Message from the Chair and Executive Director

On behalf of the Members of MassHousing and our staff, we are pleased to provide this annual financial report for fiscal year 2022, which ended on June 30, 2022.

Despite economic and real estate market volatility, MassHousing continued to meet the housing challenges of the Commonwealth, delivering more than $1.4 billion in financing, while maintaining a healthy balance sheet that ensures that we can continue to meet our mission.

Fiscal year 2022 was also the first year of a five-year strategic plan to increase our lending to homebuyers and developers of color; generate more revenue to support additional mission-driven initiatives; improve our customer experience using new technology; enhance our remote work capabilities; invest in our staff; and strengthen our commitment to inclusion, diversity and equitable business development.

Our Rental business line provided $944.8 million in financing for 45 apartment communities with a total of 5,329 units. Our Home Ownership business line, which provides home mortgage financing for low- and moderate- income home buyers and homeowners, provided a total of $462.2 million in financing for 2,064 borrowers.

While these two business lines comprise the bulk of our activity, MassHousing also made significant strides in other areas, including equitable business development, neighborhood stabilization, sober housing, quality of life in rental housing communities, increased lending in communities of color, technology upgrades and more.

MassHousing is proud to be the leader in affordable housing financing in Massachusetts, pleased to be widely seen as a highly competent program administrator and determined to be on the cutting edge of housing policy. In fiscal year 2022, in addition to a high volume of lending, we helped to administer COVID housing relief programs and received state, federal and grant funding which enabled us to serve more people with much needed housing assistance.

We are grateful to our many partners and collaborators in the Baker-Polito Administration as well as the non-profits, developers, lenders, property management companies, financial advisors and bankers, advocates and others with whom we do business.

We are confident that the pages of this report demonstrate that MassHousing is well-positioned financially to continue to not only meet, but also exceed our public mission to address the ever-changing housing needs of low- and moderate-income residents of Massachusetts.

Jeanne Pinado

Jeanne Pinado, Chair

Chrystal Kornegay

Chrystal Kornegay, Executive Director

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MASSACHUSETTS HOUSING FINANCE AGENCY

FINANCIAL STATEMENTS, REQUIRED SUPPLEMENTARY INFORMATION, SCHEDULES AND SUPPLEMENTAL SCHEDULES

JUNE 30, 2022 AND 2021

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Report of Independent Auditors

To the Members of the Massachusetts Housing Finance Agency

Opinions

We have audited the accompanying financial statements of the business-type activities and fiduciary fund information of Massachusetts Housing Finance Agency and its affiliates (the "Agency") which comprise the statements of net position and of fiduciary net position as of June 30, 2022 and 2021, and the related statements of revenues, expenses, and changes in net position, of changes in fiduciary net position and of cash flows for the years then ended, including the related notes, which collectively comprise the Agency's basic financial statements.

In our opinion, based on our audits and the reports of other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary fund information of the Agency as of June 30, 2022 and 2021, 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.

We did not audit the financial statements of the Massachusetts Housing Finance Agency OPEB Trust as of and for the years ended June 30, 2022 and 2021, which represent 15 percent and 19 percent of the assets of the fiduciary fund information as of June 30, 2022 and 2021, respectively, and -14 percent and 25 percent of additions of the fiduciary fund information for the years then ended. We did not audit the financial statements of the Massachusetts Housing Finance Agency Employees' Retirement System as of and for the years ended December 31, 2021 and 2020, which represent 85 percent and 81 percent of the assets of the fiduciary fund information as of June 30, 2022 and 2021, respectively, and 114 percent and 75 percent of additions of the fiduciary fund information for the years then ended. The financial statements of the Massachusetts Housing Finance Agency OPEB Trust and the Massachusetts Housing Finance Agency Employees' Retirement System were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Massachusetts Housing Finance Agency OPEB Trust and the Massachusetts Housing Finance Agency Employees' Retirement System, which as discussed in Note B are the two fiduciary activities making up the fiduciary fund information, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency 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.

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 Agency'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.

Auditors' 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 auditors' 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 US GAAS, 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 US GAAS, 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 Agency'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 Agency'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 Supplemental Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 through 20 and the schedules of changes in the Agency's net pension liability/(asset) and related ratios and of Agency contributions for the Massachusetts Housing Finance Agency Employees' Retirement System Plan, and the schedules of changes in the Agency's net OPEB liability and related ratios and of Agency contributions for the Massachusetts Housing Finance Agency OPEB Trust on pages 90 through 93 be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental 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.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The supplemental information on schedule 1 – mortgage / construction loan obligations and commitments and schedule 5 – combining statements of net position, of revenues, expenses and changes in net position and of cash flows by program (collectively referred to as the "supplemental information") are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining information is not intended to present, and we do not express an opinion on, the financial position, changes in financial position and cash flows of the individual programs. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Message from the Chair and Executive Director, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do 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.

PricewaterhouseCoopers LLP

September 23, 2022

Massachusetts Housing Finance Agency

Annual Financial Report
June 30, 2022
Prepared by the
Office of the Financial Director
Rachel C. Madden, Financial Director
Stephen E. Vickery, Comptroller

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Overview of the Annual Financial Report

This annual financial report of the Massachusetts Housing Finance Agency (MassHousing or Agency) consists of six sections: (1) management's discussion and analysis; (2) audited combined financial statements (the financial statements); (3) notes to the financial statements; (4) required supplemental schedules; (5) supplemental schedules; and (6) schedules.

The management's discussion and analysis, financial statements, notes to the financial statements, required supplemental schedules, schedules and supplemental schedules were all prepared in conformity with the accounting principles generally accepted in the United States of America (GAAP) using the accounting standards promulgated by the Governmental Accounting Standards Board (GASB).

Background

MassHousing is a body politic and corporate and a public instrumentality of The Commonwealth of Massachusetts (the Commonwealth) established by Chapter 708 of the Acts of 1966, as amended (the Act), to increase the supply of residential housing in the Commonwealth for occupancy by persons and families of low and moderate income.

MassHousing is empowered by the Act, among other things, to issue bonds and notes to finance owner-occupied, residential housing for persons and families of low and moderate income and to make mortgage loans to sponsors of rental housing projects containing two or more dwelling units having promise of supplying well-planned, well-designed apartment units for low-income persons or families in locations where there is a need for such housing. Pursuant to the Act, MassHousing has the power to issue bonds and notes to finance construction and permanent mortgage loans, to utilize various lending programs to finance mortgage loans including the Housing Finance Agency Risk Sharing Program administered by the U.S. Department of Housing and Urban Development (HUD), Federal National Mortgage Association (FNMA) mortgage-backed securities (MBS), Government National Mortgage Association (GNMA) MBS, Federal Home Loan Mortgage Corporation (FHLMC) programs, Federal Home Loan Bank (FHLB) programs and Federal Financing Bank (FFB) programs and to enter into agreements and perform other functions in furtherance of its public purposes.

The Massachusetts Legislature has authorized MassHousing to issue bonds and notes up to an aggregate outstanding combined single debt limit of $4.9 billion for both multifamily and single-family purposes. The Agency's bonds and notes do not constitute obligations of the Commonwealth or any political subdivision thereof.

Financial Markets

MassHousing relies on its ability to gain orderly access to financial markets so it can meet its mission of providing and sustaining affordable housing and improving the lives of people in the Commonwealth. MassHousing meets its mission by: (1) issuing bonds and notes in order to fund its various programs, (2) utilizing government and government sponsored enterprise lending programs to sustain affordable housing and (3) investing a certain portion of its funds in the community to improve living conditions. MassHousing utilizes financial products such as (1) derivatives to be able to issue long-term debt at reasonable, synthetically fixed interest rates, as well as (2) mortgage-backed security forward contracts (MBS Forward Contracts) to securitize and service its qualified first mortgage loans originated by MassHousing-approved lenders into forward contracts to sell MBS to investors before the securities are ready for delivery.

Management's Discussion and Analysis

The following is an unaudited narrative overview of MassHousing's financial position and the results of its operations for the fiscal years ended June 30, 2022 (FY 2022) and June 30, 2021 (FY 2021), with selected comparative information for the fiscal year ended June 30, 2020 (FY 2020). Readers are encouraged to consider the information presented in this discussion and analysis in conjunction with the information presented in the audited financial statements, notes to the financial statements, supplemental schedules, schedules, and unaudited required supplemental schedules, all of which follow this narrative overview.

This discussion and analysis is designed to (1) assist the reader in focusing on significant financial matters and activities of the Agency and (2) identify and discuss significant changes in the Agency's financial position and results of its operations during the indicated fiscal years. The primary accounting policies followed by the Agency are presented in Note B to the financial statements.

The Financial Statements

- The statement of net position provides information about the Agency's financial condition at the end of the fiscal year by indicating the nature and amounts of its investments in resources (assets), its deferred outflows of resources, its obligations to outside creditors (liabilities), its deferred inflows of resources, and its resulting net position at the date of the statement of net position. Net position represents total assets, plus deferred outflows of resources, less total liabilities, less deferred inflows of resources. The organization of the statement of net position separates assets and liabilities into their current and non-current components.

- The statement of revenues, expenses, and changes in net position provides information about the Agency's revenues and expenses for the fiscal year in order to measure the results of the Agency's operations over the fiscal year.

- The statement of cash flows provides information about the net change in the Agency's cash and cash equivalents for the fiscal year resulting from four principal types of activities: operating activities, non-capital financing activities, capital financing activities and investing activities. Cash collections (receipts) and payments (disbursements) are presented in this statement to arrive at the net increase or decrease in cash and cash equivalents for the fiscal years.

- The statements of fiduciary net position provide information about the Agency's two fiduciary activities: (1) the Massachusetts Housing Finance Agency Other Post-Employment Benefits (OPEB) Trust and (2) the Massachusetts Housing Finance Agency Employees' Retirement System at the end of their respective fiscal years.

- The statements of changes in fiduciary net position provides information about the additions and deductions of the Agency's two fiduciary activities: (1) the Massachusetts Housing Finance OPEB Trust and (2) the Massachusetts Housing Finance Agency Employees' Retirement System in order to measure the results of the fiduciary activities' operations at the end of their respective fiscal years.

The Notes to Financial Statements

- The Notes to Financial Statements provide information that is useful to the reader in understanding the Agency's financial statements. Descriptions of the Agency's programs and its accounting methods and policies are contained in Notes A and B of the financial statements.

- The notes include details of the Agency's investments and contractual obligations as well as future commitments and contingencies.

- The notes also include information regarding events or developments that did have or could have a material impact upon the Agency's financial condition, results of operations, changes in net position and cash flows.

Required Supplementary Schedules, Schedules, and Supplemental Schedules

- Required Supplementary Information represents information required by GASB, which supplements the basic financial statements and notes. It is presented in conformity with GAAP using the accounting standards promulgated by GASB. These schedules provide additional information about the Agency's pension plan and the OPEB Trust, which administers the investments of, and provides funding for benefits under the terms of, the Agency's healthcare plan for retirees. Required Supplemental Schedules 1, 2, 3, and 4 are unaudited.

- Supplemental Schedule 1, which provides detailed information on the Agency's loan receivables and loan commitments, is presented to facilitate additional analysis of the information included herein and is not part of the basic financial statements. This schedule provides information in addition to what is included in Note D.

- The audited Schedules 2, 3, & 4 provide detailed information on the Agency's: bonds and notes payable; and MBS Forward Contracts. These schedules provide information in addition to what is included in Notes H and J.

- In addition to the Agency's basic financial statements, presented on a combined basis, combined financial statements that provide details of each separate bond resolution and the Working Capital Fund (WCF) and Affiliates (as defined in Note A) are presented in Supplemental Schedule 5 for both FY 2022 and FY 2021, in accordance with the financial reporting requirements of the various bond resolutions. These detailed combined financial statements include eliminating entries.

COVID-19 Response

From the time the President of the United States declared a national emergency due to the COVID-19 pandemic on March 13, 2020 to the present, several federally and state funded COVID-19 related relief packages, regulations, and programs have been enacted, implemented and administered to provide assistance to address the financial impacts arising from the pandemic. Despite the initial and ongoing effects of the pandemic, MassHousing has not experienced any materially adverse impacts to its financial condition or operations due to the COVID-19 pandemic and seeks ways to access and facilitate use of housing related COVID-19 relief funds as well as comply with programs to assist renters and homeowners. MassHousing has adhered to all state and federal emergency mandates, continues to comply with applicable laws and regulations, and has adapted its business accordingly. Management continues to monitor its business lines and operations to minimize potential disruptions.

MassHousing, in its capacity as a "Contractor," has and continues to provide administration and project management services to distribute federal financial assistance funded from various COVID-19 relief statutes. These include the Homeowner Assistance Fund established under Section 3206 of the American Rescue Plan Act of 2021 (ARPA), signed into law on March 11, 2021 (the Federal HAF Program), the Commonwealth's Subsidized Housing Emergency Rental Assistance (SHERA) program funded with federal moneys pursuant to section 501 of the Division N of the Consolidated Appropriations Acts, 2021, Pub. L. No. 116 260, and State and Local Fiscal Recovery Funds (SLFRF) available pursuant to Section 9901 of ARPA.

The Federal HAF Program is intended to help remedy mortgage delinquencies caused by the COVID-19 pandemic for eligible homeowners. MassHousing participates with other state public and quasi-public partners in the Massachusetts statewide program to promote the availability of financial assistance administered by the Commonwealth's Executive Office for Administration and Finance and managed by Massachusetts Housing Partnership Fund Board (the Statewide HAF Program). MassHousing established and continues to manage the statewide marketing campaign to encourage homeowners affected by COVID-19 pandemic to take advantage of the financial assistance under the Statewide HAF Program.

The SHERA program helps residents clear rent arrearages incurred due to the COVID-19 pandemic. MassHousing's borrowers were among the first phase of eligible participants in the program and MassHousing was one of the administrators of the SHERA program. The SHERA program ended in April, 2022 and MassHousing's contract for administrative services expired on June 30, 2022.

The Commonwealth has also allocated $180 million of SLFRF moneys to housing programs that will be administered in whole or in part by MassHousing. MassHousing is presently working with the Commonwealth towards implementation of programs to deploy SLFRF moneys in fiscal year 2023.

Because it is generally difficult to predict the impact of actions taken or to be taken by the government to address the pandemic and its repercussions, there can be no assurances that the pandemic, and resulting business and market disruptions, will not have future adverse impacts on the operations of MassHousing, its financial condition or any of its contractual obligations.

<u>Summarized Financial Information – Statement of Net Position (in millions)</u>

The table below presents summarized comparative statements of net position at June 30:

		Change from FY 2021			Change from FY 2020		
	6/30/2022	$	%	6/30/2021 (as restated)	$	%	6/30/2020
Assets - Working Capital Fund and Affiliates (WCF)							
Cash, cash equivalents, investments	$ 523	$ (77)	-12.8%	$ 600	$ (95)	-13.7%	$ 695
Loans receivable (net)	659	35	5.6%	624	191	44.1%	433
Other assets	842	4	0.5%	838	133	18.9%	705
Total Assets – WCF and Affiliates	$ 2,024	$ (38)	-1.8%	$ 2,062	$ 229	12.5%	$ 1,833
Total Deferred Outflow of Resources - WCF and Affiliates	$ 12	$ (10)	-45.5%	$ 22	$ 6	37.5%	$ 16
Total Assets and Deferred Outflow of Resources – WCF and Affiliates	$ 2,036	$ (48)	-2.3%	$ 2,084	$ 235	12.7%	$ 1,849
Assets - Bond Programs							
Cash, cash equivalents, investments	$ 1,494	$ (194)	-11.5%	$ 1,688	$ 68	4.2%	$ 1,620
Loans receivable (net)	2,724	157	6.1%	2,567	124	5.1%	2,443
Derivative instruments	1	1		-	-		-
Other assets	12	-	0.0%	12	(2)	-14.3%	14
Total Assets – Bond Programs	$ 4,231	$ (36)	-0.8%	$ 4,267	$ 190	4.7%	$ 4,077
Total Deferred Outflow of Resources - Bond Programs	$ -	$ (4)	-100.0%	$ 4	$ (18)	-81.8%	$ 22
Total Assets and Deferred Outflow of Resources – Bond Programs	$ 4,231	$ (40)	-0.9%	$ 4,271	$ 172	4.2%	$ 4,099
Total Assets and Deferred Outflow of Resources	$ 6,267	$ (88)	-1.4%	$ 6,355	$ 407	6.8%	$ 5,948
Liabilities - WCF and Affiliates							
Debt (net)	$ 209	$ (65)	-23.7%	$ 274	$ 58	26.9%	$ 216
Derivative instruments	7	(4)	-36.4%	11	10	1000.0%	1
Other liabilities	787	(27)	-3.3%	814	84	11.5%	730
Total Liabilities – WCF and Affiliates	$ 1,003	$ (96)	-8.7%	$ 1,099	$ 152	16.1%	$ 947
Total Deferred Inflow of Resources - WCF and Affiliates	$ 32	$ 1	3.2%	$ 31	$ 21	210.0%	$ 10
Total Liabilities and Deferred Inflow of Resources – WCF and Affiliates	$ 1,035	$ (95)	-8.4%	$ 1,130	$ 173	18.1%	$ 957
Liabilities – Bond Programs							
Debt (net)	$ 3,706	$ 31	0.8%	$ 3,675	$ 213	6.2%	$ 3,462
Derivative instruments	-	(8)	-100.0%	8	(20)	-71.4%	28
Other liabilities	11	1	10.0%	10	-	0.0%	10
Total Liabilities – Bond Programs	$ 3,717	$ 24	0.6%	$ 3,693	$ 193	5.5%	$ 3,500
Total Deferred Inflow of Resources - Bond Programs	$ 1	$ 1		$ -	$ -		$ -
Total Liabilities and Deferred Inflow of Resources – Bond Programs	$ 3,718	$ 25	0.7%	$ 3,693	$ 193	5.5%	$ 3,500
Total Liabilities and Deferred Inflow of Resources	$ 4,753	$ (70)	-1.5%	$ 4,823	$ 366	8.2%	$ 4,457
Net Position – WCF and Affiliates							
Restricted by contractual or statutory agreements	$ 249	$ 1	0.4%	$ 248	$ 6	2.5%	$ 242
Unrestricted	752	47	6.7%	705	54	8.3%	651
Total Net Position – WCF and Affiliates	$ 1,001	$ 48	5.0%	$ 953	$ 60	6.7%	$ 893
Net Position – Bond Programs							
Restricted by bond resolutions	$ 513	$ (66)	-11.4%	$ 579	$ (19)	-3.2%	$ 598
Total Net Position – Bond Programs	$ 513	$ (66)	-11.4%	$ 579	$ (19)	-3.2%	$ 598
Total Net Position							
Restricted by bond resolutions	$ 513	$ (66)	-11.4%	$ 579	$ (19)	-3.2%	$ 598
Restricted by contractual or statutory agreements	249	1	0.4%	248	6	2.5%	242
Unrestricted	752	47	6.7%	705	54	8.3%	651
Total Net Position	$ 1,514	$ (18)	-1.2%	$ 1,532	$ 41	2.7%	$ 1,491

The implementation of GASB 87 resulted in a cumulative adjustment to the June 30, 2021 net position of $1.8M.

Due to rounding, numbers presented in the table of summarized financial information may not sum precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Discussion of Changes in Statements of Net Position

Reference is made to the comparative statements of net position at June 30, 2022, 2021 and 2020 and the year-over-year increases and decreases presented on the prior page and the consolidated Statements of Net Position and Supplemental Schedule 5, Combined Statements of Net Position.

Assets

Cash and Cash Equivalents

Cash and Cash Equivalents (in thousands)	2022	2021	2020
Balance at June 30	$ 768,730	$ 1,214,476	$ 1,118,773
$ increase/(decrease) from prior period	(445,746)	95,703	
% increase/(decrease) from prior period	-37%	9%	

The decrease in Cash and Cash Equivalents in FY 2022 was primarily due to the purchase of investments, the redemption of bonds and the purchase of new loans, partially offset by the issuance of bonds and the receipt of proceeds from investment redemptions. The increase in Cash and Cash Equivalents in FY 2021 was primarily due to a combination of bond issuance proceeds and the proceeds from investment redemptions, partially offset by the funding of new mortgages. Disclosure for Cash and Cash Equivalents is contained in Note C to the financial statements.

Investments

Investments (in thousands)	2022	2021	2020
Balance at June 30	$ 1,247,873	$ 1,074,014	$ 1,196,486
$ increase/(decrease) from prior period	173,859	(122,472)	
% increase/(decrease) from prior period	16%	-10%	

The increase in Investments in FY 2022 was primarily the result of the purchase of investments in the Housing Bond (HB) and Single-Family Housing Revenue Bond (SFHRB) Programs, partially offset by accelerated payments on MBS due to increased refinancing activity on the underlying loans. The decrease in Investments in FY 2021 was primarily the result of adjustments to the fair market values of the investments and investment redemption proceeds in excess of the purchase of new investments. Disclosure for Investments is contained in Note C to the financial statements.

At June 30, 2022, 2021 and 2020, MBS with a fair value totaling approximately $477 million, $638 million and $920 million, respectively, were held as investments in the WCF, the SFHRB Program and the Residential Mortgage Revenue Bond (RMRB) Program. At June 30, 2022, the aggregate fair value of these investments was lower than their cost basis by approximately $16 million. At June 30, 2021, and 2020 the aggregate fair value of these investments exceeded their cost basis by approximately $38 million and $57 million, respectively. These amounts were recorded to reflect the current value that is the result of a changing interest rate environment. MBS held in the WCF are recorded as investments, pledged as security for the FHLB of Boston's "Helping to House New England" program loans and are not expected to be sold prior to maturity. MBS held under the SFHRB and RMRB Resolutions are recorded as investments, pledged as security for bonds issued under the SFHRB and RMRB Programs, respectively, and are not expected to be sold prior to maturity. Because the Agency expects to hold these MBS to maturity, it does not expect to realize gains or losses from these investments, other than interest income.

Loan Portfolios

Loan Portfolios (in thousands)	**2022**	**2021**	**2020**
Balance at June 30	$ 3,382,718	$ 3,190,974	$ 2,876,328
$ increase from prior period	191,744	314,646	
% increase from prior period	6%	11%	

The net increase in the mortgage loan portfolios in both FY 2022 and FY 2021 was primarily the result of multifamily and single-family loan production, partially offset by loan collections and an increase in the allowance for uncollectable accounts.

The following are key highlights of comparative loan related activities for the years ended June 30, 2022, 2021 and 2020:

Multifamily Loans

Multifamily Loans, net (in thousands)	**2022**	**2021**	**2020**
Balance at June 30	$ 2,734,202	$ 2,705,303	$ 2,495,291
$ increase from prior period	28,899	210,012	
% increase from prior period	1%	8%	

The increase in the multifamily mortgage loan portfolio in both FY 2022 and FY 2021 was the result of a combination of new lending activity, partially offset by loan payoffs and an increase in the allowance for uncollectible accounts.

Multifamily Loan Originations (in millions) Years ended June 30	**2022**	**2021**	**2020**
Loans retained in Bond Resolutions or WCF	$ 358.8	$ 408.6	$ 390.5
Loans securitized as MBS and sold to Investors [1]	545.3	394.3	225.3
Loans sold to FFB	-	5.8	10.9
Conduit Loans [2]	40.7	25.0	54.0
	$ 944.8	**$ 833.7**	**$ 680.7**

[1] The Agency retains the servicing rights on these loans and receives servicing fees, but the loans are not reflected on the Combined Statements of Net Position.

[2] Originations for which neither the bonds nor the mortgage loans securing those bonds are in the Agency's financial statements.

Certain mortgage loans and other receivable balances are reported net of allowances for uncollectible amounts. The evaluation of the multifamily loan portfolio takes into consideration the entire loan portfolio, primarily utilizing an impairment assessment model that employs the most recent or readily available net operating income data along with capitalization rates, property location, costs to sell, capital needs assessments and other data in assessing potential impairment to establish a reserve that complies with GAAP and therefore presents loans at their estimated net realizable value. In certain instances, independent appraisals and other pertinent data such as loan repayment status or physical property status is obtained to assist management's decision in determining the estimated fair value of the property which serves as collateral on the loan.

Multifamily Loan Loss Reserve (in thousands)	**2022**	**2021**	**2020**
Balance at June 30	$ 234,671	$ 225,761	$ 203,336
$ increase from prior period	8,910	22,425	
% increase from prior period	4%	11%	

The increase in the multifamily allowance in FY 2022 was mainly due to an increase in new subordinate debt on projects for which the current expectations are not supportive of full collection. The increase in the multifamily allowance in FY 2021 was mainly due to two factors: 1) an increase in new subordinate debt on projects for which the current expectations are not supportive of full collection and 2) certain projects refinancing their first mortgage debt with third party lenders at higher loan amounts, resulting in additional exposure to existing MassHousing subordinate debt.

Single-Family Loans

Single-Family Loans, net (in thousands)	**2022**	**2021**	**2020**
Balance at June 30	$ 648,516	$ 485,671	$ 381,037
$ increase from prior period	162,845	104,634	
% increase from prior period	34%	27%	

The increase in single-family loans in both FY 2022 and FY 2021 was primarily the result of an increase in loans sold to the SFHRB Program, partially offset by loan payoffs and an increase in the loan reserve.

Certain single-family mortgage loans are reported net of allowances for uncollectible amounts.

Single-Family Loan Reserve (in thousands)	**2022**	**2021**	**2020**
Balance at June 30	$ 4,761	$ 3,884	$ 3,349
$ increase from prior period	877	535	
% increase from prior period	23%	16%	

The increase in the single-family loan reserve in both FY 2022 and FY 2021 was primarily due to an increase in subordinate loans related to down payment assistance to Borrowers.

During each of the last three fiscal years, Home Ownership purchased single-family loans from participating lenders. These purchases were initially funded through the WCF. The WCF serves as a temporary funding source for Home Ownership lending activity, pending subsequent sale of the loans, or loans wrapped by MBS, either to outside investors or to one or more of MassHousing's bond programs. The table below summarizes the WCF warehouse activity for each of the years ended June 30, 2022, 2021 and 2020, including the purchases of loans and the sales of the loans, or loans wrapped by MBS, to: Fannie Mae, the SFHRB Program, the WCF, Freddie Mac, and other loan sales. There have been no sales of loans wrapped by MBS to the RMRB Program during these periods. MassHousing has retained the servicing rights for all loans sold or loans wrapped by MBS to Fannie Mae, the SFHRB Program, the RMRB Program, Freddie Mac and others.

WCF Loan Activity
(in millions)

Years ended June 30	**2022**	**2021**	**2020**
Loan beginning balance	$ 32.9	$ 56.6	$ 33.4
Loan purchases	458.4	893.2	605.1
MBS backed by loans or loans sold to FNMA [3]	(84.3)	(301.9)	(194.3)
MBS backed by loans or loans sold to SFHRB Program	(267.6)	(186.2)	(224.8)
MBS backed by loans or loans sold to FHLMC	(98.3)	(406.3)	(158.2)
Loans sold to FHLB	(8.5)	(8.3)	-
Down Payment Assistance and other loan sales retained in the WCF	(10.8)	(13.9)	(4.2)
Principal receipts	(0.5)	(0.3)	(0.4)
Ending balance	**$ 21.3**	**$ 32.9**	**$ 56.6**

[3] FNMA has acquired both FNMA MBS backed by loans and GNMA MBS backed by loans.

Home Ownership Servicing Portfolio

MassHousing's Mortgage Service Center (MSC), which was established in 1996 within Home Ownership, services the Home Ownership loan portfolio. As of June 30, 2022, 2021 and 2020, the MSC serviced a portfolio with a principal balance of approximately $3.3 billion, $3.5 billion, and $4.0 billion, respectively, for each of the three years, as detailed more fully in the table below:

Home Ownership Servicing Portfolio
(in millions)

Year ended June 30	**2022**	**2021**	**2020**
Beginning Balance	$ 3,528.2	$ 3,968.9	$ 4,226.3
New loans, including loans in which the servicing rights were purchased	462.1	894.5	663.5
Loans Paid in Full	(599.8)	(1,234.8)	(818.8)
Amortization and Curtailments	(91.3)	(95.2)	(100.0)
Foreclosures, Write-offs and Adjustments	(7.3)	(5.2)	(2.1)
Ending Balance	**$ 3,291.9**	**$ 3,528.2**	**$ 3,968.9**

As of June 30, 2022, 2021 and 2020, the Agency's Home Ownership program had payment arrearages on first mortgage loans of 30 days or more on 825 loans (5.26% of the loans in the home ownership portfolio), 1,405 loans (8.19% of the loans in the home ownership portfolio), and 1,763 loans (8.97% of the loans in the home ownership portfolio), respectively. The outstanding mortgage loan balances for these loans at June 30, 2022, 2021 and 2020 totaled $163.0 million, $282.6 million and $360.1 million, respectively.

Beginning in late FY 2020 and continuing into FY 2021, the Agency experienced a significant increase in loan arrearages as a direct result of the impact of the COVID-19 pandemic and due to its compliance with the CARES Act. Many borrowers elected to put their loans into forbearance plans which creates an arrearage. However, many of these forbearance plans have since been resolved, thereby decreasing the number of payment arrearages.

Liabilities

Debt Payable

MassHousing's total debt payable, which includes bonds, notes and other debt obligations, comprised approximately 82%, 82% and 83% of total liabilities at June 30, 2022, 2021 and 2020, respectively. All bonds are special obligations of MassHousing and all notes are either special obligations or general obligations of MassHousing, depending on the terms of the applicable resolution. All other debt obligations are general obligations of MassHousing. General obligations of MassHousing are secured by the full faith and credit of MassHousing and are payable out of any of its moneys or revenues, subject to lawful expenditures and to the provisions of any other resolutions or agreements now or hereafter pledging particular moneys or revenues to particular notes, bonds or other obligations of MassHousing. Special obligations are payable solely from and secured solely by a pledge of certain Revenues and Funds established under a specific bond resolution. Funds generated from the sales of bonds and notes are used to fund or purchase mortgages or MBS. Principal and interest payments received from such loans and MBS are used to fund the debt service (principal and interest payments) due on MassHousing's bonds and notes.

Total Debt (in millions)	**2022**	**2021**	**2020**
Balance at June 30	$ 3,915	$ 3,949	$ 3,678
$ increase/(decrease) from prior period	(34)	271	
% increase/(decrease) from prior period	-1%	7%	

The decrease of total debt payable in FY 2022 was mainly due to the redemption of bonds in the SFHRB Program and the WCF. The increase of total debt payable in FY 2021 was mainly due to the issuance of new bonds in the HB and SFHRB Programs.

Bond and Note Activity

MassHousing incurred approximately $625 million, $718 million and $628 million of new bond and note debt in FY 2022, FY 2021 and FY 2020, respectively, to fund multifamily and single-family loans, as detailed more fully in the table below:

New Debt Fundings (in millions) **Years ended June 30**	**2022**		**2021**		**2020**	
Program	**Total**	**Number of Series**	**Total**	**Number of Series**	**Total**	**Number of Series**
WCF Direct Purchase Construction Loan Notes	$ 71.2	5	$ 140.4	9	$ 52.8	5
HB	223.5	6	304.1	9	371.8	11
SFHRB and Notes	330.2	5	273.6	7	203.8	8
Total New Debt Fundings	**$ 624.9**	**16**	**$ 718.1**	**25**	**$ 628.4**	**24**

Total Net Position

Changes in Net Position

Total Net Position (in millions)	**2022**	**2021 (as restated)**	**2020**
Balance at June 30	$ 1,514	$ 1,532	$ 1,491
$ increase/(decrease) from prior period	(18)	41	
% increase/(decrease) from prior period	-1%	3%	

Restricted net position is that portion of net position on which constraints have been placed that are either (1) externally imposed by creditors, grantors, laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation. These are presented as restricted net position on the combined Statements of Net Position. MassHousing management designates a portion of unrestricted net position balances for specific purposes that further MassHousing's mission. MassHousing Board members (Members) may also choose to remove or modify such designations at any time.

WCF and Affiliates

Total WCF Net Position (in thousands)	**2022**	**2021 (as restated)**	**2020**
Balance at June 30	$ 1,000,361	$ 953,691	$ 892,521
$ increase from prior period	46,670	61,170	
% increase from prior period	5%	7%	

The increase in total net position of the WCF and Affiliates for the year ended June 30, 2022 was primarily the result of three factors: operating income of $19.1 million and a transfer of net position from bond programs of $37.0 million, partially offset by an increase in the provision for loan losses of $9.4 million. The increase in total net position of the WCF and Affiliates for the year ended June 30, 2021 was primarily the result of three factors: operating income of $56.1 million and a transfer of net position from bond programs of $26.2 million, partially offset by an increase in the provision for loan losses of $21.1 million.

WCF Net Position Restricted by Contractual or Statutory Agreements (in thousands)	**2022**	**2021**	**2020**
Balance at June 30	$ 249,065	$ 248,255	$ 242,023
$ increase from prior period	810	6,232	
% increase from prior period	0%	3%	

The following table presents the restricted net position on which constraints have been externally imposed be creditors, grantors and laws or regulations on the WCF at June 30, 2022, 2021 and 2020, respectively, and the amount of those restrictions (in thousands).

WCF and Affiliates Restricted Net Position	2022	2021	2020
MassHousing Mortgage Insurance Funds (MIF)	$ 123,089	$ 123,235	$ 118,887
Minimum net position covenants	100,000	100,000	100,000
FHLB of Boston Collateral (Helping to House New England)	21,036	20,038	18,591
Single family co-insurance	3,796	3,796	3,796
Restricted by Note Resolutions	1,144	1,186	749
Total WCF and Affiliates Restricted Net Position	**$ 249,065**	**$ 248,255**	**$ 242,023**

WCF Unrestricted Net Position (in thousands)	**2022**	**2021 (as restated)**	**2020**
Balance at June 30	$ 751,296	$ 705,436	$ 650,498
$ increase from prior period	45,860	54,938	
% increase from prior period	7%	8%	

The following table presents the WCF's unrestricted net position at June 30, 2022, 2021 and 2020, respectively, which has been designated by vote of MassHousing Members for specified purposes that further the Agency's mission, and the amount of those designations (in thousands):

WCF and Affiliates Unrestricted Designations Net Position	2022	2021 (as restated)	2020
Opportunity Fund	$ 355,701	$ 353,493	$ 341,954
Funding for loan purchases, advances and unrestricted net position requirements	337,645	288,177	239,678
Lease Commitments	38,342	43,686	48,690
Funding of the Construction Security Fund	14,000	14,000	14,000
Capital Magnet Grants	1,696	3,331	2,250
Equity of Affiliates Center for Community Recovery Innovations (CCRI) and Property Acquisition and Disposition Corporation	1,168	927	1,003
Funding for Summer Youth Programs, Youth Development and Community Engagement	1,100	-	-
Funding of the Tenancy Preservation Project	769	773	660
Funding of the CCRI	700	700	700
FHLB Helping to House New England Grant	-	179	1,513
Funding for the Mel King Institute	125	120	-
Funding of the New Lease for Homeless Families initiative	50	50	50
Total WCF and Affiliates Unrestricted Designations of Net Position	**$ 751,296**	**$ 705,436**	**$ 650,498**

Bond-Funded Programs

Total Bond Program Net Position (in thousands)	**2022**	**2021**	**2020**
Balance at June 30	$ 513,260	$ 578,589	$ 598,085
$ (decrease) from prior period	(65,329)	(19,496)	
% (decrease) from prior period	-11%	-3%	

The decrease in net position of the bond-funded programs for the year ended June 30, 2022 was primarily the result of three factors: net transfers to the WCF of $37.0 million and an operating loss before provision for loan losses of $30.2 million, partially offset by a decrease to the provision for loan losses of $1.9 million. The decrease in net position of the bond-funded programs for the year ended June 30, 2021 was primarily the result of three factors: net transfers to the WCF of $26.2 million and an increase to the provision for loan losses of $700 thousand, partially offset by operating income before provision for loan losses of $7.4 million.

Summarized Financial Information – Statement of Revenues, Expenses, and Changes in Net Position (in millions)

The table below represents summarized comparative statements of revenues, expenses, and changes in net position for the fiscal years ended June 30:

		Change from FY 2021			Change from FY 2020		
	Fiscal 2022	$	%	Fiscal 2021 (as restated)	$	%	Fiscal 2020
Operating Revenues – WCF and Affiliates							
Interest on loans	$ 19	$ 2	11.8%	$ 17	$ 2	13.3%	$ 15
Investment earnings	(8)	2	-20.0%	(10)	(24)	-171.4%	14
Fee income	82	(9)	-9.9%	91	14	18.2%	77
Grant income	9	(4)	-30.8%	13	(80)	-86.0%	93
Other income	5	(20)	-80.0%	25	23	1150.0%	2
Total Revenues - WCF and Affiliates	$ 107	$ (29)	-21.3%	$ 136	$ (65)	-32.3%	$ 201
Operating Revenues – Bond Programs							
Interest on loans	$ 114	$ (6)	-5.0%	$ 120	$ 8	7.1%	$ 112
Investment earnings	(30)	(38)	-475.0%	8	(57)	-87.7%	65
Fee income	2	-	0.0%	2	(1)	-33.3%	3
Other income	-	(1)	-100.0%	1	1		-
Total Revenues - Bond Programs	$ 86	$ (45)	-34.4%	$ 131	$ (49)	-27.2%	$ 180
Total Revenues	$ 193	$ (74)	-27.7%	$ 267	$ (114)	-29.9%	$ 381
Operating Expenses – WCF and Affiliates							
Interest on bonds and notes, net of discount/premium	$ 7	$ (1)	-12.5%	$ 8	$ 1	14.3%	$ 7
Administrative expenses	68	(2)	-2.9%	70	(14)	-16.7%	84
Grant expenses	12	8	200.0%	4	(3)	-42.9%	7
Other expenses	-	(1)	-100.0%	1	-	0.0%	1
Total Expenses - WCF and Affiliates	$ 87	$ 4	4.8%	$ 83	$ (16)	-16.2%	$ 99
Operating Expenses – Bond Programs							
Interest on bonds and notes, net of discount/premium	$ 104	$ (7)	-6.3%	$ 111	$ (2)	-1.8%	$ 113
Administrative expenses	7	1	16.7%	6	-	0.0%	6
Other expenses	6	-	0.0%	6	(2)	-25.0%	8
Total Expenses - Bond Programs	$ 117	$ (6)	-4.9%	$ 123	$ (4)	-3.1%	$ 127
Total Expenses	$ 204	$ (2)	-1.0%	$ 206	$ (20)	-8.8%	$ 226
Operating income before provision for (reduction to) loan losses- WCF and Affiliates	$ 20	$ (33)	-62.3%	$ 53	$ (49)	-48.0%	$ 102
Operating income (loss) before provision for (reduction to) loan losses - Bond Programs	$ (31)	$ (39)	-487.5%	$ 8	$ (45)	-84.9%	$ 53
Total operating income (loss) before provision for (reduction to) loan losses	$ (11)	$ (72)	-118.0%	$ 61	$ (94)	-60.6%	$ 155
Provision for (reduction to) loan losses	$ 7	$ (15)	-68.2%	$ 22	$ 17	340.0%	$ 5
Total provision for (reduction to) loan losses	$ 7	$ (15)	-68.2%	$ 22	$ 17	340.0%	$ 5
Total operating income (loss)	$ (18)	$ (57)	-146.2%	$ 39	$ (111)	-74.0%	$ 150
Changes in net position	$ (18)	$ (57)	-146.2%	$ 39	$ (111)	-74.0%	$ 150
Cumulative effect of GASB 87 adjustments to Net Position	$ -	$ (2)	-100.0%	$ 2	$ 2		$ -
Net position at beginning of the fiscal year	$ 1,532	$ 41	2.7%	$ 1,491	$ 150	11.2%	$ 1,341
Total net position at end of the fiscal quarter	$ 1,514	$ (18)	-1.2%	$ 1,532	$ 41	2.7%	$ 1,491

The implementation of GASB 87 resulted in a cumulative adjustment to the June 30, 2021 net position of $1.8M.

Due to rounding, numbers presented in the table of summarized financial information may not sum precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Discussion of Operating Results

Reference is made to the statements of revenues, expenses, and changes in net position for the fiscal years ended June 30, 2022, 2021 and 2020, and the year-over-year increases and decreases presented on the prior page. Changes in Operating Income before Special Items are the result of several major items that positively or negatively affected Operating Income as described below:

Operating Revenues

Interest on Loans
Interest on loans for the year ended June 30, 2022 decreased, as compared with FY 2021, primarily due to the decrease in interest rates on newer loans when compared to the rates on paid off loans. Interest on loans for the year ended June 30, 2021 increased, as compared with FY 2020, as a result of an increase in Loans Receivable in both the multifamily and single-family programs.

Investment Earnings
Investment Earnings consist of interest income and increases or decreases in the fair value of investments. Investment Earnings for the years ended June 30, 2022 and 2021 decreased, as compared with FY 2021 and FY 2020, primarily due to a decrease in the fair values of investments, as a result of the rising interest rate environment. In FY 2021, lower invested principal balances due to MBS run off was also a contributing factor.

Fee Income
Fee Income includes fees received from loan originations, securitization premiums, loan servicing fees, insurance premiums, and Section 8 administrative fees received from HUD, including administrative fees that are paid by HUD to MassHousing in consideration for serving as HUD’s contract administrator with respect to the Performance-Based Contract Administration (PBCA) contract and the Traditional Contract Assistance (TCA). Fee Income for the year ended June 30, 2022, as compared with FY 2021, decreased primarily due to a decrease in secondary marketing gains on single family loan sales and a decrease in multifamily recapitalization fees, partially offset by an increase in multifamily secondary marketing gains on loan sales. Fee Income for the year ended June 30, 2021, as compared with FY 2020, increased primarily due to an increase in secondary marketing gains, increased origination fees and an increase in multifamily servicing fees, partially offset by a reduction in single family servicing fee income.

As noted above, MassHousing receives fee income in consideration for serving as HUD’s contract administrator with respect to project-based Section 8 subsidy programs in the Commonwealth, including both the PBCA and TCA programs. Starting in 2011, HUD sought to achieve cost savings in the PBCA program and initiated the first of several processes for re-bidding PBCA administration in multiple states. Each such process has been withdrawn or overturned following legal challenges. On January 6, 2022, HUD executed the tenth amendment to the Annual Contributions Contract (ACC) as PBCA administrator to HUD. The ACC was extended for a subsequent term of twelve (12) months, beginning on February 1, 2022, and ending on January 31, 2023, with the option by HUD to further extend it for up to four additional and successive extension terms of six (6) calendar months each, subject to the availability of sufficient appropriations.

Other Income
Other Income primarily includes insurance claim receipts on foreclosed properties, reinsurance receipts received by MIF on insurance claims paid, recoveries on multifamily loans and various other operating income items. Other income for the year ended June 30, 2022, as compared to the year ended June 30, 2021, decreased primarily due to funds received from multifamily refinancings in FY 2021 not occurring in FY 2022. Other income for the year ended June 30, 2021, as compared to the year ended June 30, 2020, increased primarily due to funds received from multifamily refinancings, including the collection of a loan that had been written off in prior years as uncollectable.

Operating Expenses

Interest Expense on Bonds and Notes, net of premium/discount
Interest Expense on Bonds and Notes, net of premium/discount, for the years ended June 30, 2022 and June 30, 2021, as compared with FY 2021 and FY 2020, decreased due to savings from bond refundings and lower interest rates.

Administrative Expenses
There was not a significant change in Administrative Expenses for the year ended June 30, 2022, as compared with the year ended June 30, 2021. Administrative Expenses for the year ended June 30, 2021, as compared with FY 2020, decreased due to a decrease in pension and OPEB expenses.

Provision for Loan Losses
The Provision for Loan Losses for the year ended June 30, 2022, as compared with the year ended June 30, 2021, decreased mainly due to fewer projects experiencing reserve requirements in FY 2022 as compared to FY 2021. The Provision for Loan Losses for the year and June 30, 2021, as compared with the year ended June 30, 2020, increased mainly due to two factors: 1) an increase in new subordinate debt on projects where the current expectations are not supportive of full collection and 2) certain projects refinancing their first mortgage debt with third party lenders at higher loan amounts, resulting in additional loss reserves to existing MassHousing subordinate debt.

Net Grant Activity

In accordance with MassHousing's grant policy, MassHousing recognizes grant income based on satisfaction of timing and eligibility requirements as required in the relevant accounting standards, and outgoing grants are expensed as disbursed. As a result, the income may be recognized in a different accounting period than the expense. Therefore, grant expenses may exceed grant income in some years.

MIF

The following table summarizes MIF activity for the years ended June 30:

(in thousands)	2022	2021	2020
Net insurance premium revenue	$ 5,888	$ 6,259	$ 6,064
Investment Earnings	1,663	2,136	3,357
Net increase (decrease) in fair value of investments	(6,679)	(1,742)	2,221
Underwriting and Administrative expenses	(3,174)	(1,765)	(2,209)
Claims expense	(179)	(930)	(699)
Reduction to (provision for) allowance for potential claims	2,335	390	(3,071)
Operating Income	**$ (146)**	**$ 4,348**	**$ 5,663**

Reserves for insurance claims are generated internally from operating surplus and proceeds from reinsurance claims. MIF is part of the Agency's WCF and Affiliates.

Legislative Developments

From time to time, bills may be introduced into the Commonwealth legislature that could affect government operations generally or seek to impose financial and other obligations on MassHousing, including requiring the transfer of funds or assets from MassHousing to the Commonwealth or other Commonwealth agencies. Furthermore, measures and legislation may be considered by the Federal government, or the Commonwealth legislature, which measures could affect MassHousing's programs. While some of these measures may benefit the programs, no assurance can be given that the programs will not be adversely affected by such measures. In addition, the United States Congress or the Commonwealth legislature could enact legislation that would adversely affect the timing and amount of MassHousing's recoveries from mortgage loans and thereby adversely affect the availability of amounts for the payment of debt service on obligations. MassHousing cannot predict whether any such legislation will be enacted or, if it were enacted, what effect it would have on the revenues received by MassHousing from mortgage loans. There can be no assurance that any such legislation will not be enacted or that such legislation, if enacted, will not have an adverse impact on the operations of MassHousing, its financial condition, or any of its contractual obligations.

COMBINED STATEMENTS OF NET POSITION
June 30, 2022 and 2021

In thousands

	June 30, 2022	June 30, 2021 (as restated)
Assets		
Current assets		
Cash and cash equivalents (Note C)	$ 768,730	$ 1,214,476
Investments (Note C)	537,495	191,176
Interest and fees receivable on construction and mortgage loans, net (Note D)	10,388	10,031
Current portion of loans receivable, net (Note D)	208,970	309,000
Other assets (Note F)	14,798	17,293
Total current assets	**1,540,381**	**1,741,976**
Non-current assets		
Investments (Note C)	710,378	882,838
Non-current portion of loans receivable, net (Notes D & E)	3,173,748	2,881,974
Escrowed funds (Note G)	701,415	727,266
Hedging derivative instruments (Note J)	1,127	-
Investment derivative instruments (Note J)	835	11
Net Pension Asset (Note N)	26,677	-
Other assets (Note F)	99,834	95,484
Total non-current assets	**4,714,014**	**4,587,573**
Total assets	**6,254,395**	**6,329,549**
Deferred outflow of resources		
Pension and OPEB (Note N)	12,174	21,492
Hedging derivative instruments (Note J)	207	4,418
Total deferred outflow of resources	**12,381**	**25,910**
Total assets and deferred outflow of resources	**$ 6,266,776**	**$ 6,355,459**
Liabilities		
Current liabilities		
Current portion of long term debt, net (Note H)	$ 363,080	$ 360,662
Obligation line of credit (Note H)	25,000	25,000
Accrued interest payable	10,093	10,840
Other liabilities (Note F)	23,939	22,433
Hedging derivative instruments (Note J)	183	93
Total current liabilities	**422,295**	**419,028**
Non-current liabilities		
Non-current portion of long term debt, net (Note H)	3,510,804	3,546,644
Long term-loan (Note H)	16,363	16,363
Net pension and OPEB liability (Note N)	12,001	2,563
Other liabilities (Note F)	50,052	61,715
Escrowed funds payable (Note G)	701,415	727,266
Hedging derivative instruments (Note J)	24	4,325
Investment derivative instruments (Note J)	6,743	14,632
Total non-current liabilities	**4,297,402**	**4,373,508**
Total liabilities	**4,719,697**	**4,792,536**
Deferred inflow of resources		
Pension and OPEB (Note N)	31,100	29,252
Hedging derivative instruments (Note J)	1,127	-
Sublease (Note I)	1,231	1,391
Total deferred inflow of resources	**33,458**	**30,643**
Total liabilities and deferred inflow of resources	**4,753,155**	**4,823,179**
Commitments and contingencies (Note O)		
Net position (Notes A & L)		
Restricted by bond resolutions	513,260	578,589
Restricted by contractual or statutory agreements	249,065	248,255
Unrestricted	751,296	705,436
Total net position	**$ 1,513,621**	**$ 1,532,280**

Prior period numbers have been updated to conform with current year presentation.

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

**COMBINED STATEMENTS OF REVENUES,
EXPENSES, AND CHANGES IN NET POSITION**

For the fiscal years ended: June 30, 2022 and 2021

In thousands	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021 (as restated)
Operating revenues		
Interest on loans (Notes B & D)	$ 132,646	$ 136,856
Investment earnings: (Notes B & C)		
Interest income	23,109	29,427
Net (decrease) in fair value of investments	(61,345)	(31,231)
Fee income (Note B)	84,213	93,332
Grant income (Note B)	9,345	12,800
Other income (Note B)	4,405	25,342
Total operating revenues	**192,373**	**266,526**
Operating expenses		
Interest on bonds and notes, net of discount/premium (Notes B & H)	110,853	118,768
Financing costs	5,945	7,032
Administrative expenses	74,855	74,818
Grant expenses (Note B)	11,715	3,546
Other expenses (Note B)	241	641
Total operating expenses	**203,609**	**204,805**
Operating income (loss) before provision for loan losses	**(11,236)**	**61,721**
Provision for loan losses (Notes B & D)	7,423	21,896
Total provision for loan losses	**7,423**	**21,896**
Operating income (loss) after provision for loan losses	**(18,659)**	**39,825**
Change in net position	**(18,659)**	**39,825**
Net position at the beginning of the fiscal year (as restated)	1,532,280	1,490,606
Cumulative effect of GASB 87 adjustments to Net Position	-	1,849
Net position at the end of the fiscal year	**$ 1,513,621**	**$ 1,532,280**

Prior period numbers have been updated to conform with current year presentation.

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

COMBINED STATEMENTS OF CASH FLOWS

For the fiscal years ended: June 30, 2022 and 2021

In thousands	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021 (as restated)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash flows from operating activities:		
Collections on mortgage loans, construction loan repayments and loan sales	$ 1,614,895	$ 1,765,320
Loan advances to borrowers	(1,690,107)	(1,968,483)
Interest collections on construction loans	10,502	5,875
Fees collected	82,543	92,252
Cash payments to employees for services	(35,665)	(35,251)
Cash payments to other suppliers of goods and services	(25,406)	(58,466)
Grants received	9,345	12,800
Grants disbursed	(11,718)	(3,493)
Miscellaneous receipts (disbursements)	(23,208)	14,205
Net cash (used for) operating activities	**(68,819)**	**(175,241)**
Cash flows from non-capital financing activities		
Sale of bonds and notes and draw down on line of credit	726,718	849,522
Bond issuance / redemption costs	(6,076)	(6,922)
Retirement of bonds and notes and pay down on line of credit	(753,339)	(574,241)
Interest on bonds and notes	(118,233)	(123,192)
Net cash provided by (used for) non-capital financing activities	**(150,930)**	**145,167**
Cash flows from capital financing activities:		
Lease Payments	(4,770)	(4,698)
Sub-Lease Receipts	175	172
Net cash (used for) capital financing activities	**(4,595)**	**(4,526)**
Cash flows from investing activities:		
Purchase of investments	(869,033)	(670,006)
Proceeds from sales of investments	622,892	767,485
Investment earnings, net of rebate	24,739	32,824
Net cash provided by (used for) investing activities	**(221,402)**	**130,303**
Net increase (decrease) in cash and cash equivalents and escrows	(445,746)	95,703
Cash and cash equivalents and escrows at the beginning of the fiscal year	1,214,476	1,118,773
Cash and cash equivalents and escrows at end of the fiscal year	**$ 768,730**	**$ 1,214,476**

Prior period numbers have been updated to conform with current year presentation.

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

COMBINED STATEMENTS OF CASH FLOWS (continued)

For the fiscal years ended: June 30, 2022 and 2021

In thousands	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021 (as restated)
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH (USED FOR) OPERATING ACTIVITIES		
Operating income (loss)	**$ (18,659)**	**$ 41,674**
Adjustments to reconcile operating income (loss) to net cash (used for) operating activities:		
Amortization of bond original discount (premium), net	(6,802)	(5,073)
Depreciation and amortization	7,567	16,604
Provision for losses on loans	7,423	21,896
Recognition of fee income	(4,383)	(4,194)
Investment earnings	(23,109)	(29,427)
Change in fair value of investments	61,345	31,231
Interest expense on bonds and notes	117,425	123,841
Financing expenses	5,945	7,032
Changes in assets and liabilities:		
Increase in loans receivable	(197,645)	(336,930)
Increase in interest and fees receivable on loans	(356)	(16)
Increase in other assets and other receivables	(14,581)	(170,028)
Increase (decrease) in accounts payable and other liabilities	(2,989)	128,149
Total adjustments	**(50,160)**	**(216,915)**
Net cash (used for) operating activities	**$ (68,819)**	**$ (175,241)**

Prior period numbers have been updated to conform with current year presentation.

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

STATEMENTS OF FIDUCIARY NET POSITION

In thousands	Massachusetts Housing Finance Agency OPEB Trust *		Massachusetts Housing Finance Agency Employees' Retirement System **		Total Pension (and other employee benefit) Trust Funds	
	June 30, 2022	June 30, 2021	December 31, 2021	December 31, 2020	Fiscal Year Ended	Prior Fiscal Year Ended
Assets						
Cash and cash equivalents	$ 100	$ 100	$ 2,263	$ 3,010	$ 2,363	$ 3,110
Investments	42,648	50,506	247,894	207,383	290,542	257,889
Other assets	-	-	212	190	212	190
Total assets	**42,748**	**50,606**	**250,369**	**210,583**	**293,117**	**261,189**
Liabilities						
Accounts payable	671	658	146	163	817	821
Due to MassHousing	-	-	172	202	172	202
Total liabilities	**671**	**658**	**318**	**365**	**989**	**1,023**
Net position						
Restricted for postemployment benefits	42,077	49,948	250,051	210,218	292,128	260,166
Total net position	**$ 42,077**	**$ 49,948**	**$ 250,051**	**$ 210,218**	**$ 292,128**	**$ 260,166**

* The fiscal year for the Massachusetts Housing Finance Agency OPEB Trust runs from July 1 through June 30.

** The fiscal year for the Massachusetts Housing Finance Agency Employees' Retirement System runs from January 1 through December 31.

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

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

In thousands	Massachusetts Housing Finance Agency OPEB Trust *		Massachusetts Housing Finance Agency Employees' Retirement System **		Total Pension (and other employee benefit) Trust Funds	
	Fiscal Year Ended		Fiscal Year Ended			
	June 30, 2022	June 30, 2021	December 31, 2021	December 31, 2020	Fiscal Year Ended	Prior Fiscal Year Ended
Additions						
Contributions:						
Employer contributions	$ 1,535	$ 3,597	$ 13,273	$ 10,081	$ 14,808	$ 13,678
Plan members contributions	-	-	3,591	3,527	3,591	3,527
Reimbursements and transfers from other systems	-	-	746	579	746	579
Total contributions	1,535	3,597	17,610	14,187	19,145	17,784
Net investment earnings:						
Interest and dividend income	1,323	1,026	2,834	3,994	4,157	5,020
Net increase in fair value	(9,136)	9,258	32,775	24,646	23,639	33,904
Less: investment expense	(16)	(24)	(2,509)	(1,641)	(2,525)	(1,665)
Total net investment earnings	(7,829)	10,260	33,100	26,999	25,271	37,259
Total additions	**(6,294)**	**13,857**	**50,710**	**41,186**	**44,416**	**55,043**
Deductions						
Benefits and refunds paid	1,542	1,517	10,097	9,180	11,639	10,697
Reimbursements and transfers to other systems	-	-	225	130	225	130
Administrative expenses	35	43	555	490	590	533
Total deductions	**1,577**	**1,560**	**10,877**	**9,800**	**12,454**	**11,360**
Net increase in net position	**(7,871)**	**12,297**	**39,833**	**31,386**	**31,962**	**43,683**
Net position restricted for postemployment benefits						
Net position restricted for postemployment benefits at the beginning of the fiscal year	49,948	37,651	210,218	178,832	260,166	216,483
Net position restricted for postemployment benefits at the end of the fiscal year	**$ 42,077**	**$ 49,948**	**$ 250,051**	**$ 210,218**	**$ 292,128**	**$ 260,166**

* The fiscal year for the Massachusetts Housing Finance Agency OPEB Trust runs from July 1 through June 30.

** The fiscal year for the Massachusetts Housing Finance Agency Employees' Retirement System runs from January 1 through December 31.

Note A. Authorizing Legislation, Programs and Affiliates of the Massachusetts Housing Finance Agency (MassHousing or the Agency) and Recent Events

MassHousing is a self-supporting, independent authority created by Chapter 708 of the Acts of 1966 of the Commonwealth of Massachusetts (Commonwealth), as amended (the Act). The Agency's statutory mission is to finance affordable home mortgage loans for low- and moderate- income homebuyers and to finance the construction and preservation of affordable rental housing in the Commonwealth. MassHousing does not use taxpayer dollars to support its operations. Generally, MassHousing funds its loan programs through the sale of bonds and notes to investors, government entities, and Government Sponsored Enterprises (GSEs).

MassHousing commenced operations in December 1968. The Act was amended in 1982 to place the then existing Massachusetts Home Mortgage Finance Agency under the direction of the Agency's Members and Executive Director.

MassHousing is authorized to make or purchase loans to increase the supply of both multifamily, residential rental housing and owner-occupied, single-family housing in the Commonwealth. The Massachusetts Legislature has authorized MassHousing to issue bonds and notes up to an aggregate outstanding debt limit of $4.9 billion for financing both multifamily and single-family loans. Bonds and notes issued by the Agency are not obligations of the Commonwealth or any political subdivision thereof.

Working Capital Fund (WCF) and Affiliates

A potential component unit of a primary government must meet several conditions in order for it to qualify as a "component unit" as defined by Governmental Accounting Standards Board (GASB) Statement No. 14 - The Reporting Entity (GASB 14) (as amended by GASB Statement No. 61).

The Agency's affiliates set forth below are: (1) blended component units of MassHousing or (2) units that are part of the primary government, MassHousing.

Listed below is a summary of MassHousing's major programs and affiliates:

(1) Working Capital Fund (WCF) and Affiliates
The WCF is MassHousing's general operating fund. The WCF derives its revenues primarily from interest, grant, and fee income. Operating expenses include payroll, rent, grant, and other related administrative expenses. The Agency's affiliates are listed below. Summarized Financial Information of the WCF and Affiliates is presented in Note M.

MassHousing Mortgage Insurance Fund (MIF)
MIF does not have a separate legal standing from MassHousing, thus it is not a component unit as defined by GASB 14. MIF is part of MassHousing and is included in MassHousing's combined financial statements as a part of the Agency. MIF was established within the WCF to provide an additional source of primary mortgage insurance for certain borrowers. MIF is the primary insurer for single-family loans serviced by MassHousing and is also an insurer approved by the Federal Home Loan Mortgage Corporation (FHLMC), the Federal National Mortgage Association (FNMA) and Massachusetts community banks and credit unions. MIF and its operations are more fully described in Note O; summarized financial information is presented in Note M. MIF is included in a separate account within the WCF,

and its net position is included in Restricted Net Position on the combining Statements of Net Position.

Massachusetts Housing Finance Agency Property Acquisition and Disposition Corporation (PADCO)
PADCO is an incorporated 501 (c) (3) entity that has separate legal standing from MassHousing. The Agency's Members and Executive Director comprise PADCO's Board of Directors and President, respectively, and Agency staff serve as officers. PADCO is a component unit of MassHousing, as defined by GASB 14, and its financial data is blended with the Agency's financial statements. PADCO's purpose is to take title, hold, manage and sell properties with respect to both the Agency's homeownership and rental portfolio, including collateral held as a result of defaults, foreclosures, settlements or restructuring. When necessary, PADCO may establish separate limited liability companies to acquire, own, manage and sell properties acquired through foreclosure, settlement or restructuring of the related homeownership or multifamily loans. One such PADCO subsidiary, PADCO Realty Holding I LLC, currently exists. Reference is made to Note B for PADCO's significant accounting policies. Summarized financial information is presented in Note M. PADCO's net position is included in Unrestricted (Designated) Net Position on the combining Statements of Net Position.

Center for Community Recovery Innovations, Inc. (CCRI)
CCRI is an incorporated 501 (c) (3) entity that has separate legal standing from MassHousing. The Agency appoints a majority of the respective Board and is able to impose its will on the entity. CCRI is a component unit of MassHousing, as defined by GASB 14, and its financial data is blended with the Agency's financial statements. MassHousing formed CCRI to study and develop creative strategies for dealing with issues of drug and alcohol addiction in housing communities. Its Board of Directors includes the Members of the Agency; certain Agency employees are its principal officers. CCRI has been funded with contributions from MassHousing since fiscal year 1995. Summarized financial information is presented in Note M. Reference is also made to Notes L and O for current and future MassHousing commitments to CCRI. CCRI's net position is included in Unrestricted (Designated) Net Position on the combining Statements of Net Position.

(2) Multifamily Bond Programs
MassHousing issues bonds to finance multifamily rental housing under several separate bond resolutions. Each general and series specific bond resolution requires that certain funds and accounts be established and maintained for that respective bond program. The following multifamily development bond programs were active in all or a portion of FY 2022 and FY 2021.

(a) Rental Housing Mortgage Revenue Bond Program (RHMRB) - Federal Housing Administration (FHA) Insured Mortgage Loans
RHMRB was established to provide funds for the acquisition and rehabilitation of FHA-insured and other multifamily developments.

The general resolution required bond insurance covering the principal and interest on certain bonds issued thereunder. The insurance was non-cancelable and was intended to provide assurance of timely payment of principal and interest to bondholders on regularly scheduled payment dates, including mandatory sinking fund redemption dates. National Public Finance Guarantee Corporation, a wholly owned subsidiary of MBIA, Inc., and Assured Guaranty Municipal Corporation had provided bond insurance policies under the Rental Housing Mortgage Revenue Bond Program. Rental Housing Mortgage Revenue Bond Program, 2003 Series A was a general obligation secured by the full faith and credit of MassHousing.

On June 1, 2021, MassHousing used proceeds from mortgage loan prepayments and other available funds to redeem all bonds outstanding under the RHMRB Program, totaling $21.7 million. All remaining assets and liabilities of the RHMRB Program were transferred to the WCF. As a result, MassHousing terminated, at par, its interest rate swap agreement for its variable rate RHMRB 2002 Series D bonds. This agreement was originally effective September 29, 2017 with a notional amount of $32.2 million. Additionally, the interest rate swap agreement for its RHMRB 2003 Series A bonds was transferred to the WCF, with no underlying bonds associated with it. This agreement was originally effective September 3, 2003 with a notional amount of $21.1 million. Because the 2003A bonds were called, the 2003A Swap is now an ineffective hedge and was classified as an Investment Derivative Instrument as of June 1, 2021.

(b) General Rental Development Bond Program

The General Rental Development Bond (GRDB) Program was established to provide permanent financing for several multifamily residential developments, each of which may be secured on a series-by-series basis.

(c) Multi-Family Housing Bond Program

The Multi-Family Housing Bond (MFHB) Program was established to provide permanent financing for certain multifamily residential developments selected by MassHousing. In October 2009, the U.S. Department of the Treasury (the Treasury), the Federal Housing Finance Agency, Fannie Mae and Freddie Mac (and collectively with Fannie Mae, the GSEs), announced availability of the Federal New Issue Bond Program (the Federal NIBP), under authority of the Housing and Economic Recovery Act of 2008.

Pursuant to the Federal NIBP, the GSEs purchased bonds from housing finance agencies and packaged them into GSE guaranteed securities for delivery to and purchase by the Treasury. The HFA bonds are issued to finance multifamily residential mortgage loans.

(d) Housing Bond Program

The Housing Bond (HB) Program was established to provide financing for various loans and loan participations for multifamily residential and single-family properties as well as for the refunding of existing bond programs and for other housing financing purposes. Currently the HB Program does not hold any single-family loans.

(3) Single-Family Housing Bond Programs

MassHousing has issued bonds to finance the purchase of mortgage-backed securities or loans made to single-family borrowers from participating lenders under two separate general resolutions. Each general and series specific bond resolution requires that certain funds and accounts be established and maintained for that respective bond program. The following is a description of the Single-Family Housing Revenue Bond (SFHRB) Program and the Residential Mortgage Revenue Bond (RMRB) Program, which were active in fiscal years 2022 and 2021.

(a) Single-Family Housing Revenue Bond Program

The SFHRB Program was established to finance the purchase of single-family loans and Mortgage-Backed Securities (MBS) that are backed by single-family loans from participating lenders at competitive lending rates to finance the purchase of single-family loans in targeted areas. The program supports mortgage loans to first-time homebuyers, as well as refinancing existing loans to responsible and performing borrowers.

(b) Residential Mortgage Revenue Bond Program

The RMRB Program was established in September 2012 to finance mortgage loans under the Home Ownership Program exclusively through the purchase of Fannie Mae MBS that are backed by single-family mortgage loans.

Note B. Summary of Significant Accounting Policies

Basis of Presentation

MassHousing's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The combined financial statements include all MassHousing's programs and affiliates described in Note A. All interprogram and interfund transactions and balances have been eliminated and are summarized in Note K. Detailed financial information for each individual bond program is presented in accompanying Supplemental Schedule 5 to the financial statements.

Basis of Accounting

MassHousing accounts for and reports its activities by applying Standards of Governmental Accounting and Financial Reporting, as promulgated by GASB. The statements are prepared utilizing the economic resources measurement focus and the accrual basis of accounting, wherein revenues are recognized when earned and expenses when incurred.

Operating revenues and expenses result from providing services in connection with MassHousing's ongoing operations, as outlined in Note A. Principal operating revenues consist of mortgage loan interest and investment income of all programs, as well as fee and grant income, which is primarily received in the WCF. Operating expenses represent the cost of providing the services and include bond and note interest expense, administrative and grant expenses and a provision for uncollectible amounts.

Fiduciary Statements

The statements of fiduciary net position provide information about the Agency's two fiduciary activities: (1) the Massachusetts Housing Finance Agency Other Post-Employment Benefits (OPEB) Trust and (2) the Massachusetts Housing Finance Agency Employees' Retirement System at the end of their respective fiscal years.

The statements of changes in fiduciary net position provide information about the additions and deductions of the Agency's two fiduciary activities: (1) the Massachusetts Housing Finance OPEB Trust and (2) the Massachusetts Housing Finance Agency Employees' Retirement System in order to measure the results of the fiduciary activities operations at the end of their respective fiscal years.

The fiduciary activities and their results are not presented within the Agency's combined financial statements.

PADCO Accounting Policies
Properties acquired by PADCO are carried at the lower of cost or market. The related mortgage loans receivable were included in Other Assets on the Statements of Net Position of either the applicable bond programs or the WCF, with an offset to Other Liabilities on the WCF's Statements of Net Position, and were eliminated in the combined Statements of Net Position. Rent and other revenues from properties owned by PADCO were included in Miscellaneous Income. Expenses of operating the properties were included in Miscellaneous Expenses. There were no properties owned by PADCO during the fiscal years ended June 30, 2022 or June 30, 2021.

Use of Estimates
The preparation of financial statements in conformity with GAAP at times requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates are based on management's best knowledge of current events, historical experience, actions that MassHousing may undertake in the future, and on various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Significant estimates, when used, are more fully described in the applicable following notes.

Cash, Cash Equivalents, Investments and Investment Earnings
Cash includes cash on hand and amounts on deposit in checking and savings accounts. Cash equivalents include investments with maturities of three months or less at the date of purchase, including repurchase agreements, U.S. Treasury and agency securities, and various other investments such as money-market mutual fund shares.

U.S. Government Obligation securities and Certificates of Deposit with maturities of one year or less at the time of purchase are carried at amortized cost which approximates fair market value. Investments in Guaranteed Investment Contracts (GICs) and Commercial Paper are carried at amortized cost.

Certain investments are carried at their fair values at the date of the Statements of Net Position. These investments are typically long-term, with more than one year to maturity at the time of purchase. MassHousing uses quoted market prices, where available, to determine the fair value of long-term investments at the close of each reporting period. For non-trading long-term investments, MassHousing uses composite quotes set by a third party and evaluated by management. The change in the fair value of investments from one period to the next is a separately stated component of investment income and is presented in the combined Statements of Revenues, Expenses, and Changes in Net Position as a change in fair value of investments.

Investments of individual bond programs are those permitted by the various MassHousing general and series specific bond resolutions. Certain bond resolutions include reserve fund requirements; investments in such reserve funds are generally not available for the funding of mortgage loans.

Interest income is accrued as earned and is presented in the combined Statements of Revenues, Expenses, and Changes in Net Position net of any applicable arbitrage rebate owed to or received from the U.S. Treasury. There were no arbitrage rebates received or paid in FY 2022 and FY 2021.

Mortgage Loans
Multifamily and single-family mortgage loans are primarily recorded at cost, or in certain instances such as a significant refinancing, at the negotiated face value of the first or subordinated note, net of an allowance for uncollectible loans, which approximates net realizable value.

Allowance for Uncollectible Loans
The allowance for uncollectible loans is a valuation allowance that reflects an estimate on loan losses related to the Agency's multifamily and single-family loan portfolios. The allowance for uncollectible loans is based upon separate evaluations of the multifamily and single-family loan portfolios.

The evaluation of the multifamily loan portfolio takes into consideration the entire loan portfolio primarily utilizing an impairment assessment model. MassHousing's model and estimation process provides a materially consistent methodology of assessment for all projects and takes a more standardized approach to its assessment of loan impairment. The model employs recent or readily available net operating income data along with capitalization rates, property location, costs to sell, capital needs assessments and other data in assessing potential impairment to establish a reserve that complies with GAAP, and therefore presents loans at their estimated net realizable value. In certain instances, independent appraisals and other pertinent data, such as loan repayment status or physical property status is obtained to assist management's decision in determining the estimated fair value of the property, which serves as collateral on the loan.

Evaluation of the single-family loan portfolio takes into consideration such factors as historical recovery rates of delinquencies, property value trends and insurance coverage. Based upon MassHousing's periodic review of the loan portfolios, an allowance for uncollectible loans is established when deemed necessary.

Derivative Instruments
The fair values of both hedging derivatives and investment derivatives, if any, are presented on the Statements of Net Position, either as a derivative liability (negative fair value) or as a derivative asset (positive fair value). The change in the total fair value of derivatives that are determined to be effective hedges (and, therefore, hedging derivatives) is recorded as a deferred inflow or outflow of resources on the Agency's combined Statements of Net Position. If a derivative was determined to be an ineffective hedge, it would be classified as an investment derivative, and the change in the total fair value would be presented as part of investment earnings. The Agency currently has three types of derivatives outstanding: an interest rate cap agreement, interest rate swaps and MBS forward contracts. The interest rate swaps are a mix of effective hedges, which are presented as hedging derivative instruments on the Statements of Net Position, and ineffective hedges, which are presented as investment derivative instruments on the Statements of Net Position. The interest rate cap is deemed to be an ineffective hedge and is presented as an investment derivative instrument on the Statements of Net Position. MBS forward contracts are effective hedges and are presented as hedging derivative instruments on the Statements of Net Position. Reference is made to Note J for further details of these derivatives.

Escrow Funds
The Agency holds escrow funds consisting of deposits that are invested principally in money-market mutual fund shares, which are held in segregated cash accounts. Escrow accounts are recorded on the Statements of Net Position as Escrow funds (assets) with an equal amount recorded as Escrow funds payable (liability). The accounts described above are required to be held by the Agency through its mission as a Mortgage Lender and Servicer. As a policy and practice, the Agency holds funds for the benefit of its borrowers, investors and others.

Other Assets
Other Assets, Current on the combined Statements of Net Position include accounts receivable - various, investment income receivable, and prepaid expenses.

Other Assets, Non-current on the combined Statements of Net Position include the lease right of use asset, office equipment, leasehold improvements, mortgage servicing rights, mortgage reinsurance premiums, prepaid expenses and computer software, all net of accumulated depreciation or amortization, where applicable. These assets are being depreciated or amortized, where applicable, over their expected lives or lease period, whichever is less. Also included in Other Assets, Non-Current, are participation interests in certain loans made by the Commonwealth's Affordable Housing Trust Fund. Discounts recorded by the Agency upon its purchases of the participation interests are being accreted over the life of each participation interest. Reference is made to Notes F and O for further information.

Mortgage Servicing Rights
Mortgage servicing rights purchased by the Agency are capitalized and amortized over the expected life of the related cash flows.

Excess mortgage servicing rights for mortgage loans pooled into MBS under the terms of which the stated servicing fee rate differs from a current (normal) servicing are capitalized and amortized over the expected life of the related cash flows.

Other Liabilities
Other Liabilities, Current on the combined Statements of Net Position include accounts payable, the current portion of unearned premium income, the current portion of the lease liability and accrued expenses.

Other Liabilities, Non-current on the combined Statements of Net Position include the non-current portion of the lease liability, the non-current portion of unearned premium and fee income and the non-current portion of unearned interest income, and various other obligations. Reference is made to Note F for further information.

Bond Issuance Costs, Discounts and Premiums in Long-Term Debt
The costs of issuing bonds (other than bond discount and premium) are recognized as an expense in the period incurred as financing costs. Bond discounts and premiums are amortized utilizing the effective interest method. The amortization is reflected as a component of interest expense. The amortization period used for each new bond issue is equal to the average life of the bond series, which is estimated at 10 years.

Interest and Fee Revenues on Mortgage Loans

Interest on Loans
Interest on loans is accrued as earned. When borrowers on multifamily and single-family loans are more than 90 days delinquent in their scheduled loan payments, the loans are considered to be non-performing. At that point, any existing interest and fee revenue accruals are fully allowed against, and no further accruals are recorded until such time as the loans either have been restored to performing status or have been restructured.

Fee Income
Fee income is accrued as earned and includes administrative fees received from developments financed by MassHousing, Section 8 administrative fees received from U.S. Department of Housing and Urban Development (HUD) and MIF premiums earned, net of reinsurance premiums incurred. Fees collected in connection with the origination and closing of new multifamily loans, net of related direct costs, are recognized as revenue in the period received. Fees collected in connection with the restructuring of troubled multifamily loans are initially reflected as a prepaid fee on the WCF's Statement of Net Position and are not recognized as fee income until the loans are no longer considered to be troubled, have been foreclosed, or have been paid off. In connection with a recapitalization program, MassHousing receives distributions of excess residual receipts and excess replacement reserves from certain Section 8 subsidized developments, which are included in fee income of the WCF. Multifamily fee income in the WCF includes loan origination, loan servicing and securitization profits from the utilization of government and government sponsored enterprise lending programs used by MassHousing to sustain affordable housing.

WCF fee income also includes premiums collected and discounts paid from the sale of MBS.

Grant Income and Grant Expense
Grant income is recorded depending on the terms of the related grant agreement. Most grants are pass-through grants and are recorded as revenue when all eligibility and time restriction requirements are met.

Grant Expenses are recognized when grant funds are disbursed for the related grant projects.

Other Income and Other Expenses
Other income and expenses are accrued as earned or incurred. Other income primarily includes insurance claim receipts on foreclosed properties, reinsurance receipts received by MIF on insurance claims paid, recoveries on multifamily loans, and various other operating income items. Other expense primarily includes MIF insurance claims paid, losses on property dispositions, and various unusual expense items.

Interprogram and Interfund Balances and Eliminations
The WCF engaged in interfund transactions with several of the bond programs. These transactions, and resulting year-end interfund balances, have been eliminated in the accompanying combined financial statements. Further details of these transactions and year-end balances are included in Note K.

Net Position
Net Position is reported as restricted when constraints placed on the use of the net position have been either: (1) externally imposed by creditors, grantors or laws and regulations of governments or (2) imposed by law through constitutional provisions or enabling legislation. Unrestricted net position that MassHousing Members have designated to be used for specific purposes are presented and identified as "designated" unrestricted net position in Note L. Such designated net position is considered to be specifically directed to be used for certain activities that are consistent with MassHousing's mission. MassHousing anticipates that it will continue to designate unrestricted net position for specific purposes in furtherance of its affordable housing mission.

Recently Issued Accounting Standards

In June 2017, GASB approved Statement No. 87, "Leases" (GASB 87). The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases. This Statement increases the usefulness of financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. In accordance with GASB Statement No. 92, "Omnibus 2020" as described below, the effective date of this standard is for fiscal years beginning after December 15, 2019. The effective date was superseded again in accordance with GASB Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance", as described below, to fiscal years beginning after June 15, 2021. The Agency implemented this standard for the quarter ended September 30, 2021 financial statements, effective to July 1, 2020. Restatement of the lease assets and liabilities were made to the September 30, 2020 balances to conform to the GASB 87 presentation. The application of GASB 87 resulted in a cumulative adjustment to Net Position as of July 1, 2020 of $2.6 million. The continuing disclosures required by GASB 87 are presented in Note I, "Lease Commitments".

In May 2019, GASB approved Statement No. 91, "Conduit Debt Obligations" (GASB 91). The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. In accordance with GASB Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance" as described below, the effective date of this standard is for reporting periods beginning after December 15, 2021. Earlier application is encouraged. The Agency implemented this standard for the quarter ended March 31, 2022 financial statements. MassHousing Conduit Debt meets the definition of a conduit debt obligation for accounting and financial reporting purposes. MassHousing has made only a limited commitment in the issuance of Conduit Debt and does not recognize conduit debt obligation as a liability, as it has made no voluntary or additional commitments. The continuing disclosures required by GASB 91 are presented in Note H, "Bond and Note Indebtedness."

In January 2020, GASB approved Statement No. 92, "Omnibus 2020" (GASB 92). This Statement addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to the effective date of Statement No. 87, "Leases" and postemployment benefits (pensions and other postemployment benefits), fiduciary activities, asset retirement obligations, reporting by public entity risk pools, nonrecurring fair value measurements and derivative instruments terminology. The effective date of this standard varies by topic and was superseded in accordance with GASB Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance", as described below. The Agency has applied the relevant provisions of GASB 92. There was no material impact to the Agency's financial statement as a result of the implementation of GASB 92.

In March 2020, GASB approved Statement No. 93, "Replacement of Interbank Offered Rates" (GASB 93). As a result of global reference rate reform, the London Interbank Offered Rate (LIBOR) is expected to cease to exist in its current form, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates. GASB issued GASB 93 to amend GASB Statement 53 in order to address the accounting and financial reporting implications that result from the replacement of LIBOR. At the time that Statement 93 was issued, LIBOR was expected to cease to exist after December 31, 2021. The GASB Board chose that date as the date after which LIBOR would no longer be an appropriate benchmark interest rate for a derivative instrument that hedges the interest rate risk of taxable debt. Subsequently, LIBOR's administrator, the ICE Benchmark Administration, announced that the most widely used United States Dollar LIBOR tenors would continue to be published until June 30, 2023. In April 2022, GASB issued GASB 99, Omnibus 2022, as described more fully below, to address several items including the extension of the publication of LIBOR. For purposes of applying paragraphs 35–38 of Statement 53, as amended, LIBOR will no longer be an appropriate benchmark interest rate for a derivative instrument that hedges the interest rate risk of taxable debt when LIBOR ceases to be determined by the ICE Benchmark Administration. The Agency will continue to monitor the situation until LIBOR ceases to exist.

In May 2020, GASB approved Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance" (GASB 95). The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or were scheduled to become effective for periods beginning after June 15, 2018, and later. The Agency has applied the relevant provisions of GASB 95. There was no material impact to the Agency's financial statement as a result of the implementation of GASB 95.

In May 2020, GASB approved Statement No. 96, "Subscription-Based Information Technology Arrangements" (GASB 96). The primary objective of this Statement is to provide guidance on the accounting and financial reporting for Subscription-Based Information Technology Arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The Agency is currently assessing the impact of GASB 96 and the implementation issues.

In June 2020, GASB issued Statement No. 97, "Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32" (GASB 97). The primary objective of this Statement is to require that Internal Revenue Code (IRC) Section 457 deferred compensation plans be classified as either a pension plan or an other employee benefit plan, depending on whether the plan meets the definition of a pension plan and is effective immediately. Paragraphs 6-9 of this statement clarify that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. The requirements of paragraphs 6-9 of this statement are effective for reporting periods beginning after June 15, 2021. The Agency has determined that GASB 97 does not apply to the Agency financial statements.

In October 2021, GASB issued Statement No. 98, "The Annual Comprehensive Financial Report" (GASB 98). The primary objective of this Statement is to establish the term, Annual Comprehensive Financial Report. This new term replaces instances of Comprehensive Annual Financial Report in generally accepted accounting principles for state and local governments. The requirements of this Statement are effective for fiscal years ending after December 15, 2021. The Agency has determined that GASB 98 does not apply to the Agency financial statements.

In April 2022, GASB approved Statement No. 99, "Omnibus" (GASB 99). This Statement addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics, including the requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63. These requirements are effective upon issuance. The Statement also addresses the requirements related to leases, Public-Private and Public-Public Partnerships, and SBITAs. These requirements are effective for fiscal years beginning after June 15, 2022. The Statement also addresses the requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53. These requirements are effective for fiscal years beginning after June 15, 2023. The Agency is currently assessing the impact of GASB 99 and the implementation issues.

In June 2022, GASB issued Statement No. 100, "Accounting Changes and Error Corrections" (GASB 100). The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023. Earlier application is encouraged. The Agency is currently assessing the impact of GASB 100.

In June 2022, GASB issued Statement No. 101, "Compensated Absences" (GASB 101). The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. Earlier application is encouraged. The Agency is currently assessing the impact of GASB 101 and the implementation issues.

Note C. Investments, Cash and Cash Equivalents

MassHousing's Investment Policy is designed to ensure the prudent management of the Agency's funds and the availability of operating and capital funds when required, while earning a competitive return on the funds within the policy framework. The primary objectives of investment activity, in order of priority, are safety of principal, liquidity, and investment yield.

Under MassHousing's approved Investment Policy, revised April 13, 2021 authorized investments may include:

(1) U.S. Treasury/U.S. Government Guaranteed Obligations

(2) Federal Agency or GSE obligations

(3) Agency or GSE MBS

(4) U.S. Instrumentalities (Supranationals) - U.S. dollar denominated debt obligations of a multilateral organization of governments for which the United States government is a participant, shareholder, and/or voting member with minimum ratings of AAA/Aaa (or the equivalent) or A-1/P-1 (or the equivalent) by any one rating agency.

(5) Municipal Bonds - Minimum ratings of A-/A3 (or the equivalent) or SP-1/MIG 1 (or the equivalent) by any one rating agency.

(6) Corporates and Other Debt Obligations - Minimum ratings of A-/A3 (or the equivalent) or A-1/P-1 (or the equivalent) by any one rating agency.

(7) Commercial Paper - Minimum ratings of A-1/P-1 (or the equivalent) by any one rating agency.

(8) Asset-Backed Securities - Minimum ratings of AAA/Aaa (or the equivalent) or A-1+/P-1 (or the equivalent) by any one rating agency.

(9) Bankers' Acceptances - Minimum ratings of A-1/P-1 (or the equivalent) by any one rating agency.

(10) Negotiable Bank Deposit Obligations - Minimum ratings of A-/A3 (or the equivalent) or A-1/P-1 (or the equivalent) by any one rating agency.

(11) Collateralized Bank Deposits

(12) Insured Bank Deposits

(13) Money Market Funds - Maintain the highest rating at the time of investment from Standard & Poor's or Moody's, or the equivalent from a nationally recognized statistical rating organization.

(14) Participation units of the Massachusetts Municipal Depository Trust (MMDT)

(15) Repurchase agreements - The counterparty maintains a short-term credit rating of at least A-1/P-1 (or the equivalent) by any one rating agency and have been in operation for at least five years.

(16) Investment agreements or guaranteed investment contracts (GIC) Minimum ratings of at least AA-/Aa3 (or the equivalent) from any one rating agency. Short term investment agreements with durations of less than three years may be entered into with companies that have a short-term rating of at least SP-1/VMIG1/F1 (or the equivalent) from any one rating agency.

(17) Any other investments expressly permitted by Commonwealth statute and authorized by MassHousing.

The MMDT is an external investment pool not subject to U.S. Securities and Exchange Commission registration but regulated by the Treasurer of the Commonwealth. MMDT's manager seeks to maintain a net asset value at $1.00 per share.

Funds held in accounts established and governed by the Agency's bond resolutions or other security agreements are subject to the investment requirements as set forth by such agreements, which are generally more conservative than the investment provisions in the Agency's Investment Policy Statement.

Investments and Cash Equivalents

At June 30, 2022 and 2021, MassHousing had the following investments and cash equivalents by type and by maturities with credit ratings when available (in thousands):

		Investment Maturities (In Years)				
June 30, 2022	**Total Cost, Amortized Cost or Fair Value**	**Less Than 1**	**1-5**	**6-10**	**More Than 10**	**Creditor Rating Range**
Investments						
Cash Equivalents	$ 742,892	$ 742,892	$ -	$ -	$ -	N/A - AAA
U.S. Treasuries	599,286	474,776	124,510	-	-	A-1+ to AA+
GSE MBS and Obligations	490,850	16,844	16,921	4,113	452,972	AA+
Corporate Obligations	86,374	-	83,586	2,788	-	AAA to BBB+
Government Guaranteed						AAA to A+
Obligations	22,119	14,190	7,929	-	-	AAA to A+
Asset-Backed Securities	17,496	-	15,764	1,732		AAA
Commercial Paper	16,050	16,050	-	-	-	A-1+ to A-1
Negotiable Bank Debt Obligations	15,635	15,635	-	-	-	A-1+ to A
GIC's	63	-	63	-	-	N/A
Total Investments	**$ 1,990,765**	**$ 1,280,387**	**$ 248,773**	**$ 8,633**	**$ 452,972**	

June 30, 2021	Total Cost, Amortized Cost or Fair Value	Investment Maturities (In Years) Less Than 1	1-5	6-10	More Than 10	
Investments						
Cash Equivalents	$ 1,160,405	$ 1,160,405	$ -	$ -	$ -	N/A - AAA
GSE MBS and Obligations	665,363	19,718	33,307	5,711	606,627	AA+
U.S. Treasuries	259,779	83,390	176,389	-	-	A-1+ to AA+
Government Guaranteed Obligations	57,445	35,860	21,585	-	-	AAA to A+
Commercial Paper	44,115	44,115	-	-	-	A-1+ to A-1
Corporate Obligations	30,119	-	30,119	-	-	AAA to BBB+
Negotiable Bank Debt Obligations	12,840	8,093	4,747	-	-	A-1+ to A
Asset-Backed Securities	4,235	-	3,735	500	-	AAA
GIC's	118	-	118	-	-	N/A
Total Investments	**$ 2,234,419**	**$ 1,351,581**	**$ 270,000**	**$ 6,211**	**$ 606,627**	

The Agency's accounting and valuation policies for investments, cash and cash equivalents are presented in Note B.

The total carrying amount of these items plus cash deposits (see below) equals the sum of all cash and cash equivalents and investments line items in the accompanying combined Statements of Net Position.

For the fiscal year ended June 30, 2022, the total cash equivalents and investments from the bond programs included in the table were $547.0 million and $943.0 million, respectively, all of which are restricted as to use. For the fiscal year ended June 30, 2021, the total cash equivalents and investments from the bond programs included in the table were $875.2 million and $778.7 million, respectively, all of which are restricted as to use.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Under MassHousing's Investment Policy, the investment portfolio is structured so that the maturities of the securities are scheduled to meet the timing of cash requirements for ongoing operations in order to minimize interest rate risk. The Agency thereby avoids the need to sell securities on the open market prior to their maturities. MassHousing also minimizes its interest rate risk by investing operating funds primarily in money-market funds and/or in the MMDT.

Credit Risk and Custodial Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, MassHousing will not be able to recover the value of its investment or collateral securities held by an outside party. MassHousing mitigates credit risk and custodial credit risk by limiting investments to the types of securities permitted by MassHousing's approved Investment Policy and by investing with institutions which meet specified criteria such as, but not limited to, minimum levels of capital and surplus and specified minimum ratings provided by recognized rating agencies. The Agency also actively monitors the credit quality for the issuers of securities in its investment portfolio. In the event the credit ratings of an issuer were to fall below the minimum acceptable credit ratings requirements, the Agency will consider its maintenance of the position, or whether liquidation is appropriate.

Concentration of Credit Risk
Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. MassHousing diversifies its investment portfolio to minimize the impact of potential losses from one type of security or individual issuer, excluding U.S. Treasury securities, Federally Guaranteed Obligations, GSE securities, and the MMDT. MassHousing seeks to limit investment concentration to no more than 15% with any single counterparty. This limit may be exceeded under appropriate circumstances that mitigate risk, which may include, but are not limited to, the term of the investment, the amount and nature of the investment, the rating of the counterparty, or the collateral pledged by the counterparty.

Cash Deposits

MassHousing's cash deposits per the bank were approximately $45.6 million and $162.3 million at June 30, 2022 and 2021, respectively. Of those amounts, $4.1 million and $3.5 million, respectively, were fully insured by the Federal Deposit Insurance Corporation or collateralized with securities held by the pledging financial institution, its trust department or its agent. Such securities were not held in MassHousing's name. Deposits totaling $41.5 million and $158.8 million, respectively, were not insured or collateralized.

Cash balances reflected on the combined Statements of Net Position were approximately $25.8 million and $54.1 million at June 30, 2022 and 2021, respectively. The difference between the bank balances and the carrying amounts represents deposits in transit, net of outstanding checks and other transactions not recorded by the bank until after year-end.

Fair Value of Investments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market or, if none exists, the most advantageous market, for the specific asset or liability at the measurement date (exit price). The fair value hierarchy established by generally accepted accounting principles prioritizes the inputs to valuation techniques used to measure fair value are as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1 that are observable for the asset and liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable.

MassHousing has the following recurring fair value measurements as of June 30, 2022 and June 30, 2021:

- U.S. Treasuries purchased with an initial maturity of more than one year are valued using quoted market prices for identical instruments (Level 1 inputs)
- U.S. Treasuries purchased with an initial maturity of one year or less are recorded at amortized cost, which approximates fair value (Level 2 inputs)
- GSE MBS and Obligations are valued using quoted market prices for similar instruments (Level 2 inputs)
- Government Guaranteed Obligations purchased with an initial maturity of more than one year are valued using quoted market prices for similar instruments (Level 2 inputs)
- Government Guaranteed Obligations purchased with an initial maturity of one year or less are recorded at amortized cost, which approximates fair value (Level 2 inputs)
- MBS Forward Contracts are valued using quoted market prices (Level 1 inputs)
- Negotiable Bank Debt Obligations with an initial maturity of more than one year are valued using quoted market prices for similar instruments (Level 2 inputs)
- Negotiable Bank Debt Obligations with an initial maturity of one year or less are recorded at amortized cost, which approximates fair value (Level 2 inputs)
- Corporate Obligations are valued using quoted market prices for similar instruments (Level 2 inputs)
- Commercial Paper is valued using amortized cost, which approximates fair value (Level 2 inputs)
- Asset-Backed Securities are valued using quoted market prices for similar instruments (Level 2 inputs)
- Interest Rate Cap agreement is valued using the zero-coupon valuation technique (Level 2 inputs)
- Interest Rate Swaps are valued using the zero-coupon valuation technique (Level 2 inputs)

MassHousing has the following Investment and Derivative Instruments, which are measured at fair value, as of June 30, 2022 and 2021:

Investment and Derivative Instruments Measured at Fair Value- Asset /(Liability)
(in thousands)

June 30, 2022	Total Fair Value 06/30/22	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Debt securities				
U.S. Treasuries	$ 599,286	$ 229,862	$ 369,424	$ -
GSE MBS and Obligations	490,850	-	490,850	-
Corporate Obligations	86,374	-	86,374	-
Government Guaranteed Obligations	22,119	-	22,119	-
Asset-Backed Securities	17,496	-	17,496	-
Commercial Paper	16,050	-	16,050	-
Negotiable Bank Debt Obligations	15,635	-	15,635	-
Total Debt Securities	**$ 1,247,810**	**$ 229,862**	**$ 1,017,948**	**$ -**
Investment derivative instruments				
Interest Rate Cap Agreement	$ 78	$ -	$ 78	$ -
Interest Rate Swaps	(4,883)	-	(4,883)	-
MBS Forward Contracts	(183)	$ (183)	-	-
Total Derivative Instruments	**$ (4,988)**	**$ (183)**	**$ (4,805)**	**$ -**

Investment and Derivative Instruments Measured at Fair Value- Asset /(Liability)
(in thousands)

June 30, 2021	Total Fair Value 06/30/21	Quoted Prices in Active Markets (Level 1)[1]	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Debt securities				
GSE MBS and Obligations	$ 665,363	$ -	$ 665,363	$ -
U.S. Treasuries	259,779	218,325	41,454	-
Government Guaranteed Obligations	57,445	-	57,445	-
Commercial Paper	44,115	-	44,115	-
Corporate Obligations	30,119	-	30,119	-
Negotiable Bank Debt Obligations	12,840	-	12,840	-
Asset-Backed Securities	4,235	-	4,235	-
Total Debt Securities	**$ 1,073,896**	**$ 218,325**	**$ 855,571**	**$ -**
Investment derivative instruments				
Interest Rate Cap Agreement	$ 11	$ -	$ 11	$ -
Interest Rate Swaps	(18,957)	-	(18,957)	-
MBS Forward Contracts	(93)	$ (93)	-	-
Total Derivative Instruments	**$ (19,039)**	**$ (93)**	**$ (18,946)**	**$ -**

[1] Due to an immaterial adjustment, the following investments and amounts presented in the June 30, 2021 table above have been reclassified from Level 1 to Level 2: GSE MBS Obligations ($665,363), Government Guaranteed Obligations ($27,519), Corporate Obligations ($30,119), Negotiable Bank Debt Obligations ($5,940) and Asset-Backed Securities ($4,235).

Note D. Mortgage Loans Receivable and Allowances for Uncollectible Loans

Mortgage loans receivable are reported net of allowances for uncollectible loans. In addition, certain loans that have been restructured with borrowers have had multiple obligations combined into a new note where some of the previous obligation amounts had been written off for financial reporting purposes in earlier periods.

6/30/2022 (in thousands)	Mortgage Obligation	Unamortized Prem./Disc. Loans	Loan Loss Reserve	Total
WCF - Multifamily	$ 823,365	$ -	$ (222,402)	$ 600,963
GRDB Program	162,210	-	(626)	161,584
MFHB Program	161,120	-	(950)	160,170
HB Program	1,822,178	-	(10,693)	1,811,485
Subtotal Multifamily	$ 2,968,873	$ -	$ (234,671)	$ 2,734,202
WCF - Single-family	$ 59,417	$ 59	$ (951)	$ 58,525
SFHRB Program	593,801	-	(3,810)	589,991
Subtotal Single-family	$ 653,218	$ 59	$ (4,761)	$ 648,516
Totals	**$ 3,622,091**	**$ 59**	**$ (239,432)**	**$ 3,382,718**

6/30/2021 (in thousands)	Mortgage Obligation	Unamortized Prem./Disc. Loans	Loan Loss Reserve	Total
WCF - Multifamily	$ 774,852	$ -	$ (211,440)	$ 563,412
GRDB Program	164,752	-	(430)	164,322
MFHB Program	252,495	-	(950)	251,545
HB Program	1,738,965	-	(12,941)	1,726,024
Subtotal Multifamily	$ 2,931,064	$ -	$ (225,761)	$ 2,705,303
WCF - Single-family	$ 60,765	$ 328	$ (716)	$ 60,377
SFHRB Program	428,462	-	(3,168)	425,294
Subtotal Single-family	$ 489,227	$ 328	$ (3,884)	$ 485,671
Totals	**$ 3,420,291**	**$ 328**	**$ (229,645)**	**$ 3,190,974**

The Agency also reviews its off-balance sheet loans with risk share for potential loss exposure. As of June 30, 2022 and 2021, the Agency has recorded a loss reserve on off-balance sheet loans of $0 and $670 thousand, respectively, and is included in Other Liabilities, non-current on the Combined Statements of Net Position. Loans with risk sharing agreements are described more fully in Note O, "Commitments and Contingencies."

Note E. Mortgage Loan Delinquencies

Home Ownership Loans

As of June 30, 2022 and 2021, the Agency's Home Ownership program had payment arrearages on mortgage loans of 30 days or more on 320 loans (4.66% of the loans in the home ownership portfolio) and 398 loans (6.38% of the loans in the home ownership portfolio, respectively. The outstanding mortgage loan balances for these loans at June 30, 2022 and 2021 totaled $27.0 million and $34.3 million, respectively.

Multifamily Loans
There was one delinquent development included in the multifamily loan portfolio at both June 30, 2022 and June 30, 2021. The total principal balance for this loan at June 30, 2022 and 2021 was $5.2 million. No multifamily loans were foreclosed in either FY 2022 nor FY 2021.

Note F. Other Assets and Other Liabilities

At June 30, 2022 and 2021, MassHousing had the following current and non-current other assets (in thousands):

	FY 2022	FY 2021 (as restated)
Right of use asset	$ 33,583	$ 37,963
Single-family Service Rights and Excess Servicing Rights	30,999	32,611
Investments in Affordable Housing Trust Fund (AHTF) participation rights	15,666	15,396
Investment in Cooperative Agreement	12,147	-
Accounts receivable - various	8,559	11,815
Unamortized Reinsurance Premium - Mortgage Insurance Fund	6,290	8,046
Interest receivable on investments	3,521	2,927
Fixed assets, net of accumulated depreciation	1,932	2,292
Sublease Receivable	1,277	1,418
Other Real Estate Owned, net of allowance	658	308
Prepaid items	-	1
Total Other Assets	**$ 114,632**	**$ 112,777**

At June 30, 2022 and 2021, MassHousing had the following current and non-current other liabilities (in thousands):

	FY 2022	FY 2021 (as restated)
Lease Liability	$ 34,815	$ 38,663
Accounts Payable	14,996	15,036
Unearned Premium Income	11,501	14,453
Liabilities- various	10,701	11,683
Allowance for MIF Claims	1,978	4,313
Total Other Liabilities	**$ 73,991**	**$ 84,148**

Note G. Escrowed Funds

Escrowed Funds primarily represent: (a) deposits received from mortgage loan borrowers to cover taxes, insurance, repair and replacement costs and other specific purpose reserves required by the Agency or the Investor, where the Agency serves as loan servicer, and (b) debt service collections received where the Agency is acting as a loan servicer and loan provider. In addition, the Agency processes funds through escrow accounts relative to its role as subsidy administrator for various federal and state programs. Deposits are invested principally in money-market mutual fund shares which are held in segregated cash accounts. The accounts described above are required to be held by the Agency through its mission as a Mortgage Lender and Servicer. As a policy and practice, the Agency holds funds for the benefit of its borrowers, investors and others.

Note H. Bond and Note Indebtedness

MassHousing issues bond and note indebtedness under various resolutions for the following purposes: (1) to provide permanent financing for qualified housing developments; (2) to provide financing for housing developments during their construction; (3) to provide financing for the purchase of mortgage loans on owner-occupied residential properties; and (4) for other related purposes.

The Massachusetts Legislature has authorized MassHousing to issue bonds and notes, up to an aggregate outstanding debt limit of $4.9 billion, for financing both multifamily and single-family loans. As of June 30, 2022 and 2021, MassHousing had bonds and notes outstanding of $3.8 billion and $3.9 billion, respectively, leaving a legal margin of $1.1 billion and $1.0 billion, respectively.

Summaries of MassHousing's bond and note indebtedness activity for fiscal years 2022 and 2021 are as follows (in thousands):

2022	Beginning Balance	New Issues	Retirements	Ending Balance	Current Maturities [2]
Bonds (all programs)	$ 3,635,854	$ 453,685	$ 526,754	$ 3,562,785	$ 213,614
Notes: SFHRB Program	-	100,000	-	100,000	100,000
Notes: WCF	232,824	71,174	136,585	167,413	49,466
Totals	**$ 3,868,678**	**$ 624,859**	**$ 663,339**	**$ 3,830,198**	**$ 363,080**
Unamortized Bond/Note Discount/Premium				43,686	
Bonds and Notes Payable, Net				**$ 3,873,884**	

2021	Beginning Balance	New Issues	Retirements	Ending Balance	Current Maturities [2]
Bonds (all programs)	$ 3,434,748	$ 577,630	$ 376,524	$ 3,635,854	$ 193,087
Notes: HB Program	250	-	250	-	-
Notes: WCF	164,864	140,428	72,468	232,824	167,575
Totals	**$ 3,599,862**	**$ 718,058**	**$ 449,242**	**$ 3,868,678**	**$ 360,662**
Unamortized Bond/Note Discount/Premium				38,628	
Bonds and Notes Payable, Net				**$ 3,907,306**	

[2] Current Maturities refers to Current Principal Maturities of long-term debt due and payable within the next twelve months.

Future principal and interest payments on bonds and notes for the years subsequent to June 30, 2022 through their final maturities are presented in the Fixed Rate Bonds and Notes and the Variable Rate Bonds tables below. Interest rates and other information relating to bond and note indebtedness of individual programs are presented in the accompanying Schedules 2 (Bonds) and 3 (Notes and Other Indebtedness) to the financial statements.

Bonds in each series that mature 10 or more years after the date of issuance are generally redeemable at the option of MassHousing on prescribed redemption dates at prices ranging from 100% to 103% of the outstanding principal balance.

In most cases, MassHousing obtains first (and in some cases second) mortgage liens on the real property of such housing developments and on residential properties. Liens on multifamily developments and residential properties permanently financed by Agency bonds and notes are assignable by MassHousing as additional collateral for its bonds and notes. Similar liens on multifamily developments, for which interim financing is outstanding, provide collateral to MassHousing in the event of default by the borrowers.

Fixed Rate Bonds and Notes – Bonds are issued in the form of both serial bonds and term bonds. Term bonds and notes require the establishment of a sinking fund in the year preceding any scheduled mandatory redemption. Debt service requirements of the Agency's outstanding fixed rate debt at June 30, 2022 are as follows (in thousands):

Fixed Rate Bonds and Notes

Fiscal Year Ending June 30	Underwritten Principal	Underwritten Interest	Private Placement Principal	Private Placement Interest	Total
FY23	$ 260,104	$ 96,202	$ 100,241	$ 10,771	$ 467,318
FY24	163,874	93,238	42,177	9,520	308,809
FY25	119,176	89,932	82,915	8,441	300,464
FY26	143,354	87,051	1,780	6,857	239,042
FY27	76,900	83,799	1,865	6,795	169,359
FY28 - FY32	356,190	383,755	10,500	32,942	783,387
FY33 - FY37	402,090	321,989	24,020	30,360	778,459
FY38 - FY42	410,990	251,785	37,420	25,303	725,498
FY43 - FY47	461,524	173,116	50,035	18,273	702,948
FY48 - FY52	329,800	96,028	56,735	9,321	491,884
FY53 - FY57	237,705	42,264	13,600	3,092	296,661
FY58 - FY62	111,565	10,804	12,425	901	135,695
FY63 - FY67	12,680	420	1,210	23	14,333
Totals	**$ 3,085,952**	**$ 1,730,383**	**$ 434,923**	**$ 162,599**	**$ 5,413,857**

Variable Rate Bonds

Listed in the table below are the outstanding Variable Rate Bonds as of June 30, 2022 and 2021, including Remarketing Agents and Liquidity Providers, if applicable (in thousands):

Variable Rate Bonds and Notes

Issue Name	Maturity Date	Bonds & Notes Outstanding June 30, 2022	Remarketing Agent	Remarketing Expiration Date	Liquidity Provider	Liquidity Expiration Date
GRDB Variable Rate Housing Bond (VRHB) 2015A	01/01/2034	$ 30,270	Raymond James	01/31/2034	Bank of America	01/31/2034
2018 Mill Road	11/01/2048	22,800	n/a	n/a	n/a	n/a
HB Series 2003F	12/01/2037	275	Merrill Lynch	12/01/2037	n/a	n/a
HB Series 2008A	05/01/2048	77,905	n/a	n/a	n/a	n/a
HB Series 2009B	01/01/2044	10,808	Merrill Lynch	01/01/2044	T.D. Bank	02/01/2026
HB Series 2013F	12/01/2038	22,265	Raymond James	12/01/2038	T.D. Bank	12/04/2023
HB Series 2016I	12/01/2056	25,000	n/a	n/a	n/a	n/a
HB Series 2018B	06/01/2058	25,000	n/a	n/a	n/a	n/a
SFHRB Series 196	12/01/2048	15,000	n/a	n/a	n/a	n/a
SFHRB Series 200	12/01/2048	15,000	n/a	n/a	n/a	n/a
SFHRB Series 204	12/01/2048	10,000	n/a	n/a	n/a	n/a
SFHRB Series 208	06/01/2049	15,000	RBC Capital Markets	05/08/2024	Royal Bank of Canada	05/08/2024
SFHRB Series 212	12/01/2049	15,000	n/a	n/a	n/a	n/a
SFHRB Series 216	12/01/2050	25,000	n/a	n/a	n/a	n/a
Total		**$ 309,323**				

Variable Rate Bonds and Notes

Issue Name	Maturity Date	Bonds & Notes Outstanding June 30, 2021	Remarketing Agent	Remarketing Expiration Date	Liquidity Provider	Liquidity Expiration Date
GRDB VRHB 2015A	01/01/2034	$ 30,825	Raymond James	01/31/2034	Bank of America	01/31/2034
2018 Mill Road	11/01/2048	23,070	n/a	n/a	n/a	n/a
HB Series 2003F	12/01/2037	295	Merrill Lynch	12/01/2037	n/a	n/a
HB Series 2008A	05/01/2048	79,105	n/a	n/a	n/a	n/a
HB Series 2009B	01/01/2044	11,008	Merrill Lynch	01/01/2044	T.D. Bank	02/01/2026
HB Series 2013F	12/01/2038	23,015	Raymond James	12/01/2038	T.D. Bank	12/04/2023
HB Series 2016I	12/01/2056	25,000	n/a	n/a	n/a	n/a
HB Series 2018B	06/01/2058	25,000	n/a	n/a	n/a	n/a
SFHRB Series 76	12/01/2030	12,360	n/a	n/a	n/a	n/a
SFHRB Series 196	12/01/2048	15,000	n/a	n/a	n/a	n/a
SFHRB Series 200	12/01/2048	15,000	n/a	n/a	n/a	n/a
SFHRB Series 204	12/01/2048	10,000	n/a	n/a	n/a	n/a
SFHRB Series 208	06/01/2049	15,000	RBC Capital Markets	05/08/2024	Royal Bank of Canada	05/08/2024
SFHRB Series 212	12/01/2049	15,000	n/a	n/a	n/a	n/a
SFHRB Series 216	12/01/2050	25,000	n/a	n/a	n/a	n/a
Total		**$ 324,678**				

Using interest rates at June 30, 2022, debt service requirements of the Agency's outstanding variable rate debt and net interest rate swap payments at June 30, 2022 are as follows (in thousands):

Fiscal Year Ending June 30	Underwritten Principal	Underwritten Interest	Private Placement Principal	Private Placement Interest	Interest rate Swaps Net	Total [3]
FY23	$ 1,450	$ 2,158	$ 1,285	$ 2,396	$ 1,876	$ 9,165
FY24	1,365	2,160	1,295	2,381	1,921	9,122
FY25	1,440	2,137	1,375	2,352	1,905	9,209
FY26	1,520	2,122	1,500	2,179	1,882	9,203
FY27	1,600	2,105	1,565	2,451	8,735	16,456
FY28 - FY32	11,580	10,192	9,455	11,083	7,458	49,768
FY33 - FY37	54,715	8,224	12,905	10,141	5,983	91,968
FY38 - FY42	38,305	5,771	17,445	8,877	3,126	73,524
FY43 - FY47	43,338	3,245	26,560	7,150	1,734	82,027
FY48 - FY52	26,105	538	28,515	4,213	416	59,787
FY53 - FY57	-	-	23,485	1,604	-	25,089
FY58 - FY62	-	-	2,520	34	-	2,554
Totals	**$ 181,418**	**$ 38,652**	**$ 127,905**	**$ 54,861**	**$ 35,036**	**$ 437,872**

[3] The variable rate bonds included in the above table include $37 million of the unhedged portion of series: HB Series 2008A- $25.8 million, SFHRB Series 196- $3.8 million, SFHRB Series 200- $3.8 million, and SFHRB Series 208- $3.8 million and $136 million of the entirely unhedged: GRDB Series 2015A- $30.3 million, GRDB 2018 Mill Road- $22.8 million, HB Series 2003F-$275 thousand, HB Series 2009B- $10.8 million, HB Series 2013F- $22.3 million, SFHRB Series 204- $10 million, SFHRB Series 212- $15 million, and SFHRB Series 216- $25 million.

Reference is made to Note J for a description of the interest rate swaps and caps that are outstanding on several variable rate bonds at year end. The total amounts of such hedged variable rate bonds outstanding at June 30, 2022 and 2021 were as follows (in thousands):

	June 30, 2022	June 30, 2021
HB Program	$ 102,090	$ 102,881
SFHRB Program	33,750	33,750
Total	**$ 135,840**	**$ 136,631**

The total amounts of such unhedged, or partially unhedged, variable rate bonds outstanding at June 30, 2022 and 2021 were as follows (in thousands):

Basis	**June 30, 2022**	**June 30, 2021**
Initial term rate of 1.45% until mandatory tender date of 12/1/2022	$ 15,000	$ 15,000
Initial term rate of 1.85% until mandatory tender date of 6/1/2025	25,000	25,000
One-month LIBOR plus 60 basis points	-	12,360
One-month LIBOR plus 65 basis points	25,815	26,224
70% of one-month LIBOR	7,500	7,500
SIFMA Municipal Swap Index (SIFMA) plus 55 bps	22,800	23,070
SIFMA plus 33 bps	10,000	10,000
Weekly rate set by the underwriter/remarketing agent, determined by current market conditions	56,560	57,885
Weekly rate set by the remarketing agent, determined by current market conditions, but not exceeding Variable Rate Ceiling of 15% per annum	10,808	11,008
Total	**$ 173,483**	**$ 188,047**

Certain bond series are subject to maximum interest rates as defined by their related series' resolutions. Some variable rate bonds are supported by stand-by bond purchase liquidity facilities with banks, which require that the applicable bank purchase any bonds that are tendered for purchase, but which cannot be successfully remarketed. Unless and until the bonds can be remarketed, MassHousing would be required to pay to the bank interest on such bonds at an alternate rate. MassHousing also would be required to amortize the principal of such bonds on an accelerated schedule.

Debt Issuance

The following tables summarize new debt issues for the fiscal years ended June 30, 2022 and June 30, 2021:

FY 2022

Issue Name	Issue Date	Final Maturity Date	Original Principal Amount	New Debt [4/7]	Refunded Debt [5]	Conduit [6]
Direct Purchase CLN, Issue 5 Blk 2021A	12/8/2021	8/1/2022	$ 2,000	$ 2,000	$ -	$ -
Direct Purchase CLN, Issue 5 Blk 2021B	12/8/2021	12/1/2022	2,906	2,906	-	-
Direct Purchase CLN, Issue 4 Blk 2022A	5/4/2022	5/23/2025	41,200	41,200	-	-
Total Direct Purchase CLN Issues			**$ 46,106**	**$ 46,106**	**$ -**	**$ -**
HB Series 2021B 1	11/2/2021	12/1/2063	$ 77,820	$ 77,820	$ -	$ -
HB Series 2021B 2	11/2/2021	12/1/2026	61,950	61,950	-	-
HB Series 2021C	11/2/2021	12/1/2023	8,805	-	8,805	-
HB Series 2022 A 1	6/22/2022	12/1/2064	23,850	23,850	-	-
HB Series 2022 A 2	6/22/2022	12/1/2026	49,115	49,115	-	-
HB Series 2022 B	6/22/2022	12/1/2034	1,990	-	1,990	-
Total HB Issues			**$ 223,530**	**$ 212,735**	**$ 10,795**	**$ -**
SFHRB Series 222	9/21/2021	6/1/2051	$ 89,900	$ 23,325	$ 66,575	$ -
SFHRB Series 204	11/4/2021	12/1/2048	10,000	-	10,000	-
SFHRB Series 223	12/22/2021	6/1/2047	70,860	33,538	37,322	-
SFHRB Notes, Series 2021	12/22/2021	12/1/2022	100,000	99,622	378	-
SFHRB Series 224	5/27/2021	12/1/2048	59,395	24,478	34,917	-
Total SFHRB Issues			**$ 330,155**	**$ 180,963**	**$ 149,192**	**$ -**
Multifamily Conduit Revenue Bonds, Orient Heights Phase Three Issue, Series 2021	7/15/2021	7/15/2024	$ 40,750	$ -	$ -	$ 40,750
Total Conduit Issues			**$ 40,750**	**$ -**	**$ -**	**$ 40,750**
Total			**$ 640,541**	**$ 439,804**	**$ 159,987**	**$ 40,750**

[4] Funds used to finance new mortgage loans

[5] Funds used to refund and/or replace outstanding bonds.

[6] Funds used to finance mortgage loans for which neither the bonds nor the mortgage loans securing those bonds are in the Agency's financial statements. Each of such bond issues are separately secured from any other obligations issued by the Agency.

[7] This table excludes $25.1 million of CLN debt advanced in FY 2022 for notes issued in previous fiscal years.

FY 2021

Issue Name	Issue Date	Final Maturity Date	Original Principal Amount	New Debt [4/7]	Refunded Debt [5]	Conduit [6]
Direct Purchase Construction Loan Note (CLN), Issue 7 Blk 2020A (taxable)	9/3/2020	9/1/2023	$ 32,282	$ 32,282	$ -	$ -
Direct Purchase CLN, Issue 7 Blk 2020B (taxable)	9/3/2020	9/1/2023	4,465	4,465	-	-
Direct Purchase CLN, Issue 4B BLK 2020A (taxable)	8/7/2020	8/7/2024	40,000	40,000	-	-
Total Direct Purchase CLN Issues			**$ 76,747**	**$ 76,747**	**$ -**	**$ -**
HB Series 2020C 1	9/17/2020	12/1/2062	$ 29,615	$ 29,615	$ -	$ -
HB Series 2020C 2	9/17/2020	6/1/2023	28,015	28,015	-	-
HB Series 2020C 3	9/17/2020	6/1/2063	26,410	26,410	-	-
HB Series 2020C 4	9/17/2020	12/1/2023	10,020	10,020	-	-
HB Series 2020D 1	12/17/2020	6/1/2063	63,210	63,210	-	-
HB Series 2020D 2	12/17/2020	12/1/2023	2,980	2,980	-	-
HB Series 2020E (Taxable)	12/17/2020	12/1/2050	50,560	50,560	-	-
HB Series 2021A 1	6/24/2021	12/1/2063	50,655	50,655	-	-
HB Series 2021A 2	6/24/2021	12/1/2024	42,595	42,595	-	-
Total HB Issues			**$ 304,060**	**$ 304,060**	**$ -**	**$ -**
Single Family Housing Revenue Bond (SFHRB) Series 217	9/17/2020	12/1/2022	$ 2,815	$ -	$ 2,815	$ -
SFHRB Series 218	9/17/2020	12/1/2050	64,360	18,792	45,568	-
SFHRB Series 219	12/17/2020	12/1/2022	2,800	-	2,800	-
SFHRB Series 220	12/17/2020	12/1/2050	102,365	63,781	38,584	-
SFHRB Series 196 Remarketing	5/27/2021	12/1/2048	15,000	-	15,000	-
SFHRB Series 200 Remarketing	5/27/2021	12/1/2048	15,000	-	15,000	-
SFHRB Series 221	6/10/2021	12/1/1950	71,230	23,426	47,804	-
Total SFHRB Issues			**$ 273,570**	**$ 105,999**	**$ 167,571**	**$ -**
Multifamily Conduit Revenue Bonds (Morse Apartments Issue), Series 2020A	7/30/2020	8/1/2023	$ 17,000	$ -	$ -	$ 17,000
Multifamily Conduit Revenue Bonds (Morse Apartments Issue), Series 2020B	7/30/2020	7/30/2039	6,161	-	-	6,161
Multifamily Conduit Revenue Bonds (Morse Apartments Issue), Series 2020C	7/30/2020	7/30/2039	1,839	-	-	1,839
Total Conduit Issues			**$ 25,000**	**$ -**	**$ -**	**$ 25,000**
Total			**$ 679,377**	**$ 486,806**	**$ 167,571**	**$ 25,000**

[4] Funds used to finance new mortgage loans

[5] Funds used to refund and/or replace outstanding bonds.

[6] Funds used to finance mortgage loans for which neither the bonds nor the mortgage loans securing those bonds are in the Agency's financial statements. Each of such bond issues are separately secured from any other obligations issued by the Agency.

[7] This table includes $25.1 million of CLN debt issued in FY 2021, but not yet advanced. This table excludes $88.7 million of CLN debt advanced in FY 2021 for notes issued in previous fiscal years.

Bond Refundings

According to current GASB guidance, the unamortized premium/discount amounts should be amortized in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. The Agency has elected to recognize the unamortized premium/discount amounts related to debt refundings immediately as Gains/Loss on Early Retirement of Debt, due to the insignificance of these transactions. These gains and losses are included in Other Income in the Agency's financial statements.

See Schedules 2 and 3 for additional required disclosures related to bond and note indebtedness.

Lines of Credit
On October 29, 2021, MassHousing amended its existing revolving loan agreement with Bank of America, N.A. for a line of credit to provide funding for the Agency's warehouse of single-family loans in the WCF. The revolving loan agreement was extended to October 29, 2024 with no change to the maximum line of credit amount of $100 million.

Helping to House New England Financing
In December 2016, MassHousing entered into an *Agreement for Advances, Collateral Pledge, and Security Agreement* (Agreement) with the Federal Home Loan Bank of Boston's Helping to House New England Program, of which the Agency has posted certain investments as collateral as required under the program. The Agency is utilizing the program to provide funding for some of the Agency's multi-family loans. Each advance has a term of 10 years and a 0% interest rate. The Agreement contains several provisions which would result in default, including, but not limited to, failure to pay the debt, bankruptcy and material breach of any representation or warranty. At both June 30, 2022 and 2021, $16.4 million, with maturity dates of December 21, 2026 for $9.2 million and December 6, 2028 for $7.2 million, had been advanced and was outstanding. At June 30, 2022 and 2021, MBS with a fair value of $21.0 million and $20.0 million, respectively, was held in the WCF as collateral for the program.

Conduit Debt
MassHousing has issued bonds under its GRDB Resolution, to finance certain mortgage loans for private-sector developers to assist in the acquisition and construction of multi-family housing. The properties financed are pledged as collateral, and the bonds are payable solely from payments received from the private-sector developers on the underlying mortgages. No additional or voluntary commitments were made beyond the limited commitment to the maintenance of the tax-exempt status of the conduit debt obligations by the Agency for any of those bonds. At June 30, 2022 and 2021, the bonds have an original principal amount payable of $292.5 million and 293.1 million, respectively.

The issues of such conduit bonds, outstanding as of June 30, 2022 and 2021, are listed in the tables below (in thousands):

June 30, 2022 **Issue Name**	**Issue Date**	**Maturity Date**	**Original Principal Amount**
Conduit Revenue Bonds (Kenmore Abbey Development), 2012 Series B	6/21/2012	6/1/2030	$ 42,700
Multifamily Conduit Revenue Bonds, Olmsted Green Issue, Series 2018B	11/30/2018	11/30/2037	18,470
Multifamily Tax-Exempt Mortgage-Backed Bonds (M-TEBS) (Chestnut Park Project), Series 2018A	12/13/2018	1/1/2039	32,900
Multi-Family Mortgage Revenue Note (Millers River Apartments), Series 2018	12/28/2018	7/1/2053	52,000
Multi-Family Mortgage Revenue Note (Millers River Apartments), Series 2019	3/22/2019	7/1/2023	30,000
Multifamily Conduit Revenue Bonds (Arthur O'Shea House Issue), Series 2019A	7/31/2019	7/31/2022	18,030
Multifamily Conduit Revenue Bonds (Arthur O'Shea House Issue), Series 2019B	7/31/2019	7/31/2038	5,276
Multifamily Conduit Revenue Bonds (Arthur O'Shea House Issue), Series 2019C	7/31/2019	7/31/2038	1,694
Multifamily Tax-Exempt Mortgage-backed Bonds (M-TEMS) (Colonial Village Project), Series 2019 (FN)	12/19/2019	1/1/2037	8,250
Multifamily Conduit Revenue Bonds, (Michael E. Haynes Arms Issue), Series 2020A [8]	1/16/2020	6/1/2022	10,653
Multifamily Conduit Revenue Bonds, (Michael E. Haynes Arms Issue), Series 2020B	1/16/2020	1/3/2040	6,765
Multifamily Conduit Revenue Bonds, (Morse Apartments Issue), Series 2020A	7/30/2020	8/1/2023	17,000
Multifamily Conduit Revenue Bonds, (Morse Apartments Issue), Series 2020B	7/30/2020	7/30/2039	6,161
Multifamily Conduit Revenue Bonds, (Morse Apartments Issue), Series 2020C	7/30/2020	7/30/2039	1,839
Multifamily Conduit Revenue Bonds, (Orient Heights Phase Three Issue), Series 2021	7/15/2021	7/15/2024	40,750
Total Conduit Bonds			$ 292,488

[8] As of June 1, 2022 this bond is in forbearance.

June 30, 2021 **Issue Name**	**Issue Date**	**Maturity Date**	**Original Principal Amount**
Conduit Revenue Bonds (Kenmore Abbey Development), 2012 Series B	6/21/2012	6/1/2030	$ 42,700
Multifamily Conduit Revenue Bonds, Orient Heights Phase Two Issue, Series 2018	10/31/2018	4/1/2022	26,000
Multifamily Conduit Revenue Bonds, Olmsted Green Issue, Series 2018A	11/30/2018	11/30/2021	2,530
Multifamily Conduit Revenue Bonds, Olmsted Green Issue, Series 2018B	11/30/2018	11/30/2037	18,470
Multifamily Tax-Exempt Mortgage-Backed Bonds (M-TEBS) (Chestnut Park Project), Series 2018A	12/13/2018	1/1/2039	32,900
Multifamily Conduit Revenue Bonds (Chestnut Park Project), Series 2018A	12/13/2018	12/1/2023	12,100
Multi-Family Mortgage Revenue Note (Millers River Apartments), Series 2018	12/28/2018	7/1/2053	52,000
Multi-Family Mortgage Revenue Note (Millers River Apartments), Series 2019	3/22/2019	7/1/2023	30,000
Multifamily Conduit Revenue Bonds (Arthur O'Shea House Issue), Series 2019A	7/31/2019	7/31/2022	18,030
Multifamily Conduit Revenue Bonds (Arthur O'Shea House Issue), Series 2019B	7/31/2019	7/31/2038	5,276
Multifamily Conduit Revenue Bonds (Arthur O'Shea House Issue), Series 2019C	7/31/2019	7/31/2038	1,694
Multifamily Tax-Exempt Mortgage-backed Bonds (M-TEMS) (Colonial Village Project), Series 2019 (FN)	12/19/2019	1/1/2037	8,250
Multifamily Conduit Revenue Bonds (Colonial Village Project), Series 2019	12/19/2019	1/1/2023	760
Multifamily Conduit Revenue Bonds, (Michael E. Haynes Arms Issue), Series 2020A	1/16/2020	6/1/2022	10,653
Multifamily Conduit Revenue Bonds, (Michael E. Haynes Arms Issue), Series 2020B	1/16/2020	1/3/2040	6,765
Multifamily Conduit Revenue Bonds, (Morse Apartments Issue), Series 2020A	7/30/2020	8/1/2023	17,000
Multifamily Conduit Revenue Bonds, (Morse Apartments Issue), Series 2020B	7/30/2020	7/30/2039	6,161
Multifamily Conduit Revenue Bonds, (Morse Apartments Issue), Series 2020C	7/30/2020	7/30/2039	1,839
Total Conduit Bonds			$ 293,128

As to the Conduit Bonds, updated information with respect to the bonds and related mortgage loans is available in accordance with the provisions of the applicable Loan, Security and Trust Agreement and the Disbursing Agreement relating to such bonds.

Note I. Leases

The following is a summary of lease assets and liabilities as of June 30, 2022 and 2021:

Lease Balances (in thousands) As of June 30	**2022**	**2021**
Current Assets:		
Sublease Receivable	$ 146	$ 141
Non-current Assets:		
Right of Use Asset, net	33,583	37,963
Sublease Receivable	1,131	1,277
Total Lease Assets	**$ 34,860**	**$ 39,381**
Current Liabilities:		
Lease Liability	$ 3,986	$ 3,848
Non-current Liabilities:		
Lease Liability	30,829	34,815
Total Lease Liabilities	**$ 34,815**	**$ 38,663**

MassHousing is subject to an office lease. This lease consists of building space of approximately 106,382 rentable square feet, and is effective through March 31, 2030.

MassHousing also leases office equipment, automobiles and other items under several non-cancelable leases with terms in excess of one year. These leases were not included in the application of GASB 87 because their balances fell below the Agency's capitalization threshold.

The following is a summary of the lease assets, accumulated amortization and gross asset balance for the office lease:

Office Building Lease
(in thousands)
As of June 30, 2022

Lease Description	Gross Asset Balance	Accumulated Amortization	Net Asset Balance
4th Amendment	$ 37,121	$ 7,680	$ 29,441
5th Amendment	4,574	946	3,628
Concourse	648	134	514
Total Leases	$ 42,343	$ 8,760	$ 33,583

Office Building Lease
(in thousands)
As of June 30, 2021

Lease Description	Gross Asset Balance	Accumulated Amortization	Net Asset Balance
4th Amendment	$ 37,121	$ 3,840	$ 33,281
5th Amendment	4,574	473	4,101
Concourse	648	67	581
Total Leases	$ 42,343	$ 4,380	$ 37,963

The following is a summary of office lease principal and interest requirements to maturity, presented separately, for the Lease Liability for each of the five subsequent fiscal years and the remaining lease term of three years thereafter:

Building Lease
(in thousands)
As of June 30, 2022

FY Ending June 30th	Remaining Payments	Interest Expense	Liability Reduction
FY 2023	$ 4,811	$ 825	$ 3,986
FY 2024	4,883	723	4,160
FY 2025	4,927	618	4,309
FY 2026	5,005	508	4,497
FY 2027	5,046	394	4,652
FY 2028 - FY30	13,670	459	13,211
Total	$ 38,342	$ 3,527	$ 34,815

Sublease Commitments

MassHousing entered into a sublease agreement for a portion of its leased space, with monthly payments beginning December 1, 2018 to the termination date of March 31, 2030.

The following is a summary of sublease income recognized in FY 2022 and FY 2021:

Building Sublease
(in thousands)

For the fiscal year ended June 30, 2022	Total Payments Collected	Interest Income	Principal Reduction
	$ 175	$ 34	$ 141

Building Sublease
(in thousands)

For the fiscal year ended June 30, 2021	Total Payments Collected	Interest Income	Principal Reduction
	$ 172	$ 37	$ 135

Note J. Derivative Instruments

Derivative instruments are financial arrangements, often complex, used to manage specific risks or to make investments. By entering into these arrangements, organizations receive and/or make payments based on market prices or rates without actually entering into the related financial transactions. Derivative instruments associated with changing financial prices and rates result in changing cash flows and fair values that can be used as effective risk management or investment tools.

At June 30, 2022 and 2021 MassHousing had three types of derivative instruments outstanding: interest rate swaps, an interest rate cap agreement, and MBS Forward Contracts.

Interest Rate Swaps

On December 28, 2020, MassHousing exercised an early termination option, effective January 4, 2021, of $11.1 million of the notional amount of the interest rate swap agreement for its variable rate HB Series 2009B at par. This agreement was originally effective March 2, 2020 with a notional value of $11.2 million.

On June 1, 2021, MassHousing used proceeds from mortgage loan prepayments and other available funds to redeem all bonds outstanding under the RHMRB Program, totaling $21.7 million. All remaining assets and liabilities of the RHMRB Program were transferred to the WCF. As a result, MassHousing terminated its interest rate swap agreement for its variable rate RHMRB 2002 Series D bonds. This agreement was originally effective November 1, 2019 with a notional amount of $32.2 million. Additionally, the interest rate swap agreement for its RHMRB 2003 Series A bonds was transferred to the WCF, with no underlying bonds associated with it. This agreement was originally effective September 3, 2003 with a notional amount of $21.1 million. Because the 2003A bonds were called, the 2003A Swap is now an ineffective hedge and was classified as an Investment Derivative Instrument as of June 1, 2021.

Master Swap Policy (MS Policy) – MassHousing's MS Policy sets guidelines for the use and management of variable rate debt and the use of various derivative financial products such as swaps, caps, floors, collars and options. The MS Policy governs the following: the appropriate usage of swaps and caps; acceptable swap and cap strategies; the procedure for entering into swaps and caps; standards for selection of swap and cap counterparties (including credit standards, diversification of exposure and collateral requirements); internal management of obligations and exposure; and the selection and procurement of swaps and caps.

The MS Policy permits MassHousing to enter into swaps and caps with qualified counterparties in connection with the issuance of debt obligations to reduce the amount and duration of rate, spread or similar risk and in connection with managing MassHousing's assets. The MS Policy states that no swap or cap may be entered into prior to notification of appropriate bond rating agencies. The MS Policy contains guidelines for limiting concentration of exposure to single counterparties and limiting overall derivative counterparty exposure in relation to MassHousing's net position.

Synthetic Fixed Rate Bonds – In connection with the issuance of certain variable rate bonds, MassHousing has entered into several separate pay-fixed, receive-variable interest rate hedging transactions (interest rate swap) generally in initial notional amounts equal to the initial aggregate principal amount of the related bonds. The interest rate swap counterparties are obligated to make periodic variable rate interest payments to MassHousing based on the notional amounts of the swaps at the then prevailing rates, and MassHousing is obligated to make interest payments to the counterparties at the fixed rates on the notional amounts specified in the interest rate swap agreements. Generally, only the net difference between the two interest payments is actually exchanged with the counterparty. MassHousing is also responsible for making the periodic interest payments to the variable rate bondholders. MassHousing's objective in entering into interest rate swap agreements is to effectively fix its interest payment obligations with respect to the variable rate bonds at a rate lower than possible if fixed rate bonds had been issued. MassHousing would be exposed to a variable rate under the following conditions: if the counterparties default; if the swap agreements are terminated; or if LIBOR exceeds a specified percentage rate. Termination of an interest rate swap agreement may also result in MassHousing either having to make or receive a termination payment.

Basis of Valuing Interest Rate Swaps – The interest rate swap fair values reflected on the combined Statement of Net Position were obtained from an independent pricing service, which used acceptable methods and assumptions in compliance with the disclosure requirements of GASB pronouncements, subject to review and approval by MassHousing. The pricing service uses modeling systems to determine the values shown in this report. Unless stated otherwise, the values presented are mid-market levels and do not include accrued interest. The values are calculated based on the zero-coupon method. The zero-coupon method determines future net settlement payments assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. Future payments are then discounted using the spot rates implied by the yield curve as of the pricing date. Termination Option values are derived using the Black-Scholes model, considering variables such as interest rates, duration and implied volatility.

A positive fair value of an interest rate swap (an asset) implies that if the interest rate swap were terminated at midmarket pricing on the valuation date, MassHousing would be owed a payment from the interest rate swap provider. Conversely, a negative fair value of an interest rate swap (a liability) implies that MassHousing would owe a payment to the interest rate swap provider if the interest rate swap were terminated at midmarket pricing on the valuation date.

Terms, fair values, and credit ratings – The terms, including fair values and counterparty credit ratings, of the outstanding interest rate swaps at both June 30, 2022 and 2021 are provided below. The credit ratings were issued by S&P and Moody's, respectively. The maturity dates of hedged interest rate swap agreements and their related bonds are generally coterminous, maturing according to the dates shown below. The notional value of each interest rate swap and the principal amount of the associated debt declines over time.

June 30, 2022
Swap - Derivative Instruments (in thousands)

Associated Bond Series (Counterparty)	Derivative Type	Notional Amount 6/30/22	Effective Date	Swap Termination Date	Fixed Rate Paid	Variable Rate Received	Fair Values 6/30/22	Change in Fair Values from 6/30/21 [increase/ (decrease)]
WCF (1)	Investment	$ 17,010	9/3/2003	7/1/2043	6.729%	LIBOR (a)	$ (6,678)	$ 4,603
HB Series 2008A -Block III (Lebanese) (2)	Hedge	2,455	11/1/2009	5/1/2048	5.178%	LIBOR + .65% (a)	(24)	284
HB Series 2016I (3)	Hedge	25,000	12/15/2016	12/1/2041	3.655%	(70% * LIBOR) + 1.20% (b)	1,109	2,572
HB 2018B (3)	Hedge	25,000	6/19/2018	6/1/2053	3.845%	(70 % * LIBOR) + 1.05% (a)	18	2,572
SFHRB Series 196 (4)	Investment	11,250	6/19/2018	12/1/2048	2.573%	70% * LIBOR (a)	66	1,122
SFHRB Series 200 (5)	Investment	11,250	11/1/2018	12/1/2048	2.732%	70% * LIBOR (a)	(65)	1,331
SFHRB Series 208 (5)	Investment	11,250	5/9/2019	6/1/2049	2.350%	SIFMA (c)	691	1,590
		$103,215					**$ (4,883)**	**$ 14,074**

(a) LIBOR 1 month USD (1.78671% at June 30, 2022)
(b) LIBOR 3 month USD (2.28514% at June 30, 2022)
(c) USD SIFMA Municipal Swap Index (.91% at June 30, 2022)

Counterparty	Counterparty Credit Rating	Notional Amount 6/30/22	Percentage of Notional Amount	Fair Values 6/30/22	Percentage of Fair Values
(1) JP Morgan Chase Bank	A+/Aa2	$ 17,010	16.48%	$ (6,678)	136.76%
(2) Bank of America, N.A.	A+/Aa2	2,455	2.38%	(24)	0.49%
(3) Barclays Bank PLC	A/A1	50,000	48.44%	1,127	-23.08%
(4) Citibank, N.A.	A+/Aa3	11,250	10.90%	66	-1.35%
(5) Royal Bank of Canada	AA-/A1	22,500	21.80%	626	-12.82%
		$ 103,215	**100.00%**	**$ (4,883)**	**100.00%**

June 30, 2021
Swap - Derivative Instruments (in thousands)

Associated Bond Series (Counterparty)	Derivative Type	Notional Amount 6/30/21	Effective Date	Swap Termination Date	Fixed Rate Paid	Variable Rate Received	Fair Values 6/30/21	Change in Fair Values from 6/30/20 [increase/ (decrease)]
WCF (1)	Investment	$ 17,355	9/3/2003	7/1/2043	6.729%	LIBOR (a)	$(11,281)	$ 3,521
HB Series 2008A -Block III (Lebanese) (2)	Hedge	2,491	11/1/2009	5/1/2048	5.178%	LIBOR + .65% (a)	(308)	145
HB Series 2016I (3)	Hedge	25,000	12/15/2016	12/1/2041	3.655%	(70% * LIBOR) + 1.20% (b)	(1,463)	1,239
HB 2018B (3)	Hedge	25,000	6/19/2018	6/1/2053	3.845%	(70 % * LIBOR) + 1.05% (a)	(2,554)	1,484
SFHRB Series 196 (4)	Investment	11,250	6/19/2018	12/1/2048	2.573%	70% * LIBOR (a)	(1,056)	633
SFHRB Series 200 (5)	Investment	11,250	11/1/2018	12/1/2048	2.732%	70% * LIBOR (a)	(1,396)	761
SFHRB Series 208 (5)	Investment	11,250	5/9/2019	6/1/2049	2.350%	SIFMA (c)	(899)	705
		$103,596					**$(18,957)**	**$ 8,488**

(a) LIBOR 1 month USD (.1005% at June 30, 2021)
(b) LIBOR 3 month USD (.14575% at June 30, 2021)
(c) USD SIFMA Municipal Swap Index (.03% at June 30, 2021)

Counterparty	Counterparty Credit Rating	Notional Amount 6/30/21	Percentage of Notional Amount	Fair Values 6/30/21	Percentage of Fair Values
(1) JP Morgan Chase Bank	A+/Aa2	$ 17,355	16.76%	$ (11,281)	59.51%
(2) Bank of America, N.A.	A+/Aa2	2,491	2.40%	(308)	1.62%
(3) Barclays Bank PLC	A/A1	50,000	48.26%	(4,017)	21.19%
(4) Citibank, N.A.	A+/Aa3	11,250	10.86%	(1,056)	5.57%
(5) Royal Bank of Canada	AA-/A2	22,500	21.72%	(2,295)	12.11%
		$ 103,596	**100.00%**	**$ (18,957)**	**100.00%**

Due to partial terminations of swap agreements, the changes in fair values in the tables above may not accurately depict actual market changes.

Interest Rate Swap payments and associated debt – As interest rates vary, variable-rate bond interest payments and net interest rate swap payments vary. Certain of the Agency's interest rate swap agreements contain scheduled reductions in the notional amounts that are expected to approximately follow the scheduled or anticipated reductions in the principal balances of the associated bonds payable. See Note H for projected net interest rate swap payments.

Current Collateral Agreements – The outstanding interest rate swap agreements contain varying collateral requirements with the counterparties to mitigate the potential for credit risk. When these requirements are not met, collateral is posted with the counterparty. These requirements were met at June 30, 2022 and 2021, and as a result, the Agency did not have any collateral on deposit with any of its swap counterparties.

Interest Rate Cap Agreement

As an interest rate hedge of a certain variable rate bond, MassHousing entered into an interest rate cap (cap agreement) in the initial notional amount of $54.7 million equal to the aggregate principal amount of the related bonds. The cap agreement counterparty is obligated to make monthly interest payments to MassHousing on the notional schedule at the then prevailing rates should the index rate exceed the strike rate.

Objective of the Interest Rate Cap – MassHousing's objective in entering into interest rate cap agreements is to provide rate protection with respect to the variable rate bonds.

Basis of Valuing Interest Rate Caps – The cap fair value reflected on the combined Statement of Net Position was obtained from an independent pricing service, which used acceptable methods and assumptions in compliance with the disclosure requirements of GASB pronouncements, subject to review and approval by MassHousing.

Terms, fair values and credit rating – The terms, including fair value and counterparty credit rating, of the outstanding cap at June 30, 2022 and 2021 is provided below. The credit rating was issued by Moody's. The notional value of the cap and the principal amount of the associated debt declines each fiscal year.

June 30, 2022

Interest Rate Cap - Investment Derivative Instrument (dollars in thousands)

Associated Bond Series	Notional Amount 06/30/22	Effective Date	Cap Termination Date	Strike Rate	Rate Index	Fair Value 06/30/22	Changes in Fair Values from 06/30/21 [increase/ (decrease)]	Name of Counterparty
HB Series 2008A	$ 49,635	4/2/2014	4/1/2024	6.000%	1 Month LIBOR	$ 78	$ 67	1

Counterparty	Counterparty Credit Rating
1 SMBC Capital Markets, Inc	A1

June 30, 2021

Interest Rate Cap - Investment Derivative Instrument (dollars in thousands)

Associated Bond Series	Notional Amount 06/30/21	Effective Date	Cap Termination Date	Strike Rate	Rate Index	Fair Value 06/30/21	Changes in Fair Values from 06/30/20 [increase/ (decrease)]	Name of Counterparty
HB Series 2008A	$ 50,390	4/2/2014	4/1/2024	6.000%	1 Month LIBOR	$ 11	$ (13)	1

Counterparty	Counterparty Credit Rating
1 SMBC Capital Markets, Inc	A1

MBS Forward Contracts

MassHousing's Home Ownership division utilizes both a whole loan purchase program and a program financed through the sale of MBS guaranteed by a Government Agency or GSEs as to timely payment of principal and interest. These MBS represent pools of qualified first mortgage loans originated by MassHousing-approved lenders. Under this program, MassHousing periodically enters into forward contracts to sell MBS to investors before the securities are ready for delivery (referred to as MBS Forward Contracts). MassHousing enters into MBS Forward Contracts to hedge the interest rate risk for loan commitments made to originating mortgage lenders. MBS Forward Contracts are derivative instruments due to one or more of the following factors that are not determined at the time MassHousing and the investor enter into the transaction: settlement factors; the reference rates or interest rates the MBS will bear; and notional amounts in the form of the principal amount of the future MBS. In addition, payment to MassHousing by the investor is not required until the investor receives the MBS, enabling the investor to take a position on interest rates without making a payment. Finally, the MBS Forward Contracts may be "net settled" because MassHousing is not obligated to deliver or purchase an asset (the MBS) to settle the MBS Forward Contract.

MBS Forward Contracts are included on the combined Statements of Net Position as deferred outflows of resources if the fair value is negative and as deferred inflows of resources if the fair value adjustment is positive. Pursuant to the terms of the counterparty forward contract with Fannie Mae, when the aggregate negative value of the forward contracts exceeds $3 million, the Agency is required to post collateral. The minimum transfer amount is $50 thousand. Collateral is not returned until the aggregate negative value becomes positive. At June 30, 2022 and 2021, the Agency did not have any collateral on deposit with Fannie Mae.

Terms, fair values, and credit ratings – A summary of the MBS Forward Contracts outstanding at June 30, 2022 and 2021, are provided below. The terms, including fair values and counterparty credit ratings, of the MBS Forward Contracts at June 30, 2022 and 2021, are provided in Schedule 4. The credit rating was issued by Moody's. The fair values presented below and in Schedule 4 at June 30, 2022 and 2021 were obtained from an external pricing service, which used acceptable methods and assumptions in compliance with GASB disclosure requirements, subject to review and approval by MassHousing.

MBS Forward Contracts at June 30, 2022 (dollars in thousands)

MBS Forward Contracts	Notional Amount June 30, 2022	Coupon Rate Rate	Fair Value at June 30, 2022	Counterparty Credit Rating
FNMA	$ 10,000	5.00%	$ (83)	Aaa
FHLMC	10,000	4.5-5.5%	(100)	Aaa
Total	**$ 20,000**		**$ (183)**	

MBS Forward Contracts at June 30, 2021 (dollars in thousands)

MBS Forward Contracts	Notional Amount June 30, 2021	Coupon Rate Rate	Fair Value at June 30, 2021	Counterparty Credit Rating
FNMA	$ 14,500	2.0-2.5%	$ (40)	Aaa
FHLMC	26,000	2.0-3.0%	(53)	Aaa
Total	**$ 40,500**		**$ (93)**	

See Schedule 4 for additional required disclosures related to MBS forward contracts.

Derivative Instrument Risk

Credit risk – Credit risk is the risk that a counterparty will not fulfill its settlement obligations. The fair values of the interest rate swaps at June 30, 2022 and 2021 represent MassHousing's credit exposure to the various counterparties with which the swaps were executed. Swap terms often expose MassHousing to credit risk for those swaps with positive fair values. The term "positive fair value" implies that the swap provider would owe a payment to MassHousing if the swap were terminated at a midmarket price on the valuation date. The term "negative fair value" implies that MassHousing would owe a payment to the swap provider if the swap were terminated at a midmarket price on the valuation date. At June 30, 2022, the Agency was exposed to credit risk as four of its outstanding interest rate swaps had a positive value. However, the Agency does not believe the exposure was significant due to the strength of the counterparties, which were rated A or better by S&P Global Ratings and A1 or better by Moodys. At June 30, 2021 the Agency had no exposure to credit risk on its outstanding interest rate swaps, as no interest rate swap had a positive value.

MBS Forward Contract terms often expose MassHousing to credit risk. On June 30, 2022, the Agency was not exposed to credit risk on its outstanding MBS Forward Contracts as there were no positive fair values on such MBS Forward Contracts. On June 30, 2021, the Agency was exposed to some credit risk on its outstanding MBS Forward Contracts due to a positive fair value on such MBS Forward Contracts. However, the net fair value to the counterparty at June 30, 2021 was negative, and the counterparties were rated between A1 and Aa3 by Moody's. As such, the Agency does not believe it was exposed to significant credit risk on its MBS Forward Contracts at June 30, 2022 and 2021.

Basis risk – Basis risk is the risk that arises when variable rates or prices of a hedging derivative instrument and a hedged item are based on different reference rates. If a change occurs that results in the rates not being equal, the expected interest cost savings may not be realized.

The Agency's SFHRB Series 208 bonds have a variable rate determined weekly by the Remarketing Agent. The related swap is based on a SIFMA rate. At June 30, 2022 and 2021, the weekly bond rate being paid by MassHousing was .90% and .03%, and the SIFMA rate being received by MassHousing was .91 and .03%, respectively.

At June 30, 2022 and 2021, the Agency was not exposed to significant basis risk on its interest rate swaps, interest rate cap, or its MBS Forward Contract.

Market-access risk – MassHousing would be exposed to market-access risk if a termination event occurred and the Agency was unable to obtain replacement interest rate swaps, caps or forwards because the market had suffered a loss of liquidity or had collapsed. The Agency utilizes these agreements knowing that the risk of failure exists, although that risk is generally thought to be remote. The Agency may consider redeeming the underlying bonds or remarketing bonds to fixed rates as possible alternative solutions to a lack of swaps or caps.

Termination risk – The interest rate swap contract MassHousing uses is the International Swap Dealers Association Master Agreement, which includes provisions for standard termination events. Either MassHousing or the counterparty may terminate any interest rate swap if the other party fails to perform under the terms of the contract.

MassHousing has the option to terminate the interest rate swap agreements on the dates listed in the table below. If a termination event occurs due to reasons other than MassHousing exercising its standard termination option, MassHousing would be liable to the counterparty for a settlement amount to be established using the "Second Method and Market Quotation" determination. Under these terms, if the interest rate swap has a negative fair value at the time of termination, MassHousing would be liable to the counterparty for a payment equal to the interest rate swap's fair value; if the interest rate swap has a positive value, the counterparty would be liable for a payment to MassHousing.

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the interest rate swaps. The Agency is not exposed to significant interest rate risk on its pay-fixed, receive variable interest rate swaps. For the LIBOR rate contracts, as the LIBOR rates change, the Agency's net interest rate swap payment to the counterparty changes in an approximately equal, but opposite, direction of the payment to the bondholders.

The Agency is exposed to interest rate risk on its interest rate cap. As the LIBOR rates increase, the Agency's payment to the variable-rate bond holder increases until the interest rate cap strike rate is reached.

For SIFMA rate contracts, as the SIFMA rates change, the Agency's net interest rate swap payment to the counterparty changes in an approximately equal, but opposite, direction of the payment to the bondholders.

The Agency is not exposed to interest rate risk on its MBS Forward Contracts.

Rollover risk – MassHousing is exposed to rollover risk on interest rate swaps that mature or may be terminated prior to the maturity of the associated debt. When these interest rate swaps terminate, or if MassHousing exercises its elective termination option, the risk is that MassHousing will not realize the synthetic rate offered by the interest rate swaps on the underlying debt issues. The debt that is exposed to rollover risk at June 30, 2022 and 2021 is as follows:

Debt exposed to Rollover risk - June 30, 2022

Associated Debt Issuance	Debt Maturity Dates	Swap Early Termination Date
HB 2008A Block III (Lebanese)	05/01/48	10/18/24
HB 2016I	12/01/56	12/01/25
HB 2018B	06/01/58	06/01/27
SFHRB 196	12/01/48	06/01/27
SFHRB 200	12/01/48	12/01/28
SFHRB 208	06/01/49	12/01/28

Debt exposed to Rollover risk - June 30, 2021

Associated Debt Issuance	Debt Maturity Dates	Swap Early Termination Date
HB 2008A Block III (Lebanese)	05/01/48	10/18/24
HB 2016I	12/01/56	12/01/25
HB 2018B	06/01/58	06/01/27
SFHRB 196	12/01/48	06/01/27
SFHRB 200	12/01/48	12/01/28
SFHRB 208	06/01/49	12/01/28

Note K. Interfund Receivable (Payable) Balances and Interfund Transfers

For cash flow purposes in meeting the liquidity requirements of various affiliated entities and bond programs, the WCF may provide or receive cash or other resources which are recorded on the combined Statements of Net Position as an interfund account receivable or (payable). Interfund transfers of net position may be made from time to time among the WCF and bond programs as provided by the requirements of the various bond resolutions and their related indentures. The Agency may make interfund transfers to the extent that such transfers are not required to meet the Agency's debt obligations and if such transfers are not in violation of the terms of bond resolutions or indentures. These transfers are made for the following purposes: to make initial contributions to new bond series and/or to cover any debt service shortfalls of the new bond series; to receive from the bond programs amounts no longer restricted by bond resolution requirements; and in order to facilitate tax compliance.

The following tables provide the interfund receivable (payable) balances at June 30, 2022 and 2021 and the interfund transfers for fiscal years 2022 and 2021 (in thousands):

Interfund Receivable (Payable) Balances at June 30, 2022

	WCF & Affiliates	GRDB Program	MFHB Program	HB Program	SFHRB Program	RMRB Program	Totals
WCF & Affiliates	$ -	$ (16)	$ (6)	$ -	$ (317)	$ (3)	$ (342)
GRDB Program	16	-	-	-	-	-	16
MFHB Program	6	-	-	-	-	-	6
SFHRB Program	317	-	-	-	-	-	317
RMRB Program	3	-	-	-	-	-	3
Totals	**$ 342**	**$ (16)**	**$ (6)**	**$ -**	**$ (317)**	**$ (3)**	**$ -**

Interfund Receivable (Payable) Balances at June 30, 2021

	WCF & Affiliates	GRDB Program	MFHB Program	HB Program	SFHRB Program	RMRB Program	Totals
WCF & Affiliates	$ -	$ (12)	$ (6)	$ (1)	$ (349)	$ (3)	$ (371)
GRDB Program	12	-	-	-	-	-	12
MFHB Program	6	-	-	-	-	-	6
HB Program	1	-	-	-	-	-	1
SFHRB Program	349	-	-	-	-	-	349
RMRB Program	3	-	-	-	-	-	3
Totals	**$ 371**	**$ (12)**	**$ (6)**	**$ (1)**	**$ (349)**	**$ (3)**	**$ -**

Interfund Transfers for Fiscal Year 2022

	WCF & Affiliates	GRDB Program	MFHB Program	HB Program	SFHRB Program	RMRB Program	Totals
WCF & Affiliates	$ -	$ (990)	$ (2,896)	$ (33,347)	$ 283	$ (62)	$ (37,012)
GRDB Program	990	-	-	-	-	-	990
MFHB Program	2,896	-	-	-	-	-	2,896
HB Program	33,347	-	-	-	-	-	33,347
SFHRB Program	(283)	-	-	-	-	-	(283)
RMRB Program	62	-	-	-	-	-	62
Totals	**$ 37,012**	**$ (990)**	**$ (2,896)**	**$ (33,347)**	**$ 283**	**$ (62)**	**$ -**

Interfund Transfers for Fiscal Year 2021

	WCF & Affiliates	RHMRB Program	GRDB Program	MFHB Program	HB Program	SFHRB Program	RMRB Program	Totals
WCF & Affiliates	$ -	$ (11,459)	$ (2,222)	$ (2,937)	$ (9,472)	$ 109	$ (112)	$ (26,093)
RHMRB Program	11,459	-	-	-	-	-	-	11,459
GRDB Program	2,222	-	-	-	-	-	-	2,222
MFHB Program	2,937	-	-	-	-	-	-	2,937
HB Program	9,472	-	-	-	-	-	-	9,472
SFHRB Program	(109)	-	-	-	-	-	-	(109)
RMRB Program	112	-	-	-	-	-	-	112
Totals	**$ 26,093**	**$ (11,459)**	**$ (2,222)**	**$ (2,937)**	**$ (9,472)**	**$ 109**	**$ (112)**	**$ -**

Note L. Net Position

(1) Restricted by Contractual or Statutory Agreements

In accordance with the accounting policy outlined in Note B, all funds and accounts established by the various MassHousing bond resolutions are restricted as to their use. Portions of the net position of the WCF and Affiliates are restricted by contract or externally imposed requirements.

	June 30, 2022	**June 30, 2021**
MIF	$ 123,089	$ 123,235
Minimum net position covenants	100,000	100,000
FHLB of Boston Collateral (Helping to House New England)	21,036	20,038
Single family co-insurance	3,796	3,796
Restricted by Note Resolutions	1,144	1,186
WCF and Affiliates Restricted Net Position	**249,065**	**248,255**
Restricted by Bond Resolutions	513,260	578,589
Total Restricted Net Position	**$ 762,325**	**$ 826,844**

(2) Designated Unrestricted Net Position

In accordance with the accounting policy outlined in Note B, MassHousing has adopted, at its discretion, certain designations of the unrestricted net position in the WCF and Affiliates. Designated unrestricted net position at June 30, 2022 and 2021 consist of the following (in thousands):

	June 30, 2022	June 30, 2021 (as restated)
Opportunity Fund	$ 355,701	$ 353,493
Funding for loan purchases and advances and unrestricted net position requirements	337,645	288,177
Lease Commitments	38,342	43,686
Funding of the Construction Security Fund	14,000	14,000
Capital Magnet Grants	1,696	3,331
Equity of Affiliates (CCRI and PADCO)	1,168	927
Funding for Summer Youth Programs, Youth Development and Community Engagement	1,100	-
Funding of the Tenancy Preservation Project	769	773
Funding of the CCRI	700	700
FHLB Helping to House New England Grant	-	179
Funding for the Mel King Institute	125	120
Funding of the New Lease for Homeless Families initiative	50	50
Total Designations	**$ 751,296**	**$ 705,436**

Note M. Summarized Financial Information of the Working Capital Fund and Affiliates

Included in the financial statements of the WCF and Affiliates are the blended component units PADCO and CCRI. MIF is included in the WCF, however, its assets are restricted under an Escrow Agreement. The condensed Statements of Net Position and Statements of Revenues, Expenses, and Changes in Net Position are presented below for fiscal years 2022 and 2021 (in thousands):

Fiscal 2022	WCF (excluding MIF)	MIF	PADCO	CCRI	Eliminating Entries	Combined Totals
STATEMENTS OF NET POSITION at June 30, 2022						
Total assets	$ 1,918,595	$ 137,605	$ -	$ 1,168	$ (34,185)	$ 2,023,183
Deferred outflow of resources	12,357	-	-	-	-	12,357
Total assets and deferred outflow of resources	**$ 1,930,952**	**$ 137,605**	**$ -**	**$ 1,168**	**$ (34,185)**	**$2,035,540**
Total liabilities	$ 1,022,517	$ 14,516	$ -	$ -	$ (34,185)	$ 1,002,848
Deferred inflow of resources	32,331	-	-	-	-	32,331
Total net position	876,104	123,089	-	1,168	-	1,000,361
Total liabilities, deferred inflow of resources, and net position	**$ 1,930,952**	**$ 137,605**	**$ -**	**$ 1,168**	**$ (34,185)**	**$2,035,540**
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION						
For the fiscal year ended June 30, 2022						
Total revenues	$ 104,887	$ 985	$ -	$ 805	$ (800)	$ 105,877
Total expenses	95,323	1,131	-	565	(800)	96,219
Changes in net position	**$ 9,564**	**$ (146)**	**$ -**	**$ 240**	**$ -**	**$ 9,658**

Fiscal 2021	WCF (excluding MIF)	MIF	PADCO	CCRI	Eliminating Entries	Combined Totals
STATEMENTS OF NET POSITION at June 30, 2021						
Total assets	$ 1,918,285	$ 143,172	$ -	$ 930	$ -	$ 2,062,387
Deferred outflow of resources	21,585	-	-	-	-	21,585
Total assets and deferred outflow of resources	**$ 1,939,870**	**$ 143,172**	**$ -**	**$ 930**	**$ -**	**$2,083,972**
Total liabilities	$ 1,079,698	$ 19,937	$ -	$ 3	$ -	$ 1,099,638
Deferred inflow of resources	30,643	-	-	-	-	30,643
Total net position	829,529	123,235	-	927	-	953,691
Total liabilities, deferred inflow of resources, and net position	**$ 1,939,870**	**$ 143,172**	**$ -**	**$ 930**	**$ -**	**$2,083,972**
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION						
For the fiscal year ended June 30, 2021						
Total revenues	$ 129,528	$ 6,744	$ -	$ 703	$ (700)	$ 136,275
Total expenses	100,572	2,396	-	779	(700)	103,047
Cumulative effect of GASB 87 adjustments to Net Position	1,849	-	-	-	-	1,849
Changes in net position	**$ 30,805**	**$ 4,348**	**$ -**	**$ (76)**	**$ -**	**$ 35,077**

Note N. Employee Benefit Plans

Defined Benefit Pension Plan

Plan Description – The Agency's defined benefit pension plan, The Massachusetts Housing Finance Agency Employees' Retirement System Plan (MHFAERS) is a single-employer contributory defined benefit pension plan that covers all employees of MassHousing who elected to join on July 1, 1974 and all regular full-time and certain part-time employees employed subsequent to that date. The Plan came into existence on July 1, 1974, pursuant to the Massachusetts Legislative Acts of 1973. The Plan is a member of the Commonwealth's Public Employee Retirement Systems, which is overseen by the Public Employee Retirement Administration Commission. An independent retirement board administers the Plan and is bound by Chapter 32 of the Massachusetts General Laws (Chapter 32), which establishes benefits, contribution requirements, and an accounting and funding structure for all participating systems with certain provisions subject to retirement board amendment. The Pension is a component unit of MassHousing whose financial statements are not combined for financial reporting purposes, but are reported as separate standalone financial statements in accordance with GASB Statement No. 67, Financial Reporting for Pension Plans.

A copy of the Pension Plan's standalone financial statements can be obtained at www.masshousingretirement.com.

Benefits Provided – The MHFAERS provides retirement, disability and death benefits to participants and their beneficiaries. Benefits vest after 10 years of a participant's service at MassHousing alone or in combination with service at certain other Massachusetts public employers. Participants are always vested in their individual contributions. An employee who leaves Agency service may withdraw his or her contributions, plus any accumulated interest. Benefit provisions and all other requirements are established by statute. Retirement eligibility is based upon the following conditions:

- Entered state service before April 2, 2012 and have 20 years of full-time creditable service at any age, or
- Entered state service before April 2, 2012 and attain the age of 55 with ten years of creditable service, or
- Entered state service on or after April 2, 2012 and attain the age of 60 with ten years of creditable service.

Benefit amounts are calculated based upon a formula, which includes the participant's age at retirement, average annual salary, and years of creditable service. The amount of retirement allowance depends upon the following:

- age, as of last birthday
- length of creditable service
- highest 36 consecutive months of regular compensation for members hired before April 2, 2012, or highest 5 consecutive years of regular compensation for members hired on or after April 2, 2012.
- Compensation basis limited to $195,200 for members hired after January 1, 2011

On April 12, 2022, the MHFAERS Members voted to increase the current cost-of-living adjustment (COLA) of 3% on the first $15,000 to the first $16,000 of annual benefits, effective July 1, 2022, on the first $17,000, effective July 1, 2023, and on the first $18,000, effective July 1, 2024. On July 12, 2022 MassHousing Members approved these provisions.

Employees covered by benefit terms – At December 31, 2021, the following employees were covered by the benefit terms:

Active Members	308
Retirees and Beneficiaries Currently Receiving Benefits	202
Inactive Members	62
Total	572

Contributions – Active members (current employees covered by the Plan) are required to contribute between 5% and 9% of their annual salaries (members hired after 1978 contribute an additional 2% of pay over $30,000) to the Plan, depending on their initial employment date in a Commonwealth's Public Employee Retirement Systems plan in accordance with Chapter 32. MassHousing is required to contribute the remaining amounts necessary to fund the Plan, using the actuarial basis specified by statute. The required contribution to the pension plan from the Agency was $10 million for FY 2021. The Agency made an additional contribution to the pension plan of $12.2 million on June 11, 2021. In accordance with GASB 68 paragraph 46.c, the additional contribution of $12.2 million was recorded as a deferred outflow of resources at June 30, 2021, as the contribution was made after the measurement date. This additional contribution was reclassed to Net Pension Asset in FY 2022. With that contribution, the pension plan was deemed fully funded, which resulted in the FY 2022 contribution to be based on covering "normal costs" only. The contribution to the pension plan from the Agency was $1 million for FY 2022. The FY 2023 contribution will also be based on covering "normal" costs only.

Net Pension Asset

The Agency's net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021.

Actuarial Assumptions – The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.2%
Salary Increases	5.25 % grading down to 3.75%
Investment rate of return	7.0 %, including inflation, net of pension plan investment expense

Mortality rates for the actuarial valuation as of January 1, 2021 were based on the RP-2014 White Collar Mortality Table projected generationally from the year 2006 using MP-2020 (sex distinct). During employment, the healthy employee mortality table is used; post-employment, the healthy annuitant table is used.

The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2020 through December 31, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Geometric Average)
US Equity	27.0%	4.5%
Private Equity	12.0%	7.6%
Emerging Markets Equity	11.0%	6.1%
Developed Market Equity (non US)	10.0%	5.2%
Investment Grade Bonds	9.0%	0.2%
Core Private Real Estate	7.0%	3.8%
Core Infrastructure	7.0%	5.0%
TIPS	6.0%	0.2%
High Yield Bonds	5.0%	2.2%
Emerging Markets Bonds (major)	2.5%	2.0%
Emerging Markets Bonds (local)	2.5%	2.3%
Value-Added Real Estate	1.0%	5.8%
Total	100.0%	

Discount rate - The discount rate used to measure the total pension liability for the financial statements was 7.0% for FY 2022 and 7.25% for FY 2021. The discount rate is based on the long-term rate of return including the effect of inflation. It is based on a combination of expected rates of return on the mix of current and expected investments over a long-term period. These expectations are based on current market conditions, historical experience and future expectations. It assumes a rebalancing of assets on an ongoing basis as well as a constant monitoring of asset allocation and manager performance. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and contributions from the Agency will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The components of the net pension liability (asset) are detailed below (in thousands):

Changes in the Net Pension Liability (Asset)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Beginning Balance at 12/31/19	$ 201,998	$ 178,832	$ 23,166
Changes for 2020:			
Service Cost	3,861	-	3,861
Interest	14,608	-	14,608
Contributions - employer	-	10,081	(10,081)
Contributions - employee	-	3,527	(3,527)
Net Investment Income	-	26,999	(26,999)
Benefit payments, including refunds of employee contributions	(8,732)	(8,732)	-
Administrative expenses	-	(490)	490
Net Changes	9,737	31,385	(21,648)
Balance at 12/31/20	**$ 211,735**	**$ 210,217**	**$ 1,518**
Changes for 2021:			
Service Cost	4,015	-	4,015
Interest	15,295	-	15,295
Differences between expected and actual experience	(387)	-	(387)
Change in assumptions	2,291	-	2,291
Contributions - employer	-	13,273	(13,273)
Contributions - employee	-	3,591	(3,591)
Net Investment Income	-	33,100	(33,100)
Benefit payments, including refunds of employee contributions	(9,576)	(9,576)	-
Administrative expenses	-	(555)	555
Net Changes	11,638	39,833	(28,195)
Balance at 12/31/21	**$ 223,373**	**$ 250,050**	**$ (26,677)**

Sensitivity of the Agency's net pension liability (asset) to changes in the discount rate

December 31, 2021

The following presents the Agency's net pension asset as of December 31, 2021 calculated using the discount rate of 7.0%, as well as what the Agency's net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate (in thousands):

	1% Decrease to Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Rate (8.00%)
Net pension liability (asset) 12/31/21	$ (2,431)	$ (26,677)	$ (47,226)

December 31, 2020

The following presents the Agency's net pension liability as of December 31, 2020 calculated using the discount rate of 7.25%, as well as what the Agency's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate (in thousands):

	1% Decrease to 6.25%	Current Discount Rate (7.25%)	1% Increase to 8.25%
Net pension liability (asset) 12/31/20	$ 24,451	$ 1,518	$ (17,842)

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the Agency reported a net pension asset of $26.7 million. The net pension asset was measured as of December 31, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021 and rolled forward to the measurement date. The Agency's net pension asset was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employees, actuarially determined.

At June 30, 2021, the Agency reported a liability of $1.5 million for its net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019 and rolled forward to the measurement date. The Agency's net pension liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employees, actuarially determined.

For the year ended June 30, 2022, the Agency recognized pension expense recovery of $3.5 million, and for the year ended June 30, 2021, the Agency recognized pension expense of $1.4 million, both of which are included in administrative expenses. At June 30, 2022 and June 30, 2021, the Agency reported deferred outflows and inflows of resources related to pensions from the following sources (in millions):

Fiscal 2022	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Differences between expected and actual experience	$ 1.6	$ 0.6
Change in assumptions	5.1	-
Net difference between projected and actual earnings on pension plan investments	-	25.7
Total	**$ 6.7**	**$ 26.3**

Fiscal 2021	**Deferred Outflows of Resources**		**Deferred Inflows of Resources**	
Differences between expected and actual experience	$	2.4	$	1.0
Change in assumptions		6.5		-
Net difference between projected and actual earnings on pension plan investments		-		16.0
Employer contributions subsequent to measurement date		12.2		-
Total	**$**	**21.1**	**$**	**17.0**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense recovery as follows (in thousands):

Year ended June 30:		
2023	$	3,534
2024		7,364
2025		5,543
2026		3,142
Thereafter		-

MHFAERS is a fiduciary activity unit of MassHousing whose financial statements are not combined for financial reporting purposes but are reported as separate standalone financial statements in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued Pension financial report.

The MHFAERS financial statements for both calendar years 2021 and 2020 were audited by a different firm than the auditor of the Agency.

Deferred Compensation and Defined Contribution Plans

Plan Description – MassHousing maintains a contributory deferred compensation plan, the MassHousing Deferred Compensation Plan, for all employees, created in accordance with IRC Section 457(b). All employees may contribute up to 50% of their gross compensation, subject to Internal Revenue Service limitations. All temporary employees must contribute a minimum of 7.5% of their gross compensation. Through April 30, 2009, MassHousing matched the contributions of certain classes of employees at a specified rate. This match was suspended effective May 1, 2009. MassHousing's match is maintained in a separate defined contribution plan in accordance with IRC Section 401(a) and vests at the rate of 25% per year over four years.

Beginning on January 1, 2018, MassHousing reinstituted a match program, with the following features:

- Employees vested in the MassHousing pension plan (10+ years), receive a 25% match of each dollar, up to 6% of salary, contributed to the deferred compensation plan. All matching dollars from MassHousing are vested automatically assuming employment with MassHousing for more than four years.

- Employees not vested in the MassHousing pension plan, (less than 10 years) receive a 50% match of each dollar, up to 6% of salary, contributed to the deferred compensation plan. For employees with four or more years of service, all matching dollars from MassHousing are vested automatically. For employees with less than four years of service, matching dollars from MassHousing vest over time at 25% increments, based on length of service.

Participant contributions and investment income are held in a trust for the exclusive benefit of participants and their beneficiaries. Participants may choose from among a range of fixed income and equity investment funds. Contributions, and earnings thereon, are not taxable to participants until they are withdrawn. Total participant contributions for FY 2022 and FY 2021 were approximately $2.5 million and $2.3 million, respectively. Total matching contributions for FY 2022 and FY 2021 were approximately $447,000 and $402,000, respectively.

Postretirement Healthcare Benefit Plan

Plan Description – Continuation of health and life insurance after retirement is covered by the Commonwealth's retirement law. MassHousing administers a single-employer contributory defined benefit healthcare plan for retirees, which is open to all regular full-time and certain regular part-time employees. The plan also provides $5,000 of life insurance coverage to all eligible retirees and their beneficiaries. Benefit provisions and all other requirements are established by Massachusetts statutes. Benefits vest after 10 years of an employee's service either at MassHousing alone or in combination with service at certain other Massachusetts public employers. A committee comprised of key Agency staff members, one member designated by the Agency's Board and one member designated by the Agency's Executive Director, administers the Massachusetts Housing Finance Agency OPEB Trust (the Trust), an irrevocable trust dedicated solely to administering the investments of, and providing the benefits under the terms of, the substantive plan (the plan understood by the Agency and the plan participants).

The Trust is a fiduciary activity of MassHousing whose financial statements are not combined for financial reporting purposes but are reported as separate standalone financial statements in accordance with GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other than Pension Plans.

The Trust's financial statements for both fiscal years 2022 and 2021 were audited by a different firm than the auditor of the Agency.

A copy of the Trust's standalone financial statements can be obtained at www.masshousing.com.

Employees covered by benefit terms – At June 30, 2022, the following employees were covered by the benefit terms:

Active plan members	300
Retired, Disabled, Survivors and Beneficiaries receiving benefits	189
Inactive plan members entitled to but not yet receiving benefit payments	30
Total	519

Contributions – MassHousing is required to contribute approximately 80% of the basic cost of group health insurance for employees (and, in some cases, dependents) who retire after January 31, 2010, 85% for those who retired after July 1, 1994 and before February 1, 2010 and 90% for employees who retired prior to July 2, 1994. The remaining cost is withheld from the retiree's or beneficiary's monthly pension benefit, is remitted directly to the Commonwealth's Group Insurance Commission, and is not reflected on the Trust's financial statements.

The Employer Contribution includes an implicit subsidy resulting from a uniform healthcare insurance premium rate being applied to both active and retired participants.

Cash contributions to the Trust from the Agency were $1.3 million in FY 2022 and $3.2 million in FY 2021. Employees are not required to contribute to the OPEB Plan.

Net OPEB Liability - MassHousing's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021.

Actuarial Assumptions - The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary Increases	3.5%, average including inflation
Investment rate of return	7.00%, including inflation, net of OPEB plan investment expense
Healthcare cost trend rate	7.1% - 9% initial, graded down to 5% in 2040

Mortality rates for the actuarial valuation as of January 1, 2021 was based on the. RPH-2014 Headcount-Weighted White Collar Mortality Tables adjusted to 2006, sex distinct, a) for actives – for Employees projected using generational mortality and scale MP-2020, b.) for retirees – for Healthy Annuitants projected using generational mortality and scale MP-2020 and c) for Disabled – for Healthy Annuitants projected using generational mortality and scale MP-2020 set forward two years.

The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2020 through December 31, 2020. The components of the net OPEB liability are detailed below (in thousands):

Changes in the Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Beginning Balance at 6/30/20	$ 60,365	$ 37,651	$ 22,714
Changes for the year:			
Service Cost	767	-	767
Interest	3,046	-	3,046
Differences between expected and actual experience	(10,923)	-	(10,923)
Change in assumptions	(745)	-	(745)
Contributions - employer	-	3,597	(3,597)
Net Investment Income	-	10,260	(10,260)
Benefit payments	(1,517)	(1,517)	-
Administrative expenses	-	(43)	43
Net Changes	(9,372)	12,297	(21,669)
Balance at 6/30/21	**$ 50,993**	**$ 49,948**	**$ 1,045**
Changes for the year:			
Service Cost	1,039	-	1,039
Interest	3,588	-	3,588
Contributions - employer	-	1,535	(1,535)
Net Investment Income	-	(7,829)	7,829
Benefit payments	(1,542)	(1,542)	-
Administrative expenses	-	(35)	35
Net Changes	3,085	(7,871)	10,956
Balance at 6/30/22	**$ 54,078**	**$ 42,077**	**$ 12,001**

Sensitivity of the net OPEB liability to changes in healthcare cost trend rates.

June 30, 2022

The following presents the Agency's net OPEB liability at June 30, 2022, calculated using the healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates (in thousands):

	1% decrease	Healthcare Cost Trend Rates	1% increase
Net OPEB liability	$ 5,014	$ 12,001	$ 20,685

June 30, 2021

The following presents the Agency's net OPEB liability at June 30, 2021, calculated using the healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates (in thousands):

	1% decrease	Healthcare Cost Trend Rates	1% increase
Net OPEB liability	$ (5,294)	$ 1,045	$ 8,905

Sensitivity of the Agency's net OPEB liability to changes in the discount rate

June 30, 2022

The following presents the Agency's net OPEB liability at June 30, 2022, calculated using the discount rate of 7.00%, as well as what the Agency's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate (in thousands):

	1% Decrease to 6.00%	Discount Rate (7.00%)	1% Increase to 8.00%
Net OPEB liability 6/30/22	$ 19,332	$ 12,001	$ 6,067

June 30, 2021

The following presents the Agency's net OPEB liability at June 30, 2021, calculated using the discount rate of 7.00%, as well as what the Agency's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate (in thousands):

	1% Decrease to 6.00%	Discount Rate (7.00%)	1% Increase to 8.00%
Net OPEB liability	$ 8,156	$ 1,045	$ (4,709)

Discount rate - The discount rate used to measure the total OPEB liability was 7.00% for the January 1, 2021 Actuarial Valuation. The discount rate is based on the long-term rate of return including the effect of inflation. It is based on a combination of expected rates of return on the mix of current and expected investments over a long-term period. These expectations are based on current market conditions, historical experience and future expectations. It assumes a rebalancing of assets on an ongoing basis as well as a constant monitoring of asset allocation and manager performance. The projection of cash flows used to determine the discount rate assumed that MassHousing contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the Trust's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Trust's investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate used to determine the FY 2021 contribution was 7.25%, which was the rate used on the January 1, 2019 Actuarial Valuation.

The long-term expected rate of return on the Trust's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return (20-year real return estimate) by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return (Geometric Average)
US Equity	30%	4.50%
Developed Markets Equity (non US)	16%	5.19%
Emerging Markets Equity	16%	6.07%
Long-term Government Bonds	7%	0.59%
Treasury Inflation Protection Securities	7%	0.20%
Private Equity	6%	7.63%
Core Private Real Estate	5%	3.82%
Core Infrastructure	5%	4.99%
High Yield Bond	4%	2.15%
Investment Grade Bond	4%	0.20%
Total	100%	

OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the Agency reported a liability of $12 million for its net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021. The Agency's net OPEB liability was based on a projection of the Agency's long-term share of the cost of health insurance, actuarially determined.

At June 30, 2021, the Agency reported a liability of $1 million for its net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021. The Agency's net OPEB liability was based on a projection of the Agency's long-term share of the cost of health insurance, actuarially determined.

The Agency recognized an OPEB expense of $12 thousand in FY 2022 and an OPEB expense recovery of $5.7 million in FY 2021, which is included in administrative expenses. At June 30, 2022 and 2021, the Agency reported deferred outflows and inflows of resources related to OPEB from the following sources (in thousands):

Fiscal 2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 3,770
Change in assumptions	225	1,001
Net difference between projected and actual earnings on OPEB plan investments	5,204	-
Total	**$ 5,429**	**$ 4,771**

Fiscal 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 5,983
Change in assumptions	412	1,324
Net difference between projected and actual earnings on OPEB plan investments	-	4,927
Total	**$ 412**	**$ 12,234**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB as (expense)/expense recovery as follows (in thousands):

Year ended June 30:	
2023	$ (1,234)
2024	(27)
2025	114
2026	1,805
2027	-
Thereafter	-

The next actuarial report is required as of January 1, 2023.

The Trust's Financial Statements – The Trust's financial statements are prepared using the accrual basis of accounting, in accordance with the GASB pronouncements. The Trust's Statements of Net Position and Statements of Changes in Net Position for fiscal year 2021 are presented in the separate OPEB financial statements.

Employer (Agency) Contributions to the Trust – The Agency's contributions to the Trust are recognized on the Trust's financial statements in the period in which the contributions are due.

Participant (Retiree) Contributions to the Health Insurance Cost – The retirees' share of the cost of the health insurance is withheld from the retiree's or beneficiary's monthly pension benefit, is remitted directly to the Commonwealth's Group Insurance Commission, and is not reflected on the Trust's financial statements.

Method Used to Value the Trust's Investments – Investments are reported on the Trust's Statement of Net Position at fair value. Quoted market prices for long-term investments, where available, are used to determine the fair values at the close of each reporting period.

Note O. Commitments and Contingencies

MassHousing Mortgage Insurance Fund (MIF)
MassHousing established MIF within the WCF to provide an additional source of primary mortgage insurance for certain borrowers. In both fiscal years 2022 and 2021, MassHousing made no transfers to MIF. From the inception of MIF in fiscal year 1989 through fiscal year 2010, MassHousing transferred a total of $30.6 million to MIF. These transfers and MIF's regular operations have resulted in total net position of approximately $123.1 million and $123.2 million at June 30, 2022 and 2021, respectively, which is included in a separate account within the WCF. At June 30, 2022 and 2021, approximately $63.0 million and $56.0 million, respectively, of these totals served as collateral for insurance coverage relating to insured loans. Reinsurance agreements with unrelated insurers (described below) provide additional resources for the settlement of claims. A reserve for claims totaling $2.0 million and $4.3 million at June 30, 2022 and 2021, respectively, is included in WCF's other liabilities.

In addition to providing traditional mortgage insurance coverage, MIF also provides, under its MI Plus® program, additional mortgage payment protection on new loans insured on or after July 1, 2004. The MI Plus® program pays the borrower's monthly mortgage principal and interest requirements for up to six months in the event that the borrower becomes an "enrolled unemployed," as defined by the Commonwealth's unemployment compensation program. MI Plus® payments are made directly to the borrower's mortgage loan servicer and are designed to keep the mortgage loan current, avoiding foreclosure, loan loss and mortgage insurance claims.

The following table summarizes the MIF claims activity at June 30, 2022 and 2021 (claims paid in thousands):

	June 30, 2022		June 30, 2021	
	Claims	MI Plus Claims	Claims	MI Plus Claims
Claims Paid	$ 147	$ 144	$ 48	$ 973
Number of Claims	5	125	1	1,012

MassHousing, on behalf of MIF, has reinsurance agreements with the Mortgage Guaranty Insurance Corporation (MGIC), United Guaranty Residential Insurance Corporation (UG), Enact Mortgage Insurance Corporation (EMIC) (formerly known as Genworth Mortgage Insurance Corporation) and Willis Re, acting as a broker for Aspen Insurance UK Limited, Everest Reinsurance Company, Insurance Company of the West, Markel Global Reinsurance Company, Partner Reinsurance Europe ZE (Zurich Branch), and Partner

Reinsurance Company of the U.S. These agreements provide reinsurance of MassHousing's Home Ownership loans and, in certain cases, other conventional mortgage loans purchased by MassHousing, loans which were made to persons and families of low- and moderate-income and which were originated by other mortgage lenders on Massachusetts one-to-four unit, owner-occupied residential dwellings, as well as other bank portfolio loans held by Massachusetts banks.

Under each reinsurance agreement, the MIF retains a 10% share of the insurance coverage written on any reinsured loan; the reinsurer provides reinsurance for the remaining 90% of the coverage. In addition to MIF's 10% share, MIF receives a ceding commission ranging from 20% to 37% of the reinsurance premiums paid under the MGIC, UG, EMIC, and Willis Re agreements. The net benefits to MIF under the agreements range from 26.3% to 43.3% of the premiums for the assumption of 10% of the mortgage risk. Under certain circumstances, MIF may be due additional commissions contingent upon reinsurer operational results.

The following table summarizes the MIF reinsurance balances at June 30, 2022 and 2021 (in millions):

	June 30, 2022	June 30, 2021
Willis RE	$ 1,454	$ 1,438
EMIC	35	45
MGIC	10	13
UG	5	6
Total loans with reinsurance	**$ 1,504**	**$ 1,502**

Center for Community Recovery Innovations, Inc. (CCRI)

CCRI has been funded with contributions from MassHousing since fiscal year 1995. In FY 2022 and FY 2021, MassHousing contributed $800,000 and $700,000, respectively, and has committed to fund $700,000 in fiscal year 2023.

Opportunity Fund

On March 8, 2016, MassHousing Members voted to create a segregated revolving fund, to be known as the Opportunity Fund, within the Agency's WCF for programs and initiatives that increase housing opportunities and otherwise support the Agency's mission, subject to all applicable requirements of the Agency's enabling act. The Opportunity Fund is a designated unrestricted net position of the WCF and is included in the financial statements of the WCF and Affiliates.

The funds in the Opportunity Fund as of June 30, 2022 are committed as follows:

Opportunity Fund - as of June 30, 2022 (in thousands)	Original Funding	Funds Disbursed to date	Fund Balance	Commitments Outstanding	Remaining Funds Available
Multifamily Grants					
CommonWealth Builder Grants	$ 60,000	$ (9,225)	$ 50,775	$ (900)	$ 49,875
Workforce Housing Loans-Agency Funded	136,200	(94,717)	41,483	(52,200)	(10,717)
13A Portfolio Preservation Loans/Grants	50,000	(36,920)	13,080	(360)	12,720
Capital Needs Loan	12,079	(653)	11,426	(11,426)	-
Capital Magnet Funds - MF Subordinate Debt	4,142	(1,000)	3,142	(1,508)	1,634
AHTF/CHSI Participation Interest Loans	10,000	(8,899)	1,101	-	1,101
Home Ownership Grants					
Workforce Advantage DPA Loans	9,400	(2,139)	7,261	-	7,261
Operation Welcome Home Loans	3,010	(1,358)	1,652	-	1,652
Veterans Closing Cost Assistance Grants	250	(165)	85	-	85
General					
Senior Housing Research Studies Grants	290	(228)	62	-	62
Planning for Housing Production Program Grants	3,000	(1,573)	1,427	-	1,427
Housing Navigator Massachusetts Grants	1,000	(750)	250	-	250
Unallocated Funds	53,973	-	53,973	-	53,973
Totals	**$ 343,344**	**$ (157,627)**	**$ 185,717**	**$ (66,394)**	**$ 119,323**

MassHousing Members also voted to transfer previously committed non-cash assets in the Working Capital Fund from the Priority Development Fund (PDF) and Agency funds invested in the AHTF, with any payments received from such assets to remain in the Opportunity Fund. MassHousing created the PDF in 2004 to help increase the production of rental housing in Massachusetts. MassHousing has been administering the Affordable Housing Trust Fund since 2001.

Helping to House New England Program

Since FY 2020, the Agency has received $4.1 million from the FHLB in the form of grants under the Helping to House New England Program. The Agency has allocated approximately $2.2 million of these proceeds to fund affordable sober housing and support services through CCRI, and approximately $1.9 million has been allocated for down payment assistance loan program available to income-eligible, first-time homebuyers. As of June 30, 2022, $1.7 million of the CCRI funds had been disbursed and $1.1 million of the down payment assistance funds had been disbursed.

Capital Magnet Funds

Since FY 2020, the Agency has been awarded $8.1 million of Capital Magnet Funds from the federal government's Community Development Financial Institutions Fund. The Agency has designated $3.6 million of these funds to provide down payment assistance loans to income-eligible, first-time homebuyers. As noted above, the Agency has designated $4.1 million to provide subordinate loans to multifamily developments. The remaining funds will be used to pay administrative expenses.

Homeowner Assistance Fund (HAF)
On November 17, 2021, the Agency entered into two contracts with the Commonwealth's Executive Office of Administration and Finance as a subrecipient of federal Homeowner Assistance Funds (HAF) received from the U.S. Treasury's HAF program, authorized by the American Rescue Plan Act of 2021 (ARPA). The aggregate maximum obligation is $50 million. Under these contracts, the Agency will provide services relative to the HAF Initiative, which will include program administration, homeowner assistance with respect to borrowers within its own servicing portfolio and services relative to establishing a statewide marketing, outreach, and public information campaign. As of June 30, 2022, the Agency had received $4.2 million and disbursed $2.7 million under this program.

Neighborhood Stabilization Program
On April 12, 2022, the Agency entered into a contract with the Department of Housing and Community Developments with an aggregate maximum obligation of approximately $35.7 million. Under this contract, the Agency will provide services relative to the Neighborhood Stabilization Program, a program for revitalization of neighborhoods and communities with blighted or substandard conditions throughout the Commonwealth. The Agency will recognize this obligation's revenue in accordance with its grant income policy. As of June 30, 2022, the Agency had received $6.5 million for this program.

Other
MassHousing's WCF has pledged to indemnify its municipal bond insurers in the event an insurer incurs losses under certain policies the insurer has issued. Those policies guarantee that bondholders of certain bond series and maturities will receive scheduled principal and interest payments. The indemnified amount at June 30, 2022, was $200 thousand in the GRDB program.

At June 30, 2022, MassHousing had commitments to provide approximately $126.3 million for undisbursed portions of existing and new permanent and construction mortgage loans.

Risk-Sharing Program
MassHousing serves as an approved lender under the Housing Finance Agency Risk-Sharing Program for Insured Affordable Multi Family Project Loans (Risk-Sharing Program), authorized by Section 542(c) of the Housing and Community Development Act of 1992, which is administered by HUD. Under the Risk-Sharing Program, MassHousing acts as the servicer for these loans, and bears a percentage of risk loss ranging from 10-50% of each loan with the balance of risk loss borne by HUD in the event of a claim. As of June 30, 2022, MassHousing has 268 loans with an unpaid principal balance of $2.8 billion, which is subject to a maximum loss exposure up to $1.3 billion. MassHousing utilizes strict underwriting standards to minimize exposure to risk loss. Following default on a risk-share loan, MassHousing may obtain an initial claim payment from HUD of 100% of the loan's unpaid principal balance and accrued interest (subject to certain adjustments). After a period during which MassHousing works toward curing the default, foreclosure or resale of the related project, losses (if any) are calculated and apportioned between MassHousing and HUD according to the applicable risk-sharing percentage for the loan, and MassHousing reimburses HUD (with interest on the initial claim payment) for its share of the loss, with such reimbursement to be made by debentures maturing over a period of five years (unless extended by HUD). In addition to using this program to insure mortgage loans pledged to secure bonds, MassHousing from time to time has sold 100% participation interests in mortgage loans secured under this program. In these cases, MassHousing is the

original mortgagee and holds legal title to certain mortgage loans insured under this program for which 100% beneficial ownership has been transferred to participant owners. Since the inception of the Risk-Sharing Program, the Agency has suffered two partial claims, totaling approximately $5 million.

Additionally, MassHousing has risk sharing agreements with four independent insurers whereby MassHousing co-insures single-family primary mortgage loans. The following table provides the risk sharing exposure balances at June 30, 2022 and 2021 (in thousands):

	June 30, 2022	June 30, 2021
Balance of loans with co-insurance	$ 2,546	$ 2,783
Risk exposure of loans with co-insurance coverage	876	959
MassHousing claim liability	3,796	3,796
Co-insurers claim liability	1,316	1,316
MassHousing collateral on deposit	1,313	1,312

Note P. Events Subsequent to June 30, 2022

Sublease

On July 26, 2022, MassHousing entered into an agreement to sublease 10,687 square feet of its existing leased office space. The term of the Sublease shall commence on September 1, 2022 and shall expire on March 31, 2030, unless extended or terminated in accordance with the provisions of the sublease.

Loan Commitments

Through the September 13, 2022 meeting of the Members of MassHousing, the Agency issued new mortgage and bridge loan commitments totaling $495.4 million for multifamily developments.

Note Q. Litigation

MassHousing is involved in certain litigation and disputes incidental to its operations. Because it is generally difficult to predict the outcome of lawsuits, MassHousing cannot give any assurance as to the outcome of such litigation. Based upon the information it presently possesses, however, it is management’s judgment that such litigation will not have a material adverse impact upon the financial condition of MassHousing.

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Required Supplemental Schedule 1
Unaudited

Massachusetts Housing Finance Agency Employees' Retirement System Plan
Schedules of Required Supplementary Information
Schedule of changes in the Agency's Net Pension Liability/(Asset) and related ratios
(Dollar amounts in thousands)

	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015
Total Pension Liability								
Service Cost	$ 4,015	$ 3,861	$ 3,700	$ 3,566	$ 3,437	$ 3,247	$ 3,129	$ 2,695
Interest	15,295	14,608	13,583	12,908	11,895	11,623	10,443	9,984
Changes in Benefit Terms	-	-	1,592	-	-	-	-	-
Differences between expected and actual experience	(387)	-	3,848	-	(3,670)	-	(265)	-
Changes of assumptions	2,291	-	5,878	-	8,772	-	7,362	-
Benefit payments, including refunds of employee contributions	(9,576)	(8,732)	(8,029)	(7,182)	(6,920)	(5,958)	(5,161)	(5,134)
Net change in total pension liability	11,638	9,737	20,572	9,292	13,514	8,912	15,508	7,545
Total pension liability - beginning	211,735	201,998	181,426	172,134	158,620	149,708	134,200	126,655
Total pension liability - ending (a)	$ 223,373	$ 211,735	$ 201,998	$ 181,426	$ 172,134	$ 158,620	$ 149,708	$ 134,200
Plan fiduciary net position								
Contributions - employer	$ 13,273	$ 10,081	$ 10,031	$ 6,527	$ 6,491	$ 6,093	$ 6,065	$ 3,946
Contributions - employee	3,591	3,527	3,449	3,483	3,552	3,274	3,219	3,497
Net Investment Income	33,100	26,999	27,731	(5,544)	18,139	11,087	(3,352)	4,114
Benefit payments, including refunds of employee contributions	(9,576)	(8,732)	(8,029)	(7,182)	(6,920)	(5,958)	(5,161)	(5,134)
Adminstrative expenses	(555)	(490)	(468)	(446)	(378)	(380)	(366)	(419)
Net change in plan fiduciary net position	39,833	31,385	32,714	(3,162)	20,884	14,116	405	6,004
Plan fiduciary net position - beginning	210,217	178,832	146,118	149,280	128,396	114,280	113,875	107,871
Plan fiduciary net position - ending (b)	$ 250,050	$ 210,217	$ 178,832	$ 146,118	$ 149,280	$ 128,396	$ 114,280	$ 113,875
Net Pension Liability/(Asset)- ending (a)-(b)	$ (26,677)	$ 1,518	$ 23,166	$ 35,308	$ 22,854	$ 30,224	$ 35,428	$ 20,325
Plan fiduciary net position as a percentage of total pension liability	111.9%	99.3%	88.5%	80.5%	86.7%	80.9%	76.3%	84.9%
Covered Payroll (as of measurement date)	$ 35,372	$ 35,737	$ 34,362	$ 34,506	$ 33,250	$ 33,641	$ 32,430	$ 28,044
Net Pension Liability/(Asset) as a percentage of covered payroll	-75.4%	4.2%	67.4%	102.3%	68.7%	89.8%	109.2%	72.5%

Please see Note N for further disclosure

Required Supplemental Schedule 2
Unaudited

Massachusetts Housing Finance Agency Employees' Retirement System Plan
Schedule of Agency Contributions
(Dollar amounts in thousands)

	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015
Actuarial Determined Contribution	$ 1,030	$ 10,081	$ 10,031	$ 6,527	$ 6,491	$ 6,093	$ 6,065	$ 3,946
Contributions made	1,030	22,323	10,031	6,527	6,491	6,093	6,065	3,946
Contribution deficiency (excess)	$ -	$ (12,242)	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll (as of fiscal year end)	$ 36,082	$ 36,447	$ 35,050	$ 35,154	$ 33,878	$ 34,264	$ 33,035	$ 28,044
Contribution as a percentage of covered payroll	2.9%	61.2%	28.6%	18.6%	19.2%	17.8%	18.4%	14.1%

Notes to Schedule

Methods and assumption used to determine contribution rates:

Actuarial cost method	Entry age, normal
Amortization method	Level payment, closed
Remaining amortization period	Plan is fully funded as of 6/30/21
Asset valuation method	Fair value adjusted by accounts receivable and accounts payable
Inflation	2.2 percent
Salary Increases	5.25 percent grading down to 3.75 percent
Investment rate of return	7.00 percent, including inflation, net of pension plan investment expense
Mortality	RP-2014 White Collar Mortality Table projected generationally from the year 2006 using MP-2020 (sexdistinct). During employment the healthy employee mortality table is used. Post-employment the healthy annuitant table is used.
Measurement Date	December 31, 2021
Valuation Date	January 1, 2021
Changes in assumptions	In FY 2022, the discount rate used to measure the total pension liability was reduced to 7.00% from 7.25%.
Changes in benefit terms	The COLA base was increased from $13,000 to $15,000.

Please see Note N for further disclosure

Required Supplemental Schedule 3
Unaudited

Massachusetts Housing Finance Agency OPEB Trust
Schedules of Required Supplementary Information
Schedule of changes in the Agency's Net OPEB Liability and related ratios [1]
(Dollar amounts in thousands)

	FY 2022	FY 2021 [2]	FY 2020	FY 2019	FY 2018
Total OPEB Liability					
Service Cost	$ 1,039	$ 767	$ 1,137	$ 1,294	$ 1,430
Interest	3,588	3,046	4,232	3,925	3,670
Differences between expected and actual experience	-	(10,923)	(534)	(326)	-
Changes of assumptions	-	(745)	(1,044)	929	-
Benefit payments	(1,542)	(1,517)	(1,327)	(1,531)	(1,175)
Net change in total OPEB liability	3,085	(9,372)	2,464	4,291	3,925
Total OPEB liability - beginning	50,993	60,365	57,901	53,610	49,685
Total OPEB liability - ending (a)	$ 54,078	$ 50,993	$ 60,365	$ 57,901	$ 53,610
Plan fiduciary net position					
Contributions - employer (including implicit subsidy)	$ 1,535	$ 3,597	$ 3,421	$ 3,459	$ 3,115
Net Investment Income	(7,829)	10,260	1,195	1,970	1,614
Benefit payments	(1,542)	(1,517)	(1,327)	(1,531)	(1,175)
Adminstrative expenses	(35)	(43)	(27)	(40)	(31)
Net change in plan fiduciary net position	(7,871)	12,297	3,262	3,858	3,523
Plan fiduciary net position - beginning	49,948	37,651	34,389	30,531	27,008
Plan fiduciary net position - ending (b)	$ 42,077	$ 49,948	$ 37,651	$ 34,389	$ 30,531
Net OPEB Liability - ending (a)-(b)	$ 12,001	$ 1,045	$ 22,714	$ 23,512	$ 23,079
Plan fiduciary net position as a percentage of total OPEB liability	77.8%	98.0%	62.4%	59.4%	57.0%
Covered Payroll	$ 35,139	$ 34,116	$ 33,592	$ 32,614	$ 34,715
Net OPEB Liability as a percentage of covered payroll	34.2%	3.1%	67.6%	72.1%	66.5%

(1) Data is being accumulated annually to present 10 years of the reported information.

(2) In FY 2021, the Agency identified an error in the FY 2019 and FY 2020 actuarial calculation of the Net OPEB Liability, which resulted in changes in the Schedule of Changes in the Agency's Net OPEB Liability and related ratios. The cumulative effect is reflected in the FY 2021 reporting period.

Required Supplemental Schedule 4
Unaudited

Massachusetts Housing Finance Agency OPEB Trust
Schedule of Agency Contributions
(Dollar amounts in thousands)

	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018
Actuarial Determined Contribution	$ 1,535	$ 3,597	$ 3,421	$ 3,459	$ 3,115
Contributions in relation to the Actuarially Determined Contribution	1,535	3,597	3,421	3,459	3,115
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 35,139	$ 34,116	$ 33,592	$ 32,614	$ 34,715
Contribution as a percentage of covered payroll	4.4%	10.5%	10.2%	10.6%	9.0%

Notes to Schedule

Actuarially Determined Contributions consist of:

	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018
Cash Contribution	$ 1,282	$ 3,300	$ 3,160	$ 2,897	$ 2,901
Implicit Subsidy	253	297	261	562	214
Actuarial Determined Contribution	$ 1,535	$ 3,597	$ 3,421	$ 3,459	$ 3,115

Methods and assumption used to determine contribution rates:

Actuarial cost method	Projected Unit Credit Level Dollar cost method
Amortization method	Level percentage of pay, closed basis
Remaining amortization period	15 years
Asset valuation method	Market value
Salary Increases	3.5 percent
Healthcare cost trend rates	7.1% to 9% initial graded down to 5% in 2040
Investment rate of return	7.00 percent, net of OPEB plan investment expense
Retirement Age	Based on Tier classification, gender and hire dates
Mortality	RPH-2014 HeadCount-Weighted White Collar Mortality Table adjusted to 2006, sex-distinct, a) for Actives-for Employees projected using generational mortality and scale MP-2020, b) for Retirees-for Healthy Annuitants projected using generational and mortality and scale MP-2020 and c) for Disabled - for Healthy Annuitants projected using generational mortality and scale MP-2020 set forward 2 years.

Please see Note N for further disclosure

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	Mortgage Obligation (In thousands)	Advances Construction/ Mortgage Loans (In thousands)	Balance of Commitment (In thousands)	Notes
Working Capital Fund and Affiliates						
11 Long Point Road	5.550%	01/01/2029	$ 68			
1199 Hixville Road	5.350%	08/01/2026	43			
120 Centre Court	0.000%	11/01/2042	622			
120 Centre Court	0.000%	11/01/2038	410			
181 Chestnut	3.670%	03/01/2061	4,821			
181 Chestnut	0.000%	03/01/2061	650			
191 Talbot	4.020%	04/01/2037	2,720			
191 Talbot	1.000%	04/01/2037	1,400			
2 Pierce Lane	5.350%	07/01/2026	42			
2101 Washington Street	3.750%	06/01/2059	3,905			
225 Centre Street	0.000%	08/01/2054	5,600			
246-248 Norwell Street	0.000%	06/01/2059	600			
246-248 Norwell Street	0.000%	07/09/2059	769			
28 Austin Street	0.000%	04/01/2060	1,300			
3 Flintlock Lane	5.550%	12/01/2026	48			
31 Elm Street	0.000%	07/01/2062	3,853			
35 Village Hill Road	3.790%	01/01/2037	1,439			
35 Village Hill Road	0.000%	01/01/2062	1,367			
38 Winfield Street	5.350%	08/01/2026	44			
571 Revere Street	4.490%	04/01/2062	6,013			
571 Revere Street	0.000%	04/01/2062	1,900			
706 Huntington Ave	0.000%	11/01/2049	343			
808 Memorial Drive	2.810%	07/01/2023		$ 667	$ 8,233	
98 Essex	1.500%	04/01/2055	952			
98 Essex	0.000%	04/01/2055	600			
A.O. Flats At Forest Hills	5.000%	06/01/2060	8,100			
Academy Hill School	3.750%	04/30/2058	1,455			
Academy Hill School	3.020%	04/30/2058	212			
AEI Group Homes-Braintree	5.350%	08/01/2026	65			
AEI Group Homes-Centerville	5.350%	07/01/2026	58			
AEI Group Homes-Kingston	5.550%	02/01/2027	69			
AEI Group Homes-Marshfield	5.550%	05/01/2028	83			
Ames Privilege Unit 2	2.600%	10/01/2054	118			
Appleton Mills Redevelopment Phase 1B	3.500%	04/01/2052	161			
Arlington Park	4.000%	02/01/2037	806			
Arlington Point	0.000%	12/18/2060	1,900			
Arlington Point II	5.490%	07/01/2060	1,233			
Aurora Hotel	2.600%	03/01/2056	215			
Barstow Village	0.010%	07/01/2053	877			
Bedford Village	2.000%	07/01/2060	4,500			
Bergen Circle	3.870%	04/01/2063		2,716	10,600	
Bergen Circle	0.000%	04/01/2063	7,950			
Broadway Tower	2.790%	09/01/2040	9,333			
Brooks School	8.000%	01/01/2028	5,225			
Brooks School	0.000%	01/01/2028	122			
Brown Family House	4.370%	07/01/2061	5,466			
Brown-Kaplan Townhomes	0.000%	08/25/2049	367			
Burbank Gardens	2.590%	07/01/2059	4,618			
Burbank Gardens Acquisition	0.000%	07/01/2059	452			
Cable Gardens	4.500%	01/01/2036	7,522			

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	Mortgage Obligation (In thousands)	Advances Construction/ Mortgage Loans (In thousands)	Balance of Commitment (In thousands)	Notes
Canal Bluffs III	2.500%	09/01/2059	$ 700			
Casselman House	0.000%	05/01/2044	189			
Central Grammar	0.000%	04/01/2053	695			
Chapman House	3.290%	04/10/2064	1,558			
Chatham West I	0.000%	06/01/2058	4,500			
Chatham West II	0.000%	06/01/2027	6,111			
Cheriton Heights Senior Housing	0.000%	11/22/2053	1,000			
Chestnut Gardens Apartments	3.620%	07/01/2057	10,000			
Cobbet Hill	2.260%	12/23/2066	1,000			
Colonial Village	0.000%	12/01/2059	945			
Council Tower	0.000%	01/01/2046	964			
Covenant House I & II	0.570%	07/01/2045	936			
Curtain Lofts	0.000%	11/01/2052	783			
Finch Cambridge	0.000%	11/01/2060	3,800			
Franklin Hill Revitalization Phase 2A	6.000%	05/01/2059	1,350			
Franklin Hill Revitalization Phase 2B	0.100%	12/31/2059	1,000			
Franklin Park	6.200%	03/01/2052	1,094			
Franklin School	5.250%	12/31/2049	3,433			
Gardner Terrace I & II	4.000%	08/01/2022		$ 11,300		
Gateway Residences On Washington	0.000%	10/01/2058	1,600			
Glen Meadow Apartments	0.000%	05/01/2057	1,750			
Greenway Apartments	3.850%	06/01/2053	1,000			
Habitat for Humanity - Boston, Inc.	0.000% to 2.500%		471			
Hampton Court	3.120%	06/20/2064	17,891			
Hanover House	0.000%	12/18/2029	1,046			
Hanover Woods	1.890%	08/01/2066	7,029			
Harborwalk Residences	0.000%	11/30/2026	786			
Haynes House	3.310%	07/01/2061	2,700			
Hayward Landing	2.570%	11/04/2065	19,030			
Hebronville Mill	0.000%	08/01/2022	5,950			
Hebronville Mill	8.000%	12/01/2016	8			
Hebronville Mill	9.616%	02/01/2020	4,702			
Hebronville Mill	8.500%	06/01/2018	1,166			
Heritage Common	0.700%	06/01/2050	9,461			
Heritage Common	0.000%	06/16/2051	1,500			
Heywood Wakefield Village	4.790%	12/31/2041	14,392			
Highland Apartments	3.040%	05/01/2056	5,896			
Hillside Village	0.000%	07/01/2059	600			
Holmes Beverly Apartments	0.000%	11/01/2058	1,600			
Holmes Beverly Apartments	0.000%	05/11/2024	600			
Houghton Village	2.700%	06/01/2058	7,036			
Houghton Village	0.000%	06/01/2058	1,545			
Indigo Block Apartments	0.000%	07/01/2062	3,600			
J.J. Carroll Apartments	0.000%	07/01/2064	3,240		$ 360	
Joseph'S House	6.300%	09/01/2050	574			
Kennedy Building Apartments	0.000%	01/01/2064	1,250			
Kent Street	6.010%	09/01/2056	5,510			
Kimball Court II	7.270%	09/18/2023	16,867			
King James Court	0.000%	04/01/2043	452			
Landfall Community Associates II	0.000%	01/01/2060	134			
Latin Academy	0.000%	06/01/2050	602			
Leyden Woods Apartments	3.850%	10/01/2037	1,820			

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

			In thousands			
Project Name	**Interest Rate**	**Maturity Date**	**Mortgage Obligation**	**Advances Construction/ Mortgage Loans**	**Balance of Commitment**	**Notes**
Lincoln Woods	2.740%	07/01/2057	$ 1,200			
Lincoln Woods	0.000%	08/01/2057	291			
Linwood Mill	0.010%	07/01/2053	1,000			
Loring Towers	1.000%	12/20/2049	395			
LPI Portfolio	2.990%	04/01/2061	1,700			
Madison Melnea Cass Apts	2.880%	03/01/2060	1,900			
Majestic Apartments	3.150%	04/01/2061	2,527			
Mansfield Meadows	4.094%	04/30/2072	10,384			
Maple Ridge Phase I	0.000%	06/01/2052	2,000			
Mariner's Hill	0.899%	05/15/2064	743			
Mashpee Village	7.000%	06/01/2056	1,500			
Mass Mills I	3.120%	07/01/2049	580			
Mass Mills II	3.120%	07/01/2049	818			
Merrimack Valley Apts	0.000%	08/01/2044	258			
Middlebury Arms	3.320%	09/30/2055	3,986			
Mill Falls Apartments	4.530%	02/01/2057	2,986			
Mill House	3.750%	10/16/2069	371			
Mill Valley Estates	2.550%	11/18/2060	10,840			
Mt Pleasant Apts	7.700%	12/01/2048	506			
Museum Square	2.720%	07/24/2065	15,164			
New Codman Square Apartments	2.640%	01/01/2054	840			
New Port Antonio Apts.	2.700%	08/01/2025	40,000			
Newcastle Saranac	0.000%	07/01/2062	2,250			
North 116 Flats	3.710%	04/01/2029	41,200			
Oak Woods	0.000%	12/01/2053	678			
Old Colony Phase Three B 4%	2.770%	09/01/2023		$ 30,015	$ 2,267	
Old Colony Phase Three B 9%	2.800%	09/01/2063		5,702		
Old Colony Phase Three B 9%	2.770%	09/01/2023		3,703	762	
Olmsted Green	1.000%	05/01/2061	4,000			
Oxford House at Queeney Square	2.720%	01/01/2050	4,411			
Pac 10 Lofts	0.000%	04/01/2063	5,000			
Pelham I Apartments	5.086%	12/01/2064	5,283			
Perlman House	2.500%	03/01/2041	602			
Perlman House	0.000%	03/01/2041	500			
Peter Sanborn Place	0.000%	08/01/2043	345			
Pilot Grove Hill	0.000%	12/01/2049	248			
Pine Crest	0.000%	01/01/2044	229			
Plantation Tower	6.000%	04/01/2047	4,257			
Pleasant Plaza	3.025%	01/01/2065	11,162			
Pond Side At Littleton	2.119%	02/28/2071	13,844			
Preserve North Residences	0.000%	01/01/2062	4,000			
Providence House	6.350%	01/01/2045	7,762			
Residences At Brighton Marine	0.000%	11/01/2060	5,000			
Residences at Canal Bluffs	5.250%	06/01/2051	1,850			
Residences At Fairmount Station	0.000%	09/01/2049	300			
Rindge Tower Apartments	2.610%	07/01/2058	1,506			
River Place Towers	3.210%	09/01/2029	31,130			
Riverboat Village	5.010%	12/01/2033	5,696			
Riverview Meadows	2.180%	03/16/2065	4,968			
Rock Harbor Vlge	5.000%	07/01/2052	1			
Rogers Hall	0.063%	05/01/2044	309			
Roslindale House	0.000%	06/01/2045	380			

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

			In thousands			
Project Name	Interest Rate	Maturity Date	Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	Notes
Roxbury Corners	4.000%	01/01/2050	$ 383			
Roxbury Corners	0.000%	01/01/2050	1,196			
S.S.C.R.II-Bridgewater	5.550%	03/01/2027	59			
S.S.C.R.II-Mattapoisett	5.550%	10/01/2026	49			
S.S.C.R.II-Stoughton	5.550%	03/01/2027	52			
School House Apartments Brookledge Cummings	0.010%	12/04/2048	100			
School House Kenilworth	0.010%	06/01/2049	1,000			
Semass Housing I-Raynham	6.650%	10/01/2025	45			
Semass Housing I-Somerset	6.650%	09/01/2025	43			
Semass Housing I-Taunton	6.650%	10/01/2025	48			
Shillman House	0.000%	11/01/2051	2,604			
Shillman House	0.000%	12/17/2051	972			
Ships Watch	2.120%	03/31/2071	6,821			
Simon C. Fireman Community	0.000%	03/01/2044	685			
Single Family Capital Magnet Fund Loans	0.000%		1,810			
Single Family Gateway City Loans	1.000% to 2.000%		10,140			
Single Family Home Improvement Loans	4.250% to 5.000%		907			
Single Family Long Term Assets	1.000% to 7.375%		20,930			
Single Family Mass Advantage Loans	0.000%		1,171			
Single Family Modification Loans	0.000%		964			
Single Family Mortgage (Warehouse) Loans	0.000% to 5.875%		21,307			
Single Family Short Term Assets	2.750%		142			
Single Family Veterans Assistance Loans	0.000% to 2.000%		619			
Single Family Work Force Advantage Loans	0.000% to 1.000%		956			
Sitkowski School Apartments	2.000%	07/01/2056	1,645			
Skyview Downtown	0.000%	12/01/2058	5,000			
Solemar at South Dartmouth	2.750%	06/01/2052	629			
South End Tenants Houses II	6.190%	12/01/2045	3,973			
South Shore-Easton	6.650%	06/01/2025	47			
South Shore-Pembroke	6.650%	03/01/2025	54			
Squirrelwood	3.830%	01/01/2023		$ 13,600		
Squirrelwood	0.000%	01/01/2062	1,000			
Station Pointe Apartments I	1.834%	12/31/2070	7,855			
Station Pointe Apartments II	1.834%	12/31/2070	10,566			
Stony Brook Court	3.480%	07/01/2057	16,849			
Stratton Hill	0.000%	08/01/2059	2,234			
Susan S Bailis Assisted Living	1.000%	12/31/2057	1,464			
Temple Landing	0.000%	02/01/2043	1,260			
The Central Building	0.000%	03/01/2060	1,400			
The Commons at Boston Road	0.000%	11/30/2038	27			
The Coolidge	4.460%	06/30/2051	750			
The Meeting House	2.980%	09/01/2031	9,350			
The Meeting House	0.000%	09/01/2061	2,100			
The Settlement	7.160%	05/01/2013	2,200			
The Village At Brookline	6.010%	09/01/2056	11,350			
The Watson	1.000%	12/01/2059	7,000			
Town Brook House	0.000%	05/01/2045	582			
Trinity Terrace	3.500%	01/31/2035	1,047			
Van Ness Terrace	3.120%	06/24/2064	8,123			
Village At Nauset Green	0.000%	09/01/2060	1,500			
Voke Lofts	3.400%	01/01/2055	194			
Voke Lofts	0.000%	01/01/2055	695			

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	Mortgage Obligation (In thousands)	Advances Construction/ Mortgage Loans (In thousands)	Balance of Commitment (In thousands)	Notes
Wakefield Place	8.250%	12/31/2034	$ 21,065			
Walden Square Apartments	4.550%	09/01/2058	5,678			
Walker School	2.960%	08/01/2022			$ 750	
Walker School	2.800%	08/01/2022		$ 8,750		
Warren House	3.500%	12/01/2023		2,992		
West Newton Rutland Apartments	3.390%	08/01/2022		30,990		
Whitney Carriage Park	0.000%	11/01/2069	4,093			
Whitney Carriage Park	2.210%	11/01/2069	18,827			
Whitney Carriage Park	3.502%	11/01/2069	626			
Whittier At Cabot 4%	4.620%	01/01/2061	3,120			
Whittier At Cabot 4%	2.000%	01/01/2061	800			
Whittier At Cabot 9%	5.840%	02/01/2061	273			
Whittier At Cabot 9%	2.000%	02/01/2061	700			
Worcester Courthouse	1.930%	01/01/2062	1,986			
Worcester Courthouse	2.890%	01/01/2062	3,100			
Worcester Courthouse	0.000%	01/01/2062	1,000			
Sub-total			**$ 772,347**	**$ 110,435**	**$ 22,972**	**(a)**
General Rental Development Bond Program Adopted April 13, 2004						
113 Spencer	7.150%	05/01/2050	$ 1,832			
Barstow Village	5.500%	06/01/2053	1,127			
Blackstone	4.500%	07/01/2053	28,814			
Curtain Lofts	7.250%	11/01/2052	1,036			
Franklin Square House	4.500%	09/01/2053	31,484			
Greenway Apartments	6.720%	06/01/2053	1,127			
Linwood Mill	6.180%	07/01/2053	932			
Machado House at Peter's Grove	5.300%	07/01/2053	5,993			
Maple Ridge Phase II	6.500%	02/01/2053	1,119			
Mill Road Apartments (variable rate)	1.460%	11/01/2033	22,751			
Ocean Shores at Marshfield	7.250%	07/01/2052	1,887			
Oliver Lofts	7.250%	03/01/2052	1,310			
Princeton at Westford (variable rate)	0.910%	01/01/2034	30,270			
Regency Towers I	1.000%	04/01/2040	430			
Rita Hall	5.250%	11/01/2053	6,015			
Rock Harbor Village	5.300%	05/01/2053	6,033			
School House Kenilworth	8.000%	06/01/2049	1,175			
Tecumseh Mill	5.250%	02/01/2054	6,555			
Temple Landing	6.500%	02/01/2043	1,815			
Tri-Town Landing Apartments	6.700%	12/01/2051	1,336			
Victory Gardens Plaza	5.070%	04/01/2054	7,662			
Village at Hospital Hill II	6.830%	03/01/2050	1,300			
Winchendon Housing Authority	5.190%	01/01/2026	207			
Sub-total			**$ 162,210**			
Multi-Family Housing Bond Program Adopted November 10, 2009						
225 Centre Street	3.600%	01/01/2055	$ 14,427			
225 Centre Street	5.500%	01/01/2055	703			
Castle Square	5.100%	01/01/2053	3,998			
Cedar Glen	4.850%	01/01/2051	1,326			

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	Mortgage Obligation (In thousands)	Advances Construction/ Mortgage Loans (In thousands)	Balance of Commitment (In thousands)	Notes
Central Grammar	5.250%	04/01/2053	$ 2,642			
Charlesview Residences	4.800%	10/01/2054	42,477			
Charlesview Residences	0.000%	06/30/2055	80			
Cheriton Grove	5.070%	05/01/2053	4,606			
Chestnut Glen	4.850%	01/01/2051	1,247			
Glen Grove	4.850%	01/01/2051	1,785			
Gosnold Grove	4.850%	01/01/2053	191			
Heritage Apartments	4.610%	02/01/2053	17,931			
Heritage Green	4.850%	01/01/2051	994			
Inman/Cast 2 Apartments	4.500%	07/01/2052	12,438			
Kensington Court at Lakeville	0.000%	08/01/2050	2,243			
Longfellow Glen	4.850%	01/01/2051	1,135			
Lower Mills Apartments	4.750%	08/01/2052	8,056			
Nehoiden Glen	4.850%	01/01/2051	896			
Noonan Glen	4.850%	01/01/2051	194			
Norton Glen	4.660%	01/01/2051	1,423			
Old Mill Glen	4.850%	01/01/2051	560			
Regency Towers I	0.000%	04/01/2040	950			
Tri-Town Landing Apartments	0.000%	12/01/2051	1,317			
Westminster Village	4.500%	10/01/2051	39,501			
Sub-total			**$ 161,120**			
Housing Bond Program Adopted February 19, 2003						
113 Spencer	0.000%	05/01/2050	$ 1,000			
140 Clarendon	1.000%	11/01/2041			$ 20,346	
27 Jackson Street	0.000%	07/01/2048	2,697			
808 Memorial Drive	3.830%	07/01/2063		$ 46,240	15,260	
808 Memorial Drive	2.060%	07/01/2023		16,000		
A.O. Flats at Forest Hills	4.120%	06/01/2060	12,929			
Academy Hill School	3.020%	04/30/2058	925			
Academy Homes I	5.850%	07/01/2040	5,486			
Adams Templeton	3.870%	12/01/2057	11,959			
Allen Park Apartments I	7.750%	01/01/2035	2,643			
Allen Park Apartments II	7.750%	01/01/2026	553			
Ames Privilege	3.500%	06/01/2024	498			
Ames Privilege - Unit 2	3.500%	10/01/2054	1,300			
Amory Street Residences	3.000%	07/01/2045	845			
Amy Lowell House	5.900%	07/28/2039	7,252			
Anderson Park	3.870%	08/01/2058	21,048			
Appleton Mills Redevelopment Phase IA	6.300%	04/01/2052	1,350			
Appleton Mills Redevelopment Phase IA	0.010%	07/01/2051	1,640			
Asher's Path	6.910%	11/01/2048	674			
Asher's Path	0.000%	11/01/2048	464			
Auburn Court	3.530%	06/01/2048	13,240			
Avalon at Chestnut Hill	5.320%	10/01/2047	35,443			
Back of the Hill	5.400%	10/01/2048	6,422			
Bancroft Dixwell Apartments	3.500%	11/01/2064			16,583	
Bancroft Dixwell Apartments	1.880%	10/01/2024		10,801	3,769	
Bancroft Dixwell Apartments	2.630%	10/01/2024		774	3,375	
Beachmont Apartments	6.500%	05/01/2049	1,933			

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	Mortgage Obligation (In thousands)	Advances Construction/ Mortgage Loans (In thousands)	Balance of Commitment (In thousands)	Notes
Beacon House	5.500%	07/01/2054	$ 13,045			
Beacon House	3.500%	07/01/2024	619			
Bedford Village	4.740%	07/01/2060	8,135			
Berkshire Peak	3.470%	04/01/2058	3,953			
Binnall House	0.438%	04/01/2043	428			
Blackstone	5.000%	07/01/2052	13			
Blue Mountain Apartments (Building)	3.890%	09/01/2062		$ 50,415	$ 1,835	
Blue Mountain Apts (Land)	3.900%	09/01/2062		12,500		
Brandy Hill	3.900%	10/01/2058	10,549			
Bridle Path Apartments	5.430%	01/01/2049	870			
Briston Arms	4.640%	03/01/2057	33,956			
Brown School Residences	6.950%	08/01/2048	2,009			
Burbank Gardens	4.420%	07/01/2059	3,692			
Camden Apartments	4.920%	01/01/2061	5,831			
Capitol Square	7.500%	11/01/2045	1,030			
Casa Maria	5.500%	12/01/2048	3,881			
Central Annex	5.250%	07/01/2055	5,100			
Chauncy House	5.050%	07/01/2057	8,802			
Chelsea Village	7.000%	04/01/2048	1,300			
Cheriton Heights Senior Housing	6.000%	08/01/2053	1,376			
Chestnut Gardens Apartments	5.400%	12/15/2023	509			
Clarendon Hill	6.030%	03/01/2052	19,592			
Cleaves Dimock-Bragdon Apartments	4.000%	03/01/2057	9,521			
Clippership Apartments	5.070%	12/01/2061	6,574			
Cobbet Hill	4.290%	12/01/2058	7,330			
Cohen Residences	4.420%	02/01/2060	27,754			
Columbia West Apartments	5.340%	12/31/2052	300			
Conant Village	0.000%	05/01/2057	988			
Conway Court	4.150%	11/01/2053	1,992			
Counting House Lofts	3.500%	12/01/2045	2,066			
Cromwell Court	5.360%	01/01/2052	5,403			
Davenport Commons	4.920%	08/01/2031	18,472			
Dom Polski	5.400%	12/01/2048	2,182			
Eastgate Apartments	5.400%	01/01/2049	7,325			
Esperanza Trust	3.860%	06/01/2061	24,980			
Fairweather Apartments	5.450%	12/01/2048	15,328			
Finch Cambridge	4.790%	11/01/2060	8,779			
Fitchburg Green	6.870%	01/01/2048	1,053			
Florence Apartments	7.310%	08/01/2050	1,417			
Forest Park Apartments	3.500%	03/01/2041	842			
Forestvale	7.380%	08/01/2050	1,464			
Founders Court Apts.	3.600%	10/01/2057	1,785			
Founders Court Apts.	6.650%	01/01/2026	16			
Franklin Highlands	4.550%	12/01/2026	4,639			
Franklin Hill Revitalization Phase 2A	7.000%	10/01/2050	1,817			
Franklin Hill Revitalization Phase 2B	6.000%	10/01/2050	1,078			
Gateway Residences On Washington	4.100%	10/01/2058	9,686			
Georgetowne Homes One	4.520%	05/01/2056	67,966			
Georgetowne Homes Two	4.520%	05/01/2056	41,757			
Golda Meir House Expansion	3.500%	08/01/2063			8,100	
Golda Meir House Expansion	1.880%	08/01/2023		3,347	10,278	
Golda Meir House Expansion	2.630%	08/01/2023			1,775	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

			In thousands			
Project Name	Interest Rate	Maturity Date	Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	Notes
Golda Meir House II	3.900%	04/01/2059	$ 36,476			
Goldman Residences	0.374%	11/01/2042	645			
Granite Lena Park Apts	3.850%	04/01/2062	16,271			
Hadley Building Apartments	0.000%	01/31/2048	2,199			
Haley House	6.250%	05/01/2029	333			
Hamilton Wade Douglas	4.100%	01/01/2057	12,221			
Hamilton Wade Douglas	3.500%	01/01/2057	5,310			
Harborview Towers	4.200%	07/01/2052	5,950			
Haynes House	4.920%	07/01/2061	8,932			
Heritage at Bedford Springs	4.725%	08/01/2048	23,813			
High Rock Homes	5.650%	05/01/2050	2,394			
High Rock Homes	0.000%	05/01/2050	1,500			
Historic South End Apartments	5.250%	06/01/2055	21,496			
Holyoke Farms	3.900%	01/01/2061	12,626			
Hotel Raymond	5.950%	01/01/2044	1,590			
Indigo Block Apts Low Income	4.000%	07/01/2062	8,536			
Indigo Block Apts Low Income	3.690%	02/01/2023		$ 9,764		
Island Creek East - I	6.850%	12/01/2048	419			
Island Creek Village North - Age Restricted	4.500%	05/01/2058	3,552			
J.J. Carroll Apartments	0.000%	01/01/2025			$ 10,000	
Jaclen Tower	4.150%	11/01/2053	8,472			
Jas Consolidation	4.670%	01/01/2060	9,879			
Kennedy Building Apartments	4.760%	01/01/2059	1,672			
Kensington Court at Lakeville	7.310%	08/01/2050	3,894			
King Pine	4.920%	07/01/2060	9,642			
Kings Landing	5.000%	06/01/2054	3,985			
Kurlat House	3.900%	01/01/2049	53,143			
Landfall Community Associates II	4.570%	01/01/2060	5,660			
LBB Housing	3.400%	01/01/2054	3,542			
Lebanese Community Housing	5.750%	10/01/2049	2,454			
Leisure Towers	5.250%	07/01/2054	16,828			
Leyden Woods Apartments	3.850%	10/01/2057	24,791			
Lincoln Woods	3.750%	08/01/2057	11,880			
Lionhead Apartments	4.540%	12/27/2055	6,656			
Loring Towers	5.400%	01/01/2050	8,628			
Louis Barett Residences	4.600%	03/01/2057	14,885			
LPI Portfolio	4.540%	04/01/2061	25,725			
Lucerne Gardens	3.500%	07/01/2024	191			
Madison Melnea Cass Apts	4.420%	03/01/2060	10,910			
Madison Park III	4.090%	01/01/2058	19,993			
Maple Commons	9.740%	10/01/2022	216			
Maple Commons	9.740%	06/01/2023	61			
Maple Commons	8.150%	06/01/2023	104			
Maple Ridge Phase I	7.000%	06/01/2052	3,722			
Mary Colbert Apartments	5.500%	07/01/2055	3,062			
Mashpee Village	4.900%	05/01/2056	3,866			
Mason Place	6.050%	04/01/2044	4,495			
Mason Place	5.680%	04/01/2024	1,277			
Mass Mills III	4.500%	04/01/2048	3,247			
Matheson Apartments II	3.760%	08/01/2061	5,945			
Mattapan Heights II	3.500%	02/01/2046	985			
Mattapan Heights II	2.000%	02/01/2046	2,000			

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	Mortgage Obligation (In thousands)	Advances Construction/ Mortgage Loans (In thousands)	Balance of Commitment (In thousands)	Notes
Mattapan Heights III	5.330%	03/01/2048	$ 2,644			
Maverick Landing Phase I	3.500%	11/01/2035	1,878			
Maverick Landing Phase II	3.500%	11/01/2035	1,056			
Maverick Landing Phase III	3.500%	01/01/2037	1,470			
Maverick Landing Phase IV	3.500%	06/01/2037	1,322			
Melville Towers	5.750%	01/01/2048	1,162			
Metropolitan (Rental)	7.900%	06/01/2045	10,854			
Middlebury Arms	5.250%	09/01/2055	1,224			
Mission Park	7.050%	02/01/2040	36,772			
Morgan Woods	5.550%	01/01/2048	4,166			
Mtn View Terrace	5.500%	07/31/2050	1,312			
New Codman Square Apartments	5.500%	01/01/2054	1,020			
New Girls Latin Academy	6.960%	07/01/2038	964			
Newcastle Saranac	3.830%	07/01/2062		$ 17,600		
Newcastle Saranac	2.060%	07/01/2022		5,845		
Nor-Al	5.250%	01/01/2055	5,558			
Nor-Al	5.250%	01/01/2034	1,793			
North Village at Webster	4.650%	01/01/2056	5,190			
Oak Terrace	4.290%	06/01/2058	12,034			
Ocean Shores - Lynn	6.850%	06/01/2048	17,326			
Old Colony Phase Three A 4%	4.250%	03/01/2062	14,874			
Old Colony Phase Three C	3.670%	05/01/2063		7,220		
Old Colony Phase Three C	2.020%	05/01/2023		5,746	$ 464	
Orchard Hill	6.680%	07/01/2027	471			
Pac 10 Lofts	4.670%	04/01/2063		17,768		
Pac 10 Lofts	3.440%	07/01/2023		18,000		
Palmer Green Est	3.320%	05/01/2058	10,906			
Palmer Green Est	3.250%	07/01/2036	3,135			
Pequot Highlands	4.140%	05/01/2059	39,966			
Powdermill Village	3.820%	08/01/2062		14,500		
Powdermill Village	2.000%	08/01/2022		11,925		
Powdermill Village	1.550%	08/01/2062	528			
Power Town	3.750%	11/01/2056	6,466			
Preserve North Residences	4.100%	01/01/2062	28,182			
Quincy Heights	2.290%	06/01/2041	13,690			
Quincy Tower	4.290%	01/01/2059	20,234			
Regency Towers I	0.000%	04/01/2040	5,151			
Residences At Brighton Marine	4.570%	11/01/2060	9,659			
Residences At Canal Bluffs	3.500%	06/01/2051	748			
Rindge Tower Apartments	4.250%	07/01/2058	20,244			
River Place Towers (Lowell)	4.125%	04/01/2055	1,482			
Sc Hamilton Apts	4.100%	10/01/2061	6,556			
School House Apts Brookledge Cummings	7.200%	01/01/2049	147			
Seabury Heights	5.340%	02/01/2043	11,107			
Shillman House	6.500%	11/01/2051	11,743			
Silver Leaf Terrace	5.730%	12/01/2040	10,790			
Sitkowski School Apartments	5.000%	07/01/2056	1,655			
Smith House	3.750%	12/01/2058	12,868			
South End Apartments	6.760%	06/01/2043	3,605			
South End Tenants Houses II	6.190%	12/01/2045	10,742			
South End Tenants Houses II	5.250%	12/01/2023	644			
Spring Gate	7.250%	07/01/2056	5,218			

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

			In thousands			
Project Name	Interest Rate	Maturity Date	Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	Notes
Squirrelwood	4.290%	01/01/2062	$ 8,168			
St Mathieus School	4.000%	06/01/2053	1,739			
St Stephen's Tower	3.600%	01/01/2034	15,075			
Stratton Hill	4.560%	06/01/2059	9,610			
Summer Hill Glen	4.150%	04/01/2053	1,098			
Susan S Bailis Assisted Living	6.500%	07/01/2043	1,837			
Sycamore Village	6.810%	08/01/2050	928			
The Apartments at Boott Mills	3.000%	10/01/2058	2,325			
The Carruth	5.850%	10/01/2048	4,954			
The Close Building	4.690%	03/01/2060	9,112			
The Commons at Boston Road (variable rate)	0.940%	11/30/2038	13,396			
The Commons at Drum Hill (variable rate)	0.940%	08/31/2038	8,676			
The Coolidge	5.300%	07/01/2050	3,518			
The Coolidge	4.460%	08/01/2049	2,609			
The Cordovan At Haverhill Station	6.760%	09/01/2048	671			
The Fairways At Lebaron Hills	7.000%	02/01/2051	369			
The Moorings at Squantum Gardens I	0.100%	02/01/2056	1,462			
The Moorings at Squantum Gardens I	5.650%	05/01/2048	1,016			
The Moorings at Squantum Gardens II	7.050%	05/01/2048	487			
The Watson	4.150%	12/01/2059	28,623			
Town Brook House	2.970%	10/01/2060	28,348			
Treehouse at Easthampton Meadow	7.100%	09/01/2037	553			
Tribune Apartments	4.290%	05/01/2058	4,167			
Trinity Terrace	3.500%	01/31/2035	374			
UE Apartments	5.500%	01/01/2053	4,031			
Uphams Corner Market	6.470%	12/01/2042	1,270			
Valebrook	5.000%	04/01/2051	778			
Village at Hospital Hill II	4.000%	01/20/2050	1,300			
Voke Lofts	3.400%	01/01/2055	1,937			
Warren House	6.947%	12/01/2023	683			
Washington Park Apartments	3.400%	01/01/2055	2,973			
Waterway Apartments	5.000%	02/01/2052	5,068			
Waverley Woods	6.980%	07/01/2049	1,582			
Waverley Woods	0.000%	07/01/2049	1,750			
Weeks School Apartments	6.720%	06/01/2047	1,004			
Wellington Community	4.570%	01/01/2060	16,032			
West Newton Rutland Apartments	4.920%	03/01/2062	7,744			
Westland Avenue Apartments	6.050%	02/01/2046	8,767			
Whittier At Cabot 4%	4.620%	01/01/2061	9,083			
Wilbraham Commons	7.000%	03/19/2048	934			
Wilkins Glen	4.150%	11/01/2053	1,020			
Willow Apartments	5.300%	05/01/2047	2,958			
Woodbourne Apartments	5.600%	07/01/2049	275			
Woodland Station Apartments	5.650%	01/01/2048	3,491			
Woodland Station Apartments	0.000%	01/01/2048	270			
Woods at Wareham	5.500%	07/01/2054	8,521			
Worcester Courthouse	4.600%	01/01/2062	12,155			
Worcester Loomworks Phase I	4.900%	01/01/2056	1,282			
Worcester Loomworks Phase II	6.000%	01/01/2056	1,024			
Zelma Lacey House of Charlestown	4.670%	05/01/2064		$ 621	$ 2,279	
Zelma Lacey House of Charlestown	2.250%	05/01/2064	1,256			
Zelma Lacey House of Charlestown	2.810%	05/01/2024		4,675	9,225	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	Mortgage Obligation (In thousands)	Advances Construction/ Mortgage Loans (In thousands)	Balance of Commitment (In thousands)	Notes
Sub-total			**$ 1,568,437**	**$ 253,741**	**$ 103,289**	
Single Family Housing Revenue Bond Program Adopted September 12, 1985						
Home Improvement Loans	1.000% - 2.00%		$ 16,738			
Single Family Mortgages Receivable	2.375% - 8.500%		577,063			
Sub-total			**$ 593,801**			
Total			**$ 3,257,915**	**$ 364,176**	**$ 126,261**	

(a) This balance includes Single Family mortgages funded by the Agency's Working Capital Fund and held for pending subsequent sale of loans, or loans wrapped by MBS, either to outside investors or to one or more of the Agency's bond programs.

SCHEDULE 2: BONDS PAYABLE

In thousands of dollars

	Final Maturity Date	Next Scheduled Principal Payment Date	Interest % Rate Range From	To	Debt Type	Outstanding June 30, 2021	Issued and Compounded	Retired or Exchanged	Outstanding June 30, 2022	Unamortized Bond/Note Discount/Premium	Adjusted Totals
General Rental Development Bond Program											
2005 Series AC	01/01/2026	01/01/2022	4.5000	4.5000	Underwritten	$ 224	$ -	$ 224	$ -	$ -	$ -
2005 Series AW	01/01/2026	01/01/2023	4.5000	4.5000	Underwritten	256	-	56	200	-	200
2012 Issue One	06/01/2053	12/01/2022	2.8750	4.6250	Underwritten	12,205	-	145	12,060	-	12,060
2012 Series A	06/01/2053	12/01/2022	4.0000	4.0000	Private Placement	61,300	-	860	60,440	-	60,440
2014 Series B	04/15/2054	04/01/2054	4.5000	4.5000	Underwritten	36,660	-	430	36,230	-	36,230
VRHB 2015A (var)	01/01/2034	01/01/2034	0.0200	0.9800	Underwritten	30,825	-	555	30,270	-	30,270
2018 Mill Road (var)	11/01/2048	11/01/2022	0.5700	1.5300	Underwritten	23,070	-	270	22,800	-	22,800
Sub-total						**$ 164,540**	**$ -**	**$ 2,540**	**$ 162,000**	**$ -**	**$ 162,000**
Multi-Family Housing Bond Program											
2009 Series A, Subseries 1	12/01/2051	07/01/2022	3.0100	3.0100	Private Placement	$ 65,130	$ -	$ 42,780	$ 22,350	$ -	$ 22,350
2009 Series A, Subseries 2	12/01/2051	06/01/2033	3.5500	3.5500	Private Placement	50,170	-	-	50,170	-	50,170
2009 Series A, Subseries 3	12/01/2051	06/01/2035	2.5800	2.5800	Private Placement	42,830	-	-	42,830	-	42,830
2009 Series A, Subseries 4	12/01/2051	12/01/2022	2.3200	2.3200	Private Placement	14,110	-	280	13,830	-	13,830
2010 Series A	12/01/2038	07/01/2022	4.6250	5.3000	Underwritten	38,175	-	35,855	2,320	-	2,320
2011 Series A	12/01/2032	12/01/2022	3.6250	4.8750	Underwritten	12,500	-	835	11,665	-	11,665
2011 Series B	12/01/2053	12/01/2022	3.2000	5.1250	Underwritten	25,400	-	930	24,470	-	24,470
Sub-total						**$ 248,315**	**$ -**	**$ 80,680**	**$ 167,635**	**$ -**	**$ 167,635**
Housing Bond Program											
2003 Series F (var)	12/01/2037	12/01/2022	0.0700	1.0900	Underwritten	$ 295	$ -	$ 20	$ 275	$ -	$ 275
2003 Series H	06/01/2043	12/01/2022	4.8750	5.1250	Underwritten	1,345	-	35	1,310	-	1,310
2008 Series A (var)	05/01/2048	07/01/2022	0.3200	1.7200	Private Placement	79,105	-	1,200	77,905	-	77,905
2009 Series B (var)	01/01/2044	07/01/2022	0.0900	1.6600	Underwritten	11,008	-	200	10,808	-	10,808
2009 Series C	12/01/2049	12/01/2022	4.4500	5.3500	Underwritten	18,715	-	375	18,340	-	18,340
2011 Series A	12/01/2041	12/01/2022	4.1000	5.3000	Underwritten	14,020	-	3,040	10,980	-	10,980
2012 Series A	12/01/2031	12/01/2022	2.5000	3.5000	Underwritten	20,900	-	1,720	19,180	-	19,180
2012 Series B	06/01/2053	12/01/2022	2.5000	4.0200	Underwritten	36,080	-	19,565	16,515	-	16,515
2012 Series C	06/01/2043	12/01/2022	3.4290	4.8360	Underwritten	12,270	-	4,550	7,720	-	7,720
2012 Series E	12/01/2054	12/01/2022	2.1500	3.7500	Underwritten	21,965	-	575	21,390	-	21,390
2012 Series F	06/01/2043	12/01/2022	2.1500	3.5000	Underwritten	540	-	10	530	-	530
2013 Series A	12/01/2041		3.1450	5.0860	Underwritten	12,470	-	12,470	-	-	-
2013 Series B	06/01/2056	12/01/2022	2.7500	4.5000	Underwritten	109,950	-	1,450	108,500	21	108,521
2013 Series C	12/01/2049	12/01/2022	3.1500	5.3500	Underwritten	21,875	-	13,595	8,280	-	8,280
2013 Series E	12/01/2054	12/01/2022	3.0000	5.2500	Underwritten	27,960	-	305	27,655	(27)	27,628
2013 Series F (var)	12/01/2038	12/01/2022	0.0300	1.0200	Underwritten	23,015	-	750	22,265	-	22,265
2014 Series A	12/01/2055	12/01/2022	2.4500	4.6000	Underwritten	19,815	-	1,965	17,850	-	17,850
2014 Series B	12/01/2047	06/01/2023	3.0500	4.7000	Underwritten	58,035	-	1,300	56,735	-	56,735
2014 Series C	12/01/2045	12/01/2022	3.3260	5.0000	Underwritten	1,260	-	90	1,170	-	1,170
2014 Series D	12/01/2054	12/01/2022	2.3000	4.2500	Underwritten	27,765	-	450	27,315	-	27,315
2014 Series E	12/01/2045	12/01/2022	2.7000	4.3500	Underwritten	3,615	-	90	3,525	-	3,525
2015 Series A	12/01/2048	12/01/2022	2.7500	4.5000	Underwritten	36,875	-	815	36,060	-	36,060
2015 Series B	12/01/2053	12/01/2022	2.9230	4.6140	Underwritten	18,195	-	540	17,655	-	17,655
2015 Series C	06/01/2055	12/01/2022	2.4000	4.2500	Underwritten	19,845	-	300	19,545	-	19,545
2015 Series D	12/01/2045	12/01/2022	2.3750	4.3000	Underwritten	34,245	-	385	33,860	-	33,860
2015 Series E	12/01/2045	12/01/2022	2.2500	4.2000	Underwritten	25,835	-	670	25,165	-	25,165
2015 Series G	12/01/2050	12/01/2022	2.0000	4.1000	Underwritten	47,640	-	955	46,685	-	46,685
2015 Series H	12/01/2050	12/01/2022	2.0000	4.1000	Underwritten	19,255	-	385	18,870	-	18,870
2016 Series A	12/01/2055	12/01/2022	1.7000	4.1000	Underwritten	23,795	-	305	23,490	-	23,490
2016 Series B	12/01/2048	12/01/2022	2.0500	4.2500	Underwritten	9,015	-	240	8,775	-	8,775
2016 Series C	12/01/2055	12/01/2022	2.9500	5.0000	Underwritten	17,715	-	295	17,420	-	17,420
2016 Series D	12/01/2048	12/01/2027	2.9000	3.4500	Underwritten	48,530	-	-	48,530	-	48,530
2016 Series E	12/01/2027	12/01/2022	2.2500	3.2000	Underwritten	9,150	-	1,370	7,780	-	7,780
2016 Series F	06/01/2057	12/01/2022	1.3500	3.6250	Underwritten	70,645	-	1,290	69,355	-	69,355
2016 Series G	12/01/2058	12/01/2022	3.8500	3.8500	Private Placement	9,680	-	110	9,570	-	9,570
2016 Series H	12/01/2046	12/01/2022	2.2500	4.4000	Underwritten	49,000	-	1,180	47,820	-	47,820
2016 Series I (var)	12/01/2056	06/01/2047	1.2863	2.5211	Private Placement	25,000	-	-	25,000	-	25,000
2017 Series A	12/01/2049	12/01/2022	2.1500	4.5500	Underwritten	64,350	-	7,955	56,395	-	56,395
2017 Series B	12/01/2028	12/01/2022	2.7500	3.8500	Underwritten	1,385	-	145	1,240	-	1,240
2017 Series C	12/01/2052	12/01/2022	1.6000	4.0500	Underwritten	41,830	-	750	41,080	-	41,080
2017 Series D	06/01/2059	12/01/2022	1.8000	4.0000	Underwritten	104,835	-	1,055	103,780	-	103,780
2018 Series A	06/01/2046	12/01/2022	2.0000	3.8500	Underwritten	26,775	-	715	26,060	-	26,060
2018 Series B (var)	06/01/2058	06/01/2046	1.1100	1.7900	Private Placement	25,000	-	-	25,000	-	25,000
2018 Series C	06/01/2040	12/01/2022	3.2530	4.7210	Underwritten	39,185	-	1,185	38,000	-	38,000
2018 Series D	12/01/2058	12/01/2022	2.0500	4.4500	Underwritten	50,980	-	665	50,315	-	50,315
2019 Series A	06/01/2061	12/01/2022	1.4500	3.6250	Underwritten	70,765	-	655	70,110	-	70,110
2019 Series B, Subseries 1	12/01/2056	12/01/2022	1.3500	3.3000	Underwritten	70,105	-	2,040	68,065	-	68,065
2019 Series B, Subseries 2	06/01/2023	06/01/2023	1.6000	1.6000	Underwritten	20,060	-	10,295	9,765	-	9,765
2019 Series B, Subseries 3	12/01/2059	12/01/2056	3.3000	3.3000	Private Placement	8,340	-	-	8,340	-	8,340
2019 Series B, Subseries 4	12/01/2022	12/01/2022	1.5000	1.5000	Private Placement	8,750	-	-	8,750	-	8,750
2019 Series C, Subseries 1	06/01/2062	12/01/2022	1.2500	3.3500	Underwritten	92,920	-	-	92,920	-	92,920
2019 Series C, Subseries 2	06/01/2023	06/01/2023	1.4500	1.4500	Underwritten	1,280	-	-	1,280	-	1,280
2019 Series D	06/01/2061	12/01/2022	1.9500	3.8400	Underwritten	13,860	-	135	13,725	(43)	13,682
2020 Series A, Subseries 1	06/01/2060	12/01/2022	0.8000	3.1000	Underwritten	94,710	-	-	94,710	260	94,970
2020 Series A, Subseries 2	12/01/2052	12/01/2022	0.6500	3.0000	Underwritten	11,260	-	270	10,990	44	11,034
2020 Series A, Subseries 3	12/01/2023	12/01/2023	0.8750	0.8750	Underwritten	27,000	-	-	27,000	-	27,000
2020 Series B	12/01/2040	12/01/2022	1.0000	3.3500	Underwritten	10,860	-	6,150	4,710	-	4,710
2020 Series C, Subseries 1	12/01/2062	12/01/2022	0.3500	2.9000	Underwritten	29,615	-	-	29,615	-	29,615
2020 Series C, Subseries 2	06/01/2023	12/01/2022	0.4000	0.5000	Underwritten	28,015	-	-	28,015	-	28,015
2020 Series C, Subseries 3	06/01/2063	06/01/2023	2.6000	2.6000	Private Placement	26,410	-	-	26,410	-	26,410

SCHEDULE 2: BONDS PAYABLE

In thousands of dollars

	Final Maturity Date	Next Scheduled Principal Payment Date	Interest % Rate Range From	To	Debt Type	Outstanding June 30, 2021	Issued and Compounded	Retired or Exchanged	Outstanding June 30, 2022	Unamortized Bond/Note Discount/Premium	Adjusted Totals
2020 Series C, Subseries 4	12/01/2023	06/01/2023	0.5000	0.5000	Private Placement	$ 10,020	-	-	$ 10,020	-	$ 10,020
2020 Series D, Subseries 1	06/01/2063	06/01/2024	0.5500	2.8000	Underwritten	63,210	-	-	63,210	-	63,210
2020 Series D, Subseries 2	12/01/2023	12/01/2023	0.4500	0.4500	Underwritten	2,980	-	$ 775	2,205	-	2,205
2020 Series E	12/01/2050	12/01/2022	0.5030	3.2650	Underwritten	49,880	-	8,115	41,765	-	41,765
2021 Series A, Subseries 1	12/01/2063	06/01/2024	0.3500	2.7000	Underwritten	50,655	-	-	50,655	-	50,655
2021 Series A, Subseries 2	12/01/2024	12/01/2023	0.3000	0.4500	Underwritten	42,595	-	-	42,595	-	42,595
2021 Series B, Subseries 1	12/01/2063	12/01/2024	0.5500	3.1000	Underwritten	-	$ 77,820	-	77,820	-	77,820
2021 Series B, Subseries 2	06/01/2026	06/01/2025	0.7500	0.9000	Underwritten	-	61,950	450	61,500	-	61,500
2021 Series C	12/01/2023	12/01/2023	0.5000	0.5000	Underwritten	-	8,805	-	8,805	-	8,805
2022 Series A, Subseries 1	12/01/2064	06/01/2024	2.0500	4.4000	Underwritten		23,850	-	23,850	-	23,850
2022 Series A, Subseries 2	12/01/2026	06/01/2024	2.1500	2.8000	Underwritten		49,115	-	49,115	-	49,115
2022 Series B	12/01/2034	06/01/2025	2.3000	3.7500	Underwritten		1,990	-	1,990	-	1,990
Sub-total						**$ 2,074,053**	**$ 223,530**	**$ 113,950**	**$ 2,183,633**	**$ 255**	**$ 2,183,888**
Single Family Housing Revenue Bond Program											
Series 76 (var)	12/01/2030		1.0000	1.0000	Underwritten	$ 12,360	$ -	$ 12,360	$ -	$ -	$ -
Series 156	12/01/2022		3.3750	3.5000	Underwritten	1,310	-	1,310	-	-	-
Series 157	12/01/2023		3.9000	3.9000	Underwritten	2,195	-	2,195	-	-	-
Series 159	12/01/2032		2.9000	4.0500	Underwritten	3,560	-	3,560	-	-	-
Series 160	12/01/2027	12/01/2022	3.2000	3.7000	Underwritten	5,215	-	1,790	3,425	11	3,436
Series 161	12/01/2027	12/01/2022	2.6000	3.1500	Underwritten	615	-	345	270	-	270
Series 162	12/01/2042	12/01/2022	2.4000	3.5000	Underwritten	55,290	-	37,250	18,040	46	18,086
Series 163	12/01/2033	12/01/2022	3.2000	4.0000	Underwritten	23,285	-	5,635	17,650	-	17,650
Series 165	12/01/2043	12/01/2022	2.5500	4.0000	Underwritten	9,745	-	2,680	7,065	96	7,161
Series 166	12/01/2026	06/01/2023	3.1410	3.7910	Underwritten	13,165	-	-	13,165	-	13,165
Series 167	12/01/2043	06/01/2029	4.0000	4.0000	Underwritten	3,570	-	2,170	1,400	265	1,665
Series 168	12/01/2026	12/01/2022	2.9500	4.0000	Underwritten	12,975	-	1,645	11,330	-	11,330
Series 169	12/01/2044	12/01/2022	2.9500	4.0000	Underwritten	3,525	-	1,760	1,765	316	2,081
Series 171	12/01/2044	12/01/2022	2.6500	4.0000	Underwritten	13,550	-	9,895	3,655	380	4,035
Series 172	06/01/2045	12/01/1935	4.0000	4.0000	Underwritten	17,515	-	12,895	4,620	824	5,444
Series 173	12/01/2026	12/01/2025	3.0000	3.1000	Underwritten	3,080	-	1,490	1,590	-	1,590
Series 174	12/01/2025	12/01/2022	3.0500	3.4000	Underwritten	11,545	-	2,540	9,005	-	9,005
Series 175	12/01/2045	06/01/2039	4.0000	4.1000	Underwritten	8,835	-	4,220	4,615	-	4,615
Series 176	12/01/2025	12/01/2024	2.9500	3.0000	Underwritten	3,120	-	-	3,120	-	3,120
Series 177	06/01/2039	12/01/2022	3.0000	4.0000	Underwritten	18,595	-	5,815	12,780	725	13,505
Series 178	06/01/2042	06/01/2031	3.5000	3.7000	Underwritten	28,715	-	15,210	13,505	931	14,436
Series 179	12/01/2025	12/01/2022	2.3000	2.9000	Underwritten	12,800	-	-	12,800	-	12,800
Series 180	06/01/2022		2.5000	3.5000	Underwritten	2,950	-	2,950	-	-	-
Series 181	12/01/2044	12/01/2036	4.0000	4.0000	Underwritten	21,845	-	17,040	4,805	710	5,515
Series 182	12/01/2028	12/01/2022	2.3500	3.3000	Underwritten	14,505	-	1,715	12,790	-	12,790
Series 183	12/01/2046	06/01/2031	2.8000	3.5000	Underwritten	23,980	-	13,045	10,935	889	11,824
Series 184	06/01/2027	12/01/2022	1.9000	2.6250	Underwritten	6,760	-	1,080	5,680	-	5,680
Series 185	12/01/2026	12/01/2022	2.4500	3.1500	Underwritten	34,295	-	24,835	9,460	-	9,460
Series 186	06/01/2039	12/01/2030	4.0000	4.0000	Underwritten	15,855	-	4,555	11,300	1,007	12,307
Series 187	12/01/2037	06/01/2033	3.5500	3.5500	Underwritten	40,705	-	30,565	10,140	-	10,140
Series 188	06/01/2043	12/01/2022	2.1000	4.0000	Underwritten	24,670	-	6,105	18,565	1,510	20,075
Series 190	12/01/2048	61/1/2041	3.6500	4.0000	Underwritten	31,610	-	16,560	15,050	1,136	16,186
Series 191	12/01/2028	12/01/2022	2.4000	3.1500	Underwritten	12,395	-	1,505	10,890	-	10,890
Series 192	12/01/2022	12/01/2022	0.0000	0.0000	Private Placement	14,800	-	-	14,800	-	14,800
Series 193	12/01/2029	12/01/2022	3.2500	3.9500	Underwritten	15,885	-	10,045	5,840	-	5,840
Series 195	12/01/2048	12/01/2022	2.2500	4.0000	Underwritten	12,380	-	2,775	9,605	518	10,123
Series 196 (var)	12/01/2048	06/01/2030	0.0200	0.9900	Underwritten	15,000	-	-	15,000	-	15,000
Series 197	06/01/2030	12/01/2022	3.3500	4.0500	Underwritten	7,545	-	1,460	6,085	-	6,085
Series 198	12/01/2034	12/01/2022	2.6000	3.8500	Underwritten	7,765	-	1,075	6,690	-	6,690
Series 199	12/01/2048	12/01/2037	4.0000	4.0000	Underwritten	11,700	-	2,490	9,210	540	9,750
Series 200 (var)	12/01/2048	12/01/2034	0.0200	0.9900	Underwritten	15,000	-	-	15,000	-	15,000
Series 201	12/01/1930	12/01/2022	3.4000	4.3000	Underwritten	11,870	-	8,105	3,765	-	3,765
Series 202	06/01/2034	06/01/2031	4.0500	4.0500	Underwritten	2,730	-	115	2,615	-	2,615
Series 203	12/01/2048	06/01/2024	4.5000	4.5000	Underwritten	10,165	-	1,980	8,185	580	8,765
Series 204 (var)	12/01/2048	06/01/2038	0.0400	0.9900	Underwritten	10,000	10,000	10,000	10,000	-	10,000
Series 205	06/01/2035	12/01/2022	2.7000	3.8000	Underwritten	16,915	-	6,795	10,120	-	10,120
Series 206	12/01/2036	12/01/2022	2.2000	3.4500	Underwritten	5,820	-	170	5,650	-	5,650
Series 207	06/01/2049	06/01/2037	4.0000	4.0000	Underwritten	17,695	-	3,975	13,720	1,033	14,753
Series 208 (var)	06/01/2049	06/01/2037	0.0200	0.9700	Underwritten	15,000	-	-	15,000	-	15,000
Series 209	06/01/2034	06/01/2023	1.9500	3.0000	Underwritten	13,455	-	520	12,935	-	12,935
Series 210	12/01/2036	12/01/2022	1.6000	3.0000	Underwritten	8,240	-	695	7,545	-	7,545
Series 211	12/01/2049	12/01/2036	2.6000	3.5000	Underwritten	18,895	-	2,485	16,410	1,167	17,577
Series 212 (var)	12/01/2049	12/01/2037	1.4500	1.4500	Underwritten	15,000	-	-	15,000	-	15,000
Series 213	12/01/2023	12/01/2022	1.6250	1.7000	Underwritten	3,160	-	1,445	1,715	-	1,715
Series 214	12/01/2049	12/01/2023	1.3500	5.0000	Underwritten	72,935	-	11,745	61,190	3,254	64,444
Series 215	12/01/2050	12/01/2022	0.9500	4.0000	Underwritten	40,320	-	3,755	36,565	1,658	38,223
Series 216 (var)	12/01/2050	06/01/2033	1.8500	1.8500	Underwritten	25,000	-	-	25,000	-	25,000
Series 217	12/01/2022	12/01/2022	5.0000	5.0000	Underwritten	2,220	-	1,470	750	160	910
Series 218	12/01/2050	06/01/2023	1.6000	5.0000	Underwritten	64,360	-	1,380	62,980	3,470	66,450
Series 219	12/01/2022	12/01/2022	5.0000	5.0000	Underwritten	2,800	-	2,650	150	137	287
Series 220	12/01/2050	12/01/2022	1.3500	5.0000	Underwritten	102,365	-	1,395	100,970	6,273	107,243
Series 221	12/01/2050	12/01/2022	1.4000	5.0000	Underwritten	71,230	-	1,050	70,180	4,347	74,527
Series 222	06/01/2051	12/01/2022	1.4500	5.0000	Underwritten	-	89,900	840	89,060	6,017	95,077
Series 223	06/01/2047	12/01/2022	1.3750	5.0000	Underwritten	-	70,860	-	70,860	3,953	74,813
Series 224	06/01/2050	06/01/2023	2.0000	5.0000	Underwritten		59,395	-	59,395	1,264	60,659
Sub-total						**$ 1,124,385**	**$ 230,155**	**$ 323,135**	**$ 1,031,405**	**$ 43,217**	**$ 1,074,622**

SCHEDULE 2: BONDS PAYABLE

In thousands of dollars

	Final Maturity Date	Next Scheduled Principal Payment Date	Interest % Rate Range From	To	Debt Type	Outstanding June 30, 2021	Issued and Compounded	Retired or Exchanged	Outstanding June 30, 2022	Unamortized Bond/Note Discount/Premium	Adjusted Totals
Residential Mortgage Revenue Bond Program											
2012 Series A	10/01/2042	10/01/2042	3.0270	3.0270	Underwritten	$ 12,540	$ -	$ 3,219	$ 9,321	$ 112	$ 9,433
2012 Series B	12/01/2042	12/01/2042	2.5270	2.5270	Underwritten	12,021	-	3,230	8,791	102	8,893
Sub-total						**$ 24,561**	**$ -**	**$ 6,449**	**$ 18,112**	**$ 214**	**$ 18,326**
Grand Total						**$ 3,635,854**	**$ 453,685**	**$ 526,754**	**$ 3,562,785**	**$ 43,686**	**$ 3,606,471**

SCHEDULE 3: NOTES AND OTHER INDEBTEDNESS

In thousands of dollars

	Scheduled Redemption Date	Interest % Rate Range From	To	Debt Type	Outstanding June 30, 2021	Issued and Compounded	Retired	Outstanding June 30, 2022	Unamortized Bond/Note Discount/Premium	Adjusted Totals
Working Capital Fund										
General Obligation Notes Payable										
Construction Loan Notes										
2017 Series B	12/01/2021	2.0500	2.0500	Underwritten	$ 20,045	$ -	$ 20,045	$ -	$ -	$ -
Sub-total					**$ 20,045**	**$ -**	**$ 20,045**	**$ -**	**$ -**	**$ -**
Direct Purchase (DP) Construction Loan Notes										
DP NOTE IS 4, BLK 2018C	09/01/2022	4.1700	4.1700	Direct Purchase	$ 30,990	$ -	$ -	$ 30,990	$ -	$ 30,990
DP NOTE IS 4, BLK 2020A	08/07/2024	1.7200	1.7200	Direct Purchase	40,000	-	-	40,000	-	40,000
DP NOTE IS 4, BLK 2022A	05/23/2025	3.5000	3.5000	Direct Purchase	-	41,200	-	41,200	-	41,200
DP NOTE IS 5, BLK 2018A	06/01/2022	4.1900	4.1900	Direct Purchase	24,565	-	24,565	-	-	-
DP NOTE IS 5, BLK 2019A	06/27/2022	3.2600	3.2600	Direct Purchase	52,535	-	52,535	-	-	-
DP NOTE IS 5, BLK 2019B	06/27/2022	4.1000	4.1000	Direct Purchase	9,600	-	9,600	-	-	-
DP NOTE IS 5, BLK 2021A	08/01/2022	1.0000	1.0000	Direct Purchase	-	2,000	-	2,000	-	2,000
DP NOTE IS 5, BLK 2021B	12/01/2022	1.0600	1.0600	Direct Purchase	-	2,906	-	2,906	-	2,906
DP NOTE IS 6, BLK 2019A	10/03/2022	3.5500	3.5500	Direct Purchase	13,570	-	-	13,570	-	13,570
DP NOTE IS 6, BLK 2019B	09/30/2021	4.2000	4.2000	Direct Purchase	29,840	-	29,840	-	-	-
DP NOTE IS 7, BLK 2020A	09/01/2023	2.1500	2.1500	Direct Purchase	11,679	20,603	-	32,282	-	32,282
DP NOTE IS 7, BLK 2020B	09/01/2023	2.1500	2.1500	Direct Purchase	-	4,465	-	4,465	-	4,465
Sub-total					**$ 212,779**	**$ 71,174**	**$ 116,540**	**$ 167,413**	**$ -**	**$ 167,413**
Single Family Housing Revenue Bond Program										
Single Family Housing Notes, Series 2021	12/01/2022	0.2500	0.2500	Underwritten	$ -	$ 100,000		$ 100,000	$ -	$ 100,000
Sub-total					**$ -**	**$ 100,000**	**$ -**	**$ 100,000**	**$ -**	**$ 100,000**
Grand Total					**$ 232,824**	**$ 171,174**	**$ 136,585**	**$ 267,413**	**$ -**	**$ 267,413**

SCHEDULE 4: Mortgage Backed Securities (MBS) Forward Contracts - Hedging Derivative Instruments

Forward Contracts to sell To Be Announced (TBA) MBS	Notional Amount	Trade Date	Delivery Date	Coupon Rate	Fair Value	Counterparty Credit Rating
June 30, 2022						
FNMA TBA AUG 2022	$ 5,000,000	6/15/2022	8/11/2022	5.00%	$ (41,406)	Aaa
FHLMC TBA AUG 2022	5,000,000	6/28/2022	8/11/2022	4.50%	(55,469)	Aaa
FNMA TBA AUG 2022	5,000,000	6/28/2022	9/14/2022	5.00%	(41,406)	Aaa
FHLMC TBA AUG 2022	5,000,000	6/28/2022	9/14/2022	5.50%	(44,531)	Aaa
Total June 30, 2022	$ 20,000,000				$ (182,812)	
June 30, 2021						
FHLMC TBA JUL 2021	$ 5,000,000	4/20/2021	7/14/2021	2.50%	$ (24,219)	Aaa
FHLMC TBA AUG 2021	5,000,000	5/24/2021	8/12/2021	2.50%	(5,469)	Aaa
FHLMC TBA AUG 2021	8,000,000	6/1/2021	8/12/2021	2.50%	(20,938)	Aaa
FNMA TBA AUG 2021	5,000,000	6/9/2021	8/12/2021	2.50%	195	Aaa
FHLMC TBA AUG 2021	3,000,000	6/14/2021	8/12/2021	2.00%	(2,813)	Aaa
FNMA TBA SEPT 2021	7,500,000	6/17/2021	9/10/2021	2.50%	(43,359)	Aaa
FNMA TBA SEPT 2021	2,000,000	6/28/2021	9/14/2021	2.00%	3,125	Aaa
FHLMC TBA AUG 2021	5,000,000	6/28/2021	8/12/2021	3.00%	781	Aaa
Total June 30, 2021	$ 40,500,000				$ (92,697)	

Supplemental Schedule 5
Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF NET POSITION
June 30, 2022

In thousands	Working Capital Fund and Affiliates	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	June 30, 2022
Assets								
Current assets								
Cash and cash equivalents	$ 217,880	$ 4,751	$ 38,558	$ 323,519	$ 184,004	$ 18		$ 768,730
Investments	96,046			298,169	142,642	638		537,495
Interest and fees receivable on construction and mortgage loans, net	1,340	458	629	6,623	1,338			10,388
Current portion of loans receivable, net	124,418	2,548	2,383	61,245	18,376			208,970
Interfund accounts receivable (payable)	342	(16)	(6)		(317)	(3)		
Other assets	11,987	4	26	1,006	1,739	51	$ (15)	14,798
Total current assets	**452,013**	**7,745**	**41,590**	**690,562**	**347,782**	**704**	**(15)**	**1,540,381**
Non-current assets								
Investments	208,786	63		59,149	425,335	17,045		710,378
Non-current portion of loans receivable, net	535,069	159,036	157,787	1,750,241	571,615			3,173,748
Escrowed funds	735,496	43		61			(34,185)	701,415
Hedging derivative instruments				1,127				1,127
Investment derivative instruments				78	757			835
Net Pension Asset	26,677							26,677
Other assets	99,327	6			501			99,834
Total non-current assets	**1,605,355**	**159,148**	**157,787**	**1,810,656**	**998,208**	**17,045**	**(34,185)**	**4,714,014**
Total assets	**2,057,368**	**166,893**	**199,377**	**2,501,218**	**1,345,990**	**17,749**	**(34,200)**	**6,254,395**
Deferred outflow of resources								
Pension and OPEB	12,174							12,174
Hedging derivative instruments	183			24				207
Total deferred outflow of resources	**12,357**			**24**				**12,381**
Total assets and deferred outflow of resource	**$ 2,069,725**	**$ 166,893**	**$ 199,377**	**$ 2,501,242**	**$ 1,345,990**	**$ 17,749**	**$ (34,200)**	**$ 6,266,776**
Liabilities								
Current liabilities								
Current portion of long term debt, net	$ 49,466	$ 1,536	$ 24,135	$ 86,215	$ 201,090	$ 638		$ 363,080
Obligation line of credit	25,000							25,000
Accrued interest payable	934	368	473	5,711	2,565	42		10,093
Other liabilities	23,617	293		29		15	$ (15)	23,939
Hedging derivative instruments	183							183
Total current liabilities	**99,200**	**2,197**	**24,608**	**91,955**	**203,655**	**695**	**(15)**	**422,295**
Non-current liabilities								
Non-current portion of long term debt, net	117,947	160,464	143,500	2,097,673	973,532	17,688		3,510,804
Long term-loan	16,363							16,363
Net pension and OPEB liability	12,001							12,001
Other liabilities	49,348			704				50,052
Escrowed funds payable	735,496	43		61			(34,185)	701,415
Hedging derivative instruments				24				24
Investment derivative instruments	6,678				65			6,743
Total non-current liabilities	**937,833**	**160,507**	**143,500**	**2,098,462**	**973,597**	**17,688**	**(34,185)**	**4,297,402**
Total liabilities	**1,037,033**	**162,704**	**168,108**	**2,190,417**	**1,177,252**	**18,383**	**(34,200)**	**4,719,697**
Deferred inflow of resources								
Pension and OPEB	31,100							31,100
Hedging derivative instruments				1,127				1,127
Sublease	1,231							1,231
Total deferred inflow of resources	**32,331**			**1,127**				**33,458**
Total liabilities and deferred inflow of resources	**1,069,364**	**162,704**	**168,108**	**2,191,544**	**1,177,252**	**18,383**	**(34,200)**	**4,753,155**
Commitments and contingencies								
Net position								
Restricted by bond resolutions		4,189	31,269	309,698	168,738	(634)		513,260
Restricted by contractual or statutory agreements	249,065							249,065
Unrestricted	751,296							751,296
Total net position	**$ 1,000,361**	**$ 4,189**	**$ 31,269**	**$ 309,698**	**$ 168,738**	**$ (634)**	**$ -**	**$ 1,513,621**

COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the fiscal year ended:
June 30, 2022

In thousands	Working Capital Fund and Affiliates	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	Fiscal 2022
Operating revenues								
Interest on loans	$ 18,665	$ 5,794	$ 8,594	$ 81,664	$ 17,929			$ 132,646
Investment earnings:								
Interest income	3,983	9	53	1,622	16,789	$ 653		23,109
Net (decrease) in fair value of investments	(11,860)			(2,930)	(44,241)	(2,314)		(61,345)
Fee income	81,705	138	361	2,009				84,213
Grant income	9,345							9,345
Other income	4,839			136	316		$ (886)	4,405
Total operating revenues	**106,677**	**5,941**	**9,008**	**82,501**	**(9,207)**	**(1,661)**	**(886)**	**192,373**
Operating expenses								
Interest on bonds and notes, net of discount/premium	7,042	4,881	7,351	66,983	24,664	(68)		110,853
Financing costs	208			3,141	2,596			5,945
Administrative expenses	67,508	17	8	1,728	5,575	19		74,855
Grant expenses	12,515						(800)	11,715
Other expenses (other expense recoveries)	336				(9)		(86)	241
Total operating expenses	**87,609**	**4,898**	**7,359**	**71,852**	**32,826**	**(49)**	**(886)**	**203,609**
Operating income (loss) before provision for (reduction to) loan losses	**19,068**	**1,043**	**1,649**	**10,649**	**(42,033)**	**(1,612)**		**(11,236)**
Provision for (reduction to) loan losses	9,410	196		(2,248)	65			7,423
Total Provision for (reduction to) loan losses	**9,410**	**196**		**(2,248)**	**65**			**7,423**
Operating income (loss) after provision for (reduction to) loan losses	**9,658**	**847**	**1,649**	**12,897**	**(42,098)**	**(1,612)**		**(18,659)**
Change in net position	**9,658**	**847**	**1,649**	**12,897**	**(42,098)**	**(1,612)**		**(18,659)**
Interfund transfers	37,012	(990)	(2,896)	(33,347)	283	(62)		
Net position at the beginning of the fiscal year (as restated)	953,691	4,332	32,516	330,148	210,553	1,040		1,532,280
Net position at the end of the fiscal year	**$ 1,000,361**	**$ 4,189**	**$ 31,269**	**$ 309,698**	**$ 168,738**	**$ (634)**	**$ -**	**$ 1,513,621**

Supplemental Schedule 5

Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF CASH FLOWS

For the fiscal year ended:
June 30, 2022

In thousands	Working Capital Fund and Affiliates	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	Fiscal 2022
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS								
Cash flows from operating activities:								
Collections on mortgage loans, construction loan repayments and loan sales	$ 1,240,821	$ 8,360	$ 100,336	$ 187,559	$ 77,819			$ 1,614,895
Loan advances to borrowers	(1,270,018)			(195,579)	(224,510)			(1,690,107)
Interest collections on construction loans	4,079			6,423				10,502
Fees collected	80,000	137	361	2,045				82,543
Cash payments to employees for services	(35,665)							(35,665)
Cash payments to other suppliers of goods and services	(18,475)	(95)	(8)	(1,021)	(5,788)	$ (19)		(25,406)
Grants received	9,345							9,345
Grants disbursed	(12,518)						$ 800	(11,718)
Other receipts (disbursements)	(22,668)	(18)		278			(800)	(23,208)
Net cash provided by (used for) operating activities	**(25,099)**	**8,384**	**100,689**	**(295)**	**(152,479)**	**(19)**		**(68,819)**
Cash flows from non-capital financing activities:								
Sale of bonds and notes and draw down on line of credit	161,174			223,530	342,014			726,718
Bond issuance / redemption costs	(208)			(3,141)	(2,727)			(6,076)
Retirement of bonds and notes and pay down on line of credit	(226,585)	(2,540)	(80,680)	(113,950)	(323,135)	(6,449)		(753,339)
Interest on bonds and notes	(7,429)	(4,858)	(7,615)	(66,881)	(30,862)	(588)		(118,233)
Fund transfers	38,156	(990)	(2,896)	(34,197)		(73)		
Net cash provided by (used for) non-capital financing activities	**(34,892)**	**(8,388)**	**(91,191)**	**5,361**	**(14,710)**	**(7,110)**		**(150,930)**
Cash flows from capital financing activities:								
Lease Payments	(4,770)							(4,770)
Sub-Lease Receipts	175							175
Net cash (used for) capital financing activities	**(4,595)**							**(4,595)**
Cash flows from investing activities:								
Purchase of investments	(201,937)			(432,672)	(234,424)			(869,033)
Proceeds from sales of investments	175,107	55		229,735	211,546	6,449		622,892
Investment earnings, net of rebate	4,689	6	27	2,285	17,061	671		24,739
Net cash provided by (used for) investing activities	**(22,141)**	**61**	**27**	**(200,652)**	**(5,817)**	**7,120**		**(221,402)**
Net increase (decrease) in cash and cash equivalents and escrows	(86,727)	57	9,525	(195,586)	(173,006)	(9)		(445,746)
Cash and cash equivalents and escrows at the beginning of the fiscal year	304,607	4,694	29,033	519,105	357,010	27		1,214,476
Cash and cash equivalents and escrows at end of the fiscal year	**$ 217,880**	**$ 4,751**	**$ 38,558**	**$ 323,519**	**$ 184,004**	**$ 18**	**$ -**	**$ 768,730**

Supplemental Schedule 5
Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF CASH FLOWS (continued)
For the fiscal year ended:
June 30, 2022

In thousands	Working Capital Fund and Affiliates	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	Fiscal 2022
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES								
Operating income (loss)	**$ 9,658**	**$ 847**	**$ 1,649**	**$ 12,897**	**$ (42,098)**	**$ (1,612)**	**$ -**	**$ (18,659)**
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:								
Amortization of bond original discount (premium), net				(27)	(6,134)	(641)		(6,802)
Depreciation and amortization	7,567							7,567
Provision for (reduction to) losses on loans, net	9,410	196		(2,248)	65			7,423
Recognition of fee income	(4,355)			(28)				(4,383)
Investment earnings	(3,983)	(9)	(53)	(1,622)	(16,789)	(653)		(23,109)
Change in fair value of investments	11,860			2,930	44,241	2,314		61,345
Interest expense on bonds and notes	7,042	4,881	7,351	67,010	30,568	573		117,425
Financing expenses	208			3,141	2,596			5,945
Changes in assets and liabilities:								
Decrease (increase) in loans receivable	(43,589)	2,543	91,376	(83,214)	(164,761)			(197,645)
Decrease (increase) in interest and fees receivable on loans	(390)	6	366	17	(355)			(356)
Decrease (increase) in interfund balances	(1,234)	4		849	381			
Decrease (increase) in other assets and other receivables	(48,550)	(12)		(11)	(193)		34,185	(14,581)
Increase (decrease) in accounts payable and other liabilities	31,257	(72)		11			(34,185)	(2,989)
Total adjustments	**(34,757)**	**7,537**	**99,040**	**(13,192)**	**(110,381)**	**1,593**	**-**	**(50,160)**
Net cash provided by (used for) operating activities	**$ (25,099)**	**$ 8,384**	**$ 100,689**	**$ (295)**	**$ (152,479)**	**$ (19)**	**$ -**	**$ (68,819)**

Supplemental Schedule 5
Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF NET POSITION
June 30, 2021

In thousands	Working Capital Fund and Affiliates	Rental Housing Mortgage Revenue Bond Program	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	June 30, 2021 (as restated)
Assets									
Current assets									
Cash and cash equivalents	$ 304,607		$ 4,694	$ 29,033	$ 519,105	$ 357,010	$ 27		$ 1,214,476
Investments	62,353				102,054	25,992	777		191,176
Interest and fees receivable on construction and mortgage loans, net	950		464	995	6,639	983			10,031
Current portion of loans receivable, net	250,512		2,366	3,666	37,483	14,973			309,000
Interfund accounts receivable (payable)	371		(12)	(6)	(1)	(349)	(3)		
Other assets	15,036			1	577	1,636	70	$ (27)	17,293
Total current assets	**633,829**		**7,512**	**33,689**	**665,857**	**400,245**	**871**	**(27)**	**1,741,976**
Non-current assets									
Investments	232,932		118		56,375	567,745	25,668		882,838
Non-current portion of loans receivable, net	373,277		161,956	247,879	1,688,541	410,321			2,881,974
Escrowed funds	727,180		31		55				727,266
Investment derivative instruments					11				11
Other assets	95,169		7			308			95,484
Total non-current assets	**1,428,558**		**162,112**	**247,879**	**1,744,982**	**978,374**	**25,668**		**4,587,573**
Total assets	**2,062,387**		**169,624**	**281,568**	**2,410,839**	**1,378,619**	**26,539**	**(27)**	**6,329,549**
Deferred outflow of resources									
Pension and OPEB	21,492								21,492
Hedging derivative instruments	93				4,325				4,418
Total deferred outflow of resources	**21,585**				**4,325**				**25,910**
Total assets and deferred outflow of resources	**$ 2,083,972**		**$ 169,624**	**$ 281,568**	**$ 2,415,164**	**$ 1,378,619**	**$ 26,539**	**$ (27)**	**$ 6,355,459**
Liabilities									
Current liabilities									
Current portion of long term debt, net	$ 167,575		$ 1,500	$ 3,490	$ 30,220	$ 157,100	$ 777		$ 360,662
Obligation line of credit	25,000								25,000
Accrued interest payable	1,322		345	737	5,541	2,838	57		10,840
Other liabilities	22,029		376		28		27	$ (27)	22,433
Hedging derivative instruments	93								93
Total current liabilities	**216,019**		**2,221**	**4,227**	**35,789**	**159,938**	**861**	**(27)**	**419,028**
Non-current liabilities									
Non-current portion of long term debt, net	65,249		163,040	244,825	2,044,115	1,004,777	24,638		3,546,644
Long term-loan	16,363								16,363
Net pension and OPEB liability	2,563								2,563
Other liabilities	60,983				732				61,715
Escrowed funds payable	727,180		31		55				727,266
Hedging derivative instruments					4,325				4,325
Investment derivative instruments	11,281					3,351			14,632
Total non-current liabilities	**883,619**		**163,071**	**244,825**	**2,049,227**	**1,008,128**	**24,638**		**4,373,508**
Total liabilities	**1,099,638**		**165,292**	**249,052**	**2,085,016**	**1,168,066**	**25,499**	**(27)**	**4,792,536**
Deferred inflow of resources									
Pension and OPEB	29,252								**29,252**
Sublease	1,391								**1,391**
Total deferred inflow of resources	**30,643**								**30,643**
Total liabilities and deferred inflow of resources	**1,130,281**		**165,292**	**249,052**	**2,085,016**	**1,168,066**	**25,499**	**(27)**	**4,823,179**
Commitments and contingencies									
Net position									
Restricted by bond resolutions			4,332	32,516	330,148	210,553	1,040		578,589
Restricted by contractual or statutory agreements	248,255								248,255
Unrestricted	705,436								705,436
Total net position	**$ 953,691**		**$ 4,332**	**$ 32,516**	**$ 330,148**	**$ 210,553**	**$ 1,040**		**$ 1,532,280**

Supplemental Schedule 5

Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the fiscal year ended:
June 30, 2021

In thousands	Working Capital Fund and Affiliates	Rental Housing Mortgage Revenue Bond Program	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	Fiscal 2021 (as restated)
Operating revenues									
Interest on loans	$ 17,365	$ 1,797	$ 6,676	$ 12,371	$ 83,713	$ 14,934			$ 136,856
Investment earnings:									
Interest income	3,699		3	7	1,392	23,355	$ 971		29,427
Net increase (decrease) in fair value of investments	(13,385)	62			(731)	(15,865)	(1,312)		(31,231)
Fee income	90,569		139	387	2,237				93,332
Grant income	12,800								12,800
Other income	25,927				115			$ (700)	25,342
Total operating revenues	**136,975**	**1,859**	**6,818**	**12,765**	**86,726**	**22,424**	**(341)**	**(700)**	**266,526**
Operating expenses									
Interest on bonds and notes, net of discount/premium	8,072	1,238	5,476	9,838	65,196	28,724	224		118,768
Financing costs	238				4,145	2,649			7,032
Administrative expenses	68,956	31	7	7	1,113	4,685	19		74,818
Grant expenses	4,246							(700)	3,546
Other expenses (other expense recoveries)	1,082					(441)			641
Total operating expenses	**82,594**	**1,269**	**5,483**	**9,845**	**70,454**	**35,617**	**243**	**(700)**	**204,805**
Operating income (loss) before provision for loan losses	**54,381**	**590**	**1,335**	**2,920**	**16,272**	**(13,193)**	**(584)**		**61,721**
Provision for loan losses	21,153				405	338			21,896
Total Provision for loan losses	**21,153**				**405**	**338**			**21,896**
Operating income (loss) after provision for loan losses	**33,228**	**590**	**1,335**	**2,920**	**15,867**	**(13,531)**	**(584)**		**39,825**
Change in net position	**33,228**	**590**	**1,335**	**2,920**	**15,867**	**(13,531)**	**(584)**		**39,825**
Interfund transfers	26,093	(11,459)	(2,222)	(2,937)	(9,472)	109	(112)		
Net position at the beginning of the fiscal year	892,521	10,869	5,219	32,533	323,753	223,975	1,736		1,490,606
Cumulative effect of GASB 87 adjustments to Net Position	1,849								1,849
Net position at the end of the fiscal year	**$ 953,691**		**$ 4,332**	**$ 32,516**	**$ 330,148**	**$ 210,553**	**$ 1,040**		**$ 1,532,280**

Supplemental Schedule 5

Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF CASH FLOWS

For the fiscal year ended:
June 30, 2021

In thousands	Working Capital Fund and Affiliates	Rental Housing Mortgage Revenue Bond Program	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	Fiscal 2021 (as restated)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS									
Cash flows from operating activities:									
Collections on mortgage loans, construction loan repayments and loan sales	$ 1,379,694	$ 3,600	$ 21,538	$ 52,988	$ 222,171	$ 85,329			$ 1,765,320
Loan advances to borrowers	(1,572,933)				(209,354)	(186,196)			(1,968,483)
Interest collections on construction loans	5,875								5,875
Fees collected	89,461		139	398	2,254				92,252
Cash payments to employees for services	(35,251)								(35,251)
Cash payments to other suppliers of goods and services	(52,663)	(25)	(74)	(7)	(929)	(4,749)	$ (19)		(58,466)
Grants received	12,800								12,800
Grants disbursed	(4,193)							$ 700	(3,493)
Miscellaneous receipts (disbursements)	14,579		66		260			(700)	14,205
Net cash provided by (used for) operating activities	**(162,631)**	**3,575**	**21,669**	**53,379**	**14,402**	**(105,616)**	**(19)**		**(175,241)**
Cash flows from non-capital financing activities:									
Sale of bonds and notes and draw down on line of credit	255,427				304,000	290,095			849,522
Bond issuance / redemption costs	(238)				(4,145)	(2,539)			(6,922)
Retirement of bonds and notes and pay down on line of credit	(197,468)	(22,185)	(23,174)	(40,300)	(90,150)	(185,280)	$ (15,684)		(574,241)
Interest on bonds and notes	(7,478)	(1,353)	(5,527)	(9,970)	(64,913)	(33,064)	(887)		(123,192)
Fund transfers	20,254	16,205	6,308	(2,937)	(39,704)		(126)		
Net cash provided by (used for) non-capital financing activities	**70,497**	**(7,333)**	**(22,393)**	**(53,207)**	**105,088**	**69,212**	**(16,697)**		**145,167**
Cash flows from capital financing activities:									
Acquisition of capital assets									
Lease Payments	(4,698)								(4,698)
Sub-Lease Receipts	172								172
Net cash (used for) capital financing activities	**(4,526)**								**(4,526)**
Cash flows from investing activities:									
Purchase of investments	(246,036)				(398,392)	(25,578)			(670,006)
Proceeds from sales of investments	92,210		1		334,105	325,485	15,684		767,485
Investment earnings, net of rebate	3,774		3	7	3,867	24,158	1,015		32,824
Net cash provided by (used for) investing activities	**(150,052)**		**4**	**7**	**(60,420)**	**324,065**	**16,699**		**130,303**
Net increase (decrease) in cash and cash equivalents and escrows	(246,712)	(3,758)	(720)	179	59,070	287,661	(17)		95,703
Cash and cash equivalents and escrows at the beginning of the fiscal year	551,319	3,758	5,414	28,854	460,035	69,349	44		1,118,773
Cash and cash equivalents and escrows at end of the fiscal year	**$ 304,607**		**$ 4,694**	**$ 29,033**	**$ 519,105**	**$ 357,010**	**$ 27**		**$ 1,214,476**

Supplemental Schedule 5

Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF CASH FLOWS
(continued)

For the fiscal year ended:
June 30, 2021

In thousands	Working Capital Fund and Affiliates	Rental Housing Mortgage Revenue Bond Program	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	Fiscal 2021 (as restated)
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES									
Operating income (loss)	**$ 35,077**	**$ 590**	**$ 1,335**	**$ 2,920**	**$ 15,867**	**$ (13,531)**	**$ (584)**		**$ 41,674**
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:									
Amortization of bond original discount (premium), net					(19)	(4,427)	(627)		(5,073)
Depreciation and amortization	16,604								16,604
Provision for losses on loans	21,153				405	338			21,896
Recognition of fee income	(4,166)				(28)				(4,194)
Investment earnings	(3,699)		(3)	(7)	(1,392)	(23,355)	(971)		(29,427)
Change in fair value of investments	13,385	(62)			731	15,865	1,312		31,231
Interest expense on bonds and notes	8,072	1,238	5,476	9,838	65,215	33,151	851		123,841
Financing expenses	238				4,145	2,649			7,032
Changes in assets and liabilities:									
Decrease (increase) in loans receivable	(206,058)	1,794	14,611	40,447	(70,623)	(117,101)			(336,930)
Decrease (increase) in interest and fees receivable on loans	(30)	9	114	181	(227)	(63)			(16)
Decrease (increase) in interfund balances	(207)	6			328	(127)			
Decrease (increase) in other assets and other receivables	(171,013)					985			(170,028)
Increase in accounts payable and other liabilities	128,013		136						128,149
Total adjustments	**(197,708)**	**2,985**	**20,334**	**50,459**	**(1,465)**	**(92,085)**	**565**		**(216,915)**
Net cash provided by (used for) operating activities	**$ (162,631)**	**$ 3,575**	**$ 21,669**	**$ 53,379**	**$ 14,402**	**$ (105,616)**	**$ (19)**		**$ (175,241)**