TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Revenue Bond Program

Basic Financial Statements
for the Year Ended August 31, 2024

(With Independent Auditor's Report)

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TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM
Basic Financial Statements

for the Year Ended August 31, 2024

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SAO

Lisa R. Collier,
CPA, CFE, CIDA,
State Auditor

Independent Auditor's Report

Department of Housing and Community Affairs Board of Directors
Mr. Leo Vasquez III, Chair
Mr. Kenny Marchant, Vice Chair
Ms. Cindy Conroy
Ms. Anna Maria Farias
Mr. Holland Harper
Mr. Ajay Thomas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the Revenue Bond Program (Bond Program) of the Department of Housing and Community Affairs (Department), a component unit of the State of Texas, as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise the Bond Program's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Bond Program, as of August 31, 2024, and the respective changes in financial position, and where applicable, cash flows thereof for the year 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Department, 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 opinions.

Emphasis of Matter

Bond Program Financial Statements

As discussed in Note 1, the financial statements present only the Revenue Bond Program and do not purport to, and do not, present fairly the financial position of the Department or the State of Texas as of August 31, 2024, the changes in its financial position, or, where

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applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Department's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's 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 auditor's 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 Department'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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Department's ability to continue as a going concern for a reasonable period of time.

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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis 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 audit 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 audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bond Program's basic financial statements. The supplementary bond schedules 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 audit 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 bond schedules are 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 supplemental schedules but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have issued our report dated December 13, 2024, on our consideration of the Department'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 Department'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 the Department's internal control over financial reporting and compliance.

Lisa R. Collier

Lisa R. Collier, CPA, CFE, CIDA
State Auditor

December 13, 2024

MANAGEMENT'S

DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This section of the Texas Department of Housing and Community Affairs - Revenue Bond Program (Bond Program) annual financial report presents management's discussion and analysis of the financial performance of the Bond Program of the Texas Department of Housing and Community Affairs (Department) during the fiscal year that ended on August 31, 2024. Please read it in conjunction with the Department's Bond Program financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Bond Program's net position increased by $62.4 million. This was primarily due to a positive $52.7 million net change in fair value of investments and a positive difference of $25.3 million between interest and investment income and interest expense offset by a negative difference of $5.8 million between other operating revenue and other operating expenses for the Bond Program and a net transfer of funds of $6.0 million to fund the Department's annual operating budget.

- The Bond Program's debt outstanding of $3.1 billion as of August 31, 2024, increased $937.4 million due to $1.0 billion in new debt issuances offset by debt retirements of $92.0 million. Loan originations for the year totaled $1.5 billion in the Bond Program.

- In accordance with Governmental Accounting Standards Board Statement (GASB) No. 53, *Accounting and Financial Reporting for Derivative Instruments*, the Department identified its derivative instruments, measured their effectiveness, and reported the derivative instruments at fair value. The Department's interest rate swaps, which were primarily used to hedge changes in interest rates, are considered to be derivative instruments under GASB 53. GASB 53 requires the fair value of a derivative to be reported at the end of the fiscal year in the statement of net position and GASB No. 72, *Fair Value Measurement and Application*, requires the fair value of a derivative to be computed taking into account nonperformance risk. As of August 31, 2024, the Department's two interest rate swaps had a total notional amount of $9.4 million and a negative $326.7 thousand fair value which was recorded in the deferred outflow of resources account and as a derivative swap liability.

FINANCIAL STATEMENTS

The financial statements provide information about the Bond Program's funds. The Bond Program has only one type of fund, the proprietary fund, which is as follows:

- *Proprietary Fund* - The Bond Program's activities in its proprietary fund are accounted for in a manner similar to businesses operating in the private sector. Funding has primarily arisen through the issuances of taxable and tax-exempt bonds whose proceeds are used primarily to fund various types of loans to finance low and moderate income housing. The net position of this fund represents accumulated earnings since their inception and is generally restricted for program purposes or debt service.

FINANCIAL ANALYSIS OF THE REVENUE BOND PROGRAM

Bond Program - Condensed Statement of Net Position

	2024	2023	Increase (Decrease) Amount	Increase (Decrease) Percentage
ASSETS:				
Current Assets:				
Cash and investments	$ 457,026,106	$ 421,574,383	$ 35,451,723	8.41 %
Loans and Contracts	63,644,606	99,963,589	(36,318,983)	(36.33)%
Interest receivable	12,823,914	8,033,012	4,790,902	59.64 %
Other Current Assets	13,886,610	10,055,169	3,831,441	38.10 %
Non-Current Assets:				
Investments	2,672,570,746	1,720,473,847	952,096,899	55.34 %
Loans and Contracts	366,968,031	342,362,577	24,605,454	7.19 %
Total assets	3,586,920,013	2,602,462,577	984,457,436	37.83 %
DEFERRED OUTFLOWS OF RESOURCES	326,689	171,150	155,539	90.88 %
LIABILITIES:				
Current Liabilities				
Bonds payable	51,198,135	33,237,917	17,960,218	54.04 %
Short-Term Debt	52,298,439	87,509,778	(35,211,339)	(40.24)%
Interest payable	46,491,343	26,712,935	19,778,408	74.04 %
Other current liabilities	1,472,436	1,462,363	10,073	0.69 %
Non-Current Liabilities				
Notes payable	10,000,000	10,000,000		%
Bonds payable	3,060,867,159	2,141,395,323	919,471,836	42.94 %
Derivative Hedging Instrument	326,689	171,150	155,539	90.88 %
Total liabilities	3,222,654,201	2,300,489,466	922,164,735	40.09 %
DEFERRED INFLOWS OF RESOURCES				
NET POSITION:				
Restricted for Bonds	354,097,870	292,372,107	61,725,763	21.11 %
Unrestricted	10,494,631	9,772,154	722,477	7.39 %
Total Net Position	$ 364,592,501	$ 302,144,261	$ 62,448,240	20.67 %

The Net Position of the Bond Program increased $62.4 million, or 20.67%, to $364.6 million. The restricted net position of the Bond Program increased $61.7 million, or 21.11%. The increase can be primarily attributed to activity within the Single Family Bond Program generating an increase in net position of $33.8 million and the Residential Mortgage Revenue Bond Program with an increase of $27.4 million. The unrestricted net position increased $722.5 thousand, or 7.39%, to $10.5 million. The unrestricted net position is composed of $8.6 million related to the Operating Fund and $1.9 million related to the Taxable Mortgage Program.

Cash and investments (current and non-current) increased $987.5 million, or 46.10%, to $3.1 billion, primarily due to proceeds from bonds issuances and interest earnings offset by debt retirements.

The Bond Program's loans and contracts (current and non-current) decreased $11.7 million, or 2.65%, to $430.6 million, due primarily as a result of down payment assistance loans related to TMP.

Total bonds payable (current and non-current) increased $937.4 million, or 43.11% to $3.1 billion, due to the issuance of $250.0 million in bonds for the Single Family Bond Program and $750.0 million for the

Residential Mortgage Revenue Bond Program offset by monthly retirement of existing debt primarily due to consumer refinancing and paying off of original loans.

In fiscal year 2024, the Department reported $52.3 million in short-term debt due to a Security and Advances Agreement between the Department and Federal Home Loan Bank of Dallas to provide funding for the Homeownership Programs. In accordance with GASB No. 53 and GASB No. 72, the Department reported its derivative instruments at fair value on the statement of net position. The Department's two interest rate swaps are considered to be derivative instruments per GASB No. 53. The negative $326.7 thousand fair value of the swaps reflects an increase of $155.5 thousand and is reported as deferred outflow of resources and a derivative hedging instrument classified as a liability.

A comparison between 2024 and 2023 for the Statement of Revenues, Expenses, and Changes in Fund Net Position is as follows:

Bond Program - Statement of Revenues, Expenses, and Changes in Fund Net Position

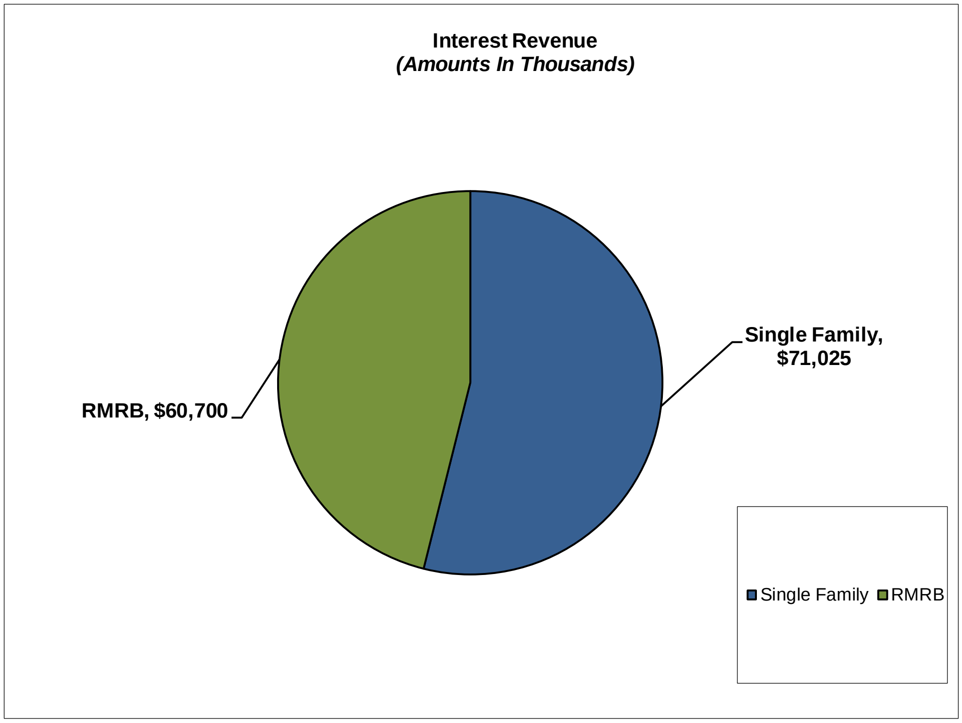
			Increase (Decrease)	
	2024	2023	Amount	Percentage
OPERATING REVENUES:				
Interest and investment income	$ 134,553,737	$ 81,234,254	$ 53,319,483	65.64 %
Net change in fair value of investments	52,725,258	(66,274,590)	118,999,848	(179.56)%
Other operating revenues	43,007,781	49,923,289	(6,915,508)	(13.85)%
Total operating revenues	230,286,776	64,882,953	165,403,823	254.93 %
OPERATING EXPENSES:				
Professional fees and services	1,278,308	1,030,058	248,250	24.10 %
Interest	109,301,280	63,504,742	45,796,538	72.12 %
Bad debt expense	2,494,514	2,603,013	(108,499)	(4.17)%
Other operating expenses	48,791,037	47,315,062	1,475,975	3.12 %
Total operating expenses	161,865,139	114,452,875	47,412,264	41.43 %
OPERATING INCOME (LOSS)	68,421,637	(49,569,922)	117,991,559	(238.03)%
TRANSFERS	(5,973,397)	(5,025,903)	(947,494)	18.85 %
CHANGE IN NET POSITION	62,448,240	(54,595,825)	117,044,065	(214.38)%
BEGINNING NET POSITION	302,144,261	356,193,272	(54,049,011)	(15.17)%
RESTATEMENTS		546,814	(546,814)	
BEGINNING NET ASSETS—As restated	302,144,261	356,740,086	(54,595,825)	(15.30)%
ENDING NET POSITION	$ 364,592,501	$ 302,144,261	$ 62,448,240	20.67 %

Earnings within the Bond Program's various bond indentures were $230.3 million, of which $224.7 million is classified as restricted and $5.6 million as unrestricted.

Restricted earnings are primarily composed of $131.7 million in interest and investment income, $52.7 million net increase in fair value of investments, and $40.3 million in other operating revenue. Interest and investment income is restricted per bond covenants for debt service and the net change in fair value is reflective of unrealized gains and losses.

Unrestricted earnings are composed of $2.8 million in interest and investment income and $2.8 million in other operating revenue.

The graph below illustrates the composition of interest and investment income for the various bond indentures that make up the Bond Program:



Investment income increased $53.3 million, or 65.69%, to $134.5 million due to increasing investment balances and rising interest rates. The increase was primarily due to increases of $23.6 million in the Single Family Revenue Bond Program, $29.0 million in the Residential Mortgage Revenue Bond Program and $675.4 thousand in the Taxable Mortgage Program.

Expenses of the Bond Program consist primarily of interest expense and other operating expenses of the Bond Program. Interest expense was $109.3 million, which increased $45.8 million, or 72.12%, on the Bond Program's debt incurred to fund its various lending programs. Other operating expenses increased $1.5 million primarily due to an increase in lender and servicer expenses related to single family loans.

The changes in net position by bond indenture for the Bond Program for fiscal years 2024 and 2023 are as follows:

Changes in Net Position by Bond Program, Year Ended August 31,
(Amounts in Thousands)

Fund	2024	2023	Increase (Decrease) Amount	Increase (Decrease) Percentage
Single Family	$ 191,278	$ 157,530	$ 33,748	21.42 %
RMRB	131,921	104,515	27,406	26.22 %
Taxable Mortgage Program	31,347	30,295	1,052	3.47 %
General funds	10,046	9,804	242	2.47 %
Total	$ 364,592	$ 302,144	$ 62,448	20.67 %

The Net Position of the Single Family Bond Program increased by $33.7 million, or 21.42%, primarily due to a positive net change in fair value of investments of $29.2 million and a positive difference of $13.1 million between interest income and bond interest expense offset by a negative difference of $5.1 million between other operating revenue and expenses primarily related to TMP activity.

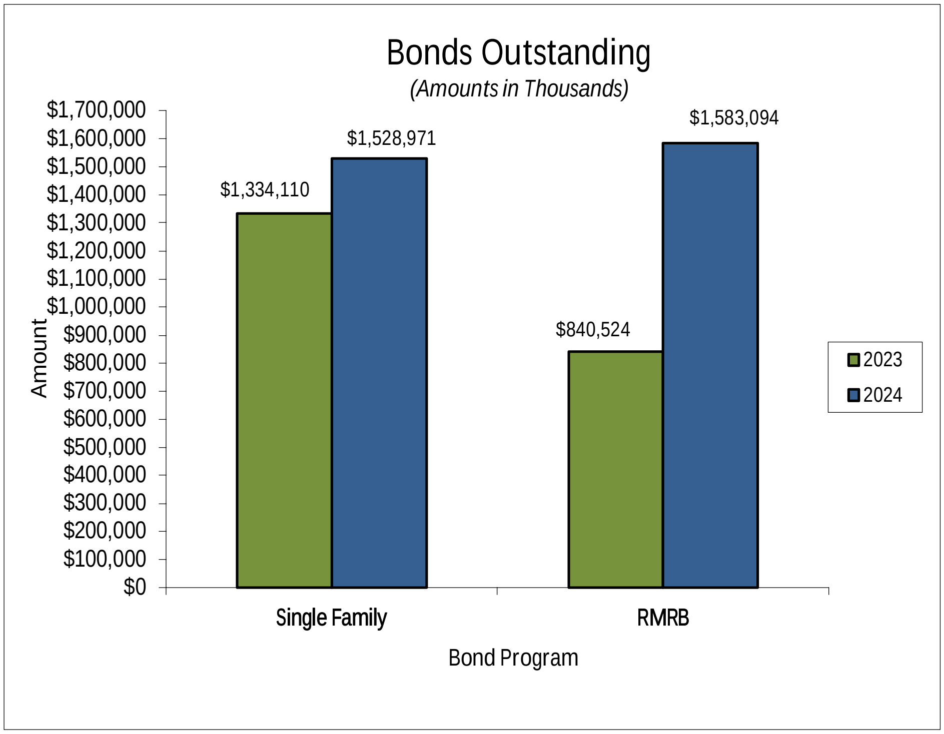
The Net Position of the Residential Mortgage Revenue Bond Program increased by $27.4 million, or 26.22%, primarily due to a positive net change in fair value of investments of $23.3 million and a positive difference of $10.7 million between interest income and bond interest expense offset by a negative difference of $3.4 million between other operating revenue and expenses primarily related to TMP activity.

The Net Position of the Taxable Mortgage Program increased by $1.1 million or 3.47%, primarily due to a positive net change in fair value of investments of $206.1 thousand, a positive difference of $1.0 million between interest income and interest expense and a positive difference of $566.9 thousand between other operating revenue and expenses.

BOND PROGRAM BONDS OUTSTANDING

The Bond Program had an increase in bonds payable of $937.4 million to $3.1 billion of which $51.2 million is due within one year. The Bond Program issued $1.0 billion in bonds during the year and had $92.0 million in bond debt retirements (See Schedule 4) during the year primarily due to consumer refinancing and paying off of original loans. For additional information, see Note 5, Bonded Indebtedness, and supplementary bond schedules.

The following graph will illustrate a comparison of bonds outstanding between fiscal year 2024 and 2023 per bond program:



REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Texas Department of Housing and Community Affairs' Revenue Bond Program operations for all parties interested in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Texas Department of Housing and Community Affairs, Director of Administration, P.O. Box 13941, Austin, Texas, 78711-3941.

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BASIC

FINANCIAL STATEMENTS

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM

STATEMENT OF NET POSITION
As of August 31, 2024

ASSETS	
Current Assets:	
Cash and Cash Equivalents (Note 2)	
Cash in Bank	$ 45.00
Cash Equivalents	8,797,256.63
Restricted Assets:	
Cash and Cash Equivalents (Note 2)	
Cash in Bank	11,262,956.80
Cash Equivalents	436,946,690.20
Short-term Investments (Note 2)	19,157.24
Loans and Contracts	63,644,606.04
Interest Receivable	11,037,368.92
Receivable:	
Interest Receivable	1,786,544.76
Accounts Receivable	127,939.00
Other Current Assets	13,758,670.31
Total Current Assets	547,381,234.90
Non-Current Assets :	
Restricted Assets:	
Investments (Note 2)	2,672,570,746.08
Loans and Contracts	366,968,031.49
Total Non-Current Assets	3,039,538,777.57
Total Assets	$ 3,586,920,012.47
DEFERRED OUTFLOWS OF RESOURCES	
Accumulated decrease in fair value of hedging derivative (Note 6)	326,689.00
Total Deferred Outflows of Resources	$ 326,689.00
LIABILITIES	
Current Liabilities	
Payables:	
Accounts Payable	$ 233,136.12
Accrued Bond Interest Payable	46,491,342.71
Unearned Revenue	217,144.69
Revenue Bonds Payable (Notes 4 & 5)	51,198,135.06
Restricted Short-Term Debt (Note 3)	52,298,438.77
Other Current Liabilities	1,022,155.07
Total Current Liabilities	151,460,352.42
Non-Current Liabilities	
Notes and Loans Payable (Note 4)	10,000,000.00
Revenue Bonds Payable (Note 4 & 5)	3,060,867,159.35
Hedging Derivative Instrument (Note 6)	326,689.00
Total Non-Current Liabilities	3,071,193,848.35
Total Liabilities	$ 3,222,654,200.77
DEFERRED INFLOWS OF RESOURCES	
	-
Total Deferred Inflows of Resources	$ -
NET POSITION	
Restricted for Bonds	354,097,870.00
Unrestricted	10,494,630.70
Total Net Position	$ 364,592,500.70

The notes to the financial statements are an integral part of this statement.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
For the fiscal year ended August 31, 2024

OPERATING REVENUES	
Interest and Investment Income	$134,553,737.11
Net Increase in Fair Value	52,725,257.72
Other Operating Revenues	43,007,780.13
Total Operating Revenues	230,286,774.96
OPERATING EXPENSES	
Professional Fees and Services	1,278,308.03
Interest	109,301,279.97
Bad Debt Expense	2,494,514.30
Other Operating Expenses	48,791,036.67
Total Operating Expenses	161,865,138.97
Operating Income	68,421,635.99
OTHER REVENUES, EXPENSES, GAINS, LOSSES AND TRANSFERS	
Transfers Out	(5,973,396.75)
Total Other Revenues, Expenses, Gains, Losses and Transfers	(5,973,396.75)
CHANGE IN NET POSITION	62,448,239.24
Net Position, September 1, 2023	302,144,261.46
NET POSITION, AUGUST 31, 2024	$364,592,500.70

The notes to the financial statements are an integral part of this statement.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM

STATEMENT OF CASH FLOWS
For the fiscal year ended August 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Proceeds from Loan Programs	$ 1,497,676,575.04
Proceeds from Other Revenues	43,483,668.22
Payments to Suppliers for Goods/Services	(44,931,191.09)
Payments for Loans Provided	(1,488,284,423.27)
Net Cash Provided by Operating Activities	7,944,628.90
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Proceeds from Debt Issuance	5,243,757,537.99
Payments of Transfers of Other Funds	(5,973,396.75)
Payments of Principal on Debt Issuance	(4,333,268,007.95)
Payments of Interest	(97,556,327.10)
Payments for Other Cost of Debt	(10,138,088.72)
Net Cash Provided By Non-Capital Financing Activities	796,821,717.47
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales of Investments	110,339,659.85
Proceeds from Interest/Invest. Income	130,041,606.83
Payments to Acquire Investments	(1,009,702,165.88)
Net Cash (Used For) Investing Activities	(769,320,899.20)
Net Increase in Cash and Cash Equivalents	35,445,447.17
Cash and Cash Equivalents, September 1, 2023	421,561,501.46
Cash and Cash Equivalents, August 31, 2024	$ 457,006,948.63

The notes to the financial statements are an integral part of this statement.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM

STATEMENT OF CASH FLOWS (Continued)
For the fiscal year ended August 31, 2024

RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED BY OPERATING ACTIVITIES

Operating Income	$ 68,421,635.99
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Provision for Uncollectibles	2,494,514.30
Operating Income and Cash Flow Categories Classification Differences	(85,851,188.54)
Changes in Assets and Liabilities:	
Decrease in Receivables	40,528.00
(Increase) in Accrued Interest Receivable	(4,790,901.64)
Decrease in Loans / Contracts	11,713,528.17
(Increase) in Other Assets	(3,871,967.72)
Increase in Payables	44,306.74
Increase in Accrued Interest Payable	19,778,407.89
(Decrease) in Other Liabilities	(34,234.29)
Total Adjustments	(60,477,007.09)
Net Cash Provided by Operating Activities	$ 7,944,628.90

NON CASH TRANSACTIONS
Net Change in Fair Value of Investments for 2024 was $52,725,257.72

The notes to the financial statements are an integral part of this statement.

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NOTES TO THE

FINANICIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Statement — The Texas Department of Housing and Community Affairs (the Department), was created effective September 1, 1991, by an act of the 72nd Texas Legislature, pursuant to Senate Bill 546 (codified as Article 4413 (501), Texas Revised Civil Statutes) (the Department Act), passed by the Texas Legislature on May 24, 1991, and signed by the Governor of the State of Texas. Effective September 1, 1991, the Department was established to assist local governments in helping residents overcome financial, social, and environmental problems; to address low- to moderate-income housing needs; to contribute to the preservation and redevelopment of neighborhoods and communities; to assist the Governor and the Legislature in coordinating federal and state programs affecting local governments; and to continually inform the State and the public about the needs of local government. The Department was created by merging two former agencies: the Texas Housing Agency and the Texas Department of Community Affairs.

The accompanying financial statements represent the financial status of the Revenue Bond Program (the Bond Program), which is included in the enterprise fund of the Department, and are not intended to present the financial position of the Department or its results of operations or cash flows. The Department is governed by a Board composed of seven members, all of whom are appointed by the Governor with advice and consent of the Senate. The Board then appoints the Executive Director with the approval of the Governor. The Department is authorized to issue tax-exempt or taxable bonds, notes, or other obligations to finance or refinance multifamily housing developments and single-family residential housing. Bonds and notes of the Department do not constitute a debt of the State or any political subdivision thereof. The Department Act specifically provides for the assumption by the Department of the outstanding indebtedness of the former agencies. The Department is required to continue to carry out all covenants with respect to any bonds outstanding, including the payments of any bonds from the sources provided in the proceedings authorizing such bonds. For financial reporting purposes, the Department is an agency of the State and is included in its reporting entity.

The Bond Program operates several bond programs under separate trust indentures, as follows:

Single-Family Bond Program (Single-Family) — These bonds are limited obligations of the Department. Bond proceeds were used to originate below-market rate loans for eligible low- and moderate-income residents who were purchasing a residence. These bonds were issued pursuant to a Single-Family Mortgage Revenue Bond Trust Indenture, dated October 1, 1980, and Amended and Restated as of June 1, 2017, and indentures supplemental thereto, and are secured on an equal and ratable basis by the trust estate established by such trust indentures.

Residential Mortgage Revenue Bond Program (RMRB) — These bonds are limited obligations of the Department. Bond proceeds were used to originate below-market rate loans for eligible low- and moderate-income residents who were purchasing a residence. These bonds were issued pursuant to the Residential Mortgage Revenue Bond Trust Indenture, dated November 1, 1987, and Amended and Restated as of July 1, 2019, and indentures supplemental thereto, and are secured on an equal and ratable basis by the trust estate established by such trust indentures.

Taxable Mortgage Program (TMP) — The TMP program was created to provide loans to low to moderate income homebuyers as a tool to fund the First Time Homebuyer Program. It facilitates the trading of mortgage-backed securities (MBS). The program is funded by available indenture funds, ongoing fees received on the originated mortgage loans, repayment of down payment assistance loans, and MBS premium, if any, received at the sale of the MBS.

Multifamily Housing Revenue Bond Programs (Multifamily) — The Department has implemented Governmental Accounting Standards Board Statement No. 91, *Conduit Debt Obligations* to improve accounting and financial reporting for conduit debt. The Department has eliminated debt related to Multifamily bonds payable where the Department is only a conduit issuer.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Cont'd

Significant Accounting Policies — the significant accounting policies of the Bond Program are as follows:

Fund Accounting — The Bond Program's financial statements have been prepared on the basis of the proprietary fund concept as set forth by the Governmental Accounting Standards Board (GASB). The proprietary fund concept provides that financial activities operated similarly to private business enterprises and financed through fees and charges assessed primarily to users of the services are presented as a proprietary fund. Proprietary funds are accounted for on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when the liability is incurred. The Bond Program has elected not to apply Financial Accounting Standards Board pronouncements issued after November 30, 1989, as allowed by Governmental Accounting Standards Board Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting.*

Investments — The Bond Program follows the provisions of Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools,* and Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair Value accounting requires characterization of the inputs used to measure fair value into three-level fair value hierarchy as follows:

- Level 1 - inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market which the entity has the ability to access.
- Level 2 - inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.
- Level 3 - inputs are unobservable that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

- Market approach - uses prices generated by market transactions involving identical or comparable assets or liabilities.
- Cost approach - uses the amount that currently would be required to replace the service capacity of an asset (replacement cost).
- Income approach - uses valuation techniques to convert future amounts to present amounts based on current market expectations.

The Bond Program utilizes established quoted market prices for determining the fair value of its debt securities in reserve funds. The Bond Program's portfolio of mortgage-backed securities consists of pools of mortgage loans exchanged for mortgage-backed securities or mortgage pass-through certificates. Fair value of the Bond Program's mortgage-backed securities has been estimated by each bond issue's trustee using a pricing service which is considered a Level 2 input in accordance with Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application*.

The Bond Program has reported all investment securities at fair value as of August 31, 2024, with the exception of certain money market investments, and nonparticipating interest-earning investment contracts, which are reported at amortized cost (historical cost adjusted for amortization of premiums and accretion of discounts), provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors (see Note 2).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Cont'd

In accordance with Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, changes in the fair value of investments and any realized gains/losses on the sale of investments are reported in the Statement of Revenues, Expenses, and Changes in Fund Net Position as net increase (decrease) in fair value of investments.

Loans and Contracts — Loans and contracts are carried at the unpaid principal balance outstanding less the allowance for estimated loan losses. Interest on loans is credited to income as earned. Loans are generally placed on nonaccrual status when the Department becomes aware that the borrower has entered bankruptcy proceedings or when the loans are 90 days past due as to either principal or interest or when payment in full of principal and interest is not expected.

Real Estate Owned — Properties acquired through foreclosure are carried at the unpaid principal balance on the related property plus accrued interest and reimbursable expenses through the date of foreclosure, less any sales proceeds, reimbursements received from mortgage insurers, and an allowance for estimated losses on such properties. After foreclosure, foreclosed assets are carried at lower of cost or fair value minus selling costs. Interest on real estate owned is credited to income as earned based on a calculation of interest recoverable in accordance with the Department's agreements with its mortgage insurers.

Allowance for Estimated Losses on Loans and Foreclosed Properties — The allowance for estimated losses on loans is available for future charge-offs on single-family and multifamily loans.

All losses are charged to the allowance when the loss actually occurs or when a determination is made that a loss is likely to occur. Periodically, management estimates the likely level of future losses to determine whether the allowances for estimated losses are adequate to absorb anticipated losses in the existing loan and real estate owned portfolios. Based on these estimates, a provision for estimated losses on loans and real estate owned is made to the allowances in order to adjust the allowances to levels estimated to be adequate to absorb reasonably foreseeable losses.

While management uses available information to recognize losses in the loan and real estate owned portfolios, future adjustments may be necessary based on changes in economic conditions. However, it is the judgment of management that the allowances are currently adequate to absorb reasonably foreseeable losses in the existing loan and real estate owned portfolios.

Deferred Outflows of Resources/Derivative Hedging Instrument—The Department identified its derivative instruments and measured their effectiveness in accordance with Governmental Accounting Standards Board Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. The Department contracted a service provider to measure its derivative instrument effectiveness using the regression analysis method. Since the derivative instruments were deemed to be effective, the Department deferred the changes in fair value for these derivative instruments and reported them as a deferred outflows of resources.

Restricted Short-Term Debt — Short-term debt primarily consists of funds due to Federal Home Loan Bank related to an Advances and Security Agreement.

Notes Payable — The Department has issued one note which is subordinate lien obligation. The 2016 Issuer Note has a loan agreement with Woodforest National Bank to provide funding for down payment assistance in connection with Texas Homeownership Programs. The Department has implemented Governmental Accounting Standards Board Statement No. 91, Conduit Debt Obligations to improve accounting and financial reporting for conduit debt. The Department has eliminated debt related to Multifamily notes payable where the Department is only a conduit issuer.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Cont'd

Discounts and Premiums on Debt — Discounts and premiums on debt are recognized using the interest method over the life of the bonds or collateralized mortgage obligations to which they relate. Prepayments on the bonds result in the proportionate amortization during the current year of the remaining balance of discounts and premiums on debt.

Restricted Net Position — Certain Net Position of the Bond Program are restricted for various purposes of the bond trust indentures. When both restricted and unrestricted resources are available for use, restricted resources are used first, then unrestricted resources are used as they are needed.

General and Administrative Expenses — Certain General and Administrative expenses are accounted for in the Department's Administrative Program and are not reflected in the Operating Fund section of the Bond Program.

Operating and Non-operating Revenues and Expenses — The Department distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the Bond Program. The principal operating revenues of the Bond Program are related to interest derived from investments, interest on mortgage loans and bond related administrative fees. Operating expenses are primarily related to interest expense on bonds and general administrative expenses. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Interfund Transactions — The Bond Program has transactions between and with other funds of the Department. Quasi-external transactions are charges for services rendered by one fund to another, and they are accounted for as revenue or expense. All other interfund transactions are reported as transfers.

Loss on Early Extinguishment of Debt — Any loss on extinguishment of debt prior to its stated maturity is recorded as a component of interest expense in the period the debt is retired.

Cash Flows — For purposes of reporting cash flows, cash and cash equivalents consist of cash and short-term investments with a maturity at the date of purchase of three months or less, which are highly liquid and are readily exchanged for cash at amounts equal to their stated value.

Estimates — In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the Statement of Net Position and the reported revenues and expenses for the period. Actual results could differ significantly from those estimates. Management judgments and accounting estimates are made in the evaluation of the allowance for estimated losses on loans and real estate owned.

NOTE 2: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS

The Department is authorized by statute to make investments following the "prudent person rule" and based upon provisions within the master bond indentures and its Investment Policy adopted by the Board in accordance with the Public Funds Investment Act. There were no significant violations of legal provisions during the period.

Deposits of Cash in Bank

In accordance with bond trust indentures and depository agreements, all cash is to be fully collateralized, with the collateral held by a third party in the name of the Department. As of August 31, 2024, the Department's cash and deposits were fully collateralized by securities with a trustee in the Department's name.

As of August 31, 2024, the carrying amount of deposits was $11,262,956.80

NOTE 2: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS Cont'd

Current Assets Restricted Cash in Bank	
Texas Treasury Safekeeping Trust	180,128.32
Demand Deposits	11,082,828.48
Cash in Bank per AFR	$ 11,262,956.80

Investments

The types of investments in which the Department may invest are restricted by the provisions of the master bond indentures and the Department's Investment Policy adopted by its Board in accordance with the Public Funds Investment Act. The indentures allow for investments in direct obligations of or guaranteed by the U.S. Government; obligations, debentures, notes or other evidences of indebtedness issued or guaranteed by agencies or intermediaries of the U.S. Government; obligations issued by public agencies or municipalities; obligations and general obligations of or guaranteed by the state; demand deposits, interest-bearing time deposits or certificates of deposit; repurchase agreements in U.S. Government securities; direct or general obligations of any state within the territorial U.S.; investment agreements with any bank or financial institution; and guaranteed investment contracts. Certain trust indentures restrict the Department from investing in certain of the aforementioned investments.

The Department holds $445,743,946.83 in overnight repurchase agreements maturing on the following business day, September 3, 2024, at a rate of 5.28%.

At August 31, 2024, the fair value of investments (including both short-term and long-term) and cash equivalents are shown below.

	Fair Value Hierarchy				
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Amortized Cost	Total
Business Type Activities					
U.S. Government Agency Obligations	$ -	$ 2,629,493,462.47	$ -	$ -	$ 2,629,493,462.47
Repurchase Agreements (TTSTC)				445,743,946.83	445,743,946.83
Miscellaneous Investments				43,096,440.85	43,096,440.85
Total Business-Type Activities					$ 3,118,333,850.15

Credit Risk

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Preservation and safety of principal is the foremost objective of the investment program. According to the Department's investment policy, investments should be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Credit risk is mitigated by

- Limiting investments to the safest types of securities.
- Pre-qualifying the financial institution, broker/dealers, intermediaries, and advisors with which the Department will do business.
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

NOTE 2: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS Cont'd

As of August 31, 2024, the Department's credit quality distribution for securities with credit risk exposure was as follows.

Standard & Poor's

Investment Type	Not Rated	AAA	AA+	AA-
U.S. Government Agency Obligations			$18,834,755.49	
Repurchase Agreements (TTSTC)	$445,743,946.83			
Miscellaneous Investments	$43,096,440.85			

Repurchase Agreements, while not rated, are required to be over collateralized such that they meet the requirements set-forth in the various indentures.

A total of $2,610,658,706.98 was not subject to credit risk disclosure due to their explicit guarantee by the U.S. Government which is composed of U.S. Government Agency obligations issued by the Government National Mortgage Association.

Concentration of credit risk is the risk of loss attributable to the magnitude of investment in a single issuer. As of August 31, 2024, the Department's concentration of credit risk is as follows.

Issuer	Carrying Value	% of Total Portfolio
Natwest	$445,743,946.83	14.29%

Interest Rate Risk
Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of any investment. The longer the maturity of an investment will result in greater sensitivity of its fair value to changes in the market interest rates. The Department's investment policy allows for the mitigation of interest rate risk by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- Investing operating funds primarily in shorter-term securities.

NOTE 2: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS Cont'd

Information about the sensitivity of the fair values of the Department's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Department's investments by maturity:

Remaining Maturity (in months)

Business Type Activities	Fair Value	12 months or less	13 to 24 months	25 to 60 months	More than 60 months
U.S. Government Agency Obligations	$ 2,629,493,462.47	$ 19,157.24	$ 91,227.16	$ 2,117,583.80	$ 2,627,265,494.27
Repurchase Agreements (TTSTC)	445,743,946.83	445,743,946.83			
Miscellaneous Investments	43,096,440.85				43,096,440.85
Total Business-Type Activities	$ 3,118,333,850.15	$ 445,763,104.07	$ 91,227.16	$ 2,117,583.80	$ 2,670,361,935.12

Highly Sensitive Investments
Mortgage-backed securities. These securities are subject to early payment in a period of declining interest rates. These prepayments result in a reduction of expected total cash flows affecting the fair value of these securities and make the fair value of these securities highly sensitive to changes in interest rates. The Department does not make it a common practice to sell these investments. However, in recent years the Department has sold some of these investments at a premium and used the realized gain to fund Down Payment Assistance loans in connection with the Single Family My First Texas Home Program. Any other fluctuation in fair value generates an unrealized gain or loss. As of August 31, 2024, the Department holds $2,629,493,462.47 in mortgage-backed securities.

NOTE 3: SHORT-TERM DEBT

Business-Type Activities	Balance 09/01/23	Additions	Reductions	Balance 08/31/24
Short -Term Debt	$ 87,509,778.03	4,206,044,388.69	4,241,255,727.95	$ 52,298,438.77
Total Business-Type Activities	$ 87,509,778.03	4,206,044,388.69	4,241,255,727.95	$ 52,298,438.77

Short-Term Debt
Short-term debt in the Enterprise Fund is comprised of funds due to the Federal Home Loan Bank of Dallas (FHLB) in the amount of $52,298,438.77.

On October 1, 2016, the Idaho Housing and Finance Association (Idaho HFA) began serving as Master Servicer for the Department's Single Family Mortgage Purchase Program. Idaho HFA's servicing structure requires the purchase of program mortgage loans by the Department, and subsequent repurchase of those loans by the Idaho HFA, prior to pooling the loans into a mortgage-backed security (MBS).

NOTE 3: SHORT-TERM DEBT Cont'd

The Department executed an Advances and Security Agreement with the FHLB, effective October 1, 2016, to fund the purchase of program loans. The Department borrows at short-term rates from FHLB and pledges the mortgage loans, plus additional amounts deposited in an escrow account, as collateral for advances. Borrowings, or advances, occur almost daily and are used to purchase mortgage loans within one to two business days after purchase from lenders by Idaho HFA. With each MBS settlement, the advances related to the mortgage loans underlying the related MBS are repaid.

It contains the following events of default:

- A default in the payment of any principal or interest of the loan when such payments become due and payable;
- The failure of the Department to perform any promise or obligation or satisfy any condition or liability:
- Evidence coming to the attention of FHLB that any representation, statement or warranty made or furnished by the FHLB in connection with any advance, any specification of qualifying collateral or any certification of fair value market value was false in any material respect;
- The issuance of any tax, levy, seizure, attachment, garnishment, levy of execution, or other legal process with respect to the collateral;
- A suspension of payment made by Department to any creditor or any event that results in the acceleration of any of its indebtedness.
- The appointment of a conservator or receiver for the Department under the federal bankruptcy laws.
- The sale by the Department of all or material part of its assets
- The cessation of the Department to be a type of institution that is eligible to become a borrower of FHLB.
- The merger, or consolation or other combination by the Department with any other non-eligible entity.
- FHLB reasonably and in good faith determines that a material adverse change has occurred in the financial condition of the Department
- FHLB deems itself insecure even though the Department is not otherwise in default

Upon the occurrence of or during the continuation any event of default, FHLB may at its own option declare all indebtedness and accrued interest to be immediately due and payable without presentment, demand, protest, or any further notice

As of August 31, 2024, the maximum aggregate principal amount available for advances under the Advances Agreement was $250,000,000 resulting in $197,701,561.23 available in the line of credit at August 31, 2024.

NOTE 4: LONG-TERM LIABILITIES

Changes in Long-Term Liabilities
During the year ended August 31, 2024, the following changes occurred in liabilities.

Business-Type Activities	Balance 09/01/23	Additions	Reductions	Balance 08/31/24	Amounts Due Within One Year
Revenue Bonds Payable	$ 2,174,633,239.87	1,037,713,149.30	100,281,094.76	$ 3,112,065,294.41	$ 51,198,135.06
Notes Payable - Direct Borrowing	$ 10,000,000.00	-	-	$ 10,000,000.00	$ -
Total Business-Type Activities	$ 2,184,633,239.87	1,037,713,149.30	100,281,094.76	$ 3,122,065,294.41	$ 51,198,135.06

Revenue Bonds Payable
The Department issues bonds to assist in financing the purchase of homes for families with very low to moderate incomes. Loan payments provide the revenues for debt service payments. (See Note 6 for more information.) The $1,037,713,149.30 in additions is inclusive of $37,713,149.30 in bond premium related to the issuance of the 2023 Single Family Mortgage Revenue Bonds Series C and D for $9,266,408.45, the 2023 Residential Mortgage Revenue Bonds Series B and C for $9,446,975.65, the 2024 Residential Mortgage Revenue Bonds Series A and B for $10,699,781.20 and the 2024 Residential Mortgage Revenue Bonds Series C and D for $8,299,984.00. The $100,281,094.76 in reductions is inclusive of $8,268,814.76 in amortization of bond premium/discount.

The following are debt service requirements for bonds payable in the business-type activities:

Texas Department of Housing and Community Affairs
Bonds Payable Debt Service Requirements
Business-Type Activities
Revenue Bonds Payable

Year	Principal	Interest	Total
2025	$ 42,825,000.00	$ 139,405,157.81	$ 182,230,157.81
2026	50,270,000.00	135,541,004.12	185,811,004.12
2027	52,520,000.00	133,464,423.86	185,984,423.86
2028	53,550,000.00	131,004,008.06	184,554,008.06
2029	56,275,000.00	128,354,853.36	184,629,853.36
2030-34	326,210,000.00	599,367,855.62	925,577,855.62
2035-39	460,609,802.00	519,996,505.48	980,606,307.48
2040-44	569,116,990.00	409,571,415.91	978,688,405.91
2045-49	756,667,741.00	262,838,755.32	1,019,506,496.32
2050-54	617,005,000.00	82,450,332.24	699,455,332.24
Totals	$ 2,985,049,533.00	$ 2,541,994,311.78	$ 5,527,043,844.78

Notes Payable

The Department has one Issuer Note from direct borrowings related to business-type activities in the amount of $10,000,000 as of August 31, 2024 and they have no unused lines of credit.

NOTE 4: LONG-TERM LIABILITIES Cont'd

The Department's Issuer Note from direct borrowings is a subordinate lien obligation to provide funding for down payment assistance in connection with Texas Homeownership Programs. The 2016 Issuer Note has a loan agreement with Woodforest National Bank secured by the RMRB Indenture. It contains the following events of default:

- A default in payment of any interest upon the loan when such interest becomes due and payable;
- A default in payment of principal of the loan when such principal becomes due and payable;
- A default in the Asset Test if the amount calculated pursuant to such test equals an amount less than 102%, plus the current outstanding amount of the loan.

The occurrence of any event of default would trigger remedies ranging from demand of immediate payment to the acceleration of the loan causing it to be immediately due and payable.

The following are debt service requirements for notes payable in the business-type activities:

Texas Department of Housing and Community Affairs
Notes Payable Debt Service Requirements
Business-Type Activities
Notes Payable - Direct Borrowing

Year	Principal	Interest	Total
2024	$ -	$ -	$ -
2025	-	-	-
2026	-	-	-
2027	10,000,000.00	824,383.62	10,824,383.62
2028	-	-	-
Totals	$ 10,000,000.00	$ 824,383.62	$ 10,824,383.62

NOTE 5: BONDED INDEBTEDNESS

The Department has 34 bond series outstanding at August 31, 2024. All series are revenue bonds backed by the pledged revenue sources and restricted funds specified in the bond resolutions. Each series is designed to be self-supporting with no repayment nor obligation from the State's General Revenue. The Department issues bonds to assist in financing the purchase of homes by families with very low to moderate incomes. Loan payments provide the revenues for debt service payments. (Detailed supplemental bond information is disclosed in Schedules 3,4,5,6, and 7.)

Proceeds from the issuance of bonds under the Single Family indenture prior to 1987 and Residential Mortgage Revenue Bonds (RMRB) Series 1987A Programs were used to acquire loans. Proceeds from the remaining Single Family and RMRB issues were used to acquire pass-through certificates (GNMA, FNMA, FHLMC) backed by mortgage loans.

Interest on bonds and collateralized mortgage obligations is payable periodically.

The Single Family and RMRB bonds are collateralized by the revenues and assets pledged under the trust indentures, primarily mortgage-backed securities and investments.

The trust indentures contain positive and negative covenants. Events of default include the following: failure to make timely payment of both principal and interest on any outstanding bond; failure to make timely payment of any other monies required to be paid to the Trustee; and non-performance or non-observance of any other covenants, agreements or conditions contained in the indentures. Management believes they are in compliance with the covenants of the indentures.

Actual maturities will differ from contractual maturities since the Department has the right to call or prepay obligations with or without call or prepayment penalties as the related loans and mortgage-backed securities mature or prepay. Bond contractual maturities (principal only) at August 31, 2024, are as follows (in thousands):

Description	2025	2026	2027	2028	2029	2030 to 2034
Single-family	$ 21,995	$ 24,380	$ 25,430	$ 26,575	$ 27,875	$ 157,995
RMRB	20,830	25,890	27,090	26,975	28,400	168,215
Total	$ 42,825	$ 50,270	$ 52,520	$ 53,550	$ 56,275	$ 326,210

Description	2035 to 2039	2040 to 2044	2045 to 2049	2050 to 2054	Total
Single-family	$ 248,450	$ 258,795	$ 403,338	$ 270,720	$ 1,465,553
RMRB	212,160	310,322	353,330	346,285	1,519,497
Total	$ 460,610	$ 569,117	$ 756,668	$ 617,005	$ 2,985,050

NOTE 5: BONDED INDEBTEDNESS Cont'd

The interest payment requirements at August 31, 2024, are as follows (in thousands):

Description	2025	2026	2027	2028	2029	2030 to 2034
Single-family	$ 67,414	$ 63,840	$ 62,891	$ 61,743	$ 60,462	$ 282,257
RMRB	71,991	71,701	70,573	69,261	67,893	317,111
Total	$ 139,405	$ 135,541	$ 133,464	$ 131,004	$ 128,355	$ 599,368

Description	2035 to 2039	2040 to 2044	2045 to 2049	2050 to 2054	Total
Single-family	$ 244,693	$ 190,587	$ 120,293	$ 35,354	$ 1,189,534
RMRB	275,304	218,984	142,546	47,096	1,352,460
Total	$ 519,997	$ 409,571	$ 262,839	$ 82,450	$ 2,541,994

Interest requirements on variable rate debt are calculated using the interest rate in effect at August 31, 2024. Interest rates on variable rate debt reset on a weekly basis by the remarketing agent.

Changes in Bonds Payable

Description	Bonds Outstanding 09/01/23	Bonds Issued	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding 08/31/24	Amounts Due Within One Year
Single Family	$ 1,275,581,446.00	$ 250,000,000.00	$ 14,685,000.00	$ 45,343,903.00	$ 1,465,552,543.00	$ 26,023,794.19
RMRB	801,480,367.00	750,000,000.00	11,755,000.00	20,228,377.00	1,519,496,990.00	25,174,340.87
Total	$ 2,077,061,813.00	$ 1,000,000,000.00	$ 26,440,000.00	$ 65,572,280.00	$ 2,985,049,533.00	$ 51,198,135.06
Unamortized Premium	97,571,426.87				127,015,761.41	
Total	$ 2,174,633,239.87				$ 3,112,065,294.41	

Demand Bonds

The Department currently holds two single family bond series in the amount $9,395,000 in variable rate demand bonds. The proceeds of these bonds were used to refund outstanding bonds or provide funds for the primary purpose of purchasing mortgaged-backed securities backed by pools of first time homebuyer loans. These bond series have the following terms.

Demand Bonds - Standby Purchase Agreements					
Single Family Bond Series	Remarketing Agent	Liquidity Provider	Commitment Fee Rate	Outstanding Variable Rate Demand Bonds as of 08/31/24	Liquidity Facility Expiration Date
2007A	JP Morgan	Comptroller of Public Accounts	0.12%	$ 6,430,000.00	08/31/25
2005A	JP Morgan	Comptroller of Public Accounts	0.12%	2,965,000.00	08/31/25
Total Demand Bonds				$ 9,395,000.00	

NOTE 5: BONDED INDEBTEDNESS Cont'd

These bonds are subject to purchase on the demand of the holder at a price equal to principal plus accrued interest with proper notice and delivery to the corresponding remarketing agent. If the remarketing agent is unable to remarket any bonds, the liquidity facility will purchase the bonds (bank bonds). The liquidity agreement is subject to renewal on an ongoing basis. The Department shall use its best effort to cause the bonds to be purchased from the liquidity facility as soon as possible. The purchased bonds are not subject to term out provisions. For fiscal year 2024 the Trustee did not draw from the liquidity provider, Comptroller of Public Accounts, related to the Department's demand bonds.

Federal Arbitrage Regulations

In accordance with Federal law, the Department is required to rebate to the Internal Revenue Service (IRS) the excess of the amount derived from investing the bond proceeds over the amount that would have been earned if those investments had a rate equal to the yield on the bond issue. As of August 31, 2024, the Bond Program had no liabilities to the IRS or reported in the Statement of Net Position.

Pledged and Other Sources

Governmental Accounting Standards Board Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, requires the following disclosures for "specific revenues that have been formally committed to directly collateralize or secure debt of the Department." The following table summarizes by indenture, pledged and other sources and related expenditures for the Department's revenue bonds. A detail schedule of each bond issue is included in Schedule 6.

Pledged and Other Sources and Related Expenditures for FY 2024

	Net Available for Debt Service		Debt Service				
Description of Issue	Total Pledged and Other Sources	Operating Expenses/Expenditures and Capital Outlay	Principal	Interest	Pledged Revenue for Future Debt Service	Terms of Commitment Year Ending August 31,	Percentage of Revenue Pledged
Total Single Family Bonds	$ 111,603,522.73	$ 3,020,423.34	$ 14,685,000.00	$ 61,568,665.79	$ 2,655,087,157.80	2054	100%
Total Residential Mtg Revenue Bonds	77,378,769.76	7,752,505.87	11,755,000.00	52,337,517.58	2,871,956,686.98	2054	100%
Total	$ 188,982,292.49	$ 10,772,929.21	$ 26,440,000.00	$ 113,906,183.37	$ 5,527,043,844.78		

The Department has adopted Governmental Accounting Standards Board Statement No. 91 – Conduit Debt Obligations, to improve accounting and financial reporting for conduit debt. In accordance to Governmental Accounting Standards Board Statement No. 91, the Department eliminated debt related to the Multifamily Bond Program where the Department is only a conduit issuer. As of August 31, 2024, the Department has forty-nine bonds issues outstanding in the amount of $911,670,945.44 and twenty-one notes outstanding in the amount of $519,906,399.73. They were primarily issued to provide funding to nonprofit and for-profit developers of multifamily properties to construct or rehabilitate rental housing and are secured by these assets and their respective revenue. These bonds and notes are limited obligations of the Department and are payable solely from the payments received from the assets and guarantors, which secure the bonds and notes.

NOTE 6: DERIVATIVE INSTRUMENTS

Variable to Fixed Interest Rate Swap

Objective

In order to hedge against increases in interest rates on variable rate demand bond issues, the Department has entered into four interest rate swap agreements with the objective of reducing the interest rate risk of certain variable rate demand bonds. The variable rate demand bonds were issued at an expected lower total interest cost than attainable through traditional fixed rate bond structures. The Department has entered into interest rate swap agreements with various rated counterparties. Under the terms of the agreements, the Department makes periodic fixed interest rate payments in exchange for receiving variable rate payments that are expected to be comparable to the rates payable on the variable rate demand bonds. The swap notional amounts amortize in accordance with the scheduled and/or anticipated reductions in the related variable rate demand bond liability. The Department is potentially exposed to loss in the event of non-performance by the counterparties under the swap agreements. Termination of the swap agreements may result in the Department making or receiving termination payments.

Summary

The fair value balances and notional amounts of derivative instruments outstanding as of August 31, 2024, classified by type, and the changes in fair value of such derivative instruments for the year ended as reported in the 2024 financial statements are as follows.

Business Type Activities		Changes in Fair Value		Fair Value at August 31, 2024		
Cash Flow Hedges	Bond Issue	Classification	Amount	Classification	Amount	Notional
Pay-fixed, receive-variable interest rate swap	2005A	Deferred outflow of resources	(156,630.69)	Debt	(307,889.00)	6,430,000.00
Pay-fixed, receive-variable interest rate swap	2007A	Deferred outflow of resources	1,091.66	Debt	(18,800.00)	2,965,000.00
Total			$ (155,539.03)		$ (326,689.00)	$ 9,395,000.00

Terms and Fair Value

The terms, including the fair value of the outstanding swaps as of August 31, 2024 are as follows. The notional amounts of the swaps match the principal amount of the associated debt.

Counterparty	Notional Amount	Fair Value	Effective Date	Fixed Rate	Variable Rate	Swap Termination Date
JP Morgan Chase Bank	6,430,000.00	(307,889.00)	08/01/05	4.01%	Formula*, currently 65% of 1M Fallback SOFR	09/01/36 (a)
JP Morgan Chase Bank	2,965,000.00	(18,800.00)	06/05/07	4.013%	Formula*, currently 65% of 1M Fallback SOFR	09/01/38 (a)
Total	$ 9,395,000.00	$ (326,689.00)				

a. Swap Agreement is subject to mandatory early termination each March 1 and September 1 from mortgage loan repayments.

NOTE 6: DERIVATIVE INSTRUMENTS Cont'd

The Department has adopted Governmental Accounting Standards Board Statement No. 72 – *Fair Value Measurement and Application*, which addresses accounting and financial reporting issues related to fair value measurements. In accordance to Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application*, the fair value of these derivative instruments was measured using the Income Approach. Using observable inputs of interest rate markets and municipal bond yields, the fair value measurement is based on the present value of future implied cash flows reflective of non-performance risk. The fair value hierarchy disclosure is as follows:

Derivative Instruments	Total	Input Level 1	Input Level 2	Input Level 3
Pay-fixed, receive-variable interest rate swap	$ (326,689.00)		$ (326,689.00)	
Total	$ (326,689.00)		$ (326,689.00)	

- Level 1- Valuation is based upon quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.
- Level 2 – Valuation is based upon quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.
- Level 3 – Valuation is generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect our own estimates of assumptions that market participants would use in the pricing of the asset or liability. Valuation techniques include use of option pricing models, discounted cash flow models and similar techniques.

Credit Risk

As of August 31, 2024, the Department is not exposed to credit risk on any of its outstanding swaps because the swaps currently have a negative fair value indicating an obligation for the Department to pay the counterparty as opposed to receive payments should the Department exercise it's optional right to terminate. If interest rates change and the fair value of the swaps become positive, the Department would be exposed to credit risk on those swaps. The swap agreements contain varying collateral provisions.

Counterparty	Standard & Poor's	Moody's
JP Morgan Chase Bank	A+/Positive	Aa2/Negative

Basis Risk

The Department's variable-rate bond coupon payments are related to the Securities Industry and Financial Markets Association (SIFMA) rate. The swap agreements designate a function of Fallback Secured Overnight Financing Rate (SOFR) as the rate for payments received on these swaps. The Department will be exposed to basis risk should SOFR and SIFMA rates converge. The swap agreements provide an option to terminate as stated in the Terms and Fair Value table on previous page.

NOTE 6: DERIVATIVE INSTRUMENTS Cont'd

Rollover Risk
Rollover risk is the risk that arises when a derivative associated with a government's variable-rate debt does not extend all the way to the maturity date of the associated debt, thereby creating a gap in the protection otherwise afforded by the derivative. The Department is not exposed to rollover risk on swap agreements because the variable rate debt has been structured to decline with the swap notional balances. The counterparties in the swap agreements have limited rights to terminate the swap. They can terminate only if the Department were to be downgraded below investment grade or default on any swap payments. The swap providers cannot unilaterally terminate any of the swaps subjecting the Department to rollover risk. The Department has retained par optional termination rights which are listed below. The par optional termination rights are intended to keep the notional amount in line with bonds outstanding to the extent the Department receives prepayments.

Associated Debt Issuance	Debt Maturity Date	Swap Termination Date
2005A Single Family	September 2036	Mandatory par termination each March 1 and September 1 from mortgage loan repayments.
2007A Single Family	September 2038	Mandatory par termination each March 1 and September 1 from mortgage loan repayments.

Swap Payments and Associated Debt
Using rates as of August 31, 2024, debt service requirements of the Department's outstanding variable-rate debt and net swap payments are as follows. As rates vary, variable-rate debt bond interest payments and new swap payments will vary. The Department's swap agreements contain scheduled reductions to outstanding notional amounts that are expected to follow scheduled reductions in the associated bonds outstanding.

Fiscal Year Ending August 31	Variable-Rate Bonds Principal	Variable-Rate Bonds Interest	Interest Rate Swaps, Net	Total
2025	$ -	$ 304,648.00	$ 127,777.00	$ 432,425.00
2026	-	281,850.00	127,777.00	409,627.00
2027	-	281,850.00	127,777.00	409,627.00
2028	-	282,496.00	127,777.00	410,273.00
2029	-	281,204.00	127,777.00	408,981.00
2030-2034	-	1,409,250.00	638,885.00	2,048,135.00
2035-2039	9,395,000.00	774,616.00	39,285.00	10,208,901.00
2040-2044	-	-	-	-
	$ 9,395,000.00	$ 3,615,914.00	$ 1,317,055.00	$ 14,327,969.00

Netting Arrangements
The Department's swap agreements allow for netting arrangements. On each payment date, September 1 and March 1, the party with the lesser obligation will be automatically satisfied and discharged and, the obligation of the party with the greater obligation will become the netted amount. As of August 31, 2024, the Department has an aggregate liability related to the interest rate swaps in the amount of $21,387.33 payable on September 1, 2024.

NOTE 7: CONTINUANCE SUBJECT TO REVIEW

Under the Texas Sunset Act, the Department will be abolished effective September 1, 2029 unless continued in existence as provided by the Act. If abolished, the Department may continue until September 1, 2030 to close out its operations.

NOTE 8: CONTINGENCIES AND COMMITMENTS

Derivative Instruments

All of the Department's derivative instruments include provisions that require posting collateral in the event the Single Family Trust Indenture credit rating falls below a specified level as issued by Moody's Investor Service and Standard & Poor's. If the Department fails to post eligible collateral, the derivative instrument may be terminated by the counterparty. The table below lists the triggering event and the collateral exposure for each instrument.

Series	Collateral Posting Exposure at Current Credit Rating	Credit Rating Downgrade Threshold	MTM Threshold for Indenture or Counterparty
2005A	Infinite	A/A2	After downgrade to A/A2, collateral exposure if MTM exceeds ($7.5M); after downgrade to A-/A3 or below, collateral exposure with no threshold
2007A	Infinite	A/A2	After downgrade to A/A2, collateral exposure if MTM exceeds ($7.5M); after downgrade to A-/A3 or below, collateral exposure with no threshold

As of August 31, 2024, the credit rating related to the Single Family Trust Indenture was AA+ issued by Standard & Poor's and Aa1 by Moody's, therefore no collateral was posted. The Department's aggregate fair value of all hedging derivative instruments with these collateral provisions is a negative ($326,689.00). If the collateral posting requirements had been triggered at August 31, 2024, the Department would have been required to post eligible collateral equal to the aggregate fair value of the derivative instruments.

Taxable Mortgage Program

On July 26, 2012, the Department approved the Taxable Mortgage Program (TMP). The TMP market facilitates the forward trading of Mortgage Backed Securities (MBS) issued by Ginnie Mae and Fannie Mae. In a TMP trade, the seller and buyer agree to the type of security, coupon, face value, price and settlement date at the time of trade but do not specify the actual pools to be traded. The securities are "to be announced" two business days prior to the trade settlement date. The TMP program was created to provide loans to low to moderate income first time homebuyers. The program is paid for from revenues generated by the packaging and sale of the TMP MBS, available indenture funds and ongoing fees related to the loans originated and securitized through the TMP program. Escrow agreements were negotiated and established to limit the recourse to the servicer and TBA provider, who delivers the MBS to the purchaser of the MBS backed by the mortgage loans. The amount of the escrow is $2.5 million, which is funded from residual funds generated through the Single Family Mortgage Revenue Bond Program. The TMP program commenced on October 1, 2012.

The Department has entered into a Warehouse Agreement with Hilltop Securities, as Warehouse Provider, and The Bank of New York Mellon Trust Company, as trustee under the bond indentures and as Custodian. The purpose is to warehouse MBS relating to various series of bonds issued or to be issued and delivered under the Department's Trust Indentures, including MBS retained by the Department under its TMP Program. The Department has deposited $750,000 into a Warehouse Escrow Account for the benefit of the Warehouse Provider. As of August 31, 2024, there were no MBS held under the Warehouse Agreement.

The Department has established the TDHCA Liquid Yield Certificate of Deposit Account with Federal Home Loan Bank to secure the Department's obligations under the Advances and Security Agreement. The amount on deposit as of August 31, 2024 is $11,082,133.25 in CDs and $5,543,440.76 in MBS.

NOTE 9: RISK MANAGEMENT

The Department is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. It is the Department's policy to periodically assess the proper combination of commercial insurance and retention of risk to cover losses to which it may be exposed. The Department assumes substantially all risks associated with the performance of its duties. The Department carries Public Official Liability Insurance coverage in the amount of $10,000,000; Automobile Liability Insurance in the amount of $1,000,000; Errors and Omissions Insurance in the amount of $500,000 related to loan servicing for others; Crime Insurance in the amount of $350,000; Commercial General Liability Insurance in the amount of $1,000,000; General Aggregate Insurance in the amount of $2,000,000; Commercial Property, Equipment Breakdown and Terrorism Insurance in the amount of $250,000,000 for the Insurance Annex Building, the Twin Towers Office Center and leased field office located in Lubbock, Texas; and Forced Placed Insurance in the amount of $1,000,000.

The Department's liabilities are reported when it is both probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Liabilities are re-evaluated periodically to consider current settlements, frequency of claims, past experience and economic factors. There have been no significant reductions in insurance coverage in the past year and losses did not exceed funding arrangements during the past three years.

NOTE 10: SEGMENT INFORMATION FOR THE BOND PROGRAM

The Segment information below is for the Department's direct debt associated with the issuance of Single Family bonds only and does not include the Multifamily bonds where the Department is only a conduit issuer. Each grouping consists of separate indentures that have one or more bonds outstanding with the revenue stream and assets exclusively pledged in support of that debt. Bonds are issued for the primary purpose of providing funds for the purchase of mortgage-backed securities which represent securitized loans financing single family housing. Each indenture imposes the requirement of separate accounting of the revenues, expenses, gains, losses, assets, and liabilities.

CONDENSED STATEMENT OF NET POSITION

	Single Family Program Funds	Residential Mortgage Revenue Bond Funds
Restricted Assets:		
Current Assets	$ 94,764,261.58	$ 364,180,281.82
Non-Current Assets	1,660,428,799.08	1,373,637,663.73
Total Assets	1,755,193,060.66	1,737,817,945.55
Deferred Outflows of Resources:	326,689.00	-
Liabilities:		
Current Liabilities	60,967,636.36	37,977,122.60
Non-Current Liabilities	1,503,274,249.38	1,567,919,598.97
Total Liabilities	1,564,241,885.74	1,605,896,721.57
Deferred Inflows of Resources:	-	-
Net Position:		
Restricted Net Position	$ 191,277,863.92	$ 131,921,223.98
Net Position	$ 191,277,863.92	$ 131,921,223.98

NOTE 10: SEGMENT INFORMATION FOR THE BOND PROGRAM Cont'd

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	Single Family Program Funds	Residential Mortgage Revenue Bond Funds
Operating Revenues (Expenses):		
Interest and Investment Income	$ 71,024,980.91	$ 60,700,288.57
Net Increase in Fair Value	29,228,887.83	23,290,248.19
Other Operating Revenues	10,906,062.54	29,361,432.44
Operating Expenses	(76,034,957.58)	(84,406,697.88)
Operating Income	35,124,973.70	28,945,271.32
Nonoperating Revenues (Expenses):		
Transfers In (Out)	(1,377,014.48)	(1,539,118.56)
Changes in Net Position	33,747,959.22	27,406,152.76
Net Position, September 1, 2023	157,529,904.70	104,515,071.22
Net Position, August 31, 2024	$ 191,277,863.92	$ 131,921,223.98

CONDENSED STATEMENT OF CASH FLOWS

	Single Family Program Funds	Residential Mortgage Revenue Bond Funds
Net Cash Provided (Used) By:		
Operating Activities	$ (13,660,292.67)	$ (17,598,327.99)
Noncapital Financing Activities	146,822,526.95	689,565,912.97
Investing Activities	(381,583,781.29)	(390,558,511.20)
Net Increase (Decrease)	(248,421,547.01)	281,409,073.78
Beginning Cash and Cash Equivalents	323,418,242.68	77,288,057.92
Ending Cash and Cash Equivalents	$ 74,996,695.67	$ 358,697,131.70

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SUPPLEMENTAL

SCHEDULES

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS SCHEDULE 1

REVENUE BOND PROGRAM

SUPPLEMENTAL SCHEDULE — STATEMENT OF NET POSITION INFORMATION

BY INDIVIDUAL ACTIVITY (UNAUDITED)

AS OF AUGUST 31, 2024

	Single-Family Program	RMRB Program	Taxable Mortgage Program	Operating Fund	Total
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents:					
Cash in bank	$	$	$	$ 45.00	$ 45.00
Cash equivalents			73,699.44	8,723,557.19	8,797,256.63
Restricted assets:					
Cash and cash equivalents:					
Cash in bank	156,332.32	23,796.00	11,082,828.48		11,262,956.80
Cash equivalents	74,840,363.35	358,673,335.70	2,640,762.42	792,228.73	436,946,690.20
Short-term investments	19,157.24				19,157.24
Loans and contracts	448,845.83		63,148,195.60	47,564.61	63,644,606.04
Interest receivable	5,775,389.53	5,248,653.12	13,093.88	232.39	11,037,368.92
Receivable:					
Interest receivable			1,783,985.84	2,558.92	1,786,544.76
Accounts receivable				127,939.00	127,939.00
Other current assets	13,524,173.31	234,497.00			13,758,670.31
Total current assets	94,764,261.58	364,180,281.82	78,742,565.66	9,694,125.84	547,381,234.90
NON-CURRENT ASSETS:					
Restricted assets:					
Investments	1,453,587,183.56	1,214,080,682.23	4,902,880.29		2,672,570,746.08
Loans, contracts	206,841,615.52	159,556,981.50		569,434.47	366,968,031.49
Total Non-Current assets	1,660,428,799.08	1,373,637,663.73	4,902,880.29	569,434.47	3,039,538,777.57
TOTAL ASSETS	$ 1,755,193,060.66	$ 1,737,817,945.55	$ 83,645,445.95	$ 10,263,560.31	$ 3,586,920,012.47
DEFERRED OUTFLOWS OF RESOURCES					
Accumulated decrease in fair value hedging derivatives	326,689.00				326,689.00
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 326,689.00	$	$	$	$ 326,689.00
LIABILITIES					
CURRENT LIABILITIES:					
Payables:					
Accounts payable	$ 87,025.73	$ 146,100.39	$	$ 10.00	$ 233,136.12
Accrued bond interest payable	34,345,626.24	12,145,716.47			46,491,342.71
Unearned Revenue				217,144.69	217,144.69
Revenue bonds payable	26,023,794.19	25,174,340.87			51,198,135.06
Restricted Short-Term Debt			52,298,438.77		52,298,438.77
Other current liabilities	511,190.20	510,964.87			1,022,155.07
Total current liabilities	60,967,636.36	37,977,122.60	52,298,438.77	217,154.69	151,460,352.42
NONCURRENT LIABILITIES:					
Notes and Loans Payable		10,000,000.00			10,000,000.00
Revenue bonds payable	1,502,947,560.38	1,557,919,598.97			3,060,867,159.35
Hedging Derivative Instrument	326,689.00				326,689.00
Total Non-Current liabilities	1,503,274,249.38	1,567,919,598.97			3,071,193,848.35
TOTAL LIABILITIES	$ 1,564,241,885.74	$ 1,605,896,721.57	$ 52,298,438.77	$ 217,154.69	$ 3,222,654,200.77
DEFERRED INFLOWS OF RESOURCES					
TOTAL DEFERRED INFLOWS OF RESOURCES	$	$	$	$	$
NET POSITION					
RESTRICTED FOR BONDS	191,277,863.92	131,921,223.98	29,489,321.90	1,409,460.20	354,097,870.00
UNRESTRICTED			1,857,685.28	8,636,945.42	10,494,630.70
TOTAL NET POSITION	$ 191,277,863.92	$ 131,921,223.98	$ 31,347,007.18	$ 10,046,405.62	$ 364,592,500.70

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM

SCHEDULE 2

SUPPLEMENTAL SCHEDULE — STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION INFORMATION BY INDIVIDUAL ACTIVITY (UNAUDITED)
FOR THE YEAR ENDED AUGUST 31, 2024

	Single-Family Program	RMRB Program	Taxable Mortgage Program	Operating Fund	Total
OPERATING REVENUES:					
Interest and investment income	$ 71,024,980.91	$ 60,700,288.57	$ 2,378,297.42	$ 450,170.21	$134,553,737.11
Net increase in fair value	29,228,887.83	23,290,248.19	206,121.70		52,725,257.72
Other operating revenues	10,906,062.54	29,361,432.44	573,093.30	2,167,191.85	43,007,780.13
Total operating revenues	111,159,931.28	113,351,969.20	3,157,512.42	2,617,362.06	230,286,774.96
OPERATING EXPENSES:					
Professional fees and services	975,314.28	295,481.25		7,512.50	1,278,308.03
Interest	57,943,143.05	50,002,989.93	1,355,146.99		109,301,279.97
Bad debt expense	1,138,527.67	1,355,986.63			2,494,514.30
Other operating expenses	15,977,972.58	32,752,240.07	6,158.30	54,665.72	48,791,036.67
Total operating expenses	76,034,957.58	84,406,697.88	1,361,305.29	62,178.22	161,865,138.97
Operating Income (Loss)	35,124,973.70	28,945,271.32	1,796,207.13	2,555,183.84	68,421,635.99
OTHER REVENUES, EXPENSES, GAINS, LOSSES, AND TRANSFERS					
Transfers in (out)	(1,377,014.48)	(1,539,118.56)	(743,866.96)	(2,313,396.75)	(5,973,396.75)
CHANGE IN NET POSITION	33,747,959.22	27,406,152.76	1,052,340.17	241,787.09	62,448,239.24
NET POSITION — September 1, 2023	157,529,904.70	104,515,071.22	30,294,667.01	9,804,618.53	302,144,261.46
NET POSITION — August 31, 2024	$191,277,863.92	$131,921,223.98	$ 31,347,007.18	$ 10,046,405.62	$364,592,500.70

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SUPPLEMENTARY BOND

SCHEDULES

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM

SCHEDULE 3

Supplementary Bond Schedules
MISCELLANEOUS BOND INFORMATION
For the fiscal year ended August 31, 2024

Description of Issue	Bonds Issued To Date	Range Of Interest Rates		Scheduled Maturity First Year	Scheduled Maturity Final Maturity Date	First Call Date	
2005 Single Family Series A	$ 100,000,000	VAR - Weekly		2007	9/1/2036	3/1/2006	
2007 Single Family Series A	143,005,000	VAR - Weekly		2008	9/1/2038	3/1/2008	(a)
2015 Single Family Series A	33,825,000	3.20%	3.20%	2039	9/1/2039	9/1/2024	
2015 Single Family Series B	19,870,000	3.13%	3.13%	2046	3/1/2046	9/1/2024	
2016 Single Family Series A	31,510,000	3.00%	3.00%	2046	3/1/2046	3/1/2025	
2016 Single Family Series B	59,735,000	3.18%	3.18%	2039	3/1/2039	3/1/2025	
2017 Single Family Series A	61,303,867	2.84%	2.84%	2017	9/1/2047	(b)	
2017 Single Family Series B	29,610,000	2.75%	2.75%	2017	9/1/2038	(b)	
2017 Single Family Series C	42,787,085	3.10%	3.10%	2017	9/1/2047	(b)	
2018 Single Family Series A	143,995,000	1.65%	4.75%	2019	3/1/2049	N/A	
2019 Single Family Series A	165,325,000	1.25%	4.00%	2019	3/1/2050	9/1/2028	
2020 Single Family Series A	174,250,000	0.35%	5.00%	2020	3/1/2051	(c)	
2020 Single Family Series B	12,395,143	2.00%	2.00%	2020	3/1/2036	N/A	
2020 Single Family (Jr Lien)	30,000,000	2.04%	3.00%	2020	9/1/2045	9/1/2030	
2021 Single Family Series A	150,000,000	0.13%	5.00%	2021	3/1/2052	9/1/2022	
2021 Single Family Series B	24,829,558	1.55%	1.55%	2039	3/1/2039	3/1/2030	
2022 Single Family Series A	190,000,000	2.05%	5.50%	2023	9/1/2052	(d)	
2022 Single Family Series B	190,000,000	2.70%	6.00%	2024	3/1/2053	3/1/2032	
2023 Single Family Series A	200,000,000	3.90%	5.75%	2024	3/1/2054	9/1/2032	
2023 Single Family Series B	50,000,000	4.83%	5.75%	2024	9/1/2053	3/1/2033	
2023 Single Family Series C	150,000,000	3.95%	6.00%	2025	3/1/2054	9/1/2032	
2023 Single Family Series D	100,000,000	4.98%	6.25%	2025	9/1/2053	9/1/2032	
2019 RMRB Series A	166,350,000	1.85%	5.00%	2020	1/1/2050	7/1/2028	
2021 RMRB Series A	100,000,000	0.25%	5.00%	2022	1/1/2052	7/1/2030	
2021 RMRB Series B	61,369,927	1.70%	1.70%	2022	7/1/2042	1/1/2030	
2022 RMRB Series A	190,000,000	0.50%	5.00%	2023	7/1/2052	(e)	
2022 RMRB Series B	150,000,000	2.65%	5.75%	2024	1/1/2053	1/1/2032	
2023 RMRB Series A	230,000,000	3.13%	5.50%	2024	7/1/2053	7/1/2032	
2023 RMRB Series B	200,000,000	4.15%	6.00%	2025	1/1/2054	1/1/2032	
2023 RMRB Series C	50,000,000	5.38%	6.25%	2025	7/1/2053	1/1/2032	
2024 RMRB Series A	150,000,000	3.70%	5.75%	2025	7/1/2054	1/1/2033	
2024 RMRB Series B	100,000,000	4.71%	6.00%	2025	1/1/2054	1/1/2033	
2024 RMRB Series C	150,000,000	3.75%	6.00%	2025	7/1/2054	1/1/2033	
2024 RMRB Series D	100,000,000	4.68%	6.00%	2025	1/1/2054	1/1/2033	
TOTAL SINGLE FAMILY & RMRB BONDS	$ 3,750,160,580						
TOTAL BONDS ISSUED	$ 3,750,160,580						

FOOTNOTES:

(a) The Bonds shall be subject to redemption prior to maturity, after giving the required notice, as follows: During the variable interest rate period the bonds shall be subject to optional redemption by the Department, in whole or in part on any business day, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest, if any, to the redemption date.

(b) The Series 2017 bonds are subject to redemption prior to maturity, in whole or in part, at any time and from time to time on and after September 1, 2026, at the option of the Department, after giving notice as provided in the Trust Indenture, at a Redemption Price equal to 100% of the principal amount of the Series 2017 Bonds or portions thereof to be redeemed, plus accrued interest, to but not including, the redemption date.

(c) The Series 2020A Bonds are subject to redemption prior to maturity, in whole or in part, at any time from time to time, on and after March 1, 2029, at the option of the Department after giving notice as provided in the Trust Indenture, at a Redemption Price equal to 100% of the principal amount of such Series 2020A Bonds or portions thereof to be redeemed, plus accured interest to, but not including, the redemption date. The Premium PAC Term Bonds are subject to redemption prior to maturity, in whole or in part at any time and from time to time, on and after March 1, 2029, at the option of the Department after giving notice as provided in the Trust Indenture, at the Redemption Prices set forth, in each case together with interest accrued thereon to the redemption date.

(d) The Series 2022A Bonds (except for the Premium PAC Term Bond) maturing on or after September 1, 2032, are subject to redemption prior to maturity, in whole or in part, at any time and from time to time, on and after March 1, 2032, at the option of the Department after giving notice as provided in the Trust Indenture, at a Redemption Price equal to 100% of the principal amount of such Series 2022A Bonds or portions thereof to be redeemed, plus accrued interest to, but not including, the redemption date. The Premium PAC Term Bond is subject to redemption prior to maturity, in whole or in part at any time and from time to time, on and after March 1, 2032, at the option ofthe Department after giving notice as provided in the Trust Indenture, at the Redemption Prices set forth below (expressed as a percentage of the principal amount to be redeemed), in each case together with interest accrued thereon to the redemption date.

(e) The Series 2022A Bonds (except for the Premium PAC Term Bond) maturing on or after July 1, 2031, are subject to redemption prior to maturity, in whole or in part at any time and from time to time, on and after January 1, 2031, at the option of the Department after giving notice as provided in the Trust Indenture, at the Redemption Price applicable to such Series 2022A Bonds or portions thereof to be redeemed, plus accrued interest to, but not including, the redemption date. The Premium PAC Term Bond is subject to redemption prior to maturity, in whole or in part at any time and from time to time, on and after January 1, 2031, at the option ofthe Department after giving notice as provided in the Trust Indenture, at the Redemption Prices set forth below (expressed as a percentage of the principal amount to be redeemed), in each case together with interest accrued thereon to, but not including, the redemption date.

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TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM

SCHEDULE 4

Supplementary Bond Schedules
CHANGES IN BOND INDEBTEDNESS
For the fiscal year ended August 31, 2024

Description of Issue	Bonds Outstanding 09/01/23	Bonds Issued and Accretions	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding 08/31/24	Amounts Due Within One Year
2005 Single Family Series A	$ 7,485,000.00	$ -	$ -	$ 1,055,000.00	$ 6,430,000.00	$ -
2007 Single Family Series A	5,215,000.00	-	-	2,250,000.00	2,965,000.00	-
2015 Single Family Series A	8,880,000.00	-	-	950,000.00	7,930,000.00	-
2015 Single Family Series B	5,685,000.00	-	-	255,000.00	5,430,000.00	-
2016 Single Family Series A	8,130,000.00	-	-	585,000.00	7,545,000.00	-
2016 Single Family Series B	13,650,000.00	-	-	2,130,000.00	11,520,000.00	-
2017 Single Family Series A	32,333,558.00	-	-	2,351,578.00	29,981,980.00	-
2017 Single Family Series B	9,708,894.00	-	-	1,449,916.00	8,258,978.00	-
2017 Single Family Series C	22,116,473.00	-	-	1,635,712.00	20,480,761.00	-
2018 Single Family Series A	74,540,000.00	-	1,775,000.00	5,855,000.00	66,910,000.00	1,953,900.64
2019 Single Family Series A	113,765,000.00	-	2,665,000.00	8,425,000.00	102,675,000.00	3,027,325.61
2020 Single Family Series A	147,620,000.00	-	3,470,000.00	6,810,000.00	137,340,000.00	3,963,162.76
2020 Single Family Series B	7,090,542.00	-	-	920,450.00	6,170,092.00	-
2020 Single Family (Jr Lien)	30,000,000.00	-	-	-	30,000,000.00	-
2021 Single Family Series A	144,040,000.00	-	3,230,000.00	2,015,000.00	138,795,000.00	3,742,249.22
2021 Single Family Series B	17,126,979.00	-		2,286,247.00	14,840,732.00	-
2022 Single Family Series A	188,785,000.00	-	2,765,000.00	1,135,000.00	184,885,000.00	3,409,026.34
2022 Single Family Series B	189,410,000.00	-	780,000.00	2,040,000.00	186,590,000.00	3,334,039.17
2023 Single Family Series A	200,000,000.00	-	-	1,910,000.00	198,090,000.00	3,278,262.98
2023 Single Family Series B	50,000,000.00	-	-	230,000.00	49,770,000.00	1,298,977.89
2023 Single Family Series C	-	150,000,000.00	-	635,000.00	149,365,000.00	1,313,569.25
2023 Single Family Series D	-	100,000,000.00	-	420,000.00	99,580,000.00	703,280.33
2019 RMRB Series A	102,950,000.00	-	2,260,000.00	5,775,000.00	94,915,000.00	2,767,694.16
2021 RMRB Series A	93,000,000.00	-	2,085,000.00	3,160,000.00	87,755,000.00	2,395,597.98
2021 RMRB Series B	40,995,367.00	-	-	4,203,377.00	36,791,990.00	-
2022 RMRB Series A	185,755,000.00	-	3,785,000.00	915,000.00	181,055,000.00	4,644,099.19
2022 RMRB Series B	148,790,000.00	-	1,805,000.00	2,520,000.00	144,465,000.00	2,674,085.10
2023 RMRB Series A	229,990,000.00	-	1,820,000.00	1,340,000.00	226,830,000.00	4,357,161.77
2023 RMRB Series B	-	200,000,000.00	-	1,915,000.00	198,085,000.00	3,102,820.79
2023 RMRB Series C	-	50,000,000.00	-	375,000.00	49,625,000.00	749,866.42
2024 RMRB Series A	-	150,000,000.00	-	15,000.00	149,985,000.00	1,845,855.56
2024 RMRB Series B	-	100,000,000.00	-	10,000.00	99,990,000.00	494,829.35
2024 RMRB Series C	-	150,000,000.00	-	-	150,000,000.00	1,458,034.98
2024 RMRB Series D	-	100,000,000.00	-	-	100,000,000.00	684,295.57
Total Single Family and RMRB Bonds	$ 2,077,061,813.00	$ 1,000,000,000.00	$ 26,440,000.00	$ 65,572,280.00	$ 2,985,049,533.00	$ 51,198,135.06

FOOTNOTES:
(a) Bonds Outstanding balance at 08/31/24 does not include unamortized premium or discounts.

Bonds Outstanding per schedule	$ 2,985,049,533.00
Unamortized Premium:	
Single Family	63,418,811.57
RMRB	63,596,949.84
Bonds Outstanding	$ 3,112,065,294.41

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM

Supplementary Bond Schedules
DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)
August 31, 2024

DESCRIPTION		2025	2026	2027	2028	2029
2005 Single Family Series A	Principal	-	-	-	-	-
2005 Single Family Series A	Interest	208,503.30	192,900.00	192,900.00	193,341.85	192,458.14
2007 Single Family Series A	Principal	-	-	-	-	-
2007 Single Family Series A	Interest	96,144.99	88,950.02	88,950.02	89,153.77	88,746.26
2015 Single Family Series A	Principal	-	-	-	-	-
2015 Single Family Series A	Interest	253,760.01	253,760.04	253,760.04	253,760.04	253,760.04
2015 Single Family Series B	Principal	-	-	-	-	-
2015 Single Family Series B	Interest	169,687.55	169,687.56	169,687.56	169,687.56	169,687.56
2016 Single Family Series A	Principal	-	-	-	-	-
2016 Single Family Series A	Interest	226,350.00	226,350.00	226,350.00	226,350.00	226,350.00
2016 Single Family Series B	Principal	-	-	-	-	-
2016 Single Family Series B	Interest	366,336.00	366,336.00	366,336.00	366,336.00	366,336.00
2017 Single Family Series A	Principal	-	-	-	-	-
2017 Single Family Series A	Interest	849,989.16	849,989.16	849,989.16	849,989.16	849,989.16
2017 Single Family Series B	Principal	-	-	-	-	-
2017 Single Family Series B	Interest	227,121.84	227,121.84	227,121.84	227,121.84	227,121.84
2017 Single Family Series C	Principal	-	-	-	-	-
2017 Single Family Series C	Interest	634,903.56	634,903.56	634,903.56	634,903.56	634,903.56
2018 Single Family Series A	Principal	1,730,000.00	1,790,000.00	1,855,000.00	1,925,000.00	1,990,000.00
2018 Single Family Series A	Interest	2,810,069.09	2,756,383.02	2,697,726.72	2,635,082.94	2,567,644.20
2019 Single Family Series A	Principal	2,605,000.00	2,680,000.00	2,735,000.00	2,790,000.00	2,905,000.00
2019 Single Family Series A	Interest	3,670,789.07	3,605,571.36	3,536,021.34	3,461,818.86	3,382,978.86
2020 Single Family Series A	Principal	3,460,000.00	3,575,000.00	3,730,000.00	3,830,000.00	3,925,000.00
2020 Single Family Series A	Interest	4,233,032.66	4,170,562.62	4,048,850.16	3,884,337.60	3,709,662.66
2020 Single Family Series B	Principal	-	-	-	-	-
2020 Single Family Series B	Interest	123,401.88	123,401.88	123,401.88	123,401.88	123,401.88
2020 Single Family Series A (Jr. Lien)	Principal	-	-	-	-	-
2020 Single Family Series A (Jr. Lien)	Interest	755,550.00	755,550.00	755,550.00	755,550.00	755,550.00
2021 Single Family Series A	Principal	3,270,000.00	3,315,000.00	3,405,000.00	3,555,000.00	3,715,000.00
2021 Single Family Series A	Interest	3,540,385.38	3,492,421.62	3,440,652.84	3,317,832.84	3,166,407.78
2021 Single Family Series B	Principal	-	-	-	-	-
2021 Single Family Series B	Interest	230,031.36	230,031.36	230,031.36	230,031.36	230,031.36
2022 Single Family Series A	Principal	2,880,000.00	3,010,000.00	3,155,000.00	3,335,000.00	3,540,000.00
2022 Single Family Series A	Interest	8,976,542.08	8,858,202.48	8,730,398.82	8,564,465.10	8,378,290.08
2022 Single Family Series B	Principal	2,645,000.00	2,770,000.00	2,905,000.00	3,060,000.00	3,250,000.00
2022 Single Family Series B	Interest	10,094,270.34	9,979,710.36	9,856,764.12	9,716,180.34	9,538,317.78
2023 Single Family Series A	Principal	2,615,000.00	2,760,000.00	2,930,000.00	3,115,000.00	3,310,000.00
2023 Single Family Series A	Interest	10,527,534.02	10,378,828.02	10,221,590.58	10,054,665.60	9,877,221.84
2023 Single Family Series B	Principal	1,285,000.00	1,330,000.00	1,370,000.00	1,410,000.00	1,460,000.00
2023 Single Family Series B	Interest	2,720,934.31	2,655,771.72	2,590,196.82	2,522,830.56	2,452,175.34
2023 Single Family Series C	Principal	840,000.00	1,765,000.00	1,865,000.00	1,985,000.00	2,090,000.00
2023 Single Family Series C	Interest	9,669,563.84	8,003,990.94	7,901,628.48	7,793,441.04	7,678,691.04
2023 Single Family Series D	Principal	665,000.00	1,385,000.00	1,480,000.00	1,570,000.00	1,690,000.00
2023 Single Family Series D	Interest	7,029,439.26	5,819,601.24	5,748,379.62	5,672,988.18	5,592,025.68
TOTAL SINGLE FAMILY BONDS		89,409,339.70	88,220,024.80	88,321,190.92	88,318,270.08	88,336,751.06

DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST) Continued
August 31, 2024

2030-2034	2035-2039	2040-2044	2045-2049	2050-2054	REQUIRED
-	6,430,000.00	-	-	-	6,430,000.00
964,499.99	415,469.53	-	-	-	2,360,072.81
-	2,965,000.00	-	-	-	2,965,000.00
444,750.09	359,146.50	-	-	-	1,255,841.65
-	-	7,930,000.00	-	-	7,930,000.00
1,268,800.20	1,268,800.20	126,880.02	-	-	3,933,280.59
-	-	-	5,430,000.00	-	5,430,000.00
848,437.80	848,437.80	848,437.80	339,375.12	-	3,733,126.31
-	-	-	7,545,000.00	-	7,545,000.00
1,131,750.00	1,131,750.00	1,131,750.00	452,700.00	-	4,979,700.00
-	11,520,000.00	-	-	-	11,520,000.00
1,831,680.00	1,831,680.00	-	-	-	5,495,040.00
-	-	-	29,981,980.00	-	29,981,980.00
4,249,945.80	4,249,945.80	4,249,945.80	2,620,799.91	-	19,620,583.11
-	8,258,978.00	-	-	-	8,258,978.00
1,135,609.20	927,414.18	-	-	-	3,198,632.58
-	-	-	20,480,761.00	-	20,480,761.00
3,174,517.80	3,174,517.80	3,174,517.80	1,957,619.31	-	14,655,690.51
4,495,000.00	14,210,000.00	17,795,000.00	21,120,000.00	-	66,910,000.00
12,182,660.64	10,275,985.14	6,867,906.54	2,495,481.12	-	45,288,939.41
8,975,000.00	18,675,000.00	24,520,000.00	32,325,000.00	4,465,000.00	102,675,000.00
15,805,767.36	13,661,607.06	9,673,644.24	4,389,684.84	98,037.48	61,285,920.47
17,205,000.00	23,155,000.00	30,545,000.00	36,935,000.00	10,980,000.00	137,340,000.00
16,981,426.62	14,470,277.64	10,419,262.62	5,156,450.28	358,437.42	67,432,300.28
-	6,170,092.00	-	-	-	6,170,092.00
617,009.40	195,386.31	-	-	-	1,429,405.11
15,000,000.00	-	-	15,000,000.00	-	30,000,000.00
2,706,750.00	2,247,750.00	2,247,750.00	674,325.00	-	11,654,325.00
20,470,000.00	23,530,000.00	27,110,000.00	31,505,000.00	18,920,000.00	138,795,000.00
14,082,281.40	11,567,904.96	8,521,921.38	4,819,274.94	820,219.98	56,769,303.12
-	14,840,732.00	-	-	-	14,840,732.00
1,150,156.80	1,054,310.40	-	-	-	3,354,624.00
21,565,000.00	30,850,000.00	32,850,000.00	43,755,000.00	39,945,000.00	184,885,000.00
38,781,176.10	32,492,743.08	25,171,667.76	16,097,819.76	4,121,016.84	160,172,322.10
19,445,000.00	25,730,000.00	34,075,000.00	45,355,000.00	47,355,000.00	186,590,000.00
44,630,126.52	38,807,890.20	31,167,696.84	20,571,612.54	6,245,306.16	190,607,875.20
19,835,000.00	25,945,000.00	34,450,000.00	46,045,000.00	57,085,000.00	198,090,000.00
46,344,653.82	40,674,290.28	33,205,930.56	22,812,029.46	8,447,450.58	202,544,194.76
8,100,000.00	5,420,000.00	7,325,000.00	9,975,000.00	12,095,000.00	49,770,000.00
11,055,554.34	9,207,401.40	7,504,568.28	5,128,712.22	1,811,393.76	47,649,538.75
11,875,000.00	18,915,000.00	25,550,000.00	34,200,000.00	50,280,000.00	149,365,000.00
36,486,826.56	32,704,863.30	27,149,073.18	19,371,393.06	8,620,221.48	165,379,692.92
11,030,000.00	11,835,000.00	16,645,000.00	23,685,000.00	29,595,000.00	99,580,000.00
26,382,232.20	23,124,984.06	19,126,351.80	13,405,704.12	4,832,499.96	116,734,206.12
440,251,612.64	493,142,357.64	449,382,304.62	523,630,722.68	306,074,583.66	2,655,087,157.80

REVENUE BOND PROGRAM

Supplementary Bond Schedules
DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)
August 31, 2024

DESCRIPTION		2025	2026	2027	2028	2029
2019 RMRB Series A	Principal	2,295,000.00	2,385,000.00	2,470,000.00	2,600,000.00	2,750,000.00
2019 RMRB Series A	Interest	3,969,410.23	3,873,240.18	3,772,423.86	3,666,101.34	3,553,102.50
2021 RMRB Series A	Principal	2,110,000.00	2,155,000.00	2,220,000.00	2,330,000.00	2,425,000.00
2021 RMRB Series A	Interest	2,327,522.88	2,293,311.60	2,243,170.32	2,149,245.36	2,050,695.36
2021 RMRB Series B	Principal	-	-	-	-	-
2021 RMRB Series B	Interest	625,463.88	625,463.88	625,463.88	625,463.88	625,463.88
2022 RMRB Series A	Principal	3,875,000.00	3,975,000.00	4,095,000.00	4,290,000.00	4,495,000.00
2022 RMRB Series A	Interest	5,721,273.54	5,641,258.50	5,532,941.04	5,352,216.06	5,162,728.68
2022 RMRB Series B	Principal	2,175,000.00	2,275,000.00	2,380,000.00	2,520,000.00	2,675,000.00
2022 RMRB Series B	Interest	7,604,609.06	7,514,121.48	7,417,281.48	7,289,763.96	7,146,157.68
2023 RMRB Series A	Principal	3,765,000.00	3,945,000.00	4,135,000.00	2,780,000.00	2,895,000.00
2023 RMRB Series A	Interest	11,677,800.94	11,516,643.54	11,348,044.80	11,177,347.32	11,022,797.40
2023 RMRB Series B	Principal	2,565,000.00	2,920,000.00	3,095,000.00	3,285,000.00	3,480,000.00
2023 RMRB Series B	Interest	10,756,755.24	10,609,880.22	10,448,855.22	10,278,080.28	10,096,955.22
2023 RMRB Series C	Principal	740,000.00	785,000.00	840,000.00	895,000.00	960,000.00
2023 RMRB Series C	Interest	2,968,718.46	2,927,036.04	2,883,935.94	2,837,435.70	2,787,013.98
2024 RMRB Series A	Principal	1,235,000.00	2,130,000.00	2,270,000.00	2,390,000.00	2,535,000.00
2024 RMRB Series A	Interest	7,860,995.04	7,762,426.20	7,641,307.38	7,512,351.18	7,376,526.18
2024 RMRB Series B	Principal	450,000.00	1,380,000.00	1,445,000.00	1,535,000.00	1,615,000.00
2024 RMRB Series B	Interest	5,643,084.48	5,603,935.50	5,536,112.52	5,466,684.54	5,392,878.24
2024 RMRB Series C	Principal	970,000.00	2,340,000.00	2,470,000.00	2,600,000.00	2,740,000.00
2024 RMRB Series C	Interest	7,431,443.11	7,715,184.12	7,585,565.34	7,448,840.40	7,305,009.12
2024 RMRB Series D	Principal	650,000.00	1,600,000.00	1,670,000.00	1,750,000.00	1,830,000.00
2024 RMRB Series D	Interest	5,403,741.25	5,618,478.06	5,538,131.16	5,457,207.96	5,373,774.06
RESIDENTIAL MTG REVENUE BONDS		92,820,818.11	97,590,979.32	97,663,232.94	96,235,737.98	96,293,102.30
Total		182,230,157.81	185,811,004.12	185,984,423.86	184,554,008.06	184,629,853.36
Less Interest		139,405,157.81	135,541,004.12	133,464,423.86	131,004,008.06	128,354,853.36
Total Principal		42,825,000.00	50,270,000.00	52,520,000.00	53,550,000.00	56,275,000.00

SCHEDULE 5

DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST) Continued
August 31, 2024

2030-2034	2035-2039	2040-2044	2045-2049	2050-2054	REQUIRED
15,805,000.00	17,010,000.00	21,440,000.00	27,290,000.00	870,000.00	94,915,000.00
15,611,256.12	12,264,977.52	8,377,901.34	3,407,376.12	17,182.50	58,512,971.71
13,165,000.00	15,185,000.00	17,575,000.00	20,345,000.00	10,245,000.00	87,755,000.00
9,210,628.62	7,511,762.64	5,437,995.42	2,942,235.42	397,187.52	36,563,755.14
-	-	36,791,990.00	-	-	36,791,990.00
3,127,319.40	3,127,319.40	1,824,269.65	-	-	11,206,227.85
25,150,000.00	28,925,000.00	35,075,000.00	42,190,000.00	28,985,000.00	181,055,000.00
23,258,645.28	19,549,442.10	14,868,967.56	8,722,396.68	1,706,915.64	95,516,785.08
15,960,000.00	20,145,000.00	27,525,000.00	36,465,000.00	32,345,000.00	144,465,000.00
33,277,632.12	28,750,726.44	22,720,014.54	14,419,790.22	3,642,637.62	139,782,734.60
20,230,000.00	32,365,000.00	42,440,000.00	56,360,000.00	57,915,000.00	226,830,000.00
52,480,128.66	46,064,613.36	36,872,061.90	24,202,353.96	7,233,131.16	223,594,923.04
20,690,000.00	26,050,000.00	35,105,000.00	46,445,000.00	54,450,000.00	198,085,000.00
47,401,250.40	41,514,460.32	33,631,560.00	22,710,613.86	7,971,224.94	205,419,635.70
5,950,000.00	6,445,000.00	8,770,000.00	11,910,000.00	12,330,000.00	49,625,000.00
12,995,361.42	11,203,378.08	8,993,145.24	5,949,851.16	1,793,750.04	55,339,626.06
15,095,000.00	19,410,000.00	25,005,000.00	32,755,000.00	47,160,000.00	149,985,000.00
34,568,581.02	30,430,720.92	25,136,158.56	17,830,137.60	7,868,390.70	153,987,594.78
9,595,000.00	12,955,000.00	17,590,000.00	23,990,000.00	29,435,000.00	99,990,000.00
25,641,482.46	22,732,755.00	18,642,656.46	12,920,443.20	4,609,500.00	112,189,532.40
16,035,000.00	20,150,000.00	25,345,000.00	32,290,000.00	45,060,000.00	150,000,000.00
34,109,656.56	29,848,994.28	24,495,735.24	17,248,613.22	7,574,228.46	150,763,269.85
10,540,000.00	13,520,000.00	17,660,000.00	23,290,000.00	27,490,000.00	100,000,000.00
25,429,300.92	22,304,799.78	17,983,645.38	12,191,962.20	4,281,600.00	109,582,640.77
485,326,242.98	487,463,949.84	529,306,101.29	495,875,773.64	393,380,748.58	2,871,956,686.98
925,577,855.62	980,606,307.48	978,688,405.91	1,019,506,496.32	699,455,332.24	5,527,043,844.78
599,367,855.62	519,996,505.48	409,571,415.91	262,838,755.32	82,450,332.24	2,541,994,311.78
326,210,000.00	460,609,802.00	569,116,990.00	756,667,741.00	617,005,000.00	2,985,049,533.00

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM

SCHEDULE 6

Supplementary Bond Schedules
ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE
For the Fiscal Year Ended August 31, 2024

	Pledged and Other Sources and Related Expenditures for FY 2024			
	Net Available for Debt Service		Debt Service	
Description of Issue	Total Pledged and Other Sources	Operating Expenses/Expenditures and Capital Outlay	Principal	Interest
2005 Single Family Series A	$ 1,442,743.04	$ 32,073.60	$ -	$ 271,396.58
2007 Single Family Series A	2,762,556.24	19,463.47	-	141,351.12
2015 Single Family Series A	1,347,611.91	4,292.27	-	265,533.33
2015 Single Family Series B	509,210.90	2,744.24	-	172,330.73
2016 Single Family Series A	941,986.42	2,887.70	-	235,087.50
2016 Single Family Series B	2,737,841.73	4,916.90	-	396,585.75
2017 Single Family Series A	3,648,254.46	9,907.75	-	879,529.47
2017 Single Family Series B	1,838,918.94	2,972.32	-	245,489.97
2017 Single Family Series C	2,543,385.52	6,935.42	-	666,524.82
2018 Single Family Series A	9,189,944.12	24,577.85	1,775,000.00	2,947,576.46
2019 Single Family Series A	12,676,937.49	23,837.48	2,665,000.00	3,878,244.58
2020 Single Family Series A	11,467,330.92	31,935.65	3,470,000.00	4,358,660.00
2020 Single Family Series B	1,165,572.68	1,680.82	-	131,651.82
2021 Single Family Series A (JrLien)	-	-	-	755,550.00
2021 Single Family Series A	6,107,232.80	30,981.11	3,230,000.00	3,584,972.50
2021 Single Family Series B	2,792,028.58	3,829.13	-	245,912.35
2022 Single Family Series A	10,815,309.74	43,343.96	2,765,000.00	9,069,775.83
2022 Single Family Series B	12,569,615.44	101,447.56	780,000.00	10,186,700.00
2023 Single Family Series A	13,276,996.11	50,641.14	-	10,636,258.13
2023 Single Family Series B	3,071,749.03	12,660.28	-	2,745,556.38
2023 Single Family Series C	6,420,978.00	1,565,576.81	-	5,647,734.20
2023 Single Family Series D	4,277,318.66	1,043,717.88	-	4,106,244.26
Total Single Family Bonds	$ 111,603,522.73	$ 3,020,423.34	$ 14,685,000.00	$ 61,568,665.78
2019 RMRB Series A	$ 10,275,848.44	$ 21,584.21	$ 2,260,000.00	$ 4,175,676.46
2021 RMRB Series A	6,325,123.68	20,763.27	2,085,000.00	2,389,631.67
2021 RMRB Series B	5,625,389.09	9,328.43	-	654,370.42
2022 RMRB Series A	7,475,229.11	39,685.57	3,785,000.00	5,798,728.75
2022 RMRB Series B	10,778,114.60	28,934.93	1,805,000.00	7,761,370.21
2023 RMRB Series A	14,582,634.30	52,856.37	1,820,000.00	11,809,461.25
2023 RMRB Series B	12,614,904.50	2,162,046.06	-	10,068,869.64
2023 RMRB Series C	3,049,976.13	540,511.52	-	2,780,879.99
2024 RMRB Series A	2,997,152.96	1,536,106.61	-	3,079,067.77
2024 RMRB Series B	1,998,101.97	1,024,071.07	-	2,210,385.88
2024 RMRB Series C	993,776.99	1,389,970.70	-	931,638.60
2024 RMRB Series D	662,517.99	926,647.13	-	677,436.94
Total Residential Mtg Revenue Bonds	$ 77,378,769.76	$ 7,752,505.87	$ 11,755,000.00	$ 52,337,517.58
Total	$ 188,982,292.49	$ 10,772,929.21	$ 26,440,000.00	$ 113,906,183.36

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM

SCHEDULE 7

Supplementary Bond Schedules
EARLY EXTINGUISHMENT AND REFUNDING
For the fiscal year ended August 31, 2024

		For Refunding Only		
Description of Issue	Amount Extinguished or Refunded	Refunding Issue Par Value	Cash Flow Increase (Decrease)	Economic Gain/ (Loss)
Business-Type Activities				
2005 Single Family Series A	$ 1,055,000.00			
2007 Single Family Series A	2,250,000.00			
2015 Single Family Series A	950,000.00			
2015 Single Family Series B	255,000.00			
2016 Single Family Series A	585,000.00			
2016 Single Family Series B	2,130,000.00			
2017 Single Family Series A	2,351,578.00			
2017 Single Family Series B	1,449,916.00			
2017 Single Family Series C	1,635,712.00			
2018 Single Family Series A	5,855,000.00			
2019 Single Family Series A	8,425,000.00			
2020 Single Family Series A	6,810,000.00			
2020 Single Family Series B	920,450.00			
2021 Single Family Series A	2,015,000.00			
2021 Single Family Series B	2,286,247.00			
2022 Single Family Series A	1,135,000.00			
2022 Single Family Series B	2,040,000.00			
2023 Single Family Series A	1,910,000.00			
2023 Single Family Series B	230,000.00			
2023 Single Family Series C	635,000.00			
2023 Single Family Series D	420,000.00			
2019 RMRB Series A	5,775,000.00			
2021 RMRB Series A	3,160,000.00			
2021 RMRB Series B	4,203,377.00			
2022 RMRB Series A	915,000.00			
2022 RMRB Series B	2,520,000.00			
2023 RMRB Series A	1,340,000.00			
2023 RMRB Series B	1,915,000.00			
2023 RMRB Series C	375,000.00			
2024 RMRB Series A	15,000.00			
2024 RMRB Series B	10,000.00			
Total Business-Type Activities	$ 65,572,280.00	$ -	$ -	$ -

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