				
Noncash transfer of program loan to REO	$8	—	—	—

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - OTHER PROGRAMS AND ACCOUNTS (continued)

Year Ended June 30, 2025 (dollars in thousands)

FEDERAL PROGRAMS	OPERATING ACCOUNT	FEDERAL FINANCING BANK	FEDERAL HOME LOAN BANK	CREDIT FACILITIES	TOTAL OTHER PROGRAMS AND ACCOUNTS
—	—	—	$63,436	—	$58,749
—	—	3,395	1,245	—	36,322
—	—	13	359	—	(460)
—	—	—	—	—	(381)
—	—	—	—	—	668
—	(108)	—	—	—	(80)
—	4,615	—	—	—	4,822
—	(373)	—	—	24,188	38,078
—	2,332	—	—	—	2,332
—	$4,481	—	—	—	$4,481
—	(2,294)	—	—	—	(2,294)
—	($1,484)	—	—	—	($1,484)
—	(3,482)	—	—	—	(3,482)
(64)	3,924	—	—	10	15,228
—	10,678	93	71,019	—	(13,571)
—	(132)	—	—	—	(132)
—	(66)	—	—	—	323
—	4,515	—	—	—	(9,869)
($64)	$7,723	$11,571	$140,655	$24,188	$173,688
—	—	—	—	—	$8

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - CONTRACT ADMINISTRATION PROGRAMS

June 30, 2025 (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	$12	$2	$4,601
Investments	908	3,746	145,081
Current portion - program loans receivable, net of allowance	—	—	—
Interest receivable:			
Program loans, net	$46,123	$2,722	$5,137
Investments	17	41	1,712
Due from (to) other funds	—	—	—
Other assets	—	—	—
Total Current Assets	$47,060	$6,511	$156,531
Noncurrent Assets			
Program loans receivable, net of allowance	$231,430	$84,016	$146,491
Total Noncurrent Assets	$231,430	$84,016	$146,491
Total Assets	$278,490	$90,527	$303,022
LIABILITIES			
Current Liabilities			
Deposits and other liabilities	$76	$619	—
Total Current Liabilities	$76	$619	—
Noncurrent Liabilities			
Unearned revenues	—	—	—
Total Noncurrent Liabilities	—	—	—
Total Liabilities	$76	$619	—
NET POSITION			
Restricted by statute	$278,414	$89,908	$303,022
Total Net Position	$278,414	$89,908	$303,022

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF NET POSITION - CONTRACT ADMINISTRATION PROGRAMS (continued)

June 30, 2025 (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
$4,078	$75	—	$5,816	$14,584
263,094	210,453	18,712	1,050	643,044
262	—	—	—	262
3,146	—	—	—	57,128
2,745	2,246	198	160	7,119
145	4,571	40	—	4,756
14	—	—	—	14
$273,484	$217,345	$18,950	$7,026	$726,907
41,979	—	45,184	—	549,100
$41,979	—	$45,184	—	$549,100
$315,463	$217,345	$64,134	$7,026	$1,276,007
—	—	—	—	$695
—	—	—	—	$695
—	217,345	51,942	7,026	276,313
—	$217,345	$51,942	$7,026	$276,313
—	$217,345	$51,942	$7,026	$277,008
$315,463	—	$12,192	—	$998,999
$315,463	—	$12,192	—	$998,999

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - CONTRACT ADMINISTRATION PROGRAMS

Year Ended June 30, 2025 (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	$7,103	$3,256	$3,626
Interest on investment	—	—	7,005
Total Operating Revenues	$7,103	$3,256	$10,631
OPERATING EXPENSES			
Provision (reversal) for program loan losses	$108	($123)	$3,973
Other expenses	6,987	3,353	1,666
Total Operating Expenses	$7,095	$3,230	$5,639
Total Operating Income (Expenses)	$8	$26	$4,992
NON-OPERATING REVENUES AND EXPENSES			
Accessory Dwelling Unit (ADU) revenues, net	—	—	—
Accessory Dwelling Unit (ADU) expenses, net	—	—	—
Forgivable Equity Builder Loan (EBL) revenues	—	—	—
Forgivable Equity Builder Loan (EBL) expenses	—	—	—
National Mortgage Settlement (NMS) revenues	—	—	—
National Mortgage Settlement (NMS) expenses	—	—	—
Other	—	—	—
Total Non-operating Income	—	—	—
Change in net position before transfers	8	26	4,992
Transfers (out) in	(1,853)	508	33,312
Transfers intrafund	—	—	—
(Decrease) Increase in Net Position	($1,845)	$534	$38,304
Net Position at Beginning of Year	$280,259	$89,374	$264,718
Net Position at End of Year	$278,414	$89,908	$303,022

CALIFORNIA HOUSING FINANCE FUND

SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - CONTRACT ADMINISTRATION PROGRAMS (continued)

Year Ended June 30, 2025 (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
$1,592	—	—	—	$15,577
11,280	—	557	—	18,842
$12,872	—	$557	—	$34,419
$11	—	($227)	—	$3,742
30	—	—	—	12,036
$41	—	($227)	—	$15,778
$12,831	—	$784	—	$18,641
—	—	—	($1,237)	($1,237)
—	—	—	1,237	1,237
—	—	15,851	—	15,851
—	—	(15,851)	—	(15,851)
—	17,841	—	—	17,841
—	(17,841)	—	—	(17,841)
19,100	—	—	—	19,100
$19,100	—	—	—	$19,100
31,931	—	784	—	37,741
—	—	—	—	31,967
(12,780)	—	—	—	(12,780)
$19,151	—	$784	—	$56,928
296,312	—	11,408	—	942,071
$315,463	—	$12,192	—	$998,999

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - CONTRACT ADMINISTRATION PROGRAMS

Year Ended June 30, 2025 (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	$1,179	$542	$211
Receipts from loan related activities	17	45	2
Payments to loan related expenses	(111)	(1,760)	(67,403)
Other receipts	—	—	—
Other payments	19	(79)	(1,665)
Intrafund transfers	—	—	—
Net cash provided by (used for) operating activities	$1,104	($1,252)	($68,855)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund transfers	($1,853)	$508	$33,312
Net cash (used for) provided by noncapital financing activities	($1,853)	$508	$33,312
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from maturity and sale of investments	$2,073	$2,910	$71,067
Purchase of investments	(1,321)	(2,181)	(38,112)
Interest on investments, net	3	15	7,188
Net cash provided by (used for) investing activities	$755	$744	$40,143
Net increase (decrease) in cash and cash equivalents	6	—	4,600
Cash and cash equivalents at beginning of year	6	2	1
Cash and cash equivalents at end of year	$12	$2	$4,601

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - CONTRACT ADMINISTRATION PROGRAMS (continued)

Year Ended June 30, 2025 (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
$1,117	—	—	—	$3,049
1,490	—	16,465	—	18,019
—	—	—	—	(69,274)
2,376	13,271	15,811	15,458	46,916
14,357	(26,066)	(31,465)	(30,228)	(75,127)
(12,780)	—	—	—	(12,780)
$6,560	($12,795)	$811	($14,770)	($89,197)
—	—	—	—	$31,967
—	—	—	—	$31,967
$15,013	$22,087	—	$15,040	$128,190
(30,998)	(9,807)	(1,496)	(693)	(84,608)
11,221	192	542	8	19,169
($4,764)	$12,472	($954)	$14,355	$62,751
1,796	(323)	(143)	(415)	5,521
2,282	398	143	6,231	9,063
$4,078	$75	—	$5,816	$14,584

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - CONTRACT ADMINISTRATION PROGRAMS (continued)

Year Ended June 30, 2025 (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)	$8	$26	$4,992
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Interest on investments	—	—	($7,005)
Other revenues	—	—	—
Provision (reversal) for estimated loan losses	108	(123)	3,973
Other expenses	—	—	—
Effects of Changes in Operating Assets and Liabilities:			
(Purchase) sale of program loans, net	($111)	($1,760)	($67,403)
Collection of principal from program loans, net	17	45	2
Interest receivable	(5,924)	(2,714)	(3,414)
Allowance for interest receivable	6,987	3,353	—
Due to (from) other funds	—	—	—
Deposits and other liabilities	19	(79)	—
Intrafund transfers	—	—	—
Unearned revenue	—	—	—
Net cash provided by (used for) operating activities	$1,104	($1,252)	($68,855)

CALIFORNIA HOUSING FINANCE FUND

SUPPLEMENTAL SCHEDULES OF CASH FLOWS - CONTRACT ADMINISTRATION PROGRAMS (continued)

Year Ended June 30, 2025 (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
$12,831	—	$784	—	$18,641
($11,280)	—	($557)	—	($18,842)
2,362	17,841	15,851	15,502	51,556
11	—	(227)	—	3,742
16,738	(17,841)	(15,851)	(15,502)	(32,456)
—	—	—	—	($69,274)
1,490	—	16,465	—	18,019
(475)	—	—	—	(12,527)
9	—	—	—	10,349
15	(4,571)	(40)	(44)	(4,640)
—	—	—	—	(60)
(12,780)	—	—	—	(12,780)
(2,361)	(8,224)	(15,614)	(14,726)	(40,925)
$6,560	($12,795)	$811	($14,770)	($89,197)

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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 as of June 30

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
ASSETS					
Cash & Investments	$1,551,519	$1,366,843	$1,166,816	$1,161,495	$1,269,347
Program loan receivable - net	3,107,849	2,645,847	2,495,995	2,393,534	2,280,758
Other assets	76,826	55,939	60,926	76,848	85,482
Total Assets	$4,736,194	$4,068,629	$3,723,737	$3,631,877	$3,635,587
Total Deferred Outflows of Resources	$37,995	$25,123	$23,778	$17,286	$17,090
LIABILITIES					
Bonds, Notes, & Loans payable	$2,618,939	$2,208,826	$1,675,846	$1,386,661	$1,386,661
Other liabilities	554,786	475,579	488,349	489,113	489,113
Total Liabilities	$3,173,725	$2,684,405	$2,164,195	$1,875,774	$1,875,774
Total Deferred Inflows of Resources	$9,164	$8,833	$18,198	$25,689	$25,689
NET POSITION					
Net Investment in Capital Assets	$587	$652	$594	$460	$599
Restricted by indenture	531,130	576,548	620,505	629,421	578,610
Restricted by statute	1,059,583	823,314	944,023	1,117,819	1,620,672
Unrestricted (deficit)	—	—	—	—	(103,291)
Total Net Position	$1,591,300	$1,400,514	$1,565,122	$1,747,700	$2,096,590

	2021	2022	2023	2024	2025
ASSETS					
Cash & Investments	$1,702,692	$1,740,642	$1,959,782	$2,144,212	$2,417,522
Program loan receivable - net	2,106,451	1,982,981	2,082,372	2,139,128	2,323,886
Other assets	145,433	249,241	235,632	275,261	238,623
Total Assets	$3,954,576	$3,972,864	$4,277,786	$4,558,601	$4,980,031
Total Deferred Outflows of Resources	$14,886	$14,775	$21,982	$22,134	$19,948
LIABILITIES					
Bonds, Notes, & Loans payable	$938,801	$542,928	$407,810	$483,681	$856,073
Other liabilities	493,014	588,655	765,707	811,213	655,345
Total Liabilities	$1,431,815	$1,131,583	$1,173,517	$1,294,894	$1,511,418
Total Deferred Inflows of Resources	$20,982	$19,056	$46,489	$64,993	$45,643
NET POSITION					
Net Investment in capital assets	$620	$305	($384)	($730)	($768)
Restricted by indenture	645,690	709,312	749,992	790,624	857,444
Restricted by statute	2,172,513	2,058,955	2,382,047	2,503,834	2,660,575
Unrestricted (deficit)	(95,921)	(89,677)	(51,893)	(72,880)	(74,333)
Total Net Position	$2,722,902	$2,678,895	$3,079,762	$3,220,848	$3,442,918

Net Position By Component as of June 30

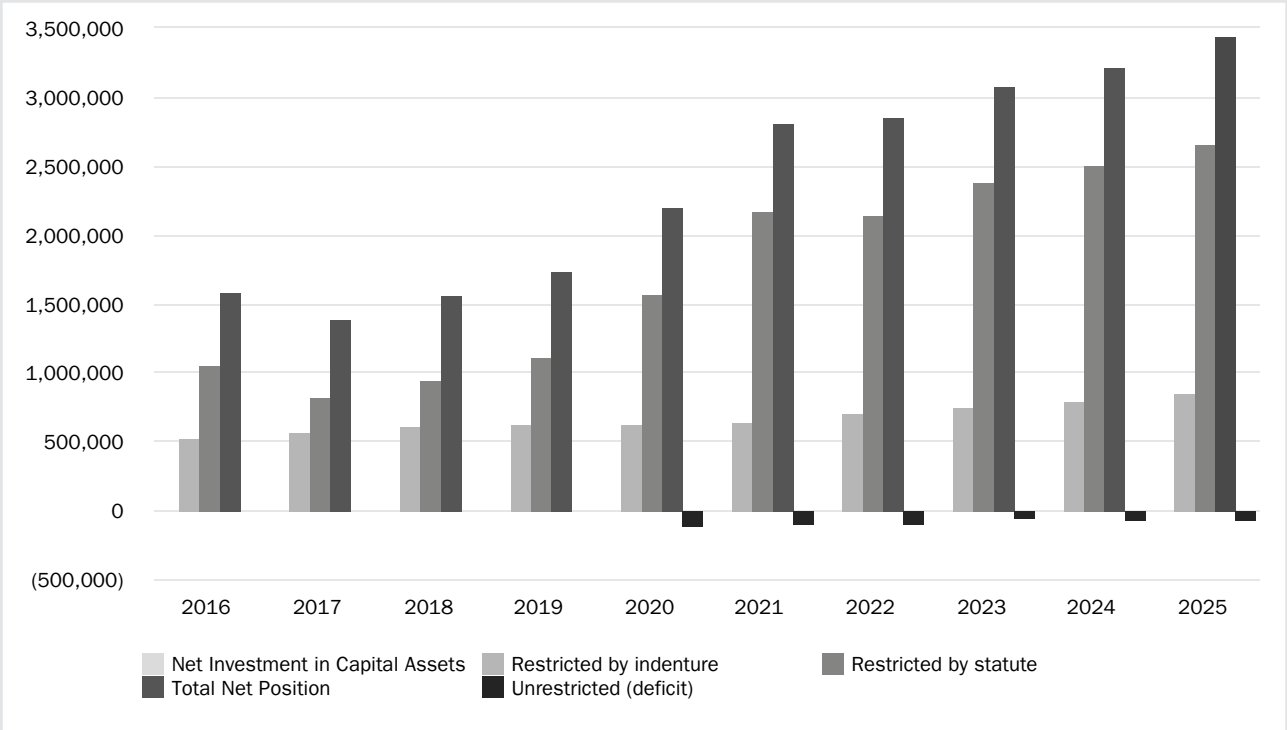
Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
Net Investment in Capital Assets	$587	$652	$594	$460	$599
Restricted by indenture	531,130	576,548	620,505	629,421	629,421
Restricted by statute	1,059,583	823,314	944,023	1,117,819	1,569,861
Unrestricted (deficit)	—	—	—	—	(103,291)
Total Net Position	$1,591,300	$1,400,514	$1,565,122	$1,747,700	$2,199,881

	2021	2022	2023	2024	2025
Net Investment in Capital Assets	$620	$305	($384)	($730)	($768)
Restricted by indenture	645,690	709,312	749,992	790,624	857,444
Restricted by statute	2,172,513	2,148,632	2,382,047	2,503,834	2,660,575
Unrestricted (deficit)	(95,921)	(89,677)	(51,893)	(72,880)	(74,333)
Total Net Position	$2,818,823	$2,858,249	$3,079,762	$3,220,848	$3,442,918

Net Position by Components

(dollars in thousands)



Condensed Schedule of Revenues, Expenses and Changes in Net Position as of June 30

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
Operating Revenues					
Interest income	$185,714	$161,900	$146,615	$162,751	$129,844
Realized & unrealized gain/Loss on sale of securities [1]	47,317	82,553	70,548	112,163	114,917
Loan commitment fees	885	1,070	1,563	1,222	1,298
Administrative and other loan fees	21,793	17,522	17,154	19,704	26,492
Other revenues	(28,529)	(6,169)	7,384	45,581	75,371
Total Operating Revenues	$227,180	$256,876	$243,264	$341,421	$347,922
Operating Expenses					
Interest expense	$72,288	$64,123	$49,244	$46,939	$34,483
Amortization of bond discount and premium	(1,300)	(874)	(799)	164	(31)
Mortgage servicing fees	6,008	5,021	4,722	4,232	3,755
Provision for estimated loan losses	(12,069)	(2,381)	(3,851)	21,611	5,576
Salaries and General expenses	40,117	39,796	39,098	43,268	21,451
Other expenses	40,487	52,244	39,776	50,085	55,734
Total Operating Expenses	$145,531	$157,929	$128,190	$166,299	$120,968
Operating Income	$81,649	$98,947	$115,074	$175,122	$226,954
Non-operating Revenues and Expenses					
Interest: Positive arbitrage	($189)	($200)	($81)	$4	—
Investment SWAP revenue (fair value)	(10,625)	45,579	30,974	(19,809)	(24,122)
Investment gain/loss on termination SWAP	—	—	—	—	—
Federal pass-through revenues	60,184	57,250	52,596	50,652	50,179
Federal pass-through expenses	(60,184)	(57,250)	(52,596)	(50,652)	(50,179)
Contract Administration pass-through revenues	—	—	—	—	—
Contract Administration pass-through expenses	—	—	—	—	—
Prepayment penalty	8,392	5,494	1,954	1,774	6,884
Other	(1,889)	409	3,942	76	102
Total Non-operating Revenues and Expenses	($4,311)	$51,282	$36,789	($17,955)	($17,136)
Income (loss) before transfers	77,338	150,229	151,863	157,167	209,818
Transfers	(3,665)	(341,015)	60,095	25,411	242,363
Increase (decrease) in net position	73,673	(190,786)	211,958	182,578	452,181
GASB 75 (2018)	—	—	(47,350)	—	—
Net Position at Beginning of Year	$1,517,627	$1,591,300	$1,400,514	$1,565,122	$1,747,700
Net Position at End of Year	$1,591,300	$1,400,514	$1,565,122	$1,747,700	$2,199,881

[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 and Changes in Net Position as of June 30 (continued)

Last Ten Fiscal Years (dollars in thousands)

	2021	2022	2023	2024	2025
Operating Revenues					
Interest income	$106,711	$106,078	$120,185	$156,670	$169,371
Realized & unrealized gain/Loss on sale of securities	97,352	20,613	6,999	3,879	23,887
Loan commitment fees	2,524	2,596	3,305	3,918	4,444
Administrative and other loan fees	20,283	14,761	37,497	19,132	25,534
Other revenues	27,330	22,407	52,168	51,559	61,816
Total Operating Revenues	$254,200	$166,455	$220,154	$235,158	$285,052
Operating Expenses					
Interest expense	$21,498	$14,283	$17,525	$24,383	$27,150
Amortization of bond discount and premium	(70)	68	—	(45)	(174)
Mortgage servicing fees	3,102	2,334	2,064	1,925	1,732
Provision for estimated loan losses	1,454	(28,223)	3,349	9,314	2,344
Salaries and General expenses	23,838	22,487	13,194	41,072	38,044
Other expenses	52,861	39,989	52,070	46,163	54,505
Total Operating Expenses	$102,683	$50,938	$88,202	$122,812	$123,601
Operating Income	$151,517	$115,517	$131,952	$112,346	$163,371
Non-operating Revenues and Expenses					
Interest: Positive arbitrage	—	—	—	—	(64)
Investment SWAP revenue (fair value)	31,223	45,314	38,172	—	—
Investment gain/loss on termination SWAP	—	371	(16,395)	—	—
Federal pass-through revenues	31,158	1,069,808	14,047	5,708	7,920
Federal pass-through expenses	(31,158)	(1,069,808)	(14,047)	(5,708)	(7,920)
Contract Administration pass-through revenues	—	28,601	111,542	111,542	32,455
Contract Administration pass-through expenses	—	(28,601)	(111,542)	(111,542)	(32,455)
Prepayment penalty	6,820	10,269	4,104	1,743	3,044
Other	427	167	1,053	151	19,293
Total Non-operating Revenues and Expenses	$38,470	$56,121	$26,934	$1,894	$3,173
Income (loss) before transfers	189,987	171,638	158,886	114,240	183,724
Transfers	428,955	(221,889)	152,304	26,846	38,346
Increase (decrease) in net position	618,942	(50,251)	311,190	141,086	204,890
	—	—	—	—	—
Net Position at Beginning of Year	$2,199,881	$2,818,823	$2,768,572	$3,079,762	$3,220,848
Net Position at End of Year	$2,818,823	$2,768,572	$3,079,762	$3,220,848	$3,442,918

[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.

Home Mortgage Revenue Bonds (HMRB) [1]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
HMRB Financial Ratios [2]					
Total Asset	$2,017,439	$1,729,408	$1,190,506	$1,024,847	$871,101
Total Liability	$1,739,280	$1,417,367	$854,568	$667,800	$498,877
Deferred Inflow of Resources	—	$1,250	$1,106	$969	$516
Net Position	$278,159	$310,791	$334,832	$356,078	$371,707
Deferred Outflow Of Resources	—	—	—	—	—
Liability to Asset Ratio	86.21%	81.96%	71.78%	65.16%	57.27%
Net Position to Asset Ratio	13.79%	17.97%	28.13%	34.74%	42.67%
HMRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$1,683,898	$1,374,858	$1,125,858	$947,558	$645,479
Whole Loan Interest Earned	$89,647	$73,220	$58,696	$49,506	$41,824
Average Loan Rate	5.32%	5.33%	5.21%	5.22%	6.48%
Single Family Whole Loans Percentage	100%	100%	100%	100%	100%
HMRB Revenue Bond Coverage (Debt Service Coverage Ratio) [3]					
Total Debt Service	$436,190	$634,665	$209,339	$209,339	$180,400
Net Revenue to Pay Debt Service	$440,285	$660,655	$228,452	$228,452	$199,860
Debt Service Coverage Ratio	100.94%	104.10%	109.13%	109.13%	110.79%

[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)

	2021	2022	2023	2024	2025
HMRB Financial Ratios [2]					
Total Asset	$624,430	$505,107	$426,276	$446,785	$467,983
Total Liability	$214,368	$80,875	$127	$101	$106
Deferred Inflow of Resources	$191	$100	—	—	—
Net Position	$409,871	$424,132	$426,149	$446,684	$467,877
Deferred Outflow Of Resources	—	—	—	—	—
Liability to Asset Ratio	34.33%	16.01%	0.03%	0.02%	0.02%
Net Position to Asset Ratio	65.64%	83.97%	99.97%	99.98%	99.98%
HMRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$626,327	$410,687	$393,755	$354,543	$319,249
Whole Loan Interest Earned	$31,063	$23,575	$20,156	$18,258	$16,067
Average Loan Rate	4.96%	5.74%	5.12%	5.15%	5.03%
Single Family Whole Loans Percentage	100%	100%	100%	100%	100%
HMRB Revenue Bond Coverage (Debt Service Coverage Ratio) [3]					
Total Debt Service	$294,220	$137,126	$81,043	—	—
Net Revenue to Pay Debt Service	$314,528	$314,528	$20,861	—	—
Debt Service Coverage Ratio	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.

Homeowner Mortgage Revenue Bonds Single Family (HOMRB) [1]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
HOMRB Financial Ratios					
Total Asset	—	—	—	—	—
Total Liability	—	—	—	—	—
Deferred Inflow of Resources	—	—	—	—	—
Net Position	—	—	—	—	—
Deferred Outflow Of Resources	—	—	—	—	—
Liability to Asset Ratio	—	—	—	—	—
Net Position to Asset Ratio	—	—	—	—	—
HOMRB Revenue Base, Revenue Rate and Principal Payers [2]					
Average Whole Loan Balance	—	—	—	—	—
Loan Interest Earned	—	—	—	—	—
Average Loan Rate	—	—	—	—	—
Single Family Whole Loans Percentage	—	—	—	—	—
HOMRB Revenue Bond Coverage (Debt Service Coverage Ratio) [3]					
Total Debt Service	—	—	—	—	—
Net Revenue to Pay Debt Service	—	—	—	—	—
Debt Service Coverage Ratio	—	—	—	—	—

[1] Bond indenture issued April 16, 2025.

[2] HOMRB revenue base are Mortgage Backed Securities (MBS) comprised of whole loans utilizing the MyAccess down payment program and My Access down payment loans.

[3] Sources of revenue include MBS payments, investment interest earnings, and MyAccess down payment loan repayments and interest.

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.

Homeownver Mortgage Revenue Bonds Single Family (HOMRB) (continued) [1]

Last Ten Fiscal Years (dollars in thousands)

	2021	2022	2023	2024	2025
HOMRB Financial Ratios					
Total Asset	—	—	—	—	$56,131
Total Liability	—	—	—	—	$51,511
Deferred Inflow of Resources	—	—	—	—	—
Net Position	—	—	—	—	$4,620
Deferred Outflow Of Resources	—	—	—	—	—
Liability to Asset Ratio	—	—	—	—	—
Net Position to Asset Ratio	—	—	—	—	—
HOMRB Revenue Base, Revenue Rate and Principal Payers [2]					
Average Whole Loan Balance	—	—	—	—	—
Loan Interest Earned	—	—	—	—	—
Average Loan Rate	—	—	—	—	—
Single Family Whole Loans Percentage	—	—	—	—	—
HOMRB Revenue Bond Coverage (Debt Service Coverage Ratio) [3]					
Total Debt Service	—	—	—	—	—
Net Revenue to Pay Debt Service	—	—	—	—	$2,908
Debt Service Coverage Ratio	—	—	—	—	—

[1] Bond indenture issued April 16, 2025.

[2] HOMRB revenue base are Mortgage Backed Securities (MBS) comprised of whole loans utilizing the MyAccess down payment program and My Access down payment loans.

[3] Sources of revenue include MBS payments, investment interest earnings, and MyAccess down payment loan repayments and interest.

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 Single Family (RMRB SF)

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
RMRBSF Financial Ratios					
Total Asset	$455,636	$370,202	$276,635	$195,690	$26,515
Total Liability	$392,423	$302,285	$218,600	$148,420	$22,657
Total Liability and Fund Equity	$63,213	$67,917	$58,035	$47,270	$3,858
Net Position	$63,213	$67,917	$58,035	$47,270	$3,858
Liability to Asset Ratio	81.65%	79.02%	77.25%	75.84%	85.45%
Net Position to Asset Ratio	18.35%	20.98%	22.75%	24.16%	14.55%
RMRBSF Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$253,470	$206,547	$168,238	$181,199	$82,025
Whole Loan Interest Earned	$11,828	$9,652	$7,626	$6,468	$1,455
Average Loan Rate	4.67%	4.67%	4.53%	3.57%	1.77%
Single Family Whole Loans Percentage	95.30%	97.23%	100%	100%	100%
Multifamily Whole Loans Percentage	4.70%	2.77%	—	—	—
RMRBSF Revenue Bond Coverage (Debt Service Coverage Ratio)					
Total Debt Service	$103,010	$96,723	$49,724	$31,802	$127,233
Net Revenue to Pay Debt Service	$106,496	$89,663	$45,161	$26,122	$127,636
Debt Service Coverage Ratio	103.38%	92.70%	90.82%	82.14%	82.14%

Residential Mortgage Revenue Bonds Single Family (RMRB SF) (continued)

Last Ten Fiscal Years (dollars in thousands)

	2021	2022	2023	2024	2025
RMRBSF Financial Ratios					
Total Asset	—	—	—	—	—
Total Liability	—	—	—	—	—
Total Liability and Fund Equity	—	—	—	—	—
Net Position	—	—	—	—	—
Liability to Asset Ratio	—	—	—	—	—
Net Position to Asset Ratio	—	—	—	—	—
RMRBSF Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$135	—	—	—	—
Whole Loan Interest Earned	$3	—	—	—	—
Average Loan Rate	2.02%	—	—	—	—
Single Family Whole Loans Percentage	100%	—	—	—	—
Multifamily Whole Loans Percentage	—	—	—	—	—
RMRBSF Revenue Bond Coverage (Debt Service Coverage Ratio)					
Total Debt Service	$22,718	—	—	—	—
Net Revenue to Pay Debt Service	$22,792	—	—	—	—
Debt Service Coverage Ratio	82.14%	—	—	—	—

Multifamily Housing Revenue Bonds III (MF3) [1, 2]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
MF3 Financial Ratios					
Total Asset	$637,971	$559,441	$531,346	$504,243	$462,802
Deferred Outflow of Resources	$26,328	$10,283	$3,721	$8	$6
Total Liability	$500,454	$382,802	$320,507	$302,867	$262,024
Total Liability and Fund Equity	$163,846	$186,922	$214,560	$201,384	$200,784
Net Position	$163,846	$186,922	$214,560	$201,384	$200,784
Liability to Asset Ratio	78.44%	68.43%	60.32%	65.16%	56.62%
Net Position to Asset Ratio	25.68%	33.41%	40.38%	34.74%	43.38%
MF3 Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$610,274	$563,157	$520,741	$487,432	$435,798
Whole Loan Interest Earned	$35,687	$33,250	$31,838	$31,558	$25,250
Average Loan Rate	5.93%	5.85%	6.11%	6.47%	5.79%
Multifamily Whole Loans Percentage	100%	100%	100%	100%	100%
MF3 Revenue Bond Coverage (Debt Service Coverage Ratio) [3]					
Total Debt Service	$119,614	$84,241	$46,776	$64,309	$66,588
Net Revenue to Pay Debt Service	$131,289	$86,815	$58,384	$79,111	$77,068
Debt Service Coverage Ratio	109.76%	103.05%	124.82%	123.02%	115.74%

[1] General Obligation of the Agency. The MF3 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)

	2021	2022	2023	2024	2025
MF3 Financial Ratios					
Total Asset	$368,377	$320,367	$320,229	—	—
Deferred Outflow of Resources	—	—	—	—	—
Total Liability	$135,071	$38,199	—	—	—
Total Liability and Fund Equity	$233,306	$282,168	$320,229	—	—
Net Position	$233,306	$282,168	$320,229	—	—
Liability to Asset Ratio	36.67%	11.92%	—	—	—
Net Position to Asset Ratio	63.33%	88.08%	100.00%	—	—
MF3 Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$376,206	$318,971	$284,689	—	—
Whole Loan Interest Earned	$21,996	$18,471	$16,392	$2,390	—
Average Loan Rate	5.85%	5.79%	5.76%	5.76%	—
Multifamily Whole Loans Percentage	100%	100%	100%	100%	—
MF3 Revenue Bond Coverage (Debt Service Coverage Ratio) [3]					
Total Debt Service	$110,042	$60,728	—	—	—
Net Revenue to Pay Debt Service	$120,863	$73,784	—	—	—
Debt Service Coverage Ratio	109.83%	121.50%	—	—	—

[1] General Obligation of the Agency. The MF3 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.

Residential Mortgage Revenue Bonds Multifamily RMRB (MF) [1]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
RMRB (MF) Financial Ratios					
Total Asset	$53,370	$52,639	$52,287	$50,722	—
Total Liability	$49,680	$48,705	$48,101	$46,090	—
Total Liability and Fund equity	$3,690	$3,934	$4,186	$4,632	—
Net Position	$3,690	$3,934	$4,186	$4,632	—
Liability to Asset Ratio	93.09%	92.53%	91.99%	90.87%	—
Net Position to Asset Ratio	6.91%	7.47%	8.01%	9.13%	—
RMRB (MF) Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$50,169	$49,576	$48,955	$48,300	$28,703
Whole Loan Interest Earned	$2,505	$2,475	$2,444	$2,412	$1,389
Average Loan Rate	4.99%	4.99%	4.99%	4.99%	4.84%
Multifamily Whole Loans Percentage	100%	100%	100%	100%	100%
RMRB (MF) Revenue Bond Coverage (Debt Service Coverage Ratio) [2]					
Total Debt Service	$1,616	$2,562	$2,169	$3,564	$48,841
Net Revenue to Pay Debt Service	$1,867	$2,806	$2,421	$4,010	$46,811
Debt Service Coverage Ratio	115.53%	109.54%	111.60%	112.51%	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)

	2021	2022	2023	2024	2025
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	—	—	—	—	—
Whole Loan Interest Earned	—	—	—	—	—
Average Loan Rate	—	—	—	—	—
Multifamily Whole Loans Percentage	—	—	—	—	—
RMRB (MF) 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. 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.

Affordable Multifamily Housing Revenue Bonds (AMHRB) [1]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
AMHRB Financial Ratios					
Total Asset	$96,520	$92,485	$83,382	$83,418	—
Total Liability	$80,963	$78,383	$69,609	$65,734	—
Total Liability and Fund Equity	$15,557	$14,102	$13,773	$17,684	—
Net Position	$15,557	$14,102	$13,773	$17,684	—
Liability to Asset Ratio	83.88%	84.75%	83.48%	78.80%	—
Net Position to Asset Ratio	16.12%	15.25%	16.52%	21.20%	—
AMHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$52,130	$51,027	$49,275	$43,990	$33,506
Whole Loan Interest Earned	$2,856	$2,795	$2,685	$2,408	$1,596
Average Loan Rate	5.48%	5.48%	5.45%	5.47%	4.76%
Multifamily Whole Loans Percentage	100%	100%	100%	100%	100%
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)

	2021	2022	2023	2024	2025
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	—	—	—	—	—
Whole Loan Interest Earned	—	—	—	—	—
Average Loan Rate	—	—	—	—	—
Multifamily Whole Loans Percentage	—	—	—	—	—
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.

Citibank Notes [1, 2]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
Citibank Financial Ratios					
Total Asset	$35,078	—	—	—	—
Total Liability	$35,097	—	—	—	—
Total Liability and Fund Equity	($18)	—	—	—	—
Net Position	($19)	—	—	—	—
Liability to Asset Ratio	100.05%	—	—	—	—
Net Position to Asset Ratio	(0.05%)	—	—	—	—
Citibank Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$44,736	—	—	—	—
Whole Loan Interest Earned	$2,614	—	—	—	—
Average Loan Rate	5.84%	—	—	—	—
Multifamily Whole Loans Percentage	100%	—	—	—	—
Citibank Revenue Bond Coverage (Debt Service Coverage Ratio) [3]					
Total Debt Service	$20,246	—	—	—	—
Net Revenue to Pay Debt Service	$20,301	—	—	—	—
Debt Service Coverage Ratio	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)

	2021	2022	2023	2024	2025
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.

Multifamily Loan Purchase Bonds (MLPB) [1]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
MLPB Financial Ratios					
Total Asset	$216	—	—	—	—
Total Liability	$219	—	—	—	—
Total Liability and Fund Equity	($3)	—	—	—	—
Net Position	($3)	—	—	—	—
Liability to Asset Ratio	101.85%	—	—	—	—
Net Position to Asset Ratio	(1.39%)	—	—	—	—
MLPB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$550	—	—	—	—
Whole Loan Interest Earned	$26	—	—	—	—
Average Loan Rate	4.73%	—	—	—	—
Multifamily Whole Loans Percentage	100%	—	—	—	—
MLPB Revenue Bond Coverage (Debt Service Coverage Ratio) [2]					
Total Debt Service	$763	—	—	—	—
Net Revenue to Pay Debt Service	$763	—	—	—	—
Debt Service Coverage Ratio	100%	—	—	—	—

[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)

	2021	2022	2023	2024	2025
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.

Special Obligation Multifamily Housing Revenue Bonds (SOMHRB) [1, 2]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
SOMHRB Financial Ratios					
Total Asset	$24,109	$22,937	$14,006	$14,060	$13,736
Total Liability	$23,375	$21,984	$13,176	$13,075	$12,960
Total Liability and Fund Equity	$734	$953	$830	$985	$776
Net Position	$734	$953	$830	$985	$776
Liability to Asset Ratio	96.96%	95.85%	94.07%	92.99%	94.35%
Net Position to Asset Ratio	3.04%	4.15%	5.93%	7.01%	5.65%
SOMHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$23,320	$21,922	$14,249	$13,059	$12,952
Whole Loan Interest Earned	$576	$934	$719	$695	$691
Average Loan Rate	4.24%	4.26%	5.04%	5.32%	5.34%
Multifamily Whole Loans Percentage	100%	100%	100%	100%	100%
SOMHRB Revenue Bond Coverage (Debt Service Coverage Ratio)					
Total Debt Service	$399	$2,044	$9,374	$646	$656
Net Revenue to Pay Debt Service	$734	$2,263	$9,896	$800	$807
Debt Service Coverage Ratio	183.96%	110.71%	105.57%	123.84%	123.02%

[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)

	2021	2022	2023	2024	2025
SOMHRB Financial Ratios					
Total Asset	$13,595	$13,576	$13,583	$13,617	$13,632
Total Liability	$12,855	$12,734	$12,604	$12,483	$12,328
Total Liability and Fund Equity	$740	$841	$979	$1,134	$1,304
Net Position	$740	$841	$979	$1,134	$1,304
Liability to Asset Ratio	94.56%	93.80%	92.79%	91.67%	90.43%
Net Position to Asset Ratio	5.44%	6.20%	7.21%	8.33%	9.57%
SOMHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$12,840	$12,722	$12,597	$12,444	$12,326
Whole Loan Interest Earned	$683	$677	$670	$663	$656
Average Loan Rate	5.32%	5.32%	5.32%	5.33%	5.33%
Multifamily Whole Loans Percentage	100%	100%	100%	100%	100%
SOMHRB Revenue Bond Coverage (Debt Service Coverage Ratio)					
Total Debt Service	$642	$652	$657	$651	$661
Net Revenue to Pay Debt Service	$751	$753	$698	$719	$708
Debt Service Coverage Ratio	116.98%	115.55%	106.25%	110.46%	107.20%

[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.

Multifamily Housing Revenue Bonds (MHRB) [1, 2]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
MHRB Financial Ratios					
Total Asset	$41,195	$37,954	$32,275	$32,383	$31,454
Total Liability	$39,965	$36,143	$30,727	$30,321	$29,969
Total Liability and Fund Equity	$1,230	$1,811	$1,548	$2,062	$1,485
Net Position	$1,230	$1,811	$1,548	$2,062	$1,485
Liability to Asset Ratio	97.01%	95.23%	95.20%	93.63%	95.28%
Net Position to Asset Ratio	2.99%	4.77%	4.80%	6.37%	4.72%
MHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$39,600	$35,701	$30,887	$29,895	$29,528
Whole Loan Interest Earned	$709	$1,696	$1,535	$1,485	$1,467
Average Loan Rate	4.29%	4.75%	4.97%	4.97%	4.97%
Multifamily Whole Loans Percentage	100%	100%	100%	100%	100%
MHRB Revenue Bond Coverage (Debt Service Coverage Ratio)					
Total Debt Service	$364	$4,944	$6,567	$1,406	$1,345
Net Revenue to Pay Debt Service	$1,230	$5,524	$6,430	$1,920	$1,798
Debt Service Coverage Ratio	337.91%	111.73%	102.14%	136.56%	133.68%

[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)

	2021	2022	2023	2024	2025
MHRB Financial Ratios					
Total Asset	$31,370	$31,381	$31,437	$31,543	$31,607
Total Liability	$29,597	$29,210	$28,802	$28,369	$27,915
Total Liability and Fund Equity	$1,773	$2,171	$2,635	$3,175	$3,692
Net Position	$1,773	$2,171	$2,635	$3,175	$3,692
Liability to Asset Ratio	94.35%	93.08%	91.62%	89.94%	88.32%
Net Position to Asset Ratio	5.65%	6.92%	8.38%	10.06%	11.68%
MHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	$29,166	$28,788	$28,381	$27,868	$27,503
Whole Loan Interest Earned	$1,449	$1,430	$1,408	$1,388	$1,366
Average Loan Rate	4.97%	4.97%	4.97%	4.98%	4.97%
Multifamily Whole Loans Percentage	100%	100%	100%	100%	100%
MHRB Revenue Bond Coverage (Debt Service Coverage Ratio)					
Total Debt Service	$1,363	$1,373	$1,387	$1,405	$1,416
Net Revenue to Pay Debt Service	$1,768	$1,771	$1,490	$1,558	$1,525
Debt Service Coverage Ratio	129.71%	128.97%	107.44%	110.90%	107.67%

[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 Note (MHRN) [1, 2]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
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	—	105.83%	104.67%	104.67%	—
Net Position to Asset Ratio	—	(5.83%)	(4.67%)	(4.67%)	—
MHRN Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	—	$14,300	$14,300	$1,681	—
Whole Loan Interest Earned	—	$143	$485	$81	—
Average Loan Rate	—	3.39%	3.39%	4.82%	—
Multifamily Whole Loans Percentage	—	100%	100%	100%	—
MHRN Revenue Note Coverage (Debt Service Coverage Ratio)					
Total Debt Service	—	$68	$322	$14,334	—
Net Revenue to Pay Debt Service	—	$10	$472	$14,356	—
Debt Service Coverage Ratio	—	14.51%	146.58%	100.15%	—

[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)

	2021	2022	2023	2024	2025
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.

Affordable Housing Revenue Bonds (AHRB)[1, 2]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
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 Note Coverage (Debt Service Coverage Ratio)					
Total Debt Service	—	—	—	—	—
Net Revenue to Pay Debt Service	—	—	—	—	—
Debt Service Coverage Ratio	—	—	—	—	—

[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)

	2021	2022	2023	2024	2025
AHRB Financial Ratios					
Total Asset	—	—	—	$425,358	$751,855
Total Liability	—	—	—	$85,727	$371,905
Total Liability and Fund Equity	—	—	—	$339,631	$379,950
Net Position	—	—	—	$339,631	$379,950
Liability to Asset Ratio	—	—	—	20.15%	49.46%
Net Position to Asset Ratio	—	—	—	79.85%	50.54%
AHRB Revenue Base, Revenue Rate and Principal Payers					
Average Whole Loan Balance	—	—	—	$300,109	$393,263
Whole Loan Interest Earned	—	—	—	$15,801	$19,475
Average Loan Rate	—	—	—	5.27%	4.95%
Multifamily Whole Loans Percentage	—	—	—	100%	100%
AHRB Revenue Note Coverage (Debt Service Coverage Ratio)					
Total Debt Service	—	—	—	$2,531	$7,776
Net Revenue to Pay Debt Service	—	—	—	$18,050	$25,205
Debt Service Coverage Ratio	—	—	—	713.17%	324.15%

[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 Of Outstanding Debt [1, 2, 3, 4]

Last Ten Fiscal Years (dollars in thousands)

Debt Issuance	2016	2017	2018	2019	2020
Multifamily Housing Revenue Bonds III (Agency GO Bonds)	$371,552	$295,507	$256,740	$223,549	$163,517
Percentage of Total Debt	14%	14%	18%	19%	17%
All Other Multifamily Housing Revenue Bonds	$169,875	$184,160	$160,620	$154,255	$42,470
Percentage of Total Debt	7%	9%	11%	13%	5%
Multifamily Housing Notes/Loans	$34,987	—	14,300	$14,300	—
Percentage of Total Debt	1.35%	—	—	1.20%	—
Single Family Housing Revenue Bonds	$2,019,205	$1,616,207	$1,016,419	$804,129	$515,269
Percentage of Total Debt	78%	77%	70%	67%	55%
Other Programs and Accounts	—	—	—	—	$213,372
Percentage of Total Debt	—	—	—	—	23%
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	$2,595,620	$2,095,874	$1,448,079	$1,196,233	$934,628
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	2021	2022	2023	2024	2025
Multifamily Housing Revenue Bonds III (Agency GO Bonds)	$58,785	—	—	—	—
Percentage of Total Debt	10%	—	—	—	—
All Other Multifamily Housing Revenue Bonds	$41,995	$41,490	$40,955	$124,857	$408,426
Percentage of Total Debt	7%	8%	8%	20%	47%
Multifamily Housing Notes/Loans	—	—	—	—	—
Percentage of Total Debt	—	—	—	—	—
Single Family Housing Revenue Bonds	$211,325	$79,765	—	—	$50,914
Percentage of Total Debt	36.66%	15.99%	—	—	—
Other Programs and Accounts	$264,380	$377,713	$441,525	$491,460	$396,733
Percentage of Total Debt	45.86%	75.70%	86.87%	76.81%	45.31%
Lease Liability	N/A	$27,990	$25,793	$23,547	$19,597
Percentage of Total Debt	N/A	N/A	5.07%	3.68%	2.24%
Total Debt	$576,485	$498,968	$508,273	$639,864	$875,670
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.

Multifamily Housing Revenue Bonds III

Last Ten Fiscal Years (dollars in thousands)

	Issue Amount	2016	2017	2018	2019	2020
Bond Series						
MHRBIII 2001E	$78,735	$27,195	$13,970	—	—	—
MHRBIII 2001F	19,040	9,320	8,580	7,815	—	—
MHRBIII 2001G	73,975	18,820	17,960	17,095	—	—
MHRBIII 2002D	12,760	3,515	—	—	—	—
MHRBIII 2002E	71,305	14,190	—	—	—	—
MHRBIII 2003C	97,295	23,705	—	—	—	—
MHRBIII 2004C	13,940	4,000	3,655	3,290	2,565	1,900
MHRBIII 2005D	91,225	14,885	14,375	13,840	—	—
MHRBIII 2007C	27,970	9,065	—	—	—	—
MHRBIII 2008A	11,370	7,115	—	—	—	—
MHRBIII 2008B	104,890	23,080	21,495	—	—	—
MHRBIII 2008C	33,390	17,605	17,085	16,555	—	—
MHRBIII 2014A	38,915	24,965	24,290	24,045	23,790	23,515
MHRBIII 2015A	174,180	174,180	174,180	174,180	174,180	115,080
MHRBIII 2018A	23,090	—	—	—	23,090	23,090
MHRBIII Total	$872,080	$371,640	$295,590	$256,820	$223,625	$163,585

Multifamily Housing Revenue Bonds III (continued)

Last Ten Fiscal Years (dollars In thousands)

	2021	2022	2023	2024	2025
Bond Series					
MHRBIII 2001E	—	—	—	—	—
MHRBIII 2001F	—	—	—	—	—
MHRBIII 2001G	—	—	—	—	—
MHRBIII 2002D	—	—	—	—	—
MHRBIII 2002E	—	—	—	—	—
MHRBIII 2003C	—	—	—	—	—
MHRBIII 2004C	—	—	—	—	—
MHRBIII 2005D	—	—	—	—	—
MHRBIII 2007C	—	—	—	—	—
MHRBIII 2008A	—	—	—	—	—
MHRBIII 2008B	—	—	—	—	—
MHRBIII 2008C	—	—	—	—	—
MHRBIII 2014A	23,225	—	—	—	—
MHRBIII 2015A	35,560	—	—	—	—
MHRBIII 2018A	—	—	—	—	—
MHRBIII Total	$58,785	—	—	—	—

Multifamily Loan Purchase Bonds (MLPB)

Last Ten Fiscal Years (dollars in thousands)

	Issue Amount	2016	2017	2018	2019	2020
Bond Series						
MLPB 2000A	$269,024	$215	—	—	—	—
MLPB Total	$269,024	$215	—	—	—	—

Residential Mortgage Revenue Bonds (RMRB (MFP))

	Issue Amount	2016	2017	2018	2019	2020
Bond Series						
RMRB (MFP) 2009A-6	$69,950	$49,410	$48,440	$47,840	$45,840	—
RMRB (MFP) Total	$69,950	$49,410	$48,440	$47,840	$45,840	—

Affordable Multifamily Housing Revenue Bonds (AMHRB)

	Issue Amount	2016	2017	2018	2019	2020
Bond Series						
AMHRRB 2009A-21	$55,990	$46,980	$45,220	$37,340	$34,390	—
AMHRRB 2009A-22	36,680	33,670	32,860	32,000	31,090	—
AMHRB Total	$92,670	$80,650	$78,080	$69,340	$65,480	—

Multifamily Housing Revenue Bonds (MHRB)

	Issue Amount	2016	2017	2018	2019	2020
Bond Series						
MHRB 2016A	$8,600	8,600	$4,710	$4,710	$4,650	$4,595
MHRB 2016B	31,000	31,000	31,000	25,600	25,255	24,960
MHRB Total	$39,600	39,600	35,710	$30,310	$29,905	$29,555

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)

	2021	2022	2023	2024	2025
Bond Series					
RMRB (MFP) 2009A-6	—	—	—	—	—
RMRB (MFP) Total	—	—	—	—	—

Affordable Multifamily Housing Revenue Bonds (AMHRB) (continued)

	2021	2022	2023	2024	2025
Bond Series					
AMHRRB 2009A-21	—	—	—	—	—
AMHRRB 2009A-22	—	—	—	—	—
AMHRB Total	—	—	—	—	—

Multifamily Housing Revenue Bonds (MHRB) (continued)

	2021	2022	2023	2024	2025
Bond Series					
MHRB 2016A	$4,535	$4,475	$4,410	$4,340	$4,270
MHRB 2016B	24,650	24,325	23,985	23,625	23,245
MHRB Total	$29,185	$28,800	$28,395	$27,965	$27,515

Special Obligation Multifamily Housing Revenue Bonds (SOMHRB)

Last Ten Fiscal Years (dollars In thousands)

	Issue Amount	2016	2017	2018	2019	2020
Bond Series						
SOMHRB 2015A	$5,245	$5,245	$3,855	$3,825	$3,795	$3,760
SOMHRB 2015B	18,075	18,075	18,075	9,305	9,235	9,155
SOMHRB Total	$23,320	—	21,930	$13,130	$13,030	$12,915

Multifamily Housing Revenue Note (MHRN)

	Issue Amount	2016	2017	2018	2019	2020
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	2016	2017	2018	2019	2020
Bond Series						
AHRB 2023 A-1	$54,940	—	—	—	—	—
AHRB 2023 A-2	$30,000	—	—	—	—	—
AHRB 2024 A-1	$67,580	—	—	—	—	—
AHRB 2024 A-2	$40,000	—	—	—	—	—
AHRB 2025 A	$156,730	—	—	—	—	—
AHRB Total	$349,250	—	—	—	—	—

Special Obligation Multifamily Housing Revenue Bonds (SOMHRB) (continued)

Last Ten Fiscal Years (dollars In thousands)

	2021	2022	2023	2024	2025
Bond Series					
SOMHRB 2015A	$3,735	$3,700	$3,660	$3,625	$3,580
SOMHRB 2015B	9,075	8,990	8,900	8,805	8,705
SOMHRB Total	$12,810	$12,690	$12,560	$12,430	$12,285

Multifamily Housing Revenue Note (MHRN) (continued)

	2021	2022	2023	2024	2025
Bond Series					
MHRN Bartlett Hill Manor	—	—	—	—	—
MHRN - Bartlett Hill Manor Apartments	—	—	—	—	—

Affordable Housing Revenue Bonds (AHRB) (continued)

	2021	2022	2023	2024	2025
Bond Series					
AHRB 2023 A-1	—	—	—	$53,750	$49,805
AHRB 2023 A-2	—	—	—	$30,000	$30,000
AHRB 2024 A-1	—	—	—	—	$67,580
AHRB 2024 A-2	—	—	—	—	$40,000
AHRB 2025 A	—	—	—	—	$156,730
AHRB Total	—	—	—	$83,750	$344,115

Citibank N.A Loan Sale (Tax-Exempt)

Last Ten Fiscal Years (dollars in thousands)

	Issue Amount	2016	2017	2018	2019	2020
Project Name						
CLS Belvedere Place	$1,326	$1,124	—	—	—	—
CLS Casa De Vida	558	330	—	—	—	—
CLS Conant Place Seniors	748	528	—	—	—	—
CLS Corralitos Creek	2,311	1,984	—	—	—	—
CLS Delaware Street	1,034	1,034	—	—	—	—
CLS Flower Park Plaza	9,148	7,032	—	—	—	—
CLS Hillside Terrace	847	755	—	—	—	—
CLS Plaza Del Sol	7,528	7,341	—	—	—	—
CLS Redwood Court	1,252	1,082	—	—	—	—
CLS Redwood Oaks	1,585	1,319	—	—	—	—
CLS South Delaware	752	656	—	—	—	—
CLS Via Del Mar	787	644	—	—	—	—
CLS Villa Cesar Chavez	2,811	2,093	—	—	—	—
CLS Villa Madera	4,082	3,254	—	—	—	—
Tax Exempt Note (Citibank N.A Loan Sale) Total	$34,770	$29,176	—	—	—	—

Citibank N.A Loan Sale (Taxable)

	Issue Amount	2016	2017	2018	2019	2020
Project Name						
CLS Delaware Street T	$1,243	$18	—	—	—	—
CLS Plaza Del Sol T	8,012	118	—	—	—	—
CLS Redwood Court T	1,939	593	—	—	—	—
CLS Thomas Paine	5,137	4,361	—	—	—	—
CLS Thomas Paine T	6,087	721	—	—	—	—
Taxable Note (Citibank N.A Loan Sale) Total	$91,958	$5,811	—	—	—	—

Citibank N.A Loan Sale (Tax-Exempt) (continued)

Last Ten Fiscal Years (dollars In thousands)

	2021	2022	2023	2024	2025
Bond Series					
CLS Belvedere Place	—	—	—	—	—
CLS Casa De Vida	—	—	—	—	—
CLS Conant Place Seniors	—	—	—	—	—
CLS Corralitos Creek	—	—	—	—	—
CLS Delaware Street	—	—	—	—	—
CLS Flower Park Plaza	—	—	—	—	—
CLS Hillside Terrace	—	—	—	—	—
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)

	2021	2022	2023	2024	2025
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	—	—	—	—	—

Home Mortgage Revenue Bonds

Last Ten Fiscal Years (dollars in thousands)

Bond Series	Issue Amount	2016	2017	2018	2019	2020
HMRB 2000N	$50,000	$8,385	$5,795	$4,340	$3,240	—
HMRB 2000Z	102,000	28,950	28,950	28,950	24,065	—
HMRB 2001D	112,000	35,505	35,505	—	—	—
HMRB 2001G	105,000	28,290	28,290	26,875	—	—
HMRB 2001K	144,000	37,610	37,610	37,610	—	—
HMRB 2001O	126,000	35,420	—	—	—	—
HMRB 2001S	80,745	6,230	—	—	—	—
HMRB 2002H	70,000	11,205	—	—	—	—
HMRB 2002J	103,570	15,975	—	—	—	—
HMRB 2003I	50,000	27,415	27,415	27,415	27,415	—
HMRB 2003M	150,000	28,745	—	—	—	—
HMRB 2003N	50,000	20,660	20,660	—	—	—
HMRB 2004E	129,105	26,140	—	—	—	—
HMRB 2004F	50,000	33,675	33,675	33,675	—	—
HMRB 2005A	200,000	49,335	37,915	29,150	29,150	25,205
HMRB 2005B	200,000	51,020	40,075	—	—	—
HMRB 2005F	180,000	48,710	—	—	—	—
HMRB 2006C	175,000	56,205	46,620	41,100	—	—
HMRB 2006D	20,000	7,550	—	—	—	—
HMRB 2006E	100,000	34,600	—	—	—	—
HMRB 2006F	120,000	20,490	—	—	—	—
HMRB 2006I	165,310	49,025	—	—	—	—
HMRB 2006K	267,210	77,080	—	—	—	—

Home Mortgage Revenue Bonds (continued)

Last Ten Fiscal Years (dollars in thousands)

Bond Series	2021	2022	2023	2024	2025
HMRB 2000N	—	—	—	—	—
HMRB 2000Z	—	—	—	—	—
HMRB 2001D	—	—	—	—	—
HMRB 2001G	—	—	—	—	—
HMRB 2001K	—	—	—	—	—
HMRB 2001O	—	—	—	—	—
HMRB 2001S	—	—	—	—	—
HMRB 2002H	—	—	—	—	—
HMRB 2002J	—	—	—	—	—
HMRB 2003I	—	—	—	—	—
HMRB 2003M	—	—	—	—	—
HMRB 2003N	—	—	—	—	—
HMRB 2004E	—	—	—	—	—
HMRB 2004F	—	—	—	—	—
HMRB 2005A	—	—	—	—	—
HMRB 2005B	—	—	—	—	—
HMRB 2005F	—	—	—	—	—
HMRB 2006C	—	—	—	—	—
HMRB 2006D	—	—	—	—	—
HMRB 2006E	—	—	—	—	—
HMRB 2006F	—	—	—	—	—
HMRB 2006I	—	—	—	—	—
HMRB 2006K	—	—	—	—	—

Home Mortgage Revenue Bonds (continued)

Last Ten Fiscal Years (dollars in thousands)

	Issue Amount	2016	2017	2018	2019	2020
Bond Series						
HMRB 2006M	$219,815	$70,560	—	—	—	—
HMRB 2007A	90,000	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	10,000
HMRB 2007D	76,010	3,310	3,310	—	—	—
HMRB 2007E	193,990	78,780	64,650	—	—	—
HMRB 2007F	48,260	6,905	3,505	—	—	—
HMRB 2007G	201,740	71,495	65,615	—	—	—
HMRB 2007H	100,000	27,480	—	—	—	—
HMRB 2007I	17,280	3,965	1,360	—	—	—
HMRB 2007K	50,000	24,265	19,875	—	—	—
HMRB 2007M	90,000	68,660	65,740	—	—	—
HMRB 2007N	60,000	60,000	60,000	60,000	60,000	60,000
HMRB 2008A	43,475	15,195	13,030	—	—	—
HMRB 2008B	35,960	10,320	8,780	—	—	—
HMRB 2008D	100,000	10,525	—	—	—	—
HMRB 2008H	100,000	41,100	31,475	21,815	12,120	2,365
HMRB 2008K	220,475	60,775	46,060	—	—	—
HMRB 2008L	189,790	52,020	34,670	—	—	—
HMRB 2016A	236,350	236,350	229,130	209,275	194,155	123,920
HMRB 2017A	278,240	—	278,240	262,040	246,345	231,205
HMRB Total	$5,161,325	$1,715,455	$1,399,130	$842,245	$656,490	$492,695

Home Mortgage Revenue Bonds (continued)

Last Ten Fiscal Years (dollars In thousands)

	2021	2022	2023	2024	2025
Bond Series					
HMRB 2006M	—	—	—	—	—
HMRB 2007A	—	—	—	—	—
HMRB 2007B	—	—	—	—	—
HMRB 2007C	—	—	—	—	—
HMRB 2007D	—	—	—	—	—
HMRB 2007E	—	—	—	—	—
HMRB 2007F	—	—	—	—	—
HMRB 2007G	—	—	—	—	—
HMRB 2007H	—	—	—	—	—
HMRB 2007I	—	—	—	—	—
HMRB 2007K	—	—	—	—	—
HMRB 2007M	—	—	—	—	—
HMRB 2007N	—	—	—	—	—
HMRB 2008A	—	—	—	—	—
HMRB 2008B	—	—	—	—	—
HMRB 2008D	—	—	—	—	—
HMRB 2008H	—	—	—	—	—
HMRB 2008K	—	—	—	—	—
HMRB 2008L	—	—	—	—	—
HMRB 2016A	59,620	35,570	—	—	—
HMRB 2017A	151,705	44,195	—	—	—
HMRB Total	$211,325	$79,765	—	—	—

Residential Mortgage Revenue Bonds

Last Ten Fiscal Years (dollars In thousands)

	Issue Amount	2016	2017	2018	2019	2020
Bond Series						
RMRB 2010A	$24,000	$10,810	$7,385	$5,655	$4,470	—
RMRB 2011A	72,000	23,100	15,260	10,825	8,255	6,075
RMRB 2013A	100,210	42,834	30,670	23,516	20,270	16,424
RMRB 2013B	33,550	20,907	15,779	13,250	11,598	—
RMRB 2009A-5	466,115	202,755	147,000	120,805	102,930	—
RMRB Total	$695,875	$300,406	$216,094	$174,051	$147,523	$22,499

Homeowner Mortgage Revenue Bonds

Last Ten Fiscal Years (dollars In thousands)

	Issue Amount	2016	2017	2018	2019	2020
Bond Series						
HOMRB 2025A	$50,000	—	—	—	—	—
HOMRB Total	$50,000	—	—	—	—	—

Other Programs and Accounts

	Issue Amount	2016	2017	2018	2019	2020
Bond Series						
Federal Home Loan Bank Line of Credit	N/A	—	$79,595	$108,815	$32,694	—
Braeburn Credit Facility	N/A	—	—	—	—	—
Royal Bank of Canada Credit Facility	N/A	—	—	—	—	—
Promissory Notes Payable - Federal Financing Bank	N/A	—	33,357	118,952	158,042	213,372
Other Programs and Accounts Total	N/A	—	$112,952	$227,767	$190,736	$213,372

Source: California Housing Finance Agency Debt Management System and General Ledger

Residential Mortgage Revenue Bonds (continued)

Last Ten Fiscal Years (dollars In thousands)

	2021	2022	2023	2024	2025
Bond Series					
RMRB 2010A	—	—	—	—	—
RMRB 2011A	—	—	—	—	—
RMRB 2013A	—	—	—	—	—
RMRB 2013B	—	—	—	—	—
RMRB 2009A-5	—	—	—	—	—
RMRB Total	—	—	—	—	—

Homeowner Mortgage Revenue Bonds (continued)

Last Ten Fiscal Years (dollars In thousands)

	2021	2022	2023	2024	2025
Bond Series					
HOMRB 2025A	—	—	—	—	$50,000
HOMRB Total	—	—	—	—	$50,000

Other Programs and Accounts (continued)

	2021	2022	2023	2024	2025
Bond Series					
Federal Home Loan Bank Line of Credit	—	$8,967	$86,125	$112,094	$44,950
Braeburn Credit Facility	36,666	93,338	65,297	92,506	—
Royal Bank of Canada Credit Facility	—	—	—	—	68,318
Promissory Notes Payable - Federal Financing Bank	227,714	275,408	290,103	286,860	283,465
Other Programs and Accounts Total	$264,380	$377,713	$441,525	$491,460	$396,733

Use Of Revenue Bonding Authority [1]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
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	2,616	2,095,874	1,448,036	1,398,693	721,249
Conduit Outstanding	591,639	700,113	868,567	882,419	2,019,274
Total Outstanding	594,255	2,795,987	2,316,603	2,281,112	2,740,523
Balance of Remaining Authority	12,555,745	10,354,013	10,833,397	10,868,888	10,409,477
Percentage of Authority Used	5%	21%	18%	17%	21%
Percentage of Authority Remaining	95%	79%	82%	83%	79%

[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.

Use Of Revenue Bonding Authority [1] (continued)

Last Ten Fiscal Years (dollars in thousands)

	2021	2022	2023	2024	2025
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	312,105	121,255	40,955	124,857	433,915
Conduit Outstanding	3,136,124	4,597,571	5,478,259	6,160,415	6,824,699
Total Outstanding	3,448,229	4,718,826	5,519,214	6,285,272	7,258,614
Balance of Remaining Authority	9,701,771	8,431,174	7,630,786	6,864,728	5,891,386
Percentage of Authority Used	26%	36%	42%	48%	55%
Percentage of Authority Remaining	74%	64%	58%	52%	45%

[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.

Summary of Single Family Lending Activity (Securitizations)

Last Ten Fiscal Years [1, 2]

	2016	2017	2018	2019	2020
Total Lending Activity					
Loan Count	4,725	7,259	7,598	12,049	13,060
Loan Amount	$1,111,351,448	$1,859,412,462	$2,070,926,361	$3,501,933,572	$4,074,184,355
Average Loan Amount	$235,207	$256,153	$272,562	$290,641	$311,959
Average Borrower Annual Income	$62,201	$66,739	$74,774	$84,623	$83,586
By Loan Type					
FHA - Loan Count	2,797	5,290	5,116	7,100	10,621
Conventional - Loan Count	1,928	1,969	2,466	4,859	2,345
VA - Loan Count	—	—	16	90	53
USDA - Loan Count	—	—	—	—	41
Total	4,725	7,259	7,598	12,049	13,060
FHA- Loan Amount	$641,184,226	$1,339,086,158	$1,370,140,421	$1,997,143,722	$3,298,216,530
Conventional - Loan Amount	$470,167,222	$520,326,304	$694,530,908	$1,473,291,200	$746,183,212
VA - Loan Amount	—	—	$6,255,032	$31,498,650	$19,456,590
Amount	—	—	—	—	$10,328,023
Total	$1,111,351,448	$1,859,412,462	$2,070,926,361	$3,501,933,572	$4,074,184,355
By Geography					
Metropolitan - Loan Count					
Urban	4,619	7,118	7,379	11,606	12,540
Rural	66	76	115	229	296
Non-Metropolitan - Loan Count	40	65	104	214	224
Total	4,725	7,259	7,598	12,049	13,060
Targeted Areas					
Loan Count	625	903	1,080	1,333	1,308
Loan Amount	$123,602,510	$185,667,586	$237,262,932	$304,583,096	$317,209,167
Average Loan Amount	$197,764	$205,612	$219,688	$228,494	$242,901
Average Borrower Annual Income	$54,057	$54,715	$63,061	$68,608	$64,215
MCC Activity					
MCCs Issued	1,801	4,556	3,469	840	9
MCC Amount	$99,490,788	$270,547,089	$216,365,406	$55,591,064	$650,255
MCC Mortgage Amount	$797,453,942	$1,352,735,443	$1,081,827,030	$277,955,318	$3,251,274

[1] MCC program ended FY 2019-20.

[2] USDA loan program began FY 2019-20.

Summary of Single Family Lending Activity (Securitizations) (continued)

Last Ten Fiscal Years [1, 2]

	2021	2022	2023	2024	2025
Total Lending Activity					
Loan Count	7,603	5,659	7,320	6,037	6,955
Loan Amount	$2,475,556,629	$2,034,275,642	$2,839,861,738	$2,570,466,298	$3,142,049,177
Average Loan Amount	$325,603	$359,476	$387,959	$425,785	$421,050
Average Borrower Annual Income	$83,803	$89,433	$101,424	$117,671	$113,623
By Loan Type					
FHA - Loan Count	5,496	3,946	3,240	3,370	3,193
Conventional - Loan Count	2,084	1,643	3,999	2,626	3,714
VA - Loan Count	9	26	36	26	31
USDA - Loan Count	14	44	45	15	17
Total	7,603	5,659	7,320	6,037	6,955
FHA- Loan Amount	$1,764,320,120	$1,406,071,026	$1,207,909,023	$1,375,025,510	$1,357,993,577
Conventional - Loan Amount	$703,931,906	$602,160,293	$1,606,460,998	$1,179,934,486	$1,764,681,801
VA - Loan Amount	$3,326,130	$12,696,817	$13,911,343	$11,296,786	$14,511,491
Amount	$3,978,473	$13,347,506	$11,580,374	$4,209,516	$4,862,308
Total	$2,475,556,629	$2,034,275,642	$2,839,861,738	$2,570,466,298	$3,142,049,177
By Geography					
Metropolitan - Loan Count					
Urban	7,248	5,342	6,909	5,611	6,566
Rural	203	177	221	239	212
Non-Metropolitan - Loan Count	152	140	190	187	177
Total	7,603	5,659	7,320	6,037	6,955
Targeted Areas					
Loan Count	1,029	895	754	586	609
Loan Amount	$270,551,351	$268,594,380	$231,107,370	$199,947,624	$226,758,753
Average Loan Amount	$262,926	$300,105	$306,508	$341,208	$337,513
Average Borrower Annual Income	$66,707	$73,576	$80,390	$95,069	$91,818
MCC Activity					
MCCs Issued	—	—	—	—	—
MCC Amount	—	—	—	—	—
Total Mortgage Amount	—	—	—	—	—

[1] MCC program ended FY 2019-20.

[2] USDA loan program began FY 2019-20.

Single Family Loans by Sales Price[1]

Last Ten Fiscal Years

	2016 Count	2016 %	2017 Count	2017 %	2018 Count	2018 %	2019 Count	2019 %
Sales Price								
Less than $100,000	73	1.5%	48	0.6%	37	0.5%	37	0.3%
$100,001 to $150,000	472	10.0%	478	6.6%	343	4.5%	396	3.3%
$150,001 to $200,000	1,048	22.2%	1,363	18.8%	1,167	15.3%	1,429	11.8%
$200,001 to $250,000	1,184	25.0%	1,793	24.7%	1,731	22.8%	2,501	20.8%
$250,001 to $300,000	821	17.4%	1,400	19.3%	1,524	20.1%	2,520	20.9%
$300,001 to $350,000	579	12.3%	960	13.2%	1,210	15.9%	1,965	16.3%
$350,001 and over	548	11.6%	1,217	16.8%	1,586	20.9%	3,201	26.6%
Total	4,725	100%	7,259	100%	7,598	100%	12,049	100%

	2020 Count	2020 %	2021 Count	2021 %	2022 Count	2022 %	2023 Count	2023 %
Sales Price								
Less than $100,000	21	0.2%	37	0.3%	1	—	2	—
$100,001 to $150,000	249	1.9%	396	3.3%	32	0.6%	33	0.5%
$150,001 to $200,000	1,121	8.6%	1,429	11.8%	184	3.3%	176	2.4%
$200,001 to $250,000	2,299	17.6%	2,501	20.8%	496	8.8%	470	6.4%
$250,001 to $300,000	2,814	21.5%	2,520	20.9%	883	15.6%	778	10.6%
$300,001 to $350,000	2,300	17.6%	1,965	16.3%	1,159	20.5%	1,081	14.8%
$350,001 and over	4,256	32.6%	3,201	26.6%	2,904	51.3%	4,780	65.3%
Total	13,060	100%	12,049	100%	5,659	100%	7,320	100%

	2024 Count	2024 %	2025 Count	2025 %
Sales Price				
Less than $200,000	96	1.6%	61	0.9%
$200,001 to $300,000	733	12.1%	587	8.4%
$300,001 to $400,000	1,737	28.8%	1,652	23.8%
$400,001 to $500,000	1,542	25.5%	1,786	25.7%
$500,001 to $600,000	945	15.7%	1,193	17.2%
$600,001 to $700,000	526	8.7%	765	11.0%
$700,000 and over	458	7.6%	911	13.1%
Total	6,037	100.0%	6,955	100%

[1] Sales price ranges updated for 2024 and 2025.

Single Family Loans by Borrower Income (Revised Income Range)[1]

Last Ten Fiscal Years (dollars in thousands)

	2016 Count	2016 %	2017 Count	2017 %	2018 Count	2018 %	2019 Count	2019 %
Borrower Income								
Less than $25,000	57	1.2%	64	1.0%	36	0.4%	51	0.5%
$25,001 to $40,000	514	10.9%	620	8.5%	454	6.0%	406	3.4%
$40,001 to $55,000	1,223	25.9%	1,646	22.7%	1,196	15.7%	1,386	11.5%
$55,001 to $70,000	1,349	28.6%	1,952	26.9%	1,759	23.2%	2,197	18.2%
$70,001 to $85,000	993	21.0%	1,542	21.2%	1,729	22.8%	2,327	19.3%
$85,001 to $100,000	465	9.8%	925	12.7%	1,248	16.4%	2,172	18.0%
$100,001 and over	124	2.6%	510	7.0%	1,176	15.5%	3,510	29.1%
Total	4,725	100%	7,259	100%	7,598	100%	12,049	100%

	2020 Count	2020 %	2021 Count	2021 %	2022 Count	2022 %	2023 Count	2023 %
Borrower Income								
Less than $25,000	12	0.1%	2	—	2	—	1	—
$25,001 to $40,000	465	3.6%	262	3.4%	109	1.9%	66	0.9%
$40,001 to $55,000	1,683	12.9%	932	12.3%	475	8.4%	486	6.6%
$55,001 to $70,000	2,522	19.3%	1,549	20.4%	1,009	17.8%	1,031	14.1%
$70,001 to $85,000	2,574	19.7%	1,536	20.2%	1,175	20.8%	1,235	16.9%
$85,001 to $100,000	2,299	17.6%	1,324	17.4%	1,013	17.9%	1,094	14.9%
$100,001 and over	3,505	26.8%	1,998	26.3%	1,876	33.2%	3,407	46.5%
Total	13,060	100%	7,603	100%	5,659	100%	7,320	100%

	2024 Count	2024 %	2025 Count	2025 %
Borrower Income				
Less than $40,000	13	0.2%	7	0.1%
$40,001 to $70,000	540	8.9%	442	6.4%
$70,001 to $100,000	1,628	27.0%	1,721	24.7%
$100,001 to $130,000	1,808	29.9%	2,069	29.7%
$130,001 to $160,000	1,224	20.3%	1,588	22.8%
$160,001 to $190,000	554	9.2%	715	10.3%
$190,001 to $220,000	184	3.0%	260	3.7%
$220,001 to $250,000	53	0.9%	117	1.7%
$250,001 to $280,000	28	0.5%	24	0.3%
$280,001 and over	5	0.1%	12	0.2%
Total	6,037	100%	6,955	100%

[1] Income ranges updated beginning 2024.

Single Family Loans by Ethnicity

Last Ten Fiscal Years (dollars in Thousands)

	2016 Count	2016 %	2017 Count	2017 %	2018 Count	2018 %	2019 Count	2019 %	2020 Count	2020 %
Ethnicity										
Hispanic	2,534	53.6%	4,036	55.6%	4,247	55.9%	6,388	53.0%	6,977	53.4%
African American	371	7.8%	648	8.9%	699	9.2%	955	7.9%	1,072	8.2%
Asian	206	4.4%	300	4.2%	304	4.0%	553	4.6%	510	3.9%
White	1,554	32.9%	2,186	30.1%	2,250	29.6%	4,037	33.5%	4,360	33.4%
Other	60	1.3%	89	1.2%	98	1.3%	115	1.0%	128	1.0%
Unknown	—	—	—	—	—	—	—	—	13	—
Total	4,725	100%	7,259	100%	7,598	100%	12,048	100%	13,060	100%

	2021 Count	2021 %	2022 Count	2022 %	2023 Count	2023 %	2024 Count	2024 %	2025 Count	2025 %
Ethnicity										
Hispanic	4,036	53.1%	3,042	53.8%	3,126	42.7%	2,830	46.9%	3,244	46.6%
African American	577	7.6%	488	8.6%	480	6.6%	299	5.0%	363	5.2%
Asian	305	4.0%	202	3.6%	784	10.7%	470	7.8%	785	11.3%
White	2,285	30.1%	1,548	27.4%	2,244	30.7%	1,826	30.2%	1,931	27.8%
Other	67	0.9%	49	0.9%	686	9.4%	612	10.1%	632	9.1%
Unknown	333	4.4%	330	5.8%	—	—	—	—	—	—
Total	7,603	100%	5,659	100%	7,320	100%	6,037	100%	6,955	100.0%

Single Family Loans by Household Size

Last Ten Fiscal Years

	2016 Count	2016 %	2017 Count	2017 %	2018 Count	2018 %	2019 Count	2019 %	2020 Count	2020 %
Household Size										
1 - 2	1,271	26.9%	1,643	22.6%	2,003	26.3%	5,671	47.1%	7,507	57.5%
3 - 4	1,962	41.5%	2,886	39.8%	2,946	38.8%	4,326	35.9%	4,046	31.0%
5 - 6	1,125	23.8%	2,079	28.6%	2,049	27.0%	1,762	14.6%	1,359	10.4%
6 +	367	7.8%	651	9.0%	600	7.9%	290	2.4%	148	1.1%
Total	4,725	100%	7,259	100%	7,598	100%	12,049	100%	13,060	100%

	2021 Count	2021 %	2022 Count	2022 %	2023 Count	2023 %	2024 Count	2024 %	2025 Count	2025 %
Household Size										
1 - 2	4,686	61.6%	3,595	63.5%	5,020	68.6%	4,013	66.5%	4,503	64.7%
3 - 4	2,211	29.1%	1,490	26.3%	1,763	24.1%	1,549	25.7%	1,881	27.0%
5 - 6	637	8.4%	518	9.2%	479	6.5%	426	7.1%	528	7.6%
6 +	69	0.9%	56	1.0%	58	0.8%	49	0.8%	43	0.6%
Total	7,603	100%	5,659	100%	7,320	100%	6,037	100%	6,955	100%

Multifamily Programs

Fiscal Year Ended June 30, 2025 (dollars in thousands)

PROGRAM	COUNTY	LOAN AMOUNT	TOTAL UNITS	VERY LOW INCOME UNITS
Permanent Only				
Subsidy Loans	—	—	—	—
Total	—	—	—	—
Conduit Projects				
All Hallows Apartments	San Francisco	$76,500	157	80
La Salle Apartments	San Francisco	$68,000	145	72
U.S. VETS-WLAVA Building 210	Los Angeles	$19,562	38	37
Bayview Apartments	San Francisco	$63,000	146	72
Sisal Apartments	San Diego	$32,100	120	12
The Pardes 2	Sacramento	$59,169	140	42
The Trails at Carmel Mountain Ranch	San Diego	$50,233	125	26
St. Luke's Affordable	San Diego	$20,000	78	44
Holt & Main	Los Angeles	$70,858	160	52
Kindred Apartments	San Diego	$71,958	126	97
6018 Brynhurst	Los Angeles	$11,887	50	10
121 N. Mathews	Los Angeles	$9,540	40	8
North City Affordable	San Diego	$62,130	224	124
Monarch	Sacramento	$73,272	241	99
BUSD Workforce Housing	Alameda	$44,549	110	50
Maison's Village Phase II	Los Angeles	$40,020	191	58
Westside Village	Santa Cruz	$30,747	38	25
300 De Haro	San Francisco	$118,050	425	101
Supplemental CDLAC Allocated Bonds Issued[1]		$40,784	Counted in Prior FY	Counted in Prior FY
Total		$962,358	2,554	1,009
Special Needs Housing Program (SNHP)				
SNHP Flor 401 Lofts	Los Angeles	$500,000	99	98
Total		$500,000	99	98

[1]Supplemental Bonds Issued to the following projects:

Project Name	Supplemental Bond Amount
Avenue 34	$1,400,000
MacArthur Field A	590,000
Kawana Springs Family Apts.	4,456,125
Vintage at Woodman	4,000,000
College Creek Apts.	2,250,000
Santa Rosa Avenue Apts.	7,560,450
Fair Oaks Senior Apts	2,107,280
Shiloh Crossing	16,200,000
8181 Allison	2,220,000
	$40,783,855

Multifamily Programs (continued)

Fiscal Year Ended June 30, 2025 (dollars in thousands)

PROGRAM	COUNTY	LOAN AMOUNT	TOTAL UNITS	VERY LOW INCOME UNITS
Projects Construction Loan Closed, Waiting for Permanent Loan Conversion				
Permanent				
St. Luke's Affordable	San Diego	$9,034,153	78	44
Holt & Main	Los Angeles	$20,094,000	160	52
North City Affordable	San Diego	$39,150,000	224	124
Monarch	Sacramento	$21,083,000	241	99
BUSD Workforce Housing	Alameda	$12,195,000	110	50
Maison's Village Phase II	Los Angeles	$30,000,000	191	58
Totals		$131,556,153	1,004	427
Small Loan Program[2]				
		—	—	—
Small Loan Program Sub-Total		—	—	—

[2]No Small Program Loans in FY 2024-25.

Multifamily Programs (continued)

Fiscal Year Ended June 30, 2025 (dollars in thousands)

PROGRAM	COUNTY	LOAN AMOUNT	TOTAL UNITS	VERY LOW INCOME UNITS
Mixed Income Program				
St. Luke's Affordable	San Diego	$3,900,000	78	44
Holt & Main	Los Angeles	$4,000,000	160	52
North City Affordable	San Diego	$4,000,000	224	124
Monarch	Sacramento	$4,000,000	241	99
BUSD Workforce Housing	Alameda	$4,000,000	110	50
Maison's Village Phase II	Los Angeles	$1,600,000	191	58
Mixed Income Program Sub-Total		$21,500,000	1,004	427
Projects Construction Loan Closed Totals		$153,056,153	2,008	854
Permanent Conversion Projects Counted in Prior Fiscal Years				
Monroe Street Apartments	Santa Clara	$11,580,000	65	48
921 Howard Street Apartments	San Francisco	$45,000,000	203	150
Anton Viridian Apartments	Contra Costa	$36,850,000	170	34
Kiku Crossing	San Mateo	$69,035,458	225	105
College Creek Apartments	Sonoma	$34,040,000	164	60
Kimball Highland	San Diego	$23,700,000	145	30
Terracina at The Dunes		$21,250,000	142	51
Totals		$241,455,458	972	478

Multifamily Programs (continued)

Fiscal Year Ended June 30, 2025 (dollars in thousands)

PROGRAM	COUNTY	LOAN AMOUNT	TOTAL UNITS	VERY LOW INCOME UNITS
Mixed Income Program Conversion Projects Counted in Prior Fiscal Years				
Monroe Street Apartments	Santa Clara	$2,601,773	65	48
921 Howard Street Apartments	San Francisco	$9,822,795	203	150
Anton Viridian Apartments	Contra Costa	$6,000,000	170	34
Kiku Crossing	San Mateo	$2,000,000	225	105
College Creek Apartments	Sonoma	$4,000,000	164	60
Kimball Highland	San Diego	$6,095,000	145	30
Terracina at The Dunes	Monterey	$2,800,000	142	51
Village at Burlingame	San Mateo	$9,700,000	132	82
Mission Gateway	Los Angeles	$14,383,390	356	41
The Atchison	Contra Costa	$10,000,000	202	100
Totals		$67,402,958	1804	701
Net Production				
Permanent Only		$10,000	—	—
Conduit Projects		$962,357,829	2,554	1,009
Special Needs Housing Program (SNHP)		$500,000	99	98
Mental Health Services Act Housing Program (MHSA)		—	—	—
Projects Construction Loan Closed, waiting for Permanent Loan Conversion [1]		$153,056,153	2,008	854
Unit Adjustment for Construction to Permanent Financing		—	(2,008)	(854)
Permanent Conversion Projects		$241,455,458	1,114	478
Permanent Conversions Counted in Prior Fiscal Years		($241,455,458)	(1,114)	(478)
Mixed Income Program Conversion Projects		$67,402,958	1,804	701
Projects Counted in Prior Fiscal Years		($67,402,958)	(1,804)	(701)
Net Lending and Unit Production Total		$1,115,923,982	2,779	1,120

[1] Units already counted as part of conduit total.

Multifamily Geographic and Financing Data: Acquisition/Rehabilitation Projects

Last Ten Fiscal Years [1] (dollars in thousands)

	2016	2017	2018	2019	2020
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)

	2021	2022	2023	2024	2025
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.

Multifamily Geographic and Financing Data: Permanent Conversion Projects

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
PROJECTS					
Loans Closed Amount	$25,130,000	$8,575,000	$47,990,000	$14,510,000	$64,016,202
Number of Projects Financed	3	2	6	3	10
Total Units Financed	383	155	482	170	639
CalHFA Regulated Low or Moderate Units	111	55	344	96	280
Source of Financing					
CalHFA Revenue Bonds Funds	$24,460,000	$8,575,000	$34,950,000	—	—
Housing Assistance Trust Funds	—	—	—	$3,900,000	—
Other Financing	$670,000	—	$13,040,000	$10,610,000	$64,016,202
Units Financed in Northern California Metropolitan Counties					
Urban Areas	100	—	143	138	208
Rural Areas	—	—	—	—	175
Total Northern California	100	—	143	138	383
Units Financed in Southern California Metropolitan Counties					
Urban Areas	283	76	339	32	130
Rural Areas	—	79	—	—	—
Total Southern California	283	155	339	32	130
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	126
Total All Counties	383	155	482	170	639

Multifamily Geographic and Financing Data: Permanent Conversion Projects (continued)

Last Ten Fiscal Years (dollars in thousands)

	2021	2022	2023	2024	2025
PERMANENT CONVERSION PROJECTS					
Loans Closed Amount	$71,822,632	$38,031,812	$110,789,646	$116,010,128	$241,455,458
Number of Projects Financed	5	7	9	6	7
Total Units Financed	653	635	808	741	1,114
CalHFA Regulated Low or Moderate Units	345	430	476	699	1,102
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	$71,822,632	$38,031,812	$110,789,646	$116,010,128	$241,455,458
Units Financed in Northern California Metropolitan Counties					
Urban Areas	522	556	693	741	969
Rural Areas	60	31	47	—	—
Total Northern California	582	587	740	741	969
Units Financed in Southern California Metropolitan Counties					
Urban Areas	71	48	—	—	145
Rural Areas	—	—	—	—	—
Total Southern California	71	48	—	—	145
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	68	—	—
Total All Counties	653	635	808	741	1,114

Multifamily Geographic and Financing Data: Mixed Income Permanent Conversion Projects

Last Ten Fiscal Years [1] (dollars in thousands)

	2016	2017	2018	2019	2020
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.

Multifamily Geographic and Financing Data: Mixed Income Permanent Conversion Projects (continued)

Last Ten Fiscal Years [1] (dollars in thousands)

	2021	2022	2023	2024	2025
MIXED INCOME PROGRAM CONVERSION PROJECTS					
Loans Closed Amount	—	—	$21,688,000	$72,109,530	$67,402,958
Number of Projects Financed	—	—	5	11	10
Total Units Financed	—	—	468	1,844	1,804
CalHFA Regulated Low or Moderate Units	—	—	422	598	1,785
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	—	$21,688,000	$72,109,530	$67,402,958
Units Financed in Northern California Metropolitan Counties					
Urban Areas	—	—	298	1,635	1,303
Rural Areas	—	—	—	—	—
Total Northern California	—	—	298	1,635	1,303
Units Financed in Southern California Metropolitan Counties					
Urban Areas	—	—	102	209	501
Rural Areas	—	—	—	—	—
Total Southern California	—	—	102	209	501
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	68	—	—
Total All Counties	—	—	468	1,844	1,804

[1] FY 22-23 was first year for Mixed Income Program Conversion Projects.

Multifamily Geographic and Financing Data: Permanent Only Projects [1, 2]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
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, FY 23-24.

Multifamily Geographic and Financing Data: Permanent Only Projects [1, 2] (continued)

Last Ten Fiscal Years (dollars in thousands)

	2021	2022	2023	2024	2025
PERMANENT ONLY PROJECTS					
Loans Closed Amount	$12,867,000	$35,145,000	—	—	$10,000
Number of Projects Financed	3	4	—	—	1
Total Units Financed	151	340	—	—	126
CalHFA Regulated Low or Moderate Units	47	70	—	—	114
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	$12,867,000	$35,145,000	—	—	$10,000
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	—	—	126
Rural Areas	—	—	—	—	—
Total Southern California	—	199	—	—	126
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	151	340	—	—	126

[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.

Multifamily Geographic and Financing Data: Small Loan Projects [1]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
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)

	2021	2022	2023	2024	2025
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.

Multifamily Geographic and Financing Data: Conduit Projects

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
CONDUIT PROJECTS					
Loans Closed Amount	$275,338,000	$290,183,231	$182,141,667	$418,085,150	$789,478,909
Number of Projects Financed	15	7	11	18	19
Total Units Financed	1,217	1,016	916	2,155	2,736
CalHFA Regulated Low or Moderate Units	264	408	248	919	1,186
Source of Financing					
CalHFA Revenue Bonds Funds	$275,338,000	$290,183,231	$182,141,667	$418,085,150	$789,478,909
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	—	—	—	—
Units Financed in Northern California Metropolitan Counties					
Urban Areas	1,073	476	548	1,456	1,869
Rural Areas	—	—	64	—	163
Total Northern California	1,073	476	612	1,456	2,032
Units Financed in Southern California Metropolitan Counties					
Urban Areas	144	540	304	699	656
Rural Areas	—	—	—	—	—
Total Southern California	144	540	304	699	656
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	48
Total All Counties	1,217	1,016	916	2,155	2,736

Multifamily Geographic and Financing Data: Conduit Projects (continued)

Last Ten Fiscal Years (dollars in thousands)

	2021	2022	2023	2024	2025
CONDUIT PROJECTS					
Loans Closed Amount	$1,372,619,535	$980,486,748	$1,397,073,802	$1,485,659,213	$962,357,829
Number of Projects Financed	34	21	25	30	19
Total Units Financed	4,252	2,967	3,848	3,872	2,554
CalHFA Regulated Low or Moderate Units	2,343	2,130	865	2,813	1,724
Source of Financing					
CalHFA Revenue Bonds Funds	$1,372,619,535	$980,486,748	$1,397,073,802	$1,485,659,213	$962,357,829
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	—	—	—	—
Units Financed in Northern California Metropolitan Counties					
Urban Areas	2,583	706	1,920	2,464	1,402
Rural Areas	472	982	—	—	—
Total Northern California	3,055	1,688	1,920	2,464	1,402
Units Financed in Southern California Metropolitan Counties					
Urban Areas	1,141	1,141	1,928	1,246	1,152
Rural Areas	—	138	—	—	—
Total Southern California	1,141	1,279	1,928	1,246	1,152
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	56	—	—	162	—
Total All Counties	4,252	2,967	3,848	3,872	2,554

Multifamily Geographic and Financing Data: Special Needs Housing Program [1]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
SPECIAL NEEDS HOUSING PROGRAM					
Loans Closed Amount	—	$1,200,000	$13,241,098	$20,467,800	$32,859,565
Number of Projects Financed	—	—	6	7	14
Total Units Financed	—	—	433	584	726
CalHFA Restricts Rents On MHSA/ SNHP Units	—	—	131	169	200
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	—	$1,200,000	$13,241,098	$20,467,800	$32,859,565
Units Financed in Northern California Metropolitan Counties					
Urban Areas	—	—	—	92	74
Rural Areas	—	—	—	—	—
Total Northern California	—	—	—	92	74
Units Financed in Southern California Metropolitan Counties					
Urban Areas	—	—	433	492	519
Rural Areas	—	65	—	—	133
Total Southern California	—	—	433	492	652
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	—	65	433	584	726

[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)

	2021	2022	2023	2024	2025
SPECIAL NEEDS HOUSING PROGRAM					
Loans Closed Amount	$25,861,291	$7,341,759	$11,066,741	$2,173,669	$500,000
Number of Projects Financed	11	4	7	1	1
Total Units Financed	792	243	362	32	99
CalHFA Restricts Rents On MHSA/ SNHP Units	198	51	82	15	5
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	$25,861,291	$7,341,759	$11,066,741	$2,173,669	$500,000
Units Financed in Northern California Metropolitan Counties					
Urban Areas	42	—	—	—	—
Rural Areas	—	—	—	—	—
Total Northern California	42	—	—	—	—
Units Financed in Southern California Metropolitan Counties					
Urban Areas	647	243	345	32	99
Rural Areas	71	—	17	—	—
Total Southern California	718	243	362	32	99
Units Financed in Non Metropolitan Counties					
Non Metropolitan Counties	32	—	—	—	—
Total All Counties	792	243	362	32	99

[1] New Program beginning FY 2015-16.

Multifamily Geographic and Financing Data: Mental Health Services Act Housing Program [1]

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
MENTAL HEALTH SERVICES ACT					
Loans Closed Amount	$28,856,201	$14,418,734	$2,454,150	$2,463,895	—
Number of Projects Financed	17	5	4	2	—
Total Units Financed	910	227	298	20	—
CalHFA Restricts Rents On MHSA/SNHP Units	234	75	31	19	—
Source of Financing					
CalHFA Revenue Bonds Funds	—	—	—	—	—
Housing Assistance Trust Funds	—	—	—	—	—
Other Financing	$28,856,201	$14,418,734	$2,454,150	$2,463,895	—
Units Financed in Northern California Metropolitan Counties					
Urban Areas	330	131	98	20	—
Rural Areas	32	6	—	—	—
Total Northern California	362	137	98	20	—
Units Financed in Southern California Metropolitan Counties					
Urban Areas	548	90	200	—	—
Rural Areas	—	—	—	—	—
Total Southern California	548	90	200	—	—
Metropolitan Counties					
Non Metropolitan Counties	—	—	—	—	—
Total All Counties	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)

	2021	2022	2023	2024	2025
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.

Multifamily Occupancy: Acquisition/Rehabilitation Projects

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
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	—

	2016	2017	2018	2019	2020
PERMANENT CONVERSION PROJECTS					
Occupancy Type					
Elderly	114	—	192	—	267
Non Elderly Handicapped	16	—	5	—	8
All Other	253	155	285	170	364
Total	383	155	482	170	639
Number of Bedrooms					
Studio - (Zero Bedroom)	—	—	20	—	—
One Bedroom	197	13	221	114	—
Two Bedrooms	165	98	162	42	—
Three Bedrooms	15	44	79	14	—
Four or More Bedrooms	6	—	—	—	—
Total	383	155	482	170	—

Multifamily Occupancy: Acquisition/Rehabilitation Projects (continued)

Last Ten Fiscal Years (dollars in thousands)

	2021	2022	2023	2024	2025
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	—	—	—	—	—

	2021	2022	2023	2024	2025
PERMANENT CONVERSION PROJECTS					
Occupancy Type					
Elderly	—	63	46	178	—
Non Elderly Handicapped	35	172	43	65	169
All Other	618	400	719	498	945
Total	653	635	808	741	1,114
Number of Bedrooms					
Studio - (Zero Bedroom)	4	27	130	23	118
One Bedroom	204	257	142	300	360
Two Bedrooms	310	284	329	225	405
Three Bedrooms	135	61	198	155	231
Four or More Bedrooms	—	6	9	38	—
Total	653	635	808	741	1,114

Multifamily Occupancy: Acquisition/Rehabilitation Projects (continued)

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
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)

	2021	2022	2023	2024	2025
PERMANENT ONLY PROJECTS					
Occupancy Type					
Elderly	—	—	—	—	—
Non Elderly Handicapped	—	—	—	—	—
All Other	151	340	—	—	126
Total	151	340	—	—	126
Number of Bedrooms					
Studio - (Zero Bedroom)	4	59	—	—	—
One Bedroom	13	167	—	—	126
Two Bedrooms	44	42	—	—	—
Three Bedrooms	79	58	—	—	—
Four or More Bedrooms	11	14	—	—	—
Total	151	340	—	—	126

Multifamily Occupancy: Small Loan Projects and Conduit Projects

Last Ten Fiscal Years

	2016	2017	2018	2019	2020
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	—	—

	2016	2017	2018	2019	2020
CONDUIT PROJECTS					
Occupancy Type					
Elderly	344	106	198	121	1,215
Non Elderly Handicapped	—	—	—	25	75
All Other	873	910	718	2,009	1,446
Total	1,217	1,016	916	2,155	2,736
Number of Bedrooms					
Studio - (Zero Bedroom)	18	—	25	379	131
One Bedroom	584	405	367	785	1,247
Two Bedrooms	387	376	335	795	843
Three Bedrooms	142	211	161	187	469
Four or More Bedrooms	86	24	28	9	46
Total	1,217	1,016	916	2,155	2,736

Multifamily Occupancy: Small Loan Projects and Conduit Projects (continued)

Last Ten Fiscal Years

	2021	2022	2023	2024	2025
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	—	—	—	—	—

	2021	2022	2023	2024	2025
CONDUIT PROJECTS					
Occupancy Type					
Elderly	64	550	167	298	—
Non Elderly Handicapped	117	201	355	539	255
All Other	4,071	2,216	3,326	3,035	2,299
Total	4,252	2,967	3,848	3,872	2,554
Number of Bedrooms					
Studio - (Zero Bedroom)	486	608	575	536	574
One Bedroom	1,656	827	1,869	1,345	835
Two Bedrooms	1,375	892	861	1,036	611
Three Bedrooms	673	576	521	836	449
Four or More Bedrooms	62	64	22	119	85
Total	4,252	2,967	3,848	3,872	2,554

Multifamily Occupancy: Mixed Income Program Conversion Projects

Last Ten Fiscal Years

	2016	2017	2018	2019	2020
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

	2021	2022	2023	2024	2025
MIXED INCOME PROGRAM CONVERSION PROJECTS					
Occupancy Type					
Elderly	—	—	129	593	—
Non Elderly Handicapped	—	—	—	71	223
All Other	—	—	339	1,180	1,581
Total	—	—	468	1,844	1,804
Number of Bedrooms					
Studio - (Zero Bedroom)	—	—	12	101	169
One Bedroom	—	—	140	724	592
Two Bedrooms	—	—	210	556	618
Three Bedrooms	—	—	106	392	413
Four or More Bedrooms	—	—	—	71	12
Total	—	—	468	1,844	1,804

Multifamily Summary

Last Ten Fiscal Years (dollars in thousands)

MULTIFAMILY SUMMARY	2016	2017	2018	2019	2020	2021
ACQ/ REHABILITATION PROJECTS						
Number of Units Financed	—	87	129	100	—	—
Loan Amounts	$65,235	$9,675	$15,580	$23,090	—	—
PERMANENT FINANCING PROJECTS						
Number of Units Financed	—	606	385	553	—	—
Loan Amounts	—	$48,034	$65,876	$76,276	—	$12,867
SMALL LOAN PROJECTS						
Number of Units Financed	—	—	—	—	—	—
Loan Amounts	$2,200	—	$3,480	—	—	—
CONDUIT PROJECTS						
Number of Units Financed	1,217	1,016	916	2,155	2,736	4,252
Loan Amounts	$275,338	$290,183	$182,142	$418,085	$789,479	$1,372,620
SPECIAL NEEDS HOUSING PROGRAM						
Number of Units Financed	—	—	433	584	726	792
Loan Amounts	—	$1,200	$13,241	$20,468	$32,860	$25,861
MENTAL HEALTH SERVICES ACT HOUSING PROGRAM (MHSA)						
Number of Units Financed	910	227	298	20	—	—
Loan Amounts	$28,856	$14,419	$2,454	$2,464	—	—
PERMANENT CONVERSIONS COUNTED IN PRIOR FISCAL YEARS						
Number of Units Financed	383	155	482	170	639	653
Loan Amounts	$25,130	$8,575	$47,990	$14,510	$64,016	$71,823

Multifamily Summary (continued)

Last Ten Fiscal Years (dollars in thousands)

MULTIFAMILY SUMMARY	2022	2023	2024	2025	10 Year Totals
ACQ/ REHABILITATION PROJECTS					
Number of Units Financed	—	—	—	—	759
Loan Amounts	—	—	—	—	$114
FINANCING PROJECTS					
Number of Units Financed	340	—	—	126	2,161
Loan Amounts	$35,145	—	—	$10	$238,208
SMALL LOAN PROJECTS					
Number of Units Financed	—	—	—	—	125
Loan Amounts	—	—	—	—	$5,680
CONDUIT PROJECTS					
Number of Units Financed	2,967	3,848	3,872	2,554	25,533
Loan Amounts	$980,487	$1,397,074	$1,485,659	$962,358	$8,153,424
SPECIAL NEEDS HOUSING PROGRAM					
Number of Units Financed	243	362	32	99	3,336
Loan Amounts	$7,342	$11,067	$2,174	$500	$114,712
MENTAL HEALTH SERVICES ACT HOUSING PROGRAM (MHSA)					
Number of Units Financed	—	—	—	—	1,455
Loan Amounts	—	—	—	—	$48,193
PERMANENT CONVERSIONS COUNTED IN PRIOR FISCAL YEARS					
Number of Units Financed	635	808	741	1,114	5,780
Loan Amounts	$38,032	$110,790	$116,010	$241,455	$738,331

Multifamily Summary (continued)

Last Ten Fiscal Years (dollars in thousands)

MULTIFAMILY SUMMARY	2016	2017	2018	2019	2020	2021
MIXED INCOME PROGRAM CONVERSIONS COUNTED IN PRIOR FISCAL YEARS						
Number of Units Financed	—	—	—	—	—	—
Loan Amounts	—	—	—	—	—	—
NET LENDING PRODUCTION UNITS						
Closed Loans - All Programs	2,993	2,156	2,728	3,582	4,101	5,697
Construction Loans Closed	—	—	684	1,043	1,563	3,874
Construction to Permanent Financing Unit Adjustment	—	—	—	(1,043)	(1,516)	(3,874)
Permanent Conversions Counted in Prior Fiscal Years	(383)	(155)	(375)	(170)	(639)	(653)
Mixed Income Program Conversions Counted in Prior Fiscal Years	—	—	—	—	—	—
Number of Units Financed - Net Production	2,610	2,001	2,689	3,412	3,509	5,044
NET PRODUCTION LOAN AMOUNTS						
Closed Loans - All Programs	$396,759	$372,086	$330,763	$554,893	$886,355	$1,483,170
Construction Loans Closed	—	—	75,217	78,448	108,141	323,749
Permanent Conversions Counted in Prior Fiscal Years	—	—	—	(14,510)	(64,016)	(71,823)
Mixed Income Program Conversions Counted in Prior Fiscal Years	—	—	—	—	—	—
Loan Amounts - Net Production	$396,759	$372,086	$405,979	$618,831	$930,479	$1,735,097

Multifamily Summary (continued)

Last Ten Fiscal Years (dollars in thousands)

MULTIFAMILY SUMMARY	2022	2023	2024	2025	10 Year Totals
MIXED INCOME PROGRAM CONVERSIONS COUNTED IN PRIOR FISCAL YEARS					
Number of Units Financed	—	468	1,844	1,804	4,116
Loan Amounts	—	$21,688	$72,110	$67,403	$161,200
NET LENDING PRODUCTION UNITS					
Closed Loans - All Programs	4,185	5,486	6,489	5,697	43,114
Construction Loans Closed	3,517	4,210	4,060	2,008	20,959
Construction to Permanent Financing Unit Adjustment	(3,517)	(4,210)	(4,060)	(2,008)	(20,576)
Permanent Conversions Counted in Prior Fiscal Years	(635)	(808)	(741)	(1,114)	(5,673)
Mixed Income Program Conversions Counted in Prior Fiscal Years	—	(468)	(1,844)	(1,804)	(4,116)
Number of Units Financed - Net Production	3,550	4,210	3,904	2,779	33,708
NET LENDING LOAN AMOUNTS					
Closed Loans - All Programs	$1,061,005	$1,540,618	$1,675,953	$1,271,726	$9,573,328
Construction Loans Closed	$379,350	$376,928	$331,869	$153,056	$1,826,758
Permanent Conversions Counted in Prior Fiscal Years	($38,032)	($110,790)	($116,010)	($241,455)	($656,636)
Mixed Income Program Conversions Counted in Prior Fiscal Years	—	($21,688)	($72,110)	($67,403)	($161,200)
Loan Amounts - Net Production	$1,402,324	$1,785,069	$1,819,702	$1,115,924	$10,582,250

Summary - Multifamily Loans in Portfolio at Year End as of June 30

Last Ten Fiscal Years (dollars in thousands)

MULTIFAMILY PORTFOLIO YEAR END	2016	2017	2018	2019	2020
SUMMARY OF PROJECTS					
Section 8 Projects	93	88	82	78	64
Non-Section 8 Projects	297	318	322	315	323
Mental Health S A Projects	129	136	153	176	177
Section 8 Projects Monitored by PBCA	23	28	31	29	32
Total Projects	542	570	588	598	596
SUMMARY OF UNITS					
Section 8 Projects - CalHFA Regulated					
Occupied Units	6,080	5,383	4,742	4,369	3,969
Vacant Units	75	70	143	188	46
Non-Section 8 Projects - CalHFA Regulated					
Occupied Units	6,467	7,286	7,524	7,681	8,504
Vacant Units	164	204	591	253	178
Total CalHFA Regulated Units	12,786	12,943	13,000	12,491	12,697
Mental Health Services Act (MHSA)	1,911	2,006	2,189	2,779	2,808
Non-CalHFA Regulated Units	19,970	21,787	23,068	22,897	22,587
Non-Regulated Market Rate Units	4,440	4,440	4,330	4,660	4,660
Section 8 Projects Monitored by PBCA	1,480	2,190	2,301	2,134	2,124
Total All Units	40,587	43,366	44,888	44,961	44,876

Summary - Multifamily Loans in Portfolio at Year End as of June 30 (continued)

Last Ten Fiscal Years (dollars in thousands)

MULTIFAMILY PORTFOLIO YEAR END	2021	2022	2023	2024	2025
SUMMARY OF PROJECTS					
Section 8 Projects	10	10	41	41	41
Non-Section 8 Projects	409	315	391	438	438
Mental Health S A Projects	177	180	207	176	180
Section 8 Projects Monitored by PBCA	53	93	—	—	—
Total Projects	649	598	639	655	659
SUMMARY OF UNITS					
Section 8 Projects - CalHFA Regulated					
Occupied Units	680	611	325	399	518
Vacant Units	8	9	247	164	18
Non-Section 8 Projects - CalHFA Regulated					
Occupied Units	8,685	8,743	10,608	13,174	14,041
Vacant Units	268	333	726	1,210	1,353
Total CalHFA Regulated Units	9,641	9,696	11,906	14,947	15,930
Mental Health Services Act (MHSA)	2,808	2,837	3,167	2,887	2,832
Non-CalHFA Regulated Units	21,494	24,591	26,918	24,176	27,839
Non-Regulated Market Rate Units	4,660	4,660	4,660	4,716	2,513
Section 8 Projects Monitored by PBCA	5,451	3,411	—	—	—
Total All Units	44,054	45,195	46,651	46,726	49,114

Section 8 - CalHFA Regulated Units: Tenant Family Income and Monthly Rent

Last Ten Fiscal Years (dollars in thousands)

SECTION 8 INCOME AND RENT	2016	2017	2018	2019	2020
ANNUAL FAMILY INCOME					
Less than $5,001	387	319	311	256	219
5,001 to 7,500	273	266	253	207	163
7,501 to 10,000	369	377	304	290	229
10,001 to 12,500	2,555	2,195	1,888	1,684	1,589
12,501 to 15,000	464	406	355	360	355
15,001 to 20,000	1,053	916	757	765	642
More than $20,000	979	904	876	807	772
TOTAL PROJECTS	6,080	5,383	4,744	4,369	3,969
MONTHLY TENANT RENT					
Less than $51	385	321	332	268	244
51 to 100	237	233	231	202	146
101 to 150	271	252	199	219	186
151 to 200	435	434	360	322	250
201 to 250	1,833	1,653	1,312	1,014	801
251 to 300	863	655	657	777	868
301 to 400	663	619	553	539	448
401 to 500	711	587	475	458	479
More than $500	682	629	625	570	547
TOTAL	6,080	5,383	4,744	4,369	3,969

Section 8 - CalHFA Regulated Units: Tenant Family Income and Monthly Rent (continued)

Last Ten Fiscal Years (dollars in thousands)

SECTION 8 INCOME AND RENT	2021	2022	2023	2024	2025
ANNUAL FAMILY INCOME					
Less than $5,001	18	31	19	35	65
5,001 to 7,500	19	10	2	8	2
7,501 to 10,000	36	22	13	13	16
10,001 to 12,500	246	177	24	53	45
12,501 to 15,000	119	107	189	173	245
15,001 to 20,000	115	100	35	46	69
More than $20,000	127	164	43	71	76
TOTAL PROJECTS	680	611	325	399	518
MONTHLY TENANT RENT					
Less than $51	21	31	18	34	65
51 to 100	12	7	6	13	9
101 to 150	22	24	5	14	19
151 to 200	76	23	3	14	23
201 to 250	84	62	11	79	65
251 to 300	168	174	22	95	100
301 to 400	96	71	201	65	149
401 to 500	85	68	19	34	37
More than $500	116	151	40	51	51
TOTAL	680	611	325	399	518

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	2016	2017	2018	2019	2020
ANNUAL FAMILY INCOME					
Less than $5,001	239	258	274	248	250
5,001 to 7,500	146	152	166	171	135
7,501 to 10,000	245	289	289	278	277
10,001 to 12,500	1,346	1,594	1,660	1,721	1,723
12,501 to 15,000	458	506	510	468	701
15,001 to 20,000	1,135	1,202	1,216	1,183	1,309
More than $20,000	2,898	3,285	3,413	3,612	4,109
TOTAL PROJECTS	6,467	7,286	7,528	7,681	8,504
MONTHLY TENANT RENT					
Less than $51	138	148	154	162	195
51 to 100	96	111	131	129	127
101 to 150	122	141	151	167	278
151 to 200	260	283	298	303	336
201 to 250	600	705	717	719	722
251 to 300	416	563	659	693	699
301 to 400	475	568	556	567	645
401 to 500	604	665	640	636	735
More than $500	3,756	4,102	4,221	4,304	4,767
TOTAL	6,467	7,286	7,527	7,680	8,504

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	2021	2022	2023	2024	2025
ANNUAL FAMILY INCOME					
Less than $5,001	312	462	842	1,384	1,632
5,001 to 7,500	278	121	298	417	453
7,501 to 10,000	251	264	509	759	793
10,001 to 12,500	1,628	1,342	1,593	1,864	1,340
12,501 to 15,000	701	724	1,834	3,178	4,791
15,001 to 20,000	1,253	911	956	1,635	2,577
More than $20,000	4,262	4,919	4,576	3,937	2,455
TOTAL PROJECTS	8,685	8,743	10,608	13,174	14,041
MONTHLY TENANT RENT					
Less than $51	172	282	594	992	1,208
51 to 100	89	107	158	267	398
101 to 150	226	133	261	369	330
151 to 200	473	218	437	624	550
201 to 250	688	572	957	1,291	879
251 to 300	525	630	808	864	1,796
301 to 400	791	503	527	994	3,325
401 to 500	825	461	913	1,370	1,301
More than $500	4,896	5,837	5,953	6,403	4,254
TOTAL	8,685	8,743	10,608	13,174	14,041

Regulatory Agreement End Date

Units Affected

FISCAL YEAR	SECTION 8	CALHFA OTHER LOW INCOME	TOTAL
2024 - 2025	—	179	179
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	157	38	195
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 - 2051	—	3,141	3,141
2051 - >>>>	—	1,238	1,238
Total	536	15,394	15,930

Projected Use of Revenue Bonding Authority

Aggregate Principal Amount Of CalHFA Debt Outstanding
Current Actual And Estimated Future Amounts

	AMOUNTS AUTHORIZED
Amounts Authorized by Statue as of 6/30/2025	
Authorized by Chapter 7	$13,150,000,000
Amount Outstanding (non-conduits) as of 6/30/2025	433,915,000
Amount Outstanding (conduits) as of 6/30/2024[1]	6,824,699,029
Total Outstanding as of 6/30/2025	$7,258,614,029
Balance of Remaining Authority as of 6/30/2025	$5,891,385,971
Estimated Increases in Aggregate Principal Amount of CalHFA Bonds Outstanding for FY 2025-2026	
New Single Family Bonds	$150,000,000
New Multifamily Bonds	1,400,000,000
TOTAL NEW BONDS	$1,550,000,000
Estimated Decreases During FY 2025-2026	
(Retirement of Bonds Not Being Refunded)	$1,100,000,000
Net increase estimated for FY 2025-2026	2,650,000,000
Estimated Remaining Authority as of 6/30/2025	
Authorized by Chapter 7	$3,241,385,971

[1] Starting fiscal year 2013-14 the outstanding indebtedness does not include indebtedness associated with conduit deals.

CalHFA Capital Assets

Last Ten Fiscal Years (dollars in thousands)

	2016	2017	2018	2019	2020
Data processing equipment & office furniture	$1,546	$1,249	$1,286	$1,322	$1,218
Leased buildings	—	—	—	—	—
Total capital assets being depreciated/ amortized	$1,546	$1,249	$1,286	$1,322	$1,218
Less accumulated depreciation for					
Data processing equipment & office furniture	$792	$662	$634	$728	$758
Leased buildings	—	—	—	—	—
Total accumulated depreciation and amortization	$792	$662	$634	$728	$758
Capital assets, net	$754	$587	$652	$594	$460

CalHFA Capital Assets (continued)

Last Ten Fiscal Years (dollars in thousands)

	2021	2022	2023	2024	2025
Data processing equipment & office furniture	$1,393	$930	$868	$599	$706
Leased buildings	—	27,990	27,990	27,987	27,987
Total capital assets being depreciated/ amortized	$1,393	$28,920	$28,858	$28,586	$28,693
Less Accumulated depreciation for					
Data processing equipment & office furniture	$794	$310	$231	$368	$223
Leased buildings [1]	—	—	2,529	5,055	9,641
Total accumulated depreciation and amortization	$794	$310	$2,760	$5,423	$9,864
Capital assets, net	$599	$28,610	$26,098	$23,163	$18,829

[1] 2022 Leased Buildings beginning balance as restated per GASB 87 implementation.

Number of CalHFA Employees

Last Ten Fiscal Years

	2016	2017	2018	2019	2020
Divisions					
Executive	7	7	5	5	4
General Counsel	16	12	12	12	12
Financing & Fiscal Services	51	45	39	36	36
Administration	18	16	16	17	16
Information Technology	18	18	19	16	18
Marketing	6	7	6	8	8
Loan Servicing	23	23	Combined with SFL	N/A	N/A
Multifamily & Asset Management	47	50	49	43	37
Enterprise Risk Management	N/A	N/A	11	7	N/A
Single Family Lending (SFL)	46	41	51	47	44
Total	231	219	208	191	175

Number of CalHFA Employees (continued)

Last Ten Fiscal Years

	2021	2022	2023	2024	2025
Divisions					
Executive	4	8	4	6	3
General Counsel	12	12	13	14	14
Financing & Fiscal Services	32	32	34	36	41
Administration	14	15	12	13	15
Information Technology	20	20	23	26	26
Marketing	8	7	9	8	8
Loan Servicing	N/A	N/A	N/A	N/A	N/A
Multifamily & Asset Management	35	36	32	35	34
Enterprise Risk Management	N/A	N/A	5	6	11
Single Family Lending (SFL)	45	43	38	39	42
Total	170	173	170	183	194

Source: CalHFA Administration Division
Staffing levels are based on actual number of permanent employees as of June 30 each year.

California Industry Number of Employees by Size Category

Last Ten Fiscal Years

	2015	2016	2017	2018	2019
INDUSTRY					
Agriculture, Forestry, Fishing, Hunting	$471,566	$474,766	$473,554	$475,503	$478,758
Mining	25,668	21,218	20,130	20,545	20,133
Utilities	57,577	58,008	57,766	56,571	56,499
Construction	748,872	789,841	830,446	880,556	908,159
Manufacturing	1,303,651	1,304,915	1,318,709	1,337,213	1,333,653
Wholesale Trade	719,576	718,853	723,984	701,831	694,166
Retail Trade	1,645,332	1,654,247	1,670,450	1,673,554	1,643,399
Transportation and Warehousing	488,428	517,790	553,571	592,578	635,648
Information	486,838	517,275	526,390	542,792	562,689
Finance and Insurance	523,933	540,844	544,423	541,035	540,286
Real Estate and Rental and Leasing	271,617	278,001	285,957	296,584	305,824
Services	7,247,138	7,442,898	7,630,490	7,888,061	8,077,285
Nonclassifiable Establishment	102,851	119,680	82,201	12,948	1,543
Federal, State and Local Government	2,388,336	2,434,565	2,346,343	2,366,731	2,390,055
TOTAL FOR ALL INDUSTRIES	$15,992,052	$16,481,383	$16,872,901	$17,064,414	$17,648,097

California Industry Number of Employees by Size Category (continued)

Last Ten Years

	2020	2021	2022	2023	2024
INDUSTRY					
Agriculture, Forestry, Fishing, Hunting	$450,194	$404,736	$396,541	$477,799	$463,539
Mining	16,690	16,980	17,402	17,134	16,488
Utilities	59,009	60,113	62,469	65,028	67,126
Construction	861,502	896,376	912,111	932,718	926,472
Manufacturing	1,259,018	1,299,211	1,341,547	1,337,824	1,252,346
Wholesale Trade	634,092	660,675	673,841	667,952	657,216
Retail Trade	1,503,656	1,659,808	1,650,348	1,597,706	1,574,732
Transportation and Warehousing	652,616	773,084	794,536	745,276	747,937
Information	513,216	587,668	605,429	538,655	535,018
Finance and Insurance	532,862	544,205	528,784	507,658	496,691
Real Estate and Rental and Leasing	273,053	302,754	310,240	305,399	305,487
Services	6,909,280	7,968,242	8,310,307	8,364,745	8,557,683
Nonclassifiable Establishment	1,364	3,878	1,760	8,347	3,302
Federal, State and Local Government	2,276,430	2,454,756	2,518,775	2,461,209	2,550,468
TOTAL FOR ALL INDUSTRIES	$15,942,982	$17,632,486	$18,124,090	$18,027,450	$18,154,505

Source: California Employment Development Department, as of Q3 2024

California Population, Income, and Employment

Last Ten Years

YEAR	POPULATION (IN THOUSANDS)	PERSONAL INCOME (IN MILLIONS)	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
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	39,199	$3,182,779	$81,196	4.8%
2024	39,431	$3,400,237	$86,232	5.8%

Source: Bureau of Economic Analysis, California EDD. Data available through 2024

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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

HOMRB: Homeowner 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

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	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.
HSC 50952(d)	Statistical Section	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.
HSC 50952(e)	Statistical Section	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.
HSC 50952(f)	Statistical Section	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.

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, 2025, 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 2024-25, CalHLIF insured no new mortgages. As of December 31, 2024, there were 131 active mortgage certificates. During the year, three claims were received totaling $0.21 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, 2024, there were 11 insured loans totaling $2.09 million reported delinquent 120+ days.
HSC 51005(b)(8)	Statistical Section	In Fiscal Year 2024-25 the Agency securitized 158 Manufactured homes, bringing the total to 2,503 manufactured homes financed since 1983.

Statutory Requirements (continued)

Government Code	Section	Sub-Section/ Table Name
HSC 51005(b)(9) HSC 51005(c) HSC 51365	Statistical Section	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 26 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, 2025 was $33.2 million. This value represents the payments the Agency would receive from its counterparties in the event the swaps were terminated.
HSC 51005(b)(10) HSC 51005(d)	Statistical Section	The MyHome Assistance Program provides down payment assistance and is available in rural areas throughout California.
HSC 51005(b)(15) HSC 51218	Statistical Section	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.
HSC 51342(a)	Statistical Section	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.

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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 delivery of the Offered Bonds, Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Agency, proposes to deliver its approving opinion in substantially the following form:

[Closing Date], 2026

California Housing Finance Agency
Sacramento, California

California Housing Finance Agency
Affordable Housing Revenue Bonds,
2026 Series A
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the California Housing Finance Agency (the "Agency") in connection with the issuance of $_____ aggregate principal amount of California Housing Finance Agency Affordable Housing Revenue Bonds, 2026 Series A (the "Bonds"), issued pursuant to an indenture, dated as of August 1, 2023, as supplemented, between the Agency and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as further supplemented by a supplemental indenture, dated as of July 1, 2026, between the Agency and the Trustee (collectively, the "Indenture"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

In such connection, we have reviewed the Indenture, the tax certificate executed by the Agency, dated the date hereof (the "Tax Certificate"), the regulatory agreements executed by the Borrowers of the Borrower Loans financed with the proceeds of the Bonds (collectively, the "Regulatory Agreements"), opinions of counsel to the Agency and the Trustee, certificates of the Agency, the Trustee and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after original delivery of the Bonds on the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after original delivery of the Bonds on the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. We disclaim any obligation to update this letter. We have assumed that each document and each signature thereon provided to us is genuine and that each such document has been duly and legally executed by, and constitutes a valid and binding agreement of each party thereto other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture, the Tax Certificate and the Regulatory Agreements, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Indenture and the Tax Certificate

and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the assets described in or as subject to the lien of the Indenture or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no view with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute the valid and binding limited obligations of the Agency.

2. The Indenture has been duly executed and delivered by, and constitutes the valid and binding agreement of, the Agency. The Indenture creates a valid pledge, to secure the payment of the principal of and interest on the Bonds, of the Trust Estate pledged therefor under the Indenture, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture.

3. The Bonds are not a lien or charge upon the funds or property of the Agency except to the extent of the aforementioned pledge. Neither the faith and credit nor the taxing power of the State of California or of any political subdivision thereof is pledged to the payment of the principal of or interest on the Bonds. The Bonds are not a debt of the State of California, and said State is not liable for the payment thereof.

4. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), except that no opinion is expressed as to the status of interest on any Bond for any period that such Bond is held by a "substantial user" of the facilities financed or refinanced by the Bonds or by a "related person" within the meaning of Section 147(a) of the Code. Interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Interest on the Bonds is exempt from State of California personal income taxes. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

The Depository Trust Company ("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 each series and maturity of the Offered Bonds, totaling in the aggregate the principal amount of the Offered Bonds of each series, and will be deposited with DTC.

DTC 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 3.5 million 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, thereby eliminating 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," and together with Direct Participants, "Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission.

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 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 & Co., 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 & Co. 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.

Redemption notices shall be sent to DTC. If less than all of a series, maturity and CUSIP number of the Offered Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series, maturity and CUSIP number of the Offered Bonds to be redeemed.

Neither DTC nor Cede & Co. (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 MMI 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 & Co.'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).

Principal and interest payments on the Offered Bonds will be made to Cede & Co. 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 the 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 Underwriters, 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 & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Agency or the Trustee, 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.

The requirement for physical delivery of the Offered Bonds in connection with a mandatory purchase will be deemed satisfied when the ownership rights in the applicable Offered Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of applicable tendered Offered Bonds to the Tender Agent's DTC account.

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. The Agency may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, the applicable Offered Bond certificates will be printed and delivered to DTC.

The information herein concerning DTC and DTC's book-entry system has been obtained from sources that the Agency and the Underwriters believe to be reliable, but neither the Agency nor the Underwriters take any responsibility for the accuracy thereof.

Each person for whom a Participant acquires an interest in the Offered Bonds, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all notices of redemption or other communications to DTC, which may affect such persons, to be forwarded in writing by such Participant and to have notification made of all interest payments. NEITHER THE AGENCY, THE

UNDERWRITERS NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE OFFERED BONDS.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the Trustee to DTC only.

For every transfer and exchange of Offered Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

The Agency, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Offered Bonds if the Agency determines that (i) DTC is unable to discharge its responsibilities with respect to the Offered Bonds of such Series, or (ii) a continuation of the requirement that all of the Bonds Outstanding be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, is not in the best interests of the Beneficial Owners. In the event that no substitute securities depository is found by the Agency or restricted registration is no longer in effect, the applicable Offered Bond certificates will be delivered as described in the Indenture.

NONE OF THE AGENCY, THE UNDERWRITERS NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (II) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE OFFERED BONDS UNDER THE INDENTURE; (III) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE OFFERED BONDS; (IV) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE OFFERED BONDS; (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE OFFERED BONDS; OR (VI) ANY OTHER MATTER.

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APPENDIX F-1

THE CALIFORNIA HOUSING FINANCE AGENCY'S SUSTAINABILITY BOND DESIGNATION AND SUMMARY OF THE 2026 SERIES A PROJECTS

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SUSTAINABILITY BOND DESIGNATION AND SUMMARY OF SUSTAINABILITY PROJECTS

Sustainability Bond Designation

CalHFA is designating the Offered Bonds as "Sustainability Bonds" pursuant to the Second-Party Opinion from S&P Global Ratings, a division of Standard & Poor's Financial Services LLC, attached as APPENDIX F-3 to the Official Statement and based on the intended use of proceeds to finance affordable multifamily rental housing developments benefitting from allocations of low income housing tax credits and that include energy efficiency features. See Appendix G – "CalHFA Impact Framework" for a discussion of CalHFA's Sustainability Bond designation.

Use of Proceeds. The proceeds of the Bonds will be used by the Agency to refinance fully converted permanent mortgage loans in California. Construction or rehabilitation, as applicable, was originally financed through the Agency's Conduit Issuer Program (defined below), and all such construction or rehabilitation work is complete. See "PLAN OF FINANCING."

The Agency is issuing the Bonds as part of one of its programs (the "Multifamily Programs"), pursuant to which 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. The proceeds of the sale of the Bonds will provide permanent financing for such developments. See APPENDIX H – "THE AGENCY—MULTIFAMILY PROGRAMS."

2026 Series A Sustainability Projects

Sarah's Court. Sarah's Court Apartments, located in Fresno County, is a new construction, family mixed-income housing project consisting of 120 total units (119 units available for low-income families with a range of restricted rents between 30% and 70% of the Fresno County AMI and one manager's unit, a one-bedroom unit). The development consists of four (three-story) residential walk-up buildings, one community building, and 120 parking spaces. There are 60 one-bedroom units, 30 two-bedroom units, and 30 three-bedroom units. Unit amenities include central heating and air, washer/dryer, dishwasher, and garbage disposal. The project includes a community room, fitness room, swimming pool, business center, mail room, and structured play areas. The development is 0.5 miles away from public transit, 0.75 miles from parks and recreation, and 0.75 miles from a grocery store.

Sarah's Court	
Project Type:	New Construction
Location:	Fresno County
Units:	120
Restricted Units:	119
Loan Amount:	$6,364,866
CalHFA Mortgage Programs:	Conduit; MIP
Subsidy Programs:	MIP; HOME; CDBG; PLHA
AMI Bands of Restricted Units:	12 units at 30% AMI 24 units at 50% AMI 71 units at 60% AMI 12 units at 70% AMI
Expected Green Building Standard:	2019 Cal Title 24
Environmental Characteristics:	Water efficient landscaping, ENERGY STAR® appliances, Solar photovoltaic system
Construction Loan Closing:	December 2022
Construction Completion:	March 2025

The Sarah's Court Apartments development is built to the 2019 California Green Building Standard Code Title 24, Part 11. The project includes water efficient landscaping and a rooftop solar photovoltaic system to offset energy usage. All units include Energy Star rated appliances.

California Grand Manor. The California Grand Manor Apartments, located in San Luis Obispo County, is a new construction, senior mixed-income housing project consisting of 76 total units (75 units available for low-income seniors, restricted to individuals 62 years of age or older, with a range of restricted rents between 30% and 80% of the San Luis Obispo County AMI and one manager's unit, a one-bedroom unit). The development consists of one (three-story, elevator serviced) building and 68 parking spaces. There are 12 studio units, 58 one-bedroom units, and 6 two-bedroom units. Unit amenities include central heating and air, dishwasher, garbage disposal, and cable/satellite/internet. The project includes a clubhouse/meeting room/community room, courtyard, elevators, central laundry facilities, on-site management, and security feature of limited access and intercom system. The development is 0.33 miles away from public transit, 0.33 miles from parks and recreation, 0.33 miles from an urgent care facility, and 1 mile from a grocery store and pharmacy.

California Grand Manor	
Project Type:	New Construction
Location:	San Luis Obispo County
Units:	76
Restricted Units:	75
Loan Amount:	$6,183,589
CalHFA Mortgage Programs:	Conduit; MIP
Subsidy Programs:	MIP
AMI Bands of Restricted Units:	8 units at 30% AMI 15 units at 50% AMI 44 units at 60% AMI 8 units at 80% AMI
Expected Green Building Standard:	2019 Cal Title 24
Environmental Characteristics:	Water efficient landscaping, ENERGY STAR® appliances, Solar photovoltaic system
Construction Loan Closing:	December 2022
Construction Completion:	April 2025

The California Grand Manor Apartments development is built to the 2019 California Green Building Standard Code Title 24, Part 11. The project includes water efficient landscaping and a rooftop solar photovoltaic system to offset energy usage. All units include Energy Star rated appliances.

Alamo Street. The Alamo Street Apartments, located in Ventura County, is a new construction, family mixed-income housing project consisting of 271 total units (268 units available for low-income families with a range of restricted rents between 30% and 80% of the Ventura County AMI and three two-bedroom units for onsite property managers). The development consists of one (three-story, over a podium level, for a total of four-stories) elevator serviced residential building and 611 total parking spaces reserved for tenants, guests, and staff (550 spaces will be located under the podium and remaining 61 spaces will be surface parking). There are 138 two-bedroom units, 91 three-bedroom units, and 42 four-bedroom units. Unit amenities include central heating and air, dishwasher, and garbage disposal. The project includes a leasing office, community room, fitness room, central laundry rooms, picnic area, and playground. The development is 0.07 miles away from public transit, 0.57 miles from schools, 0.5 miles from parks and recreation, and 0.56 miles from a grocery store.

Alamo Street	
Project Type:	New Construction
Location:	Ventura County
Units:	271
Restricted Units:	268
Loan Amount:	$61,000,000
CalHFA Mortgage Programs:	Conduit; MIP
Subsidy Programs:	MIP
AMI Bands of Restricted Units:	27 units at 30% AMI 27 units at 50% AMI 162 units at 60% AMI 52 units at 80% AMI
Expected Green Building Standard:	2019 Cal Title 24
Environmental Characteristics:	Water efficient landscaping, ENERGY STAR® appliances
Construction Loan Closing:	May 2022
Construction Completion:	November 2024

The Alamo Street Apartments development is built to the 2019 California Green Building Standard Code Title 24, Part 11. The project includes water efficient landscaping. All units include Energy Star rated appliances.

Fiddyment Apartments. The Fiddyment Apartments, located in Placer County, is a new construction, family mixed-income housing project consisting of 330 total units (326 units available for low-income families with a range of restricted rents between 30% and 80% of the Placer County AMI and four managers' units of which two are two-bedroom and two are three-bedroom). The development consists of eleven (three-story) residential walk-up buildings, one community building, and 577 parking spaces. There are 162 one-bedroom units, 84 two-bedroom units, and 84 three-bedroom units. Unit amenities include central heating and air, dishwasher, and garbage disposal. The project includes a community room, swimming pool, playground, half basketball court, exercise room, picnic area, and central laundry facilities. The development is 2.3 miles away from public transit, 0.5 miles from parks and recreation, 1 to 2 miles from schools, and 2.3 miles from a grocery store.

Fiddyment Apartments	
Project Type:	New Construction
Location:	Placer County
Units:	330
Restricted Units:	326
Loan Amount:	$38,566,525
CalHFA Mortgage Programs:	Conduit; MIP
Subsidy Programs:	MIP
AMI Bands of Restricted Units:	33 units at 30% AMI 66 units at 50% AMI 148 units at 60% AMI 79 units at 80% AMI
Expected Green Building Standard:	2019 Cal Title 24
Environmental Characteristics:	Water efficient landscaping, ENERGY STAR® appliances, Solar photovoltaic system
Construction Loan Closing:	December 2022
Construction Completion:	March 2025

The Fiddyment Apartments development is built to the 2019 California Green Building Standard Code Title 24, Part 11. The project includes water efficient landscaping and a rooftop solar photovoltaic system to offset energy usage. All units include Energy Star rated appliances.

8181 Allison. 8181 Allison, located in San Diego County, is a new construction, family mixed-income housing project consisting of 147 total units (146 units available for low-income families with a range of restricted rents between 30% and 70% of the San Diego County AMI and one manager's unit, a two-bedroom unit). The development consists of one (four-story) elevator serviced building (over a podium level) and 117 parking spaces. There are 103 one-bedroom units and 44 two-bedroom units. Unit amenities include central heating and air, dishwasher, and garbage disposal. The project includes a community room, swimming pool and jacuzzi, exercise room, picnic area, computer room, rooftop lounge, dog washing station, and central laundry facilities. The development is 0.07 miles away from public transit, 0.36 miles from parks and recreation, 0.36 to 2.95 miles from schools, and 0.2 miles from a grocery store.

8181 Allison	
Project Type:	New Construction
Location:	San Diego County
Units:	147
Restricted Units:	146
Loan Amount:	$24,485,000
CalHFA Mortgage Programs:	Conduit; MIP
Subsidy Programs:	MIP
AMI Bands of Restricted Units:	30 units at 30% AMI 30 units at 50% AMI 86 units at 70% AMI
Expected Green Building Standard:	2019 Cal Title 24
Environmental Characteristics:	Water efficient landscaping, ENERGY STAR® appliances, Solar photovoltaic system
Construction Loan Closing:	December 2022
Construction Completion:	August 2025

The 8181 Allison development is built to the 2019 California Green Building Standard Code Title 24, Part 11. The project includes water efficient landscaping and a rooftop solar photovoltaic system to offset energy usage. All units include Energy Star rated appliances.

Shiloh Terrace. Shiloh Terrace, located in Sonoma County, is a new construction, mixed-income housing project consisting of 134 total units (133 units available for low-income families with a range of restricted rents between 30% and 70% of the Sonoma County AMI and one manager's unit, a three-bedroom unit). The development consists of one three-story building and one four-story building (both elevator serviced) and 145 parking spaces. There are 6 two-bedroom units and 128 three-bedroom units. Unit amenities include central heating and air, dishwasher, and garbage disposal. The project includes a community room, exercise facility, computer room, business center, central laundry facilities, on-site management, and recreation areas. The development is 0.1 miles away from public transit, 0.1 miles from parks and recreation, 1.3 miles from schools, and 2.1 miles from a grocery store.

Shiloh Terrace	
Project Type:	New Construction
Location:	Sonoma County
Units:	134
Restricted Units:	133
Loan Amount:	$33,500,000
CalHFA Mortgage Programs:	Conduit; MIP
Subsidy Programs:	MIP
AMI Bands of Restricted Units:	14 units at 30% AMI 14 units at 50% AMI 49 units at 60% AMI 56 units at 70% AMI
Expected Green Building Standard:	2019 Cal Title 24, GreenPoint Gold
Environmental Characteristics:	Water efficient landscaping, ENERGY STAR® appliances, 100% Electric with solar car port
Construction Loan Closing:	January 2022
Construction Completion:	February 2025

The Shiloh Terrace development is built to the 2019 California Green Building Standard Code Title 24, Part 11 and is certified GreenPoint Gold. The project is 100% electric and includes water efficient landscaping and solar car port. All units include Energy Star rated appliances.

Project Evaluation and Selection. As part of its process for approving a project for financing through its Programs, the Agency, CDLAC, and CTCAC review whether or not such project is expected to provide safe, quality housing at rent levels which low and moderate income individuals and families can afford. The project evaluation and selection process incorporates a thorough review of risks and mitigants which includes reviewing any social and environmental risks. Within CalHFA, developments are reviewed and underwritten by multifamily staff within the Multifamily Programs Division, pursuant to the relevant loan program, and are then presented to the Agency's Senior Loan Committee and/or Board for loan approval.

Applicants were required to demonstrate that the applicable project will, at a minimum, satisfy the 2019 California Green Building Standards Code and provided an executed contract between the applicant and an energy consultant to monitor the design and construction as necessary to meet the program requirements.

Management of Proceeds. Net of certain transaction costs, the proceeds of Sustainability Bonds are transferred to the Agency to refinance Borrower Loans. Other than such application of the proceeds, no additional management of such proceeds is required since the Borrower Loans have previously been made.

Reporting. The proceeds of the Bonds will be used to refinance loans that were originally made prior to the date of issuance of the Bonds. In Appendix F-1, the Agency has provided information (i.e., project names, addresses, development types, total development costs, total units, and associated loan amounts, AMI restricted units, LIHTC allocations, CalHFA Mortgage Programs, Subsidy Programs, Green Building Standard Codes, and applicable environmental characteristics) for each of the Projects. Because the Agency has provided such information and because the proceeds of the Bonds will be spent on the date of issuance of the Bonds to refinance the existing Borrower Loans, there is no additional information to report with respect to the use of the proceeds of the Bonds. For the Agency's continuing disclosure undertaking and other relevant information, see "CONTINUING DISCLOSURE" and APPENDIX I – "FORM OF CONTINUING DISCLOSURE AGREEMENT."

Developments receiving LIHTC have ongoing compliance reporting requirements to ensure that the affordability restrictions are enforced for the term of the bonds and the 15-year LIHTC compliance period. The compliance reporting requirements include form 8609a and form 8703 annual filings with the IRS and periodic reporting to the Agency and other State and local monitoring agencies. Each financed development is subject to a regulatory agreement and a regulatory agency responsible for enforcing that agreement, which will ensure that the project meets the applicable federal, State, and local regulations to mitigate environmental and social risks. These compliance reporting requirements are designed to ensure that the units are rented in accordance with the income limits and rent limits, and that the property condition is properly maintained.

Designation Does Not Involve Provision of Additional Security or Assumption of Special Risk. The term "Sustainability Bonds" is neither defined in nor related to provisions in the Indenture. The use of such term in this Official Statement and the Bonds is for identification purposes only and is not intended to provide or imply that an owner of Bonds so designated, including the Bonds, are entitled to any additional security beyond that provided therefor in the Indenture. Holders of Sustainability Bonds do not assume any specific risk with respect to any of the funded projects by reason of the Bonds being designated as Sustainability Bonds and such Bonds are secured on a parity with all other Parity Bonds issued and to be issued under the Indenture.

2026 Series A Project Summaries

Project Name	Address	New Construction vs. Rehab	Total Development / Rehab Costs	Permanent Borrower Loan Amount	Total Units	Expected Unit Set-Aside Breakdown at or below:							Allocation of LIHTC	CalHFA Mortgage Programs	Subsidy Programs	Title 24 California Building Standard Code	Expected Green Building Standard	Environmental Characteristics
						30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	Mgr						
Sarah's Court Apartments	200 N Salma Ave Fresno, CA 93727-3395 **(Fresno County)**	New Construction	$38,131,465	$6,364,866	120	12	-	24	71	12	-	1	Yes	Conduit; MIP	MIP, HOME, CDBG, PLHA	Yes	2019 Cal Title 24	Water efficient landscaping, ENERGY STAR® appliances, Solar photovoltaic system
California Grand Manor	10167 El Camino Real Atascadero, CA 93422-5531 **(San Luis Obispo County)**	New Construction	$27,583,081	$6,183,589	76	8	-	15	44	-	8	1	Yes	Conduit; MIP	MIP	Yes	2019 Cal Title 24	Water efficient landscaping, ENERGY STAR® appliances, 189kWh Solar photovoltaic system
Alamo Street Apartments	4415 Alamo St Simi Valley, CA 93063-6529 **(Ventura County)**	New Construction	$148,103,609	$61,000,000	271	27	-	27	162	-	52	3	Yes	Conduit; MIP	MIP	Yes	2019 Cal Title 24	Water efficient landscaping, ENERGY STAR® appliances
Fiddyment Apartments	2700 N Hayden Pkwy Roseville, CA 95747-7678 **(Placer County)**	New Construction	$124,519,918	$38,566,525	330	33	-	66	148	-	79	4	Yes	Conduit; MIP	MIP	Yes	2019 Cal Title 24	Water efficient landscaping, ENERGY STAR® appliances, Solar photovoltaic system
Shiloh Terrace	61 and 65 Shiloh Rd. Windsor, CA 95492 **(Sonoma County)**	New Construction	$73,976,664	$33,500,000	134	14		14	49	56	-	1	Yes	Conduit; MIP	MIP	Yes	2019 Cal Title 24	Water efficient landscaping, ENERGY STAR® appliances, certified Green Point Gold, 100% Electric with solar car port.
8181 Allison	8181 Allison Ave La Mesa, CA 91942-5504 **(San Diego County)**	New Construction	$66,352,943	$24,485,000	147	30	-	30	-	86	-	1	Yes	Conduit; MIP	MIP	Yes	2019 Cal Title 24	Water efficient landscaping, ENERGY STAR® appliances. 276.1kWh Solar photovoltaic system
Total			$478,667,680	$170,099,980	1078	**124**	**0**	**176**	**474**	**154**	**139**	**11**						

† **For a description of each Subsidy Program, see APPENDIX G – "DESCRIPTION OF SUBSIDY PROGRAMS AND SUPPLEMENTAL SECURITY."**

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APPENDIX F-2

CALHFA IMPACT FRAMEWORK

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CalHFA IMPACT FRAMEWORK
June 2026

CalHFA Affordable Housing Programs and Mission

Established in 1975, California Housing Finance Agency ("CalHFA" or "the Agency") was chartered as the State's affordable housing lender and continues to serve that purpose. The Agency's mission of investing in diverse communities with financing programs that help more Californians have a place to call home is accomplished through supporting the needs of renters and homebuyers in California by providing financing programs for low- to moderate-income Californians. CalHFA is governed by a 14 member board with extensive experience and expertise across mortgage markets, urban development, housing banking and housing agencies. CalHFA's Board partners with the Agency's senior management to govern CalHFA and to develop its robust formal policies, procedures, and programs.

Summary of Impact Highlights

- ✓ Over the course of its existence, CalHFA has helped more than **233,000 Californians purchase their first home** with a mortgage they can afford and helped build or preserve more than 85,000 affordable homes and apartments for veterans, seniors, those with special needs and families in danger of experiencing homelessness.

- ✓ CalHFA used more than **$1.1 billion in lending activity**, including loan commitments and bond issuances to **create and preserve 2,779 affordable rental units for California families in Fiscal Year 2024-2025**.

- ✓ In fulfilling its mission to create financing programs so more Californians have a place to call home, CalHFA helped **6,955 low- and moderate-income families achieve the dream of homeownership** with more than **$3.1 billion in first mortgages and $277.7 million in down payment/closing costs assistance during Fiscal Year 2024-2025.**

- ✓ CalHFA's production is done in collaboration with public and private partners, and in accordance with fair housing principles.

CalHFA Social and Sustainability Bond Issuances

CalHFA provides financing for its single family and multifamily affordable housing programs through a variety of financing channels including the sale of mortgage loans and through the issuance of bonds and notes. CalHFA designates certain bonds issued to finance single family mortgage loans under its Homeowner Mortgage Revenue Bonds General Indenture ("HMRB" or "HMRB General Indenture") as **Social Bonds** and designates certain bonds issued to finance multifamily rental housing developments under its Affordable Housing Revenue Bond General Indenture ("AHRB" or "AHRB General Indenture") as **Sustainability Bonds** to highlight to investors the social and environmental aspects of CalHFA's programs. The CalHFA Impact Framework does not encompass bond issuances from the CalHFA

Conduit Issuer Program and is unrelated to the CalHFA Social Bond Framework for the Purchase and Financing of Citibank, N.A. Affordable Housing Loans*.

CalHFA's Homeowner Mortgage Revenue Bonds Social Bonds and Affordable Housing Revenue Bonds Sustainability Bonds issuances to date are:

Single Family Division **(Homeowner Mortgage Revenue Bonds)**	**Multifamily Division** **(Affordable Housing 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.	✓ Finances affordable rental housing through partnerships with local jurisdictions, affordable housing developers and other financial institutions.
✓ $130 million **Social Bonds** issued in 2025 (two issuances) ✓ Inaugural **Social Bonds** issuance – March 2025	✓ $505.98 million **Sustainability Bonds** issued from 2023 to 2025 (3 issuances) ✓ Inaugural **Sustainability Bonds** Issuance – August 2023

CalHFA Programs and Alignment to the CalHFA Impact 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 its multifamily program's Sustainability Bonds are aligned with the four core components of the ICMA's Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines. Both programs align with several of the United Nations Sustainable Development Goals ("SDGs").

CalHFA's Impact Framework		
Lending Program	**Single Family Programs**	**Multifamily Programs**
General Indenture	**Homeowner Mortgage Revenue Bonds**	**Affordable Housing Revenue Bonds**
ESG Designation	**Social Bonds**	**Sustainability Bonds**
ICMA Alignment	Social Bond Principles (2023)	Green Bond Principles (2021) Social Bond Principles (2023) Sustainability Bond Guidelines (2021)
Use of Proceeds	- Finance single family mortgage loans for first-time homebuyers through the acquisition of mortgage-backed securities and make down payment and/or closing costs assistance loans	- Finance affordable multifamily rental housing projects that benefit from tax credit allocation and include energy efficiency features

* CalHFA Social Bond Framework for the Purchase and Financing of Citibank, N.A. Affordable Housing Loans (August 2021).

Process for Project Evaluation and Selection	- Meet eligibility criteria under CalHFA's Single Family Program guidelines, procedures, and requirements	- Meet eligibility criteria under the CalHFA's Multifamily Program underwriting standards, set aside requirements, and closing procedures
Management of Proceeds	- Proceeds are deposited in segregated accounts and invested in Investment Obligations until disbursed to purchase mortgage-backed securities or to finance down payment assistance loans	- Proceeds are transferred to the Agency to refinance Borrower Loans. No additional management of such proceeds is required since the Borrower Loans have previously been made
Reporting	- Annual (as of June 30th)	- The Agency has provided information for each of the Projects. There is no additional information to report
UN SDGs		
UN SDG Targets	1.4, 8.10, 10.2, 11.1	1.4, 7.3, 10.2, 11.1

The following pages provide additional details on: I. CalHFA's Single Family Programs, II. CalHFA's Multifamily Programs, III. CalHFA's Governance, and IV. the Second-Party Opinion by S&P Global Ratings on the CalHFA Impact Framework.

I. CALHFA'S SINGLE FAMILY PROGRAM

The purpose of the Agency's Program is to assist low- to moderate-income homebuyers in California in the purchase of 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 its HMRB General Indenture used to finance Program Loans.

Loan Program Information

Below are general summaries of 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.

The Agency offers various types of first mortgage loans and subordinate loans from numerous funding sources. All first mortgage loan programs are intended for the purchase of a single family residence by low- to moderate-income homebuyers (the "Borrower"). First mortgage loans under the

Program include Government Loans (insured by FHA or VA or guaranteed by RD) and Conventional Loans. Subordinate loan programs may be used for down payment assistance and/or closing costs. Subordinate loans under the Program include loans made under the MyHome Assistance Program, the CalHFA Zero Interest Program and the California Dream for All Shared Appreciation Loan Program. Subordinate loans may only be used in conjunction with CalHFA first mortgage loans that are either Government Loans insured by FHA or 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, Conventional Loans, Down Payment Assistance Programs or Special Programs.

CalHFA Down Payment Assistance Programs

MyHome Assistance Program. MyHome offers a simple interest, deferred-payment subordinate loan of an amount up to the lesser of 3.5% of the purchase price or appraised value to assist with down payment and/or closing costs.

MyAccess Assistance Program. MyAccess Assistance program will provide additional assistance for down payment and/or closing costs. The MyAccess loan will be a simple interest, deferred-payment subordinate loan in the amount of 2.5% of the total first mortgage loan amount. The MyAccess loan must be combined with a MyHome assistance loan. Combined, the MyHome and MyAccess Assistance Programs will provide up to 6% down payment and closing cost assistance.

Zero Interest Program. Zero Interest Program (ZIP) provides a zero interest rate, subordinate loan of an amount up to 3% of the first mortgage loan to assist with closing costs only. The term of the ZIP loan matches the term of the first mortgage.

Dream For All Shared Appreciation Loan Program. Dream For All Shared Appreciation Loan (Shared Appreciation Loan) may only be used with a Dream For All Conventional first mortgage, providing first-time homebuyers with up to 20% of the home purchase price to be used for down payment and/or closing costs.

Alignment with the ICMA's Social Bond Principles

CalHFA's **Social Bonds** align with the four core components of the ICMA's Social Bond Principles: (1) Use of Proceeds, (2) Process for Project Evaluation and Selection, (3) Management of Proceeds, and (4) Transparency through Ongoing Reporting.

(1) Use of Proceeds

The proceeds of the **Social Bonds** are used to finance first-mortgage loans 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: 1) detached housing in standard subdivisions and planned unit developments built using conventional construction techniques, 2)

manufactured homes that are taxed as "real estate" and have permanent foundations are acceptable property types, and 3) single unit accessory dwelling units ("ADU"), guest houses, "granny" units and "in-law" quarters that 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 HMRB General Indenture, until disbursed to purchase MBSs or finance DPA Loans under the HMRB General Indenture. All disbursements are tracked by CalHFA.

(4) Reporting

The Agency expects to provide updates regarding the disbursement of the lendable proceeds of the **Social Bonds** for the financing of Underlying Loans backing Mortgage-Backed Securities. However, the specific form and content of such updates are in the absolute discretion of the Agency. The Agency will cease to update such information when the applicable lendable proceeds have been fully expended.

The Agency expects to post such updates 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 updates, this reporting is separate from the Agency's obligations under its Continuing Disclosure Agreement (the "CDA"). Failure by the Agency to provide such updates is not a default or an event of default under the HMRB General Indenture or a failure to perform in accordance with the CDA.

FORM OF SOCIAL BONDS USE OF PROCEEDS 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% - 120%		
120% - 160%		
161% - 200%		
Totals		

† Based on household qualifying income and area median income as defined and determined by Fannie Mae.

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 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 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 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. CALHFA'S MULTIFAMILY PROGRAM

CalHFA offers a variety of loan programs with competitive rates and long-term financing to advance the creation and preservation of affordable housing to help address the unprecedented shortage of affordable rental housing in California. CalHFA Multifamily Programs provide permanent, long-term financing as well as financing for new construction or the acquisition, rehabilitation, and/or development of an existing project. These programs include the CalHFA Tax-Exempt Permanent Loan Program ("Tax-Exempt Loan Program") and the CalHFA Conduit Issuer Program ("Conduit Issuer Program"), each of which provide long-term financing, and both of which may be paired with CalHFA's Mixed-Income Loan Program ("MIP") where the Agency is the first-lien permanent lender. CalHFA may designate as **Sustainability Bonds** certain bonds issued under its AHRB General Indenture used to finance multifamily rental housing developments.

Projects financed under these programs are required to set aside units for households with incomes at or below a specified percentage of area median income ("AMI"), with adjustments for household size. Certain projects financed by the Agency receive equity financing from non-governmental parties in connection with the allocation of federal or State low income housing tax credits ("LIHTC") and subsidy financing under various federal, State, and local county and city subsidy and subordinate loan programs. These subsidy programs are described below under "Tax Credit Subsidy for Affordable Housing through California Tax Credit Allocation Committee ("CTCAC") Qualified Allocation Plan ("QAP")" and "Additional Subsidy Programs."

To be eligible for financing, tax-exempt bond authority must be obtained from the California Debt Limit Allocation Committee ("CDLAC") or through a 501(c)(3) exemption. Additionally, the loan may be used with or without 4% LIHTC applied for through the California Tax Credit Allocation Committee.

CalHFA Tax-Exempt Permanent Loan Program. CalHFA's Tax-Exempt Permanent Loan Program provides competitive tax-exempt, long-term financing for affordable multifamily rental housing projects. Occupancy requirements involve maintaining the greater of: (a) existing affordability restrictions; or (b) either: (i) at least 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of AMI or (ii) at least 40% of the units must be rent restricted and occupied by individuals whose income is 60% or less of AMI; provided, however, in the case of (b)(ii), a minimum of 10% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of AMI.

CalHFA Conduit Issuer Program (Conduit). The CalHFA Conduit Issuer Program provides developers with access to tax-exempt and taxable bonds to finance projects that provide affordable multifamily rental housing for individuals, families, seniors, veterans or special needs tenants. The conduit bonds may be used to finance the acquisition, rehabilitation, and/or development of an existing project, or the construction of a new project. Occupancy restrictions require either: (a) at least 20% of the units must be rent restricted and occupied by individuals earning 50% or less of AMI, or (b) at least 40% of the units must be rent restricted and occupied by individuals earning 60% or less of AMI; provided, however, in the case of (b)(ii), a minimum of 10% of the units must be rent restricted and occupied by individuals earning 50% or less of AMI.

Mixed-Income Loan Program (MIP). The CalHFA MIP provides competitive, long-term, subordinate financing for new construction of multifamily housing projects that restrict units to rent levels between 30% and 120% of AMI. MIP affordability set-aside requirements vary from year-to-year. For 2024, eligible projects must reserve at least: (a) 10% of total units at or below 30% of AMI, (b) 20% of total units at or below 50% of AMI; (c) 10% of total units between 60% and 80% of AMI, with an

average of 70% or greater of AMI; (d) 60% of total units up to 120% AMI, and (e) the minimum range between the lowest and highest targeted occupancy level is at least 40%. Affordability under the MIP may be deeper or greater than the requirements set forth in this paragraph. Multifamily housing projects financed by the MIP must comply with the affordability set-aside requirements in place at the time MIP financing was awarded to the project.

Tax Credit Subsidy for Affordable Housing through the California Tax Credit Allocation Committee's ("CTCAC") Qualified Allocation Plan ("QAP")

One of the primary resources for the development of affordable housing is federal and State tax credits, which are allocated by CTCAC in the State of California. CTCAC facilitates the investment of private capital into the development of affordable rental housing for low-income Californians. The tax credits are then sold to the private sector to generate equity which is used to facilitate the development of affordable housing. Projects seeking tax credits must abide with CTCAC's QAP to be eligible. CTCAC uses the QAP to verify that the developers have met all the requirements of the program and ensures the continued affordability and habitability of the developments for the succeeding 55 years. CTCAC employs a competitive scoring process to select projects. Higher scores increase the project's likelihood of receiving an allocation of tax credits. For instance, points can be awarded based on their minimum construction standards, which includes environmental components related to energy efficiency, green building certification, among other standards. All new construction and rehabilitations performed on existing buildings in California must comply with Title 24 of the California Building Standard Code ("Title 24"), which includes provisions on energy efficiency and water waste reduction. Pursuant to Title 24 as well the QAP, all new construction developments are required to utilize ENERGY STAR® rated appliances and all rehabilitation developments are required to produce at least 10% post-rehabilitation energy efficiency improvement over pre-existing energy usage.

Additional Subsidy Programs

Affordable housing developments may also receive additional federal, State, and local subsidies that can be paired with a CalHFA Multifamily Program loan and tax credits.

Alignment with the ICMA's Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines

CalHFA's **Sustainability Bonds** are aligned with the four core components of the ICMA's Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines, and focus on: (1) Use of Proceeds, (2) Process for Project Evaluation and Selection, (3) Management of Proceeds, and (4) Transparency through Reporting.

(1) Use of Proceeds

The proceeds of CalHFA's **Sustainability Bonds** are used to finance the creation of new multifamily rental housing developments and the preservation of existing multifamily rental housing developments in California that include environmental components related to energy efficiency, green building certification, among other standards.

Under CalHFA's Multifamily Programs, all projects that receive LIHTC are subject to CTCAC's review and approval as the State's tax credit allocating agency. All affordable multifamily developments in the State that receive tax credits are required to have environmental components. The scoring process for tax credits incentivizes environmental building standards by providing increased scoring as discussed

further above in "Tax Credit Subsidy for Affordable Housing through the California Tax Credit Allocation Committee's Qualified Allocation Plan ("QAP.")"

(2) Process for Project Evaluation and Selection

As part of its process for approving a project for financing through its Programs, the Agency, CDLAC, and CTCAC review whether or not such project is expected to provide safe, quality housing at rent levels which low and moderate income individuals and families can afford. The project evaluation and selection process incorporates a thorough review of risks and mitigants which includes reviewing any social and environmental risks. Within CalHFA, developments are reviewed and underwritten by multifamily staff within the Multifamily Programs Division, pursuant to the relevant loan program, and are then presented to the Agency's Senior Loan Committee and/or Board for loan approval.

Applicants are required to demonstrate that the applicable project will, at a minimum, satisfy the 2019 California Green Building Standards Code. Further, applicants have provided an executed contract between the applicant and an energy consultant to monitor the design and construction as necessary to meet the program requirements.

(3) Management of Proceeds

Net of certain transaction costs, the proceeds of **Sustainability Bonds** are transferred to the Agency to refinance Borrower Loans. Other than such application of the proceeds, no additional management of such proceeds is required since the Borrower Loans have previously been made.

(4) Reporting

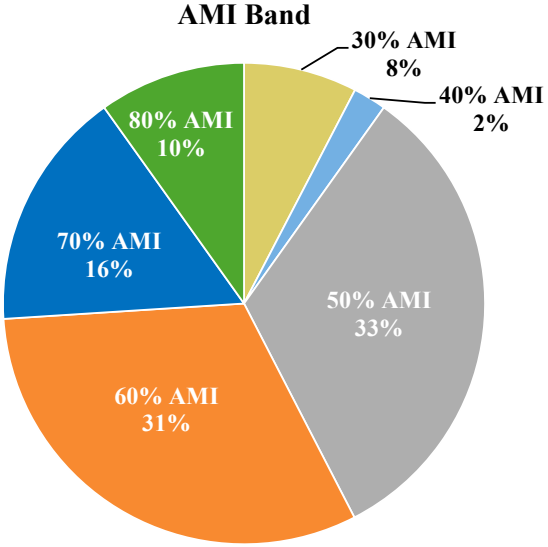
The proceeds of the Bonds will be used to refinance loans that were originally made prior to the date of issuance of the Bonds. In Appendix F-1, the Agency has provided information (*i.e.*, project names, addresses, development types, total development costs, total units, and associated loan amounts, AMI restricted units, LIHTC allocations, CalHFA Mortgage Programs, Subsidy Programs, Green Building Standard Codes, and applicable environmental characteristics) for each of the Projects. Because the Agency has provided such information and because the proceeds of the Bonds will be spent on the date of issuance of the Bonds to refinance the existing Borrower Loans, there is no additional information to report with respect to the use of the proceeds of the Bonds. For the Agency's continuing disclosure undertaking and other relevant information, see "CONTINUING DISCLOSURE" and APPENDIX I – "FORM OF CONTINUING DISCLOSURE AGREEMENT."

Developments receiving LIHTC have ongoing compliance reporting requirements to ensure that the affordability restrictions are enforced for the term of the bonds and the 15-year LIHTC compliance period. The compliance reporting requirements include form 8609a and form 8703 annual filings with the IRS and periodic reporting to the Agency and other State and local monitoring agencies. Each financed development is subject to a regulatory agreement and a regulatory agency responsible for enforcing that agreement, which will ensure that the project meets the applicable federal, State, and local regulations to mitigate environmental and social risks. These compliance reporting requirements are designed to ensure that the units are rented in accordance with the income limits and rent limits, and that the property condition is properly maintained.

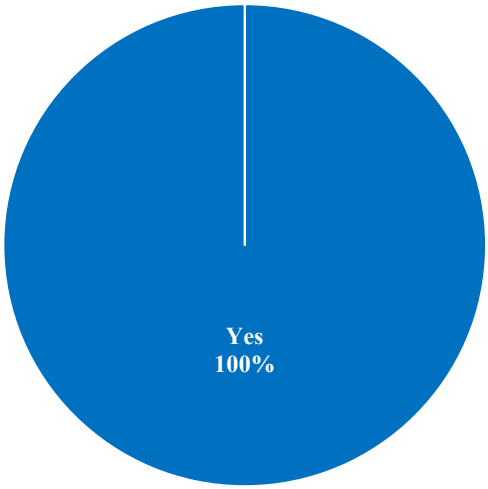
The following charts summarize key aspects of loans refinanced by publicly offered **Sustainability Bonds** issued by CalHFA from 2023 through September 2025 as further detailed in "Prior Affordable Housing Revenue Bond Project Summaries."

Descriptive Statistics of Loans Refinanced by CalHFA's Affordable Housing Revenue Bond Program

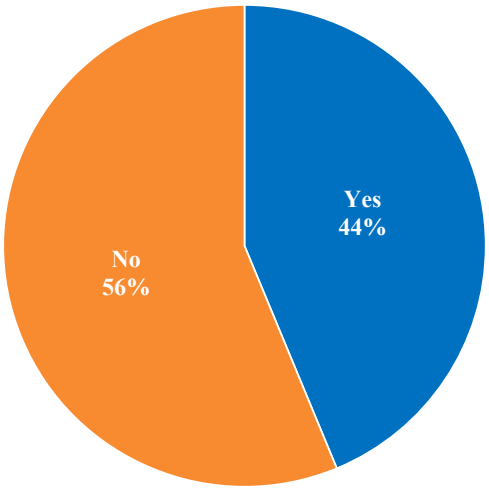
AMI Band



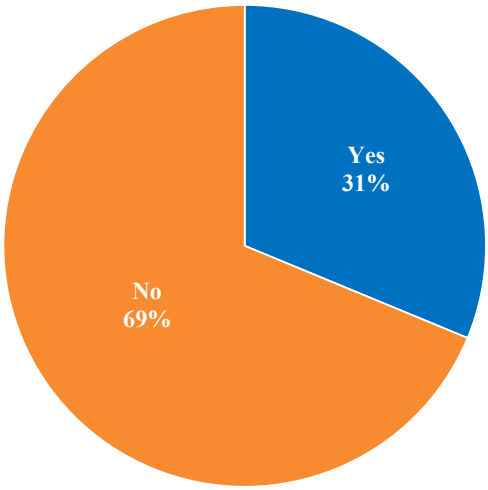
LIHTC Investment



EnergyStar Appliances



GreenPoint Standard



Alignment with ICMA Four Core Components and United Nations Sustainable Development Goals

As described below, the **Sustainability 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 publications, *Green Bond Principles: Voluntary Process Guidelines for Issuing Green Bonds (June 2021)*, *Social Bond Principles: Voluntary Process Guidelines for Issuing Social Bonds (June 2023),* and *Sustainability Bond Guidelines (June 2021):* (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 **Sustainability 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 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 7: Affordable and Clean Energy," is focused on ensuring access to affordable, reliable, sustainable, and modern energy for all. Target 7.3 maps to the SDG category of Energy Efficiency.

- "Goal 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 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 category of Affordable Housing and Affordable Basic Infrastructure.

III. 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 (to be replaced by the Secretary of the California Housing and Homelessness Agency as of July 1, 2026), 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.

IV. SECOND-PARTY OPINION

CalHFA has engaged an independent third party, S&P Global Ratings, to evaluate its **Social Bonds** and **Sustainability Bonds** Frameworks within its Impact Framework. As discussed in detail in its Second-Party Opinion, S&P Global Ratings has concluded that the CalHFA Impact Framework aligns with the Green Bonds Principles, Social Bonds Principles, and Sustainability Bonds Guidelines, and aligns with the United Nations Sustainable Development Goals.

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Appendix F-2

Prior Affordable Housing Revenue Bond Project Summaries

Project Name	Address	New Construction vs. Rehab	Associated AHRB Financing	Total Development / Rehab Costs	Permanent Borrower Loan Amount	Total Units	Expected Unit Set-Aside Breakdown at or below:								Allocation of LIHTC	CalHFA Mortgage Programs	Title 24 California Building Standard Code	Expected Green Building Standard	Environmental Characteristics
							20% AMI	30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	Mgr					
Anton Mosaic	7243 Power Inn Road, Sacramento, 95828 **(Sacramento County)**	New Construction	2025B	$68,521,732	$23,201,000	194		20	--	39	42	91	--	2	Yes	Conduit; MIP	Yes	2019 Cal Title 24; LEED Gold	Water efficient landscaping, ENERGY STAR® appliances
Anton Virdian	5301 Elm Lane, Oakley 94561 (**Contra Costa County)**	New Construction	2025A	$87,250,000	$36,850,000	170		17	--	17	91	43	--	2	Yes	Conduit; MIP	Yes	2019 Cal Title 24	Solar Electric System, high efficiency light fixtures, Energy Rated Appliance Package including: First Company Fan Coils, Bryant Heat Pumps, Honeywell T6 Pro Thermostats, Mitsubishi Fan Coils/ Heat Pumps and more
Arden Way Apartments	880, 924, 936 Arden Way, Sacramento, 95815 **(Sacramento County)**	New Construction	2024A	$55,610,713	$13,609,845	120		--	--	14	93	12	--	1	Yes	Conduit; MIP	Yes	2019 Cal Title 24; GreenPoint	Unit heat pumps, PV Solar, solar hot water
Beacon Villa	505 W. 10th Street, Pittsburg, CA 94565 **(Contra Costa County)**	New Construction	2024A	$52,050,000	$12,939,000	54		--	--	6	41	6	--	1	Yes	Conduit; MIP	Yes	2019 Cal Title 24	Unit heat pumps, low-water use landscaping, solar panels
Bernal Dwellings	3138 Kamille Ct., San Francisco, 94110 **(City and County of San Francisco)**	Rehab	2023A	85,780,000	$21,780,000	160		--	--	35	120	--	4	1	Yes	Conduit; Earned Surplus	Yes	2019 Cal Title 24; SF MOHCD; GreenPoint	ENERGY STAR® appliances, water heater, lighting, low-flow toilets, low-flow showerheads

Appendix F-2

Project Name	Address	New Construction vs. Rehab	Associated AHRB Financing	Total Development / Rehab Costs	Permanent Borrower Loan Amount	Total Units	Expected Unit Set-Aside Breakdown at or below:								Allocation of LIHTC	CalHFA Mortgage Programs	Title 24 California Building Standard Code	Expected Green Building Standard	Environmental Characteristics
							20% AMI	30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	Mgr					
Brand Haven Senior Apartments	Northeast Corner E. Tulare Ave, East of N. Argyle Ave, Fresno, 93727 **(Fresno County)**	New Construction	2024A	$36,649,909	$11,505,982	180		--	--	54	106	18	--	2	Yes	Conduit; MIP	Yes	2019 Cal Title 24; GreenPoint	Tenant access garden beds
Cedar Grove Apartments	3422 Santa Rosa Ave., Santa Rosa, 95407 **(Sonoma County)**	New Construction	2023A	55,750,000	15,000,000	96		--	--	48	--	47	--	1	Yes	Conduit; MIP	Yes	2019 Cal Title 24	ENERGY STAR® appliances, low-water use landscaping
College Creek	2150 West College Avenue, Santa Rosa, 95401 **(Sonoma County)**	New Construction	2025A	$65,240,000	$34,040,000	164		17	--	43	42	61	--	1	Yes	Conduit; MIP	Yes	2019 Cal Title 24	Bike storage room and bike racks, electric vehicle charger, solar-powered electricity, heat-pump heater / hydronic heater and central air conditioner
Frishman Hollow II	11026 Rue Ivy, Truckee, CA , 96161 **(Nevada County)**	New Construction	2023A	34,205,700	7,072,700	68		--	--	33	14	7	13	1	Yes	Conduit; MIP	Yes	2019 Cal Title 24	ENERGY STAR® appliances, low-water use landscaping, modular construction
Gateway Rising Apartments	1345 Willow Road, Menlo Park, 94025, **(San Mateo County)**	New Construction	2024A	$140,471,379	$44,364,000	140		36	--	52	8	--	43	1	Yes	Conduit	Yes	2019 Cal Title 24; LEED Gold	Unit heat pumps, solar energy, electric vehicle charging stations, rain beds and bio retention areas, double-pane Low-E window, Green Label Plus carpet, Low VOC paint

Project Name	Address	New Construction vs. Rehab	Associated AHRB Financing	Total Development / Rehab Costs	Permanent Borrower Loan Amount	Total Units	Expected Unit Set-Aside Breakdown at or below:								Allocation of LIHTC	CalHFA Mortgage Programs	Title 24 California Building Standard Code	Expected Green Building Standard	Environmental Characteristics
							20% AMI	30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	Mgr					
Hayes Valley South	401 Rose St., San Francisco, 94102, **(City and County of San Francisco)**	Rehab	2023A	79,060,329	25,475,329	110		--	--	66	43	--	--	1	Yes	Conduit; Earned Surplus	Yes	2019 Cal Title 24; SF MOHCD; GreenPoint	ENERGY STAR® appliances, roof insulation, windows, gas furnace, lighting, PV solar
Kelsey Ayer Station	457 North 1st Street, San Jose, CA 95112 **(Santa Clara County)**	New Construction	2025B	$71,167,560	$14,550,000	115	34	--	--	31	22	--	26	2	Yes	Conduit; MIP	Yes	2019 Cal Title 24; LEED Gold	Water efficient landscaping, ENERGY STAR® appliances, solar photovoltaic system, EV charging stations, WaterSense Showerheads
Kiku Crossing	480 E. 4th Ave & 400 E. 5th Ave; San Mateo, 94401 **(San Mateo County)**	New Construction	2025A	$193,813,000	$69,035,458	225		43	23	39	16	47	55	2	Yes	Conduit; MIP	Yes	2019 Cal Title 24; GreenPoint Rated Gold	All electric structure, ENERGY STAR® appliances, drought tolerant landscaping, rooftop photovoltaic system
Kimball Highland	14th Street and Kimball Way & 1221 D Avenue, National City, CA 91950 **(San Diego County)**	New Construction	2025B	$91,271,745	$23,700,000	145		15	--	15	88	25	--	2	Yes	Conduit; MIP	Yes	2019 Cal Title 24; GreenPoint rated	Water efficient plantings, ENERGY STAR® appliances, solar thermal system for energy efficient water heating, energy efficient windows and lighting, water efficient plumbing fixtures
Leigh Avenue Senior	1030 Leigh Ave., San Jose, 95126, **(Santa Clara County)**	New Construction	2023A	35,874,500	8,967,000	64		20	23	--	20	--	--	1	Yes	Conduit	Yes	2019 Cal Title 24; Santa Clara; LEED Platinum; HomeFree	ENERGY STAR® appliances, lighting, low electric usage, low-water use landscaping, building materials

Appendix F-2

Project Name	Address	New Construction vs. Rehab	Associated AHRB Financing	Total Development / Rehab Costs	Permanent Borrower Loan Amount	Total Units	Expected Unit Set-Aside Breakdown at or below:								Allocation of LIHTC	CalHFA Mortgage Programs	Title 24 California Building Standard Code	Expected Green Building Standard	Environmental Characteristics
							20% AMI	30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	Mgr					
Marina Village	233 Marina Blvd. Suisun City, CA 94585 **(Solano County)**	New Construction	2025B	$79,079,969	$26,125,000	160		16	28	--	11	--	104	1	Yes	Conduit; MIP	Yes	2019 Cal Title 24	Water efficient plantings, ENERGY STAR® appliances
Monroe Street Apartments	2330 Monroe Street, Santa Clara, 95050 **(Santa Clara County)**	New Construction	2025A	$44,235,674	$11,580,000	65		16	--	32	8	--	8	1	Yes	Conduit; MIP	Yes	2019 Cal Title 24	EV charging stations, pervious concrete, separated compost and recycling waste collection, low flow plumbing fixtures, energy efficient lighting, photovoltaic system, recreational community garden
One Lake Family Apartments	NW Corner Vanden Rd. & One Lake Dr., Fairfield, 94533 **(Solano County)**	New Construction	2024A	$112,935,000	$27,431,301	190		--	--	96	--	92	--	2	Yes	Conduit; MIP	Yes	2019 Cal Title 24	Unit heat pumps, garden beds, charging stations for electric vehicles, PV solar, solar water heater
Peterson Place	1105 Blue Ravine Road, Folsom, 95630, **(Sacramento County)**	New Construction	2023A	30,225,000	7,875,000	72		8	--	34	--	--	29	1	Yes	Conduit; MIP	Yes	2019 Cal Title 24	ENERGY STAR® appliances, lighting, low-water use landscaping
Terracina at the Dunes	261 Beacon Drive, Marina, CA 93933 **(Monterey County)**	New Construction	2025B	$74,012,646	$21,250,000	142		15	--	36	36	53	--	2	Yes	Conduit; MIP	Yes	2019 Cal Title 24	Water efficient plantings, ENERGY STAR® appliances, solar photovoltaic system

Project Name	Address	New Construction vs. Rehab	Associated AHRB Financing	Total Development / Rehab Costs	Permanent Borrower Loan Amount	Total Units	Expected Unit Set-Aside Breakdown at or below:								Allocation of LIHTC	CalHFA Mortgage Programs	Title 24 California Building Standard Code	Expected Green Building Standard	Environmental Characteristics
							20% AMI	30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	Mgr					
Vista Woods	1106 and 1230 San Pablo Ave. and 600 Roble Ave, Pinole, CA 94564 **(Contra Costa County)**	New Construction	2025B	$95,277,822	$37,706,800	179		18	--	18	94	23	24	2	Yes	Conduit; MIP	Yes	2019 Cal Title 24	Water efficient plantings, ENERGY STAR® appliances, solar photovoltaic system
921 Howard Street Apartments	921 Howard St., San Francisco, 94103 **(San Francisco County)**	New Construction	2025A	$148,286,506	$45,000,000	203		--	--	102	48	--	51	2	Yes	Conduit; MIP	Yes	2019 Cal Title 24; GreenPoint Rated Gold	CleanPowerSF 100% renewable energy, recycled water tank, R-30 cavity insulation, NFRC Rated 0.3/0.3 windows and glass doors, 97% EF gas storage, electric resistance wall heaters, HVAC Corridor RTU with heat pumps
Total				$1,257,437,710	$392,525,615	2,081		157	46	671	650	333	203	21					

† For a description of each Subsidy Program, see APPENDIX G – "DESCRIPTION OF SUBSIDY PROGRAMS AND SUPPLEMENTAL SECURITY."

APPENDIX F-3

SECOND-PARTY OPINION

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S&P Global
Ratings

Powered by Shades of Green

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 Impact Framework

May 19, 2025

Primary contact

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Location: U.S. **Sector:** Real estate

Alignment Summary

Aligned = ✓ Conceptually aligned = o Not aligned = ×

- ✓ Social Bond Principles, ICMA, 2023
- ✓ Green Bond Principles, ICMA, 2021 (with June 2022 Appendix 1)
- ✓ Sustainability Bond Guidelines ICMA, 2021

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 82,000 affordable homes and apartments. CalHFA offers education and counseling services 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. All CalHFA single-family loans and multifamily rental developments financed under the framework are governed by 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 residents.

California has among the most ambitious state energy codes in the U.S., and financed projects will likely meet or exceed state regulations. Properties financed will likely have third-party green building certifications, GreenPoint and LEED, which exceed the 2019 version of Title 24. Projects may also contain

Weaknesses

Multifamily developments financed under the framework may fund projects that contain fossil fuel direct heating. Any fossil fuel direct heating, in our view, increases emissions lock-in risk and prolongs the asset life of a technology that is incompatible with a low carbon, climate resilient (LCCR) future. However, CalHFA intends to fund projects with heating systems that optimize energy efficiency and emissions reduction per regulatory requirements.

Areas to watch

The properties that CalHFA finances are subject to physical climate risks. California 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. We believe these measures address some environmental risks but do not mitigate the potential physical risks to CalHFA's properties and its residents.

Mortgages financed under the framework must not be previously labeled as social or sustainability bonds by loan originators or other parties to avoid double-counting of benefits. If the loans or MBS purchased by CalHFA already carry a social or sustainable label, the social or sustainability benefits of financings could be counted twice.

heating technologies that are not a requirement of the code but are known to result in significant energy savings and GHG emissions reductions relative to traditional heating sources.		

Shades of Green Projects Assessment Summary

Based on the project category's Shade of Green detailed below and consideration of environmental ambitions reflected in CalHFA's Impact Framework, we assess the green use of proceeds portion of the framework as receiving a Light green shade.

Green buildings	**Light green**
Finance affordable multifamily rental housing projects that include energy efficiency features and/or certifications that exceed the requirements set forth by the Title 24 of the California Building Code.	

See Analysis Of Eligible Projects for more detail.

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 82,000 units in affordable housing developments for veterans, seniors, those with special needs and families in danger of experiencing homelessness. Under the impact framework, CalHFA intends to issue social-labeled bonds that facilitate single-family mortgage lending products and down payment assistance for low- and moderate-income individuals in California, including first-time homebuyers, and sustainability-labeled bonds that provide financing for affordable rental housing through partnerships with local jurisdictions, affordable housing developers and other financial institutions.

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 substantial 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.

Climate transition risk

Energy use in buildings has been a major contributor to climate change, representing around a third of global GHG emissions on a final-energy-use basis according to the IEA. Embedded emissions from building materials and new construction may also adversely affect progress toward future low-carbon climate resiliency goals. This leaves the sector highly susceptible to the growing public, political, legal, and regulatory pressure to accelerate climate goals.

Building occupiers and operators may face higher energy bills as power prices rise, and higher capital expenditures as upgrades are required to accommodate the energy transition and meet more stringent efficiency standards. Incremental climate-related investments can require significant capital outlays but will potentially reduce the risk of obsolescence due to changes in regulation or climate goals. In addition, low-carbon properties may achieve higher cost efficiencies or attract premium rents in the longer term, therefore enhancing their value.

Issuer And Context Analysis

The framework's single-family and multifamily housing investments aim to address access and affordability and impact on communities and energy-efficient multifamily housing projects aim to address climate transition risk, which we view as the most material sustainability factors in the sector. In our view, physical climate risk is also a relevant consideration as the frequency of extreme weather events, such as wildfires, increases in California. CalHFA mitigates this risk via flood insurance policies, compliance with Title 24 of the California Building Code, which contains additional requirements for building homes in wildfire-prone areas, and use of low-water landscaping for certain properties.

CalHFA directly addresses the issues of access and affordability by financing the preservation and creation of affordable housing in California. It provides financing programs that give more people access to affordable homes through single-family mortgage loans and down payment assistance for low-and moderate-income individuals, including first-time homebuyers. Additionally, CalHFA partners with local jurisdictions, developers, and private financial institutions to finance the construction and rehabilitation of multifamily rental homes. California is among the most unaffordable states in terms of housing in the country and constructing more housing units, including affordable ones, is a strategic priority. The state's goal is to build 2.5 million new homes by 2030. Given the decreasing availability of affordable housing, CalHFA plays an increasingly crucial role in promoting and preserving access and affordability for vulnerable populations.

CalHFA's affordable housing preservation and creation programs can provide social benefits for communities. In 2023 and 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.

CalHFA addresses climate transition risk through its multifamily housing investments, which comply with and/or exceed the increasingly stringent Title 24 regulations. California has among the strictest energy codes in the U.S. to ensure all new residential construction achieve greenhouse gas emissions reductions and zero-net-energy (ZNE). ZNE is defined as an energy-efficient building, where on a source basis, the actual annual consumed energy is less than equal to onsite renewable generated energy. Title 24 is refreshed every three years, with the latest update having been in 2022. With each update, the code brings the California building energy standards into closer alignment with ZNE; we anticipate the next update later this year. We

expect CalHFA's financed projects to follow the latest version of Title 24 as of the loan closing date.

Physical climate risk is a key sustainability issue for affordable housing providers, especially in California, which is 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 (GSEs). 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 the Social and Green Bond principles and the Sustainability Bond Guidelines.

Alignment Summary

Aligned = ✓ Conceptually aligned = ○ Not aligned = ✕

- ✓ Social Bond Principles, ICMA, 2023
- ✓ Green Bond Principles, ICMA, 2021 (with June 2022 Appendix 1)
- ✓ Sustainability Bond Guidelines ICMA, 2021

✓ Use of proceeds

We assess all the framework's green project categories as having a green shade and consider all social project categories to be aligned. The issuer commits to allocate the net proceeds issued under the framework exclusively to eligible green and social projects. The single-family proceeds will finance first-mortgage loans as well as down payment and/or closing costs assistance to assist low- to moderate-income homebuyers in California to purchase single-family homes. The multifamily proceeds will finance affordable multifamily rental housing projects that benefit from tax credit allocation and include energy efficiency features. Please refer to the Analysis of Eligible Projects section for more information on our analysis of the environmental and social benefits of the expected use of proceeds.

✓ Process for project evaluation and selection

The framework includes separate eligibility criteria for single-family and multifamily projects that are assessed by CalHFA staff and California state tax authorities. Single-family criteria include borrowers' income and property type. Multifamily housing also includes income requirements and environmental criteria pursuant to California's Title 24 building codes. The issuer's project evaluation and selection process incorporates a thorough review of risks and mitigants which includes reviewing any social and environmental risks.

✓ Management of proceeds

CalHFA will invest the proceeds of the single-family social bonds in investment obligations until disbursed to purchase MBSs or finance DPS loans under the HMRB General Indenture. CalHFA tracks these disbursements. Net of certain transaction costs, the proceeds of the multifamily projects are transferred to CalHFA to refinance borrower loans. As such, we do not view a commitment to temporarily manage or periodically adjust the use of proceeds for the multifamily projects as necessary.

✓ Reporting

For its single-family Social Bonds issued under the framework, CalHFA commits to report on the allocation of the net proceeds and on the financed single-family 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.

For its multifamily Sustainability Bonds issued under the framework, CalHFA provides the projects' qualitative environmental and social performance indicators in the POS, such as inclusion of EnergyStar appliances and compliance with state-level environmental regulations and quantitative performance indicators such as the projects' local area median income (AMI) bands served for its projects. Because all multifamily loans financed under the framework are refinancings of permanent mortgage loans with all construction complete further reporting is not required. 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. Separately, CalHFA's impact metrics for the projects are subject to audit by federal, state, and local governments, as well as mission-aligned third parties, as part of the LIHTC program.

Analysis Of Eligible Projects

This section provides details of our analysis of eligible projects, based on their environmental benefits and risks, using the "Analytical Approach: Shades Of Green Assessments," as well as our analysis of eligible projects considered to have clear social benefits and to address or mitigate a key social issue.

Green project categories

Green buildings

Assessment	Description
Light green	Finance affordable multifamily rental housing projects that include energy efficiency features and/or certifications exceeding requirements in the Title 24 of the California Building Code.

Analytical considerations

- The real estate and the building sectors are among the leading contributors to global greenhouse gas emissions. The IPCC and IEA emphasize that reaching net-zero emissions in buildings demands major strides in energy efficiency and fossil fuel abandonment. All properties must achieve high energy performance. New properties should also cut emissions from building materials and construction. Additionally, addressing physical climate risks is crucial for strengthening buildings' climate resilience.
- We assign a Light green shade to this project category, reflecting our view that the framework criteria and state law ensure financed buildings have environmental attributes that exceed requirements. California's Title 24, which all projects under this framework must follow, includes energy efficiency, green building certifications, and sustainable design, among others.
- Title 24 of the California Building Code is applicable statewide, governing the design, construction, alteration, and repair of all buildings. It establishes minimum standards, including safety, fire protection, energy efficiency, air quality, and sustainable design. Title 24 is updated every three years by the California Energy Commission (CEC)--the main agency responsible for developing, updating, and enforcing compliance with Title 24, Part 6. This ensures California's building energy standards align with the state's evolving goals for energy efficiency, environmental sustainability, and climate policy.

- Title 24, Part 6, features some of the most stringent building energy efficiency standards in the country, requiring measures such as mandatory solar photovoltaic systems and battery storage in new multifamily buildings, installing electric vehicle (EV)-capable infrastructure, energy performance improvement mandates, and specific requirements for HVAC systems and insulation. This contrasts with many other states that typically adopt other baseline energy modes (like the International Building Code {IBC}, ASHRAE, or the International Energy Conservation Code {IECC}) that are less ambitious, in our opinion.
- All multifamily projects CalHFA funds must adhere to Title 24 regulations. We expect it will meet these requirements even though it does explicitly commit to complying with the most current version of Title 24 in the framework. Historically, CalHFA has financed multifamily projects with energy efficiency features and green building certifications that exceeded the Title 24 baseline requirements, including heat pumps and GreenPoint and LEED certifications. Pursuant to the state's Qualified Allocation Plan (QAP) of low-income tax credits, new construction developments must also utilize EnergyStar rated appliances and rehabilitation developments must produce at least 10% post-rehabilitation energy efficiency improvement over pre-existing energy usage, further supporting environmental performance that exceeds stringent local standards.
- The properties CalHFA finances are exposed to physical climate impacts, and it requires insurance for certain hazards, including fire and flood, where relevant. 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.

Social project categories

Affordable housing

Finance single-family mortgage loans for first-time homebuyers through the acquisition of mortgage-backed securities and make down payment and/or closing costs assistance loans, and affordable multifamily rental housing projects that benefit from tax credit allocation.

Analytical considerations

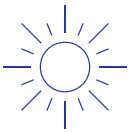
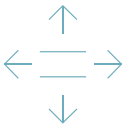
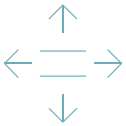
- The construction and preservation of affordable mixed-income multifamily housing will improve living conditions for low- and moderate-income residents in California by maintaining and expanding access to safe, affordable housing.
- CalHFA offers several loan programs with competitive rates and long-term financing to advance the creation and preservation of affordable housing to help address the shortage of affordable rental housing in California. The CalHFA Multifamily Programs provide permanent, long-term financing and financing for new construction or the acquisition, rehabilitation and/or development of an existing project.
- 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 target population is well-defined, and the selected groups are restricted to families with household income between 30% to 80% of the local AMI. However, with Mixed-Income Program, the eligible AMI is 30% to 120% of AMI. We believe these broad AMI brackets adequately minimize income segregation, which is a common social risk associated with affordable housing. By housing families and lending to individuals across a wide income band, CalHFA mitigates this social risk.
- Further, these multifamily rental projects provide important community facilities such as computer labs, community rooms, fitness rooms, playgrounds, and learning centers. In addition, all multifamily developments are within a half mile of public transit, adjacent to bus stops, elementary schools, and grocery stores, which can have ancillary environmental benefits from reduced vehicle usage.
- The construction and preservation of single-family homes will improve living conditions for low- and moderate-income residents in California by maintaining and expanding 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 are to enable low- and moderate-income individuals and families to purchase homes on affordable terms, make home mortgage financing available in mortgage-deficient areas, and stimulate the housing construction industry by making attractive, permanent mortgage financing available through qualified lenders. Importantly, most borrowers receive down payment and closing costs assistance, according to the issuer, greatly increasing the affordability. 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.
- 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 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 target population's ability to achieve home ownership.
- We also believe the broad AMI bracket in the single-family program minimizes 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. In 2024, more than half of the borrowers had incomes at or below $100,000. Additionally, the issuer lends to a high proportion of minority borrowers, with approximately half identifying as either Hispanic/Latino or Black in the issuer's 2024 loans.
- We believe CalHFA's established track record in providing affordable single and multifamily housing, combined with its comprehensive policies, procedures, and programs, such as aligning with California's QAP, ensures that both perceived and realized social risks associated with the eligible projects are appropriately identified, managed, and mitigated.

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			
Green buildings	**1. No poverty**	 **7. Affordable and clean energy**	 **10. Reduced inequalities**	**11. Sustainable cities and communities***
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.

S&P Global Ratings' Shades of Green

Assessments	Dark green	Medium green	Light green	Yellow	Orange	Red
Description	Activities that correspond to the long-term vision of an LCCR future.	Activities that represent significant steps toward an LCCR future but will require further improvements to be long-term LCCR solutions.	Activities representing transition steps in the near-term that avoid emissions lock-in but do not represent long-term LCCR solutions.	Activities that do not have a material impact on the transition to an LCCR future, or, Activities that have some potential inconsistency with the transition to an LCCR future, albeit tempered by existing transition measures.	Activities that are not currently consistent with the transition to an LCCR future. These include activities with moderate potential for emissions lock-in and risk of stranded assets.	Activities that are inconsistent with, and likely to impede, the transition required to achieve the long-term LCCR future. These activities have the highest emissions intensity, with the most potential for emissions lock-in and risk of stranded assets.
Example projects	Solar power plants	Energy efficient buildings	Hybrid road vehicles	Health care services	Conventional steel production	New oil exploration

Note: For us to consider use of proceeds aligned with ICMA Principles for a green project, we require project categories directly funded by the financing to be assigned one of the three green Shades.

LCCR--Low-carbon climate resilient. An LCCR future is a future aligned with the Paris Agreement; where the global average temperature increase is held below 2 degrees Celsius (2 C), with efforts to limit it to 1.5 C, above pre-industrial levels, while building resilience to the adverse impact of climate change and achieving sustainable outcomes across both climate and non-climate environmental objectives. Long term and near term--For the purpose of this analysis, we consider the long term to be beyond the middle of the 21st century and the near term to be within the next decade. Emissions lock-in--Where an activity delays or prevents the transition to low-carbon alternatives by perpetuating assets or processes (often fossil fuel use and its corresponding greenhouse gas emissions) that are not aligned with, or cannot adapt to, an LCCR future. Stranded assets--Assets that have suffered from unanticipated or premature write-downs, devaluations, or conversion to liabilities (as defined by the University of Oxford).

Related Research

- Sustainability Insights: Behind The Shades: Real Estate, March 31, 2025
- Analytical Approach: Second Party Opinions, March 6, 2025
- FAQ: Applying Our Integrated Analytical Approach For Second Party Opinions, March 6, 2025
- Analytical Approach: Shades Of Green Assessments, July 27, 2023

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APPENDIX G

DESCRIPTION OF SUBSIDY PROGRAMS AND SUPPLEMENTAL SECURITY

The Projects related to the Borrower Loans may, but are not required to, be assisted through Federal, state or local subsidy programs that provide subsidy payments for ongoing Project operations, including the Section 8 Program, the RAD/Section 18 Blended Program, and the HOPE SF Program. In some cases, subsidies may be provided with respect to only a portion of the units in a Project. In addition, the Projects may, but are not required to, be assisted through various subsidy programs administered by the Agency, other state agencies and certain localities.

Set forth below is information regarding potential forms of such subsidy programs. The subsidy programs that provide subsidy payments for ongoing Project operations, if any, applicable to Projects for which Borrower Loans are currently outstanding are set forth in APPENDIX J – "BORROWER LOANS AND SPECIAL RESERVE ASSETS PLEDGED UNDER THE INDENTURE." Subsidy programs that provide subsidy payments for ongoing Project operations and/or subsidy programs that provide financing for costs of construction or rehabilitation, if any, applicable to the 2026 Series A Borrower Loans and the 2026 Series A Restricted Assets are set forth under APPENDIX F-1 – "THE CALIFORNIA HOUSING FINANCE AGENCY'S SUSTAINABILITY BOND DESIGNATION AND SUMMARY OF THE 2026 SERIES A PROJECTS—2026 Series A Projects."

Federal Subsidy Programs

Section 8 Program

General. The following is a brief description of the housing assistance payments program (the "Section 8 program") authorized by Section 8 of the United States Housing Act of 1937, as amended (the "1937 Housing Act"), which is qualified in its entirety by references to the applicable provisions of said Act and the regulations thereunder (the "Regulations"). The description applies to the variant of the Section 8 program which provides assistance under subsidy contracts for projects which set aside units for lower income families. Accordingly, this variant of the Section 8 program may be referred to as the "project-based Section 8 program."

The Section 8 program is administered by the United States Department of Housing and Urban Development ("HUD") and authorizes subsidy payments pursuant to Housing Assistance Payments Contracts ("HAP Contracts") to the owners of qualified housing for the benefit of lower income families (defined generally as families whose income does not exceed 80% of the median income for the area as determined by HUD) and very-low income families (defined generally as families whose income does not exceed 50% of the median income for the area as defined by HUD). Provision is made under the 1937 Housing Act and Regulations for administration of the Section 8 program through state or local housing finance agencies acting as contract administrator (the "Contract Administrator") of the HAP Contracts. Under this arrangement, the Contract Administrator agrees to pay the subsidy to or for the account of the mortgagor and concurrently contracts with HUD for payments of the subsidy by HUD to it. HUD may also serve as Contract Administrator.

Under 1937 Housing Act and the Regulations, not more than 25% of the dwelling units which were available for occupancy under HAP Contracts before October 1, 1981 and which are leased thereafter shall be available for leasing by lower income families other than very-low income families; and not more than 15% of the dwelling units which become available for occupancy under HAP Contracts after October 1, 1981 shall be available for leasing by lower income families other than very-low income families. The law also requires that not less than 40% of the dwelling units that become available for

occupancy in any fiscal year shall be available for leasing only by families whose annual income does not exceed 30% of area median income (as determined by HUD and adjusted for family size) at the time of admission.

Amount and Payment of Subsidy. Section 8 subsidies available for debt service on the Bonds are based upon the "contract rent" applicable to specified dwelling units. The contract rent is initially based on the fair market rent for the dwelling unit, which is determined by HUD periodically with respect to each locality and published in the Federal Register. The housing assistance payments generally represent the difference between the contract rents for all eligible units in a project, as approved by HUD from time to time, and the eligible tenant's contribution, which is generally 30% of such tenant's income, as adjusted for family size, income and expenses, with certain adjustments, although each assisted family is generally required to pay a minimum rent. The contract rents for a project are generally limited to the "fair market rents" established by HUD as reasonable in relation to rents for comparable units in the area.

Subsidy Contracts. The payment of subsidies under the Section 8 program is made pursuant to two contracts entered into with respect to each project assisted under such program: an annual contributions contract (the "ACC") between HUD and the Contract Administrator, and the HAP Contract between the Contract Administrator and the owner. The ACC obligates the United States to provide funds to the Contract Administrator with which to make monthly housing assistance payments to the owner pursuant to a HAP Contract.

It is useful, in discussing the project-based Section 8 Program to distinguish between contracts executed under the 1937 Housing Act and the Regulations prior to 1997 which have not yet expired for the first time ("Original Contracts"), and contracts under the 1937 Housing Act and the Regulations which have been renewed generally subsequent to 1997 ("Renewal Contracts"). This distinction is of significance as a consequence of the amendments to the 1937 Housing Act which went into effect beginning in 1997.

The ACC establishes the maximum annual amount of the housing assistance payments to be made by HUD for the account of the mortgagor of a project. This amount may not exceed the total of the initial contract rents and utility allowances for the eligible units in a project and any administrative fee. For projects under the Original Contracts, if the amount of housing assistance payments actually disbursed under an ACC in any given year is less than the total available amount, some or all of the excess (including an amount equal to the portion of the contract rents payable by the tenants) is required to be set aside by HUD in a "project account" for the particular project and will be available in future years to fund increases in contract rents for the project, decreases in family incomes or other costs authorized or approved by HUD. In the event that previously appropriated amounts are not sufficient to meet HUD's contractual obligations to the Section 8 Projects, HUD is required by applicable Section 8 provisions to take such additional steps authorized by subsection (c)(5) of Section 8 of the 1937 Housing Act as may be necessary to obtain funds to assure that payment will be adequate to cover increases in contract rents and decreases in tenant payments. Under subsection (c)(5) of Section 8: "[t]he Secretary [of HUD] shall take such steps as may be necessary, including the making of contracts for assistance payments in amounts in excess of the amounts required at the time of the initial renting of dwelling units, the reservation of annual contributions authority for the purpose of amending housing assistance contracts, or the allocation of a portion of new authorizations for the purpose of amending housing assistance contracts, to assure that assistance payments are increased on a timely basis to cover increases in maximum monthly rents or decreases in family incomes."

In practice until recently, HUD has sought and received amendment authority from Congress sufficient to enable it to discharge its obligations under the HAP Contracts and the ACCs. During 2007, a revision in HUD's interpretation of its outstanding contracts coupled with the amount of appropriations

available led to many late payments to owners while HUD made adjustments. See "—Late Payments in 2007" below.

The HAP Contract provides for housing assistance payments with respect to a dwelling unit covered by the HAP Contract on the condition that such unit is maintained according to the requirements of the HAP Contract and is occupied by an eligible tenant. An ACC remains in effect for as long as a HAP Contract is in effect.

Adjustment of Subsidy Amounts. Each HAP Contract provides for certain adjustments in contract rents. With respect to Original Contracts, HUD publishes at least annually an Annual Adjustment Factor ("[AA]F"), which is intended to reflect changes in the fair market rent established in the housing area for similar types and sizes of dwelling units; interim revisions may be made where market conditions warrant. Upon request from the owner to the Agency, the [AA]F is applied on the anniversary date of each HAP Contract to contract rents, provided that no adjustment shall result in a material difference between the rents charged for subsidized and comparable non-subsidized dwelling units except to the extent that the differences existed with respect to the contract rents set at HAP Contract execution or cost certification where applicable. (The difference that existed between the contract rent for a unit at HAP Contract execution and the rent on comparable unassisted units is generally referred to by HUD as the "initial difference" in contract rents.) In addition, provision is made in the regulations for special additional adjustments to reflect increases in actual and necessary expenses of owning and maintaining the subsidized units which have resulted from substantial general increases in real property taxes, assessments, utility rates and utilities not covered by regulated rates, if the owner demonstrates that the automatic annual adjustments have not provided adequate compensation. Under current law (Section 8(c)(2)(C) of the 1937 Housing Act), "[t]he Secretary may not reduce the contract rents in effect on or after April 15, 1987, for newly constructed, substantially rehabilitated, or moderately rehabilitated projects assisted under the section ... unless the project has been refinanced in a manner that reduces the periodic payments of the owner."

Notwithstanding the foregoing, if the contract rents for a project exceed the applicable HUD fair market rents, then contract rents cannot be increased beyond comparable market rents (plus the initial difference) as determined by independent appraisals of at least three comparable local projects submitted by the owner. In addition, the [AA]Fs for Section 8 units which experienced no turnover in tenants since their preceding HAP Contract anniversary date shall be one percentage point less than the [AA]Fs that would otherwise apply.

With respect to Renewal Contracts, the HAP Contract will, in most cases, provide for annual adjustments in contract rents based upon an Operating Cost Adjustment Factor (OCAF). The OCAF is intended to reflect increases in the cost of operating comparable rental properties, which may or may not correspond to circumstances affecting a particular Section 8 Project. HAP Contracts renewed for terms longer than one year will be subject to Congressional appropriations, which may not be available. HUD's provision of such amendments and renewals was partially disrupted for a temporary period during 2007, when HUD determined appropriations available at the time to be inadequate to fulfill all such needs. For further discussion of that situation, see "—Late Payments in 2007" below. The President's March 1, 2013 sequestration order pursuant to the Budget Control Act of 2011 and the American Taxpayer Relief Act of 2012 (the "2013 Federal Sequestration Order") resulted in a reduction of appropriations for the fiscal year ending September 30, 2013 for housing assistance payments under Renewal Contracts, which HUD implemented by funding certain Renewal Contracts for less than twelve months from such fiscal year's appropriations. The failure of the Congress to timely appropriate sufficient funds to pay subsidies pursuant to Renewal Contracts in any year, including payments requiring appropriations early in a fiscal year as a result of partial year funding in a prior year, could have an adverse impact on the ability of the

related Section 8 Projects to pay debt service. In addition, the prohibition on adjustments that would lower contract rents, explained above, does not apply to HAP Contracts that are Renewal Contracts.

Vacancies and Debt Service. Generally, the Section 8 subsidy is payable with respect to the dwelling unit only when it is occupied by a qualified person or family. However, applicable law and regulations provide for payment of the subsidy under certain circumstances and, for a limited period of time, when the dwelling unit is not occupied. Upon the occurrence of a vacancy in a dwelling unit, a subsidy amounting to 80% of the contract rent is payable for a vacancy period of 60 days subject to compliance by the mortgagor with certain conditions relating primarily to a diligent effort to rent the subsidized unit. The payment of a subsidy with respect to a dwelling unit vacant after initial rent-up may continue for an additional 12 months from the expiration of the 60-day period in an amount equal to the principal and interest payments required to amortize the debt service attributable to the vacant unit, if a good faith effort is being made to fill the unit and the unit provides decent, safe, and sanitary housing. Such continued payments also require the mortgagor to show that project costs exceed revenues, a good faith effort is being made to fill the unit and the additional subsidy payments do not exceed the deficiency attributable to the vacant units. With respect to the Section 8 Projects receiving subsidies pursuant to the Section 8 Moderate Rehabilitation Program, vacancy payments are only available for a maximum period of 60 consecutive days.

Compliance With Subsidy Contracts. The ACC and the HAP Contract each contain numerous agreements on the part of the Contract Administrator and the owner concerning, among other things, maintenance of the project as decent, safe and sanitary housing and compliance with a number of requirements typical of Federal contracts (such as non-discrimination, equal employment opportunity, relocation, pollution control and labor standards) as to which non-compliance by the owner may result in abatement by HUD or the Contract Administrator, as the case may be, of the payment of the Federal subsidy, in whole or in part.

Housing assistance payments will continue as long as the owner complies with the requirements of the HAP Contract and has leased the assisted units to an eligible tenant or satisfies the criteria for receiving assistance for vacant units. The Contract Administrator, which has primary responsibility for administering each HAP Contract subject to review and audit by HUD, subject to an opportunity by the mortgagor to cure any default under the HAP Contract, may abate housing assistance payments and recover overpayments pending remedy of the default. If the default is not cured, the Contract Administrator may terminate the HAP Contract or take other corrective action, in its discretion or as directed by HUD. HUD has an independent right to determine whether the owner is in default and to take corrective action and apply appropriate remedies.

If HUD determines that the Contract Administrator has failed to fulfill its obligations, HUD may, after notice to the Contract Administrator giving it a reasonable opportunity to take corrective action, require that the Contract Administrator assign to it all rights under the HAP Contract. The Agency has, to date, never been notified by HUD that it has failed in any material respect to fulfill its obligations with respect to any of the Projects. In recent years, HUD has placed increasing emphasis on assuring that Contract Administrators fulfill their obligations in this respect.

Expiration of Subsidy Contracts. Until 1997, there was substantial uncertainty as to what would happen to Section 8 projects upon the expiration of their HAP Contracts at the end of their terms. HUD's Fiscal Year 1998 Appropriations Act, Pub. L. 105-65, signed into law on October 27, 1997, included within it the "Multifamily Assisted Housing Reform and Affordability Act of 1997" (as amended several times thereafter, the "MAHRA"). Under the so-called Mark-to-Market program established by MAHRA, many FHA-insured Section 8 projects with expiring HAP Contracts are eligible to receive continuing Section 8 assistance through contract renewals. Such Renewal Contracts may have terms from one to

twenty years, subject to Congressional appropriations. As noted above, absent such appropriations, there is no assurance that funds will be available under these contracts. Additionally, FHA-insured Section 8 projects with expiring HAP Contracts and above-market rents may be eligible for restructuring plans and, upon restructuring, to receive continuing Section 8 assistance pursuant to contracts subject to Congressional appropriations. These restructuring plans may include partial or full prepayment of mortgage debt intended to reduce Section 8 rent levels to those of comparable market rate properties or to the minimum level necessary to support proper operations and maintenance, and in certain cases is designed to result in a change from "project-based" to "tenant-based" Section 8 payments. MAHRA provides, however, that no restructuring or renewal of HAP Contracts will occur if the owner of a project has engaged in material adverse financial or managerial actions or omissions with respect to that project or other Federally assisted projects, or if the poor condition of the project cannot be remedied in a cost effective manner.

Although the primary focus of the Mark-to-Market Program is projects that have FHA-insured mortgages with terms ranging from 30 to 40 years and which have HAP Contracts with substantially shorter terms, MAHRA contained distinct mortgage restructuring and HAP Contract renewal and contract rent determination standards for Section 8 projects for which the primary financing or mortgage insurance was provided by a state or local government, or a unit or instrumentality of such government. Such projects, including the Section 8 Projects, were, under MAHRA, excluded from restructuring and instead are eligible for renewals at the lesser of (i) existing rents, adjusted by an operating cost adjustment factor established by HUD, (ii) a budget-based rent, or (iii) in the case of certain "moderate rehabilitation" Section 8 assistance contracts, the lesser of (x) existing rents, adjusted by an operating cost factor determined by HUD, (y) existing fair market rents (less any amounts allowed for tenant purchased utilities), or (z) comparable market rents for the market area. Under current HUD policy, existing fair market rents for moderate rehabilitation projects means 120% of HUD's published existing fair market rents.

Although initially exempt from restructuring, the 1999 amendments to MAHRA made Section 8 projects with FHA-insured mortgages for which the primary financing was provided by a unit of state or local government subject to the Mark-to-Market program unless the implementation of a mortgage restructuring plan would be in conflict with applicable law or agreements governing such financing. The 1999 amendments also provide for a new program for preservation of Section 8 projects that allows increases in Section 8 rent levels for certain Section 8 projects (including Section 236 Projects which also have project-based HAP Contracts) that have below market rents, to market-rate or near market-rate levels.

Contract rents available upon any renewal may be significantly lower than the current Section 8 contract rents in the Section 8 Projects, and the corresponding reduction in housing assistance payments for such Projects would materially adversely affect the ability of the Borrowers of such Projects to pay the currently scheduled principal and interest on the related Borrower Loans. Any termination or expiration of HAP Contracts without renewal or replacement with other project-based assistance (whether due to enactment of additional legislation, material adverse financial or managerial actions by a Borrower, poor condition of the project or other causes) would also have a material adverse impact on the ability of the related Section 8 Projects to generate revenues sufficient to pay the currently scheduled principal of and interest on the related Borrower Loans. While MAHRA generally allows mortgagors to renew HAP Contracts (absent certain material adverse conduct or conditions), mortgagors are not required to renew HAP Contracts beyond their initial expiration or the expiration of a renewal term.

A reduction in Section 8 contract rents or the termination or expiration of the HAP Contract (without renewal or replacement with other project-based assistance, or without prepayment, forgiveness,

write-down or refinancing as described below), as described in the previous paragraphs, could thus result in a default under the Borrower Loan for the related Section 8 Project.

The restructuring plans established by MAHRA referred to above, as a general matter, contemplate restructuring FHA-insured mortgage loans on certain Section 8 projects through a nondefault partial or full prepayment of such loans. Nondefault partial or full prepayment or similar forgiveness or write-down of mortgage debt pursuant to a restructuring of these Borrower Loans could result in the special redemption from recoveries of principal of an allocable portion of certain Bonds at any time with the proceeds the Agency receives from any such prepayment, forgiveness or write-down. In addition, the Borrowers of these Borrower Loans could opt to refinance their Borrower Loans in full, pursuant to Section 223(a) (7) of the National Housing Act, which could also result in the special redemption from recoveries of principal of an allocable portion of certain Bonds at any time with the proceeds the Agency receives from any such refinancing.

Exception Projects Under MAHRA. MAHRA contains distinct mortgage restructuring and HAP Contract renewal and contract rent determination standards for certain Section 8 projects which require differentiation from the majority of projects. For example, one is the case noted above, in which primary financing or mortgage insurance was provided by a state or local government, or a unit or instrumentality of such government. A second important group of differentiated projects are those financed under Section 202 of the Housing Act of 1959 that also received Section 8 HAP Contracts when first constructed ("Section 202 Properties"). Such projects are, under MAHRA, excluded from restructuring and mark-down of their rents, and are known as "Exception Projects." Exception Projects are not involuntarily subject to mark-down to market, i.e. the rents may not be reduced below a level upon renewal or prepayment which would not provide the property with funds sufficient to operate the property with a balanced budget. A budget-based analysis is typically performed in connection with the renewal of a HAP Contract for a Section 202 Property. The owner of a Section 202 Property may opt to be renewed under the other renewal options discussed above, but in so doing risks losing the Exception Project designation. For some Section 202 Properties with below market rents this could be a viable option; any contemplation of this would need to be analyzed on a case by case basis. Section 202 Properties are Exception Projects and are statutorily eligible for renewals at the lesser of (i) existing rents, adjusted by an OCAF or (ii) a budget-based rent. Recent legislation and regulations facilitate the refinancing of Section 202 Properties. HUD has recently published final Regulations for the refinancing and rehabilitation of financed and constructed projects under Section 202 with Section 8 subsidies.

No Assurance as to Congressional Action. The HAP Contracts for most of the Section 8 Projects expire or have expired prior to the respective maturity dates of the related Borrower Loans. Since payments received under the HAP Contracts constitute a primary source of revenues for the related Projects, the expiration of the HAP Contracts (without renewal or replacement) – whether Original Contracts or Renewal Contracts – would have a material adverse impact on the ability of the related Projects to generate revenues sufficient to pay the principal of and interest on the related Borrower Loans. There can be no assurance that the HAP Contracts will be renewed or replaced, or fully funded. Since 1997, MAHRA has been changed in a variety of ways and is always subject to Congressional reconsideration. In the event of the expiration of one or more of the HAP Contracts (without renewal or replacement), there is a likelihood of a default on one or more of the related Borrower Loans. In the case of Section 8 Projects with FHA Mortgage Loans, the Borrower Loan(s) would be assigned to FHA for FHA Insurance benefits. Upon receipt of such FHA Insurance benefits or proceeds received from enforcement actions (including foreclosure) of a defaulted Borrower Loan not subject to supplemental security, the Agency may elect to redeem an allocable portion of certain Bonds.

Late Payments in 2007. During 2007, a revision by HUD in its legal interpretation of its Section 8 renewal contracts led HUD to conclude that it only could stay within appropriated funding levels by amending renewal contracts to more explicitly allow for partial-year funding of those contracts. As a

result of the time it took to implement this change, many fiscal year 2007 payments were not paid on time. While HUD allowed owners to take steps such as borrowing against project reserves, some owners indicated that the delayed payments caused late fees on mortgages or other bills or interruptions in service at their properties.

HUD now has made the necessary contract changes to allow for partial-year renewal funding, but has told Congress that further improvements are needed in its budgeting, contract management and payment process. If future problems in these systems resulting from partial-year funding or otherwise cause delayed subsidy payments, such delays could jeopardize owners' ability to fulfill their mortgage obligations in a timely fashion, and thus jeopardize amounts available for payment of the Bonds.

Use of Residual Receipts Reserves. Certain of the Projects participating in the Section 8 program described above may be the subject of HAP Contracts originally entered into pursuant to certain revised HUD regulations that took effect in late 1979 or early 1980 (as applicable), which in each case generally provide for excess operating income exceeding certain owner distribution limits to be held in a reserve account (a "Residual Receipts Account"), to be used only for project purposes during the term of the HAP Contract and to be returned to HUD upon termination of the HAP Contract.

Pursuant to a HUD policy with respect to such Projects, effective for housing assistance payments in November 2012 and thereafter, amounts in the Residual Receipts Account for such a Project in excess of a specified level, equal to $250 multiplied by the number of Section 8 units in the Project, are to be drawn on to fund Section 8 subsidy payments in lieu of HUD-funded payments until the Residual Receipts Account is reduced to such level.

In addition, with respect to any Project subject to a HAP Contract that authorizes HUD to require Residual Receipts Account deposits, the Consolidated Appropriations Act, 2014 provides that amounts in the Residual Receipts Account that are in excess of an amount determined by HUD shall, upon HUD's request, be remitted to HUD so as to be available to fund subsidy payments under the project-based Section 8 program generally.

Project-Based Voucher Programs. In addition to the project-based Section 8 program described in the preceding paragraphs, the 1937 Housing Act and the Regulations grant certain state and local housing agencies authority to establish programs ("Project-Based Voucher Programs") pursuant to which they may enter into HAP Contracts to provide assistance to projects that set aside units for lower income families, using up to twenty percent of the funds they receive from HUD under annual contributions contracts for the administration of the housing choice voucher program authorized by Section 8(o) of the 1937 Housing Act (the "Housing Choice Voucher Program"). Under Project-Based Voucher Programs, as under the project-based Section 8 program described in the preceding paragraphs, HAP Contracts provide for housing assistance payments to owners generally equal to the difference between specified contract rents for covered units in a project and the respective tenants' required contributions. However, under a Project-Based Voucher Program, rules concerning the establishment of initial contract rents, the terms of periodic adjustment of contract rents (including whether reduction to levels below the initial rents may occur), the availability of payments for vacant units, and the availability of renewal of a HAP Contract upon expiration of its stated term, differ from the rules applicable to the project-based Section 8 program described in the preceding paragraphs and depend in part on the policies of the state or local agency operating the Project-Based Voucher Program. A state or local agency's obligations pursuant to a HAP Contract under its Project-Based Voucher Program are subject to the annual appropriation by Congress and obligation by HUD of funds in amounts sufficient to operate the Housing Choice Voucher Program, including the agency's Project-Based Voucher Program. The 2013 Federal Sequestration Order resulted in a reduction of appropriations for the fiscal year ending September 30, 2013 for the Housing Choice Voucher Program. No assurance can be given that Congress will timely appropriate sufficient

funds each year for the Housing Choice Voucher Program to enable housing agencies to make housing assistance payments pursuant to such HAP Contracts.

RAD/Section 18 Program

This program provides expanded eligibility for projects to "blend" project-based voucher ("PBV") assistance through a Rental Assistance Demonstration ("RAD") conversion with assistance from tenant protection vouchers ("TPVs") that are awarded through a Section 18 disposition approval. Additionally, California-based projects must comply with the 2019 California Green Building Standards Code, which includes robust requirements for energy efficiency and water efficiency standards related to new construction and rehabilitation of multifamily projects.

Administration. The RAD HAP Contracts will be administered in accordance with RAD and any applicable waivers approved by HUD. The Section 18 PBV HAP Contracts will be administered in accordance with Section 8(o)(13) of the Housing Act and 24 C.F.R. Part 983, together with any waiver approved by HUD in relation thereto. Each Section 18 PBV HAP Contract and RAD HAP Contract will have an initial term of twenty years. The 2025 Borrower will be obligated under the Lease and other documents entered into with the Agency to renew the Section 18 PBV HAP Contracts and RAD HAP Contracts for additional twenty-year terms on an indefinite basis. Payments under the Section 18 PBV HAP Contracts and RAD HAP Contracts are subject to annual federal appropriations for the Section 8 voucher program. For further information regarding the Section 8 program, see "—Section 8 Program" above.

Section 811 (Project Rental Assistance) Program

The Section 811 Project Rental Assistance Program ("Section 811") is a HUD-funded program managed by the Agency, designed to increase the availability of housing for non-elderly disabled persons eligible to receive services under Title XIX of the Social Security Act, commonly known as Medicaid. Like Section 8, Section 811 offers both tenant-based assistance through vouchers and project-based rental assistances ("Project-Based Section 811"). As with project-based Section 8, Project-Based Section 811 provides for housing assistance payments to owners generally equal to the difference between specified contract rents for covered units in a project and the respective tenants' required contributions. To receive assistance under Section 811, the project owner must execute Parts I and II of a Rental Assistance Contract ("RAC") setting forth the terms and conditions of the assistance payments and a Use Agreement ("Use Agreement") under which the project owner covenants to reserve the units receiving Section 811 assistance (the "Assisted Units") in compliance with HUD Project-Based Section 811 requirements for a period of thirty years, including rent limitations.

State and Local Subsidy Programs

HCD Transit-Oriented Development Housing Program

The California Department of Housing and Community Development Transit-Oriented Development Housing Program (the "TOD Housing Program") funds low-interest loans available as gap financing for rental housing developments near transit that include affordable units. The TOD Housing Program is designed to increase public transit ridership by funding higher density affordable housing developments within one-quarter mile of transit stations.

HCD HOME Investment Partnerships Program

. The California Department of Housing and Community Development administers the federal HOME Investment Partnerships Program ("HOME") to provide low-interest loans and grants to fund the development of affordable rental housing and homeownership opportunities for low- and very low-income households. HOME funds may be used for new construction, acquisition, rehabilitation, and tenant-based rental assistance. Projects assisted with HOME funds must comply with federal affordability requirements, including income targeting and rent restrictions, for a minimum period of 20 years for newly constructed housing.

HCD Community Development Block Grant Program

The California Department of Housing and Community Development administers the federal Community Development Block Grant Program ("CDBG") to provide funding to eligible non-entitlement jurisdictions for community development activities, including affordable housing, public infrastructure improvements, and economic development. CDBG funds allocated to housing activities may be used for the construction or rehabilitation of affordable housing serving low- and moderate-income persons and households. Recipients of CDBG housing funds must ensure that assisted units primarily benefit persons and households with incomes at or below 80% of the area median income and must comply with all applicable federal requirements, including environmental review, labor standards, and fair housing obligations.

HCD Permanent Local Housing Allocation Program

The California Department of Housing and Community Development administers the Permanent Local Housing Allocation Program ("PLHA") to provide a permanent source of funding to local governments for housing-related projects and programs that assist in meeting the unmet housing needs of their communities. PLHA funds are allocated on a formula basis to entitlement jurisdictions and counties and may be used for a range of eligible activities, including the predevelopment, development, acquisition, and rehabilitation of multifamily housing that is affordable to households earning up to 120% area median income.

Local Subsidy Programs

Projects may receive additional funding from the city or county in which they are situated ("Local Subsidies"). Local Subsidies may provide gap financing in a variety of forms, including grants, low-interest loans, fee waivers for permits and impact fees or subsidized ground leases or mortgages.

Supplemental Security

Borrower Loans financed under the Indenture and the Projects financed thereby may, but are not required to be subject to Supplemental Security insuring or securing against Borrower Loan default losses. Set forth below is information regarding potential forms of such Supplemental Security. See "PLAN OF FINANCING—2026 Series A Borrower Loans" and "—Special Reserve Fund—2026 Series A Restricted Sub-Account of the Special Reserve Fund" for the forms of Supplemental Security associated with each 2026 Series A Borrower Loan and 2026 Series A Restricted Asset.

FHA Insurance Program

General. The following briefly describes the multi-family mortgage insurance program administered by HUD, acting through FHA, pursuant to Sections 220, 221(d)(3), 221(d)(4) or 223(f) of

the National Housing Act, as amended (the "National Housing Act"), and is qualified in its entirety by reference to the National Housing Act and the regulations thereunder. The applicable FHA regulations regarding such Sections of the National Housing Act are contained in Part 200, Part 220 and Part 221 of Title 24 of the Code of Federal Regulations and, with certain exceptions, incorporate by reference the provisions of Subpart A, Part 207 of Title 24 of the Code of Federal Regulations concerning eligibility requirements of mortgages covering multi-family housing under Section 207 of the National Housing Act and the provisions of Subpart B, Part 207 of Title 24 of the Code of Federal Regulations concerning the contract rights and obligations of the mortgagee with respect to mortgages insured under Section 207 of the National Housing Act. In the event of a conflict between the documents governing the FHA-insured Borrower Loans, the National Housing Act or the FHA rules, regulations and program requirements and the Indenture, the documents governing the FHA-insured Borrower Loans or provisions of the National Housing Act and FHA rules, regulations and program requirements will be controlling. FHA Insurance benefits under the program are available only if the mortgagee of record is an FHA-approved mortgagee. The Agency has been an FHA-approved mortgagee under the FHA Insurance program since 1980.

FHA regulations define a default under an FHA-insured mortgage (including the note incorporated therein) as: (1) a failure to make any payments due under such mortgage or (2) a failure to perform any other mortgage covenant (which includes covenants in the regulatory agreement executed in connection with such FHA-insured mortgage) if the mortgagee, because of such failure, has accelerated the debt. In the event that there is a default beyond applicable notice and grace periods under the FHA regulatory agreement and FHA so requests, the mortgagee, at its option, may declare the whole indebtedness due and payable. Furthermore, the FHA regulations provide that upon notice of a violation of a mortgage covenant, FHA reserves the right to require the mortgagee to accelerate payment of the outstanding principal in order to protect FHA's interests. A mortgagee is entitled to receive the benefits of the mortgage insurance after the mortgagor has defaulted and such default (as defined in the FHA regulations) has continued for a period of thirty (30) days subject to certain requirements.

It is the responsibility of the mortgagee to notify FHA in the event of such a default by the mortgagor under the mortgage note or mortgage. FHA regulations further require the mortgagee to make an election, within forty-five (45) days after the date on which the mortgagee becomes eligible to receive FHA Insurance benefits, (i) to assign the mortgage to FHA or (ii) to acquire title to and convey the project property to FHA, unless such time period is extended by FHA.

The mortgagee is required to submit all required documentation within forty-five (45) days of the date the mortgage is assigned to FHA unless the time is extended by FHA. The documentation required to be supplied to FHA includes the mortgage note, the mortgage, the security agreement, the financing statements, the title policy, the hazard policy and other instruments, together with assignments of such documents to FHA. If the election is not made or the documents are not delivered within the forty-five (45) days allowed, FHA will not pay the mortgage interest on sums outstanding from the date the election should have been made or the date the required documents should have been submitted to FHA, whichever is applicable, to the date when the mortgage insurance claim is finally paid, unless FHA has agreed to extend the period with interest.

The FHA Insurance benefits received in the event of any claim under the FHA Insurance contract will be subject to certain deductions. The mortgagee will be entitled to settlement of the insurance claim in cash (or, if elected by the mortgagee, in FHA debentures), upon assignment of the mortgage, in an amount equal to 99% of the amount of the principal balance of a defaulted mortgage loan outstanding as of the date of default, after adjustment for certain expenses and for deposits or assets held by the mortgagee for the benefit of the development and not assigned to FHA. However, the Agency has covenanted in the 2026 Series A Supplemental Indenture to receive insurance claim settlements in cash. FHA Insurance benefits include the payment of interest at the FHA debenture rate on the amount of the

insurance claim from the date of default to the date the claim is paid (or such earlier date by which the mortgagee is required to file the election to assign the mortgage or complete submissions as described above, if the mortgagee fails to take such action on a timely basis). The interest rate on the FHA debentures is the rate in effect as of the date of the commitment for FHA Insurance or as of the date of initial endorsement of the note by FHA, whichever is higher. In the case of a monetary default, the date of default is deemed to be the date on which payment on the mortgage loan originally should have been received. Since interest is paid one month in arrears on the FHA-insured Borrower Loans, the Agency, in the event of a claim for FHA Insurance benefits, will not be reimbursed for interest which has accrued in the previous month and was due and payable on the date of default.

In connection with a claim for FHA Insurance benefits, FHA may require delivery to it of certain cash items. Cash items are defined to include, among other things, any cash held by or on behalf of the mortgagee which has not been applied to reduce the mortgage, funds held by the mortgagee for the account of the mortgagor, any unadvanced balance of the insured note and any undrawn balance under letters of credit delivered to the mortgagee in connection with endorsement of the insured note. The mortgagee is responsible for all funds in its custody and must therefore obtain approval from FHA and others when required, prior to release of any funds which may be in its possession. Failure to properly protect such funds may result in a deduction from the FHA Insurance benefits in an amount equal to the funds FHA asserts should have properly been held as a deposit.

In the event of an assignment, in order to receive FHA Insurance benefits, FHA requires the mortgagee to make certain warranties with respect to the validity and priority of the mortgage lien and to furnish FHA with a title insurance policy or policies which name FHA as an insured party and which assure that the mortgage constitutes a first lien on the project, subject only to such exceptions previously approved by FHA. The mortgagee will be required to remove any unapproved intervening liens and to obtain an updated title endorsement within the 45-day period (or such longer period as may be approved by FHA) during which documents are required to be submitted. FHA will deduct the amount of any unapproved liens which have priority over the insured mortgage lien from the mortgage insurance benefits.

FHA typically pays a portion of an insurance claim prior to the delivery of all required documentation, including the mortgage note and the mortgage. If a claim is made, FHA will usually, but is not obligated to, pay 90% of the outstanding principal balance of the note within fifteen (15) days of the recordation of an assignment of the mortgage to FHA. Remaining balances are paid to the mortgagee after FHA has received final financial data and final legal clearance has been received. During the period from the date of default on the mortgage until final payment (or such earlier date by which the mortgagee is required to complete submissions as described above), FHA pays interest on the remaining unpaid amount of the insurance claim at the FHA debenture rate.

Under FHA regulations, if the Agency receives proceeds from any policy of casualty insurance, it may not exercise its option under the mortgages related to the FHA-insured Borrower Loans to use such proceeds for either rebuilding the Projects, prepaying the mortgage notes or for any other disposition without FHA's prior written approval. If FHA fails to give its approval to the use of the insurance proceeds within thirty (30) days after written request by the Agency, the Agency may use or apply the funds for the purposes specified in such mortgages without prior FHA approval.

Regulatory Agreement, Rent Adjustments and HUD's Supervisory Powers. Under the form of regulatory agreement used in connection with developments financed pursuant to FHA-insured mortgage loans (the "Regulatory Agreement"), the mortgagor is required, among other things, to make all payments due under the mortgage loan and to pay a specified amount monthly into the reserve fund for replacements, which must at all times be under the control of state or local housing finance agencies (the

"HFA") and disbursements from which may be made only with HUD's consent or, if authorized by HUD, with the consent of the HFA. In addition, the mortgagor must deposit all rents and other receipts of the development in a development bank account and may withdraw funds from such account only in accordance with the Regulatory Agreement for expenses of the development, certain required remittances to HUD, or distributions of return on equity. For projects subject to rent regulation by HUD (which include projects assisted with Section 8 contracts), rental increases may be made only with the approval of HUD. At any time HUD will consider a written request for a rental increase if such request is properly supported by substantiating evidence. Within a reasonable time HUD must either:

1) approve an increase in the rental schedule to compensate for any net increase in taxes other than income taxes and in operating and maintenance expenses over which the mortgagor has no effective control. With respect to certain mortgage loans insured pursuant to Section 223(f) of the National Housing Act, HUD may approve an additional increase giving consideration to the debt associated with any subordinate mortgage on the project provided HUD determines that market conditions warrant an increase sufficient to amortize all or part of such subordinate mortgage on the project and that such an increase will not unduly jeopardize the economic stability of the project because of adverse effects on rent collections or vacancies; or

2) deny the increase, stating the reasons therefor.

Rent increases for projects assisted with Section 8 contracts are governed by the provisions of the applicable Section 8 contract. Generally, projects insured under Sections 220 and 221(d)(4) of the National Housing Act are not subject to rent regulation by HUD, with certain project-by-project exceptions.

The Regulatory Agreement also contains provisions detailing requirements for tenant eligibility, nondiscrimination, and permissible uses of, or changes to, the development; and prohibits the conveyance, transference or encumbrance of the development or any right to manage the development without the prior written approval of HUD. The mortgagor may not make, receive, or retain any distribution of assets or income from the development except from "surplus cash" and only as permitted under the Regulatory Agreement and applicable laws.

The mortgagor is also prohibited, without the prior written approval of HUD, from remodeling, adding to or demolishing any part of the development or engaging in any other business or activity or incurring any obligation or liability not in connection with the development.

In the event of a violation in the performance of the mortgagor's obligations under the Regulatory Agreement and the mortgagor's failure to cure such violation after receiving notice from HUD, even in the absence of a default under a mortgage note or a mortgage, HUD may (a) notify the HFA of such default and request the HFA to declare a default under the mortgage note and the mortgage, and the HFA may, at its option, declare the whole indebtedness due and thereupon proceed with foreclosure of the mortgage or assign the mortgage note and the mortgage to HUD, (b) collect all rents and charges in connection with the operation of the development and use such collections to pay the mortgagor's obligations under the Regulatory Agreement, the mortgage note and the mortgage and the expenses of maintaining the development, (c) take possession of and operate the development, and (d) apply for an injunction, appointment of a receiver or such other relief as may be appropriate.

The Regulatory Agreement provides that the mortgagor of the development assumes no personal liability for payments due under the related mortgage note and mortgage, for the reserve for replacements or for matters not under its control. The Regulatory Agreement does provide, however, that the mortgagor is liable for funds or property of the development in the possession of the mortgagor and which

the mortgagor is not entitled to retain, and for the mortgagor's actions, or those of others which the mortgagor has authorized, in violation of the Regulatory Agreement.

Loss of FHA Insurance. FHA requires the maintenance of specified casualty insurance on mortgaged properties. The mortgagee must obtain such coverage in the event the mortgagor fails to do so. The failure to maintain adequate casualty insurance on a development may result in the partial or full loss of the FHA Insurance benefits in the event of damage to or destruction of such development. FHA Insurance benefits may also be lost for failure to pay required FHA mortgage insurance premiums or failure to provide FHA with required notices. FHA Insurance benefits may also be denied if fraudulent statements were made to FHA by the HFA or by the mortgagor with the knowledge of the HFA.

FHA Risk-Sharing Insurance Program

General. Section 542(c) of the Housing and Community Development Act of 1992, as amended (the "Risk-Sharing Act"), authorizes the Secretary of HUD to enter into risk-sharing agreements with qualified state or local housing finance agencies ("HFAs") to enable those HFAs to underwrite and process loans for which HUD will provide full mortgage insurance for eligible projects. HUD has promulgated regulations at 24 C.F.R. Part 266 (the "Regulations") pursuant to the Risk-Sharing Act. The Agency has been designated by HUD as a "qualified HFA" under the Risk-Sharing Act and has entered into a risk-sharing agreement (the "Risk-Sharing Agreement") with HUD.

Under the program established by the Risk-Sharing Act (the "Risk-Sharing Program"), a participating HFA retains underwriting, loan management and property disposition functions and responsibility for defaulted loans. Following default under a mortgage loan subject to a HUD contract of mortgage insurance under the Risk-Sharing Program, the participating HFA may obtain from HUD an initial claim payment of 100% of the loan's unpaid principal balance and accrued interest, subject to certain adjustments, as further described below. After a period during which the HFA may work toward curing the default, foreclosure or resale of the related project, losses (if any) are to be calculated and apportioned between the HFA and HUD according to a specified risk-sharing percentage for the mortgage loan (determined at the time of its endorsement for insurance), and the amount of the HFA's reimbursement obligation to HUD is determined. During the period preceding such final loss settlement, the HFA is to pay HUD interest on the amount of the initial claim payment under a debenture required to be issued to HUD at the time of initial claim payment. In the case of the Agency, such debenture interest and the Agency's reimbursement and other payment obligations to HUD under the Risk-Sharing Agreement will not be payable from the Revenues, Accounts and Borrower Loans pledged under the Indenture.

FHA Mortgage Insurance. In the case of a Borrower Loan to be insured during construction, under the Regulations, HUD evidences its insurance by an initial endorsement of the applicable Promissory Note at or prior to the first advance of moneys under the insured Borrower Loan to the Borrower. Such advance ordinarily occurs prior to the commencement of construction although construction may begin using a Borrower's own funds with the Agency's consent prior to initial endorsement. All advances for construction items will be made as authorized by the Agency pursuant to the requirements of HUD. The Regulations also provide for insurance of a Borrower Loan following completion of the project without insurance of construction advances. In either case, upon completion of the project, presentation of a closing docket and certifications required by the Regulations, HUD issues a final endorsement of the Promissory Note for the costs related to the project which have been certified by an independent certified public accountant and have been approved by the Agency. Although the Agency has been given authority to approve cost certifications by a Borrower, such certifications are contestable by HUD, up to and during final endorsement of the applicable Borrower.

The Regulations define an event of default under a HUD-insured mortgage as (i) a failure to make any payment due under the Deed of Trust or (ii) a failure to perform any other mortgage covenant (which include covenants in the related Regulatory Agreement, which is incorporated by reference in the applicable Deed of Trust) if the Agency, because of such failure, has accelerated the debt. The Agency is entitled to receive the benefits of insurance after the Borrower has defaulted and such default continues for a period of 30 days. If the default continues to exist at the end of the 30 day grace period, the Agency is required to give HUD written notice of the default within 10 days after such grace period and monthly thereafter, unless waived by HUD, until such default has been cured or the Agency has filed an application for an initial claim payment.

Unless a written extension is granted by HUD, the Agency must file an application for initial claim payment (or, if appropriate, for partial claim payment) within 75 days from the date of default. Such claim may be made as early as the first day of the month following the month for which a payment was missed. Upon request of the Agency, HUD may extend, up to 180 days from the date of default, the deadline for filing a claim. In those cases where the Agency certifies that the Borrower is in the process of transacting a bond refunding, refinancing the Deed of Trust, or changing the ownership for the purpose of curing the default and bringing the Deed of Trust current, HUD may extend the deadline for filing a claim beyond 180 days.

The initial claim amount is 100% of the unpaid principal balance of the Promissory Note as of the date of default, plus interest at the Promissory Note rate from the date of default to the date of initial claim payment (subject to curtailment as described below). HUD must make all claim payments in cash. The initial claim payment from HUD is equal to the initial claim amount, less any delinquent mortgage insurance premiums, late charges and interest assessment under the Regulations. The Regulations provide that proceeds of the initial claim payment must be used to retire any bonds or any other financing mechanisms securing the Mortgage within 30 days of the initial claim payment, and that any excess funds resulting from such retirement or repayment shall be returned to HUD within 30 days of the retirement.

In determining the Promissory Note interest component of the initial claim amount, if the Agency fails to meet any of the requirements of the Regulations concerning claim procedures within the specified time (including any granted extension of time), HUD shall curtail the accrual of Promissory Note interest by the number of days by which the required action was late.

FHA insurance under the Risk Sharing Program with respect to any Borrower Loan may be terminated upon the occurrence of certain events, including the following: (i) the corresponding Deed of Trust is paid in full; (ii) the Agency acquires the applicable project and notifies the FHA Commissioner that it will not file an insurance claim; (iii) a party other than the Agency acquires the applicable project at a foreclosure sale; (iv) the Agency notifies the FHA Commissioner of a voluntary termination; (v) the Agency or its successors commit fraud or make a material misrepresentation to the FHA Commissioner with respect to certain information; (vi) the receipt by the FHA Commissioner of an application for final claims settlement by the Agency; or (vii) the Agency acquires the applicable project and fails to make an initial claim.

APPENDIX H

THE AGENCY

Powers

The Agency was created in 1975 by 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"), 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 until July 1, 2026. As of July 1, 2026, the Agency shall exist within the California Housing and Homelessness Agency pursuant to the State of California Governor's Reorganization Plan, No. 1 ("GRP-1"), introduced on May 5, 2025 and effective as of July 5, 2025.

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 April 30, 2026, approximately $8,340,000,000 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.

The Agency is currently operating the following financing programs:

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. Bonds issued under the Indenture, including the Offered Bonds, provide permanent financing for such developments. See "MULTIFAMILY PROGRAMS" below.

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 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.

Homeowner Mortgage Revenue Bond Program. Pursuant to the Homeowner Mortgage Revenue Bond Program, the Agency finances single family mortgage loans both directly through down payment and closing cost assistance and indirectly through the acquisition of pass-through mortgage-backed certificates issued by Ginnie Mae, Fannie Mae or Freddie Mac.

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. 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:

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Name	Term Expires	Principal Occupation
Voting Board Members		
Jim Cervantes[†]	September 26, 2031	Retired as a Managing Director in the Public Finance Department with Stifel, Nicolaus & Co.
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
Fiona Ma	*	State Treasurer
Tomiquia Moss	*	Secretary of the Business, Consumer Services and Housing Agency
Martin Muoto	September 26, 2031	Chief Executive Officer of SoLA Impact
Preston Prince	September 26, 2031	Executive Director of the Santa Clara Housing Authority
Stephen Russell	November 18, 2025[††]	Executive Director of the San Diego Housing Federation
Lindsey Sin	*	Secretary of the California Department of Veterans Affairs
Gustavo F. Velasquez	*	Director of the Department of Housing and Community Development
Tyrone Roderick Williams	September 26, 2027	Chief Executive Officer of the Fresno Housing Authority
Frederick P. White	September 26, 2027	Housing Capital Advisor for the City of Los Angeles Office of City Homelessness Initiatives
Non-Voting Board Members		
Samuel Assefa	*	Director of the Governor's Office of Planning and Research
Joe Stephenshaw	*	Director of the California Department of Finance
Tony Sertich	*	Executive Director of the Agency

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As of the date of this Official Statement, one voting board member position is vacant.

* *ex officio*

[†] Board Chair.

[††] Board term expired November 18, 2025, allowed to serve until successor appointed by the California State Senate Rules Committee.

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 "Powers—*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.

Tony Sertich
Executive Director

Mr. Sertich was appointed Executive Director of the California Housing Finance Agency by Governor Gavin Newsom in September 2025. Prior to that, Mr. Sertich served as Assistant Deputy Director of Multifamily Lending in the Division of State Financial Assistance at the California Department of Housing and Community Development since 2023. He was Deputy Controller at the California State Controller's Office from 2019 to 2022. Mr. Sertich held multiple positions at the California Housing Finance Agency from 2004 to 2018, including Director of Enterprise Risk Management and Compliance, Deputy Director of Multifamily Programs, Financing Risk Manager, Financing Officer, Financing Specialist, and Financing Associate. He was President of the California Housing Finance Agency Mortgage Corporation from 2017 to 2018. Mr. Sertich earned a Bachelor of the Arts degree in Political Science from University of California, Berkeley.

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 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 Bachelor of Arts degree 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.

Katherine McFadden
Director of Multifamily Programs

Ms. McFadden was appointed Director of Multifamily Programs by CalHFA's Board of Directors in January of 2026. Prior to coming to CalHFA, Ms. McFadden was at the Jamboree Housing Corporation, serving as Director of Acquisitions and Development as well as Senior Director/Vice President for Northern California from 2019 to 2026. Previously, she was the Director and Vice President of Development at Domus Development from 2015 to 2018; served as a consultant at CalHFA; was Senior Project Manager at the Tenderloin Neighborhood Development Corporation; spent eight years with the Sacramento Housing and Redevelopment Agency, ending as Management Analyst; and served as Director of Finance for USA Properties Fund. McFadden earned a Bachelor of Arts degree from Westmont College and is certified as a Green Building Professional.

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.

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 Agency's principal office is located at 500 Capitol Mall, Suite 1400, Sacramento, California 95814, and its telephone number is (877) 922-5432.

MULTIFAMILY PROGRAMS

The activities of the Agency described under this heading are hereinafter referred to as the "Multifamily Programs." The following describes the Multifamily Programs as currently in effect. Features of the Multifamily Programs are subject to change by the Agency.

General

The Agency offers a variety of loan programs with competitive rates and long-term financing to advance the creation and preservation of affordable multifamily housing to help address the unprecedented shortage of affordable rental housing in California. The Agency's Multifamily Programs provide permanent, long-term financing as well as financing for new construction or the acquisition, rehabilitation, and/or development of an existing project. These programs include the Tax-Exempt Permanent Loan Program ("Tax-Exempt Loan Program") and the Conduit Issuer Program ("Conduit Issuer Program"), each of which provide long-term financing, and both of which may be paired with the Agency's Mixed-Income Loan Program ("MIP") where the Agency is the first-lien permanent lender.

Projects financed under these programs are required to set aside units for households with incomes at or below a specified percentage of area median income ("AMI"), with adjustments for household size. Certain projects financed by the Agency receive equity financing from non-governmental parties in connection with the allocation of federal or State low income housing tax credits and subsidy financing under various federal, State, and local county and city subsidy and subordinate loan programs. These subsidy programs are described in APPENDIX G – "DESCRIPTION OF SUBSIDY PROGRAMS AND SUPPLEMENTAL SECURITY—Subsidy Programs."

Tax-Exempt Permanent Loan Program. The Tax-Exempt Permanent Loan Program provides competitive tax-exempt, long-term financing for affordable multifamily rental housing projects. Occupancy requirements involve maintaining the greater of: (a) existing affordability restrictions; or (b) either: (i) 20% of the units must be rent restricted and occupied by individuals whose incomes are 50% or less of AMI or (ii) 40% or more of the units must be rent restricted and occupied by individuals whose

income is 60% or less of AMI; however, in the latter case, a minimum of 10% of the units must be at 50% or less of AMI.

Conduit Issuer Program (Conduit). The Conduit Issuer Program provides developers with access to tax-exempt and taxable bonds to finance eligible projects that provide affordable multifamily rental housing for individuals, families, seniors, veterans or special needs tenants. The conduit bond proceeds may be used to finance the acquisition, rehabilitation, and/or development of an existing project, or the construction of a new project. Occupancy restrictions require either: (a) at least 20% of the units must be rent restricted to individuals earning 50% or less of AMI, or (b) at least 40% of the units must be rent restricted to individuals earning 60% or less of AMI; provided, however, in the case of (b), a minimum of 10% of the units must be rent restricted to individuals earning 50% or less of AMI.

Mixed-Income Loan Program (MIP). The MIP provides competitive, long-term, subordinate financing for new construction of multifamily housing projects that restrict units to rent levels between 30% and 120% of AMI. MIP affordability set-aside requirements vary from year-to-year. For 2024, eligible projects must reserve at least: (a) 10% of total units at or below 30% of AMI, (b) 20% of total units at or below 50% of AMI; (c) 10% of total units between 60% and 80% of AMI, with an average of 70% or greater of AMI; (d) 60% of total units up to 120% AMI, and (e) the minimum range between the lowest and highest targeted occupancy level is at least 40%. Affordability under the MIP may be deeper or greater than the requirements set forth in this paragraph. Multifamily housing projects financed by the MIP must comply with the affordability set-aside requirements in place at the time MIP financing was awarded to the project.

Loan Processing and Closing

Review and Commitment Procedures. The following review and commitment procedures are those currently being used by the Agency.

The Agency review process generally begins with the submission by a developer of an application accompanied by supporting materials and exhibits, including, but not limited to, an income loan analysis prepared by the developer or its consultant, providing an estimate of anticipated income generated from rents that can be substantiated in the market area where the proposed units will be built, acquired or constructed; area and zoning maps together with applicable evidence of zoning compliance; a market study, which must be prepared by an independent third party; evidence of site control; information concerning the previous experience of each member of the development team; and a site plan.

Members of the Agency's staff review the suitability of the site for acquisition and/or construction, if applicable, environmental considerations, the extent of need for rental housing in the community and the experience of the prospective developer with rental developments. This evaluation includes, but is not limited to, an inspection of site characteristics, surrounding land uses, availability of public transportation and utility systems, access to supporting public facilities and employment opportunities within the region, and the proximity of the site to recreation, health care, social amenities, shopping and educational facilities. Local planning requirements are reviewed to establish the extent of compliance of the proposed construction with existing zoning regulations. The Agency reviews current rent levels, vacancy rates and the extent of waiting lists for other comparable rental properties within the market area. Subsequently, based upon this evaluation, the staff of the Agency determines the suitability of the project concept. A concept meeting is then conducted among the developer, the development team and the Agency to discuss the economic, management and physical characteristics of the project and the Agency's processing and technical requirements.

Based upon the site evaluation, the loan application and the concept meeting, the staff of the Agency determines the suitability and feasibility of the project concept.

If the Agency and the developer agree to proceed with processing, the developer is required to supplement the application package with additional specific information pertinent to the development. The loan application package generally includes a site survey, management plan, marketing plan, marketing expense budget, operating expense budget, affirmative action plan and environmental site assessment.

The Agency has established underwriting criteria for its mortgage lending activity. No loan will be financed by the Agency until the completion of a review to assure that the Agency's underwriting criteria have been met. Agency staff determines that (i) the operating expense projections have been refined, (ii) development costs have been reviewed, (iii) the appraisal supports project value, and (iv) there is a commitment of other lender financing, if applicable, the project is brought before the Board of Directors or Agency Senior Staff (depending upon the dollar amount of the loan) for authorization to issue a final commitment (the "Final Commitment"). Upon approval by the Board, the Agency evidences its Final Commitment in a letter to the developer setting forth the terms of the Final Commitment, including, as applicable, loan term, fees, construction loan amount, acquisition cost, construction cost, permanent loan amount, loan closing requirements, cash equity requirements and affirmative marketing plan requests. Upon all conditions of the Final Commitment being satisfied, the loan is closed.

Loan Closing Procedures—Permanent Loan Closing. Upon completion of construction or rehabilitation, as applicable, a certificate of completion will be issued and the developer will submit a cost certification, which must be approved by the Agency. The relevant loan closing documents, which generally include a promissory note, deed of trust, loan agreement, financing statement and regulatory agreement, give the Agency a first-lien priority security interest in the real property and improvements. They also provide the Agency with the power to take possession of the development upon default and foreclose and sell it if necessary. The borrower is required to maintain adequate insurance and establish escrows for taxes and insurance. The borrower is also required to provide a title insurance policy acceptable to the Agency and certifications from its architect and an opinion from its attorney that the development conforms to all applicable laws, rules, regulations and codes. The permanent loan will be a fixed interest rate, and may be fully amortizing for up to 40 years or partially amortized up to a 40 year period and due with a balloon at 17 or 30 years. Additionally, the permanent loan may be prepaid at par after 15 years or with the payment of a yield maintenance fee between years 10 and 15.

Management of Developments

Servicing, Inspection Reviews and Risk Assessment. Servicing by the Agency includes, among other things, the collection of mortgage payments, establishing and holding escrow accounts for the payment of taxes, hazard insurance and mortgage insurance, establishing and holding escrow accounts for reserves for replacements and establishing and holding escrow accounts for reserves for operating deficits. The following is a discussion of the Agency's servicing activities.

The Agency requires annual financial statements from borrowers for each loan that it services.

The Agency conducts a site review of each development serviced by the Agency at least once every three years following completion of construction or rehabilitation of such development to monitor its physical condition, except however, developments that are federally-subsidized or developments with FHA-insured loans are inspected by the Agency or a third-party certified inspector every year. The Agency's inspection ratings for developments (other than federally-subsidized programs or FHA-insured mortgage developments) are "good," "fair" and "poor." HUD's inspection ratings for developments

benefiting from the Section 8 or PRA 811 programs or FHA mortgage insurance are "superior," "satisfactory," "below average" and "unsatisfactory." During site reviews, the Agency selects a sample and monitors through various non-invasive procedures the exterior and interior physical condition of the developments, and in addition may monitor reporting, record keeping, affordable occupancy and other Agency requirements.

The Agency's inspection reviews include recommendations for curing deficiencies. The Agency monitors those developments which receive below average and unsatisfactory ratings in order to determine whether (i) required reports have been made and/or (ii) curative work has been undertaken and completed within a prescribed time frame. In order to cure deficiencies and thus improve the ratings of such developments, the Agency may advise a borrower to request a drawdown on its respective reserve fund for replacements. If the reserves are not sufficient to cover the work required to improve a development's rating or if the Agency has determined that the low rating is due to borrower neglect, the Agency meets with the borrower to discuss corrective actions in all review areas which include management practices, financial operations, and vouchering procedures, as well as physical condition. In addition, the Agency conducts an annual review of (i) the inspected developments to monitor their financial condition and (ii) the developments subsidized through the Section 8 program to monitor their financial management controls.

Any development subsidized through the Section 8 or PRA 811 program which receives an unsatisfactory physical condition rating may have its subsidy payments reduced, suspended or terminated. In the event such payments were reduced, suspended or terminated in respect of a loan subsidized by a HAP (Housing Assistance Payment) or RAC (Rental Assistance Contract) Contract, such reduced, suspended or terminated payments would not be available to pay debt service on such loan, which could result in a default on such loan.

The Agency requires property, liability, boiler and machinery, and fidelity insurance for the loans that it services. The Agency requires that property insurance must cover at least the outstanding loan amount and lost rental value of at least one year's rental income at the development (unless the Agency otherwise waives the requirement regarding lost rental value).

The Agency performs an annual "Risk Analysis" for each loan in its portfolio. The analysis allows the Agency to assess each development's overall performance. The analysis is performed using various criteria, including, but not limited to occupancy, physical condition, property management effectiveness, rent collections, market conditions and debt service coverage ratio. The analysis results in the assignment of a risk level of "Low", "Moderate" or "High." Developments rated "High" risk or developments that have not completed the construction and rent-up phase and have not commenced amortization are given increased attention by Agency staff, by requiring, among other things, electronically submitted monthly operating reports and cash flow data.

The following management criteria are those currently required by the Agency:

Prior to Final Commitment, the Agency generally reviews the qualifications of the management agent proposed by the developer, including its management experience.

Initial Operating Budget. As soon as the number of units and gross rents have been established, and prior to Final Commitment, the developer and management agent prepare and submit a detailed operating budget projecting a typical 12-month operating expense period. This operating budget must be approved by the Agency and is the basis for the various reserves and impound accounts to be funded by the borrower.

Development Financial Management and Financial Reporting Requirements. Before a loan is funded, Agency staff reviews and evaluates the existing and/or projected occupancy levels for the related development. Progress toward achieving a sustaining level of occupancy is a factor in determining the amount of required project reserves.

Commencing with the permanent funding of a loan, the Agency requires quarterly financial reports, annual audited financial statements and an annual operating budget. Annual physical inspections are made as required and occupancy compliance is reviewed. The Agency also sends monthly statements to borrowers itemizing loan principal and interest, hazard insurance premiums, real property taxes, and replacement reserve payments.

Development Controls, Reserves and Insurance

Major areas of control exercised by the Agency as part of its supervision are described below. In appropriate cases, the Agency may waive or modify these controls. Certain of these controls may be applicable only to developments which receive Section 8 assistance, and others may be applicable only, or potentially applicable only, to developments financed with certain Bonds issued hereafter.

Equity Requirement. Under the Act as presently enacted, the maximum loan to limited dividend borrowers cannot be greater than ninety-five percent (95%) of the total development costs authorized by law and approved by the Agency as reasonable and necessary ("development Costs"), and the maximum loan to public housing authorities and nonprofit borrowers cannot be greater than one hundred percent (100%) of the development Costs. The Agency's current policy is to limit the loan to value ratio of loans to the lesser of ninety percent (90%) of the economic value of the development as a rental property assuming the applicable rent restrictions, or eighty percent (80%) of the development Costs.

Return on Equity. Generally, if it will be used to create or preserve affordable housing, the Agency will not limit the return on equity to borrowers, however the loan to value ratio is limited to a maximum of eighty percent (80%).

Title Insurance. A title insurance policy is required in the full amount of the loan insuring title to, and the validity and enforceability of the lien of any priority on, the real property, or an interest therein securing such loan.

Lien. The loan is required to be secured by a lien of any priority (subject to permitted encumbrances acceptable to the Agency) on the development. Generally, such liens will be first liens.

Insurance. Insurance policies on the developments are required covering fire and other hazards, builder's risk, comprehensive liability and workers' compensation coverage. Certain loans are required to be covered by earthquake and/or flood insurance. The Agency currently has in force and intends to maintain, subject to the commercially reasonable availability of such insurance, coverage for its multifamily housing developments requiring and currently having coverage under this blanket insurance policy. This coverage consists of a $75 million earthquake and flood insurance policy subject to a deductible of five percent (5%) of the total insured value of each development at the time of loss. The policy also includes rental interruption insurance covering a term of one year. The current policy expires annually in November. This coverage has not been offered to any projects in the Agency's portfolio in approximately the last five years, and the Agency does not intend to offer coverage under its blanket insurance policy to any new projects in the future.

Rehabilitation Account. A reserve may be required by the Agency with respect to the rehabilitation of a development to provide funds, subject to Agency approval, to be used, if necessary, to

pay for the construction after all disbursements of loan funds have been approved by the Agency and drawn by the borrower. If there remains any excess funds in the rehabilitation account after construction has been completed and fully funded, then the use of such excess funds shall be determined by Agency in its sole and absolute discretion.

Vacancy Factor. In determining the economic feasibility of developments, the Agency generally allows for a vacancy factor of between three and five percent or a rate that reflects an appropriate vacancy factor for the development.

Debt Service Coverage. The Agency has established a minimum debt service coverage ratio for all projects receiving a commitment for permanent financing from the Agency after November 2021, requiring additional obligations for the Borrower below a 1.05 DSCR (as defined below) and constituting a default below a 1.0 DSCR for a period exceeding 180 days, regardless of the existence or non-existence of other defaults. No minimum DSCR constitutes a default, apart from another default, for projects committed prior to that timeframe. "Debt service coverage ratio" or "DSCR" is defined as the ratio of net income to debt service payments. "Net income" is defined as monthly payments to be made by tenants for the rental of the units located in a development (excluding utilities) and any miscellaneous revenues and receipts from a development, including drawdowns from any reserves or escrows provided by the borrower to cover excesses of operating costs over gross rental income, less the required vacancy allowance (currently three percent to five percent) and operating expenses. "Debt service payments" is defined as total principal and interest payments on the loan.

Rent Up Reserve. A reserve may be required by the Agency with respect to multi-unit developments to supplement income during the initial rent-up period. The Agency will specify the maximum number of months of projected gross rental income of the development that may be necessary. Monthly disbursements from the rent up account will be applied first to principal and interest payments on the loan and then to required impounds. If funds remain in the rent up account after the number, specified by the Agency, of consecutive months in which gross rental income equals or exceeds operating expenses, such funds will be disbursed to the borrower.

Operating Expense Reserve. The Agency may require that a separately funded operating expense reserve be established for each development, to pay operating expenses not covered by gross rental income, the rent up account and the projected operating expense escrow, if any. Any such operating expense reserve would be funded by the borrower from sources other than development income in the form of cash or cash equivalents in an amount equal to a percentage of the projected initial gross rental income per annum.

Replacement Reserve. After the completion of the development, the borrower is required to establish a replacement reserve by depositing amounts monthly with the Agency from sources other than proceeds of the loan. Disbursements from the replacement reserve, which may be made only upon the approval or at the discretion of the Agency, are to be made for the purpose of replacing structural elements or equipment of the development or for any other purpose consistent with maintaining the financial and physical integrity of the development.

Impounds. The borrower is required to pay to the Agency, each month on the day upon which monthly installments of interest and/or principal are due under the loan, such amounts as the Agency estimates are necessary to create and maintain a fund from which to pay before the same become due, the next maturing taxes, assessments, levies, charges and insurance premiums with respect to the development.

Fiscal Control. All rents and other revenues from a development will be placed in a federally insured account and paid out only for specified purposes. The Agency will control all moneys in the various reserves and impounds required for the development.

Loan Documents

Each loan is evidenced by certain documents, including a promissory note (the "Promissory Note"), and secured by a deed of trust with assignment of rents (the "Deed of Trust"), and a regulatory agreement (the "Regulatory Agreement"). In addition, for loans related to Section 8 developments, the borrower assigns to the Agency all rights that the borrower may have or acquire to the payments under the HAP Contract. These documents are collectively referred to as the "Loan Documents."

Promissory Note. The Promissory Note, payable to the order of the Agency, contains a provision which exculpates the borrower or, if the borrower is a partnership, any partner from personal liability on the Promissory Note.

Deed of Trust. The Deed of Trust secures the Promissory Note and any additional indebtedness of the borrower to the Agency and performance by the borrower of all of the terms, covenants and conditions of the Promissory Note and the other Loan Documents. The Deed of Trust constitutes a lien of any priority (generally a first lien subject only to permitted encumbrances acceptable to the Agency) on the real property for the development and contains an assignment by the borrower of all rents, issues and profits of the mortgaged property. The Deed of Trust requires that the borrower maintain certain types of insurance at such levels as the Agency specifies, and provides that the Agency may require that funds be deposited into escrow for payment of taxes, insurance premiums and other charges against the development. Upon default, the Agency has the power to take possession of and operate, and to foreclose upon and sell, the development.

In the event that a borrower defaults in the payments on a loan and the Agency institutes foreclosure or other recovery proceedings, there are certain time periods which must expire before subsequent action may be taken. These delays may derive from the procedures applicable to insurance, as well as those required under California law for the enforcement of creditors' rights. California law is such that the Agency's rights (including its rights under a Promissory Note to payment of principal and interest) secured by a Deed of Trust may, under certain circumstances, only be enforceable by foreclosure on the development. Thus, the Agency may not be able to sue the borrower upon the Promissory Note without at the same time and in the same action foreclosing on the development, and may not be able to sue for payments as they come due. The extent to which these restrictions apply to enforcement of rights other than to the payment of indebtedness, such as to actions to enforce other covenants of the borrower, has not been definitely determined by California courts. However, the Agency may sue a borrower to enforce regulatory covenants of the borrower without in the same action foreclosing on the development.

In order to obtain title to and possession of the property upon foreclosure, the Agency will normally pursue its rights under the power of sale contained in the Deed of Trust, subject to the constraints imposed by applicable California law. These constraints require that a period of approximately four months elapse between the filing of a formal notice of default and the exercise of the power of sale. During this period, the borrower will be entitled to reinstate the loan by making overdue payments. Since there may be a delay of several months after the initial default on a loan before the notice of default is filed, the period for realizing upon a Deed of Trust could be in excess of seven months after the initial default. Shorter periods of time are possible, however, if the borrower is willing to execute a deed in lieu of foreclosure or if the property has been abandoned and more rapid foreclosure is required to protect the property, provided such actions are in the best interest of the Agency. Additionally, California law imposes certain other procedural requirements which must be fully complied with if the Agency is to

enforce its security interest in the development. Under the terms of some Loan Documents, the Agency might have no personal recourse against a borrower.

Loan Agreement. The Loan Agreement governs the borrowers' obligations related to the Agency's loan and its security interest in the development protecting its loan. This includes requirements for compliance with local, state and federal laws and program requirements. The Loan Agreement also requires the borrower to establish with the Agency various reserve funds. (See "—Development Controls, Reserves and Insurance" above) In the event the borrower violates any of the provisions of the Loan Documents, and if such violation is not corrected to the satisfaction of the Agency within 30 days after mailing of notice by the Agency, the Agency may declare a default. In the event of such a declaration of default, the Agency may declare all amounts evidenced by the Promissory Note to be immediately due and payable, take possession of and operate the development on behalf of the borrower, appoint a receiver to take over and operate the development pursuant to the terms of the Loan Documents or seek any other relief the Agency deems necessary.

Regulatory Agreement. The Regulatory Agreement requires that each borrower take such actions as are necessary to ensure that the required percentage of units occupied by very low and lower income households is maintained. The Regulatory Agreement requires that the borrower obtain a signed management contract with the management agent for the property prior to the loan closing. The management contract must include a provision allowing the Agency to require the borrower to remove the management agent, with or without cause, upon 30 days' advance written notice (or immediately, at the option of the Agency, in case of a default by the borrower). It must detail the management agent's responsibilities, including provisions as to maintenance, proof of insurance, collection of rents, enforcement of leases, funding of reserves and accounting. The management agent must furnish, at its own expense, a fidelity bond equal to one month's gross rent for the development. For loan commitments made prior to March 2022, the Regulatory Agreement also included security provisions that are now contained in the Loan Agreement.

Certain Factors Affecting the Loans

Scheduled Payments of Principal and Interest. The ability of the Agency to pay the principal or redemption price of and interest on the Bonds is dependent on the revenues derived from the assets pledged to secure the Bonds, including the loans, and with respect to such loans, the proceeds under the applicable Supplemental Security program, if any, in the event of a default on such loan. The ability of each borrower to make the required payments under its loan is and will be affected by a variety of factors, including the maintenance of a sufficient level of occupancy, the maintenance of the physical condition of its development, the level of operating expenses, sound management of its development, timely receipt of subsidy payments, as applicable, the ability to achieve and maintain rents sufficient to cover payments under such loan and operating expenses (including taxes, utility rates and maintenance costs), any changes in the amount of subsidy payments, if any, changes in applicable laws and governmental regulations, and the financial condition of the borrower. In addition, the continued feasibility of a development may depend in part upon general economic conditions and other factors in the surrounding area of a development. Accordingly, in the event of the occurrence of substantial increases in operating costs without corresponding increases in rent levels on a timely basis, substantial reductions in occupancy or a reduction, loss or termination of subsidy payments, there may be a default with regard to one or more of the loans. In the event of any such default, the Agency is required to apply for payment of proceeds under the applicable Supplemental Security program, if any, due with regard to any such loan. In the event of any such default where such loan is not secured by Supplemental Security, such Deed of Trust lien would likely be the sole security for repayment of such loan (see "—Loan Documents—Deed of Trust" above, "—California Foreclosure Procedures" below and APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Covenants with Respect to Borrower Loans and

Special Reserve Assets"). Such proceeds, when received, together with other available monies may be applied to redeem an allocable portion of certain Bonds.

Prepayments of Principal. The Agency may receive amounts relating to the principal of the loans financed with the proceeds of the Bonds prior to the scheduled due date of such principal. Prepayments of principal may be subject to the payment of certain fees and expenses and other terms and conditions, including the payment of penalties and premiums. There may be certain other restrictions outside the loan documents that limit the ability of the applicable borrower to prepay. It is expected that prior written notice of any optional prepayment to the Agency will be required. Any such prepayment could result in the special redemption of certain Bonds at any time, unless specifically directed otherwise by written instructions of an Authorized Officer and accompanied by a Cash Flow Statement. See APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Bond Proceeds Account" and "—Revenue Account" with respect to the right of the Agency to apply prepayments of the loans for purposes other than the purchase or redemption of Bonds, and the right of the Agency to withdraw surplus revenues in the Revenue Account from the pledge and lien of the Indenture.

California Foreclosure Procedures. In California, foreclosure sales most often occur as private (i.e., nonjudicial) sales, not preceded by any judicial action. Such "trustee sales" (or "private sales" or "extrajudicial sales") are conducted under authorizing language in the security instrument (a "power of sale" clause; and are regulated by California Civil Code §§2924-2924n. The "power of sale" is conferred upon the mortgagee, trustee, or any other person, to be exercised after a breach of the obligation for which that mortgage is a security. A "notice of default" must be recorded in the office of the recorder for the county in which the property is situated. Three months must elapse from the filing of the "notice of default" before a "notice of sale" may be given. The "notice of sale" must be provided at least 20 days before the date of sale. For a description of provisions regarding enforcement and foreclosure of the loans under the Indenture, see APPENDIX B – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE— Covenants with Respect to Borrower Loans and Special Reserve Assets."

Bankruptcy. If a petition for relief under federal bankruptcy law were filed voluntarily by a borrower, or involuntarily against a borrower by its creditors, the filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceedings, including, without limitation, foreclosure proceedings, against such borrower and its property. If a bankruptcy court so ordered, the borrower's property, including its revenues, could be used for the benefit of the borrower, despite the rights granted the mortgagee or a trustee. Certain provisions of the mortgage that make the initiation of bankruptcy and related proceedings by or against the borrower an event of default thereunder are not enforceable in the borrower's bankruptcy proceeding.

In addition, if a bankruptcy court concludes that a mortgagee is "adequately protected," it might (A) substitute other security for the property presently pledged and (B) subordinate the lien of the mortgagee or a trustee to (i) claims by persons supplying goods and services to the borrower after commencement of such bankruptcy proceedings, (ii) the administrative expenses of the bankruptcy proceedings and (iii) a lien granted a lender proving funds to the borrower during the pendency of the bankruptcy case.

In bankruptcy proceedings initiated by the filing of a petition under Chapter 11 of the United States Bankruptcy Code, a borrower or another party-in-interest could elect to file a plan of reorganization that seeks to modify the rights of creditors generally, or any class of creditors, including secured creditors. In the event a borrower files under Chapter 11, the borrower may seek to modify the terms of the mortgage note and the mortgage in a plan of reorganization. In a reorganization case, a mortgagee holds a secured claim equal to the lesser of the value of the mortgaged premises or the debt. If the adjusted value is less than the pre-petition debt, then the mortgagee is not entitled to post-petition interest and the

deficiency will be treated as an unsecured claim. With respect to the mortgagee's secured claim, if the debtor intends to retain the premises, the debtor will generally propose to treat the mortgage as unimpaired by curing any monetary defaults and reinstating the terms of the mortgage. Alternatively, the debtor may seek to alter the terms, however, the mortgagee is entitled to retain its lien under a plan and must receive deferred cash payments totaling the amount of the claim with a present value not less than the value of the mortgaged premises. If the premises are to be sold by the debtor, the mortgagee can bid at the bankruptcy court sale and offset its claim against the selling price at such sale.

Section 8 Assisted Developments with Low Inspection Ratings. Any development subsidized through the Section 8 program which receives an unsatisfactory physical condition rating may have its subsidy payments reduced, suspended or terminated. In the event such payments were reduced, suspended or terminated in respect of a loan subsidized by a HAP Contract, such reduced, suspended or terminated payments would not be available to pay debt service on such loan, which could result in a default on such loan.

APPENDIX I

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "**Disclosure Agreement**"), dated as of _____, 2026, is by and between the CALIFORNIA HOUSING FINANCE AGENCY, a public instrumentality and political subdivision of the State of California ("**Agency**") and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION as trustee (the "**Trustee**") in connection with the issuance of the Agency's Affordable Housing Revenue Bonds, 2026 Series A (the "**Subject Bonds**"). The Subject Bonds are being issued pursuant to the Indenture dated as of August 1, 2023, between the Agency and the Trustee as supplemented, and as further supplemented by the Sixth Supplemental Indenture, dated as of _____, 2026 relating to the Subject Bonds (collectively, the "**Indenture**").

The parties hereto, in consideration of the mutual covenants herein contained, and other good and lawful consideration, hereby agree, as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Any capitalized terms not otherwise defined in this Disclosure Agreement shall have the respective meanings set forth in the Indenture. The following terms used in this Disclosure Agreement shall have the following respective meanings:

(a) "Annual Financial Information" means, collectively, financial information or operating data applicable to the Agency's most recent Fiscal Year (currently, each Fiscal Year would end on June 30), of the types included in Exhibit A hereto. Annual Financial Information shall include Audited Financial Statements, if available.

(b) "Audited Financial Statements" means annual financial statements, if any, of the Agency, audited by such auditor as shall then be required or permitted by State law. Audited Financial Statements shall be prepared in accordance with GAAP applied on a consistent basis; *provided, however*, that the Agency may from time to time, in order to comply with federal or State legal requirements, modify the basis upon which its financial statements are prepared.

(c) "Beneficial Owner" means a beneficial owner of Subject Bonds, as determined pursuant to the Rule.

(d) "Financial Obligation" means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) a guarantee of (i) or (ii). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB pursuant to the Rule.

(e) "Fiscal Year" means that period established by the Agency with respect to which its Audited Financial Statements are prepared. As of the date of this Disclosure Agreement, the Agency's Fiscal Year begins on July1 and ends on June 30 of each calendar year.

(f) "GAAP" means generally accepted accounting principles as prescribed from time to time by the Financial Account Standards Board or the Governmental Accounting Standards Board, as applicable, or any successor entity thereto.

(g) "Holders" means the registered owners of the Subject Bonds.

(h) "MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

(i) "Notice" means written notice, sent for overnight delivery via the United States Postal Service or a private delivery service which provides evidence of delivery.

(j) "Notice Address" means, with respect to the Agency, the following, or such other address as the Agency may specify in writing to the Trustee:

California Housing Finance Agency
500 Capitol Mall, St. 1400
Sacramento, CA 95814
Attention: Director of Financing

(k) "Notice Event" means any of the following events with respect to the Subject 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 determination of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of any Subject Bonds, or other material events affecting the tax status of any Subject Bonds;

(vii) modifications of rights of Holders, if material;

(viii) Subject Bond calls, if material, and tender offers;

(ix) defeasances;

(x) release substitutions, or sale of property securing repayment of the Subject Bonds, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership or similar event of the Agency (such event being considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Agency 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 Agency, 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 Agency);

(xiii) the consummation of a merger, consolidation, or acquisition involving the Agency or the sale of all or substantially all of the assets of the Agency, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action 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 Agency, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Agency, 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 Agency, any of which reflect financial difficulties.

(l) "Notice Event Notice" means written or electronic notice of a Notice Event.

(m) "Official Statement" means the offering document of the Agency with respect to the Subject Bonds, dated _____, 2026.

(n) "Rule" means the applicable provisions of Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 as amended (17 CFR Part 240, §240.15c2-12), as in effect on the date of this Disclosure Agreement, including any official interpretations thereof.

(o) "SEC" means the United States Securities and Exchange Commission.

(p) "Securities Counsel" means legal counsel expert in federal securities law.

(q) "Series of Bonds" means one or more series of Bonds issued pursuant to the Indenture.

(r) "Subject Bonds" has the meaning set forth in the first paragraph of this Disclosure Agreement.

(s) "Underwriters" means the respective underwriters in connection with the offering of the Subject Bonds.

ARTICLE II

THE UNDERTAKING

Section 2.1. Purpose. This Disclosure Agreement shall constitute a written undertaking for the benefit of the Holders and the Beneficial Owners, and is being executed and delivered solely to assist Underwriters in complying with subsection (b)(5) of the Rule.

Section 2.2. Annual Financial Information. (a) The Agency shall provide Annual Financial Information with respect to each Fiscal Year to the MSRB no later than March 31 after the end of each Fiscal Year, commencing with the Fiscal Year in which the Subject Bonds are issued.

(b) The Agency shall provide, in a timely manner, notice of any failure by it to provide Annual Financial Information to the MSRB on or before the date required by Section 2.2(a) hereof, to the MSRB.

(c) If any Borrower whose payment obligations under a 2026 Series A Borrower Loan or any Special Reserve Asset equals or exceeds twenty percent (20%) of the aggregate payment obligations due under all outstanding Borrower Loans and Special Reserve Assets held in the Restricted Account of the Special Reserve Fund (a "Major Obligated Borrower"), the Agency will use its best efforts to confirm that, during the time such Borrower is an "obligated person" under the Rule, such Borrower has separately agreed to provide to the Agency, no later than 180 days after the end of each fiscal year of such Major Obligated Borrower, financial and operating data ("Borrower Annual Information") with respect to such Major Obligated Borrower relating to such fiscal year, consisting of the information provided in Appendix J of the Official Statement. The Agency agrees to forward to EMMA such information promptly upon receipt from such Borrower. The Agency has no obligation to examine or review such information to verify the accuracy or completeness of such information, and is not otherwise obligated to make such continuing disclosure on behalf of the Borrower.

Section 2.3. Audited Financial Statements. If not provided as part of Annual Financial Information by the date required by Section 2.2(a) hereof, the Agency shall provide Audited Financial Statements, when and if available, to the MSRB.

Section 2.4. Notice Event Notice. (a) The Agency shall provide, in a timely manner not in excess of ten (10) Business Days after the occurrence of a Notice Event, a Notice Event

Notice to the MSRB. Each Notice Event Notice shall be so captioned and shall prominently state the title, date, and CUSIP numbers of the Subject Bonds.

(b) The Trustee shall promptly give Notice to the Agency at its Notice Address whenever, in the course of performing its duties as Trustee under the Indenture, the Trustee identifies a Notice Event; *provided, however*, that the failure of the Trustee so to advise the Agency shall not constitute a breach by the Trustee of any of its duties and responsibilities under this Disclosure Agreement or the Indenture.

Section 2.5. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Financial Information or notice of occurrence of a Notice Event, in addition to that which is required by this Disclosure Agreement. If the Agency chooses to include any information in any Annual Financial Information or notice of occurrence of a Notice Event in addition to that which is specifically required by this Disclosure Agreement, the Agency shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Financial Information or notice of occurrence of a Notice Event.

ARTICLE III

OPERATING RULES

Section 3.1. Fiscal Year. Annual Financial Information shall be provided at least annually, notwithstanding any Fiscal Year longer than 12 calendar months. The Agency shall promptly notify the MSRB of each change in its Fiscal Year.

Section 3.2. Incorporation by Reference. It shall be sufficient for purposes of Section 2.2 hereof if the Agency provides Annual Financial Information by specific reference to documents (a) available to the public on the MSRB Internet Web site (currently, www.emma.msrb.org) or (b) filed with the SEC.

Section 3.3. Submission of Information. Annual Financial Information may be provided in one document or multiple documents, and at one time or in part from time to time.

Section 3.4. Transmission of Notices, Documents and Information. 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. 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.

ARTICLE IV

TERMINATION, AMENDMENT, AND ENFORCEMENT

Section 4.1. Termination. (a) The Agency's and the Trustee's obligations under this Disclosure Agreement with respect to the Subject Bonds shall terminate upon the legal defeasance pursuant to the Indenture, prior redemption, or payment in full of all of the Subject Bonds. The Agency shall give notice of any such termination to the MSRB.

(b) This Disclosure Agreement, or any provision hereof, shall be null and void to the extent set forth in the opinion of Securities Counsel described in clause (1) in the event that the Agency (1) delivers to the Trustee an opinion of Securities Counsel, addressed to the Agency and the Trustee, to the effect that the portions of the Rule which require the provisions of this Disclosure Agreement, or any of such provisions, do not or no longer apply to the Subject 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 notice to such effect to the MSRB.

Section 4.2. Amendment. (a) This Disclosure Agreement may be amended, by written agreement of the parties, and any provision of this Disclosure Agreement may be waived, without the consent of the Holders or Beneficial Owners, except to the extent required pursuant to clause 4(ii) below, if all of the following conditions are satisfied: (1) such amendment or waiver 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 Agency or the type of business conducted thereby, (2) this Disclosure Agreement as so amended or waived would have complied with the requirements of the Rule as of the date of each primary offering of the Subject Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, (3) the Agency shall have delivered to the Trustee an opinion of Securities Counsel, addressed to the Agency and the Trustee, to the same effect as set forth in clause (2) above, (4) either (i) a party unaffiliated with the Agency (such as the Trustee or bond counsel), acceptable to the Agency and the Trustee, has determined that the amendment or waiver does not materially impair the interests of the Beneficial Owners or (ii) the Holders consent to the amendment or waiver of this Disclosure Agreement pursuant to the same procedures as are required for amendments to the Indenture with consent of Holders, and (5) the Agency shall have delivered copies of such amendment or waiver to the MSRB.

(b) In addition to clause (a) above, the Agency and the Trustee may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, if the Trustee shall have received an opinion of Securities Counsel, addressed to the Agency and the Trustee, to the effect that the adoption and the terms of such amendment or waiver would not, in and of themselves, cause the undertakings herein to violate the Rule, taking into account any subsequent change in or official interpretation of the Rule.

(c) To the extent any amendment to this Disclosure Agreement results in a change in the type of financial information or operating data provided pursuant to this Disclosure 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.

(d) If an amendment is made to the basis on which financial statements are prepared, the Annual Financial Information for the 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 4.3. Benefit; Third-Party Beneficiaries; Enforcement. (a) The provisions of this Disclosure Agreement shall inure solely to the benefit of the Holders from time to time; *except* that Beneficial Owners shall be third-party beneficiaries of this Disclosure Agreement.

(b) Except as provided in this subsection (b), the provisions of this Disclosure Agreement shall create no rights in any other person or entity. Except as limited by the two succeeding sentences, the obligation of the Agency to comply with the provisions of this Disclosure Agreement shall be enforceable (i) in the case of enforcement of obligations to provide financial statements, financial information, operating data, and notices, by any Beneficial Owner of Outstanding Subject Bonds or by the Trustee on behalf of the Holders of Outstanding Subject 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 Subject Bonds or by any Beneficial Owner. A Beneficial Owner may not take any enforcement action pursuant to clause (ii) without the consent of Holders of not less than 25% in aggregate principal amount of the Subject Bonds at the time Outstanding. The Trustee shall not be required to take any enforcement action except at the direction of the Holders of not less than 25% in aggregate principal amount of the Subject Bonds at the time Outstanding who shall have provided the Trustee with adequate security and indemnity.

(c) The Beneficial Owners', the Holders', and the Trustee's right to enforce the provisions of this Disclosure Agreement shall be limited to a right, by action in mandamus or for specific performance, to compel performance of the Agency's obligations under this Disclosure Agreement. Any failure by the Agency or the Trustee to perform in accordance with this Disclosure Agreement shall not constitute a default or any 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.

ARTICLE V

MISCELLANEOUS

Section 5.1. Duties, Immunities, and Liabilities of Trustee. The Trustee shall have only such duties under this Disclosure Agreement as are specifically set forth herein, and the Agency agrees to indemnify and save, but solely from the Revenues, and other monies, properties, and securities pledged to the payment of the Bonds under the Indenture, 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 misconduct in the performance of its duties hereunder.

Section 5.2. Counterparts. This Disclosure 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.

Section 5.3. Governing Law. This Disclosure Agreement shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of this Disclosure Agreement shall be instituted in a court of competent jurisdiction in the State, *provided that*, to the extent this Disclosure Agreement addresses matters of federal securities laws, including the Rule, this Disclosure Agreement shall be construed in accordance with such federal securities laws and official interpretations thereof.

IN WITNESS WHEREOF, the parties have each caused this Disclosure Agreement to be executed by their duly authorized representatives, all as of the date first above written.

CALIFORNIA HOUSING FINANCE AGENCY

By: _____
Authorized Representative

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

By: _____
Authorized Officer

EXHIBIT A

The Annual Financial Information shall contain or include by reference the following:

(a) the Audited Financial Statements for the Fiscal Year ended on the previous June 30, if available;

(b) statements or tables setting forth the amount on deposit in the Debt Service Reserve Account, the Restricted Account of the Special Reserve Fund and the Bond Proceeds Account;

(c) statements or tables setting forth the principal amount of each Series of Outstanding Bonds;

(d) statements or tables setting forth the outstanding notional amount of any Qualified Hedge, if any; and

(e) information with respect to each outstanding Borrower Loan of the type set forth in Appendix J of the Official Statement

APPENDIX J

BORROWER LOANS AND SPECIAL RESERVE ASSETS PLEDGED UNDER THE INDENTURE

BORROWER LOANS
(As of April 30, 2026)
(All Borrower Loans are current unless otherwise noted below)

Project Name	Bond Series	City	Units	Original Principal Amount	Outstanding Principal Amount	Loan Maturity Date	Loan Amortization Date	Loan Term / Amortization Period	Gross Interest Rate	Earliest Loan Prepayment Date	Supplemental Security	CalHFA Subsidy Program	LIHTC	HAP Contract Subsidy Units
Leigh Avenue Senior	2023A	San Jose	64	$8,967,000.00	$8,498,083.89	7/1/2052	7/1/2052	30 years/ 30 years	5.75%	7/1/2032	FHA Risk-Sharing	None	Yes	63
Bernal Dwellings	2023A	San Francisco	160	$21,780,000.00	$20,711,519.08	10/1/2039	10/1/2057	17 years/ 35 years	4.02%	10/1/2032	FHA Risk-Sharing	None	Yes	159[3]
Peterson Place	2023A	Folsom	72	$7,875,000.00	$7,585,516.62	11/1/2039	11/1/2062	17 years/ 40 years	4.04%	11/1/2032	N/A	MIP	Yes	N/A
Frishman Hollow II	2023A	Truckee	68	$7,072,700.00	$6,837,481.30	3/1/2040	3/1/2063	17 years/ 40 years	4.00%	3/1/2033	N/A	MIP	Yes	N/A
Cedar Grove	2023A	Santa Rosa	96	$15,000,000.00	$14,525,858.17	8/1/2040	8/1/2063	17 years/ 40 years	3.70%	8/1/2033	N/A	MIP	Yes	N/A
Hayes Valley South	2023A	San Francisco	110	$25,475,329.00	$24,500,581.49	8/1/2058	8/1/2058	35 years/ 35 years	3.98%	8/1/2033	FHA Risk-Sharing	None	Yes	66[4]
Arden Way	2024A	Sacramento	120	$13,609,845.00	$13,200,975.88	11/1/2053	11/1/2058	30 years/ 35 years	4.50%	10/20/2033	N/A	MIP	Yes	N/A
One Lake Family	2024A	Fairfield	190	$27,431,301.00	$26,877,636.58	3/1/2054	3/1/2064	30 years/ 40 years	4.36%	2/8/2034	N/A	MIP	Yes	N/A
Gateway Rising	2024A	Menlo Park	140	$44,364,000.00	$43,417,633.45	5/1/2054	5/1/2064	30 years/ 40 years	3.77%	4/11/2034	FHA Risk-Sharing	None	Yes	81
Brand Haven Senior	2024A	Fresno	180	$11,505,982.00	$11,243,318.68	5/1/2041	5/1/2059	17 years/ 35 years	4.65%	4/9/2034	N/A	MIP	Yes	N/A

Project Name	Bond Series	City	Units	Original Principal Amount	Outstanding Principal Amount	Loan Maturity Date	Loan Amortization Date	Loan Term / Amortization Period	Gross Interest Rate	Earliest Loan Prepayment Date	Supplemental Security	CalHFA Subsidy Program	LIHTC	HAP Contract Subsidy Units
Beacon Villa	2024A	Pittsburg	54	$12,939,000.00	$12,700,203.61	5/1/2041	5/1/2064	17 years/ 40 years	4.37%	4/30/2034	N/A	MIP	Yes	N/A
Anton Virdian	2025A	Oakley	170	$36,850,000.00	$36,298,968.51	11/1/2041	11/1/2064	17 years/ 40 years	3.95%	10/9/2034	N/A	MIP	Yes	N/A
College Creek	2025A	Santa Rosa	164	$34,040,000.00	$33,737,921.41	5/1/2042	5/1/2065	17 years/ 40 years	4.26%	4/23/2035	FHA Risk Share	MIP	Yes	N/A
Kiku Crossing	2025A	San Mateo	225	$69,035,458.00	$68,227,676.76	4/1/2055	4/1/2065	30 years/ 40 years	3.49%	3/27/2035	FHA Risk Share	MIP	Yes	20
Monroe Street	2025A	Santa Clara	65	$11,580,000.00	$11,449,240.18	10/1/2041	10/1/2064	17 years/ 40 years	5.31%	9/26/2034	FHA Risk Share	MIP	Yes	8
921 Howard Street	2025A	San Francisco	203	$45,000,000.00	$44,243,881.05	10/1/2054	10/1/2064	30 years/ 40 years	3.71%	9/27/2034	FHA Risk Share	MIP	Yes	50
Anton Mosaic	2025B	Sacramento	194	$23,201,000.00	$23,127,319.29	8/1/2042	8/1/2065	17 years/ 40 years	6.43%	8/18/2035	FHA Risk-Sharing	MIP	Yes	N/A
Kelsey Ayer Station	2025B	San Jose	115	$14,550,000.00	$14,429,435.10	9/1/2055	9/1/2055	30 years/ 30 years	5.15%	8/13/2035	FHA Risk-Sharing	MIP	Yes	22
Kimball Highland	2025B	National City	145	$23,700,000.00	$23,582,258.76	7/1/2055	7/1/2065	30 years/ 40 years	5.72%	6/30/2035	FHA Risk-Sharing	MIP	Yes	N/A
Marina Village	2025B	Suisun City	160	$26,125,000.00	$25,956,448.64	8/1/2055	8/1/2065	30 years/ 40 years	4.24%	7/29/2035	FHA Risk-Sharing	MIP	Yes	N/A
Terracina at the Dunes	2025B	Marina	142	$21,250,000.00	$21,145,544.93	7/1/2042	7/1/2065	17 years/ 40 years	5.76%	7/8/2035	FHA Risk-Sharing	MIP	Yes	N/A
Vista Woods	2025B	Pinole	179	$37,706,800.00	$37,455,524.40	8/1/2042	8/1/2065	17 years/ 40 years	4.11%	7/30/2035	FHA Risk-Sharing	MIP	Yes	N/A
Total/ Wt. Avg			**3,016**	**$539,058,415.00**	**$529,753,027.78**				**4.31%**					**469**

FOOTNOTES TO APPENDIX J - BORROWER LOANS AND SPECIAL RESERVE ASSETS PLEDGED UNDER THE INDENTURE - BORROWER LOANS

(1) For a description of FHA Risk-Sharing Insurance, see APPENDIX G – "DESCRIPTION OF SUBSIDY PROGRAMS AND SUPPLEMENTAL SECURITY—Supplemental Security—FHA Risk-Sharing Insurance Program."

(2) For a description of the CalHFA Subsidy Programs, see APPENDIX F-1 – "THE CALIFORNIA HOUSING FINANCE AGENCY'S SUSTAINABILITY BOND DESIGNATION AND SUMMARY OF THE 2026 SERIES A PROJECTS —CalHFA Multifamily Programs."

(3) Includes 112 RAD units. For a description of Section 8 Program and HAP Contracts, see APPENDIX G – "DESCRIPTION OF SUBSIDY PROGRAMS AND SUPPLEMENTAL SECURITY—Subsidy Programs—RAD/Section 18 Program."

(4) Includes 13 RAD units. For a description of the Section 8 Program and HAP Contracts, see APPENDIX G – "DESCRIPTION OF SUBSIDY PROGRAMS AND SUPPLEMENTAL SECURITY—Subsidy Programs— RAD/Section 18 Program."

RESTRICTED ASSETS
(As of April 30, 2026)
(All Restricted Assets are current unless otherwise noted below)

Project Name	Bond Series	City	Units	Original Principal Amount	Outstanding Principal Amount	Loan Maturity / Amortization Date	Loan Term / Amortization Period[1]	Gross Interest Rate	Earliest Loan Prepayment Date	Supplemental Security[2]	LIHTC	HUD Subsidy Units[3]
Ashwood Village Apartments	2023A	Modesto	120	$5,040,000	$2,318,292	4/1/2034	35 years	6.750%	Requires CalHFA Approval	FHA Risk-Sharing	Yes	--
Plaza De Las Flores	2023A	Sunnyvale	101	$9,025,000	$4,867,704	9/1/2036	30 years	5.500%	Requires CalHFA Approval	FHA Risk-Sharing	No	--
Runnymede Gardens	2023A	East Palo Alto	78	$5,290,000	$1,653,681	2/1/2031	30 years	6.450%	Requires CalHFA Approval	--	Yes	--
Homestead Park	2023A	Sunnyvale	222	$14,081,000	$4,548,740	4/1/2031	30 years	6.500%	Requires CalHFA Approval	--	Yes	--
Lark Ellen Housing	2023A	Covina	122	$5,600,000	$3,431,643	11/1/2038	40 years	6.75%	Requires CalHFA Approval	FHA Risk-Sharing	Yes	--
Victoria Green	2023A	Hercules	132	$9,455,000	$4,288,487	10/1/2034	30 years	5.25%	Requires CalHFA Approval	--	Yes	--
Albany Creekside	2024A	Albany	16	$878,000	$598,252	11/1/2041	40 years	6.350%	Requires CalHFA Approval	FHA Risk-Sharing	Yes	--
Schoolhouse Court	2024A	Napa	14	$770,000	$498,592	1/1/2040	40 years	6.750%	Requires CalHFA Approval	FHA Risk-Sharing	Yes	--
Manhattan Village Senior	2024A	Manhattan Beach	104	$6,400,000	$639,514	8/1/2027	30 years	6.850%	Requires CalHFA Approval	FHA Risk-Sharing	No	--
Mercy Village Folsom	2024A	Folsom	81	$2,350,000	$444,415	1/1/2030	30 years	3. 50%	Requires CalHFA Approval	FHA Risk-Sharing	Yes	--
Stevens Creek/ Tantau Apartments	2024A	San Jose	40	$1,768,900	$1,032,360	5/1/2037	40 years	7.250%	Requires CalHFA Approval	FHA Risk-Sharing	No	--
Storke Ranch Family Apartments	2024A	Goleta	36	$1,462,000	$748,558	7/1/2035	35 years	6.750%	Requires CalHFA Approval	FHA Risk-Sharing	Yes	--
Tahoe Valley Apartments	2024A	South Lake Tahoe	70	$2,610,000	$640,366	1/1/2030	30 years	6.200%	Requires CalHFA Approval	FHA Risk-Sharing	Yes	--
Villa San Pedro	2024A	Santa Clara	100	$11,710,000	$9,619,900	11/1/2045	30 years	5.750%	10/9/2030	FHA Risk-Sharing	Yes	88
Village Place	2024A	San Diego	47	$1,200,000	$123,613	10/1/2027	30 years	6.000%	Requires CalHFA Approval	FHA Risk-Sharing	Yes	--
The Breakers At Bayport	2024A	Alameda/ Alameda	52	$2,100,000	$1,121,400	10/1/2036	30 years	5.250%	Requires CalHFA Approval	--	Yes	--

Project Name	Bond Series	City	Units	Original Principal Amount	Outstanding Principal Amount	Loan Maturity / Amortization Date	Loan Term / Amortization Period[1]	Gross Interest Rate	Earliest Loan Prepayment Date	Supplemental Security[2]	LIHTC	HUD Subsidy Units[3]
Alexis Apartments	2025A	San Francisco/ San Francisco	206	$7,575,044	$4,824,613	12/1/2039	40 years	5.000%	Requires CalHFA Approval	--	No	132
Corde Terra	2025A	San Jose / Santa Clara	300	$24,235,000	$19,207,966	2/1/2048	30 years	5.700%	Requires CalHFA Approval	--	Yes	--
Total/ Wt. Avg			**1,841**	**$111,549,944**	**$60,608,095**		**31.9 Years**	**5.83%**				**220**

(1) The loan term and the loan amortization period are the same for the Restricted Assets.

(2) For a description of FHA Risk-Sharing Insurance, see APPENDIX G – "Description of Subsidy Programs and Supplemental Security—Supplemental Security—FHA Risk-Sharing Insurance Program."

(3) For a description of the HUD Subsidy Units, see APPENDIX G – "DESCRIPTION OF SUBSIDY PROGRAMS AND SUPPLEMENTAL SECURITY— Federal Subsidy Programs."

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APPENDIX C

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "**Disclosure Agreement**"), dated as of _____, 2026, is by and between the CALIFORNIA HOUSING FINANCE AGENCY, a public instrumentality and political subdivision of the State of California ("**Agency**") and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION as trustee (the "**Trustee**") in connection with the issuance of the Agency's Affordable Housing Revenue Bonds, 2023 Series A-1 and 2023 Series A-2 (the "**Subject Bonds**"). The Subject Bonds were issued pursuant to the Indenture dated as of August 1, 2023, between the Agency and the Trustee as supplemented, and as further supplemented by the First Supplemental Indenture, dated as of August 1, 2023 relating to the Subject Bonds (collectively, the "**Indenture**"). The Agency and the Trustee previously entered into a Continuing Disclosure Agreement dated as of August 1, 2023 with respect to the Subject Bonds (the "Original Disclosure Agreement"). This Disclosure Agreement amends, supersedes and replaces the Original Disclosure Agreement.

The parties hereto, in consideration of the mutual covenants herein contained, and other good and lawful consideration, hereby agree, as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Any capitalized terms not otherwise defined in this Disclosure Agreement shall have the respective meanings set forth in the Indenture. The following terms used in this Disclosure Agreement shall have the following respective meanings:

(a) "Annual Financial Information" means, collectively, financial information or operating data applicable to the Agency's most recent Fiscal Year (currently, each Fiscal Year would end on June 30), of the types included in Exhibit A hereto. Annual Financial Information shall include Audited Financial Statements, if available.

(b) "Audited Financial Statements" means annual financial statements, if any, of the Agency, audited by such auditor as shall then be required or permitted by State law. Audited Financial Statements shall be prepared in accordance with GAAP applied on a consistent basis; *provided, however*, that the Agency may from time to time, in order to comply with federal or State legal requirements, modify the basis upon which its financial statements are prepared.

(c) "Beneficial Owner" means a beneficial owner of Subject Bonds, as determined pursuant to the Rule.

(d) "Financial Obligation" means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) a guarantee of (i) or (ii). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB pursuant to the Rule.

(e) "Fiscal Year" means that period established by the Agency with respect to which its Audited Financial Statements are prepared. As of the date of this Disclosure Agreement, the Agency's Fiscal Year begins on July 1 and ends on June 30 of each calendar year.

(f) "GAAP" means generally accepted accounting principles as prescribed from time to time by the Financial Account Standards Board or the Governmental Accounting Standards Board, as applicable, or any successor entity thereto.

(g) "Holders" means the registered owners of the Subject Bonds.

(h) "MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

(i) "Notice" means written notice, sent for overnight delivery via the United States Postal Service or a private delivery service which provides evidence of delivery.

(j) "Notice Address" means, with respect to the Agency, the following, or such other address as the Agency may specify in writing to the Trustee:

California Housing Finance Agency
500 Capitol Mall, Suite 1400
Sacramento, CA 95814
Attention: Director of Financing

(k) "Notice Event" means any of the following events with respect to the Subject 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 determination of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of any Subject Bonds, or other material events affecting the tax status of any Subject Bonds;

(vii) modifications of rights of Holders, if material;

(viii) Subject Bond calls, if material, and tender offers;

(ix) defeasances;

(x) release substitutions, or sale of property securing repayment of the Subject Bonds, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership or similar event of the Agency (such event being considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Agency 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 Agency, 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 Agency);

(xiii) the consummation of a merger, consolidation, or acquisition involving the Agency or the sale of all or substantially all of the assets of the Agency, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action 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 Agency, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Agency, 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 Agency, any of which reflect financial difficulties.

(l) "Notice Event Notice" means written or electronic notice of a Notice Event.

(m) "Official Statement" means the offering document of the Agency with respect to the Subject Bonds, dated August 9, 2023.

(n) "Rule" means the applicable provisions of Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 as amended (17 CFR Part 240, §240.15c2-12), as in effect on the date of this Disclosure Agreement, including any official interpretations thereof.

(o) "SEC" means the United States Securities and Exchange Commission.

(p) "Securities Counsel" means legal counsel expert in federal securities law.

(q) "Series of Bonds" means one or more series of Bonds issued pursuant to the Indenture.

(r) "Subject Bonds" has the meaning set forth in the first paragraph of this Disclosure Agreement.

(s) "Underwriters" means the underwriters and remarketing agents in connection with the offering (with respect to the underwriters) and remarketing (with respect to the remarketing agents) of the Subject Bonds.

ARTICLE II

THE UNDERTAKING

Section 2.1. Purpose. This Disclosure Agreement shall constitute a written undertaking for the benefit of the Holders and the Beneficial Owners, and is being executed and delivered solely to assist Underwriters in complying with subsection (b)(5) of the Rule.

Section 2.2. Annual Financial Information. (a) The Agency shall provide Annual Financial Information with respect to each Fiscal Year to the MSRB no later than March 31 after the end of each Fiscal Year, commencing with the Fiscal Year in which the Subject Bonds are issued.

(b) The Agency shall provide, in a timely manner, notice of any failure by it to provide Annual Financial Information to the MSRB on or before the date required by Section 2.2(a) hereof, to the MSRB.

(c) If any Borrower whose payment obligations under a 2023 Series A Borrower Loan or any Special Reserve Asset equals or exceeds twenty percent (20%) of the aggregate payment obligations due under all outstanding Borrower Loans and Special Reserve Assets held in the Restricted Account of the Special Reserve Fund (a "Major Obligated Borrower"), the Agency will use its best efforts to confirm that, during the time such Borrower is an "obligated person" under the Rule, such Borrower has separately agreed to provide to the Agency, no later than 180 days after the end of each fiscal year of such Major Obligated Borrower, financial and operating data ("Borrower Annual Information") with respect to such Major Obligated Borrower relating to such fiscal year, consisting of the information provided in Appendix J of the Official Statement. The Agency agrees to forward to EMMA such information promptly upon receipt from such Borrower. The Agency has no obligation to examine or review such information to verify the accuracy or completeness of such information, and is not otherwise obligated to make such continuing disclosure on behalf of the Borrower.

Section 2.3. Audited Financial Statements. If not provided as part of Annual Financial Information by the date required by Section 2.2(a) hereof, the Agency shall provide Audited Financial Statements, when and if available, to the MSRB.

Section 2.4. Notice Event Notice. (a) The Agency shall provide, in a timely manner not in excess of ten (10) Business Days after the occurrence of a Notice Event, a Notice Event Notice to the MSRB. Each Notice Event Notice shall be so captioned and shall prominently state the title, date, and CUSIP numbers of the Subject Bonds.

(b) The Trustee shall promptly give Notice to the Agency at its Notice Address whenever, in the course of performing its duties as Trustee under the Indenture, the Trustee identifies a Notice Event; *provided, however*, that the failure of the Trustee so to advise the Agency shall not constitute a breach by the Trustee of any of its duties and responsibilities under this Disclosure Agreement or the Indenture.

Section 2.5. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Financial Information or notice of occurrence of a Notice Event, in addition to that which is required by this Disclosure Agreement. If the Agency chooses to include any information in any Annual Financial Information or notice of occurrence of a Notice Event in addition to that which is specifically required by this Disclosure Agreement, the Agency shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Financial Information or notice of occurrence of a Notice Event.

ARTICLE III

OPERATING RULES

Section 3.1. Fiscal Year. Annual Financial Information shall be provided at least annually, notwithstanding any Fiscal Year longer than 12 calendar months. The Agency shall promptly notify the MSRB of each change in its Fiscal Year.

Section 3.2. Incorporation by Reference. It shall be sufficient for purposes of Section 2.2 hereof if the Agency provides Annual Financial Information by specific reference to documents (a) available to the public on the MSRB Internet Web site (currently, www.emma.msrb.org) or (b) filed with the SEC.

Section 3.3. Submission of Information. Annual Financial Information may be provided in one document or multiple documents, and at one time or in part from time to time.

Section 3.4. Transmission of Notices, Documents and Information. 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. 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.

ARTICLE IV

TERMINATION, AMENDMENT, AND ENFORCEMENT

Section 4.1. Termination. (a) The Agency's and the Trustee's obligations under this Disclosure Agreement with respect to the Subject Bonds shall terminate upon the legal defeasance pursuant to the Indenture, prior redemption, or payment in full of all of the Subject Bonds. The Agency shall give notice of any such termination to the MSRB.

(b) This Disclosure Agreement, or any provision hereof, shall be null and void to the extent set forth in the opinion of Securities Counsel described in clause (1) in the event that the Agency (1) delivers to the Trustee an opinion of Securities Counsel, addressed to the Agency and the Trustee, to the effect that the portions of the Rule which require the provisions of this Disclosure Agreement, or any of such provisions, do not or no longer apply to the Subject 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 notice to such effect to the MSRB.

Section 4.2. Amendment. (a) This Disclosure Agreement may be amended, by written agreement of the parties, and any provision of this Disclosure Agreement may be waived, without the consent of the Holders or Beneficial Owners, except to the extent required pursuant to clause 4(ii) below, if all of the following conditions are satisfied: (1) such amendment or waiver 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 Agency or the type of business conducted thereby, (2) this Disclosure Agreement as so amended or waived would have complied with the requirements of the Rule as of the date of each primary offering of the Subject Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, (3) the Agency shall have delivered to the Trustee an opinion of Securities Counsel, addressed to the Agency and the Trustee, to the same effect as set forth in clause (2) above, (4) either (i) a party unaffiliated with the Agency (such as the Trustee or bond counsel), acceptable to the Agency and the Trustee, has determined that the amendment or waiver does not materially impair the interests of the Beneficial Owners or (ii) the Holders consent to the amendment or waiver of this Disclosure Agreement pursuant to the same procedures as are required for amendments to the Indenture with consent of Holders, and (5) the Agency shall have delivered copies of such amendment or waiver to the MSRB.

(b) In addition to clause (a) above, the Agency and the Trustee may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, if the Trustee shall have received an opinion of Securities Counsel, addressed to the Agency and the Trustee, to the effect that the adoption and the terms of such amendment or waiver would not, in and of themselves, cause the undertakings herein to violate the Rule, taking into account any subsequent change in or official interpretation of the Rule.

(c) To the extent any amendment to this Disclosure Agreement results in a change in the type of financial information or operating data provided pursuant to this Disclosure 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.

(d) If an amendment is made to the basis on which financial statements are prepared, the Annual Financial Information for the 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 4.3. Benefit; Third-Party Beneficiaries; Enforcement. (a) The provisions of this Disclosure Agreement shall inure solely to the benefit of the Holders from time to time; *except* that Beneficial Owners shall be third-party beneficiaries of this Disclosure Agreement.

(b) Except as provided in this subsection (b), the provisions of this Disclosure Agreement shall create no rights in any other person or entity. Except as limited by the two succeeding sentences, the obligation of the Agency to comply with the provisions of this Disclosure Agreement shall be enforceable (i) in the case of enforcement of obligations to provide financial statements, financial information, operating data, and notices, by any Beneficial Owner of Outstanding Subject Bonds or by the Trustee on behalf of the Holders of Outstanding Subject 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 Subject Bonds or by any Beneficial Owner. A Beneficial Owner may not take any enforcement action pursuant to clause (ii) without the consent of Holders of not less than 25% in aggregate principal amount of the Subject Bonds at the time Outstanding. The Trustee shall not be required to take any enforcement action except at the direction of the Holders of not less than 25% in aggregate principal amount of the Subject Bonds at the time Outstanding who shall have provided the Trustee with adequate security and indemnity.

(c) The Beneficial Owners', the Holders', and the Trustee's right to enforce the provisions of this Disclosure Agreement shall be limited to a right, by action in mandamus or for specific performance, to compel performance of the Agency's obligations under this Disclosure Agreement. Any failure by the Agency or the Trustee to perform in accordance with this Disclosure Agreement shall not constitute a default or any 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.

ARTICLE V

MISCELLANEOUS

Section 5.1. Duties, Immunities, and Liabilities of Trustee. The Trustee shall have only such duties under this Disclosure Agreement as are specifically set forth herein, and the Agency agrees to indemnify and save, but solely from the Revenues, and other monies, properties, and securities pledged to the payment of the Bonds under the Indenture, 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 misconduct in the performance of its duties hereunder.

Section 5.2. Counterparts. This Disclosure 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.

Section 5.3. Governing Law. This Disclosure Agreement shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of this Disclosure Agreement shall be instituted in a court of competent jurisdiction in the State, *provided that*, to the extent this Disclosure Agreement addresses matters of federal securities laws, including the Rule, this Disclosure Agreement shall be construed in accordance with such federal securities laws and official interpretations thereof.

IN WITNESS WHEREOF, the parties have each caused this Disclosure Agreement to be executed by their duly authorized representatives, all as of the date first above written.

CALIFORNIA HOUSING FINANCE AGENCY

By: _____
Authorized Representative

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

By: _____
Authorized Officer

EXHIBIT A

The Annual Financial Information shall contain or include by reference the following:

(a) the Audited Financial Statements for the Fiscal Year ended on the previous June 30, if available;

(b) statements or tables setting forth the amount on deposit in the Debt Service Reserve Account, the Restricted Account of the Special Reserve Fund and the Bond Proceeds Account;

(c) statements or tables setting forth the principal amount of each Series of Outstanding Bonds;

(d) statements or tables setting forth the outstanding notional amount of any Qualified Hedge, if any; and

(e) information with respect to each outstanding Borrower Loan of the type set forth in Appendix J of the Official Statement.

APPENDIX D

SECOND-PARTY OPINION

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S&P Global
Ratings

This S&P Global Ratings Second Party Opinion (SPO) represents our opinion on whether the documentation of a sustainable finance transaction aligns with certain third-party published sustainable finance principles, guidelines, and standards ("Principles"). For more details, please refer to the Analytical Approach and Analytical Supplement, available at spglobal.com under Sustainable Financing Opinions. 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.

Second Party Opinion

California Housing Finance Agency 2023 Series A Bonds

Jul. 25, 2023

The California Housing Finance Agency (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, and to date, CalHFA has funded the creation or preservation of more than 73,000 affordable housing units. It is raising US$87.9 million through its 2023 Series A bonds to finance loans made through CalHFA's multifamily division. The agency will apply the proceeds of the bonds toward refinancing permanent mortgage loans for the completed construction, acquisition, and/or rehabilitation of affordable housing projects (2023 Series A Borrower Projects) located throughout central and Northern California.

In our view, California Housing Finance Agency 2023 Series A Bonds, published on July 25, 2023, is aligned with:

- ✔ Social Bond Principles, International Capital Market Association (ICMA), 2021 (with June 2022 Appendix 1)
- ✔ Green Bond Principles, ICMA, 2021 (with June 2022 Appendix 1)
- ✔ Sustainability Bond Guidelines ICMA, 2021

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Issuer's Sustainability Objectives

CalHFA's mission is to invest in diverse communities throughout the state by financing home ownership and affordable rental programs that assist low- to moderate-income Californians with securing affordable housing. Through its multifamily program, CalHFA works with other state agencies, local jurisdictions, and private developers to finance the development of high-quality, energy-efficient affordable rental housing, many of which fall under the federal Low-Income Housing Tax Credit (LIHTC) program. As a California agency created to finance affordable housing, CalHFA's current permanent lending program must also comply with the state's Green Building Standard regulation (Title 24) and climate strategy related to the promotion of energy- and water-efficient buildings.

CalHFA is issuing sustainable bonds that will support the financing activities of its multifamily program and the state's overarching sustainability objectives. The transaction will refinance permanent mortgage loans for six multifamily rental affordable housing projects that feature environmental benefits, in accordance with California's Title 24 Building Standards and the California Tax Credit Allocation Committee (CTCAC)'s Qualified Allocation Plan (QAP).

Second Party Opinion Summary

Use of proceeds

Alignment ✓ California Housing Finance Agency 2023 Series A Bonds is aligned with this component of the Sustainability Bond Guidelines.

Score: Not aligned | Aligned | **Strong** | Advanced

CalHFA's Preliminary Offering Statement (POS) clearly details that the proceeds of the bonds will be applied toward refinancing mortgage loans that previously financed the acquisition, construction, and rehabilitation of a portfolio of six multifamily rental developments in central and Northern California. The properties comply with strict state-level green building standards across the portfolio, with additional energy-efficiency criteria applied to the portfolio's San Francisco-based rehabilitation projects.

Process for project evaluation and selection

Alignment ✓ California Housing Finance Agency 2023 Series A Bonds is aligned with this component of the Sustainability Bond Guidelines

Score: Not aligned | Aligned | Strong | **Advanced**

CalHFA evaluates its multi- and single-family projects based on eligibility criteria that align with the federal tax-exempt bond authority requirements and other state- and authority-mandated standards. The POS details project evaluation processes that include how projects are approved and the way CalHFA identifies and manages perceived social and environmental risks associated with the eligible projects.

Management of proceeds

Alignment ✓ California Housing Finance Agency 2023 Series A Bonds is aligned with this component of the Sustainability Bond Guidelines

The issuance is for a 100% refinancing with proceeds immediately transferred to CalHFA for the eligible projects. As such, we do not view the inclusion of tracking methods and/or details of the management of unallocated proceeds as necessary.

Reporting

Alignment ✓ California Housing Finance Agency 2023 Series A Bonds is aligned with this component of the Sustainability Bond Guidelines

Score: Not aligned | **Aligned** | Strong | Advanced

CalHFA provides the projects' qualitative environmental and social performance indicators in the POS, such as inclusion of EnergyStar appliances and compliance with state-level environmental regulations. Where applicable and feasible, quantitative performance indicators such as the projects' local area median income (AMI) bands served and energy efficiency improvement benchmarks for its new construction and rehabilitation projects are also included.

Transaction Assessment

Use of proceeds

The Principles make optional recommendations for stronger structuring practices, which inform our alignment opinion as aligned, strong, or advanced. For use of proceeds, we consider the commitments and clarity on how the proceeds are used.

✔ California Housing Finance Agency 2023 Series A Bonds is aligned with this component of the Sustainability Bond Guidelines

Commitments score

Not aligned	Aligned	**Strong**	Advanced

We consider CalHFA's overall use of proceeds commitments to be strong.

The agency will allocate the proceeds of the bonds exclusively toward refinancing mortgage loans that previously financed the construction of four multifamily developments and two major rental property rehabilitations. In total, the portfolio provides 570 affordable housing rental units restricted to families whose household income falls between 30% and 80% of the local AMI. Ancillary services such as childcare centers, access to social security agents, and/or educational workshops related to building financial and technological literacy as well as job training are provided onsite at each of the properties. In addition, all multifamily developments are within walking distance of public transit. In our view, these additional services constitute the provision of access to essential services and affordable basic infrastructure, as outlined in ICMA's Social Bond Principles.

Further, each of the portfolio's properties meet Title 24's strict regulatory standards, updated in 2019, which outline several mandatory energy- and water-efficiency measures for new constructions and major renovations throughout the state. Beyond this portfolio-wide standard, all units are equipped with EnergyStar-certified appliances as a requisite for receiving low-income housing tax credits through the CTCAC's QAP. Half of the portfolio (three out of six developments) also meet voluntary market-based green building standards, such as a minimum Leadership in Energy and Environmental Design (LEED) Gold Rating and/or 75 GreenPoints from the GreenPoint Rated Multifamily designation, which we view favorably.

The transaction documents also make clear that the issuance is a 100% refinancing of the developments' original mortgage loans, with the oldest loan dating back approximately 4.5 years. We view this lookback period as in line with best market practices within the affordable housing sector.

For these reasons, we view the projects as spanning sustainability themes of affordable housing, energy efficiency, sustainable water and water management, green buildings, access to essential services, affordable basic infrastructure, and socioeconomic advancement and empowerment, all eligible project types outlined in ICMA's Social and Green Principles.

Process for project evaluation and selection

The Principles make optional recommendations for stronger structuring practices, which inform our alignment opinion as aligned, strong, or advanced. For our process for project selection and evaluation, we consider the commitments and clarity on the process used to evaluate and select eligible projects to fund with the proceeds of the sustainable finance instrument.

✔ California Housing Finance Agency 2023 Series A Bonds is aligned with this component of the Sustainability Bond Guidelines

Commitments score

Not aligned	Aligned	Strong	**Advanced**

We consider CalHFA's overall process for project selection and evaluation commitments to be advanced.

CalHFA's POS clearly outlines the project evaluation process and exclusionary restrictive criteria dictated by federal and state-level statutory requirements that it uses to select eligible social

projects. Under these eligibility terms for CalHFA's Tax-Exempt Permanent Loan and Conduit Issuer Programs, representing half of the issuance's portfolio, bond proceeds must be allocated to projects that maintain strict guidelines. These include: at least (i) 20% of the units rent restricted and occupied by individuals whose incomes are 50% or less of AMI, or (ii) 40% or more of the units rent restricted and occupied by individuals whose income is 60% or less of AMI, with adjustments for household size in both cases. In the latter case, a minimum of 10% of the units must be at 50% or less of AMI. For its Mixed-Income Loan Program, representing the other half of the portfolio, projects are restricted to rent levels between 30% and 120% of local AMI. These developments must maintain at least: (i) 20% of total units at or below 50% AMI; (ii) 10% of total units between 60% and 80% of AMI, with an average of 70% or greater of AMI; and (iii) the minimum range between the lowest and highest targeted occupancy level at 40%. Positively, CalHFA's financed mortgage loans exceed these standards; excluding the six manager units, 47% of the financed units are reported to be at or below 60% of AMI while 100% will be at or below 80% of AMI.

From an environmental perspective, all multifamily projects must also adhere to Title 24 and the State's QAP criteria, both of which provide guidelines for the development of housing that is relatively energy- and water-efficient as well as supportive of the state's plan to achieve carbon neutrality by 2045. Two of the portfolio's six projects are based in San Francisco, thereby falling under the Housing, Opportunities, Partnerships, and Engagement San Francisco (HOPE SF) program run by the San Francisco Mayor's Office of Housing and Community Development (SFMOHCD) and must therefore also comply with the 2019 San Francisco Green Building Code (SF Green Code), which requires multifamily rehabilitation developments over 25,000 square feet to achieve a 10% increase in energy efficiency. Given the portfolio's overarching alignment to the TCAC's QAP, additional environmental recommendations, including LEED and GreenPoint Rated certification, are encouraged to ensure projects meet the highest environmental standards. These voluntary certifications are fulfilled by half of the refinanced projects.

Furthermore, the eligible projects are subject to a thorough review process. Within CalHFA, eligible projects are reviewed and underwritten by multifamily staff within its multifamily programs division and are subsequently presented to the agency's Senior Loan Committee and/or board for approval. Senior leaders at CalHFA, CTCAC, and the California Debt Limit Allocation Committee (CDLAC) with significant affordable housing financing experience ultimately and collectively ensure that developments will provide quality housing at rent levels that low- and moderate-income individuals and families can afford, including confirmation of tax-exempt bond allocation.

CalHFA's project evaluation process by its multifamily programs staff also involves a review of associated social and environmental risks and mitigants to ensure the eligible projects promote diverse and equitable communities. Some risk-mitigating actions include recurring market surveys of appropriate AMI levels, mixing of income brackets in CalHFA-managed developments to promote equitable areas of opportunity, environmental impact assessments for every development, and the use of energy-efficient housing materials and appliances where possible to support the sustainability strategy of the state as well as healthy environments for current and future residents.

Management of proceeds

The Principles require disclosure of the issuer's management of proceeds from sustainable finance over the life of the funding. The alignment opinion focuses on how clear in the documentation is the issuer's commitment to ensure that the funds raised will remain dedicated to eligible sustainability projects throughout the life of the sustainable finance funding.

✔ California Housing Finance Agency 2023 Series A Bonds is aligned with this component of the Sustainability Bond Guidelines

CalHFA will immediately apply the net proceeds of the Series A bond issuance to repay the original loan financing for the construction and rehabilitation of the affordable housing projects in the transaction portfolio. As such, we do not view a commitment to temporarily manage or periodically adjust the use of proceeds as necessary.

Reporting

The Principles make optional recommendations for stronger disclosure practices, which inform our disclosure opinion as aligned, strong, or advanced. We consider plans for updates on the sustainability performance of the issuer for general purpose funding, or the sustainability performance of the financed projects over the lifetime of any dedicated funding, including any commitments to post-issuance reporting.

✔ California Housing Finance Agency 2023 Series A Bonds is aligned with this component of the Sustainability Bond Guidelines

Disclosure score

Not aligned	**Aligned**	Strong	Advanced

We consider CalHFA's overall reporting practices to be aligned.

CalHFA reports on the allocation of the net proceeds from the transaction within the bond issue's POS. This information follows CalHFA's guidelines in its table entitled "2023 Series A Project Summaries" found in the POS, Appendix I. As a quasi-public state agency subject to federal regulations, CalHFA is also legally mandated to conduct annual financial audits, which include reviewing the allocation of the proceeds from the bond series. Separately, CalHFA's impact metrics for each of the projects are subject to audit by federal, state, and local governments, as well as mission-aligned third parties, as part of the LIHTC program.

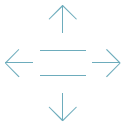
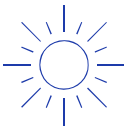
In its "2023 Series A Project Summaries" and corresponding transaction documents, CalHFA reports on the fully realized qualitative social and environmental attributes of its refinanced projects, such as affiliated subsidy programs, LIHTC eligibility, and the environmental standards or certifications followed. CalHFA also provides quantitative performance indicators on enforced tenant AMI bands to demonstrate the portfolio's social impact. CalHFA falls short, however, of committing to disclose quantitative environmental impacts of all projects. While the POS makes clear that rehabilitation developments must achieve at least a 10% energy efficiency improvement compared with pre-existing usage and that EnergyStar appliances will be applied throughout the portfolio, quantitative environmental metrics allowing for comparability and benchmarking are not used, limiting our view. Such quantitative metrics may include disclosures on the amount of CO2 emissions avoided, gallons of water saved, and kilo Btus of energy conserved throughout the projects or a commitment to include such metrics in annual impact reports for stakeholders' reference.

Mapping To The U.N.'s Sustainable Development Goals

The Sustainable Development Goals (SDGs), which the United Nations (U.N.) set up in 2015, form an agenda for achieving sustainable development by 2030.

We use the ICMA's SDG mapping for this part of the report. We acknowledge that ICMA's mapping does not provide an exhaustive list of SDGs and that ICMA recommends each project category be reviewed individually to map it to the relevant SDGs.

California Housing Finance Agency 2023 Series A Bonds intends to contribute to the following SDGs:

Use of proceeds	SDGs	
Affordable Housing	**1. No poverty***	**11. Sustainable cities and communities***
Socioeconomic Advancement and Empowerment	**1. No poverty***	 **10. Reduced inequalities***
Access to Essential Infrastructure	**10. Reduced inequalities***	
Energy Efficiency	 **7. Affordable and clean energy***	
Sustainable Water and Wastewater Management	**11. Sustainable cities and communities***	

Green Buildings

11. Sustainable cities and communities*

*The eligible project categories link to these SDGs in the ICMA mapping.

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