Idaho Housing
and Finance
Association
www.ihfa.org

Audit Report as of
June 30, 2012 and 2011

EideBailly
CPAs & BUSINESS ADVISORS

Independent Auditor's 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, 2012 and 2011, which collectively comprise the Idaho Housing and Finance Association's basic financial statements. 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, 2012 and 2011, and the respective changes in financial position and cash flows, thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the financial statements, the Idaho Housing and Finance Association early implemented GASB No. 65, *Items Previously Reported as Assets and Liabilities* and GASB No. 66, *Technical Corrections – 2012.*

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. The supplementary financial information on pages 63 through 86 is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Eide Bailly LLP

Boise, Idaho
October 5, 2012

IDAHO HOUSING AND FINANCE ASSOCIATION
Management's Discussion and Analysis

June 30, 2012

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, 2012 and 2011.

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 mortgage revenue bonds to assist in financing both single-family and multifamily affordable housing projects in Idaho. The Association also issues bonds to finance nonprofit facilities, economic development projects and road improvements throughout the State of Idaho.

Financial Highlights

On an overall basis, the Association's net position increased while net assets decreased. This dichotomy reflects positive operating earnings and investment fair value changes (affecting net position) offset primarily by interest swap contract liability fair value changes (affecting net assets). The Association's asset base decreased modestly with declines in loans held for investment, investments at fair value, and real estate-owned (REO) mortgage receivable offset by increases in cash, loans available for sale, and receivables from state and federal government highway and employment security trusts. Liabilities also declined modestly with decreases in outstanding bond debt mostly offset by increases in interest rate swap contract fair values and other liabilities (receipt of pre-due date mortgage payments and non-loan loss provisions). Operating revenues increased reflecting increases in loan sale gains, loan servicing fees, contract and grant program revenue (reported as other revenue) and administration fees. Operating expenses decreased reflecting a decrease in actual and provisioned loan losses netted with an increase in loan acquisition costs and bond financing costs. Nonoperating revenues and expenses decreased while the fair value of investments increased.

The financial highlights of the Association as of June 30, 2012 compared to June 30, 2011 are as follows:

- Total net position, after fair market value and federal pass-through adjustments, increased $16.72 million or 8.37%.
- Total net position, before fair market value and federal pass-through adjustments, increased $6.79 million or 3.40%.
- Net assets, after fair market value and federal pass-through adjustments, decreased $14.31 million or 14.73%
- Total assets decreased $22.66 million or .93%
- Total deferred outflow of resources increased $31.02 million or 36.09%
- Total liabilities decreased $8.35 million or .36%
- Cash and investments decreased $121.26 million or 17.28%
- Loans held for investment decreased $178.64 million or 15.21%
- Loans held for sale increased $32.02 million or 127.44%
- Government highway and security employment trusts receivables increased $256.94 million or 51.84%
- REO mortgage receivable decreased $11.18 million or 35.26%
- Bonds payable decreased $44.73 million or 2.06%
- Interest rate swap contracts' fair value increased $30.36 million or 35.51%
- Other liabilities increased $6.29 million or 46.84%
- Gain on loan sales increased $8.35 million or 273.27%
- Loan servicing fees increased $1.09 million or 12.94%
- Contract and grant administration revenues increased $1.01 million or 17.37%
- Other revenue (contract program revenue) increased $4.53 million or 223.35%

- ➢ Loan acquisition cost expense increased $3.66 million or 60.35%
- ➢ General operating expense increased $.19 million or 4.10%
- ➢ Bond financing cost expense increased $1.39 million or 311.91%
- ➢ Provision for loan loss decreased $10.46 million or 64.47%
- ➢ Losses on real-estate property (not charged to loss provision) decreased $3,230 or 83.55%
- ➢ Fair value of investments increased $13.84 million
- ➢ Federal pass-through revenues decreased $7.69 million or 12.67%
- ➢ Federal pass-through expenses decreased $7.17 million or 11.88%

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 difficult financial and weak economic environment. The following four significant factors---present for the last four fiscal years---continue to characterize and impact the Association's financial results:

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 improvement in its loan production and secondary marketing activities, generating positive results in gains on loan sales---offset by smaller increases in loan acquisition expense, increasing loan servicing revenues, and improving the Association's cash position.

While the Association never participated in the market for subprime or other exotic loans in the 2004 to 2007 period, weak economic conditions continue to contribute to a disrupted housing market, resulting in continued loan loss charges for the Association, albeit at a significantly lower rate than in fiscal year 2011. 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. Short sales were a significant component---due to increased volume---contributing to higher loan charge-offs while reducing REO inventory (reflected as a decrease in other assets).

Loan and REO loss provisioning considers significantly loans delinquent 120 days and beyond. The loan loss provision estimate for fiscal year 2011 included an expectation that delinquencies of this age category would continue but to a lesser degree in subsequent years. At the end of fiscal year 2012, the loan amount of this category did decline from the 2011 level but not to the extent expected. As such, the loan loss provision estimate was revised to reflect this experience, resulting in additional provisioning.

The Association's mortgage revenue 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 liquidity support costs 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. The Association is working to reduce its participation in the TCLP program prior to the expiration of the TCLP program in December 2015. The Association is working on a number of market alternatives that would reduce the amount of outstanding variable rate demand obligations and reduce the need for liquidity support for such variable rate bonds.

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. This has led to a steady decline in loans held for investment and an increase in loans available for sale.

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 2013 loan production to be higher than 2012, 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, legal, and mortgage-lending environments but continued loan portfolio stability. The Association has provisioned for non-loan losses on certain legacy transactions associated with its administration of its loans held for investment. 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.

In fiscal year 2011, the Association saw and experienced all-time historically low market interest rates and yields. As mentioned earlier, the primary impact of these rates has been to disrupt the Association from issuing debt, the immediate financial effect to the Association in fiscal year 2012 is a significant increase in the fair value on interest rate swap contracts and an increase in the fair value of investments.

Investments at fair value declined reflecting use in paying down outstanding Association single family debt and in paying highway construction costs funded by GARVEE bonds.

The Association issued $187,570 million, at par, in bonds on behalf of the State of Idaho to repay advances from the United States federal government used by the State to pay unemployment benefits. Along with an issuance premium and an increase in investments being used to pay highway construction costs, receivables from government trust accounts increased. Bond financing cost expense increased from fiscal year 2011 as a result of this transaction.

The Association implemented the State Small Business Credit Initiative (SSBCI), a U.S. Treasury program designed to aid small business development by providing liquid collateral to qualified businesses, with bona fide but market-conditioned, distressed collateral, to be used in securing bank loans and lines of credit. The Treasury fronted $4.35 million to fund this program, which is reflected as an increase from fiscal year 2011 of other revenue.

Additionally, the Association earned revenue for administrating this program and the Emergency Homeowner Loan Program (EHLP), and earned additional revenue from a higher administrative fee rate structure for administering the Section 8 Housing Choice Voucher (HCV) program, all of which is reflected as an increase from fiscal year 2011 in contracts and grant administration fees

The Association's net assets declined in fiscal year 2012 due to an increase in the fair value of interest rate swap contracts. Net position, generated from operating and nonoperating revenues, increased.

The Association adopted accounting standards that modify the Association's reporting model by redefining loan acquisition and bond financing costs as outflow of resources or expenses rather than as amortizable assets or future economic benefits, resulting in prior year restatement and a cumulative decrease in net position of $44.20 million.

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 the 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.

See the financial analysis section of this Management’s Discussion and Analysis 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, 2012, 2011, and 2010 as well as the changes in net income.

As of June 30, (in thousands)	2012 Balance	2012 % Change from prior period	2011 Balance	2011 % Change from prior period	2010 Balance
Cash and Cash Equivalents	$ 47,896	39.10%	$ 34,434	7.57%	$ 32,011
Investments, fair value	532,509	(20.19%)	667,231	(13.65%)	772,743
Loans held for investment, net	995,940	(15.21%)	1,174,582	(10.52%)	1,312,679
Loans available for sale	57,143	127.44%	25,124		63,041
GARVEE highway project cost receivable, net	547,227	10.41%	495,616	40.08%	353,820
Employment security fund receivable	205,331				
Property and Equipment	6,272	(3.49%)	6,499	(3.10%)	6,707
Other Assets	24,604	(31.83%)	36,094	(70.41%)	121,989
Loan acquisition costs	1,128	141.54%	467		
Interest rate swap contracts	115,848	35.51%	85,489		97,272
Total Assets and Deferred Outflow	$ 2,533,898	0.33%	$ 2,525,536	(8.50%)	$ 2,760,262
Bonds	$ 2,127,359	(2.06%)	$ 2,172,091	(8.08%)	$ 2,363,001
Commercial Paper	50,000	0.00%	50,000	0.00%	50,000
Swap contract fair value liability	115,848	35.51%	85,489	(12.11%)	97,272
Interest payable-swap contract	13,350	(2.38%)	13,676	21.34%	11,271
Escrow and Project Reserve Deposits	7,850	0.67%	7,798	(9.43%)	8,610
Other Liabilities	19,731	46.84%	13,437	(20.50%)	16,901
Total Liabilities	$ 2,334,138	(0.36%)	$ 2,342,491	(8.03%)	$ 2,547,055
Invested in capital assets, net of related debt	$ 6,272	(3.49%)	$ 6,499	(3.10%)	$ 6,707
Bond funds	145,448	3.27%	140,843	(8.41%)	153,774
Section 8 voucher HAP fund	1,398	12.29%	1,245	65.78%	751
Unrestricted	46,642	35.36%	34,458	(33.70%)	51,975
Total Net Position	$ 199,760	9.13%	$ 183,045	(14.15%)	$ 213,207
Interest on Loans	$ 60,942	(10.91%)	$ 68,403	(10.39%)	$ 76,333
Government and multifamily trusts' pledged revenues	29,398	19.22%	24,659	25.91%	19,585
Interest on Investments	10,124	(11.79%)	11,477	(37.15%)	18,261
Loan servicing fees	9,523	12.94%	8,432	(2.68%)	8,664
Contract and grant administration fees	6,798	17.37%	5,792	7.36%	5,395
Gains on loan sales	11,411	273.27%	3,057	112.00%	1,442
Other	6,551	223.35%	2,026	12.74%	1,797
Total Revenues	134,747	8.80%	123,846	(5.80%)	131,477
Interest	94,245	(1.19%)	95,381	(7.90%)	103,558
Salaries and benefits	9,525	7.88%	8,829	4.89%	8,417
Loan acquisition costs	9,727	60.35%	6,066	(28.91%)	8,533
General operating	4,749	4.10%	4,562	4.08%	4,383
Bond financing costs	1,833	311.91%	445	(85.10%)	2,987
Grants to others	1,040	34.89%	771	4.90%	735
Losses on real estate-owned property	636	(83.55%)	3,866	67.80%	2,304
Provision for loan loss	5,765	(64.47%)	16,228	352.54%	3,586
Other	438	(14.62%)	513	(27.13%)	704
Total Expenses	127,958	(6.37%)	136,661	1.08%	135,207
Operating income/(loss)	6,789	(152.98%)	(12,815)	243.57%	(3,730)
Net increase (decrease) in Fair value of investments	10,081	(368.11%)	(3,760)	(163.33%)	5,937
Federal pass-through revenues	53,016	(12.67%)	60,710	(14.14%)	70,707
Federal pass-through expenses	(53,171)	(11.88%)	(60,342)	(15.99%)	(71,826)
Total non-operating revenues and expenses	9,926	(392.63%)	(3,392)	(170.40%)	4,818
Increase/(decrease) in net position	$ 16,715	(203.13%)	$ (16,207)	(1589.61%)	$ 1,088

The Association's total Net Position at June 30, 2012 included $6,272,000 Invested in Capital Assets, Net of Related Debt; $146,846,000 in Restricted Net Position; and $46,642,000 in Unrestricted Net Position, of which $8,516,000 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*.

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 $6.27 million (net of accumulated depreciation), a decrease of 3.49%. 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 $44.73 million or 2.06% during the last year to $2,127.36 million. The Association issued $72.93 million in GARVEE transportation bonds and $187.57 million in Unemployment Employment bonds in fiscal year 2012.

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 and servicing 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 and servicing 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,		2012		2011
		(in thousands)		
Assets				
Cash and cash equivalents	$	47,896	$	34,434
Investments, fair value		532,509		667,231
Loans held for investment, net		995,940		1,174,582
Loans available for sale		57,143		25,124
GARVEE highway project costs receivable, net		547,227		495,616
Employment security reserve fund receivable		205,331		
Property and equipment		6,272		6,499
Other assets		24,604		36,094
Total Assets		2,416,922		2,439,580
Deferred Outflow of Resources				
Loan acquisition costs	$	1,128	$	467
Interest rate swap contracts		115,848		85,489
Total Deferred Outflow of Resources		116,976		85,956
Total Assets and Deferred Outflow of Resources	$	2,533,898	$	2,525,536
Liabilities				
Bonds	$	2,127,359	$	2,172,091
Commercial paper		50,000		50,000
Swap contract fair value liability		115,848		85,489
Interest payable-swap contract		13,350		13,676
Escrow and project reserve deposits		7,850		7,798
Other liabilities		19,731		13,437
Total Liabilities		2,334,138		2,342,491
Net Position				
Invested in capital assets, net of related debt		6,272		6,499
Restricted:				
Bond funds		145,448		140,843
Section 8 voucher HAP fund		1,398		1,245
Unrestricted		46,642		34,458
Total Net Position		199,760		183,045
Total Liabilities and Net Position	$	2,533,898	$	2,525,536

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,	2012	2011
	(in thousands)	
Operating revenues		
Interest on loans	$ 60,942	$ 68,403
Government and multifamily trusts' pledged revenues	29,398	24,659
Interest on investments	10,124	11,477
Loan servicing fees	9,523	8,432
Contract and grant administration fees	6,798	5,792
Gains on loan sales	11,411	3,057
Other	6,551	2,026
Total operating revenues	134,747	123,846
Operating expenses		
Interest	94,245	95,381
Salaries and benefits	9,525	8,829
Loan acquisition costs	9,727	6,066
General operating	4,749	4,562
Bond financing costs	1,833	445
Grant to others	1,040	771
Losses on real estate-owned property	636	3,866
Provision for loan loss	5,765	16,228
Other	438	513
Total operating expenses	127,958	136,661
Operating income (loss)	6,789	(12,815)
Nonoperating revenues and expenses		
Net increase (decrease) in fair value of investments	10,081	(3,760)
Federal pass-through revenues	53,016	60,710
Federal pass-through expenses	(53,171)	(60,342)
Total nonoperating revenues and expenses	9,926	(3,392)
Increase (Decrease) in Net Position	16,715	(16,207)
Net Position		
Net Position-beginning of year	183,045	243,450
Cumulative effect of change in Accounting Principle		(44,198)
Net Position-beginning of year, restated	183,045	199,252
Net Position-end of year	$ 199,760	$ 183,045

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,	2012	2011
	(in thousands)	
Cash flows from operating activities		
Receipts from customers, loan interest, and fees	$ 214,365	$ 192,213
Loan principal payments	131,932	131,411
Loan sales	435,409	332,612
Loan origination costs/Service release premiums	(9,727)	(6,066)
Interest paid	(91,595)	(97,323)
Payments to suppliers	(9,956)	(12,333)
Payments for transportation program costs	(73,459)	(125,934)
Payments for federal government	(202,402)	
Payments for loans available for sale	(468,335)	(323,379)
Payments to employees for services and benefits	(9,525)	(8,826)
Loan principal additions	(9,746)	(3,130)
Net cash provided (used) by operating activities	(93,039)	79,245
Cash flows from noncapital financing activities		
Deferred bond financing cost	(7,078)	(205)
Bond and commercial paper payments	(578,462)	(501,480)
Bond and commerical paper issued	538,384	315,100
Federal pass-through revenues	53,016	60,710
Federal pass-through expenses	(53,171)	(60,342)
Net cash provided (used) by noncapital financing activities	(47,311)	(186,217)
Cash flows from capital and related financing activities		
Acquisition and construction of capital assets	(320)	(304)
Net cash provided (used) by capital and related financing activities	(320)	(304)
Cash flows from investing activities		
Investment purchases	(1,540,316)	(1,138,421)
Investment redemptions	1,686,747	1,238,611
Investment income	7,701	9,509
Net cash provided (used) by investing activities	154,132	109,699
Net Increase/(Decrease) in Cash	13,462	2,423
Cash and cash equivalents, beginning of year	34,434	32,011
Cash and cash equivalents, end of year	$ 47,896	$ 34,434

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,	2012	2011
	(in thousands)	
Reconciliation of net operating revenues (expenses) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 6,789	$ (12,815)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities		
Loan principal received	131,932	131,411
Loans issued	(9,746)	(3,130)
Loan origination costs/Service release premiums	(9,727)	(6,066)
Decrease (increase) in interest receivable	1,502	772
Depreciation and other amortization	547	2,006
Increase (decrease) in interest payable	2,422	(1,002)
Interest on investments	(10,124)	(11,477)
Decrease (increase) in GARVEE highway project costs receivable, net	(21,981)	(77,581)
Decrease (increase) in employment security reserve fund receivable	(205,331)	
Decrease (increase) in other assets	13,731	54,713
Increase (decrease) in accounts payable and other liabilities	6,948	2,412
Increase (decrease) in deposits	(1)	2
Total adjustments	(99,828)	92,060
Net cash provided (used) by operating activities	$ (93,039)	$ 79,245

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,		2011		2010
ASSETS				
Cash	$	1,834,149	$	2,109,064
Investments		2,098,496		1,399,790
Escrow and Reserve Deposits		1,321,749		1,539,611
Receivables		262,249		179,307
Prepaid Expenses		159,985		145,111
Neighborhood Stabilization Homes Held for Sale		630,166		318,929
Land		4,449,116		4,386,034
Buildings and Equipment (net of accumulated depreciation)		32,198,594		33,314,439
Financing Costs and Other (net of accumulated amortization)		304,047		316,310
	$	43,258,551	$	43,708,595
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts Payable and Accrued Liabilities	$	270,100	$	275,782
Neighborhood Stabilization Liability		483,704		318,929
Interest Payable		154,016		142,671
Real Estate Taxes Payable		369,068		351,468
Mortgages and Notes Payable		25,519,477		25,019,155
Security Deposits Payable		285,451		272,278
		27,081,816		26,380,283
NET ASSETS, UNRESTRICTED				
Controlling Interests		6,041,471		6,111,520
Non Controlling Interests		10,135,264		11,216,792
LIABILITIES AND NET ASSETS	$	43,258,551	$	43,708,595

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

For the Years ended December 31,	2011	2010
REVENUES		
Tenant Rents	$ 4,312,849	$ 4,192,298
Housing Assistance Payments	2,657,159	2,716,023
Interest	29,813	33,291
Developer Fees	168,927	102,371
Forgiveness of Debt on Tax Credit Exchange Loan	310,605	0
Other	228,635	234,032
TOTAL REVENUES	$ 7,707,988	$ 7,278,015
EXPENSES		
Administrative	$ 2,220,500	$ 2,074,405
Utilities and Maintenance	2,156,485	1,937,489
Real Estate Taxes and Insurance	962,122	911,365
Depreciation and Amortization	2,399,522	2,273,481
Interest	1,105,936	1,150,060
TOTAL EXPENSES	$ 8,844,565	$ 8,346,800
SUBTOTAL	(1,136,577)	(1,068,785)
Loss on Sale of Land		(234,080)
DECREASE IN NET ASSETS BEFORE NONCONTROLLING INTERESTS	$ (1,136,577)	$ (1,302,865)
Minority Interest in Partnership Losses	1,066,528	1,182,336
INCREASE (DECREASE) IN NET ASSETS	$ (70,049)	$ (120,529)

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

For the Years ended December 31,	2011	2010
Cash Flows from Operating Activities:		
Decrease in Net Assets	$ (70,049)	$ (120,529)
Adjustments for Non-cash Items:		
Depreciation and Amortization	2,399,522	2,273,481
Non-Controlling Interest in Partnership Losses	(1,066,528)	(1,182,336)
Loss in Disposal of Assets	25,227	244,507
Write off Financing and Organization Costs	5,333	
Loan Forgiveness on Tax Credit Exchange Funds	(310,605)	
Changes in Assets and Liabilities:		
Increase in Receivables	(34,057)	(46,350)
Increase in Prepaid Expenses	(14,874)	(4,479)
(Decrease) in Accounts Payable and Accrued Liabilities	(5,682)	(70,942)
Increase in Interest Payable	11,345	2,707
Increase in Real Estate Taxes Payable	17,600	12,328
Increase in Other Liabilities	13,173	11,445
CASH PROVIDED FROM OPERATING ACTIVITIES	970,405	1,119,832
Cash Flows from Investing Activities:		
Purchase of Land	(63,082)	(12,773)
Proceeds from Sale of Land or Building		100,000
Purchases of Building and Equipment	(919,040)	(5,064,526)
Cost to Rehabilitate Homes Purchased with NSP and HOME funds	(110,207)	
Payment of Financing Costs and Pre-Development Costs	(7,934)	(33,754)
Purchase of Investments	(3,798,706)	(1,649,790)
Sales of Investments	3,100,000	1,300,000
Decrease in Escrow and Reserve Deposits	217,862	137,792
CASH USED FOR INVESTING ACTIVITIES	(1,581,107)	(5,223,051)
Cash Flows from Financing Activities:		
Principal Payments on Mortgages or Notes Payable	(1,197,560)	(940,833)
Additions to Mortgages or Notes Payable	1,548,347	4,874,015
Equity Distributions	(15,000)	(15,000)
CASH PROVIDED FROM FINANCING ACTIVITIES	335,787	3,918,182
DECREASE IN CASH	(274,915)	(185,037)
CASH, BEGINNING OF PERIOD	2,109,064	2,294,101
CASH, END OF PERIOD	$ 1,834,149	$ 2,109,064

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 adopt 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.

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 collectability of receivables, determining the recoverability on other real estate owned property, 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.

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, 2012. The Association does not have a formal deposit policy for custodial credit risk. Restricted cash as of June 30, 2012 consists of $1,925,000 in the Section 8 Housing Choice Voucher program fund.

F. Deferred Bond Financing Costs/Bond Financing Cost Expense

Prior to implementation of GASB Statement No. 65, costs of issuing bonds were capitalized in the respective bond accounts and amortized over the term of the bonds. During the year ended June 30, 2011, $445,000 of financing costs was capitalized. With implementation of Statement No. 65, bond financing costs are expensed in the current reporting period in an eponymous reporting classification. Fiscal year 2011 bond financing cost expense has been recognized and the Statement of Revenues, Expenses, and Changes in Net Position (SRECNP) has been restated to reflect this change. Cumulative effect of change in accounting principle of $14.146 million to decrease net position reflects the amount of capitalized costs incurred prior to fiscal year 2011 and derecognized in fiscal year 2012.

G. Loan Acquisition Costs/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. Prior to implementation of Statement No. 65, discounts and commitment fees, net of certain related costs, and classified as a deferred origination fee or servicing right were deferred and amortized over the lives of the loans. With implementation of Standard No. 65, these costs have been reclassified as loan acquisition costs. The costs are initially deferred as a deferred outflow of a resource and then expensed when a loan is either sold or identified as held for investment. Fiscal year 2011 loan acquisition cost expense has been recognized and the SRECNP has been restated to reflect this change. Cumulative effect of change in accounting principle of $30.052 million to decrease net position reflects the amount of capitalized costs incurred prior to fiscal year 2011 and derecognized in fiscal year 2012.

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, 2012 and 2011 was $547,000 and $512,000, respectively. Property and equipment are presented in the Statement of Net Position, net of accumulated depreciation of $8,859,000 and $8,499,000 at June 30, 2012 and 2011, respectively.

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 $400,000. 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 $11,112,500. 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. The Association has established an allowance for loan loss and REO activity in the Affordable Housing Investment Trust for Association down-payment assistance loans not recoverable due to the loss on an Association-held primary loan. The Association estimates that amount to be $600,000.

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, 2012 and 2011, the Association had $50,000,000 of commercial paper outstanding maturing in 1 to 77 and 1 to 119 days from date of issue, respectively, with weighted average interest rates of .47899% and .40699%, 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 $145,448,000 and $140,843,000 at June 30, 2012 and 2011, respectively, are restricted by bond indentures and programmatic requirements; approximately $37,762,000 $38,192,000 at June 30, 2012 and 2011, respectively, are designated by the Board for programmatic uses in connection with the Affordable Housing Investment Trust; and the remaining balances of $14,788,000 and $12,620,000 held in the General Operating Account at June 30, 2012 and 2011, include $6,272,000 and

2. Summary of Significant Accounting Policies, continued

M. Net Position, continued

$6,499,000, respectively, invested in capital assets, net of related debt and $8,516,000 and $6,121,000, respectively, unrestricted and available for general operations of the Association. When an expense is incurred that can be paid using either restricted or unrestricted resources, 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.

During fiscal year 2011, 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. Also during fiscal year 2011, 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 primary 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 no longer reported and replaced by net position.

During fiscal year 2012, the Association implemented GASB Statement No. 65*, Items Previously Reported as Assets and Liabilities*, which applied GASB accounting concepts characteristics of deferred outflow of resources to the Association loan origination and bond financing costs. In essence, under these concepts, an asset is redefined from being a future economic benefit to a resource with present service capacity. Standard No. 65 explicitly defines these costs as not having a present service capacity. Also, the Association implemented GASB

2. Summary of Significant Accounting Policies, continued

P. New Accounting Principles and Restatement of Net Position, continued

Statement No. 66, *Technical Corrections---2012*, which modified vague or conflicting guidance provided in previous statement issues. Implementation did not have a material impact on the Association's reporting position. GASB issued Statement Nos. 67, *Financial Reporting for Pension Plans,* and 68, *Accounting and Financial Reporting for Pensions,* in June 2012. The Association has not completed an analysis of the impact of these standards on its financial reporting position but is of the opinion that any impact will be immaterial to its overall financial position.

Cumulative effect of implementation of GASB 65

	2011 Previously Reported	Restatment/ Adjustment	2011 Restated
Loans held for investment, net:			
Deferred loan origination fees	$ 12,270	$ (12,270)	$ -
Upfront mortgage insurance premiums	6,519	(6,519)	-
Loan acquisition costs	-	467	467
Loan servicing rights, net	14,212	(14,212)	-
General operating	8,146	(3,584)	4,562
Loan acquisition cost	-	6,066	6,066
Deferred bond financing costs	18,976	(18,976)	-
Other assets:			
Costs of issuance	554	(554)	-
Multifamily trusts' pledged revenues receivable	129	848	977
GARVEE highway project costs receivable, net	541,401	5,826	547,227
Bonds	2,172,515	424	2,172,091
Interest expense	96,046	(665)	95,381
Bond financing amortization and early redemption write-offs	1,494	(1,494)	-
Bond financing costs	-	445	445
Net position	243,450	(44,198)	199,252

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 Statements of Net Position. 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, 2012, the Association had overnight investments of $739,000 in money market funds and $14,860,000 in repurchase agreements held by Wells Fargo Bank and $2,655,000 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.

3. Investments, continued

As of June 30, 2012 and 2011, the Association had the following investments and maturities (in thousands):

2012

Investment Type	Fair Value	Less Than 1	1-5	6-10	11-15	16-20	21-25	26-30	More Than 30
		Investment Maturities (in Years)							
Money market funds	$ 167,555	$ 167,555							
Investment agreements	148,675	22,133	$ 54,079		$ 656	$ 14,754	$ 44,123	$ 12,930	
U.S. Government Obligations	17,167	9,491	1,005	$ 23	4,563	2,085			
U.S. Agency Obligations	109,902	1,025	17,274	26,438	59	11,827	44,097	9,182	
Corporate Obligations	9,763	5,096	4,667						
Interest rate swaps	(3,296)			(2,077)	(1,013)	(206)			
Land and townhomes	3,552		3,552						
U.S. Treasury Escrow	77,240	77,240							
	530,558	$ 282,540	$ 80,577	$ 24,384	$ 4,265	$ 28,460	$ 88,220	$ 22,112	-
Accrued interest and premiums and discounts	1,951								
Total Investments	$ 532,509								

2011

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

Of fiscal year 2012 investments, forty-one of U.S. agency obligations had call provision that were exercised as of September 2012 and nine of U.S. agency obligations with outstanding call provisions . Of those nine, $16,500,000 is callable in the latter half of 2012, $3,370,000 is callable in 2013, $5,000,000 is callable in 2016, and $7,000,000 is make-whole callable. Of U.S. government obligations, $1,466,000 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 $13,730,000.

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

3. Investments, continued

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.
The Association has not adopted a formal policy related to the Association's Business Operations investments. As of June 30, 2012, 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, 2012 and 2011, the Association's remaining investments are rated by Moody's Investor Service as follows (in thousands):

Investment Type	Rating	2012	2011
U.S. Agency Obligations	Aaa	$ 109,902	$ 101,769
Corporate Obligations	Aa	2,097	2,160
Corporate Obligations	A3	105	7,932
Corporate Obligations	Baa	6,610	

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, 2012, the Association had investments of five percent or more in Federal Farm Credit Bank obligations of $55,001,000, Trinity GIC obligations of $62,843,000 and in Bayerische Landesbank GIC of $63,021,000.

During the years ended June 30, 2012 and 2011, the Association realized net gains of $2,044,000 and $36,000 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, 2012 and 2011 is $11,471,000 and $(3,760,000), 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, 2012 is $(3,296,000) related to derivative interest rate swap contracts fair market value considered investments.

The unrealized gain/(loss) on investments held at June 30, 2012 and 2011 is $(15,627,000) and $(3,344,000), respectively. The Association matches the duration of its investments with the maturity debt in various bond accounts, and therefore, does not anticipate material unrealized gains or losses to be realized, usually, in the near-term. For the years ending June 30, 2012 and 2011, the Association's financial report uses GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments,* as amended, to report derivative interest rate swap contracts.

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.

4. Loans, continued

A summary of security for loans as of June 30, 2012 and 2011 is as follows (in thousands):

2012

	Non-Pool Insured	Pool Insured	Total
FHA Insurance	$ 422,783		$ 422,783
VA Guaranteed	42,877		42,877
Commercially Insured	258,360	$ 140,458	398,818
USDA Rural Development Insurance	90,385		90,385
Association Insured	5,027		5,027
	$ 819,432	$ 140,458	959,890
Other			
Multifamily Bond Financed			25,043
Single Family IHFA Capital Pool			13
Multifamily IHFA Capital Pool			3,998
Social Service and Development IHFA Capital Pool			7,258
Construction			3,492
State Small Business Credit Initiative			2,081
Loan Loss Provision			(11,712)
Interest Receivable on Loans			5,877
Total Loans			$ 995,940

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
	$ 977,170	$ 165,015	1,142,185
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
Total Loans			$ 1,174,582

4. Loans, continued

Loans receivable includes $10,564,000 in notes receivable from The Housing Company (THC), which require repayment within 28 years. The notes are secured by various multifamily housing projects and accrue interest at between 3.00 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 ensure completion of the projects under construction.

Interest charged on loans ranged from approximately 0 to 10.27 percent during fiscal years 2012 and 2011. 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, 2012. 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. Loans available for sale to FNMA or FHLMC or secured by GNMA have different characteristics and fewer restrictions than loans financed by the issuance of debt and owned and serviced in the Association’s loan portfolio.

4. Loans, continued

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, 2012 and 2011, the Association realized $11,411,000 and $3,057,000, respectively, in gains on the sale of loans to FNMA and FHMLC. As of June 30, 2012, the Association had commitments to sell or secure $118,721,000 of single-family mortgages to FNMA and FHMLC or through GNMA.

As of June 30, 2012 and 2011, the Association estimates $120,230,000 and $120,133,000, respectively, 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 $122,296,000 and $61,739,000, respectively, of single-family mortgages, which had not yet been funded. As of June 30, 2012 and 2011, the Association serviced $1,303,984,000 and $990,997,000, 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, 2012 and 2011 consisted of the following:

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
Single-Family Mortgage Bonds:				
1992 Series E				
Senior Bonds 1994 -- 2025	6.792%	12/92		$ 95
	6.792%		-	95
1993 Series B				
Senior Bonds 1994 -- 2025	5.784%	12/93	$ 190	585
	5.784%		190	585
1994 Series A				
Senior Bonds 1996 -- 2026	6.092%	4/94	375	740
	6.092%		375	740
1994 Series B				
Senior Bonds 1996 -- 2026	6.753%	6/94		150
	6.753%		-	150
1994 Series C				
Senior Bonds 1996 -- 2026	6.373%	7/94		220
Mezzanine Bonds 2011	6.300%	7/94		5
	6.371%		-	225
1994 Series D				
Senior Bonds 1996 -- 2027		10/94		
Mezzanine Bonds 2011		10/94		
			-	-
1994 Series E				
Senior Bonds 1996 -- 2027	6.822%	11/94		100
Mezzanine Bonds 2011	6.600%	11/94		5
	6.811%		-	105
1994 Series F				
Senior Bonds 1996 -- 2027	7.521%	12/94	85	125
Mezzanine Bonds 2011		12/94		5
	7.521%		85	130
1995 Series A				
Senior Bonds 1997 -- 2027	6.658%	3/95		50
Mezzanine Bonds 2012	6.600%	3/95		5
	6.652%		-	55
1995 Series B				
Senior Bonds 1997 -- 2028	6.554%	5/95	325	435
Mezzanine Bonds 2012	6.500%	5/95	10	30
	6.552%		335	465
1995 Series C				
Senior Bonds 1997 -- 2027	6.389%	6/95	285	415
Mezzanine Bonds 2012	6.300%	6/95	10	25
	6.385%		295	440

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
1995 Series D				
Senior Bonds 1998 -- 2028	6.257%	6/95	30	210
Mezzanine Bonds 2012	6.150%	6/95		15
	6.253%		30	225
1995 Series E				
Senior Bonds 1998 -- 2028	6.424%	7/95	380	590
Mezzanine Bonds 2012	6.375%	7/95	10	30
	6.422%		390	620
1995 Series F				
Senior Bonds 1998 -- 2028	6.429%	8/95	250	475
	6.429%		250	475
1995 Series G				
Senior Bonds 1998 -- 2028	6.223%	10/95	150	285
Mezzanine Bonds 2012	6.125%	10/95	5	10
	6.220%		155	295
1995 Series H				
Senior Bonds 1998 -- 2028	6.026%	12/95	625	940
Mezzanine Bonds 2012	5.900%	12/95		10
	6.026%		625	950
1996 Series A				
Senior Bonds 1998 -- 2028	6.172%	4/96	300	405
Mezzanine Bonds 2013	6.050%	4/96	25	35
	6.162%		325	440
1996 Series B				
Senior Bonds 1999 -- 2028	6.365%	4/96	80	255
Mezzanine Bonds 2013	6.250%	4/96	10	40
	6.351%		90	295
1996 Series C				
Senior Bonds 1999 -- 2028	6.272%	5/96	160	290
Mezzanine Bonds 2013	6.250%	5/96	10	20
	6.271%		170	310
1996 Series D				
Senior Bonds 1998 -- 2028	6.465%	7/96	315	465
Mezzanine Bonds 2014	6.450%	7/96	35	55
	6.463%		350	520
1996 Series E				
Senior Bonds 1998 -- 2028	6.344%	8/96	315	460
Mezzanine Bonds 2014	6.350%	8/96	35	55
	6.344%		350	515
1996 Series F				
Senior Bonds 1998 -- 2028	6.277%	9/96	510	810
Mezzanine Bonds 2014	6.250%	9/96	40	75
	6.275%		550	885

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
1996 Series G				
Senior Bonds 1998 -- 2028	6.326%	10/96	235	505
Mezzanine Bonds 2014	6.250%	10/96	20	55
	6.320%		255	560
1996 Series H				
Senior Bonds 1998 -- 2028	6.130%	12/96	835	965
Mezzanine Bonds 2014	6.050%	12/96	65	95
	6.124%		900	1,060
1997 Series A				
Senior Bonds 1999 -- 2028	6.179%	2/97	745	950
Mezzanine Bonds 2014	6.100%	2/97	60	90
	6.173%		805	1,040
1997 Series B				
Senior Bonds 1999 -- 2028	5.930%	3/97	725	970
Mezzanine Bonds 2014	5.850%	3/97	55	95
	5.924%		780	1,065
1997 Series C				
Senior Bonds 1999 -- 2028	6.090%	4/97	995	1,400
Mezzanine Bonds 2014	6.100%	4/97	85	150
	6.091%		1,080	1,550
1997 Series D				
Senior Bonds 1999 -- 2028	6.215%	5/97	420	700
Mezzanine Bonds 2014	6.100%	5/97	35	65
	6.206%		455	765
1997 Series E				
Senior Bonds 2000 -- 2028	6.047%	6/97	1,100	1,245
Mezzanine Bonds 2014	5.950%	6/97	130	180
	6.036%		1,230	1,425
1997 Series F				
Senior Bonds 2006 -- 2029	5.874%	7/97	1,290	1,590
Mezzanine Bonds 2015	5.850%	7/97	160	235
Subordinate Bonds 2010		7/97		
	5.872%		1,450	1,825
1997 Series G				
Senior Bonds 2004 -- 2029	5.784%	9/97	2,165	2,220
Mezzanine Bonds 2015	5.700%	9/97	30	65
Subordinate Bonds 2010		9/97		
	5.783%		2,195	2,285
1997 Series H				
Senior Bonds 1999 -- 2029	5.634%	10/97	1,020	1,390
Mezzanine Bonds 2015	5.625%	10/97	105	170
Subordinate Bonds 2010		10/97		
	5.633%		1,125	1,560

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
1997 Series I				
Senior Bonds 1999 -- 2029	5.736%	12/97	840	1,075
Mezzanine Bonds 2015	5.700%	12/97	85	125
Subordinate Bonds 2010		12/97		
	5.732%		925	1,200
1998 Series A				
Senior Bonds 2000 -- 2029	5.476%	1/98	895	1,475
Mezzanine Bonds 2016	5.450%	1/98	105	180
Subordinate Bonds 2011	0.000%	1/98		15
	5.473%		1,000	1,670
1998 Series B				
Senior Bonds 2000 -- 2029	5.315%	3/98	960	1,375
Mezzanine Bonds 2016	5.200%	3/98	115	175
Subordinate Bonds 2011	0.000%	3/98		15
	5.302%		1,075	1,565
1998 Series C				
Senior Bonds 2008 -- 2029	5.150%	4/98	1,715	2,280
Mezzanine Bonds 2016	5.300%	4/98	225	290
Subordinate Bonds 2011	0.000%	4/98		30
	5.167%		1,940	2,600
1998 Series D				
Senior Bonds 2000 -- 2029	5.536%	5/98	1,190	1,775
Mezzanine Bonds 2018	5.500%	5/98	155	230
Subordinate Bonds 2011	0.000%	5/98		30
	5.532%		1,345	2,035
1998 Series E				
Senior Bonds 2001 -- 2029	5.431%	6/98	1,500	2,035
Mezzanine Bonds 2018	5.450%	6/98	180	240
Subordinate Bonds 2011	0.000%	6/98		25
	5.433%		1,680	2,300
1998 Series F				
Senior Bonds 2008 -- 2030	5.385%	7/98	2,050	2,760
Mezzanine Bonds 2020	5.400%	7/98	245	300
Subordinate Bonds 2012	5.100%	7/98	30	85
	5.382%		2,325	3,145
1998 Series G				
Senior Bonds 2008 -- 2030	5.368%	9/98	1,385	2,070
Mezzanine Bonds 2020	5.400%	9/98	160	205
	5.371%		1,545	2,275

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
1998 Series H				
Senior Bonds 2000 -- 2030	5.117%	11/98	2,110	2,745
Mezzanine Bonds 2020	5.100%	11/98	275	320
Subordinate Bonds 2012	4.650%	11/98	35	60
	5.107%		2,420	3,125
1998 Series I				
Senior Bonds 2000 -- 2030	5.183%	1/99	2,180	2,885
Mezzanine Bonds 2020	5.200%	1/99	290	345
Subordinate Bonds 2012	4.700%	1/99	40	75
	5.176%		2,510	3,305
1999 Series A				
Senior Bonds 2006 -- 2030	5.155%	2/99	2,565	3,095
Mezzanine Bonds 2020	5.150%	2/99	340	375
Subordinate Bonds 2013	4.850%	2/99	80	145
	5.145%		2,985	3,615
1999 Series B				
Senior Bonds 2001 -- 2030	5.209%	4/99	1,875	2,490
Mezzanine Bonds 2020	5.200%	4/99	255	305
Subordinate Bonds 2013	5.000%	4/99	65	125
	5.201%		2,195	2,920
1999 Series C				
Senior Bonds 2001 -- 2030	5.223%	5/99	1,980	2,430
Mezzanine Bonds 2020	5.250%	5/99	235	260
Subordinate Bonds 2013	5.050%	5/99	60	100
	5.221%		2,275	2,790
1999 Series D				
Senior Bonds 2001 -- 2030	5.388%	6/99	2,235	2,730
Mezzanine Bonds 2020	5.400%	6/99	325	370
Subordinate Bonds 2013	5.150%	6/99	80	145
	5.381%		2,640	3,245
1999 Series E				
Senior Bonds 2001 -- 2031	5.735%	7/99	1,285	1,605
Mezzanine Bonds 2021	5.750%	7/99	195	225
Subordinate Bonds 2014		7/99		
	5.737%		1,480	1,830
1999 Series F				
Senior Bonds 2001 -- 2031	5.823%	8/99	1,685	2,010
Mezzanine Bonds 2021	5.800%	8/99	235	250
Subordinate Bonds 2014	5.625%	8/99	115	175
	5.809%		2,035	2,435

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
1999 Series G				
Senior Bonds 2001 -- 2031	5.971%	10/99	1,585	1,655
Mezzanine Bonds 2021	5.950%	10/99	235	235
Subordinate Bonds 2014	5.750%	10/99	120	180
	5.953%		1,940	2,070
1999 Series H				
Senior Bonds 2001 -- 2031	6.142%	11/99	1,230	1,535
Mezzanine Bonds 2021	6.150%	11/99	85	105
Subordinate Bonds 2014	5.850%	11/99	45	60
	6.133%		1,360	1,700
1999 Series I				
Senior Bonds 2001 -- 2031	6.220%	12/99	950	1,095
Mezzanine Bonds 2021	6.250%	12/99	125	125
Subordinate Bonds 2014	5.950%	12/99	140	200
	6.190%		1,215	1,420
2000 Series A				
Senior Bonds 2002 -- 2031	6.426%	3/00	1,335	1,430
Mezzanine Bonds 2022	6.450%	3/00	135	150
Subordinate Bonds 2014	6.200%	3/00	100	135
	6.412%		1,570	1,715
2000 Series B				
Senior Bonds 2002 -- 2031	6.222%	4/00	1,525	1,780
Mezzanine Bonds 2022	6.250%	4/00	155	180
Subordinate Bonds 2014	6.000%	4/00	215	300
	6.198%		1,895	2,260
2000 Series C				
Senior Bonds 2002 -- 2031	6.121%	5/00	1,560	1,810
Mezzanine Bonds 2022	6.150%	5/00	155	205
Subordinate Bonds 2014	6.050%	5/00	225	305
	6.115%		1,940	2,320
2000 Series D				
Senior Bonds 2002 -- 2031	6.304%	6/00	1,420	1,655
Mezzanine Bonds 2022	6.350%	6/00	160	185
Subordinate Bonds 2014	6.200%	6/00	265	365
	6.292%		1,845	2,205
2000 Series E				
Senior Bonds 2002 -- 2032	5.984%	8/00	1,515	1,665
Mezzanine Bonds 2023	6.100%	8/00	160	185
Subordinate Bonds 2015	5.900%	8/00	305	405
	5.980%		1,980	2,255

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
2000 Series F				
Variable Rate Class I	0.159%	10/00	5,045	5,905
Class II Bonds 2025	6.000%	10/00	280	280
Class III Bonds 2019	6.000%	10/00	885	980
	1.228%		6,210	7,165
2000 Series G				
Variable Rate Class I	0.159%	12/00	7,100	7,205
Class II Bonds 2025	5.950%	12/00	320	320
Class III Bonds 2019	5.950%	12/00	925	1,085
	1.033%		8,345	8,610
2001 Series A				
Variable Rate Class I	0.159%	3/01	6,960	7,895
Class II Bonds 2026	5.600%	3/01	315	325
Class III Bonds 2020	5.550%	3/01	780	900
	0.884%		8,055	9,120
2001 Series B				
Variable Rate Class I	0.159%	5/01	3,955	4,025
Class II Bonds 2026	5.750%	5/01	220	265
Class III Bonds 2020	5.750%	5/01	560	635
	1.087%		4,735	4,925
2001 Series C				
Variable Rate Class I	0.159%	7/01	7,705	8,125
Class II Bonds 2026	5.550%	7/01	325	350
Class III Bonds 2020	5.600%	7/01	600	720
	0.753%		8,630	9,195
2001 Series D				
Variable Rate Class I	0.159%	9/01	10,310	10,785
Class II Bonds 2026	0.000%	9/01		420
Class III Bonds 2020	0.000%	9/01		925
	0.159%		10,310	12,130
2001 Series E				
Variable Rate Class I	0.159%	11/01	5,490	10,840
Class II Bonds 2026	5.450%	11/01	400	465
Class III Bonds 2020	5.400%	11/01	605	785
	1.013%		6,495	12,090
2001 Series F				
Variable Rate Class I	0.159%	12/01	7,910	8,345
Class II Bonds 2026	0.000%	12/01		325
Class III Bonds 2020	0.000%	12/01		935
	0.159%		7,910	9,605

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Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
2002 Series A				
Variable Rate Class I	0.159%	2/02	7,400	8,035
Class II Bonds 2026	5.600%	2/02	300	320
Class III Bonds 2020	5.600%	2/02	980	1,095
	0.964%		8,680	9,450
2002 Series B				
Variable Rate Class I	0.159%	4/02	6,160	6,160
Class II Bonds 2026	5.550%	4/02	235	235
Class III Bonds 2020	5.550%	4/02	835	885
	0.966%		7,230	7,280
2002 Series C				
Variable Rate Class I	0.159%	5/02	7,550	8,200
Class II Bonds 2026	5.550%	5/02	175	195
Class III Bonds 2020	5.500%	5/02	960	1,085
	0.863%		8,685	9,480
2002 Series D				
Variable Rate Class I	0.159%	6/02	10,230	10,285
Class II Bonds 2026	5.500%	6/02	390	420
Class III Bonds 2020	5.400%	6/02	1,075	1,205
	0.829%		11,695	11,910
2002 Series E				
Class I Bonds 2004 -- 2034	3.600%	9/02		725
Variable Rate Class I	0.159%	9/02	7,480	8,155
Class II Bonds 2030	5.400%	9/02	380	480
Class III Bonds 2022	5.300%	9/02	1,015	1,330
	1.093%		8,875	10,690
2002 Series F				
Class I Bonds 2004 -- 2034	0.000%	11/02		7,100
Variable Rate Class I	0.159%	11/02	6,625	1,425
Class III Bonds 2023	4.875%	11/02	1,275	
	0.919%		7,900	8,525
2002 Series G				
Variable Rate Class I	0.159%	12/02	4,600	7,090
Class III Bonds 2023	5.150%	12/02	1,370	1,445
	1.152%		5,970	8,535
2003 Series A				
Variable Rate Class I	0.159%	2/03	9,205	9,850
Class II Bonds 2026	5.200%	2/03	470	490
Class III Bonds 2020	5.150%	2/03	1,355	1,430
	0.980%		11,030	11,770

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
2003 Series B				
Variable Rate Class I	0.159%	5/03	7,265	9,190
Class II Bonds 2026	5.050%	5/03	400	455
Class III Bonds 2020	5.100%	5/03	1,280	1,410
	1.019%		8,945	11,055
2003 Series C				
Class I Bonds 2003 -- 2034		7/03		
Variable Rate Class I	0.159%	7/03	6,010	6,560
Class II Bonds 2033	4.600%	7/03	390	640
Class III Bonds 2023	4.500%	7/03	1,180	1,425
	1.070%		7,580	8,625
2003 Series D				
Variable Rate Class I	0.159%	9/03	9,420	9,720
Class II Bonds 2033	5.450%	9/03	380	490
Class III Bonds 2023	5.450%	9/03	1,830	2,040
	1.161%		11,630	12,250
2003 Series E				
Variable Rate Class I	0.159%	10/03	7,570	9,825
Class II Bonds 2033	5.200%	10/03	545	555
Class III Bonds 2023	5.150%	10/03	2,085	2,210
	1.356%		10,200	12,590
2004 Series A				
Class I Bonds 2004 -- 2035	0.000%	4/04		285
Variable Rate Class I	0.159%	4/04	8,260	9,785
Class II Bonds 2034	4.800%	4/04	525	680
Class III Bonds 2024	4.750%	4/04	2,090	2,495
	1.249%		10,875	13,245
2004 Series B				
Class I Bonds 2004 -- 2035	0.159%	7/04	7,850	10,685
Variable Rate Class I	5.300%	7/04	370	410
Class II Bonds 2034	5.400%	7/04	1,135	1,325
Class III Bonds 2024	0.935%		9,355	12,420
2004 Series C		9/04		
Class I Bonds 2004 -- 2036	0.159%	9/04	9,445	10,555
Variable Rate Class I	5.200%	9/04	430	470
Class II Bonds 2035	5.350%	9/04	2,365	2,670
Class III Bonds 2025	1.320%		12,240	13,695
2004 Series D				
Variable Rate Class I	0.206%	11/04	11,580	12,395
Class III Bonds 2027	5.000%	11/04	3,265	3,580
	1.266%		14,845	15,975

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
2005 Series A				
Class I Bonds 2005 -- 2036	3.919%	3/05		830
Variable Rate Class I	0.154%	3/05	11,570	12,560
Class II Bonds 2027	4.600%	3/05	770	885
Class III Bonds 2022	4.550%	3/05	2,165	2,510
	1.114%		14,505	16,785
2005 Series B				
Class I Bonds 2005 -- 2036	0.000%	5/05		300
Class II Bonds 2035	5.000%	5/05	730	780
Class III Bonds 2025	5.000%	5/05	1,735	1,925
	5.000%		2,465	3,005
2005 Series C				
Class I Bonds 2005 -- 2037	0.000%	6/05		95
Class II Bonds 2036	4.800%	6/05	600	650
Class III Bonds 2026	4.800%	6/05	3,050	3,435
	4.800%		3,650	4,180
2005 Series D				
Variable Rate Class I	0.159%	8/05	10,330	12,545
Class II Bonds 2036	4.900%	8/05	525	365
Class III Bonds 2026	4.900%	8/05	2,445	3,125
	1.188%		13,300	16,035
2005 Series E				
Class I Bonds 2007 -- 2037	4.029%	10/05		1,435
Variable Rate Class I	0.159%	10/05	12,270	12,810
Class II Bonds 2036	4.875%	10/05	790	825
Class III Bonds 2026	4.875%	10/05	2,660	2,890
	1.265%		15,720	17,960
2005 Series F				
Class I Bonds 2007 -- 2037	0.000%	1/06		1,370
Class II Bonds 2036	5.000%	1/06	760	825
Class III Bonds 2026	5.000%	1/06	2,640	3,000
	5.000%		3,400	5,195
2006 Series A				
Class I Bonds 2008 -- 2037	4.228%	3/06	335	2,575
Class II Bonds 2036	4.875%	3/06	725	785
Class III Bonds 2026	4.875%	3/06	3,680	4,150
	4.801%		4,740	7,510
2006 Series B				
Class I Bonds 2008 -- 2037	4.706%	5/06	4,230	6,120
Class II Bonds 2036	5.050%	5/06	925	925
Class III Bonds 2026	5.000%	5/06	2,595	2,895
	4.838%		7,750	9,940

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
2006 Series C				
Class I Bonds 2008 -- 2038	4.440%	6/06	1,785	3,710
Class II Bonds 2037	5.100%	6/06	690	805
Class III Bonds 2027	5.100%	6/06	3,045	3,990
	4.874%		5,520	8,505
2006 Series D				
Class I Bonds 2008 -- 2038	4.553%	7/06	2,520	4,035
Class II Bonds 2037	5.200%	7/06	845	935
Class III Bonds 2027	5.200%	7/06	1,740	2,125
	4.880%		5,105	7,095
2006 Series E				
Class I Bonds 2008 -- 2038	4.608%	9/06	3,235	5,830
Variable Rate Class I	0.159%	9/06	12,390	13,090
Class II Bonds 2037	5.000%	9/06	835	880
Class III Bonds 2028	5.000%	9/06	4,585	5,020
	2.159%		21,045	24,820
2006 Series F				
Class I Bonds 2008 -- 2038	4.505%	11/06	5,070	7,955
Variable Rate Class I	0.159%	11/06	11,735	13,510
Class II Bonds 2037	4.800%	11/06	840	850
Class III Bonds 2028	4.800%	11/06	4,880	5,130
	2.389%		22,525	27,445
2006 Series G				
Class I Bonds 2009-- 2038	4.277%	1/07	3,395	6,175
Variable Rate Class I	0.159%	1/07	12,540	13,440
Class II Bonds 2037	4.650%	1/07	895	910
Class III Bonds 2028	4.600%	1/07	3,880	4,110
	1.915%		20,710	24,635
2007 Series A				
Class I Bonds 2009 -- 2038	4.470%	3/07	3,285	7,185
Variable Rate Class I	0.159%	3/07	12,905	15,220
Class II Bonds 2037	4.850%	3/07	515	825
Class III Bonds 2028	4.850%	3/07	620	660
	1.410%		17,325	23,890
2007 Series B				
Class I Bonds 2009 -- 2038	4.382%	4/07	5,030	8,845
Variable Rate Class I	0.159%	4/07	13,465	14,530
Class II Bonds 2037	4.750%	4/07	360	370
Class III Bonds 2028	4.600%	4/07	1,735	2,375
	1.727%		20,590	26,120

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
2007 Series C				
Class I Bonds 2009-- 2038	4.571%	5/07	7,000	9,200
Variable Rate Class I	0.159%	5/07	14,155	15,500
Class II Bonds 2037	4.900%	5/07	1,240	1,335
Class III Bonds 2028	4.750%	5/07	4,655	5,205
	2.346%		27,050	31,240
2007 Series D				
Class I Bonds 2009 -- 2038	4.526%	5/07	4,845	7,200
Variable Rate Class I	0.159%	5/07	17,020	17,685
Class II Bonds 2037	4.900%	5/07	920	920
Class III Bonds 2028	4.850%	5/07	7,135	7,425
	2.192%		29,920	33,230
2007 Series E				
Class I Bonds 2009 -- 2038	4.538%	6/07	6,715	11,345
Variable Rate Class I	0.159%	6/07	22,005	24,120
Class II Bonds 2037	4.950%	6/07	1,770	1,770
Class III Bonds 2028	4.850%	6/07	4,405	4,880
	1.930%		34,895	42,115
2007 Series F				
Class I Bonds 2009 -- 2039	4.943%	7/07	11,690	18,650
Variable Rate Class I	0.206%	7/07	27,495	31,105
Class II Bonds 2038	5.250%	7/07	2,005	2,295
Class III Bonds 2029	5.125%	7/07	7,530	8,615
	2.373%		48,720	60,665
2007 Series G				
Class I Bonds 2027 -- 2039	5.295%	8/07	8,150	17,215
Variable Rate Class I	0.206%	8/07	28,750	28,750
Class II Bonds 2038	5.200%	8/07	1,990	2,440
Class III Bonds 2029	5.125%	8/07	7,405	7,710
	2.245%		46,295	56,115
2007 Series H				
Class I Bonds 2027 -- 2039	5.723%	11/07	13,870	22,545
Variable Rate Class I	0.159%	11/07	29,505	29,505
Class II Bonds 2036	5.250%	11/07	3,290	3,585
Class III Bonds 2028	5.000%	11/07	6,960	7,385
	2.612%		53,625	63,020
2007 Series I				
Class I Bonds 2027 -- 2039	5.584%	9/07	10,500	16,655
Variable Rate Class I	0.206%	9/07	24,000	24,000
Class II Bonds 2036	5.500%	9/07	1,760	1,760
Class III Bonds 2028	5.375%	9/07	6,765	7,040
	2.613%		43,025	49,455

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
2007 Series J				
Class I Bonds 2027 -- 2039	5.370%	10/07	12,260	22,370
Variable Rate Class I	0.159%	10/07	30,000	30,000
Class II Bonds 2036	5.200%	10/07	2,010	2,010
Class III Bonds 2028	5.000%	10/07	6,510	6,765
	2.328%		50,780	61,145
2007 Series K				
Class I Bonds 2027 -- 2039	5.627%	12/07	7,975	16,065
Variable Rate Class I	0.205%	12/07	27,000	27,000
Class II Bonds 2036	5.375%	12/07	1,900	1,900
Class III Bonds 2028	5.200%	12/07	4,260	4,435
	2.187%		41,135	49,400
2008 Series A				
Class I Bonds 2010 -- 2039	5.317%	5/08	9,010	16,125
Class II Bonds 2036	5.850%	5/08	1,985	1,985
Class III Bonds 2028	5.700%	5/08	6,865	7,145
	5.513%		17,860	25,255
2008 Series B				
Class I Bonds 2010 -- 2039	5.302%	6/08	10,810	15,980
Class II Bonds 2036	5.550%	6/08	2,035	2,035
Class III Bonds 2028	5.400%	6/08	7,070	7,350
	5.361%		19,915	25,365
2008 Series C				
Class I Bonds 2010 -- 2039	5.290%	8/08	12,120	19,440
Variable Rate Class I	0.159%	8/08	21,635	23,815
Class II Bonds 2036	5.850%	8/08	1,895	1,895
Class III Bonds 2028	5.800%	8/08	6,920	7,200
	2.800%		42,570	52,350
2008 Series D				
Class I Bonds 2010 -- 2039	5.034%	10/08	13,825	17,410
Variable Rate Class I	0.141%	10/08	5,985	5,985
Class II Bonds 2036	5.450%	10/08	1,430	1,610
Class III Bonds 2028	5.350%	10/08	3,830	4,015
	3.963%		25,070	29,020
2009 Series A				
Class I Bonds 2010 -- 2039	4.194%	7/09	855	2,205
Variable Rate Class I	0.141%	7/09	77,480	85,135
Class III Bonds 2028	5.250%	7/09	4,640	5,465
	0.477%		82,975	92,805

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012	2011
2009 Series B				
Class I Bonds 2010 -- 2039	4.811%	7/09	8,910	15,870
Variable Rate Class I	0.141%	7/09	56,585	57,000
Class II Bonds 2036	5.550%	7/09	655	675
Class III Bonds 2028	5.650%	7/09	17,540	18,295
	1.919%		83,690	91,840
2009 Series C				
Class I Bonds 2010 -- 2039	3.780%	12/09	29,300	29,835
Class II Bonds 2036	4.950%	12/09	2,675	2,675
Class III Bonds 2028	4.500%	12/09	2,305	2,425
	3.920%	12/09	34,280	34,935
2009 Series 1				
Variable Rate Class I	0.000%	12/09	77,240	154,100
			77,240	154,100
2010 Series A				
Class I Bonds 2012 -- 2041	3.780%	10/10	25,200	25,200
Class II Bonds 2032	4.950%	10/10	2,250	2,250
Class III Bonds 2024	4.500%	10/10	2,480	2,550
	3.920%		29,930	30,000

5. Bonds (dollars in thousands), continued

Description and Due Date	Average Bond Yield	Delivery Date	2012		2011
FHA Insured Housing Revenue Bonds:					
1998 Series A 1999 -- 2039	5.307%	12/98	8,485		8,615
1999 Series 2003 -- 2041	6.063%	8/99			4,395
2000 Series 2032	0.165%	5/00	5,270		5,420
2000 Series 2033	0.161%	10/01	4,215		4,320
2007 Series	5.900%	4/07	8,360		8,418
			26,330	*	31,168
Multifamily Housing/Refunding Bonds:					
1994 Series A 1995 -- 2024	6.677%	5/94	11,375		15,030
1994 Series B 1995 -- 2013	8.700%	5/94			450
			11,375		15,480
Grant and Revenue Anticipation Bonds:					
2006 Series 2007-2024	4.824%	5/06	129,730		134,295
2008 Series A 2008-2026	4.948%	4/08	155,725		160,375
2009 Series A 2008-2026	4.799%	2/09	155,030		164,000
2010 Series A 2008-2026	5.835%	1/10	82,660		84,290
2011 Series A 2011-2029	4.704%	7/11	72,925		
	4.975%		596,070		542,960
Revenue Bonds:					
2011 Series Unemployment Compensation	3.808%	8/12	187,570		
Interest Payable			33,540		31,066
Net Original (Discount)/Premium			29,764		18,252
TOTAL BONDS			$ 2,127,359		$ 2,172,091

* 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.

5. Bonds, continued

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

The Association accumulates GARVEE project costs in a designated account and are reported, net of any pledged debt service receipts received, as the GARVEE highway project costs receivable, net on the Statement of Net 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. During fiscal year 2012, the Association redeemed $76.86 million of the Series 2009 1 bonds.

The scheduled principal debt service, including July 1, 2012 special redemptions, for the periods subsequent to, and as of, June 30, 2012, is as follows (in thousands):

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

The scheduled principal debt service, including July 1, 2012 special redemptions, for the periods subsequent to, and as of, June 30, 2012, is as follows (in thousands):

						2018	2023-
	2013	2014	2015	2016	2017	2022	2027
Single-Family Mortgage Bonds:							
1993 Series B	$ 40	$ 10	$ 10	$ 10	$ 15	$ 50	$ 55
1994 Series A	75	30	35	20	20	100	95
1994 Series F	5	5	10	5		20	40
1995 Series B	180	5	15	15	10	50	60
1995 Series C	35	15	20	15	20	100	90
1995 Series D	5		5	5			15
1995 Series E	35	30	30	25	20	100	150
1995 Series F	120	5	10	5	10	50	50
1995 Series G	115	5	10	5			20
1995 Series H	80	40	40	40	40	175	210
1996 Series A	135	15	10	20	15	50	75
1996 Series B	20	15		5	5		40
1996 Series C	90	5		10	5	35	20
1996 Series D	20	30	30	20	15	70	145
1996 Series E	70	20	30	20	15	75	100
1996 Series F	95	30	35	30	30	150	150
1996 Series G	15	20	15	15	15	50	105
1996 Series H	95	55	45	40	45	260	300
1997 Series A	115	50	45	40	40	200	240
1997 Series B	115	40	45	30	40	205	245
1997 Series C	120	60	60	50	55	300	330
1997 Series D	25	30	30	30	25	120	150
1997 Series E	60	60	75	70	70	350	420
1997 Series F	105	80	90	75	75	400	445
1997 Series G	70	65	70	90	130	710	775
1997 Series H	60	60	70	55	45	330	350
1997 Series I	200	30	40	50	45	200	270
1998 Series A	85	40	40	45	55	250	315
1998 Series B	75	40	45	50	55	300	345
1998 Series C	370	95	110	130	110	450	450
1998 Series D	60	55	75	85	90	385	380
1998 Series E	345	60	70	70	75	370	480
1998 Series F	125	120	120	120	120	620	680
1998 Series G	65	80	80	80	80	450	450
1998 Series H	120	100	100	100	100	690	750

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

The scheduled principal debt service, including July 1, 2012 special redemptions, for the periods subsequent to, and as of, June 30, 2012, is as follows (in thousands):

	2028-2032	2033-2037	2038-2042	TOTAL
Single-Family Mortgage Bonds:				
1993 Series B				$ 190
1994 Series A				375
1994 Series F				85
1995 Series B				335
1995 Series C				295
1995 Series D				30
1995 Series E				390
1995 Series F				250
1995 Series G				155
1995 Series H				625
1996 Series A	$ 5			325
1996 Series B	5			90
1996 Series C	5			170
1996 Series D	20			350
1996 Series E	20			350
1996 Series F	30			550
1996 Series G	20			255
1996 Series H	60			900
1997 Series A	75			805
1997 Series B	60			780
1997 Series C	105			1,080
1997 Series D	45			455
1997 Series E	125			1,230
1997 Series F	180			1,450
1997 Series G	285			2,195
1997 Series H	155			1,125
1997 Series I	90			925
1998 Series A	170			1,000
1998 Series B	165			1,075
1998 Series C	225			1,940
1998 Series D	215			1,345
1998 Series E	210			1,680
1998 Series F	420			2,325
1998 Series G	260			1,545
1998 Series H	460			2,420

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2013	2014	2015	2016	2017	2018 2022	2023- 2027
Single-Family Mortgage Bonds:							
1998 Series I	125	100	100	110	120	710	760
1999 Series A	470	115	115	120	120	680	760
1999 Series B	220	100	90	90	100	540	605
1999 Series C	240	105	100	100	100	545	600
1999 Series D	120	125	120	120	130	730	755
1999 Series E	45	50	70	75	80	435	405
1999 Series F	115	130	90	90	90	515	550
1999 Series G	195	105	90	90	90	515	450
1999 Series H	60	70	60	60	65	360	380
1999 Series I	1,215						
2000 Series A	80	80	60	45	60	360	430
2000 Series B	150	140	100	60	80	450	485
2000 Series C	195	135	105	70	75	425	490
2000 Series D	150	160	115	70	70	380	480
2000 Series E	150	155	150	70	80	430	460
2000 Series F	600	255	270	265	275	1,210	1,700
2000 Series G	420	335	340	345	350	1,635	2,495
2001 Series A	745	310	335	335	340	1,520	2,005
2001 Series B	195	195	220	215	210	940	1,255
2001 Series C	1,210	285	305	340	290	1,320	2,060
2001 Series D	1,150	320	335	360	325	1,460	2,185
2001 Series E	950	190	210	225	205	910	1,135
2001 Series F	1,055	220	250	275	245	1,050	1,350
2002 Series A	555	310	330	360	340	1,575	1,495
2002 Series B	175	280	280	305	310	1,435	1,260
2002 Series C	560	290	330	360	350	1,595	1,425
2002 Series D	680	410	425	480	465	2,115	2,060
2002 Series E	235	310	330	345	370	1,745	1,515
2002 Series F	500	270	275	295	315	1,625	1,385
2002 Series G	205	240	240	240	255	1,395	1,045
2003 Series A	485	370	480	485	500	2,230	2,065
2003 Series B	155	210	395	405	415	1,920	1,725
2003 Series C	420	190	295	310	315	1,670	1,550
2003 Series D	415	270	475	480	480	2,750	2,455
2003 Series E	320	265	430	440	445	2,480	2,115
2004 Series A	960	80	240	395	400	2,265	2,250
2004 Series B	495	40	190	340	355	1,860	2,010
2004 Series C	310	95	280	480	480	2,630	2,700
2004 Series D	1,160	90	280	485	495	2,680	3,070
2005 Series A	810	90	90	330	485	2,850	2,965
2005 Series B	95	80	80	125	130	715	620

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2028-2032	2033-2037	2038-2042	TOTAL
Single-Family Mortgage Bonds:				
1998 Series I	485			2,510
1999 Series A	605			2,985
1999 Series B	450			2,195
1999 Series C	485			2,275
1999 Series D	540			2,640
1999 Series E	320			1,480
1999 Series F	455			2,035
1999 Series G	405			1,940
1999 Series H	305			1,360
1999 Series I				1,215
2000 Series A	455			1,570
2000 Series B	430			1,895
2000 Series C	445			1,940
2000 Series D	420			1,845
2000 Series E	485			1,980
2000 Series F	1,635			6,210
2000 Series G	2,425			8,345
2001 Series A	2,195	$ 270		8,055
2001 Series B	1,345	160		4,735
2001 Series C	2,290	530		8,630
2001 Series D	3,300	875		10,310
2001 Series E	2,090	580		6,495
2001 Series F	2,710	755		7,910
2002 Series A	2,615	1,100		8,680
2002 Series B	2,225	960		7,230
2002 Series C	2,620	1,155		8,685
2002 Series D	3,540	1,520		11,695
2002 Series E	2,555	1,470		8,875
2002 Series F	2,130	1,105		7,900
2002 Series G	1,575	775		5,970
2003 Series A	2,625	1,790		11,030
2003 Series B	2,070	1,650		8,945
2003 Series C	1,845	985		7,580
2003 Series D	2,770	1,535		11,630
2003 Series E	2,390	1,315		10,200
2004 Series A	2,380	1,905		10,875
2004 Series B	2,245	1,820		9,355
2004 Series C	2,725	2,540		12,240
2004 Series D	3,340	3,245		14,845
2005 Series A	3,235	3,650		14,505
2005 Series B	350	270		2,465

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2013	2014	2015	2016	2017	2018-2022	2023-2027
Single-Family Mortgage Bonds:							
2005 Series C	195	130	130	165	200	1,190	1,100
2005 Series D	330	95	100	270	450	2,470	2,820
2005 Series E	1,110	110	110	300	485	2,715	3,205
2005 Series F	310	90	95	130	180	1,020	940
2006 Series A	555	145	150	150	250	1,395	1,415
2006 Series B	835	835	825	820	705	870	945
2006 Series C	1,790	405	430	420	430	680	750
2006 Series D	1,530	505	515	500	505	395	400
2006 Series E	2,490	530	565	605	795	2,855	3,520
2006 Series F	3,510	635	670	700	850	2,935	3,640
2006 Series G	3,040	485	510	540	685	2,500	3,090
2007 Series A	510	440	460	480	500	2,195	2,225
2007 Series B	2,595	555	595	630	650	3,425	3,495
2007 Series C	3,215	700	735	775	805	3,710	3,980
2007 Series D	3,865	785	810	850	880	4,585	4,470
2007 Series E	4,140	700	740	785	820	4,460	5,085
2007 Series F	4,675	1,200	1,240	1,300	1,375	6,640	7,555
2007 Series G	5,645	305	300	300	320	4,650	6,250
2007 Series H	7,180	510	525	535	595	5,795	7,660
2007 Series I	4,695	345	350	350	380	4,840	6,440
2007 Series J	5,895	315	330	330	365	5,295	7,120
2007 Series K	4,640	180	205	335	440	4,220	5,460
2008 Series A	4,920	820	855	910	955	3,385	2,600
2008 Series B	3,330	625	660	680	705	3,285	3,375
2008 Series C	5,805	1,070	1,125	1,160	1,215	5,690	5,760
2008 Series D	565	580	605	625	650	3,560	3,870
2009 Series A	4,315	365	385	875	1,900	12,490	15,225
2009 Series B	7,360	1,105	1,130	1,125	1,205	12,695	15,585
2009 Series C	650	665	680	700	4,240		4,975
2009 Series 1	77,240						
2010 Series A	520	535	550	560	585	3,570	4,180
FHA Insured Housing Revenue Bonds:							
1994 Series A&B	11,375						
1998 Series A	135	140	150	160	170	980	1,290
2000 Series							
2002 Series							
2007 Series							

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2028-2032	2033-2037	2038-2042	TOTAL
Single-Family Mortgage Bonds:				
2005 Series C	300	240		3,650
2005 Series D	3,030	3,735		13,300
2005 Series E	3,430	4,255		15,720
2005 Series F	350	285		3,400
2006 Series A	350	330		4,740
2006 Series B	895	960	$ 60	7,750
2006 Series C	300	315		5,520
2006 Series D	355	400		5,105
2006 Series E	3,910	4,720	1,055	21,045
2006 Series F	3,915	4,635	1,035	22,525
2006 Series G	3,795	4,525	1,540	20,710
2007 Series A	3,755	5,050	1,710	17,325
2007 Series B	3,555	3,825	1,265	20,590
2007 Series C	4,920	6,125	2,085	27,050
2007 Series D	5,210	6,545	1,920	29,920
2007 Series E	6,730	8,390	3,045	34,895
2007 Series F	8,955	10,680	5,100	48,720
2007 Series G	8,385	12,150	7,990	46,295
2007 Series H	9,400	13,205	8,220	53,625
2007 Series I	7,550	10,960	7,115	43,025
2007 Series J	9,010	13,345	8,775	50,780
2007 Series K	7,245	10,145	8,265	41,135
2008 Series A	1,800	1,445	170	17,860
2008 Series B	2,995	2,980	1,280	19,915
2008 Series C	6,670	7,850	6,225	42,570
2008 Series D	4,690	5,655	4,270	25,070
2009 Series A	20,000	25,030	2,390	82,975
2009 Series B	13,655	17,335	12,495	83,690
2009 Series C	6,235	7,715	8,420	34,280
2009 Series 1				77,240
2010 Series A	5,330	6,680	7,420	29,930
FHA Insured Housing Revenue Bonds:				
1994 Series A&B				11,375
1998 Series A	1,700	2,250	1,510	8,485
2000 Series	5,270			5,270
2002 Series		4,215		4,215
2007 Series			8,360	8,360

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2013	2014	2015	2016	2017	2018 2022	2023- 2027
Grant Revenue and Revenue Anticipation Bonds:							
2006 Series	5,120	5,710	6,355	7,060	7,820	52,690	44,975
2008 Series A	1,490	8,080	8,015	7,990	7,950	38,965	83,235
2009 Series A	12,350	5,915	6,190	6,460	6,720	38,840	39,520
2010 Series A	1,665	1,715	1,765	1,820	1,890	10,880	2,545
2011 Series A	1,195	1,225	1,255	1,295	1,345	7,385	8,045
Revenue Bonds;							
2011 SeriesUnemployment Compensation	43,425	46,130	47,940	50,075			
TOTAL	$ 265,945	$ 93,650	$ 98,640	$ 104,430	$ 61,910	$ 323,575	$ 381,045
Variable rate principal	$ 1,770	$ 3,945	$ 5,380	$ 7,095	$ 8,835	$ 81,960	$ 110,480
Interest:							
Fixed	$ 60,772	$ 55,091	$ 51,169	$ 46,828	$ 43,449	$ 181,398	$ 115,977
Variable	1,209	1,205	1,197	1,186	1,173	5,491	4,613
TOTAL	$ 61,981	$ 56,296	$ 52,366	$ 48,014	$ 44,622	$ 186,889	$ 120,590

As of June 30, 2012, 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)

	2028-2032	2033-2037	2038-2042	TOTAL
Grant Revenue and Revenue Anticipation Bonds:				
2006 Series				129,730
2008 Series A				155,725
2009 Series A	39,035			155,030
2010 Series A	60,380			82,660
2011 Series A	51,180			72,925
Unemployment Compensation 2011 Series				187,570
TOTAL	$ 385,205	$ 237,935	$ 111,720	$ 2,064,055
Variable rate principal	$ 171,205	$ 183,890	$ 72,360	$ 646,920
Interest:				
Fixed	$ 40,263	$ 16,167	$ 3,958	$ 615,072
Variable	3,394	1,635	188	21,291
TOTAL	$ 43,657	$ 17,802	$ 4,146	$ 636,363

As of June 30, 2012, 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, 2012 and 2011 was as follows (in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One year
Par Bonds payable	$ 2,122,773	$ 260,495	$ (319,213)	$ 2,064,055	$ 265,945
Interest payable	30,642	65,559	(62,661)	33,540	33,540
Net Original (Discount)/Premium	18,676	18,589	(7,501)	29,764	778
Total Bonds payable at June 30, 2012	$ 2,172,091	$ 344,643	$ (389,375)	$ 2,127,359	$ 300,263
Par Bonds payable	$ 2,309,153	$ 30,000	$ (216,380)	$ 2,122,773	$ 153,980
Interest payable	34,473	64,855	(68,686)	30,642	31,066
Net Original (Discount)/Premium	19,375		(699)	18,676	674
Total Bonds payable at June 30, 2011	$ 2,363,001	$ 94,855	$ (285,765)	$ 2,172,091	$ 185,720
Commercial Paper at June 30, 2012	$ 50,000	$ 259,300	$ (259,300)	$ 50,000	$ 50,000
Commercial Paper at June 30, 2011	$ 50,000	$ 285,100	$ (285,100)	$ 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, 2012	For the Year Ended June 30,2012	For the Year Ended June 30, 2011
Single-Family Mortgage Bonds			
1992 Series E	$ 30	$ 90	$ 90
1993 Series B	60	365	165
1994 Series A		320	145
1994 Series B		135	125
1994 Series C		215	175
1994 Series E		105	105
1994 Series F		35	5
1995 Series A		45	25
1995 Series B	155	105	70
1995 Series C	10	115	75
1995 Series D		180	70
1995 Series E	5	205	150
1995 Series F	105	210	140
1995 Series G	105	125	35
1995 Series H	45	295	115
1996 Series A	115	95	45
1996 Series B	10	185	80
1996 Series C	80	135	90
1996 Series D		145	50
1996 Series E	50	145	105
1996 Series F	70	295	160
1996 Series G		280	150
1996 Series H	45	120	55
1997 Series A	80	195	160
1997 Series B	75	240	115
1997 Series C	60	410	265
1997 Series D		285	135
1997 Series E		135	5
1997 Series F	30	285	135
1997 Series G	5	25	15
1997 Series H		365	185
1997 Series I	165	240	80
1998 Series A	45	585	200
1998 Series B	35	415	185
1998 Series C	260	515	270
1998 Series D	5	545	310
1998 Series E	280	440	240
1998 Series F		615	440
1998 Series G		600	300

6. Redemption of Bonds, continued

(Dollars in thousands):

BOND SERIES REDEEMED	PAR VALUE OF BONDS REDEEMED		
	July 1, 2012	For the Year Ended June 30,2012	For the Year Ended June 30, 2011
1998 Series H		510	230
1998 Series I		570	365
1999 Series A	255	450	255
1999 Series B	55	575	405
1999 Series C	135	390	165
1999 Series D		475	250
1999 Series E		300	180
1999 Series F		280	55
1999 Series G	85	10	
1999 Series H		275	140
1999 Series I	1,165	105	35
2000 Series A		70	45
2000 Series B	20	230	180
2000 Series C	45	235	220
2000 Series D		210	205
2000 Series E		125	105
2000 Series F	395	690	255
2001 Series A	455	865	430
2001 Series B		60	60
2001 Series C	920	385	355
2001 Series D	820	1,610	1,610
2001 Series E	700	5,485	5,385
2001 Series F	820	1,545	1,545
2002 Series A	385	730	375
2002 Series B	20	15	
2002 Series C	395	780	380
2002 Series D	455	180	80
2002 Series E	115	1,785	565
2002 Series F	355	580	330
2002 Series G	90	2,520	265
2003 Series A	300	560	315
2003 Series B	125	2,080	375
2003 Series C	335	960	470
2003 Series D	325	525	260
2003 Series E	230	2,305	475
2004 Series A	880	2,195	1,010
2004 Series B	455	3,025	555
2004 Series C	225	1,360	465
2004 Series D	1,075	1,040	840

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, 2012	For the Year Ended June 30,2012	For the Year Ended June 30, 2011
2005 Series A	720	2,010	995
2005 Series B	25	410	410
2005 Series C	80	405	405
2005 Series D	235	2,595	665
2005 Series E	1,010	1,850	975
2005 Series F	215	1,420	1,250
2006 Series A	340	2,205	1,430
2006 Series B		1,385	40
2006 Series C	1,120	2,125	1,365
2006 Series D	855	1,290	1,020
2006 Series E	1,915	3,200	1,690
2006 Series F	2,900	4,320	2,840
2006 Series G	2,470	3,385	1,805
2007 Series A	85	6,170	3,960
2007 Series B	2,060	5,055	3,785
2007 Series C	2,540	3,550	2,700
2007 Series D	3,095	2,540	1,110
2007 Series E	3,265	6,385	1,910
2007 Series F	3,555	10,855	6,035
2007 Series G	5,350	9,285	5,195
2007 Series H	6,295	8,445	6,260
2007 Series I	4,310	5,825	4,160
2007 Series J	5,580	9,665	6,850
2007 Series K	4,460	7,710	3,730
2008 Series A	4,090	6,480	4,040
2008 Series B	2,735	4,765	4,060
2008 Series C	4,795	8,840	6,425
2008 Series D		3,415	2,335
2009 Series A	3,915	9,345	2,950
2009 Series B	6,340	7,125	2,085
2009 Series C			
2009 Series 1		76,860	
2010 Series A			
Multifamily Housing Bonds			
1994 A & B	11,375	3,030	
Mallard Pointe		4,395	
	$ 99,290	$ 272,270	$ 106,980

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 Statements of Net Position. The swap agreements the Association has entered into are characterized as derivatives. Offsetting changes in fair value are carried on the Statements 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, 2012. 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, 2012) 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, 2012 and 2011. The fair value is reported in the Statements of Net Position in Other Liabilities of $115,848 million and $85,489 million, 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 Statements of Net Position of $115,848 million. A portion of the interest rate swaps are considered non-effective for hedging purposes and are reported in the Statements of Net Position in Investments at $(3.30 million). 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, 2012. The results from the verification correlated materially with the fair values provided by the Association's counterparties.

Credit risk: As of June 30, 2012, 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 A (Fitch), A2 (Moody's), and A+ (S&P).

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, 2012 SIFMA was 18 basis points and one-month LIBOR was 25 basis points.

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 Hedging	Outstanding Notional Amount Investment	Fair Values Hedging	Fair Values Investment	Change in Fair Values Hedging	Change in Fair Values Investment
2000 Series F	$ 5,045,000		$ (702,512)		$ 107,257	$ 9,835
2000 Series G	7,100,000	$ 2,640,000	(1,475,088)	$ (548,353)	(200,836)	79,264
2001 Series A	6,960,000		(1,037,352)		18,303	
2001 Series B	3,955,000	3,430,000	(633,296)	(548,227)	(61,961)	60,882
2001 Series C	7,280,000		(1,145,011)		6,151	
2001 Series D	9,895,000		(1,783,756)		(165,084)	
2001 Series E	5,490,000	4,405,000	(935,615)	(750,177)	568,942	(750,177)
2001 Series F	7,490,000		(1,179,341)		(32,547)	
2002 Series A	7,400,000		(1,326,401)		(45,981)	
2002 Series B	6,160,000	1,310,000	(1,084,633)	(230,074)	(123,846)	73,332
2002 Series C	7,550,000		(1,300,179)		(54,500)	5,003
2002 Series D	10,230,000		(1,852,569)		(294,141)	110,124
2002 Series E	7,480,000		(1,165,396)		(84,053)	
2002 Series F	6,625,000		(943,490)		(210,438)	
2002 Series G	4,600,000	2,025,000	(742,400)	(327,341)	132,985	(326,465)
2003 Series A	9,205,000		(1,897,676)		(374,944)	
2003 Series B	7,265,000	1,440,000	(1,219,238)	(240,927)	(159,600)	(240,927)
2003 Series C	5,050,000		(776,693)		(256,268)	
2003 Series D	8,165,000		(1,858,888)		(409,415)	
2003 Series E	7,570,000	595,000	(1,570,371)	(123,665)	(300,363)	(123,665)
2004 Series A	7,990,000		(1,448,453)		(385,991)	
2004 Series B	7,850,000	740,000	(1,656,907)	(155,902)	(284,091)	(155,902)
2004 Series C	8,310,000		(1,664,681)		(380,791)	
2004 Series D	10,265,000		(1,828,836)		(592,907)	
2005 Series A	10,590,000		(1,964,891)		(641,911)	
2005 Series B	10,410,000		(1,978,647)		(611,697)	
2005 Series C	10,570,000		(1,807,209)		(633,263)	
2005 Series D	10,330,000	430,000	(1,856,790)	(77,366)	(575,555)	(77,366)
2005 Series E	10,955,000		(2,028,209)		(666,621)	
2005 Series F	11,330,000		(2,255,036)		(694,089)	
2006 Series A	11,065,000		(2,222,492)		(692,726)	
2006 Series B	8,110,000		(1,588,708)		(354,257)	
2006 Series C	7,895,000		(1,539,829)		(335,849)	
2006 Series D	9,210,000		(1,849,207)		(386,414)	
2006 Series E	10,745,000		(2,053,281)		(477,661)	
2006 Series F	10,925,000		(1,922,673)		(490,546)	
2006 Series G	10,880,000		(1,813,808)		(484,143)	
2007 Series A	11,195,000		(2,037,647)		(548,592)	
2007 Series B	12,890,000		(2,197,192)		(628,926)	
2007 Series C	13,450,000		(2,396,929)		(674,130)	
2007 Series D-1	15,765,000		(2,662,828)		(671,706)	

7. Derivatives, continued

Interest Rate Swap Agreements

Series	Fixed Rate Paid by IHFA	Variable Rate Received by IHFA from Interest Rate Contract Provider	Interest Rate Contract Provider	Credit Rating	Scheduled Termination Date	Inception Date
2000 Series F	5.3000%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2018	11/6/2008
2000 Series G	5.2500%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2021	11/6/2008
2001 Series A	4.7600%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2020	11/6/2008
2001 Series B	4.8660%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2020	11/6/2008
2001 Series C	4.8600%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2020	11/6/2008
2001 Series D	4.7300%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2022	11/6/2008
2001 Series E	4.5300%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2022	11/6/2008
2001 Series F	4.7000%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2021	11/6/2008
2002 Series A	5.0200%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2021	11/6/2008
2002 Series B	4.9500%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2021	11/6/2008
2002 Series C	4.8900%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2021	11/6/2008
2002 Series D	4.7100%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2022	11/6/2008
2002 Series E	4.4800%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2021	11/6/2008
2002 Series F	3.7900%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2024	11/6/2008
2002 Series G	4.1400%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2024	11/6/2008
2003 Series A	4.5190%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2026	11/6/2008
2003 Series B	4.0360%	SIFMA+.20%	Barclays Capital	A/A2/A+	7/1/2024	11/6/2008
2003 Series C	3.7800%	SIFMA+.20%	Barclays Capital	A/A2/A+	1/1/2025	11/6/2008
2003 Series D	4.8400%	SIFMA+.20%	Barclays Capital	A/A2/A+	7/1/2025	11/6/2008
2003 Series E	4.5300%	SIFMA+.20%	Barclays Capital	A/A2/A+	7/1/2025	11/6/2008
2004 Series A	4.0290%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2026	11/7/2008
2004 Series B	4.3700%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2027	11/7/2008
2004 Series C	4.3300%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2025	11/7/2008
2004 Series D	3.8500%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2028	11/7/2008
2005 Series A	3.9000%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2029	11/7/2008
2005 Series B	3.9850%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2028	11/7/2008
2005 Series C	3.7300%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2028	11/7/2008
2005 Series D	3.8650%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2028	11/7/2008
2005 Series E	3.9300%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2029	11/7/2008
2005 Series F	4.0950%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2029	11/7/2008
2006 Series A	4.1000%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2029	11/7/2008
2006 Series B	4.3500%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2025	11/7/2008
2006 Series C	4.3600%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2025	11/7/2008
2006 Series D	4.4500%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2025	11/7/2008
2006 Series E	4.2800%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2026	11/7/2008
2006 Series F	4.0300%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2026	11/7/2008
2006 Series G	3.9100%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2026	11/7/2008
2007 Series A	4.0438%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2026	11/7/2008
2007 Series B	3.8950%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2027	11/7/2008
2007 Series C	3.9770%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2027	11/7/2008
2007 Series D-1	3.9800%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2026	11/7/2008

7. Derivatives, continued

Interest Rate Swap Agreements

	Outstanding Notional Amount		Fair Values		Change in Fair Values	
Series	Hedging	Investment	Hedging	Investment	Hedging	Investment
2007 Series E-1	19,255,000		(3,257,911)		(778,412)	
2007 Series E-2					5,611	
2007 Series F-1	24,055,000		(4,552,946)		(892,276)	
2007 Series F-2			-		7,678	
2007 Series G	25,000,000		(6,401,410)		(2,067,009)	
2007 Series H	29,505,000	495,000	(7,427,377)	(128,449)	(2,761,046)	(47,749)
2007 Series I	21,000,000		(4,904,060)		(1,750,722)	
2007 Series J	26,250,000		(6,034,818)		(2,190,568)	
2007 Series K	24,000,000		(5,143,050)		(2,020,963)	
2008 Series A	24,000,000		(4,787,054)		(2,026,005)	
2008 Series B	26,625,000		(4,163,389)		(1,566,318)	
2008 Series C	19,210,000		(2,958,306)		(845,226)	
2008 Series D	5,985,000	1,220,000	(813,655)	(165,472)	(324,374)	(5,839)
	$ 606,130,000	$ 18,730,000	$ (115,848,134)	$ (3,295,953)	$ (30,361,835)	$ (1,389,650)

7. Derivatives, continued

Interest Rate Swap Agreements

Series	Fixed Rate Paid by IHFA	Variable Rate Received by IHFA from Interest Rate Contract Provider	Interest Rate Contract Provider		Scheduled Termination Date	
2007 Series E-1	4.0230%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2025	11/7/2008
2007 Series E-2	5.2470%	LIBOR plus .15%	Barclays Capital	A/A2/A+	7/1/2011	11/7/2008
2007 Series F-1	4.3710%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	1/1/2025	11/7/2008
2007 Series F-2	5.6590%	LIBOR plus .15%	Barclays Capital	A/A2/A+	7/1/2011	11/7/2008
2007 Series G	4.3400%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2028	11/7/2008
2007 Series H	4.1460%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2030	11/7/2008
2007 Series I	4.0900%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2028	11/7/2008
2007 Series J	4.0500%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2028	11/7/2008
2007 Series K	3.8800%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2030	11/7/2008
2008 Series A	3.7190%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2030	11/7/2008
2008 Series B	3.5950%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2029	11/7/2008
2008 Series C	3.7500%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	7/1/2026	11/7/2008
2008 Series D	3.3680%	SIFMA+.10% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2/A+	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, 2012 and 2011 were $579,000 and $538,000, 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, 2012 and 2011 was $180,000 and $112,000, 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.

9. Conduit Debt Obligations, continued

As of June 30, 2012 and 2011 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 $212,205,000 and $146,057,000, 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, 2012 and 2011 is $850,712 million and $604,969 million, 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 reclassed to either an asset or a liability depending on the initial net position. To facilitate this reclass, a reporting classification titled "*Government and multifamily trusts' pledged revenues*" appears on the Statements 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 Statements 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, 2011	Additions	Reclass	Retirements	Balance at June 30, 2012
Capital assets:					
Land,	$ 993				$ 993
Buildings and improvements	9,631	$ 24			9,655
Furniture and equipment	2,776	209	$ (152)	$ (16)	2,817
Leasehold improvements	243				243
Computer software	1,355	87	(19)		1,423
Total capital assets	14,998	320	(171)	(16)	15,131
Less accumulated depreciation for:					
Land					
Buildings and improvements	(4,933)	(220)			(5,153)
Furniture and equipment	(2,059)	(289)	152	16	(2,180)
Leasehold improvements	(211)	(4)			(215)
Computer software	(1,296)	(34)	19		(1,311)
Total accumulated depreciation	(8,499)	(547)	171	16	(8,859)
Total capital assets, net	$ 6,499	$ (227)	$ -	$ -	$ 6,272

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

11. Other Assets and Liabilities

Other Assets and Other Liabilities as of June 30, 2012 and 2011 are composed of the Accounts and Balances as follows (in thousands):

		2012		2011
Other Assets:				
Accounts Receivable	$	1,199	$	1,691
Multifamily trusts' pledged revenues receivable		841		977
Prepaid expenses		2,028		1,707
REO mortgages receivable		20,536		31,719
	$	24,604	$	36,094
Other Liabilities				
Accounts Payable	$	193	$	232
Accrued vacation and other payroll related liabilities		453		576
Arbitrage rebate		2,749		3,457
Deferred buydowns		1		1
Federal programs advances and unapplied program income		2,146		2,155
Interest payable - Bonds		607		379
Multifamily trusts' pledged revenues payable		305		209
Security deposits		14		15
Unapplied payments		7,212		4,808
Other accrued liability		6,051		1,605
	$	19,731	$	13,437

12. 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.

13. 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 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. $29.85 million has been claimed and, in the opinion of the Association's legal counsel, the Association has a strong defense and will vigorously defend against the claim. In the opinion of management, any settlement will not have a material effect to the Association's financial position.

14. 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, 2011, THC had acquired and was operating fifteen multifamily housing complexes; had constructed and was operating ten multifamily housing complexes; had constructed two additional phases of housing to existing developments; had completed renovation of a hotel and turned into a new multifamily complex; had built a single family home known as The Cottage with HOME funds; had purchased land in Coeur d'Alene and Montpelier for the purpose of developing and selling workforce housing units; had purchased a single family home in Canyon County with federal NSP funds with intentions of turning it into special needs housing as intended by the program; and had purchased 3 duplexes in Canyon County with federal NSP funds to rent as affordable housing. 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, 2012, 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 $769,500 and owed $65,000 for the year ended June 30, 2012. 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 Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net Position for the Year Ended June 30, 2012

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	$ 39,353	$ 7,150	$ 46,503	$ 7
Investments	7		7	12,528
Loans Held for Investment, net	3,713	2,081	5,794	28,372
Loans available for sale	57,143		57,143	
Loan Servicing Rights				
GARVEE highway project costs receivable, net				
Employment Security Reserve Fund receivable				
Deferred Bond Financing Costs				
Property and Equipment	4,909	1,363	6,272	
Other Assets	182,950	324	183,274	7
TOTAL ASSETS	$ 288,075	$ 10,918	$ 298,993	$ 40,914
DEFERRED OUTFLOW OF RESOURCES				
Loan Acquisition Costs	1,128		1,128	
Interest Rate Swap Contracts				
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 289,203	$ 10,918	$ 300,121	$ 40,914
LIABILITIES AND NET POSITION				
Bonds				
Commercial Paper	$ 50,000		$ 50,000	
Swap Contract Fair Value Liability				
Interest Payable-Swap Contract				
Escrow and Project Reserve Deposits	7,550	$ 300	7,850	
Other Liabilities	222,716	4,767	227,483	$ 3,152
TOTAL LIABILITIES	280,266	5,067	285,333	3,152
NET POSITION	8,937	5,851	14,788	37,762
TOTAL LIABILITIES AND NET POSITION	$ 289,203	$ 10,918	$ 300,121	$ 40,914
Statement of Revenues, Expenses and Changes in Net Position				
OPERATING REVENUES				
Interest on Loans	$ 1,473		$ 1,473	$ 2,091
Interest on Investments	10		10	5
Net Increase (Decrease) in Fair Value of Investments				
Contract and Grant Administration Fees	10,307		10,307	
Gains on Loan Sales	11,411		11,411	
Loan Servicing Fees	8,125		8,125	60
Multifamily and GARVEE bonds pledged revenues			-	
Other	1,366	$ 4,670	6,036	14
TOTAL OPERATING REVENUES	32,692	4,670	37,362	2,170
OPERATING EXPENSES				
Interest	277		277	
Salaries and Benefits	9,168	254	9,422	
General Operating	13,189	538	13,727	1,099
Bond financing costs	-			
Grants to Others	-			588
Loss on Real Estate Owned Properties	323		323	313
Provision for loan loss	400		400	600
Other	372	66	438	
TOTAL OPERATING EXPENSES	23,729	858	24,587	2,600
OPERATING INCOME	8,963	3,812	12,775	(430)
NONOPERATING REVENUES AND EXPENSES				
Federal Pass-Through Revenues		53,016	53,016	
Federal Pass-Through Expenses		(53,171)	(53,171)	
TOTAL NONOPERATING REVENUES AND EXPENSES	-	(155)	(155)	-
CHANGE IN NET POSITION	8,963	3,657	12,620	(430)
NET POSITION, Beginning of Period, as restated	(26)	2,194	2,168	38,192
TRANSFERS			-	
NET POSITION, End of Period	$ 8,937	$ 5,851	$ 14,788	$ 37,762

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

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				$ 46,510
Investments	$ 68,548	$ 451,426		532,509
Loans Held for Investment, net	18,657	942,708		995,531
Loans available for sale				57,143
Loan Servicing Rights				-
GARVEE highway project costs receivable, net		547,227		547,227
Employment Security Reserve Fund receivable		205,331		205,331
Deferred Bond Financing Costs				-
Property and Equipment				6,272
Other Assets	35,117	184,658	$ (378,477)	24,579
TOTAL ASSETS	$ 122,322	$ 2,331,350	$ (378,477)	$ 2,415,102
DEFERRED OUTFLOW OF RESOURCES				
Loan Acquisition Costs		-		1,128
Interest Rate Swap Contracts		115,848		115,848
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 122,322	$ 2,447,198	$ (378,477)	$ 2,532,078
LIABILITIES AND NET POSITION				
Bonds		$ 2,127,359		$ 2,127,359
Commercial Paper				50,000
Swap Contract Fair Value Liability		115,848		115,848
Interest Payable-Swap Contract		13,350		13,350
Escrow and Project Reserve Deposits				7,850
Other Liabilities	$ 5,102	162,413	$ (378,477)	19,673
TOTAL LIABILITIES	5,102	2,418,970	(378,477)	2,334,080
NET POSITION	117,220	28,228	-	197,998
TOTAL LIABILITIES AND NET POSITION	$ 122,322	$ 2,447,198	$ (378,477)	$ 2,532,078
Statement of Revenues, Expenses and Changes in Net Position				
OPERATING REVENUES				
Interest on Loans	$ 1,940	$ 55,438		$ 60,942
Interest on Investments	1,942	8,167		10,124
Net Increase (Decrease) in Fair Value of Investments	(16)	10,097		10,081
Administration Fees			$ (3,509)	6,798
Gains on Loan Sales				11,411
Loan Servicing Fees	79	4,360	(3,101)	9,523
Multifamily and GARVEE bonds pledged revenues		29,398		29,398
Other		-		6,050
TOTAL OPERATING REVENUES	3,945	107,460	(6,610)	144,327
OPERATING EXPENSES				
Interest	5,061	88,907		94,245
Salaries and Benefits				9,422
General Operating	1,444	4,790	(6,610)	14,450
Bond financing costs		1,833		1,833
Grants to Others				588
Loss on Real Estate Owned Properties				636
Provision for loan loss	4,765			5,765
Other				438
TOTAL OPERATING EXPENSES	11,270	95,530	(6,610)	127,377
OPERATING INCOME	(7,325)	11,930	-	16,950
NONOPERATING REVENUES AND EXPENSES				
Federal Pass-Through Revenues				53,016
Federal Pass-Through Expenses				(53,171)
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	-	(155)
CHANGE IN NET POSITION	(7,325)	11,930	-	16,795
NET POSITION, Beginning of Period, as restated	116,369	24,474		181,203
TRANSFERS	8,176	(8,176)		-
NET POSITION, End of Period	$ 117,220	$ 28,228	$ -	$ 197,998

(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	$ 1,386		$ 47,896
Investments			532,509
Loans Held for Investment, net	409		995,940
Loans available for sale			57,143
Loan Servicing Rights			-
GARVEE highway project costs receivable, net			547,227
Employment Security Reserve Fund receivable			205,331
Deferred Bond Financing Costs			-
Property and Equipment			6,272
Other Assets	25		24,604
TOTAL ASSETS	$ 1,820	$ -	$ 2,416,922
DEFERRED OUTFLOW OF RESOURCES			
Loan Acquisition Costs			1,128
Interest Rate Swap Contracts			115,848
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 1,820	$ -	$ 2,533,898
LIABILITIES AND NET POSITION			
Bonds			2,127,359
Commercial Paper			50,000
Swap Contract Fair Value Liability			115,848
Interest Payable-Swap Contract			13,350
Escrow and Project Reserve Deposits			7,850
Other Liabilities	$ 58		19,731
TOTAL LIABILITIES	58	-	2,334,138
NET POSITION	1,762	-	199,760
TOTAL LIABILITIES AND NET POSITION	$ 1,820	$ -	$ 2,533,898
Statement of Revenues, Expenses and Changes in Net Position			
OPERATING REVENUES			
Interest on Loans			$ 60,942
Interest on Investments			10,124
Net Increase (Decrease) in Fair Value of Investments			10,081
Administration Fees			6,798
Gains on Loan Sales			11,411
Loan Servicing Fees			9,523
Multifamily and GARVEE bonds pledged revenues			29,398
Other	$ 1,089	$ (588)	6,551
TOTAL OPERATING REVENUES	1,089	(588)	144,828
OPERATING EXPENSES			
Interest			94,245
Salaries and Benefits	103		9,525
General Operating	26		14,476
Bond financing costs			1,833
Grants to Others	1,040	(588)	1,040
Loss on Real Estate Owned Properties			636
Provision for loan loss			5,765
Other			438
TOTAL OPERATING EXPENSES	1,169	(588)	127,958
OPERATING INCOME	(80)	-	16,870
NONOPERATING REVENUES AND EXPENSES			
Federal Pass-Through Revenues			53,016
Federal Pass-Through Expenses			(53,171)
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	(155)
CHANGE IN NET POSITION	(80)	-	16,715
NET POSITION, Beginning of Period, as restated	1,842		183,045
TRANSFERS	-		-
NET POSITION, End of Period	$ 1,762	$ -	$ 199,760

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

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Combined Bondholder Trusts (in thousands)

	1992E Single-Family Mortgage Bond	1993B Single-Family Mortgage Bond	1994A Single-Family Mortgage Bond	1994B Single-Family Mortgage Bond	1994C Single-Family Mortgage Bond	1994D Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments		$ 129	$ 187			$ 317
Loans		957	1,227			803
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets		4	6			4
TOTAL ASSETS	-	1,090	1,420	-	-	1,124
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ -	$ 1,090	$ 1,420	$ -	$ -	$ 1,124
LIABILITIES AND NET POSITION						
Bonds		$ 195	$ 386			
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	$ 2	18	56	$ 5	$ 5	$ 5
TOTAL LIABILITIES	2	213	442	5	5	5
NET POSITION	(2)	877	978	(5)	(5)	1,119
TOTAL LIABILITIES AND NET POSITION	$ -	$ 1,090	$ 1,420	$ -	$ -	$ 1,124
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 16	$ 64	$ 83	$ 36	$ 34	$ 58
Interest on Investments		8	2	1	9	1
Net Increase (Decrease) in Fair Value of Investments	(2)	(5)	(5)	(3)	(4)	
Loan Servicing Fees		4	5	2	2	3
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	14	71	85	36	41	62
OPERATING EXPENSES						
Interest	2	23	35	5	6	5
General Operating	1	6	6		1	2
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	3	29	41	5	7	7
OPERATING INCOME/CHANGE IN NET POSITION	11	42	44	31	34	55
NET POSITION, Beginning of Period, as restated	1,017	819	934	1,169	1,172	1,064
TRANSFERS	(1,030)	16		(1,205)	(1,211)	
NET POSITION, End of Period	$ (2)	$ 877	$ 978	$ (5)	$ (5)	$ 1,119

(2) The combined totals for Bondholder Trusts are presented on page 86.

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

	1994E Single-Family Mortgage Bond	1994F Single-Family Mortgage Bond	1995A Single-Family Mortgage Bond	1995B Single-Family Mortgage Bond	1995C Single-Family Mortgage Bond	1995D Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments		$ 125		$ 229	$ 180	$ 31
Loans		622		957	775	770
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets		4		17	4	12
TOTAL ASSETS	-	751	-	1,203	959	813
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ -	$ 751	$ -	$ 1,203	$ 959	$ 813
LIABILITIES AND NET POSITION						
Bonds		$ 88		$ 346	$ 304	$ 31
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	$ 6	94	$ 5	18	16	13
TOTAL LIABILITIES	6	182	5	364	320	44
NET POSITION	(6)	569	(5)	839	639	769
TOTAL LIABILITIES AND NET POSITION	$ -	$ 751	$ -	$ 1,203	$ 959	$ 813
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 19	$ 52	$ 21	$ 73	$ 62	$ 52
Interest on Investments			7	13	7	7
Net Increase (Decrease) in Fair Value of Investments	(2)	(1)	(1)	(2)		(3)
Loan Servicing Fees		2	1	4	3	2
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	17	53	28	88	72	58
OPERATING EXPENSES						
Interest	59	17	6	29	26	11
General Operating	1	4		5	5	5
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	60	21	6	34	31	16
OPERATING INCOME/CHANGE IN NET POSITION	(43)	32	22	54	41	42
NET POSITION, Beginning of Period, as restated	1,101	537	677	785	598	727
TRANSFERS	(1,064)		(704)			
NET POSITION, End of Period	$ (6)	$ 569	$ (5)	$ 839	$ 639	$ 769

(2) The combined totals for Bondholder Trusts are presented on page 86.

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Combined Bondholder Trusts, continued (in thousands)

	1995E Single-Family Mortgage Bond	1995F Single-Family Mortgage Bond	1995G Single-Family Mortgage Bond	1995H Single-Family Mortgage Bond	1996A Single-Family Mortgage Bond	1996B Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 59	$ 214	$ 169	$ 203	$ 177	$ 63
Loans	1,021	842	674	1,298	857	665
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	7	2	76	10	11	3
TOTAL ASSETS	1,087	1,058	919	1,511	1,045	731
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 1,087	$ 1,058	$ 919	$ 1,511	$ 1,045	$ 731
LIABILITIES AND NET POSITION						
Bonds	$ 403	$ 258	$ 160	$ 644	$ 335	$ 93
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	13	14	22	11	14	19
TOTAL LIABILITIES	416	272	182	655	349	112
NET POSITION	671	786	737	856	696	619
TOTAL LIABILITIES AND NET POSITION	$ 1,087	$ 1,058	$ 919	$ 1,511	$ 1,045	$ 731
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 72	$ 68	$ 53	$ 94	$ 63	$ 47
Interest on Investments	9	11	11	12	9	6
Net Increase (Decrease) in Fair Value of Investments	(1)	(3)	(3)		(1)	(4)
Loan Servicing Fees	4	3	3	5	3	3
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	84	79	64	111	74	52
OPERATING EXPENSES						
Interest	32	25	20	51	29	16
General Operating	6	5	5	6	5	5
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	38	30	25	57	34	21
OPERATING INCOME/CHANGE IN NET POSITION	46	49	39	54	40	31
NET POSITION, Beginning of Period, as restated	625	737	698	802	656	591
TRANSFERS						(3)
NET POSITION, End of Period	$ 671	$ 786	$ 737	$ 856	$ 696	$ 619

(2) The combined totals for Bondholder Trusts are presented on page 86.

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

	1996C Single-Family Mortgage Bond	1996D Single-Family Mortgage Bond	1996E Single-Family Mortgage Bond	1996F Single-Family Mortgage Bond	1996G Single-Family Mortgage Bond	1996H Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 130	$ 178	$ 110	$ 163	$ 121	$ 253
Loans	627	833	822	1,130	940	1,293
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	1	2	2	7	2	56
TOTAL ASSETS	758	1,013	934	1,300	1,063	1,602
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 758	$ 1,013	$ 934	$ 1,300	$ 1,063	$ 1,602
LIABILITIES AND NET POSITION						
Bonds	$ 175	$ 361	$ 361	$ 567	$ 263	$ 928
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	19	21	20	16	81	14
TOTAL LIABILITIES	194	382	381	583	344	942
NET POSITION	564	631	553	717	719	660
TOTAL LIABILITIES AND NET POSITION	$ 758	$ 1,013	$ 934	$ 1,300	$ 1,063	$ 1,602
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 47	$ 65	$ 60	$ 82	$ 66	$ 97
Interest on Investments				6	3	5
Net Increase (Decrease) in Fair Value of Investments	(2)			(2)	(3)	6
Loan Servicing Fees	2	3	3	4	3	5
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	47	68	63	90	69	113
OPERATING EXPENSES						
Interest	20	34	31	46	28	65
General Operating	4	5	5	6	5	6
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	24	39	36	52	33	71
OPERATING INCOME/CHANGE IN NET POSITION	23	29	27	38	36	42
NET POSITION, Beginning of Period, as restated	542	602	526	679	683	618
TRANSFERS	(1)					
NET POSITION, End of Period	$ 564	$ 631	$ 553	$ 717	$ 719	$ 660

(2) The combined totals for Bondholder Trusts are presented on page 86.

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Combined Bondholder Trusts, continued (in thousands)

	1997A Single-Family Mortgage Bond	1997B Single-Family Mortgage Bond	1997C Single-Family Mortgage Bond	1997D Single-Family Mortgage Bond	1997E Single-Family Mortgage Bond	1997F Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 225	$ 185	$ 240	$ 174	$ 376	$ 346
Loans	1,271	1,317	1,544	1,059	1,794	2,170
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	5	6	5	2	6	8
TOTAL ASSETS	1,501	1,508	1,789	1,235	2,176	2,524
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 1,501	$ 1,508	$ 1,789	$ 1,235	$ 2,176	$ 2,524
LIABILITIES AND NET POSITION						
Bonds	$ 830	$ 803	$ 1,113	$ 469	$ 1,267	$ 1,493
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	14	15	19	112	124	122
TOTAL LIABILITIES	844	818	1,132	581	1,391	1,615
NET POSITION	657	690	657	654	785	909
TOTAL LIABILITIES AND NET POSITION	$ 1,501	$ 1,508	$ 1,789	$ 1,235	$ 2,176	$ 2,524
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 90	$ 91	$ 111	$ 73	$ 125	$ 146
Interest on Investments	5	5	4			10
Net Increase (Decrease) in Fair Value of Investments	3	2		(2)	9	9
Loan Servicing Fees	4	5	5	3	6	7
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	102	103	120	74	140	172
OPERATING EXPENSES						
Interest	58	58	78	42	87	98
General Operating	6	6	6	6	7	8
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	64	64	84	48	94	106
OPERATING INCOME/CHANGE IN NET POSITION	38	39	36	26	46	66
NET POSITION, Beginning of Period, as restated	619	651	621	627	739	843
TRANSFERS				1		
NET POSITION, End of Period	$ 657	$ 690	$ 657	$ 654	$ 785	$ 909

(2) The combined totals for Bondholder Trusts are presented on page 86.

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Combined Bondholder Trusts, continued (in thousands)

	1997G Single-Family Mortgage Bond	1997H Single-Family Mortgage Bond	1997I Single-Family Mortgage Bond	1998A Single-Family Mortgage Bond	1998B Single-Family Mortgage Bond	1998C Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 1,480	$ 410	$ 388	$ 384	$ 309	$ 589
Loans	1,734	1,840	1,602	1,709	1,946	2,335
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	68	15	26	40	9	14
TOTAL ASSETS	3,282	2,265	2,016	2,133	2,264	2,938
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 3,282	$ 2,265	$ 2,016	$ 2,133	$ 2,264	$ 2,938
LIABILITIES AND NET POSITION						
Bonds	$ 2,258	$ 1,157	$ 952	$ 1,015	$ 1,104	$ 1,990
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	91	94	93	91	72	71
TOTAL LIABILITIES	2,349	1,251	1,045	1,106	1,176	2,061
NET POSITION	933	1,014	971	1,027	1,088	877
TOTAL LIABILITIES AND NET POSITION	$ 3,282	$ 2,265	$ 2,016	$ 2,133	$ 2,264	$ 2,938
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 114	$ 129	$ 107	$ 116	$ 122	$ 153
Interest on Investments	70	8	12	10	7	21
Net Increase (Decrease) in Fair Value of Investments	24	6	3	2	6	11
Loan Servicing Fees	6	7	6	6	7	8
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	214	150	128	134	142	193
OPERATING EXPENSES						
Interest	135	76	65	71	69	113
General Operating	6	7	6	7	7	8
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	141	83	71	78	76	121
OPERATING INCOME/CHANGE IN NET POSITION	73	67	57	56	66	72
NET POSITION, Beginning of Period, as restated	860	948	916	968	1,022	805
TRANSFERS		(1)	(2)	3		
NET POSITION, End of Period	$ 933	$ 1,014	$ 971	$ 1,027	$ 1,088	$ 877

(2) The combined totals for Bondholder Trusts are presented on page 86.

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Combined Bondholder Trusts, continued (in thousands)

	1998D Single-Family Mortgage Bond	1998E Single-Family Mortgage Bond	1998F Single-Family Mortgage Bond	1998G Single-Family Mortgage Bond	1998H Single-Family Mortgage Bond	1998I Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 221	$ 520	$ 345	$ 269	$ 302	$ 525
Loans	2,002	1,945	2,458	2,104	2,949	2,965
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	9	7	164	7	157	145
TOTAL ASSETS	2,232	2,472	2,967	2,380	3,408	3,635
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 2,232	$ 2,472	$ 2,967	$ 2,380	$ 3,408	$ 3,635
LIABILITIES AND NET POSITION						
Bonds	$ 1,382	$ 1,726	$ 2,388	$ 1,586	$ 2,482	$ 2,575
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	79	67	54	64	9	33
TOTAL LIABILITIES	1,461	1,793	2,442	1,650	2,491	2,608
NET POSITION	771	679	525	730	917	1,027
TOTAL LIABILITIES AND NET POSITION	$ 2,232	$ 2,472	$ 2,967	$ 2,380	$ 3,408	$ 3,635
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 124	$ 132	$ 163	$ 136	$ 180	$ 192
Interest on Investments	8	20	14	15	21	15
Net Increase (Decrease) in Fair Value of Investments	4	7	15	7	17	21
Loan Servicing Fees	7	7	9	8	10	11
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	143	166	201	166	228	239
OPERATING EXPENSES						
Interest	87	103	137	97	138	143
General Operating	7	7	10	8	10	10
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	94	110	147	105	148	153
OPERATING INCOME/CHANGE IN NET POSITION	49	56	54	61	80	86
NET POSITION, Beginning of Period, as restated	722	624	472	671	837	941
TRANSFERS		(1)	(1)	(2)		
NET POSITION, End of Period	$ 771	$ 679	$ 525	$ 730	$ 917	$ 1,027

(2) The combined totals for Bondholder Trusts are presented on page 86.

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

	1999A Single-Family Mortgage Bond	1999B Single-Family Mortgage Bond	1999C Single-Family Mortgage Bond	1999D Single-Family Mortgage Bond	1999E Single-Family Mortgage Bond	1999F Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 812	$ 499	$ 508	$ 556	$ 322	$ 400
Loans	2,889	2,450	2,529	3,075	1,525	2,236
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	136	102	7	13	7	12
TOTAL ASSETS	3,837	3,051	3,044	3,644	1,854	2,648
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 3,837	$ 3,051	$ 3,044	$ 3,644	$ 1,854	$ 2,648
LIABILITIES AND NET POSITION						
Bonds	$ 3,062	$ 2,252	$ 2,334	$ 2,711	$ 1,522	$ 2,094
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	88	63	54	95	55	58
TOTAL LIABILITIES	3,150	2,315	2,388	2,806	1,577	2,152
NET POSITION	687	736	656	838	277	496
TOTAL LIABILITIES AND NET POSITION	$ 3,837	$ 3,051	$ 3,044	$ 3,644	$ 1,854	$ 2,648
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 190	$ 155	$ 160	$ 199	$ 106	$ 150
Interest on Investments	1	12	14	6	10	16
Net Increase (Decrease) in Fair Value of Investments	23	16	19	24	13	18
Loan Servicing Fees	10	9	9	11	6	8
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	224	192	202	240	135	192
OPERATING EXPENSES						
Interest	164	124	131	155	94	132
General Operating	10	10	8	10	6	6
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	174	134	139	165	100	138
OPERATING INCOME/CHANGE IN NET POSITION	50	58	63	75	35	54
NET POSITION, Beginning of Period, as restated	642	678	593	766	242	444
TRANSFERS	(5)			(3)		(2)
NET POSITION, End of Period	$ 687	$ 736	$ 656	$ 838	$ 277	$ 496

(2) The combined totals for Bondholder Trusts are presented on page 86.

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Combined Bondholder Trusts, continued (in thousands)

	1999G Single-Family Mortgage Bond	1999H Single-Family Mortgage Bond	1999I Single-Family Mortgage Bond	2000A Single-Family Mortgage Bond	2000B Single-Family Mortgage Bond	2000C Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 433	$ 191	$ 105	$ 194	$ 276	$ 357
Loans	1,718	1,594	859	1,258	1,431	1,449
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	86	37	3	56	91	
TOTAL ASSETS	2,237	1,822	967	1,508	1,798	1,806
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 2,237	$ 1,822	$ 967	$ 1,508	$ 1,798	$ 1,806
LIABILITIES AND NET POSITION						
Bonds	$ 1,999	$ 1,402	$ 1,253	$ 1,620	$ 1,954	$ 1,999
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	69	8	10	12	24	14
TOTAL LIABILITIES	2,068	1,410	1,263	1,632	1,978	2,013
NET POSITION	169	412	(296)	(124)	(180)	(207)
TOTAL LIABILITIES AND NET POSITION	$ 2,237	$ 1,822	$ 967	$ 1,508	$ 1,798	$ 1,806
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 127	$ 112	$ 60	$ 92	$ 110	$ 107
Interest on Investments	13	8	2	4	46	13
Net Increase (Decrease) in Fair Value of Investments	19	29				3
Loan Servicing Fees	6	5	3	5	4	5
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	165	154	65	101	160	128
OPERATING EXPENSES						
Interest	125	93	86	108	126	126
General Operating	6	7	4	5	7	6
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	131	100	90	113	133	132
OPERATING INCOME/CHANGE IN NET POSITION	34	54	(25)	(12)	27	(4)
NET POSITION, Beginning of Period, as restated	136	358	(267)	(111)	(205)	(201)
TRANSFERS	(1)		(4)	(1)	(2)	(2)
NET POSITION, End of Period	$ 169	$ 412	$ (296)	$ (124)	$ (180)	$ (207)

(2) The combined totals for Bondholder Trusts are presented on page 86.

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

	2000D Single-Family Mortgage Bond	2000E Single-Family Mortgage Bond	2000F Single-Family Mortgage Bond	2000G Single-Family Mortgage Bond	2001A Single-Family Mortgage Bond	2001B Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 227	$ 177	$ 2,960	$ 4,528	$ 4,914	$ 474
Loans	1,441	1,611	2,684	2,281	3,345	3,516
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets			74	25	3	85
TOTAL ASSETS	1,668	1,788	5,718	6,834	8,262	4,075
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts			703	1,475	1,037	633
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 1,668	$ 1,788	$ 6,421	$ 8,309	$ 9,299	$ 4,708
LIABILITIES AND NET POSITION						
Bonds	$ 1,892	$ 2,039	$ 6,232	$ 8,388	$ 8,091	$ 4,761
Swap Contract Fair Value Liability			703	1,475	1,037	633
Interest Payable-Swap Contract			137	261	170	183
Other Liabilities	176	95	16	21	19	14
TOTAL LIABILITIES	2,068	2,134	7,088	10,145	9,317	5,591
NET POSITION	(400)	(346)	(667)	(1,836)	(18)	(883)
TOTAL LIABILITIES AND NET POSITION	$ 1,668	$ 1,788	$ 6,421	$ 8,309	$ 9,299	$ 4,708
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 103	$ 107	$ 189	$ 154	$ 215	$ 228
Interest on Investments	10	6	161	261	230	33
Net Increase (Decrease) in Fair Value of Investments	1	1	11	76		112
Loan Servicing Fees	5	5	9	8	12	12
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	119	119	370	499	457	385
OPERATING EXPENSES						
Interest	125	126	403	661	466	447
General Operating	5	6	16	17	20	14
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	130	132	419	678	486	461
OPERATING INCOME/CHANGE IN NET POSITION	(11)	(13)	(49)	(179)	(29)	(76)
NET POSITION, Beginning of Period, as restated	(386)	(333)	(689)	(1,741)	14	(851)
TRANSFERS	(3)		71	84	(3)	44
NET POSITION, End of Period	$ (400)	$ (346)	$ (667)	$ (1,836)	$ (18)	$ (883)

(2) The combined totals for Bondholder Trusts are presented on page 86.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2001C Single-Family Mortgage Bond	2001D Single-Family Mortgage Bond	2001E Single-Family Mortgage Bond	2001F Single-Family Mortgage Bond	2002A Single-Family Mortgage Bond	2002B Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 4,546	$ 6,180	$ 830	$ 3,725	$ 4,795	$ 3,719
Loans	5,011	4,842	5,719	4,933	4,143	3,593
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	11	80	105	14	186	15
TOTAL ASSETS	9,568	11,102	6,654	8,672	9,124	7,327
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts	1,145	1,784	936	1,179	1,326	1,085
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 10,713	$ 12,886	$ 7,590	$ 9,851	$ 10,450	$ 8,412
LIABILITIES AND NET POSITION						
Bonds	$ 8,662	$ 10,319	$ 6,527	$ 7,917	$ 8,722	$ 7,265
Swap Contract Fair Value Liability	1,145	1,784	936	1,179	1,326	1,085
Interest Payable-Swap Contract	181	240	228	180	190	189
Other Liabilities	30	34	84	73	17	36
TOTAL LIABILITIES	10,018	12,377	7,775	9,349	10,255	8,575
NET POSITION	695	509	(185)	502	195	(163)
TOTAL LIABILITIES AND NET POSITION	$ 10,713	$ 12,886	$ 7,590	$ 9,851	$ 10,450	$ 8,412
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 312	$ 300	$ 332	$ 308	$ 267	$ 234
Interest on Investments	211	217	63	132	231	174
Net Increase (Decrease) in Fair Value of Investments	77	82	(763)	57	79	145
Loan Servicing Fees	18	18	20	17	15	13
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	618	617	(348)	514	592	566
OPERATING EXPENSES						
Interest	488	573	563	431	516	488
General Operating	21	25	28	22	21	17
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	509	598	591	453	537	505
OPERATING INCOME/CHANGE IN NET POSITION	109	19	(939)	61	55	61
NET POSITION, Beginning of Period, as restated	591	486	759	453	143	(216)
TRANSFERS	(5)	4	(5)	(12)	(3)	(8)
NET POSITION, End of Period	$ 695	$ 509	$ (185)	$ 502	$ 195	$ (163)

(2) The combined totals for Bondholder Trusts are presented on page 86.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2002C Single-Family Mortgage Bond	2002D Single-Family Mortgage Bond	2002E Single-Family Mortgage Bond	2002F Single-Family Mortgage Bond	2002G Single-Family Mortgage Bond	2003A Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 4,509	$ 5,875	$ 1,750	$ 2,978	$ 1,174	$ 3,962
Loans	4,865	6,481	8,215	5,597	4,480	7,037
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	91	161	57	100	162	265
TOTAL ASSETS	9,465	12,517	10,022	8,675	5,816	11,264
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts	1,300	1,853	1,165	944	742	1,898
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 10,765	$ 14,370	$ 11,187	$ 9,619	$ 6,558	$ 13,162
LIABILITIES AND NET POSITION						
Bonds	$ 8,723	$ 11,744	$ 8,919	$ 7,937	$ 6,009	$ 11,085
Swap Contract Fair Value Liability	1,300	1,853	1,165	944	742	1,898
Interest Payable-Swap Contract	189	246	171	129	140	213
Other Liabilities	34	23	38	136	65	49
TOTAL LIABILITIES	10,246	13,866	10,293	9,146	6,956	13,245
NET POSITION	519	504	894	473	(398)	(83)
TOTAL LIABILITIES AND NET POSITION	$ 10,765	$ 14,370	$ 11,187	$ 9,619	$ 6,558	$ 13,162
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 302	$ 397	$ 478	$ 302	$ 267	$ 401
Interest on Investments	219	253	85	74	78	132
Net Increase (Decrease) in Fair Value of Investments	77	213	68	137	(261)	97
Loan Servicing Fees	17	23	28	19	16	24
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	615	886	659	532	100	654
OPERATING EXPENSES						
Interest	517	651	497	378	400	599
General Operating	21	29	28	22	20	40
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	538	680	525	400	420	639
OPERATING INCOME/CHANGE IN NET POSITION	77	206	134	132	(320)	15
NET POSITION, Beginning of Period, as restated	448	305	762	337	(97)	(86)
TRANSFERS	(6)	(7)	(2)	4	19	(12)
NET POSITION, End of Period	$ 519	$ 504	$ 894	$ 473	$ (398)	$ (83)

(2) The combined totals for Bondholder Trusts are presented on page 86.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2003B Single-Family Mortgage Bond	2003C Single-Family Mortgage Bond	2003D Single-Family Mortgage Bond	2003E Single-Family Mortgage Bond	2004A Single-Family Mortgage Bond	2004B Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 1,380	$ 1,360	$ 5,342	$ 2,577	$ 2,256	$ 1,946
Loans	7,086	6,461	6,534	7,757	9,263	9,061
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	353	115	94	48	83	10
TOTAL ASSETS	8,819	7,936	11,970	10,382	11,602	11,017
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts	1,219	777	1,859	1,570	1,448	1,657
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 10,038	$ 8,713	$ 13,829	$ 11,952	$ 13,050	$ 12,674
LIABILITIES AND NET POSITION						
Bonds	$ 8,994	$ 7,621	$ 11,698	$ 10,274	$ 10,945	$ 9,402
Swap Contract Fair Value Liability	1,219	777	1,859	1,570	1,448	1,657
Interest Payable-Swap Contract	179	98	202	189	165	192
Other Liabilities	28	18	54	62	56	1,263
TOTAL LIABILITIES	10,420	8,514	13,813	12,095	12,614	12,514
NET POSITION	(382)	199	16	(143)	436	160
TOTAL LIABILITIES AND NET POSITION	$ 10,038	$ 8,713	$ 13,829	$ 11,952	$ 13,050	$ 12,674
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 403	$ 309	$ 390	$ 448	$ 481	$ 514
Interest on Investments	42	23	152	61	52	74
Net Increase (Decrease) in Fair Value of Investments	(162)	71	121	(38)	105	(72)
Loan Servicing Fees	25	23	23	28	32	31
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	308	426	686	499	670	547
OPERATING EXPENSES						
Interest	507	323	614	587	532	546
General Operating	23	19	27	27	33	36
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	530	342	641	614	565	582
OPERATING INCOME/CHANGE IN NET POSITION	(222)	84	45	(115)	105	(35)
NET POSITION, Beginning of Period, as restated	(153)	118	(113)	(94)	349	208
TRANSFERS	(7)	(3)	84	66	(18)	(13)
NET POSITION, End of Period	$ (382)	$ 199	$ 16	$ (143)	$ 436	$ 160

(2) The combined totals for Bondholder Trusts are presented on page 86.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2004C Single-Family Mortgage Bond	2004D Single-Family Mortgage Bond	2005A Single-Family Mortgage Bond	2005B Single-Family Mortgage Bond	2005C Single-Family Mortgage Bond	2005D Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 2,812	$ 3,143	$ 2,525	$ 3,091	$ 2,686	$ 2,420
Loans	9,641	12,248	12,457	11,699	11,879	11,670
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	128	154	63	336	1	31
TOTAL ASSETS	12,581	15,545	15,045	15,126	14,566	14,121
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts	1,665	1,828	1,965	1,979	1,807	1,857
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 14,246	$ 17,373	$ 17,010	$ 17,105	$ 16,373	$ 15,978
LIABILITIES AND NET POSITION						
Bonds	$ 12,323	$ 14,940	$ 14,582	$ 2,527	$ 3,738	$ 13,382
Swap Contract Fair Value Liability	1,665	1,828	1,965	1,979	1,807	1,857
Interest Payable-Swap Contract	184	203	212	213	202	213
Other Liabilities	28	35	52	11,781	10,040	798
TOTAL LIABILITIES	14,200	17,006	16,811	16,500	15,787	16,250
NET POSITION	46	367	199	605	586	(272)
TOTAL LIABILITIES AND NET POSITION	$ 14,246	$ 17,373	$ 17,010	$ 17,105	$ 16,373	$ 15,978
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 555	$ 634	$ 628	$ 663	$ 629	$ 621
Interest on Investments	49	39	42	48	44	54
Net Increase (Decrease) in Fair Value of Investments	122	144	147	152	156	52
Loan Servicing Fees	35	50	44	52	55	51
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	761	867	861	915	884	778
OPERATING EXPENSES						
Interest	603	612	696	622	653	671
General Operating	33	42	79	40	38	52
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	636	654	775	662	691	723
OPERATING INCOME/CHANGE IN NET POSITION	125	213	86	253	193	55
NET POSITION, Beginning of Period, as restated	33	197	157	307	330	(282)
TRANSFERS	(112)	(43)	(44)	45	63	(45)
NET POSITION, End of Period	$ 46	$ 367	$ 199	$ 605	$ 586	$ (272)

(2) The combined totals for Bondholder Trusts are presented on page 86.

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

	2005E Single-Family Mortgage Bond	2005F Single-Family Mortgage Bond	2006A Single-Family Mortgage Bond	2006B Single-Family Mortgage Bond	2006C Single-Family Mortgage Bond	2006D Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 3,961	$ 3,387	$ 2,652	$ 5,793	$ 3,551	$ 3,895
Loans	12,622	11,966	13,213	12,378	11,124	14,034
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	159	217	213	186	213	373
TOTAL ASSETS	16,742	15,570	16,078	18,357	14,888	18,302
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts	2,028	2,255	2,223	1,589	1,540	1,849
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 18,770	$ 17,825	$ 18,301	$ 19,946	$ 16,428	$ 20,151
LIABILITIES AND NET POSITION						
Bonds	$ 15,815	$ 3,485	$ 4,854	$ 7,937	$ 5,655	$ 5,229
Swap Contract Fair Value Liability	2,028	2,255	2,223	1,589	1,540	1,849
Interest Payable-Swap Contract	221	240	235	181	176	210
Other Liabilities	801	11,607	10,870	9,488	8,863	12,621
TOTAL LIABILITIES	18,865	17,587	18,182	19,195	16,234	19,909
NET POSITION	(95)	238	119	751	194	242
TOTAL LIABILITIES AND NET POSITION	$ 18,770	$ 17,825	$ 18,301	$ 19,946	$ 16,428	$ 20,151
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 701	$ 716	$ 747	$ 735	$ 681	$ 863
Interest on Investments	43	43	42	291	79	90
Net Increase (Decrease) in Fair Value of Investments	163	163	172	215	152	193
Loan Servicing Fees	57	57	60	64	58	62
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	964	979	1,021	1,305	970	1,208
OPERATING EXPENSES						
Interest	714	751	754	809	672	726
General Operating	51	45	48	57	48	49
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	765	796	802	866	720	775
OPERATING INCOME/CHANGE IN NET POSITION	199	183	219	439	250	433
NET POSITION, Beginning of Period, as restated	(164)	122	(9)	250	(18)	82
TRANSFERS	(130)	(67)	(91)	62	(38)	(273)
NET POSITION, End of Period	$ (95)	$ 238	$ 119	$ 751	$ 194	$ 242

(2) The combined totals for Bondholder Trusts are presented on page 86.

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

	2006E Single-Family Mortgage Bond	2006F Single-Family Mortgage Bond	2006G Single-Family Mortgage Bond	2007A Single-Family Mortgage Bond	2007B Single-Family Mortgage Bond	2007C Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 4,868	$ 5,990	$ 5,974	$ 4,454	$ 5,191	$ 5,536
Loans	16,232	15,776	17,132	16,905	19,311	20,657
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	455	691	208	815	474	806
TOTAL ASSETS	21,555	22,457	23,314	22,174	24,976	26,999
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts	2,053	1,923	1,814	2,038	2,197	2,397
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 23,608	$ 24,380	$ 25,128	$ 24,212	$ 27,173	$ 29,396
LIABILITIES AND NET POSITION						
Bonds	$ 21,273	$ 22,786	$ 20,903	$ 17,468	$ 20,760	$ 27,363
Swap Contract Fair Value Liability	2,053	1,923	1,814	2,038	2,197	2,397
Interest Payable-Swap Contract	233	224	219	233	258	275
Other Liabilities	149	125	2,543	4,755	4,460	40
TOTAL LIABILITIES	23,708	25,058	25,479	24,494	27,675	30,075
NET POSITION	(100)	(678)	(351)	(282)	(502)	(679)
TOTAL LIABILITIES AND NET POSITION	$ 23,608	$ 24,380	$ 25,128	$ 24,212	$ 27,173	$ 29,396
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 978	$ 957	$ 970	$ 1,024	$ 1,062	$ 1,195
Interest on Investments	88	90	73	67	56	93
Net Increase (Decrease) in Fair Value of Investments	234	246	237	254	275	303
Loan Servicing Fees	81	99	102	117	102	134
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	1,381	1,392	1,382	1,462	1,495	1,725
OPERATING EXPENSES						
Interest	1,002	1,089	950	843	1,001	1,302
General Operating	80	98	97	115	101	127
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	1,082	1,187	1,047	958	1,102	1,429
OPERATING INCOME/CHANGE IN NET POSITION	299	205	335	504	393	296
NET POSITION, Beginning of Period, as restated	(196)	(509)	(283)	(275)	(118)	(480)
TRANSFERS	(203)	(374)	(403)	(511)	(777)	(495)
NET POSITION, End of Period	$ (100)	$ (678)	$ (351)	$ (282)	$ (502)	$ (679)

(2) The combined totals for Bondholder Trusts are presented on page 86.

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

	2007D Single-Family Mortgage Bond	2007E Single-Family Mortgage Bond	2007F Single-Family Mortgage Bond	2007G Single-Family Mortgage Bond	2007H Single-Family Mortgage Bond	2007I Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 8,980	$ 8,037	$ 9,812	$ 10,723	$ 12,300	$ 9,505
Loans	25,923	30,135	39,105	37,898	41,494	32,748
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	848	1,372	2,560	1,589	1,676	1,894
TOTAL ASSETS	35,751	39,544	51,477	50,210	55,470	44,147
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts	2,663	3,258	4,553	6,401	7,427	4,904
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 38,414	$ 42,802	$ 56,030	$ 56,611	$ 62,897	$ 49,051
LIABILITIES AND NET POSITION						
Bonds	$ 30,239	$ 35,214	$ 49,285	$ 46,779	$ 54,314	$ 43,575
Swap Contract Fair Value Liability	2,663	3,258	4,553	6,401	7,427	4,904
Interest Payable-Swap Contract	322	398	540	556	442	544
Other Liabilities	5,500	5,219	373	2,211	1,376	264
TOTAL LIABILITIES	38,724	44,089	54,751	55,947	63,559	49,287
NET POSITION	(310)	(1,287)	1,279	664	(662)	(236)
TOTAL LIABILITIES AND NET POSITION	$ 38,414	$ 42,802	$ 56,030	$ 56,611	$ 62,897	$ 49,051
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 1,466	$ 1,775	$ 2,385	$ 2,374	$ 2,505	$ 1,996
Interest on Investments	148	198	233	245	226	157
Net Increase (Decrease) in Fair Value of Investments	338	411	532	523	566	484
Loan Servicing Fees	168	187	244	234	239	193
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	2,120	2,571	3,394	3,376	3,536	2,830
OPERATING EXPENSES						
Interest	1,413	1,654	2,276	2,233	2,733	2,123
General Operating	162	190	252	238	225	186
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	1,575	1,844	2,528	2,471	2,958	2,309
OPERATING INCOME/CHANGE IN NET POSITION	545	727	866	905	578	521
NET POSITION, Beginning of Period, as restated	(372)	(917)	169	(336)	(1,447)	(946)
TRANSFERS	(483)	(1,097)	244	95	207	189
NET POSITION, End of Period	$ (310)	$ (1,287)	$ 1,279	$ 664	$ (662)	$ (236)

(2) The combined totals for Bondholder Trusts are presented on page 86.

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

	2007J Single-Family Mortgage Bond	2007K Single-Family Mortgage Bond	2008A Single-Family Mortgage Bond	2008B Single-Family Mortgage Bond	2008C Single-Family Mortgage Bond	2008D Single-Family Mortgage Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments	$ 11,556	$ 9,546	$ 8,655	$ 8,816	$ 10,436	$ 4,503
Loans	40,639	33,845	32,787	34,834	31,087	20,248
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	1,304	709	302	348	1,373	91
TOTAL ASSETS	53,499	44,100	41,744	43,998	42,896	24,842
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts	6,035	5,143	4,787	4,163	2,958	814
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 59,534	$ 49,243	$ 46,531	$ 48,161	$ 45,854	$ 25,656
LIABILITIES AND NET POSITION						
Bonds	$ 51,347	$ 41,546	$ 18,582	$ 20,448	$ 43,164	$ 25,563
Swap Contract Fair Value Liability	6,035	5,143	4,787	4,163	2,958	814
Interest Payable-Swap Contract	637	478	451	484	370	124
Other Liabilities	1,795	2,737	22,091	23,430	254	1,925
TOTAL LIABILITIES	59,814	49,904	45,911	48,525	46,746	28,426
NET POSITION	(280)	(661)	620	(364)	(892)	(2,770)
TOTAL LIABILITIES AND NET POSITION	$ 59,534	$ 49,243	$ 46,531	$ 48,161	$ 45,854	$ 25,656
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 2,459	$ 1,998	$ 1,919	$ 2,014	$ 2,009	$ 1,240
Interest on Investments	362	69	118	134	158	60
Net Increase (Decrease) in Fair Value of Investments	588	435	480	526	432	276
Loan Servicing Fees	222	195	129	166	117	72
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	3,631	2,697	2,646	2,840	2,716	1,648
OPERATING EXPENSES						
Interest	2,622	1,917	2,042	2,157	2,147	1,328
General Operating	221	189	97	134	123	74
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	2,843	2,106	2,139	2,291	2,270	1,402
OPERATING INCOME/CHANGE IN NET POSITION	788	591	507	549	446	246
NET POSITION, Beginning of Period, as restated	(1,002)	(1,046)	(44)	(949)	(1,348)	(3,203)
TRANSFERS	(66)	(206)	157	36	10	187
NET POSITION, End of Period	$ (280)	$ (661)	$ 620	$ (364)	$ (892)	$ (2,770)

(2) The combined totals for Bondholder Trusts are presented on page 86.

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Combined Bondholder Trusts, continued (in thousands)

	2009A Single-Family Mortgage Bond	2009B Single-Family Mortgage Bond	2009C Single-Family Mortgage Bond	2009 1 Single-Family Mortgage Bond	2010A Single-Family Mortgage Bond	1994 A and B Multifamily Housing Revenue Bond
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						
Investments			$ 4,001	$ 77,350	$ 3,670	$ 13,189
Loans			30,870		26,536	7,708
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	$ 80,138	$ 79,868	3	6	231	29
TOTAL ASSETS	80,138	79,868	34,874	77,356	30,437	20,926
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 80,138	$ 79,868	$ 34,874	$ 77,356	$ 30,437	$ 20,926
LIABILITIES AND NET POSITION						
Bonds	$ 83,174	$ 84,456	$ 34,952	$ 77,262	$ 30,409	$ 11,752
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	29	11	21	464	277	2
TOTAL LIABILITIES	83,203	84,467	34,973	77,726	30,686	11,754
NET POSITION	(3,065)	(4,599)	(99)	(370)	(249)	9,172
TOTAL LIABILITIES AND NET POSITION	$ 80,138	$ 79,868	$ 34,874	$ 77,356	$ 30,437	$ 20,926
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans			$ 1,446		$ 983	$ 666
Interest on Investments			85		58	127
Net Increase (Decrease) in Fair Value of Investments			402		309	(56)
Loan Servicing Fees			102		99	
Multifamily and GARVEE bonds pledged revenues						143
Other						-
TOTAL OPERATING REVENUES	-	-	2,035	-	1,449	880
OPERATING EXPENSES						
Interest	$ 443	$ 1,672	1,353		962	845
General Operating	131	137	96	$ 16	97	2
Bond Financing Costs						
Other			-			
TOTAL OPERATING EXPENSES	574	1,809	1,449	16	1,059	847
OPERATING INCOME/CHANGE IN NET POSITION	(574)	(1,809)	586	(16)	390	33
NET POSITION, Beginning of Period, as restated	(2,581)	(3,646)	(684)	(354)	(637)	9,139
TRANSFERS	90	856	(1)		(2)	
NET POSITION, End of Period	$ (3,065)	$ (4,599)	$ (99)	$ (370)	$ (249)	$ 9,172

(2) The combined totals for Bondholder Trusts are presented on page 86.

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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	$ 889				$ 98	$ 566
Loans	8,083		$ 5,270	$ 3,937	7,791	
GARVEE highway project costs receivable, net						136,124
Employment Security Reserve Fund receivable						
Other Assets				329	512	
TOTAL ASSETS	8,972	-	5,270	4,266	8,401	136,690
DEFERRED OUTFLOW OF RESOURCES						
Loan Acquisition Costs						
Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 8,972	$ -	$ 5,270	$ 4,266	$ 8,401	$ 136,690
LIABILITIES AND NET POSITION						
Bonds	$ 8,710		$ 5,270	$ 4,216	$ 8,401	$ 136,347
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	262			50		343
TOTAL LIABILITIES	8,972	-	5,270	4,266	8,401	136,690
NET POSITION	-	-	-	-	-	-
TOTAL LIABILITIES AND NET POSITION	$ 8,972	$ -	$ 5,270	$ 4,266	$ 8,401	$ 136,690
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 452		$ 2	$ 111	$ 582	
Interest on Investments	29	$ 36				
Net Increase (Decrease) in Fair Value of Investments		(30)				
Loan Servicing Fees						
Multifamily and GARVEE bonds pledged revenues	(6)	37	2	(104)	(73)	$ 5,336
Other						
TOTAL OPERATING REVENUES	475	43	4	7	509	5,336
OPERATING EXPENSES						
Interest	452	41	2	7	495	5,307
General Operating	23	2	2		14	29
Bond Financing Costs					-	-
Other						
TOTAL OPERATING EXPENSES	475	43	4	7	509	5,336
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 86.

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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	2011 Unemployment Compensation Revenue Bond	2011A Grant and Revenue Anticipation Bond	Combined Bondholder Trusts (2)
Statement of Net Position						
ASSETS						
Cash and Cash Equivalents						$ -
Investments	$ 354	$ 1,081	$ 23,953	$ 4	$ 54,310	451,426
Loans						942,708
GARVEE highway project costs receivable, net	164,117	162,801	61,541		22,644	547,227
Employment Security Reserve Fund receivable				205,331		205,331
Other Assets	177	166				184,658
TOTAL ASSETS	164,648	164,048	85,494	205,335	76,954	2,331,350
DEFERRED OUTFLOW OF RESOURCES						-
Loan Acquisition Costs						-
Interest Rate Swap Contracts						115,848
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 164,648	$ 164,048	$ 85,494	$ 205,335	$ 76,954	$ 2,447,198
LIABILITIES AND NET POSITION						
Bonds	$ 164,648	$ 164,048	$ 85,493	$ 205,335	$ 76,954	$ 2,127,359
Swap Contract Fair Value Liability						115,848
Interest Payable-Swap Contract						13,350
Other Liabilities			1			162,413
TOTAL LIABILITIES	164,648	164,048	85,494	205,335	76,954	2,418,970
NET POSITION	-	-	-	-	-	28,228
TOTAL LIABILITIES AND NET POSITION	$ 164,648	$ 164,048	$ 85,494	$ 205,335	$ 76,954	$ 2,447,198
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans						$ 55,438
Interest on Investments			$ 464		$ 438	8,167
Net Increase (Decrease) in Fair Value of Investments						10,097
Loan Servicing Fees						4,360
Multifamily and GARVEE bonds pledged revenues	$ 6,859	$ 6,668	4,346	$ 2,929	3,261	29,398
Other						-
TOTAL OPERATING REVENUES	6,859	6,668	4,810	2,929	3,699	107,460
OPERATING EXPENSES						
Interest	6,823	6,632	4,785	1,770	3,025	88,907
General Operating	36	36	25			4,790
Bond Financing Costs				1,159	674	1,833
Other						-
TOTAL OPERATING EXPENSES	6,859	6,668	4,810	2,929	3,699	95,530
OPERATING INCOME/CHANGE IN NET POSITION	-	-	-	-	-	11,930
NET POSITION, Beginning of Period, as restated	-	-	-	-	-	24,474
TRANSFERS						(8,176)
NET POSITION, End of Period	$ -	$ -	$ -	$ -	$ -	$ 28,228

(2) The combined totals for Bondholder Trusts are presented on page 86.