



**Community Development Administration  
Revenue Obligation Funds**

**Component unit financial statements**

**As of June 30, 2001**

**Together with report of independent public accountants**





## Report of independent public accountants

To the Office of the Secretary of the  
Department of Housing and Community Development:

We have audited the accompanying balance sheet of the Community Development Administration Revenue Obligation Funds (the Funds) (a component unit of the State of Maryland) as of June 30, 2001, and the related statements of revenues, expenses and changes in fund equity and cash flows for the year then ended. These financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Community Development Administration Revenue Obligation Funds as of June 30, 2001, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The disclosure of change in fair value of investments and mortgage-backed securities held on June 30, 2001, presented as supplementary information on page 24, is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in our audit of the basic financial statements and, accordingly, we express no opinion on it.

Baltimore, Maryland  
September 21, 2001

# Community Development Administration Revenue Obligation Funds

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**Community Development Administration  
Revenue Obligation Funds**

**Balance sheet  
As of June 30, 2001  
(in thousands)**

	<u>Single-Family Program Fund</u>	<u>Multi-Family Housing Revenue Bond Program Fund</u>	<u>Housing Revenue Bond Program Fund</u>	<u>Residential Revenue Bond Program Fund</u>	<u>General Bond Reserve Fund</u>	<u>Combined</u>
<b>Assets:</b>						
Cash on deposit with trustee	\$ 36,051	\$ 45,960	\$ 46,291	\$ 28,193	\$ 8,346	\$ 164,841
Investments	254,305	38,076	28,255	350,284	31,404	702,324
Mortgage-backed securities	—	29,319	98,070	—	—	127,389
Mortgage loans—						
Single-family	872,061	—	902	601,317	139	1,474,419
Multi-family construction and permanent financing	—	266,804	107,710	—	—	374,514
Energy and rehabilitation	—	—	—	—	1,872	1,872
Accrued interest and other receivables, net	23,798	3,528	1,803	10,390	840	40,359
Deferred bond issuance costs	9,034	2,661	916	8,070	—	20,681
Due from other funds	14,520	—	—	—	—	14,520
Total assets	<u>\$ 1,209,769</u>	<u>\$ 386,348</u>	<u>\$ 283,947</u>	<u>\$ 998,254</u>	<u>\$ 42,601</u>	<u>\$ 2,920,919</u>
<b>Liabilities and fund equity:</b>						
Accrued interest payable	\$ 15,629	\$ 2,735	\$ 7,231	\$ 15,478	\$ —	\$ 41,073
Accounts payable	1,190	65	363	505	1,754	3,877
Accrued workers' compensation	—	—	—	—	33	33
Accrued annual leave costs	—	—	—	—	479	479
Due to State Treasurer	—	—	—	—	175	175
Bonds payable	1,057,663	319,287	240,560	934,852	—	2,552,362
Other liabilities - principally deposits by borrowers	—	20,519	25,385	—	—	45,904
Due to other funds	—	—	—	14,520	—	14,520
Total liabilities	1,074,482	342,606	273,539	965,355	2,441	2,658,423
<b>Commitments and contingencies</b>						
<b>Fund equity:</b>						
Total fund equity	<u>135,287</u>	<u>43,742</u>	<u>10,408</u>	<u>32,899</u>	<u>40,160</u>	<u>262,496</u>
Total liabilities and fund equity	<u>\$ 1,209,769</u>	<u>\$ 386,348</u>	<u>\$ 283,947</u>	<u>\$ 998,254</u>	<u>\$ 42,601</u>	<u>\$ 2,920,919</u>

The accompanying notes are an integral part of this balance sheet.

**Community Development Administration  
Revenue Obligation Funds**

**Statement of revenues, expenses and changes in fund equity  
For the year ended June 30, 2001  
(in thousands)**

	<u>Single-Family Program Fund</u>	<u>Multi-Family Housing Revenue Bond Program Fund</u>	<u>Housing Revenue Bond Program Fund</u>	<u>Residential Revenue Bond Program Fund</u>	<u>General Bond Reserve Fund</u>	<u>Combined</u>
<b>Revenues:</b>						
Interest on mortgage loans	\$ 68,411	\$ 21,911	\$ 9,082	\$ 32,092	\$ 183	\$ 131,679
Interest on mortgage-backed securities	—	2,205	5,577	—	—	7,782
Interest on investments	20,698	4,970	2,804	20,809	2,247	51,528
Other income	15	—	106	137	1,086	1,344
Loan fees	765	224	49	196	882	2,116
Increase in fair value of investments	7,410	1,192	193	551	244	9,590
Increase (decrease) in fair value of mortgage-backed securities	—	1,358	(3,291)	—	—	(1,933)
Total revenues	<u>97,299</u>	<u>31,860</u>	<u>14,520</u>	<u>53,785</u>	<u>4,642</u>	<u>202,106</u>
<b>Expenses:</b>						
Interest on bonds payable	67,902	22,126	13,291	43,414	—	146,733
Salaries and related costs	—	—	—	—	6,051	6,051
Trustee, legal and mortgage servicing costs	4,565	206	44	1,632	205	6,652
Amortization of bond issuance costs	587	102	42	410	—	1,141
Other expense	2,524	31	159	80	440	3,234
Loss on foreclosure claims	186	—	—	—	—	186
General and administrative	—	—	—	—	1,808	1,808
Total expenses	<u>75,764</u>	<u>22,465</u>	<u>13,536</u>	<u>45,536</u>	<u>8,504</u>	<u>165,805</u>
Income (loss) before extraordinary item	21,535	9,395	984	8,249	(3,862)	36,301
<b>Extraordinary item – loss on early extinguishment of bonds payable</b>	<u>(1,080)</u>	<u>(12)</u>	<u>(49)</u>	<u>(72)</u>	<u>—</u>	<u>(1,213)</u>
Net income (loss)	20,455	9,383	935	8,177	(3,862)	35,088
<b>Transfers of funds, net, at CDA's discretion, in accordance with the General Certificate of Revenue Bond Authorization and the Certificate of General Authorization</b>						
	(7,984)	(9,196)	(1,536)	6,162	7,855	(4,699)
<b>Fund equity, beginning of year</b>	<u>122,816</u>	<u>43,555</u>	<u>11,009</u>	<u>18,560</u>	<u>36,167</u>	<u>232,107</u>
<b>Fund equity, end of year</b>	<u>\$ 135,287</u>	<u>\$ 43,742</u>	<u>\$ 10,408</u>	<u>\$ 32,899</u>	<u>\$ 40,160</u>	<u>\$ 262,496</u>

The accompanying notes are an integral part of this statement.

**Community Development Administration  
Revenue Obligation Funds**

**Statement of cash flows  
For the year ended June 30, 2001  
(in thousands)**

	<b>Single-Family Program Fund</b>	<b>Multi-Family Housing Revenue Bond Program Fund</b>	<b>Housing Revenue Bond Program Fund</b>	<b>Residential Revenue Bond Program Fund</b>	<b>General Bond Reserve Fund</b>	<b>Combined</b>
<b>Cash flows from operating activities:</b>						
Net income (loss)	\$ 20,455	\$ 9,383	\$ 935	\$ 8,177	\$ (3,862)	\$ 35,088
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities—						
Increase in fair value of investments	(1,356)	(1,192)	(193)	(551)	(244)	(3,536)
(Increase) decrease in fair value of mortgage-backed securities	—	(1,358)	3,291	—	—	1,933
Purchase of mortgage-backed securities	—	—	(22,442)	—	—	(22,442)
Purchase and origination of mortgage loans	(8,957)	—	(825)	(231,629)	—	(241,411)
Interest on investments	(20,698)	(4,970)	(2,804)	(20,809)	(2,247)	(51,528)
Repayment of mortgage-backed securities	—	200	650	—	—	850
Repayment of mortgage loans	105,884	4,777	7,588	15,562	257	134,068
Decrease (increase) in accrued interest and other receivables	2,981	50	(50)	(2,459)	165	687
Decrease in due from other funds	5,548	—	—	—	—	5,548
Decrease in accrued liabilities	—	—	—	—	(412)	(412)
Decrease in due to State Treasurer	—	—	—	—	(749)	(749)
(Decrease) increase in accounts payable	(1,980)	(1)	258	42	825	(856)
Deferred loan fees collected	3	—	412	1,806	—	2,221
Decrease in due to other funds	—	—	—	(5,548)	—	(5,548)
Increase in other liabilities	—	1,292	1,190	—	—	2,482
Amortization of investment premiums or discounts	256	44	4	(24)	(82)	198
Amortization of deferred loan fees	(764)	(214)	(173)	(196)	(13)	(1,360)
Amortization of deferred bond issuance costs	587	102	42	410	—	1,141
Interest expense	67,902	22,126	13,291	43,414	—	146,733
Net cash provided by (used in) operating activities	<u>169,861</u>	<u>30,239</u>	<u>1,174</u>	<u>(191,805)</u>	<u>(6,362)</u>	<u>3,107</u>

The accompanying notes are an integral part of this statement.

**Community Development Administration  
Revenue Obligation Funds**

**Statement of cash flows  
For the year ended June 30, 2001  
(in thousands)  
(Continued)**

	<u>Single-Family Program Fund</u>	<u>Multi-Family Housing Revenue Bond Program Fund</u>	<u>Housing Revenue Bond Program Fund</u>	<u>Residential Revenue Bond Program Fund</u>	<u>General Bond Reserve Fund</u>	<u>Combined</u>
<b>Cash flows from investing activities:</b>						
Proceeds from maturity and sale of investments	\$ 224,671	\$ —	\$ 23,806	\$ 466,763	\$ 7,461	\$ 722,701
Purchase of investments	(246,638)	—	(27,445)	(363,924)	(21,614)	(659,621)
Transfer of investments	54,653	—	—	(54,653)	—	—
Interest on investments	<u>20,698</u>	<u>4,970</u>	<u>2,804</u>	<u>20,809</u>	<u>2,247</u>	<u>51,528</u>
Net cash provided by (used in) investing activities	<u>53,384</u>	<u>4,970</u>	<u>(835)</u>	<u>68,995</u>	<u>(11,906)</u>	<u>114,608</u>
<b>Cash flows from noncapital financing activities:</b>						
Proceeds from the sale of bonds	87,755	—	27,445	348,865	—	464,065
Principal payments	(228,395)	(7,540)	(9,250)	(176,045)	—	(421,230)
Decrease in deferred bond issuance costs due to redemption of related bonds	1,080	12	49	72	—	1,213
Bond issuance costs	(2,440)	—	—	(3,069)	—	(5,509)
Interest payments	(79,898)	(21,827)	(12,588)	(39,209)	—	(153,522)
Transfers of funds	<u>(7,984)</u>	<u>(9,196)</u>	<u>(1,536)</u>	<u>6,162</u>	<u>7,855</u>	<u>(4,699)</u>
Net cash (used in) provided by noncapital financing activities	<u>(229,882)</u>	<u>(38,551)</u>	<u>4,120</u>	<u>136,776</u>	<u>7,855</u>	<u>(119,682)</u>
<b>Net (decrease) increase in cash on deposit with trustee</b>	(6,637)	(3,342)	4,459	13,966	(10,413)	(1,967)
<b>Cash on deposit with trustee, beginning of year</b>	<u>42,688</u>	<u>49,302</u>	<u>41,832</u>	<u>14,227</u>	<u>18,759</u>	<u>166,808</u>
<b>Cash on deposit with trustee, end of year</b>	<u>\$ 36,051</u>	<u>\$ 45,960</u>	<u>\$ 46,291</u>	<u>\$ 28,193</u>	<u>\$ 8,346</u>	<u>\$ 164,841</u>

The accompanying notes are an integral part of this statement.

# Community Development Administration Revenue Obligation Funds

## Notes to financial statements June 30, 2001 (in thousands)

### 1. Program description:

The Community Development Administration (CDA) was created in 1970 by Sections 266 DD-1 to 266 DD-8 of Article 41 (now in Article 83B, Sections 2-201 through 2-208) of the Annotated Code of Maryland to meet the shortage of adequate, safe and sanitary housing in the State of Maryland, particularly for persons or families of limited income. CDA is in the Division of Development Finance in the Department of Housing and Community Development (DHCD) of the State of Maryland.

The accompanying financial statements only include CDA's Revenue Obligation Funds (the Funds). CDA's other programs are not included. However, CDA has also issued financial statements for the Infrastructure Program Fund.

Within each fund group in Revenue Obligation Funds are separate funds maintained for each obligation in accordance with the respective general certificates and series certificates. The following summarizes each of the fund groups.

<b>Fund</b>	<b>Purpose</b>
Single-Family Program Fund	To originate or purchase single-family mortgage loans.
Multi-Family Housing Revenue Bond Program Fund	To provide construction and permanent financing for multi-family housing projects.
Housing Revenue Bond Program Fund	To provide funds to finance or refinance loans for various types of housing.
Residential Revenue Bond Program Fund	To primarily originate or purchase single-family mortgage loans.
General Bond Reserve Fund	To provide funds for payment of principal and interest on bonds and notes to the extent revenues and assets specifically pledged are not sufficient. This fund also provides for the payment of general and administrative expenses of the Funds.

### 2. Summary of significant accounting policies:

#### Basis of presentation

The accounts are organized on the basis of funds, each of which is a separate accounting entity. The Funds are set up primarily in accordance with CDA's enabling legislation and the various note and bond certificates. The Funds are an enterprise fund of the State of Maryland and use the accrual basis of accounting.



**Investments**

Investments are stated at fair value, based on quoted market prices. The cost of securities sold is determined by the specific identification method.

**Loan fees**

Loan fees are deferred over the life of the related loans and amortized using the effective interest rate method.

**Bond issuance costs**

Expenses incurred in issuing bonds are capitalized and amortized on a straight-line basis over the lives of the respective bond issues.

**Allowance for loan losses**

Substantially all the mortgage loans of the Funds are insured or guaranteed by agencies of the U.S. government, the Maryland Housing Fund or private insurers. As such, no allowance for loan losses was necessary as of June 30, 2001.

**Administrative support**

In addition to expenses incurred directly by the Funds, CDA receives certain support services from other divisions of DHCD. The cost of these services has been allocated to CDA's General Bond Reserve Fund. The General Bond Reserve Fund records these expenses as invoiced by DHCD for the fiscal year.

For the year ended June 30, 2001, the allocation to the General Bond Reserve Fund was:

Salaries and related costs	\$ 6,051
General and administrative expenses	<u>1,808</u>
	<u><u>\$ 7,859</u></u>

The employees of CDA are covered by the Maryland State Retirement and Pension System (the System). Additional information about the System is presented in the State of Maryland's Comprehensive Annual Financial Report and in the Consolidated Annual Report of the Maryland State Retirement and Pension Systems.

The retirement benefit cost of employees is included in the salaries and related costs allocation discussed above. This allocation includes the Funds' total liability relating to the System, as of June 30, 2001.

**Use of estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains and losses during the reporting period. Actual results could differ from these estimates.

## **Combined**

The totals for all Funds in the accompanying financial statements are presented for information purposes only. They represent an aggregation of the Funds and do not represent consolidated financial information.

### **3. Cash, investments and mortgage-backed securities:**

Proceeds from bonds are invested in authorized investments as defined in the respective indentures until required for purchasing or originating mortgage loans, funding reserves, redeeming outstanding bonds and notes, and funding program expenses. Authorized investments include obligations of the U.S. Treasury, U.S. government agencies and corporations, political subdivisions of the U.S., bankers acceptances, repurchase agreements, corporate debt securities and certificates of deposit with foreign or domestic banks. All CDA accounts held in trust by the trustee are kept separate from the assets of the bank and from other trust accounts.

#### **Cash**

As of June 30, 2001, the Funds had \$164,841 invested in a money market mutual fund (ARK U.S. Government Cash Management Corporate II Class Fund) which is classified as cash. This fund invests exclusively in obligations of the U.S. government and its agencies and instrumentalities and in repurchase agreements. It is rated AAA by Standard & Poor's and Aaa by Moody's Investors Services.

As of June 30, 2001 the cost of this money market mutual fund approximates fair value.

The money market mutual fund is not categorized by credit risk because it is not evidenced by securities that exist in physical or book entry form.

#### **Investments**

As of June 30, 2001, \$3,000 was held in certificates of deposit and is classified as investments in the Single-Family Program Fund. These certificates are insured by federal depository insurance subject to maximum coverage and are collateralized by securities held by the trustee in CDA's name.

Obligations of the U.S. Treasury and obligations of U.S. government agencies are held in CDA's account by the trustee and total \$324,315.

Repurchase agreements, which include guaranteed investment contracts, total \$375,009. For \$373,009 of these investments, collateral is held by the trustee of the fund group or its agent. The remaining \$2,000 is uncollateralized. The agreements and contracts are at fixed interest rates with maturities primarily less than two years. However, several agreements within the Funds have maturities ranging from 3 to 31 years.

As of June 30, 2001 the amortized cost and fair value of each Fund's investments, by type of investment, were as follows:

	Certificates and other time deposits		Obligations of the U.S. Treasury		Obligations of U.S. government agencies		Securities held under repurchase agreements or guaranteed investment contracts		Total	
	Fair value	Amortized cost	Fair value	Amortized cost	Fair value	Amortized cost	Fair value	Amortized cost	Fair value	Amortized cost
	Single-Family Program Fund	\$ 3,000	\$ 3,000	\$ 178,818	\$ 143,221	\$ 9,917	\$ 9,796	\$ 62,570	\$ 62,570	\$ 254,305
Multi-Family Housing Revenue Bond Program Fund	—	—	36,076	31,229	—	—	2,000	2,000	38,076	33,229
Housing Revenue Bond Program Fund	—	—	5,859	5,545	—	—	22,396	22,396	28,255	27,941
Residential Revenue Bond Program Fund	—	—	—	—	62,241	61,917	288,043	288,043	350,284	349,960
General Bond Reserve Fund	—	—	3,634	3,083	27,770	27,620	—	—	31,404	30,703
	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 224,387</u>	<u>\$ 183,078</u>	<u>\$ 99,928</u>	<u>\$ 99,333</u>	<u>\$ 375,009</u>	<u>\$ 375,009</u>	<u>\$ 702,324</u>	<u>\$ 660,420</u>

### Mortgage-backed securities

All mortgage-backed securities held by CDA are guaranteed by the Government National Mortgage Association (GNMA), an instrumentality of the United States. A security guaranteed by GNMA is a "fully modified pass through" mortgage-backed security which requires monthly payments by an FHA-approved lender, as the issuer of the Guaranteed Security to the registered holder of the Guaranteed Security of principal of and interest on such Guaranteed Security when due. GNMA guarantees timely payment of principal of and interest on Guaranteed Securities. It is the intention of CDA to hold these securities until the underlying loan is paid in full.

As of June 30, 2001 the cost and fair value of mortgage-backed securities is as follows:

	Fair Value	Cost
Multi-Family Housing Revenue Bond Program Fund	\$ 29,319	\$ 28,413
Housing Revenue Bond Program Fund	<u>98,070</u>	<u>105,186</u>
	<u>\$ 127,389</u>	<u>\$ 133,599</u>

### Category of risk

Investments and mortgage-backed securities are classified as to credit risk by the three categories described below:

Category 1 – Insured or registered, with securities held by CDA or its agent in CDA's name.

Category 2 – Uninsured and unregistered, with securities held by the counterparty's trust department in CDA's name.

Category 3 – Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not in CDA's name.

	<b>Category</b>			<b>Fair value</b>
	<b>1</b>	<b>2</b>	<b>3</b>	
U.S. Treasury and agency obligations	\$ 324,315	\$ —	\$ —	\$ 324,315
Repurchase agreements or guaranteed investment contracts	373,009	—	—	373,009
Certificates and other time deposits	3,000	—	—	3,000
Total investments	<u>\$ 700,324</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 700,324</u>
Mortgage-backed securities	<u>\$ 127,389</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 127,389</u>

#### **4. Mortgage loans:**

Substantially all single-family mortgage loans are secured by first liens on the related property and are insured or guaranteed by either the Federal Housing Administration, the Veterans Administration, the Maryland Housing Fund or by private primary mortgage insurance policies. As of June 30, 2001, interest rates on such loans range from 4.0 to 13.9 percent, with remaining loan terms ranging from 7 to 30 years.

Substantially all multi-family construction and permanent mortgage loans outstanding are insured or credit enhanced by the Federal Housing Administration, the Maryland Housing Fund, Federal Home Loan Mortgage Corporation or GNMA. As of June 30, 2001, interest rates on such loans range from 3.7 to 14.5 percent, with remaining loan terms ranging from 3 to 40 years.

Substantially all energy and rehabilitation loans are insured by the Maryland Housing Fund. Loans made or purchased in excess of \$5 are secured by a deed of trust on the related property. As of June 30, 2001, interest rates on such loans range from 7.0 percent on owner-occupied residential properties to 10.0 percent on rental housing, with remaining loan terms ranging from 3 to 9 years.

#### **5. Bonds payable:**

The bonds issued by CDA are special obligations of CDA and are payable from the revenues and special funds of the applicable programs. These bonds and notes do not constitute debt and are not guaranteed by the State of Maryland or any other program of the State of Maryland or any political subdivision.

The following table summarizes the outstanding debt of the Funds, as of June 30, 2001:

**Single-Family Program Fund**

1991 Third Series dated July 1, 1991. \$4,415 due serially from 2002 to 2006, with interest rates of 6.65% to 6.95%; \$6,185 term bonds due April 1, 2011, with interest at 7.15%; \$15,685 term bonds due April 1, 2019, with interest at 7.25%; \$5,110 term bonds due April 1, 2027, with interest at 7.25%.	\$ 31,395
1992 First Series dated March 1, 1992. \$2,525 due serially from 2002 to 2005, with interest rates of 6.15% to 6.5%; \$1,835 term bonds due April 1, 2011, with interest at 6.75%.	4,360
1992 Second Series dated March 1, 1992. \$13,025 due serially from 2002 to 2005, with interest rates of 6.40% to 6.75%; \$2,735 term bonds due April 1, 2011, with interest at 6.95%.	15,760
1992 Third Series dated March 26, 1992, and remarketed on January 14, 1993. \$8,335 term bonds due April 1, 2017, with interest at 6.55%.	8,335
1992 Fourth Series dated March 26, 1992, and remarketed on January 14, 1993. \$6,545 term bonds due April 1, 2022, with interest at 6.8%.	6,545
1992 Fifth Series dated June 1, 1992. \$4,495 term bonds due April 1, 2012, with interest at 6.6%.	4,495
1992 Sixth Series dated June 1, 1992. \$4,845 due serially from 2002 to 2005, with interest rates of 6.25% to 6.50%; \$7,635 term bonds due April 1, 2010, with interest at 6.75%; \$37,510 term bonds due April 1, 2024, with interest at 6.80%.	49,990
1992 Seventh Series dated June 25, 1992, and remarketed on January 14, 1993. \$4,630 term bonds due April 1, 2012, with interest at 6.45%.	4,630
1992 Eighth Series dated June 25, 1992, and remarketed on January 14, 1993. \$2,750 due serially from 2002 to 2005, with interest rates of 5.9% to 6.2%; \$2,145 term bonds due April 1, 2008, with interest at 6.5%; \$20,815 term bonds due April 1, 2024, with interest at 6.8%.	25,710
1993 Third Series dated October 1, 1993. \$29,205 due serially from 2002 to 2010, with interest rates of 4.55% to 5.25%; \$5,535 term bonds due April 1, 2012, with interest at 5.30%; \$10,460 term bonds due April 1, 2016, with interest at 4.85%.	45,200
1994 First Series dated March 1, 1994. \$10,275 due serially from 2002 to 2004, with interest rates of 5.1% to 5.3%; \$21,200 term bonds due April 1, 2009, with interest at 5.8%; \$3,240 term bonds due April 1, 2011, with interest at 5.9%; \$8,360 term bonds, net of unamortized discount of \$75, due April 1, 2014, with interest at 5.8%; \$10,535 term bonds due April 1, 2017, with interest at 5.7%.	53,610
1994 Fourth Series dated May 1, 1994. \$16,620 due serially from 2002 to 2008, with interest rates of 5.55% to 6.15%; \$9,835 term bonds due April 1, 2011, with interest at 6.35%; \$11,840 term bonds due April 1, 2014, with interest at 6.45%.	38,295
1994 Fifth Series dated May 1, 1994. \$495 due 2002, with interest at 5.7%; \$50,570 term bonds due April 1, 2026, with interest at 6.75%.	51,065

1994 Sixth Series dated December 1, 1994. \$5,845 due serially from 2002 to 2005, with interest rates of 6.00% to 6.30%; \$7,475 term bonds due April 1, 2009, with interest at 6.55%; \$8,950 term bonds due April 1, 2014, with interest at 7%; \$7,135 term bonds due April 1, 2017, with interest at 7.05%.	\$ 29,405
1994 Seventh Series dated December 1, 1994. \$5,640 term bonds due April 1, 2019, with interest at 7.25%; \$3,130 term bonds due April 1, 2024, with interest at 6.90%; \$14,400 term bonds due April 1, 2025, with interest at 7.30%.	23,170
1994 Ninth Series dated December 22, 1994, and remarketed on November 9, 1995. \$5,460 due serially from 2002 to 2008, with interest rates of 4.90% to 5.6%; \$6,765 term bonds due April 1, 2014, with interest at 6.05%; \$7,810 term bonds due April 1, 2019, with interest at 6.15%.	20,035
1995 First Series dated March 1, 1995. \$16,520 due serially from 2002 to 2009, with interest rates of 5.30% to 5.95%; \$12,165 term bonds due April 1, 2014, with interest at 6.20%; \$9,285 term bonds due April 1, 2017, with interest at 6.25%.	37,970
1995 Second Series dated March 1, 1995. \$1,245 term bonds due April 1, 2017, with interest at 6.45%; \$36,155 term bonds due April 1, 2026, with interest at 6.55%.	37,400
1995 Third Series dated June 1, 1995. \$12,595 due serially from 2002 to 2010, with interest rates of 5.15% to 6.00%; \$8,020 term bonds due April 1, 2014, with interest at 6.15%; \$7,410 term bonds due April 1, 2017, with interest at 6.20%; \$3,960 term bonds due April 1, 2026, with interest at 6.25%; \$31,065 term bonds due April 1, 2027, with interest at 6.25%.	63,050
1995 Fourth Series dated October 1, 1995. \$5,790 term bonds due April 1, 2017, with interest at 6.0%.	5,790
1995 Fifth Series dated October 1, 1995. \$4,770 due serially from 2002 to 2008, with interest rates of 4.90% to 5.6%; \$2,645 term bonds due April 1, 2011, with interest at 5.9%; \$2,700 term bonds due April 1, 2019, with interest at 6.15%; \$500 term bonds due April 1, 2020, with interest at 6.15%; \$10,450 term bonds due April 1, 2024, with interest at 6.2%; \$5,060 term bonds due April 1, 2027, with interest at 6.2%.	26,125
1996 Third Series dated July 1, 1996. \$6,195 due serially from 2002 to 2010, with interest rates of 5.05% to 5.8%; \$3,925 term bonds due April 1, 2014, with interest at 6.2%; \$1,815 term bonds due April 1, 2017, with interest at 6.25%.	11,935
1996 Fourth Series dated July 1, 1996. \$1,535 due serially from 2002 to 2010, with interest rates of 5.20% to 5.95%; \$2,440 term bonds due April 1, 2015, with interest at 6.35%; \$420 term bonds due April 1, 2020, with interest at 6.4%; \$6,700 term bonds due April 1, 2020, with interest at 6.4%; \$8,705 term bonds due April 1, 2028, with interest at 6.45%; \$8,135 term bonds due April 1, 2028, with interest at 6.45%.	27,935
1996 Fifth Series dated August 1, 1996. \$10,395 due serially from 2002 to 2008, with interest rates of 4.8% to 5.4%; \$20,005 term bonds due April 1, 2016, with interest at 5.95%.	30,400
1996 Sixth Series dated August 1, 1996. \$605 due 2002, with interest rate of 4.90%; \$11,090 term bonds due April 1, 2022, with interest at 6.2%; \$8,405 term bonds due April 1, 2026, with interest at 6.25%; \$1,515 term bonds due April 1, 2028, with interest at 6.25%.	21,615

1997 First Series dated August 1, 1997. \$41,383 due serially, net of \$78 unamortized premium, from 2002 to 2008, with interest rates of 4.60% to 5.05%; \$67,260 term bonds due April 1, 2018, with interest at 5.60%.	\$ 108,643
1999 First Series dated December 1, 1998. \$4,865 due serially from 2002 to 2010, with interest rates of 4.0% to 4.7%; \$6,420 term bonds due April 1, 2018, with interest at 5.15%; \$5,000 term bonds due April 1, 2028, with interest at 5.25%; \$7,640 term bonds due April 1, 2029, with interest at 5.25%.	23,925
1999 Second Series dated December 1, 1998. \$26,615 due serially from 2009 to 2013, with interest rates of 4.4% to 4.8%; \$26,590 term bonds due April 1, 2017, with interest at 5.0%.	53,205
1999 Third Series dated December 1, 1998. \$29,360 due serially from 2002 to 2010, with interest rates of 4.0% to 4.7%; \$20,395 term bonds due April 1, 2020, with interest at 4.45%; \$33,400 term bonds due April 1, 2021, with interest at 5.125%.	83,155
2000 First Series dated March 1, 2000. \$20,890 due serially from 2002 to 2013, with interest rates of 4.60% to 5.6%; \$4,935 term bonds due April 1, 2015, with interest at 5.7%; \$4,365 term bonds due April 1, 2017, with interest at 5.8%; net of deferred issuance costs and call premium on refunded bonds of \$915.	29,275
2001 First Series dated March 1, 2001. \$54,850 due serially from 2003 to 2015, with interest rates of 3.65% to 4.95%; \$11,645 term bonds due April 1, 2017, with interest at 5.00%; net of deferred issuance costs and call premium on refunded bonds of \$1,916.	64,579
2001 Second Series dated March 1, 2001. \$6,735 due serially from 2003 to 2012, with interest rates of 3.75% to 4.80%; \$14,525 term bonds due April 1, 2023, with interest at 4.40%; net of deferred issuance costs and call premium on refunded bonds of \$599.	20,661
Total Single-Family Program Fund	<u>\$ 1,057,663</u>

#### **Multi-Family Housing Revenue Bond Program Fund**

1985 Series B dated June 1, 1985. \$624 capital appreciation bonds, including accreted discount of \$499, due May 15, 2017, with a yield rate of 10.375%.	\$ 624
1989 Series B dated April 1, 1989. \$45 due serially from 2002 to 2004, with interest rates of 7.30% to 7.35%; \$90 term bonds due May 15, 2009, with interest at 7.5%; \$375 term bonds due May 15, 2021, with interest at 7.625%.	510
1990 Series A dated June 1, 1990. \$840 term bonds due May 15, 2010, with interest at 7.7%; \$6,425 term bonds due May 15, 2032, with interest at 7.8%.	7,265
1990 Series B dated June 1, 1990. \$1,880 term bonds due May 15, 2022, mandatory sinking fund requirements and interest at 10.05%.	1,880
1990 Series D dated November 1, 1990. \$2,470 due serially from 2002 to 2005, with interest rates of 7.05% to 7.35%; \$3,080 term capital appreciation bonds, including \$1,732 accreted discount, due May 15, 2032 with a yield rate of 8.0%; \$4,275 term bonds due May 15, 2010, with interest at 7.55%; \$15,205 term bonds due May 15, 2020, with interest at 7.7%.	25,030

1991 Series A dated May 1, 1991. \$615 term bonds due May 15, 2011, with interest at 7.1%; \$1,405 term bonds due May 15, 2022, with interest at 7.2%.	\$ 2,020
1991 Series B dated May 1, 1991. \$175 term bonds due May 15, 2011, with interest at 7.35%; \$329 term bonds, net of \$1 unamortized discount, due May 15, 2021, with interest at 7.375%.	504
1991 Series D dated May 1, 1991. \$3,180 term bonds due May 15, 2022, with mandatory sinking fund requirements and interest at 9.75%.	3,180
1991 Series E dated August 1, 1991. \$1,680 due serially from 2002 to 2006, with interest rates of 6.45% to 6.85%; \$2,335 term bonds due May 15, 2011, with interest at 7.0%; \$6,005 term bonds due May 15, 2028, with interest at 7.1%.	10,020
1991 Series G dated August 1, 1991. \$170 term bonds due May 15, 2006, with interest at 6.85%; \$255 term bonds due May 15, 2011, with interest at 7.0%; \$840 term bonds due May 15, 2023, with interest at 7.1%.	1,265
1991 Series H dated August 1, 1991. \$4,765 term bonds due May 15, 2033, with interest at 9.6%.	4,765
1992 Series A dated January 1, 1992. \$805 due serially from 2002 to 2005, with interest rates of 6.1% to 6.4%; \$2,030 term bonds due May 15, 2012, with interest at 6.7%; \$10,295 term bonds due May 15, 2033, with interest at 6.85%.	13,130
1992 Series B dated January 1, 1992. \$45 term bonds due May 15, 2002, with interest at 5.9%; \$210 term bonds due May 15, 2006, with interest at 6.25%; \$420 term bonds due May 15, 2012, with interest at 6.5%; \$1,045 term bonds due May 15, 2022, with interest at 6.625%.	1,720
1992 Series C dated January 1, 1992. \$6,145 term bonds due May 15, 2033, with interest at 9.05%.	6,145
1992 Series D dated May 1, 1992. \$735 due serially from 2002 to 2005, with interest rates of 6.1% to 6.35%; \$1,830 term bonds due May 15, 2012, with interest at 6.6%; \$8,225 term bonds due May 15, 2027, with interest at 6.7%.	10,790
1992 Series E dated May 1, 1992. \$55 due serially from 2002 to 2005, with interest rates of 6.1% to 6.35%; \$60 term bonds due May 15, 2009, with interest at 6.6%; \$1,000 term bonds due May 15, 2033, with interest at 6.75%.	1,115
1992 Series F dated May 1, 1992. \$730 term bonds due May 15, 2008, with mandatory sinking fund requirements and interest at 8.375%; \$995 term bonds due May 15, 2012, with interest at 8.75%; \$5,360 term bonds due May 15, 2024, with interest at 9.35%.	7,085
1992 Series G dated July 1, 1992. \$7,175 term bonds due May 15, 2019, with interest at 6.55%.	7,175
1993 Series A dated December 1, 1992. \$465 due serially from 2002 to 2005, with interest rates of 5.65% to 5.95%; \$1,345 term bonds due May 15, 2013, with interest at 6.5%; \$1,920 term bonds due May 15, 2023, with interest at 6.625%.	3,730
1993 Series B dated December 1, 1992. \$2,300 due serially from 2002 to 2005, with interest rates of 5.65% to 5.95%; \$6,665 term bonds due May 15, 2013, with interest at 6.5%; \$10,250 term bonds due May 15, 2023, with interest at 6.625%; \$1,970 term bonds due May 15, 2034, with interest at 6.65%.	21,185



1993 Series C dated December 1, 1992. \$7,510 term bonds due May 15, 2024, with interest at 8.95%.	\$ 7,510
1993 Series D dated March 1, 1993. \$11,160 due serially from 2002 to 2007, with interest rates of 5.1% to 5.6%; \$15,530 term bonds due May 15, 2013, with interest at 5.95%; \$19,970 term bonds due May 15, 2024, with interest at 6.05%.	46,660
1993 Series E dated March 1, 1993. \$165 due serially from 2002 to 2007, with interest rates of 5.1% to 5.6%; \$240 term bonds due May 15, 2013, with interest at 5.95%; \$640 term bonds due May 15, 2023, with interest at 6.05%; \$485 term bonds due May 15, 2028, with interest at 6.05%.	1,530
1993 Series F dated March 1, 1993. \$780 due serially from 2002 to 2007, with interest rates of 5.1% to 5.6%; \$1,095 term bonds due May 15, 2013, with interest at 5.95%; \$1,865 term bonds due May 15, 2020, with interest at 6.05%.	3,740
1993 Series G dated March 1, 1993. \$1,855 term bonds due May 15, 2024, with interest at 8.375%.	1,855
1993 Series H dated August 1, 1993. \$3,345 due serially from 2002 to 2007, with interest rates of 4.7% to 5.20%; \$4,525 term bonds due May 15, 2013, with interest at 5.45%; \$12,815 term bonds due May 15, 2026, with interest at 5.60%.	20,685
1993 Series I dated August 1, 1993. \$35 term bonds due May 15, 2002, with interest at 4.70%; \$190 term bonds due May 15, 2007, with interest at 5.20%; \$310 term bonds due May 15, 2013, with interest at 5.45%; \$680 term bonds due May 15, 2023, with interest at 5.60%.	1,215
1993 Series J dated August 1, 1993. \$50 term bonds due May 15, 2002, with interest at 4.80%; \$275 term bonds due May 15, 2007, with interest at 5.30%; \$450 term bonds due May 15, 2013, with interest at 5.60%; \$1,330 term bonds due May 15, 2024, with interest at 5.75%.	2,105
1993 Series K dated August 1, 1993. \$669 term bonds, net of unamortized discount of \$1, due May 15, 2004, with interest at 6.55%.	669
1994 Series A dated February 1, 1994. \$115 term bonds due May 15, 2004, with interest at 4.65%; \$230 term bonds due May 15, 2009, with interest at 5.15%; \$300 term bonds due May 15, 2014, with interest at 5.35%; \$905 term bonds due May 15, 2024, with interest at 5.45%.	1,550
1994 Series B dated February 1, 1994. \$1,975 term bonds due May 15, 2009, with interest at 6.80%; \$9,735 term bonds due May 15, 2025, with interest at 7.90%.	11,710
1994 Series C dated September 1, 1994. \$1,130 due serially from 2002 to 2008, with interest rates of 5.5% to 6.15%; \$1,435 term bonds due May 15, 2014, with interest at 6.5%; \$4,590 term bonds due May 15, 2025, with interest at 6.65%; \$4,000 term bonds due May 15, 2036, with interest at 6.75%.	11,155
1994 Series D dated September 1, 1994. \$395 due serially from 2002 to 2008, with interest rates of 5.5% to 6.15%; \$415 term bonds due May 15, 2014, with interest at 6.5%; \$1,305 term bonds due May 15, 2025, with interest at 6.65%.	2,115
1994 Series E dated September 1, 1994. \$1,845 due serially from 2002 to 2008, with interest rates of 5.65% to 6.3%; \$2,350 term bonds due May 15, 2014, with interest at 6.7%; \$7,640 term bonds due May 15, 2025, with interest at 6.85%.	11,835

1994 Series F dated September 1, 1994. \$630 term bonds due May 15, 2004, with interest at 8.45%; \$1,860 term bonds due May 15, 2010, with interest at 9.10%; \$2,495 term bonds due May 15, 2015, with interest at 9.30%; \$4,620 term bonds due May 15, 2021, with interest at 9.45%; \$4,695 term bonds due May 15, 2026, with interest at 9.55%.	\$ 14,300
1995 Series A dated April 1, 1995. \$1,550 due serially from 2002 to 2010, with interest rates of 5.15% to 5.90%; \$1,275 term bonds due May 15, 2015, with interest at 6.30%; \$2,150 term bonds due May 15, 2021, with interest at 6.50%; \$1,965 term bonds due May 15, 2025, with interest at 6.55%; \$8,915 term bonds due May 15, 2036, with interest at 6.7%.	15,855
1995 Series B dated December 1, 1995. \$1,860 due serially from 2002 to 2008, with interest rates of 4.55% to 5.3%; \$2,665 term bonds due May 15, 2015, with interest at 5.65%; \$6,145 term bonds due May 15, 2026, with interest at 5.8%.	10,670
1995 Series C dated December 1, 1995. \$260 due serially from 2002 to 2008, with interest rates of 4.55% to 5.3%; \$375 term bonds due May 15, 2015, with interest at 5.65%; \$1,085 term bonds due May 15, 2026, with interest at 5.8%.	1,720
1995 Series D dated December 1, 1995. \$355 due serially from 2002 to 2008, with interest rates of 4.75% to 5.5%; \$510 term bonds due May 15, 2015, with interest at 5.8%; \$1,535 term bonds due May 15, 2027, with interest at 5.9%.	2,400
1998 Series A dated November 1, 1998. \$4,260 due serially from 2002 to 2013, with interest rates of 3.85% to 4.85%; \$2,540 term bonds due May 15, 2018, with interest at 5.05%; \$5,930 term bonds due May 15, 2029, with interest at 5.15%.	12,730
1998 Series B dated November 1, 1998. \$2,120 due serially from 2002 to 2009, with interest rates of 3.95% to 4.55%; \$3,345 term bonds due May 15, 2018, with interest at 5.15%; \$2,675 term bonds due May 15, 2028, with interest at 5.25%.	8,140
Total Multi-Family Housing Revenue Bond Program Fund	<u>\$ 319,287</u>

### Housing Revenue Bond Program Fund

Series 1996 A dated November 1, 1996. \$31,160 due serially from 2001 to 2008, with interest rates of 4.45% to 5.3%; \$7,810 term bonds due January 1, 2010, with interest at 5.5%; \$1,095 term bonds due January 1, 2016, with interest at 5.8%; \$38,160 term bonds due July 1, 2016, with interest at 5.875%; \$16,510 term bonds due July 1, 2023, with interest at 5.95%.	\$ 94,735
Series 1996 B dated November 1, 1996. \$355 due serially from 2001 to 2008, with interest rates of 4.45% to 5.3%; \$530 term bonds due July 1, 2016, with interest at 5.875%; \$1,105 term bonds due July 1, 2028, with interest at 5.95%.	1,990
Series 1997 A dated June 1, 1997. \$2,810 due serially from 2001 to 2009, with interest rates of 4.40% to 5.20%; \$4,200 term bonds due July 1, 2017, with interest at 5.70%; \$9,110 term bonds due July 1, 2027, with interest at 5.85%; \$20,600 term bonds due July 1, 2039, with interest at 6.00%.	36,720

Series 1997 B dated September 1, 1997. \$600 due serially from 2001 to 2009, with interest rates of 4.25% to 5.00%; \$860 term bonds due July 1, 2017, with interest at 5.55%; \$1,850 term bonds due July 1, 2027, with interest at 5.65%; \$4,300 term bonds due July 1, 2039, with interest at 5.75%.	\$ 7,610
Series 1997 C dated December 1, 1997. \$1,285 due serially from 2001 to 2010, with interest rates of 4.10% to 5.00%; \$1,465 term bonds due July 1, 2017, with interest at 5.45%; \$1,140 term bonds due July 1, 2021, with interest at 5.5%; \$2,300 term bonds due July 1, 2027, with interest at 5.55%; \$7,730 term bonds due July 1, 2039, with interest at 5.65%.	13,920
Series 1998 A dated April 1, 1998. \$1,840 due serially from 2001 to 2015, with interest rates of 4.10% to 5.30%; \$1,020 term bonds due July 1, 2020, with interest at 5.45%; \$3,090 term bonds due July 1, 2030, with interest at 5.50%; \$5,000 term bonds due January 1, 2040, with interest at 5.625%.	10,950
Series 1999 A dated February 1, 1999. \$1,820 due serially from 2002 to 2012, with interest rates of 3.7% to 4.7%; \$1,475 term bonds due July 1, 2018, with interest at 5.05%; \$1,655 term bonds due July 1, 2023, with interest at 5.1%; \$2,165 term bonds due July 1, 2028, with interest at 5.15%; \$1,610 term bonds due July 1, 2031, with interest at 5.2%; \$7,620 term bonds due July 1, 2041, with interest at 5.35%.	16,345
Series 1999 B dated October 15, 1999. \$2,785 due serially from 2001 to 2014, with interest rates of 4.40% to 5.85%; \$2,150 term bonds due January 1, 2021, with interest at 6.15%; \$4,270 term bonds due July 1, 2029, with interest at 6.25%; \$1,945 term bonds due July 1, 2032, with interest at 6.25%; \$4,575 term bonds due January 1, 2042, with interest at 6.4%; \$90 term bonds due July 1, 2042, with interest at 6.4%.	15,815
Series 1999 C dated October 15, 1999. \$60 term bonds due July 1, 2014, with interest at 5.85%; \$60 term bonds due January 1, 2021, with interest at 6.15%; \$185 term bonds due July 1, 2032, with interest at 6.25%; \$215 term bonds due July 1, 2040, with interest at 6.4%.	520
Series 1999 D dated December 1, 1999. \$2,920 due serially from 2001 to 2009, with interest rates of 4.50% to 5.40%; \$1,900 term bonds due July 1, 2013, with interest at 5.9%; \$3,995 term bonds due July 1, 2023, with interest at 6.2%; \$1,685 term bonds due July 1, 2030, with interest at 6.25%; \$1,010 term bonds due July 1, 2031, with interest at 6.25%; \$3,000 term bonds due July 1, 2042, with interest at 6.35%.	14,510
Series 2000 A dated October 1, 2000. \$3,555 due serially from 2003 to 2015, with interest rates of 4.60% to 5.55%; \$2,735 term bonds due July 1, 2021, with interest at 5.875%; \$7,870 term bonds due July 1, 2032, with interest at 6.00%; \$6,285 term bonds due July 1, 2038, with interest at 6.10%; \$7,000 term bonds due July 1, 2042, with interest at 6.10%.	27,445
Total Housing Revenue Bond Program Fund	<u>\$ 240,560</u>

### Residential Revenue Bond Program Fund

1997 Series A dated August 1, 1997. \$17,325 term bonds due March 1, 2017, with interest at 5.60%.	\$ 17,325
1997 Series B dated August 1, 1997. \$15,405 due serially from 2001 to 2009, with interest rates of 4.60% to 5.25%; \$7,120 term bonds due September 1, 2019, with interest at 5.05%; \$26,975 term bonds due September 1, 2025, with interest at 5.875%; \$24,045 term bonds due September 1, 2029, with interest at 5.875%.	73,545
1998 Series A dated January 1, 1998. \$2,445 due serially from 2010 to 2014, with interest rates of 4.70% to 5.00%; \$2,195 term bonds due September 1, 2017, with interest at 5.05%.	4,640
1998 Series B dated January 1, 1998. \$16,822 due serially, net of \$62 unamortized premium, from 2001 to 2012, with interest rates of 4.05% to 5.00%; \$9,115 term bonds due September 1, 2018, with interest at 4.50%; \$16,470 term bonds due September 1, 2023, with interest at 5.30%; \$11,630 term bonds due March 1, 2030, with interest at 5.35%; \$17,250 term bonds due September 1, 2030, with interest at 5.35%.	71,287
1998 Series D dated December 1, 1998. \$12,330 due serially from 2001 to 2010, with interest rates of 3.8% to 4.65%; \$14,460 term bonds due March 1, 2018, with interest at 5.15%; \$11,390 term bonds due September 1, 2022, with interest at 4.5%; \$2,835 term bonds due March 1, 2029, with interest at 5.25%; \$19,750 term bonds due September 1, 2029, with interest at 5.25%.	60,765
1999 Series C dated May 1, 1999. \$915 due serially from 2011 to 2012, with interest rates of 4.7% to 4.8%; \$1,750 term bonds due September 1, 2015, with interest at 4.95%.	2,665
1999 Series D dated May 1, 1999. \$10,855 due serially from 2001 to 2012, with interest rates of 3.7% to 5.0%; \$9,955 term bonds due September 1, 2019, with interest at 5.25%; \$12,175 term bonds due September 1, 2024, with interest at 5.375%; \$9,875 term bonds due March 1, 2028, with interest at 4.8%; \$7,845 term bonds due March 1, 2031, with interest at 5.4%; \$6,183 term bonds, net of unamortized discount of \$42, due September 1, 2031, with interest at 5.4%.	56,888
1999 Series E dated August 1, 1999. \$14,745 due serially from 2005 to 2013, with interest rates of 4.6% to 5.45%; \$8,035 term bonds due September 1, 2017, with interest at 5.7%.	22,780
1999 Series F dated August 1, 1999. \$3,660 due serially from 2002 to 2004, with interest rates of 4.5% to 4.7%; \$6,470 term bonds due September 1, 2019, with interest at 5.9%; \$12,445 term bonds due September 1, 2023, with interest at 5.375%; \$24,425 term bonds due September 1, 2029, with interest at 5.95%; \$9,380 term bonds due September 1, 2031, with interest at 5.95%.	56,380

1999 Series H dated December 1, 1999. \$11,780 due serially from 2002 to 2012, with interest rates of 4.6% to 5.65%; \$8,275 term bonds due September 1, 2017, with interest at 6.0%; \$6,285 term bonds due September 1, 2020, with interest at 6.125%; \$13,255 term bonds due September 1, 2025, with interest at 6.15%; \$4,982 term bonds net of unamortized discount of \$18 due March 1, 2027, with interest at 6.2%; \$10,315 term bonds due March 1, 2031, with interest at 6.25%; \$4,955 term bonds due March 1, 2031, with interest at 6.25%.	\$ 59,847
2000 Series A dated March 1, 2000. \$7,965 due serially from 2007 to 2012, with interest rates of 5.15% to 5.5%.	7,965
2000 Series B dated March 1, 2000. \$6,335 due serially from 2002 to 2007, with interest rates of 4.8% to 5.35%; \$17,675 term bonds due September 1, 2020, with interest at 6.05%; \$13,500 term bonds due September 1, 2025, with interest at 5.55%; \$5,000 term bonds due September 1, 2031, with interest at 6.15%; \$29,430 term bonds due September 1, 2032, with interest at 6.15%.	71,940
2000 Series C dated June 1, 2000. \$6,090 due serially from 2010 to 2013, with interest rates of 5.45% to 5.7%.	6,090
2000 Series D dated June 1, 2000. \$9,810 due serially from 2002 to 2010, with interest rates of 5.1% to 5.7%; \$15,705 term bonds due September 1, 2020, with interest at 6.2%; \$48,365 term bonds due September 1, 2032, with interest at 6.25%.	73,880
2000 Series F dated August 1, 2000. \$15,190 due serially from 2004 to 2014, with interest rates of 4.35% to 5.20%.	15,190
2000 Series G dated August 1, 2000. \$2,785 due serially from 2002 to 2004, with interest rates of 4.50% to 4.60%; \$17,535 term bonds due September 1, 2021, with interest at 5.85%; \$27,135 term bonds due September 1, 2029, with interest at 5.95%; \$17,345 term bonds due September 1, 2032, with interest at 5.95%.	64,800
2000 Series H dated December 1, 2000. \$14,840 due serially from 2003 to 2015, with interest rates of 4.60% to 5.55%; \$13,555 term bonds due September 1, 2022, with interest at 5.70%; \$5,000 term bonds due September 1, 2031, with interest at 5.80%; \$26,605 term bonds due September 1, 2032, with interest of 5.80%.	60,000
2001 Series A dated March 1, 2001. \$16,205 due serially from 2003 to 2015, with interest rates of 3.65% to 4.95%; \$2,680 term bonds due September 1, 2017, with interest at 5.00%.	18,885
2001 Series B dated March 1, 2001. \$1,885 due serially from 2011 to 2015, with interest rates of 4.65% to 5.10%; \$13,290 term bonds due September 1, 2022, with interest at 5.375%; \$8,430 term bonds due September 1, 2025, with interest at 4.50%; \$27,195 term bonds due September 1, 2032, with interest of 5.45%.	50,800
2001 Series C dated March 28, 2001. \$11,220 short-term bonds due March 28, 2002, with interest at 3.20%.	11,220

2001 Series D dated March 28, 2001. \$47,960 short-term bonds due March 28, 2002, with interest at 3.25%.	\$ 47,960
2001 Series E dated June 1, 2001. \$13,775 due serially from 2003 to 2012, with interest rates of 3.30% to 4.65%.	13,775
2001 Series F dated June 1, 2001. \$745 due 2003, with interest at 3.50%; \$8,040 term bonds due September 1, 2016, with interest at 5.30%; \$15,840 term bonds due September 1, 2022, with interest at 5.50%; \$19,600 term bonds due September 1, 2028, with interest at 5.60%; \$22,000 term bonds due September 1, 2032, with interest at 5.60%.	<u>66,225</u>
Total Residential Revenue Bond Program Fund	<u>\$ 934,852</u>

As of June 30, 2001, the required principal payments including mandatory sinking fund payments for each of the next five years are as follows:

	<u>For the year ended June 30,</u>				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Single-Family Program Fund	\$ 31,000	\$ 36,535	\$ 38,260	\$ 40,315	\$ 38,015
Multi-Family Housing Revenue Bond Program Fund	7,055	7,445	7,855	8,055	8,565
Housing Revenue Bond Program Fund	4,445	4,915	5,360	5,645	5,920
Residential Revenue Bond Program Fund	63,160	9,875	13,475	14,075	14,725

All outstanding bonds are subject to redemption at the option of CDA, as a whole or in part at any time after certain dates, as specified in the respective series certificates. The prescribed redemption prices range from 100 to 102 percent of the principal amount.

#### **6. Redemption of bonds and extraordinary item:**

The provisions of the various note and bond certificates require or allow for the redemption of bonds through the use of unexpended bond proceeds and excess funds accumulated primarily through prepayment of mortgage loans. During the year, CDA redeemed bonds in the following series:

##### **Single-Family Program Fund**

- 1990 Fourth Series
- 1991 First Series
- 1991 Second Series
- 1991 Third Series
- 1991 Fourth Series
- 1991 Fifth Series
- 1991 Sixth Series
- 1992 Second Series
- 1992 Fourth Series

- 1992 Sixth Series
- 1992 Eighth Series
- 1993 Third Series
- 1994 First Series
- 1994 Fifth Series
- 1994 Seventh Series
- 1995 Second Series
- 1995 Third Series
- 1995 Fifth Series
- 1996 Fourth Series
- 1996 Sixth Series
- 1997 First Series
- 1999 Third Series
- 2000 First Series

#### **Multi-Family Housing Revenue Bond Program Fund**

- 1992 Series B
- 1993 Series E
- 1993 Series I
- 1994 Series D

#### **Housing Revenue Bond Program Fund**

- Series 1996 A
- Series 1996 B

#### **Residential Revenue Bond Program Fund**

- 1997 Series B
- 1998 Series B
- 1998 Series D
- 1999 Series D
- 1999 Series F
- 1999 Series H
- 1999 Series I
- 2000 Series B
- 2000 Series D
- 2000 Series G

Certain refundings of debt are due to the prepayments of mortgage loans. In these cases, CDA transfers the proceeds of the refunding bonds into a redemption account to redeem previously issued bonds and, simultaneously, transfers the prepayments of single-family mortgage loans financed by these prior bonds to the refunding bonds' accounts for the purpose of originating new loans. This recycling of prepayments enables CDA to originate new loans that are not subject to the limitations of the IRS volume cap. CDA does not pay

call premiums on these special redemptions, and the refundings are not undertaken to reduce interest rates, revise payment schedules or modify restrictions. CDA writes off any unamortized deferred issuance costs or original issue discounts, net of unamortized original issue premiums, as an extraordinary loss in the accompanying statement of revenues, expenses and changes in fund equity.

For current refundings of debt in an optional redemption, CDA replaces previously issued bonds with lower cost debt. In these cases, CDA defers the difference between the reacquisition price (i.e., the principal of the old debt, plus the call premium) and the net carrying amount of the old debt (i.e., the amount due at maturity, adjusted for any unamortized premium or discount and issuance costs related to the old debt) as an offset to the new bonds on the accompanying balance sheet, in accordance with GASB No. 23, "Accounting and Financial Reporting for Refunding of Debt Reported by Proprietary Activities." This deferral is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

#### 7. Commitments and contingencies:

CDA has issued the following bonds that are not included in the financial statements of the Funds:

	<u>Amount issued</u>	<u>Outstanding at June 30, 2001</u>
Multi-Family Development Revenue Bonds		
1990 Issue A (College Estates)	\$ 6,750	\$ 6,250
1990 Issue B (Middle Branch Manor)	12,350	10,700
1990 Issue C (Harbor City Townhomes)	4,150	3,600
Series 1998 A (Auburn Manor)	11,000	10,690
Series 1998 A (Lexington Terrace)	11,100	11,100
Series 1998 B (Lexington Terrace)	3,900	3,900
Series 1999 A (GNMA-Selborne House)	2,150	2,150
Series 2000 A (Waters Landing II Apartments)	11,000	11,000
Series 2000 B-1 (Edgewater Village Apartments)	7,640	7,640
Series 2000 B-2 (Edgewater Village Apartments)	3,125	3,125
Series 2000 C (Park Montgomery Apartments)	6,170	6,170
Series 2001 A (Heritage Crossing)	3,050	3,050
Series 2001 B (Heritage Crossing)	3,050	3,050
Multi-Family Development Revenue Refunding Bonds		
Series 1997 (Avalon Lea Apartments)	16,835	16,835
Series 1997 (Avalon Ridge Apartments)	26,815	26,815
Series 1999 C (Westfield/Greens)	9,200	9,075
Mortgage Revenue Obligations		
First Series (Storchwoods II)	1,544	1,199

All of these bonds are secured solely by the properties and related revenues of the projects and the applicable credit enhancements. No assets of the Funds have been pledged as security for these bonds.



On July 11, 2001, CDA issued \$9,800 of Multi-Family Development Revenue Bonds Series 2001 C for the Park Lane Apartments Project.

As of June 30, 2001, CDA had excess arbitrage on investments for certain Single-Family Program Bonds and Residential Revenue Bonds which are subject to rebate. The total arbitrage expense for 2001 was \$2,531, which is included in other expense in the statement of revenues, expenses and changes in fund equity. As of June 30, 2001, an estimated liability for the Single-Family Program Fund and the Residential Revenue Bonds Program Fund of \$1,144 and \$505, respectively, for potential excess arbitrage subject to rebate has been recorded in accounts payable in the accompanying balance sheet.

#### **8. Pension and other postretirement benefits:**

Eligible employees of CDA and employees of the State of Maryland are covered under the retirement plans of the State Retirement and Pension System of Maryland (System) and are also entitled to certain healthcare benefits upon retirement. CDA's only liability for retirement and postemployment benefits is its required annual contribution, which it has fully funded during the year ended June 30, 2001. The System prepares a separate audited Comprehensive Annual Financial Report which can be obtained from the State Retirement and Pension System of Maryland, 301 West Preston Street, Baltimore, Maryland 21201.

#### **9. Subsequent events:**

Subsequent to year-end, CDA issued and redeemed certain bonds within the following funds:

##### **Single-Family Program**

On August 1, 2001, CDA redeemed the following bonds:

1991 Third Series	\$ 12,890
1992 Fourth Series	80
1992 Sixth Series	65
1992 Eighth Series	10
1993 Third Series	1,130
1994 First Series	1,800
1994 Fifth Series	720
1994 Seventh Series	1,355
1995 Second Series	205
1995 Third Series	80
1996 Fourth Series	160
1996 Sixth Series	615
1997 First Series	1,230
1999 Third Series	1,700
2000 First Series	250
2001 Second Series	1,235

### **Housing Revenue Bonds**

On July 12, 2001, CDA issued the following bonds:

Series 2001 A	\$ 29,645
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### **Residential Revenue Bonds**

On August 1, 2001, CDA redeemed the following bonds:

1997 Series A	\$ 60
1997 Series B	1,065
1998 Series B	545
1998 Series D	375
1999 Series D	300
1999 Series F	115
1999 Series H	210
2000 Series B	90
2000 Series D	125
2000 Series G	20
2000 Series H	5

## Community Development Administration Revenue Obligation Funds

### Supplemental disclosure of change in fair value of investments and mortgage-backed securities

**June 30, 2001**  
**(in thousands)**  
**(Unaudited)**

During fiscal year 1997, CDA adopted the provisions of The Government Accounting Standards Board (GASB) Statement No. 31. This statement requires the financial statements of CDA to reflect investments and mortgage-backed securities at fair value, and the increase or decrease in fair value is included in the statement of revenues, expenses and changes in fund equity.

For investments held by CDA as of June 30, 2001, the following schedule summarizes the differences between fair value and amortized costs attributable for each of these years:

Fiscal Year Period	Single-Family Program Fund	Multi-Family Housing Revenue Bond Program Fund	Housing Revenue Bond Program Fund	Residential Revenue Bond Program Fund	General Bond Reserve Fund	Combined
Cumulative FY 1996 and prior periods	\$ 28,537	\$ 1,972	\$ —	\$ —	\$ 620	\$ 31,129
FY 1997	3,461	415	(352)	—	175	3,699
FY 1998	18,225	3,431	832	—	90	22,578
FY 1999	(14,325)	(2,009)	(407)	—	(191)	(16,932)
FY 2000	(1,536)	(154)	48	(227)	(237)	(2,106)
FY 2001	1,356	1,192	193	551	244	3,536
Cumulative total	<u>\$ 35,718</u>	<u>\$ 4,847</u>	<u>\$ 314</u>	<u>\$ 324</u>	<u>\$ 701</u>	<u>\$ 41,904</u>

For the year ended June 30, 2001, the \$7,410 increase in fair value of investments in the Single-Family Program Fund on the statement of revenues, expenses and changes in fund equity includes the increase in fair value of investments held at June 30, 2001, of \$1,356 and realized gains on sales of investments during the year of \$6,054.

**Community Development Administration  
Revenue Obligation Funds**

**Supplemental disclosure of change in fair value of investments  
and mortgage-backed securities  
June 30, 2001  
(in thousands)  
(Unaudited)  
(Continued)**

For mortgage-backed securities held by CDA as of June 30, 2001, the following schedule summarizes the differences between fair value and cost attributable for each of these years:

Fiscal Year Period	Multi-Family Housing Revenue Bond Program Fund	Housing Revenue Bond Program Fund	Combined
Cumulative FY 1996 and prior periods	\$ —	\$ —	\$ —
FY 1997	—	—	—
FY 1998	—	—	—
FY 1999	—	—	—
FY 2000	(452)	(3,825)	(4,277)
FY 2001	<u>1,358</u>	<u>(3,291)</u>	<u>(1,933)</u>
Cumulative total	<u>\$ 906</u>	<u>\$ (7,116)</u>	<u>\$ (6,210)</u>