



**District of Columbia
Housing Finance Agency**

Financial Statements With
Independent Auditor's Report
Years Ended September 30, 2016 and 2015



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DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR’S REPORT
YEARS ENDED SEPTEMBER 30, 2016 AND 2015

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Independent Auditor's Report

To the Board of Directors
District of Columbia Housing Finance Agency

We have audited the accompanying financial statements of the District of Columbia Housing Finance Agency (the "Agency"), a component unit of the Government of the District of Columbia, as of and for the years ended September 30, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency, as of September 30, 2016 and 2015, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

As discussed in Note 2 to the financial statements, the Agency implemented GASB No. 72, Fair Value Measurement and Application.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 6 through 13 be presented to supplement the basic financial statements. Such information, 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 auditing standards generally accepted in the United States of America, 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.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The supplemental information on pages 65 through 93 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads "Cohn Reznick LLP".

Baltimore, Maryland
December 22, 2016

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016 AND 2015

Our discussion and analysis of the District of Columbia Housing Finance Agency’s financial performance provides an overview of the Agency’s financial activities for the years ended September 30, 2016 and 2015. The financial statements, accompanying notes, and additional information should be read in conjunction with the following discussion.

Overview

The District of Columbia Housing Finance Agency (the “Agency”) was established in 1979 to stimulate and expand homeownership and rental housing opportunities for low and moderate-income families in the District of Columbia (the “District”). The Agency primarily issues taxable and tax-exempt mortgage revenue bonds to lower the financing costs for single family homebuyers and multifamily developers acquiring, constructing, and rehabilitating rental housing in the District. In addition, the Agency administers the issuance of four percent low-income housing tax credits to achieve its affordable housing preservation, rehabilitation, and development objectives on behalf of the District of Columbia Department of Housing and Community Development (“DHCD”).

The Agency accounts for its financial activities using funds for its single family and multifamily bond programs and general operations. The General Fund is used to record the receipt of income not directly pledged for repayment of debt securities, to pay expenses related to the Agency’s administrative functions and operations, including bond program administration, mortgage servicing, the United States Department of Housing and Urban Development (“HUD”) Risk-Sharing insurance program and the McKinney Act savings program. The other funds include Single Family Program and Multifamily (Conduit Bond) Program. These funds are used to account for bond proceeds, revenue and debt service and bond administration expenses related to single family mortgage revenue bonds and multifamily housing revenue bonds.

The accompanying financial statements exclude the Agency’s HomeSaver Program (a U.S. Treasury Hardest Hit Fund Initiative). The Agency prepares separate financial statements for the HomeSaver Program Fund, which is set up to account for the HomeSaver Program proceeds received under the U.S. Treasury Hardest Hit Fund Initiative as they are used for program disbursements to fund mortgage loans to the homeowners of the District of Columbia who are at risk of foreclosure and who have experienced involuntary job loss or become underemployed with decreased employment income, and to pay the Agency’s administrative expenses of the HomeSaver Program. Additionally, the proceeds are used for program disbursements to fund real property tax liabilities for homeowners of the District of Columbia who are at risk of foreclosure due to delinquent real property tax payments.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016 AND 2015

Financial Highlights for the Year Ended September 30, 2016, and Comparative Financial Highlights for the Years Ended September 30, 2015 and 2014

Significant Macroeconomic Factors and Program Updates

The Agency’s total debt portfolio increased by \$180.32 million from \$966.72 million in fiscal year 2015 to \$1,147.07 million in fiscal year 2016, continuing the upward trend from fiscal year 2015. In fiscal year 2015, the portfolio increased from \$813.43 million at the beginning of the year to \$966.72 million at year end, and in fiscal year 2014 the portfolio underwent a net decrease of \$25.28 million, when the debt portfolio decreased from \$838.72 million to \$813.44 million. The total amount of bonds issued during fiscal year 2016 was \$292.31 million, comprised completely of multifamily project issuance, compared to \$220.80 million in total new multifamily bond issuance in fiscal year 2015. In fiscal year 2014, total debt issuance was \$130.46 million.

The Agency currently maintains a committed credit line with the PNC Bank, National Association (“PNC Bank”), in the total amount of \$15.00 million that is currently used as a source of low interest rate liquidity to fund the acquisition of single family mortgage-backed securities pending the issuance of permanent long-term family mortgage revenue bonds at a future date. However, the credit line is available for many liquidity needs. On April 28, 2015, the Agency drew \$9.30 million on the \$15.00 million credit line to fund the costs of the acquisition of Mortgage-Backed Securities. As of September 30, 2016, the outstanding balance on the PNC credit line was \$8.23 million. The Agency intends to continue to maintain access to the PNC credit line for any future supplemental liquidity needs.

Basic Financial Statements

The accompanying financial statements include: Statements of Net Position, Statements of Revenues, Expenses and Changes in Net Position and Statements of Cash Flows. The Statements of Net Position shows the financial position of the Agency and its programs as of the end of the reporting period, while the Statement of Revenues, Expenses and Changes in Net Position shows the results of operations for the reporting period. The Statement of Cash Flows shows sources and uses of cash in the operating, investing and financing activities of the Agency and its programs.

During fiscal year 2014, the Agency executed an economic refunding of several of its multifamily bond series and recorded a deferred outflow of resources associated with the bond refunding in its Statement of Net Position for the fiscal years ended 2016, 2015 and 2014. In fiscal year 2016, the Agency adopted GASB No. 72, *Fair Value Measurement and Application*.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016 AND 2015

Financial Statement Analysis

The following information is an analysis of the Agency's financial statements for the year ended September 30, 2016, compared to the financial statements for the years ended September 30, 2015 and 2014.

	<u>2016</u>	<u>Net Change</u>	<u>2015</u>	<u>Net Change</u>	<u>2014</u>
Current assets	\$ 281,994,704	18.1%	\$ 238,849,865	44.2%	\$ 165,687,764
Non-current other assets	1,099,002,468	16.9%	940,097,179	16.2%	808,740,911
Non-current capital assets	1,942,244	-3.5%	2,012,701	-9.3%	2,218,668
Total assets	<u>1,382,939,416</u>	<u>17.1%</u>	<u>1,180,959,745</u>	<u>20.9%</u>	<u>976,647,343</u>
Total deferred outflow of resources	<u>224,734</u>	<u>-2.5%</u>	<u>230,521</u>	<u>-3.2%</u>	<u>238,081</u>
Current liabilities	\$ 206,315,092	30.0%	\$ 158,727,346	68.5%	\$ 94,221,951
Non-current liabilities	1,072,113,218	15.9%	925,341,022	16.9%	791,871,623
Total liabilities	<u>1,278,428,310</u>	<u>17.9%</u>	<u>1,084,068,368</u>	<u>22.3%</u>	<u>886,093,574</u>
Net position:					
Net invested in capital assets	<u>1,942,244</u>	-3.5%	<u>2,012,701</u>	28.3%	<u>1,568,668</u>
Restricted for:					
Bond fund, collateral and Risk Share Program	30,144,621	-7.7%	32,659,022	-0.8%	32,915,935
McKinney Act Fund	5,863,116	-25.8%	7,900,345	-8.6%	8,645,549
Total Restricted	<u>36,007,737</u>	-11.2%	<u>40,559,367</u>	-2.4%	<u>41,561,484</u>
Unrestricted	<u>66,785,859</u>	22.4%	<u>54,549,830</u>	14.5%	<u>47,661,698</u>
Total Net Position	<u>104,735,840</u>	<u>7.8%</u>	<u>97,121,898</u>	<u>7.0%</u>	<u>90,791,850</u>
Total Liabilities and Net Position	<u>\$ 1,383,164,150</u>	<u>17.1%</u>	<u>\$ 1,181,190,266</u>	<u>20.9%</u>	<u>\$ 976,885,424</u>

In fiscal year 2016, the Agency's combined assets increased by 17.1%, compared to the 20.9% increase in fiscal year 2015. While the short-term holdings were used to redeem bonds, the increase in new assets was mostly attributable to the issuance of bonds. The current and non-current liabilities have increased 30.0% and 15.9%, respectively, in fiscal year 2016 due to a different composition of debt outstanding by its maturity date compared to the prior fiscal year when the current liabilities increased 68.5% and the non-current liabilities increased 16.9%. The increase in current liabilities and non-current liabilities was primarily attributable to new bond issuances. In fiscal year 2016, the 7.8%, or \$7.6 million, net position increase is due to a net operating income of \$11.0 million slightly offset by the \$3.4 million non-operating unrealized loss in the value of mortgage-backed securities. In fiscal year 2015 net position increased by \$6.3 million due to a net operating income of \$6.8 million slightly offset by the \$0.5 million non-operating unrealized loss in the value of mortgage-backed securities. The 3.5% decrease in net invested in capital assets in fiscal year 2016 was due to depreciation and amortization of the accumulated capital assets. No new major assets were added in fiscal year 2016.

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Operating Results

During fiscal year 2016, the Agency's combined net position increased by \$7.6 million, or 7.8%, which comprises net revenue of \$11.0 million from operations and a non-operating loss of \$3.4 million due to a decrease in the unrealized fair value of mortgage-backed securities. For fiscal year 2015, net position increased by \$6.3 million, or 7.0%, consisting of \$6.8 million in income from operations offset by the \$0.5 million non-operating loss due to a decrease in the unrealized fair value of mortgage-backed securities. The value of the securities moves in opposite direction to the market interest rates. The Agency typically holds all of the mortgage-backed securities to the expected life of the underlying loans.

During fiscal year 2016, combined operating revenues increased by \$18.7 million or 33.7% from fiscal year 2015, primarily due to a 18.1% increase in mortgage and construction loans interest income and a 78.1% increase in other revenue primarily from project revenue in multifamily program and financing and annual administration fees in the General Fund, and a 7.9% increase in investment interest income offset by the 21.7% reduction in mortgage-backed security interest income, the 59.2% decrease in the McKinney Act interest revenue, and the 30.9% decrease in application and commitment fees.

Combined operating expenses in fiscal year 2016 increased by \$14.5 million, or 30.0%, from fiscal year 2015, primarily due to a 71.1% increase in general and administrative expenses, (particularly issuer fees paid as part of the new bonds that were closed in the current year), and a 191.5% increase in trustee fees and other expenses (which primarily includes legal fees paid for the new bonds), and a 15.9% jump in interest expense due to an increase in mortgage and constructions loans receivable outstanding.

During fiscal year 2015, combined operating revenues decreased by \$0.9 million or 1.5% from fiscal year 2014, primarily due to a 23.1% decrease in mortgage-backed security income and an 8.3% reduction in investment revenue offset by 254.1% increase in Mckinney Act Interest revenue, the 0.7% increase in mortgage loan interest revenue, and the 0.6% increase in other revenue from project revenue and issuer administrative fees. The decreasing investment income was the direct result of low investment interest rates and short-term nature of investment holdings in the multifamily trust indentures, and entailed the project revenue contributions from the owners required to support the debt service on the underlying debt.

Combined operating expenses in fiscal year 2015 decreased by \$5.4 million, or 10.1%, from fiscal year 2014, primarily due to a 78.5% drop in trustee fees and other expenses because of the \$3.4 million one-time spike in excess fund distributions in 2014, and a 7.1% decrease in interest expense based on generally lower interest rates from the new bond issuance compared to the historical interest rate levels.

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
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	<u>2016</u>	<u>Net Change</u>	<u>2015</u>	<u>Net Change</u>	<u>2014</u>
Operating Revenues					
Investment interest income	\$ 1,233,792	7.9%	\$ 1,143,975	-8.3%	\$ 1,247,223
Mortgage-backed security interest income	3,300,301	-21.7%	4,214,679	-23.1%	5,481,058
Interest on mortgage and construction loans	37,296,196	18.1%	31,573,895	0.7%	31,340,466
McKinney Act interest revenue	95,437	-59.2%	234,088	254.1%	66,101
Application and commitment fees	199,648	-30.9%	288,762	2.0%	283,132
Other	31,984,436	78.1%	17,959,823	0.6%	17,856,302
Total operating revenues	<u>74,109,810</u>	<u>33.7%</u>	<u>55,415,222</u>	<u>-1.5%</u>	<u>56,274,282</u>
Non-operating revenues	(3,382,723)	-547.3%	(522,583)	-13.6%	(460,211)
Total revenue	<u>70,727,087</u>	<u>28.8%</u>	<u>54,892,639</u>	<u>-1.7%</u>	<u>55,814,071</u>
Operating Expenses					
General and administrative	17,531,637	71.1%	10,244,470	5.1%	9,748,101
Personnel and related costs	4,702,746	8.1%	4,350,260	-2.2%	4,450,169
Interest expense	38,085,821	15.9%	32,846,970	-7.1%	35,345,822
Depreciation and amortization	145,227	-31.7%	212,737	-14.0%	247,504
Trustee fees and other expenses	2,647,714	191.5%	908,154	-78.5%	4,217,805
Total operating expenses	<u>63,113,145</u>	<u>30.0%</u>	<u>48,562,591</u>	<u>-10.1%</u>	<u>54,009,401</u>
Operating Income (Loss)	<u>10,996,665</u>	<u>60.5%</u>	<u>6,852,631</u>	<u>202.6%</u>	<u>2,264,881</u>
Change in Net Position	<u>7,613,942</u>	<u>20.3%</u>	<u>6,330,048</u>	<u>250.8%</u>	<u>1,804,670</u>
Net position, beginning of year	<u>97,121,898</u>	<u>7.0%</u>	<u>90,791,850</u>	<u>2.0%</u>	<u>88,987,180</u>
Net position, end of year	<u>\$ 104,735,840</u>	<u>7.8%</u>	<u>\$ 97,121,898</u>	<u>7.0%</u>	<u>\$ 90,791,850</u>

In fiscal year 2016, the Agency recorded a \$10.0 million net operating income and a \$10.14 million overall net income in its General Fund, increasing General Fund net position from \$67.02 million at the beginning of the year to \$77.16 million at year end. In fiscal years 2015 and 2014, the General Fund net operating income amounted to \$5.6 and \$3.4 million, respectively.

Debt Administration

Debt activity, including credit lines and certificates of participation, for the years ended September 30, 2016, 2015 and 2014 was as follows:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Beginning balance	\$ 966,719,065	\$ 813,436,993	\$ 838,718,934
New issuance/draws	292,277,710	220,803,176	130,464,992
Redemptions/maturities	(111,961,280)	(67,521,104)	(155,746,933)
Ending balance	<u>\$ 1,147,035,495</u>	<u>\$ 966,719,065</u>	<u>\$ 813,436,993</u>

In fiscal year 2016, the Agency's combined outstanding debt increased by \$180.32 million from fiscal year 2015. Total single family revenue bonds were reduced by \$8.0 million due to loan prepayment redemptions. No new single family bonds have been issued in fiscal year 2016. There was no draw on the PNC Credit line in fiscal year 2016. As of September 30, 2016, the total PNC Credit Line balance was \$8.23 million.

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There was no draw on the PNC Credit line in fiscal year 2016. As of September 30, 2016, the total PNC Credit Line balance was \$8.23 million.

During fiscal year 2016 DCHFA financed twelve multifamily projects for a total authenticated and delivered bond amount of \$134.6 million. A number of multifamily revenue bonds, closed in fiscal years 2012-2016, were issued in a draw-down mode, where out of the total amount of bonds closed, only a portion may get drawn during any given reporting period. The amount of such draws during fiscal year 2016 was \$122.3 million. The amount of outstanding multifamily bonds from new issuance and draws on the new and existing draw down bonds during fiscal year 2016 was \$292.3 million, and, when offset by \$103.1 million in matured and redeemed bonds, resulted in the net increase in multifamily bonds outstanding of \$189.2 million, compared to a net increase of \$155.6 million in fiscal year 2015.

During fiscal year 2015 DCHFA financed eleven multifamily projects for a total authenticated and delivered bond amount of \$171.4 million. A number of multifamily revenue bonds, closed in fiscal years 2015, were issued in a draw-down mode, where out of the total amount of bonds closed, only a portion may get drawn during any given reporting period. The amount of such draws during fiscal year 2015 was \$159.8 million. The amount of outstanding multifamily bonds from new issuance and draws on the new and existing draw down bonds during fiscal year 2015 was \$211.5 million, and, when offset by \$55.9 million in matured and redeemed bonds, resulted in the net increase in multifamily bonds outstanding of \$155.6 million, compared to a net decrease of \$7.3 million in fiscal year 2014.

Capital Assets

Capital assets, net of accumulated depreciation and amortization, were \$1.9 million and \$2.0 million as of September 30, 2016 and 2015, respectively, and \$2.2 million as of September 30, 2014. The detailed analysis of changes in capital assets is in Note 5.

Key Bond Programs

Multifamily New Issue Bond Program ("Multifamily NIBP")

The Multifamily NIBP started in fiscal year 2010 with the issuance of \$168.1 million in taxable escrow bonds. As of September 30, 2012, all of these escrow bonds have been released in the form of tax-exempt bonds to finance sixteen multifamily projects. In addition, \$5.1 million of the Single Family NIBP escrow bonds have been released as tax-exempt bonds to fund one multifamily project. Concurrently with the release of NIBP escrow bonds, the Agency issued \$91.2 million in market bonds, not including \$0.6 million in market bonds issued for an existing project in fiscal year 2013. All seventeen transactions using NIBP bonds were structured as stand-alone pass-through financings with no direct economic recourse to the Agency as the issuer. Some of the bonds issued in fiscal years 2010-2015 were issued in a draw down mode. There is no draw under such existing and new draw down projects for fiscal year 2016. In fiscal year 2016, the net decrease in total Multifamily NIBP Bonds outstanding was \$2.3 million, compared to a net decrease of \$21.9 million in fiscal year 2015 and a net decrease of \$14.2

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million in fiscal year 2014. As of September 30, 2016, the total bonds outstanding under the Multifamily NIBP were \$188.0 million, compared to \$190.3 million as of September 30, 2015.

Single Family New Issue Bond Program (“Single Family NIBP”)

The Single Family NIBP started in fiscal year 2010 with the issuance of \$25.0 million in taxable escrow bonds. All of the Single Family NIBP bonds remained in escrow as of September 30, 2011. In fiscal year 2012, the Agency used the advantageous cost of NIBP capital to design competitive interest rate mortgage loan products offered to the District homebuyers. The Agency modified and redelivered \$14.2 million of taxable NIBP escrow bonds into tax-exempt mortgage revenue bonds. In fiscal year 2011, due to the non-negative arbitrage nature of the NIBP escrow bonds, the Agency elected to use its own General Fund monies and proceeds from the draw on the PNC Bank credit line to provide interim financing source for the acquisition of the mortgage-backed securities, the practice known as “warehousing.” The warehoused mortgage-backed securities became assets collateralizing the new NIBP tax-exempt bonds issued at the end of calendar year 2011, and the General Fund was reimbursed from the released bond proceeds. Early in fiscal year 2012, the Agency master servicer, Bank of America, terminated its corresponding lender relationships, which disrupted the Agency’s ability to securitize the originated homeownership loans into mortgage-backed securities for the remainder of the year and half of fiscal year 2013. The Agency decided to use \$5.1 million of the single family NIBP escrow bonds to finance one multifamily transaction, which is accounted for under the Multifamily NIBP, and to redeem the \$5.73 million in unused NIBP single family taxable escrow bonds as the deadline for their use was December 31, 2012. Due to the executive management decision the Agency changed its single family business model from bond financing to a purchase and sale of the mortgage backed securities. These purchase and sale transactions are accounted for under the DCHFA General Fund and not under the Single Family Program Funds. As of September 30, 2016, the total bonds outstanding under the Single Family NIBP were \$6.4 million, compared to \$8.3 million as of September 30, 2015.

Multifamily (Conduit Bond) Program:

All mortgage revenue bond multifamily projects financed to date under the Multifamily Program have been issued by the Agency as stand-alone pass-through financings with no direct economic recourse to the Agency as the issuer. In fiscal year 2016, the Agency closed twelve project financings involving \$134.6 million in mortgage revenue bonds issued in a draw down mode. The total amount of draws on the newly issued and existing draw-down bonds in fiscal year 2016 was \$124.5 million. When offset by \$100.8 million in redeemed and matured bonds, the fiscal year 2016 net increase in total Multifamily (Conduit Bond) Program bonds outstanding was \$23.7 million, compared to a net increase of \$177.4 million in fiscal year 2015 and a net increase of \$6.9 million in fiscal year 2014.

Single Family Program:

Outside the Single Family NIBP, the Agency has not issued new bonds under the Single Family Program since 2007 due to persistent interest rate disadvantages of pricing loans based on the traditional tax-exempt mortgage revenue bond market. Following the prudent financial management practice of minimizing costs, the Agency elected to carry out more frequent optional bond redemptions. Total bond redemptions and maturities for the fiscal year 2016 was

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\$6.0 million, bringing the total bonds outstanding down to \$15.5 million at September 30, 2016, from \$20.9 million at September 30, 2015.

HUD Risk-Sharing Program and Agency General Fund

The Agency has entered into a risk-sharing agreement with HUD, where HUD pays 100% of the amount needed to retire bonds issued in connection with a defaulted project at the time of the initial claim. Any loss at the time of final claim on a defaulted multifamily project is shared between FHA at 90% and the Agency at 10%. In order to participate in this program, the Agency has set aside an initial deposit of \$500,000 in a separate HUD Risk-Sharing Reserve account. In addition, with every risk-sharing project, an FHA placement fee of 1%-1.15% of the mortgage balance is collected and deposited into the reserve account. The Agency also collects under its General Fund monthly mortgage insurance premiums commensurate with the risk exposure on its HUD Risk-Sharing portfolio of outstanding mortgage loans. As of September 30, 2016, 2015 and 2014, the HUD Risk-Sharing Reserve funds had a balance of \$2.57 million, \$2.55 million and \$2.54 million, respectively, and the outstanding principal balance of the risk-sharing insured loans was \$122.1 million, \$123.9 million and \$125.7 million, respectively. During fiscal year 2014 one of the risk-sharing projects paid off their loans.

In 2007, Parkway Overlook East & West (the Parkway Overlook Property) had its Section 8 HAP subsidies abated by HUD due to successive REAC failures. The Agency took over the ownership of the Parkway Overlook Property as a mortgagee in possession in 2007. In April of 2014, the Agency acquired the title to this property and sold to the District of Columbia Housing Authority for \$5 million, or its appraised value, with a seller take back note of \$4.975 million. The Agency submitted its final claim package to HUD, which was accepted and settled in January 2014. The Agency submitted in January 2015 its supplemental claim to HUD for all expenses that were incurred prior to January 2014 but not paid until after that date. A supplemental claim payment was made by HUD to the Agency in the amount of \$615,227 in March 2015. The note of \$4.975 million is still outstanding as a receivable from District of Columbia Housing Authority as of the end of the fiscal year 2016 and is due for payment in fiscal year 2017.

Conclusion

Management's discussion and analysis is presented to provide additional information regarding the activities of the Agency and also to meet the disclosure requirements of GASB Statement No. 34. If you have questions about the report or need additional financial information, contact the Chief Financial Officer, Yvette Downs, MBA, CCM District of Columbia Housing Finance Agency, (202) 777-1620, 815 Florida Avenue, N.W. Washington DC 20001, ydowns@dchfa.org or go to our website at www.dchfa.org.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
STATEMENTS OF NET POSITION (CONTINUED)
YEARS ENDED SEPTEMBER 30, 2016 AND 2015

<u>ASSETS</u>	<u>2016</u>	<u>2015</u>
CURRENT ASSETS		
Unrestricted current assets:		
Cash and cash equivalents	\$ 51,035,521	\$ 40,169,724
Mortgage and construction loans receivable	-	75,095
Other receivables	2,347,015	2,092,988
Accrued interest receivable	40,912	16,450
Prepaid fees	197,294	144,508
Total unrestricted current assets	53,620,742	42,498,765
Restricted current assets:		
Cash and cash equivalents	150,290,693	158,284,283
Mortgage-backed securities at fair value	6,102,222	1,211,215
Mortgage and construction loans receivable	68,090,519	33,610,178
Accrued interest receivable	3,890,528	3,245,424
Total restricted current assets	228,373,962	196,351,100
TOTAL CURRENT ASSETS	281,994,704	238,849,865
NON-CURRENT ASSETS		
Unrestricted non-current assets:		
Investments	3,349,229	3,426,760
Mortgage and construction loans receivable	4,980,313	4,988,427
Total unrestricted non-current assets	8,329,542	8,415,187
Restricted non-current assets:		
Investments held in trust	51,006,017	15,040,254
Mortgage-backed securities at fair value	60,436,842	74,707,470
Mortgage and construction loans receivable	974,279,886	838,052,060
Loans receivable	1,967,711	2,143,605
McKinney Act loans receivable	2,982,470	1,738,603
Total restricted non-current assets	1,090,672,926	931,681,992
Capital assets:		
Land	573,000	573,000
Property and equipment	5,798,275	5,723,505
Less accumulated depreciation and amortization	(4,429,031)	(4,283,804)
Total capital assets, net	1,942,244	2,012,701
TOTAL NON-CURRENT ASSETS	1,100,944,712	942,109,880
TOTAL ASSETS	\$ 1,382,939,416	\$ 1,180,959,745
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized deferral on bond refundings	\$ 224,734	\$ 230,521
Total deferred outflows of resources	\$ 224,734	\$ 230,521

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
STATEMENTS OF NET POSITION (CONTINUED)
YEARS ENDED SEPTEMBER 30, 2016 AND 2015

<u>LIABILITIES AND NET POSITION</u>	<u>2016</u>	<u>2015</u>
CURRENT LIABILITIES		
Current liabilities payable from unrestricted assets:		
Accounts payable and accrued liabilities	\$ 625,272	\$ 513,174
Accrued salary and vacation payable	192,814	311,363
Prepaid fees	2,172,329	1,073,816
Total current liabilities payable from unrestricted assets	<u>2,990,415</u>	<u>1,898,353</u>
Current liabilities payable from restricted assets:		
Accounts payable and accrued liabilities	44,471	44,472
Project funds held for borrower and other liabilities	119,389,068	106,502,039
Interest payable	6,848,048	6,570,677
Loans payable	8,234,840	9,037,412
Bonds payable	68,808,250	34,674,393
Total current liabilities payable from restricted assets	<u>203,324,677</u>	<u>156,828,993</u>
TOTAL CURRENT LIABILITIES	<u>206,315,092</u>	<u>158,727,346</u>
NON-CURRENT LIABILITIES		
Non-current liabilities payable from restricted assets:		
Bonds payable	1,072,113,218	925,341,022
Total non-current liabilities payable from restricted assets	<u>1,072,113,218</u>	<u>925,341,022</u>
TOTAL LIABILITIES	<u>1,278,428,310</u>	<u>1,084,068,368</u>
NET POSITION		
Net invested in capital assets	<u>1,942,244</u>	<u>2,012,701</u>
Restricted for:		
Bond Fund, collateral and Risk Share Program	30,144,621	32,659,022
McKinney Act Fund	5,863,116	7,900,345
Total restricted net position	<u>36,007,737</u>	<u>40,559,367</u>
Unrestricted net position	<u>66,785,859</u>	<u>54,549,830</u>
TOTAL NET POSITION	<u>104,735,840</u>	<u>97,121,898</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,383,164,150</u>	<u>\$ 1,181,190,266</u>

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

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
STATEMENTS OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
YEARS ENDED SEPTEMBER 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
OPERATING REVENUES		
Investment interest income	\$ 1,233,792	\$ 1,143,975
Mortgage-backed security interest income	3,300,301	4,214,679
Interest on mortgage and construction loans	37,296,196	31,573,895
McKinney Act interest revenue	95,437	234,088
Application and commitment fees	199,648	288,762
Other	31,984,436	17,959,823
Total operating revenues	74,109,810	55,415,222
OPERATING EXPENSES		
General and administrative	17,531,637	10,244,470
Personnel and related costs	4,702,746	4,350,260
Interest expense	38,085,821	32,846,970
Depreciation and amortization	145,227	212,737
Trustee fees and other expenses	2,647,714	908,154
Total operating expenses	63,113,145	48,562,591
OPERATING INCOME	10,996,665	6,852,631
NON-OPERATING REVENUES/EXPENSES		
Decrease in fair value of mortgage-backed securities	(3,382,723)	(522,583)
CHANGE IN NET POSITION	7,613,942	6,330,048
Net position, beginning of year	97,121,898	90,791,850
Net position, end of year	\$ 104,735,840	\$ 97,121,898

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

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
STATEMENTS OF CASH FLOWS
SEPTEMBER 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Cash Flows From Operating Activities		
Interest received on loans	\$ 37,198,931	\$ 32,341,934
Other cash receipts	130,936,700	111,577,026
Payments to vendors	(19,006,889)	(10,348,668)
Payments to employees	(4,823,996)	(4,323,725)
Net mortgage and construction loans principal (disbursements) / receipts	(171,651,544)	(172,483,358)
Principal and interest received on mortgage-backed securities	72,869,206	120,000,052
Payment for the purchase of mortgage-backed securities	(64,231,326)	(84,256,364)
Other cash payments	(85,454,873)	(49,791,827)
Net cash used in operating activities	<u>(104,163,792)</u>	<u>(57,284,930)</u>
Cash Flows from Capital and Related Financing Activities		
Acquisition of fixed assets	(87,912)	(196,261)
Payments of bonds and long-term debt	-	(650,000)
Net cash used in capital and related financing activities	<u>(87,912)</u>	<u>(846,261)</u>
Cash Flows From Non-Capital Financing Activities		
Interest paid on bonds and loans	(38,592,941)	(33,455,936)
Proceeds from bond issuances	279,758,869	229,172,100
Principal payments on issued debt and loans	(99,442,437)	(75,190,029)
Net cash provided by non-capital financing activities	<u>141,723,491</u>	<u>120,526,135</u>
Cash Flows From Investing Activities		
Interest received on investments	1,268,355	1,172,344
Sale of investments	6,620,461	33,824,242
Purchase of investments	(42,488,396)	(24,347,551)
Net cash (used in) provided by investing activities	<u>(34,599,580)</u>	<u>10,649,035</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,872,207	73,043,979
Cash and cash equivalents, beginning of year	198,454,007	125,410,028
Cash and cash equivalents, end of year	<u>\$ 201,326,214</u>	<u>\$ 198,454,007</u>

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
STATEMENTS OF CASH FLOWS (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Reconciliation of Operating Income to Net Cash Used in by Operating Activities		
Operating income	\$ 10,996,665	\$ 6,852,631
Depreciation and amortization	145,227	212,737
Amortization of deferred items	(2,035,712)	(1,796,410)
Interest on bonds	38,592,941	33,455,937
Amortization of discount on investments	17,401	31,135
Provision for uncollectible interest revenue	(37,718)	256,095
Contingent loss expense	1,708,934	1,765,858
Decrease (increase) in mortgage and construction loans	(172,049,355)	(172,373,113)
Decrease in mortgage-backed securities	6,280,106	38,740,235
Purchase of mortgage-backed securities	(302,127)	(9,410,543)
Decrease (increase) in fair value of investments	(20,297)	(10,517)
Interest received on investments	(1,268,355)	(1,172,344)
Decrease (increase) in assets:		
Receivables	(226,019)	556,968
Other current assets	(52,786)	8,366
Other receivables	(254,027)	987,308
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	78,419	(247,374)
Prepaid items	1,098,513	77,390
Project funds held for borrower and other liabilities	12,887,028	44,993,032
Accrued interest payable	277,370	(212,321)
Net cash used in operating activities	<u><u>\$ (104,163,792)</u></u>	<u><u>\$ (57,284,930)</u></u>

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

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016 AND 2015

NOTE 1: ORGANIZATION AND PURPOSE

The District of Columbia Housing Finance Agency (the “Agency” or “DCHFA”) was created as a corporate body which has a legal existence separate from the Government of the District of Columbia (the “District”) but which is an instrumentality of the District, created to effectuate certain public purposes. The Agency is empowered to, among other activities, generate funds from public and private sources to increase the supply and lower the cost of funds available for residential mortgages and notes and for the construction of permanent multifamily rental properties.

In 1991, the Governmental Accounting Standards Board (“GASB”) issued Statement No. 14, *The Financial Reporting Entity*. The definition of the reporting entity is based primarily on the notion of financial accountability. In determining financial accountability for legally separate organizations, the Agency considered whether its officials appoint a voting majority of an organization’s governing body and the Agency is either able to impose its will on that organization or if there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Agency. The Agency also considered whether there are organizations that are fiscally dependent on it. It was determined that there are no component units of the Agency.

These financial statements present only financial information about the Agency, an enterprise fund of the District. The enterprise fund qualifies for inclusion in the District’s reporting entity pursuant to GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. These financial statements do not purport to, and do not, present fairly the financial position of the District and the changes in its financial position and cash flows, in conformity with accounting principles generally accepted in the United States of America. The Agency is included in the District’s Comprehensive Annual Financial Report as a discretely presented component unit.

The accompanying combined financial statements include DCHFA’s General Fund and Revenue Obligation Funds: Single Family Program Funds, Multifamily (Conduit Bond) Program Funds. Within each Revenue Obligation Fund are separate accounts maintained for each obligation in accordance with the respective indentures.

The bonds and notes issued by the Agency are special obligations of the Agency payable principally from revenue and repayments of mortgage loans and mortgage-backed securities and investments, financed by or purchased from the proceeds of such bonds under applicable indentures and are not a debt of the District. Neither the faith and credit nor the taxing power of the District is pledged for the repayment of the bonds.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 1: ORGANIZATION AND PURPOSE (Continued)

The General Fund credit line draw by the Agency is backed by the General Fund assets and constitutes the Agency's general obligation.

The following is a description of the funds maintained by the Agency (Funds):

General Fund - The General Fund is used to record the receipt and accrual of income not directly pledged for repayment of debt securities under the Revenue Obligation Funds, to pay expenses related to the Agency's administrative functions and operations, including mortgage servicing, HUD Risk-Share insurance program, McKinney Act program and purchase and sale of single family mortgage-backed securities.

Single-Family Program Funds - The Single Family Program Funds are used to account for the proceeds of single family mortgage revenue bond issues, investments, mortgage loans and mortgage-backed securities held pursuant to the indentures authorizing the issuance of the bonds, the debt service requirements on the bonds, and debt service collected from mortgage loans purchased for the financing of owner-occupied single family residences in the District. Single Family Program Funds include the following indentures: 1986 Whole Loan Program, 1988 Collateralized Single Family Mortgage Revenue Bonds, 1996 Taxable Residential Mortgage Revenue Bonds, 1996 Single Family Mortgage Revenue Bonds General Indenture of Trust and 2009 Single Family New Issue Bond Program (Single Family NIBP). Both the 1986 Whole Loan Program and the 1996 Taxable Residential Mortgage Revenue Bonds indentures were closed during the year ended September 30, 2012, as bonds were fully redeemed and residual assets transferred to the General Fund.

Multifamily (Conduit Bond) Program Funds - The Multifamily (Conduit Bond) Program Funds are used to account for the proceeds of multifamily mortgage revenue bond issues, investments held pursuant to the indenture authorizing the issuance of the bonds, the debt service requirements on the bonds, and the related mortgage loan financing for newly constructed or rehabilitated multifamily rental housing in the District. The Multifamily (Conduit Bond) Program Funds combine multifamily housing revenue bond series issued on a pass-through conduit basis with no direct or indirect recourse to the Agency as the issuer. No individual conduit multifamily project's assets are available to collateralize other projects' debt obligations. The Multifamily New Issue Bond Program ("Multifamily NIBP") bonds have also been issued as standalone pass-through bonds. The Agency elects to include these conduit financings in its financial statements. These bonds are secured solely by the properties, financial assets and related revenues of the

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 1: ORGANIZATION AND PURPOSE (Continued)

projects and the applicable credit enhancements or the Department of Housing and Urban Development (“HUD”) receipts. Neither the faith and credit of the Agency nor the assets of any other Fund have been pledged as security for these bonds.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the Agency’s significant accounting policies:

Basis of Accounting and Measurement Focus - For financial reporting purposes only, the Agency is a component unit of the District. The Agency’s General Fund and Revenue Obligation Funds are accounted for as enterprise funds. Accordingly, the accompanying combined financial statements have been prepared using the accrual method of accounting and on the basis of accounting principles generally accepted in the United States of America.

The Agency reports its financial activities by applying Standards of the Governmental Accounting and Financial Reporting as promulgated by the Governmental Accounting Standards Board (“GASB”). The Agency has implemented the provisions of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November, 1989 FASB and AICPA Pronouncements*.

The Agency has adopted GASB Statement No. 34, *Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments*. Under GASB Statement No. 34, net position should be reported as restricted when constraints placed on the net position use are either: externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or are imposed by law through constitutional provisions or enabling legislation. Accordingly, the net position of the Revenue Obligation Funds is restricted as to its use as substantially the net position within each indenture is pledged to respective bondholders.

Operating Revenues and Expenses - The Agency distinguishes operating revenues and expenses from non-operating items in conformity with GASB Statement No. 34. Operating revenue and expenses are identified as those activities that are directly related to financing affordable housing in the District. The Agency’s activities are considered to be operating except for unrealized changes in the fair value of mortgage-backed securities. Operating revenues primarily consist of interest on mortgage-backed securities, interest on mortgage and construction loans and investment of bond proceeds, HUD Section 8 housing assistance receipts, issuer fees, construction monitoring fees, servicing fees and other revenues. Operating expenses primarily consist of bond interest, personnel

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

costs, depreciation, amortization of bond cost of issuance, discounts and premiums, housing assistance payments, bond administrative fees, trustee, legal and financial advisory fees and other operating expenses.

Cash and Cash Equivalents - Cash and cash equivalents consist of cash, collateralized demand deposits, collateralized or FDIC-insured certificates of deposit, money market funds and investments in highly liquid short-term instruments with original maturities of three months or less at the time of purchase.

Investments - Investments consist of debt obligations of the U.S. Treasury and U.S. Government Agencies, government-sponsored enterprises (“GSEs”), corporate debt securities, and investment agreements. Investments are reported at fair value as determined by financial services providers, except for certain non-participating fixed interest investment contracts which are valued using cost based measures. Debt securities are stated at fair value, based on the quoted market prices. Investments of the General Fund are made in accordance with the Agency’s investment policy. Investments in the Revenue Obligation Funds follow the Agency Investment policy and consist of those permitted by the respective trust indentures adopted by the Agency providing for the issuance of notes and bonds. Investments are reported at fair value in the Statements of Net Position and changes in the fair value of investments are recognized in the Statements of Revenues, Expenses and Change in Net Position as part of operating income.

Mortgage-Backed Securities - Mortgage-backed securities represent certificates issued by the Government National Mortgage Association (“Ginnie Mae” or “GNMA”), the Federal National Mortgage Association (“Fannie Mae” or “FNMA”) and the Federal Home Loan Mortgage Corporation (“Freddie Mac” or “FHLMC”), which guarantee the receipt by the Agency’s trustee of monthly principal and interest from mortgages originated with proceeds from the Agency’s Single Family and Multifamily (Conduit Bond) Programs. These securities are stated at fair value, as determined by financial services providers or financial publications. These guaranteed securities are issued in connection with single family mortgage loans and mortgage loans on multifamily projects. Each of these securities is generally intended to be held to maturity or optional par redemption date for the underlying bonds or until the payoff of the related loans. The repayment and prepayments of the mortgage-backed securities are at par value based on the guarantees embedded in these securities. Mortgage-backed

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

securities are reported at fair value on the Statements of Net Position and unrealized changes in the fair value of mortgage-backed securities are recognized in the Statements of Revenues, Expenses and Change in Net Position as part of non-operating income.

Mortgage and Construction Loans Receivable - Mortgage loans are carried at their unpaid principal balances, and construction loans are carried at amounts advanced, net of collections and allowances for potential loan losses. As of September 30, 2016 and 2015, no allowance for potential loan losses was necessary.

Property and Equipment - Property and equipment purchases are recorded in the General Fund, capitalized at cost and depreciated using the straight-line method over the estimated useful lives in general ranging from five to forty years.

Deferred Outflow of Resources - The deferred outflow of resources includes unamortized deferral which resulted from the economic refunding of several bond series at call premiums and a difference between the reacquisition price and net carrying amount of the refunded bonds.

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

Net Position - Net position is reported in three separate categories:

- **Net invested in capital assets** - Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.
- **Restricted** - Net assets whose use by the Agency is subject to externally imposed stipulations (such as bond covenants) that can be fulfilled by actions of the Agency pursuant to those stipulations or that expire with the passage of time. Such net assets include all Revenue Obligation Funds, HOME and DC Open Doors Program funds under the Single Family Program, certain holdings under the General Fund: the McKinney Act Program funds, HUD Risk-Share Reserve and assets used as collateral for the credit line draws or as warehouse securities for future bond issues.
- **Unrestricted** - Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Recent Pronouncements - The Agency reviews all GASB accounting pronouncements for their applicability and impact on the Agency's financial statements. During fiscal year 2016, DCHFA implemented GASB Statement No. 72, *Fair Value Measurement and Application*, which applied GASB accounting concepts of fair value measurement to the Agency's valuation. The statement requires additional analysis of fair value if the volume or level of activity for an asset or liability has significantly decreased. It also requires identification of transactions that are not orderly. The statement establishes a hierarchy of inputs to valuation techniques used to measure fair value with three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs-other than quoted prices-included within Level 1 that are observable for the asset or liability, either directly or indirectly. Finally, Level 3 inputs are unobservable inputs, such as management's assumption of the default rate among underlying mortgages of a mortgage-backed security. The implementation of this standard does not have a material effect on the Agency's reporting as the fair value measurement is already maintained by the Agency. See Note 3 for discussion of fair value measurements.

The Agency reviewed adoption of GASB No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and found that no changes are required to the financial statements.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES

Bond proceeds and revenues from mortgages, mortgage-backed securities and investments are invested in authorized investments as defined in the respective indentures and, for the General Fund, in accordance with the Agency's Investment Policy, until required for purchasing mortgage-backed securities or originating mortgage loans, funding reserves, paying debt service or redeeming outstanding bonds and notes, and funding program and administrative and operating expenses.

The following assets, reported at fair value and held by the Funds at September 30, 2016, were evaluated in accordance with GASB Statement No. 40 for interest rate risk, credit risk, concentration of credit risk and custodial credit risk. All cash and cash equivalents are stated at their actual bank balance values and may differ from the book balances and the balance of cash and cash equivalents presented in the Statements of Net Position.

Asset	General Fund	Single Family Program Funds			Multifamily Program Funds		DC Building Finance Corporation	Total
		1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Series 2009 A-1 Single Family Housing Revenue Bonds	Multifamily (Conduit Bond) Program	NIB Program		
<u>Cash and Cash Equivalents</u>								
Non-Money Market Deposits	\$ 6,697,356	\$ -	\$ -	\$ -	\$ 13,444,872	\$ -	\$ -	\$ 20,142,228
Demand Money Market Deposits	59,417,109	-	-	-	83,644,867	18,623,611	-	161,685,587
Money Market Funds	-	2,722,916	1,193,807	519,258	15,062,413	5	-	19,498,399
Commercial Papers	-	-	-	-	-	-	-	-
Total Cash and Cash Equivalents	<u>66,114,465</u>	<u>2,722,916</u>	<u>1,193,807</u>	<u>519,258</u>	<u>112,152,152</u>	<u>18,623,616</u>	<u>-</u>	<u>201,326,214</u>
<u>Investments</u>								
U.S. Treasury Obligations	-	-	-	-	37,935,082	-	-	37,935,082
Investment Agreements	-	10,000,000	950,748	-	2,120,187	-	-	13,070,935
Corporate Obligations	2,823,913	-	-	-	-	-	-	2,823,913
GSE Obligations	525,316	-	-	-	-	-	-	525,316
Total Investments	<u>3,349,229</u>	<u>10,000,000</u>	<u>950,748</u>	<u>-</u>	<u>40,055,269</u>	<u>-</u>	<u>-</u>	<u>54,355,246</u>
<u>Mortgage-Backed Securities</u>								
Ginnie Mae	2,165,561	695,263	7,097,347	5,729,869	28,408,269	-	-	44,096,309
Fannie Mae	6,627,393	-	5,374,262	1,290,255	-	-	-	13,291,910
Freddie Mac	-	-	9,150,845	-	-	-	-	9,150,845
Total Mortgage-Backed Securities	<u>8,792,954</u>	<u>695,263</u>	<u>21,622,454</u>	<u>7,020,124</u>	<u>28,408,269</u>	<u>-</u>	<u>-</u>	<u>66,539,064</u>
Total Cash, Investments and Mortgage-Backed Securities	<u>\$ 78,256,648</u>	<u>\$ 13,418,179</u>	<u>\$ 23,767,009</u>	<u>\$ 7,539,382</u>	<u>\$ 180,615,690</u>	<u>\$ 18,623,616</u>	<u>\$ -</u>	<u>\$ 322,220,524</u>

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

The following assets, reported at fair value and held by the Funds at September 30, 2015, were evaluated in accordance with GASB Statement No. 40 for interest rate risk, credit risk, concentration of credit risk and custodial credit risk.

Asset	Single Family Program Funds				Multifamily Program Funds			Total
	General Fund	1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Series 2009 A-1 Single Family Housing Revenue Bonds	Multifamily (Conduit Bond) Program	NIB Program	DC Building Finance Corporation	
<u>Cash and Cash Equivalents</u>								
Non-Money Market Deposits	\$ 5,798,205	\$ -	\$ -	\$ -	\$ 60,589	\$ -	\$ -	\$ 5,858,794
Demand Money Market Deposits	49,705,887	-	-	-	93,842,074	18,271,959	-	161,819,920
Money Market Funds	-	2,141,369	2,203,225	997,202	25,433,498	-	-	30,775,294
Total Cash and Cash Equivalents	<u>55,504,092</u>	<u>2,141,369</u>	<u>2,203,225</u>	<u>997,202</u>	<u>119,336,161</u>	<u>18,271,959</u>	<u>-</u>	<u>198,454,008</u>
<u>Investments</u>								
U.S. Treasury Obligations	150,117	-	-	-	-	-	-	150,117
Investment Agreements	-	10,000,000	2,221,833	-	2,818,421	-	-	15,040,254
Corporate Obligations	2,370,886	-	-	-	-	-	-	2,370,886
GSE Obligations	905,757	-	-	-	-	-	-	905,757
Total Investments	<u>3,426,760</u>	<u>10,000,000</u>	<u>2,221,833</u>	<u>-</u>	<u>2,818,421</u>	<u>-</u>	<u>-</u>	<u>18,467,014</u>
<u>Mortgage-Backed Securities</u>								
Ginnie Mae	2,191,954	953,373	8,717,782	7,086,425	31,717,823	-	-	50,667,357
Fannie Mae	7,535,019	-	6,108,913	1,413,936	-	-	-	15,057,868
Freddie Mac	-	-	10,193,460	-	-	-	-	10,193,460
Total Mortgage-Backed Securities	<u>9,726,973</u>	<u>953,373</u>	<u>25,020,155</u>	<u>8,500,361</u>	<u>31,717,823</u>	<u>-</u>	<u>-</u>	<u>75,918,685</u>
Total Cash, Investments and Mortgage-Backed Securities	<u>\$ 68,657,825</u>	<u>\$ 13,094,742</u>	<u>\$ 29,445,213</u>	<u>\$ 9,497,563</u>	<u>\$ 153,872,405</u>	<u>\$ 18,271,959</u>	<u>\$ -</u>	<u>\$ 292,839,707</u>

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Under the Revenue Obligation Funds, the terms of the investments are set to allow for no market value loss at the time the invested funds are drawn for uses authorized under the respective

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

indentures. As a means of limiting its exposure to fair value losses from rising interest rates under the General Fund, the Agency's Investment Policy requires that the maturities of the investment portfolio are structured to be concurrent with cash needs in order to minimize losses that may be incurred from sale of investments prior to maturity. The money market funds operate in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended. These funds can reasonably be expected to have a fair value that will be unaffected by interest rate changes because the interest rates are variable and the principal can be recovered on demand. The cost of the money market mutual funds approximated fair value.

As of September 30, 2016, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for the General Fund are as follows:

General Fund as of September 30, 2016

Asset	Cost	Fair Value	Maturities (in years)				
			Less than 1	From 1 Up To 5	From 5 Up To 10	From 10 Up To 15	15 and More
Cash and Cash Equivalents							
Non-Money Market Deposits	\$ 6,697,356	\$ 6,697,356	\$ 6,697,356	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	59,417,109	59,417,109	59,417,109	-	-	-	-
Money Market Funds	-	-	-	-	-	-	-
Total Cash and Cash Equivalents	66,114,465	66,114,465	66,114,465	-	-	-	-
Investments							
U.S. Treasury Obligations	-	-	-	-	-	-	-
Corporate Obligations	2,812,900	2,823,913	-	2,610,675	213,238	-	-
GSE Obligations	530,851	525,316	-	525,316	-	-	-
Total Investments	3,343,750	3,349,229	-	3,135,991	213,238	-	-
Mortgage-Backed Securities							
Ginnie Mae	2,035,159	2,165,561	-	-	-	-	2,165,561
Fannie Mae	6,183,026	6,627,393	-	-	-	-	6,627,393
Freddie Mac	-	-	-	-	-	-	-
Total Mortgage-Backed Securities	8,218,185	8,792,954	-	-	-	-	8,792,954
General Fund Total Cash and Investments	\$ 77,676,400	\$ 78,256,648	\$ 66,114,465	\$ 3,135,991	\$ 213,238	\$ -	\$ 8,792,954

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2015, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for the General Fund were as follows:

General Fund as of September 30, 2015

Asset	Cost	Fair Value	Maturities (in years)				
			Less than 1	From 1 Up To 5	From 5 Up To 10	From 10 Up To 15	15 and More
Cash and Cash Equivalents							
Non-Money Market Deposits	\$ 5,798,205	\$ 5,798,205	\$ 5,798,205	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	49,705,887	49,705,887	49,705,887	-	-	-	-
Money Market Funds	-	-	-	-	-	-	-
Total Cash and Cash Equivalents	55,504,092	55,504,092	55,504,092	-	-	-	-
Investments							
U.S. Treasury Obligations	150,093	150,117	150,117	-	-	-	-
Corporate Obligations	2,364,269	2,370,886	489,932	1,880,954	-	-	-
GSE Obligations	903,231	905,757	376,949	528,808	-	-	-
Total Investments	3,417,593	3,426,760	1,016,998	2,409,762	-	-	-
Mortgage-Backed Securities							
Ginnie Mae	2,054,887	2,191,954	-	-	-	-	2,191,954
Fannie Mae	6,972,738	7,535,019	-	-	-	-	7,535,019
Total Mortgage-Backed Securities	9,027,625	9,726,973	-	-	-	-	9,726,973
General Fund Total Cash and Investments	\$ 67,949,310	\$ 68,657,825	\$ 56,521,090	\$ 2,409,762	\$ -	\$ -	\$ 9,726,973

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2016, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for the combined Revenue Obligation Funds are as follows:

Combined Revenue Obligation Funds as of September 30, 2016

Asset	Cost	Fair Value	Maturities (in years)				
			Less than 1	From 1 Up To 5	From 5 Up To 10	From 10 Up To 15	15 and More
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 13,444,872	\$ 13,444,872	\$ 13,444,872	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	102,268,478	102,268,478	102,268,478	-	-	-	-
Money Market Funds	19,498,399	19,498,399	19,498,399	-	-	-	-
Commercial Papers	-	-	-	-	-	-	-
Total Cash and Cash Equivalents	<u>135,211,749</u>	<u>135,211,749</u>	<u>135,211,749</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Certificates of Deposits	-	-	-	-	-	-	-
U.S. Treasury Obligations	38,077,002	37,935,082	-	37,935,082	-	-	-
Investment Agreements	13,070,935	13,070,935	-	12	10,000,000	-	3,070,923
Total Investments	<u>51,147,937</u>	<u>51,006,017</u>	<u>-</u>	<u>37,935,094</u>	<u>10,000,000</u>	<u>-</u>	<u>3,070,923</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	39,313,893	41,930,748	-	912,302	2,624,070	945,749	37,448,627
Fannie Mae	6,090,862	6,664,517	-	-	157,214	-	6,507,303
Freddie Mac	8,069,893	9,150,845	-	-	-	-	9,150,845
Total Mortgage-Backed Securities	<u>53,474,648</u>	<u>57,746,110</u>	<u>-</u>	<u>912,302</u>	<u>2,781,284</u>	<u>945,749</u>	<u>53,106,775</u>
Combined Revenue Obligation Funds							
Total Cash, Investments and Mortgage-Backed Securities	\$ 239,834,334	\$ 243,963,876	\$ 135,211,749	\$ 38,847,396	\$ 12,781,284	\$ 945,749	\$ 56,177,698

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2015, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for the combined Revenue Obligation Funds were as follows:

Combined Revenue Obligation Funds as of September 30, 2015

Asset	Cost	Fair Value	Maturities (in years)				
			Less than 1	From 1 Up To 5	From 5 Up To 10	From 10 Up To 15	15 and More
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 60,589	\$ 60,589	\$ 60,589	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	112,114,033	112,114,033	112,114,033	-	-	-	-
Money Market Funds	30,775,294	30,775,294	30,775,294	-	-	-	-
Total Cash and Cash Equivalents	<u>142,949,916</u>	<u>142,949,916</u>	<u>142,949,916</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Investment Agreements	15,040,254	15,040,254	629,476	-	-	10,000,000	4,410,778
Total Investments	<u>15,040,254</u>	<u>15,040,254</u>	<u>629,476</u>	<u>-</u>	<u>-</u>	<u>10,000,000</u>	<u>4,410,778</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	42,686,769	48,475,403	-	1,060,483	2,740,860	1,029,001	43,645,059
Fannie Mae	6,880,203	7,522,849	-	-	57,544	111,557	7,353,748
Freddie Mac	9,095,130	10,193,460	-	-	-	-	10,193,460
Total Mortgage-Backed Securities	<u>58,662,102</u>	<u>66,191,712</u>	<u>-</u>	<u>1,060,483</u>	<u>2,798,404</u>	<u>1,140,558</u>	<u>61,192,267</u>
Combined Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	<u>\$ 216,652,272</u>	<u>\$ 224,181,882</u>	<u>\$ 143,579,392</u>	<u>\$ 1,060,483</u>	<u>\$ 2,798,404</u>	<u>\$ 11,140,558</u>	<u>\$ 65,603,045</u>

As of September 30, 2016 and 2015, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for each Revenue Obligation Fund are included as Supplemental Information to these financial statements.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Agency will not be able to recover its deposits or the value of its collateral securities that are in the possession of an outside party. As of September 30, 2016 and 2015, the Agency's cash and cash equivalents and investments were not subject to custodial credit risk under GASB Statement No. 40. The investments held by the trustees under the Revenue Obligation Funds are kept separate from the assets of the trustee bank and from other trust accounts and are titled in the name of respective bond indentures. The demand deposit and money market accounts and certificates of deposits under the General Fund are collateralized through a tri-party collateral agreement with an independent

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

**NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-
BACKED SECURITIES (Continued)**

collateral agent bank or Federal Reserve Bank. The investments under the General Fund are held by US Bank and are titled in the Agency's name.

Additionally, demand deposits and investments in certificates of deposit are FDIC-insured up to applicable amounts.

Credit Risk and Concentration of Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. All of General Fund cash and investments are either collateralized, FDIC-insured, or invested in the U.S. Government, U.S. Government Agency or government-sponsored enterprises ("GSEs") or highly rated corporate debt securities. In general all investment securities under the Revenue Obligation Funds must be at a rating not adversely affecting the rating of the respective bonds; and financial institutions who are counterparty to the Agency must be rated at least comparable to the existing rating on the Agency's bonds, unless counterparty ratings lower than the bond ratings are permitted in a specific indenture and do not affect the ratings on the bonds as determined at the time the investment securities are acquired or investment agreements are executed. The ratings on the 1996 Single Family Mortgage Revenue Bonds and 1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2016 and 2015 were AA+ by Standard and Poor's. All conduit multifamily bond indentures under the Multifamily (Conduit Bond) Program were rated by Moody's or Standard and Poor's at various levels depending on the credit quality of the underlying collateral or were unrated private placements where investment ratings conformed to the specific bond investor requirements.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2016, the credit quality and percentages of the total portfolio of cash equivalents and investments under the Agency's General Fund are as follows:

General Fund as of September 30, 2016

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 1,437,952	1.8%	Not Rated		Federal Reserve-Held Aaa Collateral
Non-Money Market Deposits	5,259,404	6.7%	Not Rated		Third Party-Held Aaa Collateral
Demand Money Market Deposits	56,739,446	72.5%	Not Rated		Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	2,677,663	3.4%	P-1	Moody's	
Total Cash and Cash Equivalents	66,114,465	84.4%			
<u>Investments</u>					
Corporate Obligations	207,403	0.3%	Aa1	Moody's	
Corporate Obligations	238,669	0.3%	Aa2	Moody's	
Corporate Obligations	503,887	0.6%	Aa3	Moody's	
Corporate Obligations	981,074	1.3%	A1	Moody's	
Corporate Obligations	584,465	0.7%	A2	Moody's	
Corporate Obligations	308,415	0.4%	A3	Moody's	
GSE Obligations	525,316	0.7%	Aaa	Moody's	
Total Investments	3,349,229	4.3%			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	2,165,561	2.8%	Aaa	Moody's	
Fannie Mae	6,627,393	8.5%	Aaa	Moody's	
Freddie Mac	-				
Total Investments	8,792,954	11.3%			
General Fund Total Cash, Investments and Mortgage-Backed Securities	\$ 78,256,648	100.0%			

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2015, the credit quality and percentages of the total portfolio of cash equivalents and investments under the Agency's General Fund were as follows:

General Fund as of September 30, 2015

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 538,801	0.8%	Not Rated		Federal Reserve-Held Aaa Collateral
Non-Money Market Deposits	5,259,404	7.7%	Not Rated		Third Party-Held Aaa Collateral
Demand Money Market Deposits	48,514,925	70.7%	Not Rated		Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	1,190,962	1.7%	P-1	Moody's	
Total Cash and Cash Equivalents	55,504,092	80.9%			
<u>Investments</u>					
U.S. Treasury Obligations	150,117	0.2%	Aaa	Moody's	
Corporate Obligations	205,960	0.3%	Aa1	Moody's	
Corporate Obligations	440,433	0.6%	Aa2	Moody's	
Corporate Obligations	301,340	0.4%	Aa3	Moody's	
Corporate Obligations	602,983	0.9%	A1	Moody's	
Corporate Obligations	456,498	0.7%	A2	Moody's	
Corporate Obligations	162,469	0.2%	A3	Moody's	
Corporate Obligations	201,203	0.3%	Baa1	Moody's	
GSE Obligations	905,757	1.3%	Aaa	Moody's	
Total Investments	3,426,760	4.9%			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	2,191,954	3.2%	Aaa	Moody's	
Fannie Mae	7,535,019	11.0%	Aaa	Moody's	
Total Investments	9,726,973	14.2%			
General Fund Total Cash, Investments and Mortgage-Backed Securities	\$ 68,657,825	100.0%			

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2016, the credit quality and percentages of the total portfolio of cash equivalents, investments and mortgage-backed securities under the Revenue Obligation Funds are as follows:

Combined Revenue Obligation Funds as of September 30, 2016

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 13,444,872	5.5%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposits	102,268,478	41.9%	P-1	Moody's	Uncollateralized, Uninsured
Money Market Funds	19,498,399	8.0%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	135,211,749	55.4%			
<u>Investments</u>					
U.S. Treasury Obligations	37,935,082	15.5%	Aaa	Moody's	
Investment Agreements	12,736,605	5.2%	A1	Moody's	
Investment Agreements	334,330	0.1%	A3	Moody's	
Total Investments	51,006,017	20.9%			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	41,930,749	17.2%	Aaa	Moody's	
Fannie Mae	6,664,517	2.7%	Aaa	Moody's	
Freddie Mac	9,150,845	3.8%	Aaa	Moody's	
Total Mortgage-Backed Securities	57,746,110	23.7%			
Combined Revenue Obligation Funds					
Total Cash, Investments and Mortgage-Backed Securities	\$ 243,963,876	100.00%			

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

As of September 30, 2015, the credit quality and percentages of the total portfolio of cash equivalents, investments and mortgage-backed securities under the Revenue Obligation Funds were as follows:

Combined Revenue Obligation Funds as of September 30, 2015

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 60,589	0.0%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposits	112,114,033	50.1%	P-1	Moody's	Uncollateralized, Uninsured
Money Market Funds	30,775,294	13.7%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>142,949,916</u>	<u>63.8%</u>			
<u>Investments</u>					
Investment Agreements	14,075,739	6.3%	A1	Moody's	
Investment Agreements	964,495	0.4%	A3	Moody's	
Investment Agreements	20	0.0%	Not Rated		
Total Investments	<u>15,040,254</u>	<u>6.7%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	48,475,403	21.6%	Aaa	Moody's	
Fannie Mae	7,522,849	3.4%	Aaa	Moody's	
Freddie Mac	10,193,460	4.5%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>66,191,712</u>	<u>29.5%</u>			
Combined Revenue Obligation Funds					
Total Cash, Investments and Mortgage-Backed Securities	<u>\$ 224,181,882</u>	<u>100.0%</u>			

The cash and cash equivalents, investment and mortgage-backed security portfolio with breakdown by credit quality and percentage of total portfolio for each of the Revenue Obligation Funds at September 30, 2016 and 2015, are listed as Supplemental Information to these financial statements.

Cash and Cash Equivalents - The Agency's combined cash and cash equivalents balance as of September 30, 2016 and 2015, consists primarily of amounts held in fully collateralized demand deposit bank accounts under the General Fund and in highly rated money market fund trust accounts set up for each revenue bond indenture and Certificates of Participation and administered by the Agency's bond trustees. The collateral for the demand deposits is held by either the Federal Reserve Bank or a third party, as a collateral agent under the tri-party agreements.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

Investments - The Agency follows the Investment Policy guidelines with regard to its General Fund financial assets and Revenue Obligation Fund indentures. The policy states that the Agency financial assets shall be held in cash and cash equivalents or invested and managed with the intention of obtaining the highest possible total return consistent with the Agency liquidity needs and a prudent level of investment risk. Under the bond programs and Certificates of Participation the permitted investments are stipulated in the respective covenants of the indentures of trust.

Investments of proceeds from bond issuances in investment agreements are governed by the covenants of the respective indentures of trust entered between the Agency, the trustee and the investment agreement provider. All investment agreements are fixed interest rate investment contracts with rated financial institutions. In case of a downgrade beyond a preset threshold, the investment providers are required to collateralize both principal and interest with qualifying securities to be held by a designated collateral agent with mark to market and undervalue cure provisions.

Investments in money market funds are short-term in nature and are held by bond trustees for the benefit of the respective indentures. They carry the highest short-term credit ratings by nationally recognized statistical rating agencies, such as Standard & Poor's and Moody's Investors Service. Investments in the U.S. Treasury securities are guaranteed by the full faith and credit of the United States Government.

Mortgage-backed Securities - Ginnie Mae mortgage-backed securities are guaranteed by the Government National Mortgage Association (Ginnie Mae or GNMA), an instrumentality of the United States Government. GNMA securities are "fully modified pass-through" mortgage-backed securities which require monthly payments by an FHA lender, as the issuer of the Guaranteed Security to the Agency. GNMA guarantees timely payment of principal and interest on Guaranteed Securities.

Fannie Mae and Freddie Mac mortgage-backed pass-through securities are top-rated by Standard & Poor's and Moody's Investors Service. The principal and interest payment on these mortgage-backed securities are guaranteed by Fannie Mae and Freddie Mac, accordingly. Though there is no explicit guarantee that Fannie Mae and Freddie Mac mortgage-backed securities are backed by the full faith and credit of the U.S. government, there is, however, an implicit guarantee, as government-sponsored enterprises are chartered by the U.S. Congress. In 2008

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

both Freddie Mac and Fannie Mae were placed into the U.S. Government receivership. The rating agencies continue to assign high credit rating to both of these entities.

Ginnie Mae, Fannie Mae and Freddie Mac mortgage-backed securities are reported at their market values in accordance with GASB Statement No. 31. It is the intention of the Agency and the indentures to hold these mortgage-backed securities until the underlying loans are paid in full, or, if allowed, until the respective bonds become optionally redeemable and the sale of these securities does not negatively affect the indenture cash flows.

For the year ended September 30, 2016, the Agency's Single Family Program Fund recorded a non-operating expense of \$186,463 due to a decrease in unrealized fair value on a decreased mortgage-backed security portfolio. For the year ended September 30, 2015, the single family Funds recorded as non-operating expense a decrease in unrealized fair value of mortgage-backed securities of \$1,113,505 in the Statement of Revenues, Expenses and Change in Net Position.

Under the DCHFA's Single Family NIBP Fund, a non-operating expense of \$29,705 was recorded in the Statement of Revenues, Expenses and Changes in Net Position, due to a decrease in unrealized fair value on a decreased mortgage-backed security portfolio during the year ended September 30, 2016. Under the same Fund, a non-operating gain of \$182,641 was recorded in the Statement of Revenues, Expenses and Change in Net Position, based on the increase in unrealized fair market value of the mortgage-backed securities during the year ended September 30, 2015.

As of September 30, 2016, there was \$124,579 in non-operating expense under the General Fund to record the unrealized loss due on the allocated portion of the single family mortgage-backed securities originated under the Single Family NIBP portfolio. As of September 30, 2015, there was \$594,634 in non-operating revenue under the General Fund to record the unrealized gain due on the allocated portion of the single family mortgage-backed securities originated under the Single Family NIBP portfolio.

For the year ended September 30, 2016, the Agency's Multifamily (Conduit Bond) Program recorded \$3,041,976 non-operating expense from decreases in unrealized fair value of mortgage-backed securities and \$1,619,612 unrealized gain for the year ended September 30, 2015, in the Statements of Revenues, Expenses and Change in Net Position.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 3: CASH/CASH EQUIVALENTS, INVESTMENTS AND MORTGAGE-BACKED SECURITIES (Continued)

For the year ended September 30, 2016, the Agency's Multifamily NIB Program recorded no activity in the mortgage-backed securities, and \$1,805,965 non-operating loss from for the year ended September 30, 2015, in the Statements of Revenues, Expenses and Change in Net Position.

Fair Value of Investments

The Agency has adopted GASB No. 72, *Fair Value Measurement and Application*. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value:

- Level 1 – quoted market prices in active markets
- Level 2 – inputs other than quoted market prices that are observable either directly or indirectly
- Level 3 – unobservable inputs

As of September 30, 2016, the following table presents the investments that the Agency measured at fair value:

	Total 1	Level 1	Level 2	Level 3
Guaranteed Investment Contract: \$	13,070,935	-	13,070,935	-
Corporate Obligations	2,823,913	-	2,823,913	-
GSE obligations	525,316	-	525,316	-
U.S Treasury Obligations	37,935,082	37,935,082	-	-
Mortgage Backed Securities	66,539,064	-	66,539,064	-
Total Investment and MBS	\$ 120,894,310	37,935,082	82,959,228	-

As of September 30, 2015, the following table presents the investments that the Agency measured at fair value

	Total 1	Level 1	Level 2	Level 3
Guaranteed Investment Contracts \$	15,040,254	-	15,040,254	-
Corporate Obligations	2,370,886	-	2,370,886	-
GSE obligations	905,781	-	905,781	-
U.S Treasury Obligations	150,093	150,093	-	-
Mortgage Backed Securities	75,918,685	-	75,918,685	-
Total Investment and MBS	\$ 94,385,699	150,093	94,235,605	-

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 4: MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE

Multifamily mortgage and construction loans receivable are assets under the Multifamily (Conduit Bond) Program secured by deeds of trust evidencing first mortgage liens on related real property. These loans are either insured by the FHA, FHA and the Agency through the Risk-Share Program, credit enhanced through letters of credit from private banks, or unenhanced in cases when the Agency privately places the bonds with the interested banks, and the risk of default and loss of principal and interest rest exclusively with respective bond holders. Fixed and variable interest rates on the loans as of September 30, 2016, as in prior year 2015, range from 0.45% to 7.8%, and the loans have a repayment period of up to 40 years.

All single family mortgage loans were secured by first liens on the related property. As of September 30, 2011, all whole single family loans were under the Single Family Whole Loan Indentures. During the year ended September 30, 2012, the Agency transferred all of the whole single family mortgage loans to General Fund and redeemed all outstanding bonds under the Single Family Whole Loan Indentures. Interest rates on first lien whole single family loans range from 8.5% to 11.1%, with remaining loan terms ranging from 1 to 3 years. Substantially all single family loans originally were enhanced through the FHA or the Veterans Administration (“VA”) mortgage insurance programs or by private mortgage insurance policies. The VA is a U.S. Government Agency. The outstanding loans have very low loan-to-value ratios due to short remaining terms. The outstanding balance of such loans as of September 30, 2016 and 2015 was \$5,313 and \$88,522, respectively. During fiscal year 2016 and 2015, the Agency funded subordinate lien forgivable 0% non-amortizing down-payment assistance loans in connection with the purchased and sold first lien loans under its General Fund. Due to the low likelihood of recovery for any of these loan amounts the Agency recorded an allowance equivalent to the original loan amounts. The amount of such loans and the corresponding allowance as of September 30, 2016 and 2015 was \$3,956,859 and \$3,130,622, respectively.

Combined restricted mortgage and construction loans as of September 30, 2016 and 2015 were \$1,042,370,405 and \$871,662,238, respectively. For the years ended September 30, 2016 and 2015, there was no allowance for bond program loan losses under the Agency Revenue Obligation Funds.

As part of its General Fund operations, the Agency performs loan servicing under the risk-sharing agreement with HUD, where HUD pays 100% of the amount

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 4: MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE (Continued)

needed to retire bonds issued in connection with a defaulted risk-share loan at the time of the initial claim. Any loss at the time of final claim on a defaulted multifamily project is risk-shared between FHA at 90% and the Agency at 10%. As of September 30, 2016, the HUD Risk-Share Reserve funds had a balance of \$2.42 million and the outstanding principal balance of the risk-share insured loans on 17 active projects comprised of 19 loans was \$122.1 million. As of September 30, 2015, the HUD Risk-Share Reserve funds had a balance of \$2.57 million and the outstanding principal balance of the risk-share insured loans on 17 active projects comprised of 19 loans was \$123.9 million.

As of September 30, 2014, the Agency sold the Parkway Overlook, real estate owned after settling with HUD on the final claim in January 2014. Since the Agency settled with HUD on the final claim pertaining to Parkway Overlook, the Agency sold this non-performing asset during the fiscal year 2015, and plans to file a supplemental claim, the Agency recorded a net decrease in the allowance for bad debt of \$68,665.

In addition to its bond programs, within its General Fund the Agency administers the McKinney Act Program. Under its McKinney Act Program, the Agency originates predevelopment McKinney Act bridge loans to finance acquisition, predevelopment and rehabilitation costs associated with multifamily housing developments applying for the bond financing with the Agency. These loans are typically unenhanced loans repaid at the time the bond financing is put in place. At September 30, 2016 the balance of total loans outstanding, before the allowance for uncollectible loans, was \$3,557,369, including \$560,811 in loans at various stages of default process. At September 30, 2015, the balance of total loans outstanding was \$2,344,553, of which \$560,811 was attributed to loans at various stages of default process.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 4: MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE (Continued)

The Agency recorded an allowance for uncollectible McKinney Act Program loans for the years ended September 30, 2016 and 2015 in the amount of \$574,899 and \$605,950, respectively. The Agency recorded a net decrease in the allowance for principal loss on McKinney Act Program loans during the year ended September 30, 2016 for bad debt in the amount of \$31,051.

	2016	2015
Beginning balance	\$605,950	\$452,740
Net (decrease)/increase in allowance for uncollectible loans	(31,051)	153,210
Ending balance	\$574,899	\$605,950

For the years ended September 30, 2016 and 2015, the respective balances and changes in the provision for uncollectible interest on the McKinney Act loans under the General Fund were as follows:

	2016	2015
Beginning balance	\$164,483	\$297,620
Net increase/(decrease) in allowance for uncollectible interest	30,732	(133,137)
Ending balance	\$195,215	\$164,483

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 5: CAPITAL ASSETS

The following is the detail of changes in capital assets during the year ended September 30, 2016:

	<u>September 30, 2015</u>	<u>Additions /Dispositions</u>	<u>September 30, 2016</u>
Non-depreciable capital assets			
Land	\$ 573,000	\$ -	\$ 573,000
Total non-depreciable assets	<u>573,000</u>	<u>-</u>	<u>573,000</u>
Depreciable capital assets			
Building	3,540,523	-	3,540,523
Less: accumulated depreciation	<u>(2,212,323)</u>	<u>(66,490)</u>	<u>(2,278,814)</u>
Building net of accumulated depreciation	<u>1,328,200</u>	<u>(66,490)</u>	<u>1,261,710</u>
Furniture and equipment	1,799,877	74,770	1,874,647
Less: accumulated depreciation	<u>(1,700,022)</u>	<u>(78,737)</u>	<u>(1,778,759)</u>
Furniture and equipment net of accumulated depreciation	<u>99,855</u>	<u>(3,967)</u>	<u>95,888</u>
Total Building, furniture and equipment	5,340,400	74,770	5,415,170
Less: accumulated depreciation	<u>(3,912,345)</u>	<u>(145,227)</u>	<u>(4,057,572)</u>
Total Building, furniture and equipment, net of accumulated depreciation	<u>1,428,055</u>	<u>(70,457)</u>	<u>1,357,598</u>
Software	383,105	-	383,105
Less: accumulated amortization	<u>(371,459)</u>	<u>-</u>	<u>(371,459)</u>
Software net of accumulated amortization	<u>11,646</u>	<u>-</u>	<u>11,646</u>
Total Leasehold improvements and software	383,105	-	383,105
Less: accumulated amortization	<u>(371,459)</u>	<u>-</u>	<u>(371,459)</u>
Total Leasehold improvements and software, net of accumulated amortization	<u>11,646</u>	<u>-</u>	<u>11,646</u>
Total depreciable and amortizable capital assets	<u>5,723,505.36</u>	<u>74,770</u>	<u>5,798,275</u>
Total capital assets	6,296,505	74,770	6,371,275
Less: accumulated depreciation and amortization	<u>(4,283,804)</u>	<u>(145,227)</u>	<u>(4,429,031)</u>
Total capital assets, net of accumulated depreciation and amortization	<u>\$ 2,012,701</u>	<u>\$ (70,457)</u>	<u>\$ 1,942,244</u>

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 5: CAPITAL ASSETS (Continued)

The following is the detail of changes in capital assets during the year ended September 30, 2015:

	<u>September 30, 2014</u>	<u>Additions/ Dispositions</u>	<u>September 30, 2015</u>
Non-depreciable capital assets			
Land	\$ 573,000	\$ -	\$ 573,000
Total non-depreciable assets	<u>573,000</u>	<u>-</u>	<u>573,000</u>
Depreciable capital assets			
Building	1,795,238	1,745,285	3,540,523
Less: accumulated depreciation	(1,076,773)	(1,135,550)	(2,212,323)
Building net of accumulated depreciation	<u>718,465</u>	<u>609,735</u>	<u>1,328,200</u>
Furniture and equipment	1,793,107	6,770	1,799,877
Less: accumulated depreciation	(1,666,905)	(33,117)	(1,700,022)
Furniture and equipment net of accumulated depreciation	<u>126,202</u>	<u>(26,347)</u>	<u>99,855</u>
Total Building, furniture and equipment	3,588,345	1,752,055	5,340,400
Less: accumulated depreciation	(2,743,678)	(1,168,667)	(3,912,345)
Total Building, furniture and equipment, net of accumulated depreciation	<u>844,667</u>	<u>583,388</u>	<u>1,428,055</u>
Amortizable capital assets			
Leasehold improvements	1,745,285	(1,745,285)	-
Less: accumulated amortization	(965,934)	965,934	-
Leasehold improvements net of accumulated depreciation	<u>779,351</u>	<u>(779,351)</u>	<u>-</u>
Software	383,105	-	383,105
Less: accumulated amortization	(361,455)	(10,004)	(371,459)
Software net of accumulated amortization	<u>21,650</u>	<u>(10,004)</u>	<u>11,646</u>
Total Leasehold improvements and software	2,128,390	(1,745,285)	383,105
Less: accumulated amortization	(1,327,389)	955,930	(371,459)
Total Leasehold improvements and software, net of accumulated amortization	<u>801,001</u>	<u>(789,355)</u>	<u>11,646</u>
Total depreciable and amortizable capital assets	<u>5,716,735</u>	<u>6,770</u>	<u>5,723,505</u>
Total capital assets	6,289,735	6,770	6,296,505
Less: accumulated depreciation and amortization	(4,071,067)	(212,737)	(4,283,804)
Total capital assets, net of accumulated depreciation and amortization	<u>\$ 2,218,668</u>	<u>\$ (205,967)</u>	<u>\$ 2,012,701</u>

Depreciation expense for fiscal years 2016 and 2015 was \$145,227 and \$212,737, respectively.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS

The loans, bonds and notes issued by the Agency are special obligations of the Agency and are payable from the revenue and special funds of the applicable indentures. The bonds and notes do not constitute debt of and are not guaranteed by the District or any other program of the District. All mortgage revenue bond multifamily projects financed to date have been issued by the Agency as stand-alone pass-through financings with no direct economic recourse to the Agency as the issuer.

The provisions of the various bond indentures require or allow for the special redemption of bonds at par through the use of unexpended bond proceeds and excess funds accumulated primarily through prepayment of mortgage loans and mortgage-backed securities. All outstanding bonds are subject to redemption at the option of the Agency or the borrower, in whole or in part at any time, after certain dates, as specified in the respective bond indentures and bond resolutions, at prescribed redemption prices. The redemption premiums can range up to 5%. Under the Multifamily (Conduit Bond) Program, this option generally cannot be exercised until the bonds have been outstanding for ten years as provided in the various indentures. Term bonds are generally subject to redemption, without premium, from mandatory sinking fund payments.

Bonds issued to provide financing for the Agency's housing programs are collateralized by:

- Mortgage-backed securities made in connection with underlying loans.
- Mortgage loans made on the related multifamily developments or single family residential mortgage loans purchased.
- Investments of bond proceeds, debt service reserves and escrow accounts, all revenues, mortgage payments, and recovery payments received by the Agency from investments, mortgage loans and mortgage-backed securities made on the related developments and pledged to the respective trust indentures.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

The following is a summary of the bond and debt activity for the year ended September 30, 2016 and the debt outstanding and loans, bonds and certificates of participation payable as of September 30, 2016.

	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2015	Bond Activity			Debt Outstanding at 9/30/2016	Premium (+) / Discount (-)	Bond Payable at 9/30/2016	Due Within One Year
				New Bonds Issued	Scheduled Maturity Payments	Bond Redeemed				
1988 Single Family Mortgage Revenue Bonds										
1988 Series E-4	6.375%	2016 ~ 2026	\$ 1,855,000	\$ -	\$ -	\$ 260,000	\$ 1,595,000	\$ (87,582)	\$ 1,507,418	\$ 90,000
Total			\$ 1,855,000	\$ -	\$ -	\$ 260,000	\$ 1,595,000	\$ (87,582)	\$ 1,507,418	\$ 90,000
1996 Single Family Mortgage Revenue Bonds										
2005 Series A	5.50%	2016 ~ 2025	\$ 1,420,000	\$ -	\$ -	\$ 810,000	\$ 610,000	\$ 142,719	\$ 752,719	\$ 40,000
2005 Series B	4.75%	2016 ~ 2035	3,020,000	-	-	1,715,000	1,305,000	252,747	1,557,747	30,000
2006 Series A	4.95%	2016 ~ 2026	865,000	-	50,000	100,000	715,000	-	715,000	60,000
2006 Series B	5.1% ~ 5.35%	2016 ~ 2037	4,090,000	-	-	650,000	3,440,000	300,809	3,740,809	100,000
2006 Series D	4.60%	2016 ~ 2020	295,000	-	30,000	55,000	210,000	-	210,000	45,000
2006 Series E	4.65%	2016 ~ 2037	8,995,000	-	-	2,025,000	6,970,000	-	6,970,000	110,000
2007 Series A	5.15%	2016 ~ 2038	380,000	-	-	380,000	-	-	-	-
Total			\$ 19,065,000	\$ -	\$ 80,000	\$ 5,735,000	\$ 13,250,000	\$ 696,275	\$ 13,946,275	\$ 385,000
Single Family New Issue Bond Program										
2009 Series A-1	2.49%	2016 ~ 2041	\$ 8,330,000	\$ -	\$ 110,000	\$ 1,860,000	\$ 6,360,000	\$ -	\$ 6,360,000	\$ 180,000
Total			\$ 8,330,000	\$ -	\$ 110,000	\$ 1,860,000	\$ 6,360,000	\$ -	\$ 6,360,000	\$ 180,000
Combined Single Family Indentures Total			\$ 29,250,000	\$ -	\$ 190,000	\$ 7,855,000	\$ 21,205,000	\$ 608,693	\$ 21,813,693	\$ 655,000
General Fund										
	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2015	New Obligations	Scheduled Maturity Payments	Obligations Paid	Debt Outstanding at 9/30/2016	Premium (+) / Discount (-)	Bond Payable at 9/30/2016	Due Within One Year
PNC Bank Credit Line	Variable	2016	\$ 9,037,412	\$ -	\$ -	\$ 802,602	\$ 8,234,810	\$ -	\$ 8,234,810	\$ 8,234,810
Total			\$ 9,037,412	\$ -	\$ -	\$ 802,602	\$ 8,234,810	\$ -	\$ 8,234,810	\$ 8,234,810

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2015	Bond Activity			Debt Outstanding at 9/30/2016	Discount (-) / Premium (+)	Bonds Payable at 9/30/2016	Due Within One Year	
				New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed/ Adjustment					
Multifamily Conduit Bonds											
1999 Series	Garfield Park Apts	7.25%	2016 - 2031	\$ 2,508,940	\$ -	\$ 87,850	\$ -	\$ 2,421,090	\$ -	2,421,090	94,435
1999 Series	Fl. Chapin	6.90%	2016 - 2035	21,312,553	-	501,328	-	20,811,225	-	20,811,225	537,035
2000 Series	Widrich Court Apt	7.30%	2016 - 2032	2,852,668	-	88,797	-	2,763,871	-	2,763,871	95,501
2001 Series	Clifton Terrace	5.95%	2016 - 2033	4,414,188	-	134,523	-	4,279,666	-	4,279,666	142,805
2000 Series	WDC I LP	Variable	2016 - 2032	6,525,000	-	250,000	-	6,275,000	-	6,275,000	260,000
2002 Series	Trenton Park Apts	Variable	2016 - 2035	5,435,000	-	130,000	-	5,305,000	-	5,305,000	135,000
2002 Series A	DCCH Pool: Euclid Street	5.75%	2016 - 2039	1,295,000	-	20,000	-	1,275,000	-	1,275,000	20,000
2002 Series C	DCCH Pool: Chapin Street	5.75%	2016 - 2039	1,100,000	-	5,000	20,000	1,075,000	-	1,075,000	-
2004 Series A	1330 7th Street	4.8% - 5.00%	2016 - 2045	11,035,000	-	145,000	-	10,890,000	-	10,890,000	150,000
2004 Series A	Congress Park II	6.70%	2016 - 2041	4,430,666	-	51,003	4,379,663	-	-	-	-
2004 Series B&C	JW King Seniors Center	4.9% - 5.15%	2016 - 2045	4,835,000	-	60,000	-	4,775,000	-	4,775,000	65,000
2004 Series D	Henson Ridge Phase II	4.65% - 4.90%	2016 - 2047	5,410,000	-	70,000	-	5,340,000	-	5,340,000	70,000
2004 Series E	Henson Ridge Phase II	5.0% - 5.10%	2016 - 2037	6,505,000	-	160,000	-	6,345,000	-	6,345,000	170,000
2005 Series A	Faircliff Plaza - West	6.50%	2016 - 2047	10,605,870	-	106,582	-	10,499,288	-	10,499,288	113,720
2005 Series B	Faircliff Plaza - West	6.50%	2016 - 2025	397,879	-	30,940	-	366,939	-	366,939	33,013
2005 Series	DCHA Modernization Program	5.00%	2016 - 2025	47,010,000	-	3,720,000	-	43,290,000	1,693,423	44,983,423	3,910,000
2005 Series	Shipley Park Apts	4.80%	2016 - 2038	10,605,000	-	225,000	-	10,380,000	-	10,380,000	235,000
2006 Series	Hunter Pines	6.25%	2016 - 2048	10,046,253	-	99,336	-	9,946,918	-	9,946,918	105,725
2006 Series	GW Carver Senior Apts	5.875%	2016 - 2049	7,164,291	-	65,619	-	7,098,672	-	7,098,672	69,580
2006 Series	Garfield Hills Apts	5.00%	2016 - 2036	3,510,000	-	85,000	-	3,425,000	-	3,425,000	90,000
2006 Series	Galen Terrace	6.00%	2016 - 2048	4,289,170	-	43,117	-	4,246,053	-	4,246,053	45,776
2006 Series A	Southview I & II	6.25%	2016 - 2048	10,623,673	-	101,950	-	10,521,723	-	10,521,723	45,776
2006 Series	Golden Rule Apts	5.25%	2016 - 2048	11,100,000	-	190,000	-	10,910,000	-	10,910,000	130,000
2006 Series A	Wesley House	4.80%	2016 - 2049	8,820,000	-	95,000	-	8,725,000	-	8,725,000	100,000
2006 Series	Azeeze Bates Apts	4.80%	2016 - 2036	3,160,000	-	155,000	-	3,005,000	-	3,005,000	160,000
2007 Series	Cavalier Apts	5.60%	2016 - 2049	14,598,106	-	149,225	-	14,448,880	-	14,448,880	157,799
2007 Series	Residences at Georgia Ave Apts	5.80%	2016 - 2050	7,362,324	-	68,562	-	7,293,762	-	7,293,762	72,646
2007 Series	R Street Apts	5.60%	2016 - 2056	8,668,474	-	56,961	-	8,611,513	-	8,611,513	60,234
2007 Series A	Parkside Terrace Apts	Variable	2016 - 2045	20,756,436	-	291,919	-	20,464,517	-	20,464,517	308,231
2008 Series	Henson Ridge UFAS Rentals	6.00%	2016 - 2050	4,292,729	-	93,368	-	4,199,361	-	4,199,361	99,126
2008 Series	Longfellow Arms Apts	5.70%	2016 - 2040	1,895,000	-	25,000	-	1,870,000	-	1,870,000	25,000
2008 Series A	Wheeler Terrace	Variable	2016 - 2050	7,276,887	-	78,571	-	7,198,316	-	7,198,316	82,730
2008 Series A&B	St. Martin's Apts	5.40%	2016 - 2046	11,483,933	-	147,351	-	11,336,581	-	11,336,581	155,650
2008 Series	Pentacle Apartments	Variable	2038	10,145,000	-	-	300,000	9,845,000	-	9,845,000	-

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2015	Bond Activity			Debt Outstanding at 9/30/2016	Discount (-) / Premium (+)	Bonds Payable at 9/30/2016	Due Within One Year	
				New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed/ Adjustment					
Multifamily Conduit Bonds (Continued)											
2009 Series	Georgia Commons	3.875% ~ 5.875%	2016 - 2051	16,215,000	-	150,000	-	16,065,000	(183,533)	15,881,467	155,000
2010 Series A	Sheridan Station	5.90%	2016 - 2040	3,258,228	-	50,035	-	3,208,193	-	3,208,193	53,068
2011 Series A-1	Victory Square	6.86%	2016 - 2043	1,337,117	-	16,462	-	1,320,655	-	1,320,655	17,627
2011 Series A	The Heights	5.80%	2016 - 2045	7,853,318	-	55,905	-	7,797,412	-	7,797,412	59,236
2012 Series	Park 7 at Minnesota Benning	Variable	2046	45,250,000	-	-	-	45,250,000	-	45,250,000	-
2012 Series	Fairway Park	Variable	2046	33,482,000	-	-	206,019	33,275,981	-	33,275,981	-
2012 Series	Yards D Building	Variable	2047	8,500,000	-	-	-	8,500,000	-	8,500,000	-
2012 Series A	Whitelaw Apartments	5.65%	2016 - 2029	2,323,216	-	33,846	-	2,289,370	-	2,289,370	35,809
2012 Series	Bass Circle	3.50% ~ 4.45%	2016 - 2029	3,761,073	-	60,755	-	3,700,318	-	3,700,318	63,768
2012 Series	Severna II	Variable	2016 - 2049	15,600,000	-	187,778	-	15,412,222	-	15,412,222	196,405
2013 Series A	Senior Housing at O	Variable	2016 - 2033	6,813,946	-	80,635	-	6,733,311	-	6,733,311	84,483
2013 Series	SOME Scattered Site II	Variable	2033	7,726,765	-	-	1,420,773	6,305,992	-	6,305,992	-
2013 Series	Tyler House	4.45%	2016 - 2031	44,910,000	-	465,000	-	44,445,000	-	44,445,000	495,000
Series 2013 A	Sheridan Station III	Variable	2032	10,245,000	-	-	5,884	10,239,116	-	10,239,116	-
Series 2013 B	Sheridan Station III	Variable	2016	12,700,000	-	-	12,700,000	-	-	-	-
2013 Series	Trinity Plaza Apts	Variable	2050	8,416,525	583,475	-	-	5,354,881	-	5,354,881	-
2013 Series	Lofts at Capitol Quarter	Variable	2046	18,875,085	13,221,824	-	-	32,096,910	-	32,096,910	-
2013 Series A	DCHFPA Pass-Through Refunding	3.875%	2016 - 2045	41,778,190	-	718,351	-	41,059,839	2,200	41,062,039	764,219
2014 Series	Eastbrooke Apts	Variable	2016	4,850,000	-	-	-	4,850,000	-	-	-
2014 Series	Metro Village	0.35%	2017	17,800,000	-	-	-	17,800,000	-	-	-
2014 Series A-1	Yards - Parcel N	Variable	2047	21,547,931	3,066,622	-	-	24,614,553	-	24,614,553	-
2014 Series A-2	Yards - Parcel N	Variable	2047	12,928,759	42,456,688	-	-	55,385,447	-	55,385,447	-
2014 Series	North Capitol Commons	Variable	2017	6,135,485	9,626,482	-	-	15,761,967	-	15,761,967	15,791,967
2014 Series	The Gregory/Highland Terrace	0.40%	2016	9,200,000	-	-	9,200,000	-	-	-	-
2014 Series	Highland Dwellings	Variable	2032	7,215,793	9,893,150	-	-	17,108,943	-	17,108,943	-
2014 Series	2321 4th St. NE	Variable	2046	4,824,330	10,675,670	-	-	15,500,000	-	15,500,000	-
2014 Series	Lincoln Westmoreland	0.35%	2016	15,000,000	-	-	15,000,000	-	-	-	-
2014 Series	Edgewood Terrace I	0.28%	2017	21,570,000	21,638,451	-	21,638,451	21,570,000	-	21,570,000	21,602,731
2014 Series A	7611 & 7701 Georgia Ave	Variable	2033	6,447,951	3,542,169	-	-	9,990,120	-	9,990,120	-
2014 Series B	7611 & 7701 Georgia Ave	Variable	2017	1,000,000	-	-	-	1,000,000	-	1,000,000	-
2014 Series	Grove at Parkside	1.90%	2033	7,255,274	10,623,047	-	-	17,878,321	-	17,878,321	-
2015 Series A	Brightwood Portfolio	Variable	2047	2,118,527	5,877,925	-	-	7,996,451	-	7,996,451	-
2015 Series B	Brightwood Portfolio	Variable	2017	3,450,000	2,227,154	-	-	5,677,154	-	5,677,154	5,677,154
2015 Series	Channing Phillips	0.55%	2017	11,500,000	-	-	-	11,500,000	-	11,500,000	-
2015 Series A	Ontario Court	Variable	2032	2,601,000	-	-	-	2,601,000	-	2,601,000	-
2015 Series B	Ontario Court	Variable	2016	1,778,901	430,099	-	262,000	1,947,000	-	1,947,000	1,947,000
2015 Series A	North LIHTC I / HINE I	Variable	2035	168,406	3,572,073	-	-	3,740,479	-	3,740,479	-
2015 Series A	North LIHTC II / HINE II	Variable	2035	51,000	3,611,699	-	-	3,662,699	-	3,662,699	-
2015 Series B	North LIHTC II / HINE II	Variable	2017	111,693	85,129	-	-	196,822	-	196,822	-
2015 Series A	Square 50 West End	Variable	2036	51,100	5,654,929	-	-	5,706,029	-	5,706,029	-
2015 Series B	Square 50 West End	Variable	2018	-	45,413	-	-	45,413	-	45,413	-
2015 Series	SOME Conway Center	1.42% ~ 2.87%	2018	-	17,107,971	-	-	17,107,971	-	17,107,971	-
2015 Series	Atlantic Gardens Apartment	5.32%	2049	-	2,308,715	-	-	2,308,715	-	2,308,715	-
2015 Series	Atlantic Terrace Apts	5.32%	2049	-	7,545,446	-	-	7,545,446	-	7,545,446	-
2015 Series	2620 Bowen Road SE	4.49%	2033	-	1,717,303	-	-	1,717,303	-	1,717,303	-
2016 Series	Langdon Apartments	4.63%	2056	-	5,340,000	-	-	5,340,000	-	5,340,000	-
2016 Series	4000 Benning aka St Stephens Apts	3.96%	2049	-	483,007	-	-	483,007	-	483,007	-
2016 Series	Plaza West	2.61%	2053	-	1,002,174	-	-	1,002,174	-	1,002,174	-
2016 Series A	Archer Park	3.41%	2035	-	331,953	-	-	331,953	-	331,953	-
2016 Series B	Archer Park	3.41%	2035	-	10,105,550	-	-	10,105,550	-	10,105,550	-
2016 Series	N Street Village Renovation	4.00%	2048	-	3,010,596	-	-	3,010,596	-	3,010,596	-
2016 Series	Portner Flats	1.00%	2019	-	27,000,000	-	-	27,000,000	-	27,000,000	-
2016 Series	Homestead Apartments	3.56%	2049	-	1,071,040	-	-	1,071,040	-	1,071,040	-
2016 Series	Parkechester Apartments	3.76%	2049	-	1,040,811	-	-	1,040,811	-	1,040,811	-
2016 Series	Beacon Center	4.11%	2041	-	381,146	-	-	381,146	-	381,146	-
2016 Series	Fort Chaplin Park	3.84%	2051	-	61,000,000	-	-	61,000,000	-	61,000,000	-
2016 Series	Pomeroy Gardens	1.10%	2018	-	6,000,000	-	-	6,000,000	-	6,000,000	-
Combined Multifamily Conduit Bonds Total				\$ 738,121,652	\$ 292,277,710	\$ 9,350,770	\$ 91,427,909	\$ 929,620,685	\$ 1,512,090	\$ 931,132,775	\$ 66,183,250

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2015	Bond Activity			Debt Outstanding at 9/30/2016	Discount (-) / Premium (+)	Bonds Payable at 9/30/2016	Due Within One Year	
				New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed/ Adjustment					
Multifamily New Issue Bond Program											
Series 2009 A-1	Villages at Chesapeake	4.09%	2016 ~ 2042	\$ 10,370,000	\$ -	\$ 140,000	\$ -	\$ 10,230,000	\$ -	\$ 10,230,000	\$ 150,000
Series 2009 A-2	Fort Stevens	4.09%	2016 ~ 2044	5,160,000	-	60,000	-	5,100,000	-	5,100,000	80,000
Series 2009 A-3	Webster Gardens	4.09%	2016 ~ 2044	3,190,000	-	40,000	-	3,150,000	-	3,150,000	50,000
Series 2009 A-4	SOME	4.09%	2016 ~ 2044	7,960,000	-	80,000	-	7,880,000	-	7,880,000	90,000
Series 2009 A-5	King Towers	4.09%	2016 ~ 2042	12,490,000	-	140,000	-	12,350,000	-	12,350,000	150,000
Series 2009 A-6	The Yards - Foundry Lofts	4.09%	2016 ~ 2051	45,970,000	-	-	510,000	45,460,000	-	45,460,000	285,000
Series 2009 A-7	Avalon Apartments	3.01%	2016 ~ 2044	4,830,000	-	20,000	40,000	4,770,000	-	4,770,000	20,000
Series 2010 A	Samuel J. Simmons	4.55% ~ 5.45%	2016 ~ 2033	7,285,000	-	255,000	-	7,030,000	-	7,030,000	270,000
Series 2009 A-8	Samuel J. Simmons	3.01%	2033 ~ 2040	13,000,000	-	-	-	13,000,000	-	13,000,000	-
Series 2009 A-9	The Avenue	3.01%	2016 ~ 2044	3,560,000	-	-	50,000	3,510,000	-	3,510,000	50,000
Series 2009 A-10	Mayfair Mansions III	2.32%	2029 ~ 2044	8,390,000	-	-	-	8,390,000	-	8,390,000	-
Series 2011 A	Mayfair Mansions III	3.70% ~ 4.7%	2016 ~ 2029	2,525,000	-	115,000	-	2,410,000	-	2,410,000	130,000
Series 2009 A-11	Dahlgreen Courts	3.53%	2016 ~ 2044	6,080,000	-	40,000	30,000	6,010,000	-	6,010,000	40,000
Series 2009 A-12	Alabama Avenue	2.32%	2016 ~ 2044	5,050,000	-	60,000	80,000	4,910,000	-	4,910,000	30,000
Series 2011 A	Samuel Kelsey	2.10% ~ 5.00%	2016 ~ 2041	15,725,000	-	280,000	-	15,445,000	-	15,445,000	285,000
Series 2009 A-14	Samuel Kelsey	2.49%	2041	7,700,000	-	-	-	7,700,000	-	7,700,000	-
Series 2009 A-15	Nannie Helen	2.49%	2016 ~ 2044	3,630,000	-	70,000	-	3,560,000	-	3,560,000	50,000
Series 2011	Capitol Hill Towers	2.00% ~ 4.90%	2016 ~ 2040	13,905,000	-	275,000	-	13,630,000	-	13,630,000	290,000
Series 2009 A-16	Capitol Hill Towers	2.49%	2040 ~ 2041	8,370,000	-	-	-	8,370,000	-	8,370,000	-
Series 2009 A-2	House of Lebanon	3.82%	2016 ~ 2033	5,120,000	-	-	50,000	5,070,000	-	5,070,000	-
Combined Multifamily New Issue Bond Program Total				\$ 190,310,000	\$ -	\$ 1,575,000	\$ 760,000	\$ 187,975,000	\$ -	\$ 187,975,000	\$ 1,970,000
Combined Multi-Family Indentures Total				\$ 928,431,652	\$ 292,277,710	\$ 10,925,770	\$ 92,187,909	\$ 1,117,595,685	\$ 1,512,090	\$ 1,119,107,775	\$ 68,153,250

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

The following is a summary of the bond and debt activity for the year ended September 30, 2015 and the debt outstanding and bonds and certificates of participation payable as of September 30, 2015:

DC Building Finance Corporation Certificates of Participation	Range of Interest Rates	Range of Maturities	Bond Activity							
			Debt Outstanding at 9/30/2014	New Bonds Issued	Scheduled Maturity Payments	Bond Redeemed	Debt Outstanding at 9/30/2015	Premium (+) / Discount (-)	Bond Payable at 9/30/2015	Due Within One Year
1998 Series	5.35%	2015	\$ 650,000	\$ -	\$ 150,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -
Total			\$ 650,000	\$ -	\$ 150,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -

1988 Single Family Mortgage Revenue Bonds	Range of Interest Rates	Range of Maturities	Bond Activity							
			Debt Outstanding at 9/30/2014	New Bonds Issued	Scheduled Maturity Payments	Bond Redeemed	Debt Outstanding at 9/30/2015	Premium (+) / Discount (-)	Bond Payable at 9/30/2015	Due Within One Year
1988 Series E-4	6.375%	2016 ~ 2026	\$ 2,175,000	\$ -	\$ -	\$ 320,000	\$ 1,855,000	\$ (95,883)	\$ 1,759,117	\$ 80,000
Total			\$ 2,175,000	\$ -	\$ -	\$ 320,000	\$ 1,855,000	\$ (95,883)	\$ 1,759,117	\$ 80,000

1996 Single Family Mortgage Revenue Bonds	Range of Interest Rates	Range of Maturities	Debt Activity							
			Debt Outstanding at 9/30/2014	New Bonds Issued	Scheduled Maturity Payments	Obligations Paid	Debt Outstanding at 9/30/2015	Premium (+) / Discount (-)	Bond Payable at 9/30/2015	Due Within One Year
2005 Series A	5.50%	2015 ~ 2025	\$ 1,850,000	\$ -	\$ -	\$ 430,000	\$ 1,420,000	\$ 158,288	\$ 1,578,288	\$ 105,000
2005 Series B	4.75% ~ 5.625%	2016 ~ 2035	3,915,000	-	-	895,000	3,020,000	265,934	3,285,934	45,000
2006 Series A	4.95%	2015 ~ 2026	1,120,000	-	25,000	230,000	865,000	-	865,000	50,000
2006 Series B	5.1% ~ 5.35%	2016 ~ 2037	5,265,000	-	-	1,175,000	4,090,000	315,363	4,405,363	85,000
2006 Series D	4.60%	2015 ~ 2020	435,000	-	5,000	135,000	295,000	-	295,000	40,000
2006 Series E	4.65%	2016 ~ 2037	13,420,000	-	-	4,425,000	8,995,000	-	8,995,000	130,000
2007 Series A	5.15%	2016 ~ 2038	2,510,000	-	-	2,130,000	380,000	4,816	384,816	10,000
Total			\$ 28,515,000	\$ -	\$ 30,000	\$ 9,420,000	\$ 19,065,000	\$ 744,401	\$ 19,809,401	\$ 465,000

Single Family New Issue Bond Program	Range of Interest Rates	Range of Maturities	Debt Activity							
			Debt Outstanding at 9/30/2014	New Bonds Issued	Scheduled Maturity Payments	Obligations Paid	Debt Outstanding at 9/30/2015	Premium (+) / Discount (-)	Bond Payable at 9/30/2015	Due Within One Year
2009 Series A-1	2.49%	2015 ~ 2041	\$ 9,240,000	\$ -	\$ 140,000	\$ 770,000	\$ 8,330,000	\$ -	\$ 8,330,000	\$ 250,000
Total			\$ 9,240,000	\$ -	\$ 140,000	\$ 770,000	\$ 8,330,000	\$ -	\$ 8,330,000	\$ 250,000

Combined Single Family Indentures Total			\$ 39,930,000	\$ -	\$ 170,000	\$ 10,510,000	\$ 29,250,000	\$ 648,518	\$ 29,898,518	\$ 795,000
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General Fund	Range of Interest Rates	Range of Maturities	Debt Activity							
			Debt Outstanding at 9/30/2014	New Obligations	Scheduled Maturity Payments	Obligations Paid	Debt Outstanding at 9/30/2015	Premium (+) / Discount (-)	Bond Payable at 9/30/2015	Due Within One Year
PNC Bank Credit Line	Variable	2016	\$ -	\$ 9,300,000	\$ -	\$ 262,588	\$ 9,037,412	\$ -	\$ 9,037,412	\$ 9,037,412
Total			\$ -	\$ 9,300,000	\$ -	\$ 262,588	\$ 9,037,412	\$ -	\$ 9,037,412	\$ 9,037,412

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2014	Bond Activity			Debt Outstanding at 9/30/2015	Discount (-) / Premium (+)	Bonds Payable at 9/30/2015	Due Within One Year
				New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed/Adjustment				
Garfield Park Apts	7.25%	2015 ~ 2031	\$ 2,590,665	\$ -	\$ 81,726	\$ -	\$ 2,508,939	\$ -	\$ 2,508,939	\$ 87,850
Ft. Chapin	6.90%	2015 ~ 2035	21,780,553	-	467,999	-	21,312,554	-	21,312,554	501,328
Widrich Court Apt	7.30%	2015 ~ 2032	2,935,232	-	82,564	-	2,852,668	-	2,852,668	88,797
Clifton Terrace	5.96%	2015 ~ 2033	4,540,909	-	126,720	-	4,414,189	-	4,414,189	134,523
WDC I LP	Variable	2015 ~ 2032	6,765,000	-	-	240,000	6,525,000	-	6,525,000	250,000
Trenton Park Apts	Variable	2016 ~ 2035	5,555,000	-	120,000	-	5,435,000	-	5,435,000	130,000
DCCH Pool: Euclid Street	5.75%	2015 ~ 2039	1,315,000	-	20,000	-	1,295,000	-	1,295,000	20,000
DCCH Pool: Chapin Street	5.75%	2016 ~ 2039	1,120,000	-	10,000	10,000	1,100,000	-	1,100,000	5,000
1330 7th Street	4.10% ~ 5.00%	2015 ~ 2045	11,295,000	-	260,000	-	11,035,000	-	11,035,000	145,000
Congress Park II	6.70%	2015 ~ 2041	4,494,814	-	64,148	-	4,430,666	-	4,430,666	68,580
JW King Seniors Center	4.25% ~ 5.15%	2015 ~ 2045	4,895,000	-	60,000	-	4,835,000	-	4,835,000	60,000
Savannah Heights	4.10% ~ 5.10%	2015 ~ 2045	7,370,000	-	45,000	7,325,000	-	-	-	-
Henson Ridge Phase II	4.65% ~ 4.90%	2015 ~ 2047	5,480,000	-	70,000	-	5,410,000	-	5,410,000	70,000
Henson Ridge Phase II	4.10% ~ 5.10%	2015 ~ 2037	6,660,000	-	155,000	-	6,505,000	-	6,505,000	160,000
Faircliff Plaza - West	6.50%	2015 ~ 2047	10,705,763	-	99,892	-	10,605,871	-	10,605,871	106,582
Faircliff Plaza - West	6.50%	2015 ~ 2025	426,875	-	28,998	-	397,877	-	397,877	30,940
DCHA Modernization Program	3.60% ~ 5.00%	2016 ~ 2025	50,545,000	-	3,535,000	-	47,010,000	1,875,372	48,885,372	3,720,000
Shipley Park Apts	4.25% ~ 4.80	2015 ~ 2038	10,820,000	-	215,000	-	10,605,000	-	10,605,000	225,000
Hunter Pines	6.25%	2015 ~ 2048	10,139,584	-	93,332	-	10,046,252	-	10,046,252	99,336
GW Carver Senior Apts	5.875%	2015 ~ 2049	7,226,176	-	61,884	-	7,164,292	-	7,164,292	65,619
Garfield Hills Apts	4.70% ~ 5.00%	2016 ~ 2036	3,590,000	-	80,000	-	3,510,000	-	3,510,000	85,000
Galen Terrace	6.00%	2015 ~ 2048	4,329,782	-	40,612	-	4,289,170	-	4,289,170	43,117
Southview I & II	6.25%	2015 ~ 2048	10,719,462	-	95,789	-	10,623,673	-	10,623,673	101,950
Golden Rule Apts	5.25%	2015 ~ 2048	11,350,000	-	250,000	-	11,100,000	-	11,100,000	190,000
Wesley House	4.80%	2016 ~ 2049	8,910,000	-	90,000	-	8,820,000	-	8,820,000	95,000
Azeeze Bates Apts	4.80%	2015 ~ 2036	3,300,000	-	140,000	-	3,160,000	-	3,160,000	155,000
Cavalier Apts	5.60%	2015 ~ 2049	14,739,222	-	141,116	-	14,598,106	-	14,598,106	149,225
Residences at Georgia Ave Apts	5.80%	2015 ~ 2050	7,427,031	-	64,707	-	7,362,324	-	7,362,324	68,562
R Street Apts	5.60%	2015 ~ 2056	8,722,340	-	53,866	-	8,668,474	-	8,668,474	56,961
Parkside Terrace Apts	Variable	2015 ~ 2045	21,032,906	-	276,468	-	20,756,438	-	20,756,438	293,919
Henson Ridge UFAS Rentals	6.00%	2015 ~ 2050	4,380,672	-	87,943	-	4,292,729	-	4,292,729	93,368
Longfellow Arms Apts	5.70%	2015 ~ 2040	1,915,000	-	20,000	-	1,895,000	-	1,895,000	25,000
Wheeler Terrace	Variable	2015 ~ 2050	7,351,507	-	74,620	-	7,276,887	-	7,276,887	78,571
St. Martin's Apts	5.40%	2015 ~ 2046	11,623,553	-	139,620	-	11,483,933	-	11,483,933	147,378
Pentacle Apartments	Variable	2038	10,450,000	-	-	305,000	10,145,000	-	10,145,000	150,000

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2014	Bond Activity			Debt Outstanding at 9/30/2015	Discount (-) / Premium (+)	Bonds Payable at 9/30/2015	Due Within One Year
				New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed/Adjustment				
Georgia Commons	2.875% ~ 5.875%	2016 ~ 2051	16,355,000	-	140,000	-	16,215,000	(190,128)	16,024,872	150,000
Sheridan Station	5.90%	2015 ~ 2040	3,305,403	-	47,175	-	3,258,228	-	3,258,228	50,035
Victory Square	6.86%	2015 ~ 2043	1,352,490	-	15,374	-	1,337,116	-	1,337,116	16,462
The Heights	5.80%	2015 ~ 2045	7,906,080	-	52,763	-	7,853,317	-	7,853,317	55,905
Park 7 at Minnesota Benning	Variable	2046	51,000	45,199,000	-	-	45,250,000	-	45,250,000	-
Fairway Park	Variable	2046	31,535,448	1,946,552	-	-	33,482,000	-	33,482,000	206,019
Yards D Building	Variable	2047	8,500,000	-	-	-	8,500,000	-	8,500,000	-
Whitelaw Apartments	5.65%	2015 ~ 2029	2,350,000	-	-	26,784	2,323,216	-	2,323,216	33,846
Whitelaw Apartments	3.15%	2015	2,110,000	-	1,102,000	1,008,000	-	-	-	-
Bass Circle	4.45%	2015 ~ 2029	3,818,957	-	57,884	-	3,761,073	-	3,761,073	60,755
Severna II	Variable	2016 ~ 2049	13,803,466	3,796,534	2,000,000	-	15,600,000	-	15,600,000	187,778
Senior Housing at O	Variable	2016 ~ 2033	6,840,000	-	25,464	590	6,813,946	-	6,813,946	80,635
Senior Housing at O	Variable	2015	6,170,000	-	6,170,000	-	-	-	-	-
SOME Scattered Site II	Variable	2033	14,735,387	176,613	-	7,185,235	7,726,765	-	7,726,765	-
Tyler House	4.45%	2015 ~ 2031	45,345,000	-	435,000	-	44,910,000	-	44,910,000	465,000
Sheridan Station III	Variable	2032	100,000	10,145,000	-	-	10,245,000	-	10,245,000	-
Sheridan Station III	Variable	2016	10,757,727	1,942,273	-	-	12,700,000	-	12,700,000	12,700,000
Trinity Plaza Apts	Variable	2050	1,628,864	6,787,661	-	-	8,416,525	-	8,416,525	-
Lofts at Capitol Quarter	Variable	2046	5,110,802	13,764,283	-	-	18,875,085	-	18,875,085	-
DCHFA Pass-Through Refunding	3.875%	2015 ~ 2045	42,453,431	-	675,243	-	41,778,188	-	41,778,188	718,352
Eastbrooke Apts	Variable	2016	51,000	4,799,000	-	-	4,850,000	-	4,850,000	-
Metro Village	0.35%	2017	17,800,000	-	-	-	17,800,000	-	17,800,000	-
Yards - Parcel N	Variable	2047	-	21,547,931	-	-	21,547,931	-	21,547,931	-
Yards - Parcel N	Variable	2047	-	12,928,759	-	-	12,928,759	-	12,928,759	-
Yards - Parcel N	Variable	2047	50,001	-	-	50,001	-	-	-	-
North Capitol Commons	Variable	2017	2,809,891	3,325,595	-	-	6,135,486	-	6,135,486	-
The Gregory/Highland Terrace	0.40%	2016	9,200,000	-	-	-	9,200,000	-	9,200,000	9,200,000
Highland Dwellings	Variable	2032	-	7,215,793	-	-	7,215,793	-	7,215,793	-
2321 4th St. NE	Variable	2046	-	4,824,330	-	-	4,824,330	-	4,824,330	-
Lincoln Westmoreland	0.35%	2016	-	15,000,000	-	-	15,000,000	-	15,000,000	-
Edgewood Terrace I	0.28%	2017	-	21,570,000	-	-	21,570,000	-	21,570,000	-
7611 & 7701 Georgia Ave	Variable	2033	-	6,447,951	-	-	6,447,951	-	6,447,951	-
7611 & 7701 Georgia Ave	Variable	2017	-	1,000,000	-	-	1,000,000	-	1,000,000	-
Grove at Parkside	1.90%	2033	-	7,255,274	-	-	7,255,274	-	7,255,274	-
Brightwood Portfolio	Variable	2047	-	2,118,527	-	-	2,118,527	-	2,118,527	-
Brightwood Portfolio	Variable	2017	-	3,450,000	-	-	3,450,000	-	3,450,000	-
Channing Phillips	0.55%	2017	-	11,500,000	-	-	11,500,000	-	11,500,000	-
Ontario Court	Variable	2032	-	2,601,000	-	-	2,601,000	-	2,601,000	-
Ontario Court	Variable	2016	-	1,778,901	-	-	1,778,901	-	1,778,901	-
North LIHTC I /HINE I	Variable	2035	-	168,406	-	-	168,406	-	168,406	-
North LIHTC I /HINE I	Variable	2017	-	-	-	-	-	-	-	-
North LIHTC II /HINE II	Variable	2035	-	51,000	-	-	51,000	-	51,000	-
North LIHTC II /HINE II	Variable	2017	-	111,693	-	-	111,693	-	111,693	-
Square 50 West End	Variable	2036	-	51,100	-	-	51,100	-	51,100	-
Square 50 West End	Variable	2018	-	-	-	-	-	-	-	-
			\$ 560,641,993	\$ 211,503,176	\$ 17,899,691	\$ 16,123,826	\$ 738,121,652	\$ 1,685,244	\$ 739,806,896	\$ 31,624,393

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2014	Bond Activity			Debt Outstanding at 9/30/2015	Discount (-) / Premium (+)	Bonds Payable at 9/30/2015	Due Within One Year
				New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed/Adjustment				
Villages at Chesapeake	4.09%	2015 - 2042	\$ 10,500,000	\$ -	\$ 130,000	\$ -	\$ 10,370,000	\$ -	\$ 10,370,000	\$ 140,000
Fort Stevens	4.09%	2015 - 2044	5,220,000	-	50,000	10,000	5,160,000	-	5,160,000	70,000
Webster Gardens	4.09%	2015 - 2044	3,220,000	-	20,000	10,000	3,190,000	-	3,190,000	40,000
SOME	4.09%	2015 - 2044	8,030,000	-	70,000	-	7,960,000	-	7,960,000	190,000
King Towers	4.09%	2015 - 2042	12,830,000	-	320,000	20,000	12,490,000	-	12,490,000	160,000
The Yards - Foundry Lofts	4.09%	2015 - 2051	47,700,000	-	1,520,000	210,000	45,970,000	-	45,970,000	400,000
Avalon Apartments	3.01%	2016 - 2044	5,040,000	-	170,000	40,000	4,830,000	-	4,830,000	20,000
Samuel J. Simmons	4.55% - 5.45%	2016 - 2033	7,530,000	-	245,000	-	7,285,000	-	7,285,000	255,000
Samuel J. Simmons	3.01%	2033 - 2044	13,000,000	-	-	-	13,000,000	-	13,000,000	-
The Avenue	3.01%	2016 - 2044	3,640,000	-	80,000	-	3,560,000	-	3,560,000	90,000
Mayfair Mansions III	2.32%	2029 - 2044	8,390,000	-	-	-	8,390,000	-	8,390,000	-
Mayfair Mansions III	3.70% - 4.7%	2016 - 2029	2,610,000	-	85,000	-	2,525,000	-	2,525,000	115,000
Dahlgreen Courts	3.53%	2016 - 2044	6,150,000	-	50,000	20,000	6,080,000	-	6,080,000	50,000
Alabama Avenue	2.32%	2016 - 2044	5,050,000	-	-	-	5,050,000	-	5,050,000	100,000
Paul Laurence Dunbar Apartments	3.53%	2014	18,330,000	-	100,000	18,230,000	-	-	-	-
Samuel Kelsey	1.40% - 5.00%	2016 - 2041	15,995,000	-	270,000	-	15,725,000	-	15,725,000	280,000
Samuel Kelsey	2.49%	2041	7,700,000	-	-	-	7,700,000	-	7,700,000	-
Nannie Helen	2.49%	2016 - 2044	3,630,000	-	-	-	3,630,000	-	3,630,000	70,000
Capitol Hill Towers	1.40% - 4.90%	2016 - 2040	14,160,000	-	255,000	-	13,905,000	-	13,905,000	275,000
Capitol Hill Towers	2.49%	2040 - 2041	8,370,000	-	-	-	8,370,000	-	8,370,000	-
House of Lebanon	3.82%	2016 - 2033	5,120,000	-	-	-	5,120,000	-	5,120,000	-
			\$ 212,215,000	\$ -	\$ 3,365,000	\$ 18,540,000	\$ 190,310,000	\$ -	\$ 190,310,000	\$ 2,255,000
			\$ 772,856,993	\$ 211,503,176	\$ 21,264,691	\$ 34,663,826	\$ 928,431,652	\$ 1,685,244	\$ 930,116,896	\$ 33,879,393

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

During fiscal years 2010 - 2016, the Agency issued certain multifamily revenue bonds in a draw-down mode. Out of the total amount of bonds closed, only a portion may get drawn during any given reporting period. The following is the detail of draw-down bond activity for fiscal year 2016. Total bonds issued may be different from the debt outstanding due to redemption and maturity activity.

Bond Series	Project Name	Total Draw Down Bond Amounts	Total Bonds Issued at September 30, 2015	Draw Down Bonds Issued, Fiscal Year 2016	Total Bonds Issued at September 30, 2016
Multifamily Conduit Bonds					
2013 Series	Lofts at Capitol Quarter	\$ 42,000,000	\$ 18,875,085	\$ 13,221,824	\$ 32,096,909
2014 Series	North Capitol Common	16,750,000	6,135,486	9,626,482	15,761,968
2014 Series	Highland Dwellings	35,510,000	7,215,793	9,893,150	17,108,943
2014 Series	2321 4th St. NE	15,500,000	4,824,330	10,675,670	15,500,000
2014 Series A	7611 & 7701 Georgia Ave	10,186,000	6,447,951	3,542,169	9,990,120
2014 Series	Grove at Parkside	21,000,000	7,255,274	10,623,047	17,878,321
2015 Series A	Brightwood Portfolio	14,316,000	5,568,527	8,105,078	13,673,605
2015 Series A	North LIHTC I / HINE I	1,092,537	168,406	924,131	1,092,537
2015 Series B	North LIHTC I / HINE I	2,736,343	-	2,736,343	2,736,343
2015 Series A	North LIHTC II / HINE II	1,144,563	51,000	1,093,563	1,144,563
2015 Series B	North LIHTC II / HINE II	2,626,557	111,693	2,514,864	2,626,557
2015 Series A	Square 50 West End	7,130,000	51,100	5,654,929	5,706,029
2015 Series B	Square 50 West End	6,242,237	-	45,413	45,413
2015 Series	Some Conway Center	8,300,000	-	8,300,000	8,300,000
2015 Series	Some Conway Center	17,700,000	-	8,840,452	8,840,452
2015 Series	Atlantic Garden	12,600,000	-	2,308,715	2,308,715
2015 Series	Atlantic Terrace	19,500,000	-	7,545,446	7,545,446
2015 Series	Bowen Flats	6,550,000	-	1,717,303	1,717,303
2016 Series	Plaza West	16,125,000	-	1,002,174	1,002,174
2016 Series	St Stephens	10,500,000	-	483,007	483,007
2016 Series A	Archer Park	20,485,000	-	10,105,550	10,105,550
2016 Series B	Archer Park	7,800,000	-	331,953	331,953
2016 Series	N Street Village	8,500,000	-	3,010,596	3,010,596
Total Multifamily Conduit Bonds		\$ 304,294,237	\$ 56,704,644	\$ 122,301,860	\$ 179,006,503

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

As of September 30, 2016, the required principal payments for all Agency debt outstanding (including mandatory sinking fund payments but excluding special and optional redemptions) that occurred subsequent to September 30, 2016 and excluding the effect of unamortized discounts/premiums (which are listed as an adjustment to totals) and interest payments for each of the next five years and in 5-year increments thereafter are as follows:

For the Year Ending September 30,	1988 Collateralized Single Family Mortgage Revenue Bonds		Single Family Mortgage Revenue Bonds		Single Family New Issue Bonds Program	
	Interest	Principal	Interest	Principal	Interest	Principal
2017	\$ 99,024	\$ 90,000	\$ 636,044	\$ 385,000	\$ 155,571	\$ 180,000
2018	89,861	155,000	606,597	640,000	149,985	240,000
2019	80,167	155,000	575,356	630,000	144,108	230,000
2020	70,364	145,000	543,724	650,000	138,521	230,000
2021	61,570	140,000	512,710	615,000	132,604	240,000
2022-2026	151,034	910,000	2,094,670	3,180,000	572,549	1,260,000
2027-2031	-	-	1,367,349	2,895,000	411,702	1,300,000
2032-2036	-	-	607,570	3,375,000	252,221	1,250,000
2037-2041	-	-	25,621	880,000	94,404	1,300,000
2042-2046	-	-	-	-	540	130,000
Totals	<u>\$ 552,020</u>	<u>1,595,000</u>	<u>\$ 6,969,641</u>	<u>13,250,000</u>	<u>\$ 2,052,205</u>	<u>6,360,000</u>
Unamortized Premium / (Discount)		<u>(87,582)</u>		<u>696,275</u>		<u>-</u>
Bond Payable		<u>\$ 1,507,418</u>		<u>\$ 13,946,275</u>		<u>\$ 6,360,000</u>

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

For the Year Ending September 30,	Multi-Family (Conduit Bond) Program		Multi-Family New Issue Bond Program	
	Interest	Principal	Interest	Principal
2017	\$ 34,385,440	\$ 66,183,250	\$ 7,007,209	\$ 1,970,000
2018	33,311,053	11,464,485	6,925,405	2,455,000
2019	32,363,771	60,911,774	6,835,173	2,565,000
2020	31,580,133	11,385,111	6,737,173	2,755,000
2021	31,020,985	12,044,563	6,632,468	2,855,000
2022-2026	145,871,049	74,124,084	31,322,592	17,080,000
2027-2031	128,746,351	88,899,088	27,304,101	21,825,000
2032-2036	98,636,150	149,140,144	21,576,179	32,435,000
2037-2041	78,657,818	68,303,555	14,707,008	42,540,000
2042-2046	65,171,449	129,302,340	4,968,797	48,150,000
2047-2051	20,846,150	188,301,117	1,667,147	10,600,000
2052-2056	1,460,820	69,561,174	18,712	2,745,000
Totals	<u>\$ 702,051,169</u>	<u>929,620,685</u>	<u>\$ 135,701,964</u>	<u>187,975,000</u>
Unamortized Premium / (Discount)		<u>1,512,090</u>		<u>-</u>
Bond Payable		<u>\$ 931,132,775</u>		<u>\$ 187,975,000</u>

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 6: BONDS PAYABLE AND OTHER DEBT OBLIGATIONS (Continued)

The interest calculations on outstanding variable rate bonds under the Multifamily (Conduit Bond) Program, and the Multifamily New Issue Bond Program are based on the variable rates in effect on September 30, 2016 and are not indicative of the actual interest expense that will be incurred in future years. As rates vary, variable rate bond interest payments will vary.

The Agency secured a variable rate committed credit line with the PNC Bank, National Association (“PNC Bank”), in the total amount of \$15.00 million to be used for providing interim financing of the costs of extending multi- and single family mortgages and/or mortgage-backed securities under the United States Treasury New Issue Bond Program or any subsequent bond program of the Agency as approved by PNC Bank. During fiscal year 2015, the Agency and PNC Bank modified the credit line by extending the term into March 2016. As of September 30, 2016 and 2015, the outstanding balance on the credit line totaled \$8,234,810 and \$9,037,412, respectively.

NOTE 7: REBATE LIABILITY

In accordance with the Internal Revenue Service Code (the “Code”), the Agency has recorded as rebate liability for excess investment earnings in connection with tax-exempt bonds and notes issued after 1981. The excess investment earnings arise due to actual investment yields earned by the bond series being greater than yields permitted to be retained by the indentures under the Code. The Code requires 90% of such excess investment earnings to be remitted to the United States Treasury every five years and in full at the final redemption of the bonds. Interest income on the Statements of Revenues, Expenses and Changes in Net Position is reduced by the rebate liability due to excess investment earnings. The increase/decrease in fair value of investments on the Statements of Revenues, Expenses and Changes in Net Position is adjusted by the change in the estimated rebate liability due to the change in fair value of investments. The Revenue Obligation Funds had no rebate liability from interest income or from unrealized gains on investments.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 7: REBATE LIABILITY (Continued)

Rebate liability activity for the year ended September 30, 2016 was as follows:

	DC Building Finance Corporation	1986 Family Whole Loan Bond Program	1986 Family Whole Loan Bond Program	1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Multi-Family (Conduit Bond) Program	Multifamily New Issue Bond Program
Rebate Liability as of September 30, 2015	\$ -	\$ -	\$ -	\$ -	\$ 40,095	\$ -	\$ -
Change in estimated liability due to excess investment earnings	-	-	-	-	-	-	-
Change in estimated liability due to fair value of investments	-	-	-	-	-	-	-
Less - payments made	-	-	-	-	-	-	-
Rebate Liability as of September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,095</u>	<u>\$ -</u>	<u>\$ -</u>

Rebate liability activity for the year ended September 30, 2015 was as follows:

	DC Building Finance Corporation	1986 Family Whole Loan Bond Program	1986 Family Whole Loan Bond Program	1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Multi-Family (Conduit Bond) Program	Multifamily New Issue Bond Program
Rebate Liability as of September 30, 2014	\$ -	\$ -	\$ -	\$ -	\$ 48,727	\$ -	\$ -
Change in estimated liability due to excess investment earnings	-	-	-	-	(8,632)	-	-
Change in estimated liability due to fair value of investments	-	-	-	-	-	-	-
Less - payments made	-	-	-	-	-	-	-
Rebate Liability as of September 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,095</u>	<u>\$ -</u>	<u>\$ -</u>

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 8: PROJECT FUNDS HELD FOR BORROWER AND OTHER LIABILITIES

The project funds held for borrower and other liabilities include funds contributed by the owners of the projects and/or funds received from low-income housing tax credit equity providers, District agencies, and the Department of Housing and Community Development. The Agency includes, in the financial statements, funds received from these providers to the extent of unexpended monies in the project accounts (See Note 3).

Under the 1996 Single Family Mortgage Revenue Bonds, the Agency administers grant funds received from the District's Department of Housing and Community Development ("DHCD") under the U.S. Department of Housing and Urban Development's Home Investment Partnership Program ("HOME"). These funds were either blended with the bond proceeds to yield interest rate subsidy on mortgage loans securitized into mortgage-backed securities or were used to help homebuyers with closing costs, including down-payment assistance. Under the respective grant agreements, the Agency may recycle repayments of HOME funds into its bond programs. There was no transfer by the Agency of HOME funds back to DHCD during fiscal year 2016. As of September 30, 2016 and 2015, total HOME Program restricted assets were \$1,100,773 and \$1,100,773, respectively.

NOTE 9: PREPAID FEES

The prepaid fees include funds related to non-refundable construction monitoring fees associated with multifamily financing activities. The prepaid fees are recognized over each project's anticipated construction period.

NOTE 10: NET POSITION

Net Invested in Capital Assets - Capital Assets include non-depreciable land, as well as, building net of related debt and accumulated depreciation, furniture and equipment net of related accumulated depreciation, leasehold improvements and software net of related accumulated amortization. Net invested in capital assets at September 30, 2016 and 2015 were \$1,942,244 and \$2,012,701, respectively.

Revenue Obligations Funds - The Revenue Obligation Funds net position is restricted through debt covenants as collateral for the respective bond issues and credit lines. Combined restricted net position related to the Revenue Obligation Funds as of September 30, 2016 and 2015 were \$27,577,757 and \$30,104,996, respectively.

Risk Share Program - Under the General Fund, the initial deposit made to participate in the Risk Sharing Program and the contributions of 1% of the FHA-

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 10: NET POSITION (Continued)

insured mortgage balances in the Risk Sharing Program reserve account are also restricted. The Agency maintained restricted net position related to the HUD Risk-Share Program as of September 30, 2016 and 2015 at \$2,566,864 and \$2,554,026, respectively.

McKinney Act Fund - The Agency qualified for 50% of the savings resulting from Financing Adjustment Factors (“FAF”) on Section (11)(b) bond refunding transactions. These funds are programmatically restricted as they are only to be used to benefit very low-income persons. As a result, the Agency established a revolving loan fund for non-profit developers to provide credit enhancement or loan guarantees, and finance certain special need projects, such as, shelter for the District’s homeless and facilities for individuals who have contracted AIDS. Restricted net position related to the McKinney Act Fund as of September 30, 2016 and 2015 was \$5,863,116 and \$7,900,345, respectively.

Unrestricted Net Position - As of September 30, 2016 and 2015, under the General Fund were \$66,785,859 and \$54,549,830, respectively, in unrestricted net position. The unrestricted net position is used to support the Agency’s issuer credit rating.

NOTE 11: RETIREMENT PLAN

The Agency established a defined contribution Retirement Plan, a Money Purchase Pension Plan (the “Retirement Plan”), effective October 1, 1982, covering all eligible Agency employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Agency does not have any current or post-retirement obligations toward the Retirement Plan.

The Agency amended the Retirement Plan effective August 10, 2002. Due to the amendment, future Agency contributions to the Retirement Plan ceased effective August 10, 2002. The amendment also provides that each participant and former participant with an account balance under the Retirement Plan as of such date shall be 100% vested in his or her account. Concurrent with the amendment, the Agency commenced participating in the Social Security and Medicare programs.

The Agency terminated the Money Purchase Pension Plan effective June 10, 2016. No participants were allowed to enter the plan after the effective date of Plan termination and there will be no benefit accruals after such date. Distributions were made to all participants and/or beneficiaries.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 11: RETIREMENT PLAN (Continued)

457 (b) Plan

The Agency established a, 457(b) deferred compensation plan (the “457(b) Plan”) for the benefit of its eligible employees effective October 1, 1997. The Plan was amended and changed recordkeepers effective October 1, 2015. The amended Plan allows for an employee match up to 7% of an employee’s salary on a five (5)- year vesting schedule.

NOTE 12: OTHER INCOME

The Agency’s other income for fiscal year 2016 is comprised of the following:

Description	General Fund	Single Family Program Funds				Multifamily Program Funds			Total
		1988				Multifamily (Conduit Bond) Program	Multifamily New Issue Bond Program	DC Building Finance Corporation Fund	
		1986, 1996 Single Family Whole Loan Program	Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Single Family New Issue Bond Program				
Project revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,875,423	\$ 494,552	\$ -	\$ 16,369,975
Financing fees	5,440,502	-	-	-	-	-	-	-	5,440,502
Annual Administration fees	5,345,157	-	-	-	-	-	-	-	5,345,157
Construction and development monitoring fees	1,789,643	-	-	-	-	-	-	-	1,789,643
Tax credit fees	1,049,289	-	-	-	-	-	-	-	1,049,289
Rental income	-	-	-	-	-	-	-	-	-
Legal fees	580,000	-	-	-	-	-	-	-	580,000
Mortgage servicing fees	155,140	-	-	-	-	-	-	-	155,140
MIP Risk Share Program	62,380	-	-	-	-	-	-	-	62,380
Other	1,192,318	-	-	-	32	-	-	-	1,192,350
Total	\$ 15,614,429	\$ -	\$ -	\$ -	\$ 32	\$ 15,875,423	\$ 494,552	\$ -	\$ 31,984,436

The Agency’s other income for fiscal year 2015 was comprised of the following:

Description	General Fund	Single Family Program Funds				Multifamily Program Funds			Total
		1988				Multifamily (Conduit Bond) Program	Multifamily New Issue Bond Program	DC Building Finance Corporation Fund	
		1986, 1996 Single Family Whole Loan Program	Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Single Family New Issue Bond Program				
Project revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,773,778	\$ 333,546	\$ -	\$ 7,107,324
Financing fees	3,283,000	-	-	-	-	-	-	-	3,283,000
Annual Administration fees	4,688,487	-	-	-	-	-	-	-	4,688,487
Construction and development monitoring fees	1,572,190	-	-	-	-	-	-	-	1,572,190
Tax credit fees	546,972	-	-	-	-	-	-	-	546,972
Rental income	-	-	-	-	-	-	-	109,779	109,779
Legal fees	367,500	-	-	-	-	-	-	-	367,500
Mortgage servicing fees	161,868	-	-	-	-	-	-	-	161,868
MIP Risk Share Program	63,119	-	-	-	-	-	-	-	63,119
Interest reduction payment subsidy	-	-	-	-	-	36,097	-	-	36,097
Other	23,487	-	-	-	-	-	-	-	23,487
Total	\$ 10,706,623	\$ -	\$ -	\$ -	\$ -	\$ 6,809,875	\$ 333,546	\$ 109,779	\$ 17,959,823

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 13: CONTINGENT LIABILITY

During the fiscal year ended September 30, 2014, former Executive Director of the Agency (“Plaintiff”) filed a civil action against the Agency asserting claims of breach of employment agreement and breach of implied covenant of good faith and fair dealing. Plaintiff seeks relief and requests \$1,000,000 in compensatory damages (in total), attorney fees and costs, and other just and proper relief as deemed by the court. The Agency is represented by the Office of Attorney General of the District of Columbia. The Agency filed its motion to dismiss both of Plaintiff’s claims. As of the date of these financial statements, the Agency is currently not certain as to when the judge will rule on the motion. The final fiscal impact of the case on the Agency is not determinable at this time.

NOTE 14: SUBSEQUENT EVENTS

The following subsequent events have occurred:

McKinney Act Loan Program:

- On October 27 2016, \$1,000,000 of District of Columbia Housing Finance Agency McKinney Act loan for Deanwood Hills was redeemed through prepayments.
- On October 27, 2016, \$16,830, 000 of District of Columbia Housing Finance Agency Multifamily Revenue Bonds, Series 2016 were issued in a draw-down mode to finance Deanwood Hills Apartments Project.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

Note 14: SUBSEQUENT EVENTS (Continued)

Multifamily (Conduit Bond) Program:

Between October 1, 2016 and December 22, 2016, the following multifamily mortgage revenue bonds were issued through draws on the draw down bonds:

<u>Series</u>	<u>Project Name</u>	<u>Draw Date(s)</u>	<u>New Issue Draw Amount</u>
2013 Series	Lofts at Capitol Quarter	10/1/2016 - 12/22/2016	\$ 1,867,343
2014 Series	Capital Commons	10/1/2016 - 12/22/2016	988,033
2014 Series	Dwelling	10/1/2016 - 12/22/2016	2,642,641
2014 Series A	7611 & 7701 Georgia Ave	10/1/2016 - 12/22/2016	195,880
2014 Series A	Grove at Parkside	10/1/2016 - 12/22/2016	2,163,883
2015 Series A	Brightwood Portfolio	10/1/2016 - 12/22/2016	544,752
2015 Series A&B	Square 50 West End	10/1/2016 - 12/22/2016	1,413,908
2015 Series	Atlantic Garden	10/1/2016 - 12/22/2016	3,065,307
2015 Series	Atlantic Terrace	10/1/2016 - 12/22/2016	5,338,541
2015 Series	Conway Center FA	10/1/2016 - 12/22/2016	1,039,181
2016 Series	Bowen Flats	10/1/2016 - 12/22/2016	30,000
2016 Series	St Stephens	10/1/2016 - 12/22/2016	1,061,249
2016 Series A	Archer Park	10/1/2016 - 12/22/2016	922,733
2016 Series	N Street Village	10/1/2016 - 12/22/2016	1,418,015
2016 Series	Plaza West	10/1/2016 - 12/22/2016	1,719,911
2016 Series	Homestead Apartments	10/1/2016 - 12/22/2016	1,295,388
2016 Series	Deanwood Hills	10/1/2016 - 12/22/2016	51,000
2016 Series	Parkchester Apartments	10/1/2016 - 12/22/2016	294,584
Total			\$ 26,052,349

Multifamily New Issuance Bond Program Redemptions and Maturities:

- Between October 1, 2016 and December 22, 2016, the following Multifamily NIBP mortgage revenue bonds redeemed.

<u>Series</u>	<u>Project Name</u>	<u>Redemption / Maturity Date</u>	<u>Principal Redeemed</u>
2009 Series A-1	Village at Chesapeake	10/1/2016-12/22/2016	\$ 80,000
2009 Series A-2	Fort Stevens	10/1/2016-12/22/2016	30,000
2009 Series A-3	Webster Gardens	10/1/2016-12/22/2016	20,000
Total			\$ 130,000

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
SEPTEMBER 30, 2016 AND 2015

NOTE 14: SUBSEQUENT EVENTS (CONTINUED)

Multifamily (Conduit Bond) Program, Redemptions and Maturities:

- Between October 1, 2016 and December 22, 2016, the following multifamily mortgage revenue bonds were redeemed or matured:

<u>Series</u>	<u>Project Name</u>	<u>Redemption / Maturity Date</u>	<u>Principal Redeemed</u>
2010 Series	Sheridan Station	10/1/2016-12/22/2016	\$ 8,629
2013 Series	Trinity Plaza	10/1/2016-12/22/2016	10,179
2007 Series	Georgia Avenue Apts	10/1/2016-12/22/2016	11,818
2008 Series A	Wheeler Terrace	10/1/2016-12/22/2016	13,494
2012 Series	Fairway Park	10/1/2016-12/22/2016	46,817
2008 Series	Henson RidgeUFAS	10/1/2016-12/22/2016	16,112
2007 Series A	R Street Apts	10/1/2016-12/22/2016	9,807
2008 Series	Pentacle	10/1/2016-12/22/2016	160,000
2007 Series	Parkside Terrace Apts	10/1/2016-12/22/2016	50,215
2006 Series	Azeeze Bates Apts	10/1/2016-12/22/2016	80,000
2006 Series	Cavalier Apts	10/1/2016-12/22/2016	11,315
2006 Series	Galen Terrace	10/1/2016-12/22/2016	7,440
2006 Series	Golden Rule Apts	10/1/2016-12/22/2016	65,000
2006 Series A	Southview I & II	10/1/2016-12/22/2016	17,618
2000 Series	Widrich CTS	10/1/2016-12/22/2016	46,882
2011 Series A-1	Victory Square	10/1/2016-12/22/2016	2,855
2011 Series A-1	The Heights	10/1/2016-12/22/2016	9,636
2012 Series A	Whitelaw Apartments	10/1/2016-12/22/2016	5,829
2012 Series	Bass Circle	10/1/2016-12/22/2016	10,415
2012 Series	SeVerna II	10/1/2016-12/22/2016	32,125
2013 Series A	Senior Housing	10/1/2016-12/22/2016	13,813
2013 Series	Some Scattered	10/1/2016-12/22/2016	12,490
2013 Series A	Sheridan Station	10/1/2016-12/22/2016	11,850
2014 Series A	Pass-Through Refunding	10/1/2016-12/22/2016	124,108
2014 Series	Edgewood Terrace	10/1/2016-12/22/2016	21,570,000
2014 Series B	7611 & 7701 Georgia Ave	10/1/2016-12/22/2016	910,000
2015 Series B	Brightwood Portfolio	10/1/2016-12/22/2016	2,810,676
2015 Series B	Ontario Court	10/1/2016-12/22/2016	1,947,000
Total			<u><u>\$ 28,016,123</u></u>

SUPPLEMENTAL INFORMATION

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENTS OF NET POSITION
SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR 2015)

ASSETS	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily (Conduit Bond) Program Fund	Multifamily NIBP Fund	2016	2015
CURRENT ASSETS							
Unrestricted current assets:							
Cash and cash equivalents	\$ 51,035,521	\$ -	\$ -	\$ -	\$ -	\$ 51,035,521	\$ 40,169,724
Mortgage and construction loans receivable	-	-	-	-	-	-	75,095
Other receivables	2,347,015	-	-	-	-	2,347,015	2,092,988
Accrued interest receivable	40,912	-	-	-	-	40,912	16,450
Prepaid expenses	197,294	-	-	-	-	197,294	144,508
Total unrestricted current assets	<u>53,620,742</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,620,742</u>	<u>42,498,765</u>
Restricted current assets:							
Cash and cash equivalents	15,078,944	3,916,723	519,258	112,152,152	18,623,616	150,290,693	158,284,283
Mortgage-backed securities at fair value	820,452	3,522,777	1,491,417	267,576	-	6,102,222	1,211,215
Mortgage and construction loans receivable	-	-	-	66,120,519	1,970,000	68,090,519	33,610,178
Accrued interest receivable	46,884	306,572	20,777	2,742,096	774,199	3,890,528	3,245,424
Total restricted current assets	<u>15,946,280</u>	<u>7,746,072</u>	<u>2,031,452</u>	<u>181,282,343</u>	<u>21,367,815</u>	<u>228,373,962</u>	<u>196,351,100</u>
TOTAL CURRENT ASSETS	<u>69,567,022</u>	<u>7,746,072</u>	<u>2,031,452</u>	<u>181,282,343</u>	<u>21,367,815</u>	<u>281,994,704</u>	<u>238,849,865</u>
NON-CURRENT ASSETS							
Unrestricted non-current assets:							
Investments	3,349,229	-	-	-	-	3,349,229	3,426,760
Mortgage and construction loans receivable	4,980,313	-	-	-	-	4,980,313	4,988,427
Due from (to) other funds	2,833,644	(2,684,066)	(149,578)	-	-	-	-
Total unrestricted non-current assets	<u>11,163,186</u>	<u>(2,684,066)</u>	<u>(149,578)</u>	<u>-</u>	<u>-</u>	<u>8,329,542</u>	<u>8,415,187</u>
Restricted non-current assets:							
Investments held in trust	-	10,950,748	-	40,055,269	-	51,006,017	15,040,254
Mortgage-backed securities at fair value	7,972,502	18,794,940	5,528,707	28,140,693	-	60,436,842	74,707,470
Mortgage and construction loans receivable	-	330,000	85,000	790,070,155	183,794,731	974,279,886	838,052,060
Loans receivable	-	-	-	1,967,711	-	1,967,711	2,143,605
McKinney Act loans receivable, net	2,982,470	-	-	-	-	2,982,470	1,738,603
Total restricted non-current assets	<u>10,954,972</u>	<u>30,075,688</u>	<u>5,613,707</u>	<u>860,233,828</u>	<u>183,794,731</u>	<u>1,090,672,926</u>	<u>931,681,992</u>
Capital assets:							
Land	573,000	-	-	-	-	573,000	573,000
Property and equipment	5,798,275	-	-	-	-	5,798,275	5,723,505
Less accumulated depreciation and amortization	(4,429,031)	-	-	-	-	(4,429,031)	(4,283,804)
Total capital assets, net	<u>1,942,244</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,942,244</u>	<u>2,012,701</u>
TOTAL NON-CURRENT ASSETS	<u>24,060,402</u>	<u>27,391,622</u>	<u>5,464,129</u>	<u>860,233,828</u>	<u>183,794,731</u>	<u>1,100,944,712</u>	<u>942,109,880</u>
TOTAL ASSETS	<u>93,627,424</u>	<u>35,137,694</u>	<u>7,495,581</u>	<u>1,041,516,171</u>	<u>205,162,546</u>	<u>1,382,939,416</u>	<u>1,180,959,745</u>
DEFERRED OUTFLOW OF RESOURCES							
Unamortized deferral on bond refundings	-	-	-	224,734	-	224,734	230,521
Total deferred outflow of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 224,734</u>	<u>\$ -</u>	<u>\$ 224,734</u>	<u>\$ 230,521</u>

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENTS OF NET POSITION - (CONTINUED)
SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR 2015)

LIABILITIES AND NET POSITION	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily (Conduit Bond) Program Fund	Multifamily NIBP Fund	2016	2015
CURRENT LIABILITIES							
Current liabilities payable from unrestricted assets:							
Accounts payable and accrued liabilities	\$ 625,272	\$ -	\$ -	\$ -	\$ -	\$ 625,272	\$ 513,174
Accrued salary and vacation payable	192,814	-	-	-	-	192,814	311,363
Prepaid fees	2,172,329	-	-	-	-	2,172,329	1,073,816
Total current liabilities payable from unrestricted assets	<u>2,990,415</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,990,415</u>	<u>1,898,353</u>
Current liabilities payable from restricted assets:							
Accounts payable and accrued liabilities	-	40,095	4,376	-	-	44,471	44,472
Project funds held for borrower and other liabilities	5,244,086	1,100,773	-	99,046,348	13,997,861	119,389,068	106,502,039
Interest payable	-	249,132	52,788	4,272,925	2,273,203	6,848,048	6,570,677
Current portion of loans payable	8,234,840	-	-	-	-	8,234,840	9,037,412
Current portion of bonds payable	-	475,000	180,000	66,183,250	1,970,000	68,808,250	34,674,393
Total current liabilities payable from restricted assets	<u>13,478,926</u>	<u>1,865,000</u>	<u>237,164</u>	<u>169,502,523</u>	<u>18,241,064</u>	<u>203,324,677</u>	<u>156,828,993</u>
Total current liabilities	<u>16,469,341</u>	<u>1,865,000</u>	<u>237,164</u>	<u>169,502,523</u>	<u>18,241,064</u>	<u>206,315,092</u>	<u>158,727,346</u>
NON-CURRENT LIABILITIES							
Non-current liabilities payable from restricted assets:							
Bonds payable—less current portion	-	14,978,693	6,180,000	864,949,525	186,005,000	1,072,113,218	925,341,022
Total non-current liabilities payable from restricted assets	<u>-</u>	<u>14,978,693</u>	<u>6,180,000</u>	<u>864,949,525</u>	<u>186,005,000</u>	<u>1,072,113,218</u>	<u>925,341,022</u>
TOTAL LIABILITIES	<u>16,469,341</u>	<u>16,843,693</u>	<u>6,417,164</u>	<u>1,034,452,048</u>	<u>204,246,064</u>	<u>1,278,428,310</u>	<u>1,084,068,368</u>
NET POSITION							
Net invested in capital assets	1,942,244	-	-	-	-	1,942,244	2,012,701
Restricted for:							
Bond fund, collateral and Risk Share Program	2,566,864	18,294,001	1,078,417	7,288,857	916,482	30,144,621	32,659,022
McKinney Act Fund	5,863,116	-	-	-	-	5,863,116	7,900,345
Total restricted net position	<u>8,429,980</u>	<u>18,294,001</u>	<u>1,078,417</u>	<u>7,288,857</u>	<u>916,482</u>	<u>36,007,737</u>	<u>40,559,367</u>
Unrestricted net position	66,785,859	-	-	-	-	66,785,859	54,549,830
TOTAL NET POSITION	<u>77,158,083</u>	<u>18,294,001</u>	<u>1,078,417</u>	<u>7,288,857</u>	<u>916,482</u>	<u>104,735,840</u>	<u>97,121,898</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 93,627,424</u>	<u>\$ 35,137,694</u>	<u>\$ 7,495,581</u>	<u>\$ 1,041,740,905</u>	<u>\$ 205,162,546</u>	<u>\$ 1,383,164,150</u>	<u>\$ 1,181,190,266</u>

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR 2015)

	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily (Conduit Bond) Program Fund	Multifamily NIBP Fund	2016	2015
OPERATING REVENUES							
Investment interest income	\$ 357,469	\$ 686,277	\$ 41	\$ 175,914	\$ 14,091	\$ 1,233,792	\$ 1,143,975
Mortgage-backed security interest income	395,585	1,216,689	212,827	1,475,200	-	3,300,301	4,214,679
Interest on mortgage and construction loans	3,883	-	-	30,109,515	7,182,798	37,296,196	31,573,895
McKinney Act interest revenue	95,437	-	-	-	-	95,437	234,088
Application and commitment fees	199,648	-	-	-	-	199,648	288,762
Other	15,614,429	-	32	15,875,423	494,552	31,984,436	17,959,823
Total operating revenues	<u>16,666,451</u>	<u>1,902,966</u>	<u>212,900</u>	<u>47,636,052</u>	<u>7,691,441</u>	<u>74,109,810</u>	<u>55,415,222</u>
OPERATING EXPENSES							
General and administrative	1,778,917	\$ 23,116	19,569	15,013,502	696,533	17,531,637	10,244,470
Personnel and related costs	4,702,746	-	-	-	-	4,702,746	4,350,260
Interest expense	-	828,360	141,600	30,027,258	7,088,603	38,085,821	32,846,970
Depreciation and amortization	145,227	-	-	-	-	145,227	212,737
Trustee fees and other expenses	75,591	62,528	2,750	2,450,720	56,125	2,647,713	908,154
Total operating expenses	<u>6,702,481</u>	<u>914,004</u>	<u>163,919</u>	<u>47,491,480</u>	<u>7,841,261</u>	<u>63,113,145</u>	<u>48,562,591</u>
OPERATING INCOME (LOSS)	<u>9,963,970</u>	<u>988,962</u>	<u>48,981</u>	<u>144,572</u>	<u>(149,820)</u>	<u>10,996,665</u>	<u>6,852,631</u>
NON-OPERATING REVENUES/EXPENSES							
(Decrease) / Increase in fair value of mortgage-backed securities	(124,579)	(186,463)	(29,705)	(3,041,976)	-	(3,382,723)	(522,583)
Transfers of funds, net	301,790	-	-	(301,790)	-	-	-
CHANGE IN NET POSITION	10,141,181	802,499	19,276	(3,199,194)	(149,820)	7,613,942	6,330,048
Net position, beginning of year, as previously stated	67,016,902	17,491,502	1,059,141	10,488,051	1,066,302	97,121,898	90,791,850
Net position, end of year	<u>\$ 77,158,083</u>	<u>\$ 18,294,001</u>	<u>\$ 1,078,417</u>	<u>7,288,857</u>	<u>\$ 916,482</u>	<u>\$ 104,735,840</u>	<u>\$ 97,121,898</u>

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENT OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR 2015)

	<u>General Fund</u>	<u>Single Family Program Fund</u>	<u>Single Family NIBP Fund</u>	<u>Multifamily (Conduit Bond) Program Fund</u>	<u>Multifamily NIBP Fund</u>	<u>2016</u>	<u>2015</u>
Cash Flows From Operating Activities:							
Interest received on loans	\$ 463,168	\$ -	\$ -	\$ 29,406,232	\$ 7,329,531	37,198,931	\$ 32,341,934
Other cash receipts	12,584,690	-	-	117,199,423	1,152,587	130,936,700	111,577,026
Payments to vendors	(713,263)	(48,446)	-	(17,492,522)	(752,658)	(19,006,889)	(10,348,668)
Payments to employees	(4,823,996)	-	-	-	-	(4,823,996)	(4,323,725)
Net mortgage and construction loans principal (disbursements) / receipts	(1,119,270)	20,000	10,000	(172,771,529)	2,209,255	(171,651,544)	(172,483,358)
Principal and interest received on mortgage-backed securities	64,695,180	4,981,824	1,449,426	1,742,776	-	72,869,206	120,000,052
Payment for the purchase of mortgage-backed securities	(63,948,116)	(283,210)	-	-	-	(64,231,326)	(84,256,364)
Other cash payments	3,691,620	(33,733)	(162,441)	(88,799,261)	(151,059)	(85,454,873)	(49,791,827)
Net cash provided by operating activities	10,830,013	4,636,435	1,296,985	(130,714,881)	9,787,656	(104,163,792)	(57,284,930)
Cash Flows from Capital and Related Financing Activities							
Acquisition of fixed assets	(87,912)	-	-	-	-	(87,912)	(196,261)
Payments of bonds and long-term debt	-	-	-	-	-	-	(650,000)
Net cash used in capital and related financing activities	(87,912)	-	-	-	-	(87,912)	(846,261)
Cash Flows From Non-Capital Financing Activities							
Interest paid on bonds and loans	(90,228)	(968,931)	195,029	(30,614,913)	(7,113,898)	(38,592,941)	(33,455,936)
Transfer (to) from other funds	301,790	-	-	(301,790)	-	-	-
Proceeds from bond issuances and loans	24,314	-	-	279,667,773	66,782	279,758,869	229,172,100
Principal payments on issued debt and loans	(826,916)	(6,075,000)	(1,970,000)	(88,168,739)	(2,401,782)	(99,442,437)	(75,190,029)
Net cash provided by / (used in) non-capital financing activities	(591,040)	(7,043,931)	(1,774,971)	160,582,331	(9,448,898)	141,723,491	120,526,135
Cash Flows From Investing Activities							
Interest received on investments	361,484	708,542	42	185,388	12,899	1,268,355	1,172,344
Sale of investments	734,336	2,900,189	-	2,985,936	-	6,620,461	33,824,242
Purchase of investments	(636,508)	(1,629,104)	-	(40,222,784)	-	(42,488,396)	(24,347,551)
Net cash provided by investing activities	459,312	1,979,627	42	(37,051,460)	12,899	(34,599,580)	10,649,035
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	10,610,373	(427,869)	(477,944)	(7,184,010)	351,657	2,872,207	73,043,979
Cash and cash equivalents, beginning of year	55,504,092	4,344,593	997,202	119,336,162	18,271,959	198,454,007	125,410,028
Cash and cash equivalents, end of year	\$ 66,114,465	\$ 3,916,724	\$ 519,258	\$ 112,152,152	\$ 18,623,617	201,326,214	\$ 198,454,007

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
YEARS ENDED SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR 2015)

	<u>General Fund</u>	<u>Single Family Program Fund</u>	<u>Single Family NIBP Fund</u>	<u>Multi-Family (Conduit Bond) Program Fund</u>	<u>Multifamily NIBP Fund</u>	<u>2016</u>	<u>2015</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities							
Operating income (loss)	\$ 9,963,970	\$ 988,962	\$ 48,981	\$ 144,572	\$ (149,820)	\$ 10,996,665	\$ 6,852,631
Depreciation and amortization	145,227	-	-	-	-	145,227	212,737
Amortization of prepaid items, premiums and discounts on debt	(1,574,979)	(39,825)	-	(377,783)	(43,125)	(2,035,712)	(1,796,410)
Interest on bonds/loans	90,228	968,931	(195,029)	30,614,913	7,113,898	38,592,941	33,455,937
Amortization of premium on investments	17,401	-	-	-	-	17,401	31,135
Provision for uncollectible interest revenue	(37,718)	-	-	-	-	(37,718)	256,095
Contingent loss expense	1,708,934	-	-	-	-	1,708,934	1,765,858
Decrease (increase) in mortgage and construction loans	(1,327,075)	20,000	10,000	(172,947,444)	2,195,164	(172,049,355)	(172,373,113)
Decrease in mortgage-backed securities	809,441	3,752,556	1,450,533	267,576	-	6,280,106	38,740,235
Purchases of mortgage-backed securities	(18,917)	(283,210)	-	-	-	(302,127)	(9,410,543)
Decrease (increase) in fair value of investments	(20,297)	-	-	-	-	(20,297)	(10,517)
Interest received on investments	(361,484)	(708,542)	(42)	(185,388)	(12,899)	(1,268,355)	(1,172,344)
Decrease (increase) in assets:							
Accrued interest receivable	(28,958)	38,309	(1,106)	(434,939)	200,675	(226,019)	556,968
Other current assets	(52,786)	-	-	-	-	(52,786)	8,366
Other receivables	(254,027)	-	-	-	-	(254,027)	987,308
Increase (decrease) in liabilities:							
Accounts payables and accrued liabilities	78,419	-	-	-	-	78,419	(247,374)
Prepaid items	1,098,513	-	-	-	-	1,098,513	77,390
Project funds held for borrower and other liabilities	594,121	-	-	11,783,433	509,474	12,887,028	44,993,032
Accrued interest payable	-	(100,746)	(16,352)	420,179	(25,711)	277,370	(212,321)
Net cash provided by operating activities	<u>\$ 10,830,013</u>	<u>\$ 4,636,435</u>	<u>\$ 1,296,985</u>	<u>\$ (130,714,881)</u>	<u>\$ 9,787,656</u>	<u>\$ (104,163,792)</u>	<u>\$ (57,284,930)</u>

See Accompanying Independent Auditor's Report.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND
SEPTEMBER 30, 2016 AND 2015

1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2016

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Money Market Funds	\$ 2,722,916	\$ 2,722,916	\$ 2,722,916	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>2,722,916</u>	<u>2,722,916</u>	<u>2,722,916</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Investment Agreements	10,000,000	10,000,000	-	-	10,000,000	-	-
Total Investments	<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	674,407	695,263	-	695,263	-	-	-
Total Mortgage-Backed Securities	<u>674,407</u>	<u>695,263</u>	<u>-</u>	<u>695,263</u>	<u>-</u>	<u>-</u>	<u>-</u>
1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	\$ 13,397,323	\$ 13,418,179	\$ 2,722,916	\$ 695,263	\$ 10,000,000	\$ -	\$ -

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2015

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Money Market Funds	\$ 2,141,369	\$ 2,141,369	\$ 2,141,369	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>2,141,369</u>	<u>2,141,369</u>	<u>2,141,369</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Investment Agreements	10,000,000	10,000,000	-	-	-	10,000,000	-
Total Investments	<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000,000</u>	<u>-</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	914,841	953,373	-	898,016	55,357	-	-
Total Mortgage-Backed Securities	<u>914,841</u>	<u>953,373</u>	<u>-</u>	<u>898,016</u>	<u>55,357</u>	<u>-</u>	<u>-</u>
1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	\$ 13,056,210	\$ 13,094,742	\$ 2,141,369	\$ 898,016	\$ 55,357	\$ 10,000,000	\$ -

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

1996 Single Family Mortgage Revenue Bonds as of September 30, 2016

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Money Market Funds	\$ 1,193,807	\$ 1,193,807	\$ 1,193,807	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>1,193,807</u>	<u>1,193,807</u>	<u>1,193,807</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Investment Agreements	950,748	950,748	-	-	-	-	950,748
Total Investments	<u>950,748</u>	<u>950,748</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>950,748</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	6,373,444	7,097,347	-	217,040	2,624,070	945,749	3,310,488
Fannie Mae	4,888,131	5,374,262	-	-	157,214	-	5,217,048
Freddie Mac	8,069,893	9,150,845	-	-	-	-	9,150,845
Total Mortgage-Backed Securities	<u>19,331,468</u>	<u>21,622,454</u>	<u>-</u>	<u>217,040</u>	<u>2,781,284</u>	<u>945,749</u>	<u>17,678,381</u>
1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	\$ 21,476,023	\$ 23,767,009	\$ 1,193,807	\$ 217,040	\$ 2,781,284	\$ 945,749	\$ 18,629,129

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

1996 Single Family Mortgage Revenue Bonds as of September 30, 2015

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Money Market Funds	\$ 2,203,225	\$ 2,203,225	\$ 2,203,225	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>2,203,225</u>	<u>2,203,225</u>	<u>2,203,225</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Investment Agreements	2,221,833	2,221,833	-	-	-	-	2,221,833
Total Investments	<u>2,221,833</u>	<u>2,221,833</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,221,833</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	7,893,471	8,717,782	-	162,467	2,685,503	1,029,001	4,840,811
Fannie Mae	5,571,779	6,108,913	-	-	57,544	111,557	5,939,812
Freddie Mac	9,095,130	10,193,460	-	-	-	-	10,193,460
Total Mortgage-Backed Securities	<u>22,560,380</u>	<u>25,020,155</u>	<u>-</u>	<u>162,467</u>	<u>2,743,047</u>	<u>1,140,558</u>	<u>20,974,083</u>
1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	\$ 26,985,438	\$ 29,445,213	\$ 2,203,225	\$ 162,467	\$ 2,743,047	\$ 1,140,558	\$ 23,195,916

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Single Family NIB Program as of September 30, 2016

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Money Market Funds	\$ 519,258	\$ 519,258	\$ 519,258	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>519,258</u>	<u>519,258</u>	<u>519,258</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	5,357,220	5,729,869	-	-	-	-	5,729,869
Fannie Mae	1,202,730	1,290,255	-	-	-	-	1,290,255
Total Mortgage-Backed Securities	<u>6,559,950</u>	<u>7,020,124</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,020,124</u>
Single Family NIB Program Total							
Cash and Mortgage-Backed Securities	\$ 7,079,208	\$ 7,539,382	\$ 519,258	\$ -	\$ -	\$ -	\$ 7,020,124

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Single Family NIB Program as of September 30, 2015

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Money Market Funds	\$ 997,202	\$ 997,202	\$ 997,202	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	997,202	997,202	997,202	-	-	-	-
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	6,702,058	7,086,425	-	-	-	-	7,086,425
Fannie Mae	1,308,425	1,413,936	-	-	-	-	1,413,936
Total Mortgage-Backed Securities	8,010,483	8,500,361	-	-	-	-	8,500,361
Single Family NIB Program Total Cash and Mortgage-Backed Securities	\$ 9,007,685	\$ 9,497,563	\$ 997,202	\$ -	\$ -	\$ -	\$ 8,500,361

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Multifamily NIB Program as of September 30, 2016

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Demand Money Market Deposits	\$ 18,623,611	\$ 18,623,611	\$ 18,623,611	\$ -	\$ -	\$ -	\$ -
Money Market Funds	5	5	5	-	-	-	-
Commercial Papers	-	-	-	-	-	-	-
Total Cash and Cash Equivalents	18,623,616	18,623,616	18,623,616	-	-	-	-
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	-	-	-	-	-	-	-
Total Mortgage-Backed Securities	-	-	-	-	-	-	-
Multifamily NIB Program Total Cash, Investments and Mortgage-backed Securities	\$ 18,623,616	\$ 18,623,616	\$ 18,623,616	\$ -	\$ -	\$ -	\$ -

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Multifamily NIB Program as of September 30, 2015

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Demand Money Market Deposits	\$ 18,271,959	\$ 18,271,959	\$ 18,271,959	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	18,271,959	18,271,959	18,271,959	-	-	-	-
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	-	-	-	-	-	-	-
Total Mortgage-Backed Securities	-	-	-	-	-	-	-
Multifamily NIB Program Total Cash, Investments and Mortgage-backed Securities	\$ 18,271,959	\$ 18,271,959	\$ 18,271,959	\$ -	\$ -	\$ -	\$ -

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Multifamily (Conduit Bond) Program as of September 30, 2016

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 13,444,872	\$ 13,444,872	\$ 13,444,872	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	83,644,867	83,644,867	83,644,867	-	-	-	-
Money Market Funds	15,062,413	15,062,413	15,062,413	-	-	-	-
Total Cash and Cash Equivalents	112,152,152	112,152,152	112,152,152	-	-	-	-
<u>Investments</u>							
Commercial Papers	-	-	-	-	-	-	-
US Treasury Obligations	38,077,002	37,935,082	-	37,935,082	-	-	-
Investment Agreements	2,120,187	2,120,187	-	12	-	-	2,120,175
Total Investments	40,197,189	40,055,269	-	37,935,094	-	-	2,120,175
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	26,908,822	28,408,269	-	-	-	-	28,408,269
Total Mortgage-Backed Securities	26,908,822	28,408,269	-	-	-	-	28,408,269
Multifamily (Conduit Bond) Program							
Total Cash, Investments and Mortgage-Backed Securities	\$ 179,258,163	\$ 180,615,690	\$ 112,152,152	\$ 37,935,094	\$ -	\$ -	\$ 30,528,444

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Multifamily (Conduit Bond) Program as of September 30, 2015

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 60,589	\$ 60,589	\$ 60,589	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	93,842,074	93,842,074	93,842,074	-	-	-	-
Money Market Funds	25,433,499	25,433,499	25,433,499	-	-	-	-
Total Cash and Cash Equivalents	119,336,162	119,336,162	119,336,162	-	-	-	-
<u>Investments</u>							
Investment Agreements	2,818,421	2,818,421	629,476	-	-	-	2,188,945
Total Investments	2,818,421	2,818,421	629,476	-	-	-	2,188,945
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	27,176,398	31,717,823	-	-	-	-	31,717,823
Total Mortgage-Backed Securities	27,176,398	31,717,823	-	-	-	-	31,717,823
Multifamily (Conduit Bond) Program Total Cash, Investments and Mortgage-Backed Securities	\$ 149,330,981	\$ 153,872,406	\$ 119,965,638	\$ -	\$ -	\$ -	\$ 33,906,768

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Combined Revenue Obligation Funds and General Fund as of September 30, 2016

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 20,142,228	\$ 20,142,228	\$ 20,142,228	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	161,685,587	161,685,587	161,685,587	-	-	-	-
Money Market Funds	19,498,399	19,498,399	19,498,399	-	-	-	-
Commercial Papers	-	-	-	-	-	-	-
Total Cash and Cash Equivalents	201,326,214	201,326,214	201,326,214	-	-	-	-
<u>Investments</u>							
U.S. Treasury Obligations	38,077,002	37,935,082	-	37,935,082	-	-	-
Investment Agreements	13,070,935	13,070,935	-	12	10,000,000	-	3,070,923
Corporate Obligations	2,812,900	2,823,913	-	2,610,675	213,238	-	-
GSE Obligations	530,851	525,316	-	525,316	-	-	-
Total Investments	54,491,688	54,355,246	-	41,071,085	10,213,238	-	3,070,923
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	41,349,052	44,096,308	-	912,302	2,624,070	945,749	39,614,187
Fannie Mae	12,273,887	13,291,911	-	-	157,214	-	13,134,696
Freddie Mac	8,069,893	9,150,845	-	-	-	-	9,150,845
Total Mortgage-Backed Securities	61,692,832	66,539,064	-	912,302	2,781,284	945,749	61,899,728
Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	\$ 317,510,734	\$ 322,220,524	\$ 201,326,214	\$ 41,983,387	\$ 12,994,522	\$ 945,749	\$ 64,970,651

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Combined Revenue Obligation Funds and General Fund as of September 30, 2015

<u>Asset</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Maturities (in years)</u>				
			<u>Less than 1</u>	<u>From 1 Up To 5</u>	<u>From 5 Up To 10</u>	<u>From 10 Up To 15</u>	<u>15 and More</u>
<u>Cash and Cash Equivalents</u>							
Non-Money Market Deposits	\$ 5,858,794	\$ 5,858,794	\$ 5,858,794	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	161,819,920	161,819,920	161,819,920	-	-	-	-
Money Market Funds	30,775,294	30,775,294	30,775,294	-	-	-	-
Total Cash and Cash Equivalents	198,454,008	198,454,008	198,454,008	-	-	-	-
<u>Investments</u>							
U.S. Treasury Obligations	150,093	150,117	150,117	-	-	-	-
Investment Agreements	15,040,254	15,040,254	629,476	-	-	10,000,000	4,410,778
Corporate Obligations	2,364,269	2,370,886	489,932	1,880,954	-	-	-
GSE Obligations	903,231	905,757	376,949	528,808	-	-	-
Total Investments	18,457,847	18,467,014	1,646,474	2,409,762	-	10,000,000	4,410,778
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	44,741,656	50,667,357	-	1,060,483	2,740,860	1,029,001	45,837,013
Fannie Mae	13,852,941	15,057,868	-	-	57,544	111,557	14,888,767
Freddie Mac	9,095,130	10,193,460	-	-	-	-	10,193,460
Total Mortgage-Backed Securities	67,689,727	75,918,685	-	1,060,483	2,798,404	1,140,558	70,919,240
Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	\$ 284,601,582	\$ 292,839,707	\$ 200,100,482	\$ 3,470,245	\$ 2,798,404	\$ 11,140,558	\$ 75,330,018

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2016

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Money Market Funds	\$ 2,722,916	20.3%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>2,722,916</u>	<u>20.3%</u>			
<u>Investments</u>					
Investment Agreements	10,000,000	74.5%	NR	Moody's	
Total Investments	<u>10,000,000</u>	<u>74.5%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	695,263	5.2%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>695,263</u>	<u>5.2%</u>			
1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	<u>\$ 13,418,179</u>	<u>100.0%</u>			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2015

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Money Market Funds	\$ 2,141,369	16.3%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>2,141,369</u>	<u>16.3%</u>			
<u>Investments</u>					
Investment Agreements	10,000,000	76.4%	A1	Moody's	
Total Investments	<u>10,000,000</u>	<u>76.4%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	953,373	7.3%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>953,373</u>	<u>7.3%</u>			
1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	<u><u>\$ 13,094,742</u></u>	<u><u>100.0%</u></u>			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

1996 Single Family Mortgage Revenue Bonds as of September 30, 2016

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Money Market Funds	\$ 1,193,807	5.0%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	1,193,807	5.0%			
<u>Investments</u>					
Investment Agreements	950,748	4.0%	A1	Moody's	
Total Investments	950,748	4.0%			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	7,097,347	29.9%	Aaa	Moody's	
Fannie Mae	5,374,262	22.6%	Aaa	Moody's	
Freddie Mac	9,150,845	38.5%	Aaa	Moody's	
Total Mortgage-Backed Securities	21,622,454	91.0%			
1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	\$ 23,767,009	100.0%			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

1996 Single Family Mortgage Revenue Bonds as of September 30, 2015

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Money Market Funds	\$ 2,203,225	7.5%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>2,203,225</u>	<u>7.5%</u>			
<u>Investments</u>					
Investment Agreements	2,221,833	7.5%	A1	Moody's	
Total Investments	<u>2,221,833</u>	<u>7.5%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	8,717,782	29.6%	Aaa	Moody's	
Fannie Mae	6,108,913	20.7%	Aaa	Moody's	
Freddie Mac	10,193,460	34.7%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>25,020,155</u>	<u>85.0%</u>			
1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	\$ <u>29,445,213</u>	<u>100.0%</u>			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Single Family NIB Program as of September 30, 2016

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Money Market Funds	\$ 519,258	6.9%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>519,258</u>	<u>6.9%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	5,729,869	76.0%	Aaa	Moody's	
Fannie Mae	1,290,255	17.1%			
Total Mortgage-Backed Securities	<u>7,020,124</u>	<u>93.1%</u>			
Single Family NIB Program Total Cash and Mortgage-Backed Securities	<u><u>\$ 7,539,382</u></u>	<u><u>100.0%</u></u>			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Single Family NIB Program as of September 30, 2015

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Money Market Funds	\$ 997,202	10.5%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>997,202</u>	<u>10.5%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	7,086,426	74.6%	Aaa	Moody's	
Fannie Mae	1,413,936	14.9%			
Total Mortgage-Backed Securities	<u>8,500,362</u>	<u>89.5%</u>			
Single Family NIB Program Total Cash and Mortgage-Backed Securities	<u><u>\$ 9,497,564</u></u>	<u><u>100.0%</u></u>			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Multifamily NIB Program as of September 30, 2016

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Demand Money Market Deposit	\$ 18,623,611	100.0%	P-1	Moody's	Uncollateralized, Uninsured
Money Market Funds	5	0.0%	AAAm	S&P	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	18,623,616	100.0%			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	-	0.0%	Aaa	Moody's	
Total Mortgage-Backed Securities	-	0.0%			
Multifamily NIB Program Total Cash and Mortgage-Backed Securities	\$ 18,623,616	100.0%			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Multifamily NIB Program as of September 30, 2015

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Demand Money Market Deposit	\$ 18,271,959	100.0%	P-1	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>18,271,959</u>	<u>100.0%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	-	0.0%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>-</u>	<u>0.0%</u>			
Multifamily NIB Program Total Cash and Mortgage-Backed Securities	<u>\$ 18,271,959</u>	<u>100.0%</u>			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Multifamily (Conduit Bond) Program as of September 30, 2016

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 13,444,872	7.4%	Not Rated		Uncollateralized, Uninsured
Demand Money Market deposit	83,644,867	46.4%	P-1	Moody's	Uncollateralized, Uninsured
Money Market Funds	15,062,413	8.3%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>112,152,152</u>	<u>62.1%</u>			
<u>Investments</u>					
Commercial Papers	-	0.0%			
U.S. Treasury Obligations	37,935,082	21.0%	Aaa	Moody's	
Investment Agreements	1,785,839	1.0%	A1	Moody's	
Investment Agreements	334,330	0.2%	A3	Moody's	
Investment Agreements	18	0.0%	Not Rated		
Total Investments	<u>40,055,269</u>	<u>22.2%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	28,408,269	15.7%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>28,408,269</u>	<u>15.7%</u>			
Multifamily (Conduit Bond) Program					
Total Cash, Investments and Mortgage-Backed Securities	<u>\$ 180,615,690</u>	<u>100.0%</u>			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Multifamily (Conduit Bond) Program as of September 30, 2015

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 60,589	0.0%	Not Rated		Uncollateralized, Uninsured
Demand Money Market deposit	93,842,074	61.0%	P-1	Moody's	Uncollateralized, Uninsured
Money Market Funds	25,433,498	16.5%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>119,336,161</u>	<u>77.5%</u>			
<u>Investments</u>					
Investment Agreements	1,853,906	1.2%	A1	Moody's	
Investment Agreements	964,495	0.6%	A3	Moody's	
Investment Agreements	20	0.0%	Not Rated		
Total Investments	<u>2,818,421</u>	<u>1.8%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	31,717,823	20.7%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>31,717,823</u>	<u>20.7%</u>			
Multifamily (Conduit Bond) Program					
Total Cash, Investments and Mortgage-Backed Securities	\$ 153,872,405	100.0%			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Combined Revenue Obligation Funds and General Fund as of September 30, 2016

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 1,437,952	0.4%	Not Rated		Federal Reserve-Held Aaa Collateral
Non-Money Market Deposits	5,259,404	1.6%	Not Rated		Third Party-Held Aaa Collateral
Non-Money Market Deposits	13,444,872	4.2%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposits	56,739,446	17.6%	Not Rated		Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	104,946,141	32.6%	P-1	Moody's	
Money Market Funds	19,498,399	6.1%	Aaa-mf	Moody's	
Total Cash and Cash Equivalents	201,326,214	62.5%			
<u>Investments</u>					
U.S. Treasury Obligations	37,935,082	11.8%	Aaa	Moody's	
Corporate Obligations	312,618	0.1%	Aa1	Moody's	
Corporate Obligations	335,472	0.1%	Aa2	Moody's	
Corporate Obligations	301,868	0.1%	Aa3	Moody's	
Corporate Obligations	981,074	0.3%	A1	Moody's	
Corporate Obligations	584,465	0.2%	A2	Moody's	
Corporate Obligations	308,415	0.1%	A3	Moody's	
GSE Obligations	525,316	0.2%	Aaa	Moody's	
Investment Agreements	12,736,605	4.0%	A1	Moody's	
Investment Agreements	334,330	0.1%	A3	Moody's	
Total Investments	54,355,245	16.9%			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	44,096,310	13.7%	Aaa	Moody's	
Fannie Mae	13,291,910	4.1%	Aaa	Moody's	
Freddie Mac	9,150,845	2.8%	Aaa	Moody's	
Total Mortgage-Backed Securities	66,539,065	20.6%			
Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities					
	\$ 322,220,524	100.0%			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2016 AND 2015

Combined Revenue Obligation Funds and General Fund as of September 30, 2015

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>	<u>Credit Rating</u>	<u>Rating Agency</u>	<u>Underlying Securities Credit Rating / Supporting Collateral</u>
<u>Cash and Cash Equivalents</u>					
Non-Money Market Deposits	\$ 538,801	0.2%	Not Rated		Federal Reserve-Held Aaa Collateral
Non-Money Market Deposits	5,259,404	1.8%	Not Rated		Third Party-Held Aaa Collateral
Non-Money Market Deposits	60,589	0.0%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposits	48,514,925	16.5%	Not Rated		Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	113,304,996	38.7%	P-1	Moody's	
Money Market Funds	30,775,293	10.5%	Aaa-mf	Moody's	
Total Cash and Cash Equivalents	198,454,008	67.7%			
<u>Investments</u>					
U.S. Treasury Obligations	150,117	0.1%	Aaa	Moody's	
Corporate Obligations	205,960	0.1%	Aa1	Moody's	
Corporate Obligations	440,433	0.2%	Aa2	Moody's	
Corporate Obligations	301,340	0.1%	Aa3	Moody's	
Corporate Obligations	602,983	0.2%	A1	Moody's	
Corporate Obligations	456,498	0.2%	A2	Moody's	
Corporate Obligations	162,469	0.1%	A3	Moody's	
Corporate Obligations	201,203	0.1%	Baa1	Moody's	
GSE Obligations	905,757	0.3%	Aaa	Moody's	
Investment Agreements	14,075,739	4.8%	A1	Moody's	
Investment Agreements	964,495	0.3%	A3	Moody's	
Investment Agreements	20	0.0%	Not Rated		
Total Investments	18,467,014	6.5%			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	50,667,357	17.2%	Aaa	Moody's	
Fannie Mae	15,057,868	5.1%	Aaa	Moody's	
Freddie Mac	10,193,460	3.5%	Aaa	Moody's	
Total Mortgage-Backed Securities	75,918,685	25.8%			
Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	\$ 292,839,707	100.0%			

See Accompanying Independent Auditor's Report.