



***Idaho Housing  
and Finance  
Association***

***[www.idahohousing.com](http://www.idahohousing.com)***

**Audit Report as of  
June 30, 2026 and 2025**

# Idaho Housing and Finance Association

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June 30, 2026 and 2025

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## **Independent Auditor's Report**

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

### **Report on the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Idaho Housing and Finance Association (the Association), a component unit of the State of Idaho as defined by the Governmental Accounting Standards Board (GASB) as of and for the years ended June 30, 2026 and 2025 and the related notes to the financial statements, which collectively comprise the Association's basic financial statements as listed in the table of contents.

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 Association as of June 30, 2026 and 2025 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.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Association, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter***

As discussed in Note 2 to the financial statements, the Association adopted GASB Statement No. 103, Financial Reporting Model Improvements, effective July 1, 2024, with comparative fiscal year 2025 information retrospectively adjusted for implementation of the standard. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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***

Management is responsible for the other information included in the annual report. The other information as identified in the table of contents does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Eide Bailly LLP*

Boise, Idaho  
September 25, 2026

The Idaho Housing and Finance Association's (the Association) Management's 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, 2026 and 2025. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Department at Idaho Housing and Finance Association, P.O. Box 7899, Boise, ID 83707-1899, via telephone at (208) 331-4700, or via our website at [www.idahohousing.com](http://www.idahohousing.com).

### **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.

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, Connecticut, Iowa, New Mexico, South Dakota, Texas, Oregon, Montana, and Washington, and multifamily affordable housing projects in Idaho. The Association administers seventeen (17) Housing and Urban Development (HUD) programs--- Emergency Solutions Grants Program, HOME Investment Partnerships Program, Home – American Rescue Plan, Housing Trust Fund, Neighborhood Stabilization Program, Continuum of Care Program, Youth Homelessness Demonstration Program, Youth Homelessness System Improvement, Comprehensive Housing and Counseling Program, Family Self-Sufficiency Program, Section 8 Performance Based Contract Administration, Housing Choice Voucher Program, Emergency Housing Voucher Program, Mainstream 5-Year Program, Coronavirus State and Local Fiscal Recovery Funds (Workforce Housing and Idaho Collateral Support Program), Federal Housing Administration Insured Mortgage Loans, and Public and Indian Housing Loan Guarantee Program; one (1) U.S. Treasury program---Tax Credit Assistance Program; one (1) Department of Veterans Affairs (VA) program--- Guaranteed Mortgage Loans; and one (1) U.S. Department of Agriculture (USDA) program---USDA Rural Housing Services Insured Mortgage Loans. The Association also issues bonds to finance nonprofit facilities, economic development projects, and road improvements throughout the State of Idaho.

According to the Governmental Accounting Standards Board (GASB Cod. 1000, para 801) and the AICPA State and Local Governments Audit and Accounting Guide (para 1.01), 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, the Idaho Housing Foundation, and IHFA Community Investment Holdings LLC 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 Idaho Housing Foundation's and IHFA Community Investment Holdings LLC's basic financial statements have been blended with the Association's basic financial statements.

### Financial Summary

The following table summarizes the changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources that occurred during the years ended June 30, 2026, 2025, and 2024, as well as the changes in net position.

#### Idaho Housing and Finance Association's Net Position (in thousands)

|                                       | 2026              | Percentage<br>Change | 2025              | Percentage<br>Change | 2024              |
|---------------------------------------|-------------------|----------------------|-------------------|----------------------|-------------------|
| Current and other assets              | \$ 6,344,842      | 5.5%                 | \$ 6,013,959      | 24.5%                | \$ 4,831,976      |
| Capital assets, net                   | 16,572            | 47.2%                | 11,261            | 16.6%                | 9,660             |
| <b>Total assets</b>                   | <b>6,361,414</b>  | <b>5.6%</b>          | <b>6,025,220</b>  | <b>24.4%</b>         | <b>4,841,636</b>  |
| <b>Deferred outflows of resources</b> | <b>160</b>        | <b>-83.8%</b>        | <b>986</b>        | <b>-51.0%</b>        | <b>2,013</b>      |
| Long-term liabilities                 | 3,886,885         | 2.1%                 | 3,807,451         | 20.1%                | 3,171,079         |
| Other current liabilities             | 1,677,305         | 11.6%                | 1,502,748         | 48.4%                | 1,012,572         |
| <b>Total liabilities</b>              | <b>5,564,190</b>  | <b>4.8%</b>          | <b>5,310,199</b>  | <b>26.9%</b>         | <b>4,183,651</b>  |
| <b>Deferred inflows of resources</b>  | <b>61</b>         | <b>100.0%</b>        | <b>-</b>          | <b>0.0%</b>          | <b>-</b>          |
| Net position                          |                   |                      |                   |                      |                   |
| Net investment in                     |                   |                      |                   |                      |                   |
| capital assets                        | 15,747            | 54.2%                | 10,215            | 12.8%                | 9,053             |
| Restricted                            | 158,656           | 13.6%                | 139,648           | 111.8%               | 65,937            |
| Unrestricted                          | 622,920           | 10.0%                | 566,144           | -3.2%                | 585,008           |
| <b>Total net position</b>             | <b>\$ 797,323</b> | <b>11%</b>           | <b>\$ 716,007</b> | <b>8%</b>            | <b>\$ 659,998</b> |

#### Idaho Housing and Finance Association's Changes in Net Position (in thousands)

|                                   | 2026              | Percentage<br>Change | 2025              | Percentage<br>Change | 2024              |
|-----------------------------------|-------------------|----------------------|-------------------|----------------------|-------------------|
| Operating revenues                | \$ 213,203        | 9.1%                 | \$ 195,470        | 13.4%                | \$ 172,318        |
| Operating expenses                | 124,865           | 19.7%                | 104,285           | 4.6%                 | 99,701            |
| <b>Operating income</b>           | <b>88,338</b>     | <b>-3.1%</b>         | <b>91,185</b>     | <b>25.6%</b>         | <b>72,617</b>     |
| Noncapital subsidies              | (589)             | -277.9%              | 331               | -146.0%              | (719)             |
| Nonoperating income               |                   |                      |                   |                      |                   |
| and expenses                      | (6,433)           | -81.9%               | (35,507)          | -553.3%              | 7,833             |
| <b>Change in net position</b>     | <b>81,316</b>     | <b>45.2%</b>         | <b>56,009</b>     | <b>-29.8%</b>        | <b>79,731</b>     |
| Net position - beginning of year  | 716,007           | 8.5%                 | 659,998           | 13.7%                | 580,267           |
| <b>Net position - end of year</b> | <b>\$ 797,323</b> | <b>11.4%</b>         | <b>\$ 716,007</b> | <b>8.5%</b>          | <b>\$ 659,998</b> |

As of July 1, 2024, the Association adopted Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements*. Prior year amounts shown in the tables above have been reclassified to conform with this new standard. The implementation of GASB Statement No. 103 had no effect on beginning net position, change in net position, or ending net position.

The fair value adjustments reported in the Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position are required under GASB Statements No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, No. 53, *Accounting and Financial Reporting for Derivative Instruments*, and No. 72, *Fair Value Measurement and Application*.

### **Detailed Analysis**

The Association reported a positive operating income of \$88.338 million during fiscal year 2026, reflecting continued robust loan acquisition production, a growing servicing portfolio, higher servicing revenue, and on-going cost containment measures. The Association continued to pursue its strategy of selling mortgage-backed securities via the most favorable avenue offered by the market. In fiscal year 2026, many transactions were shifted into sales on the open market rather than being sold into bond indentures. As a result, gain on loan sales reported on the Statements of Revenues, Expenses, and Changes in Net Position increased \$2.818 million or 23% compared to the prior year.

Loan servicing revenues increased by \$9.909 million or 11.5% from fiscal year 2025 to fiscal year 2026, which is approximately in line with the servicing portfolio increase of 10.4% over the same period. Loan production was very strong in fiscal year 2026, with Idaho loan production increasing by 40.7% compared to fiscal year 2025. This strong production resulted in an increase in loan acquisition costs of \$12.546 million or 41.6%.

Interest rates remained relatively stable between fiscal year 2025 and fiscal year 2026, including both the U.S. 10 Year Treasury rate, that would significantly affect bond yields, and mortgage rates which impact interest on loans receivable. However, interest on loans receivable did increase by \$5.329 million or 7.3% due to the increased loan production mentioned above and an increase in real estate owned loans. The increased volume of real estate owned loans and an increase in loan modifications were primary drivers in the increase of loans held for investment and other assets which rose by \$90.782 million or 28.1% and \$106.483 million or 56.5%, respectively, from fiscal year 2025 to fiscal year 2026.

Interest from cash and investments increased by \$30.291 million or 23.6% due largely to the timing of when bonds were recorded on the Association's ledgers. The 2025A and 2025B single-family mortgage bonds were recorded late in fiscal year 2025 and accrued relatively little interest. The 2025C, 2025D, and 2025E single-family mortgage bonds were recorded early in fiscal year 2026 and accrued a full year of interest. In addition to this bond issuance timing issue, the Association had more cash earning interest year over year. At the end of fiscal year 2026, the Association had \$139.274 million or 23.6% more cash and cash equivalents than at the end of fiscal year 2025. This increase in cash was mostly due to timing as the Association had borrowed funds not yet spent on purchasing loans, To Be Announced (TBA) sales that had been executed and the associated cash funds had been received but had not yet been spent, and timing of remitting escrow and investor funds at the end of the month of June. This timing was also a primary driver in the increase in escrow and project reserve deposits of \$45.214 million or 16.2% from fiscal year 2025 to fiscal year 2026 and the increase in investor remittance liabilities by \$45.503 million or 39.3% from fiscal year 2025 to fiscal year 2026. Interest expense also increased by \$30.669 million or 16.0% year over year due largely to a higher level of short-term borrowing throughout fiscal year 2026 in conjunction with the increased loan production levels mentioned above.

The Association's investments decreased by \$284.401 million or 9.2% mostly due to timing as the Association had a large number of collateralized investments at Federal Home Loan Bank (FHLB) at the end of fiscal year 2025 in preparation for the issuance of bonds at the beginning of fiscal year 2026 as mentioned earlier. Additionally, the 2024A Transportation Expansion/Congestion Mitigation (TECM) bonds had significant draws in fiscal year 2026, reducing investments and increasing government bond payments receivable. These activities were partially offset by investments associated with the new mortgage revenue bonds issued in fiscal year 2026.

The Association's mortgage servicing rights increased by \$26.114 million or 8.6% from fiscal year 2025 to fiscal year 2026, which is in line with portfolio growth for the same period. Bonds and notes increased by \$137.335 million or 3.3% due to the issuance of the single-family mortgage bonds mentioned above.

The Association reported a positive operating income during fiscal year 2025, reflecting continued robust loan acquisition production, a growing servicing portfolio, higher servicing revenue, and ongoing cost containment measures. The sustained high interest rates experienced during the fiscal year drove up both interest income and interest expense as compared to fiscal year 2024. The Association continued to pursue its strategy of selling mortgage-backed securities via the most favorable avenue offered by the market. In fiscal year 2024, many sales were made into bond indentures rather than being immediately sold on the open market. Similar market conditions continued into fiscal year 2025. As a result, gain on loan sales reported on the Statements of Revenues, Expenses, and Changes in Net Position remained relatively comparable to the fiscal year 2024.

The issuance of new bonds in fiscal year 2025 caused large increases to both the assets and liabilities of the Association's balance sheet. This activity was somewhat offset by existing mortgage-backed securities continuing to pay down, decreasing the liabilities and the associated assets. Other assets increased mostly due to receivables associated with real estate owned. The principal associated with the majority of these properties is guaranteed by insurance from the Federal Housing Administration, the Department of Veterans Affairs, or the United States Department of Agriculture.

The financial highlights of the Association as of June 30, 2025, compared to June 30, 2024, are as follows: Operating income increased from \$72.617 million to \$91.185 million, which is an increase of \$18.568 million. Total net position, after fair market value and federal pass-through adjustments, increased \$56.009 million mainly attributable to positive operating income and an increase in the fair value of the Association's investments. Total assets and deferred outflows of resources increased \$1.183 billion or 24%, mainly due to new bond issuances. Total liabilities and deferred inflows of resources increased \$1.127 billion or 27% mainly due to new bond issuances.

Fiscal year 2025 was characterized by relatively stable interest rates and continued strength in the real estate market in Idaho. The Association also experienced stable loan purchases of tax-exempt bond-eligible loans by first-time home buyers.

Overall, the Association has successfully managed its loan and financing programs during the periods presented. Looking forward, the Association, in line with market expectations, anticipates more uncertainty in the economic, legal, political, and mortgage-lending environments as volatilities in interest rates, tariffs, and inflation impact the Association's business.

#### **Significant Capital Asset and Long-Term Financing Activity**

**Capital Assets:** The Association's capital assets include land, buildings, right-to-use assets, and equipment. Capital assets are presented in the financial statements at \$16.572 million (net of accumulated depreciation). The Association has ongoing capital projects in progress as well as new subscription-based information technology arrangements for a new enterprise resource planning system and a new servicing system.

The Association periodically sells bonds to investors to raise capital. Bonds are marketable securities-backed by mortgage loans on residential and multifamily properties. 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 bond.

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

#### **Currently Known Facts, Decisions, or Conditions**

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 Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), and Government National Mortgage Association (GNMA) to purchase loans or guarantee loan securities; the availability of the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), and the Department of Agriculture's Office of Rural Development (RD) to guarantee loans; the continuation of servicing relationships outside of Idaho; and the availability of long-term, tax-exempt financing on favorable terms are key elements in providing the resources 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.

The Association has various joint-venture or subservicing relationships with Connecticut Housing Finance Authority (CHFA), Iowa Finance Authority (IFA), New Mexico Mortgage Finance Authority (MFA), South Dakota Housing Development Authority (SDHDA), Texas Department of Housing and Community Affairs (TDHCA), and Washington State Housing Finance Commission (WSHFC). The Association also has master servicing relationships with Oregon Housing and Community Services (OHCS), and Montana Board of Housing (MBOH).

Over the past twelve months, the housing market has generally become more balanced, but affordability remains the primary challenge. Inventory has improved from the extremely constrained levels experienced during the pandemic and immediate post-pandemic period, giving buyers somewhat more choice and reducing some of the urgency around purchases. At the same time, home prices remain elevated relative to household incomes, and mortgage rates continue to keep monthly payments high. The market is increasingly characterized by a "payment affordability" problem rather than simply a home-price problem. Even where home prices have stabilized or moderated, the combination of elevated prices, mortgage rates, property taxes, insurance, utilities and other household expenses continues to make homeownership difficult for many Idaho households. Mortgage rates remain a significant constraint.

The market is seeing some increased stress among mortgage borrowers, particularly among lower-income households and borrowers with limited monthly financial flexibility. However, the market is not seeing evidence of a broad-based foreclosure crisis or a return to the delinquency levels associated with the Great Recession. The more noticeable change has been an increase in borrowers who are closely managing their monthly budgets and have less capacity to absorb an unexpected expense. For some households, a mortgage payment that was manageable a year or two ago has become more difficult when combined with higher costs for food, utilities, insurance, transportation, healthcare and other necessities.

Foreclosures remain comparatively limited. A significant factor contributing to this is that many existing homeowners continue to have substantial household equity. Inflation continues to have an indirect, but meaningful, effect on mortgage performance. For many homeowners, the mortgage payment itself has not changed because they have fixed-rate loans. However, many ancillary costs around the mortgage have become more expensive. For example, homeowners' insurance premiums and availability, and household expenses, vehicle and transportation costs, healthcare expenses, home maintenance and repair costs, and childcare and other household services have all become more expensive.

These increases effectively reduce the amount of income available for the mortgage payment, even when the mortgage payment itself is unchanged. For newer borrowers, the issue is even more pronounced because they entered the market at substantially higher interest rates and home prices than borrowers who purchased several years ago. The resulting payment-to-income ratios can be considerably higher.

Mortgage performance remains relatively resilient, but borrower financial cushions appear to be thinner. Consequently, the Association expects continued modest upward pressure on early-stage delinquencies if inflation and other household costs remain elevated.

# Idaho Housing and Finance Association

## Statements of Net Position

June 30, 2026 and 2025

(in thousands)

|                                                                           | 2026                       | 2025                       |
|---------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>CURRENT ASSETS:</b>                                                    |                            |                            |
| Cash and cash equivalents                                                 | \$ 729,539                 | \$ 590,265                 |
| Investments (partially restricted)                                        | 575,622                    | 654,961                    |
| Loans held for investment, net                                            | 82,819                     | 57,119                     |
| Loans available for sale                                                  | 150,813                    | 157,061                    |
| Derivative assets                                                         | 2,215                      | 1,822                      |
| Other assets                                                              | 295,114                    | 188,631                    |
| Total current assets                                                      | <u>1,836,122</u>           | <u>1,649,859</u>           |
| <b>NONCURRENT ASSETS:</b>                                                 |                            |                            |
| Noncurrent Investments (partially restricted)                             | 2,217,347                  | 2,422,409                  |
| Loans held for investment, net                                            | 330,680                    | 265,598                    |
| Government bond payments receivable                                       | 1,629,531                  | 1,371,045                  |
| Capital assets                                                            | 16,572                     | 11,261                     |
| Mortgage servicing rights                                                 | 331,162                    | 305,048                    |
| Total noncurrent assets                                                   | <u>4,525,292</u>           | <u>4,375,361</u>           |
| <b>DEFERRED OUTFLOWS OF RESOURCES:</b>                                    |                            |                            |
| Interest rate swap contracts, amortized value                             | 160                        | 372                        |
| Interest rate swap contracts, fair value                                  | -                          | 614                        |
| Total deferred outflow of resources                                       | <u>160</u>                 | <u>986</u>                 |
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>                    | <u><u>\$ 6,361,574</u></u> | <u><u>\$ 6,026,206</u></u> |
| <b>CURRENT LIABILITIES:</b>                                               |                            |                            |
| Current maturities of bonds and notes                                     | \$ 386,724                 | \$ 328,798                 |
| Short-term borrowings                                                     | 605,992                    | 608,864                    |
| Escrow and project reserve deposits                                       | 324,930                    | 279,716                    |
| Investor remittance liability                                             | 200,764                    | 155,261                    |
| Derivative liabilities                                                    | 2,850                      | 4,679                      |
| Other current liabilities                                                 | 156,045                    | 125,430                    |
| Total current liabilities                                                 | <u>1,677,305</u>           | <u>1,502,748</u>           |
| <b>NONCURRENT LIABILITIES:</b>                                            |                            |                            |
| Bonds and Notes, net of current portion                                   | 3,886,400                  | 3,806,991                  |
| Other noncurrent liabilities                                              | 485                        | 460                        |
| Total noncurrent liabilities                                              | <u>3,886,885</u>           | <u>3,807,451</u>           |
| <b>DEFERRED INFLOWS OF RESOURCES:</b>                                     |                            |                            |
| Interest rate swap contracts, fair value                                  | 61                         | -                          |
| Total deferred inflow of resources                                        | <u>61</u>                  | <u>-</u>                   |
| <b>NET POSITION:</b>                                                      |                            |                            |
| Net investment in capital assets                                          | 15,747                     | 10,215                     |
| Restricted                                                                | 158,656                    | 139,648                    |
| Unrestricted                                                              | 622,920                    | 566,144                    |
| Total net position                                                        | <u>797,323</u>             | <u>716,007</u>             |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b> | <u><u>\$ 6,361,574</u></u> | <u><u>\$ 6,026,206</u></u> |

Idaho Housing and Finance Association  
Statements of Revenues, Expenses, and Changes in Net Position  
Years Ended June 30, 2026 and 2025  
(in thousands)

|                                                              | 2026              | 2025              |
|--------------------------------------------------------------|-------------------|-------------------|
| OPERATING REVENUES:                                          |                   |                   |
| Interest on loans receivable                                 | \$ 78,107         | \$ 72,778         |
| Loan servicing revenues                                      | 96,205            | 86,296            |
| Gain on sale of loans                                        | 15,089            | 12,271            |
| Grant and contract administration fees                       | 17,275            | 14,646            |
| Other operating revenues                                     | 6,527             | 9,479             |
| Total operating revenues                                     | <u>213,203</u>    | <u>195,470</u>    |
| OPERATING EXPENSES:                                          |                   |                   |
| Salaries and benefits                                        | 42,223            | 38,026            |
| General operating                                            | 29,296            | 28,788            |
| Loan acquisition costs                                       | 42,705            | 30,159            |
| Net provision for loan losses                                | 8,968             | 4,874             |
| Other operating expenses                                     | 1,673             | 2,438             |
| Total operating expenses                                     | <u>124,865</u>    | <u>104,285</u>    |
| OPERATING INCOME                                             | <u>88,338</u>     | <u>91,185</u>     |
| NONCAPITAL SUBSIDIES:                                        |                   |                   |
| Federal/State pass-through revenues                          | 91,668            | 95,923            |
| Federal/State pass-through expenses                          | (92,257)          | (95,592)          |
| Total noncapital subsidies                                   | <u>(589)</u>      | <u>331</u>        |
| OPERATING INCOME AND NONCAPITAL SUBSIDIES                    | <u>87,749</u>     | <u>91,516</u>     |
| OTHER NONOPERATING REVENUES AND (EXPENSES):                  |                   |                   |
| Interest on cash and investments                             | 158,467           | 128,176           |
| Interest expense                                             | (222,168)         | (191,499)         |
| Grants to others                                             | (2,249)           | (330)             |
| Bond financing costs                                         | (490)             | (171)             |
| Net increase (decrease) in fair value of investments         | 12,995            | 26,108            |
| Net increase (decrease) in fair value of servicing contracts | 26,114            | 5,267             |
| Net increase (decrease) in fair value of derivatives         | 20,898            | (3,058)           |
| Total nonoperating revenues and (expenses)                   | <u>(6,433)</u>    | <u>(35,507)</u>   |
| CHANGE IN NET POSITION                                       | <u>81,316</u>     | <u>56,009</u>     |
| NET POSITION, Beginning of Year                              | <u>716,007</u>    | <u>659,998</u>    |
| NET POSITION, End of Year                                    | <u>\$ 797,323</u> | <u>\$ 716,007</u> |

# Idaho Housing and Finance Association

## Statements of Cash Flows

Years Ended June 30, 2026 and 2025

(in thousands)

|                                                                    | 2026         | 2025         |
|--------------------------------------------------------------------|--------------|--------------|
| Operating Activities                                               |              |              |
| Receipts from customers, loan interest, and other                  | \$ 4,905,905 | \$ 3,986,112 |
| Loan principal payments                                            | 73,388       | 54,128       |
| Principal and interest pass-through remittances as servicing agent | (4,815,262)  | (3,860,206)  |
| Escrow deposits                                                    | 1,514,830    | 1,366,694    |
| Escrow disbursements                                               | (1,469,616)  | (1,355,775)  |
| Loan sales                                                         | 6,762,855    | 6,733,629    |
| Loan acquisition costs                                             | (42,705)     | (30,159)     |
| Payments to suppliers                                              | (20,295)     | (4,119)      |
| Payments for transportation program costs                          | 103,916      | 85,188       |
| Payments for loans available for sale                              | (6,891,536)  | (7,028,461)  |
| Payments to employees for services and benefits                    | (41,690)     | (37,413)     |
| Loan principal additions                                           | (130,066)    | (91,575)     |
| Net Cash used for Operating Activities                             | (50,276)     | (181,957)    |
| Noncapital Financing Activities                                    |              |              |
| Bond financing costs                                               | 2,665        | 26,932       |
| Bond and short-term borrowings payments                            | (1,100,864)  | (979,275)    |
| Bond and short-term borrowings issued                              | 1,218,396    | 2,004,424    |
| Interest paid                                                      | (208,391)    | (174,709)    |
| Net Cash from (used for) Noncapital Financing Activities           | (88,194)     | 877,372      |
| Capital and Related Financing Activities                           |              |              |
| Acquisition and construction of capital assets                     | (6,656)      | (1,860)      |
| Net Cash used for Capital and Related Financing Activities         | (6,656)      | (1,860)      |
| Investing Activities                                               |              |              |
| Proceeds from sale of assets                                       | -            | 13           |
| Investment purchases                                               | (2,151,250)  | (4,137,371)  |
| Investment redemptions                                             | 2,314,927    | 3,367,784    |
| Investment income                                                  | 120,723      | 128,176      |
| Net Cash from (used for) Investing Activities                      | 284,400      | (641,398)    |
| Net Change in Cash                                                 | 139,274      | 52,157       |
| Cash and Cash Equivalents, Beginning of Year                       | 590,265      | 538,108      |
| Cash and Cash Equivalents, End of Year                             | \$ 729,539   | \$ 590,265   |

# Idaho Housing and Finance Association

## Statements of Cash Flows

Years Ended June 30, 2026 and 2025

(in thousands)

|                                                       | <u>2026</u>        | <u>2025</u>         |
|-------------------------------------------------------|--------------------|---------------------|
| Reconciliation of Operating Income to Net Cash        |                    |                     |
| from Operating Activities                             |                    |                     |
| Operating income                                      | \$ 88,338          | \$ 91,185           |
| Adjustments to reconcile operating income to net cash |                    |                     |
| used for operating activities                         |                    |                     |
| Loan principal received                               | 73,388             | 54,128              |
| Loans issued                                          | (130,066)          | (91,575)            |
| Depreciation and other amortization                   | 1,345              | 246                 |
| Changes in assets and liabilities                     |                    |                     |
| Interest receivable                                   | 2,879              | 664                 |
| Pledged revenues                                      | (362,402)          | (399,512)           |
| Other assets                                          | 354,870            | 243,319             |
| Accounts payable and other liabilities                | (78,628)           | (80,412)            |
|                                                       | <u>(138,614)</u>   | <u>(273,142)</u>    |
| Net Cash used for Operating Activities                | <u>\$ (50,276)</u> | <u>\$ (181,957)</u> |

**The Housing Company**  
 A Component Unit of Idaho Housing and Finance Association  
 Consolidated Statements of Financial Position  
 December 31, 2025, and 2024

|                                                             | <u>2025</u>           | <u>2024</u>           |
|-------------------------------------------------------------|-----------------------|-----------------------|
| <b>Assets</b>                                               |                       |                       |
| Cash and cash equivalents                                   | \$ 16,981,924         | \$ 14,714,576         |
| Investment in subsidiaries                                  | 6,685                 | 4,768                 |
| Restricted cash                                             | 8,764,947             | 6,751,128             |
| Receivables                                                 | 1,397,243             | 1,408,810             |
| Prepaid expenses                                            | 678,072               | 809,855               |
| Land                                                        | 13,996,587            | 13,915,031            |
| Buildings and equipment (net of accumulated depreciation)   | 131,906,117           | 114,808,913           |
| Tax credit fees and other (net of accumulated amortization) | 671,077               | 535,330               |
|                                                             | <u>\$ 174,402,652</u> | <u>\$ 152,948,411</u> |
| <b>Liabilities and Net Assets</b>                           |                       |                       |
| <b>Liabilities</b>                                          |                       |                       |
| Accounts payable and accrued liabilities                    | \$ 3,804,590          | \$ 2,859,550          |
| Interest payable                                            | 688,619               | 413,750               |
| Real estate taxes payable                                   | 483,456               | 458,117               |
| Long-term debt (net of unamortized debt issuance costs)     | 105,632,595           | 87,619,392            |
| Security deposits payable                                   | 545,000               | 523,923               |
|                                                             | <u>111,154,260</u>    | <u>91,874,732</u>     |
| <b>Net Assets Without Donor Restrictions</b>                |                       |                       |
| Controlling interests                                       | 15,346,659            | 12,994,260            |
| Non-controlling interests                                   | 47,901,733            | 48,079,419            |
|                                                             | <u>\$ 174,402,652</u> | <u>\$ 152,948,411</u> |

**The Housing Company**  
 A Component Unit of Idaho Housing and Finance Association  
 Consolidated Statements of Activities  
 Years Ended December 31, 2025, and 2024

|                                                                                    | <u>2025</u>         | <u>2024</u>         |
|------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Revenues</b>                                                                    |                     |                     |
| Tenant rents                                                                       | \$ 15,035,216       | \$ 13,361,230       |
| Housing assistance payments                                                        | 2,897,658           | 2,851,568           |
| Grants and other contributions                                                     | 43,492              | 1,889,112           |
| Interest and dividends                                                             | 325,316             | 399,681             |
| Forgiveness of debt on tax credit exchange loan                                    | 310,605             | 310,605             |
| Property management services                                                       | 312,328             | 249,268             |
| Other                                                                              | 486,890             | 380,240             |
| <b>Total revenues</b>                                                              | <u>19,411,505</u>   | <u>19,441,704</u>   |
| <b>Expenses</b>                                                                    |                     |                     |
| Administrative                                                                     | 5,628,918           | 4,962,505           |
| Utilities and maintenance                                                          | 5,446,664           | 4,524,345           |
| Real estate taxes and insurance                                                    | 2,199,834           | 2,085,298           |
| Depreciation and amortization                                                      | 6,926,260           | 6,329,999           |
| Interest                                                                           | 3,426,054           | 2,327,767           |
| <b>Total expenses</b>                                                              | <u>23,627,730</u>   | <u>20,229,914</u>   |
| <b>Decrease in Net Assets Without Donor Restrictions Before Non-controlling</b>    | (4,216,225)         | (788,210)           |
| <b>Non-Operating Expenses</b>                                                      |                     |                     |
| Loss on disposal of assets                                                         | 391,354             | (427,409)           |
| Gain or loss in subsidiaries                                                       | (1,082)             | (977)               |
| <b>Total Net Assets Without Donor Restrictions Before Non-controlling Interest</b> | <u>(3,825,953)</u>  | <u>(1,216,596)</u>  |
| Non-controlling interest in partnership losses                                     | <u>6,178,352</u>    | <u>3,009,964</u>    |
| <b>Change in Net Assets Without Donor Restrictions</b>                             | <u>\$ 2,352,399</u> | <u>\$ 1,793,368</u> |

**Note 1 - Authorizing Legislation**

The Idaho Housing and Finance Association (Association) is 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 2056.

**Note 2 - Summary of Significant Accounting Policies****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 inter-fund 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 toward restricted resources, and then toward unrestricted resources.

**Reporting Entity**

The State of Idaho lists the Associations as a component unit of the State of Idaho as defined by the Governmental Accounting Standards Board (GASB) in its annual comprehensive financial report because IHFA issues Grant and Revenue Anticipation Bonds (GARVEE) and Transportation Expansion and Congestion Mitigation (TECM) bonds on behalf of the State. As stated in GASB 14 paragraph 40, "If the authority issues debt on behalf of the local government and serves as a conduit for receiving dedicated revenues of the local government that are designated for repayment of the debt, the nature and significance of the relationship between the authority and the local government would warrant including the authority as a component unit of the local government.

The Idaho Housing Foundation (IHF), The Housing Company (THC), and IHFA Community Investment Holdings LLC (ICIH LLC) 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, IHF's and ICIH LLC's presentations have been blended, and THC's presentation has been discretely presented.

IHF and ICIH LLC report under GASB standards in the same manner as the Association with the same fiscal year-end. 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 as of December 31, 2025.

### **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 loan servicing contracts. It is at least reasonably possible that the significant estimates used will change within the next year.

### **Program Accounting**

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

Business Operations includes the General Operating business unit and various custodial accounts 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 business unit. Revenues 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 business unit 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 business unit consists primarily of investments and loans receivable and the earnings thereon, as well as the residual income generated through Business Operations each year.

The Rating Compliance and Loan Guaranty Trust, established to account for activities intended to meet bond rating agency requirements for asset security and bond debt service liquidity. This business unit 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 business units 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.

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

Tax-exempt mortgage-backed securities (TEMS), established under a separate trust indenture, account for the pass-through activities associated with TEMS. TEMS are tax-exempt securities which are collateralized by mortgage loan pools. The TEMS are special, limited obligations of the Association and are payable solely from pledged mortgages and their revenues. The TEMS are secured by the mortgages, their related revenues, and the Ginnie Mae mortgage-backed security guarantee. Neither the State of Idaho nor any political subdivision thereof is obligated to pay the TEMS. Nor is the faith and credit, nor the taxing power of the State of Idaho or of any political subdivision thereof pledged for the payment of the principal or interest on the TEMS.

TEMS are collateralized by the mortgage loan pool with the same maturity terms as the TEMS. The payments from the mortgages are used to pay the principal and interest payments of the TEMS. The Association is the servicer for the mortgages. The Ginnie Mae trustee holds the deed of trust and the first lien on the properties that underlie the mortgages in a trust that benefits the Association as mortgage pool owner as well as Ginnie Mae as mortgage pool guarantor.

### **Cash and Cash Equivalents**

Cash and cash equivalents include General Operating Account cash; Federally Assisted Program cash and Affordable Housing Investment Trust cash held at Zions Bank. Investments with original maturities of less than three months at the date of purchase are also included in cash and cash equivalents. Non-escrow cash and cash equivalents deposited at Zions Bank are collateralized with U.S. Treasury obligations and U.S. Agency obligations and are held by Zions 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. The Association does not have a formal deposit policy for custodial credit risk. In the opinion of management, the Association is adequately protected from this risk at June 30, 2026 and 2025. Restricted cash as of June 30, 2026, consists of \$44.066 million in Federal Programs, \$357.502 million in escrow deposits, and \$237.073 million in General Operating. Restricted cash as of June 30, 2025, consists of \$44.878 million in Federal Programs, \$302.198 million in escrow deposits, and \$176.114 million in General Operating.

**Bond Financing Costs/Bond Financing Cost Expense**

Bond financing costs are expensed in the period incurred.

**Loan Sale Gains, Acquisition Costs, and Servicing Contracts**

GASB Statement No. 48 *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues* establishes criteria for determining the reporting of proceeds from loan sales. This standard provides that net gain or loss on a sale be calculated by subtracting the carrying value of loans from the proceeds. Since the Association's seller/servicing relationships are independent of the loan acquisition process, service release premiums paid are included in the carrying value of loans and are reported as loan acquisition costs and expensed in the current period. Statement No. 48 does not require an analysis of, or valuation of servicing contracts created in the sales process.

Mortgage Servicing Rights (MSR) is an asset that represents the rights to service mortgage loans for others. The Association recognizes MSR when loans are sold, securitized, or acquired. The Association has adopted a principle of valuing these servicing contracts determined by FASB ASC 860 *Transfers and Servicing* and reported using GASB Statement No. 72 *Fair Value Measurement and Application Guidance*. The Association reports the MSR at fair values in the Statements of Net Position and changes in the fair value reported in the Statements of Revenues, Expenses, and Changes in Net Position. The Association uses the services of a reputable, nationally recognized company to estimate the fair value of MSR. The Association calculates the present value of estimated future net servicing income and incorporates inputs and assumptions that market participants use in estimating fair value. MSR is fair valued using a third-party proprietary financial model (Level 3 input). The Association owns the entire MSR and the valuation is net of fees paid to partner states.

During the years of June 30, 2026 and 2025 the Association has MSR fair valued on its statements of net position at \$331.162 million and \$305.048 million, respectively. During the years ended June 30, 2026 and 2025, the Association had an unrealized MSR fair value increase of \$26.114 million and \$5.267 million, respectively.

Risks considered in the determination of MSR fair value include prepayment speeds, market discount rates, delinquency and foreclosure rates, and interest rate change shock rates. Assumptions included prepayment speeds, market interest rates, earnings rates, servicing costs, acquisition costs, ancillary income, and borrower rates. The average discount rate used in the June 30, 2026 analysis was 11.03%. The range of prepayment speeds used was from 90 to 207 PSA with an average of 163 PSA. The average discount rate used in the June 30, 2025 analysis was 10.87%. The range of prepayment speeds used was from 62 to 216 PSA with an average of 157 PSA.

**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 Statements 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. Federal program revenues are recorded when all eligibility requirements have been met.

**Capital Assets**

Capital Assets 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 ended June 30, 2026 and 2025, was \$1.410 million and \$1.329 million, respectively. Capital Assets are presented in the Statements of Net Position, net of accumulated depreciation at \$16.572 million and \$11.261 million, respectively, at June 30, 2026 and 2025.

**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 \$11.297 million as of June 30, 2026 and \$8.500 million as of June 30, 2025. 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, 2026 and 2025, the Association estimates this amount to be \$0.834 million and \$0.834 million. 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 losses in the Affordable Housing Investment Trust for Association down-payment assistance loans due to the forgivability on an Association-held primary loan. The Association has established an allowance for forgivable loans in the Affordable Housing Investment Trust for Association down-payment assistance loans not recoverable due to borrowers meeting their obligation on the primary loan and therefore qualifying for loan forgiveness. The Association estimates that amount to be \$7.570 million and \$8.324 million as of June 30, 2026 and 2025, 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.

**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. All escrow and project reserve deposits are included in Cash and Cash Equivalents in the Statements of Net Position.

**Investor Remittance Liability**

Investor Remittance Liability is composed of borrower principal and interest payment funds held by the Association pending remittance to the owners of the loans, primarily GNMA, FNMA, and FHLMC. These funds are remitted according to the loan owners’ contractual requirements, which vary, but in no case exceed 30 days. Investor Remittance liabilities payable were \$200.764 million and \$155.261 million at June 30, 2026 and 2025, respectively.

**Short-Term and Other Borrowings**

The Association has a commercial paper facility that provides funds to purchase single-family mortgage loans on an interim basis as well as financing for multifamily construction loans. Additionally, the Association has three lines of bank revolving credit facilities and a warehouse facility with Federal Home Loan Bank.

**Other Real Estate Owned**

Assets acquired through, or in lieu of, loan foreclosure are to be sold and are initially recorded at the lower of cost basis in the loan or fair value at the date of foreclosure less estimated costs to sell, establishing a new cost basis. After foreclosure, valuations are periodically performed by management, and the asset is carried at the lower of cost or fair value less cost to sell. Expenses from operations are included in other expenses. Revenues, net gains and losses on sales, other disposals of real estate owned, and changes in valuation are included in losses on real estate-owned property.

**Net Position**

Net Position, the amount by which total assets plus deferred outflows of resources exceed total liabilities plus deferred inflows 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 position in the amount of \$153.522 million and \$133.601 million at June 30, 2026 and 2025, respectively, are restricted by bond indentures and programmatic requirements; \$2.828 million and \$3.933 million are restricted, associated with Federal Programs; and \$2.307 million and \$2.114 million are restricted, associated with the Idaho Housing Foundation. Unrestricted net position includes \$12.526 million and \$13.492 million associated with the IHFA Community Investment Holdings, LLC and is, in the total of, \$622.920 million and \$566.144 million, respectively, associated with general operating business at June 30, 2026 and 2025.

**Classification of Revenues**

The financial statements distinguish between operating and non-operating revenues. Nonoperating revenues consist of subsidies received, revenues related to financing, resources from the disposal of capital assets and inventory, and investment income. Operating revenues are revenues other than non-operating revenues as defined by GASB Statement No. 103 *Financial Reporting Model Improvements*.

**New Accounting Principles**

As of July 1, 2024, the Association adopted Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements*. This Statement enhances the clarity and consistency of financial reporting requirements related to the following areas: 1) Management's discussion and analysis 2) Proprietary fund reporting 3) Unusual or infrequent items and 4) Budgetary comparison schedules. GASB 103 is required to be reported as a change in accounting principle in accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections*. As a result of implementing GASB Statement No. 103, Interest on cash and investments, Interest expense, Grants to others, and Bond financing costs reported in the Association's proprietary funds are presented as nonoperating revenues and expenses. Additionally, Federal/State pass-through revenues and Federal/State pass-through expenses reported in the Association's financial statements are presented as Noncapital subsidies. Comparative information has been reclassified, where applicable, to conform to the current-year presentation. The implementation of GASB Statement No. 103 had no effect on beginning net position, change in net position, or ending net position.

As of July 1, 2025, the Association adopted GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The implementation of this standard establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures and establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. There was not a significant effect on the Association's financial statements as a result of the implementation of this standard.

GASB has issued the following standards effective for fiscal year 2027 or later:

Statement No. 105 *Subsequent Events*. Management is of the opinion that any impact to the financial statements will be minimal.

### **Reclassifications**

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on net change in net position or net position.

### **Note 3 - Investments**

GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* and GASB Statement No. 72, *Fair Value Measurement and Application* require certain investments be reported at fair value in the Statements 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 Zions Bank 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, 2026 and 2025, the Association has overnight investments of \$92.219 million and \$23.323 million, respectively.

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurements. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value focuses on market price from the perspective of a seller (exit price). The fair value of a financial asset is determined based on real or potential market transactions in the Association's principal market, or in the absence of a principal market, the Association's most advantageous market. The fair value of a non-financial asset takes into account the highest and best use of that asset, which normally is presumed to be its current use. A fair value measurement of a liability assumes that the liability would be transferred to a market participant and not settled with the counterparty (such as certain liabilities related to derivatives). Therefore, the fair value would be the price that would have to be paid for a third party to assume the liability, not the price that would have to be paid to the counterparty to settle the obligation. GASB Statement No. 72 explains that the Association may determine the market price of an asset in one of three ways: 1) actual market transactions for identical or similar items (market approach); 2) the current cost to replace the service capacity of an asset (cost approach); or 3) discounting the current value of future cash flows (income approach). It also establishes a three-tier hierarchy of input quality as follows:

- Level 1 inputs---quoted prices in active markets for identical items;
- Level 2 inputs---directly or indirectly observable prices, but not Level 1; and
- Level 3 inputs---unobservable inputs such as financial models

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

As of June 30, 2026, the Association categorized the combined fair value of \$2.793 billion of Investments and Investments held in trust within this hierarchy. Money market funds of \$370.807 million, U.S. Government mortgage-backed securities of \$39.878 million, U.S. Treasury bonds of \$161.509 million, municipal bonds of \$1.700 million, and accrued interest of \$12.871 million are valued using quoted market prices (Level 1) as these investments are actively traded. U.S. Agency obligations of \$3.528 million, U.S. Agency pooled obligations of \$2.160 billion, guaranteed investment contracts of \$43.274 million, and interest rate swaps of \$(0.192) million are considered Level 2 as they are not actively traded.

As of June 30, 2025, the Association categorized the combined fair value of \$3.077 billion of Investments and Investments held in trust within this hierarchy. Money market funds of \$365.713 million, U.S. Agency obligations of \$3.610 million, U.S. Agency pooled obligations of \$1.997 billion, U.S. Government mortgage-backed securities of \$210.624 million, U.S. Treasury bonds of \$301.068 million, Municipal bonds of \$1.700 million, guaranteed investment contracts of \$183.497 million, and accrued interest of \$14.196 million are valued using quoted market prices (Level 1). Interest rate swaps of \$(0.326) million are valued using a propriety pricing model (Level 2).

Interest Rate Risk: The Association has adopted bond indentures, bond resolutions, and trust resolutions as policy for the determination of investment maturities. These indentures and resolutions provide that investment maturities be based upon the cash requirements of the Association's accounts, as determined by authorized Association investment officers.

As of June 30, 2026, the Association had the following investments and maturities (in thousands):

| June 30, 2026 | Investment Type                            | Fair Value          | Investment Maturities (in Years) |                  |                 |               |                 |                  |                     | More Than 30    |
|---------------|--------------------------------------------|---------------------|----------------------------------|------------------|-----------------|---------------|-----------------|------------------|---------------------|-----------------|
|               |                                            |                     | Less Than 1                      | 1-5              | 6-10            | 11-15         | 16-20           | 21-25            | 26-30               |                 |
|               | Interest rate swaps                        | \$ (192)            | \$ (192)                         | \$ -             | \$ -            | \$ -          | \$ -            | \$ -             | \$ -                | \$ -            |
|               | Money market funds                         | 370,807             | 370,807                          | -                | -               | -             | -               | -                | -                   | -               |
|               | U.S. Agency obligations                    | 3,528               | -                                | 722              | 2,621           | 185           | -               | -                | -                   | -               |
|               | U.S. Agency/Pooled obligation              | 2,159,594           | -                                | -                | -               | -             | 4,665           | 19,734           | 2,068,159           | 67,036          |
|               | U.S. Government mortgage-backed securities | 39,878              | 39,878                           | -                | -               | -             | -               | -                | -                   | -               |
|               | U.S. Treasury Bonds                        | 161,509             | 121,855                          | 39,654           | -               | -             | -               | -                | -                   | -               |
|               | Municipal Bonds                            | 1,700               | -                                | -                | -               | -             | 700             | -                | 1,000               | -               |
|               | Guaranteed Investment Contract             | 43,274              | 43,274                           | -                | -               | -             | -               | -                | -                   | -               |
|               |                                            | <u>2,780,098</u>    | <u>\$ 575,622</u>                | <u>\$ 40,376</u> | <u>\$ 2,621</u> | <u>\$ 185</u> | <u>\$ 5,365</u> | <u>\$ 19,734</u> | <u>\$ 2,069,159</u> | <u>\$67,036</u> |
|               | Accrued interest                           | 12,871              |                                  |                  |                 |               |                 |                  |                     |                 |
|               | All Investments                            | <u>\$ 2,792,969</u> |                                  |                  |                 |               |                 |                  |                     |                 |

At June 30, 2026, the Association had 1,441 U.S. agency mortgage-backed security pools, which pay monthly principal and interest.

# Idaho Housing and Finance Association

## Notes to Financial Statements

June 30, 2026 and 2025

As of June 30, 2025, the Association had the following investments and maturities (in thousands):

| June 30, 2025                              |              | Investment Maturities (in Years) |            |          |        |       |           |              |          | More |
|--------------------------------------------|--------------|----------------------------------|------------|----------|--------|-------|-----------|--------------|----------|------|
| Investment Type                            | Fair Value   | Less                             | 1-5        | 6-10     | 11-15  | 16-20 | 21-25     | 26-30        | Than 30  |      |
|                                            |              | Than 1                           |            |          |        |       |           |              |          |      |
| Interest rate swaps                        | \$ (326)     | \$ (326)                         | \$ -       | \$ -     | \$ -   | \$ -  | \$ -      | \$ -         | \$ -     |      |
| Money market funds                         | 365,713      | 365,713                          | -          | -        | -      | -     | -         | -            | -        |      |
| U.S. Agency obligations                    | 3,610        | -                                | 743        | 2,048    | 819    | -     | -         | -            | -        |      |
| U.S. Agency/Pooled obligation              | 1,997,288    | -                                | -          | -        | -      | -     | 11,564    | 1,920,317    | 65,407   |      |
| U.S. Government mortgage-backed securities | 210,624      | 210,624                          | -          | -        | -      | -     | -         | -            | -        |      |
| U.S. Treasury Bonds                        | 301,068      | 78,950                           | 222,118    | -        | -      | -     | -         | -            | -        |      |
| Municipal Bonds                            | 1,700        | -                                | -          | -        | -      | -     | 700       | 1,000        | -        |      |
| Guaranteed Investment Contract             | 183,497      | -                                | 183,497    | -        | -      | -     | -         | -            | -        |      |
|                                            | 3,063,174    | \$ 654,961                       | \$ 406,358 | \$ 2,048 | \$ 819 | \$ -  | \$ 12,264 | \$ 1,921,317 | \$65,407 |      |
| Accrued interest                           | 14,196       |                                  |            |          |        |       |           |              |          |      |
| All Investments                            | \$ 3,077,370 |                                  |            |          |        |       |           |              |          |      |

At June 30, 2025, the Association had 1,105 U.S. agency mortgage-backed security pools, which pay monthly principal and interest.

At June 30, 2026, the Association had \$5.440 million 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. The Association pays fixed-rate payments between 3.73% and 5.03% and receives variable rate payments based on the SIFMA (Securities Industry and Financial Markets Association) index. The Association entered into the swap contracts in November 2008, which mature between 2025 and 2029. These contracts are not rated.

At June 30, 2025, the Association had \$8.975 million 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. The Association pays fixed-rate payments between 3.73% and 5.03% and receives variable rate payments based on SIFMA (Securities Industry and Financial Markets Association) and LIBOR (London Interbank Offered Rate) indices. The Association entered into the swap contracts in November 2008, which mature between 2025 and 2029. These contracts are not rated.

At June 30, 2026 and 2025, the Association had \$384.500 million and \$492.500 million, respectively, 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.

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

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

Investment, Loan Guarantee Trusts, and Business Operations investments. As of June 30, 2026 and 2025, the Association's investments were rated by Moody's Investor Service as follows (in thousands):

| Investment Type                            | Rating | 2026         | 2025         |
|--------------------------------------------|--------|--------------|--------------|
| U.S. Agency Obligations                    | Aa1    | \$ 2,163,121 | \$ 2,000,898 |
| Money market funds                         | Aaa    | 370,806      | 365,713      |
| U.S. Government mortgage-backed securities | Aaa    | 39,878       | 210,624      |
| U.S. Treasury Bonds                        | Aa1    | 161,508      | 301,068      |
| Municipal Bonds (Maine)                    | Aa1    | 1,000        | 1,000        |
| Municipal Bonds (New York)                 | Aa2    | 700          | 700          |
| Guaranteed Investment Contract             | A1     | 43,273       | 183,497      |

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 are not rated by rating agencies. Securities are not used as collateral for these investment agreements. Investment agreements are structured for both short-term and long-term bond proceeds in connection with the Association's single-family mortgage bond programs. Financial institutions providing the agreements have been rated by nationally recognized rating agencies at debt ratings sufficient to rate the Association's mortgage revenue bonds investment grade by those rating agencies.

Concentration of Credit Risk: The Association places no limit on the amount the Association may invest in any one issuer. The Affordable Housing Investment Trust investment policy places limits on the amounts the Association may invest in certain types of investments authorized by the Act.

As of June 30, 2026, the Association had investments of five percent or more in Ginnie Mae obligations of \$1.881 billion, Goldman obligations of \$369.735 million, U.S. Treasury Note obligations of \$161.360 million, and Fannie Mae obligations of \$156.584 million.

As of June 30, 2025, the Association had investments of five percent or more in Ginnie Mae obligations of \$1.750 billion, Fidelity obligations of \$365.141 million, U.S. Treasury Note obligations of \$300.916 million, Federal Home Loan Bank obligations of \$210.727 million, and Natixis obligations of \$183.550 million.

During the years ended June 30, 2026 and 2025, the Association realized net gains of \$0.732 million and \$3.929 million, 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 the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year. The net changes in the fair value of investments as of June 30, 2026 and 2025, were \$12.862 million and \$24.782 million decrease, respectively. These amounts take into account all changes in fair value (including purchases and sales) that occurred during the fiscal year. Included in the amount for the years ended June 30, 2026 and 2025, was a decrease of \$0.133 million and \$0.143 million, respectively, related to derivative interest rate swap contracts fair market value considered investments.

The unrealized gain on investments held at June 30, 2026 was \$16.205 million and the unrealized gain on investments held at June 30, 2025, was \$4.491 million. 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 ended June 30, 2026 and 2025, 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.

#### Note 4 - Loans Held for Investment and Loans Serviced as Agent

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

A summary of security for loans as of June 30, 2026, is as follows (in thousands):

|                                                  | Non-Pool<br>Insured | Pool<br>Insured | 2026<br>Total     |
|--------------------------------------------------|---------------------|-----------------|-------------------|
| FHA Insurance                                    | \$ 145,775          | \$ -            | \$ 145,775        |
| VA Guaranteed                                    | 22,335              | -               | 22,335            |
| Commercially Insured                             | 14,677              | 1,843           | 16,520            |
| USDA Rural Development Insurance                 | 6,743               | -               | 6,743             |
| Association Insured                              | 12,894              | -               | 12,894            |
| Public Indian Housing                            | 136                 | -               | 136               |
|                                                  | <u>\$ 202,560</u>   | <u>\$ 1,843</u> | 204,403           |
| Other                                            |                     |                 |                   |
| Single-Family IHFA Capital Pool                  |                     |                 | 7,122             |
| Multifamily IHFA Capital Pool                    |                     |                 | 1,749             |
| Social Service and Development IHFA Capital Pool |                     |                 | 147,485           |
| State Small Business Credit Initiative           |                     |                 | 37,854            |
| SRP                                              |                     |                 | 6,385             |
| Loan Loss Provision on Forgivable Loans          |                     |                 | (6,149)           |
| Loan Loss Provision                              |                     |                 | (2,255)           |
| Loans Pending Modification                       |                     |                 | 11,353            |
| Interest Receivable on Loans                     |                     |                 | 5,552             |
|                                                  |                     |                 | <u>5,552</u>      |
| Total loans held for investment, net             |                     |                 | <u>\$ 413,499</u> |

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

A summary of security for loans as of June 30, 2025, is as follows (in thousands):

|                                                  | Non-Pool<br>Insured | Pool<br>Insured | 2025<br>Total     |
|--------------------------------------------------|---------------------|-----------------|-------------------|
| FHA Insurance                                    | \$ 95,898           | \$ -            | \$ 95,898         |
| VA Guaranteed                                    | 9,126               | -               | 9,126             |
| Commercially Insured                             | 19,016              | 2,242           | 21,258            |
| USDA Rural Development Insurance                 | 8,188               | -               | 8,188             |
| Association Insured                              | 12,610              | -               | 12,610            |
| Public Indian Housing                            | 196                 | -               | 196               |
|                                                  | <u>\$ 145,034</u>   | <u>\$ 2,242</u> | 147,276           |
| Other                                            |                     |                 |                   |
| Single-Family IHFA Capital Pool                  |                     |                 | 5,770             |
| Multifamily IHFA Capital Pool                    |                     |                 | 1,894             |
| Social Service and Development IHFA Capital Pool |                     |                 | 121,030           |
| Construction                                     |                     |                 | 10,051            |
| State Small Business Credit Initiative           |                     |                 | 35,278            |
| SRP                                              |                     |                 | 2,016             |
| Loan Loss Provision on Forgivable Loans          |                     |                 | (8,324)           |
| Loan Loss Provision                              |                     |                 | (835)             |
| Loans Pending Modification                       |                     |                 | 5,888             |
| Interest Receivable on Loans                     |                     |                 | <u>2,673</u>      |
| Total loans held for investment, net             |                     |                 | <u>\$ 322,717</u> |

As of June 30, 2026 and 2025, the loans receivable includes \$1.850 million and \$2.032 million, respectively, in notes receivable from The Housing Company (THC), which require repayment within 14 years and 15 years, respectively. The notes are secured by various multifamily housing projects and accrue interest at 4.50 percent.

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

Interest charged on loans ranged from approximately 0 to 10.13 percent during fiscal year 2026. 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. A master servicing arrangement was implemented beginning with the 1983 Series B Single-Family Mortgage purchase program. The mortgage servicer may, but need not, be a lending institution and a program participant.

The Association records loan servicing fee income, which is netted out of interest income. Fees are collected in the general operating account, and the principal and remaining interest are remitted 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. These 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, if sold. The Association establishes the yield spread between the interest rate on the mortgages and related tax-exempt bonds to not exceed 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. IHFA services loans sold to FNMA or FHLMC or secured by GNMA. Gains or losses are recognized based on the difference between the selling price and the carrying value of the related mortgage loan sold. Net unrealized losses are charged to Operating Expenses in the Statement of Revenues, Expenses and Changes in Net Position.

Loans available for sale are determined as a function of the Association's liquidity preference, customer preference, contractual requirements, and regulatory requirements. For the fiscal years ended June 30, 2026 and 2025, the Association realized \$15.089 million and \$12.271 million, respectively, in gains on the sale of loans to FNMA, FHLMC, and GNMA. As of June 30, 2026 and 2025, the Association had commitments to sell or secure \$74.943 million and \$228.363 million, respectively, of single-family mortgages to FNMA and FHLMC or through GNMA. As of June 30, 2026 and 2025, the Association had commitments to sell or secure \$41.502 million and \$54.720 million, respectively, of single-family mortgages on behalf of Connecticut Housing Finance Authority. As of June 30, 2026 and 2025, the Association had commitments to sell or secure \$43.513 million and \$67.550 million, respectively, of single-family mortgages on behalf of South Dakota Housing Development Authority. As of June 30, 2026 and 2025, the Association had commitments to sell or secure \$28.112 million and \$26.756 million, respectively, of single-family mortgages on behalf of Iowa Finance Authority. As of June 30, 2026 and 2025, the Association had commitments to sell or secure \$78.553 million and \$44.867 million, respectively, on behalf of New Mexico Mortgage Finance Authority. As of June 30, 2025, the Association had commitments to sell or secure \$1.853 million on behalf of Texas Department of Housing and Community Affairs. As of June 30, 2026 and 2025, the Association had commitments to sell or secure \$134.400 million and \$146.804 million, respectively, on behalf of Washington State Housing Finance Commission. As of June 30, 2026 and 2025, the Association had commitments to sell or secure \$15.693 million and \$20.680 million, respectively, on behalf of Oregon Housing and Community Services Department. As of June 30, 2026 and 2025, the Association had commitments to sell or secure \$12.380 million and \$13.313 million, respectively, on behalf of Montana Board of Housing.

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

As of June 30, 2026 and 2025, the Association estimates \$82.819 million and \$57.119 million, 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 \$1,166.249 million and \$1,068.519 million, respectively, of single-family mortgages, which had not yet been funded as of June 30, 2026 and 2025.

As of June 30, 2026 and 2025, the Association was an agent for the following loans (in thousands):

| Loans serviced as agent                           | 2026                 | 2025                 |
|---------------------------------------------------|----------------------|----------------------|
| Federal Home Loan Mortgage Corporation            | \$ 8,726,929         | \$ 4,655,432         |
| Federal National Mortgage Association             | 5,257,406            | 7,787,850            |
| Government National Mortgage Association          | 25,924,949           | 23,586,377           |
| Iowa Finance Authority                            | 103,500              | 91,140               |
| Connecticut Housing Finance Authority             | 172,282              | 200,403              |
| South Dakota Housing Development Authority        | 100,987              | 115,551              |
| New Mexico Mortgage Finance Authority             | 78,251               | 65,930               |
| Texas Department of Housing and Community Affairs | 309,619              | 330,594              |
| Washington State Housing Finance Commission       | 583,667              | 414,729              |
| Montana Board of Housing                          | 4,857                | 1,247                |
| Oregon Housing and Community Services             | 13,052               | 6,948                |
| Idaho Community Reinvestment Corporation          | 11,989               | 10,181               |
| Neighborhood Housing Services                     | 3,118                | 2,489                |
| Boise Valley Habitat                              | 677                  | 850                  |
| Lewiston-Clarkston Habitat for Humanity           | 804                  | 1,220                |
| HOME Loan Balances                                | 90,285               | 90,224               |
| Neighborhood Stabilization Program                | 13,949               | 13,761               |
| Housing Trust Fund                                | 17,501               | 14,944               |
| Workforce Housing                                 | 41,498               | 35,755               |
| Tax Credit Assistance Program                     | 10,051               | 10,051               |
| TCEP Loan Program                                 | 2,211                | 3,654                |
| Other                                             | 3,296                | 3,592                |
| Total loans serviced as agent                     | <u>\$ 41,470,878</u> | <u>\$ 37,442,922</u> |

**Note 5 - Capital Assets and Leases**

A summary of activity in the capital assets and leases is as follows:

| (in thousands)                           | Balance at<br>July 1, 2025 | Additions       | Retirements     | Balance at<br>June 30, 2026 |
|------------------------------------------|----------------------------|-----------------|-----------------|-----------------------------|
| <b>Capital assets</b>                    |                            |                 |                 |                             |
| Land                                     | \$ 2,847                   | \$ -            | \$ (113)        | \$ 2,734                    |
| Buildings and improvements               | 10,694                     | 74              | -               | 10,768                      |
| Furniture and equipment                  | 5,373                      | 343             | (2,518)         | 3,198                       |
| Leasehold improvements                   | 872                        | 7               | -               | 879                         |
| Computer software                        | 425                        | -               | (54)            | 371                         |
| Assets under construction                | -                          | 5,979           | -               | 5,979                       |
| Right to use assets                      |                            |                 |                 |                             |
| Office space                             | 1,727                      | 446             | (407)           | 1,766                       |
| Software                                 | -                          | 252             | -               | 252                         |
| <b>Total capital assets</b>              | <b>21,938</b>              | <b>7,101</b>    | <b>(3,092)</b>  | <b>25,947</b>               |
| <b>Less accumulated depreciation for</b> |                            |                 |                 |                             |
| Buildings and improvements               | (4,334)                    | (422)           | -               | (4,756)                     |
| Furniture and equipment                  | (4,826)                    | (279)           | 2,518           | (2,587)                     |
| Leasehold improvements                   | (450)                      | (31)            | -               | (481)                       |
| Computer software                        | (387)                      | (23)            | 53              | (357)                       |
| Right to use assets                      |                            |                 |                 |                             |
| Amortization                             | (680)                      | (655)           | 141             | (1,194)                     |
| <b>Total accumulated depreciation</b>    | <b>(10,677)</b>            | <b>(1,410)</b>  | <b>2,712</b>    | <b>(9,375)</b>              |
| <b>Total capital assets, net</b>         | <b>\$ 11,261</b>           | <b>\$ 5,691</b> | <b>\$ (380)</b> | <b>\$ 16,572</b>            |

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

| (in thousands)                           | Balance at<br>July 1, 2024 | Additions       | Retirements    | Balance at<br>June 30, 2025 |
|------------------------------------------|----------------------------|-----------------|----------------|-----------------------------|
| <b>Capital assets</b>                    |                            |                 |                |                             |
| Land                                     | \$ 2,183                   | \$ 664          | \$ -           | \$ 2,847                    |
| Buildings and improvements               | 9,755                      | 939             | -              | 10,694                      |
| Furniture and equipment                  | 5,634                      | 222             | (483)          | 5,373                       |
| Leasehold improvements                   | 872                        | -               | -              | 872                         |
| Computer software                        | 391                        | 34              | -              | 425                         |
| Right to use assets                      |                            |                 |                |                             |
| Office space                             | 3,479                      | 1,006           | (2,758)        | 1,727                       |
| <b>Total capital assets</b>              | <b>22,314</b>              | <b>2,865</b>    | <b>(3,241)</b> | <b>21,938</b>               |
| <b>Less accumulated depreciation for</b> |                            |                 |                |                             |
| Buildings and improvements               | (4,075)                    | (259)           | -              | (4,334)                     |
| Furniture and equipment                  | (4,930)                    | (430)           | 534            | (4,826)                     |
| Leasehold improvements                   | (415)                      | (35)            | -              | (450)                       |
| Computer software                        | (362)                      | (25)            | -              | (387)                       |
| Right to use assets                      |                            |                 |                |                             |
| Amortization                             | (2,872)                    | (580)           | 2,771          | (680)                       |
| <b>Total accumulated depreciation</b>    | <b>(12,654)</b>            | <b>(1,329)</b>  | <b>3,305</b>   | <b>(10,677)</b>             |
| <b>Total capital assets, net</b>         | <b>\$ 9,660</b>            | <b>\$ 1,536</b> | <b>\$ 64</b>   | <b>\$ 11,261</b>            |

At June 30, 2026 and 2025, the Association recognized right-to-use assets of \$0.824 million and \$1.047 million and lease liabilities of \$0.840 million and \$1.061 million, respectively. During the fiscal years, the Association recorded \$0.043 million and \$0.426 million, respectively, in amortization expense and \$0.020 million and \$0.039 million in interest expense.

Remaining obligations associated with these leases are as follows:

| June 30, 2026 | Principal       | Interest     |
|---------------|-----------------|--------------|
| 2027          | \$ 743          | \$ 18        |
| 2028          | 97              | 2            |
| <b>Total</b>  | <b>\$ 840</b>   | <b>\$ 20</b> |
| June 30, 2025 | Principal       | Interest     |
| 2026          | \$ 601          | \$ 31        |
| 2027          | 450             | 8            |
| 2028          | 10              | -            |
| <b>Total</b>  | <b>\$ 1,061</b> | <b>\$ 39</b> |

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

## Note 6 - Other Assets and Liabilities

Other assets and other liabilities as of June 30, 2026 and 2025, are composed of the accounts and balances as follows (in thousands):

|                                                        | 2026              | 2025              |
|--------------------------------------------------------|-------------------|-------------------|
| Other Assets                                           |                   |                   |
| Accounts receivable                                    | \$ 130,017        | \$ 85,244         |
| Prepaid expenses                                       | 1,808             | 2,825             |
| Insurance receivable                                   | 36,231            | 15,936            |
| REO mortgages receivable                               | 127,058           | 84,626            |
|                                                        | <u>\$ 295,114</u> | <u>\$ 188,631</u> |
|                                                        | 2026              | 2025              |
| Other Liabilities                                      |                   |                   |
| Accounts payable                                       | \$ 1,452          | \$ 346            |
| Accrued vacation and other payroll related liabilities | 3,533             | 3,000             |
| Arbitrage rebate                                       | 44                | 58                |
| Federal programs advances and unapplied program income | 63,404            | 58,175            |
| Unapplied payments                                     | 47,817            | 33,154            |
| Reserve on loans serviced                              | 14,560            | 11,763            |
| Other accrued liability                                | 25,720            | 19,394            |
|                                                        | <u>\$ 156,530</u> | <u>\$ 125,890</u> |

**Note 7 - Compensated Absences**

Compensated absences activity for the years ended June 30, 2026 and 2025, was as follows (in thousands):

|                      | Beginning Balance<br>July 1, 2025 | Additions | Reductions | Ending Balance<br>June 30, 2026 | Amounts Due<br>within One Year |
|----------------------|-----------------------------------|-----------|------------|---------------------------------|--------------------------------|
| Compensated Absences | \$ 1,487                          | \$ 2,686  | \$ (2,551) | \$ 1,622                        | \$ 1,622                       |
|                      | Beginning Balance<br>July 1, 2024 | Additions | Reductions | Ending Balance<br>June 30, 2025 | Amounts Due<br>within One Year |
| Compensated Absences | \$ 1,244                          | \$ 2,345  | \$ (2,102) | \$ 1,487                        | \$ 1,487                       |

**Note 8 - Short-Term and Other Borrowings**

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 business unit. 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. The commercial paper borrowing is not backed by collateral. As of June 30, 2026, the Association had \$250.000 million of commercial paper outstanding maturing in 9 to 86 days, with weighted average interest rates of 3.8445%. As of June 30, 2025, the Association had \$197.850 million of commercial paper outstanding maturing in 62 to 92 days, with weighted average interest rates of 4.4290%.

The borrowings at PNC Bank, Zions Bank and Royal Bank of Canada are not backed by collateral. As of June 30, 2026, the Association had \$158.000 million of borrowings outstanding with PNC Bank maturing in April 2027 with a variable interest rate equal to the "Bank Index Rate", which means a per annum rate of interest equal to the sum of Daily 1M SOFR (Secured Overnight Financing Rate) and sixty hundredths of a percent (0.60%). As of June 30, 2025, the Association had \$60.000 million of borrowings outstanding with PNC Bank maturing in April 2027 with a variable interest rate equal to the "Bank Index Rate", which means the sum of the Daily BSBY (Bloomberg Short-Term Bank Yield) Rate and sixty hundredths of a percent (0.60%). As of June 30, 2026, the Association had \$124.964 million of borrowings outstanding with Zions Bank maturing in June 2027, with a variable interest rate equal to the "Bank Index Rate" which means a per annum rate of interest equal to the sum of the Lender's Term SOFR 1 Month and sixty-four hundredths and thirty-six of a percent (0.6436%). As of June 30, 2025 the Association had \$144.964 million of borrowings outstanding with Zions Bank maturing in June 2027, with a variable interest rate equal to the sum of the BSBY 1 Month Rate and sixty hundredths of a percent (0.60%).

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

As of June 30, 2026 the Association had \$38.428 million of borrowings outstanding with Royal Bank of Canada, with a variable interest rate equal to the “Bank Index Rate”, which means for Daily Simple SOFR Rate loans, a per annum rate of interest equal to the sum of Daily Simple SOFR and seventy hundredths of a percent (0.70%) and for term SOFR Rate loans, a per annum rate of interest equal to the sum of the Term SOFR and seventy hundredths of a percent (0.70%). As of June 30, 2025 the Association had \$27.550 million of borrowings outstanding with Royal Bank of Canada, with a variable interest rate equal to the “Bank Index Rate”, which means for Daily Simple SOFR Rate loans, a per annum rate of interest equal to the sum of Daily Simple SOFR and seventy hundredths of a percent (0.70%) and for term SOFR Rate loans, a per annum rate of interest equal to the sum of the Term SOFR and seventy hundredths of a percent (0.70%). The borrowings at Federal Home Loan Bank (FHLB) are backed by collateral. As of June 30, 2026 the Association had \$34.600 million of borrowings outstanding with FHLB maturing in July 2026 with a weighted average interest rate of 3.885%. As of June 30, 2025 the Association had \$178.500 million of borrowings outstanding with FHLB maturing in August 2025 with a weighted average interest rate of 4.504%.

## Note 9 - Bonds

| Description and Due Date             | Average<br>Bond Yield | FY2026    | FY2025    |
|--------------------------------------|-----------------------|-----------|-----------|
| Single-Family Mortgage Bonds         |                       |           |           |
| 2000 Indenture                       |                       |           |           |
| Variable Rate Class 1                | 0.000%                | \$ -      | \$ 1,113  |
| 2003 Indenture                       |                       |           |           |
| Class I Bonds                        | 3.122%                | 9,485     | 11,420    |
| Variable Rate Class I                | 2.318%                | 7,615     | 11,035    |
| Variable Rate Class II               | 3.700%                | 885       | 1,975     |
|                                      | 2.810%                | 17,985    | 24,430    |
| 2019 Indenture                       |                       |           |           |
| Class I Bonds                        | 4.294%                | 2,063,240 | 1,837,430 |
| Variable Rate Class I                | 3.700%                | 26,370    | 32,855    |
|                                      | 4.294%                | 2,089,610 | 1,870,285 |
| Total single-family mortgage bonds   |                       | 2,107,595 | 1,895,828 |
| Grant and Revenue Anticipation Bonds |                       |           |           |
| 2010 Series A                        | 5.696%                | 51,745    | 54,805    |
| 2014 Series A                        | 4.688%                | 32,870    | 37,465    |
| 2015 Series A                        | 5.000%                | 31,065    | 53,685    |
| 2017 Series A                        | 5.000%                | 40,860    | 50,935    |
| 2019 Series A                        | 5.000%                | 114,090   | 114,090   |
| 2021 Series A                        | 4.500%                | 172,860   | 172,860   |
|                                      | 4.863%                | 443,490   | 483,840   |

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

| Description and Due Date                                 | Average<br>Bond Yield | FY2026       | FY2025       |
|----------------------------------------------------------|-----------------------|--------------|--------------|
| Transportation Expansion and Congestion Mitigation Bonds |                       |              |              |
| 2022 Series A                                            | 5.000%                | 172,595      | 176,795      |
| 2023 Series A                                            | 4.750%                | 335,470      | 342,755      |
| 2024 Series A                                            | 4.500%                | 332,585      | 338,780      |
| 2025 Series A                                            | 4.500%                | 320,795      | 320,795      |
|                                                          | 4.705%                | 1,161,445    | 1,179,125    |
| Multifamily Housing Revenue Bonds                        |                       |              |              |
| Sunset 2021 Series A                                     |                       |              |              |
| Class I Bonds                                            | 1.684%                | 7,920        | 8,030        |
| Tax Exempt Mortgage Securities                           | 3.203%                | 133,782      | 141,848      |
| Total bonds                                              | 3.639%                | 3,854,232    | 3,708,671    |
| Interest Payable                                         |                       | 89,026       | 75,465       |
| Net Unamortized (Discount)/Premium                       |                       | 220,581      | 223,737      |
| Notes Payable                                            |                       | 109,285      | 127,916      |
| Total bonds and notes                                    |                       | \$ 4,273,124 | \$ 4,135,789 |

Premiums and discounts on bonds are amortized using the bonds outstanding method over the life of the bonds to which they relate.

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.

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

On June 30, 2025, the Association issued the 2025CD Single-Family Mortgage Bonds in furtherance of the Single-Family Mortgage Program and to assist other state housing financing agencies in other states to finance the purchase or servicing of housing by low-income persons. On September 25, 2025, the Association issued the 2025E Single Family Mortgage Bonds in furtherance of the Single-Family Mortgage Program and to assist other state housing finance agencies in other states to finance the purchase or servicing of housing by low-income persons.

# Idaho Housing and Finance Association

## Notes to Financial Statements

June 30, 2026 and 2025

The scheduled principal debt service, including July 1, 2026, special redemptions, for the periods subsequent to, and as of June 30, 2026, is as follows (in thousands):

|                                                          | 2027       | 2028       | 2029       | 2030       | 2031       | 2032 -<br>2036 |
|----------------------------------------------------------|------------|------------|------------|------------|------------|----------------|
| Single-Family Mortgage Bonds                             |            |            |            |            |            |                |
| 2003 Indenture                                           | \$ 2,390   | \$ 700     | \$ 745     | \$ 1,125   | \$ 2,385   | \$ 10,200      |
| 2019 Indenture                                           | 104,885    | 122,010    | 121,665    | 105,395    | 110,660    | 453,565        |
|                                                          | 107,275    | 122,710    | 122,410    | 106,520    | 113,045    | 463,765        |
| Grant Revenue and Revenue Anticipation Bonds             |            |            |            |            |            |                |
| 2010 Series A                                            | 3,260      | 3,465      | 45,020     | -          | -          | -              |
| 2014 Series A                                            | 4,830      | 5,075      | 5,325      | 5,595      | 5,875      | 6,170          |
| 2015 Series A                                            | 31,065     | -          | -          | -          | -          | -              |
| 2017 Series A                                            | 3,315      | 37,545     | -          | -          | -          | -              |
| 2019 Series A                                            | -          | -          | -          | -          | 4,930      | 72,000         |
| 2021 Series A                                            | -          | -          | -          | 46,430     | 6,845      | 39,845         |
| Total GARVEE                                             | 42,470     | 46,085     | 50,345     | 52,025     | 17,650     | 118,015        |
| Transportation Expansion and Congestion Mitigation Bonds |            |            |            |            |            |                |
| 2022 Series A                                            | 4,415      | 4,640      | 4,880      | 5,130      | 5,390      | 31,405         |
| 2023 Series A                                            | 7,660      | 8,050      | 8,465      | 8,895      | 9,355      | 54,470         |
| 2024 Series A                                            | 6,510      | 6,850      | 7,195      | 7,570      | 7,960      | 46,335         |
| 2025 Series A                                            | 5,355      | 5,630      | 5,920      | 6,220      | 6,540      | 38,100         |
| Total TECM                                               | 23,940     | 25,170     | 26,460     | 27,815     | 29,245     | 170,310        |
| Multifamily Housing Revenue Bonds                        |            |            |            |            |            |                |
| Sunset 2021 Series A                                     | 110        | 115        | 120        | 120        | 120        | 670            |
| Tax Exempt Mortgage Securities                           | 4,412      | 4,580      | 4,754      | 4,935      | 5,122      | 28,684         |
| Total principal                                          | \$ 178,207 | \$ 198,660 | \$ 204,089 | \$ 191,415 | \$ 165,182 | \$ 781,444     |
| Variable rate principal                                  | 1,305      | 530        | 565        | 665        | 685        | 4,385          |
| Interest                                                 |            |            |            |            |            |                |
| Fixed                                                    | \$ 185,156 | \$ 174,984 | \$ 163,567 | \$ 153,370 | \$ 144,812 | \$ 599,356     |
| Variable                                                 | 1,156      | 1,144      | 1,131      | 1,116      | 1,101      | 5,198          |
| Total interest                                           | \$ 186,312 | \$ 176,128 | \$ 164,698 | \$ 154,487 | \$ 145,913 | \$ 604,554     |

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

|                                                          | 2037 -<br>2041 | 2042 -<br>2046 | 2047 -<br>2051 | 2052 -<br>2056 | TOTAL        |
|----------------------------------------------------------|----------------|----------------|----------------|----------------|--------------|
| Single-Family Mortgage Bonds                             |                |                |                |                |              |
| 2003 Indenture                                           | \$ 440         | \$ -           | \$ -           | \$ -           | \$ 17,985    |
| 2019 Indenture                                           | 273,705        | 336,605        | 347,085        | 114,035        | 2,089,610    |
|                                                          | 274,145        | 336,605        | 347,085        | 114,035        | 2,107,595    |
| Grant Revenue and Revenue Anticipation Bonds             |                |                |                |                |              |
| 2010 Series A                                            | -              | -              | -              | -              | 51,745       |
| 2014 Series A                                            | -              | -              | -              | -              | 32,870       |
| 2015 Series A                                            | -              | -              | -              | -              | 31,065       |
| 2017 Series A                                            | -              | -              | -              | -              | 40,860       |
| 2019 Series A                                            | 37,160         | -              | -              | -              | 114,090      |
| 2021 Series A                                            | 79,740         | -              | -              | -              | 172,860      |
| Total GARVEE                                             | 116,900        | -              | -              | -              | 443,490      |
| Transportation Expansion and Congestion Mitigation Bonds |                |                |                |                |              |
| 2022 Series A                                            | 40,330         | 51,780         | 24,625         | -              | 172,595      |
| 2023 Series A                                            | 69,945         | 89,790         | 78,840         | -              | 335,470      |
| 2024 Series A                                            | 59,505         | 76,410         | 114,250        | -              | 332,585      |
| 2025 Series A                                            | 48,910         | 62,810         | 141,310        | -              | 320,795      |
| Total TECM                                               | 218,690        | 280,790        | 359,025        | -              | 1,161,445    |
| Multifamily Housing Revenue Bonds                        |                |                |                |                |              |
| Sunset 2021 Series A                                     | 780            | 910            | 1,075          | 3,900          | 7,920        |
| Tax Exempt Mortgage Securities                           | 34,567         | 41,656         | 5,072          | -              | 133,782      |
| Total principal                                          | \$ 645,082     | \$ 659,961     | \$ 712,257     | \$ 117,935     | \$ 3,854,232 |
| Variable rate principal                                  | 365            | -              | 17,815         | 8,555          | 34,870       |
| Interest                                                 |                |                |                |                |              |
| Fixed                                                    | \$ 428,760     | \$ 276,126     | \$ 97,662      | \$ 9,309       | \$ 2,233,103 |
| Variable                                                 | 4,879          | 4,878          | 3,109          | 284            | 23,996       |
| Total interest                                           | \$ 433,639     | \$ 281,004     | \$ 100,771     | \$ 9,593       | \$ 2,257,099 |

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

Long-term bond liability and short-term borrowing activity for the year ended June 30, 2026 and 2025, was as follows (in thousands):

| June 30, 2026                           | Beginning<br>Balance | Additions    | Reductions   | Ending<br>Balance | Amounts<br>Due Within<br>One year |
|-----------------------------------------|----------------------|--------------|--------------|-------------------|-----------------------------------|
| Par Bonds Payable                       | \$ 3,708,672         | \$ 920,614   | \$ (775,054) | \$ 3,854,232      | \$ 178,207                        |
| Note Payable                            | 127,915              | 30           | (18,661)     | 109,284           | 5,609                             |
| Net Unamortized (Discount)/Premium      | 223,738              | (17,529)     | 14,374       | 220,583           | 16,596                            |
| Total bonds payable<br>at June 30, 2026 | 4,060,325            | 903,115      | (779,341)    | 4,184,099         | 200,412                           |
| Interest Payable                        | 75,464               | (151,296)    | 164,857      | 89,025            | 186,312                           |
| Total bonds and notes                   | \$ 4,135,789         | \$ 751,819   | \$ (614,484) | \$ 4,273,124      | \$ 386,724                        |
| Short-Term Borrowings at June 30, 2026  | \$ 608,864           | \$ 472,781   | \$ (475,653) | \$ 605,992        | \$ 605,992                        |
| June 30, 2025                           | Beginning<br>Balance | Additions    | Reductions   | Ending<br>Balance | Amounts<br>Due Within<br>One year |
| Par Bonds Payable                       | \$ 3,010,946         | \$ 1,538,271 | \$ (840,545) | \$ 3,708,672      | \$ 149,621                        |
| Note Payable                            | 154,012              | -            | (26,097)     | 127,915           | 3,820                             |
| Net Unamortized (Discount)/Premium      | 196,806              | (17,546)     | 44,478       | 223,738           | 26,932                            |
| Total bonds payable<br>at June 30, 2025 | 3,361,764            | 1,520,725    | (822,164)    | 4,060,325         | 180,373                           |
| Interest Payable                        | 58,734               | (137,719)    | 154,449      | 75,464            | 183,899                           |
| Total bonds and notes                   | \$ 3,420,498         | \$ 1,383,006 | \$ (667,715) | \$ 4,135,789      | \$ 364,272                        |
| Short-Term Borrowings at June 30, 2025  | \$ 277,814           | \$ 1,083,513 | \$ (752,463) | \$ 608,864        | \$ 608,864                        |

**Note 10 - Redemption of Bonds**

Special redemptions were made in the following bond issues for the year ended June 30, 2026 and 2025 (in thousands):

| Bond Series Redeemed         | Par Value of Bonds Redeemed |                                        |                                        |
|------------------------------|-----------------------------|----------------------------------------|----------------------------------------|
|                              | July 1, 2026                | For the<br>Year Ended<br>June 30, 2026 | For the<br>Year Ended<br>June 30, 2025 |
| Single-Family Mortgage Bonds |                             |                                        |                                        |
| 2000 Indenture               | \$ -                        | \$ 1,009                               | \$ 2,250                               |
| 2003 Indenture               | 1,750                       | 4,910                                  | 5,245                                  |
| 2006 Indenture               | -                           | -                                      | -                                      |
| 2009 Indenture               | -                           | -                                      | -                                      |
| 2019 Indenture               | 37,885                      | 257,550                                | 120,370                                |
|                              | <u>\$ 39,635</u>            | <u>\$ 263,469</u>                      | <u>\$ 127,865</u>                      |

**Note 11 - Tax Exempt Mortgage-Backed Securities**

Tax-exempt mortgage-backed securities (TEMS) are tax-exempt securities which are collateralized by mortgage-backed securities. The TEMS are special, limited obligations of the Association and are payable solely from pledged mortgages and their revenues. The TEMS are secured by the mortgages, their related revenues, and the Ginnie Mae mortgage-backed security guarantee. Neither the State of Idaho nor any political subdivision thereof is obligated to pay the TEMS. Nor is the faith and credit, nor the taxing power of the State of Idaho or of any political subdivision thereof pledged for the payment of the principal or interest on the TEMS.

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

TEMS are collateralized by the mortgage loan pool with the same maturity terms as the TEMS. The payments from the mortgages are used to pay the principal and interest payments of the TEMS. The Association is the servicer for the mortgages. A Ginnie Mae authorized document custodian holds the note and the deed of trust while the underlying mortgage loans are insured by the U.S. Federal Housing Administration (FHA) or the U.S. Department of Agriculture (USDA). These loans are then contributed to a mortgage-backed security, which is guaranteed by Ginnie Mae.

| Series                                           | Maturity Date | Security Rate | 2026              | 2025              |
|--------------------------------------------------|---------------|---------------|-------------------|-------------------|
| IHFA HOMES 2015 C                                | 07/20/2045    | 3.00%         | \$ 3,639          | \$ 4,019          |
| IHFA TEMS 2017D                                  | 05/20/2047    | 3.50%         | 3,358             | 3,558             |
| IHFA TEMS 2017E                                  | 07/20/2047    | 3.50%         | 2,896             | 3,091             |
| IHFA TEMS 2017F                                  | 08/20/2047    | 3.00%         | 4,553             | 4,952             |
| IHFA TEMS 2017G                                  | 09/20/2047    | 3.00%         | 3,594             | 3,832             |
| IHFA TEMS 2017H                                  | 10/20/2047    | 3.00%         | 3,686             | 4,282             |
| IHFA TEMS 2018A                                  | 01/20/2048    | 3.00%         | 2,529             | 2,722             |
| IHFA TEMS 2017I                                  | 11/20/2047    | 3.00%         | 4,376             | 4,638             |
| IHFA TEMS 2017J                                  | 12/20/2047    | 3.00%         | 5,554             | 6,172             |
| IHFA TEMS 2018B                                  | 04/20/2048    | 3.50%         | 2,402             | 2,629             |
| IHFA TEMS 2018C                                  | 07/20/2048    | 4.00%         | 2,206             | 2,387             |
| IHFA TEMS 2018D                                  | 08/20/2048    | 4.00%         | 2,866             | 3,307             |
| IHFA TEMS 2018E                                  | 10/20/2048    | 4.00%         | 5,441             | 5,917             |
| IHFA TEMS 2018F                                  | 12/20/2048    | 4.00%         | 6,820             | 7,354             |
| IHFA TEMS 2019A                                  | 01/20/2049    | 4.50%         | 4,428             | 4,349             |
| IHFA TEMS 2019B                                  | 04/20/2049    | 4.00%         | 4,572             | 4,642             |
| IHFA TEMS 2019C                                  | 06/20/2049    | 3.50%         | 5,044             | 5,157             |
| IHFA TEMS 2019D                                  | 07/20/2049    | 4.00%         | 3,657             | 3,576             |
| IHFA TEMS 2019E                                  | 08/20/2049    | 3.50%         | 4,718             | 4,878             |
| IHFA HOMES 2014 B                                | 08/20/2044    | 3.50%         | 1,921             | 2,213             |
| IHFA HOMES 2014 C                                | 12/20/2044    | 3.50%         | 1,010             | 1,051             |
| IHFA HOMES 2015 B                                | 05/20/2045    | 3.00%         | 1,160             | 1,208             |
| IHFA HOMES 2015 A                                | 04/20/2045    | 3.00%         | 1,210             | 1,338             |
| IHFA TEMS 2015A                                  | 10/20/2045    | 3.50%         | 4,119             | 4,360             |
| IHFA TEMS 2015C                                  | 11/20/2045    | 3.00%         | 1,557             | 1,633             |
| IHFA TEMS 2016A                                  | 02/20/2046    | 3.00%         | 7,229             | 7,476             |
| IHFA TEMS 2016B                                  | 03/20/2046    | 3.00%         | 1,979             | 2,048             |
| IHFA TEMS 2016C                                  | 04/20/2046    | 3.00%         | 3,077             | 3,397             |
| IHFA TEMS 2016D                                  | 05/20/2046    | 3.00%         | 3,849             | 3,894             |
| IHFA TEMS 2016E                                  | 06/20/2046    | 3.00%         | 3,492             | 3,456             |
| IHFA TEMS 2016F                                  | 07/20/2046    | 3.00%         | 3,006             | 2,948             |
| IHFA TEMS 2016G                                  | 08/20/2046    | 3.00%         | 6,781             | 7,315             |
| IHFA TEMS 2016H                                  | 09/20/2046    | 3.00%         | 2,768             | 2,910             |
| IHFA TEMS 2016I                                  | 12/20/2046    | 3.00%         | 2,977             | 3,233             |
| IHFA TEMS 2017A                                  | 01/20/2047    | 3.00%         | 4,230             | 4,568             |
| IHFA TEMS 2017B                                  | 02/20/2047    | 3.00%         | 1,976             | 2,122             |
| IHFA TEMS 2017C                                  | 04/20/2047    | 3.50%         | 3,501             | 3,454             |
| IHFA HOMES 2014 A                                | 05/20/2044    | 3.50%         | 1,601             | 1,762             |
| Total Tax-Exempt Mortgage-back Securities (TEMS) |               |               | <u>\$ 133,782</u> | <u>\$ 141,848</u> |

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

A summary of TEMS activity for the periods reported is as follows (in thousands):

|                                   | Beginning<br>Balance as of<br>June 30, 2025 | Additions | Reductions  | Ending<br>Balance as of<br>June 30, 2026 |
|-----------------------------------|---------------------------------------------|-----------|-------------|------------------------------------------|
| Tax Exempt<br>Mortgage Securities | \$ 141,848                                  | \$ -      | \$ (8,066)  | \$ 133,782                               |
|                                   | Beginning<br>Balance as of<br>June 30, 2024 | Additions | Reductions  | Ending<br>Balance as of<br>June 30, 2025 |
| Tax Exempt<br>Mortgage Securities | \$ 164,319                                  | \$ -      | \$ (22,471) | \$ 141,848                               |

The scheduled principal payments for the periods subsequent to, and as of, June 30, 2026, are as follows (in thousands):

| Year      | Principal<br>Payments<br>(in thousands) | Interest<br>Payments<br>(in thousands) |
|-----------|-----------------------------------------|----------------------------------------|
| 2027      | \$ 4,412                                | \$ 4,924                               |
| 2028      | 4,580                                   | 4,756                                  |
| 2029      | 4,754                                   | 4,582                                  |
| 2030      | 4,935                                   | 4,402                                  |
| 2031      | 5,122                                   | 4,214                                  |
| 2032-2036 | 28,684                                  | 17,997                                 |
| 2037-2041 | 34,567                                  | 12,114                                 |
| 2042-2046 | 41,656                                  | 5,025                                  |
| 2047-2051 | 5,072                                   | 62                                     |
| Total     | <u>\$ 133,782</u>                       | <u>\$ 58,076</u>                       |

## Note 12 - 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 as the approximate amount the Association would pay a market participant to terminate the contractual positions as of June 30, 2026. 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, 2026) payments paid to the Association. A positive fair value indicates the amount the Association is entitled to receive from the counterparty upon termination of the swap and is reported under Other Assets. Conversely, a negative fair value reflects the amount the Association must pay, which is recorded under Other Liabilities. As of June 30, 2026, and 2025, these amounts were \$(0.099) million and \$(0.224) million, respectively, as shown in the Statement of Net Position.

The Association has determined that a substantial portion of its interest rate swaps effectively hedge against changes in variable interest rates. As such, changes in fair value for hedge swaps are reported as a deferred outflow of resources in the Statement of Net Position of \$0.160 million and \$0.986 million as of June 30, 2026 and 2025, respectively. A portion of the interest rate swaps are considered non-effective for hedging purposes and are reported in the Statement of Net Position in Investments at June 30, 2026 and 2025 of \$(0.192) million and \$(0.326) million, respectively. This portion represents the notional amount of interest rate swaps that falls short of the notional amount of underlying variable debt.

The Association engaged an independent third party to calculate the fair values of contracts as of June 30, 2026 and 2025. The results of the calculation correlate materially with the fair values provided by the Association's counterparties.

Credit risk: As of June 30, 2026, the Association is exposed to a negligible amount of counterparty credit risk on certain outstanding swaps due to their positive fair values. The Association's counterparty has a current rating of A (Fitch) and A1 (Moody's).

**Basis risk:** All but three of the Association's swaps have a dual basis: 68% of Securities Industry and Financial Markets Association (SIFMA) index plus 20 basis points when the one-month Secured Overnight Financing Rate (SOFR) is less than either 3.5% or 4.0% (depending on the bond series). Two non-dual basis swaps have a basis of SIFMA plus 20 basis points, and one has a basis of SOFR plus 45 basis points. The Association is exposed to basis risk on dual basis swaps when variable payments received are based on SOFR and do not offset the variable rate paid on bonds, which is based on SIFMA. On June 30, 2026, SIFMA was 2.67% and one-month SOFR was 3.68%.

**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 counterparty to the extent of any negative fair value amounts. The risk may be offset by identifying a suitable counterparty willing to enter into identical swap contracts at the termination date.

The swaps were entered into for the purpose of hedging the change in interest rates of specific series of variable-rate bonds. From time to time, certain hedged bonds may be redeemed early, refinanced or reissued resulting in the termination of existing hedging relationships and the creation of new hedging relationships if permitted. The accounting rules provide that at the time such events occur, the swap's then fair value, or balance in the deferral account, for the related swap should be reduced to zero and offset by a new balance which shall be amortized on fixed rate interest expense basis over a period equal to the shorter of the remaining term of the refunding bonds, refunded bonds, or swap. In future periods reductions in the amortizing balances are recorded as interest expense, and to the extent a new hedging relationship can be established by the swap, it is a hedging swap and future changes in fair value are recorded as deferred inflows/outflows. If no new hedging relationship can be established, it is an investment swap and the change in fair value for the swap is recognized as investment earnings in the current period.

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

Hedging Fair Values in the table below includes the value of the amortizing balances.

## Interest Rate Swap Agreements (in thousands) 2026

| Parity<br>Indenture | Series        | Outstanding<br>Notional Amount |                 | Fair Values    |                 | Change in Fair Values |               |
|---------------------|---------------|--------------------------------|-----------------|----------------|-----------------|-----------------------|---------------|
|                     |               | Hedging                        | Investment      | Hedging        | Investment      | Hedging               | Investment    |
| 2015A               | 2003 Series A | \$ -                           | \$ -            | \$ -           | \$ -            | \$ 5                  | \$ -          |
| 2015A               | 2003 Series D | -                              | -               | -              | -               | 1                     | -             |
| 2016A               | 2003 Series E | -                              | -               | -              | -               | -                     | 1             |
| 2016A               | 2004 Series A | -                              | -               | -              | -               | 2                     | -             |
| 2019                | 2004 Series B | -                              | 290             | (1)            | (2)             | 14                    | (3)           |
| 2016A               | 2004 Series C | -                              | -               | -              | -               | -                     | 1             |
| 2016A               | 2004 Series D | 1,110                          | -               | (16)           | -               | 18                    | -             |
| 2016A               | 2005 Series A | 1,435                          | -               | (27)           | -               | 23                    | -             |
| 2009A               | 2005 Series B | -                              | 1,255           | -              | (36)            | -                     | 32            |
| 2009A               | 2005 Series C | -                              | 1,315           | -              | (34)            | -                     | 28            |
| 2016A               | 2005 Series D | 1,395                          | -               | (25)           | -               | 21                    | -             |
| 2016A               | 2005 Series E | 1,500                          | -               | (30)           | -               | 24                    | -             |
| 2009A               | 2005 Series F | -                              | 1,670           | -              | (57)            | -                     | 41            |
| 2009A               | 2006 Series A | -                              | 1,740           | -              | (60)            | -                     | 36            |
| 2009A               | 2006 Series B | -                              | -               | -              | -               | 3                     | -             |
| 2019                | 2007 Series A | -                              | 280             | -              | (3)             | 14                    | (2)           |
|                     |               | <u>\$ 5,440</u>                | <u>\$ 6,550</u> | <u>\$ (99)</u> | <u>\$ (192)</u> | <u>\$ 125</u>         | <u>\$ 134</u> |

## Interest Rate Swap Agreements (in thousands) 2026

| Parity<br>Indenture | Series        | Fixed Rate<br>Paid by<br>IHFA | Variable Rate<br>Received by IHFA from<br>Interest Rate Contract<br>Provider | Interest Rate<br>Contract Provider | Credit<br>Rating | Scheduled<br>Termination<br>Date | Inception<br>Date |
|---------------------|---------------|-------------------------------|------------------------------------------------------------------------------|------------------------------------|------------------|----------------------------------|-------------------|
|                     |               |                               |                                                                              |                                    |                  |                                  |                   |
| 2015A               | 2003 Series A | 4.5190                        | 68% 1M (or SIFMA 1M<3.5%) +20                                                | Barclays Capital                   | A/A1             | 1/1/2026                         | 11/6/2008         |
| 2015A               | 2003 Series D | 4.8400                        | 100% 1W SIFMA + 20 bp                                                        | Barclays Capital                   | A/A1             | 7/1/2025                         | 11/6/2008         |
| 2016A               | 2003 Series E | 4.5300                        | 100% 1W SIFMA + 20 bp                                                        | Barclays Capital                   | A/A1             | 7/1/2025                         | 7/6/2016          |
| 2016A               | 2004 Series A | 4.0290                        | 68% 1M (or SIFMA 1M<3.5%) +20                                                | Barclays Capital                   | A/A1             | 1/1/2026                         | 7/6/2016          |
| 2019                | 2004 Series B | 4.3700                        | 68% 1M (or SIFMA 1M<3.5%) +20                                                | Barclays Capital                   | A/A1             | 1/1/2027                         | 7/6/2016          |
| 2016A               | 2004 Series C | 4.3300                        | 68% 1M (or SIFMA 1M<3.5%) +20                                                | Barclays Capital                   | A/A1             | 7/1/2025                         | 7/6/2016          |
| 2016A               | 2004 Series D | 3.8500                        | 68% 1M (or SIFMA 1M<3.5%) +20                                                | Barclays Capital                   | A/A1             | 1/1/2028                         | 7/6/2016          |
| 2016A               | 2005 Series A | 3.9000                        | 68% 1M (or SIFMA 1M<3.5%) +20                                                | Barclays Capital                   | A/A1             | 1/1/2029                         | 7/6/2016          |
| 2009A               | 2005 Series B | 3.9850                        | 68% 1M (or SIFMA 1M<3.5%) +20                                                | Barclays Capital                   | A/A1             | 7/1/2028                         | 11/7/2008         |
| 2009A               | 2005 Series C | 3.7300                        | 68% 1M (or SIFMA 1M<3.5%) +20                                                | Barclays Capital                   | A/A1             | 7/1/2028                         | 11/7/2008         |
| 2016A               | 2005 Series D | 3.8650                        | 68% 1M (or SIFMA 1M<4.0%) +20                                                | Barclays Capital                   | A/A1             | 7/1/2028                         | 7/6/2016          |
| 2016A               | 2005 Series E | 3.9300                        | 68% 1M (or SIFMA 1M<4.0%) +20                                                | Barclays Capital                   | A/A1             | 1/1/2029                         | 7/6/2016          |
| 2009A               | 2005 Series F | 4.0950                        | 68% 1M (or SIFMA 1M<4.0%) +20                                                | Barclays Capital                   | A/A1             | 1/1/2029                         | 11/7/2008         |
| 2009A               | 2006 Series A | 4.1000                        | 68% 1M (or SIFMA 1M<4.0%) +20                                                | Barclays Capital                   | A/A1             | 1/1/2029                         | 11/7/2008         |
| 2009A               | 2006 Series B | 4.3500                        | 68% 1M (or SIFMA 1M<4.0%) +20                                                | Barclays Capital                   | A/A1             | 7/1/2025                         | 11/7/2008         |
| 2019                | 2007 Series A | 5.0307                        | 100% 1M LIBOR + 45 bp                                                        | Barclays Capital                   | A/A1             | 7/1/2026                         | 7/3/2017          |

# Idaho Housing and Finance Association

## Notes to Financial Statements

June 30, 2026 and 2025

### Interest Rate Swap Agreements (in thousands) 2025

| Parity<br>Indenture | Series        | Outstanding<br>Notional Amount |                  | Fair Values     |                 | Change in Fair Values |                 |
|---------------------|---------------|--------------------------------|------------------|-----------------|-----------------|-----------------------|-----------------|
|                     |               | Hedging                        | Investment       | Hedging         | Investment      | Hedging               | Investment      |
| 2015A               | 2003 Series A | \$ 435                         | \$ -             | \$ (5)          | \$ -            | \$ 1                  | \$ -            |
| 2015A               | 2003 Series C | -                              | 10               | -               | -               | 2                     | -               |
| 2014A               | 2003 Series D | 195                            | -                | (1)             | -               | 4                     | -               |
| 2016A               | 2003 Series E | -                              | 195              | -               | (1)             | 8                     | (7)             |
| 2016A               | 2004 Series A | 355                            | -                | (2)             | -               | (3)                   | -               |
| 2016A               | 2004 Series B | -                              | 825              | (14)            | 1               | 13                    | (20)            |
| 2016A               | 2004 Series C | -                              | 260              | -               | (1)             | 9                     | (9)             |
| 2016A               | 2004 Series D | 1,730                          | -                | (33)            | -               | (30)                  | -               |
| 2016A               | 2005 Series A | 2,025                          | -                | (51)            | -               | (36)                  | -               |
| 2009A               | 2005 Series B | -                              | 1,855            | -               | (68)            | (35)                  | 8               |
| 2009A               | 2005 Series C | -                              | 1,910            | -               | (63)            | (34)                  | 2               |
| 2016A               | 2005 Series D | 2,000                          | -                | (47)            | -               | (37)                  | -               |
| 2016A               | 2005 Series E | 2,105                          | -                | (54)            | -               | (39)                  | -               |
| 2009A               | 2005 Series F | -                              | 2,285            | -               | (97)            | (44)                  | 7               |
| 2009A               | 2006 Series A | -                              | 2,340            | -               | (96)            | 62                    | (95)            |
| 2009A               | 2006 Series B | 130                            | -                | (3)             | -               | 10                    | -               |
| 2009A               | 2006 Series C | -                              | -                | -               | -               | 12                    | -               |
| 2009A               | 2006 Series D | -                              | -                | -               | -               | 14                    | -               |
| 2013A               | 2007 Series A | -                              | 960              | (14)            | (1)             | 11                    | (29)            |
|                     |               | <u>\$ 8,975</u>                | <u>\$ 10,640</u> | <u>\$ (224)</u> | <u>\$ (326)</u> | <u>\$ (112)</u>       | <u>\$ (143)</u> |

### Interest Rate Swap Agreements (in thousands) 2025

| 2019                |               |                               |                                                             |                                    |                  |                                  |                   |
|---------------------|---------------|-------------------------------|-------------------------------------------------------------|------------------------------------|------------------|----------------------------------|-------------------|
| Parity<br>Indenture | Series        | Fixed Rate<br>Paid by<br>IHFA | Variable Rate                                               | Interest Rate<br>Contract Provider | Credit<br>Rating | Scheduled<br>Termination<br>Date | Inception<br>Date |
|                     |               |                               | Received by IHFA from<br>Interest Rate Contract<br>Provider |                                    |                  |                                  |                   |
| 2015A               | 2003 Series A | 4.519%                        | 68% 1M (or SIFMA 1M<3.5%) +20                               | Barclays Capital                   | A+/A1/AA-        | 1/1/2026                         | 11/6/2008         |
| 2015A               | 2003 Series C | 3.780%                        | 100% 1W SIFMA + 20 bp                                       | Barclays Capital                   | A+/A1/AA-        | 7/1/2025                         | 11/6/2008         |
| 2014A               | 2003 Series D | 4.840%                        | 100% 1W SIFMA + 20 bp                                       | Barclays Capital                   | A+/A1/AA-        | 7/1/2025                         | 11/6/2008         |
| 2016A               | 2003 Series E | 4.530%                        | 100% 1W SIFMA + 20 bp                                       | Barclays Capital                   | A+/A1/AA-        | 7/1/2025                         | 7/6/2016          |
| 2016A               | 2004 Series A | 4.029%                        | 68% 1M (or SIFMA 1M<3.5%) +20                               | Barclays Capital                   | A+/A1/AA-        | 1/1/2026                         | 7/6/2016          |
| 2016A               | 2004 Series B | 4.370%                        | 68% 1M (or SIFMA 1M<3.5%) +20                               | Barclays Capital                   | A+/A1/AA-        | 1/1/2027                         | 7/6/2016          |
| 2016A               | 2004 Series C | 4.330%                        | 68% 1M (or SIFMA 1M<3.5%) +20                               | Barclays Capital                   | A+/A1/AA-        | 7/1/2025                         | 7/6/2016          |
| 2016A               | 2004 Series D | 3.850%                        | 68% 1M (or SIFMA 1M<3.5%) +20                               | Barclays Capital                   | A+/A1/AA-        | 1/1/2028                         | 7/6/2016          |
| 2016A               | 2005 Series A | 3.900%                        | 68% 1M (or SIFMA 1M<3.5%) +20                               | Barclays Capital                   | A+/A1/AA-        | 1/1/2029                         | 7/6/2016          |
| 2009A               | 2005 Series B | 3.985%                        | 68% 1M (or SIFMA 1M<3.5%) +20                               | Barclays Capital                   | A+/A1/AA-        | 7/1/2028                         | 11/7/2008         |
| 2009A               | 2005 Series C | 3.730%                        | 68% 1M (or SIFMA 1M<3.5%) +20                               | Barclays Capital                   | A+/A1/AA-        | 7/1/2028                         | 11/7/2008         |
| 2016A               | 2005 Series D | 3.865%                        | 68% 1M (or SIFMA 1M<4.0%) +20                               | Barclays Capital                   | A+/A1/AA-        | 7/1/2028                         | 7/6/2016          |
| 2016A               | 2005 Series E | 3.930%                        | 68% 1M (or SIFMA 1M<4.0%) +20                               | Barclays Capital                   | A+/A1/AA-        | 1/1/2029                         | 7/6/2016          |
| 2009A               | 2005 Series F | 4.095%                        | 68% 1M (or SIFMA 1M<4.0%) +20                               | Barclays Capital                   | A+/A1/AA-        | 1/1/2029                         | 11/7/2008         |
| 2009A               | 2006 Series A | 4.100%                        | 68% 1M (or SIFMA 1M<4.0%) +20                               | Barclays Capital                   | A+/A1/AA-        | 1/1/2029                         | 11/7/2008         |
| 2009A               | 2006 Series B | 4.350%                        | 68% 1M (or SIFMA 1M<4.0%) +20                               | Barclays Capital                   | A+/A1/AA-        | 7/1/2025                         | 11/7/2008         |
| 2009A               | 2006 Series C | 4.360%                        | 68% 1M (or SIFMA 1M<4.0%) +20                               | Barclays Capital                   | A+/A1/AA-        | 1/1/2025                         | 11/7/2008         |
| 2009A               | 2006 Series D | 4.450%                        | 68% 1M (or SIFMA 1M<4.0%) +20                               | Barclays Capital                   | A+/A1/AA-        | 1/1/2025                         | 11/7/2008         |
| 2013A               | 2007 Series A | 5.031%                        | 100% 1M LIBOR + 45 bp                                       | Barclays Capital                   | A+/A1/AA-        | 7/1/2026                         | 7/3/2017          |

At June 30, 2026 and 2025, the Association had \$384.500 million and \$492.500 million, respectively, 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

(in thousands)

2026

| Contract  | Coupon rate | Outstanding<br>Notional Amount | Fair Values | Counterparty<br>Credit Rating |
|-----------|-------------|--------------------------------|-------------|-------------------------------|
| 7/20/2026 | 5.50%       | 1,000                          | 3           | A+                            |
| 7/20/2026 | 4.50%       | 500                            | (21)        | A+                            |
| 8/20/2026 | 5.00%       | 3,000                          | (51)        | BBB+                          |
| 8/13/2026 | 5.00%       | 2,000                          | (40)        | BBB+                          |
| 7/20/2026 | 5.50%       | 4,000                          | 14          | BBB+                          |
| 7/20/2026 | 5.50%       | 14,000                         | 48          | BBB+                          |
| 7/13/2026 | 5.00%       | 2,000                          | (38)        | BBB+                          |
| 7/13/2026 | 5.00%       | 1,000                          | (19)        | BBB+                          |
| 7/20/2026 | 4.50%       | 1,000                          | (42)        | BBB+                          |
| 8/20/2026 | 4.00%       | 1,000                          | (74)        | A+                            |
| 8/13/2026 | 5.00%       | 1,000                          | (20)        | A+                            |
| 8/20/2026 | 5.50%       | 4,000                          | 8           | A+                            |
| 8/20/2026 | 4.50%       | 2,000                          | (86)        | A+                            |
| 7/13/2026 | 4.00%       | 1,000                          | (68)        | A+                            |
| 7/13/2026 | 4.50%       | 1,000                          | (44)        | A+                            |
| 7/13/2026 | 5.00%       | 1,000                          | (19)        | BBB+                          |
| 7/13/2026 | 5.50%       | 1,500                          | 3           | A+                            |
| 7/20/2026 | 5.00%       | 3,000                          | (47)        | A+                            |
| 7/20/2026 | 5.50%       | 4,000                          | 14          | BBB+                          |
| 7/13/2026 | 4.00%       | 500                            | (34)        | A+                            |
| 7/20/2026 | 5.00%       | 3,000                          | (47)        | A+                            |
| 7/20/2026 | 5.00%       | 2,000                          | (32)        | A+                            |
| 7/20/2026 | 4.50%       | 1,000                          | (42)        | BBB+                          |
| 7/20/2026 | 5.50%       | 4,000                          | 14          | BBB+                          |

## Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

## TBA Forward Contracts

(in thousands)

2026

| Contract  | Coupon rate | Outstanding<br>Notional Amount | Fair Values | Counterparty<br>Credit Rating |
|-----------|-------------|--------------------------------|-------------|-------------------------------|
| 9/14/2026 | 5.00%       | 2,000                          | (43)        | A+                            |
| 9/21/2026 | 5.00%       | 1,000                          | (18)        | A+                            |
| 9/21/2026 | 5.00%       | 2,000                          | (37)        | A+                            |
| 9/21/2026 | 5.00%       | 3,000                          | (55)        | A+                            |
| 8/20/2026 | 5.50%       | 10,000                         | 19          | BBB+                          |
| 8/13/2026 | 5.50%       | 3,000                          | 2           | BBB+                          |
| 8/13/2026 | 5.50%       | 3,000                          | 2           | BBB+                          |
| 8/20/2026 | 5.00%       | 2,000                          | (34)        | BBB+                          |
| 7/13/2026 | 5.50%       | 3,000                          | 7           | BBB+                          |
| 7/13/2026 | 4.00%       | 500                            | (34)        | A+                            |
| 7/13/2026 | 4.50%       | 1,000                          | (44)        | A+                            |
| 7/13/2026 | 5.50%       | 8,500                          | 19          | BBB+                          |
| 7/13/2026 | 5.50%       | 5,000                          | 11          | BBB+                          |
| 7/20/2026 | 4.00%       | 3,000                          | (222)       | BBB+                          |
| 7/20/2026 | 5.00%       | 2,000                          | (32)        | A+                            |
| 7/20/2026 | 3.50%       | 2,000                          | (211)       | BBB+                          |
| 7/20/2026 | 4.00%       | 3,000                          | (222)       | BBB+                          |
| 7/20/2026 | 5.50%       | 2,000                          | 7           | BBB+                          |
| 7/20/2026 | 6.00%       | 3,000                          | 60          | BBB+                          |
| 7/13/2026 | 4.50%       | 500                            | (22)        | BBB+                          |
| 9/21/2026 | 5.50%       | 7,000                          | 4           | BBB+                          |
| 9/14/2026 | 5.00%       | 1,000                          | (21)        | BBB+                          |
| 9/21/2026 | 5.00%       | 4,000                          | (74)        | BBB+                          |
| 8/20/2026 | 5.00%       | 10,000                         | (170)       | A-                            |
| 8/20/2026 | 5.50%       | 6,000                          | 11          | A-                            |
| 8/13/2026 | 5.00%       | 1,500                          | (30)        | A-                            |
| 7/13/2026 | 5.00%       | 4,000                          | (76)        | A-                            |
| 7/20/2026 | 5.50%       | 4,000                          | 14          | BBB+                          |
| 7/20/2026 | 5.50%       | 500                            | 2           | A-                            |
| 7/20/2026 | 5.50%       | 3,000                          | 10          | A-                            |
| 8/20/2026 | 5.50%       | 8,000                          | 15          | AA+                           |
| 8/20/2026 | 5.50%       | 2,000                          | 4           | AA+                           |
| 8/20/2026 | 5.50%       | 5,000                          | 9           | AA+                           |
| 7/13/2026 | 5.00%       | 6,000                          | (114)       | AA+                           |
| 7/20/2026 | 5.50%       | 19,000                         | 65          | AA+                           |
| 7/13/2026 | 5.00%       | 2,000                          | (38)        | BBB+                          |
| 7/13/2026 | 4.00%       | 1,000                          | (68)        | A+                            |

## Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

## TBA Forward Contracts

(in thousands)

2026

| Contract  | Coupon rate | Outstanding<br>Notional Amount | Fair Values | Counterparty<br>Credit Rating |
|-----------|-------------|--------------------------------|-------------|-------------------------------|
| 7/13/2026 | 4.50%       | 2,000                          | (88)        | AA+                           |
| 7/13/2026 | 5.50%       | 2,000                          | 4           | AA+                           |
| 7/13/2026 | 5.00%       | 5,000                          | (95)        | AA+                           |
| 8/20/2026 | 5.50%       | 5,000                          | 9           | AA+                           |
| 8/20/2026 | 5.50%       | 8,000                          | 15          | AA+                           |
| 8/20/2026 | 5.50%       | 6,000                          | 11          | A-                            |
| 8/20/2026 | 5.00%       | 4,000                          | (68)        | BBB+                          |
| 7/13/2026 | 5.00%       | 4,000                          | (76)        | A-                            |
| 7/20/2026 | 5.50%       | 3,000                          | 10          | A-                            |
| 7/20/2026 | 5.50%       | 7,000                          | 24          | BBB+                          |
| 7/20/2026 | 5.50%       | 1,000                          | 3           | A+                            |
| 7/20/2026 | 5.50%       | 3,000                          | 10          | A-                            |
| 7/20/2026 | 4.00%       | 3,000                          | (222)       | BBB+                          |
| 7/20/2026 | 4.00%       | 500                            | (37)        | BBB+                          |
| 8/20/2026 | 5.00%       | 2,000                          | (34)        | BBB+                          |
| 7/13/2026 | 5.50%       | 4,000                          | 9           | BBB                           |
| 7/13/2026 | 5.00%       | 1,000                          | (19)        | BBB+                          |
| 7/13/2026 | 4.50%       | 1,000                          | (44)        | A+                            |
| 7/13/2026 | 5.00%       | 3,000                          | (57)        | BBB                           |
| 7/13/2026 | 5.50%       | 1,000                          | 2           | BBB                           |
| 7/20/2026 | 5.50%       | 1,000                          | 3           | A+                            |
| 7/20/2026 | 5.00%       | 3,500                          | (55)        | BBB                           |
| 7/20/2026 | 4.50%       | 1,000                          | (42)        | BBB+                          |
| 7/20/2026 | 5.50%       | 4,000                          | 14          | BBB+                          |
| 7/20/2026 | 5.50%       | 9,000                          | 31          | BBB                           |
| 7/20/2026 | 5.50%       | 2,000                          | 7           | BBB+                          |
| 9/14/2026 | 5.00%       | 2,000                          | (43)        | A+                            |
| 8/13/2026 | 5.50%       | 2,000                          | 1           | A-                            |
| 8/13/2026 | 5.50%       | 2,500                          | 2           | A-                            |
| 8/13/2026 | 5.00%       | 1,000                          | (20)        | A+                            |
| 8/20/2026 | 5.50%       | 2,000                          | 4           | AA+                           |
| 7/13/2026 | 4.50%       | 1,000                          | (44)        | A+                            |
| 7/13/2026 | 5.00%       | 1,500                          | (29)        | A-                            |
| 7/13/2026 | 5.50%       | 11,000                         | 24          | A-                            |
| 7/20/2026 | 5.50%       | 5,000                          | 17          | A-                            |
| 7/20/2026 | 5.00%       | 2,000                          | (32)        | A+                            |
| 7/20/2026 | 5.50%       | 5,000                          | 17          | A-                            |

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

## TBA Forward Contracts

(in thousands)

2026

| Contract  | Coupon rate | Outstanding<br>Notional Amount | Fair Values | Counterparty<br>Credit Rating |
|-----------|-------------|--------------------------------|-------------|-------------------------------|
| 7/20/2026 | 5.00%       | 2,500                          | (39)        | A-                            |
| 7/20/2026 | 4.50%       | 2,000                          | (85)        | A-                            |
| 7/20/2026 | 4.00%       | 7,500                          | (554)       | A-                            |
| 7/20/2026 | 5.00%       | 3,000                          | (47)        | A+                            |
| 7/13/2026 | 4.50%       | 1,000                          | (44)        | A+                            |
| 7/20/2026 | 5.50%       | 1,000                          | 3           | A+                            |
| 9/14/2026 | 5.00%       | 1,500                          | (32)        | A-                            |
| 9/14/2026 | 4.50%       | 2,000                          | (92)        | A-                            |
| 8/20/2026 | 5.50%       | 8,000                          | 15          | AA+                           |
| 7/13/2026 | 4.50%       | 3,000                          | (131)       | BBB                           |
| 7/13/2026 | 5.00%       | 5,000                          | (95)        | AA+                           |
| 7/20/2026 | 5.50%       | 4,000                          | 14          | BBB+                          |
| 7/20/2026 | 5.50%       | 12,500                         | 43          | BBB                           |
| 7/20/2026 | 6.00%       | 500                            | 10          | BBB                           |
| 7/20/2026 | 5.50%       | 5,000                          | 17          | A-                            |
| 7/20/2026 | 4.00%       | 2,000                          | (148)       | BBB                           |
| 7/13/2026 | 5.00%       | 1,000                          | (19)        | BBB+                          |
|           |             | \$ 384,500                     | \$ (3,896)  |                               |

## Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

| TBA Forward Contracts<br>(in thousands)<br>2025 |             |                                |             |                               |  |
|-------------------------------------------------|-------------|--------------------------------|-------------|-------------------------------|--|
| Contract                                        | Coupon rate | Outstanding<br>Notional Amount | Fair Values | Counterparty<br>Credit Rating |  |
| August 20, 2024                                 | 5.50%       | \$ 3,000                       | \$ (58)     | BBB                           |  |
| August 20, 2024                                 | 6.00%       | 1,000                          | (19)        | BBB+                          |  |
| August 20, 2024                                 | 6.50%       | 1,000                          | (19)        | BBB+                          |  |
| July 15, 2024                                   | 6.00%       | 1,000                          | -           | AA+                           |  |
| July 15, 2024                                   | 5.00%       | 1,000                          | -           | AA+                           |  |
| July 15, 2024                                   | 5.50%       | 2,000                          | -           | AA+                           |  |
| July 15, 2024                                   | 6.00%       | 1,000                          | (43)        | AA+                           |  |
| July 15, 2024                                   | 6.50%       | 1,000                          | -           | A-                            |  |
| July 22, 2024                                   | 6.50%       | 3,000                          | (58)        | BBB                           |  |
| July 22, 2024                                   | 4.50%       | 1,000                          | (19)        | BBB                           |  |
| July 22, 2024                                   | 4.50%       | 2,000                          | -           | A+                            |  |
| July 22, 2024                                   | 5.00%       | 3,000                          | -           | BBB+                          |  |
| July 22, 2024                                   | 5.00%       | 1,500                          | (29)        | BBB+                          |  |
| July 22, 2024                                   | 5.50%       | 8,500                          | 141         | BBB+                          |  |
| July 22, 2024                                   | 6.00%       | 1,000                          | -           | A-                            |  |
| July 22, 2024                                   | 6.50%       | 2,000                          | (39)        | BBB+                          |  |
| July 22, 2024                                   | 6.50%       | 7,000                          | (136)       | BBB+                          |  |
| September 16, 2024                              | 6.00%       | 7,000                          | 1           | AA+                           |  |
| September 23, 2024                              | 5.50%       | 2,000                          | -           | BBB                           |  |
| September 23, 2024                              | 5.50%       | 1,000                          | 17          | BBB                           |  |
| September 23, 2024                              | 5.50%       | 1,000                          | 17          | BBB                           |  |
| September 23, 2024                              | 5.50%       | 3,000                          | -           | BBB                           |  |
| September 23, 2024                              | 5.50%       | 1,000                          | -           | BBB                           |  |
| September 23, 2024                              | 5.50%       | 1,000                          | (19)        | BBB                           |  |
| September 23, 2024                              | 5.50%       | 1,000                          | -           | BBB                           |  |
| September 23, 2024                              | 5.50%       | 6,000                          | 99          | BBB                           |  |
| September 23, 2024                              | 5.50%       | 2,000                          | (39)        | BBB                           |  |
| September 23, 2024                              | 5.50%       | 6,000                          | 99          | BBB                           |  |
| September 23, 2024                              | 5.50%       | 1,500                          | 25          | BBB                           |  |
| September 23, 2024                              | 5.50%       | 1,000                          | (19)        | BBB                           |  |
| September 23, 2024                              | 5.50%       | 500                            | (21)        | BBB                           |  |
| September 23, 2024                              | 5.50%       | 3,000                          | (58)        | BBB                           |  |
| September 23, 2024                              | 5.50%       | 3,500                          | 1           | BBB                           |  |
| September 23, 2024                              | 5.50%       | 3,000                          | -           | BBB                           |  |
| September 23, 2024                              | 5.50%       | 1,000                          | 17          | BBB                           |  |
| September 23, 2024                              | 5.50%       | 500                            | -           | BBB                           |  |
| September 23, 2024                              | 5.50%       | 1,000                          | (43)        | BBB                           |  |

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

## TBA Forward Contracts

(in thousands)

2025

| Contract           | Coupon rate | Outstanding<br>Notional Amount | Fair Values | Counterparty<br>Credit Rating |
|--------------------|-------------|--------------------------------|-------------|-------------------------------|
| September 23, 2024 | 5.50%       | 1,000                          | (43)        | BBB                           |
| September 23, 2024 | 5.50%       | 8,000                          | 113         | BBB                           |
| September 23, 2024 | 5.50%       | 5,000                          | 5           | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | (85)        | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | (36)        | BBB                           |
| September 23, 2024 | 5.50%       | 4,000                          | 4           | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | 42          | BBB                           |
| September 23, 2024 | 5.50%       | 4,500                          | 5           | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 2           | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | (43)        | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | (18)        | BBB                           |
| September 23, 2024 | 5.50%       | 6,000                          | 7           | BBB                           |
| September 23, 2024 | 5.50%       | 9,000                          | 127         | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 55          | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | (272)       | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | (36)        | BBB                           |
| September 23, 2024 | 5.50%       | 1,500                          | (27)        | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | (18)        | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 2           | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 28          | BBB                           |
| September 23, 2024 | 5.50%       | 5,000                          | 5           | BBB                           |
| September 23, 2024 | 5.50%       | 4,000                          | 56          | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 28          | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | 3           | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 2           | BBB                           |
| September 23, 2024 | 5.50%       | 5,000                          | 70          | BBB                           |
| September 23, 2024 | 5.50%       | 7,000                          | 8           | BBB                           |
| September 23, 2024 | 5.50%       | 5,000                          | 5           | BBB                           |
| September 23, 2024 | 5.50%       | 15,000                         | 16          | BBB                           |
| September 23, 2024 | 5.50%       | 21,000                         | 295         | BBB                           |
| September 23, 2024 | 5.50%       | 6,000                          | (108)       | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 1           | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 2           | BBB                           |
| September 23, 2024 | 5.50%       | 4,000                          | (72)        | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | (85)        | BBB                           |
| September 23, 2024 | 5.50%       | 16,000                         | (288)       | BBB                           |
| September 23, 2024 | 5.50%       | 22,000                         | 24          | BBB                           |

TBA Forward Contracts  
(in thousands)

2025

| Contract           | Coupon rate | Outstanding<br>Notional Amount | Fair Values | Counterparty<br>Credit Rating |
|--------------------|-------------|--------------------------------|-------------|-------------------------------|
| September 23, 2024 | 5.50%       | 5,000                          | 70          | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 28          | BBB                           |
| September 23, 2024 | 5.50%       | 14,000                         | 197         | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 1           | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 1           | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | (54)        | BBB                           |
| September 23, 2024 | 5.50%       | 5,000                          | 5           | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | 42          | BBB                           |
| September 23, 2024 | 5.50%       | 4,000                          | 56          | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | (36)        | BBB                           |
| September 23, 2024 | 5.50%       | 11,000                         | 12          | BBB                           |
| September 23, 2024 | 5.50%       | 9,500                          | 134         | BBB                           |
| September 23, 2024 | 5.50%       | 5,000                          | (352)       | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 14          | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | 3           | BBB                           |
| September 23, 2024 | 5.50%       | 6,000                          | (108)       | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | (128)       | BBB                           |
| September 23, 2024 | 5.50%       | 10,000                         | (180)       | BBB                           |
| September 23, 2024 | 5.50%       | 4,000                          | 4           | BBB                           |
| September 23, 2024 | 5.50%       | 7,000                          | 8           | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 28          | BBB                           |
| September 23, 2024 | 5.50%       | 3,500                          | (63)        | BBB                           |
| September 23, 2024 | 5.50%       | 4,500                          | (81)        | BBB                           |
| September 23, 2024 | 5.50%       | 5,000                          | 70          | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | 83          | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | 3           | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | (18)        | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 1           | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | (18)        | BBB                           |
| September 23, 2024 | 5.50%       | 2,500                          | 35          | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 32          | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | -           | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 32          | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | 47          | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | -           | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 32          | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | (1)         | BBB                           |

# Idaho Housing and Finance Association

Notes to Financial Statements

June 30, 2026 and 2025

## TBA Forward Contracts (in thousands)

2025

| Contract           | Coupon rate | Outstanding<br>Notional Amount | Fair Values | Counterparty<br>Credit Rating |
|--------------------|-------------|--------------------------------|-------------|-------------------------------|
| September 23, 2024 | 5.50%       | 1,500                          | 24          | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | -           | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 32          | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 16          | BBB                           |
| September 23, 2024 | 5.50%       | 7,000                          | 93          | BBB                           |
| September 23, 2024 | 5.50%       | 5,000                          | 4           | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 1           | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 2           | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | 40          | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 1           | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | 40          | BBB                           |
| September 23, 2024 | 5.50%       | 6,000                          | 80          | BBB                           |
| September 23, 2024 | 5.50%       | 5,000                          | 141         | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | 2           | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | (18)        | BBB                           |
| September 23, 2024 | 5.50%       | 4,000                          | 53          | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 27          | BBB                           |
| September 23, 2024 | 5.50%       | 5,000                          | 66          | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 2           | BBB                           |
| September 23, 2024 | 5.50%       | 5,000                          | 66          | BBB                           |
| September 23, 2024 | 5.50%       | 4,000                          | 53          | BBB                           |
| September 23, 2024 | 5.50%       | 3,000                          | 2           | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 27          | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 1           | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 2           | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 27          | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 1           | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 25          | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 27          | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | (36)        | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 27          | BBB                           |
| September 23, 2024 | 5.50%       | 2,000                          | 61          | BBB                           |
| September 23, 2024 | 5.50%       | 1,000                          | 15          | BBB                           |
|                    |             | \$ 492,500                     | \$ 375      |                               |

**Note 13 - 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 Principle Insurance. Employees are eligible to participate in the retirement plan after completion of 1,040 hours (6 months) 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 year ended June 30, 2026 and 2025, were \$2.301 million and \$2.069 million, 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 99 percent per year (or a maximum of \$23,000 for those under 50 and \$32,500 for those 50 and older, and those between 60-63 a maximum amount of \$35,750) 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 ended June 30, 2026 and 2025 were \$395,000 and \$359,000, 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.

**Note 14 - Conduit Debt Obligations**

GASB Statement No. 91 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 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, 2026 and 2025, there were eighty-six and eighty-one 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 \$1,053.445 million and \$920.226 million, respectively.

The Association services conduit debt obligations for housing and transportation-related bond issuances. The Association is not obligated in any manner for repayment of these housing and transportation-related conduit debt obligations. The Association has determined that this series of outstanding bonds meets the description of conduit debt obligations. The total outstanding indebtedness and accrued interest as of June 30, 2026 and 2025, is \$1.816 billion and \$1.886 billion, respectively.

**Note 15 - Risk Management**

The Association maintains commercial insurance coverage for officer errors and omissions, tort claims, property loss and other casualties. WCF writes the Association's workers' compensation coverage. The Association's premiums and loss experience modifications are based on the loss experience of the Association. Claims have not exceeded coverage for the past three years.

**Note 16 - Component Units**

The Housing Company (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, 2025, THC had acquired and was operating fifteen multifamily housing complexes; had constructed and was operating twenty-three multifamily housing complexes; had constructed two additional phases of housing to existing developments; had completed renovations of two hotels and turned them into a new multifamily complex; had built a single-family home known as The Cottage with HOME funds; had purchased a single-family home in Canyon County with federal Neighborhood Stabilization Program (NSP) funds and turned 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; had constructed and sold three homes in Nez Perce County with HOME funds; had completed construction on three duplexes in Kuna with HOME and Housing Trust Fund moneys; had started construction on two multifamily complexes in Dillon, Montana and Nampa, Idaho and had obtained land in Boise, Idaho, with the intent of constructing another multifamily complex. Certain personnel of the Association provide services to THC, and three Association Commissioners serve on THC's Board, along with the President of IHFA. As of December 31, 2025, three Association Commissioners and the Association's President serve on THC's Board of Directors. As of June 30, 2026 and 2025, THC paid the Association \$2.198 million and \$2.084 million, respectively, for expenses associated with THC operations. THC owed \$0.234 million and \$0.185 million for the years ended June 30, 2026 and 2025, respectively. As of June 30, 2026 and 2025, ICIH had notes receivable of \$10.661 million and \$7.061 million, respectively, with THC. IHFA is holding a bond for the construction of the Sunset Landing multifamily project in Caldwell, Idaho, of \$7.920 million and \$8.030 million as of June 30, 2026 and 2025, respectively. 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 one IHFA-owned REO rental property. The Association reimburses THC for amounts paid on a yearly basis.

Idaho Housing Foundation (IHF) 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. IHF's Board of Directors consists solely of Association Commissioners. 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 IHF can be obtained from IHF at P.O. Box 7899, Boise, ID 83707.

IHFA Community Investment Holdings (ICIH) was formed to own and hold the real property associated with projects created to support IHFA's mission. ICIH is an Idaho limited liability company with IHFA being the sole member. ICIH has an agreement with THC related to the Teton Mesa 4, Canyon Terrace, Sunset Landing, The Core, and Alder multifamily projects. ICIH has a receivable from THC of \$10.661 million and \$7.061 million in relation to these projects as of June 30, 2026 and 2025.

Other Information  
June 30, 2026

## Idaho Housing and Finance Association

Idaho Housing and Finance Association  
Combined Statement of Net Position – Association Accounts  
June 30, 2026  
(in thousands)

|                                                                   | Business Operations |           |          |              |            | Rating     |              |              |              |            |               |              |              |              |  |  |  |  |
|-------------------------------------------------------------------|---------------------|-----------|----------|--------------|------------|------------|--------------|--------------|--------------|------------|---------------|--------------|--------------|--------------|--|--|--|--|
|                                                                   | General             | Federally | State    |              | Affordable | Compliance | Combined     |              | All          | Idaho      | Idaho         |              | Inter-       | All          |  |  |  |  |
|                                                                   | Operating and       | Assisted  | of Idaho |              | Housing    | and Loan   | Bondholder   |              | Association  | Housing    | Community     |              | Component    | Reporting    |  |  |  |  |
|                                                                   | Custodial           | Program   | Program  | Combined     | Investment | Guarantee  | Trusts (1)   | Interfund    | Accounts     | Foundation | Investment    | HomeLoanServ | Unit         | Entity       |  |  |  |  |
|                                                                   | Accounts            |           |          |              | Trust      | Trust      |              | Eliminations |              |            | Holdings, LLC | Inc.         | Eliminations | Accounts     |  |  |  |  |
| Statement of Net Position                                         |                     |           |          |              |            |            |              |              |              |            |               |              |              |              |  |  |  |  |
| Assets and Deferred Outflow of Resources                          |                     |           |          |              |            |            |              |              |              |            |               |              |              |              |  |  |  |  |
| Cash and cash equivalents                                         | \$ 88,547           | \$ -      | \$ -     | \$ 88,547    | \$ -       | \$ -       | \$ -         | \$ -         | \$ 88,547    | \$ 402     | \$ -          | \$ 3         | \$ -         | \$ 88,952    |  |  |  |  |
| Cash and cash equivalents held in trust or as agent               | 237,073             | 44,066    | -        | 281,139      | -          | -          | -            | -            | 281,139      | 1,557      | 391           | -            | -            | 283,087      |  |  |  |  |
| Cash held in escrow                                               | 357,502             | -         | -        | 357,502      | -          | -          | -            | -            | 357,502      | -          | -             | -            | -            | 357,502      |  |  |  |  |
| Investments, fair value                                           | 94                  | -         | -        | 94           | 1,980      | -          | -            | -            | 2,074        | -          | -             | -            | -            | 2,074        |  |  |  |  |
| Investments held in trust, fair value                             | 165,627             | -         | -        | 165,627      | -          | 3,849      | 2,620,823    | -            | 2,790,299    | 593        | -             | -            | -            | 2,790,892    |  |  |  |  |
| Loans held for investment, net                                    | 168,386             | 24,010    | -        | 192,396      | 126,592    | 3,759      | 67,262       | -            | 390,009      | -          | 12,136        | -            | -            | 402,145      |  |  |  |  |
| Loans available for sale                                          | 150,813             | -         | -        | 150,813      | -          | -          | -            | -            | 150,813      | -          | -             | -            | -            | 150,813      |  |  |  |  |
| Loan servicing contracts                                          | 331,162             | -         | -        | 331,162      | -          | -          | -            | -            | 331,162      | -          | -             | -            | -            | 331,162      |  |  |  |  |
| Loans pending modification                                        | 11,353              | -         | -        | 11,353       | -          | -          | -            | -            | 11,353       | -          | -             | -            | -            | 11,353       |  |  |  |  |
| Property and equipment                                            | 13,195              | -         | -        | 13,195       | 43         | -          | -            | -            | 13,238       | -          | 2,508         | -            | -            | 15,746       |  |  |  |  |
| Right of use lease asset                                          | 825                 | -         | -        | 825          | -          | -          | -            | -            | 825          | -          | -             | -            | -            | 825          |  |  |  |  |
| Derivative Assets                                                 | 2,215               | -         | -        | 2,215        | -          | -          | -            | -            | 2,215        | -          | -             | -            | -            | 2,215        |  |  |  |  |
| Other assets                                                      | 321,569             | 108       | -        | 321,677      | 19,294     | 121,109    | 846          | (167,681)    | 295,245      | 5          | (1)           | -            | (130)        | 295,119      |  |  |  |  |
| Tax exempt mortgage securities asset                              | 133,782             | -         | -        | 133,782      | -          | -          | -            | -            | 133,782      | -          | -             | -            | -            | 133,782      |  |  |  |  |
| State of Idaho GARVEE and TECM Assets                             | -                   | -         | -        | -            | -          | -          | 1,495,747    | -            | 1,495,747    | -          | -             | -            | -            | 1,495,747    |  |  |  |  |
| Deferred outflow---interest rate swap contracts, amortized        | -                   | -         | -        | -            | -          | -          | 160          | -            | 160          | -          | -             | -            | -            | 160          |  |  |  |  |
| Deferred outflow---interest rate swap contracts, fair value       | -                   | -         | -        | -            | -          | -          | -            | -            | -            | -          | -             | -            | -            | -            |  |  |  |  |
| Total assets and deferred outflow of resources                    | \$ 1,982,143        | \$ 68,184 | \$ -     | \$ 2,050,327 | \$ 147,909 | \$ 128,717 | \$ 4,184,838 | \$ (167,681) | \$ 6,344,110 | \$ 2,557   | \$ 15,034     | \$ 3         | \$ (130)     | \$ 6,361,574 |  |  |  |  |
| Liabilities, Deferred Inflow of Resources, and Net Position       |                     |           |          |              |            |            |              |              |              |            |               |              |              |              |  |  |  |  |
| Short Term and Other Borrowing                                    | \$ 605,992          | \$ -      | \$ -     | \$ 605,992   | \$ -       | \$ -       | \$ -         | \$ -         | \$ 605,992   | \$ -       | \$ -          | \$ -         | \$ -         | \$ 605,992   |  |  |  |  |
| Bonds                                                             | 109,285             | -         | -        | 109,285      | -          | -          | 4,030,057    | -            | 4,139,342    | -          | -             | -            | -            | 4,139,342    |  |  |  |  |
| Tax exempt mortgage securities liability                          | 133,782             | -         | -        | 133,782      | -          | -          | -            | -            | 133,782      | -          | -             | -            | -            | 133,782      |  |  |  |  |
| Interest payable-swap contract                                    | -                   | -         | -        | -            | -          | -          | 241          | -            | 241          | -          | -             | -            | -            | 241          |  |  |  |  |
| Investor remittance liability                                     | 200,764             | -         | -        | 200,764      | -          | -          | -            | -            | 200,764      | -          | -             | -            | -            | 200,764      |  |  |  |  |
| Escrow and project reserve deposits                               | 324,497             | 20        | -        | 324,517      | -          | -          | -            | -            | 324,517      | -          | -             | -            | -            | 324,517      |  |  |  |  |
| Swap contract fair value liability                                | -                   | -         | -        | -            | -          | -          | 51           | -            | 51           | -          | -             | -            | -            | 51           |  |  |  |  |
| Derivative Liabilities                                            | 2,850               | -         | -        | 2,850        | -          | -          | -            | -            | 2,850        | -          | -             | -            | -            | 2,850        |  |  |  |  |
| Other liabilities                                                 | 245,365             | 65,336    | -        | 310,701      | 12,475     | -          | 906          | (167,681)    | 156,401      | 250        | -             | -            | -            | 156,651      |  |  |  |  |
| Deferred inflow---interest rate swap contracts, fair value        | -                   | -         | -        | -            | -          | -          | 61           | -            | 61           | -          | -             | -            | -            | 61           |  |  |  |  |
| Net Inv in capital assets                                         | 13,196              | -         | -        | 13,196       | 43         | -          | -            | -            | 13,239       | -          | 2,508         | -            | -            | 15,747       |  |  |  |  |
| Restricted net position                                           | -                   | 2,828     | -        | 2,828        | -          | -          | 153,521      | -            | 156,349      | 2,307      | -             | -            | -            | 158,656      |  |  |  |  |
| Unrestricted net position                                         | 346,412             | -         | -        | 346,412      | 135,391    | 128,717    | 1            | -            | 610,521      | -          | 12,526        | 3            | (130)        | 622,920      |  |  |  |  |
| Total liabilities, deferred inflow of resources, and net position | \$ 1,982,143        | \$ 68,184 | \$ -     | \$ 2,050,327 | \$ 147,909 | \$ 128,717 | \$ 4,184,838 | \$ (167,681) | \$ 6,344,110 | \$ 2,557   | \$ 15,034     | \$ 3         | \$ (130)     | \$ 6,361,574 |  |  |  |  |

Idaho Housing and Finance Association  
Combined Statement of Revenues, Expenses, and Changes in Net Position – Association Accounts  
Year Ended June 30, 2026  
(in thousands)

|                                                                | Business Operations |           |           |            | Affordable | Rating     |            |              |             |             |               |               |              |            |           |  |
|----------------------------------------------------------------|---------------------|-----------|-----------|------------|------------|------------|------------|--------------|-------------|-------------|---------------|---------------|--------------|------------|-----------|--|
|                                                                | General             | Federally | Federally |            | Housing    | Compliance | Combined   |              | All         | The Home    | Idaho         | Idaho         | Inter-       | All        |           |  |
|                                                                | Operating and       | Assisted  | Assisted  | Combined   | Investment | and Loan   | Bondholder | Interfund    | Association | Partnership | Community     | Community     | Component    | Reporting  |           |  |
|                                                                | Custodial           | Program   | Program   |            | Trust      | Guarantee  | Trusts (1) | Eliminations | Accounts    | Foundation  | Investment    | Investment    | Unit         | Entity     |           |  |
|                                                                | Accounts            |           |           |            |            | Trust      |            |              |             |             | Holdings, LLC | Holdings, LLC | Eliminations | Accounts   |           |  |
| Statement of Revenues, Expenses and<br>Changes in Net Position |                     |           |           |            |            |            |            |              |             |             |               |               |              |            |           |  |
| Operating Revenues                                             |                     |           |           |            |            |            |            |              |             |             |               |               |              |            |           |  |
| Gains on loan sales                                            | \$ 15,089           | \$ -      | \$ -      | \$ 15,089  | \$ -       | \$ -       | \$ -       | \$ -         | \$ 15,089   | \$ -        | \$ -          | \$ -          | \$ -         | \$ -       | \$ 15,089 |  |
| Interest on loans and GARVEE pledged revenues                  | 18,278              | 785       | -         | 19,063     | 7,470      | 2,114      | 49,460     | -            | 78,107      | -           | -             | -             | -            | -          | 78,107    |  |
| Interest on investments                                        | 11,334              | 248       | -         | 11,582     | 104        | 162        | 146,513    | -            | 158,361     | 34          | 72            | -             | -            | -          | 158,467   |  |
| Loan servicing fees                                            | 96,153              | 1         | -         | 96,154     | 1          | 4          | 46         | -            | 96,205      | -           | -             | -             | -            | -          | 96,205    |  |
| Contract and grant administration fees                         | 16,435              | 1         | -         | 16,436     | -          | -          | -          | -            | 16,436      | 839         | -             | -             | -            | -          | 17,275    |  |
| Other operating revenues                                       | 6,859               | 150       | -         | 7,009      | 1          | 2          | -          | (839)        | 6,173       | 696         | -             | -             | -            | (335)      | 6,534     |  |
| Total operating revenues                                       | 164,148             | 1,185     | -         | 165,333    | 7,576      | 2,282      | 196,019    | (839)        | 370,371     | 1,569       | 72            | -             | (335)        | 371,677    |           |  |
| Operating Expenses                                             |                     |           |           |            |            |            |            |              |             |             |               |               |              |            |           |  |
| Loan acquisition costs                                         | 42,705              | -         | -         | 42,705     | -          | -          | -          | -            | 42,705      | -           | -             | -             | -            | -          | 42,705    |  |
| Interest                                                       | 35,937              | -         | -         | 35,937     | -          | -          | 186,231    | -            | 222,168     | -           | -             | -             | -            | -          | 222,168   |  |
| Salaries and benefits                                          | 42,055              | -         | -         | 42,055     | -          | -          | -          | -            | 42,055      | 168         | -             | -             | -            | -          | 42,223    |  |
| General operating                                              | 23,977              | 183       | -         | 24,160     | 2          | 2          | 4,978      | -            | 29,142      | 116         | 38            | -             | -            | -          | 29,296    |  |
| Bond financing costs                                           | -                   | -         | -         | -          | -          | -          | 490        | -            | 490         | -           | -             | -             | -            | -          | 490       |  |
| Grants to others                                               | 492                 | -         | -         | 492        | 839        | -          | -          | (839)        | 492         | 1,092       | 1,000         | -             | (335)        | 2,249      |           |  |
| Loss on real estate owned properties                           | 5,678               | 903       | -         | 6,581      | 2,387      | -          | -          | -            | 8,968       | -           | -             | -             | -            | -          | 8,968     |  |
| Other operating expenses                                       | 1,499               | (1)       | -         | 1,498      | -          | -          | 8          | -            | 1,506       | -           | 174           | -             | -            | -          | 1,680     |  |
| Total operating expenses                                       | 152,343             | 1,085     | -         | 153,428    | 3,228      | 2          | 191,707    | (839)        | 347,526     | 1,376       | 1,212         | -             | (335)        | 349,779    |           |  |
| Operating Income (Loss)                                        | 11,805              | 100       | -         | 11,905     | 4,348      | 2,280      | 4,312      | -            | 22,845      | 193         | (1,140)       | -             | -            | 21,898     |           |  |
| Nonoperating Revenues and Expenses                             |                     |           |           |            |            |            |            |              |             |             |               |               |              |            |           |  |
| Net increase (decrease) in fair value of investments           | 1,809               | -         | -         | 1,809      | -          | (21)       | 11,207     | -            | 12,995      | -           | -             | -             | -            | -          | 12,995    |  |
| Net increase (decrease) in fair value of derivatives           | 20,792              | -         | -         | 20,792     | -          | -          | 106        | -            | 20,898      | -           | -             | -             | -            | -          | 20,898    |  |
| Net increase (decrease) in fair value of servicing contracts   | 26,114              | -         | -         | 26,114     | -          | -          | -          | -            | 26,114      | -           | -             | -             | -            | -          | 26,114    |  |
| Federal pass-through revenues                                  | -                   | 81,668    | 10,000    | 91,668     | -          | -          | -          | -            | 91,668      | -           | -             | -             | -            | -          | 91,668    |  |
| Federal pass-through expenses                                  | (9)                 | (82,248)  | (10,000)  | (92,257)   | -          | -          | -          | -            | (92,257)    | -           | -             | -             | -            | -          | (92,257)  |  |
| Transfers                                                      | (7,664)             | (625)     | -         | (8,289)    | 4,027      | (34)       | 4,296      | -            | -           | -           | -             | -             | -            | -          | -         |  |
| Total nonoperating revenues and expenses                       | 41,042              | (1,205)   | -         | 39,837     | 4,027      | (55)       | 15,609     | -            | 59,418      | -           | -             | -             | -            | -          | 59,418    |  |
| Change in Net Position                                         | 52,847              | (1,105)   | -         | 51,742     | 8,375      | 2,225      | 19,921     | -            | 82,263      | 193         | (1,140)       | -             | -            | 81,316     |           |  |
| Net Position, Beginning of Year                                | 306,761             | 3,933     | -         | 310,694    | 127,059    | 126,492    | 133,601    | -            | 697,846     | 2,114       | 16,174        | 3             | (130)        | 716,007    |           |  |
| Net Position, End of Year                                      | \$ 359,608          | \$ 2,828  | \$ -      | \$ 362,436 | \$ 135,434 | \$ 128,717 | \$ 153,522 | \$ -         | \$ 780,109  | \$ 2,307    | \$ 15,034     | \$ 3          | \$ (130)     | \$ 797,323 |           |  |

(1) The detail of the Combined Bondholder Trusts is presented on subsequent pages

Idaho Housing and Finance Association  
Combined Statement of Net Position – Combined Bondholder Trusts  
June 30, 2026  
(in thousands)

|                                                                  | 2000<br>Indenture | 2003<br>Indenture | 2006<br>Indenture | 2009<br>Indenture | 2019<br>Indenture | Multi-Family<br>Bond |
|------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|----------------------|
| Statement of Net Position                                        |                   |                   |                   |                   |                   |                      |
| Assets and Deferred Outflow of Resources                         |                   |                   |                   |                   |                   |                      |
| Cash and cash equivalents                                        | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -                 |
| Cash and cash equivalents held in trust or as agent              | -                 | -                 | -                 | -                 | -                 | -                    |
| Cash held in escrow                                              | -                 | -                 | -                 | -                 | -                 | -                    |
| Investments, fair value                                          | -                 | -                 | -                 | -                 | -                 | -                    |
| Investments held in trust, fair value                            | -                 | 18,354            | -                 | -                 | 2,282,186         | 484                  |
| Loans held for investment, net                                   | -                 | 14,427            | -                 | -                 | 44,938            | 7,897                |
| Loans available for sale                                         | -                 | -                 | -                 | -                 | -                 | -                    |
| Loan servicing contracts                                         | -                 | -                 | -                 | -                 | -                 | -                    |
| Loans pending modification                                       | -                 | -                 | -                 | -                 | -                 | -                    |
| Property and equipment                                           | -                 | -                 | -                 | -                 | -                 | -                    |
| Right of use lease asset                                         | -                 | -                 | -                 | -                 | -                 | -                    |
| Derivative Assets                                                | -                 | -                 | -                 | -                 | -                 | -                    |
| Other assets                                                     | -                 | 200               | 1                 | -                 | 642               | -                    |
| Tax exempt mortgage securities asset                             | -                 | -                 | -                 | -                 | -                 | -                    |
| State of Idaho GARVEE and TECM Assets                            | -                 | -                 | -                 | -                 | -                 | -                    |
| Deferred outflow---interest rate swap contracts, amortized value | -                 | 159               | -                 | -                 | 1                 | -                    |
| Deferred outflow---interest rate swap contracts, fair value      | -                 | -                 | -                 | -                 | -                 | -                    |
| Total assets and deferred outflow of resources                   | \$ -              | \$ 33,140         | \$ 1              | \$ -              | \$ 2,327,767      | \$ 8,381             |
| Liabilities, Deferred Inflow of Resources, and Net Position      |                   |                   |                   |                   |                   |                      |
| Short Term and Other Borrowing                                   | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -                 |
| Bonds                                                            | -                 | 18,797            | -                 | -                 | 2,187,673         | 8,038                |
| Tax exempt mortgage securities liability                         | -                 | -                 | -                 | -                 | -                 | -                    |
| Interest payable-swap contract                                   | -                 | 227               | -                 | -                 | 14                | -                    |
| Investor remittance liability                                    | -                 | -                 | -                 | -                 | -                 | -                    |
| Escrow and project reserve deposits                              | -                 | -                 | -                 | -                 | -                 | -                    |
| Swap contract fair value liability                               | -                 | 59                | -                 | -                 | (8)               | -                    |
| Derivative Liabilities                                           | -                 | -                 | -                 | -                 | -                 | -                    |
| Other liabilities                                                | -                 | 101               | -                 | -                 | 805               | -                    |
| Deferred inflow---interest rate swap contracts, fair value       | -                 | 61                | -                 | -                 | -                 | -                    |
| Net Inv in capital assets                                        | -                 | -                 | -                 | -                 | -                 | -                    |
| Restricted net position                                          | -                 | 13,894            | 1                 | -                 | 139,283           | 343                  |
| Unrestricted net position                                        | -                 | 1                 | -                 | -                 | -                 | -                    |
| Total liabilities, deferred inflow of resources and net position | \$ -              | \$ 33,140         | \$ 1              | \$ -              | \$ 2,327,767      | \$ 8,381             |

Idaho Housing and Finance Association  
Combined Statement of Net Position – Combined Bondholder Trusts  
June 30, 2026  
(in thousands)

|                                                                  | 2010A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2011<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2012A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2014A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2015A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2017A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2019A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2021A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | Transportation<br>Expansion and<br>Congestion<br>Mitigation<br>Bond 2022A | Transportation<br>Expansion and<br>Congestion<br>Mitigation<br>Bond 2023A | Transportation<br>Expansion and<br>Congestion<br>Mitigation<br>Bond 2024A | Combined<br>Bonds |
|------------------------------------------------------------------|-------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------|-------------------|
| Statement of Net Position                                        |                                                       |                                                      |                                                       |                                                       |                                                       |                                                       |                                                       |                                                       |                                                                           |                                                                           |                                                                           |                   |
| Assets and Deferred Outflow of Resources                         |                                                       |                                                      |                                                       |                                                       |                                                       |                                                       |                                                       |                                                       |                                                                           |                                                                           |                                                                           |                   |
| Cash and cash equivalents                                        | \$ -                                                  | \$ -                                                 | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                                      | \$ -                                                                      | \$ -                                                                      | \$ -              |
| Cash and cash equivalents held in trust or as agent              | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Cash held in escrow                                              | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Investments, fair value                                          | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Investments held in trust, fair value                            | 2,000                                                 | -                                                    | -                                                     | 519                                                   | 2,635                                                 | 462                                                   | 651                                                   | 902                                                   | 6,822                                                                     | 24,744                                                                    | 281,064                                                                   | 2,620,823         |
| Loans held for investment, net                                   | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 67,262            |
| Loans available for sale                                         | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Loan servicing contracts                                         | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Loans pending modification                                       | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Property and equipment                                           | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Right of use lease asset                                         | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Derivative Assets                                                | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Other assets                                                     | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | 1                                                     | -                                                     | 1                                                     | -                                                                         | 1                                                                         | -                                                                         | 846               |
| Tax exempt mortgage securities asset                             | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| State of Idaho GARVEE and TECM Assets                            | 51,316                                                | -                                                    | -                                                     | 34,736                                                | 29,187                                                | 42,760                                                | 131,064                                               | 209,504                                               | 196,481                                                                   | 361,816                                                                   | 438,883                                                                   | 1,495,747         |
| Deferred outflow---interest rate swap contracts, amortized value | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 160               |
| Deferred outflow---interest rate swap contracts, fair value      | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Total assets and deferred outflow of resources                   | \$ 53,316                                             | \$ -                                                 | \$ -                                                  | \$ 35,255                                             | \$ 31,822                                             | \$ 43,223                                             | \$ 131,715                                            | \$ 210,407                                            | \$ 203,303                                                                | \$ 386,561                                                                | \$ 719,947                                                                | \$ 4,184,838      |
| Liabilities, Deferred Inflow of Resources,<br>and Net Position   |                                                       |                                                      |                                                       |                                                       |                                                       |                                                       |                                                       |                                                       |                                                                           |                                                                           |                                                                           |                   |
| Short Term and Other Borrowing                                   | \$ -                                                  | \$ -                                                 | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                                      | \$ -                                                                      | \$ -                                                                      | \$ -              |
| Bonds                                                            | 53,316                                                | -                                                    | -                                                     | 35,255                                                | 31,822                                                | 43,223                                                | 131,715                                               | 210,407                                               | 203,303                                                                   | 386,561                                                                   | 719,947                                                                   | 4,030,057         |
| Tax exempt mortgage securities liability                         | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Interest payable-swap contract                                   | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 241               |
| Investor remittance liability                                    | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Escrow and project reserve deposits                              | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Swap contract fair value liability                               | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 51                |
| Derivative Liabilities                                           | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Other liabilities                                                | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 906               |
| Deferred inflow---interest rate swap contracts, fair value       | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 61                |
| Net Inv in capital assets                                        | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Restricted net position                                          | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 153,521           |
| Unrestricted net position                                        | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 1                 |
| Total liabilities, deferred inflow of resources and net position | \$ 53,316                                             | \$ -                                                 | \$ -                                                  | \$ 35,255                                             | \$ 31,822                                             | \$ 43,223                                             | \$ 131,715                                            | \$ 210,407                                            | \$ 203,303                                                                | \$ 386,561                                                                | \$ 719,947                                                                | \$ 4,184,838      |

Idaho Housing and Finance Association  
Combined Statement of Revenues, Expenses, and Changes in Net Position – Combined Bondholder Trusts  
Year Ended June 30, 2026  
(in thousands)

|                                                                | 2000<br>Indenture | 2003<br>Indenture | 2006<br>Indenture | 2009<br>Indenture | 2019<br>Indenture | Multi-Family<br>Bond |
|----------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|----------------------|
| Statement of Revenues, Expenses and<br>Changes in Net Position |                   |                   |                   |                   |                   |                      |
| Operating Revenues                                             |                   |                   |                   |                   |                   |                      |
| Gains on loan sales                                            | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | -                    |
| Interest on loans and GARVEE pledged revenues                  | 128               | 832               | -                 | -                 | 1,941             | 266                  |
| Interest on investments                                        | 11                | 530               | -                 | -                 | 123,916           | 11                   |
| Loan servicing fees                                            | -                 | 19                | -                 | -                 | 27                | -                    |
| Contract and grant administration fees                         | -                 | -                 | -                 | -                 | -                 | -                    |
| Other operating revenues                                       | -                 | -                 | -                 | -                 | -                 | -                    |
| Total operating revenues                                       | 139               | 1,381             | -                 | -                 | 125,884           | 277                  |
| Operating Expenses                                             |                   |                   |                   |                   |                   |                      |
| Loan acquisition costs                                         | -                 | -                 | -                 | -                 | -                 | -                    |
| Interest                                                       | -                 | 729               | 762               | -                 | 116,554           | 263                  |
| Salaries and benefits                                          | -                 | -                 | -                 | -                 | -                 | -                    |
| General operating                                              | 5                 | 10                | -                 | -                 | 4,548             | -                    |
| Bond financing costs                                           | -                 | -                 | -                 | -                 | 490               | -                    |
| Grants to others                                               | -                 | -                 | -                 | -                 | -                 | -                    |
| Loss on real estate owned properties                           | -                 | -                 | -                 | -                 | -                 | -                    |
| Other operating expenses                                       | -                 | (1)               | -                 | -                 | 9                 | -                    |
| Total operating expenses                                       | 5                 | 738               | 762               | -                 | 121,601           | 263                  |
| Operating Income (Loss)                                        | 134               | 643               | (762)             | -                 | 4,283             | 14                   |
| Nonoperating Revenues and Expenses                             |                   |                   |                   |                   |                   |                      |
| Net increase (decrease) in fair value of investments           | -                 | 294               | -                 | -                 | 10,913            | -                    |
| Net increase (decrease) in fair value of derivatives           | -                 | 146               | -                 | -                 | (40)              | -                    |
| Net increase (decrease) in fair value of servicing contracts   | -                 | -                 | -                 | -                 | -                 | -                    |
| Federal pass-through revenues                                  | -                 | -                 | -                 | -                 | -                 | -                    |
| Federal pass-through expenses                                  | -                 | -                 | -                 | -                 | -                 | -                    |
| Transfers                                                      | (7,542)           | 12                | -                 | -                 | 11,826            | -                    |
| Total nonoperating revenues and expenses                       | (7,542)           | 452               | -                 | -                 | 22,699            | -                    |
| Change in Net Position                                         | (7,408)           | 1,095             | (762)             | -                 | 26,982            | 14                   |
| Net Position, Beginning of Year                                | 7,408             | 12,800            | 763               | -                 | 112,301           | 329                  |
| Net Position, End of Year                                      | \$ -              | \$ 13,895         | \$ 1              | \$ -              | \$ 139,283        | \$ 343               |

Idaho Housing and Finance Association  
Combined Statement of Revenues, Expenses, and Changes in Net Position – Combined Bondholder Trusts  
Year Ended June 30, 2026  
(in thousands)

|                                                                | 2010A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2011<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2012A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2014A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2015A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2017A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2019A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | 2021A<br>Grant and<br>Revenue<br>Anticipation<br>Bond | Transportation<br>Expansion and<br>Congestion<br>Mitigation<br>Bond 2022A | Transportation<br>Expansion and<br>Congestion<br>Mitigation<br>Bond 2023A | Transportation<br>Expansion and<br>Congestion<br>Mitigation<br>Bond 2024A | Combined<br>Bonds |
|----------------------------------------------------------------|-------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------|-------------------|
| Statement of Revenues, Expenses and<br>Changes in Net Position |                                                       |                                                      |                                                       |                                                       |                                                       |                                                       |                                                       |                                                       |                                                                           |                                                                           |                                                                           |                   |
| Operating Revenues                                             |                                                       |                                                      |                                                       |                                                       |                                                       |                                                       |                                                       |                                                       |                                                                           |                                                                           |                                                                           |                   |
| Gains on loan sales                                            | \$ -                                                  | \$ -                                                 | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                                      | \$ -                                                                      | \$ -                                                                      | \$ -              |
| Interest on loans and GARVEE pledged revenues                  | 3,223                                                 | -                                                    | -                                                     | 1,274                                                 | 478                                                   | 725                                                   | 4,343                                                 | 5,247                                                 | 8,845                                                                     | 12,583                                                                    | 9,575                                                                     | 49,460            |
| Interest on investments                                        | 52                                                    | -                                                    | -                                                     | 17                                                    | 75                                                    | 22                                                    | 25                                                    | 35                                                    | -                                                                         | 2,252                                                                     | 19,567                                                                    | 146,513           |
| Loan servicing fees                                            | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 46                |
| Contract and grant administration fees                         | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Other operating revenues                                       | -                                                     | -                                                    | -                                                     | 1                                                     | -                                                     | 1                                                     | -                                                     | -                                                     | -                                                                         | (1)                                                                       | (1)                                                                       | -                 |
| Total operating revenues                                       | 3,275                                                 | -                                                    | -                                                     | 1,292                                                 | 553                                                   | 748                                                   | 4,368                                                 | 5,282                                                 | 8,845                                                                     | 14,834                                                                    | 29,141                                                                    | 196,019           |
| Operating Expenses                                             |                                                       |                                                      |                                                       |                                                       |                                                       |                                                       |                                                       |                                                       |                                                                           |                                                                           |                                                                           |                   |
| Loan acquisition costs                                         | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Interest                                                       | 3,259                                                 | -                                                    | -                                                     | 1,282                                                 | 542                                                   | 737                                                   | 4,340                                                 | 5,244                                                 | 8,805                                                                     | 14,745                                                                    | 28,969                                                                    | 186,231           |
| Salaries and benefits                                          | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| General operating                                              | 16                                                    | -                                                    | -                                                     | 10                                                    | 11                                                    | 11                                                    | 28                                                    | 38                                                    | 40                                                                        | 89                                                                        | 172                                                                       | 4,978             |
| Bond financing costs                                           | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 490               |
| Grants to others                                               | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Loss on real estate owned properties                           | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Other operating expenses                                       | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 8                 |
| Total operating expenses                                       | 3,275                                                 | -                                                    | -                                                     | 1,292                                                 | 553                                                   | 748                                                   | 4,368                                                 | 5,282                                                 | 8,845                                                                     | 14,834                                                                    | 29,141                                                                    | 191,707           |
| Operating Income (Loss)                                        | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 4,312             |
| Nonoperating Revenues and Expenses                             |                                                       |                                                      |                                                       |                                                       |                                                       |                                                       |                                                       |                                                       |                                                                           |                                                                           |                                                                           |                   |
| Net increase (decrease) in fair value of investments           | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 11,207            |
| Net increase (decrease) in fair value of derivatives           | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 106               |
| Net increase (decrease) in fair value of servicing contracts   | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Federal pass-through revenues                                  | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Federal pass-through expenses                                  | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | -                 |
| Transfers                                                      | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 4,296             |
| Total nonoperating revenues and expenses                       | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 15,609            |
| Change in Net Position                                         | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 19,921            |
| Net Position, Beginning of Year                                | -                                                     | -                                                    | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                     | -                                                                         | -                                                                         | -                                                                         | 133,601           |
| Net Position, End of Year                                      | \$ -                                                  | \$ -                                                 | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                  | \$ -                                                                      | \$ -                                                                      | \$ -                                                                      | 153,522           |