



**Audit Report as of
June 30, 2010 and 2009**



INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Idaho Housing and Finance Association
Boise, Idaho

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of the Idaho Housing and Finance Association, as of and for the years ended June 30, 2010 and 2009, which collectively comprise the Idaho Housing and Finance Association's basic financial statements as shown on pages 7 through 14. These financial statements are the responsibility of Idaho Housing and Finance Association's management. 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the discretely presented component unit of the Idaho Housing and Finance Association, as of June 30, 2010 and 2009, and the respective changes in financial position and cash flows, thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, to the financial statements, the Association changed its method of accounting for interest rate swaps and related derivatives as required by the provisions of Government Accounting Standards Board No. 53 *Accounting and Financial Reporting for Derivative Instruments* which resulted in a prior period adjustment to the 2009 ending net assets.

The Management's Discussion and Analysis on pages 1 through 6 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Idaho Housing and Finance Association's basic financial statements. The supplementary financial information on pages 63 through 87 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.


Boise, Idaho
September 22, 2010

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IDAHO HOUSING AND FINANCE ASSOCIATION

Management's Discussion and Analysis

June 30, 2010

The Idaho Housing and Finance Association's (Association) Management Discussion and Analysis present readers of the Association's financial statements a narrative overview and analysis of the financial activities of the Association for the years ended June 30, 2010 and 2009.

Organizational Overview

The Association is a self-supporting organization that must generate all revenue necessary to cover the cost of its operations. The Association administers 16 Housing and Urban Development (HUD) programs such as Section 8 Rental Assistance, Low Rent Public Housing, the HOME Program in rural Idaho, Neighborhood Stabilization, Rapid Re-housing, and Tax Credit assistance, 1 U.S. Treasury program, and also issues State tax-exempt mortgage revenue bonds to assist in financing both single-family and multifamily affordable housing projects in Idaho.

Financial Highlights

On an overall basis, the Association's net assets increased along with an increase in its asset base, including its loan servicing portfolio; liabilities; and operating revenues and expenses. General operating expense and interest expense (excluding new debt) decreased significantly while multifamily and GARVEE bonds pledged revenues, grants to others, federal pass-through revenues and expenses, and other expenses increased significantly. Certain other accounts had note worthy changes as explained below.

The financial highlights of the Association as of June 30, 2010 compared to June 30, 2009 are as follows:

- Total net assets, after fair market value, loan loss, and federal pass-through adjustments, increased \$11.55 million or 5.42%, excluding the effect of change in accounting principal
- Total net assets, before fair market value, loan loss, and federal pass-through adjustments, increased \$6.15 million or 2.96% excluding the effect of change in accounting principal
- Total assets increased \$206.47 million or 8.09%
- Total liabilities increased \$147.79 million or 6.17%
- Cash and investments increased \$81.85 million or 11.32%
- Loans receivable decreased \$151.68 million or 9.87%
- Bonds payable increased \$117.49 million or 5.23%
- Investment income decreased \$2.70 million or 12.70%
- Interest income decreased \$4.21 million or 5.23%
- Multifamily and GARVEE bonds pledged revenue increased \$7.20 million or 58.13%
- Interest expense decreased \$3.33 million or 3.24%
- General operating expense decreased \$2.05 million or 20.47%
- Grants to others increased \$.52 million or 245.07%
- Other expense increased \$4.89 million or 286.74%
- Federal pass-through revenues increased \$28.39 million or 67.33%
- Federal pass-through expenses increased \$28.71 million or 66.77%
- Cumulative effect of change in account principle increased net assets \$47.13 million or 23.38%

The value of the Association's servicing portfolio not included in total assets increased \$266,967 million.

The Association experienced a stable and productive year amid a highly volatile financial and stagnant and economic environment. The following four significant factors characterizing and impacting the Association's fiscal year 2010 financial results are:

- 1) continued weak and unsettled economic conditions;
- 2) disrupted capital and financial markets;
- 3) a tight lending environment, and;
- 4) federal "stimulus" programs to incentivize a return to normal economic conditions.

To assist the federal government's initiative to use financial resources to improve national economic conditions and stabilize and enhance the housing sector, during the fiscal year, the Association fully implemented the Neighborhood Stabilization (NSP), Homelessness Prevention and Rapid Re-Housing (HPRP), Tax Credit Assistance (TCAP), and Tax Credit Exchange Programs (TCEP) for Idaho communities and businesses. The implementation of these programs has led to a marked increase in federal pass-through payments for such program purposes as housing rehabilitation, housing and rental assistance, and multifamily project development.

The mortgage lending markets continue to adhere to more restrictive or tighter underwriting and lending standards. Disrupted capital markets have led to tighter lending standards, mandated by a sharp curtailment of lending activity by major financial institutions and systemic liquidity concerns throughout the worldwide credit markets. In this tighter lending environment, the Association saw continued strong demand for its traditional 30-year fixed rate loan products. The Association never participated in the market for subprime or other exotic loans and the availability of these subprime and exotic loans in the 2004 to 2007 period put competitive pressure on the Association. As these alternative loan products and providers failed, the Association saw demand for its traditional loan products increase to record levels.

The Association also experienced continued disincentives in the U.S. capital markets where the Association was not able to use its traditional means of financing and acquiring loans using tax-exempt financing. To address this and the liquidity issue, the U.S. Treasury developed its Housing Finance Initiative for housing finance agencies. The Association participated in two of the initiative's programs: The Temporary Credit and Liquidity Facilities Program (TCLP) and Temporary New Issue Program (NIBP). These programs are intended to provide a means to lower the Association's bond administration expense and for the Association to competitively issue debt to finance the acquisition of loans. The programs were established to provide housing finance agencies financing facilities approximating more normal economic and financial conditions. The Association issued \$172,000,000 in debt under the NIBP to secure the ability to use the program in calendar year 2010 but at year end had not committed loans due to a continuing non-competitive yield structure.

As a result of not issuing single family debt, the Association has experienced a significant change in the composition of its servicing portfolio, changing its business practice of acquiring, holding, and servicing loans to one of acquiring, selling, and retaining servicing rights to loans. Indeed, by adopting this business model, along with a slowdown in prepayments, the Association has been able to sustain its high level production, meet demand, and grow its loan servicing pool. To acquire and retain servicing rights, the Association has entered into relationships to sell, while retaining the servicing component, certain loans to the Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Corporation (FHLMC) and through the Government National Mortgage Association (GNMA). This has allowed the Association to avoid much of the fallout related to the continued difficulties in the regional and national housing markets and the resulting impact on the mortgage lending environment. Financially, the Association experienced a marked increase in Other Assets and Commercial Paper as a result of holding or "warehousing" loans acquired for servicing.

The Association issued \$84.29 million par amount of in Grant and Revenue Anticipation Bonds (GARVEE) in fiscal year 2010. The GARVEE program allows the Association to issue bonds to help fund improvement and enhancements of the State of Idaho's highway infrastructure. Significant project costs were incurred this year leading to a marked increase in the GARVEE project costs receivable, net.

The Association acquired from its sister organization, the Home Partnership Foundation (HPF), twenty townhomes in Driggs, Teton County, Idaho for \$4.5 million in consideration of a deed in lieu of foreclosure. The Association intends to hold the property for lease until regional property values recover.

Investments increased primarily from investing GARVEE Series 2010A bond issue proceeds, acquisition of Valley Centre, and the change in investment fair values. Loans decreased as the Association's loan servicing pool marginally changed from a bond investor financed-owned pool to a servicing rights retained pool. Federal Highway Trust Receivable increased as the State of Idaho expended funds for highway project cost not offset by bond payments. Other Assets, in addition to increased loan warehousing activity, increased due to the recording of interest rate swap contracts' deferred outflow of resources.

Interest rate swap contracts had an impact for the Association in two ways: one economic, one accounting. Economically, the low-yield rate environment in the U.S. has caused the present value of the Association's interest rate swap contracts to decline further, decreasing the fair market value of the swap contracts and

increasing the accrued liability payable to the Association's counterparty. From an accounting perspective, the Association implemented a new derivative reporting standard revising the Association's previous method for reporting the fair market value, and changes thereof, as either a credit or charge to current revenues. The new standard requires an evaluation of the effectiveness of the swap contract as a hedge and reporting any effective hedge fair market value changes as either a deferred inflow or outflow of resources depending on the net value of hedge swap contracts and recording any non-effective hedge fair market value changes as increase or decrease in the fair value of investment income depending on the net value of non-hedge swap contracts. The impact of this implementation results in a cumulative effect of change in accounting principal and an increase to net assets of \$47.13 million, a decrease in the fair value of investments of \$1.52 million, and a decrease of interest expense of \$3.99 million. Overall, Other Liabilities increased due to a decrease in market interest rates, causing the fair market value of interest rate swap contracts to increase in favor of the Association's counter party.

Interest on Loans decreased as a result of the change in the Association's loan composition, i.e., the marginal change from a bond investor financed-owned pool to a servicing rights-retained pool. Interest on Investments decrease reflects decreased market yields. Administration Fees reflect increased revenues from tax credit loan application fees, loan underwriting, and federal "stimulus" program administration. Loan Servicing Fees remained flat as higher fees earned on servicing rights-retained loans offset reduced fees from bond investor financed-owned loans. Multifamily and GARVEE Pledged Revenues Receivable increased as an offset to the increase in GARVEE bond interest expense.

The Association recorded a \$2.5 million arbitrage expense for the 2006 GARVEE bond issue in fiscal year 2009. As a result, General Operating expense for fiscal year 2010 decreased by a similar amount. Single family interest expense decreased as a result of refunding higher yielding indebtedness with lower yielding indebtedness and an adjustment reflecting an amortization of an off-market borrowing, offset by an increase in GARVEE bond interest as a result of new issuances. Grants to Others increased as the Foundation gift-matching program came to fruition and the Foundation granted more aid to grant-match organizations. The Association recorded a \$3.4 million loan loss provision expense in FY10 in addition to \$2.07 million in actual loan losses, resulting in an increase in Other Expense.

The first decade of the twenty-first century has seen volatility in the mortgage-lending environment. Overall, the Association has successfully managed its loan and financing programs during this period. Looking forward, the Association expects some uncertainty in the economic and mortgage-lending environments but continued Association financial stability.

During August 2010, the U.S. Departments of Treasury and Housing and Urban Development held a conference on changing the national housing finance structure. The conference focused on revising the FNMA and FHLMC business structures and how best to accomplish fulfilling the needs for affordable housing. The Association does not see an immediate impact on its lending relationships with FNMA and FHLMC as a result of this initiative and expects to be able to adopt and innovate in any changed environment.

More specifically, to facilitate and address this uncertainty, the Association applied for and received approval during fiscal year 2010 from the GNMA to issue mortgage backed securities guaranteed by GNMA. The addition of the GNMA issuer status is a natural addition to, and diversifies, the portfolio of financing resources available to the Association for maintaining and expanding its loan servicing base. The Association intends to use the vehicles best suited for the Association and borrower as conditions and circumstances warrant. The Association expects fiscal year 2011 loan production to be similar to 2010, with increased loan serving revenue as result of enhanced pricing execution in issuing mortgage-backed securities.

Additionally, the Association has developed an economic development bond program to enhance its offering of products providing financing opportunities to promote economic growth in Idaho.

See the financial analysis section of this MD&A for additional information on the Government Accounting Standards Board (GASB) required fair value adjustments.

Overview of the Financial Statements

This annual financial report consists of three parts: Management's Discussion and Analysis; the financial statements, including notes to the financial statements; and supplemental schedules. Summary information is presented for separate mortgage revenue bond programs in the supplemental schedules.

According to the American Institute of Certified Public Accountants (AICPA), in its Audit Guide for Not-For-Profit Organizations, the Association meets the definition of a governmental entity and incorporates both GASB and Financial Accounting Standards Board (FASB) accounting standards into its financial statements. However, due to the nature of the Association, it is considered a Special Purpose Governmental Entity engaged only in business-type activities. Accordingly, the Association uses Proprietary Enterprise Fund reporting and the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting.

The Association's financial statements provide detailed information about the most significant activities within the Proprietary Fund. Some of the activities are required by the Department of Housing and Urban Development (HUD) or by certain bond requirements. However, the Association has established others to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money.

Component units are organizations legally separate from but financially accountable to the Association and their relationship with the Association is such that exclusion would cause the Association's financial statements to be misleading or incomplete. The Association determined during fiscal year 2009 that The Housing Company and the Home Partnership Foundation are integral and material components of the Association's reporting entity and their respective financial statements have been incorporated as such. Accordingly, The Housing Company's basic financial statements are presented immediately following the Association's basic financial statements while the Home Partnership Foundation's basic financial statements have been blended with the Association's basic financial statements.

Financial Analysis

The following table summarizes the changes in net assets that occurred during the years ended June 30, 2010, 2009, and 2008 as well as the changes in net income.

As of June 30, (in thousands)	2010		2009		2008
		% Change from Prior Period		% Change from Prior Period	
Cash and Cash Equivalents	\$ 32,011	(7.06%)	\$ 34,444	20.79%	\$ 28,516
Investments	772,743	12.24%	688,457	(4.88%)	723,747
Loans	1,384,999	(9.87%)	1,536,674	1.44%	1,514,838
Federal Highway Trust Receivable	353,820	64.42%	215,192	170.24%	79,631
Deferred Bond Financing Costs	20,964	(1.12%)	21,202	1.64%	20,860
Property and Equipment	6,707	(3.34%)	6,939	0.83%	6,882
Other Assets	186,470	285.75%	48,340	73.57%	27,850
Total Assets	<u>\$ 2,757,714</u>	<u>8.09%</u>	<u>\$ 2,551,248</u>	<u>6.20%</u>	<u>\$ 2,402,324</u>
Bonds	\$ 2,363,001	5.23%	\$ 2,245,511	6.57%	\$ 2,107,153
Commercial Paper	50,000	66.67%	30,000	0.00%	30,000
Escrow and Project Reserve Deposits	8,610	(3.76%)	8,946	(7.44%)	9,665
Other Liabilities	122,965	9.46%	112,334	62.89%	68,964
Total Liabilities	<u>\$ 2,544,576</u>	<u>6.17%</u>	<u>\$ 2,396,791</u>	<u>8.17%</u>	<u>\$ 2,215,782</u>
Invested in capital assets, net of related debt	\$ 6,707	(3.34%)	\$ 6,939	0.83%	\$ 6,882
Bond funds	153,705	59.48%	96,379	(28.26%)	134,348
Section 8 voucher HAP fund	751	(53.27%)	1,607	(23.37%)	2,097
Unrestricted	51,975	4.93%	49,532	14.62%	43,215
Total Net Assets	<u>\$ 213,138</u>	<u>37.99%</u>	<u>\$ 154,457</u>	<u>(17.20%)</u>	<u>\$ 186,542</u>
Interest on Loans	\$ 76,333	(5.23%)	\$ 80,547	9.58%	\$ 73,508
Interest on Investments	18,261	(12.90%)	20,965	(16.07%)	24,979
Net Increase (Decrease) in Fair Value of Investments	5,937	(624.93%)	(1,131)	(129.12%)	3,884
Net Increase (Decrease) in Fair Value of Interest Rate Swaps	-	(100.00%)	(37,268)	19.34%	(31,229)
Administration Fees	5,395	8.27%	4,983	(10.17%)	5,547
Loan Servicing Fees	8,664	0.41%	8,629	25.95%	6,851
Multifamily and GARVEE pledged revenues	19,585	58.13%	12,385	468.64%	2,178
Other	3,239	(17.46%)	3,924	103.63%	1,927
Total Revenues	<u>137,414</u>	<u>47.70%</u>	<u>93,034</u>	<u>6.15%</u>	<u>87,645</u>
Interest	99,565	(3.24%)	102,899	22.49%	84,005
Salaries and Benefits	8,417	4.07%	8,088	11.36%	7,263
General Operating	8,010	(19.98%)	10,010	98.93%	5,032
Bond Financing Amortization	1,426	4.78%	1,361	(25.55%)	1,828
Grants to Others	735	245.07%	213	(79.26%)	1,027
Other	6,594	286.74%	1,705	205.56%	558
Total Expenses	<u>124,747</u>	<u>0.38%</u>	<u>124,276</u>	<u>24.63%</u>	<u>99,713</u>
Operating Income/(loss)	<u>12,667</u>	<u>(140.54%)</u>	<u>(31,242)</u>	<u>158.88%</u>	<u>(12,068)</u>
Federal pass-through revenues	70,707	67.72%	42,157	2.16%	41,264
Federal pass-through expenses	(71,826)	67.04%	(43,000)	9.33%	(39,331)
Total non-operating revenues and expenses	<u>(1,119)</u>	<u>32.74%</u>	<u>(843)</u>	<u>(143.61%)</u>	<u>1,933</u>
Increase/(decrease) in net assets	<u>\$ 11,548</u>	<u>(135.99%)</u>	<u>\$ (32,085)</u>	<u>216.58%</u>	<u>\$ (10,135)</u>

The Association's total Net Assets at June 30, 2010 included \$6,707,000 Invested in Capital Assets, Net of Related Debt; \$153,705,000 in Restricted Net Assets; and \$59,433,000 in Unrestricted Net Assets, of which \$4,488,000 is available for business operations of the Association.

The fair value adjustments reported in the Statement of Revenues, Expenses and Changes in Net Assets on page 8 are required under GASB Statements No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, No. 53, *Accounting and Financial Reporting for Derivative Instruments*, and FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities*. Note 12 on page 61 of the financial statements shows a tabular assessment of the impact of these fair value adjustments on the Association's revenues.

Capital Asset and Debt Administration

Capital Assets: The Association's capital assets include land, buildings, office, and computer equipment. Capital assets are presented in the financial statements at \$6.71 million (net of accumulated depreciation), a decrease of 3.34%. Typically, the change in capital assets in any given year and is immaterial to the overall operation of the Association.

Debt: The Association sells bonds to investors to raise capital. Bonds are marketable securities backed by mortgage loans on residential and multifamily properties and GARVEE transportation projects. The Association's bond issues are highly rated because, in addition to a mortgage on the property being financed, the bond issue requires cash reserves along with mortgage insurance and other safeguards, giving the investor or bondholder additional assurance that the bond issuer (the Association) will repay the loan. Our bond portfolio increased by \$117.49 million or 5.23% during the last year to \$2,363.00 million. The Association increased its debt level to make available funds for lending activity and to facilitate GARVEE transportation projects.

Additional information about our long-term liabilities is presented in the notes to the financial statements.

Economic Factors

The primary business activity of the Association is funding the purchase of single-family home mortgages. The Association's mortgage financing activities are sensitive to the level of interest rates, the spread between the rate available on Association loans and those available in the conventional mortgage markets and the availability of affordable housing. The availability of long-term tax-exempt financing on favorable terms and the availability of FNMA, FHMLC, and GNMA to purchase or guarantee loans are key element in providing the funding necessary for the Association to continue its mortgage financing activities. In addition, the funding of the Association's federal programs activities is dependent on budget appropriations from the U.S. Department of Housing and Urban Development, as contained in the Federal budget.

Contacting the Association's Financial Management

This financial report is designed to provide a general overview of Idaho Housing and Finance Association's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer at Idaho Housing and Finance Association, P.O. Box 7899, Boise, ID 83707-1899, or contact our website at www.ihfa.org.

IDAHO HOUSING AND FINANCE ASSOCIATION

Statements of Net Assets

As of June 30,	2010	2009
	(in thousands)	
Assets		
Cash and cash equivalents	\$ 32,011	\$ 34,444
Investments	772,743	688,457
Loans, net	1,384,999	1,536,674
GARVEE highway project costs receivable, net	353,820	215,192
Deferred bond financing costs	20,964	21,202
Property and equipment	6,707	6,939
Other assets	186,470	48,340
Total Assets	\$ 2,757,714	\$ 2,551,248
Liabilities		
Bonds	\$ 2,363,001	\$ 2,245,511
Commercial paper	50,000	30,000
Escrow and project reserve deposits	8,610	8,946
Other liabilities	122,965	112,334
Total Liabilities	2,544,576	2,396,791
Net Assets		
Invested in capital assets, net of related debt	6,707	6,939
Restricted:		
Bond funds	153,705	96,379
Section 8 voucher HAP fund	751	1,607
Unrestricted	51,975	49,532
Total Net Assets	213,138	154,457
Total Liabilities and Net Assets	\$ 2,757,714	\$ 2,551,248

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

IDAHO HOUSING AND FINANCE ASSOCIATION

Statements of Revenues, Expenses, and Changes in Net Assets

For the Years Ended June 30,

2010

2009

(in thousands)

Operating revenues

Interest on loans	\$ 76,333	\$ 80,547
Interest on investments	18,261	20,965
Net increase (decrease) in fair value of investments	5,937	(1,131)
Net increase (decrease) in fair value of interest rate swaps	-	(37,268)
Administration fees	5,395	4,983
Loan servicing fees	8,664	8,629
Multifamily and GARVEE bonds pledged revenues	19,585	12,385
Other	3,239	3,924
Total operating revenues	<u>137,414</u>	<u>93,034</u>

Operating expenses

Interest	99,565	102,899
Salaries and benefits	8,417	8,088
General operating	8,010	10,010
Bond financing amortization and early redemption write-offs	1,426	1,361
Grant to others	735	213
Other	6,594	1,705
Total operating expenses	<u>124,747</u>	<u>124,276</u>
Operating income (loss)	<u>12,667</u>	<u>(31,242)</u>

Nonoperating revenues and expenses

Federal pass-through revenues	70,707	42,157
Federal pass-through expenses	(71,826)	(43,000)
Total nonoperating revenues and expenses	<u>(1,119)</u>	<u>(843)</u>
Increase (Decrease) in Net Assets	<u>11,548</u>	<u>(32,085)</u>

Net Assets

Net Assets-beginning of year	154,457	186,542
Cumulative effect of change in Accounting Principle	47,133	
Net Assets-beginning of year, restated	<u>201,590</u>	<u>186,542</u>
Net Assets-end of year	<u>\$ 213,138</u>	<u>\$ 154,457</u>

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

IDAHO HOUSING AND FINANCE ASSOCIATION

Statements of Cash Flows

For the Years Ended June 30,

2010

2009

(in thousands)

Cash flows from operating activities

Receipts from customers, loan interest, and fees	\$ 127,463	\$ 144,636
Loan principal payments	181,691	158,391
Loan sales	322,317	228,847
Loan origination costs	(6,065)	(6,644)
Interest paid	(102,469)	(102,071)
Payments to suppliers	(14,526)	(11,512)
Payments for transportation program costs	(166,662)	(177,934)
Payments for loans available for sale	(368,481)	(224,232)
Payments to employees for services and benefits	(8,553)	(7,905)
Loan principal additions	(46,600)	(185,822)
Net cash provided (used) by operating activities	(81,885)	(184,246)

Cash flows from noncapital financing activities

Deferred bond financing cost	(1,114)	(2,200)
Bond and commercial paper payments	(591,532)	(1,249,475)
Bonds and commercial paper issued	731,259	1,388,087
Federal pass-through revenues	70,707	42,157
Federal pass-through expenses	(71,826)	(43,000)
Net cash provided (used) by noncapital financing activities	137,494	135,569

Cash flows from capital and related financing activities

Acquisition and construction of capital assets	(264)	(458)
Net cash provided (used) by capital and related financing activities	(264)	(458)

Cash flows from investing activities

Investment purchases	(1,385,606)	(1,946,229)
Investment redemptions	1,310,735	1,980,158
Investment income	17,093	21,134
Net cash provided (used) by investing activities	(57,778)	55,063

Net Increase in Cash

	(2,433)	5,928
Cash and cash equivalents, beginning of year	34,444	28,516
Cash and cash equivalents, end of year	\$ 32,011	\$ 34,444

The accompanying notes are an integral part of these financial statements

IDAHO HOUSING AND FINANCE ASSOCIATION

Statements of Cash Flows

For the Years Ended June 30,

2010

2009

(in thousands)

Reconciliation of net operating revenues (expenses) to net cash provided (used) by operating activities:

Operating income (loss)	\$ 12,667	\$ (31,242)
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Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities

Loan principal received	181,691	158,391
Loans issued	(46,600)	(185,822)
Loan origination costs	(6,065)	(6,644)
Amortization of deferred loan discounts	6,732	2,834
Decrease (increase) in interest receivable	(277)	(1,688)
Depreciation and other amortization	496	1,762
Increase (decrease) in interest payable	(2,904)	243
Interest on investments	(18,261)	(20,965)
Net increase (decrease) in fair value of investments	(5,937)	1,131
Net increase (decrease) in interest rate swaps	-	37,268
Decrease (increase) in GARVEE highway project costs receivable, net	(138,628)	(135,561)
Decrease (increase) in other assets	(63,535)	(10,613)
Increase (decrease) in accounts payable and other liabilities	(923)	7,378
Increase (decrease) in deposits	(341)	(718)
Total adjustments	<u>(94,552)</u>	<u>(153,004)</u>

Net cash provided (used) by operating activities	<u>\$ (81,885)</u>	<u>\$ (184,246)</u>
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THE HOUSING COMPANY
A Component Unit of Idaho Housing and Finance Association
Consolidated Statements of Financial Position

As of December 31,	2009	2008
ASSETS		
Cash	\$ 2,294,101	\$ 1,491,656
Investments	1,050,000	1,521,012
Escrow and Reserve Deposits	1,677,403	1,698,225
Receivables	132,957	128,808
Prepaid Expenses	140,632	134,515
Land	4,707,341	3,413,863
Buildings and Equipment (net of accumulated depreciation)	30,604,031	32,353,221
Financing Costs and Other (net of accumulated amortization)	296,762	359,373
	\$ 40,903,227	\$ 41,100,673
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 431,140	\$ 292,674
Interest Payable	139,964	148,643
Real Estate Taxes Payable	339,140	303,976
Mortgages and Notes Payable	21,085,973	24,924,629
Security Deposits Payable	260,833	243,808
Minority Interest	12,414,128	9,838,100
	34,671,178	35,751,830
NET ASSETS, UNRESTRICTED		5,348,843
LIABILITIES AND NET ASSETS	\$ 34,671,178	\$ 41,100,673

THE HOUSING COMPANY
A Component Unit of Idaho Housing and Finance Association
Consolidated Statements of Activities

For the Years ended December 31,	2009	2008
REVENUES		
Tenant Rents	\$ 4,239,934	\$ 4,037,552
Housing Assistance Payments	2,614,217	2,577,327
Federal Awards-NSP Funds	80,744	
Other Grants and Contributions	958,000	84,323
Interest and Dividends	42,884	492,179
Other	237,981	
TOTAL REVENUES	\$ 8,173,760	\$ 7,191,381
EXPENSES		
Administrative	\$ 2,247,734	\$ 2,304,553
Utilities and Maintenance	1,845,723	1,738,759
Real Estate Taxes and Insurance	880,772	824,688
Depreciation and Amortization	2,294,866	2,046,568
Interest	1,247,773	1,301,526
TOTAL EXPENSES	\$ 8,516,868	\$ 8,216,094
SUBTOTAL	(343,108)	(1,024,713)
Minority Interest in Partnership Losses	1,226,314	1,162,358
INCREASE IN NET ASSETS	\$ 883,206	\$ 137,645

THE HOUSING COMPANY
A Component Unit of Idaho Housing and Finance Association
Consolidated Statements of Cash Flows

For the Years ended December 31,	2009	2008
Cash Flows from Operating Activities:		
Increase in Net Assets	\$ 883,206	\$ 137,645
Adjustments for Non-cash Items:		
Depreciation and Amortization	2,294,866	2,046,568
Minority Interest in Partnership Losses	(1,226,314)	(1,162,358)
Loss in Disposal of Assets	8,424	32,287
Write off Financing and Organization Costs	25,779	49,753
Write off pre Development Costs	39,778	
Contribution of Land	(858,000)	-
Changes in Assets and Liabilities:		
(Increase) in Receivables	(4,149)	(34,137)
Decrease in Prepaid Expenses	(6,117)	3,764
(Decrease) Increase in Accounts Payable and Accrued Liabilities	138,466	(59,876)
Increase (Decrease) in Interest Payable	(8,679)	6,322
Increase in Real Estate Taxes Payable	35,164	9,999
Increase in Security Deposits Payable	17,025	16,089
CASH PROVIDED FROM OPERATING ACTIVITIES	1,339,449	1,046,056
Cash Flows from Investing Activities:		
Purchase of Land	(435,478)	(452,009)
Proceeds from Sale of Land or Building	337,500	
Purchases of Building and Equipment	(866,888)	(6,877,535)
Payment of Financing Costs and Pre-Development Costs	(27,658)	(58,073)
Purchase of Investments	(800,000)	(1,520,469)
Sales of Investments	1,271,012	1,719,505
Decrease in Escrow and Reserve Deposits	20,822	75,448
CASH USED FOR INVESTING ACTIVITIES	(500,690)	(7,113,133)
Cash Flows from Financing Activities:		
Principal Payments on Mortgages or Notes Payable	(4,032,566)	(1,454,538)
Additions to Mortgages or Notes Payable	193,910	4,227,760
Equity Contributions	3,817,342	2,723,455
Equity Distributions	(15,000)	(15,000)
CASH PROVIDED (USED) FROM FINANCING ACTIVITIES	(36,314)	5,481,677

THE HOUSING COMPANY
A Component Unit of Idaho Housing and Finance Association
Consolidated Statements of Cash Flows, continued

For the Years ended December 31,	2009	2008
(DECREASE) INCREASE IN CASH	802,445	(585,400)
CASH, BEGINNING OF PERIOD	1,491,656	2,077,056
CASH, END OF PERIOD	\$ 2,294,101	\$ 1,491,656

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

June 30, 2010 and 2009

1. Authorizing Legislation

The Idaho Housing and Finance Association (Association) was created, as an independent public body corporate and politic, by the Idaho Legislature under the provisions of Chapter 62, Title 67 of the Idaho Code, as amended (Act). The Act empowers the Association, among other things, to issue notes and bonds in furtherance of its purpose of providing safe and sanitary housing for persons and families of limited income residing in Idaho and, in addition, to coordinate and encourage cooperation among private enterprise and State and local governments to sponsor, build and rehabilitate residential housing for such persons; to issue notes and bonds in furtherance of its purpose of financing economic development projects in partnership with private financial institutions and State and local economic development entities; and to issue notes and bonds to finance projects that improve the transportation infrastructure in Idaho.

The enabling legislation, along with bond indentures and bond resolutions adopted by the Association, contains specific provisions pertaining to (a) the use of the proceeds from the sale of notes and bonds, (b) the application of pledged receipts and recoveries of principal from mortgages, and (c) the creation of certain accounts along with the accounting policies of such accounts. Association administrative obligations from bond and other housing programs extend to the year 2042.

2. Summary of Significant Accounting Policies

A. Basis of Accounting

The accounting and reporting policies of the Association conform to generally accepted accounting principles and follow the accrual basis of accounting. The Association is accounted for as an Enterprise Fund.

The Association has implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*. The Association has elected not to adopt all applicable Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989.

The accompanying combined financial statements include the accounts of the Enterprise Fund of the Association. All interfund balances and transactions have been eliminated.

B. Reporting Entity

Although the State of Idaho considers the Association a component unit for financial reporting purposes in accordance with GASB Statement Nos. 14, *The Financial Reporting Entity*, and 39, *Determining Whether Certain Organizations are Component Units*, and the State's governor appoints the Board of Commissioners of the Association, the Association is legally separate from the State of Idaho, is not a State agency under State law, and uses no State funds or State employees to support its operations.

The Home Partnership Foundation (HPF) and The Housing Company (THC) are component units of the Association and the financial statements of each have been incorporated into these financial statements and notes. The degree of control governs the reporting presentation; as such, HPF's presentation has been blended and THC's presentation has been discretely presented.

HPF reports under GASB standards in the same manner as the Association. HPF uses a calendar year basis as its fiscal year and the most recent audited financial statements of HPF have been blended.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

2. Summary of Significant Accounting Policies, continued

THC reports under FASB standards, including FASB Statement No. 117 *Financial Reporting for Not-for-Profit Organizations*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to THC's in the Association's financial statements entity for these differences. THC uses a calendar year basis as its fiscal year and the most recent audited financial statements are presented.

C. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these financial statements include those assumed in determining the collectibility of receivables, determining the recoverability of other real estate owned, determining the amortization period for loan origination fees, the fair value of interest rate swaps, and determining bond yield arbitrage liability. It is at least reasonably possible that the significant estimates used will change within the next year.

D. Program Accounting

Financial activities of the Association are recorded in accounts established under various bond indentures and bond resolutions and in accounts established for the administration of the various programs empowered by the Act.

Business Operations includes the General Operating Account established to administer the ongoing responsibilities of programs maintained by the Association. Direct administrative and operational activities, including the operating expenses of various programs, are recorded in this account. Revenues in this account are primarily generated from fees earned for administering federal programs, fees earned for servicing loans, and earnings on investments held to finance future programs.

The Federally Assisted Program area was established to account for activities directly related to the limited-income rental assistance and other related programs funded by the U.S. Department of Housing and Urban Development (HUD). This account is primarily used for housing assistance pass-through funds and for properties owned and utilized in affordable housing programs. The funding of the Association's federal programs activities is dependent on budget appropriations from HUD, as contained in the Federal budget.

The Affordable Housing Investment Trust was established to account for activities intended for affordable housing projects in Idaho. This account consists primarily of investments and loans receivable and the earnings thereon, as well as the residual income generated through Business Operations each year.

The Bond Rating Compliance and Loan Guaranty Trust was established to account for activities intended to meet bond rating agency requirements for asset security and bond debt service liquidity. This account consists primarily of investments and loans receivable and earnings thereon.

Single-Family Mortgage Bonds, established under separate trust indentures, account for the proceeds from the sale of Single-Family Mortgage Bonds and the debt service requirements of these bonds. Activities within these accounts are, in general, limited to the purchase of mortgage loans made by mortgage lenders to qualifying, limited-income persons for single-family, owner-occupied housing in Idaho.

Multifamily Housing Bonds, established under separate trust indentures, account for the proceeds from the sale of Multifamily Mortgage Bonds and the debt service requirements of these bonds. Bond proceeds for multifamily programs are used to finance affordable multifamily developments that house limited-income households throughout Idaho.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

2. Summary of Significant Accounting Policies, continued

D. Program Accounting, continued

Grant and Revenue Anticipation Bonds (GARVEE), established under a separate trust indenture, account for the proceeds from the sale of GARVEE Bonds and the debt service requirements of these bonds. The GARVEE Bonds program allows the Association to advance funds to the State of Idaho for improving and enhancing the State's highway infrastructure.

E. Cash and Cash Equivalents

Cash and cash equivalents include General Operating Account cash, General Operating Account investments with maturities of less than three months at the date of purchase, Federally Assisted Program cash and Affordable Housing Investment Trust cash. Cash and cash equivalents deposited at Wells Fargo Bank are collateralized with U.S. Treasury obligations and U.S. Agency obligations and are held by Wells Fargo Bank in the Association's name. Custodial credit risk is the risk that the Association's deposits may not be returned in the event of a bank failure. In the opinion of management, the Association is not exposed to this risk at June 30, 2010. The Association does not have a formal deposit policy for custodial credit risk. Restricted cash as of June 30, 2010 consists of \$15,124,000 in single-family principal and interest remittances and escrow deposits, \$3,966,000 in multifamily escrow deposits and project reserve deposits, and \$4,076,000 in bond trusts.

F. Deferred Bond Financing Costs

Costs of issuing bonds are capitalized in the respective bond accounts and amortized over the term of the bonds. During the years ended June 30, 2010 and 2009, \$1,114,000 and \$2,200,000, respectively, of financing costs were capitalized. The Association had special bond redemptions on January 1, 2010, July 1, 2009, January 1, 2009, and July 1, 2008. The deferred bond financing costs related to these special redemptions were written off as a part of Operating Expenses in the Statement of Revenues, Expenses and Changes in Net Assets.

G. Loan Origination Fees/Servicing Rights

In the Association's mortgage purchase programs, excluding home improvement loan programs, mortgage loans are purchased primarily at par, or at a discount, from participating lenders. Discounts and commitment fees, net of certain related costs, are deferred and amortized over the lives of the loans. Since the Association holds a large number of similar loans for which prepayments are probable and the timing and amount of prepayments can be reasonably estimated, estimates of future principal prepayments are taken into consideration in the calculation in accordance with FASB Statement No. 91, *Accounting for Nonrefundable Fees and Costs Associated with Originating or Acquiring Loans and Initial Direct Costs of Leases* and GASB Statement No. 48 *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*.

H. Federally Assisted Program Advances and Fees

In accordance with the terms of contracts between the Association and HUD, the Association administers rental assistance programs as HUD's agent in certain areas of Idaho. Under these programs, persons of limited income receive rental subsidies from HUD through the Association. HUD advances funds sufficient to cover the monthly housing assistance payments and the Association's management service fees. These management service fees are recognized as revenue to the Association when earned. Federal Pass-Through Revenues and Expenses on the Statement of Revenues, Expenses and Changes in Net Assets represent housing assistance payments and related federal funding that is passed through the Association to carry out such programs.

I. Property and Equipment

Property and equipment held by the General Operating and Federally Assisted Program Accounts are recorded at cost and depreciated over the estimated useful lives of the related assets. The Association uses the straight-line method of depreciation with estimated lives of three to seven years for office and computer equipment and 40 years for real property and buildings. Depreciation expense for the years ending June 30, 2010 and 2009 was \$496,000 and \$401,000, respectively. Property and equipment are presented in the Statement of Net Assets, net of accumulated depreciation of \$7,987,000 and \$7,512,000 at June 30, 2010 and 2009, respectively.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

2. Summary of Significant Accounting Policies, continued

J. Provisions for Loan Losses

Periodic evaluation of the loans receivable portfolio is performed in order to determine whether an allowance for loan losses should be established and reflected in current operations. The evaluation of a loan loss provision considers those loans that are 120 or more days delinquent, estimated value of the collateral, subsidies, guarantees, mortgage insurance, economic conditions, and historical loss experience for each loan type. The provision's charge against current operations considers holding costs, including accrued interest.

The Association has established an allowance for real estate owned (REO) activity in the General Operating Account for FNMA-held, FHLMC-held, and GNMA-secured loan losses not recoverable. The Association estimates this amount to be \$91,000. The Association has established an allowance for REO activity in the Loan Guarantee and Compliance Fund for Association-held loan losses not recoverable. The Association estimates this amount to be \$3,586,000.

Generally, loans in default are reported in Other Assets in REO mortgages receivable, pending recovery from the relevant source(s) of security. A loan is considered past due when payment is 30 days late. When payment is 90 days late, a 30-day demand to "pay in full or bring the account current" letter is issued. If payment is not made and payment is 120 days late, a loan is then reclassified from Loans to Other Assets and is considered in foreclosure status or remains in Loans, given consideration for deferment, and subject to a substantial risk of foreclosure.

K. Escrow and Project Reserve Deposits

Escrow and project reserve deposits represent amounts held by the Association for insurance, real estate taxes and as reserves for replacement and operation. The Association invests these funds and allows earnings on multifamily project escrows to accrue to the benefit of the mortgagors of those projects. Earnings on single-family escrows accrue to the benefit of the Association. Although restricted, all escrow and project reserve deposits are included in Cash and Cash Equivalents in the Statement of Net Assets.

L. Commercial Paper

The commercial paper program provides funds to purchase single-family mortgage loans on an interim basis as well as financing for multifamily construction loans. Commercial paper activity is recorded in the General Operating Account. The Association intends to transfer any mortgage loans purchased with proceeds from commercial paper to bond accounts to sell to FNMA or FHLMC or to securitize through GNMA and to reimburse the commercial paper program using mortgage acquisition monies from bond accounts or from FNMA or FHLMC sale proceeds or GNMA securitization proceeds, respectively. Such transfers associated with bond accounts will be made prior to the end of the acquisition period as specified in the applicable bond indentures. As of June 30, 2010 and 2009, the Association had \$50,000,000 and \$30,000,000, respectively of commercial paper outstanding maturing in 1 to 59 and 30 to 90 days from date of issue, respectively, with weighted average interest rates of .47364% and 2.49821%, respectively. During the year ending June 30, 2010, the Association redeemed and reissued \$219.7 million and issued an additional \$20 million of commercial paper.

M. Net Assets

Net Assets, the amount total assets exceed total liabilities, is an aggregation of all Association bond trust and program accounts. Restricted net assets are those required to meet the various covenants as defined in bond indentures or other laws or regulations. Designated net assets indicate those set aside at the discretion of the Association to be used for a specific purpose and not for general operations. Net assets in the amount of \$153,705,000 and \$97,315,000 at June 30, 2010 and 2009, respectively, are restricted by bond indentures and programmatic requirements; approximately \$39,628,000 and \$38,839,000 at June 30, 2010 and 2009, respectively, are designated by the Board for programmatic uses in connection with the Affordable Housing Investment Trust; and the remaining balances of \$21,645,000 and \$17,467,000 held in the General Operating Account at June 30, 2010 and 2009, include \$6,707,000 and \$6,939,000, respectively, invested in capital assets, net of related debt and \$4,288,000 and \$1,582,000, respectively, unrestricted and available for general operations of the Association. When an expense is incurred that can be paid using either restricted or unrestricted resources,

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

2. Summary of Significant Accounting Policies, continued

the Association's policy is to first apply the expense towards restricted resources, and then toward unrestricted resources.

N. Classification of Revenues

Operating revenues include activities that have the characteristics of exchange transactions, such as (1) interest on loans and investments, (2) administration and loan servicing fees, and (3) change in the fair value of investments and interest rate swaps. Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as federal pass-through awards and any other revenue sources that the Association may receive that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*.

O. Reclassification

Certain reclassifications have been made, none of which affected the results of activities and changes in net assets, to present the financial statements on a consistent basis.

P. Subsequent events

The Association has evaluated subsequent events through September 22, 2010, the date which the financial statements were available to be issued.

Q. New Accounting Principles and Restatement of Net Assets

The Association implemented GASB Statement No. 51 *Accounting and Financial Reporting for Intangible Assets* and GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*.

The Association made a change in accounting principal by electing this year to change to non-adoption of FASB standards issued after November 1989. The Association made this change in recognition that the Financial Accounting Standards Board (FASB) has codified previously issued standards and eliminated reference to individual standards and the Government Accounting Standards Board has proposed to eliminate this election provision and codify all pre-November 1989 standards as a singular reporting standard. The adoption and change in election does not have a material effect in the Association's financial statements and notes.

The Association implemented GASB Statement No. 53 *Accounting and Financial Reporting for Derivative Instruments*. The standard requires the Association to evaluate contractual arrangements that meet the standard's definition of a derivative instrument for effectiveness and to report such instruments as either hedges or investments, depending upon hedge effectiveness. The implementation of this standard has a material impact in the Association's reported assets, revenues, and net assets. The cumulative effect of this change in accounting principle resulted in an increase in net assets of \$47.13 million, the net result of deferring the cumulative total of prior year changes in interest rate swap fair values and off-market borrowing used for termination payments to Lehman Brothers. Refer to footnote 7 on Derivatives.

3. Investments

GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires certain investments be reported at fair value in the Statement of Net Assets. The Association reports all investments at fair value in the Statement of Net Assets.

The Association has entered into investing agreements with Wells Fargo and KeyBank, banks where excess cash balances (classified as Cash and cash equivalents) are invested overnight in money market mutual funds and repurchase agreements. Investments are held in the Association's account in the name of the respective bank. As of June 30, 2010, the Association had overnight investments of \$495,000 in money market funds and \$6,895,000 in repurchase agreements held by Wells Fargo Bank and \$760,000 in money market funds and \$10,432,000 in

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

3. Investments, continued

repurchase agreements held by KeyBank Bank. Repurchase agreements are collateralized by U.S. government and agency obligations held in the Association's trustee's name in the Association's account.

Interest Rate Risk: The Association has adopted bond indentures, bond resolutions, and trust resolutions as policy for the determination of investment maturities. These indentures and resolutions provide that investment maturities be based upon the cash requirements of the Association's accounts, as determined by authorized Association investment officers. As of June 30, 2010 and 2009, the Association had the following investments and maturities (in thousands):

	2010				
	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
<u>Investment Type</u>					
Money market funds	\$ 204,797	\$ 204,797	0	0	0
Investment agreements	243,833	124,939	\$ 72,842	\$ -	\$ 46,052
U.S. Government Obligations	10,135	177	1,018	\$ -	8,940
U.S. Agency Obligations	117,580	7,249	21,519	13,773	75,039
Corporate Obligations	14,129	4,103	10,026	-	-
U.S. Municipal Obligations	4,245	-	-	-	4,245
Interest rate swaps	(1,515)			(109)	(1,406)
Land and townhomes	3,500		3,500		
U.S. Treasury Escrow	172,100		-	-	172,100
	<u>768,804</u>	<u>\$ 341,265</u>	<u>\$ 108,905</u>	<u>\$ 13,664</u>	<u>\$ 304,970</u>
Accrued interest and premiums and discounts	<u>3,939</u>				
Total Investments	<u>\$ 772,743</u>				
	2009				
	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
<u>Investment Type</u>					
Money market funds	\$ 209,542	\$ 209,542			
Investment agreements	347,106	112,805	\$ 435	\$ 166,690	\$ 67,176
U.S. Government Obligations	11,118		1,066		10,052
U.S. Agency Obligations	107,019	2,035	21,199	5,921	77,864
Corporate Obligations	9,442	748	7,692	1,002	
U.S. Municipal Obligations	178	178			
	<u>684,405</u>	<u>\$ 325,308</u>	<u>\$ 30,392</u>	<u>\$ 173,613</u>	<u>\$ 155,092</u>
Accrued interest and premiums and discounts	<u>4,052</u>				
Total Investments	<u>\$ 688,457</u>				

Of these investments, five securities have call provisions. Of U.S. agency obligations, \$2,048,560 is callable as of July 2009 and \$5,030,800 is callable in August 2010. Of U.S. government obligations, \$713,000 was held in trust by JPMorgan Bank as collateral for GNMA trading margins. The Association is invested in pay-fixed, receive-variable interest rate swaps with notional amounts totaling \$21,680,000. The Association pays fixed-rate

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

3. Investments, continued

payments between 3.368% and 5.3% and receives variable rate payments based on SIFMA plus 20 basis points. The Association entered the swap contracts in November 2008 and which mature between 2018 and 2026. \$4,245 in U.S. Municipal Obligations consists of Association Series 2007H Class I variable debt.

Credit Risk: Investments for each bond issue are those permitted by the various bond indentures and bond resolutions adopted by the Association. Program account investments are restricted to those empowered by the Act or by Federal regulations. The Association has adopted resolutions as policy for authorized investments in the Affordable Housing Investment Trust and the Bond Rating Compliance and Loan Guarantee Trust. The Association has not adopted a formal policy related to the Association's Business Operations investments. As of June 30, 2010, the Association's investments in money market funds, investment agreements, U.S. government obligations, and Government National Mortgage Association obligations are unrated. As of June 30, 2010 and 2009, the Association's remaining investments are rated by Moody's Investor Service as follows (in thousands):

Investment Type	Rating	2010	2009
U.S. Agency Obligations	Aaa	\$ 117,580	\$ 102,373
Corporate Obligations	Aa	6,288	4,432
Corporate Obligations	A	7,841	4,510
Corporate Obligations	Ba		500
U.S. Municipal Obligations	Aaa	4,245	178

The Association's U.S. government and U.S. agency obligations are held by the Association's trustee in the Association's name. Corporate and other obligations are held by the Association's trustee in either the Association's account or in the Association's name.

Investment agreements are non-participating investments with financial institutions, are carried at cost, and not rated by rating agencies. Securities are not used as collateral for these Investment agreements. Investment agreements are structured for both short-term and long-term bond proceeds in connection with the Association's single-family mortgage bond programs. Financial institutions providing the agreements have been rated by nationally recognized rating agencies at debt ratings sufficient to rate the Association's mortgage revenue bonds AA (or its equivalent) by those rating agencies.

Concentration of Credit Risk: The Association places no limit on the amount the Association may invest in any one issuer. The Affordable Housing Investment Trust investment policy places limits on the amounts the Association may invest in certain types of investments authorized by the Act. As of June 30, 2010, the Association had investments of five percent or more in Federal Farm Credit Bank obligations of \$59,553,000, in Transamerica Life Insurance Corporation obligations of \$124,939,000, and in Trinity Plus Funding Company obligations of \$101,924,000.

At June 30, 2010 and 2009, bond proceeds held in mortgage acquisition accounts from various bond issues totaled \$0 and \$5,147,000, respectively.

During the years ended June 30, 2010 and 2009, the Association realized net gains/(losses) of \$(14,000) and \$169,000, respectively, from sales of investments. The calculation of realized gains is independent of the calculation of the change in the fair value of investments. Realized gains and losses on investments that had been held in more than one fiscal year and sold in a current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year. The net (decrease)/increase in the fair value of investments as of June 30, 2010 and 2009 is \$5,937,000 and \$(1,131,000), respectively. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the fiscal year. Included in the amount for the year ending June 30, 2010 is \$(1,515,000) related to derivative interest rate swap contracts fair market value considered investments.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

3. Investments, continued

The unrealized gain on investments held at June 30, 2010 and 2009 is \$7,500,000 and \$19,000, respectively. The Association matches the duration of its investments with the maturity debt in various bond accounts, and therefore, does not anticipate unrealized gains or losses to be realized, usually, in the near-term. For financial reporting purposes, the Association financial reports for the year ending June 30, 2009 use FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities*, and SFAS No. 138, *Accounting for Certain Derivative Instruments and Certain Hedging Activities – an Amendment of FASB Statement No. 133* to report the fair value of derivative instruments. These standards require derivative instruments be reported at fair value in the Statement of Net Assets with changes in fair value reported in Statement of Revenues, Expenses, and Changes in Net Assets. For the year ending June 30, 2010, the Association's financial report use GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*.

4. Loans

The Association has single-family, multifamily and other loans. The majority of the Association's loan portfolio consists of single-family mortgage loans to persons of limited income residing in Idaho. The Association has obtained various levels of security for loans. All loans are secured by mortgages or deeds of trust on the related properties. Additionally, loans are insured or guaranteed by the Federal Government, commercial mortgage insurers or by Association self-insurance reserves. In some cases, as required by bond resolutions or bond indentures, master mortgage guaranty insurance (pool insurance) provides a final level of security for certain losses sustained by reason of default, which are in excess of FHA, VA or primary insurance.

A summary of security for loans as of June 30, 2010 and 2009 is as follows (in thousands):

	2010		
	Non-Pool Insured	Pool Insured	Total
FHA Insurance	\$ 564,153		\$ 564,153
VA Guaranteed	69,236	\$ 13	69,249
Commercially Insured	534,283		534,283
USDA Rural Development Insurance	115,643		115,643
Association Insured	5,024	7	5,031
	<u>\$ 1,288,339</u>	<u>\$ 20</u>	<u>1,288,359</u>
Other			
Multifamily Bond Financed			40,388
Single Family IHFA Capital Pool			7,053
Multifamily IHFA Capital Pool			1,746
Social Service and Development IHFA Capital Pool			3,004
Construction			7,772
Loan Loss Provision			(3,586)
Interest Receivable on Loans			9,211
Deferred Loan Origination Fees (Loan Purchase Discounts)			23,551
Upfront Mortgage Insurance Premiums			7,501
Total Loans			<u>\$ 1,384,999</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

4. Loans, continued

2009			
	Non-Pool Insured	Pool Insured	Total
FHA Insurance	\$ 626,025		\$ 626,025
VA Guaranteed	80,702	\$ 16	80,718
Commercially Insured	588,911		588,911
USDA Rural Development Insurance	127,928		127,928
Association Insured	5,679	8	5,687
	<u>\$ 1,429,245</u>	<u>\$ 16</u>	1,429,269
Other			
Multifamily Bond Financed			47,696
Single Family IHFA Capital Pool			8,329
Multifamily IHFA Capital Pool			2,062
Social Service and Development IHFA Capital Pool			3,548
Construction			9,178
Interest Receivable on Loans			7,873
Deferred Loan Origination Fees (Loan Purchase Discounts)			19,608
Upfront Mortgage Insurance Premiums			9,111
Total Loans			<u>\$ 1,536,674</u>

FHA Insurance includes \$531,000 in notes receivable from The Housing Company (THC), which require repayment within 7 years. The notes are secured by various multifamily housing projects and accrue interest at 7.11 percent.

Construction, bridge and permanent financing, and multifamily projects, throughout Idaho are included as "Other". In addition to holding a first lien on the majority of these loans, performance bonds are in place to insure completion of the projects under construction.

Interest charged on loans ranged from approximately 0 to 11.5 percent during fiscal years 2010 and 2009. Loan interest rates are fixed over the loan term at levels exceeding yields on corresponding debt issued to purchase the loans. Federal tax law limits such excess yields. Loan terms range from less than one year to 30 years.

Each mortgage loan for all single-family financing programs is serviced pursuant to a Mortgage Loan Servicing Agreement as designated by the bond indenture or bond resolution. Beginning with the 1983 Series B Single-

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

4. Loans, continued

Family Mortgage purchase program, a master servicing arrangement was implemented. The mortgage servicer may, but need not, be a lending institution and a program participant.

Loan servicing fees depicted in the Statement of Revenues, Expenses and Changes in Net Assets relate to an internally assessed charge of between thirty-three and eighty-three one hundredths of one percent per annum of the outstanding mortgage balance for Association-held loans. The Association records the loan servicing fee income by reducing interest income within each of the related bond funds. In addition to the internal reclassification of interest income to loan servicing income, the General Operating Account charges the bond funds sixteen-hundredths of one percent per annum of the outstanding mortgage balance for actual Association servicing costs. The fee paid to the General Operating Account is eliminated in the financial statements. Loans held by non-Association typically generate between twenty-five and seventy-five one hundredths of one percent per annum of the outstanding mortgage balance. The Association records the loan service by reducing interest income, collecting the fees in the General Operating Account, and remitting principal and remaining interest to the loan owner or its trustee.

Mortgage loans to be serviced externally or by the Association are purchased at par or a discount of one or two percent of the outstanding principal balance as of the date of purchase. For loans serviced, but not owned, by the Association, a transfer fee of up to two percent of the outstanding principal balance is paid to the originating lender as of the date of purchase as consideration for the assignment of the servicing rights.

Loans and bonds are valued at their carrying amounts, which approximate par value. Due to the structured financing characteristics of the Association's bond issues and restrictions under various trust indentures, the Association is restricted from selling loans at a value that would impair its ability to service the bonds to which those loans are specifically pledged. The loans are specifically identified with a particular bond issue and pledged under the applicable trust indenture. Any changes in market interest rates subsequent to bond issuance and loan origination would be expected to approximate an equal impact on the fair value of the bonds and the related mortgages. Mortgage rates on loans originated from bond proceeds are based directly upon the bond rates established at the time of issuance. The Association establishes the yield spread between the interest rate on the mortgages and related bonds to approximate 1.125 percent, the maximum allowed by Section 143 of the Internal Revenue Code.

Loans originated and intended for sale to FNMA, FHLMC, or GNMA are carried at the lower of aggregate cost or fair value, as determined by the difference in the loan yield and the 60-day commitment rate yield offered by FNMA or FHLMC on June 30, 2010. IHFA services loans sold to FNMA or FHLMC or secured by GNMA. Gains or losses are recognized based on the difference between the selling price and the carrying value of the related mortgage loan sold. Net unrealized losses are charged to Operating Expenses in the Statement of Revenues, Expenses and Changes in Net Assets. Fees and certain direct costs are deferred and amortized over the average life of the loan. Loans available for sale to FNMA or FHLMC or secured by GNMA have different characteristics and fewer restrictions than loans financed by the issuance of debt and owned and serviced in the Association's loan portfolio. Loans available for sale are determined as a function of the Association's liquidity preference, customer preference, contractual requirements, and regulatory requirements. For the fiscal years ending June 30, 2010 and 2009, the Association realized \$1,426,000 and \$1,085,000, respectively, in gains on the sale of loans to FNMA and FHMLC. As of June 30, 2010, the Association had commitments to sell or secure \$87,182,500 of single-family mortgages to FNMA and FHMLC or through GNMA.

As of June 30, 2010 and 2009, the Association estimates \$187,222,000 and \$168,416,000, of loans receivable as current. Estimates consider loan principle due during the next twelve months plus anticipated prepayments made on outstanding principal balances. The Association had commitments to purchase \$20,952,000 and \$70,137,000, respectively, of single-family mortgages, which had not yet been funded. As of June 30, 2010 and 2009, the Association serviced \$686,730,000 and 419,763,000, respectively, in loans of other lenders and not included in the Association's financial statements.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands)

Bonds at June 30, 2010 and 2009 consisted of the following:

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
Single-Family Mortgage Bonds:				
1990 Series F				
Senior Bonds 1993 -- 2023	0.000%	12/90	\$ -	\$ 210
	0.000%		-	210
1991 Series C				
Senior Bonds 1994 -- 2023	0.000%	12/91	-	90
	0.000%		-	90
1992 Series A				
Senior Bonds 1994 -- 2025	0.000%	4/92	-	30
	0.000%		-	30
1992 Series D				
Senior Bonds 1994 -- 2025	0.000%	10/92	-	155
	0.000%		-	155
1992 Series E				
Senior Bonds 1994 -- 2025	6.790%	12/92	270	475
	6.790%		270	475
1993 Series B				
Senior Bonds 1994 -- 2025	5.776%	12/93	920	1,360
	5.776%		920	1,360
1994 Series A				
Senior Bonds 1996 -- 2026	6.087%	4/94	830	1,465
	6.087%		830	1,465
1994 Series B				
Senior Bonds 1996 -- 2026	6.756%	6/94	480	580
	6.756%		480	580
1994 Series C				
Senior Bonds 1996 -- 2026	6.377%	7/94	505	895
Mezzanine Bonds 2011	6.300%	7/94	20	50
	6.374%		525	945
1994 Series D				
Senior Bonds 1996 -- 2027	6.531%	10/94	170	400
Mezzanine Bonds 2011	6.400%	10/94	35	50
	6.515%		205	450
1994 Series E				
Senior Bonds 1996 -- 2027	6.815%	11/94	345	415
Mezzanine Bonds 2011	6.600%	11/94	20	30
	6.803%		365	445
1994 Series F				
Senior Bonds 1996 -- 2027	7.518%	12/94	285	350
Mezzanine Bonds 2011	7.400%	12/94	20	30
	7.510%		305	380

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
1995 Series A				
Senior Bonds 1997 -- 2027	6.659%	3/95	390	550
Mezzanine Bonds 2012	6.600%	3/95	35	55
	6.654%		<u>425</u>	<u>605</u>
1995 Series B				
Senior Bonds 1997 -- 2028	6.557%	5/95	435	815
Mezzanine Bonds 2012	6.500%	5/95	40	75
	6.553%		<u>475</u>	<u>890</u>
1995 Series C				
Senior Bonds 1997 -- 2027	6.387%	6/95	595	870
Mezzanine Bonds 2012	6.300%	6/95	40	80
	6.381%		<u>635</u>	<u>950</u>
1995 Series D				
Senior Bonds 1998 -- 2028	6.171%	6/95	515	650
Mezzanine Bonds 2012	6.150%	6/95	45	60
	6.170%		<u>560</u>	<u>710</u>
1995 Series E				
Senior Bonds 1998 -- 2028	6.423%	7/95	660	815
Mezzanine Bonds 2012	6.375%	7/95	45	70
	6.420%		<u>705</u>	<u>885</u>
1995 Series F				
Senior Bonds 1998 -- 2028	6.424%	8/95	640	770
Mezzanine Bonds 2012	0.000%	8/95		70
	6.424%		<u>640</u>	<u>840</u>
1995 Series G				
Senior Bonds 1998 -- 2028	6.222%	10/95	455	710
Mezzanine Bonds 2012	6.125%	10/95	15	60
	6.217%		<u>470</u>	<u>770</u>
1995 Series H				
Senior Bonds 1998 -- 2028	6.025%	12/95	1,215	1,440
Mezzanine Bonds 2012	5.900%	12/95	20	125
	6.019%		<u>1,235</u>	<u>1,565</u>
1996 Series A				
Senior Bonds 1998 -- 2028	6.173%	4/96	655	885
Mezzanine Bonds 2013	6.050%	4/96	65	100
	6.161%		<u>720</u>	<u>985</u>
1996 Series B				
Senior Bonds 1999 -- 2028	6.348%	4/96	375	600
Mezzanine Bonds 2013	6.250%	4/96	60	75
	6.335%		<u>435</u>	<u>675</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
1996 Series C				
Senior Bonds 1999 -- 2028	6.272%	5/96	560	850
Mezzanine Bonds 2013	6.250%	5/96	50	85
	6.270%		<u>610</u>	<u>935</u>
1996 Series D				
Senior Bonds 1998 -- 2028	6.464%	7/96	685	960
Mezzanine Bonds 2014	6.450%	7/96	85	125
Subordinate Bonds 2009	0.000%	7/96		20
	6.463%		<u>770</u>	<u>1,105</u>
1996 Series E				
Senior Bonds 1998 -- 2028	6.345%	8/96	690	825
Mezzanine Bonds 2014	6.350%	8/96	90	110
Subordinate Bonds 2009	0.000%	8/96		20
	6.345%		<u>780</u>	<u>955</u>
1996 Series F				
Senior Bonds 1998 -- 2028	6.277%	9/96	925	1,040
Mezzanine Bonds 2014	6.250%	9/96	100	120
Subordinate Bonds 2009	0.000%	9/96		20
	6.274%		<u>1,025</u>	<u>1,180</u>
1996 Series G				
Senior Bonds 1998 -- 2028	6.326%	10/96	700	985
Mezzanine Bonds 2014	6.250%	10/96	90	130
Subordinate Bonds 2009	0.000%	10/96		20
	6.317%		<u>790</u>	<u>1,135</u>
1996 Series H				
Senior Bonds 1998 -- 2028	6.126%	12/96	1,145	1,520
Mezzanine Bonds 2014	6.050%	12/96	130	180
Subordinate Bonds 2009	0.000%	12/96		25
	6.118%		<u>1,275</u>	<u>1,725</u>
1997 Series A				
Senior Bonds 1999 -- 2028	6.176%	2/97	1,095	1,460
Mezzanine Bonds 2014	6.100%	2/97	120	170
Subordinate Bonds 2009	0.000%	2/97		25
	6.168%		<u>1,215</u>	<u>1,655</u>
1997 Series B				
Senior Bonds 1999 -- 2028	5.927%	3/97	1,345	1,600
Mezzanine Bonds 2014	5.850%	3/97	160	195
Subordinate Bonds 2009	0.000%	3/97		25
	5.919%		<u>1,505</u>	<u>1,820</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
1997 Series C				
Senior Bonds 1999 -- 2028	6.089%	4/97	1,485	1,780
Mezzanine Bonds 2014	6.100%	4/97	195	215
Subordinate Bonds 2009	0.000%	4/97		30
	6.090%		<u>1,680</u>	<u>2,025</u>
1997 Series D				
Senior Bonds 1999 -- 2028	6.214%	5/97	820	1,030
Mezzanine Bonds 2014	6.100%	5/97	90	120
Subordinate Bonds 2009	0.000%	5/97		15
	6.202%		<u>910</u>	<u>1,165</u>
1997 Series E				
Senior Bonds 2000 -- 2028	6.041%	6/97	1,825	2,220
Mezzanine Bonds 2014	5.950%	6/97	240	285
Subordinate Bonds 2009	0.000%	6/97		30
	6.030%		<u>2,065</u>	<u>2,535</u>
1997 Series F				
Senior Bonds 2006 -- 2029	5.868%	7/97	1,880	2,380
Mezzanine Bonds 2015	5.850%	7/97	290	315
Subordinate Bonds 2010	5.700%	7/97	25	80
	5.863%		<u>2,195</u>	<u>2,775</u>
1997 Series G				
Senior Bonds 2004 -- 2029	5.780%	9/97	2,285	2,425
Mezzanine Bonds 2015	5.700%	9/97	140	230
Subordinate Bonds 2010	5.400%	9/97	15	65
	5.771%		<u>2,440</u>	<u>2,720</u>
1997 Series H				
Senior Bonds 1999 -- 2029	5.629%	10/97	1,630	2,060
Mezzanine Bonds 2015	5.625%	10/97	210	230
Subordinate Bonds 2010	5.400%	10/97	25	65
	5.625%		<u>1,865</u>	<u>2,355</u>
1997 Series I				
Senior Bonds 1999 -- 2029	5.733%	12/97	1,490	1,795
Mezzanine Bonds 2015	5.700%	12/97	180	200
Subordinate Bonds 2010	5.550%	12/97	20	60
	5.726%		<u>1,690</u>	<u>2,055</u>
1998 Series A				
Senior Bonds 2000 -- 2029	5.474%	1/98	1,840	2,330
Mezzanine Bonds 2016	5.450%	1/98	215	270
Subordinate Bonds 2011	5.350%	1/98	60	125
	5.468%		<u>2,115</u>	<u>2,725</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
1998 Series B				
Senior Bonds 2000 -- 2029	5.297%	3/98	1,760	2,675
Mezzanine Bonds 2016	5.200%	3/98	210	295
Subordinate Bonds 2011	5.200%	3/98	50	125
	5.284%		<u>2,020</u>	<u>3,095</u>
1998 Series C				
Senior Bonds 2008 -- 2029	5.150%	4/98	2,855	3,605
Mezzanine Bonds 2016	5.300%	4/98	340	405
Subordinate Bonds 2011	5.250%	4/98	85	165
	5.168%		<u>3,280</u>	<u>4,175</u>
1998 Series D				
Senior Bonds 2000 -- 2029	5.517%	5/98	2,190	2,665
Mezzanine Bonds 2018	5.397%	5/98	265	290
Subordinate Bonds 2011	5.250%	5/98	85	155
	5.495%		<u>2,540</u>	<u>3,110</u>
1998 Series E				
Senior Bonds 2001 -- 2029	5.384%	6/98	2,575	3,235
Mezzanine Bonds 2018	5.450%	6/98	285	335
Subordinate Bonds 2011	5.125%	6/98	90	165
	5.382%		<u>2,950</u>	<u>3,735</u>
1998 Series F				
Senior Bonds 2008 -- 2030	5.357%	7/98	3,130	4,035
Mezzanine Bonds 2020	5.400%	7/98	320	420
Subordinate Bonds 2012	5.100%	7/98	150	250
	5.349%		<u>3,600</u>	<u>4,705</u>
1998 Series G				
Senior Bonds 2008 -- 2030	5.341%	9/98	2,920	3,795
Mezzanine Bonds 2020	5.400%	9/98	330	400
Subordinate Bonds 2012	0.000%	9/98		220
	5.346%		<u>3,250</u>	<u>4,415</u>
1998 Series H				
Senior Bonds 2000 -- 2030	5.071%	11/98	3,285	4,415
Mezzanine Bonds 2020	5.100%	11/98	355	480
Subordinate Bonds 2012	4.650%	11/98	90	150
	5.063%		<u>3,730</u>	<u>5,045</u>
1998 Series I				
Senior Bonds 2000 -- 2030	5.128%	1/99	3,475	3,965
Mezzanine Bonds 2020	5.200%	1/99	385	415
Subordinate Bonds 2012	4.700%	1/99	110	135
	5.123%		<u>3,970</u>	<u>4,515</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
1999 Series A				
Senior Bonds 2006 -- 2030	5.115%	2/99	3,515	4,555
Mezzanine Bonds 2020	5.150%	2/99	405	500
Subordinate Bonds 2013	4.850%	2/99	210	330
	5.104%		<u>4,130</u>	<u>5,385</u>
1999 Series B				
Senior Bonds 2001 -- 2030	5.175%	4/99	2,585	3,565
Mezzanine Bonds 2020	5.200%	4/99	305	385
Subordinate Bonds 2013	5.000%	4/99	175	290
	5.167%		<u>3,065</u>	<u>4,240</u>
1999 Series C				
Senior Bonds 2001 -- 2030	5.203%	5/99	2,650	4,085
Mezzanine Bonds 2020	5.250%	5/99	265	445
Subordinate Bonds 2013	5.050%	5/99	170	320
	5.197%		<u>3,085</u>	<u>4,850</u>
1999 Series D				
Senior Bonds 2001 -- 2030	5.360%	6/99	3,575	4,430
Mezzanine Bonds 2020	5.400%	6/99	445	505
Subordinate Bonds 2013	5.150%	6/99	240	350
	5.351%		<u>4,260</u>	<u>5,285</u>
1999 Series E				
Senior Bonds 2001 -- 2031	5.717%	7/99	1,710	1,970
Mezzanine Bonds 2021	5.750%	7/99	225	230
Subordinate Bonds 2014	5.650%	7/99		305
	5.716%		<u>1,935</u>	<u>2,505</u>
1999 Series F				
Senior Bonds 2001 -- 2031	5.802%	8/99	2,400	2,800
Mezzanine Bonds 2021	5.800%	8/99	275	290
Subordinate Bonds 2014	5.625%	8/99	255	330
	5.786%		<u>2,930</u>	<u>3,420</u>
1999 Series G				
Senior Bonds 2001 -- 2031	5.940%	10/99	1,770	2,280
Mezzanine Bonds 2021	5.950%	10/99	235	255
Subordinate Bonds 2014	5.750%	10/99	240	330
	5.920%		<u>2,245</u>	<u>2,865</u>
1999 Series H				
Senior Bonds 2001 -- 2031	6.119%	11/99	2,015	2,780
Mezzanine Bonds 2021	6.150%	11/99	160	290
Subordinate Bonds 2014	5.850%	11/99	95	185
	6.109%		<u>2,270</u>	<u>3,255</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
1999 Series I				
Senior Bonds 2001 -- 2031	6.162%	12/99	1,195	1,475
Mezzanine Bonds 2021	6.250%	12/99	125	160
Subordinate Bonds 2014	5.950%	12/99	260	365
	6.132%		<u>1,580</u>	<u>2,000</u>
2000 Series A				
Senior Bonds 2002 -- 2031	6.401%	3/00	1,500	1,725
Mezzanine Bonds 2022	6.450%	3/00	150	175
Subordinate Bonds 2014	6.200%	3/00	165	210
	6.386%		<u>1,815</u>	<u>2,110</u>
2000 Series B				
Senior Bonds 2002 -- 2031	6.205%	4/00	1,995	2,205
Mezzanine Bonds 2022	6.250%	4/00	210	225
Subordinate Bonds 2014	6.000%	4/00	400	460
	6.178%		<u>2,605</u>	<u>2,890</u>
2000 Series C				
Senior Bonds 2002 -- 2031	6.090%	5/00	2,250	2,420
Mezzanine Bonds 2022	6.150%	5/00	230	240
Subordinate Bonds 2014	6.050%	5/00	425	545
	6.089%		<u>2,905</u>	<u>3,205</u>
2000 Series D				
Senior Bonds 2002 -- 2031	6.286%	6/00	1,840	1,915
Mezzanine Bonds 2022	6.350%	6/00	185	210
Subordinate Bonds 2014	6.200%	6/00	465	565
	6.275%		<u>2,490</u>	<u>2,690</u>
2000 Series E				
Senior Bonds 2002 -- 2032	5.974%	8/00	1,940	2,285
Mezzanine Bonds 2023	6.100%	8/00	210	235
Subordinate Bonds 2015	5.900%	8/00	525	580
	5.969%		<u>2,675</u>	<u>3,100</u>
2000 Series F				
Variable Rate Class I	0.406%	10/00	5,995	5,995
Class II Bonds 2025	6.000%	10/00	280	280
Class III Bonds 2019	6.000%	10/00	1,075	1,165
	1.451%		<u>7,350</u>	<u>7,440</u>
2000 Series G				
Variable Rate Class I	0.406%	12/00	7,310	7,320
Class II Bonds 2025	5.950%	12/00	320	320
Class III Bonds 2019	5.950%	12/00	1,185	1,235
	1.352%		<u>8,815</u>	<u>8,875</u>

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Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
2001 Series A				
Variable Rate Class I	0.408%	3/01	8,545	9,240
Class II Bonds 2026	5.600%	3/01	360	380
Class III Bonds 2020	5.550%	3/01	1,095	1,260
	1.162%		<u>10,000</u>	<u>10,880</u>
2001 Series B				
Variable Rate Class I	0.406%	5/01	5,460	5,460
Class II Bonds 2026	5.750%	5/01	275	300
Class III Bonds 2020	5.750%	5/01	720	1,020
	1.288%		<u>6,455</u>	<u>6,780</u>
2001 Series C				
Variable Rate Class I	0.408%	7/01	8,790	9,520
Class II Bonds 2026	5.550%	7/01	395	440
Class III Bonds 2020	5.600%	7/01	895	1,185
	1.102%		<u>10,080</u>	<u>11,145</u>
2001 Series D				
Variable Rate Class I	0.406%	9/01	11,450	11,455
Class II Bonds 2026	5.375%	9/01	445	465
Class III Bonds 2020	5.500%	9/01	1,085	1,225
	1.012%		<u>12,980</u>	<u>13,145</u>
2001 Series E				
Variable Rate Class I	0.407%	11/01	11,500	12,235
Class II Bonds 2026	5.450%	11/01	520	565
Class III Bonds 2020	5.400%	11/01	970	1,140
	0.990%		<u>12,990</u>	<u>13,940</u>
2001 Series F				
Variable Rate Class I	0.408%	12/01	9,010	9,755
Class II Bonds 2026	5.300%	12/01	395	455
Class III Bonds 2020	5.300%	12/01	1,205	1,455
	1.159%		<u>10,610</u>	<u>11,665</u>
2002 Series A				
Variable Rate Class I	0.406%	2/02	8,280	8,280
Class II Bonds 2026	5.600%	2/02	375	415
Class III Bonds 2020	5.600%	2/02	1,330	1,580
	1.324%		<u>9,985</u>	<u>10,275</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
2002 Series B				
Variable Rate Class I	0.406%	4/02	6,160	6,160
Class II Bonds 2026	5.550%	4/02	270	405
Class III Bonds 2020	5.550%	4/02	1,060	1,400
	1.361%		<u>7,490</u>	<u>7,965</u>
2002 Series C				
Variable Rate Class I	0.406%	5/02	8,915	8,915
Class II Bonds 2026	5.550%	5/02	230	265
Class III Bonds 2020	5.500%	5/02	1,350	1,600
	1.199%		<u>10,495</u>	<u>10,780</u>
2002 Series D				
Variable Rate Class I	0.406%	6/02	10,285	10,285
Class II Bonds 2026	5.500%	6/02	480	595
Class III Bonds 2020	5.400%	6/02	1,440	1,805
	1.231%		<u>12,205</u>	<u>12,685</u>
2002 Series E				
Class I Bonds 2004 -- 2034	3.788%	9/02	805	1,510
Variable Rate Class I	0.411%	9/02	8,905	10,145
Class II Bonds 2030	5.400%	9/02	570	680
Class III Bonds 2022	5.300%	9/02	1,625	1,945
	1.592%		<u>11,905</u>	<u>14,280</u>
2002 Series F				
Class I Bonds 2004 -- 2034	0.000%	11/02		155
Variable Rate Class I	0.408%	11/02	7,630	8,215
Class III Bonds 2023	4.875%	11/02	1,850	2,180
	1.294%		<u>9,480</u>	<u>10,550</u>
2002 Series G				
Variable Rate Class I	0.406%	12/02	7,090	7,100
Class III Bonds 2023	5.150%	12/02	1,635	1,900
	1.318%		<u>8,725</u>	<u>9,000</u>
2003 Series A				
Variable Rate Class I	0.406%	2/03	10,485	10,580
Class II Bonds 2026	5.200%	2/03	535	595
Class III Bonds 2020	5.150%	2/03	1,610	1,830
	1.228%		<u>12,630</u>	<u>13,005</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
2003 Series B				
Class I Bonds 2003 -- 2032	0.000%	5/03		90
Variable Rate Class I	0.408%	5/03	9,740	10,380
Class II Bonds 2026	5.050%	5/03	525	620
Class III Bonds 2020	5.100%	5/03	1,680	1,905
	1.272%		<u>11,945</u>	<u>12,995</u>
2003 Series C				
Class I Bonds 2003 -- 2034	3.291%	7/03	950	1,455
Variable Rate Class I	0.408%	7/03	6,890	7,380
Class II Bonds 2033	4.600%	7/03	640	675
Class III Bonds 2023	4.500%	7/03	1,620	1,850
	1.608%		<u>10,100</u>	<u>11,360</u>
2003 Series D				
Variable Rate Class I	0.329%	9/03	10,115	10,345
Class II Bonds 2033	5.450%	9/03	540	585
Class III Bonds 2023	5.450%	9/03	2,385	2,705
	1.496%		<u>13,040</u>	<u>13,635</u>
2003 Series E				
Variable Rate Class I	0.329%	10/03	10,560	11,215
Class II Bonds 2033	5.200%	10/03	615	705
Class III Bonds 2023	5.150%	10/03	2,590	3,065
	1.477%		<u>13,765</u>	<u>14,985</u>
2004 Series A				
Class I Bonds 2004 -- 2035	3.445%	4/04	730	1,420
Variable Rate Class I	0.329%	4/04	10,850	11,225
Class II Bonds 2034	4.800%	4/04	770	820
Class III Bonds 2024	4.750%	4/04	2,940	3,250
	1.558%		<u>15,290</u>	<u>16,715</u>
2004 Series B				
Class I Bonds 2004 -- 2035	4.208%	7/04		15
Variable Rate Class I	0.330%	7/04	11,185	11,905
Class II Bonds 2034	5.300%	7/04	490	525
Class III Bonds 2024	5.400%	7/04	1,640	3,290
	1.120%		<u>13,315</u>	<u>15,735</u>
2004 Series C				
Class I Bonds 2004 -- 2036	4.147%	9/04	465	2,555
Variable Rate Class I	0.329%	9/04	11,140	11,635
Class II Bonds 2035	5.200%	9/04	520	620
Class III Bonds 2025	5.350%	9/04	3,105	3,760
	1.761%		<u>15,230</u>	<u>18,570</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
2004 Series D				
Class I Bonds 2004 -- 2036	0.000%	11/04		1,560
Variable Rate Class I	0.334%	11/04	13,335	14,665
Class III Bonds 2027	5.000%	11/04	3,965	4,930
	1.532%		<u>17,300</u>	<u>21,155</u>
2005 Series A				
Class I Bonds 2005 -- 2036	3.778%	3/05	995	1,615
Variable Rate Class I	0.333%	3/05	14,430	15,270
Class II Bonds 2027	4.600%	3/05	970	1,330
Class III Bonds 2022	4.550%	3/05	2,860	3,195
	1.357%		<u>19,255</u>	<u>21,410</u>
2005 Series B				
Class I Bonds 2005 -- 2036	4.162%	5/05	975	1,145
Variable Rate Class I	0.000%	5/05		14,990
Class II Bonds 2035	5.000%	5/05	845	870
Class III Bonds 2025	5.000%	5/05	2,170	4,335
	4.797%		<u>3,990</u>	<u>21,340</u>
2005 Series C				
Class I Bonds 2005 -- 2037	3.939%	6/05	1,140	1,635
Variable Rate Class I	0.000%	6/05		15,280
Class II Bonds 2036	4.800%	6/05	735	890
Class III Bonds 2026	4.800%	6/05	4,050	4,400
	4.636%		<u>5,925</u>	<u>22,205</u>
2005 Series D				
Class I Bonds 2007 -- 2037	0.000%	8/05		280
Variable Rate Class I	0.330%	8/05	14,110	15,570
Class II Bonds 2036	4.900%	8/05	640	680
Class III Bonds 2026	4.900%	8/05	3,230	4,625
	1.294%		<u>17,980</u>	<u>21,155</u>
2005 Series E				
Class I Bonds 2007 -- 2037	3.913%	10/05	2,025	2,515
Variable Rate Class I	0.330%	10/05	14,615	15,855
Class II Bonds 2036	4.875%	10/05	860	900
Class III Bonds 2026	4.875%	10/05	3,125	4,480
	1.544%		<u>20,625</u>	<u>23,750</u>
2005 Series F				
Class I Bonds 2007 -- 2037	4.199%	1/06	2,550	3,055
Variable Rate Class I	0.000%	1/06		16,310
Class II Bonds 2036	5.000%	1/06	905	930
Class III Bonds 2026	5.000%	1/06	3,410	4,615
	4.703%		<u>6,865</u>	<u>24,910</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
2006 Series A				
Class I Bonds 2008 -- 2037	4.138%	3/06	3,250	4,150
Variable Rate Class I	0.000%	3/06		16,200
Class II Bonds 2036	4.875%	3/06	845	940
Class III Bonds 2026	4.875%	3/06	4,575	4,690
	4.599%		<u>8,670</u>	<u>25,980</u>
2006 Series B				
Class I Bonds 2008 -- 2037	4.653%	5/06	6,705	7,340
Variable Rate Class I	0.000%	5/06		12,795
Class II Bonds 2036	5.050%	5/06	925	955
Class III Bonds 2026	5.000%	5/06	3,050	4,750
	4.786%		<u>10,680</u>	<u>25,840</u>
2006 Series C				
Class I Bonds 2008 -- 2038	4.674%	6/06	6,745	7,435
Variable Rate Class I	0.000%	6/06		12,760
Class II Bonds 2037	5.100%	6/06	935	970
Class III Bonds 2027	5.100%	6/06	4,660	4,835
	4.867%		<u>12,340</u>	<u>26,000</u>
2006 Series D				
Class I Bonds 2008 -- 2038	4.762%	7/06	6,885	7,790
Variable Rate Class I	0.000%	7/06		16,045
Class II Bonds 2037	5.200%	7/06	1,095	1,110
Class III Bonds 2027	5.200%	7/06	2,490	5,520
	4.909%		<u>10,470</u>	<u>30,465</u>
2006 Series E				
Class I Bonds 2008 -- 2038	4.699%	9/06	7,890	9,870
Variable Rate Class I	0.329%	9/06	15,055	16,040
Class II Bonds 2037	5.000%	9/06	945	960
Class III Bonds 2028	5.000%	9/06	5,620	5,855
	2.534%		<u>29,510</u>	<u>32,725</u>
2006 Series F				
Class I Bonds 2008 -- 2038	4.509%	11/06	8,330	9,670
Variable Rate Class I	0.332%	11/06	14,885	17,500
Class II Bonds 2037	4.800%	11/06	930	945
Class III Bonds 2028	4.800%	11/06	5,860	6,085
	2.441%		<u>30,005</u>	<u>34,200</u>
2006 Series G				
Class I Bonds 2009-- 2038	4.362%	1/07	7,840	9,815
Variable Rate Class I	0.330%	1/07	14,760	16,065
Class II Bonds 2037	4.650%	1/07	960	985
Class III Bonds 2028	4.600%	1/07	4,515	6,255
	2.264%		<u>28,075</u>	<u>33,120</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
2007 Series A				
Class I Bonds 2009 -- 2038	4.648%	3/07	8,615	5,865
Variable Rate Class I	0.331%	3/07	15,220	17,500
Class II Bonds 2037	4.850%	3/07	945	3,635
Class III Bonds 2028	4.850%	3/07	780	7,895
	2.037%		<u>25,560</u>	<u>34,895</u>
2007 Series B				
Class I Bonds 2009 -- 2038	4.456%	4/07	9,950	6,550
Variable Rate Class I	0.331%	4/07	17,530	20,000
Class II Bonds 2037	4.750%	4/07	390	5,450
Class III Bonds 2028	4.600%	4/07	2,610	7,890
	2.078%		<u>30,480</u>	<u>39,890</u>
2007 Series C				
Class I Bonds 2009-- 2038	4.585%	5/07	10,465	12,000
Variable Rate Class I	0.331%	5/07	17,940	20,000
Class II Bonds 2037	4.900%	5/07	1,480	1,500
Class III Bonds 2028	4.750%	5/07	6,015	6,395
	2.475%		<u>35,900</u>	<u>39,895</u>
2007 Series D				
Class I Bonds 2009 -- 2038	4.525%	5/07	7,625	15,000
Variable Rate Class I	0.344%	5/07	22,005	24,950
Class II Bonds 2037	4.900%	5/07	1,000	1,000
Class III Bonds 2028	4.850%	5/07	8,435	8,850
	2.188%		<u>39,065</u>	<u>49,800</u>
2007 Series E				
Class I Bonds 2009 -- 2038	4.596%	6/07	14,440	19,200
Variable Rate Class I	0.345%	6/07	26,370	29,940
Class II Bonds 2037	4.950%	6/07	2,435	3,000
Class III Bonds 2028	4.850%	6/07	4,975	7,670
	2.267%		<u>48,220</u>	<u>59,810</u>
2007 Series F				
Class I Bonds 2009 -- 2039	4.974%	7/07	21,315	24,000
Variable Rate Class I	0.349%	7/07	33,110	37,500
Class II Bonds 2038	5.250%	7/07	3,750	3,750
Class III Bonds 2029	5.125%	7/07	9,590	9,750
	2.714%		<u>67,765</u>	<u>75,000</u>
2007 Series G				
Class I Bonds 2027 -- 2039	5.937%	8/07	30,450	31,250
Variable Rate Class I	0.333%	8/07	28,750	28,750
Class II Bonds 2038	5.200%	8/07	2,910	3,000
Class III Bonds 2029	5.125%	8/07	8,575	12,000
	3.537%		<u>70,685</u>	<u>75,000</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
2007 Series H				
Class I Bonds 2027 -- 2039	5.836%	11/07	23,420	27,750
Variable Rate Class I	0.329%	11/07	33,750	33,750
Class II Bonds 2036	5.250%	11/07	3,585	3,750
Class III Bonds 2028	5.000%	11/07	7,510	9,750
	3.069%		<u>68,265</u>	<u>75,000</u>
2007 Series I				
Class I Bonds 2027 -- 2039	5.727%	9/07	20,485	25,200
Variable Rate Class I	0.333%	9/07	24,000	24,000
Class II Bonds 2036	5.500%	9/07	2,745	3,000
Class III Bonds 2028	5.375%	9/07	7,665	7,800
	3.403%		<u>54,895</u>	<u>60,000</u>
2007 Series J				
Class I Bonds 2027 -- 2039	5.639%	10/07	27,720	31,500
Variable Rate Class I	0.329%	10/07	30,000	30,000
Class II Bonds 2036	5.200%	10/07	3,600	3,750
Class III Bonds 2028	5.000%	10/07	7,245	9,750
	3.283%		<u>68,565</u>	<u>75,000</u>
2007 Series K				
Class I Bonds 2027 -- 2039	5.782%	12/07	21,415	22,200
Variable Rate Class I	0.333%	12/07	26,995	27,000
Class II Bonds 2036	5.375%	12/07	895	3,000
Class III Bonds 2028	5.200%	12/07	4,600	7,800
	3.146%		<u>53,905</u>	<u>60,000</u>
2008 Series A				
Class I Bonds 2010 -- 2039	5.422%	5/08	19,530	22,200
Variable Rate Class I	0.000%	5/08		27,000
Class II Bonds 2036	5.850%	5/08	2,470	3,000
Class III Bonds 2028	5.700%	5/08	7,660	7,800
	5.530%		<u>29,660</u>	<u>60,000</u>
2008 Series B				
Class I Bonds 2010 -- 2039	5.147%	6/08	18,455	19,200
Variable Rate Class I	0.000%	6/08		30,000
Class II Bonds 2036	5.550%	6/08	3,000	3,000
Class III Bonds 2028	5.400%	6/08	7,660	7,800
	5.254%		<u>29,115</u>	<u>60,000</u>
2008 Series C				
Class I Bonds 2010 -- 2039	5.378%	8/08	20,420	22,200
Variable Rate Class I	0.269%	8/08	25,490	27,000
Class II Bonds 2036	5.850%	8/08	3,000	3,000
Class III Bonds 2028	5.800%	8/08	7,800	7,800

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
2008 Series D				
Class I Bonds 2010 -- 2039	5.062%	10/08	22,890	37,200
Variable Rate Class I	0.274%	10/08	7,255	12,000
Class II Bonds 2036	5.450%	10/08	1,850	3,000
Class III Bonds 2028	5.350%	10/08	4,800	7,800
	4.166%		<u>36,795</u>	<u>60,000</u>
2009 Series A				
Class I Bonds 2010 -- 2039	3.983%	7/09	4,525	
Variable Rate Class I	0.243%	7/09	92,710	
Class III Bonds 2028	5.250%	7/09	6,140	
	0.703%		<u>103,375</u>	
2009 Series B				
Class I Bonds 2010 -- 2039	4.939%	7/09	18,300	
Variable Rate Class I	0.243%	7/09	57,000	
Class II Bonds 2036	5.550%	7/09	710	
Class III Bonds 2028	5.650%	7/09	20,075	
	2.315%		<u>96,085</u>	
2009 Series C				
Class I Bonds 2010 -- 2039	4.033%	12/09	29,835	
Class II Bonds 2036	2.888%	12/09	2,675	
Class III Bonds 2028	2.625%	12/09	2,490	
	3.845%	12/09	<u>35,000</u>	
2009 Series 1				
Variable Rate Class I	0.000%	12/09	172,100	
			<u>172,100</u>	

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2010	2009
FHA Insured Housing Revenue Bonds:				
1998 Series A 1999 -- 2039	5.295%	12/98	8,735	8,855
1999 Series 2003 -- 2041	6.085%	8/99	4,440	4,485
2000 Series 2032	0.394%	5/00	5,560	5,695
2000 Series 2033	0.218%	10/01	4,420	4,510
2007 Series	5.908%	4/07	8,473	8,520
			31,628	32,065
Multifamily Housing/Refunding Bonds:				
1994 Series A 1995 -- 2024	6.652%	5/94	18,010	20,245
1994 Series B 1995 -- 2013	8.700%	5/94	450	805
			18,460	21,050
Grant and Revenue Anticipation Bonds:				
2006 Series 2007-2024	4.765%	5/06	138,340	141,905
2008 Series A 2008-2026	4.826%	4/08	169,050	173,035
2009 Series A 2008-2026	4.801%	2/09	172,210	172,210
2010 Series A 2008-2026	4.082%	1/10	84,290	
			563,890	487,150
Interest Payable			34,473	36,780
Net Original (Discount)/Premium			19,375	18,596
TOTAL BONDS			\$ 2,363,001	\$ 2,245,511

* The Association periodically issues bonds to finance various multifamily housing developments in Idaho. As part of these bond financings, the Association acts as mortgagee in the creation of a mortgage loan that is pledged to the bond Trustee to secure repayment of the outstanding bonds. The bonds are limited obligations of the Association, and are secured by the respective mortgages on each development as well as a lien on all revenues as defined in each respective bond indenture. The Association does not have a financial stake in these bond transactions, other than the collection of fees related to its service as bond issuer, and does not guarantee the repayment of principal and interest on the outstanding bonds.

The bonds are either special or general obligations of the Association and do not constitute a debt of the State of Idaho or any political subdivision thereof. Each bond issue is secured by the pledge of repayments of mortgage loans purchased with the bond proceeds and of all revenue earned relating to those bonds.

Serial bonds and term bonds are subject to redemption at the option of the Association and subject to the terms of the respective bond indenture or bond resolution, in whole or in part, on various dates at prescribed redemption prices ranging from 100 to 103 percent. The bonds are also subject to special redemption from (i) unexpended proceeds of the bonds not committed to purchase mortgage loans, (ii) forfeited commitment fees, and (iii) early recoveries of principal and pledged receipts at any time.

The Association has issued debt in a variable rate mode. The bulk of the variable rate debt is re-marketed on a weekly basis by a Remarketing Agent, retained by the Association, to periodically re-market the debt at the prevailing interest rates.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

GARVEE bonds and any interest due thereon are payable solely and only from federal highway funds received from the Federal Highway Administration through a continuous appropriation by the Idaho legislature. The Association assumes no liability if federal highway funds are not available for payment. The Idaho legislature has continuously appropriated amounts projected to be sufficient to meet principal and interest requirements on the Bonds. Such payments are provided for under a Master Financing Agreement dated as of October 13, 2005, as supplemented, among the Association, the Idaho Transportation Board, and the Idaho Transportation Department. The supplemental information to the financial statements provides additional disclosure.

The Association accumulates GARVEE project costs in a designated account and are reported, net of any pledged debt service receipts received, as the GARVEE highway project costs receivable, net on the Statement of Net Assets. The reported amount represents actual program costs incurred and a claim to those highway funds committed through the continuous appropriation. As costs incur, investments are drawn upon for payment, resulting in an increase in the receivable and a decrease in Investments. Subsequently, as bonds mature, or otherwise, are retired or redeemed, the receivable and bonds decrease, representing a reduction in that claim. The Association anticipates the receivable initially increasing in subsequent years as further project costs are incurred and declining later as outstanding bonds mature, or otherwise, are retired or redeemed.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

The scheduled principal debt service, including July 1, 2010 special redemptions, for the periods subsequent to, and as of, June 30, 2010, is as follows (in thousands):

	2011	2012	2013	2014	2015	2016- 2020	2021- 2025
Single-Family Mortgage Bonds:							
1992 Series E	\$ 60	\$ 20	\$ 15	\$ 10	\$ 10	\$ 65	\$ 90
1993 Series B	230	50	50	40	40	220	270
1994 Series A	90	50	50	55	55	250	250
1994 Series B	90	25	30	30	25	115	150
1994 Series C	160	20	30	30	30	115	110
1994 Series D	115				10	35	35
1994 Series E	180	15	10	10	10	50	70
1994 Series F	105	15	10	10	20	55	70
1995 Series A	105	25	25	20	20	100	100
1995 Series B	10	25	35	35	40	135	150
1995 Series C	50	40	35	30	35	185	200
1995 Series D	135	30	40	30	30	110	125
1995 Series E	85	30	35	45	50	180	200
1995 Series F	165	20	20	25	30	150	150
1995 Series G	115	30	25	20	20	100	100
1995 Series H	185	30	50	70	70	345	350
1996 Series A	170	25	30	35	35	165	175
1996 Series B	115	20	30	30	20	70	100
1996 Series C	95	20	35	35	30	155	165
1996 Series D	115	35	40	40	40	150	205
1996 Series E	180	20	30	40	40	165	185
1996 Series F	45	40	40	45	55	315	300
1996 Series G	135	35	40	40	35	140	230
1996 Series H	75	60	60	60	60	340	380
1997 Series A	45	40	55	70	65	330	355
1997 Series B	120	60	65	80	75	365	410
1997 Series C	130	70	70	75	85	450	470
1997 Series D	75	35	40	40	45	250	250
1997 Series E	345	75	80	80	95	500	475
1997 Series F	215	100	105	110	110	530	550
1997 Series G	125	75	80	80	80	655	750
1997 Series H	170	80	80	80	85	450	500
1997 Series I	250	50	50	50	60	405	455
1998 Series A	185	95	70	70	70	485	540
1998 Series B	145	95	70	70	70	485	550
1998 Series C	520	160	145	150	150	740	750
1998 Series D	370	160	100	100	100	550	600
1998 Series E	355	200	115	120	120	615	725
1998 Series F	225	235	160	150	150	820	915
1998 Series G	580	150	105	125	130	655	735
1998 Series H	575	220	145	120	120	675	925

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2026- 2030	2031- 2035	2036- 2040	2041- 2045	TOTAL
Single-Family Mortgage Bonds:					
1992 Series E				\$	270
1993 Series B	\$	20			920
1994 Series A		30			830
1994 Series B		15			480
1994 Series C		30			525
1994 Series D		10			205
1994 Series E		20			365
1994 Series F		20			305
1995 Series A		30			425
1995 Series B		45			475
1995 Series C		60			635
1995 Series D		60			560
1995 Series E		80			705
1995 Series F		80			640
1995 Series G		60			470
1995 Series H		135			1,235
1996 Series A		85			720
1996 Series B		50			435
1996 Series C		75			610
1996 Series D		145			770
1996 Series E		120			780
1996 Series F		185			1,025
1996 Series G		135			790
1996 Series H		240			1,275
1997 Series A		255			1,215
1997 Series B		330			1,505
1997 Series C		330			1,680
1997 Series D		175			910
1997 Series E		415			2,065
1997 Series F		475			2,195
1997 Series G		595			2,440
1997 Series H		420			1,865
1997 Series I		370			1,690
1998 Series A		600			2,115
1998 Series B		535			2,020
1998 Series C		665			3,280
1998 Series D		560			2,540
1998 Series E		700			2,950
1998 Series F		945			3,600
1998 Series G		770			3,250
1998 Series H		950			3,730

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2011	2012	2013	2014	2015	2016- 2020	2021- 2025
Single-Family Mortgage Bonds:							
1998 Series I	535	265	145	130	130	745	1,000
1999 Series A	415	185	250	160	140	775	975
1999 Series B	145	155	200	115	110	645	765
1999 Series C	230	130	130	125	115	635	790
1999 Series D	600	160	170	160	160	835	1,035
1999 Series E	105	50	50	60	90	470	510
1999 Series F	275	145	150	160	100	560	670
1999 Series G	175	120	120	120	90	485	505
1999 Series H	205	90	95	105	80	455	540
1999 Series I	160	100	110	110	50	310	320
2000 Series A	100	75	80	80	70	335	425
2000 Series B	345	140	145	150	110	420	565
2000 Series C	385	165	165	160	125	490	600
2000 Series D	285	150	150	165	125	400	520
2000 Series E	305	165	170	170	160	400	535
2000 Series F	185	280	270	300	300	1,425	1,725
2000 Series G	260	315	310	335	340	1,675	2,100
2001 Series A	450	225	360	365	410	1,965	2,010
2001 Series B	1,530	130	195	195	220	1,035	1,055
2001 Series C	460	215	350	350	365	1,840	1,870
2001 Series D	450	270	460	460	475	2,395	2,265
2001 Series E	465	260	440	445	475	2,345	2,150
2001 Series F	475	190	370	370	395	2,075	1,730
2002 Series A	115	50	220	390	390	2,095	1,685
2002 Series B	115	40	165	290	290	1,580	1,270
2002 Series C	460	35	220	395	400	2,135	1,670
2002 Series D	130	40	250	450	450	2,505	2,100
2002 Series E	675	40	190	435	440	2,350	2,010
2002 Series F	465	55	175	335	345	2,035	1,720
2002 Series G	125	50	165	330	330	1,845	1,615
2003 Series A	460	195	200	405	540	2,635	2,300
2003 Series B	430	35	40	275	515	2,615	2,245
2003 Series C	1,050	150	165	290	350	1,950	2,035
2003 Series D	375	105	110	315	525	2,825	2,945
2003 Series E	545	100	100	315	535	2,975	3,075
2004 Series A	1,035	255	250	255	455	2,865	3,245
2004 Series B	535	60	60	60	265	2,505	2,840
2004 Series C	450	185	205	220	495	2,935	3,475
2004 Series D	305	110	110	120	345	3,110	3,745
2005 Series A	1,850	285	280	280	280	3,055	3,775
2005 Series B	240	245	255	255	255	915	920

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2026- 2030	2031- 2035	2036- 2040	2041- 2045	TOTAL
Single-Family Mortgage Bonds:					
1998 Series I	1,020				3,970
1999 Series A	1,135	95			4,130
1999 Series B	855	75			3,065
1999 Series C	850	80			3,085
1999 Series D	1,050	90			4,260
1999 Series E	500	100			1,935
1999 Series F	720	150			2,930
1999 Series G	530	100			2,245
1999 Series H	590	110			2,270
1999 Series I	350	70			1,580
2000 Series A	470	180			1,815
2000 Series B	555	175			2,605
2000 Series C	610	205			2,905
2000 Series D	555	140			2,490
2000 Series E	550	220			2,675
2000 Series F	2,175	690			7,350
2000 Series G	2,655	825			8,815
2001 Series A	2,770	1,445			10,000
2001 Series B	1,390	705			6,455
2001 Series C	2,845	1,785			10,080
2001 Series D	3,330	2,875			12,980
2001 Series E	3,025	3,385			12,990
2001 Series F	2,375	2,630			10,610
2002 Series A	2,205	2,835			9,985
2002 Series B	1,600	2,140			7,490
2002 Series C	2,185	2,995			10,495
2002 Series D	2,725	3,555			12,205
2002 Series E	2,395	3,370			11,905
2002 Series F	1,905	2,445			9,480
2002 Series G	1,920	2,345			8,725
2003 Series A	2,310	3,585			12,630
2003 Series B	2,225	3,565			11,945
2003 Series C	2,035	2,075			10,100
2003 Series D	2,845	2,995			13,040
2003 Series E	2,980	3,140			13,765
2004 Series A	3,005	3,580	\$ 345		15,290
2004 Series B	3,000	3,625	365		13,315
2004 Series C	2,960	3,565	740		15,230
2004 Series D	3,755	4,680	1,020		17,300
2005 Series A	3,505	4,445	1,500		19,255
2005 Series B	420	440	45		3,990

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2011	2012	2013	2014	2015	2016- 2020	2021- 2025
Single-Family Mortgage Bonds:							
2005 Series C	555	325	340	340	345	1,400	1,690
2005 Series D	110	110	120	130	130	2,865	3,790
2005 Series E	1,940	410	420	425	420	2,970	3,640
2005 Series F	535	545	550	545	555	1,535	1,485
2006 Series A	585	625	630	645	650	2,300	1,940
2006 Series B	700	845	835	835	825	2,165	1,155
2006 Series C	2,890	905	880	870	860	2,365	1,220
2006 Series D	1,965	755	745	730	735	2,005	885
2006 Series E	2,870	595	620	650	685	3,820	4,345
2006 Series F	2,110	615	645	665	700	3,890	4,445
2006 Series G	1,810	550	590	600	625	3,570	3,995
2007 Series A	630	400	430	440	460	2,765	2,935
2007 Series B	2,110	540	585	600	625	3,875	4,320
2007 Series C	3,095	670	725	750	775	4,550	4,945
2007 Series D	3,650	860	920	965	990	5,710	6,165
2007 Series E	1,765	890	945	980	1,020	6,165	7,010
2007 Series F	6,465	1,155	1,230	1,290	1,330	8,005	9,175
2007 Series G	10,855	800	830	885	920	5,985	8,310
2007 Series H	5,255	1,075	1,140	1,200	1,245	7,220	9,070
2007 Series I	2,930	785	825	865	910	5,660	7,635
2007 Series J	4,705	935	980	1,045	1,090	6,745	9,000
2007 Series K	3,145	680	720	750	785	5,160	6,760
2008 Series A	2,310	950	1,005	1,065	1,110	5,805	3,950
2008 Series B	1,265	935	1,000	1,045	1,090	5,370	4,370
2008 Series C	1,575	950	1,030	1,080	1,140	6,810	7,625
2008 Series D	5,070	520	550	580	605	3,700	4,365
2009 Series A	5,810	640	675	700	715	13,170	17,790
2009 Series B	2,050	1,080	1,110	1,200	1,230	10,140	17,465
2009 Series C	65	665	640	665	680	4,080	4,745
2009 Series 1							
FHA Insured Housing Revenue Bonds:							
1998 Series A	120	130	135	140	150	885	1,155
1999 Series	45	50	50	55	60	350	475
2000 Series	-						
2002 Series	-						
2007 Series	5						
Multifamily Housing/Refunding Bonds:							
1994 Series A	2,585	965	720	535	630	4,590	7,985
1994 Series B	-	135	170	145			

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2026- 2030	2031- 2035	2036- 2040	2041- 2045	TOTAL
Single-Family Mortgage Bonds:					
2005 Series C	510	350	70		5,925
2005 Series D	3,875	4,700	2,150		17,980
2005 Series E	3,755	4,585	2,060		20,625
2005 Series F	555	460	100		6,865
2006 Series A	735	425	135		8,670
2006 Series B	1,245	1,390	685		10,680
2006 Series C	1,005	855	490		12,340
2006 Series D	945	1,080	625		10,470
2006 Series E	5,255	6,260	4,410		29,510
2006 Series F	5,470	6,690	4,775		30,005
2006 Series G	4,960	6,200	5,175		28,075
2007 Series A	4,305	7,175	6,020		25,560
2007 Series B	5,070	6,770	5,985		30,480
2007 Series C	6,210	7,675	6,505		35,900
2007 Series D	6,060	7,310	6,435		39,065
2007 Series E	8,815	11,185	9,445		48,220
2007 Series F	11,540	13,895	13,680		67,765
2007 Series G	10,840	14,250	17,010		70,685
2007 Series H	11,760	14,840	15,460		68,265
2007 Series I	9,705	11,810	13,770		54,895
2007 Series J	11,805	14,945	17,315		68,565
2007 Series K	8,975	12,070	14,860		53,905
2008 Series A	4,395	4,445	4,625		29,660
2008 Series B	4,900	4,790	4,350		29,115
2008 Series C	9,535	11,955	15,010		56,710
2008 Series D	5,515	7,070	8,820		36,795
2009 Series A	21,235	27,315	15,325		103,375
2009 Series B	18,095	19,965	23,750		96,085
2009 Series C	5,970	7,400	9,080	1,010	35,000
2009 Series 1			172,100		172,100
FHA Insured Housing Revenue Bonds:					
1998 Series A	1,530	2,005	2,485		8,735
1999 Series	645	880	1,225	605	4,440
2000 Series		5,560			5,560
2002 Series		4,420			4,420
2007 Series				8,468	8,473
Multifamily Housing/Refunding Bonds:					
1994 Series A					18,010
1994 Series B					450

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2011	2012	2013	2014	2015	2016- 2020	2021- 2025
Grant Revenue and Revenue Anticipation Bonds:							
2006 Series	4,045	4,565	5,120	5,710	6,355	43,505	69,040
2008 Series A	8,675	4,650	1,490	8,080	8,015	39,590	37,430
2009 Series A	8,210	8,970	12,350	5,915	6,190	35,345	45,035
2010 Series A	-	1,630	1,665	1,715	1,765	9,895	7,240
TOTAL	\$ 127,645	\$ 50,500	\$ 53,760	\$ 57,395	\$ 60,675	\$ 352,275	\$ 414,030
Variable rate principal	\$ 30,160	\$ 1,560	\$ 3,340	\$ 5,245	\$ 8,310	\$ 73,110	\$ 114,570
Interest:							
Fixed	\$ 65,330	\$ 63,802	\$ 61,564	\$ 59,286	\$ 56,830	\$ 243,461	\$ 170,671
Variable	2,080	2,078	2,073	2,061	2,046	9,777	8,448
TOTAL	\$ 67,410	\$ 65,880	\$ 63,637	\$ 61,347	\$ 58,876	\$ 253,238	\$ 179,119
Interest rate swap payments:							
Net swap payments	17,710	16,707	15,666	14,630	13,606	49,095	19,940
Off-market borrowing	3,763	3,573	3,406	3,216	3,020	11,017	4,183
Off-market accrued interest	279	254	241	228	214	763	293
TOTAL	\$ 21,752	\$ 20,534	\$ 19,313	\$ 18,074	\$ 16,840	\$ 60,875	\$ 24,416

As of June 30, 2010, debt service requirements of the Association's outstanding variable-debt and net swap payments, assuming current interest rates remain the same, for their terms are displayed in the above schedule. As interest rates vary, variable-rate bond interest payments and net swap payments will also vary.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2026- 2030	2031- 2035	2036- 2040	2041- 2045	TOTAL
Grant Revenue and Revenue Anticipation Bonds:					
2006 Series					138,340
2008 Series A	61,120				169,050
2009 Series A	50,195				172,210
2010 Series A	60,380				84,290
TOTAL	\$ 452,610	\$ 322,235	\$ 407,945	\$ 10,083	\$ 2,309,153
Variable rate principal	\$ 160,415	\$ 209,965	\$ 159,080	\$ -	\$ 765,755
Interest:					
Fixed	\$ 88,074	\$ 37,148	\$ 12,162	\$ 307	\$ 858,635
Variable	6,622	3,844	999	-	40,028
TOTAL	\$ 94,696	\$ 40,992	\$ 13,161	\$ 307	\$ 898,663
Interest rate swap payments:					
Net swap payments	3,155				\$ 150,509
Off-market borrowing	612				32,790
Off-market accrued interest	15				2,287
TOTAL	\$ 3,782	\$ -	\$ -	\$ -	\$ 185,586

As of June 30, 2010, debt service requirements of the Association's outstanding variable-debt and net swap payments, assuming current interest rates remain the same, for their terms are displayed in the above schedule. As interest rates vary, variable-rate bond interest payments and net swap payments will also vary.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued,

Long-term bond liability and short-term commercial paper activity for the years ended June 30, 2010 and 2009 was as follows (in thousands):

	Beginning	Additions	Reductions	Ending	Amounts
	Balance			Balance	Due Within One year
Bonds payable at June 30, 2010	\$2,245,511	499,294	(381,804)	\$2,363,001	\$133,678
Bonds payable at June 30, 2009	\$2,107,153	298,833	(160,475)	\$2,245,511	\$69,830
Commercial Paper at June 30, 2010	\$30,000	239,700	(219,700)	\$50,000	\$50,000
Commercial Paper at June 30, 2009	\$30,000	1,089,000	(1,089,000)	\$30,000	\$30,000

In July 2009, the Association issued Single-Family Mortgage Bonds 2009 Series A and B in the amount of \$207,125,000. The 2009 Series A and B Bonds were issued to provide money for the Issuer to purchase and refund certain outstanding Bonds of the Association originally issued to finance the making or purchase of mortgage loans to low income persons for single family, owner-occupied housing within the State and to pay certain costs of issuance of the 2009 Series A and B Bonds.

The purpose of this refunding allows the Association to avail itself of recent federally-enacted legislation. The American Recovery and Reinvestment Act of 2009 (Act) exempts certain tax-exempt bonds from being considered a specific preference item of federal alternative minimum taxes. The refunding of certain bonds and the issuance of the 2009 Series A and B Bonds allows the Association to use this feature of the Act, which results in a lower bond yield and, hence, lower borrowing costs.

The Association redeemed \$208,865,000 resulting in a net defeasance of \$1,740,000. The refunding resulted in a decrease of in the aggregate debt service requirements of approximately \$8,875,000 and an economic gain to the Association of \$17,628,000. \$2,482,000 was deferred and is being amortized over the estimated life of the old debt.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

6. Redemption of Bonds

Special redemptions were made in the following bond issues (in thousands):

BOND SERIES REDEEMED	PAR VALUE OF BONDS REDEEMED		
	July 1, 2010	For the Year Ended June 30, 2010	For the Year Ended June 30, 2009
Single-Family Mortgage Bonds			
1990 Series F		\$ 195	\$ 145
1991 Series C		80	130
1992 Series A		30	100
1992 Series B			70
1992 Series C			195
1992 Series D		145	340
1992 Series E	45	180	395
1993 Series A			30
1993 Series B	175	370	120
1994 Series A	40	565	200
1994 Series B	65	70	495
1994 Series C	145	390	370
1994 Series D	105	230	480
1994 Series E	160	55	440
1994 Series F	85	55	260
1995 Series A	90	165	280
1995 Series B	-	380	370
1995 Series C	20	285	180
1995 Series D	115	130	205
1995 Series E	65	165	315
1995 Series F	145	120	360
1995 Series G	105	270	295
1995 Series H	155	230	305
1996 Series A	155	245	590
1996 Series B	75	210	375
1996 Series C	80	315	290
1996 Series D	95	305	325
1996 Series E	160	135	215
1996 Series F	15	105	415
1996 Series G	100	275	130
1996 Series H	20	345	390
1997 Series A	-	360	190
1997 Series B	60	225	290
1997 Series C	60	240	90
1997 Series D	50	225	400
1997 Series E	270	325	145
1997 Series F	100	360	460
1997 Series G	35	105	180
1997 Series H	70	320	550
1997 Series I	175	235	730

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

6. Redemption of Bonds, continued

(Dollars in thousands):

BOND SERIES REDEEMED	PAR VALUE OF BONDS REDEEMED		
	July 1, 2010	For the Year Ended June 30, 2010	For the Year Ended June 30, 2009
1998 Series A	110	565	715
1998 Series B	80	955	755
1998 Series C	345	665	685
1998 Series D	240	420	630
1998 Series E	195	595	445
1998 Series F	35	880	800
1998 Series G	460	800	555
1998 Series H	415	1,110	300
1998 Series I	350	355	900
1999 Series A	225	1,015	750
1999 Series B		975	965
1999 Series C		1,540	710
1999 Series D	325	795	1,240
1999 Series E		495	875
1999 Series F	80	335	1,150
1999 Series G		495	900
1999 Series H	80	865	405
1999 Series I		245	140
2000 Series A		215	675
2000 Series B	175	185	375
2000 Series C	180	165	295
2000 Series D	110	70	625
2000 Series E	150	340	640
2000 Series F		-	85
2000 Series G	5	10	70
2001 Series A	360	790	355
2001 Series B	1,470	125	1,590
2001 Series C	385	905	985
2001 Series D	365	85	180
2001 Series E	385	875	550
2001 Series F	435	1,010	1,110
2002 Series A	75	210	2,620
2002 Series B	75	435	4,035
2002 Series C	430	250	1,935
2002 Series D	90	435	3,620
2002 Series E	620	2,115	1,735
2002 Series F	410	965	1,095
2002 Series G	75	225	2,130
2003 Series A	270	240	895
2003 Series B	400	1,005	2,610
2003 Series C	730	885	1,225

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

6. Redemption of Bonds, continued

(Dollars in thousands):

BOND SERIES REDEEMED	PAR VALUE OF BONDS REDEEMED		
	July 1, 2010	For the Year Ended June 30, 2010	For the Year Ended June 30, 2009
2003 Series D	275	495	2,105
2003 Series E	445	1,105	2,055
2004 Series A	790	1,090	2,235
2004 Series B	480	945	2,790
2004 Series C	275	2,795	2,920
2004 Series D	195	3,460	1,735
2005 Series A	1,585	1,815	4,810
2005 Series B	-	620	5,305
2005 Series C	245	1,395	2,950
2005 Series D	-	2,045	3,540
2005 Series E	1,505	1,615	2,295
2005 Series F	-	920	1,845
2006 Series A	40	1,225	2,805
2006 Series B	-	900	3,560
2006 Series C	2,415	980	3,700
2006 Series D	1,455	2,040	4,185
2006 Series E	2,300	2,625	1,905
2006 Series F	1,525	3,635	430
2006 Series G	1,280	1,705	1,780
2007 Series A	255	2,700	
2007 Series B	1,600	3,735	
2007 Series C	2,445	3,170	
2007 Series D	2,810	2,960	
2007 Series E	920	4,270	
2007 Series F	5,350	6,565	
2007 Series G	9,915	125	
2007 Series H	4,245	3,480	
2007 Series I	1,990	4,180	
2007 Series J	3,760	2,940	
2007 Series K	2,645	2,010	
2008 Series A	1,385	1,700	
2008 Series B	370	540	
2008 Series C	955	3,290	
2008 Series D	4,690	23,205	
2009 Series A	5,610	7,085	
2009 Series B	980	195	
Multifamily Housing Bonds			
1994 Series A		1,235	
	\$ 77,905	\$ 137,880	\$ 107,150

As of June 30, 2010, the Association had write-offs of deferred bond financing costs related to special bond redemptions of \$3,612,000. Write-offs related to the July 1, 2011 bond redemptions were \$485,000. The Association redeemed \$23,000,000 of Series 2008D bonds due to non origination of mortgage loans during fiscal

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

6. Redemption of Bonds, continued

year 2010. Subsequent to fiscal year end, on August 1, 2010, the Association redeemed \$4,690,000 of Series 2008D bonds due to non origination of mortgage loans. This amount is included in the par value redeemed for Series 2008D on July 1, 2010.

7. Derivatives

The Association has entered into multiple interest rate swap agreements to reduce the Association's overall cost of borrowing long-term capital and protect against the risk of rising interest rates. To do this, the Association issued variable rate debt in connection with the same Single Family Mortgage Bond issues. The swap agreements, when combined with the associated variable rate debt, create a synthetic fixed rate debt obligation. From 2000 through 2008, the Association's uses of these instruments allowed it to competitively price and acquire single-family loans while reducing interest rate risk.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* defines derivative instruments and requires that they be reported at fair value in the Statement of Net Assets. The swap agreements the Association has entered into are characterized as derivatives. Offsetting changes in fair value are carried on the Statement of Net Assets as either a deferred inflow or outflow or recognized in earnings of the current period as a change in investments fair value. Changes in fair value are reported depending on whether the derivative instrument is considered an effective hedge. Effective hedge fair value changes are reported as deferred inflows or outflows while non-effective hedge fair value changes are recognized as earnings in the current period. Statement No. 53 provides several methods for determining effectiveness.

The fair values of swap agreements were estimated by the Association's counterparties to the swaps and approximate the termination payments that would have been due had the swaps been terminated as of June 30, 2010. A positive fair value represents the amount due the Association by the counterparty upon termination of the swap while a negative fair value represents the amount payable by the Association. Due to historically low interest rates, all of the Association's interest rate swaps had negative value as of June 30, 2010 and 2009. The fair value is reported in the Statement of Net Assets in Other Liabilities of \$98,787,000 and \$82,418,000, respectively.

The Association has determined that a substantial portion of its interest rate swaps effectively hedge against changes in variable interest rates. As such, changes in fair value for hedge swaps are reported as a deferred outflow of resources in Other Assets of \$64,481,000. A portion of the interest rate swaps are considered non-effective for hedging purposes and are reported in the Statement of Revenues, Expenses, and Changes in Net Assets in Changes in Fair Value of Investments at \$1,515,000. This portion represents the notional amount of interest rate swaps that exceeds the notional amount of underlying variable debt.

During the fiscal year ended June 30, 2009, the Association terminated its interest swap agreements with Lehman Brothers Derivative Products, Inc., on a number of Single Family Mortgage Bond issues. Concurrently, the Association established contracts with Barclays Capital. As a result of this contractual termination and establishment, Barclay's Capital advanced \$39,050,800 which assisted the Association in making termination payments to Lehman Brothers. This advance is considered an off-market borrowing by GASB No. 53 and, as such, is reported as a borrowing in Other Liabilities at \$32,791,000 as of June 30, 2010. Of this amount, an interest expense is calculated, accreted to the borrowing, and amortized over the life of the interest rate swap. Interest expense is included in net swap payments.

The Association engaged an independent third party to verify the reasonableness of fair values of contracts as of June 30, 2010. The results from the verification correlated materially with the fair values provided by the Association's counterparties.

Credit risk: As of June 30, 2010, the Association was not exposed to credit risk on any outstanding swaps due to their negative fair values. If interest rates rise such that the variable rate the Association receives exceeds the fixed rate the Association pays, the Association will post a positive fair value. The Association would be exposed

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

7. Derivatives, continued

to credit risk to the extent of the positive fair value. The Association's counterparty has a current rating of AA-/Aa3.

Basis risk: The Association's swaps have a dual basis: Securities Industry and Financial Markets Association (SIFMA) index plus 20 basis points when the one-month London Interbank Offered Rate (LIBOR) is less than 3.5% and 68% of LIBOR when LIBOR is 3.5% or greater. The Association is exposed to basis risk when variable payments received are based on LIBOR and do not offset the variable rate paid on bonds, which is based on SIFMA. On June 30, 2010 SIFMA was 25 basis points and one-month LIBOR was 34.84 basis points.

Rollover risk: Rollover risk relates to a mismatch in the amortization of the swaps with the amortization of the variable rate bonds. The Association has structured its debt such that not all variable debt is matched by interest rate swaps and calls certain variable rate bonds independent of the expiration of the associated interest rate swap. This exposes the Association to the risk of incurring a higher interest expense than it might otherwise incur. Swap notional amounts no longer associated with variable rate debt are reported as investment derivatives.

Termination risk: The Association or Barclays Capital may terminate an interest rate swap if the other party fails to perform under the terms of the contract. If any of the swaps are terminated, the associated variable rate bonds would no longer carry synthetic fixed interest rates and the Association would be exposed to changing interest rates and incurring interest rate risk. A termination event also results in the loss of hedge accounting, requiring all fair value deferrals to be recognized immediately. The economic risk also includes requiring making payments to the counter party to the extent of any negative fair value amounts. The risk may be offset by identifying a suitable counter party willing to enter into identical swap contracts at the termination date.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

7. Derivatives, continued

Interest Rate Swap Agreements

Series	Outstanding Notional Amount		Fair Values		Change in Fair Values		Upfront Payment (Off Market-Borrowing)
	Hedging	Investment	Hedging	Investment	Hedging	Investment	
2000 Series F	\$ 5,110,000	\$ 1,935,000	\$ (899,784)	\$ (108,394)	\$ 106,678	\$ (27,832)	\$ 681,314
2000 Series G	7,015,000	4,725,000	(1,845,858)	(336,949)	25,533	(125,082)	1,327,619
2001 Series A	8,545,000		(1,227,927)		(47,314)		707,466
2001 Series B	5,060,000	3,900,000	(1,105,636)	(262,148)	35,768	(91,330)	798,544
2001 Series C	8,790,000		(1,333,363)		(52,075)		778,627
2001 Series D	10,765,000	685,000	(1,790,736)	(49,647)	(135,510)	(18,680)	1,025,188
2001 Series E	11,450,000		(1,706,748)		(170,004)		909,194
2001 Series F	9,010,000		(1,321,569)		(74,723)		745,910
2002 Series A	7,590,000	1,150,000	(1,387,417)	(80,413)	(35,510)	(28,922)	872,827
2002 Series B	5,640,000	3,190,000	(1,226,023)	(222,416)	10,926	(79,835)	852,034
2002 Series C	8,175,000	785,000	(1,378,938)	(54,732)	(51,990)	(19,742)	835,319
2002 Series D	9,540,000	2,305,000	(1,724,296)	(167,574)	(94,285)	(63,079)	1,052,199
2002 Series E	8,905,000		(1,232,975)		(98,634)		659,888
2002 Series F	7,630,000		(821,814)		(160,952)		325,993
2002 Series G	6,595,000	1,035,000	(911,537)	(75,916)	(114,204)	(29,097)	468,050
2003 Series A	10,020,000	535,000	(1,674,791)	(40,969)	(199,005)	(16,269)	909,828
2003 Series B	9,740,000		(1,136,650)		(138,207)		365,930
2003 Series C	5,765,000		(559,481)		(89,453)		136,822
2003 Series D	9,150,000		(1,588,562)		(61,682)		753,148
2003 Series E	9,150,000		(1,385,590)		(92,480)		594,100
2004 Series A	9,080,000		(1,191,459)		(222,342)		414,385
2004 Series B	9,675,000		(1,541,181)		(232,763)		611,107
2004 Series C	9,435,000		(1,440,215)		(214,482)		563,684
2004 Series D	11,915,000		(1,410,000)		(294,589)		455,870
2005 Series A	12,385,000		(1,514,868)		(301,464)		508,420
2005 Series B	12,195,000		(1,562,874)		(287,143)		549,359
2005 Series C	12,405,000		(1,348,400)		(305,475)		403,201
2005 Series D	12,640,000		(1,463,309)		(310,545)		466,326
2005 Series E	12,875,000		(1,555,030)		(312,487)		517,203
2005 Series F	13,315,000		(1,780,264)		(315,582)		645,385
2006 Series A	13,160,000		(1,752,889)		(303,848)		640,828
2006 Series B	9,920,000		(1,404,170)		(168,713)		563,659
2006 Series C	9,860,000		(1,376,738)		(154,924)		557,557
2006 Series D	11,500,000		(1,672,741)		(173,907)		695,456
2006 Series E	12,720,000		(1,786,604)		(257,836)		689,003
2006 Series F	12,920,000		(1,628,766)		(272,685)		579,325
2006 Series G	12,930,000		(1,513,879)		(276,098)		507,144
2007 Series A	13,210,000		(1,698,897)		(290,167)		608,557
2007 Series B	15,320,000		(1,794,553)		(340,011)		597,457
2007 Series C	15,685,000		(1,962,684)		(365,771)		676,603
2007 Series D-1	17,115,000	85,000	(2,070,505)	(6,739)	(220,227)	(2,382)	736,137
2007 Series D-2	1,975,000		(231,831)		(25,413)		94,189

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

7. Derivatives, continued

Interest Rate Swap Agreements

Series	Outstanding Notional Amount						
2007 Series E-1	21,000,000		(2,878,523)		(280,944)		934,773
2007 Series E-2	2,370,000	115,000	1,995	(1,995)	(1,161)	1,161	123,464
2007 Series F-1	3,110,000		(449,484)		(28,900)		1,585,384
2007 Series F-2	26,250,000		(3,793,877)		(243,929)		174,912
2007 Series G	25,000,000		(4,754,600)		(1,020,444)		1,785,204
2007 Series H	30,000,000		(5,261,979)		(1,279,852)		1,858,903
2007 Series I	21,000,000		(3,468,512)		(866,823)		1,177,330
2007 Series J	26,250,000		(4,230,243)		(1,085,805)		1,406,567
2007 Series K	24,000,000		(3,455,979)		(989,829)		1,045,592
2008 Series A	24,000,000		(3,064,992)		(1,327,354)		660,476
2008 Series B	26,995,000		(2,904,647)		(932,773)		687,576
2008 Series C	22,645,000		(2,414,323)		(516,484)		724,964
2008 Series D	7,255,000	1,235,000	(634,826)	(107,066)	(174,447)	(35,252)	4,800
	<u>\$685,755,000</u>	<u>\$ 21,680,000</u>	<u>\$ (97,271,542)</u>	<u>\$ (1,514,958)</u>	<u>\$ (15,832,340)</u>	<u>\$ (536,341)</u>	<u>\$ 39,050,800</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

7. Derivatives, continued

Interest Rate Swap Agreements

Series	Fixed Rate Paid by IHFA	Variable Rate		Interest Rate Contract Provider	Credit Rating	Scheduled Termination Date	Inception Date
		Received by IHFA from Interest Rate Contract Provider					
2000 Series F	5.3000%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2018	11/6/2008
2000 Series G	5.2500%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2021	11/6/2008
2001 Series A	4.7600%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2020	11/6/2008
2001 Series B	4.8660%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2020	11/6/2008
2001 Series C	4.8600%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2020	11/6/2008
2001 Series D	4.7300%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2022	11/6/2008
2001 Series E	4.5300%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2022	11/6/2008
2001 Series F	4.7000%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2021	11/6/2008
2002 Series A	5.0200%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2021	11/6/2008
2002 Series B	4.9500%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2021	11/6/2008
2002 Series C	4.8900%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2021	11/6/2008
2002 Series D	4.7100%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2022	11/6/2008
2002 Series E	4.4800%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2021	11/6/2008
2002 Series F	3.7900%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2024	11/6/2008
2002 Series G	4.1400%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2024	11/6/2008
2003 Series A	4.5190%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2026	11/6/2008
2003 Series B	4.0360%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2024	11/6/2008
2003 Series C	3.7800%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2025	11/6/2008
2003 Series D	4.8400%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2025	11/6/2008
2003 Series E	4.5300%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2025	11/6/2008
2004 Series A	4.0290%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2026	11/7/2008
2004 Series B	4.3700%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2027	11/7/2008
2004 Series C	4.3300%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2025	11/7/2008
2004 Series D	3.8500%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2028	11/7/2008
2005 Series A	3.9000%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2029	11/7/2008
2005 Series B	3.9850%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2028	11/7/2008
2005 Series C	3.7300%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2028	11/7/2008
2005 Series D	3.8650%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2028	11/7/2008
2005 Series E	3.9300%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2029	11/7/2008
2005 Series F	4.0950%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2029	11/7/2008
2006 Series A	4.1000%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2029	11/7/2008
2006 Series B	4.3500%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2025	11/7/2008
2006 Series C	4.3600%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2025	11/7/2008
2006 Series D	4.4500%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2025	11/7/2008
2006 Series E	4.2800%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2026	11/7/2008
2006 Series F	4.0300%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2026	11/7/2008
2006 Series G	3.9100%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2026	11/7/2008
2007 Series A	4.0438%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2026	11/7/2008
2007 Series B	3.8950%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2027	11/7/2008
2007 Series C	3.9770%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2027	11/7/2008
2007 Series D-1	3.9800%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2026	11/7/2008
2007 Series D-2	5.0870%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2011	11/7/2008

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

7. Derivatives, continued

Interest Rate Swap Agreements

Series	Fixed Rate Paid by IHFA	Variable Rate		Interest Rate Contract Provider	Scheduled Termination Date
		Received by IHFA from Interest Rate Contract Provider			
2007 Series E-1	4.0230%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital AA-/Aa3	7/1/2025 11/7/2008
2007 Series E-2	5.2470%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital AA-/Aa3	7/1/2011 11/7/2008
2007 Series F-1	4.3710%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital AA-/Aa3	1/1/2025 11/7/2008
2007 Series F-2	5.6590%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital AA-/Aa3	7/1/2011 11/7/2008
2007 Series G	4.3400%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital AA-/Aa3	7/1/2028 11/7/2008
2007 Series H	4.1460%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital AA-/Aa3	7/1/2030 11/7/2008
2007 Series I	4.0900%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital AA-/Aa3	7/1/2028 11/7/2008
2007 Series J	4.0500%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital AA-/Aa3	7/1/2028 11/7/2008
2007 Series K	3.8800%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital AA-/Aa3	7/1/2030 11/7/2008
2008 Series A	3.7190%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital AA-/Aa3	7/1/2030 11/7/2008
2008 Series B	3.5950%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital AA-/Aa3	7/1/2029 11/7/2008
2008 Series C	3.7500%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital AA-/Aa3	7/1/2026 11/7/2008
2008 Series D	3.3680%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital AA-/Aa3	7/1/2026 10/2/2208

8. Retirement Plans

The Idaho Housing and Finance Association Defined Contribution Retirement Plan covers substantially all Association employees. The Association contributes eight percent of annual compensation for each eligible permanent employee to a segregated account held in trust by Wells Fargo Bank. Employees are eligible to participate in the retirement plan after completion of 1,040 hours of continuous employment, and 100 percent vesting is achieved ratably over a period of five years. Plan provisions and contribution requirements are established, and may be amended, by the Association. The Association's retirement plan expense for the years ending June 30, 2010 and 2009 were \$514,000 and \$478,000, respectively. Employees do not contribute to this Plan.

The Association also offers a deferred compensation plan qualified under Section 457 of the Internal Revenue Code. All employees who have completed 30 days of continuous employment with the Association are eligible to participate. The plan permits employees to defer up to 100 percent per year (or a maximum of \$16,500 for those under 50 and \$22,000 for those 50 and older), of salary before taxes. The Association will match up to two percent of the employee's deferral to be deposited into the employee's account and immediately vested. The Association's deferred compensation plan expense for the years ending June 30, 2010 and 2009 was \$106,000 and \$100,000, respectively. Investment choices for all contributions are employee-directed. The assets for these retirement plans are not included in the Association's financial statements as they are substantially the property of employees and are held in segregated trust accounts.

9. Conduit Debt Obligations

Interpretation No. 2 of the GASB requires disclosure of conduit debt obligations. Conduit debt obligations are certain limited obligation debt instruments issued for the express purpose of providing capital financing for a specific third party that is not a part of the issuer's financial reporting entity. From time to time, the Association has issued bonds to provide financial assistance to entities for the construction of facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying investments. Upon repayment of the bonds, ownership of the constructed facilities transfers to the entity served by the bond issuance. The Association is not obligated in any manner for repayment of these bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

As of June 30, 2010 and 2009 there were twenty-six and twenty-two, respectively, series of bonds outstanding that meet the description of conduit debt obligations not included in the Association's financial statements. They had aggregate principal amounts payable of \$101,040,000 and \$94,866,000, respectively.

The Association has included within the financial statements conduit debt obligations for housing and transportation-related bond issuances. The Association has determined that including these conduit debt obligations and related assets presents a more informed perspective of housing-related and relationship-significant debt obligations issued by the Association. The Association is not obligated in any manner for repayment of these housing and transportation related conduit debt obligations. The total conduit debt housing and transportation-related obligation included in the financial statements as of June 30, 2010 and 2009 is \$627,243,000 and \$548,484,000, respectively.

Since conduit debt by definition does not create net assets to the Association, those issuances included within the financial statements with a net asset position have their net assets reclassified to either an asset or a liability dependent on the initial net asset position. To facilitate this reclass, a reporting classification titled "Multifamily and GARVEE pledged revenues" appears on the Statement of Revenues, Expenses, and Changes in Net Assets. These amounts represent changes in net claims/(advance receipt(s)) to/(of) revenue sufficient to cover obligations and expenses of the issuance. Asset and liability amounts are reported in Other Assets and Other Liabilities in the Statement of Net Assets, the Supplemental Financial Information Section (Bondholder Trusts, combined and detailed), and Footnote 11 (Multifamily and GARVEE bonds pledged revenues adjustment). Asset balances represent claims to future receipts sufficient to cover a shortfall between total receipts and total current obligations; liability balances represent receipt of total revenues that exceed what is sufficient and required for total current obligations.

10. Capital Assets (in thousands)

A summary of activity in the Capital Assets is as follows:

	Balance at June 30, 2009	Additions	Deletions	Balance at June 30, 2010
Capital assets:				
Land,	\$ 993			\$ 993
Buildings and improvements	9,623			9,623
Furniture and equipment	2,308	\$ 229	\$ (17)	2,520
Leasehold improvements	243			243
Computer software	1,280	35		1,315
Total capital assets	14,447	264	(17)	14,694
Less accumulated depreciation for:				
Buildings and improvements	(4,494)	(217)		(4,711)
Furniture and equipment	(1,672)	(171)	17	(1,826)
Leasehold improvements	(203)	(4)		(207)
Computer software	(1,139)	(104)		(1,243)
Total accumulated depreciation	(7,508)	(496)	17	(7,987)
Total capital assets, net	\$ 6,939	\$ (232)	\$ -	\$ 6,707

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

11. Other Assets and Liabilities

Other Assets and Other Liabilities as of June 30, 2010 and 2009 are composed of the Accounts and Balances as follows (in thousands):

	2010	2009
Other Assets:		
Accounts Receivable	\$ 1,376	\$ 1,444
Cost of issue receivable	313	835
REO mortgages receivable	22,040	9,237
Prepaid expenses	1,404	1,146
Workforce Housing Loans available for sale	63,041	16,877
Property for sale	-	4,500
Interest rate swap deferred outflow of resources	64,481	
Multifamily and GARVEE bonds pledged revenues adjustment	33,815	14,301
	<u>\$ 186,470</u>	<u>\$ 48,340</u>

Other Liabilities

Accounts Payable	\$ 180	\$ 234
Accrued vacation and other payroll related liabilities	573	709
Deferred buydowns	23	52
Security deposits	13	18
Interest payable	654	1,251
Unapplied payments	2,969	3,827
Federal programs advances and unapplied program income	1,315	
Arbitrage rebate	7,018	8,100
Swap expense fair market liability	65,996	82,418
Swap off-market borrowing	32,791	
Swap accrued interest liability	11,271	15,492
Multifamily and GARVEE bonds pledged revenues adjustment	162	233
	<u>\$ 122,965</u>	<u>\$ 112,334</u>

12. Change in Net Assets to Operating Income Reconciliation

Economic events not having a direct effect on the operating results of the Association are eliminated to present a fairer presentation of the results of operations. The following table presents Operating Income that excludes fair value changes and federal pass-through amounts (in thousands):

	2010	2009
Changes in Net Assets (as reported):	\$ 11,548	\$ (32,085)
Plus: Net Decrease in Fair Value of Investments		1,131
Less: Net Increase in Fair Value of Investments	(5,937)	
Plus: Net Decrease in Fair Value of Interest Rate Swaps	-	37,268
Less: Interest Rate Swap Borrowing Amortization	(3,993)	
Plus: Decreases in Total nonoperating revenues and expenses	1,119	843
Less: Increases in Total nonoperating revenues and expenses		
Plus: Increase in Loan Loss Provision	3,364	
Operating Income (excluding changes in fair value and federal net assets)	<u>\$ 6,101</u>	<u>\$ 7,157</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

13. Risk Management

The Association maintains commercial insurance coverage for officer errors and omissions, tort claims, and property loss and other casualties. The State Fund of Idaho, a competitive state fund, writes the Association's worker compensation coverage. The Association's premiums and loss experience modifications are based on the loss experience of the Association.

14. Commitments and Contingencies

The Association has filed an action against Genworth Mortgage Insurance Corporation in the Federal District Court of Idaho seeking a declaration of coverage for certain mortgage insurance and or damages for failure to pay on mortgage insurance policies. At this time there has been no counterclaim against IHFA.

The Lehman Brothers Bankruptcy Estate, Southern Federal District Court of New York, has made a claim that has not been filed, alleging that Lehman Brothers should have been paid a higher termination amount as a result of the Association's termination of its interest rate swap agreements. A specific amount has not been claimed and, in the opinion of management, any settlement will not have a material effect to the Association's financial position.

15. Component Units

The Housing Company (THC) and The Home Partnership Foundation (HPF) are legally separate 501(c)3 component units of the Association.

THC was formed to develop, acquire and operate real estate for the benefit of elderly, disadvantaged, limited-income or otherwise needy persons throughout the state of Idaho. As of December 31, 2008, THC had acquired and was operating fifteen multifamily housing complexes, had constructed and was operating nine multifamily housing complexes, had constructed two additional phases of housing to existing developments, had started renovation of a hotel to turn into a new multifamily complex, had built a single family home known as The Cottage with HOME funds, and purchased land in Coeur d'Alene for the purpose of developing and selling workforce housing units. Certain personnel of the Association provide services to THC and an equal number of Association Commissioners serve on THC's Board. As of June 30, 2009, three Association Commissioners and the Association's President serve on THC's Board of Directors. THC pays all expenses associated with THC operations. THC paid the Association \$770,245 and owed \$76,123 for the year ended June 30, 2010. Complete financial statements for THC can be obtained from THC at P.O. Box 7899, Boise, ID 83707.

HPF helps people build a strong foundation for their lives through stable, safe, and affordable housing by making available financial resources they would not be able to obtain elsewhere. The Foundation supports shelters and shelter services for Idaho's homeless and most disadvantaged, encourages financial independence by educating individuals and families, invests in workforce housing, and facilitates tax-advantaged land donations for housing development. HPF's Board of Directors, consists primarily of Association Commissioners plus one non-Association Commission member. Certain general, administrative and fundraising expenses of the Foundation are paid by IHFA. IHFA also provides occupancy, accounting, gift receipting and cash management services to the Foundation...The value of these services is not reflected in the accompanying financial statements since they are not susceptible to objective measurement or valuation. The Foundation issued an eighteen month \$4,500,000 4% per annum note dated May 28, 2008 used to acquire Valley Centre property in Driggs, Idaho. In exchange for a deed in lieu of foreclosure, the Foundation conveyed all interest in the property to IHFA in complete settlement of the note Complete financial statements for THC can be obtained from HPF at P.O. Box 7899, Boise, ID 83707.

THC processes and pays vendor invoices for a townhome project, Valley Centre Townhomes, owned by HPF. HPF reimburses THC for amounts paid on a quarterly basis.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

The following schedules present the separate financial accounts of the Association as required by bond resolutions, bond indentures, and federal program regulations. After considering certain interfund and inter-component unit eliminations, the accounts combine to the Association's Balance Sheet and Statement of Revenues, Expenses, and Changes in Net Assets for the Year Ended June 30, 2010

Association Accounts (in thousands)

	Business Operations			Affordable Housing Investment Trust
	General Operating Account	Federally Assisted Program	Combined	
Statement of Net Assets				
ASSETS				
Cash and Cash Equivalents	\$ 22,472	\$ 3,131	\$ 25,603	\$ 8
Investments	8		8	12,793
Loans	22,734		22,734	26,020
GARVEE highway project costs receivable, net			-	
Deferred Bond Financing Costs			-	
Property and Equipment	5,192	1,515	6,707	
Other Assets	286,710	124	286,834	5
TOTAL ASSETS	\$ 337,116	\$ 4,770	\$ 341,886	\$ 38,826
LIABILITIES AND NET ASSETS				
Bonds				
Commercial Paper	\$ 50,000		\$ 50,000	
Escrow and Project Reserve Deposits	8,333	\$ 277	8,610	
Other Liabilities	261,605	1,866	263,471	\$ 1,038
TOTAL LIABILITIES	319,938	2,143	322,081	1,038
NET ASSETS	17,178	2,627	19,805	37,788
TOTAL LIABILITIES AND NET ASSETS	\$ 337,116	\$ 4,770	\$ 341,886	\$ 38,826
Statement of Revenues, Expenses and Changes in Net Assets				
OPERATING REVENUES				
Interest on Loans	\$ 1,521		\$ 1,521	\$ 1,074
Interest on Investments	-		-	85
Net Increase (Decrease) in Fair Value of Investments			-	(1,059)
Net Decrease in Fair Value of Interest Rate Swaps				
Administration Fees	9,504		9,504	
Loan Servicing Fees	6,610		6,610	50
Multifamily and GARVEE bonds pledged revenues				
Other	2,165	\$ 474	2,639	3
TOTAL OPERATING REVENUES	19,800	474	20,274	153
OPERATING EXPENSES				
Interest	418		418	
Salaries and Benefits	8,108	259	8,367	
General Operating	6,432	954	7,386	554
Bond Financing Amortization and Early Redemption Write-Offs			-	
Grants to Others				515
Other	571	75	646	135
TOTAL OPERATING EXPENSES	15,529	1,288	16,817	1,204
OPERATING INCOME	4,271	(814)	3,457	(1,051)
NONOPERATING REVENUES AND EXPENSES				
Federal Pass-Through Revenues		70,707	70,707	
Federal Pass-Through Expenses		(71,826)	(71,826)	
TOTAL NONOPERATING REVENUES AND EXPENSES	-	(1,119)	(1,119)	-
CHANGE IN NET ASSETS	4,271	(1,933)	2,338	(1,051)
NET ASSETS, Beginning of Period, as restated	18,873	(1,406)	17,467	38,839
TRANSFERS	(5,966)	5,966	-	-
NET ASSETS, End of Period	\$ 17,178	\$ 2,627	\$ 19,805	\$ 37,788

(1) The detail of the Combined Bondholder Trusts is presented on pages 66-87.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Association Accounts (in thousands)

	Bond Rating Compliance and Loan Guarantee Trust	Combined Bondholder Trusts (1)	Interfund Eliminations	All Association Accounts
Statement of Net Assets				
ASSETS				
Cash and Cash Equivalents	\$ 881	\$ 4,076		\$ 30,568
Investments	60,473	699,469		772,743
Loans	32,309	1,303,541		1,384,604
GARVEE highway project costs receivable, net		353,820		353,820
Deferred Bond Financing Costs		20,964		20,964
Property and Equipment		-		6,707
Other Assets	35,597	321,248	\$ (457,216)	186,468
TOTAL ASSETS	\$ 129,260	\$ 2,703,118	\$ (457,216)	\$ 2,755,874
LIABILITIES AND NET ASSETS				
Bonds		\$ 2,363,001		\$ 2,363,001
Commercial Paper		-		50,000
Escrow and Project Reserve Deposits		-		8,610
Other Liabilities	\$ 27	315,645	\$ (457,216)	122,965
TOTAL LIABILITIES	27	2,678,646	(457,216)	2,544,576
NET ASSETS	129,233	24,472	-	211,298
TOTAL LIABILITIES AND NET ASSETS	\$ 129,260	\$ 2,703,118	\$ (457,216)	\$ 2,755,874
Statement of Revenues, Expenses and Changes in Net Assets				
OPERATING REVENUES				
Interest on Loans	\$ 2,051	\$ 71,686		\$ 76,332
Interest on Investments	1,990	16,186		18,261
Net Increase (Decrease) in Fair Value of Investments	(208)	7,204		5,937
Net Decrease in Fair Value of Interest Rate Swaps		-		-
Administration Fees		-	\$ (4,109)	5,395
Loan Servicing Fees	75	5,696	(3,767)	8,664
Multifamily and GARVEE bonds pledged revenues		19,585		19,585
Other		104		2,746
TOTAL OPERATING REVENUES	3,908	120,461	(7,876)	136,920
OPERATING EXPENSES				
Interest		99,147		99,565
Salaries and Benefits		-		8,367
General Operating	1,724	6,108	(7,876)	7,896
Bond Financing Amortization and Early Redemption Write-Offs		1,426		1,426
Grants to Others				515
Other	3,642	2,129		6,552
TOTAL OPERATING EXPENSES	5,366	108,810	(7,876)	124,321
OPERATING INCOME	(1,458)	11,651	-	12,599
NONOPERATING REVENUES AND EXPENSES				
Federal Pass-Through Revenues				70,707
Federal Pass-Through Expenses				(71,826)
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	-	(1,119)
CHANGE IN NET ASSETS	(1,458)	11,651	-	11,480
NET ASSETS, Beginning of Period, as restated	126,443	17,069		199,818
TRANSFERS	4,248	(4,248)		-
NET ASSETS, End of Period	\$ 129,233	\$ 24,472	\$ -	\$ 211,298

(1) The detail of the Combined Bondholder Trusts is presented on pages 66-87.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Association Accounts (in thousands)

	The Home Partnership Foundation	Inter- Component Unit Eliminations	All Reporting Entity Accounts
Statement of Net Assets			
ASSETS			
Cash and Cash Equivalents	\$ 1,443		\$ 32,011
Investments			772,743
Loans	395		1,384,999
GARVEE highway project costs receivable, net			353,820
Deferred Bond Financing Costs			20,964
Property and Equipment			6,707
Other Assets	33	\$ (31)	186,470
TOTAL ASSETS	\$ 1,871	\$ (31)	\$ 2,757,714
LIABILITIES AND NET ASSETS			
Bonds			2,363,001
Commercial Paper			50,000
Escrow and Project Reserve Deposits			8,610
Other Liabilities	31	\$ (31)	122,965
TOTAL LIABILITIES	31	(31)	2,544,576
NET ASSETS	1,840	-	213,138
TOTAL LIABILITIES AND NET ASSETS	\$ 1,871	\$ (31)	\$ 2,757,714
Statement of Revenues, Expenses and Changes in Net Assets			
OPERATING REVENUES			
Interest on Loans	\$ 1		\$ 76,333
Interest on Investments			18,261
Net Increase (Decrease) in Fair Value of Investments			5,937
Net Decrease in Fair Value of Interest Rate Swaps			-
Administration Fees			5,395
Loan Servicing Fees			8,664
Multifamily and GARVEE bonds pledged revenues			19,585
Other	1,173	\$ (680)	3,239
TOTAL OPERATING REVENUES	1,174	(680)	137,414
OPERATING EXPENSES			
Interest	165	(165)	99,565
Salaries and Benefits	50		8,417
General Operating	114		8,010
Bond Financing Amortization and Early Redemption Write-Offs			1,426
Grants to Others	735	(515)	735
Other	42		6,594
TOTAL OPERATING EXPENSES	1,106	(680)	124,747
OPERATING INCOME	68	-	12,667
NONOPERATING REVENUES AND EXPENSES			
Federal Pass-Through Revenues			70,707
Federal Pass-Through Expenses			(71,826)
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	(1,119)
CHANGE IN NET ASSETS	68	-	11,548
NET ASSETS, Beginning of Period, as restated	1,772		201,590
TRANSFERS			
NET ASSETS, End of Period	\$ 1,840	\$ -	\$ 213,138

(1) The detail of the Combined Bondholder Trusts is presented on pages 66-87.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts (in thousands)

	1990F Single- Family Mortgage Bond	1991C,1992A Single- Family Mortgage Bond	1992C Single- Family Mortgage Bond	1992D Single- Family Mortgage Bond	1992E Single- Family Mortgage Bond	1993B Single- Family Mortgage Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents						
Investments					\$ 126	\$ 282
Loans					1,092	1,435
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs					5	15
Property and Equipment						
Other Assets					19	11
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -	\$ 1,242	\$ 1,743
LIABILITIES AND NET ASSETS						
Bonds					\$ 279	\$ 947
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities						
TOTAL LIABILITIES	-	-	-	-	279	947
NET ASSETS	-	-	-	-	963	796
TOTAL LIABILITIES AND NET ASSETS	\$ -	\$ -	\$ -	\$ -	\$ 1,242	\$ 1,743
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 54	\$ 70	-	\$ 53	\$ 78	\$ 91
Interest on Investments	3	12		3	5	6
Net Increase (Decrease) in Fair Value of Investments		(2)		(3)	(3)	(1)
Net Decrease in Fair Value of Interest Rate Swaps						
Administration Fees						
Loan Servicing Fees	3	3		3	4	5
Multifamily and GARVEE bonds pledged revenues						
Other			\$ 1			
TOTAL OPERATING REVENUES	60	83	1	56	84	101
OPERATING EXPENSES						
Interest	3	3	6	4	22	57
Salaries and Benefits						
General Operating	4	6	-	3	5	5
Bond Financing Amort/Early Redemption Write-Offs	3	2		3	3	7
Other						
TOTAL OPERATING EXPENSES	10	11	6	10	30	69
OPERATING INCOME/CHANGE IN NET ASSETS	50	72	(5)	46	54	32
NET ASSETS, Beginning of Period, as restated	968	1,651	801	665	909	764
TRANSFERS	(1,018)	(1,723)	(796)	(711)		
NET ASSETS, End of Period	\$ -	\$ -	\$ -	\$ -	\$ 963	\$ 796

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	1994A	1994B	1994C	1994D	1994E	1994F
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents					\$ 195	
Investments	\$ 167	\$ 278	\$ 317	\$ 208	38	\$ 165
Loans	1,604	1,359	1,378	1,052	1,189	721
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	8	6	6	2	4	4
Property and Equipment						
Other Assets	6	6	6	5	73	3
TOTAL ASSETS	\$ 1,785	\$ 1,649	\$ 1,707	\$ 1,267	\$ 1,499	\$ 893
LIABILITIES AND NET ASSETS						
Bonds	\$ 855	\$ 496	\$ 542	\$ 212	\$ 377	\$ 316
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	41	2	2	2	3	-
TOTAL LIABILITIES	896	498	544	214	380	316
NET ASSETS	889	1,151	1,163	1,053	1,119	577
TOTAL LIABILITIES AND NET ASSETS	\$ 1,785	\$ 1,649	\$ 1,707	\$ 1,267	\$ 1,499	\$ 893
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 104	\$ 107	\$ 105	\$ 77	\$ 89	\$ 60
Interest on Investments	32	73	75	66	144	106
Net Increase (Decrease) in Fair Value of Investments	(9)	1	(16)	(8)	(1)	(1)
Net Decrease in Fair Value of Interest Rate Swaps						
Administration Fees						
Loan Servicing Fees	5	5	5	4	4	2
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	132	186	169	139	236	167
OPERATING EXPENSES						
Interest	58	54	46	19	27	57
Salaries and Benefits						
General Operating	6	6	7	6	6	4
Bond Financing Amort/Early Redemption Write-Offs	7	1	5	3	1	1
Other						
TOTAL OPERATING EXPENSES	71	61	58	28	34	62
OPERATING INCOME/CHANGE IN NET ASSETS	61	125	111	111	202	105
NET ASSETS, Beginning of Period, as restated	828	1,026	1,052	942	917	472
TRANSFERS						
NET ASSETS, End of Period	\$ 889	\$ 1,151	\$ 1,163	\$ 1,053	\$ 1,119	\$ 577

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	1995A	1995B	1995C	1995D	1995E	1995F
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents	\$ 162			\$ 108		\$ 142
Investments	76	\$ 186	\$ 209	134	\$ 168	123
Loans	850	1,248	1,030	1,070	1,206	1,147
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	5	5	8	6	8	8
Property and Equipment						
Other Assets	76	-	46	12	5	3
TOTAL ASSETS	\$ 1,169	\$ 1,439	\$ 1,293	\$ 1,330	\$ 1,387	\$ 1,423
LIABILITIES AND NET ASSETS						
Bonds	\$ 439	\$ 491	\$ 655	\$ 577	\$ 728	\$ 660
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	-	211	68	58	63	63
TOTAL LIABILITIES	439	702	723	635	791	723
NET ASSETS	730	737	570	695	596	700
TOTAL LIABILITIES AND NET ASSETS	\$ 1,169	\$ 1,439	\$ 1,293	\$ 1,330	\$ 1,387	\$ 1,423
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 73	\$ 89	\$ 79	\$ 76	\$ 86	\$ 85
Interest on Investments	90	4	2	-	2	4
Net Increase (Decrease) in Fair Value of Investments	-	(6)	1	3	-	-
Net Decrease in Fair Value of Interest Rate Swaps						
Administration Fees						
Loan Servicing Fees	3	4	4	4	5	4
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	166	91	86	83	93	93
OPERATING EXPENSES						
Interest	28	38	43	36	45	43
Salaries and Benefits						
General Operating	5	5	6	5	6	6
Bond Financing Amort/Early Redemption Write-Offs	2	5	4	2	3	2
Other				1		
TOTAL OPERATING EXPENSES	35	48	53	44	54	51
OPERATING INCOME/CHANGE IN NET ASSETS	131	43	33	39	39	42
NET ASSETS, Beginning of Period, as restated	599	694	537	656	557	658
TRANSFERS						
NET ASSETS, End of Period	\$ 730	\$ 737	\$ 570	\$ 695	\$ 596	\$ 700

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	1995G	1995H	1996A	1996B	1996C	1996D
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents	\$ 121	\$ 226		\$ 105	\$ 157	
Investments	76	123	\$ 375	109	130	\$ 358
Loans	985	1,708	1,062	868	900	1,084
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	6	14	8	5	7	9
Property and Equipment						
Other Assets	4	11	9	3	46	5
TOTAL ASSETS	\$ 1,192	\$ 2,082	\$ 1,454	\$ 1,090	\$ 1,240	\$ 1,456
LIABILITIES AND NET ASSETS						
Bonds	\$ 485	\$ 1,272	\$ 742	\$ 449	\$ 629	\$ 795
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	43	40	83	79	91	83
TOTAL LIABILITIES	528	1,312	825	528	720	878
NET ASSETS	664	770	629	562	520	578
TOTAL LIABILITIES AND NET ASSETS	\$ 1,192	\$ 2,082	\$ 1,454	\$ 1,090	\$ 1,240	\$ 1,456
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 71	\$ 121	\$ 79	\$ 63	\$ 69	\$ 84
Interest on Investments	3	9	3	3	4	8
Net Increase (Decrease) in Fair Value of Investments	(2)	-	(1)	(1)	(2)	(3)
Net Decrease in Fair Value of Interest Rate Swaps						
Administration Fees						
Loan Servicing Fees	4	6	4	3	3	4
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	76	136	85	68	74	93
OPERATING EXPENSES						
Interest	36	77	50	36	44	54
Salaries and Benefits						
General Operating	5	6	6	5	6	6
Bond Financing Amort/Early Redemption Write-Offs	4	3	3	4	4	4
Other			2			
TOTAL OPERATING EXPENSES	45	86	61	45	54	64
OPERATING INCOME/CHANGE IN NET ASSETS	31	50	24	23	20	29
NET ASSETS, Beginning of Period, as restated	633	720	605	539	500	549
TRANSFERS						
NET ASSETS, End of Period	\$ 664	\$ 770	\$ 629	\$ 562	\$ 520	\$ 578

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	1996E	1996F	1996G	1996H	1997A	1997B
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents	\$ 187	\$ 107			\$ 90	\$ 189
Investments	122	145	\$ 323	\$ 327	147	\$ 329
Loans	1,059	1,505	1,206	1,618	1,589	1,700
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	9	12	10	16	15	18
Property and Equipment						
Other Assets	3	13	5	12	66	9
TOTAL ASSETS	\$ 1,380	\$ 1,782	\$ 1,544	\$ 1,973	\$ 1,907	\$ 2,245
LIABILITIES AND NET ASSETS						
Bonds	\$ 805	\$ 1,057	\$ 815	\$ 1,314	\$ 1,253	\$ 1,550
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	67	74	59	59	64	60
TOTAL LIABILITIES	872	1,131	874	1,373	1,317	1,610
NET ASSETS	508	651	670	600	590	635
TOTAL LIABILITIES AND NET ASSETS	\$ 1,380	\$ 1,782	\$ 1,544	\$ 1,973	\$ 1,907	\$ 2,245
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 79	\$ 106	\$ 90	\$ 114	\$ 115	\$ 126
Interest on Investments	4	4	27	10	148	9
Net Increase (Decrease) in Fair Value of Investments	1	2	(3)	(1)	(3)	-
Net Decrease in Fair Value of Interest Rate Swaps						
Administration Fees						
Loan Servicing Fees	3	5	4	5	6	7
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	87	117	118	128	266	142
OPERATING EXPENSES						
Interest	52	65	57	81	85	96
Salaries and Benefits						
General Operating	6	6	5	6	6	7
Bond Financing Amort/Early Redemption Write-Offs	2	2	4	5	5	4
Other				1		
TOTAL OPERATING EXPENSES	60	73	66	93	96	107
OPERATING INCOME/CHANGE IN NET ASSETS	27	44	52	35	170	35
NET ASSETS, Beginning of Period, as restated	481	607	618	565	420	600
TRANSFERS						
NET ASSETS, End of Period	\$ 508	\$ 651	\$ 670	\$ 600	\$ 590	\$ 635

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	1997C	1997D	1997E	1997F	1997G	1997H
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents		\$ 136		\$ 284		\$ 222
Investments	\$ 327	136	\$ 674	249	\$ 1,174	203
Loans	2,064	1,332	2,225	2,603	2,132	2,447
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	21	10	24	21	24	19
Property and Equipment						
Other Assets	4	4	12	16	81	8
TOTAL ASSETS	\$ 2,416	\$ 1,618	\$ 2,935	\$ 3,173	\$ 3,411	\$ 2,899
LIABILITIES AND NET ASSETS						
Bonds	\$ 1,731	\$ 938	\$ 2,127	\$ 2,259	\$ 2,510	\$ 1,918
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	82	79	87	95	58	71
TOTAL LIABILITIES	1,813	1,017	2,214	2,354	2,568	1,989
NET ASSETS	603	601	721	819	843	910
TOTAL LIABILITIES AND NET ASSETS	\$ 2,416	\$ 1,618	\$ 2,935	\$ 3,173	\$ 3,411	\$ 2,899
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 141	\$ 95	\$ 159	\$ 180	\$ 144	\$ 160
Interest on Investments	8	7	14	13	53	14
Net Increase (Decrease) in Fair Value of Investments	-	(1)	-	1	7	2
Net Decrease in Fair Value of Interest Rate Swaps						
Administration Fees						
Loan Servicing Fees	7	4	8	9	7	9
Multifamily and GARVEE bonds pledged revenues						
Other			4			
TOTAL OPERATING REVENUES	156	105	185	203	211	185
OPERATING EXPENSES						
Interest	111	61	131	134	144	114
Salaries and Benefits						
General Operating	7	6	8	9	8	9
Bond Financing Amort/Early Redemption Write-Offs	4	4	5	5	2	4
Other			-			
TOTAL OPERATING EXPENSES	122	71	144	148	154	127
OPERATING INCOME/CHANGE IN NET ASSETS	34	34	41	55	57	58
NET ASSETS, Beginning of Period, as restated	569	567	680	764	786	852
TRANSFERS						
NET ASSETS, End of Period	\$ 603	\$ 601	\$ 721	\$ 819	\$ 843	\$ 910

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	1997I	1998A	1998B	1998C	1998D	1998E
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 427	\$ 360	\$ 465	\$ 829	\$ 676	\$ 784
Loans	2,235	2,760	2,561	3,271	2,660	2,822
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	19	36	22	34	26	29
Property and Equipment						
Other Assets	4	9	64	83	11	54
TOTAL ASSETS	\$ 2,685	\$ 3,165	\$ 3,112	\$ 4,217	\$ 3,373	\$ 3,689
LIABILITIES AND NET ASSETS						
Bonds	\$ 1,738	\$ 2,173	\$ 2,073	\$ 3,365	\$ 2,610	\$ 3,029
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	55	51	50	54	136	42
TOTAL LIABILITIES	1,793	2,224	2,123	3,419	2,746	3,071
NET ASSETS	892	941	989	798	627	618
TOTAL LIABILITIES AND NET ASSETS	\$ 2,685	\$ 3,165	\$ 3,112	\$ 4,217	\$ 3,373	\$ 3,689
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 147	\$ 171	\$ 160	\$ 212	\$ 176	\$ 187
Interest on Investments	19	83	30	31	33	124
Net Increase (Decrease) in Fair Value of Investments	2	2	(3)	4	4	4
Net Decrease in Fair Value of Interest Rate Swaps						
Administration Fees						
Loan Servicing Fees	7	9	9	11	9	10
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	175	265	196	258	222	325
OPERATING EXPENSES						
Interest	105	125	118	180	145	163
Salaries and Benefits						
General Operating	8	8	10	12	9	11
Bond Financing Amort/Early Redemption Write-Offs	4	8	12	9	6	7
Other			1		2	
TOTAL OPERATING EXPENSES	117	141	141	201	162	181
OPERATING INCOME/CHANGE IN NET ASSETS	58	124	55	57	60	144
NET ASSETS, Beginning of Period, as restated	834	817	934	741	567	474
TRANSFERS						
NET ASSETS, End of Period	\$ 892	\$ 941	\$ 989	\$ 798	\$ 627	\$ 618

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	1998F	1998G	1998H	1998I	1999A	1999B
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 689	\$ 1,048	\$ 884	\$ 861	\$ 805	\$ 279
Loans	3,489	2,885	3,721	4,109	4,051	3,515
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	33	31	42	44	42	33
Property and Equipment						
Other Assets	23	73	21	11	11	14
TOTAL ASSETS	\$ 4,234	\$ 4,037	\$ 4,668	\$ 5,025	\$ 4,909	\$ 3,841
LIABILITIES AND NET ASSETS						
Bonds	\$ 3,696	\$ 3,337	\$ 3,824	\$ 4,072	\$ 4,236	\$ 3,144
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	59	33	18	20	14	35
TOTAL LIABILITIES	3,755	3,370	3,842	4,092	4,250	3,179
NET ASSETS	479	667	826	933	659	662
TOTAL LIABILITIES AND NET ASSETS	\$ 4,234	\$ 4,037	\$ 4,668	\$ 5,025	\$ 4,909	\$ 3,841
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 220	\$ 200	\$ 220	\$ 244	\$ 250	\$ 207
Interest on Investments	73	104	42	36	49	109
Net Increase (Decrease) in Fair Value of Investments	4	2	7	11	6	1
Net Decrease in Fair Value of Interest Rate Swaps						
Administration Fees						
Loan Servicing Fees	12	11	13	14	14	11
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	309	317	282	305	319	328
OPERATING EXPENSES						
Interest	200	193	199	207	229	173
Salaries and Benefits						
General Operating	12	9	11	12	14	13
Bond Financing Amort/Early Redemption Write-Offs	10	10	15	6	13	13
Other	2			1		
TOTAL OPERATING EXPENSES	224	212	225	226	256	199
OPERATING INCOME/CHANGE IN NET ASSETS	85	105	57	79	63	129
NET ASSETS, Beginning of Period, as restated	394	562	769	854	596	533
TRANSFERS						
NET ASSETS, End of Period	\$ 479	\$ 667	\$ 826	\$ 933	\$ 659	\$ 662

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	1999C	1999D	1999E	1999F	1999G	1999H
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents		\$ 691	\$ 114	\$ 347	\$ 104	\$ 285
Investments	\$ 450	306	142	310	167	216
Loans	3,290	4,065	1,992	2,805	2,340	2,098
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	32	42	20	32	23	24
Property and Equipment						
Other Assets	12	96	-	19	-	74
TOTAL ASSETS	\$ 3,784	\$ 5,200	\$ 2,268	\$ 3,513	\$ 2,634	\$ 2,697
LIABILITIES AND NET ASSETS						
Bonds	\$ 3,165	\$ 4,374	\$ 1,990	\$ 3,015	\$ 2,311	\$ 2,340
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	2	6	56	11	128	5
TOTAL LIABILITIES	3,167	4,380	2,046	3,026	2,439	2,345
NET ASSETS	617	820	222	487	195	352
TOTAL LIABILITIES AND NET ASSETS	\$ 3,784	\$ 5,200	\$ 2,268	\$ 3,513	\$ 2,634	\$ 2,697
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 202	\$ 271	\$ 132	\$ 194	\$ 161	\$ 161
Interest on Investments	73	197	165	157	144	21
Net Increase (Decrease) in Fair Value of Investments	(5)	5	1	5	1	2
Net Decrease in Fair Value of Interest Rate Swaps						
Administration Fees						
Loan Servicing Fees	12	15	7	10	8	8
Multifamily and GARVEE bonds pledged revenues						
Other						18
TOTAL OPERATING REVENUES	282	488	305	366	314	210
OPERATING EXPENSES						
Interest	186	350	294	269	241	152
Salaries and Benefits						
General Operating	12	15	8	11	9	9
Bond Financing Amort/Early Redemption Write-Offs	18	10	6	5	6	11
Other				2		-
TOTAL OPERATING EXPENSES	216	375	308	287	256	172
OPERATING INCOME/CHANGE IN NET ASSETS	66	113	(3)	79	58	38
NET ASSETS, Beginning of Period, as restated	551	707	225	408	137	314
TRANSFERS						
NET ASSETS, End of Period	\$ 617	\$ 820	\$ 222	\$ 487	\$ 195	\$ 352

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	1999I	2000A	2000B	2000C	2000D	2000E
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 159	\$ 195	\$ 474	\$ 655	\$ 399	\$ 511
Loans	1,218	1,572	2,046	2,024	1,779	1,924
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	20	19	26	30	41	27
Property and Equipment						
Other Assets	2	5	8	133	8	4
TOTAL ASSETS	\$ 1,399	\$ 1,791	\$ 2,554	\$ 2,842	\$ 2,227	\$ 2,466
LIABILITIES AND NET ASSETS						
Bonds	\$ 1,628	\$ 1,873	\$ 2,686	\$ 2,993	\$ 2,568	\$ 2,755
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	1	2	2	12	2	
TOTAL LIABILITIES	1,629	1,875	2,688	3,005	2,570	2,755
NET ASSETS	(230)	(84)	(134)	(163)	(343)	(289)
TOTAL LIABILITIES AND NET ASSETS	\$ 1,399	\$ 1,791	\$ 2,554	\$ 2,842	\$ 2,227	\$ 2,466
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 86	\$ 111	\$ 146	\$ 159	\$ 131	\$ 132
Interest on Investments	6	9	18	22	16	26
Net Increase (Decrease) in Fair Value of Investments		2		5	4	1
Net Decrease in Fair Value of Interest Rate Swaps						
Administration Fees						
Loan Servicing Fees	4	5	7	7	6	6
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	96	127	171	193	157	165
OPERATING EXPENSES						
Interest	104	119	167	179	158	168
Salaries and Benefits						
General Operating	5	8	9	8	7	8
Bond Financing Amort/Early Redemption Write-Offs	4	3	4	3	3	5
Other						
TOTAL OPERATING EXPENSES	113	130	180	190	168	181
OPERATING INCOME/CHANGE IN NET ASSETS	(17)	(3)	(9)	3	(11)	(16)
NET ASSETS, Beginning of Period, as restated	(213)	(81)	(125)	(166)	(332)	(273)
TRANSFERS						
NET ASSETS, End of Period	\$ (230)	\$ (84)	\$ (134)	\$ (163)	\$ (343)	\$ (289)

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2000F	2000G	2001A	2001B	2001C	2001D
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 3,277	\$ 4,776	\$ 5,311	\$ 1,758	\$ 4,040	\$ 7,395
Loans	3,507	3,204	4,945	4,601	6,785	6,415
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	82	72	88	59	85	104
Property and Equipment						
Other Assets	474	774	745	565	941	967
TOTAL ASSETS	\$ 7,340	\$ 8,826	\$ 11,089	\$ 6,983	\$ 11,851	\$ 14,881
LIABILITIES AND NET ASSETS						
Bonds	\$ 7,400	\$ 8,871	\$ 10,053	\$ 6,492	\$ 10,129	\$ 13,039
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	1,077	2,331	1,374	1,506	1,523	2,022
TOTAL LIABILITIES	8,477	11,202	11,427	7,998	11,652	15,061
NET ASSETS	(1,137)	(2,376)	(338)	(1,015)	199	(180)
TOTAL LIABILITIES AND NET ASSETS	\$ 7,340	\$ 8,826	\$ 11,089	\$ 6,983	\$ 11,851	\$ 14,881
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 239	\$ 196	\$ 309	\$ 284	\$ 426	\$ 372
Interest on Investments	156	256	201	68	174	353
Net Increase (Decrease) in Fair Value of Investments	(25)	(120)	10	(65)	31	33
Net Decrease in Fair Value of Interest Rate Swaps	-	-	-	-	-	-
Administration Fees						
Loan Servicing Fees	13	11	17	16	24	22
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	383	343	537	303	655	780
OPERATING EXPENSES						
Interest	363	561	425	400	434	551
Salaries and Benefits						
General Operating	21	21	20	21	28	29
Bond Financing Amort/Early Redemption Write-Offs	4	4	11	4	12	6
Other		2	2	3	3	3
TOTAL OPERATING EXPENSES	388	588	458	428	477	589
OPERATING INCOME/CHANGE IN NET ASSETS	(5)	(245)	79	(125)	178	191
NET ASSETS, Beginning of Period, as restated	(1,132)	(2,131)	(417)	(890)	21	(371)
TRANSFERS						
NET ASSETS, End of Period	\$ (1,137)	\$ (2,376)	\$ (338)	\$ (1,015)	\$ 199	\$ (180)

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2001E	2001F	2002A	2002B	2002C	2002D
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 6,272	\$ 3,507	\$ 4,518	\$ 2,331	\$ 4,385	\$ 4,069
Loans	7,846	7,785	5,702	5,425	6,764	8,783
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	106	90	83	65	92	99
Property and Equipment						
Other Assets	983	849	876	566	796	903
TOTAL ASSETS	\$ 15,207	\$ 12,231	\$ 11,179	\$ 8,387	\$ 12,037	\$ 13,854
LIABILITIES AND NET ASSETS						
Bonds	\$ 13,047	\$ 10,666	\$ 10,045	\$ 7,536	\$ 10,552	\$ 12,272
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	1,889	1,439	1,583	1,591	1,566	2,064
TOTAL LIABILITIES	14,936	12,105	11,628	9,127	12,118	14,336
NET ASSETS	271	126	(449)	(740)	(81)	(482)
TOTAL LIABILITIES AND NET ASSETS	\$ 15,207	\$ 12,231	\$ 11,179	\$ 8,387	\$ 12,037	\$ 13,854
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 454	\$ 455	\$ 377	\$ 332	\$ 414	\$ 512
Interest on Investments	251	126	187	129	158	167
Net Increase (Decrease) in Fair Value of Investments	45	24	7	(76)	(10)	(47)
Net Decrease in Fair Value of Interest Rate Swaps	-	-	-	-	-	-
Administration Fees						
Loan Servicing Fees	27	26	21	19	24	30
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	777	631	592	404	586	662
OPERATING EXPENSES						
Interest	542	450	462	422	458	581
Salaries and Benefits						
General Operating	32	29	30	25	29	34
Bond Financing Amort/Early Redemption Write-Offs	12	13	6	7	7	8
Other				2	2	
TOTAL OPERATING EXPENSES	586	492	498	456	496	623
OPERATING INCOME/CHANGE IN NET ASSETS	191	139	94	(52)	90	39
NET ASSETS, Beginning of Period, as restated	80	(13)	(543)	(688)	(171)	(521)
TRANSFERS						
NET ASSETS, End of Period	\$ 271	\$ 126	\$ (449)	\$ (740)	\$ (81)	\$ (482)

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2002E	2002F	2002G	2003A	2003B	2003C
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 2,109	\$ 2,186	\$ 2,749	\$ 3,878	\$ 2,631	\$ 2,069
Loans	10,835	7,806	6,076	9,007	9,545	8,416
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	116	90	78	113	111	112
Property and Equipment						
Other Assets	742	641	552	984	952	469
TOTAL ASSETS	\$ 13,802	\$ 10,723	\$ 9,455	\$ 13,982	\$ 13,239	\$ 11,066
LIABILITIES AND NET ASSETS						
Bonds	\$ 11,991	\$ 9,536	\$ 8,778	\$ 12,701	\$ 12,016	\$ 10,177
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	1,359	986	1,100	1,874	1,347	674
TOTAL LIABILITIES	13,350	10,522	9,878	14,575	13,363	10,851
NET ASSETS	452	201	(423)	(593)	(124)	215
TOTAL LIABILITIES AND NET ASSETS	\$ 13,802	\$ 10,723	\$ 9,455	\$ 13,982	\$ 13,239	\$ 11,066
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 617	\$ 401	\$ 324	\$ 514	\$ 468	\$ 375
Interest on Investments	87	33	42	120	27	21
Net Increase (Decrease) in Fair Value of Investments	63	20	(7)	(1)	60	35
Net Decrease in Fair Value of Interest Rate Swaps	-	-	-	-	-	-
Administration Fees						
Loan Servicing Fees	37	27	20	31	33	29
Multifamily and GARVEE bonds pledged revenues						
Other			1			
TOTAL OPERATING REVENUES	804	481	380	664	588	460
OPERATING EXPENSES						
Interest	517	381	351	501	514	379
Salaries and Benefits						
General Operating	37	28	25	34	35	30
Bond Financing Amort/Early Redemption Write-Offs	27	13	5	7	15	15
Other	1		-	3	3	2
TOTAL OPERATING EXPENSES	582	422	381	545	567	426
OPERATING INCOME/CHANGE IN NET ASSETS	222	59	(1)	119	21	34
NET ASSETS, Beginning of Period, as restated	230	142	(422)	(712)	(145)	181
TRANSFERS						
NET ASSETS, End of Period	\$ 452	\$ 201	\$ (423)	\$ (593)	\$ (124)	\$ 215

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2003D	2003E	2004A	2004B	2004C	2004D
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents	\$ 38					
Investments	3,655	\$ 2,740	\$ 2,533	\$ 3,198	\$ 2,072	\$ 1,894
Loans	9,588	11,326	13,525	12,086	13,383	15,832
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	121	125	93	110	145	153
Property and Equipment						
Other Assets	1,148	974	868	1,010	1,303	1,265
TOTAL ASSETS	\$ 14,550	\$ 15,165	\$ 17,019	\$ 16,404	\$ 16,903	\$ 19,144
LIABILITIES AND NET ASSETS						
Bonds	\$ 13,135	\$ 13,863	\$ 15,407	\$ 13,389	\$ 15,353	\$ 17,419
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	1,766	1,557	1,357	2,997	1,632	1,635
TOTAL LIABILITIES	14,901	15,420	16,764	16,386	16,985	19,054
NET ASSETS	(351)	(255)	255	18	(82)	90
TOTAL LIABILITIES AND NET ASSETS	\$ 14,550	\$ 15,165	\$ 17,019	\$ 16,404	\$ 16,903	\$ 19,144
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 394	\$ 540	\$ 690	\$ 691	\$ 759	\$ 789
Interest on Investments	108	39	38	75	49	33
Net Increase (Decrease) in Fair Value of Investments	68	9	51	42	68	85
Net Decrease in Fair Value of Interest Rate Swaps	-	-	-	-	-	-
Administration Fees						
Loan Servicing Fees	31	38	45	41	46	61
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	601	626	824	849	922	968
OPERATING EXPENSES						
Interest	635	612	578	710	649	690
Salaries and Benefits						
General Operating	36	38	42	40	44	47
Bond Financing Amort/Early Redemption Write-Offs	10	15	11	13	33	38
Other	2			3	5	10
TOTAL OPERATING EXPENSES	683	665	631	766	731	785
OPERATING INCOME/CHANGE IN NET ASSETS	(82)	(39)	193	83	191	183
NET ASSETS, Beginning of Period, as restated	(269)	(216)	62	(65)	(273)	(93)
TRANSFERS						
NET ASSETS, End of Period	\$ (351)	\$ (255)	\$ 255	\$ 18	\$ (82)	\$ 90

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2005A	2005B	2005C	2005D	2005E	2005F
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 3,562	\$ 3,204	\$ 3,444	\$ 3,701	\$ 4,095	\$ 4,300
Loans	16,341	16,379	16,524	15,545	17,805	18,509
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	193	42	54	166	190	60
Property and Equipment						
Other Assets	1,142	1,104	1,181	1,093	1,239	1,422
TOTAL ASSETS	\$ 21,238	\$ 20,729	\$ 21,203	\$ 20,505	\$ 23,329	\$ 24,291
LIABILITIES AND NET ASSETS						
Bonds	\$ 19,383	\$ 4,086	\$ 6,062	\$ 18,096	\$ 20,783	\$ 7,026
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	1,794	16,689	14,972	2,628	2,711	17,425
TOTAL LIABILITIES	21,177	20,775	21,034	20,724	23,494	24,451
NET ASSETS	61	(46)	169	(219)	(165)	(160)
TOTAL LIABILITIES AND NET ASSETS	\$ 21,238	\$ 20,729	\$ 21,203	\$ 20,505	\$ 23,329	\$ 24,291
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 794	\$ 833	\$ 831	\$ 822	\$ 943	\$ 992
Interest on Investments	42	47	45	44	47	127
Net Increase (Decrease) in Fair Value of Investments	66	65	69	65	76	77
Net Decrease in Fair Value of Interest Rate Swaps	-	-	-	-	-	-
Administration Fees						
Loan Servicing Fees	59	66	73	66	78	77
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	961	1,011	1,018	997	1,144	1,273
OPERATING EXPENSES						
Interest	701	767	674	911	965	866
Salaries and Benefits						
General Operating	47	48	56	64	74	63
Bond Financing Amort/Early Redemption Write-Offs	27	11	18	26	23	13
Other	11	6	2	16	8	8
TOTAL OPERATING EXPENSES	786	832	750	1,017	1,070	950
OPERATING INCOME/CHANGE IN NET ASSETS	175	179	268	(20)	74	323
NET ASSETS, Beginning of Period, as restated	(114)	(225)	(99)	(199)	(239)	(483)
TRANSFERS						
NET ASSETS, End of Period	\$ 61	\$ (46)	\$ 169	\$ (219)	\$ (165)	\$ (160)

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2006A	2006B	2006C	2006D	2006E	2006F
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents		\$ 66				
Investments	\$ 3,907	5,429	\$ 5,664	\$ 5,406	\$ 6,003	\$ 5,213
Loans	19,683	18,607	18,518	21,674	23,839	25,005
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	79	106	121	100	279	289
Property and Equipment						
Other Assets	1,373	975	1,131	1,400	1,836	1,660
TOTAL ASSETS	\$ 25,042	\$ 25,183	\$ 25,434	\$ 28,580	\$ 31,957	\$ 32,167
LIABILITIES AND NET ASSETS						
Bonds	\$ 8,869	\$ 10,936	\$ 12,640	\$ 10,727	\$ 29,882	\$ 30,377
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	16,332	14,205	12,811	17,946	2,094	1,937
TOTAL LIABILITIES	25,201	25,141	25,451	28,673	31,976	32,314
NET ASSETS	(159)	42	(17)	(93)	(19)	(147)
TOTAL LIABILITIES AND NET ASSETS	\$ 25,042	\$ 25,183	\$ 25,434	\$ 28,580	\$ 31,957	\$ 32,167
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 1,017	\$ 1,022	\$ 1,022	\$ 1,238	\$ 1,295	\$ 1,295
Interest on Investments	51	170	28	36	137	49
Net Increase (Decrease) in Fair Value of Investments	82	145	135	163	179	184
Net Decrease in Fair Value of Interest Rate Swaps	-	-	-	-	-	-
Administration Fees						
Loan Servicing Fees	81	87	87	93	112	140
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	1,231	1,424	1,272	1,530	1,723	1,668
OPERATING EXPENSES						
Interest	850	995	955	1,187	1,325	1,305
Salaries and Benefits						
General Operating	65	74	73	67	108	137
Bond Financing Amort/Early Redemption Write-Offs	17	16	16	26	37	47
Other	124	59	59	120	12	15
TOTAL OPERATING EXPENSES	1,056	1,144	1,103	1,400	1,482	1,504
OPERATING INCOME/CHANGE IN NET ASSETS	175	280	169	130	241	164
NET ASSETS, Beginning of Period, as restated	(334)	(238)	(186)	(223)	(260)	(311)
TRANSFERS						
NET ASSETS, End of Period	\$ (159)	\$ 42	\$ (17)	\$ (93)	\$ (19)	\$ (147)

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2006G	2007A	2007B	2007C	2007D	2007E
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 5,424	\$ 5,712	\$ 6,118	\$ 6,428	\$ 8,245	\$ 9,574
Loans	25,881	26,030	29,462	29,245	37,278	42,835
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	273	218	289	341	346	406
Property and Equipment						
Other Assets	1,330	1,898	1,805	2,734	3,148	5,193
TOTAL ASSETS	\$ 32,908	\$ 33,858	\$ 37,674	\$ 38,748	\$ 49,017	\$ 58,008
LIABILITIES AND NET ASSETS						
Bonds	\$ 28,394	\$ 25,824	\$ 30,796	\$ 36,345	\$ 39,498	\$ 48,771
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	4,541	7,850	6,635	2,397	9,422	9,145
TOTAL LIABILITIES	32,935	33,674	37,431	38,742	48,920	57,916
NET ASSETS	(27)	184	243	6	97	92
TOTAL LIABILITIES AND NET ASSETS	\$ 32,908	\$ 33,858	\$ 37,674	\$ 38,748	\$ 49,017	\$ 58,008
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 1,305	\$ 1,350	\$ 1,516	\$ 1,524	\$ 2,093	\$ 2,543
Interest on Investments	55	177	190	218	256	287
Net Increase (Decrease) in Fair Value of Investments	176	189	216	216	270	327
Net Decrease in Fair Value of Interest Rate Swaps	-	-	-	-	-	-
Administration Fees						
Loan Servicing Fees	142	162	154	181	223	257
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	1,678	1,878	2,076	2,139	2,842	3,414
OPERATING EXPENSES						
Interest	1,154	1,130	1,301	1,505	1,696	2,100
Salaries and Benefits						
General Operating	133	147	130	153	193	238
Bond Financing Amort/Early Redemption Write-Offs	28	37	48	44	41	53
Other	159	168	172	148	272	246
TOTAL OPERATING EXPENSES	1,474	1,482	1,651	1,850	2,202	2,637
OPERATING INCOME/CHANGE IN NET ASSETS	204	396	425	289	640	777
NET ASSETS, Beginning of Period, as restated	(231)	(212)	(182)	(283)	(543)	(685)
TRANSFERS						
NET ASSETS, End of Period	\$ (27)	\$ 184	\$ 243	\$ 6	\$ 97	\$ 92

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2007F	2007G	2007H	2007I	2007J	2007K
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 11,524	\$ 18,171	\$ 9,607	\$ 8,804	\$ 11,544	\$ 8,508
Loans	56,707	55,132	59,964	45,946	58,780	48,393
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	533	612	1,027	480	595	459
Property and Equipment						
Other Assets	4,980	5,195	5,086	3,857	4,409	3,995
TOTAL ASSETS	\$ 73,744	\$ 79,110	\$ 75,684	\$ 59,087	\$ 75,328	\$ 61,355
LIABILITIES AND NET ASSETS						
Bonds	\$ 68,688	\$ 71,927	\$ 69,279	\$ 55,798	\$ 69,664	\$ 54,729
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	5,084	8,022	7,810	4,017	6,614	7,584
TOTAL LIABILITIES	73,772	79,949	77,089	59,815	76,278	62,313
NET ASSETS	(28)	(839)	(1,405)	(728)	(950)	(958)
TOTAL LIABILITIES AND NET ASSETS	\$ 73,744	\$ 79,110	\$ 75,684	\$ 59,087	\$ 75,328	\$ 61,355
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 3,312	\$ 3,250	\$ 3,365	\$ 2,636	\$ 3,276	\$ 2,662
Interest on Investments	408	568	358	311	361	282
Net Increase (Decrease) in Fair Value of Investments	410	446	413	329	414	328
Net Decrease in Fair Value of Interest Rate Swaps	-	-	-	-	-	-
Administration Fees						
Loan Servicing Fees	335	314	326	259	302	262
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	4,465	4,578	4,462	3,535	4,353	3,534
OPERATING EXPENSES						
Interest	3,007	3,495	3,314	2,706	3,317	2,603
Salaries and Benefits						
General Operating	326	316	390	322	323	262
Bond Financing Amort/Early Redemption Write-Offs	78	29	98	55	53	35
Other	98	5	37	46	137	56
TOTAL OPERATING EXPENSES	3,509	3,845	3,839	3,129	3,830	2,956
OPERATING INCOME/CHANGE IN NET ASSETS	956	733	623	406	523	578
NET ASSETS, Beginning of Period, as restated	(984)	(1,572)	(2,028)	(1,134)	(1,473)	(1,536)
TRANSFERS						
NET ASSETS, End of Period	\$ (28)	\$ (839)	\$ (1,405)	\$ (728)	\$ (950)	\$ (958)

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2008A	2008B	2008C	2008D	2009A	2009B
	Single-	Single-	Single-	Single-	Single-	Single-
	Family	Family	Family	Family	Family	Family
	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage	Mortgage
	Bond	Bond	Bond	Bond	Bond	Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents						
Investments	7,521	7,687	\$ 6,412	\$ 10,248		
Loans	51,067	50,963	49,705	26,952		
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	67	342	504	386	\$ 1,014	-
Property and Equipment						
Other Assets	2,646	2,650	3,080	655	101,758	\$ 95,593
TOTAL ASSETS	\$ 61,301	\$ 61,642	\$ 59,701	\$ 38,241	\$ 102,772	\$ 95,593
LIABILITIES AND NET ASSETS						
Bonds	\$ 30,479	\$ 29,881	\$ 57,603	\$ 37,562	\$ 103,743	\$ 97,903
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	30,730	32,484	2,833	2,983	64	42
TOTAL LIABILITIES	61,209	62,365	60,436	40,545	103,807	97,945
NET ASSETS	92	(723)	(735)	(2,304)	(1,035)	(2,352)
TOTAL LIABILITIES AND NET ASSETS	\$ 61,301	\$ 61,642	\$ 59,701	\$ 38,241	\$ 102,772	\$ 95,593
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 2,680	\$ 2,671	\$ 2,872	\$ 1,159		
Interest on Investments	227	217	218	(8)	-	-
Net Increase (Decrease) in Fair Value of Investments	413	419	419	369		
Net Decrease in Fair Value of Interest Rate Swaps	-	-	-	-		
Administration Fees						
Loan Servicing Fees	181	229	169	68		
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	3,501	3,536	3,678	1,588	-	-
OPERATING EXPENSES						
Interest	2,484	2,445	2,765	2,416	817	2,247
Salaries and Benefits						
General Operating	161	215	165	122	115	118
Bond Financing Amort/Early Redemption Write-Offs	15	12	32	184	103	(13)
Other	72	3		12		
TOTAL OPERATING EXPENSES	2,732	2,675	2,962	2,734	1,035	2,352
OPERATING INCOME/CHANGE IN NET ASSETS	769	861	716	(1,146)	(1,035)	(2,352)
NET ASSETS, Beginning of Period, as restated	(677)	(1,584)	(1,451)	(1,158)		
TRANSFERS						
NET ASSETS, End of Period	\$ 92	\$ (723)	\$ (735)	\$ (2,304)	\$ (1,035)	\$ (2,352)

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts (in thousands)

	2009C Single- Family Mortgage Bond	2009 1 Single- Family Mortgage Bond	1994 A and B Multifamily Housing Revenue Bond	Blue Meadow 1998A-FHA Insured Housing Revenue Bond	Mallard Pointe GNMA Collateralized Housing Revenue Bond	Balmoral Variable Rate Demand Housing Revenue Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 2,308	\$ 172,248	\$ 14,863	\$ 862	\$ 4,576	
Loans	32,933		13,099	8,337	73	\$ 5,560
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	485	348	191	53		
Property and Equipment						
Other Assets	2	-	191	-		1
TOTAL ASSETS	\$ 35,728	\$ 172,596	\$ 28,344	\$ 9,252	\$ 4,649	\$ 5,561
LIABILITIES AND NET ASSETS						
Bonds	\$ 35,743	\$ 172,100	\$ 19,079	\$ 8,966	\$ 4,529	\$ 5,561
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	6	500		286	120	
TOTAL LIABILITIES	35,749	172,600	19,079	9,252	4,649	5,561
NET ASSETS	(21)	(4)	9,265	-	-	-
TOTAL LIABILITIES AND NET ASSETS	\$ 35,728	\$ 172,596	\$ 28,344	\$ 9,252	\$ 4,649	\$ 5,561
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 568		\$ 1,145	\$ 466		\$ 21
Interest on Investments	46		115	28	\$ 221	
Net Increase (Decrease) in Fair Value of Investments	110		142		(24)	
Net Decrease in Fair Value of Interest Rate Swaps						
Administration Fees						
Loan Servicing Fees	34					
Multifamily and GARVEE bonds pledged revenues				(10)	80	
Other			80	-	-	
TOTAL OPERATING REVENUES	758	-	1,482	484	277	21
OPERATING EXPENSES						
Interest	709		1,274	464	269	21
Salaries and Benefits						
General Operating	65		15	17	8	
Bond Financing Amort/Early Redemption Write-Offs	5	\$ 4	19	3		
Other						
TOTAL OPERATING EXPENSES	779	4	1,308	484	277	21
OPERATING INCOME/CHANGE IN NET ASSETS	(21)	(4)	174	-	-	-
NET ASSETS, Beginning of Period, as restated			9,091	-	-	-
TRANSFERS						
NET ASSETS, End of Period	\$ (21)	\$ (4)	\$ 9,265	\$ -	\$ -	\$ -

(2) The combined totals for Bondholder Trusts are presented on page 64.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts (in thousands)

	Balmoral II Variable Rate Demand Housing Revenue Bond	Falls Creek Variable Rate Demand Housing Revenue Bond	2006 Grant and Revenue Anticipation Bond	2008A Grant and Revenue Anticipation Bond	2009A Grant and Revenue Anticipation Bond	2010A Grant and Revenue Anticipation Bond
Statement of Net Assets						
ASSETS						
Cash and Cash Equivalents						
Investments		\$ 67	\$ 4,423	\$ 869	\$ 126,024	\$ 74,526
Loans	\$ 4,037	7,846				
GARVEE highway project costs receivable, net			129,356	164,951	49,610	9,903
Deferred Bond Financing Costs	267	567	1,721	2,190	1,304	810
Property and Equipment						
Other Assets	117	41	14,871	11,295	5,692	1,802
TOTAL ASSETS	\$ 4,421	\$ 8,521	\$ 150,371	\$ 179,305	\$ 182,630	\$ 87,041
LIABILITIES AND NET ASSETS						
Bonds	\$ 4,421	\$ 8,514	\$ 146,276	\$ 179,305	\$ 182,630	\$ 87,041
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	-	7	4,095	-	-	-
TOTAL LIABILITIES	4,421	8,521	150,371	179,305	182,630	87,041
NET ASSETS	-	-	-	-	-	-
TOTAL LIABILITIES AND NET ASSETS	\$ 4,421	\$ 8,521	\$ 150,371	\$ 179,305	\$ 182,630	\$ 87,041
Statement of Revenues, Expenses and Changes in Net Assets						
OPERATING REVENUES						
Interest on Loans	\$ 18	\$ 566				
Interest on Investments			-	\$ 1,266	\$ 3,828	\$ 281
Net Increase (Decrease) in Fair Value of Investments						
Net Decrease in Fair Value of Interest Rate Swaps						
Administration Fees						
Loan Servicing Fees						
Multifamily and GARVEE bonds pledged revenues	13	(23)	\$ 6,681	6,763	4,279	1,802
Other	-	-	-	-	-	-
TOTAL OPERATING REVENUES	31	543	6,681	8,029	8,107	2,083
OPERATING EXPENSES						
Interest	18	507	6,783	8,162	8,267	2,063
Salaries and Benefits						
General Operating		14	20	21	25	17
Bond Financing Amort/Early Redemption Write-Offs	13	22	(122)	(154)	(185)	3
Other						
TOTAL OPERATING EXPENSES	31	543	6,681	8,029	8,107	2,083
OPERATING INCOME/CHANGE IN NET ASSETS	-	-	-	-	-	-
NET ASSETS, Beginning of Period, as restated	-	-	-	-	-	-
TRANSFERS						
NET ASSETS, End of Period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(2) The combined totals for Bondholder Trusts are presented on page 64.

Supplemental Financial Information

Supplemental Financial Information

Combined Bondholder Trusts (in thousands)

	Combined Bondholder Trusts (2)
Statement of Net Assets	
ASSETS	
Cash and Cash Equivalents	\$ 4,076
Investments	699,469
Loans	1,303,541
GARVEE highway project costs receivable, net	353,820
Deferred Bond Financing Costs	20,964
Property and Equipment	-
Other Assets	321,248
TOTAL ASSETS	\$ 2,703,118
LIABILITIES AND NET ASSETS	
Bonds	\$ 2,363,001
Commercial Paper	-
Escrow and Project Reserve Deposits	-
Other Liabilities	315,645
TOTAL LIABILITIES	2,678,646
NET ASSETS	24,472
TOTAL LIABILITIES AND NET ASSETS	\$ 2,703,118
Statement of Revenues, Expenses and Changes in Net Assets	
OPERATING REVENUES	
Interest on Loans	\$ 71,686
Interest on Investments	16,186
Net Increase (Decrease) in Fair Value of Investments	7,204
Net Decrease in Fair Value of Interest Rate Swaps	-
Administration Fees	-
Loan Servicing Fees	5,696
Multifamily and GARVEE bonds pledged revenues	19,585
Other	104
TOTAL OPERATING REVENUES	120,461
OPERATING EXPENSES	
Interest	99,147
Salaries and Benefits	-
General Operating	6,108
Bond Financing Amort/Early Redemption Write-Offs	1,426
Other	2,129
TOTAL OPERATING EXPENSES	108,810
OPERATING INCOME/CHANGE IN NET ASSETS	11,651
NET ASSETS, Beginning of Period, as restated	17,069
TRANSFERS	(4,248)
NET ASSETS, End of Period	\$ 24,472

(2) The combined totals for Bondholder Trusts are presented on page 64.