



***Idaho Housing
and Finance***

Association

www.ihfa.org

**Audit Report as of
June 30, 2011 and 2010**



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, 2011 and 2010, 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, 2011 and 2010, 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1 through 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 86 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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
September 30, 2011

IDAHO HOUSING AND FINANCE ASSOCIATION

Management's Discussion and Analysis

June 30, 2011

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, 2011 and 2010.

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 position decreased along with a decrease in its asset base, including its loan servicing portfolio; liabilities; and operating revenues. Operating expenses increased. Investment income, interest income, interest expense, and federal pass-through revenues and expenses decreased significantly while multifamily and GARVEE bonds pledged revenues and other expenses increased significantly. Certain other accounts had noteworthy changes as explained below.

The financial highlights of the Association as of June 30, 2011 compared to June 30, 2010 are as follows:

- Total net position, after fair market value and federal pass-through adjustments, decreased \$12.94 million or 5.61%, excluding the effect of change in accounting principle
- Total net position, before fair market value and federal pass-through adjustments, decreased \$9.55 million or 4.14% excluding the effect of change in accounting principle
- Total assets decreased \$207.80 million or 7.72%
- Total liabilities decreased \$204.14 million or 8.01%
- Cash and investments decreased \$103.09 million or 12.81%
- Loans receivable decreased \$182.35 million or 13.25%
- Bonds payable decreased \$190.49 million or 8.06%
- Investment income decreased \$6.78 million or 37.15%
- Interest income decreased \$7.93 million or 10.39%
- Multifamily and GARVEE bonds pledged revenue increased \$5.07 million or 25.91%
- Interest expense decreased \$7.51 million or 7.25%
- General operating expense increased \$.14 million or 1.70%
- Grants to others increased \$.04 million or 4.90%
- Other expense increased \$14.01 million or 212.51%
- Federal pass-through revenues decreased \$10.00 million or 14.14%
- Federal pass-through expenses decreased \$11.48 million or 15.99%

The value of the Association's servicing portfolio not included in total assets increased \$266,803 million.

The Association experienced a stable, productive year amid a highly volatile financial and stagnant economic environment, albeit with higher than expected loan losses. The following four significant factors characterizing and impacting the Association's fiscal year 2011 financial results, as follows, are continuing:

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

The mortgage lending markets continue to adhere to more restrictive or tighter underwriting and lending standards. Volatile 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 experienced larger than expected loan losses due to distressed real estate market values and continued high unemployment. Most of these losses relate to foreclosed, conventionally-insured loans secured by property, the market value of which has decreased below thresholds covered by insurance. Moreover, the Association increased the loan loss provision as the Association experienced 1) continued delinquencies with loans secured by property with distressed property values and 2) an increase in the amount of real-estate owned properties acquired as a result of loan foreclosures.

The Association's bond issuance activities were impaired by disruptions in the U.S. capital markets. The Association was not able to use its traditional means of financing and acquiring loans using tax-exempt financing. To address this and the lack of market liquidity support for variable rate bonds, the U.S. Treasury developed the 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 fiscal year 2010 and used \$18,000,000 of this facility to issue the \$30,000,000 Series 2010A bond issue in fiscal year 2011.

As a result of not issuing significant single family mortgage revenues bonds, 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, the Association has been able to sustain its high production level, 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.

In fiscal year 2011, the Association issued mortgage backed securities guaranteed by GNMA as the primary means of securing and expanding the Association's loan servicing portfolio. The addition of the GNMA issuer status is a natural addition to, and diversifies, the portfolio of financing resources available to the Association for managing 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 2012 loan production to be similar to 2011, with increased loan serving revenue as a result of enhanced pricing execution in issuing mortgage-backed securities.

The Association has successfully managed its loan and financing programs during this period. Looking forward, the Association expects continued uncertainty in the economic and mortgage-lending environments but continued loan portfolio stability. 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.

The Association continues to administer federal "stimulus" programs introduced in fiscal years 2009 and 2010, albeit with a marked decrease in federal pass-through revenues and expenses as the initial funding for these programs have been awarded and distributed. The Association expects federal pass-through revenues and expenses to decrease as federal funding reverts to funding levels prior to fiscal year 2010.

Investments decreased as a result of the use of GARVEE bond proceeds being invested in construction projects, which is reflected by an increase in GARVEE highway project costs receivable. Investments also decreased as a result of paying down Association debt, reflected as a decrease in Bonds.

The decrease in Loans and increase in Loan Servicing Rights reflect the changing composition of the Association's loan serving pool from Association-owned loans to serviced, agency loans and prepayments not offset by acquisition of additional Association-owned loans. Deferred bond financing costs decreased to reflect costs written off as a result of defeasement of debt.

Deferred outflow of resources decreased as a result of payouts in interest expense and a decrease in the notional amount of interest swap contracts.

Bonds decreased as a result of Association-owned loans paying down and limited issuance of new Association debt. Escrow and project reserve deposits decreased from a decrease in project reserves associated with multi-family project loans that have paid-off. Other liabilities decreased as a reflection of the decrease in the fair value liability of the Association's position in interest rate swap contracts.

Bond funds net position decreased as a result of actual and accrued loan and real-estate owned property losses in the Bond Rating Compliance and Loan Guarantee Trust and several individual bond trusts. Section 8 fund net position increased due to lump-sum payments into the fund to be used in subsequent time periods. Unrestricted net position increased as a result of gains on the sale of loans due to favorable management of GNMA contract positions.

The adoption of new accounting standards for derivative financial instruments resulted in a cumulative effect of change in accounting principle as previous negative fair value adjustments charged to net position were added back. Previously, the Association applied Financial Accounting Standards Board derivative instruments standards, which required instruments' fair value changes to be applied contemporaneously in the respective reporting period. New accounting standards allow the Association to defer those fair value adjustments so long as the derivative instrument meets certain criteria. As the Association's instruments meet those criteria and the fair value is deferred, the cumulative amount of those changes is added back to net position.

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 and matched the decrease in the Association's owned loan portfolio. Interest on Investments decrease reflects decreased market yields and investment portfolio value. Administration Fees reflect increased revenues from federal "stimulus" program administration. Loan servicing fees remained flat as a higher fee structure 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. Other revenue increased as a result of gains made on sales of loans securitized by GNMA.

Interest expense decreased as a result of a decrease in Bonds, on which interest is paid. Other expense increased to reflect the increase in the Association's loan loss provision.

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 GASB 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 has determined 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 position that occurred during the years ended June 30, 2011, 2010, and 2009 as well as the changes in net income.

As of June 30, (in thousands)	2011		2010		2009
		% Change from Prior Period		% Change from Prior Period	
Cash and Cash Equivalents	\$ 34,434	7.57%	\$ 32,011	(7.06%)	\$ 34,444
Investments	667,231	(13.65%)	772,743	12.24%	688,457
Loans	1,193,373	(13.25%)	1,375,720	(10.47%)	1,536,674
Loan Servicing Rights	14,212	53.16%	9,279	60.26%	5,790
GARVEE project costs receivable	431,401	21.93%	353,820	64.42%	215,192
Deferred Bond Financing Costs	18,976	(9.48%)	20,964	(1.12%)	21,202
Property and Equipment	6,499	(3.10%)	6,707	(3.34%)	6,939
Other Assets	119,311	(2.20%)	121,989	152.36%	48,340
Deferred Outflow of Resources	85,489	(12.11%)	97,272		
Total Assets and Deferred Outflow	<u>\$ 2,570,926</u>	<u>(7.87%)</u>	<u>\$ 2,790,505</u>	<u>9.13%</u>	<u>\$ 2,557,038</u>
Bonds	\$ 2,172,515	(8.06%)	\$ 2,363,001	5.23%	\$ 2,245,511
Commercial Paper	50,000	0.00%	50,000	66.67%	30,000
Escrow and Project Reserve Deposits	7,798	(9.43%)	8,610	(3.76%)	8,946
Other Liabilities	112,602	(10.24%)	125,444	11.67%	112,334
Total Liabilities	<u>\$ 2,342,915</u>	<u>(8.01%)</u>	<u>\$ 2,547,055</u>	<u>6.27%</u>	<u>\$ 2,396,791</u>
Invested in capital assets, net of related debt	\$ 6,499	(3.10%)	\$ 6,707	(3.34%)	\$ 6,939
Bond funds	164,040	(10.86%)	184,017	90.93%	96,379
Section 8 voucher HAP fund	1,245	65.78%	751	(53.27%)	1,607
Unrestricted	56,227	8.18%	51,975	4.93%	49,532
Total Net Position	<u>\$ 228,011</u>	<u>(6.34%)</u>	<u>\$ 243,450</u>	<u>57.62%</u>	<u>\$ 154,457</u>
Interest on Loans	\$ 68,403	(10.39%)	\$ 76,333	(5.23%)	\$ 80,547
Interest on Investments	11,477	(37.15%)	18,261	(12.90%)	20,965
Net Increase (Decrease) in Fair Value of Investments	(3,760)	(163.33%)	5,937	(624.93%)	(1,131)
Net Increase (Decrease) in Fair Value of Interest Rate Swaps					(37,268)
Administration Fees	5,792	7.36%	5,395	8.27%	4,983
Loan Servicing Fees	8,432	(2.68%)	8,664	0.41%	8,629
Multifamily and GARVEE pledged revenues	24,659	25.91%	19,585	58.13%	12,385
Other	5,083	56.93%	3,239	(17.46%)	3,924
Total Revenues	<u>120,086</u>	<u>(12.61%)</u>	<u>137,414</u>	<u>47.70%</u>	<u>93,034</u>
Interest	96,046	(7.25%)	103,558	0.64%	102,899
Salaries and Benefits	8,829	4.89%	8,417	4.07%	8,088
General Operating	8,146	1.70%	8,010	(19.98%)	10,010
Bond Financing Amortization	1,494	4.77%	1,426	4.78%	1,361
Grants to Others	771	4.90%	735	245.07%	213
Other	4,379	45.58%	3,008	76.42%	1,705
Total Expenses	<u>119,665</u>	<u>(4.39%)</u>	<u>125,154</u>	<u>0.71%</u>	<u>124,276</u>
Operating Income/(loss)	<u>421</u>	<u>(96.57%)</u>	<u>12,260</u>	<u>(139.24%)</u>	<u>(31,242)</u>
Federal pass-through revenues	60,710	(14.14%)	70,707	67.72%	42,157
Federal pass-through expenses	<u>(60,342)</u>	<u>(15.99%)</u>	<u>(71,826)</u>	<u>67.04%</u>	<u>(43,000)</u>
Total non-operating revenues and expenses	<u>368</u>	<u>(132.89%)</u>	<u>(1,119)</u>	<u>32.74%</u>	<u>(843)</u>
Increase/(decrease) in net position	<u>\$ 789</u>	<u>(92.92%)</u>	<u>\$ 11,141</u>	<u>(134.72%)</u>	<u>\$ (32,085)</u>

The Association's total Net Position at June 30, 2011 included \$6,499,000 Invested in Capital Assets, Net of Related Debt; \$167,352,000 in Restricted Net Position; and \$56,659,000 in Unrestricted Net Position, of which \$17,939,000 is available for business operations of the Association.

The fair value adjustments reported in the Statement of Net Position on page 7 and the Statement of Revenues, Expenses and Changes in Net Position on page 8 are required under GASB Statements No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* and No. 53, *Accounting and Financial Reporting for Derivative Instruments*. Note 12 on page 61 of the financial statements shows a tabular assessment of the impact of investment fair value adjustments on the Association's operating income.

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 \$6.5 million (net of accumulated depreciation), a decrease of 3.10%. Typically, the change in capital assets in any given year 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 decreased by \$190.49 million or 8.06% during the last year to \$2,172.52 million. The Association increased debt level to make available funds 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 a 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 Position

As of June 30,

2011

2010

(in thousands)

Assets

Cash and cash equivalents	\$ 34,434	\$ 32,011
Investments	667,231	772,743
Loans, net	1,193,373	1,375,720
Loan servicing rights, net	14,212	9,279
GARVEE highway project costs receivable, net	431,401	353,820
Deferred bond financing costs	18,976	20,964
Property and equipment	6,499	6,707
Other assets	119,311	121,989
Total Assets	2,485,437	2,693,233

Deferred Outflow of Resources

Interest rate swap contracts	85,489	97,272
Total Deferred Outflow of Resources	85,489	97,272
Total Assets and Deferred Outflow of Resources	\$ 2,570,926	\$ 2,790,505

Liabilities

Bonds	\$ 2,172,515	\$ 2,363,001
Commercial paper	50,000	50,000
Escrow and project reserve deposits	7,798	8,610
Other liabilities	112,602	125,444
Total Liabilities	2,342,915	2,547,055

Net Position

Invested in capital assets, net of related debt	6,499	6,707
Restricted:		
Bond funds	164,040	184,017
Section 8 voucher HAP fund	1,245	751
Unrestricted	56,227	51,975
Total Net Position	228,011	243,450
Total Liabilities and Net Position	\$ 2,570,926	\$ 2,790,505

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

IDAHO HOUSING AND FINANCE ASSOCIATION

Statements of Revenues, Expenses, and Changes in Net Position

For the Fiscal Years Ended June 30,

2011

2010

(in thousands)

Operating revenues

Interest on loans	\$ 68,403	\$ 76,333
Interest on investments	11,477	18,261
Net increase (decrease) in fair value of investments	(3,760)	5,937
Administration fees	5,792	5,395
Loan servicing fees	8,432	8,664
Multifamily and GARVEE bonds pledged revenues	24,659	19,585
Other	5,083	3,239
Total operating revenues	120,086	137,414

Operating expenses

Interest	96,046	103,558
Salaries and benefits	8,829	8,417
General operating	8,146	8,010
Bond financing amortization and early redemption write-offs	1,494	1,426
Grant to others	771	735
Losses on real estate-owned property	16,228	3,586
Other	4,379	3,008
Total operating expenses	135,893	128,740
Operating income (loss)	(15,807)	8,674

Nonoperating revenues and expenses

Federal pass-through revenues	60,710	70,707
Federal pass-through expenses	(60,342)	(71,826)
Total nonoperating revenues and expenses	368	(1,119)
Increase (Decrease) in Net Position	(15,439)	7,555

Net Position

Net Position-beginning of year	243,450	154,457
Cumulative effect of change in Accounting Principle		81,438
Net Position-beginning of year, restated	243,450	235,895
Net Position-end of year	\$ 228,011	\$ 243,450

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

IDAHO HOUSING AND FINANCE ASSOCIATION

Statements of Cash Flows

For the Fiscal Years Ended June 30,

2011

2010

(in thousands)

Cash flows from operating activities

Receipts from customers, loan interest, and fees	\$ 192,213	\$ 156,935
Loan principal payments	131,411	152,219
Loan sales	332,612	322,317
Loan origination costs/Service release premiums	(6,066)	(6,065)
Interest paid	(97,323)	(102,469)
Payments to suppliers	(12,333)	(14,526)
Payments for transportation program costs	(125,934)	(166,662)
Payments for loans available for sale	(323,379)	(368,481)
Payments to employees for services and benefits	(8,826)	(8,553)
Loan principal additions	(3,130)	(46,600)
Net cash provided (used) by operating activities	79,245	(81,885)

Cash flows from noncapital financing activities

Deferred bond financing cost	(205)	(1,114)
Bond and commercial paper payments	(501,480)	(591,532)
Bond and commercial paper issued	315,100	731,259
Federal pass-through revenues	60,710	70,707
Federal pass-through expenses	(60,342)	(71,826)
Net cash provided (used) by noncapital financing activities	(186,217)	137,494

Cash flows from capital and related financing activities

Acquisition and construction of capital assets	(304)	(264)
Net cash provided (used) by capital and related financing activities	(304)	(264)

Cash flows from investing activities

Investment purchases	(1,138,421)	(1,385,606)
Investment redemptions	1,238,611	1,310,735
Investment income	9,509	17,093
Net cash provided (used) by investing activities	109,699	(57,778)

Net Increase/(Decrease) in Cash

	2,423	(2,433)
Cash and cash equivalents, beginning of year	32,011	34,444
Cash and cash equivalents, end of year	\$ 34,434	\$ 32,011

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,

2011

2010

(in thousands)

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

Operating income (loss)	\$ (15,807)	\$ 8,674
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Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities

Loan principal received	131,411	152,219
Loans issued	(3,130)	(46,600)
Loan origination costs/Service release premiums	(6,066)	(6,065)
Amortization of deferred loan discounts	3,133	6,732
Decrease (increase) in interest receivable	772	(277)
Depreciation and other amortization	2,006	496
Increase (decrease) in interest payable	(1,002)	(2,904)
Interest on investments	(11,477)	(18,261)
Net increase (decrease) in fair value of investments	3,760	(5,937)
Decrease (increase) in GARVEE highway project costs receivable, net	(77,581)	(138,628)
Decrease (increase) in other assets	53,945	(34,063)
Increase (decrease) in accounts payable and other liabilities	(721)	3,070
Increase (decrease) in deposits	2	(341)
Total adjustments	<u>95,052</u>	<u>(90,559)</u>

Net cash provided (used) by operating activities	<u>\$ 79,245</u>	<u>\$ (81,885)</u>
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The accompanying notes are an integral part of these financial statements.

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

As of December 31,	2010	2009
ASSETS		
Cash	\$ 2,109,064	\$ 2,294,101
Investments	1,399,790	1,050,000
Escrow and Reserve Deposits	1,539,611	1,677,403
Receivables	179,307	132,957
Prepaid Expenses	145,111	140,632
Neighborhood Stabilization Homes Held for Sale	318,929	84,416
Land	4,386,034	4,707,341
Buildings and Equipment (net of accumulated depreciation)	33,314,439	30,519,615
Financing Costs and Other (net of accumulated amortization)	316,310	296,762
	\$ 43,708,595	\$ 40,903,227
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 275,782	\$ 346,724
Neighborhood Stabilization Liability	318,929	84,416
Interest Payable	142,671	139,964
Real Estate Taxes Payable	351,468	339,140
Mortgages and Notes Payable	25,019,155	21,085,973
Security Deposits Payable	272,278	260,833
	26,380,283	22,257,050
NET ASSETS, UNRESTRICTED		
Controlling Interests	6,111,520	6,232,049
Non Controlling Interests	11,216,792	12,414,128
	\$ 43,708,595	\$ 40,903,227

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

For the Years ended December 31,	2010	2009
REVENUES		
Tenant Rents	\$ 4,192,298	\$ 4,191,955
Housing Assistance Payments	2,716,023	2,614,217
Other Grants and Contributions		958,000
Neighborhood Stabilization Income	500,714	80,744
Interest	33,291	42,884
Developer Fees	102,371	
Other	234,032	237,981
TOTAL REVENUES	\$ 7,778,729	\$ 8,125,781
EXPENSES		
Administrative	\$ 2,074,405	\$ 2,119,011
Neighborhood Stabilization Expense	500,714	80,744
Utilities and Maintenance	1,937,489	1,845,723
Real Estate Taxes and Insurance	911,365	880,772
Depreciation and Amortization	2,273,481	2,294,866
Interest	1,150,060	1,247,773
TOTAL EXPENSES	\$ 8,847,514	\$ 8,468,889
SUBTOTAL	(1,068,785)	(343,108)
Loss on Sale of Land	(234,080)	
DECREASE IN NET ASSETS BEFORE NONCONTROLLING INTERESTS	\$ (1,302,865)	\$ (343,108)
Minority Interest in Partnership Losses	1,182,336	1,226,314
INCREASE (DECREASE) IN NET ASSETS	\$ (120,529)	\$ 883,206

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

For the Years ended December 31,	2010	2009
Cash Flows from Operating Activities:		
Increase/(Decrease) in Net Assets	\$ (120,529)	\$ 883,206
Adjustments for Non-cash Items:		
Depreciation and Amortization	2,273,481	2,294,866
Non-Controlling Interest in Partnership Losses	(1,182,336)	(1,226,314)
Loss in Disposal of Assets	244,507	8,424
Write off Financing and Organization Costs		25,779
Write off pre Development Costs		39,778
Non-Cash Contribution of Land		(858,000)
Changes in Assets and Liabilities:		
(Increase) in Receivables	(46,350)	(4,149)
Increase in Prepaid Expenses	(4,479)	(6,117)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(70,942)	138,466
Increase (Decrease) in Interest Payable	2,707	(8,679)
Increase in Real Estate Taxes Payable	12,328	35,164
Increase in Other Liabilities	11,445	17,025
CASH PROVIDED FROM OPERATING ACTIVITIES	1,119,832	1,339,449
Cash Flows from Investing Activities:		
Purchase of Land	(12,773)	(435,478)
Proceeds from Sale of Land or Building	100,000	337,500
Purchases of Building and Equipment	(5,064,526)	(866,888)
Payment of Financing Costs and Pre-Development Costs	(33,754)	(27,658)
Purchase of Investments	(1,649,790)	(800,000)
Sales of Investments	1,300,000	1,271,012
Decrease in Escrow and Reserve Deposits	137,792	20,822
CASH USED FOR INVESTING ACTIVITIES	(5,223,051)	(500,690)
Cash Flows from Financing Activities:		
Principal Payments on Mortgages or Notes Payable	(940,833)	(4,032,566)
Additions to Mortgages or Notes Payable	4,874,015	193,910
Equity Contributions		3,817,342
Equity Distributions	(15,000)	(15,000)
CASH PROVIDED (USED) FROM FINANCING ACTIVITIES	3,918,182	(36,314)

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

For the Years ended December 31,	2010	2009
(DECREASE) INCREASE IN CASH	(185,037)	802,445
CASH, BEGINNING OF PERIOD	2,294,101	1,491,656
CASH, END OF PERIOD	\$ 2,109,064	\$ 2,294,101

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

June 30, 2011 and 2010

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.

During fiscal year 2011, the Association implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November, 1989 FASB and AICPA Pronouncements*. Prior to the adoption of this standard, the Association elected to adapt all Financial Accounting Standards Board (FASB) statements issued after November 1989 that did not conflict with GASB standards. With the adoption of Statement No. 62, the Association no longer adopts or applies FASB statements.

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 entity presentation in the Association's financial statements 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 on other real estate owned property, determining the amortization period for loan origination fees and servicing rights, 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, 2011. The Association does not have a formal deposit policy for custodial credit risk. Restricted cash as of June 30, 2011 consists of \$11,000 in bond trusts and \$1,788,000 in the Section 8 Housing Choice Voucher program fund.

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, 2011 and 2010, \$205,000 and \$1,114,000, respectively, of financing costs were capitalized. The Association had special bond redemptions on January 1, 2011, July 1, 2010, January 1, 2010, and July 1, 2009. 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 Position. Total write offs for years ending June 30, 2011 and 2010, were \$179,885 and \$137,880, respectively.

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 GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues* and GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November, 1989 FASB and AICPA Pronouncements*.

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 Position 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, 2011 and 2010 was \$512,000 and \$496,000, respectively. Property and equipment are presented in the Statement of Net Position, net of accumulated depreciation of \$8,499,000 and \$7,987,000 at June 30, 2011 and 2010, 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 both loans receivable and real estate owned (REO) property, 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 loan loss and 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 \$450,000. The Association has established an allowance for loan loss and REO activity in the Loan Guarantee and Compliance Fund for Association-held loan losses not recoverable. The Association estimates this amount to be \$13,278,500. Actual losses are charged against this provision and allocated, via an operating transfer, on a pro-rata basis to bond trusts with current year losses.

Generally, loans in default are reported in Loans until foreclosed. 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, the loan is then moved to foreclosure process. Once a loan is foreclosed it is reclassified from Loans to Other Assets as REO mortgage receivable, pending recovery from the relevant source(s) of security and subject to indemnification limitations of those guarantors and insurance providers.

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 escrow balances accrue to the benefit of the Association. All escrow and project reserve deposits are included in Cash and Cash Equivalents in the Statement of Net Position.

L. Commercial Paper

The commercial paper facility 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 transfers mortgage loans purchased with proceeds from commercial paper to bond accounts or to sell to FNMA or FHLMC or to securitize through GNMA. Mortgage acquisition monies from bond accounts or from FNMA or FHLMC sale proceeds or GNMA securitization proceeds, respectively, reimburse the commercial paper facility. 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, 2011 and 2010, the Association had \$50,000,000 of commercial paper outstanding maturing in 1 to 119 and 1 to 59 days from date of issue, respectively, with weighted average interest rates of .40699% and .47364%, respectively.

M. Net Position

Net Position, the amount total assets plus deferred outflows of resources exceeding total liabilities, is an aggregation of all Association bond trust and program accounts. Restricted net positions are those required to meet the various covenants as defined in bond indentures or other laws or regulations. Designated net position indicates that position set aside at the discretion of the Association to be used for a specific purpose and not for general operations. Net positions in the amount of \$166,491,000 and \$184,017,000 at June 30, 2011 and 2010, respectively, are restricted by bond indentures and programmatic requirements; approximately \$37,691,000 and \$39,628,000 at June 30, 2011 and 2010, respectively, are designated by the Board for programmatic uses in connection with the Affordable Housing Investment Trust; and the remaining balances of \$24,438,000 and \$21,645,000 held in the General Operating Account at June 30, 2011 and 2010, include \$6,499,000 and \$6,707,000, respectively, invested in capital assets, net of related debt and \$17,939,000 and \$13,098,000, respectively, unrestricted and available for general operations of the Association. When an expense is incurred

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

2. Summary of Significant Accounting Policies, continued

M. Net Position, continued

that can be paid using either restricted or unrestricted resources, 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. 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 position, to present the financial statements on a consistent basis.

P. New Accounting Principles and Restatement of Net Position

The Association implemented GASB Statement No. 53 *Accounting and Financial Reporting for Derivative Instruments* on June 30, 2010 and GASB Statement No. 64 *Derivative Instruments: Application of Hedge Accounting Termination Provisions* during fiscal year 2011, retroactive to June 30, 2010. Statement No. 53 requires the Association to evaluate contractual arrangements that meet the standards' definition of a derivative instrument for effectiveness and to report such instruments as either hedges or investments, depending upon hedge effectiveness. Statement No. 64 allows the Association to regard all its swap contracts as in-substance assignments. The implementation of these standards has a material impact in the Association's reported deferred outflow of resources, revenues, and net position. The cumulative effect of this change in accounting principle resulted in an increase in net position of \$81.44 million, the net result of deferring the cumulative total of prior year changes in interest rate swap fair values previously charged to fair value changes in interest rate swaps in the Statements of Revenues, Expenses and Changes in Net Assets (Position). Additionally, the Association applied Statement No. 64 retroactively to fiscal year 2010, eliminating an off-market borrowing position and resulting in a restatement in fiscal year 2010 of interest expense by an increase of \$3.99 million and of a cumulative effect of a change in accounting principle by an increase of \$34.31 million.

The Association implemented GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November, 1989 FASB and AICPA Pronouncements*, which eliminated the election to adopt FASB standards after November 1989 and codified pre-December 1989 FASB standards not previously superseded by GASB standards. This implementation did not have a material impact on the Association's reported assets, liabilities, revenues, expenses, and net position.

The Association implemented GASB Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The implementation of this standard has a material impact on the Association's reported assets, formerly titled net assets, and the newly titled net position by reporting the deferred outflow of resources component associated with interest rate swaps in a new non-asset section and recognition of net position rather than net assets. As a result, deferred outflow of resources is restated from other assets to a separate classification in the Statements of Net Position and net assets is retitled as net position.

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 Position. The Association reports all investments at fair value in the Statement of Net Position.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

3. Investments, continued

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, 2011, the Association had overnight investments of \$1,078,000 in money market funds and \$17,600,000 in repurchase agreements held by Wells Fargo Bank and \$9,500,000 in 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, 2011 and 2010, the Association had the following investments and maturities (in thousands):

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

3. Investments, continued

2011									
Investment Type	Investment Maturities (in Years)								
	Fair Value	Less Than 1	1-5	6-10	11-15	16-20	21-25	26-30	More Than 30
Money market funds	\$ 286,714	\$ 286,714							
Investment agreements	97,754		\$ 61,590			\$ 1,160	\$ 32,327	\$ 2,677	
U.S. Government Obligations	-								
U.S. Agency Obligations	8,348		992	\$ 21	\$ 2,243	5,092			
Corporate Obligations	106,262	1	9,314	20,234	5,742	11,853	42,586	16,532	
Interest rate swaps	10,092		10,092						
Land and townhomes	(1,907)			(1,555)	(271)	(81)			
U.S. Treasury Escrow	3,530		3,530						\$ 154,100
	154,100								
	<u>664,893</u>	<u>\$ 286,715</u>	<u>\$ 85,518</u>	<u>\$ 18,700</u>	<u>\$ 7,714</u>	<u>\$ 18,024</u>	<u>\$ 74,913</u>	<u>\$ 19,209</u>	<u>154,100</u>
Accrued interest and premiums and discounts	2,338								
Total Investments	<u>\$ 667,231</u>								

2010									
Investment Type	Investment Maturities (in Years)								
	Fair Value	Less Than 1	1-5	6-10	11-15	16-20	21-25	26-30	More Than 30
Money market funds	\$ 204,797	\$ 204,797							
Investment agreements	243,833	124,939	\$ 72,842			\$ 1,395	\$ 35,001	\$ 9,504	\$ 152
U.S. Government Obligations	10,135	177	1,018		\$ 2,792	6,148			
U.S. Agency Obligations	117,580	7,249	21,519	\$ 13,773	193	11,675	11,129	52,042	
Corporate Obligations	14,129	4,103	10,026	-					
U.S. Municipal Obligations	4,245	-	-	-					4,245
Interest rate swaps	(1,515)			(109)	(1,291)	(115)			
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>\$ 1,694</u>	<u>\$ 19,103</u>	<u>\$ 46,130</u>	<u>\$ 61,546</u>	<u>\$ 176,497</u>
Accrued interest and premiums and discounts	3,939								
Total Investments	<u>\$ 772,743</u>								

Of fiscal year 2011 investments, seven securities have call provisions. Of U.S. agency obligations, \$27,298,000 is callable between July 2011 and October 2016. Of U.S. government obligations, \$960,000 is 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 \$13,080,000.

The Association pays fixed-rate payments between 3.368% and 5.3% and receives variable rate payments based on SIFMA plus 10 to 20 basis points or LIBOR plus 15 basis points. The Association entered the swap contracts in November 2008, which mature between 2018 and 2026. 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 the Affordable Housing Investment and Loan Guarantee Trusts.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

3. Investments, continued

The Association has not adopted a formal policy related to the Association's Business Operations investments. As of June 30, 2011, 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, 2011 and 2010, the Association's remaining investments are rated by Moody's Investor Service as follows (in thousands):

<u>Investment Type</u>	<u>Rating</u>	<u>2011</u>	<u>2010</u>
U.S. Agency Obligations	Aaa	\$ 101,769	\$ 117,580
Corporate Obligations	Aa	2,160	6,288
Corporate Obligations	A	7,932	7,841
U.S. Municipal Obligations	Aaa		4,245

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 investment grade 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, 2011, the Association had investments of five percent or more in Federal Farm Credit Bank obligations of \$53,578,000 and in Trinity Plus Funding Company obligations of \$87,646,000.

At June 30, 2011 and 2010, bond proceeds held in mortgage acquisition accounts from various bond issues totaled \$0, respectively.

During the years ended June 30, 2011 and 2010, the Association realized net gains/(losses) of \$36,000 and \$(14,000), 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, 2011 and 2010 is \$(3,760,000) and \$5,937,000, 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, 2011 is \$(1,907,000) related to derivative interest rate swap contracts fair market value considered investments.

The unrealized gain/(loss) on investments held at June 30, 2011 and 2010 is \$(3,344,000) and \$7,500,000, 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 the years ending June 30, 2011 and 2010, the Association's financial report use GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, as amended, to report derivative interest rate swap contracts.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

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, 2011 and 2010 is as follows (in thousands):

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

4. Loans, continued

2011

	Non-Pool Insured	Pool Insured	Total
FHA Insurance	\$ 506,613		\$ 506,613
VA Guaranteed	57,393	\$ 11	57,404
Commercially Insured	300,008	165,000	465,008
USDA Rural Development Insurance	108,138		108,138
Association Insured	5,018	4	5,022
	<u>\$ 977,170</u>	<u>\$ 165,015</u>	<u>1,142,185</u>
Other			
Multifamily Bond Financed			28,845
Single Family IHFA Capital Pool			2
Multifamily IHFA Capital Pool			4,099
Social Service and Development IHFA Capital Pool			7,354
Construction			497
Loan Loss Provision			(15,778)
Interest Receivable on Loans			7,378
Deferred Loan Origination Fees (Loan Purchase Discounts)			12,271
Upfront Mortgage Insurance Premiums			6,520
Total Loans			<u>\$ 1,193,373</u>

2010

	Non-Pool Insured	Pool Insured	Total
FHA Insurance	\$ 580,683		\$ 580,683
VA Guaranteed	69,236	\$ 13	69,249
Commercially Insured	342,307	192,000	534,307
USDA Rural Development Insurance	115,643		115,643
Association Insured	5,527	7	5,534
	<u>\$ 1,113,396</u>	<u>\$ 192,020</u>	<u>1,305,416</u>
Other			
Multifamily Bond Financed			30,084
Single Family IHFA Capital Pool			156
Multifamily IHFA Capital Pool			4,195
Social Service and Development IHFA Capital Pool			9,215
Construction			318
Loan Loss Provision			(3,586)
Interest Receivable on Loans			8,150
Deferred Loan Origination Fees (Loan Purchase Discounts)			14,271
Upfront Mortgage Insurance Premiums			7,501
Total Loans			<u>\$ 1,375,720</u>

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

4. Loans, continued

FHA Insurance includes \$6,969,000 in notes receivable from The Housing Company (THC), which require repayment within 14 years. The notes are secured by various multifamily housing projects and accrue interest at between 6.81 and 9.125 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 10.27 percent during fiscal years 2011 and 2010. 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 40 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-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 Position 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 to 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 or FHLMC, or securitized through 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, FHLMC or GNMA MBS rate on June 30, 2011. 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 Position. 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

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

4. Loans, continued

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, 2011 and 2010, the Association realized \$3,057,000 and \$1,426,000, respectively, in gains on the sale of loans to FNMA and FHMLC. As of June 30, 2011, the Association had commitments to sell or secure \$52,763,000 of single-family mortgages to FNMA and FHMLC or through GNMA.

As of June 30, 2011 and 2010, the Association estimates \$120,133,000 and \$187,222,000, of loans receivable as current. Estimates consider loan principal due during the next twelve months plus anticipated prepayments made on outstanding principal balances. The Association had commitments to purchase \$61,739,000 and \$20,952,000, respectively, of single-family mortgages, which had not yet been funded. As of June 30, 2011 and 2010, the Association serviced \$990,997,000 and \$686,730,000, 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, 2011 and 2010 consisted of the following:

Description and Due Date	Average Bond Yield	Delivery Date	2011	2010
Single-Family Mortgage Bonds:				
1992 Series E				
Senior Bonds 1994 -- 2025	6.792%	12/92	\$ 95	\$ 270
	6.792%		<u>95</u>	<u>270</u>
1993 Series B				
Senior Bonds 1994 -- 2025	5.780%	12/93	585	920
	5.780%		<u>585</u>	<u>920</u>
1994 Series A				
Senior Bonds 1996 -- 2026	6.092%	4/94	740	830
	6.092%		<u>740</u>	<u>830</u>
1994 Series B				
Senior Bonds 1996 -- 2026	6.753%	6/94	150	480
	6.753%		<u>150</u>	<u>480</u>
1994 Series C				
Senior Bonds 1996 -- 2026	6.373%	7/94	220	505
Mezzanine Bonds 2011	6.300%	7/94	5	20
	6.371%		<u>225</u>	<u>525</u>
1994 Series D				
Senior Bonds 1996 -- 2027		10/94		170
Mezzanine Bonds 2011		10/94		35
			<u>-</u>	<u>205</u>
1994 Series E				
Senior Bonds 1996 -- 2027	6.822%	11/94	100	345
Mezzanine Bonds 2011	6.600%	11/94	5	20
	6.811%		<u>105</u>	<u>365</u>
1994 Series F				
Senior Bonds 1996 -- 2027	7.518%	12/94	125	285
Mezzanine Bonds 2011	7.400%	12/94	5	20
	7.513%		<u>130</u>	<u>305</u>
1995 Series A				
Senior Bonds 1997 -- 2027	6.658%	3/95	50	390
Mezzanine Bonds 2012	6.600%	3/95	5	35
	6.652%		<u>55</u>	<u>425</u>
1995 Series B				
Senior Bonds 1997 -- 2028	6.557%	5/95	435	435
Mezzanine Bonds 2012	6.500%	5/95	30	40
	6.553%		<u>465</u>	<u>475</u>
1995 Series C				
Senior Bonds 1997 -- 2027	6.388%	6/95	415	595
Mezzanine Bonds 2012	6.300%	6/95	25	40
	6.383%		<u>440</u>	<u>635</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	2011	2010
1995 Series D				
Senior Bonds 1998 -- 2028	6.186%	6/95	210	515
Mezzanine Bonds 2012	6.150%	6/95	15	45
	6.183%		<u>225</u>	<u>560</u>
1995 Series E				
Senior Bonds 1998 -- 2028	6.423%	7/95	590	660
Mezzanine Bonds 2012	6.375%	7/95	30	45
	6.421%		<u>620</u>	<u>705</u>
1995 Series F				
Senior Bonds 1998 -- 2028	6.426%	8/95	475	640
	6.426%		<u>475</u>	<u>640</u>
1995 Series G				
Senior Bonds 1998 -- 2028	6.223%	10/95	285	455
Mezzanine Bonds 2012	6.125%	10/95	10	15
	6.219%		<u>295</u>	<u>470</u>
1995 Series H				
Senior Bonds 1998 -- 2028	6.025%	12/95	940	1,215
Mezzanine Bonds 2012	5.900%	12/95	10	20
	6.024%		<u>950</u>	<u>1,235</u>
1996 Series A				
Senior Bonds 1998 -- 2028	6.172%	4/96	405	655
Mezzanine Bonds 2013	6.050%	4/96	35	65
	6.161%		<u>440</u>	<u>720</u>
1996 Series B				
Senior Bonds 1999 -- 2028	6.367%	4/96	255	375
Mezzanine Bonds 2013	6.250%	4/96	40	60
	6.351%		<u>295</u>	<u>435</u>
1996 Series C				
Senior Bonds 1999 -- 2028	6.271%	5/96	290	560
Mezzanine Bonds 2013	6.250%	5/96	20	50
	6.269%		<u>310</u>	<u>610</u>
1996 Series D				
Senior Bonds 1998 -- 2028	6.464%	7/96	465	685
Mezzanine Bonds 2014	6.450%	7/96	55	85
	6.463%		<u>520</u>	<u>770</u>
1996 Series E				
Senior Bonds 1998 -- 2028	6.344%	8/96	460	690
Mezzanine Bonds 2014	6.350%	8/96	55	90
	6.345%		<u>515</u>	<u>780</u>
1996 Series F				
Senior Bonds 1998 -- 2028	6.277%	9/96	810	925
Mezzanine Bonds 2014	6.250%	9/96	75	100
	6.274%		<u>885</u>	<u>1,025</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	2011	2010
1996 Series G				
Senior Bonds 1998 -- 2028	6.327%	10/96	505	700
Mezzanine Bonds 2014	6.250%	10/96	55	90
	6.319%		<u>560</u>	<u>790</u>
1996 Series H				
Senior Bonds 1998 -- 2028	6.128%	12/96	965	1,145
Mezzanine Bonds 2014	6.050%	12/96	95	130
	6.121%		<u>1,060</u>	<u>1,275</u>
1997 Series A				
Senior Bonds 1999 -- 2028	6.178%	2/97	950	1,095
Mezzanine Bonds 2014	6.100%	2/97	90	120
	6.171%		<u>1,040</u>	<u>1,215</u>
1997 Series B				
Senior Bonds 1999 -- 2028	5.928%	3/97	970	1,345
Mezzanine Bonds 2014	5.850%	3/97	95	160
	5.921%		<u>1,065</u>	<u>1,505</u>
1997 Series C				
Senior Bonds 1999 -- 2028	6.089%	4/97	1,400	1,485
Mezzanine Bonds 2014	6.100%	4/97	150	195
	6.091%		<u>1,550</u>	<u>1,680</u>
1997 Series D				
Senior Bonds 1999 -- 2028	6.215%	5/97	700	820
Mezzanine Bonds 2014	6.100%	5/97	65	90
	6.205%		<u>765</u>	<u>910</u>
1997 Series E				
Senior Bonds 2000 -- 2028	6.044%	6/97	1,245	1,825
Mezzanine Bonds 2014	5.950%	6/97	180	240
	6.033%		<u>1,425</u>	<u>2,065</u>
1997 Series F				
Senior Bonds 2006 -- 2029	5.872%	7/97	1,590	1,880
Mezzanine Bonds 2015	5.850%	7/97	235	290
Subordinate Bonds 2010		7/97		25
	5.869%		<u>1,825</u>	<u>2,195</u>
1997 Series G				
Senior Bonds 2004 -- 2029	5.782%	9/97	2,220	2,285
Mezzanine Bonds 2015	5.700%	9/97	65	140
Subordinate Bonds 2010		9/97		15
	5.778%		<u>2,285</u>	<u>2,440</u>
1997 Series H				
Senior Bonds 1999 -- 2029	5.632%	10/97	1,390	1,630
Mezzanine Bonds 2015	5.625%	10/97	170	210
Subordinate Bonds 2010		10/97		25
	5.631%		<u>1,560</u>	<u>1,865</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	2011	2010
1997 Series I				
Senior Bonds 1999 -- 2029	5.735%	12/97	1,075	1,490
Mezzanine Bonds 2015	5.700%	12/97	125	180
Subordinate Bonds 2010		12/97		20
	5.731%		<u>1,200</u>	<u>1,690</u>
1998 Series A				
Senior Bonds 2000 -- 2029	5.474%	1/98	1,475	1,840
Mezzanine Bonds 2016	5.450%	1/98	180	215
Subordinate Bonds 2011	5.350%	1/98	15	60
	5.470%		<u>1,670</u>	<u>2,115</u>
1998 Series B				
Senior Bonds 2000 -- 2029	5.308%	3/98	1,375	1,760
Mezzanine Bonds 2016	5.200%	3/98	175	210
Subordinate Bonds 2011	5.200%	3/98	15	50
	5.295%		<u>1,565</u>	<u>2,020</u>
1998 Series C				
Senior Bonds 2008 -- 2029	5.150%	4/98	2,280	2,855
Mezzanine Bonds 2016	5.300%	4/98	290	340
Subordinate Bonds 2011	5.250%	4/98	30	85
	5.168%		<u>2,600</u>	<u>3,280</u>
1998 Series D				
Senior Bonds 2000 -- 2029	5.520%	5/98	1,775	2,190
Mezzanine Bonds 2018	5.500%	5/98	230	265
Subordinate Bonds 2011	5.250%	5/98	30	85
	5.512%		<u>2,035</u>	<u>2,540</u>
1998 Series E				
Senior Bonds 2001 -- 2029	5.405%	6/98	2,035	2,575
Mezzanine Bonds 2018	5.450%	6/98	240	285
Subordinate Bonds 2011	5.125%	6/98	25	90
	5.405%		<u>2,300</u>	<u>2,950</u>
1998 Series F				
Senior Bonds 2008 -- 2030	5.372%	7/98	2,760	3,130
Mezzanine Bonds 2020	5.400%	7/98	300	320
Subordinate Bonds 2012	5.100%	7/98	85	150
	5.366%		<u>3,145</u>	<u>3,600</u>
1998 Series G				
Senior Bonds 2008 -- 2030	5.354%	9/98	2,070	2,920
Mezzanine Bonds 2020	5.400%	9/98	205	330
	5.358%		<u>2,275</u>	<u>3,250</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	2011	2010
1998 Series H				
Senior Bonds 2000 -- 2030	5.093%	11/98	2,745	3,285
Mezzanine Bonds 2020	5.100%	11/98	320	355
Subordinate Bonds 2012	4.650%	11/98	60	90
	5.085%		<u>3,125</u>	<u>3,730</u>
1998 Series I				
Senior Bonds 2000 -- 2030	5.154%	1/99	2,885	3,475
Mezzanine Bonds 2020	5.200%	1/99	345	385
Subordinate Bonds 2012	4.700%	1/99	75	110
	5.148%		<u>3,305</u>	<u>3,970</u>
1999 Series A				
Senior Bonds 2006 -- 2030	5.137%	2/99	3,095	3,515
Mezzanine Bonds 2020	5.150%	2/99	375	405
Subordinate Bonds 2013	4.850%	2/99	145	210
	5.126%		<u>3,615</u>	<u>4,130</u>
1999 Series B				
Senior Bonds 2001 -- 2030	5.193%	4/99	2,490	2,585
Mezzanine Bonds 2020	5.200%	4/99	305	305
Subordinate Bonds 2013	5.000%	4/99	125	175
	5.185%		<u>2,920</u>	<u>3,065</u>
1999 Series C				
Senior Bonds 2001 -- 2030	5.221%	5/99	2,430	2,650
Mezzanine Bonds 2020	5.250%	5/99	260	265
Subordinate Bonds 2013	5.050%	5/99	100	170
	5.217%		<u>2,790</u>	<u>3,085</u>
1999 Series D				
Senior Bonds 2001 -- 2030	5.387%	6/99	2,730	3,575
Mezzanine Bonds 2020	5.400%	6/99	370	445
Subordinate Bonds 2013	5.150%	6/99	145	240
	5.377%		<u>3,245</u>	<u>4,260</u>
1999 Series E				
Senior Bonds 2001 -- 2031	5.734%	7/99	1,605	1,710
Mezzanine Bonds 2021	5.750%	7/99	225	225
Subordinate Bonds 2014		7/99		
	5.736%		<u>1,830</u>	<u>1,935</u>
1999 Series F				
Senior Bonds 2001 -- 2031	5.821%	8/99	2,010	2,400
Mezzanine Bonds 2021	5.800%	8/99	250	275
Subordinate Bonds 2014	5.625%	8/99	175	255
	5.804%		<u>2,435</u>	<u>2,930</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	2011	2010
1999 Series G				
Senior Bonds 2001 -- 2031	5.969%	10/99	1,655	1,770
Mezzanine Bonds 2021	5.950%	10/99	235	235
Subordinate Bonds 2014	5.750%	10/99	180	240
	5.946%		<u>2,070</u>	<u>2,245</u>
1999 Series H				
Senior Bonds 2001 -- 2031	6.140%	11/99	1,535	2,015
Mezzanine Bonds 2021	6.150%	11/99	105	160
Subordinate Bonds 2014	5.850%	11/99	60	95
	6.130%		<u>1,700</u>	<u>2,270</u>
1999 Series I				
Senior Bonds 2001 -- 2031	6.218%	12/99	1,095	1,195
Mezzanine Bonds 2021	6.250%	12/99	125	125
Subordinate Bonds 2014	5.950%	12/99	200	260
	6.181%		<u>1,420</u>	<u>1,580</u>
2000 Series A				
Senior Bonds 2002 -- 2031	6.423%	3/00	1,430	1,500
Mezzanine Bonds 2022	6.450%	3/00	150	150
Subordinate Bonds 2014	6.200%	3/00	135	165
	6.407%		<u>1,715</u>	<u>1,815</u>
2000 Series B				
Senior Bonds 2002 -- 2031	6.220%	4/00	1,780	1,995
Mezzanine Bonds 2022	6.250%	4/00	180	210
Subordinate Bonds 2014	6.000%	4/00	300	400
	6.192%		<u>2,260</u>	<u>2,605</u>
2000 Series C				
Senior Bonds 2002 -- 2031	6.119%	5/00	1,810	2,250
Mezzanine Bonds 2022	6.150%	5/00	205	230
Subordinate Bonds 2014	6.050%	5/00	305	425
	6.112%		<u>2,320</u>	<u>2,905</u>
2000 Series D				
Senior Bonds 2002 -- 2031	6.302%	6/00	1,655	1,840
Mezzanine Bonds 2022	6.350%	6/00	185	185
Subordinate Bonds 2014	6.200%	6/00	365	465
	6.289%		<u>2,205</u>	<u>2,490</u>
2000 Series E				
Senior Bonds 2002 -- 2032	5.983%	8/00	1,665	1,940
Mezzanine Bonds 2023	6.100%	8/00	185	210
Subordinate Bonds 2015	5.900%	8/00	405	525
	5.977%		<u>2,255</u>	<u>2,675</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	2011	2010
2000 Series F				
Variable Rate Class I	0.276%	10/00	5,905	5,995
Class II Bonds 2025	6.000%	10/00	280	280
Class III Bonds 2019	6.000%	10/00	980	1,075
	1.292%		<u>7,165</u>	<u>7,350</u>
2000 Series G				
Variable Rate Class I	0.276%	12/00	7,205	7,310
Class II Bonds 2025	5.950%	12/00	320	320
Class III Bonds 2019	5.950%	12/00	1,085	1,185
	1.210%		<u>8,610</u>	<u>8,815</u>
2001 Series A				
Variable Rate Class I	0.276%	3/01	7,895	8,545
Class II Bonds 2026	5.600%	3/01	325	360
Class III Bonds 2020	5.550%	3/01	900	1,095
	1.012%		<u>9,120</u>	<u>10,000</u>
2001 Series B				
Variable Rate Class I	0.276%	5/01	4,025	5,460
Class II Bonds 2026	5.750%	5/01	265	275
Class III Bonds 2020	5.750%	5/01	635	720
	1.289%		<u>4,925</u>	<u>6,455</u>
2001 Series C				
Variable Rate Class I	0.276%	7/01	8,125	8,790
Class II Bonds 2026	5.550%	7/01	350	395
Class III Bonds 2020	5.600%	7/01	720	895
	0.917%		<u>9,195</u>	<u>10,080</u>
2001 Series D				
Variable Rate Class I	0.276%	9/01	10,785	11,450
Class II Bonds 2026	5.375%	9/01	420	445
Class III Bonds 2020	5.500%	9/01	925	1,085
	0.865%		<u>12,130</u>	<u>12,980</u>
2001 Series E				
Variable Rate Class I	0.276%	11/01	10,840	11,500
Class II Bonds 2026	5.450%	11/01	465	520
Class III Bonds 2020	5.400%	11/01	785	970
	0.829%		<u>12,090</u>	<u>12,990</u>
2001 Series F				
Variable Rate Class I	0.276%	12/01	8,345	9,010
Class II Bonds 2026	5.300%	12/01	325	395
Class III Bonds 2020	5.300%	12/01	935	1,205
	0.973%		<u>9,605</u>	<u>10,610</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	2011	2010
2002 Series A				
Variable Rate Class I	0.276%	2/02	8,035	8,280
Class II Bonds 2026	5.600%	2/02	320	375
Class III Bonds 2020	5.600%	2/02	1,095	1,330
	1.109%		<u>9,450</u>	<u>9,985</u>
2002 Series B				
Variable Rate Class I	0.276%	4/02	6,160	6,160
Class II Bonds 2026	5.550%	4/02	235	270
Class III Bonds 2020	5.550%	4/02	885	1,060
	1.121%		<u>7,280</u>	<u>7,490</u>
2002 Series C				
Variable Rate Class I	0.276%	5/02	8,200	8,915
Class II Bonds 2026	5.550%	5/02	195	230
Class III Bonds 2020	5.500%	5/02	1,085	1,350
	1.007%		<u>9,480</u>	<u>10,495</u>
2002 Series D				
Variable Rate Class I	0.276%	6/02	10,285	10,285
Class II Bonds 2026	5.500%	6/02	420	480
Class III Bonds 2020	5.400%	6/02	1,205	1,440
	1.012%		<u>11,910</u>	<u>12,205</u>
2002 Series E				
Class I Bonds 2004 -- 2034	3.600%	9/02	725	805
Variable Rate Class I	0.276%	9/02	8,155	8,905
Class II Bonds 2030	5.400%	9/02	480	570
Class III Bonds 2022	5.300%	9/02	1,330	1,625
	1.374%		<u>10,690</u>	<u>11,905</u>
2002 Series F				
Class I Bonds 2004 -- 2034	0.000%	11/02	7,100	
Variable Rate Class I	0.276%	11/02	1,425	7,630
Class III Bonds 2023	4.875%	11/02		1,850
	1.088%		<u>8,525</u>	<u>9,480</u>
2002 Series G				
Variable Rate Class I	0.276%	12/02	7,090	7,090
Class III Bonds 2023	5.150%	12/02	1,445	1,635
	1.122%		<u>8,535</u>	<u>8,725</u>
2003 Series A				
Variable Rate Class I	0.276%	2/03	9,850	10,485
Class II Bonds 2026	5.200%	2/03	490	535
Class III Bonds 2020	5.150%	2/03	1,430	1,610
	1.087%		<u>11,770</u>	<u>12,630</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	2011	2010
2003 Series B				
Variable Rate Class I	0.276%	5/03	9,190	9,740
Class II Bonds 2026	5.050%	5/03	455	525
Class III Bonds 2020	5.100%	5/03	1,410	1,680
	1.114%		<u>11,055</u>	<u>11,945</u>
2003 Series C				
Class I Bonds 2003 -- 2034		7/03		950
Variable Rate Class I	0.276%	7/03	6,560	6,890
Class II Bonds 2033	4.600%	7/03	640	640
Class III Bonds 2023	4.500%	7/03	1,425	1,620
	1.335%		<u>8,625</u>	<u>10,100</u>
2003 Series D				
Variable Rate Class I	0.276%	9/03	9,720	10,115
Class II Bonds 2033	5.450%	9/03	490	540
Class III Bonds 2023	5.450%	9/03	2,040	2,385
	1.375%		<u>12,250</u>	<u>13,040</u>
2003 Series E				
Variable Rate Class I	0.276%	10/03	9,825	10,560
Class II Bonds 2033	5.200%	10/03	555	615
Class III Bonds 2023	5.150%	10/03	2,210	2,590
	1.375%		<u>12,590</u>	<u>13,765</u>
2004 Series A				
Class I Bonds 2004 -- 2035	3.551%	4/04	285	730
Variable Rate Class I	0.276%	4/04	9,785	10,850
Class II Bonds 2034	4.800%	4/04	680	770
Class III Bonds 2024	4.750%	4/04	2,495	2,940
	1.459%		<u>13,245</u>	<u>15,290</u>
2004 Series B				
Class I Bonds 2004 -- 2035	0.276%	7/04	10,685	11,185
Variable Rate Class I	5.300%	7/04	410	490
Class II Bonds 2034	5.400%	7/04	1,325	1,640
Class III Bonds 2024	1.020%		<u>12,420</u>	<u>13,315</u>
2004 Series C				
Class I Bonds 2004 -- 2036		9/04		465
Variable Rate Class I	0.276%	9/04	10,555	11,140
Class II Bonds 2035	5.200%	9/04	470	520
Class III Bonds 2025	5.350%	9/04	2,670	3,105
	1.505%		<u>13,695</u>	<u>15,230</u>
2004 Series D				
Variable Rate Class I	0.279%	11/04	12,395	13,335
Class III Bonds 2027	5.000%	11/04	3,580	3,965
	1.343%		<u>15,975</u>	<u>17,300</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	2011	2010
2005 Series A				
Class I Bonds 2005 -- 2036	3.853%	3/05	830	995
Variable Rate Class I	0.272%	3/05	12,560	14,430
Class II Bonds 2027	4.600%	3/05	885	970
Class III Bonds 2022	4.550%	3/05	2,510	2,860
	1.318%		<u>16,785</u>	<u>19,255</u>
2005 Series B				
Class I Bonds 2005 -- 2036	4.233%	5/05	300	975
Class II Bonds 2035	5.000%	5/05	780	845
Class III Bonds 2025	5.000%	5/05	1,925	2,170
	4.880%		<u>3,005</u>	<u>3,990</u>
2005 Series C				
Class I Bonds 2005 -- 2037	3.998%	6/05	95	1,140
Class II Bonds 2036	4.800%	6/05	650	735
Class III Bonds 2026	4.800%	6/05	3,435	4,050
	4.719%		<u>4,180</u>	<u>5,925</u>
2005 Series D				
Variable Rate Class I	0.276%	8/05	12,545	14,110
Class II Bonds 2036	4.900%	8/05	365	640
Class III Bonds 2026	4.900%	8/05	3,125	3,230
	1.271%		<u>16,035</u>	<u>17,980</u>
2005 Series E				
Class I Bonds 2007 -- 2037	3.974%	10/05	1,435	2,025
Variable Rate Class I	0.276%	10/05	12,810	14,615
Class II Bonds 2036	4.875%	10/05	825	860
Class III Bonds 2026	4.875%	10/05	2,890	3,125
	1.528%		<u>17,960</u>	<u>20,625</u>
2005 Series F				
Class I Bonds 2007 -- 2037	4.249%	1/06	1,370	2,550
Class II Bonds 2036	5.000%	1/06	825	905
Class III Bonds 2026	5.000%	1/06	3,000	3,410
	4.776%		<u>5,195</u>	<u>6,865</u>
2006 Series A				
Class I Bonds 2008 -- 2037	4.187%	3/06	2,575	3,250
Class II Bonds 2036	4.875%	3/06	785	845
Class III Bonds 2026	4.875%	3/06	4,150	4,575
	4.640%		<u>7,510</u>	<u>8,670</u>
2006 Series B				
Class I Bonds 2008 -- 2037	4.698%	5/06	6,120	6,705
Class II Bonds 2036	5.050%	5/06	925	925
Class III Bonds 2026	5.000%	5/06	2,895	3,050
	4.820%		<u>9,940</u>	<u>10,680</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	2011	2010
2006 Series C				
Class I Bonds 2008 -- 2038	4.564%	6/06	3,710	6,745
Class II Bonds 2037	5.100%	6/06	805	935
Class III Bonds 2027	5.100%	6/06	3,990	4,660
	4.862%		<u>8,505</u>	<u>12,340</u>
2006 Series D				
Class I Bonds 2008 -- 2038	4.682%	7/06	4,035	6,885
Class II Bonds 2037	5.200%	7/06	935	1,095
Class III Bonds 2027	5.200%	7/06	2,125	2,490
	4.898%		<u>7,095</u>	<u>10,470</u>
2006 Series E				
Class I Bonds 2008 -- 2038	4.690%	9/06	5,830	7,890
Variable Rate Class I	0.276%	9/06	13,090	15,055
Class II Bonds 2037	5.000%	9/06	880	945
Class III Bonds 2028	5.000%	9/06	5,020	5,620
	2.478%		<u>24,820</u>	<u>29,510</u>
2006 Series F				
Class I Bonds 2008 -- 2038	4.527%	11/06	7,955	8,330
Variable Rate Class I	0.276%	11/06	13,510	14,885
Class II Bonds 2037	4.800%	11/06	850	930
Class III Bonds 2028	4.800%	11/06	5,130	5,860
	2.516%		<u>27,445</u>	<u>30,005</u>
2006 Series G				
Class I Bonds 2009-- 2038	4.361%	1/07	6,175	7,840
Variable Rate Class I	0.276%	1/07	13,440	14,760
Class II Bonds 2037	4.650%	1/07	910	960
Class III Bonds 2028	4.600%	1/07	4,110	4,515
	2.212%		<u>24,635</u>	<u>28,075</u>
2007 Series A				
Class I Bonds 2009 -- 2038	4.647%	3/07	7,185	8,615
Variable Rate Class I	0.276%	3/07	15,220	15,220
Class II Bonds 2037	4.850%	3/07	825	945
Class III Bonds 2028	4.850%	3/07	660	780
			<u>23,890</u>	<u>25,560</u>
2007 Series B				
Class I Bonds 2009 -- 2038	4.457%	4/07	8,845	9,950
Variable Rate Class I	0.276%	4/07	14,530	17,530
Class II Bonds 2037	4.750%	4/07	370	390
Class III Bonds 2028	4.600%	4/07	2,375	2,610
	2.128%		<u>26,120</u>	<u>30,480</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	2011	2010
2007 Series C				
Class I Bonds 2009-- 2038	4.581%	5/07	9,200	10,465
Variable Rate Class I	0.276%	5/07	15,500	17,940
Class II Bonds 2037	4.900%	5/07	1,335	1,480
Class III Bonds 2028	4.750%	5/07	5,205	6,015
	2.460%		<u>31,240</u>	<u>35,900</u>
2007 Series D				
Class I Bonds 2009 -- 2038	4.558%	5/07	7,200	7,625
Variable Rate Class I	0.273%	5/07	17,685	22,005
Class II Bonds 2037	4.900%	5/07	920	1,000
Class III Bonds 2028	4.850%	5/07	7,425	8,435
	2.323%		<u>33,230</u>	<u>39,065</u>
2007 Series E				
Class I Bonds 2009 -- 2038	4.596%	6/07	11,345	14,440
Variable Rate Class I	0.274%	6/07	24,120	26,370
Class II Bonds 2037	4.950%	6/07	1,770	2,435
Class III Bonds 2028	4.850%	6/07	4,880	4,975
	2.180%		<u>42,115</u>	<u>48,220</u>
2007 Series F				
Class I Bonds 2009 -- 2039	4.972%	7/07	18,650	21,315
Variable Rate Class I	0.277%	7/07	31,105	33,110
Class II Bonds 2038	5.250%	7/07	2,295	3,750
Class III Bonds 2029	5.125%	7/07	8,615	9,590
	2.592%		<u>60,665</u>	<u>67,765</u>
2007 Series G				
Class I Bonds 2027 -- 2039	5.731%	8/07	17,215	30,450
Variable Rate Class I	0.279%	8/07	28,750	28,750
Class II Bonds 2038	5.200%	8/07	2,440	2,910
Class III Bonds 2029	5.125%	8/07	7,710	8,575
	2.926%		<u>56,115</u>	<u>70,685</u>
2007 Series H				
Class I Bonds 2027 -- 2039	5.823%	11/07	22,545	23,420
Variable Rate Class I	0.276%	11/07	29,505	33,750
Class II Bonds 2036	5.250%	11/07	3,585	3,585
Class III Bonds 2028	5.000%	11/07	7,385	7,510
	3.107%		<u>63,020</u>	<u>68,265</u>
2007 Series I				
Class I Bonds 2027 -- 2039	5.684%	9/07	16,655	20,485
Variable Rate Class I	0.279%	9/07	24,000	24,000
Class II Bonds 2036	5.500%	9/07	1,760	2,745
Class III Bonds 2028	5.375%	9/07	7,040	7,665
	3.081%		<u>49,455</u>	<u>54,895</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	2011	2010
2007 Series J				
Class I Bonds 2027 -- 2039	5.576%	10/07	22,370	27,720
Variable Rate Class I	0.276%	10/07	30,000	30,000
Class II Bonds 2036	5.200%	10/07	2,010	3,600
Class III Bonds 2028	5.000%	10/07	6,765	7,245
	2.960%		<u>61,145</u>	<u>68,565</u>
2007 Series K				
Class I Bonds 2027 -- 2039	5.966%	12/07	16,065	21,415
Variable Rate Class I	0.279%	12/07	27,000	26,995
Class II Bonds 2036	5.375%	12/07	1,900	895
Class III Bonds 2028	5.200%	12/07	4,435	4,600
	2.813%		<u>49,400</u>	<u>53,905</u>
2008 Series A				
Class I Bonds 2010 -- 2039	5.411%	5/08	16,125	19,530
Class II Bonds 2036	5.850%	5/08	1,985	2,470
Class III Bonds 2028	5.700%	5/08	7,145	7,660
	5.527%		<u>25,255</u>	<u>29,660</u>
2008 Series B				
Class I Bonds 2010 -- 2039	5.200%	6/08	15,980	18,455
Class II Bonds 2036	5.550%	6/08	2,035	3,000
Class III Bonds 2028	5.400%	6/08	7,350	7,660
	5.288%		<u>25,365</u>	<u>29,115</u>
2008 Series C				
Class I Bonds 2010 -- 2039	5.388%	8/08	19,440	20,420
Variable Rate Class I	0.250%	8/08	23,815	25,490
Class II Bonds 2036	5.850%	8/08	1,895	3,000
Class III Bonds 2028	5.800%	8/08	7,200	7,800
	3.129%		<u>52,350</u>	<u>56,710</u>
2008 Series D				
Class I Bonds 2010 -- 2039	5.065%	10/08	17,410	22,890
Variable Rate Class I	0.247%	10/08	5,985	7,255
Class II Bonds 2036	5.450%	10/08	1,610	1,850
Class III Bonds 2028	5.350%	10/08	4,015	4,800
	4.148%		<u>29,020</u>	<u>36,795</u>
2009 Series A				
Class I Bonds 2010 -- 2039	3.967%	7/09	2,205	4,525
Variable Rate Class I	0.247%	7/09	85,135	92,710
Class III Bonds 2028	5.250%	7/09	5,465	6,140
	0.659%		<u>92,805</u>	<u>103,375</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	2011	2010
2009 Series B				
Class I Bonds 2010 -- 2039	4.953%	7/09	15,870	18,300
Variable Rate Class I	0.247%	7/09	57,000	57,000
Class II Bonds 2036	5.550%	7/09	675	710
Class III Bonds 2028	5.650%	7/09	18,295	20,075
	2.218%		<u>91,840</u>	<u>96,085</u>
2009 Series C				
Class I Bonds 2010 -- 2039	3.733%	12/09	29,835	29,835
Class II Bonds 2036	4.950%	12/09	2,675	2,675
Class III Bonds 2028	4.500%	12/09	2,425	2,490
	3.880%	12/09	<u>34,935</u>	<u>35,000</u>
2009 Series 1				
Variable Rate Class I	0.000%	12/09	154,100	172,100
			<u>154,100</u>	<u>172,100</u>
2010 Series A				
Class I Bonds 2012 -- 2041	1.394%	10/10	25,200	
Class II Bonds 2032	4.380%	10/10	2,250	
Class III Bonds 2024	4.000%	10/10	2,550	
	1.839%		<u>30,000</u>	
FHA Insured Housing Revenue Bonds:				
1998 Series A 1999 -- 2039	5.300%	12/98	8,615	8,735
1999 Series 2003 -- 2041	6.120%	8/99	4,395	4,440
2000 Series 2032	0.323%	5/00	5,420	5,560
2000 Series 2033	0.324%	10/01	4,320	4,420
2007 Series	5.900%	4/07	8,418	8,473
			<u>31,168</u>	<u>31,628</u>
Multifamily Housing/Refunding Bonds:				
1994 Series A 1995 -- 2024	6.666%	5/94	15,030	18,010
1994 Series B 1995 -- 2013	8.700%	5/94	450	450
			<u>15,480</u>	<u>18,460</u>
Grant and Revenue Anticipation Bonds:				
2006 Series 2007-2024	4.795%	5/06	134,295	138,340
2008 Series A 2008-2026	4.924%	4/08	160,375	169,050
2009 Series A 2008-2026	4.791%	2/09	164,000	172,210
2010 Series A 2008-2026	5.760%	1/10	84,290	84,290
			<u>542,960</u>	<u>563,890</u>
Interest Payable			31,066	34,473
Net Original (Discount)/Premium			<u>18,676</u>	<u>19,375</u>
TOTAL BONDS			\$ 2,172,515	\$ 2,363,001

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds (dollars in thousands), continued

* 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.

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 Position. 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.

During fiscal year 2011, the Association issued \$12,000,000 Series 2010A bond in connection with use of \$18,000,000 Series 2009 1 escrowed funds, to provide a total of \$30,000,000 available to the Association to finance loans in its single family loan program. The funds from the issue and the release from escrow have been commingled under a general indenture of trust into a single bond trust, the Series 2010A. As the Series 2009 1 funds were escrowed with the U.S. Treasury, there was no economic gain to the Association.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

The scheduled principal debt service, including July 1, 2011 special redemptions, for the periods subsequent to, and as of, June 30, 2011, is as follows (in thousands):

	2012	2013	2014	2015	2016	2017- 2021	2022- 2026
Single-Family Mortgage Bonds:							
1992 Series E	\$ 95						
1993 Series B	195	\$ 35	\$ 25	\$ 10	\$ 20	\$ 140	\$ 160
1994 Series A	190	40	45	40	40	200	185
1994 Series B	135		5				10
1994 Series C	180			10	10	5	20
1994 Series D	-						-
1994 Series E	105						-
1994 Series F	10	10	10	10	5	35	50
1995 Series A	30				5		15
1995 Series B	95	30	30	35	30	100	130
1995 Series C	105	25	20	25	20	100	130
1995 Series D	80	15	5	20	10	35	50
1995 Series E	170	30	35	40	30	135	150
1995 Series F	155	15	20	20	20	100	115
1995 Series G	50	15	20	20	15	55	100
1995 Series H	145	40	55	60	55	250	285
1996 Series A	65	25	30	20	30	105	130
1996 Series B	100	20	20	10	15	55	50
1996 Series C	95	15	15	10	15	60	80
1996 Series D	70	35	40	30	20	100	165
1996 Series E	120	20	40	30	20	105	120
1996 Series F	195	35	40	45	50	195	225
1996 Series G	170	15	40	30	20	75	160
1996 Series H	100	55	60	50	50	295	310
1997 Series A	200	40	55	50	50	240	270
1997 Series B	155	40	60	55	50	255	290
1997 Series C	325	60	70	70	70	350	390
1997 Series D	155	35	40	40	40	155	200
1997 Series E	80	60	60	80	80	400	445
1997 Series F	220	95	100	100	80	440	485
1997 Series G	80	70	70	70	95	700	755
1997 Series H	250	65	70	80	65	370	405
1997 Series I	110	45	50	50	60	340	350
1998 Series A	275	50	50	60	65	395	425
1998 Series B	255	50	50	55	60	390	405
1998 Series C	420	130	135	140	145	615	600
1998 Series D	455	70	80	90	90	445	450
1998 Series E	420	90	90	90	90	495	600
1998 Series F	650	130	120	130	130	665	720
1998 Series G	425	80	90	90	90	500	550
1998 Series H	440	130	100	105	115	710	850

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2027- 2031	2032- 2036	2037- 2041	2042- 2046	TOTAL
Single-Family Mortgage Bonds:					
1992 Series E					\$ 95
1993 Series B					585
1994 Series A					740
1994 Series B					150
1994 Series C					225
1994 Series D					-
1994 Series E					105
1994 Series F					130
1995 Series A	\$ 5				55
1995 Series B		15			465
1995 Series C		15			440
1995 Series D		10			225
1995 Series E		30			620
1995 Series F		30			475
1995 Series G		20			295
1995 Series H		60			950
1996 Series A		35			440
1996 Series B		25			295
1996 Series C		20			310
1996 Series D		60			520
1996 Series E		60			515
1996 Series F		100			885
1996 Series G		50			560
1996 Series H		140			1,060
1997 Series A		135			1,040
1997 Series B		160			1,065
1997 Series C		215			1,550
1997 Series D		100			765
1997 Series E		220			1,425
1997 Series F		305			1,825
1997 Series G		445			2,285
1997 Series H		255			1,560
1997 Series I		195			1,200
1998 Series A		350			1,670
1998 Series B		300			1,565
1998 Series C		415			2,600
1998 Series D		355			2,035
1998 Series E		425			2,300
1998 Series F		600			3,145
1998 Series G		450			2,275
1998 Series H		675			3,125

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2012	2013	2014	2015	2016	2017- 2021	2022- 2026
Single-Family Mortgage Bonds:							
1998 Series I	610	125	105	120	120	725	815
1999 Series A	430	230	140	130	130	760	850
1999 Series B	555	165	100	90	115	575	665
1999 Series C	285	120	115	110	110	620	710
1999 Series D	380	135	130	130	130	770	800
1999 Series E	230	50	50	75	80	465	430
1999 Series F	180	130	140	90	95	515	640
1999 Series G	120	120	120	90	90	530	470
1999 Series H	205	65	85	60	60	360	430
1999 Series I	135	110	110	50	55	330	300
2000 Series A	120	80	80	65	60	345	420
2000 Series B	315	130	140	100	70	440	515
2000 Series C	370	140	145	110	80	415	495
2000 Series D	355	150	160	115	70	370	465
2000 Series E	255	150	155	150	75	410	470
2000 Series F	530	260	290	290	285	1,380	1,820
2000 Series G	375	310	335	340	345	1,655	2,305
2001 Series A	625	325	335	375	370	1,675	2,110
2001 Series B	190	195	195	220	215	950	1,175
2001 Series C	550	320	320	340	380	1,510	2,040
2001 Series D	1,820	350	350	365	390	1,610	2,130
2001 Series E	5,545	250	255	270	285	1,210	1,305
2001 Series F	1,690	250	250	280	305	1,225	1,415
2002 Series A	415	200	350	350	390	1,825	1,560
2002 Series B	40	160	280	280	305	1,525	1,235
2002 Series C	405	195	350	355	390	1,865	1,490
2002 Series D	120	245	440	440	490	2,330	2,065
2002 Series E	590	150	375	380	400	2,085	1,770
2002 Series F	385	165	295	295	320	1,800	1,450
2002 Series G	315	160	320	320	320	1,780	1,495
2003 Series A	490	185	380	510	510	2,440	2,140
2003 Series B	405	30	245	465	485	2,345	2,050
2003 Series C	560	90	205	315	340	1,860	1,790
2003 Series D	355	90	290	495	500	2,745	2,670
2003 Series E	570	100	300	510	510	2,785	2,685
2004 Series A	1,185	90	95	295	480	2,620	2,770
2004 Series B	595	50	50	250	440	2,385	2,615
2004 Series C	560	95	105	310	515	2,770	3,060
2004 Series D	935	100	100	310	535	2,845	3,360
2005 Series A	1,270	250	250	245	495	2,935	3,360
2005 Series B	540	70	80	80	125	700	715

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2027- 2031	2032- 2036	2037- 2041	2042- 2046	TOTAL
Single-Family Mortgage Bonds:					
1998 Series I	685				3,305
1999 Series A	945				3,615
1999 Series B	655				2,920
1999 Series C	720				2,790
1999 Series D	770				3,245
1999 Series E	450				1,830
1999 Series F	645				2,435
1999 Series G	530				2,070
1999 Series H	435				1,700
1999 Series I	330				1,420
2000 Series A	495	\$ 50			1,715
2000 Series B	505	45			2,260
2000 Series C	510	55			2,320
2000 Series D	480	40			2,205
2000 Series E	490	100			2,255
2000 Series F	2,080	230			7,165
2000 Series G	2,670	275			8,610
2001 Series A	2,485	820			9,120
2001 Series B	1,350	435			4,925
2001 Series C	2,605	1,130			9,195
2001 Series D	3,290	1,825			12,130
2001 Series E	1,840	1,130			12,090
2001 Series F	2,540	1,650			9,605
2002 Series A	2,405	1,955			9,450
2002 Series B	1,880	1,575			7,280
2002 Series C	2,395	2,035			9,480
2002 Series D	3,165	2,615			11,910
2002 Series E	2,510	2,430			10,690
2002 Series F	2,030	1,785			8,525
2002 Series G	2,065	1,760			8,535
2003 Series A	2,375	2,740			11,770
2003 Series B	2,080	2,950			11,055
2003 Series C	1,950	1,515			8,625
2003 Series D	2,835	2,270			12,250
2003 Series E	2,850	2,280			12,590
2004 Series A	2,785	2,925			13,245
2004 Series B	2,950	3,085			12,420
2004 Series C	2,855	3,425			13,695
2004 Series D	3,490	4,300			15,975
2005 Series A	3,305	4,220	\$ 455		16,785
2005 Series B	350	345			3,005

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2012	2013	2014	2015	2016	2017- 2021	2022- 2026
Single-Family Mortgage Bonds:							
2005 Series C	545	130	130	130	165	1,130	1,350
2005 Series D	770	110	110	115	315	2,770	3,310
2005 Series E	1,370	295	310	300	495	2,775	3,425
2005 Series F	1,625	110	110	110	145	1,070	1,230
2006 Series A	1,990	330	345	350	345	1,560	1,725
2006 Series B	845	835	835	825	820	1,555	1,195
2006 Series C	2,220	805	795	785	775	1,385	825
2006 Series D	1,750	715	700	705	690	1,010	475
2006 Series E	2,275	600	620	655	690	3,440	3,930
2006 Series F	3,450	625	645	680	710	3,585	4,080
2006 Series G	2,335	575	590	615	650	3,230	3,580
2007 Series A	4,360	430	440	460	480	2,465	2,415
2007 Series B	4,270	550	565	605	640	3,625	3,925
2007 Series C	3,355	695	720	745	795	4,160	4,425
2007 Series D	1,900	795	835	860	905	5,080	5,280
2007 Series E	2,745	885	920	960	1,005	5,280	5,620
2007 Series F	7,145	1,145	1,210	1,250	1,320	7,530	8,465
2007 Series G	5,730	450	490	515	520	5,050	7,285
2007 Series H	7,215	850	885	920	960	6,485	8,530
2007 Series I	4,770	545	575	605	615	5,055	7,055
2007 Series J	7,565	575	625	645	665	5,715	8,010
2007 Series K	4,285	480	500	535	635	4,850	6,425
2008 Series A	4,960	865	955	995	1,045	4,655	3,335
2008 Series B	4,755	600	630	660	680	3,625	3,695
2008 Series C	7,355	1,010	1,070	1,130	1,165	6,390	6,575
2008 Series D	2,855	550	580	605	625	3,600	3,850
2009 Series A	3,430	410	445	465	1,035	13,390	16,650
2009 Series B	3,125	1,070	1,155	1,180	1,180	11,715	17,575
2009 Series C	665	640	665	680	700	4,240	4,975
2009 Series 1							
2010 Series A	70	520	535	550	560	3,435	3,985
FHA Insured Housing Revenue Bonds:							
1998 Series A	130	135	140	150	160	930	1,225
1999 Series	50	50	55	60	60	375	505
2000 Series							
2002 Series							
2007 Series	5						
Multifamily Housing/Refunding Bonds:							
1994 Series A	940	700	520	615	705	4,940	6,610
1994 Series B	135	170	145				

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2027- 2031	2032- 2036	2037- 2041	2042- 2046	TOTAL
Single-Family Mortgage Bonds:					
2005 Series C	300	300			4,180
2005 Series D	3,380	4,230	925		16,035
2005 Series E	3,580	4,450	960		17,960
2005 Series F	395	400	-		5,195
2006 Series A	425	400	40		7,510
2006 Series B	1,255	1,430	345		9,940
2006 Series C	465	370	80		8,505
2006 Series D	445	495	110		7,095
2006 Series E	4,600	5,495	2,515		24,820
2006 Series F	4,930	5,980	2,760		27,445
2006 Series G	4,455	5,435	3,170		24,635
2007 Series A	3,870	5,650	3,320		23,890
2007 Series B	4,215	4,860	2,865		26,120
2007 Series C	5,515	6,810	4,020		31,240
2007 Series D	5,975	7,325	4,275		33,230
2007 Series E	7,980	10,455	6,265		42,115
2007 Series F	10,555	12,775	9,270		60,665
2007 Series G	9,760	12,980	13,335		56,115
2007 Series H	11,135	14,020	12,020		63,020
2007 Series I	8,685	10,730	10,820		49,455
2007 Series J	10,405	13,330	13,610		61,145
2007 Series K	8,525	10,935	12,230		49,400
2008 Series A	3,235	3,035	2,175		25,255
2008 Series B	3,855	3,940	2,925		25,365
2008 Series C	7,990	9,560	10,105		52,350
2008 Series D	4,760	5,730	5,865		29,020
2009 Series A	21,325	27,100	8,555		92,805
2009 Series B	16,930	19,030	18,880		91,840
2009 Series C	6,235	7,715	8,420		34,935
2009 Series 1				\$ 154,100	154,100
2010 Series A	5,080	6,395	7,970	900	30,000
FHA Insured Housing Revenue Bonds:					
1998 Series A	1,610	2,125	2,010		8,615
1999 Series	680	945	1,305	310	4,395
2000 Series		5,420			5,420
2002 Series		4,320			4,320
2007 Series			8,413		8,418
Multifamily Housing/Refunding Bonds:					
1994 Series A					15,030
1994 Series B					450

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2012	2013	2014	2015	2016	2021	2021 2026
Grant Revenue and Revenue Anticipation Bonds:							
2006 Series	4,565	5,120	5,710	6,355	7,060	47,935	57,550
2008 Series A	4,650	1,490	8,080	8,015	7,990	39,300	54,480
2009 Series A	8,970	12,350	5,915	6,190	6,460	37,015	47,355
2010 Series A	1,630	1,665	1,715	1,765	1,820	10,360	4,955
TOTAL	\$ 153,980	\$ 48,175	\$ 51,730	\$ 54,825	\$ 58,905	\$ 338,805	\$ 397,765
Variable rate principal	\$ 28,020	\$ 2,775	\$ 4,415	\$ 5,965	\$ 7,850	\$ 78,535	\$ 112,270
Interest:							
Fixed	\$ 56,956	\$ 55,782	\$ 53,775	\$ 51,592	\$ 49,258	\$ 208,406	\$ 139,339
Variable	569	568	565	561	556	2,634	2,245
TOTAL	\$ 57,525	\$ 56,350	\$ 54,340	\$ 52,153	\$ 49,814	\$ 211,040	\$ 141,584

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	2031	2037-	2041	
	2031	2036	2041	2046	TOTAL
Grant Revenue and Revenue Anticipation Bonds:					
2006 Series					134,295
2008 Series A	36,370				160,375
2009 Series A	39,745				164,000
2010 Series A	60,380				84,290
TOTAL	\$ 397,100	\$ 286,165	\$ 180,013	\$ 155,310	\$ 2,122,773
Variable rate principal	\$ 164,065	\$ 194,855	\$ 115,265	\$ -	\$ 714,015
Interest:					
Fixed	\$ 63,086	\$ 27,508	\$ 7,961	\$ 23	\$ 713,686
Variable	1,713	909	170		10,490
TOTAL	\$ 64,799	\$ 28,417	\$ 8,131	\$ 23	\$ 724,176

As of June 30, 2011, 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, 2011 and 2010 was as follows (in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One year
Par Bonds payable	\$ 2,309,153	\$ 30,000	\$ (216,380)	\$ 2,122,773	\$ 153,980
Interest payable	34,473	64,855	(68,262)	31,066	31,066
Net Original (Discount)/Premium	19,375		(699)	18,676	674
Total Bonds payable at June 30, 2011	<u>\$ 2,363,001</u>	<u>\$ 94,855</u>	<u>\$ (285,341)</u>	<u>\$ 2,172,515</u>	<u>\$ 185,720</u>
Par Bonds payable	\$ 2,190,135	\$ 498,515	\$ (379,497)	\$ 2,309,153	\$ 133,678
Interest payable	36,780	66,713	(69,020)	34,473	34,473
Net Original (Discount)/Premium	18,596	1,415	(636)	19,375	699
Total Bonds payable at June 30, 2010	<u>\$ 2,245,511</u>	<u>\$ 566,643</u>	<u>\$ (449,153)</u>	<u>\$ 2,363,001</u>	<u>\$ 168,850</u>
Commercial Paper at June 30, 2011	\$ 50,000	\$ 285,100	\$ (285,100)	\$ 50,000	\$ 50,000
Commercial Paper at June 30, 2010	\$ 30,000	\$ 239,700	\$ (219,700)	\$ 50,000	\$ 50,000

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, 2011	For the Year Ended June 30, 2011	For the Year Ended June 30, 2010
Single-Family Mortgage Bonds			
1990 Series F		\$	195
1991 Series C			80
1992 Series A			30
1992 Series D			145
1992 Series E	\$	90	\$ 180
1993 Series B		165	340
1994 Series A		145	185
1994 Series B		125	190
1994 Series C		175	320
1994 Series D			210
1994 Series E		105	165
1994 Series F		5	110
1995 Series A		25	160
1995 Series B		70	75
1995 Series C		75	90
1995 Series D		70	265
1995 Series E		150	205
1995 Series F		140	180
1995 Series G		35	220
1995 Series H		115	200
1996 Series A		45	235
1996 Series B		80	165
1996 Series C		90	130
1996 Series D		50	200
1996 Series E		105	320
1996 Series F		160	165
1996 Series G		150	155
1996 Series H		55	180
1997 Series A		160	115
1997 Series B		115	325
1997 Series C		265	195
1997 Series D		135	55
1997 Series E		5	405
1997 Series F		135	115
1997 Series G		15	220
1997 Series H		185	150
1997 Series I		80	375
1998 Series A		200	295
1998 Series B		185	350
1998 Series C		270	655

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, 2011	For the Year Ended June 30, 2011	For the Year Ended June 30, 2010
1998 Series D	310	480	420
1998 Series E	240	635	595
1998 Series F	440	335	880
1998 Series G	300	825	800
1998 Series H	230	670	1,110
1998 Series I	365	755	355
1999 Series A	255	390	1,015
1999 Series B	405	250	975
1999 Series C	165	180	1,540
1999 Series D	250	380	795
1999 Series E	180		495
1999 Series F	55	220	335
1999 Series G		35	495
1999 Series H	140	125	865
1999 Series I	35	180	245
2000 Series A	45	220	215
2000 Series B	180	380	185
2000 Series C	220	285	165
2000 Series D	205	365	70
2000 Series E	105	150	340
2000 Series F	255	430	
2000 Series G		65	10
2001 Series A	430	715	790
2001 Series B	60	3,080	125
2001 Series C	355	5,770	905
2001 Series D	1,610	1,910	85
2001 Series E	5,385	760	875
2001 Series F	1,545	435	1,010
2002 Series A	375	455	210
2002 Series B		155	435
2002 Series C	380	995	250
2002 Series D	80	420	435
2002 Series E	565	885	2,115
2002 Series F	330	725	965
2002 Series G	265	450	225
2003 Series A	315	740	240
2003 Series B	375	660	1,005
2003 Series C	470	1,205	885
2003 Series D	260	1,285	495
2003 Series E	475	1,000	1,105
2004 Series A	1,010	1,255	1,090

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, 2011	For the Year Ended June 30, 2011	For the Year Ended June 30, 2010
2004 Series B	555	1,320	945
2004 Series C	465	1,270	2,795
2004 Series D	840	605	3,460
2005 Series A	995	1,990	1,815
2005 Series B	410	665	620
2005 Series C	405	1,220	1,395
2005 Series D	665	1,250	2,045
2005 Series E	975	2,935	1,615
2005 Series F	1,250		920
2006 Series A	1,430	1,405	1,225
2006 Series B	40	1,020	900
2006 Series C	1,365	4,105	980
2006 Series D	1,020	4,295	2,040
2006 Series E	1,690	4,105	2,625
2006 Series F	2,840	5,485	3,635
2006 Series G	1,805	5,025	1,705
2007 Series A	3,960	2,955	2,700
2007 Series B	3,785	2,710	3,735
2007 Series C	2,700	4,355	3,170
2007 Series D	1,110	8,845	2,960
2007 Series E	1,910	6,115	4,270
2007 Series F	6,035	11,610	6,565
2007 Series G	5,195	14,075	125
2007 Series H	6,260	11,095	3,480
2007 Series I	4,160	5,720	4,180
2007 Series J	6,850	7,800	2,940
2007 Series K	3,730	6,705	2,010
2008 Series A	4,040	7,810	1,700
2008 Series B	4,060	2,705	540
2008 Series C	6,425	3,905	3,290
2008 Series D	2,335	2,085	23,205
2009 Series A	2,950	5,610	7,085
2009 Series B	2,085	980	195

Multifamily Housing Bonds

1994 Series A

			1,235
\$	106,980	\$	179,885
		\$	137,880

As of June 30, 2011, the Association had write-offs of deferred bond financing costs related to special bond redemptions of \$2,121,000. Write-offs related to the July 1, 2011 bond redemptions were \$979,000. The Association redeemed \$23,000,000 of Series 2008D bonds due to non origination of mortgage loans during fiscal 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.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

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 Position. The swap agreements the Association has entered into are characterized as derivatives. Offsetting changes in fair value are carried on the Statement of Net Position 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 in 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, 2011. While key assumptions and methods used in deriving fair value are proprietary; in general, the fair values are determined as the difference between the present value of the fixed-rate payments made to the counterparty and the variable-rate (based on interest rates as of June 30, 2011) payments paid to the Association. 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, 2011 and 2010. The fair value is reported in the Statement of Net Position in Other Liabilities of \$85,489,000 and \$97,272,000, 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 the Statement of Net Position of \$85,489,000. A portion of the interest rate swaps are considered non-effective for hedging purposes and are reported in the Statement of Net Position in Investments at \$(1,907,000). This portion represents the notional amount of interest rate swaps that exceeds the notional amount of underlying variable debt.

The Association engaged an independent third party to verify the reasonableness of fair values of contracts as of June 30, 2011. The results from the verification correlated materially with the fair values provided by the Association's counterparties.

Credit risk: As of June 30, 2011, 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 to credit risk to the extent of the positive fair value. The Association's counterparty has a current rating of AA-/Aa3.

Basis risk: All but seven of the Association's swaps have a dual basis: Securities Industry and Financial Markets Association (SIFMA) index plus 20 (10 for the 2008D issue) basis points when the one-month London Interbank Offered Rate (LIBOR) is less than either 3.5% or 4.0% (depending on the bond series) and 68% of LIBOR when LIBOR is 3.5% or greater. Four non-dual basis swaps have a basis of SIFMA plus 20 basis points and three have a basis of LIBOR plus 15 basis points. 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, 2011 SIFMA was 9 basis points and one-month LIBOR was 18.56 basis points.

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

7. Derivatives, continued

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	
	Hedging	Investment	Hedging	Investment	Hedging	Investment
2000 Series F	\$ 5,905,000	\$ 70,000	\$ (809,769)	\$ (9,835)	\$ 90,015	\$ 98,559
2000 Series G	7,205,000	3,550,000	(1,274,252)	(627,617)	571,606	(290,668)
2001 Series A	7,895,000		(1,055,655)		172,272	-
2001 Series B	4,025,000	4,295,000	(571,335)	(609,109)	534,301	(346,961)
2001 Series C	8,125,000		(1,151,162)		182,201	-
2001 Series D	10,785,000	-	(1,618,672)	-	172,064	49,647
2001 Series E	10,785,000		(1,504,557)		202,191	-
2001 Series F	8,345,000		(1,146,794)		174,775	-
2002 Series A	8,035,000	-	(1,280,420)	-	106,997	80,413
2002 Series B	6,160,000	1,950,000	(960,787)	(303,406)	265,236	(80,990)
2002 Series C	8,200,000	30,000	(1,245,679)	(5,003)	133,259	49,729
2002 Series D	10,285,000	730,000	(1,558,428)	(110,124)	165,868	57,450
2002 Series E	8,155,000		(1,081,343)		151,632	-
2002 Series F	7,100,000		(733,052)		88,762	-
2002 Series G	7,090,000	10,000	(875,385)	(876)	36,152	75,040
2003 Series A	9,850,000	-	(1,522,732)	-	152,059	40,969
2003 Series B	9,190,000		(1,059,638)		77,012	-
2003 Series C	5,390,000		(520,425)		39,056	-
2003 Series D	8,640,000		(1,449,473)		139,089	-
2003 Series E	8,640,000		(1,270,008)		115,582	-
2004 Series A	8,505,000		(1,062,462)		128,997	-
2004 Series B	9,105,000		(1,372,816)		168,365	-
2004 Series C	8,850,000		(1,283,890)		156,325	-
2004 Series D	11,025,000		(1,235,929)		174,071	-
2005 Series A	11,420,000		(1,322,980)		191,888	-
2005 Series B	11,230,000		(1,366,950)		195,924	-
2005 Series C	11,415,000		(1,173,946)		174,454	-
2005 Series D	11,620,000		(1,281,235)		182,074	-
2005 Series E	11,835,000		(1,361,588)		193,442	-
2005 Series F	12,245,000		(1,560,947)		219,317	-
2006 Series A	12,010,000		(1,529,766)		223,123	-
2006 Series B	8,875,000		(1,234,451)		169,719	-
2006 Series C	8,665,000		(1,203,980)		172,758	-
2006 Series D	10,110,000		(1,462,793)		209,948	-
2006 Series E	11,700,000		(1,575,620)		210,984	-
2006 Series F	11,890,000		(1,432,127)		196,639	-
2006 Series G	11,865,000		(1,329,665)		184,214	-
2007 Series A	12,170,000		(1,489,055)		209,842	-
2007 Series B	14,060,000		(1,568,266)		226,287	-
2007 Series C	14,550,000		(1,722,799)		239,885	-
2007 Series D-1	17,200,000	-	(1,991,122)	-	79,383	6,739
2007 Series D-2	100,000		(3,116)		228,715	-

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%		Barclays Capital	AA-/Aa3	7/1/2024	11/6/2008
2003 Series C	3.7800%	SIFMA+.20%		Barclays Capital	AA-/Aa3	1/1/2025	11/6/2008
2003 Series D	4.8400%	SIFMA+.20%		Barclays Capital	AA-/Aa3	7/1/2025	11/6/2008
2003 Series E	4.5300%	SIFMA+.20%		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 < 4.0%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2028	11/7/2008
2005 Series E	3.9300%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2029	11/7/2008
2005 Series F	4.0950%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2029	11/7/2008
2006 Series A	4.1000%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2029	11/7/2008
2006 Series B	4.3500%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2025	11/7/2008
2006 Series C	4.3600%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2025	11/7/2008
2006 Series D	4.4500%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR		Barclays Capital	AA-/Aa3	1/1/2025	11/7/2008
2006 Series E	4.2800%	SIFMA+.20% (LIBOR < 4.0%)/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%	LIBOR plus .15%		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	Outstanding Notional Amount		Fair Values		Change in Fair Values	
	Hedging	Investment	Hedging	Investment	Hedging	Investment
2007 Series E-1	21,000,000		(2,479,499)		399,024	-
2007 Series E-2	185,000	-	(5,611)	-	(7,606)	1,995
2007 Series F-1	26,250,000		(3,660,670)		(3,211,186)	-
2007 Series F-2	235,000		(7,678)		3,786,199	-
2007 Series G	25,000,000		(4,334,401)		420,199	-
2007 Series H	29,505,000	495,000	(4,666,331)	(80,700)	595,648	(80,700)
2007 Series I	21,000,000		(3,153,338)		315,174	-
2007 Series J	26,250,000		(3,844,250)		385,993	-
2007 Series K	24,000,000		(3,122,087)		333,892	-
2008 Series A	24,000,000		(2,761,049)		303,943	-
2008 Series B	26,995,000		(2,597,071)		307,576	-
2008 Series C	21,155,000		(2,113,080)		301,243	-
2008 Series D	5,985,000	1,950,000	(489,281)	(159,633)	145,545	(52,567)
	<u>\$ 651,810,000</u>	<u>\$ 13,080,000</u>	<u>\$ (85,489,415)</u>	<u>\$ (1,906,303)</u>	<u>\$ 11,782,127</u>	<u>\$ (391,345)</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	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%		LIBOR plus .15%	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%		LIBOR plus .15%	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+.10% (LIBOR < 3.5%)/68% LIBOR		Barclays Capital	AA-/Aa3	7/1/2026	10/2/2008

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, 2011 and 2010 were \$538,000 and \$514,000, 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, 2011 and 2010 was \$112,000 and \$106,000, 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

9. Conduit Debt Obligations, continued

As of June 30, 2011 and 2010 there were thirty-five and twenty-six, 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 \$146,057,000 and \$97,913,000, 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, 2011 and 2010 is \$604,969,000 and \$627,243,000, respectively.

Since conduit debt by definition does not create net position to the Association, those issuances included within the financial statements with a net position have their net position reclassified to either an asset or a liability dependent on the initial net 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 Position. 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 Position, 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, 2010	Additions	Deletions	Balance at June 30, 2011
Capital assets:				
Land,	\$ 993		\$ -	\$ 993
Buildings and improvements	9,623	\$ 8		9,631
Furniture and equipment	2,520	256		2,776
Leasehold improvements	243			243
Computer software	1,315	40		1,355
Total capital assets	14,694	304	-	14,998
Less accumulated depreciation for:				
Buildings and improvements	(4,711)	(222)		(4,933)
Furniture and equipment	(1,826)	(233)		(2,059)
Leasehold improvements	(207)	(4)		(211)
Computer software	(1,243)	(53)		(1,296)
Total accumulated depreciation	(7,987)	(512)	-	(8,499)
Total capital assets, net	\$ 6,707	\$ (208)	\$ -	\$ 6,499

IDAHO HOUSING AND FINANCE ASSOCIATION

Notes to Financial Statements

11. Other Assets and Liabilities

Other Assets and Other Liabilities as of June 30, 2011 and 2010 are composed of the Accounts and Balances as follows (in thousands):

	2011	2010
Other Assets:		
Accounts Receivable	\$ 1,689	\$ 1,376
Cost of issue receivable	554	313
Loans available for sale	25,124	63,041
Multifamily and GARVEE bonds pledged revenues receivable	58,518	33,815
Prepaid expenses	1,707	1,404
REO mortgages receivable	31,719	22,040
	<u>\$ 119,311</u>	<u>\$ 121,989</u>

Other Liabilities

Accounts Payable	\$ 232	\$ 180
Accrued vacation and other payroll related liabilities	576	573
Arbitrage rebate	3,457	7,018
Deferred buydowns	1	23
Federal programs advances and unapplied program income	2,155	1,315
Interest payable - Bonds	379	654
Interest payable - Swap contracts	13,676	11,271
Multifamily and GARVEE bonds excess pledged revenues	209	162
Security deposits	15	13
Swap contract fair market liability	85,489	97,272
Unapplied payments	4,808	2,969
Other accrued liability	1,605	3,994
	<u>\$ 112,602</u>	<u>\$ 125,444</u>

12. Change in Net Position to Operating Income (net of certain non-cash items) 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):

	2011	2010
Changes in Net Position (as reported):	\$ (15,439)	\$ 7,555
Plus: Net Decrease in Fair Value of Investments	3,760	
Less: Net Increase in Fair Value of Investments		(5,937)
Plus: Decreases in Total nonoperating revenues and expenses	(368)	
Less: Increases in Total nonoperating revenues and expenses		1,119
Plus: Increase in Loan Loss Provision	16,228	3,364
Operating Income (excluding changes in fair value and federal net position)	<u>\$ 4,181</u>	<u>\$ 6,101</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 the Association.

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, 2011, 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 \$751,000 and owed \$50,000 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 the Association. The Association 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. Complete financial statements for HPF 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 the Association. The Association 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 Position for the Year Ended June 30, 2011

Association Accounts (in thousands)

	Business Operations			Affordable Housing Investment Trust
	General Operating Account	Federally Assisted Program	Combined	
Statement of Net Position				
ASSETS				
Cash and Cash Equivalents	\$ 27,952	\$ 4,974	\$ 32,926	\$ 45
Investments	16,254		16,254	15,295
Loans	9,974		9,974	26,173
Loan Servicing Rights	14,212		14,212	
GARVEE highway project costs receivable, net				
Deferred Bond Financing Costs				
Property and Equipment	5,060	1,439	6,499	
Other Assets	220,688	592	221,280	-
TOTAL ASSETS	\$ 294,140	\$ 7,005	\$ 301,145	\$ 41,513
DEFERRED OUTFLOW OF RESOURCES				
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 294,140	\$ 7,005	\$ 301,145	\$ 41,513
LIABILITIES AND NET POSITION				
Bonds				
Commercial Paper	\$ 50,000		\$ 50,000	
Escrow and Project Reserve Deposits	7,510	\$ 288	7,798	
Other Liabilities	214,386	4,523	218,909	\$ 3,822
TOTAL LIABILITIES	271,896	4,811	276,707	3,822
NET POSITION	22,244	2,194	24,438	37,691
TOTAL LIABILITIES AND NET POSITION	\$ 294,140	\$ 7,005	\$ 301,145	\$ 41,513
Statement of Revenues, Expenses and Changes in Net Position				
OPERATING REVENUES				
Interest on Loans	\$ 1,613		\$ 1,613	\$ 1,321
Interest on Investments	-			53
Net Increase (Decrease) in Fair Value of Investments				(47)
Administration Fees	9,643		9,643	
Loan Servicing Fees	6,533		6,533	56
Multifamily and GARVEE bonds pledged revenues				
Other	3,958	\$ 530	4,488	
TOTAL OPERATING REVENUES	21,747	530	22,277	1,383
OPERATING EXPENSES				
Interest	282		282	
Salaries and Benefits	8,419	293	8,712	
General Operating	6,155	960	7,115	547
Bond Financing Amortization and Early Redemption Write-Offs				
Grants to Others				648
Other	1,358	78	1,436	285
TOTAL OPERATING EXPENSES	16,214	1,331	17,545	1,480
OPERATING INCOME	5,533	(801)	4,732	(97)
NONOPERATING REVENUES AND EXPENSES				
Federal Pass-Through Revenues		60,710	60,710	
Federal Pass-Through Expenses		(60,342)	(60,342)	
TOTAL NONOPERATING REVENUES AND EXPENSES	-	368	368	-
CHANGE IN NET POSITION	5,533	(433)	5,100	(97)
NET POSITION, Beginning of Period, as restated	17,178	2,627	19,805	37,788
TRANSFERS	(467)		(467)	
NET POSITION, End of Period	\$ 22,244	\$ 2,194	\$ 24,438	\$ 37,691

(1) The detail of the Combined Bondholder Trusts is presented on pages 66-86.

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 Position				
ASSETS				
Cash and Cash Equivalents		\$ 11		\$ 32,982
Investments	\$ 86,429	549,253		667,231
Loans	17,390	1,139,427		1,192,964
Loan Servicing Rights				14,212
GARVEE highway project costs receivable, net		431,401		431,401
Deferred Bond Financing Costs		18,976		18,976
Property and Equipment		-		6,499
Other Assets	14,987	275,673	\$ (392,610)	119,330
TOTAL ASSETS	\$ 118,806	\$ 2,414,741	\$ (392,610)	\$ 2,483,595
DEFERRED OUTFLOW OF RESOURCES				
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 118,806	\$ 2,500,230	\$ (392,610)	\$ 2,569,084
LIABILITIES AND NET POSITION				
Bonds		\$ 2,172,515		\$ 2,172,515
Commercial Paper				50,000
Escrow and Project Reserve Deposits				7,798
Other Liabilities	\$ 56	282,425	\$ (392,610)	112,602
TOTAL LIABILITIES	56	2,454,940	(392,610)	2,342,915
NET POSITION	118,750	45,290	-	226,169
TOTAL LIABILITIES AND NET POSITION	\$ 118,806	\$ 2,500,230	\$ (392,610)	\$ 2,569,084
Statement of Revenues, Expenses and Changes in Net Position				
OPERATING REVENUES				
Interest on Loans	\$ 2,095	\$ 63,374		\$ 68,403
Interest on Investments	1,903	9,520		11,476
Net Increase (Decrease) in Fair Value of Investments	(346)	(3,367)		(3,760)
Administration Fees			\$ (3,851)	5,792
Loan Servicing Fees	78	5,019	(3,254)	8,432
Multifamily and GARVEE bonds pledged revenues		24,659		24,659
Other		241		4,729
TOTAL OPERATING REVENUES	3,730	99,446	(7,105)	119,731
OPERATING EXPENSES				
Interest		95,764		96,046
Salaries and Benefits		-		8,712
General Operating	2,024	5,527	(7,105)	8,108
Bond Financing Amortization and Early Redemption Write-Offs		1,494		1,494
Grants to Others				648
Other	15,775	3,036		20,532
TOTAL OPERATING EXPENSES	17,799	105,821	(7,105)	135,540
OPERATING INCOME	(14,069)	(6,375)	-	(15,809)
NONOPERATING REVENUES AND EXPENSES				
Federal Pass-Through Revenues				60,710
Federal Pass-Through Expenses				(60,342)
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	-	368
CHANGE IN NET POSITION	(14,069)	(6,375)	-	(15,441)
NET POSITION, Beginning of Period, as restated	129,233	54,784		241,610
TRANSFERS	3,586	(3,119)		-
NET POSITION, End of Period	\$ 118,750	\$ 45,290	\$ -	\$ 226,169

(1) The detail of the Combined Bondholder Trusts is presented on pages 66-86.

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 Position			
ASSETS			
Cash and Cash Equivalents	\$ 1,452		\$ 34,434
Investments			667,231
Loans	409		1,193,373
Loan Servicing Rights			14,212
GARVEE highway project costs receivable, net			431,401
Deferred Bond Financing Costs			18,976
Property and Equipment			6,499
Other Assets	19	\$ (38)	119,311
TOTAL ASSETS	\$ 1,880	\$ (38)	\$ 2,485,437
DEFERRED OUTFLOW OF RESOURCES			
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 1,880	\$ (38)	\$ 2,570,926
LIABILITIES AND NET POSITION			
Bonds			2,172,515
Commercial Paper			50,000
Escrow and Project Reserve Deposits			7,798
Other Liabilities	38	\$ (38)	112,602
TOTAL LIABILITIES	38	(38)	2,342,915
NET POSITION	1,842	-	228,011
TOTAL LIABILITIES AND NET POSITION	\$ 1,880	\$ (38)	\$ 2,570,926
Statement of Revenues, Expenses and Changes in Net Position			
OPERATING REVENUES			
Interest on Loans			\$ 68,403
Interest on Investments	\$ 1		11,477
Net Increase (Decrease) in Fair Value of Investments			(3,760)
Administration Fees			5,792
Loan Servicing Fees			8,432
Multifamily and GARVEE bonds pledged revenues			24,659
Other	1,002	\$ (648)	5,083
TOTAL OPERATING REVENUES	1,003	(648)	120,086
OPERATING EXPENSES			
Interest			96,046
Salaries and Benefits	117		8,829
General Operating	38		8,146
Bond Financing Amortization and Early Redemption Write-Offs			1,494
Grants to Others	771	(648)	771
Other	75		20,607
TOTAL OPERATING EXPENSES	1,001	(648)	135,893
OPERATING INCOME	2	-	(15,807)
NONOPERATING REVENUES AND EXPENSES			
Federal Pass-Through Revenues			60,710
Federal Pass-Through Expenses			(60,342)
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	368
CHANGE IN NET POSITION	2	-	(15,439)
NET POSITION, Beginning of Period, as restated	1,840		243,450
TRANSFERS	-		-
NET POSITION, End of Period	\$ 1,842	\$ -	\$ 228,011

(1) The detail of the Combined Bondholder Trusts is presented on pages 66-86.

Combined Bondholder Trusts (in thousands)

	1992E	1993B	1994A	1994B	1994C	1994D
	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 Position						
ASSETS						
Cash and Cash Equivalents						\$ 3
Investments	\$ 172	\$ 219	\$ 289	\$ 200	\$ 231	165
Loans	938	1,143	1,442	1,143	1,232	893
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	2	10	8	2	2	
Property and Equipment						
Other Assets	4	66	5	35	4	9
TOTAL ASSETS	1,116	1,438	1,744	1,380	1,469	1,070
DEFERRED OUTFLOW OF RESOURCES						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 1,116	\$ 1,438	\$ 1,744	\$ 1,380	\$ 1,469	\$ 1,070
LIABILITIES AND NET POSITION						
Bonds	\$ 98	\$ 602	\$ 762	\$ 155	\$ 232	
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities		7	40	55	63	\$ 6
TOTAL LIABILITIES	98	609	802	210	295	6
NET POSITION	1,018	829	942	1,170	1,174	1,064
TOTAL LIABILITIES AND NET POSITION	\$ 1,116	\$ 1,438	\$ 1,744	\$ 1,380	\$ 1,469	\$ 1,070
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 70	\$ 76	\$ 97	\$ 90	\$ 89	\$ 66
Interest on Investments	4	7	5	-	-	-
Net Increase (Decrease) in Fair Value of Investments	(4)	(6)	(2)	(8)	(6)	(4)
Administration Fees						
Loan Servicing Fees	3	4	5	4	4	3
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	73	81	105	86	87	65
OPERATING EXPENSES						
Interest	11	38	45	58	68	48
Salaries and Benefits						
General Operating	4	5	6	5	5	4
Bond Financing Amort/Early Redemption Write-Offs	3	5	1	4	3	2
Other						
TOTAL OPERATING EXPENSES	18	48	52	67	76	54
OPERATING INCOME/CHANGE IN NET POSITION	55	33	53	19	11	11
NET POSITION, Beginning of Period, as restated	963	796	889	1,151	1,163	1,053
TRANSFERS						
NET POSITION, End of Period	\$ 1,018	\$ 829	\$ 942	\$ 1,170	\$ 1,174	\$ 1,064

(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)

	1994E	1994F	1995A	1995B	1995C	1995D
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 193	\$ 66	\$ 175	\$ 110	\$ 150	\$ 90
Loans	1,042	684	653	1,112	908	863
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	1	2	1	5	5	3
Property and Equipment						
Other Assets	5	2	2	50	4	23
TOTAL ASSETS	1,241	754	831	1,277	1,067	979
DEFERRED OUTFLOW OF RESOURCES						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 1,241	\$ 754	\$ 831	\$ 1,277	\$ 1,067	\$ 979
LIABILITIES AND NET POSITION						
Bonds	\$ 109	\$ 135	\$ 57	\$ 480	\$ 454	\$ 232
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	30	80	96	7	10	17
TOTAL LIABILITIES	139	215	153	487	464	249
NET POSITION	1,102	539	678	790	603	730
TOTAL LIABILITIES AND NET POSITION	\$ 1,241	\$ 754	\$ 831	\$ 1,277	\$ 1,067	\$ 979
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 81	\$ 55	\$ 52	\$ 82	\$ 70	\$ 60
Interest on Investments	-	-	-	3	5	7
Net Increase (Decrease) in Fair Value of Investments	(7)	(4)	(8)	(1)	(5)	(7)
Administration Fees						
Loan Servicing Fees	4	2	2	4	3	3
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	78	53	46	88	73	63
OPERATING EXPENSES						
Interest	87	85	90	31	33	20
Salaries and Benefits	-					
General Operating	5	4	4	4	5	4
Bond Financing Amort/Early Redemption Write-Offs	3	2	4		2	4
Other						
TOTAL OPERATING EXPENSES	95	91	98	35	40	28
OPERATING INCOME/CHANGE IN NET POSITION	(17)	(38)	(52)	53	33	35
NET POSITION, Beginning of Period, as restated	1,119	577	730	737	570	695
TRANSFERS						
NET POSITION, End of Period	\$ 1,102	\$ 539	\$ 678	\$ 790	\$ 603	\$ 730

(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)

	1995E	1995F	1995G	1995H	1996A	1996B
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 184	\$ 174	\$ 63	\$ 195	\$ 154	\$ 179
Loans	1,086	1,058	903	1,577	1,019	742
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	7	6	3	11	5	4
Property and Equipment						
Other Assets	4	3	48	14	-	-
TOTAL ASSETS	1,281	1,241	1,017	1,797	1,178	925
DEFERRED OUTFLOW OF RESOURCES						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 1,281	\$ 1,241	\$ 1,017	\$ 1,797	\$ 1,178	\$ 925
LIABILITIES AND NET POSITION						
Bonds	\$ 640	\$ 490	\$ 304	\$ 979	\$ 454	\$ 304
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	9	8	12	6	63	26
TOTAL LIABILITIES	649	498	316	985	517	330
NET POSITION	632	743	701	812	661	595
TOTAL LIABILITIES AND NET POSITION	\$ 1,281	\$ 1,241	\$ 1,017	\$ 1,797	\$ 1,178	\$ 925
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 80	\$ 76	\$ 62	\$ 108	\$ 70	\$ 57
Interest on Investments		4	2	7	6	1
Net Increase (Decrease) in Fair Value of Investments	(2)	(4)	(3)	(6)	(6)	(3)
Administration Fees						
Loan Servicing Fees	4	4	3	5	3	3
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	82	80	64	114	73	58
OPERATING EXPENSES						
Interest	\$ 40	\$ 31	\$ 20	\$ 61	\$ 31	\$ 20
Salaries and Benefits						
General Operating	5	4	5	5	5	4
Bond Financing Amort/Early Redemption Write-Offs	1	2	2	4	3	1
Other				1	1	
TOTAL OPERATING EXPENSES	46	37	27	71	40	25
OPERATING INCOME/CHANGE IN NET POSITION	36	43	37	43	33	33
NET POSITION, Beginning of Period, as restated	596	700	664	770	629	562
TRANSFERS				(1)	(1)	
NET POSITION, End of Period	\$ 632	\$ 743	\$ 701	\$ 812	\$ 661	\$ 595

(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)

	1996C	1996D	1996E	1996F	1996G	1996H
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 183	\$ 184	\$ 214	\$ 395	\$ 330	\$ 201
Loans	760	1,042	911	1,261	990	1,562
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	3	6	6	10	7	13
Property and Equipment						
Other Assets	12	3	7	13	4	13
TOTAL ASSETS	958	1,235	1,138	1,679	1,331	1,789
DEFERRED OUTFLOW OF RESOURCES						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 958	\$ 1,235	\$ 1,138	\$ 1,679	\$ 1,331	\$ 1,789
LIABILITIES AND NET POSITION						
Bonds	\$ 320	\$ 537	\$ 531	\$ 913	\$ 578	\$ 1,092
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	92	90	75	77	63	66
TOTAL LIABILITIES	412	627	606	990	641	1,158
NET POSITION	546	608	532	689	690	631
TOTAL LIABILITIES AND NET POSITION	\$ 958	\$ 1,235	\$ 1,138	\$ 1,679	\$ 1,331	\$ 1,789
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 54	\$ 74	\$ 68	\$ 95	\$ 78	\$ 105
Interest on Investments	13	5	2	11	-	5
Net Increase (Decrease) in Fair Value of Investments	(7)	(6)	(6)	(5)	(6)	(6)
Administration Fees						
Loan Servicing Fees	2	3	3	5	4	5
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	62	76	67	106	76	109
OPERATING EXPENSES						
Interest	26	38	36	59	49	70
Salaries and Benefits						
General Operating	4	5	4	5	4	5
Bond Financing Amort/Early Redemption Write-Offs	4	3	3	2	3	3
Other	1			1		
TOTAL OPERATING EXPENSES	35	46	43	67	56	78
OPERATING INCOME/CHANGE IN NET POSITION	27	30	24	39	20	31
NET POSITION, Beginning of Period, as restated	520	578	508	651	670	600
TRANSFERS	(1)			(1)		
NET POSITION, End of Period	\$ 546	\$ 608	\$ 532	\$ 689	\$ 690	\$ 631

(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)

	1997A	1997B	1997C	1997D	1997E	1997F
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 331	\$ 334	\$ 496	\$ 281	\$ 212	\$ 493
Loans	1,418	1,473	1,802	1,142	2,085	2,317
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	12	13	19	8	16	17
Property and Equipment						
Other Assets	4	7	7	88	7	22
TOTAL ASSETS	1,765	1,827	2,324	1,519	2,320	2,849
DEFERRED OUTFLOW OF RESOURCES						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 1,765	\$ 1,827	\$ 2,324	\$ 1,519	\$ 2,320	\$ 2,849
LIABILITIES AND NET POSITION						
Bonds	\$ 1,072	\$ 1,097	\$ 1,597	\$ 789	\$ 1,468	\$ 1,878
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	62	67	87	94	97	110
TOTAL LIABILITIES	1,134	1,164	1,684	883	1,565	1,988
NET POSITION	631	663	640	636	755	861
TOTAL LIABILITIES AND NET POSITION	\$ 1,765	\$ 1,827	\$ 2,324	\$ 1,519	\$ 2,320	\$ 2,849
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 102	\$ 103	\$ 127	\$ 82	\$ 140	\$ 160
Interest on Investments	15	15	11	11	14	11
Net Increase (Decrease) in Fair Value of Investments	(5)	(10)	(5)	(4)	(16)	(12)
Administration Fees						
Loan Servicing Fees	5	5	6	4	7	8
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	117	113	139	93	145	167
OPERATING EXPENSES						
Interest	69	73	95	50	96	113
Salaries and Benefits						
General Operating	5	7	5	4	7	6
Bond Financing Amort/Early Redemption Write-Offs	2	5	2	2	8	4
Other				1		1
TOTAL OPERATING EXPENSES	76	85	102	57	111	124
OPERATING INCOME/CHANGE IN NET POSITION	41	28	37	36	34	43
NET POSITION, Beginning of Period, as restated	590	635	603	601	721	819
TRANSFERS				(1)		(1)
NET POSITION, End of Period	\$ 631	\$ 663	\$ 640	\$ 636	\$ 755	\$ 861

(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)

	1997G	1997H	1997I	1998A	1998B	1998C
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 1,406	\$ 408	\$ 243	\$ 477	\$ 466	\$ 671
Loans	1,850	2,204	1,891	2,188	2,161	2,838
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	22	15	14	31	17	28
Property and Equipment						
Other Assets	26	16	88	64	56	30
TOTAL ASSETS	3,304	2,643	2,236	2,760	2,700	3,567
DEFERRED OUTFLOW OF RESOURCES						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 3,304	\$ 2,643	\$ 2,236	\$ 2,760	\$ 2,700	\$ 3,567
LIABILITIES AND NET POSITION						
Bonds	\$ 2,351	\$ 1,604	\$ 1,234	\$ 1,716	\$ 1,606	\$ 2,667
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	71	76	72	57	55	67
TOTAL LIABILITIES	2,422	1,680	1,306	1,773	1,661	2,734
NET POSITION	882	963	930	987	1,039	833
TOTAL LIABILITIES AND NET POSITION	\$ 3,304	\$ 2,643	\$ 2,236	\$ 2,760	\$ 2,700	\$ 3,567
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 126	\$ 144	\$ 126	\$ 145	\$ 139	\$ 182
Interest on Investments	60	13	4	17	15	21
Net Increase (Decrease) in Fair Value of Investments	(9)	(9)	(11)	(11)	(9)	(15)
Administration Fees						
Loan Servicing Fees	6	7	7	8	8	10
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	183	155	126	159	153	198
OPERATING EXPENSES						
Interest	134	93	76	100	91	141
Salaries and Benefits						
General Operating	6	6	6	7	7	11
Bond Financing Amort/Early Redemption Write-Offs	2	3	6	6	5	7
Other	1					2
TOTAL OPERATING EXPENSES	143	102	88	113	103	161
OPERATING INCOME/CHANGE IN NET POSITION	40	53	38	46	50	37
NET POSITION, Beginning of Period, as restated	843	910	892	941	989	798
TRANSFERS	(1)					(2)
NET POSITION, End of Period	\$ 882	\$ 963	\$ 930	\$ 987	\$ 1,039	\$ 833

(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)

	1998D	1998E	1998F	1998G	1998H	1998I
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 686	\$ 637	\$ 749	\$ 560	\$ 698	\$ 787
Loans	2,081	2,366	2,870	2,479	3,321	3,537
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	21	23	29	21	35	37
Property and Equipment						
Other Assets	112	38	154	12	43	38
TOTAL ASSETS	2,900	3,064	3,802	3,072	4,097	4,399
DEFERRED OUTFLOW OF RESOURCES						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 2,900	\$ 3,064	\$ 3,802	\$ 3,072	\$ 4,097	\$ 4,399
LIABILITIES AND NET POSITION						
Bonds	\$ 2,091	\$ 2,362	\$ 3,229	\$ 2,336	\$ 3,204	\$ 3,390
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	67	56	72	44	21	32
TOTAL LIABILITIES	2,158	2,418	3,301	2,380	3,225	3,422
NET POSITION	742	646	501	692	872	977
TOTAL LIABILITIES AND NET POSITION	\$ 2,900	\$ 3,064	\$ 3,802	\$ 3,072	\$ 4,097	\$ 4,399
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 146	\$ 157	\$ 194	\$ 162	\$ 200	\$ 212
Interest on Investments	102	24	24	22	23	26
Net Increase (Decrease) in Fair Value of Investments	(12)	(15)	(13)	(17)	(12)	(13)
Administration Fees						
Loan Servicing Fees	7	8	10	9	12	13
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	243	174	215	176	223	238
OPERATING EXPENSES						
Interest	117	133	176	132	160	174
Salaries and Benefits						
General Operating	6	7	9	9	10	10
Bond Financing Amort/Early Redemption Write-Offs	5	6	4	10	7	8
Other			2			1
TOTAL OPERATING EXPENSES	128	146	191	151	177	193
OPERATING INCOME/CHANGE IN NET POSITION	115	28	24	25	46	45
NET POSITION, Beginning of Period, as restated	627	618	479	667	826	933
TRANSFERS			(2)			(1)
NET POSITION, End of Period	\$ 742	\$ 646	\$ 501	\$ 692	\$ 872	\$ 977

(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)

	1999A	1999B	1999C	1999D	1999E	1999F
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 824	\$ 780	\$ 489	\$ 650	\$ 363	\$ 405
Loans	3,549	2,911	2,988	3,500	1,799	2,516
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	37	31	30	37	19	27
Property and Equipment						
Other Assets	23	15	20	18	7	83
TOTAL ASSETS	4,433	3,737	3,527	4,205	2,188	3,031
DEFERRED OUTFLOW OF RESOURCES						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 4,433	\$ 3,737	\$ 3,527	\$ 4,205	\$ 2,188	\$ 3,031
LIABILITIES AND NET POSITION						
Bonds	\$ 3,707	\$ 2,996	\$ 2,863	\$ 3,332	\$ 1,882	\$ 2,506
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	47	32	41	70	45	54
TOTAL LIABILITIES	3,754	3,028	2,904	3,402	1,927	2,560
NET POSITION	679	709	623	803	261	471
TOTAL LIABILITIES AND NET POSITION	\$ 4,433	\$ 3,737	\$ 3,527	\$ 4,205	\$ 2,188	\$ 3,031
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 218	\$ 181	\$ 183	\$ 225	\$ 120	\$ 173
Interest on Investments	25	25	-	-	31	-
Net Increase (Decrease) in Fair Value of Investments	(11)	(8)	(9)	(23)	(6)	(14)
Administration Fees						
Loan Servicing Fees	12	10	10	12	6	8
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	244	208	184	214	151	167
OPERATING EXPENSES						
Interest	189	152	165	214	106	168
Salaries and Benefits						
General Operating	10	7	9	10	5	8
Bond Financing Amort/Early Redemption Write-Offs	5	2	2	5	1	5
Other	10		1	1		1
TOTAL OPERATING EXPENSES	214	161	177	230	112	182
OPERATING INCOME/CHANGE IN NET POSITION	30	47	7	(16)	39	(15)
NET POSITION, Beginning of Period, as restated	659	662	617	820	222	487
TRANSFERS	(10)		(1)	(1)		(1)
NET POSITION, End of Period	\$ 679	\$ 709	\$ 623	\$ 803	\$ 261	\$ 471

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

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Combined Bondholder Trusts, continued (in thousands)

	1999G	1999H	1999I	2000A	2000B	2000C
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 200	\$ 301	\$ 171	\$ 236	\$ 406	\$ 457
Loans	2,111	1,797	954	1,421	1,757	1,719
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	22	18	19	18	23	25
Property and Equipment						
Other Assets	5	17	81	4	5	46
TOTAL ASSETS	2,338	2,133	1,225	1,679	2,191	2,247
DEFERRED OUTFLOW OF RESOURCES						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 2,338	\$ 2,133	\$ 1,225	\$ 1,679	\$ 2,191	\$ 2,247
LIABILITIES AND NET POSITION						
Bonds	\$ 2,132	\$ 1,752	\$ 1,464	\$ 1,770	\$ 2,330	\$ 2,391
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	48	5	9	2	43	33
TOTAL LIABILITIES	2,180	1,757	1,473	1,772	2,373	2,424
NET POSITION	158	376	(248)	(93)	(182)	(177)
TOTAL LIABILITIES AND NET POSITION	\$ 2,338	\$ 2,133	\$ 1,225	\$ 1,679	\$ 2,191	\$ 2,247
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 143	\$ 128	\$ 70	\$ 103	\$ 126	\$ 122
Interest on Investments	-	19	3	7	-	23
Net Increase (Decrease) in Fair Value of Investments	(9)			(7)		3
Administration Fees						
Loan Servicing Fees	7	6	3	5	6	6
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	141	153	76	108	132	154
OPERATING EXPENSES						
Interest	161	117	89	111	171	151
Salaries and Benefits						
General Operating	16	6	4	5	6	6
Bond Financing Amort/Early Redemption Write-Offs	1	6	1	1	3	5
Other						3
TOTAL OPERATING EXPENSES	178	129	94	117	180	165
OPERATING INCOME/CHANGE IN NET POSITION	(37)	24	(18)	(9)	(48)	(11)
NET POSITION, Beginning of Period, as restated	195	352	(230)	(84)	(134)	(163)
TRANSFERS						(3)
NET POSITION, End of Period	\$ 158	\$ 376	\$ (248)	\$ (93)	\$ (182)	\$ (177)

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

IDAHO HOUSING AND FINANCE ASSOCIATION
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Combined Bondholder Trusts, continued (in thousands)

	2000D	2000E	2000F	2000G	2001A	2001B
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 301	\$ 310	\$ 3,449	\$ 4,572	\$ 5,316	\$ 203
Loans	1,574	1,667	3,118	2,623	3,990	4,097
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	37	23	78	68	77	44
Property and Equipment						
Other Assets	5	23	103	12	95	29
TOTAL ASSETS	1,917	2,023	6,748	7,275	9,478	4,373
DEFERRED OUTFLOW OF RESOURCES			809	1,274	1,056	571
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 1,917	\$ 2,023	\$ 7,557	\$ 8,549	\$ 10,534	\$ 4,944
LIABILITIES AND NET POSITION						
Bonds	\$ 2,274	\$ 2,322	\$ 7,210	\$ 8,660	\$ 9,163	\$ 4,955
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	3	11	976	1,562	1,261	782
TOTAL LIABILITIES	2,277	2,333	8,186	10,222	10,424	5,737
NET POSITION	(360)	(310)	(629)	(1,673)	110	(793)
TOTAL LIABILITIES AND NET POSITION	\$ 1,917	\$ 2,023	\$ 7,557	\$ 8,549	\$ 10,534	\$ 4,944
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 114	\$ 113	\$ 220	\$ 181	\$ 251	\$ 255
Interest on Investments	12	16	174	262	272	66
Net Increase (Decrease) in Fair Value of Investments	1	(1)	97	(296)	3	(381)
Administration Fees						
Loan Servicing Fees	5	6	11	9	15	14
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	132	134	502	156	541	(46)
OPERATING EXPENSES						
Interest	141	141	431	676	491	469
Salaries and Benefits						
General Operating	5	6	13	13	23	12
Bond Financing Amort/Early Redemption Write-Offs	3	4	4	4	11	16
Other		2	1	1	2	1
TOTAL OPERATING EXPENSES	149	153	449	694	527	498
OPERATING INCOME/CHANGE IN NET POSITION	(17)	(19)	53	(538)	14	(544)
NET POSITION, Beginning of Period, as restated	(343)	(289)	(681)	(1,134)	98	(248)
TRANSFERS		(2)	(1)	(1)	(2)	(1)
NET POSITION, End of Period	\$ (360)	\$ (310)	\$ (629)	\$ (1,673)	\$ 110	\$ (793)

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

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Combined Bondholder Trusts, continued (in thousands)

	2001C	2001D	2001E	2001F	2002A	2002B
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 4,292	\$ 7,156	\$ 6,247	\$ 4,185	\$ 5,049	\$ 2,931
Loans	5,822	5,700	6,466	5,925	4,811	4,391
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	75	93	95	78	76	60
Property and Equipment						
Other Assets	39	108	527	263	26	26
TOTAL ASSETS	10,228	13,057	13,335	10,451	9,962	7,408
DEFERRED OUTFLOW OF RESOURCES	1,151	1,619	1,505	1,147	1,280	961
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 11,379	\$ 14,676	\$ 14,840	\$ 11,598	\$ 11,242	\$ 8,369
LIABILITIES AND NET POSITION						
Bonds	\$ 9,234	\$ 12,179	\$ 12,138	\$ 9,648	\$ 9,499	\$ 7,318
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	1,456	1,896	1,815	1,386	1,493	1,180
TOTAL LIABILITIES	10,690	14,075	13,953	11,034	10,992	8,498
NET POSITION	689	601	887	564	250	(129)
TOTAL LIABILITIES AND NET POSITION	\$ 11,379	\$ 14,676	\$ 14,840	\$ 11,598	\$ 11,242	\$ 8,369
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 361	\$ 330	\$ 391	\$ 364	\$ 295	\$ 283
Interest on Investments	189	345	269	154	234	117
Net Increase (Decrease) in Fair Value of Investments	(32)	13	(35)	(28)	60	(72)
Administration Fees						
Loan Servicing Fees	20	19	23	21	17	15
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	538	707	648	511	606	343
OPERATING EXPENSES						
Interest	502	641	614	510	529	492
Salaries and Benefits						
General Operating	21	27	28	24	20	17
Bond Financing Amort/Early Redemption Write-Offs	11	11	11	12	8	4
Other	2	1	1	2	2	
TOTAL OPERATING EXPENSES	536	680	654	548	559	513
OPERATING INCOME/CHANGE IN NET POSITION	2	27	(6)	(37)	47	(170)
NET POSITION, Beginning of Period, as restated	689	575	894	603	205	41
TRANSFERS	(2)	(1)	(1)	(2)	(2)	
NET POSITION, End of Period	\$ 689	\$ 601	\$ 887	\$ 564	\$ 250	\$ (129)

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

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Combined Bondholder Trusts, continued (in thousands)

	2002C	2002D	2002E	2002F	2002G	2003A
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 4,478	\$ 4,974	\$ 2,478	\$ 2,244	\$ 3,156	\$ 3,694
Loans	5,637	7,446	9,251	6,652	5,497	8,179
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	80	92	100	77	74	102
Property and Equipment						
Other Assets	131	181	62	269	18	202
TOTAL ASSETS	10,326	12,693	11,891	9,242	8,745	12,177
DEFERRED OUTFLOW OF RESOURCES	1,246	1,558	1,081	733	875	1,523
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 11,572	\$ 14,251	\$ 12,972	\$ 9,975	\$ 9,620	\$ 13,700
LIABILITIES AND NET POSITION						
Bonds	\$ 9,525	\$ 11,966	\$ 10,761	\$ 8,568	\$ 8,580	\$ 11,831
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	1,476	1,843	1,292	951	1,031	1,771
TOTAL LIABILITIES	11,001	13,809	12,053	9,519	9,611	13,602
NET POSITION	571	442	919	456	9	98
TOTAL LIABILITIES AND NET POSITION	\$ 11,572	\$ 14,251	\$ 12,972	\$ 9,975	\$ 9,620	\$ 13,700
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 356	\$ 446	\$ 527	\$ 350	\$ 297	\$ 425
Interest on Investments	177	208	82	59	46	130
Net Increase (Decrease) in Fair Value of Investments	56	51	(12)	20	101	56
Administration Fees						
Loan Servicing Fees	21	26	32	23	18	27
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	610	731	629	452	462	638
OPERATING EXPENSES						
Interest	524	658	538	381	404	623
Salaries and Benefits						
General Operating	22	27	28	24	22	23
Bond Financing Amort/Early Redemption Write-Offs	12	6	16	12	4	11
Other		3	4	1	1	2
TOTAL OPERATING EXPENSES	558	694	586	418	431	659
OPERATING INCOME/CHANGE IN NET POSITION	52	37	43	34	31	(21)
NET POSITION, Beginning of Period, as restated	519	408	880	423	(21)	121
TRANSFERS		(3)	(4)	(1)	(1)	(2)
NET POSITION, End of Period	\$ 571	\$ 442	\$ 919	\$ 456	\$ 9	\$ 98

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

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Combined Bondholder Trusts, continued (in thousands)

	2003B	2003C	2003D	2003E	2004A	2004B
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 2,414	\$ 1,418	\$ 4,360	\$ 2,875	\$ 2,534	\$ 3,692
Loans	8,762	7,446	7,840	9,754	11,146	10,332
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	98	95	109	110	79	98
Property and Equipment						
Other Assets	108	122	367	271	332	125
TOTAL ASSETS	11,382	9,081	12,676	13,010	14,091	14,247
DEFERRED OUTFLOW OF RESOURCES	1,060	520	1,449	1,270	1,062	1,373
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 12,442	\$ 9,601	\$ 14,125	\$ 14,280	\$ 15,153	\$ 15,620
LIABILITIES AND NET POSITION						
Bonds	\$ 11,113	\$ 8,679	\$ 12,330	\$ 12,673	\$ 13,337	\$ 12,479
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	1,301	650	1,715	1,497	1,284	2,732
TOTAL LIABILITIES	12,414	9,329	14,045	14,170	14,621	15,211
NET POSITION	28	272	80	110	532	409
TOTAL LIABILITIES AND NET POSITION	\$ 12,442	\$ 9,601	\$ 14,125	\$ 14,280	\$ 15,153	\$ 15,620
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 436	\$ 334	\$ 451	\$ 511	\$ 570	\$ 570
Interest on Investments	41	19	133	40	45	10
Net Increase (Decrease) in Fair Value of Investments	(47)	(13)	(54)	14	(31)	(33)
Administration Fees						
Loan Servicing Fees	29	26	27	33	39	36
Multifamily and GARVEE bonds pledged revenues						
Other	4					
TOTAL OPERATING REVENUES	463	366	557	598	623	583
OPERATING EXPENSES						
Interest	539	356	639	620	597	611
Salaries and Benefits						
General Operating	29	29	31	41	35	50
Bond Financing Amort/Early Redemption Write-Offs	13	17	11	15	15	11
Other	-	2	9	3	8	
TOTAL OPERATING EXPENSES	581	404	690	679	655	672
OPERATING INCOME/CHANGE IN NET POSITION	(118)	(38)	(133)	(81)	(32)	(89)
NET POSITION, Beginning of Period, as restated	142	312	222	195	572	498
TRANSFERS	4	(2)	(9)	(4)	(8)	
NET POSITION, End of Period	\$ 28	\$ 272	\$ 80	\$ 110	\$ 532	\$ 409

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

IDAHO HOUSING AND FINANCE ASSOCIATION
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Combined Bondholder Trusts, continued (in thousands)

	2004C	2004D	2005A	2005B	2005C	2005D
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 1,958	\$ 1,911	\$ 2,860	\$ 2,313	\$ 2,720	\$ 3,444
Loans	11,956	14,527	14,221	14,755	14,034	13,229
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	127	136	164	33	39	143
Property and Equipment						
Other Assets	250	213	393	155	110	297
TOTAL ASSETS	14,291	16,787	17,638	17,256	16,903	17,113
DEFERRED OUTFLOW OF RESOURCES	1,284	1,236	1,323	1,367	1,174	1,281
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 15,575	\$ 18,023	\$ 18,961	\$ 18,623	\$ 18,077	\$ 18,394
LIABILITIES AND NET POSITION						
Bonds	\$ 13,791	\$ 16,079	\$ 16,893	\$ 3,079	\$ 4,280	\$ 16,135
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	1,529	1,504	1,621	15,079	13,301	2,270
TOTAL LIABILITIES	15,320	17,583	18,514	18,158	17,581	18,405
NET POSITION	255	440	447	465	496	(11)
TOTAL LIABILITIES AND NET POSITION	\$ 15,575	\$ 18,023	\$ 18,961	\$ 18,623	\$ 18,077	\$ 18,394
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 619	\$ 683	\$ 698	\$ 730	\$ 711	\$ 688
Interest on Investments	43	43	44	46	47	61
Net Increase (Decrease) in Fair Value of Investments	(66)	(59)	(29)	(35)	(31)	(28)
Administration Fees						
Loan Servicing Fees	41	55	51	59	63	58
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	637	722	764	800	790	779
OPERATING EXPENSES						
Interest	654	643	692	622	621	782
Salaries and Benefits						
General Operating	40	46	45	66	50	67
Bond Financing Amort/Early Redemption Write-Offs	19	17	29	10	15	23
Other	11	8	2	7	41	27
TOTAL OPERATING EXPENSES	724	714	768	705	727	899
OPERATING INCOME/CHANGE IN NET POSITION	(87)	8	(4)	95	63	(120)
NET POSITION, Beginning of Period, as restated	353	440	453	377	475	137
TRANSFERS	(11)	(8)	(2)	(7)	(42)	(28)
NET POSITION, End of Period	\$ 255	\$ 440	\$ 447	\$ 465	\$ 496	\$ (11)

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

IDAHO HOUSING AND FINANCE ASSOCIATION
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Combined Bondholder Trusts, continued (in thousands)

	2005E	2005F	2006A	2006B	2006C	2006D
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 2,889	\$ 4,018	\$ 4,324	\$ 5,730	\$ 4,080	\$ 4,055
Loans	16,155	15,277	16,102	15,880	14,536	17,635
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	162	48	70	102	84	69
Property and Equipment						
Other Assets	122	179	120	209	307	251
TOTAL ASSETS	19,328	19,522	20,616	21,921	19,007	22,010
DEFERRED OUTFLOW OF RESOURCES	1,362	1,561	1,530	1,234	1,204	1,463
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 20,690	\$ 21,083	\$ 22,146	\$ 23,155	\$ 20,211	\$ 23,473
LIABILITIES AND NET POSITION						
Bonds	\$ 18,094	\$ 5,320	\$ 7,684	\$ 10,180	\$ 8,711	\$ 7,268
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	2,468	15,447	14,253	12,475	11,286	15,882
TOTAL LIABILITIES	20,562	20,767	21,937	22,655	19,997	23,150
NET POSITION	128	316	209	500	214	323
TOTAL LIABILITIES AND NET POSITION	\$ 20,690	\$ 21,083	\$ 22,146	\$ 23,155	\$ 20,211	\$ 23,473
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 813	\$ 814	\$ 855	\$ 871	\$ 850	\$ 1,014
Interest on Investments	13	79	21	173	37	35
Net Increase (Decrease) in Fair Value of Investments	(29)	(40)	(38)	(37)	(41)	(54)
Administration Fees						
Loan Servicing Fees	66	64	70	75	72	74
Multifamily and GARVEE bonds pledged revenues						
Other				3		
TOTAL OPERATING REVENUES	863	917	908	1,085	918	1,069
OPERATING EXPENSES						
Interest	809	790	794	836	773	837
Salaries and Benefits						
General Operating	90	57	51	73	66	89
Bond Financing Amort/Early Redemption Write-Offs	27	13	9	4	37	31
Other	20	40	89	62	105	99
TOTAL OPERATING EXPENSES	946	900	943	975	981	1,056
OPERATING INCOME/CHANGE IN NET POSITION	(83)	17	(35)	110	(63)	13
NET POSITION, Beginning of Period, as restated	232	340	336	454	386	411
TRANSFERS	(21)	(41)	(92)	(64)	(109)	(101)
NET POSITION, End of Period	\$ 128	\$ 316	\$ 209	\$ 500	\$ 214	\$ 323

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

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Combined Bondholder Trusts, continued (in thousands)

	2006E	2006F	2006G	2007A	2007B	2007C
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 4,093	\$ 6,266	\$ 5,047	\$ 7,124	\$ 6,057	\$ 5,193
Loans	20,370	20,880	21,714	21,942	23,451	25,210
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	229	260	236	198	243	291
Property and Equipment						
Other Assets	1,115	742	504	879	1,518	1,541
TOTAL ASSETS	25,807	28,148	27,501	30,143	31,269	32,235
DEFERRED OUTFLOW OF RESOURCES	1,576	1,432	1,330	1,489	1,568	1,723
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 27,383	\$ 29,580	\$ 28,831	\$ 31,632	\$ 32,837	\$ 33,958
LIABILITIES AND NET POSITION						
Bonds	\$ 25,119	\$ 27,784	\$ 24,901	\$ 24,110	\$ 26,397	\$ 31,625
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	2,048	1,871	3,788	7,368	6,086	2,292
TOTAL LIABILITIES	27,167	29,655	28,689	31,478	32,483	33,917
NET POSITION	216	(75)	142	154	354	41
TOTAL LIABILITIES AND NET POSITION	\$ 27,383	\$ 29,580	\$ 28,831	\$ 31,632	\$ 32,837	\$ 33,958
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 1,149	\$ 1,147	\$ 1,163	\$ 1,194	\$ 1,307	\$ 1,360
Interest on Investments	46	59	52	104	91	80
Net Increase (Decrease) in Fair Value of Investments	(51)	(38)	(31)	(45)	(44)	(51)
Administration Fees						
Loan Servicing Fees	93	117	124	139	123	154
Multifamily and GARVEE bonds pledged revenues						
Other					4	
TOTAL OPERATING REVENUES	1,237	1,285	1,308	1,392	1,481	1,543
OPERATING EXPENSES						
Interest	1,166	1,228	1,089	1,042	1,211	1,439
Salaries and Benefits						
General Operating	89	120	125	149	130	147
Bond Financing Amort/Early Redemption Write-Offs	49	29	39	21	46	50
Other	105	132	128	329	211	190
TOTAL OPERATING EXPENSES	1,409	1,509	1,381	1,541	1,598	1,826
OPERATING INCOME/CHANGE IN NET POSITION	(172)	(224)	(73)	(149)	(117)	(283)
NET POSITION, Beginning of Period, as restated	497	285	347	644	689	520
TRANSFERS	(109)	(136)	(132)	(341)	(218)	(196)
NET POSITION, End of Period	\$ 216	\$ (75)	\$ 142	\$ 154	\$ 354	\$ 41

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

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Combined Bondholder Trusts, continued (in thousands)

	2007D	2007E	2007F	2007G	2007H	2007I
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 7,361	\$ 9,400	\$ 12,591	\$ 11,360	\$ 11,876	\$ 8,314
Loans	30,619	36,114	47,141	45,885	50,319	39,857
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	290	347	468	471	925	423
Property and Equipment						
Other Assets	1,834	2,059	3,604	3,066	3,072	2,172
TOTAL ASSETS	40,104	47,920	63,804	60,782	66,192	50,766
DEFERRED OUTFLOW OF RESOURCES	1,994	2,487	3,669	4,334	4,666	3,153
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 42,098	\$ 50,407	\$ 67,473	\$ 65,116	\$ 70,858	\$ 53,919
LIABILITIES AND NET POSITION						
Bonds	\$ 33,617	\$ 42,565	\$ 61,447	\$ 56,901	\$ 63,990	\$ 50,194
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	8,276	8,066	4,957	7,657	6,939	3,891
TOTAL LIABILITIES	41,893	50,631	66,404	64,558	70,929	54,085
NET POSITION	205	(224)	1,069	558	(71)	(166)
TOTAL LIABILITIES AND NET POSITION	\$ 42,098	\$ 50,407	\$ 67,473	\$ 65,116	\$ 70,858	\$ 53,919
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 1,715	\$ 2,034	\$ 2,805	\$ 2,729	\$ 2,915	\$ 2,277
Interest on Investments	69	135	118	240	235	185
Net Increase (Decrease) in Fair Value of Investments	(58)	(83)	(129)	(173)	(178)	(86)
Administration Fees						
Loan Servicing Fees	189	220	293	272	275	223
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	1,915	2,306	3,087	3,068	3,247	2,599
OPERATING EXPENSES						
Interest	1,566	1,917	2,704	2,777	3,119	2,507
Salaries and Benefits						
General Operating	200	233	333	300	315	260
Bond Financing Amort/Early Redemption Write-Offs	56	58	65	141	101	56
Other	262	541	37	7	7	115
TOTAL OPERATING EXPENSES	2,084	2,749	3,139	3,225	3,542	2,938
OPERATING INCOME/CHANGE IN NET POSITION	(169)	(443)	(52)	(157)	(295)	(339)
NET POSITION, Beginning of Period, as restated	646	780	1,160	722	231	292
TRANSFERS	(272)	(561)	(39)	(7)	(7)	(119)
NET POSITION, End of Period	\$ 205	\$ (224)	\$ 1,069	\$ 558	\$ (71)	\$ (166)

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

IDAHO HOUSING AND FINANCE ASSOCIATION
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Combined Bondholder Trusts, continued (in thousands)

	2007J	2007K	2008A	2008B	2008C	2008D
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 12,018	\$ 8,614	\$ 9,945	\$ 9,080	\$ 11,303	\$ 5,193
Loans	49,601	42,149	41,722	42,501	40,225	23,637
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	518	409	22	288	445	291
Property and Equipment						
Other Assets	1,814	2,237	694	1,210	1,222	184
TOTAL ASSETS	63,951	53,409	52,383	53,079	53,195	29,305
DEFERRED OUTFLOW OF RESOURCES	3,844	3,122	2,761	2,597	2,113	489
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 67,795	\$ 56,531	\$ 55,144	\$ 55,676	\$ 55,308	\$ 29,794
LIABILITIES AND NET POSITION						
Bonds	\$ 62,025	\$ 50,077	\$ 25,952	\$ 26,037	\$ 53,164	\$ 29,617
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	5,798	6,705	28,575	29,903	2,647	2,869
TOTAL LIABILITIES	67,823	56,782	54,527	55,940	55,811	32,486
NET POSITION	(28)	(251)	617	(264)	(503)	(2,692)
TOTAL LIABILITIES AND NET POSITION	\$ 67,795	\$ 56,531	\$ 55,144	\$ 55,676	\$ 55,308	\$ 29,794
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 2,809	\$ 2,301	\$ 2,308	\$ 2,362	\$ 2,435	\$ 1,359
Interest on Investments	409	172	141	163	188	101
Net Increase (Decrease) in Fair Value of Investments	(100)	(72)	(131)	(147)	(154)	(124)
Administration Fees						
Loan Servicing Fees	265	226	157	196	145	84
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	3,383	2,627	2,475	2,574	2,614	1,420
OPERATING EXPENSES						
Interest	3,127	2,329	2,260	2,293	2,603	1,567
Salaries and Benefits						
General Operating	243	219	119	165	146	251
Bond Financing Amort/Early Redemption Write-Offs	77	50	45	55	59	95
Other	112	105	36	68	61	3
TOTAL OPERATING EXPENSES	3,559	2,703	2,460	2,581	2,869	1,916
OPERATING INCOME/CHANGE IN NET POSITION	(176)	(76)	15	(7)	(255)	(496)
NET POSITION, Beginning of Period, as restated	265	(65)	639	(186)	(203)	(2,193)
TRANSFERS	(117)	(110)	(37)	(71)	(45)	(3)
NET POSITION, End of Period	\$ (28)	\$ (251)	\$ 617	\$ (264)	\$ (503)	\$ (2,692)

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

IDAHO HOUSING AND FINANCE ASSOCIATION
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Combined Bondholder Trusts, continued (in thousands)

	2009A	2009B	2009C	2009 1	2010A	1994 A and B
	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Single- Family Mortgage Bond	Multifamily Housing Revenue Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents					\$ 8	
Investments			\$ 2,932	\$ 154,232	2,120	\$ 13,429
Loans			32,282		28,231	11,701
GARVEE highway project costs receivable, net						
Deferred Bond Financing Costs	\$ 864	-	475	304	231	173
Property and Equipment						
Other Assets	90,511	\$ 89,211	6	-	-	6
TOTAL ASSETS	91,375	89,211	35,695	154,536	30,590	25,309
DEFERRED OUTFLOW OF RESOURCES						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 91,375	\$ 89,211	\$ 35,695	\$ 154,536	\$ 30,590	\$ 25,309
LIABILITIES AND NET POSITION						
Bonds	\$ 93,085	\$ 93,496	\$ 35,613	\$ 154,122	\$ 30,478	\$ 16,000
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	7	7	5	464	255	
TOTAL LIABILITIES	93,092	93,503	35,618	154,586	30,733	16,000
NET POSITION	(1,717)	(4,292)	77	(50)	(143)	9,309
TOTAL LIABILITIES AND NET POSITION	\$ 91,375	\$ 89,211	\$ 35,695	\$ 154,536	\$ 30,590	\$ 25,309
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans			\$ 1,448		\$ 550	\$ 921
Interest on Investments	-	-	89		53	117
Net Increase (Decrease) in Fair Value of Investments			(80)		(158)	(13)
Administration Fees						
Loan Servicing Fees			105		43	
Multifamily and GARVEE bonds pledged revenues						
Other	\$ 43	\$ 52				94
TOTAL OPERATING REVENUES	43	52	1,562	-	488	1,119
OPERATING EXPENSES						
Interest	575	2,034	1,357	\$ 22	569	1,058
Salaries and Benefits						
General Operating	-	-	97	11	58	
Bond Financing Amort/Early Redemption Write-Offs	150	(42)	10	13	4	17
Other						
TOTAL OPERATING EXPENSES	725	1,992	1,464	46	631	1,075
OPERATING INCOME/CHANGE IN NET POSITION	(682)	(1,940)	98	(46)	(143)	44
NET POSITION, Beginning of Period, as restated	(1,035)	(2,352)	(21)	(4)		9,265
TRANSFERS						
NET POSITION, End of Period	\$ (1,717)	\$ (4,292)	\$ 77	\$ (50)	\$ (143)	\$ 9,309

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

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Combined Bondholder Trusts (in thousands)

	Blue Meadow 1998A-FHA Insured Housing Revenue Bond	Mallard Pointe GNMA Collateralized Housing Revenue Bond	Balmoral Variable Rate Demand Housing Revenue Bond	Balmoral II Variable Rate Demand Housing Revenue Bond	Falls Creek Variable Rate Demand Housing Revenue Bond	2006 Grant and Revenue Anticipation Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	\$ 883	\$ 4,551			\$ 82	\$ 532
Loans	8,212	73	\$ 5,420	\$ 3,937	7,792	
GARVEE highway project costs receivable, net						118,908
Deferred Bond Financing Costs	50			254	545	1,653
Property and Equipment						
Other Assets	45		1	129	49	21,203
TOTAL ASSETS	9,190	4,624	5,421	4,320	8,468	142,296
DEFERRED OUTFLOW OF RESOURCES						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 9,190	\$ 4,624	\$ 5,421	\$ 4,320	\$ 8,468	\$ 142,296
LIABILITIES AND NET POSITION						
Bonds	\$ 8,843	\$ 4,484	\$ 5,421	\$ 4,320	\$ 8,460	\$ 141,953
Commercial Paper						
Escrow and Project Reserve Deposits						
Other Liabilities	347	140		-	8	343
TOTAL LIABILITIES	9,190	4,624	5,421	4,320	8,468	142,296
NET POSITION	-	-	-	-	-	-
TOTAL LIABILITIES AND NET POSITION	\$ 9,190	\$ 4,624	\$ 5,421	\$ 4,320	\$ 8,468	\$ 142,296
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	\$ 459		\$ 16	\$ 12	\$ 568	
Interest on Investments	29	\$ 263				
Net Increase (Decrease) in Fair Value of Investments		33				
Administration Fees						
Loan Servicing Fees						
Multifamily and GARVEE bonds pledged revenues	(18)	(21)	7	8	(48)	\$ 6,332
Other	-	-	-	13	28	-
TOTAL OPERATING REVENUES	470	275	23	33	548	6,332
OPERATING EXPENSES						
Interest	458	267	16	12	498	6,427
Salaries and Benefits						
General Operating	9	8	7	8	28	27
Bond Financing Amort/Early Redemption Write-Offs	3			13	22	(122)
Other	-					
TOTAL OPERATING EXPENSES	470	275	23	33	548	6,332
OPERATING INCOME/CHANGE IN NET POSITION	-	-	-	-	-	-
NET POSITION, Beginning of Period, as restated	-	-	-	-	-	-
TRANSFERS						
NET POSITION, End of Period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

IDAHO HOUSING AND FINANCE ASSOCIATION

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Combined Bondholder Trusts (in thousands)

	2008A Grant and Revenue Anticipation Bond	2009A Grant and Revenue Anticipation Bond	2010A Grant and Revenue Anticipation Bond	Combined Bondholder Trusts (2)
Statement of Net Position				
ASSETS				
Cash and Cash Equivalents				\$ 11
Investments	\$ 587	\$ 13,262	\$ 63,445	549,253
Loans				1,139,427
GARVEE highway project costs receivable, net	148,320	147,231	16,942	431,401
Deferred Bond Financing Costs	2,112	1,294	766	18,976
Property and Equipment				-
Other Assets	19,257	12,247	6,025	275,673
TOTAL ASSETS	170,276	174,034	87,178	2,414,741
DEFERRED OUTFLOW OF RESOURCES				85,489
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	\$ 170,276	\$ 174,034	\$ 87,178	\$ 2,500,230
LIABILITIES AND NET POSITION				
Bonds	\$ 170,276	\$ 174,034	\$ 87,178	\$ 2,172,515
Commercial Paper				-
Escrow and Project Reserve Deposits				-
Other Liabilities	-	-	-	282,425
TOTAL LIABILITIES	170,276	174,034	87,178	2,454,940
NET POSITION	-	-	-	45,290
TOTAL LIABILITIES AND NET POSITION	\$ 170,276	\$ 174,034	\$ 87,178	\$ 2,500,230
Statement of Revenues, Expenses and Changes in Net Position				
OPERATING REVENUES				
Interest on Loans				\$ 63,374
Interest on Investments		\$ 1,333	\$ 658	9,520
Net Increase (Decrease) in Fair Value of Investments				(3,367)
Administration Fees				-
Loan Servicing Fees				5,019
Multifamily and GARVEE bonds pledged revenues	\$ 7,786	6,390	4,223	24,659
Other	-	-	-	241
TOTAL OPERATING REVENUES	7,786	7,723	4,881	99,446
OPERATING EXPENSES				
Interest	7,908	7,872	4,855	95,764
Salaries and Benefits				-
General Operating	34	36	20	5,527
Bond Financing Amort/Early Redemption Write-Offs	(156)	(185)	6	1,494
Other				3,036
TOTAL OPERATING EXPENSES	7,786	7,723	4,881	105,821
OPERATING INCOME/CHANGE IN NET POSITION	-	-	-	(6,375)
NET POSITION, Beginning of Period, as restated	-	-	-	54,784
TRANSFERS				(3,119)
NET POSITION, End of Period	\$ -	\$ -	\$ -	\$ 45,290

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