



**UNAUDITED FINANCIAL
INFORMATION**

March 31, 2026

I, Michell Bosch, hereby certify that the information contained herein is true and accurate to the best of my knowledge and belief. The enclosed unaudited financial statements were prepared in accordance with GAAP.

Michell Bosch
Signature

May 22, 2026
Date

If you are a person with a disability and need an accessible version of this document, please contact THDA's 504 Coordinator at RARRequest@thda.org

TENNESSEE HOUSING DEVELOPMENT AGENCY
SCHEDULES OF NET POSITION
(Expressed in Thousands)
(Unaudited)

March 31, 2026

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2026
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 137,266	\$ 20,332	\$ 1,197	\$ 440,206	\$ 599,001
Investments	-	1,387	1,729	123,693	126,809
Investment in Real Estate Owned (REO) properties	-	-	-	5,660	5,660
Receivables:					
Accounts	10,082	67	24	2,100	12,273
Interest	24	6	191	21,400	21,621
Loans held for resale	4,516	-	-	-	4,516
First and second mortgage loans	-	2,606	1,657	81,265	85,528
Due from federal government	10,494	-	-	-	10,494
Due from other state funds	277	-	-	-	277
Due from other funds	-	-	-	18,665	18,665
Total current assets	162,659	24,398	4,798	692,989	884,844
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	22,483	-	10	278	22,771
Investments	-	-	5,880	111,253	117,133
Investment interest receivable	-	-	80	1,014	1,094
Investments	-	-	-	417,799	417,799
First mortgage loans receivable	8	47,230	33,153	3,021,499	3,101,890
Allowance for non-performing first mortgage loans	-	-	(7)	(544)	(551)
Second mortgage loans receivable	-	-	-	137,467	137,467
Allowance for uncollectable second mortgages	-	-	-	(5,214)	(5,214)
Unamortized service release premium of in-house mortgages	1,281	-	-	26,241	27,522
Unearned service release premium	3,651	-	-	-	3,651
Advance to local government	3,146	-	-	-	3,146
Allowance for doubtful accounts	(3,146)	-	-	-	(3,146)
Net OPEB asset	128	-	-	-	128
Capital assets:					
Furniture and equipment	16,058	-	-	-	16,058
Less accumulated depreciation	(12,864)	-	-	-	(12,864)
Total noncurrent assets	30,745	47,230	39,116	3,709,793	3,826,884
Total assets	193,404	71,628	43,914	4,402,782	4,711,728
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount on refundings	-	-	-	20	20
Deferred outflows related to pensions	3,902	-	-	-	3,902
Deferred outflows related to OPEB	228	-	-	-	228
Deferred outflows related to defeased bonds	-	-	-	789	789
Total deferred outflows of resources	4,130	-	-	809	4,939

TENNESSEE HOUSING DEVELOPMENT AGENCY
SCHEDULES OF NET POSITION
(Expressed in Thousands)
(Unaudited)

March 31, 2026

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2026
LIABILITIES					
Current liabilities:					
Accounts payable	8,549	12	-	-	8,561
Compensated absences	1,583	-	-	-	1,583
Interest payable	13	-	226	38,271	38,510
Escrow deposits	24,503	-	-	-	24,503
Prepayments on mortgage loans	6	-	18	2,130	2,154
Line of credit payable	4,251	-	-	-	4,251
Due to other funds	17,990	224	451	-	18,665
Bonds payable	-	-	2,420	155,010	157,430
Total current liabilities	56,895	236	3,115	195,411	255,657
Noncurrent liabilities:					
Bonds payable	-	-	23,606	3,572,877	3,596,483
Compensated absences	4,016	-	-	-	4,016
Net pension liability	2,107	-	-	-	2,107
Escrow deposits	15,162	72	-	5	15,239
Arbitrage rebate payable	-	-	-	1,944	1,944
Unearned revenue	109,407	834	-	16,292	126,533
Total noncurrent liabilities	130,692	906	23,606	3,591,118	3,746,322
Total liabilities	187,587	1,142	26,721	3,786,529	4,001,979
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	1,100	-	-	-	1,100
Deferred inflows related to OPEB	1,461	-	-	-	1,461
Total deferred inflows of resources	2,561	-	-	-	2,561
NET POSITION					
Investment in capital assets	3,193	-	-	-	3,193
Restricted for single family bond programs	-	11,298	17,194	617,062	645,554
Restricted for grant programs	-	-	-	-	-
Restricted for Homebuyers Revolving Loan Program	8	-	-	-	8
Restricted for net OPEB asset	128	-	-	-	128
Unrestricted	4,057	59,188	-	-	63,245
Total net position	\$ 7,386	\$ 70,486	\$ 17,194	\$ 617,062	\$ 712,128

TENNESSEE HOUSING DEVELOPMENT AGENCY
SCHEDULES OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
(Expressed in Thousands)
(Unaudited)

For the Nine Months Ended March 31, 2026

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2026
OPERATING REVENUES					
Mortgage interest income	\$ 340	\$ -	\$ 792	\$ 102,731	\$ 103,863
Investment income:					
Interest	1,581	280	217	27,690	29,768
Net increase in the fair value of investments	-	130	20	35,889	36,039
Federal grant administration fees	17,598	-	-	-	17,598
Fees and other income	19,143	302	10	908	20,363
Total operating revenues	38,662	712	1,039	167,218	207,631
OPERATING EXPENSES					
Salaries and benefits	27,036	-	-	-	27,036
Contractual services	13,462	-	-	-	13,462
Materials and supplies	2,027	-	-	-	2,027
Rentals and insurance	24	-	-	-	24
Other administrative expenses	470	-	-	-	470
Other program expenses	4,349	153	-	1,607	6,109
Interest expense	131	-	580	103,701	104,412
Issuance costs	-	-	-	1,456	1,456
Amortization: service release premium	123	-	-	-	123
Total operating expenses	47,622	153	580	106,764	155,119
Operating income (loss)	(8,960)	559	459	60,454	52,512
NONOPERATING REVENUES (EXPENSES)					
Federal grants revenue	344,728	-	-	-	344,728
Federal grants expenses	(344,429)	-	-	-	(344,429)
Local grants expenses	(5,648)	-	-	-	(5,648)
Total nonoperating revenues (expenses)	(5,349)	-	-	-	(5,349)
Income (loss) before transfers	(14,309)	559	460	60,454	47,164
Transfers to other funds	-	(9,131)	-	-	(9,131)
Transfers from other funds	5,769	-	8	3,354	9,131
Change in net position	(8,540)	(8,572)	468	63,808	47,164
Total net position, July 1	15,926	79,058	16,726	553,254	664,964
Total net position, End of Period	\$ 7,386	\$ 70,486	\$ 17,194	\$ 617,062	\$ 712,128

TENNESSEE HOUSING DEVELOPMENT AGENCY
SCHEDULES OF CASH FLOWS
(Expressed in Thousands)
(Unaudited)

For the Nine Months Ended March 31, 2026

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2026
Cash flows from operating activities:					
Receipts from customers	\$ 157	\$ 3,056	\$ 3,936	\$ 338,901	\$ 346,050
Receipts from federal government	16,650	-	-	-	16,650
Receipts from other funds	-	224	451	11,796	12,471
Other miscellaneous receipts	19,143	302	10	908	20,363
Acquisition of mortgage loans	-	-	-	(282,828)	(282,828)
Payments to suppliers	(44,060)	(151)	-	(3,167)	(47,378)
Payments to primary government	(100)	-	-	-	(100)
Payments to other funds	(12,471)	-	-	-	(12,471)
Payments to or for employees	(28,523)	-	-	-	(28,523)
Net cash provided (used) by operating activities	(49,204)	3,431	4,397	65,610	24,234
Cash flows from non-capital financing activities:					
Operating grants received	390,951	-	-	-	390,951
Transfers in (out)	5,769	(9,131)	8	3,354	-
Proceeds from sale of bonds	-	-	-	268,820	268,820
Operating grants paid	(365,592)	-	-	-	(365,592)
Cost of issuance paid	-	-	-	(1,456)	(1,456)
Principal payments	-	-	(5,130)	(416,185)	(421,315)
Interest paid	(137)	-	(1,020)	(152,253)	(153,410)
Net cash provided (used) by non-capital financing activities	30,991	(9,131)	(6,142)	(297,720)	(282,002)
Cash flows from investing activities:					
Proceeds from sales and maturities of investments	-	1,225	7,183	414,415	422,823
Purchases of investments	-	(1,385)	(8,134)	(259,183)	(268,702)
Investment interest received	1,581	280	161	30,127	32,149
Increase in fair value of investments subject to fair value reporting and classified as cash equivalents	-	125	23	8,258	8,406
Net cash provided (used) by investing activities	1,581	245	(767)	193,617	194,676
Net decrease in cash and cash equivalents	(16,632)	(5,455)	(2,512)	(38,493)	(63,092)
Cash and cash equivalents, July 1	176,381	25,787	3,719	478,977	684,864
Cash and cash equivalents, March 31	\$ 159,749	\$ 20,332	\$ 1,207	\$ 440,484	\$ 621,772

TENNESSEE HOUSING DEVELOPMENT AGENCY
SCHEDULES OF CASH FLOWS (cont.)
(Expressed in Thousands)
(Unaudited)

For the Nine Months Ended March 31, 2026

	Operating Group	Mortgage Finance Program	Housing Finance Program Bonds	Residential Finance Program Bonds	Total 3/31/2026
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (8,960)	\$ 559	\$ 459	\$ 60,454	\$ 52,512
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
Accounts receivable	(489)	621	93	1,301	1,526
Mortgage interest receivable	2	28	10	(4,527)	(4,487)
Unamortized service release premium of in-house mortgages	752	-	-	(1,561)	(809)
Unearned service release premium	(232)	-	-	-	(232)
Loans held for resale	(34)	-	-	-	(34)
Mortgage loans receivable	-	2,575	3,044	(44,952)	(39,333)
Due from federal government	(948)	-	-	-	(948)
Interfund receivables	-	224	451	11,796	12,471
Interfund payables	(12,471)	-	-	-	(12,471)
Accounts payable	(20,675)	2	(3)	34	(20,642)
Accrued payroll / compensated absences	(1,163)	-	-	-	(1,163)
Due to primary government	(100)	-	-	-	(100)
Unearned revenue	(3,454)	(168)	-	1,486	(2,136)
Line of credit payable	18	-	-	-	18
Arbitrage rebate liability	-	-	-	1	1
Investment income included as operating revenue	(1,581)	(410)	(237)	(63,579)	(65,807)
Interest expense included as operating expense	131	-	580	103,701	104,412
Issuance cost included as operating expense	-	-	-	1,456	1,456
Total adjustments	(40,244)	2,872	3,938	5,156	(28,278)
Net cash provided (used) by operating activities	\$ (49,204)	\$ 3,431	\$ 4,397	\$ 65,610	\$ 24,234
Noncash investing, capital, and financing activities:					
Increase in fair value of investments	\$ -	\$ 93	\$ 44	\$ 8,290	\$ 8,427
Total noncash investing, capital, and financing activities	\$ -	\$ 93	\$ 44	\$ 8,290	\$ 8,427