



**District of Columbia
Housing Finance Agency**

Financial Statements With
Independent Auditor's Report
Years Ended September 30, 2015 and 2014



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**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT
YEARS ENDED SEPTEMBER 30, 2015 AND 2014**

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Independent Auditor's Report

Board of Directors
District of Columbia Housing Finance Agency

Report on the Financial Statements

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, 2015 and 2014, 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 of 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, 2015 and 2014, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 11 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 supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted principally 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 basic financial statements as a whole. The accompanying 2015 and 2014 supplemental information on pages 65 through 95 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 basic financial statements as a whole.



Baltimore, Maryland
January 15, 2016

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015 AND 2014

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, 2015 and 2014. 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, Multifamily (Conduit Bond) Program and DC Building Finance Corporation. These funds are used to account for bond proceeds, revenue and debt service and bond administration expenses related to single family mortgage revenue bonds, multifamily housing revenue bonds and certificates of participation of the District of Columbia Building Finance Corporation. On May 1, 2015 Certificates of Participation of the District of Columbia Building Finance Corporation were redeemed and the District of Columbia Building Finance Corporation Fund was closed out.

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 - CONTINUED
SEPTEMBER 30, 2015 AND 2014

Financial Highlights for the Year Ended September 30, 2015, and Comparative Financial Highlights for the Years Ended September 30, 2014 and 2013

Significant Macroeconomic Factors and Program Updates

The Agency's total debt portfolio increased by \$153.28 million from \$813.44 million in fiscal year 2014 to \$966.72 million in fiscal year 2015, reversing the downward trend from fiscal year 2012 to fiscal year 2014. In fiscal year 2014, the portfolio decreased from \$838.72 million at the beginning of the year to \$813.44 million at year end, and in fiscal year 2013 the portfolio underwent a net decrease of \$30.44 million, when the debt portfolio decreased from \$869.16 million to \$838.72 million. The total amount of bonds issued during fiscal year 2015 was \$220.80 million, comprised completely of multifamily project issuance, compared to \$130.46 million in total new multifamily bond issuance in fiscal year 2014. In fiscal year 2013, total debt issuance was \$118.28 million.

During fiscal year 2010, the Agency secured two committed credit lines with the PNC Bank, National Association ("PNC Bank"), in the total amount of \$53.00 million: one for two years for \$3.00 million to be used for acquiring ownership of and making improvements to the Agency's headquarters building; the other for one year for \$50.00 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 2011, the Agency and PNC Bank modified the \$50.00 million credit line by reducing it to \$25.00 million. In fiscal year 2013, the same credit line was further modified to reduce its size down to \$15.00 million. The term of both credit lines was extended in 2014 to March of 2015. The \$3.00 million credit line was not extended in March of 2015 and the \$15.00 million credit line was extended in 2015 to March of 2016. 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, 2015, the outstanding balance on the PNC credit line was \$9,037,412. The Agency plans to use this credit line 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 single family mortgage revenue bonds at a future date. The Agency intends to continue to maintain access to the PNC credit line for any 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.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
SEPTEMBER 30, 2015 AND 2014

During fiscal year 2013 the Agency implemented a GASB Statement No. 65 *Items Previously Reported as Assets and Liabilities*. 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 years ended September 30, 2014 and September 30, 2015.

Financial Statement Analysis

The following information is an analysis of the Agency's financial statements for the year ended September 30, 2015, compared to the financial statements for the years ended September 30, 2014 and 2013.

	<u>2015</u>	<u>Net Change</u>	<u>2014</u>	<u>Net Change</u>	<u>2013</u>
Current assets	\$ 238,849,865	44.2%	\$ 165,687,764	-7.6%	\$ 179,276,946
Non-current other assets	940,097,179	16.2%	808,740,911	-0.8%	815,510,616
Non-current capital assets	2,012,701	-9.3%	2,218,668	-9.5%	2,450,708
Total assets	<u>1,180,959,745</u>	20.9%	<u>976,647,343</u>	-2.1%	<u>997,238,270</u>
Total deferred outflow of resources	230,521	-3.2%	238,080	0.0%	-
Current liabilities	158,727,346	68.5%	94,221,951	2.8%	91,673,324
Non-current liabilities	925,341,022	16.9%	791,871,623	-3.0%	816,577,766
Total liabilities	<u>1,084,068,368</u>	22.3%	<u>886,093,574</u>	-2.4%	<u>908,251,090</u>
Net position:					
Net invested in capital assets	2,012,701	28.3%	1,568,668	-5.5%	1,660,708
Restricted for:					
Bond fund, collateral and Risk Share Program	32,659,022	-0.8%	32,915,935	-4.7%	34,532,184
McKinney Act Fund	7,900,345	-8.6%	8,645,549	0.8%	8,576,551
Total Restricted	<u>40,559,367</u>	-2.4%	<u>41,561,484</u>	-3.6%	<u>43,108,735</u>
Unrestricted	54,549,830	14.5%	47,661,698	7.8%	44,217,737
Total Net Position	<u>97,121,898</u>	7.0%	<u>90,791,850</u>	2.0%	<u>88,987,180</u>
Total Liabilities and Net Position	<u>\$ 1,181,190,266</u>	20.9%	<u>\$ 976,885,424</u>	-2.0%	<u>\$ 997,238,269</u>

In fiscal year 2015, the Agency's combined assets increased by 20.9%, compared to the 2.1% decrease in fiscal year 2014. 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 assets increase was driven in part by the draw on the PNC credit line in the amount of \$9.3 million. The current and non-current liabilities have increased 68.5% and 16.9%, respectively, in fiscal year 2015 due to a different composition of debt outstanding by its maturity date compared to the prior fiscal year when the current liabilities increased 2.8% while the non-current liabilities dropped 3.0%. The increase in current liabilities and non-current liabilities was primarily attributable to new bond issuances and the draw on the PNC Credit Line, which was \$9.04 million as of September 30, 2015. In fiscal year 2015, the 7.0%, or \$6.3 million, net position increase is 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. In fiscal year 2014 net position increased by \$1.8 million due to a net operating income of \$2.3 million slightly offset by the \$0.5 million non-operating unrealized loss in the value of mortgage-backed securities. The

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
SEPTEMBER 30, 2015 AND 2014

28.3% increase in net invested in capital assets in fiscal year 2015 was due to greater addition of new assets versus depreciation and amortization of the accumulated capital assets.

Operating Results

During fiscal year 2015, the Agency's combined net position increased by \$6.3 million, or 7.0%, which comprises net revenue of \$6.8 million from operations and a non-operating loss of \$0.5 million due to a decrease in the unrealized fair value of mortgage-backed securities. For fiscal year 2014, net position increased by \$1.8 million, consisting of a \$2.3 million 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 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 the 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 and administrative fees. The decrease in investment income was the direct result of low investment interest rates, the 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% drop in interest expense based on generally lower interest rates from new bond issuances compared to historical interest rate levels.

During fiscal year 2014, combined operating revenues decreased by \$13.6 million or 19.4% from fiscal year 2013, primarily due to a 25.1% decrease in mortgage loan interest revenue, 20.5% decrease in mortgage-backed security income and 36.65% reduction in investment revenue offset by the 26.4% increase in other revenue from project revenue and issuer and administrative fees. The decreasing investment income was the direct result of low investment interest rates, 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. Both the decrease in interest revenue on mortgage loans and the interest expense from 2013 were mostly a result of the \$8.25 million one-time spike in contingent interest receipt and payment based on the surplus cash agreement under one of the paid off multifamily projects in fiscal year 2013. Such one-time contingent interest settlement was processed through the project trust accounts in a pass-through manner at the election of the project owners and sole bond holder. Both the \$4.6 million decrease in service project receipts and payments were the result of all serviced projects receiving federal subsidies paying off in fiscal year 2013.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
SEPTEMBER 30, 2015 AND 2014

Combined operating expenses in fiscal year 2014 decreased by \$11.9 million, or 18.1%, from fiscal year 2013, primarily due to a 26.0% drop in interest expense based on the \$8.25 million one-time spike in contingent interest and elimination of \$4.6 million service project receipts and payments as described above and the generally lower interest rates from the new bond issuance compared to the historical interest rate levels.

	<u>2015</u>	<u>Net Change</u>	<u>2014</u>	<u>Net Change</u>	<u>2013</u>
Operating Revenues					
Investment interest income	\$ 1,143,975	-8.3%	\$ 1,247,223	-36.6%	\$ 1,966,344
Mortgage-backed security interest income	4,214,679	-23.1%	5,481,058	-20.5%	6,890,283
Interest on mortgage and construction loans	31,573,895	0.7%	31,340,466	-25.1%	41,856,888
McKinney Act interest revenue	234,088	254.1%	66,101	-45.8%	121,892
Application and commitment fees	288,762	2.0%	283,132	-5.9%	300,813
Other	17,959,823	0.6%	17,856,302	26.4%	14,123,543
Total operating revenues	<u>55,415,222</u>	<u>-1.5%</u>	<u>56,274,282</u>	<u>-13.8%</u>	<u>65,259,762</u>
Non-operating revenues	(522,583)	-13.6%	(460,211)	94.3%	(8,125,357)
Total revenue	<u>54,892,639</u>	<u>-1.7%</u>	<u>55,814,071</u>	<u>-2.3%</u>	<u>57,134,405</u>
Operating Expenses					
General and administrative	10,244,470	5.1%	9,748,101	39.0%	7,012,926
Personnel and related costs	4,350,260	-2.2%	4,450,169	4.0%	4,278,160
Interest expense	32,846,970	-7.1%	35,345,822	-26.0%	47,752,731
Depreciation and amortization	212,737	-14.0%	247,504	0.9%	245,364
Trustee fees and other expenses	908,154	-78.5%	4,217,805	104.1%	2,066,093
Total operating expenses	<u>48,562,591</u>	<u>-10.1%</u>	<u>54,009,401</u>	<u>-12.0%</u>	<u>61,355,274</u>
Operating Income (Loss)	<u>6,852,631</u>	<u>202.6%</u>	<u>2,264,881</u>	<u>-42.0%</u>	<u>3,904,488</u>
Change in Net Position	<u>6,330,048</u>	<u>250.8%</u>	<u>1,804,670</u>	<u>-142.8%</u>	<u>(4,220,869)</u>
Net position, beginning of year	<u>90,791,850</u>	<u>2.0%</u>	<u>88,987,180</u>	<u>-4.5%</u>	<u>93,208,815</u>
Net position, end of year	<u>\$ 97,121,898</u>	<u>7.0%</u>	<u>\$ 90,791,850</u>	<u>2.0%</u>	<u>\$ 88,987,946</u>

In fiscal year 2015, the Agency recorded a \$5.6 million net operating income and a \$7.2 million overall net income in its General Fund, increasing General Fund net position from \$59.8 million at the beginning of the year to \$67.0 million at year end. In fiscal years 2014 and 2013, the General Fund net operating income amounted to \$3.4 and \$2.5 million, respectively.

Debt Administration

Debt activity, including credit lines and certificates of participation, for the years ended September 30, 2015, 2014 and 2013 was as follows:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Beginning balance	\$ 813,436,993	\$ 838,718,934	\$ 869,157,282
New issuance/draws	220,803,176	130,464,992	118,218,431
Redemptions/maturities	(67,521,104)	(155,746,933)	(148,656,779)
Ending balance	<u>\$ 966,719,065</u>	<u>\$ 813,436,993</u>	<u>\$ 838,718,934</u>

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
SEPTEMBER 30, 2015 AND 2014

In fiscal year 2015, the Agency's combined outstanding debt increased by \$153.3 million from fiscal year 2014 while the Certificates of Participation's outstanding balance of \$0.65 million at the beginning of the year was paid reducing the balance to zero. Total single family revenue bonds were reduced by \$10.7 million due to loan prepayment redemptions. No new single family bonds have been issued in fiscal year 2015. The PNC Credit Line was drawn on in the amount of \$9.3 million in fiscal year 2015. As of September 30, 2015, the total PNC Credit Line balance was \$9.04 million

There was no New Issuance Bond Program bond issuance in fiscal year 2013 except for a \$0.55 million additional market bond issuance for one of the multifamily transactions, which was redeemed by the end of the fiscal year. All of the \$168.10 million in NIBP multifamily and \$5.12 million in NIBP single family escrow bonds issued in fiscal year 2010, have been modified through supplemental indentures in financing seventeen multifamily projects, six of which were financed in fiscal year 2012. The release of the \$173.22 million of NIBP escrow bonds was done concurrently with the issuance of \$91.23 million in non-NIBP bonds.

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 2012-2015, 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.

During fiscal year 2014 DCHFA financed seven multifamily projects for a total authenticated and delivered bond amount of \$194.6 million. A number of multifamily revenue bonds, closed in fiscal years 2014, 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 2014 was \$60.8 million. The amount of outstanding multifamily bonds from new issuance and draws on the new and existing draw down bonds during fiscal year 2014 was \$130.5 million, and, when offset by \$137.8 million in matured and redeemed bonds, resulted in the net decrease in multifamily bonds outstanding of \$7.3 million, compared to a net decrease of \$4.0 million in fiscal year 2013.

Capital Assets

The Agency issued \$2.4 million of Certificates of Participation in 1998 to finance the acquisition of its headquarters building at 815 Florida Avenue, N.W., Washington, D.C. and entered into a lease agreement with the District of Columbia Building Finance Corporation to lease the office space. The lease term is through June 2018; however, the Agency has an annual right to terminate the lease in the event that the Agency fails to budget sufficient amounts due under the lease terms for the ensuing fiscal year. The Agency has the option to purchase the building at any time during the lease at an amount necessary to discharge the outstanding Certificates of

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
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Participation. As of September 30, 2014, both the Certificates of Participation and the lease agreement had approximately four years remaining, and an outstanding balance of \$0.65 million. The Certificates of Participation, Series 1998 were completely redeemed on May 1, 2015. The Agency exercised the option to purchase the building and terminate the lease. The Agency redeemed \$650,000 of the Certificates of Participation in fiscal year 2015 in addition to \$140,000 and \$135,000 redeemed in fiscal year 2014 and 2013, respectively.

Capital assets, net of accumulated depreciation and amortization, were \$2,012,701 and \$2,218,668 as of September 30, 2015 and 2014, respectively, and \$2,450,708 as of September 30, 2013. 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 2010-2014 were issued in a draw down mode. There is no draw under such existing and new draw down projects for fiscal year 2015. In fiscal year 2015, the net decrease in total Multifamily NIBP Bonds outstanding was \$21.9 million, compared to a net decrease of \$14.2 million in fiscal year 2014 and a net decrease of \$6.2 million in fiscal year 2013. As of September 30, 2015, the total bonds outstanding under the Multifamily NIBP, were \$190.3 million, compared to \$212.2 million as of September 30, 2014.

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. The demand for the Agency loans remained low throughout the year due to a relatively small interest rate competitive advantage of the Agency's loans compared to conventional lender loans. Early in fiscal year 2012, the Agency master servicer, Bank of America, terminated its corresponding lender relationships, which disrupted the Agency's ability

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
SEPTEMBER 30, 2015 AND 2014**

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, 2015, the total bonds outstanding under the Single Family NIBP were \$8.3 million, compared to \$9.2 million as of September 30, 2014.

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 2015, the Agency closed nine project financings involving \$119.7 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 2015 was \$159.8 million. When offset by \$34.0 million in redeemed and matured bonds, the fiscal year 2015 net increase in total Multifamily (Conduit Bond) Program bonds outstanding was \$177.4 million, compared to a net increase of \$6.9 million in fiscal year 2014 and a net increase of \$2.3 million in fiscal year 2013.

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 2015 was \$9.8 million, bringing the total bonds outstanding down to \$20.9 million at September 30, 2015, from \$30.7 million at September 30, 2014.

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, 2015, 2014 and 2013, the HUD Risk-Sharing Reserve funds had a balance of \$2.57 million, \$2.54 million and \$2.53 million, respectively, and the outstanding principal balance of the risk-sharing insured

**DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
SEPTEMBER 30, 2015 AND 2014**

loans was \$123.9 million, \$125.7 million and \$133.2 million, respectively. During fiscal year 2014 one of the risk-sharing projects paid off their loans.

In fiscal year 2010, one risk-share deal, the Elsinore Courts Apartments project defaulted. The Agency filed the initial claim and paid off the underlying bonds. The project continued being occupied and covered its operating expenses with limited Agency support. In October of 2012 the Agency conducted a competitive sale of this property and submitted its final claim to HUD. The disposition of the property and finalization of the claim resulted in the actual loss to the Agency of \$243,444 recorded as of September 30, 2013. The actual loss includes an estimated loss of \$236,519 recorded as contingent liability as of September 30, 2012.

In addition, Parkway Overlook East & West (the Parkway Overlook Property) had its Section 8 HAP subsidies abated in 2007 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 the HUD to the Agency in the amount of \$615,227 in March 2015.

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 Controller, Tatsiana Kurlovich, CPA, District of Columbia Housing Finance Agency, (202) 777-1618, 815 Florida Avenue, N.W. Washington DC 20001, tkurlovich@dchfa.org or go to our website at www.dchfa.org.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2015 AND 2014

<u>ASSETS</u>	<u>2015</u>	<u>2014</u>
CURRENT ASSETS		
Unrestricted current assets:		
Cash and cash equivalents	\$ 40,169,724	\$ 32,672,832
Mortgage and construction loans receivable	75,095	135,360
Other receivables	2,092,988	3,014,048
Accrued interest receivable	16,450	16,827
Prepaid fees	144,508	152,874
Total unrestricted current assets	42,498,765	35,991,941
Restricted current assets:		
Cash and cash equivalents	158,284,283	92,737,196
Mortgage-backed securities at fair value	1,211,215	10,694,801
Mortgage and construction loans receivable	33,610,178	22,372,780
Accrued interest receivable	3,245,424	3,824,798
Other receivables	-	66,248
Total restricted current assets	196,351,100	129,695,823
TOTAL CURRENT ASSETS	238,849,865	165,687,764
NON-CURRENT ASSETS		
Unrestricted non-current assets:		
Investments	3,426,760	3,216,887
Mortgage and construction loans receivable	4,988,427	5,073,864
Total unrestricted non-current assets	8,415,187	8,290,751
Restricted non-current assets:		
Investments held in trust	15,040,254	24,716,301
Mortgage-backed securities at fair value	74,707,470	95,081,007
Mortgage and construction loans receivable	838,052,060	676,887,853
Loans receivable	2,143,605	2,309,116
McKinney Act loans receivable	1,738,603	1,455,883
Total restricted non-current assets	931,681,992	800,450,160
Capital assets:		
Land	573,000	573,000
Property and equipment	5,723,505	3,971,449
Leasehold improvements	-	1,745,285
Less accumulated depreciation and amortization	(4,283,804)	(4,071,066)
Total capital assets, net	2,012,701	2,218,668
TOTAL NON-CURRENT ASSETS	942,109,880	810,959,579
TOTAL ASSETS	\$ 1,180,959,745	\$ 976,647,343
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized deferral on bond refundings	\$ 230,521	\$ 238,080
Total deferred outflows of resources	\$ 230,521	\$ 238,080

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
STATEMENTS OF NET POSITION - CONTINUED
SEPTEMBER 30, 2015 AND 2014

<u>LIABILITIES AND NET POSITION</u>	<u>2015</u>	<u>2014</u>
CURRENT LIABILITIES		
Current liabilities payable from unrestricted assets:		
Accounts payable and accrued liabilities	\$ 513,174	\$ 451,990
Accrued salary and vacation payable	311,363	285,024
Prepaid fees	1,073,816	996,426
Total current liabilities payable from unrestricted assets	1,898,353	1,733,440
Current liabilities payable from restricted assets:		
Accounts payable and accrued liabilities	44,472	48,727
Project funds held for borrower and other liabilities	106,502,039	61,509,007
Interest payable	6,570,677	6,782,997
Loans payable	9,037,412	-
Bonds payable	34,674,393	23,997,780
Certificates of participation	-	150,000
Total current liabilities payable from restricted assets	156,828,993	92,488,511
TOTAL CURRENT LIABILITIES	158,727,346	94,221,951
NON-CURRENT LIABILITIES		
Non-current liabilities payable from restricted assets:		
Bonds payable	925,341,022	791,371,623
Certificates of participation	-	500,000
Total non-current liabilities payable from restricted assets	925,341,022	791,871,623
TOTAL LIABILITIES	1,084,068,368	886,093,574
NET POSITION		
Net invested in capital assets	2,012,701	1,568,668
Restricted for:		
Bond Fund, collateral and Risk Share Program	32,659,022	32,915,935
McKinney Act Fund	7,900,345	8,645,549
Total restricted net position	40,559,367	41,561,484
Unrestricted net position	54,549,830	47,661,698
TOTAL NET POSITION	97,121,898	90,791,850
TOTAL LIABILITIES AND NET POSITION	\$ 1,181,190,266	\$ 976,885,424

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, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
OPERATING REVENUES		
Investment interest income	\$ 1,143,975	\$ 1,247,223
Mortgage-backed security interest income	4,214,679	5,481,058
Interest on mortgage and construction loans	31,573,895	31,340,466
McKinney Act interest revenue	234,088	66,101
Application and commitment fees	288,762	283,132
Other	17,959,823	17,856,302
Total operating revenues	<u>55,415,222</u>	<u>56,274,282</u>
OPERATING EXPENSES		
General and administrative	10,244,470	9,748,101
Personnel and related costs	4,350,260	4,450,169
Interest expense	32,846,970	35,345,822
Depreciation and amortization	212,737	247,504
Trustee fees and other expenses	908,154	4,217,805
Total operating expenses	<u>48,562,591</u>	<u>54,009,401</u>
OPERATING INCOME	<u>6,852,631</u>	<u>2,264,881</u>
NON-OPERATING REVENUES/EXPENSES		
Decrease in fair value of mortgage-backed securities	(522,583)	(460,211)
CHANGE IN NET POSITION	<u>6,330,048</u>	<u>1,804,670</u>
Net position, beginning of year	90,791,850	88,987,180
Net position, end of year	<u>\$ 97,121,898</u>	<u>\$ 90,791,850</u>

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

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Cash Flows from Operating Activities		
Interest received on loans	\$ 32,341,934	\$ 31,880,350
Other cash receipts	111,577,026	63,474,867
Payments to vendors	(10,348,668)	(9,608,571)
Payments to employees	(4,323,725)	(4,431,360)
Net mortgage and construction loans (disbursements) receipts	(172,483,358)	(29,640,704)
Principal and interest received on mortgage-backed securities	120,000,052	82,595,280
Purchase of mortgage-backed securities	(84,256,364)	(53,782,456)
Other cash payments	(49,791,827)	(36,130,385)
Net cash (used in) / provided by operating activities	<u>(57,284,930)</u>	<u>44,357,023</u>
Cash Flows from Capital and Related Financing Activities		
Acquisition of capital assets	(196,261)	(15,464)
Payments of bonds and long-term debt	(650,000)	(140,000)
Net cash used in capital and related financing activities	<u>(846,261)</u>	<u>(155,464)</u>
Cash Flows from Non-Capital Financing Activities		
Interest paid on bonds and loans	(33,455,936)	(37,653,610)
Proceeds from bond issuances	229,172,100	132,161,561
Principal payments on issued debt and loans	(75,190,029)	(157,303,501)
Net cash provided by / (used in) non-capital financing activities	<u>120,526,135</u>	<u>(62,795,550)</u>
Cash Flows From Investing Activities		
Interest received on investments	1,172,344	1,441,418
Sale of investments	33,824,242	26,975,162
Purchase of investments	(24,347,551)	(15,852,634)
Net cash provided by investing activities	<u>10,649,035</u>	<u>12,563,946</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	73,043,979	(6,030,045)
Cash and cash equivalents, beginning of year	125,410,028	131,440,073
Cash and cash equivalents, end of year	<u>\$ 198,454,007</u>	<u>\$ 125,410,028</u>

(Continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
STATEMENTS OF CASH FLOWS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Reconciliation of Operating Income to Net Cash (Used in)/Provided by Operating Activities		
Operating income	\$ 6,852,631	\$ 2,264,881
Depreciation and amortization	212,737	247,504
Amortization of deferred items	(1,796,410)	(1,397,996)
Interest on bonds	33,455,937	37,653,610
Amortization of discount on investments	31,135	39,958
Provision for uncollectible other revenue	-	19,445
Provision for uncollectible interest revenue	256,095	62,890
Contingent loss expense	1,765,858	1,863,122
Decrease (increase) in mortgage and construction loans	(172,373,113)	(27,748,703)
Decrease in mortgage-backed securities	38,740,235	75,173,790
Purchase of mortgage-backed securities	(9,410,543)	(53,782,456)
Decrease (increase) in fair value of investments	(10,517)	27,003
Interest received on investments	(1,172,344)	(1,441,418)
Decrease (increase) in assets:		
Receivables	556,968	719,276
Other current assets	8,366	(26,075)
Other receivables	987,308	7,281,947
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	(247,374)	(2,222,901)
Prepaid items	77,390	(186,571)
Project funds held for borrower and other liabilities	44,993,032	7,830,057
Accrued interest payable	(212,321)	(2,020,339)
Net cash (used in)/provided by operating activities	<u>\$ (57,284,930)</u>	<u>\$ 44,357,024</u>

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

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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 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 Agency established the District of Columbia Building Finance Corporation (the “D.C. Building Finance Corporation”) as a nonprofit corporation under the laws of the District of Columbia in July 1998. The D.C. Building Finance Corporation’s financial transactions are included in these financial statements as a separate fund of the Agency.

The accompanying combined financial statements include DCHFA’s General Fund and Revenue Obligation Funds: D.C. Building Finance Corporation Fund, 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.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 1: ORGANIZATION AND PURPOSE (Continued)

The bonds and notes issued by the Agency and the D.C. Building Finance Corporation are special obligations of the Agency and the D.C. Building Finance Corporation 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.

The General Fund credit line draw by the Agency is backed by the General Fund assets and constitutes 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.

D.C. Building Finance Corporation Fund - The D.C. Building Finance Corporation Fund was used to account for the building located at 815 Florida Avenue, N.W., Washington, D.C., and the related lease payments and debt service on Certificates of Participation issued by the D.C. Building Finance Corporation to finance the purchase of the Agency headquarters building. The Certificates of Participation, Series 1998 were completely redeemed on May 1, 2015 and the DC Building Finance Corporation Fund was closed.

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.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 1: ORGANIZATION AND PURPOSE (Continued)

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 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

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Position and changes in the fair value of investments are recognized in the Statements of changes in the fair value of investments are recognized in the Statements of Revenues, Expenses and Changes 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 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 Changes 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, 2015 and 2014, no allowance for potential loan losses was necessary.

Property, Furniture and Equipment - Property, furniture 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 seven 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.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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.

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.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Pronouncements - The Agency reviews all GASB accounting pronouncements for their applicability and impact on the Agency's financial statements. During fiscal year ended September 30, 2015, the Agency did not have any new GASB pronouncements affecting the Agency's financial statements.

New Governmental Accounting Standards Board Standards - GASB has issued the pronouncements noted below, prior to the year ended September 30, 2015, the implementation of which may impact the financial statements of the Agency:

- GASB Statement No. 72, "Fair Value Measurement and Application," will be effective for the Agency beginning with its year ending September 30, 2016. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. The Agency is still evaluating the impact of implementation of this statement, but does not expect the effect of this statement to have a material impact on the financial position of the Agency.

- GASB Statement No. 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments," will be effective for the Agency beginning with its year ending September 30, 2016. This Statement supersedes Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments." The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015 and should be applied retroactively. The Agency is still evaluating the impact of implementation of this statement, but does not expect the effect of this statement to have a material impact on the financial position of the Agency.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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, 2015, 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	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	150,093	-	-	-	-	-	-	150,093
Investment Agreements	-	10,000,000	2,221,833	-	2,818,421	-	-	15,040,254
Corporate Obligations	2,370,886	-	-	-	-	-	-	2,370,886
GSE Obligations	905,781	-	-	-	-	-	-	905,781
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>

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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, 2014, 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	Single Family NIB Program	Multifamily (Conduit Bond) Program	Multifamily NIB Program	DC Building Finance Corporation	
<u>Cash and Cash Equivalents</u>								
Non-Money Market Deposits	\$ 5,653,623	\$ -	\$ -	\$ -	\$ 242,788	\$ -	\$ -	\$ 5,896,411
Demand Money Market Deposits	42,009,566	-	-	-	34,326,567	19,963,367	-	96,299,500
Money Market Funds	-	1,555,606	1,693,759	1,516,834	18,259,396	-	188,522	23,214,117
Total Cash and Cash Equivalents	<u>47,663,189</u>	<u>1,555,606</u>	<u>1,693,759</u>	<u>1,516,834</u>	<u>52,828,751</u>	<u>19,963,367</u>	<u>188,522</u>	<u>125,410,028</u>
<u>Investments</u>								
Certificates of Deposits	199,925	-	-	-	-	-	-	199,925
U.S. Treasury Obligations	501,842	-	-	-	9,805,290	-	-	10,307,132
U.S. Agency Obligations	124,628	-	-	-	-	-	-	124,628
Investment Agreements	-	10,000,000	1,883,458	-	3,027,552	-	-	14,911,010
Corporate Obligations	1,248,327	-	-	-	-	-	-	1,248,327
GSE Obligations	1,142,166	-	-	-	-	-	-	1,142,166
Total Investments	<u>3,216,887</u>	<u>10,000,000</u>	<u>1,883,458</u>	<u>-</u>	<u>12,832,842</u>	<u>-</u>	<u>-</u>	<u>27,933,188</u>
<u>Mortgage-Backed Securities</u>								
Ginnie Mae	463,569	1,281,364	10,905,140	8,264,272	37,807,827	20,105,333	-	78,827,504
Fannie Mae	1,322,018	-	8,736,887	248,075	-	-	-	10,306,980
Freddie Mac	-	-	16,641,324	-	-	-	-	16,641,324
Total Mortgage-Backed Securities	<u>1,785,587</u>	<u>1,281,364</u>	<u>36,283,351</u>	<u>8,512,347</u>	<u>37,807,827</u>	<u>20,105,333</u>	<u>-</u>	<u>105,775,808</u>
Total Cash, Investments and Mortgage-Backed Securities	\$ 52,665,664	\$ 12,836,970	\$ 39,860,568	\$ 10,029,181	\$ 103,469,420	\$ 40,068,699	\$ 188,522	\$ 259,119,025

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
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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, 2015, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for the General Fund are as follows:

Asset	Cost	Fair Value	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	\$ 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	-	-	-	-
<u>Investments</u>							
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	-	-	-
<u>Mortgage-Backed Securities</u>							
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
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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

As of September 30, 2014, the amortized cost, fair value and maturities for the cash, cash equivalents, investments and mortgage-backed securities for the General Fund were as follows:

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	\$ 5,653,623	\$ 5,653,623	\$ 5,653,623	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	42,009,566	42,009,566	42,009,566	-	-	-	-
Total Cash and Cash Equivalents	<u>47,663,189</u>	<u>47,663,189</u>	<u>47,663,189</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Certificates of Deposits	200,000	199,925	199,925	-	-	-	-
U.S. Treasury Obligations	501,375	501,842	350,096	151,746	-	-	-
U.S. Agency Obligations	125,000	124,628	-	124,628	-	-	-
Corporate Obligations	1,245,962	1,248,327	527,311	721,016	-	-	-
GSE Obligations	1,141,049	1,142,166	560,040	582,126	-	-	-
Total Investments	<u>3,213,386</u>	<u>3,216,887</u>	<u>1,637,372</u>	<u>1,579,516</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	436,761	463,569	-	-	-	-	463,569
Fannie Mae	1,244,112	1,322,018	-	-	-	-	1,322,019
Total Mortgage-Backed Securities	<u>1,680,873</u>	<u>1,785,587</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,785,587</u>
General Fund Total Cash and Investments	\$ 52,557,448	\$ 52,665,664	\$ 49,300,561	\$ 1,579,516	\$ -	\$ -	\$ 1,785,587

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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 are as follows:

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	142,949,916	142,949,916	142,949,916	-	-	-	-
<u>Investments</u>							
Investment Agreements	15,040,254	15,040,254	629,476	-	-	10,000,000	4,410,778
Total Investments	15,040,254	15,040,254	629,476	-	-	10,000,000	4,410,778
<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	58,662,102	66,191,712	-	1,060,483	2,798,404	1,140,558	61,192,267
Combined Revenue Obligation Funds							
Total Cash, Investments and Mortgage-Backed Securities	\$ 216,652,272	\$ 224,181,882	\$ 143,579,392	\$ 1,060,483	\$ 2,798,404	\$ 11,140,558	\$ 65,603,045

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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

As of September 30, 2014, 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:

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	\$ 242,788	\$ 242,788	\$ 242,788	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	54,289,933	54,289,933	54,289,933	-	-	-	-
Money Market Funds	23,214,118	23,214,118	23,214,118	-	-	-	-
Total Cash and Cash Equivalents	<u>77,746,839</u>	<u>77,746,839</u>	<u>77,746,839</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
U.S. Treasury Obligations	9,810,143	9,805,291	9,805,291	-	-	-	-
Investment Agreements	14,911,010	14,911,010	-	866,088	-	10,000,000	4,044,922
Total Investments	<u>24,721,153</u>	<u>24,716,301</u>	<u>9,805,291</u>	<u>866,088</u>	<u>-</u>	<u>10,000,000</u>	<u>4,044,922</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	72,230,234	78,363,935	-	451,224	2,710,355	2,791,220	72,411,136
Fannie Mae	8,262,962	8,984,962	-	-	-	246,867	8,738,095
Freddie Mac	14,845,350	16,641,324	-	-	-	-	16,641,324
Total Mortgage-Backed Securities	<u>95,338,546</u>	<u>103,990,221</u>	<u>-</u>	<u>451,224</u>	<u>2,710,355</u>	<u>3,038,087</u>	<u>97,790,555</u>
<u>Combined Revenue Obligation Funds</u>							
Total Cash, Investments and Mortgage-Backed Securities	<u>\$197,806,538</u>	<u>\$ 206,453,361</u>	<u>\$ 87,552,130</u>	<u>\$ 1,317,312</u>	<u>\$ 2,710,355</u>	<u>\$ 13,038,087</u>	<u>\$101,835,477</u>

As of September 30, 2015 and 2014, 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, 2015 and 2014, 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
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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, 2015 and 2014 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
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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 are as follows:

<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
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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

As of September 30, 2014, the credit quality and percentages of the total portfolio of cash equivalents and investments under the Agency's General Fund were as follows:

<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	\$ 394,220	0.7%	Not Rated		Federal Reserve-Held Aaa Collateral
Non-Money Market Deposits	5,259,404	10.0%	Not Rated		Third Party-Held Aaa Collateral
Demand Money Market Deposits	41,120,513	78.1%	Not Rated		Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	889,053	1.7%	P-1	Moody's	
Total Cash and Cash Equivalents	47,663,190	90.5%			
<u>Investments</u>					
Certificates of Deposits	199,925	0.4%	Not Rated		FDIC Insured
U.S. Treasury Obligations	501,842	1.0%	Aaa	Moody's	
U.S. Agency Obligations	124,628	0.2%	Aaa	Moody's	
Corporate Obligations	155,017	0.3%	Aa2	Moody's	
Corporate Obligations	262,431	0.5%	Aa3	Moody's	
Corporate Obligations	357,007	0.7%	A1	Moody's	
Corporate Obligations	101,760	0.2%	A2	Moody's	
Corporate Obligations	38,401	0.1%	A3	Moody's	
Corporate Obligations	283,453	0.5%	Baa1	Moody's	
Corporate Obligations	50,258	0.1%	Baa3	Moody's	
GSE Obligations	1,142,166	2.2%	Aaa	Moody's	
Total Investments	3,216,887	6.1%			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	463,569	0.9%	Aaa	Moody's	
Fannie Mae	1,322,018	2.5%	Aaa	Moody's	
Total Mortgage-Backed Securities	1,785,587	3.4%			
General Fund Total Cash, Investments and Mortgage-Backed Securities	\$ 52,665,664	100.0%			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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 are as follows:

<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	30,775,293	13.7%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	142,949,915	63.8%			
<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	15,040,254	6.7%			
<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	66,191,712	29.5%			
Combined Revenue Obligation Funds					
Total Cash, Investments and Mortgage-Backed Securities	\$ 224,181,881	100.0%			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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

As of September 30, 2014, 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:

<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	\$ 242,788	0.1%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposits	54,289,933	26.3%	P-1	Moody's	Uncollateralized, Uninsured
Money Market Funds	23,214,118	11.2%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	77,746,839	37.7%			
<u>Investments</u>					
U.S. Treasury Obligations	9,805,291	4.7%	Aaa	Moody's	
Investment Agreements	3,710,391	1.8%	A1	Moody's	
Investment Agreements	214,198	0.1%	A2	Moody's	
Investment Agreements	986,416	0.5%	A3	Moody's	
Investment Agreements	10,000,005	4.8%	Not Rated		
Total Investments	24,716,301	12.0%			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	78,363,935	38.0%	Aaa	Moody's	
Fannie Mae	8,984,962	4.4%	Aaa	Moody's	
Freddie Mac	16,641,324	8.1%	Aaa	Moody's	
Total Mortgage-Backed Securities	103,990,221	50.4%			
Combined Revenue Obligation Funds					
Total Cash, Investments and Mortgage-Backed Securities	\$ 206,453,361	100.00%			

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, 2015 and 2014, 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, 2015 and 2014, 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
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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, 2015, the Agency's Single Family Program Fund recorded a non-operating expense of \$1,113,505 due to a decrease in unrealized fair value on a decreased mortgage-backed security portfolio. For the year ended September 30, 2014, the single family Funds recorded as non-operating expense a decrease in unrealized fair value of mortgage-backed securities of \$526,085, in the Statement of Revenues, Expenses and Changes in Net Position.

Under the DCHFA's Single Family NIBP Fund, a non-operating gain of \$182,641 was recorded in the Statement of Revenues, Expenses and Changes in Net Position, based on the increase in unrealized fair market value of the mortgage-backed securities during the year ended September 30, 2015. Under the same Fund, a non-operating gain of \$37,074 was recorded in the Statement of Revenues, Expenses and Changes in Net Position, based on the decrease in unrealized fair market value of the mortgage-backed securities during the year ended September 30, 2014.

As of September 30, 2015, there was \$594,634 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. As of September 30, 2014, there was \$104,715 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, 2015, the Agency's Multifamily (Conduit Bond) Program recorded \$1,619,612 non-operating revenue from increases in unrealized fair value of mortgage-backed securities and \$181,257 unrealized gain for the year ended September 30, 2014, in the Statements of Revenues, Expenses and Changes in Net Position.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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

For the year ended September 30, 2015, the Agency's Multifamily NIB Program recorded a \$1,805,965 non-operating loss from decreases in unrealized fair value of mortgage-backed securities, and \$105,342 unrealized gain for the year ended September 30, 2014, in the Statements of Revenues, Expenses and Changes in Net Position.

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, 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 11.10%, with remaining loan terms ranging from 1 to 3 years. Substantially all single family loans originally were enhanced through the FHA or the Veteran 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, 2015 and 2014 were \$88,522 and \$234,244, respectively. During fiscal year 2015 and 2014, 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, 2015 and 2014 was \$3,130,622 and \$1,858,644, respectively.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 4: MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE (Continued)

Combined restricted mortgage and construction loans as of September 30, 2015 and 2014, were \$871,662,238 and \$699,260,633, respectively. For the years ended September 30, 2015 and 2014, 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 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, 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 15 active projects comprised of 16 loans was \$123.9 million. As of September 30, 2014, the HUD Risk-Share Reserve funds had a balance of \$2.54 million and the outstanding principal balance of the risk-share insured loans on 17 active projects comprised of 20 loans was \$125.7 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, sold this non-performing asset during the fiscal year, and plans to file a supplemental claim, the Agency recorded a net decrease in the allowance for bad debt of \$68,665.

For the years ended September 30, 2015 and 2014, the respective balances and changes in the provision for bad debt under the risk-sharing loans under the General Fund were as follows:

	<u>2015</u>	<u>2014</u>
Beginning Balance	\$ 68,665	\$ 2,200,225
Net decrease in allowance for bad debt	(68,665)	(2,131,560)
Ending balance	<u>\$ -</u>	<u>\$ 68,665</u>

The Agency's exposure to a loss on this property may change depending on the final review of the supplemental claim by HUD.

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

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 4: MORTGAGE AND CONSTRUCTION LOANS RECEIVABLE (Continued)

typically unenhanced loans repaid at the time the bond financing is put in place. At September 30, 2015 the balance of total loans outstanding, before the allowance for uncollectible loans, was \$2,344,553, including \$560,811 in loans at various stages of default process. At September 30, 2014, the balance of total loans outstanding was \$2,001,585, of which \$873,702 were attributed to loans at various stages of default process.

The Agency recorded an allowance for uncollectible McKinney Act Program loans for the years ended September 30, 2015 and 2014 in the amount of \$605,950 and \$452,740, respectively. The Agency recorded a net increase in the allowance for principal loss on McKinney Act Program loans during the year ended September 30, 2015 for bad debt in the amount of \$153,210.

	<u>2015</u>	<u>2014</u>
Beginning Balance	\$ 452,740	\$ 452,740
Net increase in allowance for uncollectible loans	153,210	-
Ending balance	<u>\$ 605,950</u>	<u>\$ 452,740</u>

For the years ended September 30, 2015 and 2014, the respective balances and changes in the provision for uncollectible interest on the McKinney Act loans under the General Fund were as follows:

	<u>2015</u>	<u>2014</u>
Beginning Balance	\$ 297,620	\$ 234,730
Net increase/(decrease) in allowance for uncollectible interest	(133,137)	62,890
Ending balance	<u>\$ 164,483</u>	<u>\$ 297,620</u>

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 5: CAPITAL ASSETS

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	<u>(2,743,678)</u>	<u>(1,168,667)</u>	<u>(3,912,345)</u>
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	<u>(1,327,389)</u>	<u>955,930</u>	<u>(371,459)</u>
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	<u>(4,071,067)</u>	<u>(212,737)</u>	<u>(4,283,804)</u>
Total capital assets, net of accumulated depreciation and amortization	<u>\$ 2,218,668</u>	<u>\$ (205,967)</u>	<u>\$ 2,012,701</u>

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 5: CAPITAL ASSETS (Continued)

The following is the detail of changes in capital assets during the year ended September 30, 2014:

	<u>September 30, 2013</u>	<u>Additions/ Dispositions</u>	<u>September 30, 2014</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	-	1,795,238
Less: accumulated depreciation	(1,010,283)	(66,490)	(1,076,773)
Building Net of accumulated depreciation	<u>784,955</u>	<u>(66,490)</u>	<u>718,465</u>
Furniture and equipment	1,777,643	15,464	1,793,107
Less: accumulated depreciation	(1,633,898)	(33,007)	(1,666,905)
Furniture and equipment net of accumulated depreciation	<u>143,745</u>	<u>(17,543)</u>	<u>126,202</u>
Total Building, furniture and equipment	3,572,881	15,464	3,588,345
Less: accumulated depreciation	(2,644,181)	(99,497)	(2,743,678)
Total Building, furniture and equipment, net of accumulated	<u>928,700</u>	<u>(84,033)</u>	<u>844,667</u>
Amortizable capital assets			
Leasehold improvements	1,745,285	-	1,745,285
Less: accumulated amortization	(842,831)	(123,103)	(965,934)
Leasehold improvements net of accumulated depreciation	<u>902,454</u>	<u>(123,103)</u>	<u>779,351</u>
Software	383,105	-	383,105
Less: accumulated amortization	(336,550)	(24,905)	(361,455)
Software net of accumulated amortization	<u>46,555</u>	<u>(24,905)</u>	<u>21,650</u>
Total Leasehold improvements and software	2,128,390	-	2,128,390
Less: accumulated amortization	(1,179,381)	(148,008)	(1,327,389)
Total Leasehold improvements and software, net of accumulated amortization	<u>949,009</u>	<u>(148,008)</u>	<u>801,001</u>
Total depreciable and amortizable capital assets	<u>5,701,271</u>	<u>15,464</u>	<u>5,716,735</u>
Total capital assets	6,274,271	15,464	6,289,735
Less: accumulated depreciation and amortization	(3,823,562)	(247,505)	(4,071,067)
Total capital assets, net of accumulated depreciation and amortization	<u>\$ 2,450,709</u>	<u>\$ (232,041)</u>	<u>\$ 2,218,668</u>

Depreciation expense for fiscal years 2015 and 2014 was \$212,737 and \$247,505, respectively.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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 loans, 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										
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										
2005 Series A	5.50%	2015 - 2025	\$ 1,850,000	\$ -	\$ -	\$ 430,000	\$ 1,420,000	\$ 158,288	\$ 1,578,287	\$ 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	4,405,364	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										
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
General Fund										
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
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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					
Multifamily Conduit Bonds											
1999 Series	Garfield Park Apts	7.25%	2015 - 2031	\$ 2,590,665	\$ -	\$ 81,726	\$ -	\$ 2,508,939	\$ -	\$ 2,508,939	\$ 87,850
1999 Series	Ft. Chapin	6.90%	2015 - 2035	21,780,553	-	467,999	-	21,312,554	-	21,312,554	501,328
2000 Series	Widrich Court Apt	7.30%	2015 - 2032	2,935,232	-	82,564	-	2,852,668	-	2,852,668	88,797
2001 Series	Clifton Terrace	5.96%	2015 - 2033	4,540,909	-	126,720	-	4,414,189	-	4,414,189	134,523
2000 Series	WDC I LP	Variable	2015 - 2032	6,765,000	-	-	240,000	6,525,000	-	6,525,000	250,000
2002 Series	Trenton Park Apts	Variable	2016 - 2035	5,555,000	-	120,000	-	5,435,000	-	5,435,000	130,000
2002 Series A	DCCH Pool: Euclid Street	5.75%	2015 - 2039	1,315,000	-	20,000	-	1,295,000	-	1,295,000	20,000
2002 Series C	DCCH Pool: Chapin Street	5.75%	2016 - 2039	1,120,000	-	10,000	10,000	1,100,000	-	1,100,000	5,000
2004 Series A	1330 7th Street	4.10% - 5.00%	2015 - 2045	11,295,000	-	260,000	-	11,035,000	-	11,035,000	145,000
2004 Series A	Congress Park II	6.70%	2015 - 2041	4,494,814	-	64,148	-	4,430,666	-	4,430,666	68,580
2004 Series B&C	JW King Seniors Center	4.25% - 5.15%	2015 - 2045	4,895,000	-	60,000	-	4,835,000	-	4,835,000	60,000
2004 Series	Savannah Heights	4.10% - 5.10%	2015 - 2045	7,370,000	-	45,000	7,325,000	-	-	-	-
2004 Series D	Henson Ridge Phase II	4.65% - 4.90%	2015 - 2047	5,480,000	-	70,000	-	5,410,000	-	5,410,000	70,000
2004 Series E	Henson Ridge Phase II	4.10% - 5.10%	2015 - 2037	6,660,000	-	155,000	-	6,505,000	-	6,505,000	160,000
2005 Series A	Faircliff Plaza - West	6.50%	2015 - 2047	10,705,763	-	99,892	-	10,605,871	-	10,605,871	106,582
2005 Series B	Faircliff Plaza - West	6.50%	2015 - 2025	426,875	-	28,998	-	397,877	-	397,877	30,940
2005 Series	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
2005 Series	Shipley Park Apts	4.25% - 4.80	2015 - 2038	10,820,000	-	215,000	-	10,605,000	-	10,605,000	225,000
2006 Series	Hunter Pines	6.25%	2015 - 2048	10,139,584	-	93,332	-	10,046,252	-	10,046,252	99,336
2006 Series	GW Carver Senior Apts	5.875%	2015 - 2049	7,226,176	-	61,884	-	7,164,292	-	7,164,292	65,619
2006 Series	Garfield Hills Apts	4.70% - 5.00%	2016 - 2036	3,590,000	-	80,000	-	3,510,000	-	3,510,000	85,000
2006 Series	Galen Terrace	6.00%	2015 - 2048	4,329,782	-	40,612	-	4,289,170	-	4,289,170	43,117
2006 Series A	Southview I & II	6.25%	2015 - 2048	10,719,462	-	95,789	-	10,623,673	-	10,623,673	101,950
2006 Series	Golden Rule Apts	5.25%	2015 - 2048	11,350,000	-	250,000	-	11,100,000	-	11,100,000	190,000
2006 Series A	Wesley House	4.80%	2016 - 2049	8,910,000	-	90,000	-	8,820,000	-	8,820,000	95,000
2006 Series	Azeeze Bates Apts	4.80%	2015 - 2036	3,300,000	-	140,000	-	3,160,000	-	3,160,000	155,000
2007 Series	Cavalier Apts	5.60%	2015 - 2049	14,739,222	-	141,116	-	14,598,106	-	14,598,106	149,225
2007 Series	Residences at Georgia Ave Apts	5.80%	2015 - 2050	7,427,031	-	64,707	-	7,362,324	-	7,362,324	68,562
2007 Series	R Street Apts	5.60%	2015 - 2056	8,722,340	-	53,866	-	8,668,474	-	8,668,474	56,961
2007 Series A	Parkside Terrace Apts	Variable	2015 - 2045	21,032,906	-	276,468	-	20,756,438	-	20,756,438	291,919
2008 Series	Henson Ridge UFAS Rentals	6.00%	2015 - 2050	4,380,672	-	87,943	-	4,292,729	-	4,292,729	93,368
2008 Series	Longfellow Arms Apts	5.70%	2015 - 2040	1,915,000	-	20,000	-	1,895,000	-	1,895,000	25,000
2008 Series A	Wheeler Terrace	Variable	2015 - 2050	7,351,507	-	74,620	-	7,276,887	-	7,276,887	78,571
2008 Series A&B	St. Martin's Apts	5.40%	2015 - 2046	11,623,553	-	139,620	-	11,483,933	-	11,483,933	147,378
2008 Series	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
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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				
Multifamily Conduit Bonds (Continued)										
2009 Series	2.875% - 5.875%	2016 - 2051	16,355,000	-	140,000	-	16,215,000	(190,128)	16,024,872	150,000
2010 Series A	5.90%	2015 - 2040	3,305,403	-	47,175	-	3,258,228	-	3,258,228	50,035
2011 Series A-1	6.86%	2015 - 2043	1,352,490	-	15,374	-	1,337,116	-	1,337,116	16,462
2011 Series A	5.80%	2015 - 2045	7,906,080	-	52,763	-	7,853,317	-	7,853,317	55,905
2012 Series	Variable	2046	51,000	45,199,000	-	-	45,250,000	-	45,250,000	-
2012 Series	Variable	2046	31,535,448	1,946,552	-	-	33,482,000	-	33,482,000	206,019
2012 Series	Variable	2047	8,500,000	-	-	-	8,500,000	-	8,500,000	-
2012 Series A	5.65%	2015 - 2029	2,350,000	-	26,784	-	2,323,216	-	2,323,216	33,846
2012 Series B	3.15%	2015	2,110,000	-	1,102,000	1,008,000	-	-	-	-
2012 Series	4.45%	2015 - 2029	3,818,957	-	57,884	-	3,761,073	-	3,761,073	60,755
2012 Series	Variable	2016 - 2049	13,803,466	3,796,534	2,000,000	-	15,600,000	-	15,600,000	187,778
2013 Series A	Variable	2016 - 2033	6,840,000	-	25,464	590	6,813,946	-	6,813,946	80,635
2013 Series B	Variable	2015	6,170,000	-	6,170,000	-	-	-	-	-
2013 Series	Variable	2033	14,735,387	176,613	-	7,185,235	7,726,765	-	7,726,765	-
2013 Series	4.45%	2015 - 2031	45,345,000	-	435,000	-	44,910,000	-	44,910,000	465,000
Series 2013 A	Variable	2032	100,000	10,145,000	-	-	10,245,000	-	10,245,000	-
Series 2013 B	Variable	2016	10,757,727	1,942,273	-	-	12,700,000	-	12,700,000	12,700,000
2013 Series	Variable	2050	1,628,864	6,787,661	-	-	8,416,525	-	8,416,525	-
2013 Series	Variable	2046	5,110,802	13,764,283	-	-	18,875,085	-	18,875,085	-
2014 Series A	3.875%	2015 - 2045	42,453,431	-	675,243	-	41,778,188	-	41,778,188	718,352
2014 Series	Variable	2016	51,000	4,799,000	-	-	4,850,000	-	4,850,000	-
2014 Series	0.35%	2017	17,800,000	-	-	-	17,800,000	-	17,800,000	-
2014 Series A-1	Variable	2047	-	21,547,931	-	-	21,547,931	-	21,547,931	-
2014 Series A-2	Variable	2047	-	12,928,759	-	-	12,928,759	-	12,928,759	-
2014 Series B	Variable	2047	50,001	-	-	50,001	-	-	-	-
2014 Series	Variable	2017	2,809,891	3,325,595	-	-	6,135,486	-	6,135,486	-
2014 Series	0.40%	2016	9,200,000	-	-	-	9,200,000	-	9,200,000	9,200,000
2014 Series	Variable	2032	-	7,215,793	-	-	7,215,793	-	7,215,793	-
2014 Series	Variable	2046	-	4,824,330	-	-	4,824,330	-	4,824,330	-
2014 Series	0.35%	2016	-	15,000,000	-	-	15,000,000	-	15,000,000	-
2014 Series	0.28%	2017	-	21,570,000	-	-	21,570,000	-	21,570,000	-
2014 Series A	Variable	2033	-	6,447,951	-	-	6,447,951	-	6,447,951	-
2014 Series B	Variable	2017	-	1,000,000	-	-	1,000,000	-	1,000,000	-
2014 Series	1.90%	2033	-	7,255,274	-	-	7,255,274	-	7,255,274	-
2015 Series A	Variable	2047	-	2,118,527	-	-	2,118,527	-	2,118,527	-
2015 Series B	Variable	2017	-	3,450,000	-	-	3,450,000	-	3,450,000	-
2015 Series	0.55%	2017	-	11,500,000	-	-	11,500,000	-	11,500,000	-
2015 Series A	Variable	2032	-	2,601,000	-	-	2,601,000	-	2,601,000	-
2015 Series B	Variable	2016	-	1,778,901	-	-	1,778,901	-	1,778,901	-
2015 Series A	Variable	2035	-	168,406	-	-	168,406	-	168,406	-
2015 Series B	Variable	2017	-	-	-	-	-	-	-	-
2015 Series A	Variable	2035	-	51,000	-	-	51,000	-	51,000	-
2015 Series B	Variable	2017	-	111,693	-	-	111,693	-	111,693	-
2015 Series A	Variable	2036	-	51,100	-	-	51,100	-	51,100	-
2015 Series B	Variable	2018	-	-	-	-	-	-	-	-
Combined Multifamily Conduit Bonds Total			\$ 560,641,993	\$ 211,503,176	\$ 17,899,691	\$ 16,123,826	\$ 738,121,652	\$ 1,685,244	\$ 739,806,896	\$ 31,624,393

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DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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					
Multifamily New Issue Bond Program											
Series 2009 A-1	Villages at Chesapeake	4.09%	2015 - 2042	\$ 10,500,000	\$ -	\$ 130,000	\$ -	\$ 10,370,000	\$ -	\$ 10,370,000	\$ 140,000
Series 2009 A-2	Fort Stevens	4.09%	2015 - 2044	5,220,000	-	50,000	10,000	5,160,000	-	5,160,000	70,000
Series 2009 A-3	Webster Gardens	4.09%	2015 - 2044	3,220,000	-	20,000	10,000	3,190,000	-	3,190,000	40,000
Series 2009 A-4	SOME	4.09%	2015 - 2044	8,030,000	-	70,000	-	7,960,000	-	7,960,000	190,000
Series 2009 A-5	King Towers	4.09%	2015 - 2042	12,830,000	-	320,000	20,000	12,490,000	-	12,490,000	160,000
Series 2009 A-6	The Yards - Foundry Lofts	4.09%	2015 - 2051	47,700,000	-	1,520,000	210,000	45,970,000	-	45,970,000	400,000
Series 2009 A-7	Avalon Apartments	3.01%	2016 - 2044	5,040,000	-	170,000	40,000	4,830,000	-	4,830,000	20,000
Series 2010 A	Samuel J. Simmons	4.55% - 5.45%	2016 - 2033	7,530,000	-	245,000	-	7,285,000	-	7,285,000	255,000
Series 2009 A-8	Samuel J. Simmons	3.01%	2033 - 2044	13,000,000	-	-	-	13,000,000	-	13,000,000	-
Series 2009 A-9	The Avenue	3.01%	2016 - 2044	3,640,000	-	80,000	-	3,560,000	-	3,560,000	90,000
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	2,610,000	-	85,000	-	2,525,000	-	2,525,000	115,000
Series 2009 A-11	Dahlgreen Courts	3.53%	2016 - 2044	6,150,000	-	50,000	20,000	6,080,000	-	6,080,000	50,000
Series 2009 A-12	Alabama Avenue	2.32%	2016 - 2044	5,050,000	-	-	-	5,050,000	-	5,050,000	100,000
Series 2009 A-13	Paul Laurence Dunbar Apartments	3.53%	2014	18,330,000	-	100,000	18,230,000	-	-	-	-
Series 2011 A	Samuel Kelsey	1.40% - 5.00%	2016 - 2041	15,995,000	-	270,000	-	15,725,000	-	15,725,000	280,000
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	-	-	-	3,630,000	-	3,630,000	70,000
Series 2011	Capitol Hill Towers	1.40% - 4.90%	2016 - 2040	14,160,000	-	255,000	-	13,905,000	-	13,905,000	275,000
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	-	-	-	5,120,000	-	5,120,000	-
Combined Multifamily New Issue Bond Program Total				\$ 212,215,000	\$ -	\$ 3,365,000	\$ 18,540,000	\$ 190,310,000	\$ -	\$ 190,310,000	\$ 2,255,000
Combined Multi-Family Indentures Total				\$ 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
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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, 2014 and the debt outstanding and bonds and certificates of participation payable as of September 30, 2014:

DC Building Finance Corporation Certificates of Participation	Range of Interest Rates	Range of Maturities	Bond Activity							Due Within One Year
			Debt Outstanding at 9/30/2013	New Bonds Issued	Scheduled Maturity Payments	Bond Redeemed	Debt Outstanding at 9/30/2014	Premium (+) / Discount (-)	Bond Payable at 9/30/2014	
1998 Series	5.35%	2014 ~ 2018	\$ 790,000	\$ -	\$ -	\$ 140,000	\$ 650,000	\$ -	\$ 650,000	\$ 150,000
Total			\$ 790,000	\$ -	\$ -	\$ 140,000	\$ 650,000	\$ -	\$ 650,000	\$ 150,000
Bond Activity										
1988 Single Family Mortgage Revenue Bonds	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2013	New Bonds Issued	Scheduled Maturity Payments	Bond Redeemed	Debt Outstanding at 9/30/2014	Premium (+) / Discount (-)	Bond Payable at 9/30/2014	Due Within One Year
1988 Series E-4	6.375%	2015 ~ 2026	\$ 2,505,000	\$ -	\$ -	\$ 330,000	\$ 2,175,000	\$ (104,600)	\$ 2,070,400	\$ 85,000
Total			\$ 2,505,000	\$ -	\$ -	\$ 330,000	\$ 2,175,000	\$ (104,600)	\$ 2,070,400	\$ 85,000
1996 Single Family Mortgage Revenue Bonds										
2005 Series A	5.50%	2015 ~ 2025	\$ 2,390,000	\$ -	\$ 20,000	\$ 520,000	\$ 1,850,000	\$ 173,857	\$ 2,023,857	\$ 95,000
2005 Series B	4.75% ~ 5.625%	2015 ~ 2035	5,045,000	-	-	1,130,000	3,915,000	279,121	4,194,121	55,000
2006 Series A	4.95%	2015 ~ 2026	1,575,000	-	-	455,000	1,120,000	-	1,120,000	65,000
2006 Series B	5.1% ~ 5.35%	2015 ~ 2037	7,345,000	-	-	2,080,000	5,265,000	329,919	5,594,919	105,000
2006 Series D	4.60%	2014 ~ 2020	665,000	-	-	230,000	435,000	-	435,000	40,000
2006 Series E	4.65%	2015 ~ 2037	19,510,000	-	-	6,090,000	13,420,000	-	13,420,000	180,000
2007 Series A	5.15%	2015 ~ 2038	7,400,000	-	-	4,890,000	2,510,000	33,180	2,543,180	40,000
Total			\$ 43,930,000	\$ -	\$ 20,000	\$ 15,395,000	\$ 28,515,000	\$ 816,077	\$ 29,331,077	\$ 580,000
Single Family New Issue Bond Program										
2009 Series A-1	2.49%	2014 ~ 2041	\$ 11,350,000	\$ -	\$ -	\$ 2,110,000	\$ 9,240,000	\$ -	\$ 9,240,000	\$ 280,000
Total			\$ 11,350,000	\$ -	\$ -	\$ 2,110,000	\$ 9,240,000	\$ -	\$ 9,240,000	\$ 280,000
Combined Single Family Indentures Total			\$ 57,785,000	\$ -	\$ 20,000	\$ 17,835,000	\$ 39,930,000	\$ 711,477	\$ 40,641,477	\$ 945,000

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DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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

Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2013	Bond Activity			Debt Outstanding at 9/30/2014	Discount (-)/ Premium (+)	Bonds Payable at 9/30/2014	Due Within One Year
				New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed				
Multifamily Conduit										
Bonds										
1994 Series D	Oak Street	7.00%	2014	\$ 1,140,000	\$ -	\$ 90,000	\$ 1,050,000	\$ -	\$ -	\$ -
1997 Series A	Colorado Avenue	5.85% - 5.95%	2014	710,000	-	30,000	680,000	-	-	-
1999 Series	Garfield Park Apts	7.25%	2015 - 2036	2,666,690	-	76,026	-	2,590,665	-	2,590,665
1999 Series A	Walbraff Apts	6.10%	2014	1,785,000	-	25,000	1,760,000	-	-	-
1999 Series	Barnaby Manor	7.375%	2014	3,835,780	-	-	3,835,780	-	-	-
1999 Series	Ft. Chapin	6.90%	2013 - 2035	22,217,435	-	436,878	-	21,780,557	-	21,780,557
1999 Series	Staton Glenn Apt	6.28%	2014	21,480,000	-	245,000	21,235,000	-	-	467,995
2000 Series	Widrich Court Apt	7.30%	2014 - 2032	3,012,001	-	76,769	-	2,935,232	-	2,935,232
2000 Series C	636 Coop	6.50%	2014	550,000	-	5,000	545,000	-	-	-
2000 Series A	Haven House	6.50%	2014	760,000	-	10,000	750,000	-	-	-
2001 Series A	Douglas Knoll	5.90%	2014	9,244,000	-	55,000	9,189,000	-	-	-
2001 Series D	Meridian Manor	5.70%	2014	2,140,000	-	40,000	2,100,000	-	-	-
2001 Series	Clifton Terrace	5.96%	2014 - 2033	4,660,279	-	119,370	-	4,540,909	-	4,540,909
2000 Series	WDC I LP	Variable	2014 - 2032	6,995,000	-	230,000	-	6,765,000	-	6,765,000
2002 Series	Trenton Park Apts	Variable	2015 - 2035	5,665,000	-	110,000	-	5,555,000	-	5,555,000
2002 Series A	DCCH Pool: Euclid Street	5.75%	2014 - 2039	1,335,000	-	20,000	-	1,315,000	-	1,315,000
2002 Series C	DCCH Pool: Chapin Street	5.75%	2014 - 2039	1,130,000	-	10,000	-	1,120,000	-	1,120,000
2002 Series G	Trinity Towers Apts	4.65% - 5.55%	2014	7,800,000	-	130,000	7,670,000	-	-	-
2002 Series E	Golden Rule Plaza	4.75% - 5.70%	2014	5,945,000	-	65,000	5,880,000	-	-	-
2002 Series I	Henson Ridge	5.40%	2014	3,825,000	-	40,000	3,785,000	-	-	-
2002 Series J	Fairmont I & II	4.50% - 5.30%	2014	14,665,000	-	225,000	14,440,000	-	-	-
2003 Series	Bowling Green	4.50% - 4.70%	2014	9,870,000	-	65,000	9,805,000	-	-	-
2003 Series B	Urban Village	5.25%	2014	5,850,000	-	70,000	5,780,000	-	-	-
2003 Series C	St. Paul Sr. Living @ Wayne Place	5.40% - 5.60%	2014	3,365,000	-	40,000	3,325,000	-	-	-
2004 Series A	1330 7th Street	4.10% - 5.00%	2014 - 2045	11,550,000	-	255,000	-	11,295,000	-	11,295,000
2004 Series A	Congress Park II	6.70%	2014 - 2041	4,554,816	-	60,002	-	4,494,814	-	4,494,814
2004 Series B&C	JW King Seniors Center	4.25% - 5.15%	2014 - 2045	4,950,000	-	55,000	-	4,895,000	-	4,895,000
2004 Series	Savannah Heights	4.10% - 5.10%	2014 - 2045	7,455,000	-	85,000	-	7,370,000	-	7,370,000
2004 Series D	Henson Ridge Phase II	4.65% - 4.90%	2014 - 2047	5,540,000	-	60,000	-	5,480,000	-	5,480,000
2004 Series E	Henson Ridge Phase II	4.10% - 5.10%	2014 - 2037	6,805,000	-	145,000	-	6,660,000	-	6,660,000
2005 Series A	Faircliff Plaza - West	6.50%	2014 - 2047	10,799,385	-	93,622	-	10,705,763	-	10,705,763
2005 Series B	Faircliff Plaza - West	6.50%	2014 - 2025	454,056	-	27,178	-	426,878	-	426,878
2005 Series	DCHA Modernization Program	3.60% - 5.00%	2015 - 2025	53,915,000	-	3,370,000	-	50,545,000	2,067,717	52,612,717
2005 Series	Shipley Park Apts	4.25% - 4.80	2014 - 2038	11,020,000	-	200,000	-	10,820,000	-	10,820,000

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DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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

Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2013	Bond Activity			Debt Outstanding at 9/30/2014	Discount (-)/ Premium (+)	Bonds Payable at 9/30/2014	Due Within One Year
				New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed				
Multifamily Conduit Bonds (Continued)										
2006 Series Hunter Pines	6.25%	2014 – 2048	10,227,278	-	87,692	-	10,139,586	-	10,139,586	93,332
2006 Series GW Carver Senior Apts	5.875%	2014 – 2049	7,284,538	-	58,362	-	7,226,176	-	7,226,176	61,884
2006 Series Garfield Hills Apts	4.70% – 5.00%	2015 – 2036	3,665,000	-	75,000	-	3,590,000	-	3,590,000	80,000
2006 Series Galen Terrace	6.00%	2014 – 2048	4,368,035	-	38,253	-	4,329,782	-	4,329,782	40,612
2006 Series A Southview I & II	6.25%	2014 – 2048	10,809,462	-	90,000	-	10,719,462	-	10,719,462	95,789
2006 Series Golden Rule Apts	5.25%	2014 – 2048	11,590,000	-	240,000	-	11,350,000	-	11,350,000	250,000
2006 Series A Wesley House	4.80%	2015 – 2049	8,995,000	-	85,000	-	8,910,000	-	8,910,000	90,000
2006 Series Azeze Bates Apts	4.80%	2014 – 2036	3,435,000	-	135,000	-	3,300,000	-	3,300,000	140,000
2007 Series Cavalier Apts	5.60%	2014 – 2049	14,872,670	-	133,448	-	14,739,222	-	14,739,222	141,116
2007 Series Residences at Georgia Ave Apts	5.80%	2014 – 2050	7,488,100	-	61,069	-	7,427,031	-	7,427,031	64,707
2007 Series R Street Apts	5.60%	2014 – 2056	8,773,279	-	50,939	-	8,722,340	-	8,722,340	53,866
2007 Series A Parkside Terrace Apts	Variable	2014 – 2045	21,294,741	-	261,837	-	21,032,904	-	21,032,904	276,468
2008 Series Henson Ridge UFAS Rentals	6.00%	2014 – 2050	4,463,507	-	82,834	-	4,380,672	-	4,380,672	87,943
2008 Series Longfellow Arms Apts	5.70%	2014 – 2040	1,935,000	-	20,000	-	1,915,000	-	1,915,000	20,000
2008 A Series Faimont Land II Apts	5.70%	2013 – 2040	3,075,000	-	40,000	3,035,000	-	-	-	-
2008 Series A Wheeler Terrace	Variable	2014 – 2050	7,422,375	-	70,868	-	7,351,507	-	7,351,507	74,620
2008 Series A&B St. Martin's Apts	5.40%	2014 – 2046	11,755,849	-	132,305	-	11,623,544	-	11,623,544	139,647
2008 Series Pentacle Apartments	Variable	2038	10,695,000	-	-	245,000	10,450,000	-	10,450,000	-
2009 Series Georgia Commons	2.875% – 5.875%	2015 – 2051	16,495,000	-	140,000	-	16,355,000	(196,785)	16,158,215	140,000
2010 Series A Sheridan Station	5.90%	2014 – 2040	3,349,882	-	44,479	-	3,305,403	-	3,305,403	47,175
2010 Series Arthur Capper	Variable	2013	5,700,000	-	-	5,700,000	-	-	-	-
2011 Series A-1 Victory Square	6.86%	2014 – 2043	1,366,847	-	14,357	-	1,352,490	-	1,352,490	15,374
2011 Series A The Heights	5.80%	2014 – 2045	11,423,558	939,994	-	4,457,472	7,906,080	-	7,906,080	52,763
2012 Series Park 7 at Minnesota Benning	Variable	2046	51,000	-	-	-	51,000	-	51,000	-
2012 Series Fairway Park	Variable	2046	24,852,800	6,682,648	-	-	31,535,448	-	31,535,448	-
2012 Series Yards D Building	Variable	2047	8,500,000	-	-	-	8,500,000	-	8,500,000	-
2012 Series A Whitelaw Apartments	5.65%	2014 – 2029	2,350,000	-	-	-	2,350,000	-	2,350,000	25,299
2012 Series B Whitelaw Apartments	3.15%	2014	1,379,904	730,096	-	-	2,110,000	-	2,110,000	2,110,000
2012 Series Bass Circle	4.45%	2014 – 2029	8,428,901	3,000,285	-	7,610,229	3,818,957	-	3,818,957	57,884
2012 Series Severna II	Variable	2015 – 2049	2,254,467	11,548,999	-	-	13,803,466	-	13,803,466	2,046,157
2013 Series A Senior Housing at O	Variable	2015 – 2033	4,384,908	2,455,092	-	-	6,840,000	-	6,840,000	45,862
2013 Series B Senior Housing at O	Variable	2015	82,340	6,087,660	-	-	6,170,000	-	6,170,000	6,170,000
2013 Series SOME II	Variable	2033	6,169,276	8,566,111	-	-	14,735,387	-	14,735,387	-
2013 Series Tyler House	4.45%	2014 – 2031	45,760,000	-	415,000	-	45,345,000	-	45,345,000	435,000
2013 Series Sheridan Station III	Variable	2032	100,000	-	-	-	100,000	-	100,000	-
2013 Series Sheridan Station III	Variable	2016	1,245,007	9,512,720	-	-	10,757,727	-	10,757,727	-
2013 Series Trinity Plaza Apts	Variable	2050	-	1,628,864	-	-	1,628,864	-	1,628,864	-
2013 Series Lofts at Capitol Quarter	Variable	2046	-	5,110,802	-	-	5,110,802	-	5,110,802	-
2014 Series A DCHFA Pass-Through Refunding	3.875%	2014 – 2045	-	42,615,830	162,399	-	42,453,431	-	42,453,431	675,241
2014 Series Eastbrooke Apts	Variable	2016	-	51,000	-	-	51,000	-	51,000	-
2014 Series Metro Village	0.35%	2017	-	17,800,000	-	-	17,800,000	-	17,800,000	-
2014 Series B Yards - Parcel N	Variable	2047	-	50,001	-	-	50,001	-	50,001	-
2014 Series North Capitol Commons	Variable	2017	-	2,809,891	-	-	2,809,891	-	2,809,891	-
2014 Series The Gregory	0.40%	2016	-	9,200,000	-	-	9,200,000	-	9,200,000	-
Combined Multifamily Conduit Bonds Total			\$ 553,733,168	\$ 128,789,992	\$ 9,003,687	\$ 112,877,481	\$ 560,641,993	\$ 1,870,933	\$ 562,512,924	\$ 19,257,780

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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

Project Name	Range of Interest Rates	Range of Maturities	Debt Outstanding at 9/30/2013	Bond Activity			Debt Outstanding at 9/30/2014	Discount (-)/ Premium (+)	Bonds Payable at 9/30/2014	Due Within One Year	
				New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed					
Multifamily New Issue Bond Program											
Series 2009 A-1	Villages at Chesapeake	4.09%	2014 - 2042	\$ 10,630,000	\$ -	\$ 130,000	\$ -	\$ 10,500,000	\$ -	\$ 10,500,000	\$ 130,000
Series 2009 A-2	Fort Stevens	4.09%	2014 - 2044	5,310,000	-	90,000	-	5,220,000	-	5,220,000	60,000
Series 2009 A-3	Webster Gardens	4.09%	2014 - 2044	3,280,000	-	50,000	10,000	3,220,000	-	3,220,000	30,000
Series 2009 A-4	SOME	4.09%	2015 - 2044	8,100,000	-	-	70,000	8,030,000	-	8,030,000	170,000
Series 2009 A-5	King Towers	4.09%	2015 - 2042	12,830,000	-	-	-	12,830,000	-	12,830,000	360,000
Series 2009 A-6	The Yards - Foundry Lofts	4.09%	2014 - 2051	47,700,000	-	-	-	47,700,000	-	47,700,000	1,620,000
Series 2009 A-7	Avalon Apartments	3.01%	2014 - 2044	5,040,000	-	-	-	5,040,000	-	5,040,000	160,000
Series 2010 A	Samuel J. Simmons	4.55% - 5.45%	2015 - 2033	7,765,000	-	235,000	-	7,530,000	-	7,530,000	245,000
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%	2015 - 2044	3,640,000	-	-	-	3,640,000	-	3,640,000	120,000
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%	2015 - 2029	2,610,000	-	-	-	2,610,000	-	2,610,000	85,000
Series 2011	Mayfair Mansions III	Variable	2014	5,716,788	-	-	5,716,788	-	-	-	-
Series 2009 A-11	Dahlgreen Courts	3.53%	2015 - 2044	6,200,000	-	30,000	20,000	6,150,000	-	6,150,000	50,000
Series 2011 B	Alabama Avenue	Variable	2014	2,388,979	-	-	2,388,979	-	-	-	-
Series 2009 A-12	Alabama Avenue	2.32%	2015 - 2044	5,050,000	-	-	-	5,050,000	-	5,050,000	40,000
Series 2009 A-13	Paul Laurence Dunbar Apartments	3.53%	2014 - 2051	18,520,000	-	190,000	-	18,330,000	-	18,330,000	200,000
Series 2011 A	Samuel Kelsey	1.40% - 5.00%	2014 - 2041	16,260,000	-	265,000	-	15,995,000	-	15,995,000	270,000
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	-	-	-	3,630,000	-	3,630,000	-
Series 2011	Capitol Hill Towers	1.40% - 4.90%	2014 - 2040	14,410,000	-	250,000	-	14,160,000	-	14,160,000	255,000
Series 2009 A-16	Capitol Hill Towers	2.49%	2040 - 2041	8,370,000	-	-	-	8,370,000	-	8,370,000	-
Series 2012	House of Lebanon	Variable	2015	4,750,001	1,675,000	-	6,425,001	-	-	-	-
Series 2009 A-2	House of Lebanon	3.82%	2016 - 2033	5,120,000	-	-	-	5,120,000	-	5,120,000	-
Combined Multifamily New Issue Bond Program Total				\$ 226,410,768	\$ 1,675,000	\$ 1,240,000	\$ 14,630,768	\$ 212,215,000	\$ -	\$ 212,215,000	\$ 3,795,000
Combined Multi-Family Indentures Total				\$ 780,143,936	\$ 130,464,992	\$ 10,243,687	\$ 127,508,248	\$ 772,856,993	\$ 1,870,933	\$ 774,727,924	\$ 23,052,780

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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

During fiscal years 2010 - 2015, 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 2015. 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, 2014	Draw Down Bonds Issued, Fiscal Year 2015	Total Bonds Issued at September 30, 2015
Multifamily					
Conduit Bonds					
2012 Series	Park 7 at Minnesota Benning	\$ 45,250,000	\$ 51,000	\$ 45,199,000	\$ 45,250,000
2012 Series	Fairway Park	33,482,000	31,535,448	1,946,552	33,482,000
2012 Series	Severna II	17,600,000	13,803,466	3,796,534	15,600,000
2013 Series	SOME II	14,912,000	14,735,387	176,613	7,726,765
2013 Series A	Sheridan Station III	10,245,000	100,000	10,145,000	10,245,000
2013 Series B	Sheridan Station III	12,700,000	10,757,728	1,942,273	12,700,000
2014 Series	Eastbrooke	4,850,000	51,000	4,799,000	4,850,000
2013 Series	Trinity Plaza	9,000,000	1,628,864	6,787,661	8,416,525
2013 Series	Lofts at Capitol Quarter	42,000,000	5,110,802	13,764,283	18,875,085
2014 Series A-1	Yards - Parcel N	50,000,000	-	21,547,931	21,547,931
2014 Series A-2	Yards - Parcel N	30,000,000	-	12,928,759	12,928,759
2014 Series B	Yards - Parcel N	15,000,000	50,001	-	-
2014 Series	North Capitol Common	16,750,000	2,809,891	3,325,595	6,135,486
2014 Series	Highland Dwellings	35,510,000	-	7,215,793	7,215,793
2014 Series	2321 4th St. NE	15,500,000	-	4,824,330	4,824,330
2014 Series A	7611 & 7701 Georgia Ave	10,186,000	-	6,447,951	6,447,951
2014 Series	Grove at Parkside	21,000,000	-	7,255,274	7,255,274
2015 Series A	Brightwood Portfolio	10,866,000	-	2,118,527	2,118,527
2015 Series B	Brightwood Portfolio	3,450,000	-	3,450,000	3,450,000
2015 Series B	Ontario Court	2,209,000	-	1,778,901	1,778,901
2015 Series A	North LIHTC I / HINE I	1,092,537	-	168,406	168,406
2015 Series B	North LIHTC I / HINE I	2,736,343	-	-	-
2015 Series A	North LIHTC II / HINE II	1,144,563	-	51,000	51,000
2015 Series B	North LIHTC II / HINE II	2,626,557	-	111,693	111,693
2015 Series A	Square 50 West End	7,130,000	-	51,000	51,000
2015 Series B	Square 50 West End	6,242,237	-	-	-
Total Multifamily Conduit Bonds		\$ 421,482,237	\$ 80,633,587	\$ 159,832,076	\$ 231,230,426

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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

As of September 30, 2015, 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, 2015 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		1996 Single Family Mortgage Revenue Bonds		Single Family New Issue Bonds Program	
	Interest	Principal	Interest	Principal	Interest	Principal
2016	\$ 116,570	\$ 80,000	\$ 922,502	\$ 465,000	\$ 203,990	\$ 250,000
2017	107,605	150,000	883,491	850,000	197,227	270,000
2018	97,777	155,000	841,098	855,000	190,421	280,000
2019	87,685	165,000	798,289	860,000	183,532	270,000
2020	76,848	165,000	754,809	880,000	176,933	270,000
2021-2025	221,056	915,000	3,141,281	4,195,000	779,221	1,440,000
2026-2030	5,777	225,000	2,154,954	3,930,000	588,995	1,590,000
2031-2035	-	-	1,113,822	4,805,000	387,227	1,660,000
2036-2040	-	-	113,483	2,225,000	175,583	1,750,000
2041-2045	-	-	-	-	9,168	550,000
Totals	<u>\$ 713,318</u>	<u>1,855,000</u>	<u>\$ 10,723,729</u>	<u>19,065,000</u>	<u>\$ 2,892,297</u>	<u>8,330,000</u>
Unamortized Premium / (Discount)		<u>(95,883)</u>		<u>744,401</u>		<u>-</u>
Bond Payable		<u>\$ 1,759,117</u>		<u>\$ 19,809,401</u>		<u>\$ 8,330,000</u>

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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
2016	\$ 26,208,827	\$ 31,624,393	\$ 7,091,057	\$ 2,255,000
2017	25,276,084	92,191,435	7,011,026	2,340,000
2018	24,322,674	11,713,410	6,925,456	2,485,000
2019	23,815,961	11,171,295	6,834,408	2,565,000
2020	23,283,944	11,806,719	6,736,151	2,755,000
2021-2025	107,309,494	69,765,086	31,906,635	16,215,000
2026-2030	90,287,484	66,665,568	28,117,230	20,730,000
2031-2035	66,640,520	137,535,786	22,777,390	31,080,000
2036-2040	47,948,835	76,823,350	16,205,366	41,810,000
2041-2045	34,605,392	57,382,554	6,532,527	52,805,000
2046-2050	8,620,441	159,806,774	2,072,927	10,315,000
2051-2055	452,696	11,238,807	165,220	4,955,000
2056-2060	7,519	396,475	-	-
Totals	<u>\$ 478,779,871</u>	<u>738,121,652</u>	<u>\$ 142,375,393</u>	<u>190,310,000</u>
Unamortized Premium / (Discount)		<u>1,685,244</u>		<u>-</u>
Bond Payable		<u>\$ 739,806,896</u>		<u>\$ 190,310,000</u>

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

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, 2015 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, 2015 and 2014, the outstanding balance on the credit line totaled \$9,037,412 and \$0, 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
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 7: REBATE LIABILITY (Continued)

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

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

Rebate liability activity for the year ended September 30, 2014 was as follows:

	<u>DC Building Finance Corporation</u>	<u>1986 Family Whole Loan Bond Program</u>	<u>1988 Collateralized Single Family Mortgage Revenue Bonds</u>	<u>1996 Single Family Mortgage Revenue Bonds</u>	<u>Multi-Family (Conduit Bond) Program</u>	<u>Multifamily New Issue Bond Program</u>
Rebate Liability as of September 30, 2013	\$ -	\$ -	\$ -	\$ 64,982	\$ -	\$ -
Change in estimated liability due to excess investment earnings	-	-	-	(16,255)	-	-
Change in estimated liability due to change in fair value of investments	-	-	-	-	-	-
Less - payments made	-	-	-	-	-	-
Rebate Liability as of September 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,727</u>	<u>\$ -</u>	<u>\$ -</u>

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 8: CERTIFICATES OF PARTICIPATION

On July 1, 1998, the Agency entered into a lease agreement with the District of Columbia Building Finance Corporation (the “Building Finance Corporation”) to lease office space at 815 Florida Avenue, NW, Washington, D.C. (the “Building”). The Building was financed by proceeds from the Agency’s issuance of Certificates of Participation, Series 1998 (the “Certificates”) evidencing assignments of interest in rights to receive payments under the lease.

The lease term was through June 2018; however, the Agency had an annual right to terminate the lease in the event that the Agency failed to budget sufficient amounts due under the lease terms for the ensuing fiscal year. The Agency also had the option to purchase the Building at any time during the lease at an amount necessary to discharge the Certificates.

The Board of Directors of the Building Finance Corporation is comprised fully of members of the Agency’s management. Since the Corporation is controlled by the Agency and it is the Agency’s intention to continue the lease until title to the Building is acquired by the Agency, the Building and Certificates are presented in the financial statements as if the Agency owned and financed the Building. This activity is recorded in a separate fund, the D.C. Building Finance Corporation Fund. Inter-fund transactions are recorded between the General Fund and the Building Finance Corporation Fund to reflect the lease activity. Rental income for the years ended September 30, 2015 and 2014, amounted to \$109,779 and \$183,102, respectively, and is included in the Building Finance Fund revenue. Rental expense for these amounts is reflected in the General Fund expenses.

The Certificates were issued in an original principal amount of \$2,400,000, with a balance at September 30, 2015 and 2014, of \$0 and \$650,000, respectively. Interest is payable semi-annually at 5.35% per annum.

As of September 30, 2015, the Agency transferred the building to the general fund and the certificates were discharged.

NOTE 9: 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).

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 9: PROJECT FUNDS HELD FOR BORROWER AND OTHER LIABILITIES
(Continued)

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. The Agency transferred some of the repaid HOME funds back to DHCD during fiscal year 2015. As of September 30, 2015 and 2014, total HOME Program restricted assets were \$1,100,773 and \$1,327,205, respectively.

NOTE 10: 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 11: 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, 2015 and 2014 were \$2,012,701 and \$1,568,668, 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, 2015 and 2014 were \$30,105,003 and \$30,374,648, 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-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, 2015 and 2014 at \$2,554,026 and \$2,541,288, respectively.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 11: NET POSITION (Continued)

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, 2015 and 2014 was \$7,900,345 and \$8,645,549, respectively.

Unrestricted Net Position - As of September 30, 2015 and 2014, under the General Fund there were \$54,549,830 and \$47,661,697 in unrestricted net position. The unrestricted net position is used to support the Agency’s issuer credit rating.

NOTE 12: 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.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 13: OTHER INCOME

The Agency's other income for fiscal year 2015 is comprised of the following:

Description	Single Family Program Funds					Multifamily Program Funds			Total
	General Fund	1986, 1996 Single Family Whole Loan Program	1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Single Family New Issue Bond Program	Multifamily (Conduit Bond) Program	Multifamily New Issue Bond Program	DC Building Finance Corporation Fund	
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

The Agency's other income for fiscal year 2014 was comprised of the following:

Description	Single Family Program Funds					Multifamily Program Funds			Total
	General Fund	1986, 1996 Single Family Whole Loan Program	1988 Collateralized Single Family Mortgage Revenue Bonds	1996 Single Family Mortgage Revenue Bonds	Single Family New Issue Bond Program	Multifamily (Conduit Bond) Program	Multifamily New Issue Bond Program	DC Building Finance Corporation Fund	
Project revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,633,536	\$ 598,112	\$ -	\$ 8,231,648
Financing fees	3,262,343	-	-	-	-	-	-	-	3,262,343
Annual Administration fees	4,030,282	-	-	-	-	-	-	-	4,030,282
Construction and development monitoring fees	1,180,186	-	-	-	-	-	-	-	1,180,186
Tax credit fees	265,452	-	-	-	-	-	-	-	265,452
Rental income	-	-	-	-	-	-	-	183,102	183,102
Legal fees	330,000	-	-	-	-	-	-	-	330,000
Mortgage servicing fees	207,526	-	-	-	-	-	-	-	207,526
MIP Risk Share Program	61,936	-	-	-	-	-	-	-	61,936
Interest reduction payment subsidy	-	-	-	-	-	10,432	-	-	10,432
Other	1,975	-	-	-	-	91,419	-	-	93,394
Total	\$ 9,339,700	\$ -	\$ -	\$ -	\$ -	\$ 7,735,387	\$ 598,112	\$ 183,102	\$ 17,856,301

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 14: 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 15: SUBSEQUENT EVENTS

The following subsequent events have occurred:

Multifamily (Conduit Bond) Program, New Issuances:

- On October 20, 2015, \$19,500,000 of District of Columbia Housing Finance Agency Multifamily Housing Revenue Bonds, Series 2015 were issued in a draw down mode to finance the Atlantic Gardens Project.
- On October 20, 2015, \$12,600,000 of District of Columbia Housing Finance Agency Multifamily Housing Revenue Bonds, Series 2015 were issued in a draw down mode to finance the Atlantic Terrace Project.
- On October 30, 2015, \$17,700,000 of District of Columbia Housing Finance Agency Multifamily Housing Revenue Bonds, Series 2015 were issued in a draw down mode to finance the SOME Conway Center FA Project.
- On October 30, 2015, \$8,300,000 of District of Columbia Housing Finance Agency Multifamily Housing Revenue Bonds, Series 2015 were issued to finance the SOME Conway Center TTEE Project.
- On December 21, 2015, \$6,550,000 of District of Columbia Housing Finance Agency Multifamily Housing Revenue Bonds, Series 2015 were issued in draw down mode to finance the Bowen Flats Project.

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 15: SUBSEQUENT EVENTS (Continued)

Between October 1, 2015 and January 15, 2016, the following multifamily mortgage revenue bonds were issued through draws on the draw down bonds:

Series	Project Name	Draw Date(s)	New Issue Draw Amount
2013 Series	Trinity Plaza	10/29/2015 ~ 11/2/2015	\$ 583,475
2013 Series	Lofts at Capitol Quarter	10/1/2015 ~ 1/15/16	4,577,731
2014 Series A-1	Yards - Parcel N	10/1/2015 ~ 12/16/2015	9,396,059
2014 Series A-2	Yards - Parcel N	10/1/2015 ~ 12/16/2015	5,637,636
2014 Series	North Capitol Common	10/22/2015 ~ 12/21/2015	3,407,485
2014 Series	Highland Dwellings	10/27/2015 ~ 12/22/2015	3,001,578
2014 Series	2321 4th St. NE	10/1/2015 ~ 12/21/2015	3,840,535
2014 Series A	7611 & 7701 Georgia Ave	11/19/2015 ~ 1/14/16	949,606
2015 Series A	Brightwood Portfolio	10/5/2015 ~ 12/28/2015	4,309,019
2015 Series B	Ontario Court	11/10/2015 ~ 12/28/2015	430,099
2015 Series A	North LIHTC I / HINE I	10/2/2015 ~ 1/5/2016	878,048
2015 Series B	North LIHTC II / HINE II	10/2/2015 ~ 1/5/2016	847,365
2015 Series A	Square 50 West End	10/1/2015 ~ 12/1/2015	71,514
2015 Series	Atlantic Garden	10/20/2015 ~ 12/11/2015	70,599
2015 Series	Atlantic Terrace	10/20/2015 ~ 12/11/2015	84,862
2015 Series	Conway Center FA	10/30/2015 ~ 12/18/2015	4,079,224
2016 Series	Bowen Flats	12/21/2015	1,690,750
Total			<u><u>\$ 43,855,585</u></u>

Single Family New Issue Bond Program Redemptions and Maturities:

- On December 1, 2015, \$80,000 in District of Columbia Housing Finance Agency Collateralized Single Family Housing Revenue Bonds 1988 Series E-4 were redeemed through prepayments.
- On December 1, 2015, the following 1996 Single Family Mortgage Revenue Bonds were redeemed.

<u>Series</u>	<u>Maturing Principal</u>	<u>Principal Redemptions</u>	<u>Total</u>
2005 Series A	\$ 25,000	\$ 305,000	\$ 330,000
2005 Series B	-	700,000	700,000
2006 Series A	10,000	55,000	65,000
2006 Series B	-	280,000	280,000
2006 Series D	10,000	35,000	45,000
2006 Series E	-	1,445,000	1,445,000
2007 Series A	-	380,000	380,000
Total	<u><u>\$ 45,000</u></u>	<u><u>\$ 3,200,000</u></u>	<u><u>\$ 3,245,000</u></u>

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 15: SUBSEQUENT EVENTS (Continued)

- On December 1, 2015, \$110,000 in District of Columbia Housing Finance Agency Single Family Housing Revenue Bonds Series 2009 A-1 were redeemed through sinking fund maturity and \$760,000 were redeemed through prepayments.

Multifamily New Issue Bond Program Redemptions and Maturities:

- Between October 1, 2015 and January 15, 2016, the following Multifamily NIBP mortgage revenue bonds were redeemed:

<u>Series</u>	<u>Project Name</u>	<u>Redemption / Maturity Date</u>	<u>Principal Redeemed</u>
Series 2009 A-1	Village at Chesapeake	10/1/2015	\$ 70,000
Series 2009 A-2	Fort Stevens	10/1/2015	30,000
Series 2009 A-3	Webster Gardens	10/1/2015	20,000
Series 2009A-4	SOME Scattered Site	1/1/2016	40,000
Series 2009A-5	King Towers	1/1/2016	70,000
Series 2009 A-6	Foundry Lofts	12/1/2015	260,000
Series 2009 A-7	Avalon	1/1/2016	30,000
Series 2009 A-9	The Avenue	1/1/2016	30,000
Series 2009 A-11	Dahlgreen Ct.	1/1/2016	30,000
Series 2010 A	Samuel J. Simmons	1/1/2016	125,000
Series 2011 A	Mayfair Mansions III	1/1/2016	55,000
Series 2011	Capitol Hill Tower	12/1/2015	275,000
Series 2011 A	Samuel Kelsey Apts	12/1/2015	280,000
Total			<u><u>\$ 1,315,000</u></u>

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

NOTE 15: SUBSEQUENT EVENTS (Continued)

Multifamily (Conduit Bond) Program, Redemptions and Maturities:

- Between October 1, 2015 and January 15, 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>
1999 Series	Garfield Park Apts	10/1/2015-1/1/2016	\$ 28,581
1999 Series	Ft. Chaplin	10/1/2015-1/1/2016	163,292
2000 Series	Widrich Court Apt	10/1/2015	43,591
2001 Series	Clifton Terrace	12/1/2015	66,257
2000 Series	WDC I LP (Regency)	12/1/2015	250,000
2002 Series A	DCCH Pool: Euclid Street	12/1/2015	10,000
2002 Series C	DCCH Pool: Chapin Street	12/1/2015	5,000
2002 Series	Trenton Park Apts	1/1/2016	65,000
2004 Series A	1330 7th Street	12/1/2015	70,000
2004 Series A	Congress Park II	10/1/2015-1/15/2016	22,353
2004 Series B&C	JW King Seniors Center	12/1/2015	30,000
2004 Series D	Henson Ridge Phase II	12/1/2015	35,000
2004 Series E	Henson Ridge Phase II	12/1/2015	80,000
2005 Series A	Faircliff Plaza - West	10/1/2015-1/1/2016	34,763
2005 Series B	Faircliff Plaza - West	10/1/2015-1/1/2016	10,091
2005 Series	Shipley Park Apts	12/1/2015	110,000
2006 Series	Hunter Pines	10/1/2015-1/1/2016	32,426
2006 Series	GW Carver Senior Apts	10/1/2015-1/1/2016	21,447
2006 Series	Garfield Hills Apts	1/1/2016	40,000
2006 Series	Galen Terrace	10/1/2015-1/1/2016	14,087
2006 Series A	Southview I & II	10/1/2015-1/1/2016	33,280
2006 Series	Golden Rule Apts	11/1/2015	130,000
2006 Series	Azeeze Bates Apts	11/1/2015	75,000
2007 Series	Cavalier Apts	10/1/2015-1/1/2016	48,818
2007 Series	Residences at Georgia Avenue Apts	10/1/2015-1/1/2016	22,415
2007 Series	R Street Apts	10/1/2015-1/1/2016	18,635
2007 Series A	Parkside Terrace Apts	10/1/2015-1/1/2016	95,549
2008 Series A	Henson Ridge UFAS Rentals	10/1/2015-1/1/2016	30,504
2008 Series	Longfellow Arms	12/1/2015-1/1/2016	10,000
2008 Series A	Wheeler Terrace	10/1/2015-1/1/2016	25,741
2008 Series A	St. Martin's Apts	10/1/2015-1/1/2016	48,246
2008 Series	Pentacle	11/2/2015	150,000
2010 Series A	Sheridan Station	10/1/2015-1/1/2016	16,352
2011 Series A-1	Victory Square	10/1/2015-1/1/2016	5,363
2011 Series A	The Heights	10/1/2015-1/1/2016	18,277
2012 Series A	Whitelaw Apartments	10/1/2015-1/1/2016	11,071
2012 Series	Bass Circle	10/1/2015-1/1/2016	19,926
2012 Series	SeVerna II	10/1/2015-1/1/2016	61,658
2013 Series	Tyler House	12/15/2015	230,000
2013 Series	Trinity Plaza	11/1/2015	3,625,000
2013 Series A	Sr. Housing at O	10/1/2015-1/1/2016	26,462
2014 Series	Gregory Apts	12/24/2015	9,200,000
2014 Series	Lincoln Westmoreland	11/1/2015	15,000,000
2014 Series A	Pass-Through Refunding	10/15/2015-1/15/2016	234,527
Total			<u><u>\$ 30,268,712</u></u>

SUPPLEMENTAL INFORMATION

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENTS OF NET POSITION
SEPTEMBER 30, 2015
(WITH COMPARATIVE TOTALS FOR 2014)

<u>ASSETS</u>	<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>DC Building Finance Corporation</u>	<u>2015</u>	<u>2014</u>
CURRENT ASSETS								
Unrestricted current assets:								
Cash and cash equivalents	\$ 40,169,724	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,169,724	\$ 32,672,832
Mortgage and construction loans receivable	75,095	-	-	-	-	-	75,095	135,360
Other receivables	2,092,988	-	-	-	-	-	2,092,988	3,014,048
Accrued interest receivable	16,450	-	-	-	-	-	16,450	16,827
Prepaid expenses	144,508	-	-	-	-	-	144,508	152,874
Total unrestricted current assets	<u>42,498,765</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,498,765</u>	<u>35,991,941</u>
Restricted current assets:								
Cash and cash equivalents	15,334,368	4,344,592	997,202	119,336,162	18,271,959	-	158,284,283	92,737,196
Mortgage-backed securities at fair value	147,000	545,000	250,000	269,215	-	-	1,211,215	10,694,801
Mortgage and construction loans receivable	-	-	-	31,355,178	2,255,000	-	33,610,178	22,372,780
Accrued interest receivable	42,390	344,881	19,672	1,920,823	917,658	-	3,245,424	3,824,798
Other receivables	-	-	-	-	-	-	-	66,248
Total restricted current assets	<u>15,523,758</u>	<u>5,234,473</u>	<u>1,266,874</u>	<u>152,881,378</u>	<u>21,444,617</u>	<u>-</u>	<u>196,351,100</u>	<u>129,695,823</u>
TOTAL CURRENT ASSETS	<u>58,022,523</u>	<u>5,234,473</u>	<u>1,266,874</u>	<u>152,881,378</u>	<u>21,444,617</u>	<u>-</u>	<u>238,849,865</u>	<u>165,687,764</u>
NON-CURRENT ASSETS								
Unrestricted non-current assets:								
Investments	3,426,760	-	-	-	-	-	3,426,760	3,216,887
Mortgage and construction loans receivable	4,988,427	-	-	-	-	-	4,988,427	5,073,864
Due from (to) other funds	2,833,644	(2,684,066)	(149,578)	-	-	-	-	-
Total unrestricted non-current assets	<u>11,248,831</u>	<u>(2,684,066)</u>	<u>(149,578)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,415,187</u>	<u>8,290,751</u>
Restricted non-current assets:								
Investments held in trust	-	12,221,833	-	2,818,421	-	-	15,040,254	24,716,301
Mortgage-backed securities at fair value	9,579,973	25,428,528	8,250,361	31,448,608	-	-	74,707,470	95,081,007
Mortgage and construction loans receivable	-	350,000	95,000	651,888,074	185,718,986	-	838,052,060	676,887,853
Loans receivable	-	-	-	2,143,605	-	-	2,143,605	2,309,116
McKinney Act loans receivable, net	1,738,603	-	-	-	-	-	1,738,603	1,455,883
Total restricted non-current assets	<u>11,318,576</u>	<u>38,000,361</u>	<u>8,345,361</u>	<u>688,298,708</u>	<u>185,718,986</u>	<u>-</u>	<u>931,681,992</u>	<u>800,450,160</u>
Capital assets:								
Land	573,000	-	-	-	-	-	573,000	573,000
Property and equipment	5,723,505	-	-	-	-	-	5,723,505	3,971,449
Leasehold improvements	-	-	-	-	-	-	-	1,745,285
Less accumulated depreciation and amortization	(4,283,804)	-	-	-	-	-	(4,283,804)	(4,071,066)
Total capital assets, net	<u>2,012,701</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,012,701</u>	<u>2,218,668</u>
TOTAL NON-CURRENT ASSETS	<u>24,580,108</u>	<u>35,316,295</u>	<u>8,195,783</u>	<u>688,298,708</u>	<u>185,718,986</u>	<u>-</u>	<u>942,109,880</u>	<u>810,959,579</u>
TOTAL ASSETS	<u>82,602,631</u>	<u>40,550,768</u>	<u>9,462,657</u>	<u>841,180,086</u>	<u>207,163,603</u>	<u>-</u>	<u>1,180,959,745</u>	<u>976,647,343</u>
DEFERRED OUTFLOWS OF RESOURCES								
Unamortized deferral on bond refundings	-	-	-	230,521	-	-	230,521	238,080
Total deferred outflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 230,521</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 230,521</u>	<u>\$ 238,080</u>

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENTS OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2015
(WITH COMPARATIVE TOTALS FOR 2014)

LIABILITIES AND NET POSITION	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily (Conduit Bond) Program Fund	Multifamily NIBP Fund	DC Building Finance Corporation	2015	2014
CURRENT LIABILITIES								
Current liabilities payable from unrestricted assets:								
Accounts payable and accrued liabilities	\$ 513,174	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 513,174	\$ 451,990
Accrued salary and vacation payable	311,363	-	-	-	-	-	311,363	285,024
Prepaid fees	1,073,816	-	-	-	-	-	1,073,816	996,426
Total current liabilities payable from unrestricted assets	<u>1,898,353</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,898,353</u>	<u>1,733,440</u>
Current liabilities payable from restricted assets:								
Accounts payable and accrued liabilities	-	40,096	4,376	-	-	-	44,472	48,727
Project funds held for borrower and other liabilities	4,649,964	1,100,773	-	87,262,915	13,488,387	-	106,502,039	61,509,007
Interest payable	-	349,878	69,140	3,852,745	2,298,914	-	6,570,677	6,782,997
Current portion of loans payable	9,037,412	-	-	-	-	-	9,037,412	-
Current portion of bonds payable	-	545,000	250,000	31,624,393	2,255,000	-	34,674,393	23,997,780
Current portion of certificates of participation	-	-	-	-	-	-	-	150,000
Total current liabilities payable from restricted assets	<u>13,687,376</u>	<u>2,035,747</u>	<u>323,516</u>	<u>122,740,053</u>	<u>18,042,301</u>	<u>-</u>	<u>156,828,993</u>	<u>92,488,511</u>
Total current liabilities	<u>15,585,729</u>	<u>2,035,747</u>	<u>323,516</u>	<u>122,740,053</u>	<u>18,042,301</u>	<u>-</u>	<u>158,727,346</u>	<u>94,221,951</u>
NON-CURRENT LIABILITIES								
Non-current liabilities payable from restricted assets:								
Bonds payable—less current portion	-	21,023,519	8,080,000	708,182,503	188,055,000	-	925,341,022	791,371,623
Certificates of participation—less current portion	-	-	-	-	-	-	-	500,000
Total non-current liabilities payable from restricted assets	<u>-</u>	<u>21,023,519</u>	<u>8,080,000</u>	<u>708,182,503</u>	<u>188,055,000</u>	<u>-</u>	<u>925,341,022</u>	<u>791,871,623</u>
TOTAL LIABILITIES	<u>15,585,729</u>	<u>23,059,266</u>	<u>8,403,516</u>	<u>830,922,556</u>	<u>206,097,301</u>	<u>-</u>	<u>1,084,068,368</u>	<u>886,093,574</u>
NET POSITION								
Net invested in capital assets	2,012,701	-	-	-	-	-	2,012,701	1,568,668
Restricted for:								
Bond fund, collateral and Risk Share Program	2,554,026	17,491,502	1,059,141	10,488,051	1,066,302	-	32,659,022	32,915,935
McKinney Act Fund	7,900,345	-	-	-	-	-	7,900,345	8,645,549
Total restricted net position	<u>10,454,371</u>	<u>17,491,502</u>	<u>1,059,141</u>	<u>10,488,051</u>	<u>1,066,302</u>	<u>-</u>	<u>40,559,367</u>	<u>41,561,484</u>
Unrestricted net position	54,549,830	-	-	-	-	-	54,549,830	47,661,698
TOTAL NET POSITION	<u>67,016,902</u>	<u>17,491,502</u>	<u>1,059,141</u>	<u>10,488,051</u>	<u>1,066,302</u>	<u>-</u>	<u>97,121,898</u>	<u>90,791,850</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 82,602,631</u>	<u>\$ 40,550,768</u>	<u>\$ 9,462,657</u>	<u>\$ 841,410,607</u>	<u>\$ 207,163,603</u>	<u>\$ -</u>	<u>\$ 1,181,190,266</u>	<u>\$ 976,885,424</u>

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
SEPTEMBER 30, 2015
(WITH COMPARATIVE TOTALS FOR 2014)

	General Fund	Single Family Program Fund	Single Family NIBP Fund	Multifamily (Conduit Bond) Program Fund	Multifamily NIBP Fund	DC Building Finance Corporation	2015	2014
OPERATING REVENUES								
Investment interest income	\$ 285,743	\$ 754,473	\$ 33	\$ 99,653	\$ 4,073	\$ -	\$ 1,143,975	\$ 1,247,223
Mortgage-backed security interest income	421,240	1,637,389	269,731	1,822,633	63,686	-	4,214,679	5,481,058
Interest on mortgage and construction loans	13,305	-	-	24,210,939	7,349,651	-	31,573,895	31,340,466
McKinney Act interest revenue	234,088	-	-	-	-	-	234,088	66,101
Application and commitment fees	288,762	-	-	-	-	-	288,762	283,132
Other	10,706,623	-	-	6,809,875	333,546	109,779	17,959,823	17,856,302
Total operating revenues	<u>11,949,761</u>	<u>2,391,862</u>	<u>269,764</u>	<u>32,943,100</u>	<u>7,750,956</u>	<u>109,779</u>	<u>55,415,222</u>	<u>56,274,282</u>
OPERATING EXPENSES								
General and administrative	1,494,827	32,985	22,778	7,818,413	875,467	-	10,244,470	9,748,101
Personnel and related costs	4,350,260	-	-	-	-	-	4,350,260	4,450,169
Interest expense	45,553	1,238,376	219,505	24,040,905	7,282,346	20,285	32,846,970	35,345,822
Depreciation and amortization	173,951	-	-	-	-	38,786	212,737	247,504
Trustee fees and other expenses	281,771	16,056	2,750	492,358	114,219	1,000	908,154	4,217,805
Total operating expenses	<u>6,346,362</u>	<u>1,287,417</u>	<u>245,033</u>	<u>32,351,676</u>	<u>8,272,032</u>	<u>60,071</u>	<u>48,562,591</u>	<u>54,009,401</u>
OPERATING INCOME (LOSS)	<u>5,603,399</u>	<u>1,104,445</u>	<u>24,731</u>	<u>591,424</u>	<u>(521,076)</u>	<u>49,708</u>	<u>6,852,631</u>	<u>2,264,881</u>
NON-OPERATING REVENUES/EXPENSES								
(Decrease) / Increase in fair value of mortgage-backed securities	594,634	(1,113,505)	182,641	1,619,612	(1,805,965)	-	(522,583)	(460,211)
Transfers of funds, net	1,043,134	(1)	-	(301,798)	-	(741,335)	-	-
CHANGE IN NET POSITION	7,241,167	(9,061)	207,372	1,909,238	(2,327,041)	(691,627)	6,330,048	1,804,670
Net position, beginning of year, as previously stated	59,775,735	17,500,563	851,769	8,578,813	3,393,343	691,627	90,791,850	88,987,180
Net position, end of year	<u>\$ 67,016,902</u>	<u>\$ 17,491,502</u>	<u>\$ 1,059,141</u>	<u>\$ 10,488,051</u>	<u>\$ 1,066,302</u>	<u>\$ -</u>	<u>\$ 97,121,898</u>	<u>\$ 90,791,850</u>

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENT OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE TOTALS FOR 2014)

	<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>DC Building Finance Corporation</u>	<u>2015</u>	<u>2014</u>
Cash Flows from Operating Activities:								
Interest received on loans	\$ 346,177	\$ -	\$ -	\$ 24,517,433	\$ 7,478,324	\$ -	\$ 32,341,934	\$ 31,880,350
Other cash receipts	10,034,336	-	-	99,352,772	2,080,138	109,779	111,577,026	63,474,867
Payments to vendors	(1,235,965)	(49,037)	-	(8,118,593)	(945,073)	-	(10,348,668)	(9,608,571)
Payments to employees	(4,323,725)	-	-	-	-	-	(4,323,725)	(4,431,360)
Net mortgage and construction loans principal (disbursements) / receipts	(197,264)	30,000	15,000	(174,407,822)	2,076,728	-	(172,483,358)	(29,640,704)
Principal and interest received on mortgage-backed securities	77,612,271	12,161,266	2,221,649	9,578,069	18,426,797	-	120,000,052	82,595,280
Payment for the purchase of mortgage-backed securities	(82,503,920)	-	(1,752,444)	-	-	-	(84,256,364)	(53,782,456)
Other cash payments	(440,589)	(226,433)	(16,396)	(47,611,768)	(1,368,873)	(127,768)	(49,791,827)	(36,130,385)
Net cash provided by/(used in) operating activities	(708,679)	11,915,796	467,809	(96,689,909)	27,748,042	(17,989)	(57,284,930)	44,357,023
Cash Flows from Capital and Related Financing Activities								
Acquisition of fixed assets	(196,261)	-	-	-	-	-	(196,261)	(15,464)
Payments of bonds and long-term debt	-	-	-	-	-	(650,000)	(650,000)	(140,000)
Net cash used in capital and related financing activities	(196,261)	-	-	-	-	(650,000)	(846,261)	(155,464)
Cash Flows from Non-Capital Financing Activities								
Interest paid on bonds and loans	(45,553)	(1,462,346)	(227,057)	(24,150,389)	(7,538,715)	(31,877)	(33,455,936)	(37,653,610)
Transfer (to) from other funds	(359,131)	-	149,578	(301,791)	-	511,344	-	-
Proceeds from bond issuances and loans	9,300,000	-	-	219,872,100	-	-	229,172,100	132,161,561
Principal payments on issued debt and loans	(262,589)	(9,770,000)	(910,000)	(42,342,441)	(21,905,000)	-	(75,190,029)	(157,303,501)
Net cash provided by / (used in) non-capital financing activities	8,632,727	(11,232,346)	(987,479)	153,077,479	(29,443,715)	479,467	120,526,135	(62,795,550)
Cash Flows from Investing Activities								
Interest received on investments	317,324	750,152	37	100,566	4,265	-	1,172,344	1,441,418
Sale of investments	730,931	5,049,400	-	28,043,911	-	-	33,824,242	26,975,162
Purchase of investments	(935,139)	(5,387,775)	-	(18,024,637)	-	-	(24,347,551)	(15,852,634)
Net cash provided by investing activities	113,116	411,777	37	10,119,840	4,265	-	10,649,035	12,563,946
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	7,840,902	1,095,227	(519,632)	66,507,411	(1,691,408)	(188,522)	73,043,979	(6,030,045)
Cash and cash equivalents, beginning of year	47,663,189	3,249,365	1,516,834	52,828,751	19,963,367	188,522	125,410,028	131,440,073
Cash and cash equivalents, end of year	\$ 55,504,091	\$ 4,344,592	\$ 997,202	\$ 119,336,162	\$ 18,271,959	\$ -	\$ 198,454,007	\$ 125,410,029

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
YEARS ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE TOTALS FOR 2014)

	<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>DC Building Finance Corporation</u>	<u>2015</u>	<u>2014</u>
Reconciliation of Operating Income to Net Cash Provided by/(used in) Operating Activities								
Operating income (loss)	\$ 5,603,399	\$ 1,104,445	\$ 24,731	\$ 591,424	\$ (521,076)	\$ 49,708	\$ 6,852,631	\$ 2,264,881
Depreciation and amortization	173,951	-	-	-	-	38,786	212,737	247,504
Amortization of prepaid items, premiums and discounts on debt	(1,532,948)	(62,959)	-	(200,503)	-	-	(1,796,410)	(1,397,996)
Interest on bonds/loans	45,553	1,462,346	227,057	24,150,389	7,538,715	31,877	33,455,937	37,653,610
Amortization of premium on investments	31,135	-	-	-	-	-	31,135	39,958
Provision for uncollectible other revenue	-	-	-	-	-	-	-	19,445
Provision for uncollectible interest revenue	256,095	-	-	-	-	-	256,095	62,890
Contingent loss expense	1,765,858	-	-	-	-	-	1,765,858	1,863,122
Decrease (increase) in mortgage and construction loans	(137,018)	30,000	15,000	(174,357,823)	2,076,728	-	(172,373,113)	(27,748,703)
Decrease in mortgage-backed securities	311,347	10,477,685	1,947,070	7,704,765	18,299,368	-	38,740,235	75,173,790
Purchases of mortgage-backed securities	(7,658,099)	-	(1,752,444)	-	-	-	(9,410,543)	(53,782,456)
Decrease (increase) in fair value of investments	(5,665)	-	-	(4,852)	-	-	(10,517)	27,003
Interest received on investments	(317,324)	(750,152)	(37)	(100,566)	(4,265)	-	(1,172,344)	(1,441,418)
Decrease (increase) in assets:								
Accrued interest receivable	(26,395)	50,506	4,952	335,300	192,605	-	556,968	719,276
Other current assets	8,366	-	-	-	-	-	8,366	(26,075)
Other receivables	921,060	-	4,656	-	-	61,592	987,308	7,281,947
Increase (decrease) in liabilities:								
Accounts payable and accrued liabilities	(243,118)	(8,632)	4,376	-	-	-	(247,374)	(2,222,901)
Prepaid items	77,390	-	-	-	-	-	77,390	(186,571)
Project funds held for borrower and other liabilities	17,734	(226,432)	-	44,967,756	422,334	(188,360)	44,993,032	7,830,057
Accrued interest payable	-	(161,011)	(7,552)	224,201	(256,367)	(11,592)	(212,321)	(2,020,339)
Net cash provided by/(used in) operating activities	<u>\$ (708,679)</u>	<u>\$ 11,915,796</u>	<u>\$ 467,809</u>	<u>\$ (96,689,909)</u>	<u>\$ 27,748,042</u>	<u>\$ (17,989)</u>	<u>\$ (57,284,930)</u>	<u>\$ 44,357,024</u>

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND
SEPTEMBER 30, 2015 AND 2014

DC Building Finance Corporation 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>							
Money Market Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	-	-	-	-	-	-	-
DC Building Finance Corporation							
Total Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

DC Building Finance Corporation as of September 30, 2014

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>							
Money Market Funds	\$ 188,522	\$ 188,522	\$ 188,522	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	188,522	188,522	188,522	-	-	-	-
DC Building Finance Corporation							
Total Cash	\$ 188,522	\$ 188,522	\$ 188,522	\$ -	\$ -	\$ -	\$ -

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2015 AND 2014

1988 Collateralized Single Family Mortgage Revenue Bonds 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>							
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, 2015 AND 2014

1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2014

<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	\$ 1,555,606	\$ 1,555,606	\$ 1,555,606	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>1,555,606</u>	<u>1,555,606</u>	<u>1,555,606</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	1,216,038	1,281,364	-	441,758	839,606	-	-
Total Mortgage-Backed Securities	<u>1,216,038</u>	<u>1,281,364</u>	<u>-</u>	<u>441,758</u>	<u>839,606</u>	<u>-</u>	<u>-</u>
1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	\$ 12,771,644	\$ 12,836,970	\$ 1,555,606	\$ 441,758	\$ 839,606	\$ 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, 2015 AND 2014

1996 Single Family Mortgage Revenue Bonds 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>							
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, 2015 AND 2014

1996 Single Family Mortgage Revenue Bonds as of September 30, 2014

<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	\$ 1,693,759	\$ 1,693,759	\$ 1,693,759	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>1,693,759</u>	<u>1,693,759</u>	<u>1,693,759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments</u>							
Investment Agreements	1,883,458	1,883,458	-	-	-	-	1,883,458
Total Investments	<u>1,883,458</u>	<u>1,883,458</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,883,458</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	9,862,011	10,905,140	-	9,466	1,870,749	2,791,220	6,233,705
Fannie Mae	8,029,506	8,736,887	-	-	-	246,867	8,490,020
Freddie Mac	14,845,350	16,641,324	-	-	-	-	16,641,324
Total Mortgage-Backed Securities	<u>32,736,868</u>	<u>36,283,351</u>	<u>-</u>	<u>9,466</u>	<u>1,870,749</u>	<u>3,038,087</u>	<u>31,365,049</u>
1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	<u>\$ 36,314,085</u>	<u>\$ 39,860,568</u>	<u>\$ 1,693,759</u>	<u>\$ 9,466</u>	<u>\$ 1,870,749</u>	<u>\$ 3,038,087</u>	<u>\$ 33,248,507</u>

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2015 AND 2014

Single Family NIB Program 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							
Money Market Funds	\$ 997,202	\$ 997,202	\$ 997,202	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	997,202	997,202	997,202	-	-	-	-
Mortgage-Backed Securities							
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, 2015 AND 2014

Single Family NIB Program as of September 30, 2014

<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	\$ 1,516,834	\$ 1,516,834	\$ 1,516,834	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>1,516,834</u>	<u>1,516,834</u>	<u>1,516,834</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	7,971,654	8,264,272	-	-	-	-	8,264,272
Fannie Mae	233,456	248,075	-	-	-	-	248,075
Total Mortgage-Backed Securities	<u>8,205,110</u>	<u>8,512,347</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,512,347</u>
Single Family NIB Program Total Cash and Mortgage-Backed Securities	<u><u>\$ 9,721,944</u></u>	<u><u>\$ 10,029,181</u></u>	<u><u>\$ 1,516,834</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,512,347</u></u>

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2015 AND 2014

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	<u>18,271,959</u>	<u>18,271,959</u>	<u>18,271,959</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	-	-	-	-	-	-	-
Total Mortgage-Backed Securities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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, 2015 AND 2014

Multifamily NIB Program as of September 30, 2014

<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	\$ 19,963,367	\$ 19,963,367	\$ 19,963,367	\$ -	\$ -	\$ -	\$ -
Total Cash and Cash Equivalents	<u>19,963,367</u>	<u>19,963,367</u>	<u>19,963,367</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	18,299,368	20,105,333	-	-	-	-	20,105,333
Total Mortgage-Backed Securities	<u>18,299,368</u>	<u>20,105,333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,105,333</u>
Multifamily NIB Program Total Cash, Investments and Mortgage- backed Securities	<u><u>\$ 38,262,735</u></u>	<u><u>\$ 40,068,699</u></u>	<u><u>\$ 19,963,367</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 20,105,333</u></u>

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2015 AND 2014

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	25,433,497	25,433,498	25,433,498	-	-	-	-
Total Cash and Cash Equivalents	119,336,160	119,336,161	119,336,161	-	-	-	-
<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	\$ 149,330,979	\$ 153,872,405	\$ 119,965,637	\$ -	\$ -	\$ -	\$ 33,906,768
Mortgage-Backed Securities							

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2015 AND 2014

Multifamily (Conduit Bond) Program as of September 30, 2014

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	\$ 242,788	\$ 242,788	\$ 242,788	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	34,326,567	34,326,567	34,326,567	-	-	-	-
Money Market Funds	18,259,396	18,259,396	18,259,396	-	-	-	-
Commercial Papers	-	-	-	-	-	-	-
Total Cash and Cash Equivalents	52,828,751	52,828,751	52,828,751	-	-	-	-
<u>Investments</u>							
Commercial Papers	-	-	-	-	-	-	-
US Treasury Obligations	9,810,143	9,805,291	9,805,291	-	-	-	-
Investment Agreements	3,027,552	3,027,552	-	866,088	-	-	2,161,464
Total Investments	12,837,695	12,832,843	9,805,291	866,088	-	-	2,161,464
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	34,881,163	37,807,827	-	-	-	-	37,807,827
Total Mortgage-Backed Securities	34,881,163	37,807,827	-	-	-	-	37,807,827
Multifamily (Conduit Bond) Program							
Total Cash, Investments and Mortgage-Backed Securities	\$100,547,609	\$ 103,469,420	\$ 62,634,042	\$ 866,088	\$ -	\$ -	\$ 39,969,291

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2015 AND 2014

Combined Revenue Obligation Funds and 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
<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, 2015 AND 2014

Combined Revenue Obligation Funds and General Fund as of September 30, 2014

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	\$ 5,896,412	\$ 5,896,412	\$ 5,896,412	\$ -	\$ -	\$ -	\$ -
Demand Money Market Deposits	96,299,499	96,299,499	96,299,499	-	-	-	-
Money Market Funds	23,214,118	23,214,118	23,214,118	-	-	-	-
Total Cash and Cash Equivalents	125,410,028	125,410,028	125,410,028	-	-	-	-
<u>Investments</u>							
Certificates of Deposits	200,000	199,925	199,925	-	-	-	-
U.S. Treasury Obligations	10,311,517	10,307,133	10,155,387	151,746	-	-	-
U.S. Agency Obligations	125,000	124,628	-	124,628	-	-	-
Investment Agreements	14,911,010	14,911,010	-	866,088	-	10,000,000	4,044,922
Corporate Obligations	1,245,962	1,248,327	527,311	721,016	-	-	-
GSE Obligations	1,141,049	1,142,166	560,040	582,126	-	-	-
Total Investments	27,934,539	27,933,189	11,442,663	2,445,604	-	10,000,000	4,044,922
<u>Mortgage-Backed Securities</u>							
Ginnie Mae	72,666,995	78,827,504	-	451,224	2,710,355	2,791,220	72,874,705
Fannie Mae	9,507,074	10,306,981	-	-	-	246,867	10,060,113
Freddie Mac	14,845,350	16,641,324	-	-	-	-	16,641,324
Total Mortgage-Backed Securities	97,019,419	105,775,808	-	451,224	2,710,355	3,038,087	99,576,142
Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	\$250,363,987	\$ 259,119,025	\$ 136,852,691	\$ 2,896,828	\$ 2,710,355	\$ 13,038,087	\$103,621,064

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2015 AND 2014

DC Building Finance Corporation 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	\$ -	0.0%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>-</u>	<u>0.0%</u>			
DC Building Finance Corporation Total Cash and Cash Equivalents	<u>\$ -</u>	<u>0.0%</u>			

DC Building Finance Corporation as of September 30, 2014

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total</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	\$ 188,522	100.0%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>188,522</u>	<u>100.0%</u>			
DC Building Finance Corporation Total Cash and Cash Equivalents	<u>\$ 188,522</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, 2015 AND 2014

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>13,094,742</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, 2015 AND 2014

1988 Collateralized Single Family Mortgage Revenue Bonds as of September 30, 2014

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total</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	\$ 1,555,606	12.1%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>1,555,606</u>	<u>12.1%</u>			
<u>Investments</u>					
Investment Agreements	10,000,000	77.9%	Not Rated		
Total Investments	<u>10,000,000</u>	<u>77.9%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	1,281,364	10.0%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>1,281,364</u>	<u>10.0%</u>			
1988 Collateralized Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	<u><u>\$ 12,836,970</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, 2015 AND 2014

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	\$ 29,445,213	100.0%			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2015 AND 2014

1996 Single Family Mortgage Revenue Bonds as of September 30, 2014

<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	\$ 1,693,759	4.2%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>1,693,759</u>	<u>4.2%</u>			
<u>Investments</u>					
Investment Agreements	1,883,458	4.7%	A1	Moody's	
Total Investments	<u>1,883,458</u>	<u>4.7%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	10,905,140	27.4%	Aaa	Moody's	
Fannie Mae	8,736,887	21.9%	Aaa	Moody's	
Freddie Mac	16,641,324	41.7%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>36,283,351</u>	<u>91.0%</u>			
1996 Single Family Mortgage Revenue Bonds Total Cash, Investments and Mortgage-Backed Securities	\$ 39,860,568	100.0%			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2015 AND 2014

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, 2015 AND 2014

Single Family NIB Program as of September 30, 2014

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total</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	\$ 1,516,834	15.1%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>1,516,834</u>	<u>15.1%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	8,264,272	82.4%	Aaa	Moody's	
Fannie Mae	248,075	2.5%			
Total Mortgage-Backed Securities	<u>8,512,347</u>	<u>84.9%</u>			
Single Family NIB Program Total Cash and Mortgage-Backed Securities	<u><u>\$ 10,029,181</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, 2015 AND 2014

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><u>\$ 18,271,959</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, 2015 AND 2014

Multifamily NIB Program as of September 30, 2014

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total</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	\$ 19,963,367	49.8%	P-1	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	<u>19,963,367</u>	<u>49.8%</u>			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	20,105,333	50.2%	Aaa	Moody's	
Total Mortgage-Backed Securities	<u>20,105,333</u>	<u>50.2%</u>			
Multifamily NIB Program Total Cash and Mortgage-Backed Securities	<u><u>\$ 40,068,699</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, 2015 AND 2014

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	119,336,161	77.5%			
<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	2,818,421	1.8%			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	31,717,823	20.7%	Aaa	Moody's	
Total Mortgage-Backed Securities	31,717,823	20.7%			
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, 2015 AND 2014

Multifamily (Conduit Bond) Program as of September 30, 2014

<u>Asset</u>	<u>Fair Value</u>	<u>Percentage of Total</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	\$ 242,788	0.2%	Not Rated		Uncollateralized, Uninsured
Demand Money Market deposit	34,326,567	33.2%	P-1	Moody's	Uncollateralized, Uninsured
Money Market Funds	18,259,396	17.6%	Aaa-mf	Moody's	Uncollateralized, Uninsured
Total Cash and Cash Equivalents	52,828,751	51.1%			
<u>Investments</u>					
U.S. Treasury Obligations	9,805,291	9.5%	Aaa	Moody's	
Investment Agreements	1,826,932	1.8%	A1	Moody's	
Investment Agreements	214,198	0.2%	A2	Moody's	
Investment Agreements	986,416	1.0%	A3	Moody's	
Investment Agreements	5	0.0%	Not Rated		
Total Investments	12,832,843	12.4%			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	37,807,827	36.5%	Aaa	Moody's	
Total Mortgage-Backed Securities	37,807,827	36.5%			
Multifamily (Conduit Bond) Program					
Total Cash, Investments and Mortgage-Backed Securities	\$ 103,469,420	100.0%			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2015 AND 2014

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%			

(continued)

DISTRICT OF COLUMBIA HOUSING FINANCE AGENCY
SCHEDULE OF CASH/CASH EQUIVALENTS, MORTGAGE-BACKED SECURITIES
AND INVESTMENTS BY FUND (CONTINUED)
SEPTEMBER 30, 2015 AND 2014

Combined Revenue Obligation Funds and General Fund as of September 30, 2014

<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	\$ 394,220	0.2%	Not Rated		Federal Reserve-Held Aaa Collateral
Non-Money Market Deposits	5,259,404	2.0%	Not Rated		Third Party-Held Aaa Collateral
Non-Money Market Deposits	242,788	0.1%	Not Rated		Uncollateralized, Uninsured
Demand Money Market Deposits	41,120,513	15.9%	Not Rated		Federal Reserve-Held Aaa Collateral
Demand Money Market Deposits	55,178,986	21.3%	P-1	Moody's	
Money Market Funds	23,214,118	9.0%	Aaa-mf	Moody's	
Total Cash and Cash Equivalents	125,410,028	48.4%			
<u>Investments</u>					
Certificates of Deposits	199,925	0.1%	Not Rated		FDIC Insured
U.S. Treasury Obligations	10,307,133	4.0%	Aaa	Moody's	
U.S. Agency Obligations	124,628	0.0%	Aaa	Moody's	
Corporate Obligations	155,017	0.1%	Aa2	Moody's	
Corporate Obligations	262,431	0.1%	Aa3	Moody's	
Corporate Obligations	357,007	0.1%	A1	Moody's	
Corporate Obligations	101,760	0.0%	A2	Moody's	
Corporate Obligations	38,401	0.0%	A3	Moody's	
Corporate Obligations	283,453	0.1%	Baa1	Moody's	
Corporate Obligations	50,258	0.0%	Baa3	Moody's	
GSE Obligations	1,142,166	0.4%	Aaa	Moody's	
Investment Agreements	3,710,391	1.4%	A1	Moody's	
Investment Agreements	214,198	0.1%	A2	Moody's	
Investment Agreements	986,416	0.4%	A3	Moody's	
Investment Agreements	10,000,005	3.9%	Not Rated		
Total Investments	27,933,189	10.8%			
<u>Mortgage-Backed Securities</u>					
Ginnie Mae	78,827,504	30.4%	Aaa	Moody's	
Fannie Mae	10,306,981	4.0%	Aaa	Moody's	
Freddie Mac	16,641,324	6.4%	Aaa	Moody's	
Total Mortgage-Backed Securities	105,775,809	40.8%			
Combined General Fund and Revenue Obligation Funds Total Cash, Investments and Mortgage-Backed Securities	\$ 259,119,026	100.0%			