Idaho Housing and Finance Association

www.ihfa.org

Audit Report as of
June 30, 2015 and 2014

EideBailly
CPAs & BUSINESS ADVISORS

Independent Auditor's Report

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

Report on the Financial Statements
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, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Idaho Housing and Finance Association's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

877 W. Main St., Ste. 800 | Boise, ID 83702-5858 | T 208.344.7150 | F 208.344.7435 | EOE

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the Idaho Housing and Finance Association as of June 30, 2015 and 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our 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 58 through 79 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary financial information on pages 58 through 79 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Eide Bailly LLP

Boise, Idaho
September 29, 2015

IDAHO HOUSING AND FINANCE ASSOCIATION
Management's Discussion and Analysis

June 30, 2015

The Idaho Housing and Finance Association's (Association) Management Discussion and Analysis presents 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, 2015 and 2014.

Organizational Overview

The Association is a self-supporting organization that must generate all revenue necessary to cover the cost of its operations. The Association services loans for single-family borrowers in Idaho, Iowa, New Mexico, South Dakota, and Connecticut and multifamily affordable housing projects in Idaho. The Association administers seventeen Housing and Urban Development (HUD) programs such as Section 8 Rental Assistance, Low Rent Public Housing, the HOME Program in rural Idaho, Neighborhood Stabilization, and Tax Credit assistance; and two U.S. Treasury programs. The Association also issues bonds to finance nonprofit facilities, economic development projects, and road improvements throughout the State of Idaho.

Financial Highlights

The Association's net position increased during its fiscal year 2015 (FY2015), reflecting a strong, positive net interest spread and recovery of an accrued liability related to the settlement of a derivative settlement claim. Net operating income increased, notwithstanding the recovery, by 368% in FY2015 from FY2014 due to increased loan servicing fee revenue, decreased bond financing costs, and improved net interest spread margins. Assets decreased reflecting a decrease in Association-owned loans. Deferred Outflow of Resources declined representing the amortization of previously hedged---now deemed terminated---interest swap contracts and the natural extinguishment of the notional amount of interest swap contracts. Liabilities decreased reflecting the continuing retirement of outstanding debt not offset by an increase in the issuance of a substantial amount of new debt and the decrease in the fair value of the Association's interest rate swap contract position. Deferred Inflow of Resources declined representing the change of the hedged fair value of deemed terminated swap positions and a general decrease in interest rates during the fiscal year.

The financial highlights of the Association as of June 30, 2015 compared to June 30, 2014 are as follows:

- Total net position, after fair market value and federal pass-through adjustments, increased $9.99 million or 4.78%
- Total net position, before fair market value and federal pass-through adjustments, increased $11.46 million or 4.8%
- Total assets decreased $117.85 million or 6.07%
- Total deferred outflow of resources decreased $11.91 million or 14.72%
- Total liabilities decreased $137.31 million or 7.58%
- Total deferred inflow of resources decreased $2.45 million or 97.84%
- Cash and investments decreased $35.38 million or 8.86%
- Loans held for investment decreased $114.35 million or 16.46%
- Bonds payable decreased $168.48 million or 10.37%
- Interest rate swap contracts' fair value decreased $.95 million or 7.27%
- Other liabilities increased $8.16 million or 26.27%
- Interest on loans increased $0.21 million or 0.50%
- Interest on investments decreased $1.27 million or 20.92%
- Gain on loan sales increased $9.66 million or 70.76%
- Other revenue increased $6.33 million or 312.48%
- Loan acquisition cost expense increased $9.39 million or 55.65%
- Fair value of investments increased $ 3.47 million or 304.21%
- Federal pass-through revenues decreased $6.95 million or 15.38%
- Federal pass-through expenses decreased $6.46 million or 14.10%

The Association experienced a solid, productive FY15 amid an improving economic environment, along with upward pressure on interest rates. The following significant factors characterize and affect the Association's financial results:

1) a master servicing agreement with South Dakota Housing Development Authority and Connecticut Housing Finance Authority
2) Increased loan production and servicing portfolio value
3) lower bond expense costs due to refinancing several bond issues
4) stable to declining interest rates
5) settlement of derivative termination claim
6) Real Estate Owned losses returning to pre-2008 levels

With the fallout of the financial crisis of 2008-2009 largely over, the Association's results for FY15 reflect a path of returning to market-driven conditions premised on the expiration of federal government financial market-support programs. These programs, implemented at the height of the financial crisis, were designed to improve distressed conditions and stabilize economic activity. This crisis, in part precipitated by poor underwriting standards of subprime and exotic loans during the 2004 to 2007 period, led to a severe disruption of the world and the United States financial markets.

While the Association never participated in the market for subprime or other exotic loans, failure of these loan products across the United States played a significant role in disrupting its economy and financial markets and, ultimately, the Association's traditional vehicle for financing its home loan products: tax-exempt single-family mortgage revenue bonds. As a means to maintain the vitality of its mission, the Association entered into relationships to sell, while retaining the servicing component, loans to the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), and other investors guaranteed by the Government National Mortgage Association (GNMA). This has led to a significant change in the composition of the Association's servicing portfolio from a practice of acquiring, owning, and servicing to acquiring, selling, and servicing loans. This has allowed the Association to avoid much of the fallout related to the financial crisis.

During approximately the same period that the Association entered into these relationships, the United States Federal Reserve System became a significant investor in securities issued by FNMA and FHLMC and guaranteed by GNMA. The Federal Reserve undertook this role with the stated intention of stabilizing stock and bond security prices. Because of competition between the Federal Reserve and other investors seeking high-quality yield, the Federal Reserve achieved its policy goal with resulting higher security prices and lower interest rate yields. Specific to the Association's situation, investors offered premium bids for those securities backed by loans acquired and sold by the Association, resulting in strong revenue classified as gains on loans sales.

The Association continued to develop marketing and relationship channels in the State of Idaho. This effort along with developing additional servicing partnership relationships with four other state housing finance agencies (HFA) has led a significant growth in its servicing portfolio and servicing income. The Association expects this trend to continue for the next few years as it absorbs each HFAs' loan servicing potential and the addition of at least one HFA to its partnership relationship.

The Association added to its joint-venture master servicing agreement with New Mexico Mortgage Finance Authority and Iowa Finance Authority by entering into and implementing a master servicing agreement with South Dakota Housing Development Authority (SDHDA) and Connecticut Housing Finance Authority (CHFA) in FY2015. The Association provides servicing to South Dakota borrowers who use SDHDA single- family loan products and provides servicing to Connecticut borrowers who use CHFA single- family loan products.

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.

Refinancing played a smaller role in loan production during the year with interest rates varying between favorable and unfavorable conditions. The increase in interest rates (or the expectation of higher interest rates) typically leads to a higher number of refinanced loans as borrowers took advantage of the still historically low current rate environment. Even in this historically low rate environment, interest rates declined at times to provide opportunities to refinance to a lower rate. This can and has resulted in depressed net interest spreads in several Association bond trusts as higher interest rate loans pay off with proceeds invested at lower current-market rates without a contemporaneous decrease in fixed interest costs.

To remedy and improve the bond trusts' depressed net interest spread, the Association has (over the past three years) refinanced several bond trusts to eliminate variable interest expense contract conditions, which became uneconomical due to market dynamics caused by the 2008-2009 financial crisis. The Association negotiated the 2015A Single Family Bond issue during FY2015 to further these efforts. This bond was issued in July 2015 and is expected to have a positive effect in ensuring a strong foundation in the Association's Single Family Bond program.

The Association continues to administer legacy 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. 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, 2015, 2014, and 2013 as well as the changes in net income.

As of June 30, (in thousands)	2015 Balance	2015 % Change from prior period	2014 Balance	2014 % Change from prior period	2013 Balance
Cash and Cash Equivalents	$ 81,880	44.77%	$ 56,560	(60.35%)	$ 142,652
Investments, fair value	282,165	(17.70%)	342,865	6.42%	322,180
Loans held for investment, net	580,542	(16.46%)	694,888	(12.70%)	795,972
Loans available for sale	146,924	55.35%	94,575	(3.29%)	97,796
GARVEE highway project cost receivable, net	647,866	4.78%	618,304	7.32%	576,142
Employment security fund receivable	50,928	(50.51%)	102,896	(32.72%)	152,940
Property and Equipment	5,787	0.16%	5,778	(5.71%)	6,128
Other Assets	27,583	7.49%	25,662	28.19%	20,019
Interest rate swap contracts	69,007	(14.72%)	80,915	(7.74%)	87,705
Total Assets and Deferred Outflow	$ 1,892,682	(6.42%)	$ 2,022,443	(8.13%)	$ 2,201,534
Bonds	$ 1,455,621	(10.37%)	$ 1,624,103	(9.75%)	$ 1,799,601
Commercial Paper	75,000	50.00%	50,000	0.00%	50,000
Swap contract fair value liability	73,824	(8.39%)	80,589	(4.07%)	84,010
Interest payable-swap contract	12,082	(7.27%)	13,029	(1.09%)	13,172
Escrow and Project Reserve Deposits	17,961	46.78%	12,237	46.13%	8,374
Other Liabilities	39,235	26.27%	31,072	(0.10%)	31,102
Interest rate swap contracts	54	(97.84%)	2,501	(49.85%)	4,987
Total Liabilities and Deferred Inflow	$ 1,673,777	(7.71%)	$ 1,813,531	(8.92%)	$ 1,991,246
Net investment in capital assets	$ 5,787	0.16%	$ 5,778	(5.71%)	$ 6,128
Bond funds	138,226	1.75%	135,850	(0.02%)	135,879
Section 8 voucher HAP fund	119	(87.08%)	921	(40.04%)	1,536
The Home Partnership Foundation, Inc. fund	1,741	(4.13%)	1,816	#DIV/0!	-
Unrestricted	73,032	13.15%	64,547	(3.29%)	66,745
Total Net Position	$ 218,905	4.78%	$ 208,912	(0.65%)	$ 210,288
Interest on Loans	$ 42,268	0.50%	$ 42,058	(16.23%)	$ 50,206
Government and multifamily trusts' pledged revenues	29,334	(2.98%)	30,235	3.36%	29,252
Interest on Investments	4,785	(20.92%)	6,051	(16.88%)	7,280
Loan servicing fees	12,859	17.36%	10,957	7.77%	10,167
Contract and grant administration fees	6,847	11.42%	6,145	(5.59%)	6,509
Gains on loan sales	23,304	70.76%	13,647	(52.67%)	28,831
Other	8,361	312.48%	2,027	(81.91%)	11,203
Total Revenues	$ 127,758	14.97%	$ 111,120	(22.54%)	$ 143,448
Interest	$ 70,576	(3.50%)	$ 73,138	(11.59%)	$ 82,730
Salaries and benefits	11,659	9.28%	10,669	3.72%	10,286
Loan acquisition costs	26,267	55.65%	16,876	(33.04%)	25,202
General operating	6,370	9.73%	5,805	(1.96%)	5,921
Bond financing costs	20	(98.78%)	1,640	365.91%	352
Grants to others	543	(41.42%)	927	(9.21%)	1,021
Losses on real estate-owned property	-	-	-	(100.00%)	91
Provision for loan loss	267	-	-	(100.00%)	19
Other	592	(27.00%)	811	23.63%	656
Total Expenses	116,294	5.85%	109,866	(13.00%)	126,278
Operating income/(loss)	11,464	814.19%	1,254	(92.70%)	17,170
Net increase (decrease) in Fair value of investments	2,328	(304.21%)	(1,140)	(79.05%)	(5,442)
Derivative instruments, interest rate swap	(2,696)	205.32%	(883)	(27.92%)	(1,225)
Federal pass-through revenues	38,248	(15.38%)	45,201	(2.77%)	46,490
Federal pass-through expenses	(39,351)	(14.10%)	(45,808)	(1.41%)	(46,465)
Total non-operating revenues and expenses	(1,471)	(44.07%)	(2,630)	(60.40%)	(6,642)
Increase/(decrease) in net position	$ 9,993	826.24%	$ (1,376)	(113.07%)	$ 10,528

The Association's total Net Position at June 30, 2015 included $5,787,000 Net Investment Capital Assets; $140,086,000 in Restricted Net Position; and $73,032,000 in Unrestricted Net Position, of which $19,295,000 is available for business operations of the Association.

The fair value adjustments reported in the Statements of Net Position on page 8 and the Statements of Revenues, Expenses, and Changes in Net Position on page 9 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 $5.79 million (net of accumulated depreciation), a decrease of 0.16%. 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. The Association's bond portfolio decreased by $168.48 million or 10.37% during the last year to $1,455.62 million.

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.idahohousing.com.

IDAHO HOUSING AND FINANCE ASSOCIATION
Statements of Net Position

As of June 30,	2015	2014
	(in thousands)	
Assets		
Cash and cash equivalents	$ 81,880	$ 56,560
Investments, fair value	282,165	342,865
Loans held for investment, net	580,542	694,888
Loans available for sale	146,924	94,575
GARVEE highway project costs receivable, net	647,866	618,304
Employment security reserve fund receivable	50,928	102,896
Property and equipment	5,787	5,778
Other assets	27,583	25,662
Total Assets	1,823,675	1,941,528
Deferred Outflow of Resources		
Interest rate swap contracts amortized value	43,098	50,822
Interest rate swap contracts fair value	25,909	30,093
Total Deferred Outflow of Resources	69,007	80,915
Total Assets and Deferred Outflow of Resources	$ 1,892,682	$ 2,022,443
Liabilities		
Bonds	$ 1,455,621	$ 1,624,103
Commercial paper	75,000	50,000
Swap contract fair value	73,824	80,589
Interest payable-swap contract	12,082	13,029
Escrow and project reserve deposits	17,961	12,237
Other liabilities	39,235	31,072
Total Liabilities	1,673,723	1,811,030
Deferred Inflow of Resources		
Interest rate swap contracts fair value	54	2,501
Total Deferred Inflow of Resources	54	2,501
Net Position		
Net investment in capital assets	5,787	5,778
Restricted:		
Bond funds	138,226	135,850
Section 8 voucher HAP fund	119	921
The Home Partnership Foundtion, Inc fund	1,741	1,816
Unrestricted	73,032	64,547
Total Net Position	218,905	208,912
Total Liabilities, Deferred Inflow of Resources, and Net Position	$ 1,892,682	$ 2,022,443

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,	2015	2014
	(in thousands)	
Operating Revenues		
Interest on loans	$ 42,268	$ 42,058
Government and multifamily trusts' pledged revenues	29,334	30,235
Interest on investments	4,785	6,051
Loan servicing fees	12,859	10,957
Contract and grant administration fees	6,847	6,145
Gains on loan sales	23,304	13,647
Other	8,361	2,027
Total operating revenues	127,758	111,120
Operating Expenses		
Interest	70,576	73,138
Salaries and benefits	11,659	10,669
Loan acquisition costs	26,267	16,876
General operating	6,370	5,805
Bond financing costs	20	1,640
Grant to others	543	927
Provision for loan loss	267	-
Other	592	811
Total operating expenses	116,294	109,866
Operating income	11,464	1,254
Nonoperating Revenues and Expenses		
Net increase (decrease) in fair value of investments	2,328	(1,140)
Derivative instruments, interest rate swap	(2,696)	(883)
Federal pass-through revenues	38,248	45,201
Federal pass-through expenses	(39,351)	(45,808)
Total nonoperating revenues and expenses	(1,471)	(2,630)
Increase (Decrease) in Net Position	9,993	(1,376)
Net Position		
Net Position-beginning of year	208,912	210,288
Net Position-end of year	$ 218,905	$ 208,912

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	2015	2014
	(in thousands)	
Cash Flows from Operating Activities		
Receipts from customers, loan interest, and fees	$ 667,389	$ 487,213
Loan principal payments	119,384	104,039
Principal and interest pass-through remittances as servicing agent	(427,965)	(286,336)
Loan sales	1,162,702	859,278
Loan acquisition costs	(26,267)	(16,876)
Interest paid	(73,490)	(81,496)
Payments to suppliers	(13,145)	(4,925)
Payments for transportation program costs	(59,129)	(66,681)
Payments for loans available for sale	(1,209,266)	(857,114)
Payments to employees for services and benefits	(11,326)	(10,692)
Loan principal additions	(32,504)	(19,103)
Net cash provided by operating activities	96,383	107,307
Cash Flows from Noncapital Financing Activities		
Bond financing costs	(20)	(1,640)
Bond and commercial paper payments	(477,036)	(542,559)
Bond and commercial paper issued	340,999	367,061
Federal pass-through revenues	38,248	45,201
Federal pass-through expenses	(39,351)	(45,808)
Net cash used for noncapital financing activities	(137,160)	(177,745)
Cash Flows from Capital and Related Financing Activities		
Acquisition and construction of capital assets	(702)	(297)
Net cash used for capital and related financing activities	(702)	(297)
Cash Flows from Investing Activities		
Investment purchases	(1,700,314)	(2,144,925)
Investment redemptions	1,763,046	2,122,639
Investment income	4,067	6,929
Net cash provided/(used) by investing activities	66,799	(15,357)
Net Increase/(Decrease) in Cash	25,320	(86,092)
Cash and cash equivalents, beginning of year	56,560	142,652
Cash and cash equivalents, end of year	$ 81,880	$ 56,560

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		2015		2014
Reconciliation of net operating revenues/(expenses) to net cash provided by operating activities:				
Operating income	$	11,464	$	1,254
Adjustments to reconcile operating income to net cash provided by operating activities				
Loan principal received		119,384		104,039
Loans issued		(32,504)		(19,103)
Bond financing costs		20		1,640
Decrease (increase) in interest receivable		678		760
Depreciation and other amortization		(4,359)		(4,704)
Increase (decrease) in interest payable		(2,145)		(2,655)
Interest on investments		(4,785)		(6,051)
Decrease (increase) in GARVEE highway project costs receivable, net and pledged revenues		(29,562)		(13,069)
Decrease (increase) in employment security reserve fund receivable		51,968		51,534
Decrease (increase) in other assets		(35,789)		(15,456)
Increase (decrease) in accounts payable and other liabilities		22,012		9,118
Increase (decrease) in deposits		1		-
Total adjustments		84,919		106,053
Net cash provided by operating activities	$	96,383	$	107,307

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,	2014	2013
ASSETS		
Cash	$ 1,920,278	$ 2,447,271
Investments	1,750,000	1,300,504
Escrow and Reserve Deposits	1,534,434	1,421,078
Receivables	289,597	464,938
Prepaid Expenses	175,475	184,314
HOME Funded Homes Held for Sale	719,619	902,832
Land	5,710,653	5,384,531
Buildings and Equipment (net of accumulated depreciation)	27,666,004	28,474,752
Financing Costs and Other (net of accumulated amortization)	270,411	277,782
	$ 40,036,471	$ 40,858,002
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Liabilities	$ 384,208	$ 462,594
HOME Funds Liability	642,514	1,097,303
Interest Payable	162,502	134,413
Real Estate Taxes Payable	388,874	389,717
Mortgages and Notes Payable	23,614,103	23,442,434
Security Deposits Payable	391,010	345,205
	25,583,211	25,871,666
NET ASSETS, UNRESTRICTED		
Controlling Interests	6,381,151	6,359,392
Non Controlling Interests	8,072,109	8,626,944
LIABILITIES AND NET ASSETS	$ 40,036,471	$ 40,858,002

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

For the Years ended December 31,		2014		2013
REVENUES				
Tenant Rents	$	4,868,920	$	4,749,767
Housing Assistance Payments		2,611,926		2,651,602
Grants and Other Contributions		41,404		
Interest and Dividends		15,238		12,764
Developer Fees		131,856		217,856
Forgiveness of Debt on Tax Credit Exchange Loan				310,605
Property Management Services		215,768		85,199
Other		484,593		305,635
TOTAL REVENUES	$	8,369,705	$	8,333,428
EXPENSES				
Administrative	$	2,276,179	$	2,266,728
Utilities and Maintenance		2,303,643		2,273,062
Real Estate Taxes and Insurance		1,042,259		1,072,703
Depreciation and Amortization		2,373,049		2,366,727
Interest		907,651		954,523
TOTAL EXPENSES	$	8,902,781	$	8,933,743
SUBTOTAL		(533,076)		(600,315)
DECREASE IN NET ASSETS BEFORE NONCONTROLLING INTERESTS	$	(533,076)	$	(600,315)
Minority Interest in Partnership Losses		554,835		657,065
INCREASE IN NET ASSETS	$	21,759	$	56,750

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

For the Years ended December 31,	2014	2013
Cash Flows from Operating Activities:		
Increase in Net Assets	$ 21,759	$ 56,750
Adjustments for Non-cash Items:		
Depreciation and Amortization	2,373,049	2,366,727
Non-Controlling Interest in Partnership Losses	(554,835)	(657,065)
Loss on Disposal of Assets	26,281	13,422
Forgiveness on Tax Credit Exchange Funds		(310,605)
Note Modification of HOME loan	(44,697)	
Changes in Assets and Liabilities:		
(Increase) in Receivables	175,341	(271,402)
Decrease in Prepaid Expenses	8,839	21,985
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(533,175)	1,087,332
Increase (Decrease) in Interest Payable	28,089	(6,257)
Decrease in Real Estate Taxes Payable	(843)	(1,323)
Increase in Security Deposits Payable	45,805	47,052
CASH PROVIDED FROM OPERATING ACTIVITIES	1,545,613	2,346,616
Cash Flows from Investing Activities:		
Purchase of Land	(326,122)	(8,256)
Purchases of Building and Equipment	(1,575,560)	(694,974)
Proceeds from Sale of Homes Purchased with HOME funds	183,213	-
Costs to Rehabilitate Homes Purchased with HOME funds	-	(483,310)
Payment of Financing Costs and Pre-Development Costs	(7,651)	
Purchase of Investments	(1,249,496)	(499,732)
Sales of Investments	800,000	500,000
Net Increase (Decrease) in Escrow and Reserve Deposits	(113,356)	(128,486)
CASH USED FOR INVESTING ACTIVITIES	(2,288,972)	(1,314,758)
Cash Flows from Financing Activities:		
Principal Payments on Mortgages Payable	(954,862)	(890,546)
Additions to Mortgages or Notes Payable	1,171,228	
Equity Distributions		(37,000)
CASH PROVIDED FROM (USED FOR) FINANCING ACTIVITIES	216,366	(927,546)
INCREASE (DECRASE) IN CASH	(526,993)	104,312
CASH, BEGINNING OF PERIOD	2,447,271	2,342,959
CASH, END OF PERIOD	$ 1,920,278	$ 2,447,271

THE HOUSING COMPANY
A Component Unit of Idaho Housing and Finance Association
Consolidated Statements of Changes in Net Assets

	Non-Controlling Interests	Controlling Interests
NET ASSETS, UNRESTRICTED, December 31, 2012	$ 9,321,009	$ 6,302,642
Distributions	(37,000)	-
Increase (Decrease) in Net Assets	(657,065)	56,750
NET ASSETS, UNRESTRICTED, December 31, 2013	8,626,944	6,359,392
Increase (Decrease) in Net Assets	(554,835)	21,759
NET ASSETS, UNRESTRICTED, December 31, 2014	$ 8,072,109	$ 6,381,151

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

June 30, 2015 and 2014

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 by the 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 of the Governmental Accounting Standards Board (GASB) and follow the accrual basis of accounting. The Association is accounted for as an Enterprise Fund.

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

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.

B. Reporting Entity

Although the State of Idaho considers the Association a component unit for financial reporting purposes in accordance with GASB Statement No. 61, *The Financial Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, 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.

THC reports under FASB standards, including FASB ASC 958, *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.

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

2. Summary of Significant Accounting Policies, continued

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.

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.

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

2. Summary of Significant Accounting Policies, continued

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, which are held at Wells Fargo Bank and Key Bank. 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, 2015. Restricted cash as of June 30, 2014 consists of $2,500,000 in the Bond Funds, $1,560,000 in Section 8 Housing Choice Voucher Program, $9,737,000 in escrow deposits, and $1,503,000 in General Operating. The Association does not have a formal deposit policy for custodial credit risk. Restricted cash as of June 30, 2015 consists of $680,000 in the Bond Funds, $6,174,000 in Loan Guaranty, $869,000 in Section 8 Housing Choice Voucher Program, $16,474,000 in escrow deposits, and $1,737,000 in General Operating.

F. Bond Financing Costs/Bond Financing Cost Expense

Bond financing costs are expensed in the period incurred.

G. Loan Acquisition Costs

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. Loan acquisition costs are expensed at the time a loan is acquired.

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, 2015 and 2014 was $614,000 and $590,000, respectively. Property and equipment are presented in the Statement of Net Position, net of accumulated depreciation of $5,787,000 and $5,778,000 at June 30, 2015 and 2014, respectively.

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 losses in the General Operating Account on recourse obligations related to FNMA-held, FHLMC-held, and GNMA-secured loan foreclosures. The Association estimates this amount to be $1,731,000 as of June 30, 2015 and $2,102,000 as of June 30, 2014. 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. As of June 30, 2015 and 2014 the Association estimates this

2. Summary of Significant Accounting Policies, continued

J. Provisions for Loan Losses, continued

amount to be $3,919,000 and $4,666,000, respectively. 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 $204,000 and $306,000 as of June 30, 2015 and 2014, respectively.

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 the 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, 2015, the Association had $75,000,000 of commercial paper outstanding maturing in 22 to 181 days from date of issue, with weighted average interest rates of .53501%. As of June 30, 2014, the Association had $50,000,000 of commercial paper outstanding maturing in 90 to 181 days from date of issue, with weighted average interest rates of .46052%.

M. Net Position

Net Position, the amount total assets plus deferred outflows of resources exceed total liabilities plus deferred inflow of resources, 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 $140,086,000 and $138,587,000 at June 30, 2015 and 2014, respectively, are restricted by bond indentures and programmatic requirements; approximately $35,714,000 and $35,255,000 at June 30, 2015 and 2014, respectively, are designated by the Board for programmatic uses in connection with the Affordable Housing Investment Trust; and the remaining balances of $43,105,000 and $35,070,000 held in the General Operating Account at June 30, 2015 and 2014, include $5,787,000 and $5,778,000, respectively, net invested in capital assets, and $37,318,000 and $29,292,000, respectively, unrestricted and available for general operations of the Association.

2. Summary of Significant Accounting Policies, continued

N. Classification of Revenues

Operating revenues include activities that have the characteristics of exchange transactions, such as (1) interest on loans and investments and (2) administration and loan servicing fees. Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as (1) federal pass-through awards, (2) change in the fair value of investments, and (3) any other revenue sources that the Association may receive that are defined as non-operating 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

In June 2012, GASB issued Statement No. 67, *Financial Reporting for Pension Plans,* effective for fiscal year 2014 and Statement No. 68, *Accounting and Financial Reporting for Pensions,* effective for fiscal year 2015. In early 2013, GASB issued Statement Nos. 69, *Government Combinations and Disposals of Government Operations*, and 70, *Accounting and Financial Reporting for Non-exchange Financial Guarantees*, both effective for fiscal year 2014. In the opinion of the management, these standards do not and will not have an impact on the Association's financial position given current operations and obligations.

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, 2015 and 2014, the Association has overnight investments of $2,400,000 and $2,700,000 in money market funds and $8,400,000 and $12,000,000 in repurchase agreements held by Wells Fargo Bank, respectively. 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, 2015 and 2014, the Association had the following investments and maturities (in thousands):

2015

		Investment Maturities (in Years)					
	Fair Value	Less Than 1	1-5	6-10	11-15	16-20	21-25
Investment Type							
Money market funds	$ 172,447	$ 172,447					
Investment agreements	29,010	18,608			$ 2,275	$ 4,205	$ 3,922
U.S. Government obligations	9,621		$ 6,010	$ 1,285	2,326		
U.S. Agency obligations	66,019		19,942	5,341	8,389	24,288	8,059
Interest rate swaps	(870)		(870)				
TBA Contracts	1,059	1,059					
Land and townhomes	4,052		4,052				
	281,338	$ 192,114	$ 29,134	$ 6,626	$ 12,990	$ 28,493	$ 11,981
Accrued interest and premiums and discounts	827						
Total Investments	$ 282,165						

2014

		Investment Maturities (in Years)					
	Fair Value	Less Than 1	1-5	6-10	11-15	16-20	21-25
Investment Type							
Money market funds	$ 145,693	$ 145,693					
Investment agreements	84,037	10,217	$ 65,624		$ 419	$ 3,298	$ 4,479
U.S. Government obligations	9,975		5,942	$ 1,412	2,621		
U.S. Agency obligations	99,664		30,028	25,177	5,826	9,604	29,029
Corporate obligations	1,019	1,019					
Interest rate swaps	(893)		(893)				
TBA Contracts	(1,179)	(1,179)					
Land and townhomes	3,552		3,552				
	341,868	$ 155,750	$ 104,253	$ 26,589	$ 8,866	$ 12,902	$ 33,508
Accrued interest and premiums and discounts	997						
Total Investments	$ 342,865						

At June 30, 2015 the Association's marketable investments included 23 U.S. agency mortgage-backed security pools, which pay monthly principal and interest. In addition, the Association held four U.S. agency securities with an outstanding principal amount of $25,000,000 that are subject to call provisions. Of the $25,000,000 callable amount $20,000,000 is exercisable in 2015 and $5,000,000 is exercisable in 2016. Of the Association's U.S. Government obligations, $370,000 is held by JPMorgan as collateral in connection with the Association's participation in the Fannie Mae Affordable Advantage mortgage program.

Among the Association's marketable investments at June 30, 2014, are 23 U.S. agency mortgage-backed security pools that pay monthly principal and interest. In addition, the Association holds seven U.S. agency securities with an outstanding principal amount of $50,000,000 that are subject to call provisions. Of the

3. Investments, continued

$50,000,000 callable amount, $30,000,000 is exercisable in 2014, $15,000,000 is exercisable in 2015 and $5,000,000 is exercisable in 2016. Of the Association's U.S. Government obligations, $1,521,000 is held by JPMorgan as collateral in connection with the Association's participation in the Fannie Mae Affordable Advantage mortgage program.

At June 30, 2015, the Association has $496,875,000 in notional amount of fixed payer/variable receiver interest rate swap contracts outstanding in connection with its outstanding variable rate demand note mortgage revenue bond issues. Of this amount, $5,865,000 does not have associated variable rate debt and is considered an investment derivative with negative fair value. The Association pays fixed-rate payments between 3.730% and 5.548% and receives variable rate payments based on SIFMA and LIBOR indices. The Association entered the swap contracts in November 2008, which mature between 2018 and 2030. These contracts are not rated.

At June 30, 2014, the Association has $540,195,000 in notional amount of fixed payer/variable receiver interest rate swap contracts outstanding in connection with its outstanding variable rate demand note mortgage revenue bond issues. Of this amount, $6,050,000 does not have associated variable rate debt and is considered an investment derivative with negative fair value. The Association pays fixed-rate payments between 3.730% and 5.548% and receives variable rate payments based on SIFMA and LIBOR indices. The Association entered the swap contracts in November 2008, which mature between 2018 and 2030. These contracts are not rated.

At June 30, 2015 and 2014, the Association has $195,000,000 and $100,000,000 in forward sales contracts ("To Be Announced" or "TBA" contracts) or GNMA securities in order to lock in the sales price for the securitization of single-family loans. These contracts are considered investment derivatives and are not rated.

Credit Risk: Investments for each bond issue are those permitted by the various bond indentures and bond resolutions adopted by the Association. Program account investments are restricted to those empowered by the Act or by Federal regulations. The Association has adopted resolutions as policy for the Affordable Housing Investment and Loan Guarantee Trusts. The Association has not adopted a formal policy related to the Association's Business Operations investments. As of June 30, 2015, 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, 2015 and 2014, the Association's remaining investments are rated by Moody's Investor Service as follows (in thousands):

Investment Type	Rating	2015	2014
U.S. Agency Obligations	Aaa	$ 66,019	$ 99,664
U.S. Government Obligations	Aaa	9,621	9,975
Corporate Obligations	Baa	-	1,019

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.

3. Investments, continued

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, 2015, the Association had investments of five percent or more in Bayerische Landesbank guaranteed investment contracts (GICS) of $18,628,000, Federal Farm Credit Bank obligations of $23,202,000, Federal Home Loan Bank obligations of $19,752,000, and Fannie Mae obligations of $15,174,000.

As of June 30, 2014, the Association had investments of five percent or more in Bayerische Landesbank guaranteed investment contracts (GICS) of $76,883,000, Federal Farm Credit Bank obligations of $41,064,000, Federal Home Loan Bank obligations of $20,022,000, Federal Home Loan Mortgage obligations of $18,162,000, and Fannie Mae obligations of $20,393,000.

During the years ended June 30, 2015 and 2014, the Association realized net gains/(losses) of $660,000 and $828,000 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 increase/(decrease) in the fair value of investments as of June 30, 2015 and 2014 is $432,000 and $(1,140,000), 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, 2015 and 2014, is $23,000 and $2,866,000, respectively related to derivative interest rate swap contracts fair market value considered investments. Also, included in the amount for the year ending June 30, 2015 and 2014, is $2,238,000 and $(5,092,000), respectively related to TBA contracts.

The unrealized gain/(loss) on investments held at June 30, 2015 and 2014 is $7,379,000 and $7,811,000, 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. For the years ending June 30, 2015 and 2014, 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 and forward sale 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, 2015 and 2014 is as follows (in thousands):

2015

	Non-Pool Insured	Pool Insured	Total
FHA Insurance	$ 222,234		$ 222,234
VA Guaranteed	20,768		20,768
Commercially Insured	215,008	$ 27,788	242,796
USDA Rural Development Insurance	51,592		51,592
Association Insured	3,755		3,755
	$ 513,357	$ 27,788	541,145
Other			
Multifamily Bond Financed			11,334
Single Family IHFA Capital Pool			217
Multifamily IHFA Capital Pool			3,586
Social Service and Development IHFA Capital Pool			6,750
Construction			2,323
State Small Business Credit Initiative			16,597
Loan Loss Provision			(4,390)
Interest Receivable on Loans			2,980
Total Loans			$ 580,542

2014

	Non-Pool Insured	Pool Insured	Total
FHA Insurance	$ 264,866		$ 264,866
VA Guaranteed	26,616		26,616
Commercially Insured	257,222	$ 35,377	292,599
USDA Rural Development Insurance	62,178		62,178
Association Insured	4,166		4,166
	$ 615,048	$ 35,377	650,425
Other			
Multifamily Bond Financed			16,628
Single Family IHFA Capital Pool			33
Multifamily IHFA Capital Pool			3,765
Social Service and Development IHFA Capital Pool			6,569
Construction			3,783
State Small Business Credit Initiative			15,000
Loan Loss Provision			(4,972)
Interest Receivable on Loans			3,657
Total Loans			$ 694,888

4. Loans, continued

As of June 30, 2015 and 2014 the loans receivable includes $9,023,000 and $9,104,000, respectively, in notes receivable from The Housing Company (THC), which require repayment within 26 and 27 years, respectively. 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 9.13 percent during fiscal years 2015 and 2014. 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, loans are purchased at a premium of up to 3%, at par, or a discount of 1% or 2% 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 hedge coverage and the difference in the loan yield and the 60-day commitment rate yield offered by FNMA, FHLMC or GNMA MBS rate on June 30, 2015. 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

4. Loans, continued

sale to FNMA or FHLMC or secured by GNMA have different characteristics and fewer restrictions than loans financed by the issuance of debt and owned and serviced in the Association's loan portfolio.

Loans available for sale are determined as a function of the Association's liquidity preference, customer preference, contractual requirements, and regulatory requirements. For the fiscal years ending June 30, 2015 and 2014, the Association realized $23,303,000 and $13,647,000, respectively, in gains on the sale of loans to FNMA FHMLC, and GNMA. As of June 30, 2015 and 2014, the Association had commitments to sell or secure $303,791,000 and $139,277,000 of single-family mortgages to FNMA and FHMLC or through GNMA. As of June 30, 2015, the Association had commitments to sell or secure $77,204,000 of single-family mortgages on behalf of Connecticut Housing Finance Authority. As of June 30, 2015, the Association had commitments to sell or secure $80,040,000 of single-family mortgages on behalf of South Dakota Housing Development Authority. As of June 30, 2015 and 2014 the Association had commitments to sell or secure $17,578,000 and $50,993,000, respectively, of single-family mortgages on behalf of Iowa Finance Authority. As of June 30, 2015 and 2014 the Association had commitments to sell or secure $69,694,000 and $34,511,000 on behalf of New Mexico Mortgage Finance Authority.

As of June 30, 2015 and 2014, the Association estimates $106,283,000 and $93,814,000, 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 $627,551,000 and $186,661,000, respectively, of single-family mortgages, which had not yet been funded. As of June 30, 2015 and 2014, the Association serviced $3,323,000,000 and $2,428,000,000, 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)

Description and Due Date	Average Bond Yield	Delivery Date	2015	2014
Single-Family Mortgage Bonds:				
1995 Series E	6.44%	7/95		$ 110
Senior Bonds 1998 -- 2028	6.44%		-	110
1996 Series F	6.28%	9/96		145
Senior Bonds 1998 -- 2028	6.25%	9/96		5
Mezzanine Bonds 2014	6.28%		-	150
1996 Series H				
Senior Bonds 1998 -- 2028	6.14%	12/96		310
	6.14%		-	310
1997 Series A				
Senior Bonds 1999 -- 2028	6.19%	2/97	$ 180	425
Mezzanine Bonds 2014	6.10%	2/97		10
	6.19%		180	435
1997 Series B				
Senior Bonds 1999 -- 2028	5.94%	3/97		180
	5.94%		-	180
1997 Series C				
Senior Bonds 1999 -- 2028	6.10%	4/97	305	545
Mezzanine Bonds 2014	6.10%	4/97		5
	6.10%		305	550
1997 Series D				
Senior Bonds 1999 -- 2028	6.22%	5/97		75
	6.22%		-	75
1997 Series E				
Senior Bonds 2000 -- 2028	6.05%	6/97	190	360
Mezzanine Bonds 2014	5.95%	6/97		20
	6.05%		190	380
1997 Series F				
Senior Bonds 2006 -- 2029	5.89%	7/97	400	690
Mezzanine Bonds 2015	5.85%	7/97	10	35
	5.89%		410	725
1997 Series G				
Senior Bonds 2004 -- 2029	5.79%	9/97	315	2,045
	5.79%		315	2,045
1997 Series H				
Senior Bonds 1999 -- 2029	5.65%	10/97	125	250
Mezzanine Bonds 2015	5.63%	10/97	5	15
	5.64%		130	265

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

Description and Due Date	Average Bond Yield	Delivery Date	2015	2014
1997 Series I				
Senior Bonds 1999 -- 2029	5.75%	12/97		25
	5.75%		-	25
1998 Series A				
Senior Bonds 2000 -- 2029	5.48%	1/98		280
Mezzanine Bonds 2016	5.45%	1/98		15
	5.48%		-	295
1998 Series B				
Senior Bonds 2000 -- 2029	5.32%	3/98		245
Mezzanine Bonds 2016	5.20%	3/98		20
	5.32%		-	265
1998 Series C				
Senior Bonds 2008 -- 2029	5.15%	4/98	755	900
Mezzanine Bonds 2016	5.30%	4/98	40	75
	5.16%		795	975
1998 Series D				
Senior Bonds 2000 -- 2029	5.54%	5/98	450	635
Mezzanine Bonds 2018	5.50%	5/98	35	55
	5.54%		485	690
1998 Series E				
Senior Bonds 2001 -- 2029	5.44%	6/98	645	815
Mezzanine Bonds 2018	5.45%	6/98	50	80
	5.44%		695	895
1998 Series F				
Senior Bonds 2008 -- 2030	5.39%	7/98	1,180	1,420
Mezzanine Bonds 2020	5.40%	7/98	120	150
	5.39%		1,300	1,570
1998 Series G				
Senior Bonds 2008 -- 2030	5.37%	9/98	580	770
Mezzanine Bonds 2020	5.40%	9/98	60	75
	5.37%		640	845
1998 Series H				
Senior Bonds 2000 -- 2030	5.13%	11/98	965	1,070
Mezzanine Bonds 2020	5.10%	11/98	90	120
	5.13%		1,055	1,190
1998 Series I				
Senior Bonds 2000 -- 2030	5.19%	1/99	825	1,100
Mezzanine Bonds 2020	5.20%	1/99	80	125
	5.19%		905	1,225

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

Description and Due Date	Average Bond Yield	Delivery Date	2015	2014
1999 Series A				
Senior Bonds 2006 -- 2030	5.18%	2/99	1,240	1,570
Mezzanine Bonds 2020	5.15%	2/99	150	210
	5.18%		1,390	1,780
1999 Series B				
Senior Bonds 2001 -- 2030	5.23%	4/99	600	830
Mezzanine Bonds 2020	5.20%	4/99	90	130
	5.22%		690	960
1999 Series C				
Senior Bonds 2001 -- 2030	5.23%	5/99	1,015	1,110
Mezzanine Bonds 2020	5.25%	5/99	130	150
	5.23%		1,145	1,260
1999 Series D				
Senior Bonds 2001 -- 2030	5.39%	6/99	1,320	1,470
Mezzanine Bonds 2020	5.40%	6/99	200	240
	5.39%		1,520	1,710
1999 Series E				
Senior Bonds 2001 -- 2031	5.74%	7/99	625	680
Mezzanine Bonds 2021	5.75%	7/99	95	120
	5.74%		720	800
1999 Series F				
Senior Bonds 2001 -- 2031	5.83%	8/99	1,050	1,135
Mezzanine Bonds 2021	5.80%	8/99	160	185
	5.83%		1,210	1,320
1999 Series G				
Senior Bonds 2001 -- 2031	5.98%	10/99	1,020	1,115
Mezzanine Bonds 2021	5.95%	10/99	110	135
	5.98%		1,130	1,250
1999 Series H				
Senior Bonds 2001 -- 2031	6.15%	11/99	635	810
Mezzanine Bonds 2021	6.15%	11/99	35	50
	6.15%		670	860
2000 Series A				
Senior Bonds 2002 -- 2031	6.43%	3/00	775	835
Mezzanine Bonds 2022	6.45%	3/00	70	75
Subordinate Bonds 2014	6.20%	3/00		20
	6.43%		845	930

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

Description and Due Date	Average Bond Yield	Delivery Date	2015	2014
2000 Series B				
Senior Bonds 2002 -- 2031	6.23%	4/00	810	860
Mezzanine Bonds 2022	6.25%	4/00	100	105
Subordinate Bonds 2014	6.00%	4/00		30
	6.23%		910	995
2000 Series C				
Senior Bonds 2002 -- 2031	6.13%	5/00	1,060	1,100
Mezzanine Bonds 2022	6.15%	5/00	105	110
Subordinate Bonds 2014	6.05%	5/00		45
	6.13%		1,165	1,255
2000 Series D				
Senior Bonds 2002 -- 2031	6.31%	6/00	870	910
Mezzanine Bonds 2022	6.35%	6/00	110	115
Subordinate Bonds 2014	6.20%	6/00		45
	6.31%		980	1,070
2000 Series E				
Senior Bonds 2002 -- 2032	5.99%	8/00	845	900
Mezzanine Bonds 2023	6.10%	8/00	115	120
Subordinate Bonds 2015	5.90%	8/00		85
	6.00%		960	1,105
2003 Series A				
Variable Rate Class I	0.09%	2/03	7,070	7,970
Class II Bonds 2026	5.20%	2/03	435	435
Class III Bonds 2020	5.15%	2/03	970	1,090
	0.92%		8,475	9,495
2003 Series B				
Variable Rate Class I	0.09%	5/03	6,695	7,050
Class II Bonds 2026	5.05%	5/03	370	370
Class III Bonds 2020	5.10%	5/03	925	1,015
	0.90%		7,990	8,435
2003 Series C				
Variable Rate Class I	0.09%	7/03	4,050	4,915
Class II Bonds 2033	4.60%	7/03	310	310
Class III Bonds 2023	4.50%	7/03	715	795
	0.94%		5,075	6,020
2003 Series D				
Variable Rate Class I	0.09%	9/03	5,245	5,510
	0.09%		5,245	5,510
2003 Series E				
Variable Rate Class I	0.09%	10/03	5,830	6,725
Class II Bonds 2033	5.20%	10/03	410	410
Class III Bonds 2023	5.15%	10/03	1,575	1,720
	1.30%		7,815	8,855

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

Description and Due Date	Average Bond Yield	Delivery Date	2015	2014
2004 Series A				
Variable Rate Class I	0.09%	4/04	5,735	6,590
Class II Bonds 2034	5.30%	4/04	375	375
Class III Bonds 2024	5.40%	4/04	1,305	1,385
	0.71%		7,415	8,350
2004 Series B				
Variable Rate Class I	0.092%	7/04	6,755	7,150
Class II Bonds 2034	5.20%	7/04	260	260
Class III Bonds 2024	5.35%	7/04	665	705
	1.13%		7,680	8,115
2004 Series C				
Variable Rate Class I	0.092%	9/04	8,430	9,060
Class II Bonds 2035	5.30%	9/04	360	360
Class III Bonds 2025	5.40%	9/04	1,775	1,875
	1.13%		10,565	11,295
2004 Series D				
Variable Rate Class I	0.09%	11/04	7,825	8,330
Class III Bonds 2027	5.00%	11/04	1,555	1,820
	0.92%		9,380	10,150
2005 Series A				
Variable Rate Class I	0.09%	3/05	9,605	10,420
Class II Bonds 2027	4.60%	3/05	610	610
Class III Bonds 2022	4.55%	3/05	1,490	1,580
	0.89%		11,705	12,610
2005 Series B				
Class II Bonds 2035	5.00%	5/05	660	660
Class III Bonds 2025	5.00%	5/05	1,425	1,495
	5.00%		2,085	2,155
2005 Series C				
Class II Bonds 2036	4.80%	6/05	585	585
Class III Bonds 2026	4.80%	6/05	2,595	2,715
	4.80%		3,180	3,300
2005 Series D				
Variable Rate Class I	0.09%	8/05	9,715	10,295
Class II Bonds 2036	4.90%	8/05	420	420
Class III Bonds 2026	4.90%	8/05	1,640	1,740
	0.92%		11,775	12,455

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

Description and Due Date	Average Bond Yield	Delivery Date	2015	2014
2005 Series E				
Variable Rate Class I	0.09%	10/05	9,920	10,495
Class II Bonds 2036	4.88%	10/05	625	625
Class III Bonds 2026	4.88%	10/05	1,855	1,955
	1.04%		12,400	13,075
2005 Series F				
Class II Bonds 2036	5.00%	1/06	705	705
Class III Bonds 2026	5.00%	1/06	2,180	2,280
	5.00%		2,885	2,985
2006 Series A				
Class II Bonds 2036	4.88%	3/06	680	680
Class III Bonds 2026	4.88%	3/06	3,000	3,140
	4.88%		3,680	3,820
2006 Series B				
Class I Bonds 2008 -- 2037	4.92%	5/06	2,600	3,140
Class II Bonds 2036	5.05%	5/06	925	925
Class III Bonds 2026	5.00%	5/06	1,730	2,015
	4.92%		5,255	6,080
2006 Series C				
Class II Bonds 2037	5.10%	6/06	485	485
Class III Bonds 2027	5.10%	6/06	1,765	1,950
	5.10%		2,250	2,435
2006 Series D				
Class II Bonds 2037	5.20%	7/06	545	545
Class III Bonds 2027	5.20%	7/06	965	1,035
	5.20%		1,510	1,580
2006 Series E				
Class I Bonds 2008 -- 2038	4.48%	9/06	210	350
Class II Bonds 2037	5.00%	9/06	540	695
Class III Bonds 2028	5.00%	9/06	1,735	2,450
	4.96%		2,485	3,495
2006 Series F				
Class I Bonds 2008 -- 2038	4.35%	11/06	1,170	1,625
Class II Bonds 2037	4.80%	11/06	650	650
Class III Bonds 2028	4.80%	11/06	2,340	2,520
	4.68%		4,160	4,795
2006 Series G				
Class I Bonds 2009-- 2038	4.10%	1/07	5	10
Class II Bonds 2037	4.65%	1/07	625	625
Class III Bonds 2028	4.60%	1/07	745	910
	4.62%		1,375	1,545

5. Bonds, continued

Description and Due Date	Average Bond Yield	Delivery Date	2015	2014
2007 Series A				
Class I Bonds 2009 -- 2038	4.37%	3/07		305
Class II Bonds 2037	4.85%	3/07		425
Class III Bonds 2028	4.85%	3/07		155
	4.72%		-	885
2007 Series B				
Class I Bonds 2009 -- 2038	4.36%	4/07	2,635	3,160
Class II Bonds 2037	4.75%	4/07	360	360
Class III Bonds 2028	4.60%	4/07	1,400	1,450
	4.49%		4,395	4,970
2007 Series C				
Class I Bonds 2009-- 2038	4.54%	5/07	2,980	3,535
Class II Bonds 2037	4.90%	5/07	1,090	1,090
Class III Bonds 2028	4.75%	5/07	1,785	2,270
	4.68%		5,855	6,895
2007 Series D				
Class I Bonds 2009 -- 2038	4.41%	5/07		1,250
Class II Bonds 2037	4.90%	5/07		140
Class III Bonds 2028	4.85%	5/07		1,285
	4.69%		-	2,675
2007 Series E				
Class I Bonds 2009 -- 2038	4.71%	6/07	2,675	3,075
Class II Bonds 2037	4.95%	6/07	545	690
Class III Bonds 2028	4.85%	6/07	550	1,250
	4.79%		3,770	5,015
2007 Series F				
Class I Bonds 2009 -- 2039	4.91%	7/07	4,800	5,730
Class II Bonds 2038	5.25%	7/07	170	170
Class III Bonds 2029	5.13%	7/07	2,480	2,650
	4.99%		7,450	8,550
2007 Series H				
Class I Bonds 2027 -- 2039	5.42%	11/07		1,460
Class II Bonds 2036	5.25%	11/07		630
Class III Bonds 2028	5.00%	11/07		940
	5.26%		-	3,030
2007 Series I				
Class I Bonds 2027 -- 2039	5.44%	9/07	80	1,420
Class II Bonds 2036	5.50%	9/07	25	385
Class III Bonds 2028	5.38%	9/07	1,245	1,475
	5.42%		1,350	3,280

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

Description and Due Date	Average Bond Yield	Delivery Date	2015	2014
2007 Series J				
Class I Bonds 2027 -- 2039	5.14%	10/07		725
Class II Bonds 2036	5.20%	10/07		930
Class III Bonds 2028	5.00%	10/07		1,200
	5.10%		-	2,855
2007 Series K				
Class I Bonds 2027 -- 2039	5.30%	12/07		400
Class II Bonds 2036	5.38%	12/07		510
	5.29%		-	910
2008 Series A				
Class I Bonds 2010 -- 2039	5.25%	5/08	165	850
Class II Bonds 2036	5.85%	5/08	1,165	1,305
Class III Bonds 2028	5.70%	5/08	755	2,280
	5.67%		2,085	4,435
2008 Series B				
Class I Bonds 2010 -- 2039	5.02%	6/08	1,705	2,010
Class II Bonds 2036	5.55%	6/08	1,365	1,365
Class III Bonds 2028	5.40%	6/08	1,505	2,205
	5.32%		4,575	5,580
2008 Series C				
Class I Bonds 2010 -- 2039	5.19%	8/08	515	515
Class II Bonds 2036	5.85%	8/08	705	705
Class III Bonds 2028	5.80%	8/08	880	1,615
	5.70%		2,100	2,835
2008 Series D				
Class I Bonds 2010 -- 2039	4.99%	10/08	6,000	7,210
Class II Bonds 2036	5.45%	10/08	390	475
Class III Bonds 2028	5.35%	10/08	1,780	2,195
	5.09%		8,170	9,880
2009 Series A				
Variable Rate Class I	4.26%	7/09	63,455	67,630
Class I Bonds 2010 -- 2039	0.30%	7/09	200	230
Class III Bonds 2028	5.25%	7/09	2,970	3,130
	0.53%		66,625	70,990
2009 Series B				
Class I Bonds 2010 -- 2039	4.46%	7/09	1,690	2,070
Class II Bonds 2036	5.55%	7/09	460	490
Class III Bonds 2028	5.65%	7/09	2,790	4,020
	5.28%		4,940	6,580

5. Bonds, continued

Description and Due Date	Average Bond Yield	Delivery Date	2015	2014
2009 Series C				
Class I Bonds 2010 -- 2039	3.89%	12/09	27,715	28,215
Class II Bonds 2036	4.95%	12/09	2,670	2,670
Class III Bonds 2028	4.50%	12/09	1,840	2,010
	4.01%	12/09	32,225	32,895
2010 Series A				
Class I Bonds 2012 -- 2041	3.10%	10/10	23,970	24,335
Class II Bonds 2032	4.38%	10/10	2,240	2,240
Class III Bonds 2024	4.00%	10/10	2,005	2,175
	3.27%		28,215	28,750
2012 Series A				
Variable Rate Class I	0.92%	11/12	188,305	193,860
	0.92%		188,305	193,860
2013 Series A				
Variable Rate Class 1	0.98%	10/13	128,005	137,480
	0.98%		128,005	137,480
2014 Series A	0.85%	2/14	72,938	89,665
Variable Rate Class 1	0.85%		72,938	89,665
Total Single-Family Mortgage Bonds:			716,128	797,065
FHA Insured Housing Revenue Bonds:				
2000 Series 2032	0.10%	5/00		4,950
2000 Series 2033	0.10%	10/01	3,870	3,990
2007 Series	5.90%	4/07	8,163	8,233
			12,033	17,173
Grant and Revenue Anticipation Bonds:				
2006 Series 2007-2024	4.92%	5/06	112,545	118,900
2008 Series A 2008-2026	5.08%	4/08	138,140	146,155
2009 Series A 2008-2026	4.89%	2/09	130,575	136,765
2010 Series A 2008-2026	6.02%	1/10	77,515	79,280
2011 Series A 2011-2029	4.81%	7/11	69,250	70,505
2012 Series A 2012-2030	3.97%	10/12	32,045	33,485
2014 Series A	2.31%	1/14	73,145	75,145
	4.99%		633,215	660,235
Revenue Bonds:				
2011 Series Unemployment Compensation	4.65%	8/12	50,075	98,015
Interest Payable			21,454	23,600
Net Original (Discount)/Premium			22,716	28,015
TOTAL BONDS			$ 1,455,621	$ 1,624,103

5. Bonds, continued

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

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

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

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

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

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

During FY2014, the Association redeemed and reissued as the 2013A bonds the remaining 2006E through 2006G, 2007A through 2007C, and 2009B (originally from the 2008A and 2008B) indenture variable rate demand obligations. The Association redeemed and reissued as the 2014A bonds the 2000F through 2002G indenture variable rate demand obligations. These current refundings exchanged variable rate demand obligations with indexed floating rate obligations, eliminating liquidity and remarketing risks associated with the refunded bonds.

On July 8, 2015, the Association issued the 2015A Single Family Mortgage Bonds to currently refund the 1997A through 2000E and 2003A through 2003D Single Family Mortgage Bonds. The 2015A Bond is intended as a restructuring to provide an adequate asset base and meet indenture parity requirements to maintain the investment grade quality of IHFA’s Single Family Mortgage Bond Program. No economic savings are intended to be achieved by this restructuring.

On July 21, 2015, the Association issued the 2015A Grant and Revenue Anticipation (GARVEE) Bonds to advance refund $97,665,000 of GARVEE 2006A Bonds and $84,505,000 of GARVEE 2008A Bonds, resulting in

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

an economic gain to the State of Idaho of $12,694,000 (the present values of the debt service payments on the old and new debt of $9,630,000).

The scheduled principal debt service, including July 1, 2015 special redemptions, for the periods subsequent to, and as of, June 30, 2015, is as follows (in thousands):

	2016	2017	2018	2019	2020	2021 2025	2026 2030
Single-Family Mortgage Bonds:							
1997 Series A	$ 180						
1997 Series C	305						
1997 Series E	190						
1997 Series F	410						
1997 Series G	315						
1997 Series H	130						
1998 Series C	795						
1998 Series D	485						
1998 Series E	695						
1998 Series F	1,300						
1998 Series G	640						
1998 Series H	1,055						
1998 Series I	905						
1999 Series A	1,390						
1999 Series B	690						
1999 Series C	1,145						
1999 Series D	1,520						
1999 Series E	720						
1999 Series F	1,210						
1999 Series G	1,130						
1999 Series H	670						
2000 Series A	845						
2000 Series B	910						
2000 Series C	1,165						
2000 Series D	980						
2000 Series E	960						
2003 Series A	8,475						
2003 Series B	7,990						
2003 Series C	5,075						
2003 Series D	5,245						
2003 Series E	440	$ 390	$ 420	$ 405	$ 440	$ 2,035	$ 1,810
2004 Series A	470	300	310	325	335	1,810	1,660
2004 Series B	355	305	310	320	320	1,720	1,870
2004 Series C	750	430	440	450	460	2,560	2,225
2004 Series D	515	330	330	345	340	1,955	2,220

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

The scheduled principal debt service, including July 1, 2015 special redemptions, for the periods subsequent to, and as of, June 30, 2015, is as follows (in thousands):

	2031 2035	2036 2040	2041 2045	TOTAL
Single-Family Mortgage Bonds:				
1997 Series A				$ 180
1997 Series C				305
1997 Series E				190
1997 Series F				410
1997 Series G				315
1997 Series H				130
1998 Series C				795
1998 Series D				485
1998 Series E				695
1998 Series F				1,300
1998 Series G				640
1998 Series H				1,055
1998 Series I				905
1999 Series A				1,390
1999 Series B				690
1999 Series C				1,145
1999 Series D				1,520
1999 Series E				720
1999 Series F				1,210
1999 Series G				1,130
1999 Series H				670
2000 Series A				845
2000 Series B				910
2000 Series C				1,165
2000 Series D				980
2000 Series E				960
2003 Series A				8,475
2003 Series B				7,990
2003 Series C				5,075
2003 Series D				5,245
2003 Series E	$ 1,875			7,815
2004 Series A	2,005	$ 200		7,415
2004 Series B	2,255	225		7,680
2004 Series C	2,425	825		10,565
2004 Series D	2,745	600		9,380

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2016	2017	2018	2019	2020	2021 2025	2026 2030
Single-Family Mortgage Bonds:							
2005 Series A	585	405	430	450	470	2,585	2,520
2005 Series B	395	120	120	120	130	665	260
2005 Series C	185	200	210	220	220	1,365	420
2005 Series D	615	405	410	425	450	2,385	2,585
2005 Series E	640	410	425	430	450	2,605	2,690
2005 Series F	130	180	185	190	190	1,145	440
2006 Series A	135	240	250	260	260	1,500	580
2006 Series B	820	705	180	170	170	920	905
2006 Series C	265	235	115	120	120	635	410
2006 Series D	300	120	60	60	60	330	245
2006 Series E	520	85	95	115	110	625	545
2006 Series F	635	640	150	165	180	980	820
2006 Series G	600	20	20	25	30	175	210
2007 Series B	670	650	695	80	100	590	645
2007 Series C	1,395	690	750	120	145	730	800
2007 Series E	1,020	25	25	30	35	235	530
2007 Series F	1,325	1,180	1,220	140	160	920	1,130
2007 Series I	1,350						
2008 Series A	275	40	30	30	30	215	410
2008 Series B	1,560	370	330	360	70	430	520
2008 Series C	740	110	80	165	40	240	265
2008 Series D	870	585	615	690	190	1,180	1,290
2009 Series A	3,145	1,545	1,820	1,915	2,050	11,775	14,765
2009 Series B	410	160	200	665	775	1,520	835
2009 Series C	690	715	740	775	1,110	4,740	5,970
2010 Series A	555	570	590	630	650	4,015	4,825
2012 Series A	9,865	16,810	17,425	17,335	16,610	73,685	36,330
2013 Series A	11,320	11,025	11,540	11,810	11,725	50,775	19,565
2014 Series A	8,284	6,218	6,277	6,327	6,381	32,715	6,736
2015 Series A						12,305	8,065

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2031 2035	2036 2040	2041 2045	TOTAL
Single-Family Mortgage Bonds:				
2005 Series A	3,185	1,075		11,705
2005 Series B	250	25		2,085
2005 Series C	300	60		3,180
2005 Series D	3,085	1,415		11,775
2005 Series E	3,270	1,480		12,400
2005 Series F	350	75		2,885
2006 Series A	350	105		3,680
2006 Series B	970	415		5,255
2006 Series C	250	100		2,250
2006 Series D	235	100		1,510
2006 Series E	270	120		2,485
2006 Series F	400	190		4,160
2006 Series G	200	95		1,375
2007 Series B	545	420		4,395
2007 Series C	730	495		5,855
2007 Series E	1,050	820		3,770
2007 Series F	690	685		7,450
2007 Series I				1,350
2008 Series A	775	280		2,085
2008 Series B	660	275		4,575
2008 Series C	330	130		2,100
2008 Series D	1,270	1,480		8,170
2009 Series A	18,975	10,635		66,625
2009 Series B	250	125		4,940
2009 Series C	7,395	9,080	$ 1,010	32,225
2010 Series A	6,110	7,630	2,640	28,215
2012 Series A	245			188,305
2013 Series A	245			128,005
2014 Series A				72,938
2015 Series A	41,980	1,195		63,545

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2016	2017	2018	2019	2020	2021 2025	2026 2030
FHA Insured Housing Revenue Bonds:							
2000 Series							
2002 Series							
2007 Series							
Grant Revenue and Revenue Anticipation Bonds:							
2006 Series	104,725	7,820					
2008 Series A	92,495	7,950	7,930	7,905	7,815	9,085	4,960
2009 Series A	6,460	6,720	7,035	7,385	7,745	45,035	50,195
2010 Series A	1,820	1,890	1,965	2,055	2,165	7,240	60,380
2011 Series A	1,295	1,345	1,400	1,445	1,480	7,850	54,435
2012 Series A	4,475	1,530	1,585	1,650	1,720	9,700	11,735
2014 Series A		3,065	3,145	3,260	3,405	19,815	31,590
2015 Series A			7,895	8,750	9,660	92,550	53,685
Revenue Bonds;							
2011 Series Unemployment Compensation	50,075						
TOTAL	$ 360,699	$ 76,533	$ 77,752	$ 78,117	$ 78,796	$ 413,340	$ 392,076
TOTAL excludes 2015A Series	$ 360,699	$ 76,533	$ 69,857	$ 69,367	$ 69,136	$ 308,485	$ 330,326
Variable rate principal	$ 57,999	$ 37,053	$ 38,772	$ 39,137	$ 38,536	$ 179,145	$ 93,426
Interest:							
Fixed	$ 33,668	$ 37,156	$ 35,246	$ 33,406	$ 31,536	$ 125,511	$ 58,347
Variable	3,818	3,708	3,376	3,034	2,691	8,675	2,705
TOTAL	$ 37,486	$ 40,864	$ 38,622	$ 36,440	$ 34,227	$ 134,186	$ 61,052

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

5. Bonds, continued

(Dollars in thousands)

	2031 2035	2036 2040	2041 2045	TOTAL
FHA Insured Housing Revenue Bonds:				
2000 Series				-
2002 Series	3,870			3,870
2007 Series			8,163	8,163
Grant Revenue and Revenue Anticipation Bonds:				
2006 Series				112,545
2008 Series A				138,140
2009 Series A				130,575
2010 Series A				77,515
2011 Series A				69,250
2012 Series A	2,640			35,035
2014 Series A	5,875			70,155
2015 Series A				172,540
Revenue Bonds;				
2011 Series Unemployment Compensation				50,075
TOTAL	$ 118,055	$ 40,355	$ 11,813	$ 1,647,536
TOTAL excludes 2015A Series	$ 76,075	$ 39,160	$ 11,813	$ 1,411,451
Variable rate principal	$ 61,695	$ 16,335	$ -	$ 562,098
Interest:				
Fixed	$ 12,899	$ 5,296	$ 340	$ 373,405
Variable	1,185	20	-	29,212
TOTAL	$ 14,084	$ 5,316	$ 340	$ 402,617

5. Bonds, continued,

Long-term bond liability and short-term commercial paper activity for the years ended June 30, 2015 and 2014 was as follows (in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One year
Par Bonds Payable	$ 1,572,488	$ -	$ (161,037)	$ 1,411,451	$ 134,784
Interest Payable	23,600	47,329	(49,475)	21,454	21,454
Net Original (Discount)/Premium	28,015	-	(5,299)	22,716	1,843
Total Bonds payable at June 30, 2015	$ 1,624,103	$ 47,329	$ (215,811)	$ 1,455,621	$ 158,081
Par Bonds Payable	$ 1,746,763	$ 306,955	$ (481,230)	$ 1,572,488	$ 123,968
Interest Payable	26,255	53,351	(56,006)	23,600	23,600
Net Original (Discount)/Premium	26,583	6,755	(5,323)	28,015	5,085
Total Bonds payable at June 30, 2014	$ 1,799,601	$ 367,061	$ (542,559)	$ 1,624,103	$ 152,653
Commercial Paper at June 30,2015	$ 50,000	$ 340,999	$ (315,999)	$ 75,000	$ 75,000
Commercial Paper at June 30,2014	$ 50,000	$ 242,087	$ (242,087)	$ 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, 2015	For the Year Ended June 30, 2015	For the Year Ended June 30, 2014
Single-Family Mortgage Bonds			
1994 Series A			$ 210
1994 Series F			35
1995 Series C			80
1995 Series E		$ 110	155
1995 Series H			375
1996 Series A			80
1996 Series D			220
1996 Series E			235
1996 Series F		140	165
1996 Series G			175
1996 Series H		300	245
1997 Series A		235	145
1997 Series B		175	420
1997 Series C	$ 120	225	290
1997 Series D		70	255
1997 Series E	10	160	540
1997 Series F	55	290	485
1997 Series G	115	1,715	
1997 Series H	120	125	520
1997 Series I		25	510
1998 Series A		285	320
1998 Series B		255	495
1998 Series C	40	140	375
1998 Series D	170	185	475
1998 Series E	95	170	285
1998 Series F	65	225	410
1998 Series G	5	180	445
1998 Series H	145	105	545
1998 Series I	40	290	665
1999 Series A	75	345	425
1999 Series B		245	500
1999 Series C	5	80	610
1999 Series D	195	145	430
1999 Series E		55	295
1999 Series F	20	80	315
1999 Series G	20	85	255
1999 Series H		170	330

6. Redemption of Bonds, continued

(Dollars in thousands):

BOND SERIES REDEEMED	July 1, 2015	For the Year Ended June 30, 2015	For the Year Ended June 30, 2014
2000 Series A	15	45	420
2000 Series B	30	30	550
2000 Series C		20	345
2000 Series D		20	465
2000 Series E	20	90	575
2000 Series F			380
2001 Series A			430
2001 Series B			25
2001 Series C			845
2001 Series D			2,970
2001 Series E			1,125
2001 Series F			740
2002 Series A			790
2002 Series B			180
2002 Series C			865
2002 Series D			925
2002 Series E			960
2002 Series F			1,000
2002 Series G			10
2003 Series A	295	785	345
2003 Series B	365	300	80
2003 Series C	465	820	690
2003 Series D	-	135	2,075
2003 Series E	35	855	730
2004 Series A	155	770	1,095
2004 Series B	65	315	535
2004 Series C	285	540	435
2004 Series D	110	540	1,860
2005 Series A	285	860	500
2005 Series B	300	35	55
2005 Series C		60	
2005 Series D	260	630	185
2005 Series E	245	625	830
2005 Series F		50	
2006 Series A		70	45
2006 Series B		145	
2006 Series C		90	160
2006 Series D	200	35	1,120

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, 2015	For the Year Ended June 30, 2015	For the Year Ended June 30, 2014
2006 Series E	325	845	1,790
2006 Series F		90	2,700
2006 Series G	560	140	2,940
2007 Series A		840	1,920
2007 Series B		20	
2007 Series C	705	420	3,580
2007 Series D		2,385	4,055
2007 Series E	720	940	2,920
2007 Series F	190	85	7,265
2007 Series G			7,485
2007 Series H		3,000	10,415
2007 Series I	1,305	1,885	7,880
2007 Series J		2,835	6,695
2007 Series K		910	6,420
2008 Series A	230	2,215	7,190
2008 Series B	1,170	655	10,390
2008 Series C	670	690	8,970
2008 Series D	310	1,220	5,870
2009 Series A	2,425	4,215	4,680
2009 Series B	45	1,430	10,690
2009 Series C		85	
2010 Series A		85	
2014 Series A	2,057	9,500	
	$ 15,137	$ 48,965	$ 150,510
2000 Series		4,775	
Special Redeem All Bonds	$ 15,137	$ 53,740	$ 150,510

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 use 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, 2015. 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, 2015) 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, 2015 and 2014. The fair value is reported in the Statements of Net Position at of $73.82 million and $80.59 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 $69.01 million as of June 30, 2015 and $80.92 million as of June 30, 2014. 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 June 30, 2015 and 2014 $(.87 million) and $(.89 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, 2015 and 2014. The results from the verification correlated materially with the fair values provided by the Association's counterparties.

Credit risk: As of June 30, 2014, the Association is 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 twenty-two of the Association's swaps have a dual basis: Securities Industry and Financial Markets Association (SIFMA) index plus 20 basis points when the one-month London Interbank Offered Rate (LIBOR) is less than 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 one has a basis of LIBOR plus 71 or 76 basis points, depending on maturation date. The Association is exposed to basis risk on dual basis swaps 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, 2015 SIFMA is 7 basis points and one-month LIBOR is 16 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.

During FY2014, the Association redeemed and reissued as the 2013A bonds, the remaining 2006 indenture variable rate demand obligations. The refunding exchanged variable rate demand obligations with indexed floating rate obligations, eliminating liquidity and remarketing risks associated with the refunded bonds. Statement No. 53 deems this event a terminating event, such that the fair value presented in the Deferred Outflow of Resources at the time of termination be amortized over the life of the new issue. The manner of the restructuring resulted in a present value gain to the Association of $77,000 and did not substantively change the Association’s position with its counter party.

The Association redeemed and reissued as the 2014A bonds the 2000 indenture variable rate demand obligations. Though the terms of the swap contracts were not modified, the redemption and reissue did create a deemed terminating event of the swap contracts, which requires that the value of the Deferred Outflow of Resources at the date of reissuance be amortized to interest expense.

The accounting treatment also provides that deemed borrowings being created, the result of higher off-market fixed rate being paid over the market requirements at the time of modification. These borrowings are amortized and credited to interest expense over the life the of the swap contracts.

The requirements of the accounting standard result in a dual presentation of the Deferred Outflow resources at both amortized and fair values and the presentation in the Deferred Inflow of Resources of an amount that reflect the change in the fair value of the modified contracts during the fiscal years. Interest rate swap contracts fair value defers the fair value of effectively hedged swap contracts at June 30, 2015. The fair value of effectively hedged swap positions are fully matched and deferred with this offsetting position.

Interest rate swap contracts amortized value defers the amortizing value of an implicit borrowing position created upon the refunding of variable rate debt associated with swap contracts. At the time of refunding, the swap contracts’ fair value became the historical cost basis, which is amortized over the life of the swap contracts. The amortized borrowing value is fully matched and deferred with this offsetting position.

Since the current fair value of the swap contracts differs from the amortized value of the borrowing at June 30, 2015, the Association has elected to report the swap contracts’ current fair value to demonstrate the full economic liability to its counterparty. The difference between current fair and amortized value is reported as a gain or loss in the non-operating revenues and expense section of the Statement of Revenues, Expenses, and Changes in Net Position. This effectively results in an historical cost position being reported at current fair value. The Association matches the duration of its swap contracts with the variable debt maturity, and therefore, does not anticipate this difference ever to be realized as a loss.

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

7. Derivatives, continued

(Dollars in thousands):

Interest Rate Swap Agreements

Fund	Series	Outstanding Notional Amount		Fair Values		Change in Fair Values	
		Hedging	Investment	Hedging	Investment	Hedging	Investment
	2003 Series A	$ 6,720	$ 350	$ (1,117)	$ (56)	$ 81	$ 7
	2003 Series B	5,595	1,105	(806)	(133)	(34)	20
	2003 Series C	3,845	-	(442)	-	45	-
	2003 Series D	4,935	1,460	(1,097)	(250)	(151)	27
	2003 Series E	5,830	565	(999)	(88)	28	(9)
	2004 Series A	5,735	770	(872)	(103)	27	(35)
	2004 Series B	6,480	610	(1,124)	(98)	(1)	9
	2004 Series C	6,750	-	(999)	-	121	-
	2004 Series D	7,705	655	(1,166)	(92)	(48)	3
	2005 Series A	8,745	-	(1,282)	-	31	-
	2005 Series D	8,460	350	(1,263)	(50)	(33)	1
	2005 Series E	8,960	-	(1,328)	-	19	-
2009A	2005 Series B	8,550	-	(1,283)	-	45	-
2009A	2005 Series C	8,675	-	(1,171)	-	24	-
2009A	2005 Series F	9,295	-	(1,484)	-	28	-
2009A	2006 Series A	8,960	-	(1,479)	-	13	-
2009A	2006 Series B	6,365	-	(962)	-	106	-
2009A	2006 Series C	6,150	-	(927)	-	107	-
2009A	2006 Series D	7,175	-	(1,113)	-	131	-
2012A	2007 Series D	11,755	-	(1,558)	-	177	-
2012A	2007 Series E	14,255	-	(1,891)	-	238	-
2012A	2007 Series F	17,775	-	(2,635)	-	370	-
2012A	2007 Series G	25,000	-	(4,450)	-	192	-
2012A	2007 Series H	30,000	-	(5,369)	-	-	-
2012A	2007 Series I	21,000	-	(3,403)	-	111	-
2012A	2007 Series J	26,250	-	(4,188)	-	131	-
2012A	2007 Series K	23,785	-	(3,520)	-	53	-
2013A	2006 Series E	8,255	-	(1,344)	-	165	-
2013A	2006 Series F	8,405	-	(1,269)	-	150	-
2013A	2006 Series G	8,300	-	(1,194)	-	141	-
2013A	2007 Series A	8,650	-	(1,386)	-	135	-
2013A	2007 Series B	9,860	-	(1,495)	-	141	-
2013A	2007 Series C	10,390	-	(1,639)	-	152	-
2013A	2008 Series A	23,785	-	(3,759)	-	84	-
2013A	2008 Series B	20,590	-	(3,000)	-	145	-
2013A	2008 Series C	14,125	-	(1,953)	-	212	-
2013A	2008 Series D	5,295	-	(654)	-	65	-

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

7. Derivatives, continued

Interest Rate Swap Agreements

Fund	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
	2003 Series A	4.52%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	1/1/2026	11/6/2008
	2003 Series B	4.04%	SIFMA+.20%	Barclays Capital	A/A2	7/1/2024	11/6/2008
	2003 Series C	3.78%	SIFMA+.20%	Barclays Capital	A/A2	1/1/2025	11/6/2008
	2003 Series D	4.84%	SIFMA+.20%	Barclays Capital	A/A2	7/1/2025	11/6/2008
	2003 Series E	4.53%	SIFMA+.20%	Barclays Capital	A/A2	7/1/2025	11/6/2008
	2004 Series A	4.03%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	1/1/2026	11/7/2008
	2004 Series B	4.37%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	1/1/2027	11/7/2008
	2004 Series C	4.33%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	7/1/2025	11/7/2008
	2004 Series D	3.85%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	1/1/2028	11/7/2008
	2005 Series A	3.90%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	1/1/2029	11/7/2008
	2005 Series D	3.87%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2	7/1/2028	11/7/2008
	2005 Series E	3.93%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2	1/1/2029	11/7/2008
2009A	2005 Series B	3.99%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	7/1/2028	11/7/2008
2009A	2005 Series C	3.73%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	7/1/2028	11/7/2008
2009A	2005 Series F	4.10%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2	1/1/2029	11/7/2008
2009A	2006 Series A	4.10%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2	1/1/2029	11/7/2008
2009A	2006 Series B	4.35%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2	7/1/2025	11/7/2008
2009A	2006 Series C	4.36%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2	1/1/2025	11/7/2008
2009A	2006 Series D	4.45%	SIFMA+.20% (LIBOR < 4.0%)/68% LIBOR	Barclays Capital	A/A2	1/1/2025	11/7/2008
2012A	2007 Series D	4.89%	LIBOR+.71%	Barclays Capital	A/A2	1/1/2026	12/20/2012
2012A	2007 Series E	4.94%	LIBOR+.71%	Barclays Capital	A/A2	7/1/2025	12/20/2012
2012A	2007 Series F	5.28%	LIBOR+.71%	Barclays Capital	A/A2	1/1/2025	12/20/2012
2012A	2007 Series G	5.39%	LIBOR+.76%	Barclays Capital	A/A2	7/1/2028	12/20/2012
2012A	2007 Series H	5.20%	LIBOR+.76%	Barclays Capital	A/A2	7/1/2030	12/20/2012
2012A	2007 Series I	5.14%	LIBOR+.76%	Barclays Capital	A/A2	7/1/2028	12/20/2012
2012A	2007 Series J	5.10%	LIBOR+.76%	Barclays Capital	A/A2	7/1/2028	12/20/2012
2012A	2007 Series K	4.93%	LIBOR+.76%	Barclays Capital	A/A2	7/1/2030	12/20/2012
2013A	2006 Series E	5.55%	One-month LIBOR + .80%	Barclays Capital	A/A2	1/1/2026	11/22/2013
2013A	2006 Series F	5.32%	One-month LIBOR + .80%	Barclays Capital	A/A2	1/1/2026	11/22/2013
2013A	2006 Series G	5.20%	One-month LIBOR + .80%	Barclays Capital	A/A2	7/1/2026	11/22/2013
2013A	2007 Series A	5.37%	One-month LIBOR + .80%	Barclays Capital	A/A2	7/1/2026	11/22/2013
2013A	2007 Series B	5.22%	One-month LIBOR + .80%	Barclays Capital	A/A2	1/1/2027	11/22/2013
2013A	2007 Series C	5.31%	One-month LIBOR + .80%	Barclays Capital	A/A2	1/1/2027	11/22/2013
2013A	2008 Series A	5.12%	One-month LIBOR + .80%	Barclays Capital	A/A2	7/1/2030	11/22/2013
2013A	2008 Series B	4.98%	One-month LIBOR + .80%	Barclays Capital	A/A2	7/1/2029	11/22/2013
2013A	2008 Series C	5.05%	One-month LIBOR + .80%	Barclays Capital	A/A2	7/1/2026	11/22/2013
2013A	2008 Series D	4.77%	One-month LIBOR + .80%	Barclays Capital	A/A2	7/1/2026	11/22/2013

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

7. Derivatives, continued

(Dollars in thousands):

Interest Rate Swap Agreements

Fund	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
2014A	2000 Series F	2,345	-	(182)	-	139	-
2014A	2000 Series G	6,775	-	(1,007)	-	266	-
2014A	2001 Series A	3,960	-	(404)	-	167	-
2014A	2001 Series B	4,380	-	(490)	-	182	-
2014A	2001 Series C	4,250	-	(465)	-	179	-
2014A	2001 Series D	6,605	-	(896)	-	217	-
2014A	2001 Series E	6,605	-	(847)	-	203	-
2014A	2001 Series F	4,515	-	(511)	-	172	-
2014A	2002 Series A	4,680	-	(591)	-	193	-
2014A	2002 Series B	4,720	-	(586)	-	190	-
2014A	2002 Series C	4,750	-	(575)	-	189	-
2014A	2002 Series D	6,925	-	(922)	-	231	-
2014A	2002 Series E	4,730	-	(526)	-	164	-
2014A	2002 Series F	4,615	-	(502)	-	90	-
2014A	2002 Series G	4,615	-	(570)	-	111	-
		$ 496,875	$ 5,865	$ (74,695)	$ (870)	$ 5,894	$ 23

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
2014A	2000 Series F	5.30%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	1/1/2018	11/6/2008
2014A	2000 Series G	5.25%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	7/1/2021	11/6/2008
2014A	2001 Series A	4.76%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	1/1/2020	11/6/2008
2014A	2001 Series B	4.87%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	7/1/2020	11/6/2008
2014A	2001 Series C	4.86%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	7/1/2020	11/6/2008
2014A	2001 Series D	4.73%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	7/1/2022	11/6/2008
2014A	2001 Series E	4.53%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	7/1/2022	11/6/2008
2014A	2001 Series F	4.70%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	1/1/2021	11/6/2008
2014A	2002 Series A	5.02%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	1/1/2021	11/6/2008
2014A	2002 Series B	4.95%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	1/1/2021	11/6/2008
2014A	2002 Series C	4.89%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	1/1/2021	11/6/2008
2014A	2002 Series D	4.71%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	7/1/2022	11/6/2008
2014A	2002 Series E	4.48%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	7/1/2021	11/6/2008
2014A	2002 Series F	3.79%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	1/1/2024	11/6/2008
2014A	2002 Series G	4.14%	SIFMA+.20% (LIBOR < 3.5%)/68% LIBOR	Barclays Capital	A/A2	1/1/2024	11/6/2008

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

7. Derivatives, continued

At June 30, 2015, the Association has $195,000,000 in forward sales contracts (“To Be Announced” or “TBA” contracts) to issue GNMA securities in order to lock in the sales price for the securitization of single-family loans. These securities represent pools of qualified first mortgage loans originated by Association-approved lenders and brokers. Under this program, the Association periodically enters into forward contracts to sell GNMA Mortgage Backed Securities to investors before the securities are ready for delivery. The Association enters into TBA Mortgage-Backed Security Contracts to hedge the interest rate risk for loan commitments made to originating mortgage lenders. These contracts are considered investment derivatives and are not rated.

TBA Forward Contracts

Contract	Coupon rate	Outstanding Notional Amount	Fair Values	Counterparty Credit Rating
April 2015	3.00%	$ 5,000,000	$ 111,719	AAA/Aaa
April 2015	3.50%	5,000,000	64,648	AAA/Aaa
April 2015	3.00%	5,000,000	94,531	AAA/Aaa
April 2015	3.00%	5,000,000	94,531	AAA/Aaa
April 2015	3.50%	5,000,000	64,648	AAA/Aaa
April 2015	3.00%	5,000,000	68,750	AAA/Aaa
April 2015	3.00%	5,000,000	63,281	AAA/Aaa
April 2015	3.50%	5,000,000	53,711	AAA/Aaa
April 2015	3.00%	5,000,000	64,063	AAA/Aaa
May 2015	3.00%	5,000,000	35,938	AAA/Aaa
May 2015	3.00%	5,000,000	18,750	AAA/Aaa
May 2015	3.00%	10,000,000	75,000	AAA/Aaa
May 2015	3.50%	5,000,000	34,961	AAA/Aaa
May 2015	3.00%	5,000,000	35,938	AAA/Aaa
May 2015	3.50%	5,000,000	47,461	AAA/Aaa
May 2015	4.00%	5,000,000	18,359	AAA/Aaa
June 2015	3.00%	5,003,000	(18,762)	AAA/Aaa
June 2015	3.00%	10,000,000	40,625	AAA/Aaa
May 2015	3.00%	10,000,000	77,344	AAA/Aaa
May 2015	3.00%	10,000,000	114,844	AAA/Aaa
May 2015	3.50%	5,000,000	42,578	AAA/Aaa
June 2015	3.50%	5,000,000	(9,766)	AAA/Aaa
June 2015	4.00%	5,000,000	(15,234)	AAA/Aaa
June 2015	3.00%	5,000,000	(5,859)	AAA/Aaa
June 2015	3.00%	5,000,000	(13,672)	AAA/Aaa
June 2015	3.50%	5,000,000	(14,453)	AAA/Aaa
June 2015	3.50%	5,000,000	(37,109)	AAA/Aaa
June 2015	4.00%	5,000,000	(21,485)	AAA/Aaa
June 2015	3.50%	5,000,000	(11,328)	AAA/Aaa
June 2015	3.50%	5,000,000	(4,688)	AAA/Aaa
June 2015	3.50%	5,000,000	(8,984)	AAA/Aaa
June 2015	4.00%	5,000,000	(9,570)	AAA/Aaa
June 2015	3.50%	10,000,000	14,844	AAA/Aaa
June 2015	3.00%	5,000,000	(6,250)	AAA/Aaa
		$ 195,003,000	$ 1,059,364	

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, 2015 and 2014 were $688,000 and $654,000, 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, 2015 and 2014 was $149,000 and $140,000, 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.

As of June 30, 2015 and 2014 there were forty and thirty-four, 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 $219,767,000 and $212,990,000, 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 outstanding indebtedness and accrued interest as of June 30, 2015 and 2014 is $733,492,000 and $819,868,000, respectively.

Since conduit debt by definition does not create net position to the Association, those issuances included within the financial statements with a net position have their net position 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.

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

10. Capital Assets (in thousands)

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

	Balance at June 30,2014	Additions	Reclass	Retirements	Balance at June 30,2015
Capital assets:					
Land	$ 1,008			$ (20)	$ 988
Buildings and improvements	9,449	$ 229	$ (25)	(210)	9,443
Furniture and equipment	3,298	202	25	(45)	3,480
Leasehold improvements	263	39			302
Computer software	1,476	232		(1)	1,707
Total capital assets	15,494	702	-	(276)	15,920
Less accumulated depreciation for:					
Land					
Buildings and improvements	(5,377)	(231)		154	(5,454)
Furniture and equipment	(2,704)	(292)		42	(2,954)
Leasehold improvements	(225)	(7)			(232)
Computer software	(1,410)	(84)		1	(1,493)
Total accumulated depreciation	(9,716)	(614)	-	197	(10,133)
Total capital assets, net	$ 5,778	$ 88	$ -	$ (79)	$ 5,787

IDAHO HOUSING AND FINANCE ASSOCIATION
Notes to Financial Statements

11. Other Assets and Liabilities

Other Assets and Other Liabilities as of June 30, 2015 and 2014 are composed of the Accounts and Balances as follows (in thousands):

	2015	2014
Other Assets		
Accounts Receivable	$ 7,000	$ 3,848
Multifamily trusts' pledged revenues receivable	638	649
Prepaid expenses	582	685
REO mortgages receivable	19,363	20,480
	$ 27,583	$ 25,662
Other Liabilities		
Accounts Payable	$ 191	$ 373
Accrued vacation and other payroll related liabilities	960	627
Arbitrage rebate	1,183	2,197
Federal programs advances and unapplied program income	3,716	6,370
Multifamily trusts' pledged revenues payable		166
Security deposits	15	14
Investor Remittances Due	27,665	9,907
Unapplied payments	2,864	1,299
Other accrued liability	2,641	10,119
	$ 39,235	$ 31,072

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. 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, 2014, THC had acquired and was operating sixteen 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, Montpelier, and Twin Falls 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; had purchased three duplexes in Canyon County with federal NSP funds to rent as affordable housing; and had been given three lots and started construction on three homes in Nez Perce with HOME funds. 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, 2015, three Association Commissioners and the Association's President serve on THC's Board of Directors. THC pays all expenses associated with THC operations. As of June 30, 2015 and 2014 THC paid the Association $971,000 and $883,000, respectively. THC owed $111,000 and $74,000 for the years ended June 30, 2014 and 2013. Complete financial statements for THC can be obtained from THC 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 and 113 IHFA owned REO rental properties. The Association reimburses THC for amounts paid on a quarterly basis.

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.

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, 2015

Association Accounts (in thousands)

	Business Operations			
	General Operating Account	Federally Assisted Program	Combined	Affordable Housing Investment Trust
Statement of Net Position				
ASSETS AND DEFERRED OUTFLOW OF RESOURCES				
Cash and Cash Equivalents	$ 65,824	$ 7,438	$ 73,262	$ 1
Investments, fair value	1,066		1,066	4,917
Loans Held for Investment, net	2,587	16,689	19,276	34,634
Loans available for sale	146,924		146,924	
GARVEE highway project costs receivable, net			-	
Employment Security Reserve Fund receivable			-	
Property and Equipment	4,728	1,015	5,743	44
Other Assets	468,741	253	468,994	409
Deferred Outflow---Interest Rate Swap Contracts				
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 689,870	$ 25,395	$ 715,265	$ 40,005
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION				
Bonds				
Commercial Paper	$ 75,000		$ 75,000	
Swap Contract Fair Value Liability			-	
Interest Payable-Swap Contract			-	
Escrow and Project Reserve Deposits	17,663	$ 298	17,961	
Other Liabilities	573,184	6,070	579,254	$ 4,247
Deferred Inflow---Interest Rate Swap Contracts			-	
Net Position	24,023	19,027	43,050	35,758
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	$ 689,870	$ 25,395	$ 715,265	$ 40,005
Statement of Revenues, Expenses and Changes in Net Position				
OPERATING REVENUES				
Interest on Loans	$ 3,978	$ 17	$ 3,995	$ 1,659
Interest on Investments	-		-	2
Contract and Grant Administration Fees	9,543		9,543	
Gains on Loan Sales	23,304		23,304	
Loan Servicing Fees	12,103		12,103	75
Multifamily and GARVEE bonds pledged revenues			-	
Other	2,001	562	2,563	2
TOTAL OPERATING REVENUES	50,929	579	51,508	1,738
OPERATING EXPENSES				
Interest	339		339	
Salaries and Benefits	11,282	266	11,548	
Loan acquisition costs	26,267		26,267	
General Operating	4,796	1,288	6,084	566
Bond financing costs			-	
Grants to Others			-	710
Loss on Real Estate Owned Properties			-	
Provision for loan loss			-	
Other	578	14	592	-
TOTAL OPERATING EXPENSES	43,262	1,568	44,830	1,276
OPERATING INCOME (LOSS)	7,667	(989)	6,678	462
NONOPERATING REVENUES AND EXPENSES				
Net Increase (Decrease) in Fair Value of Investments	2,238		2,238	499
Derivative instruments, interest rate swap			-	
Federal Pass-Through Revenues		38,248	38,248	
Federal Pass-Through Expenses		(39,351)	(39,351)	
TOTAL NONOPERATING REVENUES AND EXPENSES	2,238	(1,103)	1,135	499
CHANGE IN NET POSITION	9,905	(2,092)	7,813	961
NET POSITION, Beginning of Period	17,486	18,340	35,826	35,298
TRANSFERS	(3,368)	2,779	(589)	(501)
NET POSITION, End of Period	$ 24,023	$ 19,027	$ 43,050	$ 35,758

(1) The detail of the Combined Bondholder Trusts is presented on pages 61-79.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Association Accounts (in thousands)

	Bond Rating Compliance and Loan Guarantee Trust	Combined Bondholder Trusts (1)	Interfund Eliminations	All Association Accounts
Statement of Net Position				
ASSETS AND DEFERRED OUTFLOW OF RESOURCES				
Cash and Cash Equivalents	$ 6,174	$ 680		$ 80,117
Investments, fair value	33,344	242,838		282,165
Loans Held for Investment, net	14,238	512,271		580,419
Loans available for sale		-		146,924
GARVEE highway project costs receivable, net		647,866		647,866
Employment Security Reserve Fund receivable		50,928		50,928
Property and Equipment		-		5,787
Other Assets	81,056	398,521	$ (921,432)	27,548
Deferred Outflow---Interest Rate Swap Contracts		69,007		69,007
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 134,812	$ 1,922,111	$ (921,432)	$ 1,890,761
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION				
Bonds		$ 1,455,621		$ 1,455,621
Commercial Paper		-		75,000
Swap Contract Fair Value Liability		73,824		73,824
Interest Payable-Swap Contract		12,082		12,082
Escrow and Project Reserve Deposits		-		17,961
Other Liabilities	$ 74	377,042	$ (921,432)	39,185
Deferred Inflow---Interest Rate Swap Contracts		54		54
Net Position	134,738	3,488	-	217,034
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	$ 134,812	$ 1,922,111	$ (921,432)	$ 1,890,761
Statement of Revenues, Expenses and Changes in Net Position				
OPERATING REVENUES				
Interest on Loans	$ 967	$ 35,647		$ 42,268
Interest on Investments	1,018	3,765		4,785
Contract and Grant Administration Fees		-	$ (2,696)	6,847
Gains on Loan Sales		-		23,304
Loan Servicing Fees	8	2,602	(1,929)	12,859
Multifamily and GARVEE bonds pledged revenues		29,334		29,334
Other	5,600	10		8,175
TOTAL OPERATING REVENUES	7,593	71,358	(4,625)	127,572
OPERATING EXPENSES				
Interest	-	70,237		70,576
Salaries and Benefits		-		11,548
Loan acquisition costs		-		26,267
General Operating	1,776	2,527	(4,625)	6,328
Bond financing costs		20		20
Grants to Others		-		710
Loss on Real Estate Owned Properties		-		-
Provision for loan loss		-		-
Other		-		592
TOTAL OPERATING EXPENSES	1,776	72,784	(4,625)	116,041
OPERATING INCOME (LOSS)	5,817	(1,426)	-	11,531
NONOPERATING REVENUES AND EXPENSES				
Net Increase (Decrease) in Fair Value of Investments	127	(536)		2,328
Derivative instruments, interest rate swap	-	(2,696)		(2,696)
Federal Pass-Through Revenues		-		38,248
Federal Pass-Through Expenses		-		(39,351)
TOTAL NONOPERATING REVENUES AND EXPENSES	127	(3,232)	-	(1,471)
CHANGE IN NET POSITION	5,944	(4,658)	-	10,060
NET POSITION, Beginning of Period	138,839	(2,989)		206,974
TRANSFERS	(10,045)	11,135		-
NET POSITION, End of Period	$ 134,738	$ 3,488	$ -	$ 217,034

(1) The detail of the Combined Bondholder Trusts is presented on pages 61-79.

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 AND DEFERRED OUTFLOW OF RESOURCES			
Cash and Cash Equivalents	$ 1,763		$ 81,880
Investments, fair value			282,165
Loans Held for Investment, net	123		580,542
Loans available for sale			146,924
GARVEE highway project costs receivable, net			647,866
Employment Security Reserve Fund receivable			50,928
Property and Equipment			5,787
Other Assets	35		27,583
Deferred Outflow---Interest Rate Swap Contracts			69,007
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 1,921	$ -	$ 1,892,682
LIABILITIES, DEFERRED INFLOW OF RESOURCES,			
AND NET POSITION			
Bonds			$ 1,455,621
Commercial Paper			75,000
Swap Contract Fair Value Liability			73,824
Interest Payable-Swap Contract			12,082
Escrow and Project Reserve Deposits			17,961
Other Liabilities	$ 50		39,235
Deferred Inflow---Interest Rate Swap Contracts			54
Net Position	1,871	-	218,905
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION	$ 1,921	$ -	$ 1,892,682
Statement of Revenues, Expenses and			
Changes in Net Position			
OPERATING REVENUES			
Interest on Loans			$ 42,268
Interest on Investments			4,785
Contract and Grant Administration Fees			6,847
Gains on Loan Sales			23,304
Loan Servicing Fees			12,859
Multifamily and GARVEE bonds pledged revenues			29,334
Other	$ 896	$ (710)	8,361
TOTAL OPERATING REVENUES	896	(710)	127,758
OPERATING EXPENSES			
Interest			70,576
Salaries and Benefits	111		11,659
Loan acquisition costs			26,267
General Operating	42		6,370
Bond financing costs			20
Grants to Others	543	(710)	543
Loss on Real Estate Owned Properties			-
Provision for loan loss	267		267
Other			592
TOTAL OPERATING EXPENSES	963	(710)	116,294
OPERATING INCOME (LOSS)	(67)	-	11,464
NONOPERATING REVENUES AND EXPENSES			
Net Increase (Decrease) in Fair Value of Investments			2,328
Derivative instruments, interest rate swap			(2,696)
Federal Pass-Through Revenues			38,248
Federal Pass-Through Expenses			(39,351)
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	(1,471)
CHANGE IN NET POSITION	(67)	-	9,993
NET POSITION, Beginning of Period	1,938	-	208,912
TRANSFERS	-		-
NET POSITION, End of Period	$ 1,871	$ -	$ 218,905

(1) The detail of the Combined Bondholder Trusts is presented on pages 61-79.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts (in thousands)

	1994A Single-Family Mortgage Bond	1994F Single-Family Mortgage Bond	1995C Single-Family Mortgage Bond	1995E Single-Family Mortgage Bond	1995H Single-Family Mortgage Bond	1996A Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents						
Investments, fair value						
Loans Held for Investment, net						
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets						
Deferred Outflow--Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ -	$ -	$ -	$ -	$ -	$ -
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds						
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities						
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	-	-	-	-	-	-
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ -	$ -	$ -	$ -	$ -	$ -
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans				$ 32		
Interest on Investments				7		
Loan Servicing Fees				2		
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	-	-	-	41	-	-
OPERATING EXPENSES						
Interest				4		
General Operating				3		
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	-	-	-	7	-	-
OPERATING INCOME (LOSS)	-	-	-	34	-	-
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments				(2)		
Derivative instruments, interest rate swap						
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	-	(2)	-	-
CHANGE IN NET POSITION	-	-	-	32	-	-
NET POSITION, Beginning of Period	1,048	618	688	764	925	757
TRANSFERS	(1,048)	(618)	(688)	(796)	(925)	(757)
NET POSITION, End of Period	$ -	$ -	$ -	$ -	$ -	$ -

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	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	1997A Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents						
Investments, fair value						$ 110
Loans Held for Investment, net						874
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets						3
Deferred Outflow--Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ -	$ -	$ -	$ -	$ -	$ 987
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds						$ 186
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities						11
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	-	-	-	-	-	790
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ -	$ -	$ -	$ -	$ -	$ 987
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans			$ 32		$ 32	$ 59
Interest on Investments			4		7	9
Loan Servicing Fees			2		2	3
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	-	-	38	-	41	71
OPERATING EXPENSES						
Interest			3		6	19
General Operating			3		3	5
Bond Financing Costs						
Other						-
TOTAL OPERATING EXPENSES	-	-	6	-	9	24
OPERATING INCOME (LOSS)	-	-	32	-	32	47
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments			(2)		(4)	(4)
Derivative instruments, interest rate swap						
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	(2)	-	(4)	(4)
CHANGE IN NET POSITION	-	-	30	-	28	43
NET POSITION, Beginning of Period	692	612	812	792	737	741
TRANSFERS	(692)	(612)	(842)	(792)	(765)	6
NET POSITION, End of Period	$ -	$ -	$ -	$ -	$ -	$ 790

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	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	1997G Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents		$ 1			$ 56	
Investments, fair value		286		$ 204	265	$ 369
Loans Held for Investment, net		840		907	1,211	981
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets		3		4	7	72
Deferred Outflow--Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ -	$ 1,130	$ -	$ 1,115	$ 1,539	$ 1,422
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds		$ 314		$ 196	$ 422	$ 324
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities		23		22	25	31
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	-	793	-	897	1,092	1,067
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ -	$ 1,130	$ -	$ 1,115	$ 1,539	$ 1,422
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 32	$ 61	$ 24	$ 63	$ 85	$ 70
Interest on Investments	6	13	6	10	18	4
Loan Servicing Fees	2	2	1	3	4	4
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	40	76	31	76	107	78
OPERATING EXPENSES						
Interest	6	23	2	17	34	23
General Operating	3	6	3	5	5	5
Bond Financing Costs						
Other			-			
TOTAL OPERATING EXPENSES	9	29	5	22	39	28
OPERATING INCOME (LOSS)	31	47	26	54	68	50
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments	(3)	(5)	(1)	(4)	(7)	(13)
Derivative instruments, interest rate swap						
TOTAL NONOPERATING REVENUES AND EXPENSES	(3)	(5)	(1)	(4)	(7)	(13)
CHANGE IN NET POSITION	28	42	25	50	61	37
NET POSITION, Beginning of Period	775	740	735	836	1,019	1,018
TRANSFERS	(803)	11	(760)	11	12	12
NET POSITION, End of Period	$ -	$ 793	$ -	$ 897	$ 1,092	$ 1,067

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	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	1998D Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents	$ 7				$ 4	
Investments, fair value	265				321	$ 304
Loans Held for Investment, net	1,078				1,574	1,093
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	6				6	5
Deferred Outflow--Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 1,356	$ -	$ -	$ -	$ 1,905	$ 1,402
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds	$ 134				$ 816	$ 498
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	20				46	17
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	1,202	-	-	-	1,043	887
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 1,356	$ -	$ -	$ -	$ 1,905	$ 1,402
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 75	$ 34	$ 42	$ 40	$ 98	$ 70
Interest on Investments	6	11	6	8	10	16
Loan Servicing Fees	4	2	3	3	6	4
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	85	47	51	51	114	90
OPERATING EXPENSES						
Interest	13	1	8	6	46	30
General Operating	5	3		3	5	5
Bond Financing Costs			10			
Other			-			
TOTAL OPERATING EXPENSES	18	4	18	9	51	35
OPERATING INCOME (LOSS)	67	43	33	42	63	55
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments	(4)		(5)	(3)	(4)	(4)
Derivative instruments, interest rate swap						
TOTAL NONOPERATING REVENUES AND EXPENSES	(4)	-	(5)	(3)	(4)	(4)
CHANGE IN NET POSITION	63	43	28	39	59	51
NET POSITION, Beginning of Period	1,127	1,067	1,142	1,204	974	851
TRANSFERS	12	(1,110)	(1,170)	(1,243)	10	(15)
NET POSITION, End of Period	$ 1,202	$ -	$ -	$ -	$ 1,043	$ 887

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	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	1999A Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents			$ 5			
Investments, fair value	$ 350	$ 307	265	$ 583	$ 283	$ 550
Loans Held for Investment, net	1,172	1,661	1,264	1,581	1,807	1,698
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	8	7	6	6	44	6
Deferred Outflow--Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 1,530	$ 1,975	$ 1,540	$ 2,170	$ 2,134	$ 2,254
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds	$ 714	$ 1,335	$ 657	$ 1,082	$ 928	$ 1,426
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	17	10	14	1	13	8
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	799	630	869	1,087	1,193	820
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 1,530	$ 1,975	$ 1,540	$ 2,170	$ 2,134	$ 2,254
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 77	$ 103	$ 83	$ 99	$ 108	$ 109
Interest on Investments	15	18	7	19	13	29
Loan Servicing Fees	5	6	5	6	7	6
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	97	127	95	124	128	144
OPERATING EXPENSES						
Interest	43	77	38	58	55	80
General Operating	5	6	5	5	6	6
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	48	83	43	63	61	86
OPERATING INCOME (LOSS)	49	44	52	61	67	58
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments	(5)	(4)	(2)	(2)	(4)	(5)
Derivative instruments, interest rate swap						
TOTAL NONOPERATING REVENUES AND EXPENSES	(5)	(4)	(2)	(2)	(4)	(5)
CHANGE IN NET POSITION	44	40	50	59	63	53
NET POSITION, Beginning of Period	746	580	809	1,018	1,123	758
TRANSFERS	9	10	10	10	7	9
NET POSITION, End of Period	$ 799	$ 630	$ 869	$ 1,087	$ 1,193	$ 820

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION

Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	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	1999G Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents		$ 2	$ 200	$ 1	$ 22	
Investments, fair value	$ 167	256	411	127	250	$ 262
Loans Held for Investment, net	1,387	1,642	1,953	875	1,553	1,170
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	7	54	7	66	7	4
Deferred Outflow--Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 1,561	$ 1,954	$ 2,571	$ 1,069	$ 1,832	$ 1,436
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds	$ 708	$ 1,175	$ 1,561	$ 741	$ 1,245	$ 1,164
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	6	4	15	11	8	10
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	847	775	995	317	579	262
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 1,561	$ 1,954	$ 2,571	$ 1,069	$ 1,832	$ 1,436
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 82	$ 103	$ 125	$ 61	$ 102	$ 79
Interest on Investments	8	10	26	-	4	4
Loan Servicing Fees	5	6	7	3	5	4
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	95	119	158	64	111	87
OPERATING EXPENSES						
Interest	41	63	87	44	73	71
General Operating	5	6	7	4	6	4
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	46	69	94	48	79	75
OPERATING INCOME (LOSS)	49	50	64	16	32	12
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments	(2)	(1)	(5)	(1)	(1)	(2)
Derivative instruments, interest rate swap						
TOTAL NONOPERATING REVENUES AND EXPENSES	(2)	(1)	(5)	(1)	(1)	(2)
CHANGE IN NET POSITION	47	49	59	15	31	10
NET POSITION, Beginning of Period	792	719	925	294	537	175
TRANSFERS	8	7	11	8	11	77
NET POSITION, End of Period	$ 847	$ 775	$ 995	$ 317	$ 579	$ 262

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	1999H Single-Family Mortgage Bond	2000A Single-Family Mortgage Bond	2000B Single-Family Mortgage Bond	2000C Single-Family Mortgage Bond	2000D Single-Family Mortgage Bond	2000E Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents						
Investments, fair value	$ 209	$ 128	$ 206	$ 355	$ 256	$ 249
Loans Held for Investment, net	958	879	953	870	962	920
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	4	4	88	4	5	3
Deferred Outflow--Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 1,171	$ 1,011	$ 1,247	$ 1,229	$ 1,223	$ 1,172
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds	$ 691	$ 872	$ 938	$ 1,201	$ 1,011	$ 989
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities	2	1	1	2	1	1
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	478	138	308	26	211	182
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 1,171	$ 1,011	$ 1,247	$ 1,229	$ 1,223	$ 1,172
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 69	$ 61	$ 75	$ 65	$ 72	$ 66
Interest on Investments	6	2	4	13	9	8
Loan Servicing Fees	3	4	4	3	3	3
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	78	67	83	81	84	77
OPERATING EXPENSES						
Interest	44	56	59	74	64	61
General Operating	6	6	5	6	5	5
Bond Financing Costs					10	
Other						
TOTAL OPERATING EXPENSES	50	62	64	80	79	66
OPERATING INCOME (LOSS)	28	5	19	1	5	11
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments				1	(1)	1
Derivative instruments, interest rate swap						
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	-	1	(1)	1
CHANGE IN NET POSITION	28	5	19	2	4	12
NET POSITION, Beginning of Period	439	(131)	(178)	(218)	(402)	(356)
TRANSFERS	11	264	467	242	609	526
NET POSITION, End of Period	$ 478	$ 138	$ 308	$ 26	$ 211	$ 182

(2) The combined totals for Bondholder Trusts are presented on page 59.

Combined Bondholder Trusts, continued (in thousands)

	2000F Single-Family Mortgage Bond	2000G Single-Family Mortgage Bond	2001A Single-Family Mortgage Bond	2001B Single-Family Mortgage Bond	2001C Single-Family Mortgage Bond	2001D Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents						
Investments, fair value						
Loans Held for Investment, net						
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets						
Deferred Outflow--Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ -	$ -	$ -	$ -	$ -	$ -
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds						
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities						
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	-	-	-	-	-	-
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ -	$ -	$ -	$ -	$ -	$ -
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans						
Interest on Investments						
Loan Servicing Fees						
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	-	-	-	-	-	-
OPERATING EXPENSES						
Interest						
General Operating						
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	-	-	-	-	-	-
OPERATING INCOME (LOSS)	-	-	-	-	-	-
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments						
Derivative instruments, interest rate swap						
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	-	-	-	-
CHANGE IN NET POSITION	-	-	-	-	-	-
NET POSITION, Beginning of Period	(908)	(2,077)	(51)	(925)	628	15
TRANSFERS	908	2,077	51	925	(628)	(15)
NET POSITION, End of Period	$ -	$ -	$ -	$ -	$ -	$ -

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2001E Single-Family Mortgage Bond	2001F Single-Family Mortgage Bond	2002A Single-Family Mortgage Bond	2002B Single-Family Mortgage Bond	2002C Single-Family Mortgage Bond	2002D Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents						
Investments, fair value						
Loans Held for Investment, net						
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets						
Deferred Outflow--Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ -	$ -	$ -	$ -	$ -	$ -
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds						
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities						
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	-	-	-	-	-	-
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ -	$ -	$ -	$ -	$ -	$ -
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans						
Interest on Investments						
Loan Servicing Fees						
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	-	-	-	-	-	-
OPERATING EXPENSES						
Interest						
General Operating						
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	-	-	-	-	-	-
OPERATING INCOME (LOSS)	-	-	-	-	-	-
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments						
Derivative instruments, interest rate swap						
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	-	-	-	-
CHANGE IN NET POSITION	-	-	-	-	-	-
NET POSITION, Beginning of Period	(150)	420	(66)	(356)	309	35
TRANSFERS	150	(420)	66	356	(309)	(35)
NET POSITION, End of Period	$ -	$ -	$ -	$ -	$ -	$ -

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2002E Single-Family Mortgage Bond	2002F Single-Family Mortgage Bond	2002G Single-Family Mortgage Bond	2003A Single-Family Mortgage Bond	2003B Single-Family Mortgage Bond	2003C Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents				$ 355		
Investments, fair value				4,033	$ 3,900	$ 1,500
Loans Held for Investment, net				3,867	3,370	3,785
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets				11	113	14
Deferred Outflow--Interest Rate Swap Contracts				1,062	673	442
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ -	$ -	$ -	$ 9,328	$ 8,056	$ 5,741
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds				$ 8,513	$ 8,025	$ 5,099
Swap Contract Fair Value Liability				1,062	673	442
Interest Payable-Swap Contract				160	136	73
Other Liabilities				8	6	4
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	-	-	-	(415)	(784)	123
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ -	$ -	$ -	$ 9,328	$ 8,056	$ 5,741
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans				$ 212	$ 186	$ 182
Interest on Investments				167	25	23
Loan Servicing Fees				15	12	14
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	-	-	-	394	223	219
OPERATING EXPENSES						
Interest				405	348	202
General Operating				21	18	15
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	-	-	-	426	366	217
OPERATING INCOME (LOSS)	-	-	-	(32)	(143)	2
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments				5	30	(7)
Derivative instruments, interest rate swap				62	152	
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	-	67	182	(7)
CHANGE IN NET POSITION	-	-	-	35	39	(5)
NET POSITION, Beginning of Period	832	249	(579)	(483)	(854)	89
TRANSFERS	(832)	(249)	579	33	31	39
NET POSITION, End of Period	$ -	$ -	$ -	$ (415)	$ (784)	$ 123

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2003D Single-Family Mortgage Bond	2003E Single-Family Mortgage Bond	2004A Single-Family Mortgage Bond	2004B Single-Family Mortgage Bond	2004C Single-Family Mortgage Bond	2004D Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents	$ 4					
Investments, fair value	1,225	$ 2,930	$ 2,593	$ 4,027	$ 5,135	$ 1,705
Loans Held for Investment, net	3,577	4,422	4,877	4,848	5,298	7,955
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	81	83	215	16	17	21
Deferred Outflow--Interest Rate Swap Contracts	847	911	769	1,025	999	1,075
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 5,734	$ 8,346	$ 8,454	$ 9,916	$ 11,449	$ 10,756
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds	$ 5,247	$ 7,868	$ 7,457	$ 7,707	$ 10,624	$ 9,421
Swap Contract Fair Value Liability	847	911	769	1,026	999	1,074
Interest Payable-Swap Contract	155	145	131	155	146	161
Other Liabilities	5	23	9	293	20	9
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	(520)	(601)	88	735	(340)	91
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 5,734	$ 8,346	$ 8,454	$ 9,916	$ 11,449	$ 10,756
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 221	$ 257	$ 264	$ 287	$ 297	$ 396
Interest on Investments	35	39	36	40	43	32
Loan Servicing Fees	14	16	19	18	19	34
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	270	312	319	345	359	462
OPERATING EXPENSES						
Interest	319	405	352	370	421	481
General Operating	16	21	21	20	25	31
Bond Financing Costs						
Other	-					-
TOTAL OPERATING EXPENSES	335	426	373	390	446	512
OPERATING INCOME (LOSS)	(65)	(114)	(54)	(45)	(87)	(50)
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments	34	(14)	(44)	(25)	9	14
Derivative instruments, interest rate swap	277	79	65	104		94
TOTAL NONOPERATING REVENUES AND EXPENSES	311	65	21	79	9	108
CHANGE IN NET POSITION	246	(49)	(33)	34	(78)	58
NET POSITION, Beginning of Period	(803)	(577)	84	(146)	(283)	18
TRANSFERS	37	25	37	847	21	15
NET POSITION, End of Period	$ (520)	$ (601)	$ 88	$ 735	$ (340)	$ 91

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2005A Single-Family Mortgage Bond	2005B Single-Family Mortgage Bond	2005C Single-Family Mortgage Bond	2005D Single-Family Mortgage Bond	2005E Single-Family Mortgage Bond	2005F Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents						
Investments, fair value	$ 5,517	$ 5,120	$ 6,352	$ 6,279	$ 6,173	$ 6,323
Loans Held for Investment, net	6,180	6,531	4,620	5,851	6,110	4,848
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	85	17	15	18	193	109
Deferred Outflow--Interest Rate Swap Contracts	1,282	1,283	1,171	1,214	1,328	1,484
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 13,064	$ 12,951	$ 12,158	$ 13,362	$ 13,804	$ 12,764
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds	$ 11,756	$ 2,137	$ 3,256	$ 11,828	$ 12,464	$ 2,957
Swap Contract Fair Value Liability	1,282	1,283	1,171	1,213	1,328	1,484
Interest Payable-Swap Contract	171	171	162	170	176	190
Other Liabilities	8	8,668	9,170	131	272	10,388
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	(153)	692	(1,601)	20	(436)	(2,255)
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 13,064	$ 12,951	$ 12,158	$ 13,362	$ 13,804	$ 12,764
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 312	$ 349	$ 262	$ 326	$ 344	$ 285
Interest on Investments	35	42	37	34	33	36
Loan Servicing Fees	24	29	25	27	28	26
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	371	420	324	387	405	347
OPERATING EXPENSES						
Interest	519	502	537	451	487	590
General Operating	29	35	23	34	35	20
Bond Financing Costs						
Other						
TOTAL OPERATING EXPENSES	548	537	560	485	522	610
OPERATING INCOME (LOSS)	(177)	(117)	(236)	(98)	(117)	(263)
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments	4	(6)	5	4	5	5
Derivative instruments, interest rate swap	-			50		
TOTAL NONOPERATING REVENUES AND EXPENSES	4	(6)	5	54	5	5
CHANGE IN NET POSITION	(173)	(123)	(231)	(44)	(112)	(258)
NET POSITION, Beginning of Period	(94)	355	186	(716)	(864)	(499)
TRANSFERS	114	460	(1,556)	780	540	(1,498)
NET POSITION, End of Period	$ (153)	$ 692	$ (1,601)	$ 20	$ (436)	$ (2,255)

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2006A Single-Family Mortgage Bond	2006B Single-Family Mortgage Bond	2006C Single-Family Mortgage Bond	2006D Single-Family Mortgage Bond	2006E Single-Family Mortgage Bond	2006F Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents		$ 23				
Investments, fair value	$ 4,449	5,938	$ 2,405	$ 3,909	$ 2,228	$ 1,285
Loans Held for Investment, net	6,825	6,477	6,214	7,314	8,262	9,379
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	21	135	453	303	804	796
Deferred Outflow--Interest Rate Swap Contracts	1,479	962	927	1,113	1,239	1,172
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 12,774	$ 13,535	$ 9,999	$ 12,639	$ 12,533	$ 12,632
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds	$ 3,770	$ 5,384	$ 2,307	$ 1,549	$ 2,547	$ 4,257
Swap Contract Fair Value Liability	1,479	962	927	1,113	1,344	1,269
Interest Payable-Swap Contract	184	139	134	160	229	224
Other Liabilities	9,723	9,934	6,861	8,682	9,137	8,165
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	(2,382)	(2,884)	(230)	1,135	(724)	(1,283)
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 12,774	$ 13,535	$ 9,999	$ 12,639	$ 12,533	$ 12,632
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 386	$ 381	$ 361	$ 451	$ 502	$ 515
Interest on Investments	40	242	29	38	42	34
Loan Servicing Fees	34	38	33	35	46	62
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	460	661	423	524	590	611
OPERATING EXPENSES						
Interest	611	602	433	457	513	570
General Operating	44	41	17	28	24	28
Bond Financing Costs					-	
Other						
TOTAL OPERATING EXPENSES	655	643	450	485	537	598
OPERATING INCOME (LOSS)	(195)	18	(27)	39	53	13
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments	5	(31)	(21)	(31)	(34)	(27)
Derivative instruments, interest rate swap					(105)	(96)
TOTAL NONOPERATING REVENUES AND EXPENSES	5	(31)	(21)	(31)	(139)	(123)
CHANGE IN NET POSITION	(190)	(13)	(48)	8	(86)	(110)
NET POSITION, Beginning of Period	(688)	322	(113)	(122)	(555)	(1,120)
TRANSFERS	(1,504)	(3,193)	(69)	1,249	(83)	(53)
NET POSITION, End of Period	$ (2,382)	$ (2,884)	$ (230)	$ 1,135	$ (724)	$ (1,283)

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2006G Single-Family Mortgage Bond	2007A Single-Family Mortgage Bond	2007B Single-Family Mortgage Bond	2007C Single-Family Mortgage Bond	2007D Single-Family Mortgage Bond	2007E Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents						
Investments, fair value	$ 1,594	$ 3,277	$ 2,026	$ 3,395	$ 2,523	$ 4,489
Loans Held for Investment, net	10,817	10,238	10,884	10,614	14,800	14,740
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	704	617	969	714	1,892	2,344
Deferred Outflow--Interest Rate Swap Contracts	1,105	1,293	1,326	1,529	1,482	1,791
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 14,220	$ 15,425	$ 15,205	$ 16,252	$ 20,697	$ 23,364
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds	$ 1,407		$ 4,494	$ 5,992		$ 3,860
Swap Contract Fair Value Liability	1,194	$ 1,386	1,495	1,639	$ 1,558	1,891
Interest Payable-Swap Contract	216	232	257	276	288	674
Other Liabilities	9,316	8,750	11,743	10,008	12,364	15,872
Deferred Inflow--Interest Rate Swap Contracts					17	18
Net Position	2,087	5,057	(2,784)	(1,663)	6,470	1,049
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 14,220	$ 15,425	$ 15,205	$ 16,252	$ 20,697	$ 23,364
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 579	$ 589	$ 620	$ 635	$ 863	$ 947
Interest on Investments	36	39	47	65	64	76
Loan Servicing Fees	69	74	64	76	103	109
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	684	702	731	776	1,030	1,132
OPERATING EXPENSES						
Interest	428	372	629	747	516	1,315
General Operating	46	44	56	54	66	49
Bond Financing Costs		-				
Other						
TOTAL OPERATING EXPENSES	474	416	685	801	582	1,364
OPERATING INCOME (LOSS)	210	286	46	(25)	448	(232)
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments	(23)	(29)	(34)	(44)	(42)	(59)
Derivative instruments, interest rate swap	(89)	(93)	(169)	(110)	49	60
TOTAL NONOPERATING REVENUES AND EXPENSES	(112)	(122)	(203)	(154)	7	1
CHANGE IN NET POSITION	98	164	(157)	(179)	455	(231)
NET POSITION, Beginning of Period	(314)	(331)	(808)	(1,294)	(395)	(1,981)
TRANSFERS	2,303	5,224	(1,819)	(190)	6,410	3,261
NET POSITION, End of Period	$ 2,087	$ 5,057	$ (2,784)	$ (1,663)	$ 6,470	$ 1,049

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2007F Single-Family Mortgage Bond	2007G Single-Family Mortgage Bond	2007H Single-Family Mortgage Bond	2007I Single-Family Mortgage Bond	2007J Single-Family Mortgage Bond	2007K Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents						
Investments, fair value	$ 4,931	$ 8,699	$ 6,971	$ 6,306	$ 7,493	$ 8,082
Loans Held for Investment, net	21,986	19,640	20,602	17,851	20,931	19,313
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	1,454	1,478	2,457	1,428	1,138	1,026
Deferred Outflow--Interest Rate Swap Contracts	2,492	4,335	5,279	3,306	4,067	3,410
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 30,863	$ 34,152	$ 35,309	$ 28,891	$ 33,629	$ 31,831
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds	$ 7,636			$ 1,386		
Swap Contract Fair Value Liability	2,635	$ 4,450	$ 5,369	3,403	$ 4,188	$ 3,520
Interest Payable-Swap Contract	540	780	470	352	670	586
Other Liabilities	19,035	28,877	29,363	24,007	31,497	25,546
Deferred Inflow--Interest Rate Swap Contracts	19					
Net Position	998	45	107	(257)	(2,726)	2,179
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 30,863	$ 34,152	$ 35,309	$ 28,891	$ 33,629	$ 31,831
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 1,344	$ 402	$ 1,273	$ 1,142	$ 1,295	$ 1,154
Interest on Investments	89	85	101	89	182	70
Loan Servicing Fees	153	29	129	122	125	125
Multifamily and GARVEE bonds pledged revenues						
Other						
TOTAL OPERATING REVENUES	1,586	516	1,503	1,353	1,602	1,349
OPERATING EXPENSES						
Interest	1,260	1,279	857	711	1,136	956
General Operating	153	62	93	123	74	97
Bond Financing Costs			-			
Other						
TOTAL OPERATING EXPENSES	1,413	1,341	950	834	1,210	1,053
OPERATING INCOME (LOSS)	173	(825)	553	519	392	296
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments	(84)	(42)	(57)	(62)	(55)	(35)
Derivative instruments, interest rate swap	99	53	40	33	39	12
TOTAL NONOPERATING REVENUES AND EXPENSES	15	11	(17)	(29)	(16)	(23)
CHANGE IN NET POSITION	188	(814)	536	490	376	273
NET POSITION, Beginning of Period	880	152	(654)	(197)	336	19
TRANSFERS	(70)	707	225	(550)	(3,438)	1,887
NET POSITION, End of Period	$ 998	$ 45	$ 107	$ (257)	$ (2,726)	$ 2,179

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	2008A Single-Family Mortgage Bond	2008B Single-Family Mortgage Bond	2008C Single-Family Mortgage Bond	2008D Single-Family Mortgage Bond	2009A Single-Family Mortgage Bond	2009B Single-Family Mortgage Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents						
Investments, fair value	$ 4,630	$ 5,092	$ 3,016	$ 2,962	$ 2,791	$ 459
Loans Held for Investment, net	13,013	16,963	14,720	12,637		
GARVEE highway project costs receivable, net						
Employment Security Reserve Fund receivable						
Other Assets	396	597	921	338	63,834	4,481
Deferred Outflow--Interest Rate Swap Contracts	3,554	2,827	1,814	500		
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 21,593	$ 25,479	$ 20,471	$ 16,437	$ 66,625	$ 4,940
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds	$ 2,146	$ 4,696	$ 2,160	$ 8,377	$ 66,801	$ 5,069
Swap Contract Fair Value Liability	3,759	3,000	1,952	653		
Interest Payable-Swap Contract	609	512	357	126		
Other Liabilities	25,564	21,805	15,311	5,009	13	5
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	(10,485)	(4,534)	691	2,272	(189)	(134)
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 21,593	$ 25,479	$ 20,471	$ 16,437	$ 66,625	$ 4,940
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 822	$ 1,007	$ 927	$ 771		
Interest on Investments	87	91	71	40	-	
Loan Servicing Fees	60	92	54	48		
Multifamily and GARVEE bonds pledged revenues						
Other						10
TOTAL OPERATING REVENUES	969	1,190	1,052	859	-	10
OPERATING EXPENSES						
Interest	961	1,104	734	647	360	276
General Operating	59	80	31	39	-	-
Bond Financing Costs	-					
Other						
TOTAL OPERATING EXPENSES	1,020	1,184	765	686	360	276
OPERATING INCOME (LOSS)	(51)	6	287	173	(360)	(266)
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments	32	17	4	12		
Derivative instruments, interest rate swap	(204)	(172)	(139)	(154)		
TOTAL NONOPERATING REVENUES AND EXPENSES	(172)	(155)	(135)	(142)	-	-
CHANGE IN NET POSITION	(223)	(149)	152	31	(360)	(266)
NET POSITION, Beginning of Period	272	(707)	(1,074)	(3,005)	(4,396)	(6,251)
TRANSFERS	(10,534)	(3,678)	1,613	5,246	4,567	6,383
NET POSITION, End of Period	$ (10,485)	$ (4,534)	$ 691	$ 2,272	$ (189)	$ (134)

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

		2009C Single-Family Mortgage Bond		2009 1 Single-Family Mortgage Bond		2010A Single-Family Mortgage Bond		2012A Single-Family Mortgage Bond		2013A Single-Family Mortgage Bond		2014A Single-Family Mortgage Bond
Statement of Net Position												
ASSETS AND DEFERRED OUTFLOW OF RESOURCES												
Cash and Cash Equivalents												
Investments, fair value		15,244		-		9,652		4,509		6,283		15,318
Loans Held for Investment, net		16,773				18,695						63,248
GARVEE highway project costs receivable, net												
Employment Security Reserve Fund receivable												
Other Assets		409				297		184,248		121,722		462
Deferred Outflow--Interest Rate Swap Contracts												6,440
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$	32,426	$	-	$	28,644	$	188,757	$	128,005	$	85,468
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION												
Bonds		32,871				28,676		189,179		128,633		73,245
Swap Contract Fair Value Liability												9,074
Interest Payable-Swap Contract												1,765
Other Liabilities		27				18		2		3		1,066
Deferred Inflow--Interest Rate Swap Contracts												
Net Position		(472)		-		(50)		(424)		(631)		318
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$	32,426	$	-	$	28,644	$	188,757	$	128,005	$	85,468
Statement of Revenues, Expenses and Changes in Net Position												
OPERATING REVENUES												
Interest on Loans	$	899			$	724	$	810			$	4,022
Interest on Investments		78				54						200
Loan Servicing Fees		65				80		97				228
Multifamily and GARVEE bonds pledged revenues												
Other												
TOTAL OPERATING REVENUES		1,042		-		858		907		-		4,450
OPERATING EXPENSES												
Interest		1,295				925		1,754		1,276		4,211
General Operating		73				69		57		2		302
Bond Financing Costs												
Other												
TOTAL OPERATING EXPENSES		1,368		-		994		1,811		1,278		4,513
OPERATING INCOME (LOSS)		(326)		-		(136)		(904)		(1,278)		(63)
NONOPERATING REVENUES AND EXPENSES												
Net Increase (Decrease) in Fair Value of Investments		24				28						131
Derivative instruments, interest rate swap												(2,633)
TOTAL NONOPERATING REVENUES AND EXPENSES		24		-		28		-		-		(2,502)
CHANGE IN NET POSITION		(302)		-		(108)		(904)		(1,278)		(2,565)
NET POSITION, Beginning of Period		(244)		(371)		(323)		(2,506)		(1,076)		2,460
TRANSFERS		74		371		381		2,986		1,723		423
NET POSITION, End of Period	$	(472)	$	-	$	(50)	$	(424)	$	(631)	$	318

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts, continued (in thousands)

	Balmoral Variable Rate Insured Housing Revenue Bond	Balmoral II Variable Rate Demand Housing Revenue Bond	Falls Creek Variable Rate Demand Housing Revenue Bond	2006 Grand and Revenue Anticipation Bond	2008A Grant and Revenue Anticipation Bond	2009A Grant and Revenue Anticipation Bond
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents						
Investments, fair value		$ 3	$ 103	$ 716	$ 844	$ 687
Loans Held for Investment, net		3,542	7,791			
GARVEE highway project costs receivable, net				117,170	144,735	137,276
Employment Security Reserve Fund receivable						
Other Assets		329	309	1	-	-
Deferred Outflow--Interest Rate Swap Contracts						
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ -	$ 3,874	$ 8,203	$ 117,887	$ 145,579	$ 137,963
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds		$ 3,870	$ 8,203	$ 117,887	$ 145,579	$ 137,963
Swap Contract Fair Value Liability						
Interest Payable-Swap Contract						
Other Liabilities		3	-	-	-	-
Deferred Inflow--Interest Rate Swap Contracts						
Net Position	-	1	-	-	-	-
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ -	$ 3,874	$ 8,203	$ 117,887	$ 145,579	$ 137,963
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans	$ 4,963	$ 126	$ 569			
Interest on Investments						
Loan Servicing Fees						
Multifamily and GARVEE bonds pledged revenues	165	60	(72)	$ 5,259	$ 6,673	$ 6,049
Other	-	-	-	-	-	-
TOTAL OPERATING REVENUES	5,128	186	497	5,259	6,673	6,049
OPERATING EXPENSES						
Interest	5,119	181	484	5,234	6,645	6,020
General Operating	9	5	13	25	28	29
Bond Financing Costs				-	-	-
Other						
TOTAL OPERATING EXPENSES	5,128	186	497	5,259	6,673	6,049
OPERATING INCOME (LOSS)	-	-	-	-	-	-
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments						
Derivative instruments, interest rate swap						
0 TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	-	-	-	-
CHANGE IN NET POSITION	-	-	-	-	-	-
NET POSITION, Beginning of Period	-	1	-	-	-	-
TRANSFERS						
NET POSITION, End of Period	$ -	$ 1	$ -	$ -	$ -	$ -

(2) The combined totals for Bondholder Trusts are presented on page 59.

IDAHO HOUSING AND FINANCE ASSOCIATION
Supplemental Financial Information

Combined Bondholder Trusts (in thousands)

	2010A Grant and Revenue Anticipation Bond	2011 Jnemploymen Compensatior Revenue Bond	2011 Grant and Revenue Anticipation Bond	2012A Grant and Revenue Anticipation Bond	2014A Grant and Revenue Anticipation Bond	Combined Bondholder Trusts (2)
Statement of Net Position						
ASSETS AND DEFERRED OUTFLOW OF RESOURCES						
Cash and Cash Equivalents						$ 680
Investments, fair value	$ 997		$ 238	$ 185	$ 18,959	242,838
Loans Held for Investment, net						512,271
GARVEE highway project costs receivable, net	79,163		72,574	35,475	61,473	647,866
Employment Security Reserve Fund receivable		$ 50,928				50,928
Other Assets	-	-	-	-	-	398,521
Deferred Outflow--Interest Rate Swap Contracts						69,007
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 80,160	$ 50,928	$ 72,812	$ 35,660	$ 80,432	$ 1,922,111
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION						
Bonds	$ 80,160	$ 50,928	$ 72,811	$ 35,660	$ 80,431	$ 1,455,621
Swap Contract Fair Value Liability						73,824
Interest Payable-Swap Contract						12,082
Other Liabilities	-	-	1	-	1	377,042
Deferred Inflow--Interest Rate Swap Contracts						54
Net Position	-	-	-	-	-	3,488
TOTAL LIABILITIES ,DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 80,160	$ 50,928	$ 72,812	$ 35,660	$ 80,432	$ 1,922,111
Statement of Revenues, Expenses and Changes in Net Position						
OPERATING REVENUES						
Interest on Loans						$ 35,647
Interest on Investments		$ 630		$ 26	$ 127	3,765
Loan Servicing Fees						2,602
Multifamily and GARVEE bonds pledged revenues	$ 4,652	(618)	$ 3,208	1,061	2,897	29,334
Other	-	-	-	-	-	10
TOTAL OPERATING REVENUES	4,652	12	3,208	1,087	3,024	71,358
OPERATING EXPENSES						
Interest	4,631	-	3,189	1,076	3,005	70,237
General Operating	21	12	19	12	19	2,527
Bond Financing Costs	-	-	-	-	-	20
Other						-
TOTAL OPERATING EXPENSES	4,652	12	3,208	1,088	3,024	72,784
OPERATING INCOME (LOSS)	-	-	-	(1)	-	(1,426)
NONOPERATING REVENUES AND EXPENSES						
Net Increase (Decrease) in Fair Value of Investments						(536)
Derivative instruments, interest rate swap						(2,696)
TOTAL NONOPERATING REVENUES AND EXPENSES	-	-	-	-	-	(3,232)
CHANGE IN NET POSITION	-	-	-	(1)	-	(4,658)
NET POSITION, Beginning of Period	-	-	-	1	-	(2,989)
TRANSFERS						11,135
NET POSITION, End of Period	$ -	$ -	$ -	$ -	$ -	$ 3,488

(2) The combined totals for Bondholder Trusts are presented on page 59.