New Hampshire Housing Finance Authority

Financial Statements and Management’s Discussion and Analysis as of and for the Year Ended June 30, 2023 and Independent Auditors’ Report
# NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

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INDEPENDENT AUDITORS’ REPORT

To the Members of
New Hampshire Housing Finance Authority

Opinion

We have audited the accompanying financial statements of New Hampshire Housing Finance Authority (NH Housing), which comprise the statement of net position as of June 30, 2023, the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of NH Housing as of June 30, 2023, and the changes in net position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 NH Housing 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 opinion.

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 NH Housing’s ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.
To the Members of
New Hampshire Housing Finance Authority

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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 NH Housing’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 NH Housing’s ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.
To the Members of  
New Hampshire Housing Finance Authority

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise NH Housing’s basic financial statements. The Supplemental Combining Schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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 Combining Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Boku Newman & Noyes LLC  
Manchester, New Hampshire  
September 28, 2023
New Hampshire Housing Finance Authority (NH Housing) was created by Chapter 204-C of the Revised Statutes Annotated of New Hampshire and provides financial and technical assistance to create and preserve decent, affordable housing for low and moderate-income New Hampshire residents. NH Housing finances single family and multi-family housing for eligible persons and families in the state by either purchasing mortgage loans from lending institutions or granting loans directly to eligible borrowers. Historically, the resources required to fund single family loans have been generated through the issuance of bonds and NH Housing continues to have significant capacity to issue tax-exempt bonds. Based on market conditions, in fiscal year 2013 NH Housing transitioned to a secondary market program whereby single family loans are sold directly to the Federal National Mortgage Association (Fannie Mae) or pooled into mortgage-backed securities (MBS) guaranteed by the Government National Mortgage Association (Ginnie Mae) and sold. NH Housing uses forward commitments to hedge interest rate risk related to secondary market sales. In fiscal year 2023, NH Housing resumed issuing tax-exempt bonds to fund single family loans, with those loans securitized into Ginnie Mae MBS that are acquired with bond proceeds.

Fannie Mae is a government-sponsored enterprise with a public mission to provide stability in and to increase the liquidity of the residential market for homebuyers. NH Housing is a Fannie Mae Seller/Servicer and sells whole loans to Fannie Mae for cash.

Ginnie Mae, through its mortgage-backed securities programs, guarantees securities that are backed by pools of mortgages and issued by mortgage lenders approved by Ginnie Mae. Security holders receive a “pass-through” of the principal and interest payments on a pool of mortgage loans, less amounts required to cover servicing costs and Ginnie Mae guaranty fees. The Ginnie Mae guaranty ensures that the security holder receives the timely payment of scheduled monthly principal and any unscheduled recoveries of principal on the underlying mortgage loans, plus interest at the rate provided for in the securities. If a borrower fails to make a timely payment on a mortgage loan, NH Housing must use its own funds to ensure that the security holders receive timely payment.

Multi-family housing has been financed through the issuance of bonds and the allocation of other resources as noted below. Since fiscal year 2013, NH Housing has also sold 100% participation interests in multi-family loans to third party investors. In addition to private entities, the investors include the Federal Financing Bank, an instrumentality of the Federal government. A requirement of these sales of loan participations has been that the loans be insured through a Federal mortgage insurance program whereby NH Housing bears a portion of the risk of loss on defaulted and foreclosed loans.

In addition to the above lending activity, NH Housing offers and administers a variety of programs to provide affordable housing opportunities such as Federal rental assistance programs, predevelopment loans to stimulate the development of multi-family and supportive housing, Low Income Housing Tax Credits and the HOME Investment Partnership Program.

The accompanying financial statements present NH Housing’s net position, revenue and expenses and changes in net position, and cash flows as of and for the year ended June 30, 2023. The enclosed supplemental combining schedules found on pages 30 – 43 present the statements of net position, revenue, expenses and changes in net position, and cash flows for NH Housing’s general funds and each of the single family and multi-family bond programs.

The following is a condensed summary of financial information as of June 30, 2023 and 2022.
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

Management's Discussion and Analysis of Net Position and Operating Results (Continued)

June 30, 2023

Condensed Financial Information – Statement of Net Position (in thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>As of June 30</th>
<th>Increase (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
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<tr>
<td>Cash and cash equivalents</td>
<td>$16,468</td>
<td>$50,001</td>
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<tr>
<td>Cash held in escrow</td>
<td>68,177</td>
<td>100,197</td>
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<tr>
<td>Investments</td>
<td>253,789</td>
<td>148,774</td>
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<tr>
<td>Loans receivable, net</td>
<td>404,793</td>
<td>337,504</td>
</tr>
<tr>
<td>Loans held for sale</td>
<td>16,151</td>
<td>10,465</td>
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<tr>
<td>Accrued interest receivable on mortgage and construction loans and loans held for sale</td>
<td>2,459</td>
<td>2,197</td>
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<tr>
<td>Real estate owned, net</td>
<td>223</td>
<td>188</td>
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<tr>
<td>Other assets</td>
<td>23,849</td>
<td>24,669</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>785,909</td>
<td>673,995</td>
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<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
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<tr>
<td>Bonds payable</td>
<td>473,610</td>
<td>355,086</td>
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<tr>
<td>Accrued interest payable</td>
<td>7,580</td>
<td>5,294</td>
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<tr>
<td>Notes payable</td>
<td>30,754</td>
<td>18,997</td>
</tr>
<tr>
<td>Accrued and other liabilities</td>
<td>89,470</td>
<td>99,799</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>601,414</td>
<td>479,176</td>
</tr>
<tr>
<td><strong>Net Position</strong></td>
<td>$184,495</td>
<td>$194,819</td>
</tr>
</tbody>
</table>

Discussion of Changes in the Statement of Net Position

NH Housing’s net position consists primarily of assets and liabilities related to the issuance of bond indebtedness in support of both single family and multi-family housing. Consequently, the most significant assets are the mortgage loans receivable financed through bond issuance and the funds held in short-term investments awaiting either the purchase of mortgage loans or MBS, or the redemption of outstanding bonds. NH Housing’s statement of net position also includes a portfolio of mortgage and construction loans financed through its general funds, as well as a variety of other assets such as investments, mortgage loan servicing rights, property and equipment, and other receivables.

Total assets of NH Housing increased by $111.9 million, or 16.6%, during the year ended June 30, 2023, primarily the net result of:

- Cash and cash equivalents decreased by $33.5 million as cash used for operating activities, capital and related financing activities, and investing activities exceeded cash provided by noncapital financing activities. See “Cash Flows” below.

- Cash held in escrow decreased by $32 million, due primarily to a $33 million decrease in escrow funds held in federal and state grant programs awaiting disbursement and a $2.3 million decrease in escrow funds held for single-family program loans, offset by a $3.2 million increase in escrow funds held for multi-family projects.
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

Management's Discussion and Analysis
of Net Position and Operating Results (Continued)

June 30, 2023

- Investments increased by $105 million, due primarily to an increase of $35 million in the general funds related largely to grant funds awaiting disbursement; increases of $53.1 million and $25.5 million awaiting loan funding in the multi-family and single family bond programs, respectively; and an increase of $41.3 million in Ginnie Mae MBS held as collateral in the single-family bond programs, all offset by a decrease of $49.9 million related to balances held in bond issues for debt service and other purposes.

- Loans receivable increased by $67.3 million as originations of loans held by NH Housing of $116.1 million exceeded principal payments of $48.8 million. The principal payments received included $37 million of payments received in advance of scheduled repayment. New loan purchases of $95.7 million in the multi-family bond programs contributed significantly to the increase in the loans receivable balance.

- Loans held for sale in the secondary market or to be transferred to bond issues increased by $5.7 million. During the year ended June 30, 2023, $133.3 million in loans were exchanged for Ginnie Mae securities with $92.2 million then sold in the secondary market and $41.1 million transferred to tax-exempt bond issues. Loans totaling $36.7 million were sold to Fannie Mae.

Total liabilities of NH Housing increased by $122.2 million, or 25.5%, during the year ended June 30, 2023, primarily the net result of:

- Bonds outstanding increased by $118.5 million as new issuances of $164.4 million exceeded redemptions, both scheduled and prior to scheduled maturity, of $45.7 million. NH Housing issued $102.7 million of multi-family bonds to finance new projects and $61.7 million of single family bonds.

- Accrued interest payable increased by $2.3 million due to an increase in bonds payable in both the single family and multi-family bond programs.

- Notes payable reflect the use of a bank line of credit to fund single family mortgage loan acquisitions in advance of secondary market disposition or bond issue acquisition, and short-term construction loans for multi-family housing projects. The $11.8 million increase is due to a $7.1 million increase in multi-family construction loans and a $4.7 million increase related to single family loans.

- Accrued and other liabilities decreased by $10.3 million related primarily to an $11.5 million decrease in funds held in connection with federally-sponsored emergency rental assistance and homeownership programs, a $2.1 million decrease in escrow funds held in connection with single family loans and a $3.3 million increase in escrow funds held for multi-family project disbursements. NH Housing has contracted with the State of New Hampshire to administer the Federal Emergency Rental Assistance and Homeowner Assistance Fund programs on behalf of the State. The programs make funds available to mitigate financial hardships suffered by New Hampshire residents due to the coronavirus pandemic. Funds received by NH Housing are recorded as grant revenue and expense as they are disbursed.

The net position of NH Housing decreased by $10.3 million, or 5.3%, as a result of the excess of expenses over revenue for the year ended June 30, 2023 discussed in detail under “Discussion of Changes in the Operating Results for the Year Ended June 30, 2023 Compared to the Year Ended June 30, 2022.”
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

Management’s Discussion and Analysis
of Net Position and Operating Results (Continued)

June 30, 2023

Condensed Financial Information – Operating Results (in thousands of dollars)

<table>
<thead>
<tr>
<th>Operating Revenue</th>
<th>As of June 30</th>
<th>Increase (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and fees on mortgage and construction loans</td>
<td>$ 22,986</td>
<td>$ 21,552</td>
</tr>
<tr>
<td>and loans held for sale</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on sale of loans and mortgage-backed securities</td>
<td>3,789</td>
<td>15,793</td>
</tr>
<tr>
<td>Investment income, net</td>
<td>7,864</td>
<td>(929)</td>
</tr>
<tr>
<td>Housing management fees</td>
<td>7,780</td>
<td>6,491</td>
</tr>
<tr>
<td>Federal rental assistance programs</td>
<td>114,886</td>
<td>104,814</td>
</tr>
<tr>
<td>Grants and subsidies</td>
<td>184,228</td>
<td>211,724</td>
</tr>
<tr>
<td>Other</td>
<td>6,460</td>
<td>6,519</td>
</tr>
<tr>
<td>Total operating revenue</td>
<td>347,993</td>
<td>365,964</td>
</tr>
</tbody>
</table>

| Operating Expenses                                     |               |                     |                    |
| Bond interest expense and debt financing costs         | 13,884        | 11,764              | 2,120              |
| Administrative expenses                                | 23,149        | 20,853              | 2,296              |
| Loan origination expenses                             | 2,401         | 4,025               | (1,624)            |
| Loan servicing expenses                               | 3,100         | 3,005               | 95                 |
| Federal rental assistance programs                     | 114,886       | 105,124             | 9,762              |
| Grants and subsidies                                  | 200,635       | 196,576             | 4,059              |
| Other                                                  | 262           | 279                 | (17)               |
| Total operating expenses                               | 358,317       | 341,626             | 16,691             |

| Change in net position                                 | (10,324)      | 24,338              | (34,662)           |

| Net position, beginning of year                        | 194,819       | 170,481             | 24,338             |

| Net position, end of year                              | $184,495      | $194,819            | $(10,324)           |

Discussion of Changes in the Operating Results for the Year Ended June 30, 2023 Compared to the Year Ended June 30, 2022

NH Housing’s operating revenue consists primarily of interest and fees on mortgage and construction loans and loans held for sale, gain on sale of loans and mortgage-backed securities, investment income and revenue received to administer and support Federal rental assistance programs. Operating expenses consist primarily of bond interest expense and debt financing costs, administrative expenses, loan origination and servicing expenses, and expenditures related to Federal rental assistance programs. In addition, NH Housing receives and distributes grants and subsidies in support of a variety of housing-related initiatives.
NH Housing’s change in net position for the year ended June 30, 2023 was $(10.3) million compared to $24.3 million for the year ended June 30, 2022. The $34.7 million decrease was the net effect of an $18 million decrease in operating revenue and a $16.7 million increase in operating expenses. Significant changes leading to the $34.7 million decrease included:

- A $12 million decrease in gain on sale of loans and mortgage backed securities due to decreased secondary market volume related to market conditions and the transition of loan activity to the bond-based business model, as well as reduced profitability on the sales of securities.
- An $8.8 million increase in investment income due to increased investment balances, as explained above, and increased short-term investment yields.
- A $2.1 million increase in bond interest expense and debt financing costs primarily due to increased bonds outstanding in the multi-family bond programs.
- A $1.7 million decrease in loan origination fees due to a decrease of program volume in the FNMA and GNMA secondary market lending programs as noted above.
- A $0.3 million increase in the difference between revenues and expenses related to the timing of receipts and disbursements in federal rental assistance programs.
- A $31.6 million decrease in the difference between revenues and expenses related to grants and subsidies activity, as follows:

<table>
<thead>
<tr>
<th>Year Ended June 30</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants and subsidies revenue</td>
<td>$184,228</td>
<td>$211,724</td>
</tr>
<tr>
<td>Grants and subsidies expense</td>
<td>200,635</td>
<td>196,576</td>
</tr>
<tr>
<td>Net grants and subsidies activity</td>
<td>$(16,407)</td>
<td>$15,148</td>
</tr>
</tbody>
</table>

The $(31.6) million difference in net grants and subsidies activity is primarily due to a $38.1 million decrease in revenue over expenses in a state funded multi-family housing program and a $3.3 million increase in revenue over expenses in a state funded lead abatement program, both due to the timing of program receipts and disbursements; a $3.8 million decrease in the net expenditures in a single family downpayment assistance program; and a $0.6 million decrease in net program revenue over expenses in all other grant programs.
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY
Management’s Discussion and Analysis
of Net Position and Operating Results (Continued)
June 30, 2023

Cash Flows

The statement of cash flows, which summarizes the changes in NH Housing’s statement of net position and the results of its operations in terms of cash and cash equivalents, shows a $33.5 million decrease in cash and cash equivalents between June 30, 2022 and June 30, 2023. As evident in the Supplemental Combining Schedule of Cash Flows on pages 33 and 34, the decrease in cash and cash equivalents is attributable primarily to the general funds, in which cash used for operating activities, capital and related financing activities, and investing activities exceeded cash provided by noncapital financing activities. In the general funds, operating activities include all lending, programmatic and administrative activities not directly supported by bond issuance; capital and related financing activities include additions to property and equipment; noncapital financing activities relate to the proceeds and repayments of notes payable; and investing activities include the purchase, sale and maturity of investments as well as receipt of investment income. In the single family and multi-family bond programs, operating activities include primarily loan receipts and disbursements; noncapital financing activities include bond issuance, bond repayment and debt service payments; and investing activities include the purchase, sale and maturity of investments as well as receipt of investment income.

Significant Long-Term Debt Activity

NH Housing is authorized to issue bonds, the outstanding balance of which cannot exceed $2 billion, under the laws of the State of New Hampshire. NH Housing has issued bonds for both single family and multi-family housing, the outstanding balance of which totaled $473.6 million at June 30, 2023. During the year ended June 30, 2023, NH Housing issued $61.7 million of single family bonds and $102.7 million of multi-family bonds. Based on scheduled maturities, NH Housing redeemed during the year $8.4 million of single family program bonds and $7.5 million of multi-family program bonds. NH Housing also redeemed during the year ended June 30, 2023, prior to scheduled maturities, $15.8 million of single family program bonds and $13.9 million of multi-family program bonds. The bond redemptions prior to scheduled maturities resulted from the repayment of mortgage loans prior to scheduled maturities.

Additional Information

The purpose of this financial report is to provide information needed to understand NH Housing’s financial position and results of operations as of and for the year ended June 30, 2023.

Inquiries for additional information may be directed to the Managing Director, Finance/CFO at New Hampshire Housing Finance Authority, 32 Constitution Drive, Bedford, New Hampshire 03110, at (603) 472-8623 or at www.nhhfa.org.
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

STATEMENT OF NET POSITION

June 30, 2023

(In thousands of dollars)

**ASSETS**

Current assets:
- Cash and cash equivalents $16,468
- Cash held in escrow 68,177
- Short-term investments 191,602
- Accrued interest receivable on investments 433
- Current portion of mortgage and construction loans receivable 21,696
- Loans held for sale, at lower of cost or fair value 16,151
- Accrued interest receivable on mortgage and construction loans and loans held for sale 2,459
- Real estate owned, net 223
- Other current assets 10,309
  
  Total current assets 327,518

Long-term investments:
- Mortgage-backed securities 41,759
- Other long-term investments 20,428
  
  Total long-term investments 62,187

Loans receivable:
- Mortgage loans 389,658
- Construction loans 16,137
- Less allowance for possible losses (1,002)
- Loans receivable, net 404,793
- Less current portion of loans receivable (21,696)
- Long term portion of loans receivable 383,097
  
  Other assets:
- Mortgage loan servicing rights, net 6,981
- Property and equipment, net 4,150
- Other 1,976
  
  Total other assets 13,107

Total assets 785,909

**LIABILITIES**

Current liabilities:
- Current portion of bonds payable 15,180
- Accrued interest payable 7,580
- Notes payable 30,754
- Current portion of accrued and other liabilities 87,275
  
  Total current liabilities 140,789

Long-term liabilities:
- Bonds payable, net of current portion 458,430
- Accrued and other liabilities 2,195
  
  Total long-term liabilities 460,625

Total liabilities 601,414

Commitments and contingent liabilities (Notes 8 and 12)

**NET POSITION**

- Invested in capital assets, net of related debt 4,150
- Restricted 117,823
- Unrestricted 62,522
  
  Total net position $184,495

See notes to financial statements.
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION

Year Ended June 30, 2023

(In thousands of dollars)

**OPERATING REVENUE:**

<table>
<thead>
<tr>
<th>Revenue Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and fees on mortgage and construction loans and loans held for sale</td>
<td>$22,986</td>
</tr>
<tr>
<td>Gain on sale of loans and mortgage-backed securities</td>
<td>3,789</td>
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<tr>
<td>Servicing revenue</td>
<td>5,861</td>
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<tr>
<td>Investment income, net</td>
<td>7,864</td>
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<tr>
<td>Housing management fees</td>
<td>7,780</td>
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<tr>
<td>Federal rental assistance programs</td>
<td>114,886</td>
</tr>
<tr>
<td>Grants and subsidies</td>
<td>184,228</td>
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<tr>
<td>Other</td>
<td>599</td>
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</table>

**Total operating revenue** 347,993

**OPERATING EXPENSES:**

<table>
<thead>
<tr>
<th>Expense Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond interest expense and debt financing costs</td>
<td>13,884</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>23,149</td>
</tr>
<tr>
<td>Loan origination expenses</td>
<td>2,401</td>
</tr>
<tr>
<td>Loan servicing expenses</td>
<td>3,100</td>
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<tr>
<td>Federal rental assistance programs</td>
<td>114,886</td>
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<tr>
<td>Grants and subsidies</td>
<td>200,635</td>
</tr>
<tr>
<td>Other</td>
<td>262</td>
</tr>
</tbody>
</table>

**Total operating expenses** 358,317

**CHANGE IN NET POSITION**

Net position, beginning of year 194,819

**NET POSITION, END OF YEAR** 184,495

See notes to financial statements.
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

STATEMENT OF CASH FLOWS

Year Ended June 30, 2023
(In thousands of dollars)

Cash flows from operating activities:
  Loan repayments received $ 43,832
  Loan interest income and servicing revenue received 30,031
  Proceeds from sale of loans and mortgage-backed securities 180,577
  Federal rental assistance program receipts 114,886
  Grants and subsidies receipts 184,228
  Other receipts 54,643
  Loan disbursements (291,908)
  Purchase of loan servicing rights (1,087)
  Payments to vendors (11,732)
  Payments to employees (12,604)
  Federal rental assistance program disbursements (114,886)
  Grants and subsidies disbursements (200,635)
  Other disbursements (29,664)

  Net cash used for operating activities (54,319)

Cash flows from noncapital financing activities:
  Proceeds from issuance of bonds 164,366
  Principal repayment of bonds (45,670)
  Proceeds from notes payable 191,032
  Repayment of notes payable (179,275)
  Interest paid (11,770)

  Net cash provided by noncapital financing activities 118,683

Cash flows from capital and related financing activities:
  Reductions to property and equipment (416)

  Net cash used for capital and related financing activities (416)

Cash flows from investing activities:
  Purchase of investment securities (424,590)
  Proceeds from sale and maturities of investment securities 323,203
  Investment income received 3,906

  Net cash used for investing activities (97,481)

Net decrease in cash and cash equivalents (33,533)

Cash and cash equivalents, beginning of year 50,001

Cash and cash equivalents, end of year $ 16,468

(Continued)
Reconciliation of change in net position to net cash used for operating activities:

<table>
<thead>
<tr>
<th>Change in net position</th>
<th>$ (10,324)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjustments to reconcile change in net position to net cash used for operating activities:</td>
<td></td>
</tr>
<tr>
<td>Amortization of servicing rights</td>
<td>1,738</td>
</tr>
<tr>
<td>Mortgage loan servicing rights capitalized</td>
<td>(1,087)</td>
</tr>
<tr>
<td>Depreciation of property and equipment</td>
<td>434</td>
</tr>
<tr>
<td>Investment income, net</td>
<td>(7,864)</td>
</tr>
<tr>
<td>Bond interest expense and debt financing costs</td>
<td>13,884</td>
</tr>
</tbody>
</table>

Changes in operating assets and liabilities:

| Loans receivable | (66,471) |
| Loans held for sale | (2,262) |
| Accrued interest – loans | (370) |
| Other assets | 23,196 |
| Accrued and other liabilities | (5,193) |

Net cash used for operating activities $ (54,319)

Supplemental disclosures of noncash information:

| Real estate acquired through foreclosure | $ 1,271 |

See notes to financial statements. (Concluded)
1. **Organization and Nature of Operations**

New Hampshire Housing Finance Authority (NH Housing) is a body politic and corporate authorized by Chapter 204-C of the Revised Statutes Annotated of New Hampshire. The initial legislation and subsequent amendments grant NH Housing the power to sell bonds and use the proceeds to stimulate the construction and rehabilitation of housing for low and moderate-income families in New Hampshire (the State).

NH Housing finances single family and multi-family housing for eligible persons and families in the State through the issuance of bonds and the secondary market sale of mortgage-backed securities or loans. NH Housing purchases single family mortgage loans from lending institutions and originates loans directly. Multi-family loans are originated directly. All such loans are generally collateralized by residential real estate located within the State.

Under the terms of the single family bond programs, bond holders are protected from possible losses on mortgage loans by primary mortgage insurance policies, government-backed guarantee programs and by mortgage pool insurance policies. Certain of these arrangements involve risk-sharing agreements under which NH Housing bears a portion of the risk of loss when actual losses on defaulted and foreclosed loans exceed certain levels. Under the terms of a number of multi-family bond programs, the bond issues are further protected from possible losses on mortgage loans by a Federal mortgage insurance program. This program involves risk-sharing arrangements by which NH Housing bears a portion of the risk of loss on defaulted and foreclosed loans (see Note 12 for further discussion).

2. **Summary of Significant Accounting Policies**

*Basis of Presentation* – NH Housing’s financial statements have been prepared on the basis of the proprietary-fund concept which pertains to financial activities that operate in a manner similar to private business enterprises and are financed primarily through fees and charges assessed to the users of the services. NH Housing follows the accrual basis of accounting promulgated by the Governmental Accounting Standards Board (GASB) using, when applicable, funds and accounts stipulated under bond resolutions adopted in connection with the issuance of bonds.

The financial statements encompass NH Housing’s general funds and both single family and multi-family bond programs. The general funds account for assets, liabilities, and transactions that are not generally governed by provisions of bond resolutions. The single family bond programs encompass various bond issues that were issued in accordance with the General Single Family Mortgage Acquisition Revenue Bond Resolution adopted by NH Housing on March 23, 1995, the General Single Family Mortgage Acquisition Revenue Bond Resolution (Non-MBS) adopted by NH Housing on June 25, 2009 and the General Single Family Mortgage Acquisition Revenue Bond Resolution adopted by NH Housing on August 25, 2022.
2. **Summary of Significant Accounting Policies (Continued)**

The multi-family bond programs encompass various bond issues that were issued in accordance with the Multi-family Housing Bond Resolution adopted by NH Housing on April 27, 2000, the General Multi-family Housing Bond Resolution adopted by NH Housing on November 17, 2009, and the General Multi-family Housing Bond Resolution adopted by NH Housing on September 28, 2017.

The financial statements comply with the provisions of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, in that the financial statements include all the organizations, activities and functions for which NH Housing (the reporting entity) is financially accountable. Determination of financial accountability includes, among other factors, appointment of a voting majority of the component’s governing body and (1) ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to, or impose a financial burden on, NH Housing. Based on the preceding criteria, the accompanying financial statements do not include the financial activities of any entity other than NH Housing.

*Use of Estimates* – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

*Restricted Assets* – All of the assets within bond program funds are pledged for payment against the various bond indentures. Certain assets in the general funds are restricted as to purpose by entities other than NH Housing, primarily the State and the U.S. Department of Housing and Urban Development (HUD).

*Mortgage Loans and Allowances for Possible Losses* – Loans are stated at the principal amounts outstanding, net of allowances for possible losses. Interest income on loans is recorded on the accrual basis. The recording of interest income on problem loans ceases when collectability within a reasonable period of time becomes doubtful.

The allowance for loan losses is increased by charges to expense and decreased by charge-offs (net of recoveries). Management’s periodic evaluation of the adequacy of the allowance is based on NH Housing’s past loan loss experience, known and inherent risks in the portfolio, adverse situations that may affect the borrower’s ability to repay, estimated value of any underlying collateral, existing mortgage insurance and current economic conditions.

*Loans Held for Sale* – Loans originated or acquired and intended for sale in the secondary market are carried at the lower of aggregate cost or market value.
2. Summary of Significant Accounting Policies (Continued)

_Investments_ – Short-term investments consist of debt securities, nonparticipating guaranteed investment contracts, collateralized repurchase agreements and money market funds. Long-term investments consist of debt securities with fixed maturities in excess of one year. Debt securities are recorded at fair value based on quoted market prices. Interest income on investments is recorded on the accrual basis. Nonparticipating guaranteed investment contracts and collateralized repurchase agreements are recorded at the contract value.

_Mortgage Loan Servicing Rights_ – The cost of acquiring the rights to service mortgage loans from loan originators is capitalized and amortized in proportion to, and over the period of, estimated net servicing income. NH Housing makes an assessment of mortgage servicing rights based on the fair value of those rights. For purposes of measuring impairment, NH Housing stratifies mortgage servicing rights based on the age of the underlying loans. The amount of impairment, if any, is the amount by which the carrying amount of the capitalized mortgage servicing rights for a stratum exceeds its fair value. Fair value represents the present value of the anticipated net cash flows from servicing the loans.

_Property and Equipment_ – NH Housing uses a capitalization limit of $5 for developed software and $1 for all other items of property and equipment. Property and equipment are stated at cost, less accumulated depreciation. Depreciation is provided for using the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from 3 to 45 years.

_Real Estate Owned_ – Real estate owned consists of single family and multi-family residential properties acquired through foreclosure that are carried at the lower of cost or fair value less estimated costs to sell. An allowance for losses on real estate owned is maintained for estimated losses and valuation adjustments on a specific property basis.

_Bonds_ – Bonds payable are general and limited obligations of NH Housing and are not a debt or liability of the State or any subdivisions thereof. Each bond issue is secured, as described in the applicable trust indenture, by all revenues, moneys, investments, mortgage loans and other assets in the accounts of the program. The provisions of the applicable trust indentures require or allow for redemption of bonds through the use of unexpended bond proceeds and excess funds accumulated primarily through prepayment of mortgage loans. All outstanding bonds are subject to redemption at the option of NH Housing, in whole or in part at any time after certain dates, as specified in the respective series indentures. To date, NH Housing has issued only bonds with fixed interest rates established at issuance.

_Bond Discounts and Premiums_ – Discounts and premiums on bonds payable are amortized to interest expense over the lives of the respective bond issues using the effective interest method.

_Arbitrage Rebate_ – Federal income tax rules limit the investment yield that NH Housing may retain from investing the proceeds and other funds related to its tax-exempt bond issues. The excess yield is payable to the U.S. Treasury and included in accrued and other liabilities in the accompanying statement of net position. There was no liability as of June 30, 2023.
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 2023

(In thousands of dollars)

2. Summary of Significant Accounting Policies (Continued)

Operating Revenue and Expenses – NH Housing’s primary operation is to fund single family
and multi-family loans with proceeds from the issuance of bonds or the sale of loans and
mortgage-backed securities. NH Housing’s primary sources of operating revenue are the
income from mortgage loans or other permitted investments and the sale of loans and mortgage-
backed securities. The primary operating expenses are the bond interest expense associated
with bonds outstanding and the costs of originating loans.

NH Housing also administers various Section 8 subsidized housing programs in the State for
HUD. NH Housing receives federal financial assistance to provide rental subsidies to program
participants and to cover program administration costs. A portion of the subsidies are disbursed
on behalf of program participants who reside in housing developments on which NH Housing
holds a mortgage, some of which are loans financed through the issuance of multi-family
program bonds. The financial assistance received and disbursed on behalf of program
participants is reflected as both an operating revenue and expense. The financial assistance
that covers program administration costs is included in housing management fees.

NH Housing receives various other pass-through grants to support housing programs. In
addition to these pass-through funds, NH Housing also makes various grants to both
organizations and individuals for housing-related purposes.

Investment Derivative Instruments – Forward commitments to deliver mortgage-backed
securities are used to hedge changes in fair value of mortgage loans held for sale and
commitments to acquire or originate mortgage loans to be held for sale. These contracts are
considered investment derivative instruments, as defined in GASB Statement No. 53,
Accounting and Financial Reporting for Derivative Instruments. Changes in the fair value of
investment derivative instruments are included in investment income.

Interfund Transfers – NH Housing makes transfers between its various funds and programs,
primarily for the infusion of cash into new bond issue programs and the withdrawal of cash from
bond issues as permitted by the bond resolutions. All interfund receivables and payables are
eliminated from the financial statements.

3. Loans Receivable, Related Allowances, and Concentrations

Mortgage Loans – Mortgage loans receivable provide for monthly receipts of principal and
interest for terms of 10 to 42 years and bear interest at annual rates of 0% to 8.375%.
3. **Loans Receivable, Related Allowances, and Concentrations (Continued)**

*Allowance for Possible Losses* – The activity in the allowance for possible losses on mortgage and construction loans, other assets and GNMA loss liabilities during fiscal 2023 is summarized as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance – June 30, 2022</td>
<td>$3,036</td>
</tr>
<tr>
<td>Balance attributable to:</td>
<td></td>
</tr>
<tr>
<td>Mortgage and construction loans</td>
<td>$1,020</td>
</tr>
<tr>
<td>Real estate owned</td>
<td>270</td>
</tr>
<tr>
<td>Other liabilities – GNMA loss liability</td>
<td>1,746</td>
</tr>
<tr>
<td>Total</td>
<td>3,036</td>
</tr>
<tr>
<td>Provision for loan losses</td>
<td>–</td>
</tr>
<tr>
<td>Write-offs, net</td>
<td>(27)</td>
</tr>
<tr>
<td>Balance – June 30, 2023</td>
<td>$3,009</td>
</tr>
<tr>
<td>Balance attributable to:</td>
<td></td>
</tr>
<tr>
<td>Mortgage and construction loans</td>
<td>$1,002</td>
</tr>
<tr>
<td>Real estate owned</td>
<td>229</td>
</tr>
<tr>
<td>Other liabilities – GNMA loss liability</td>
<td>1,778</td>
</tr>
<tr>
<td>Total</td>
<td>$3,009</td>
</tr>
</tbody>
</table>

NH Housing services both single family and multi-family mortgage loans on behalf of others and such loans are not reported on the Statement of Net Position. NH Housing services single family loans that it securitizes and sells as Ginnie Mae mortgage-backed securities and it also services loans sold directly to Fannie Mae. As of June 30, 2023, NH Housing serviced $880,848 of loans held in Ginnie Mae mortgage-backed securities and $319,571 of loans held by Fannie Mae. NH Housing is exposed to operational risks with respect to the loans sold to Ginnie Mae and Fannie Mae as discussed further in Note 12.

The majority of single family mortgage loans either securitized and sold or sold directly by NH Housing are acquired from a network of mortgage loan originators. For the year ended June 30, 2023, loans acquired from three originating lenders amounted to 50.3% of the sold loan volume, contributing 0.5% of NH Housing’s total operating revenue and 15.78% of its change in net position.

NH Housing also originates and services FHA risk-share insured multi-family mortgage loans for which it sells 100% participation interests. As of June 30, 2023, NH Housing serviced $129,926 of multi-family mortgage loans for five investors.
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 2023

(In thousands of dollars)

4. Cash and Investments

Cash and Cash Equivalents – At June 30, 2023, the carrying amount of NH Housing’s bank deposits was $16,468, such amount representing cash bank deposits. Bank balances of cash deposits held in the general funds totaled $17,169. Of such deposits, $250 was insured by the Federal Deposit Insurance Corporation, while deposits aggregating $16,919 were uninsured.

Bank balances of cash deposits held in bond funds totaled $360, and $250 was insured by the Federal Deposit Insurance Corporation.

At June 30, 2023, the carrying amount of NH Housing’s restricted cash (cash held in escrow) was $68,177. The restricted cash bank balance was $68,818, which was uninsured.

A bank provides an irrevocable stand-by letter of credit issued by the Federal Home Loan Bank of Pittsburgh as additional security for uninsured cash balances. The letter of credit collateralized $85,279 of deposits as of June 30, 2023.

Investments – In accordance with the terms of its investment policy and its bond indentures, NH Housing may invest, subject to various restrictions, in direct obligations of the United States, United States government-sponsored enterprise (GSE) securities, guaranteed investment contracts, collateralized repurchase agreements, money market funds comprised of direct obligations of the United States or GSE debt obligations, collateralized certificates of deposit and interest-bearing time deposits, and certain direct and general obligations of any state or governmental entity of the United States. The majority of investments are restricted for the repayment of bond obligations or to satisfy certain reserve requirements specified by the bond indentures.

Guaranteed investment contracts are uncollateralized contracts with qualified financial institutions and registered broker-dealers insured by the Securities Investor Protection Corporation (SIPC). Although the nominal maturity dates of the guaranteed investment contracts are closely matched with future bond maturities and loan disbursements, the contracts have short-term liquidity and termination provisions. U.S. Treasury Notes and U.S. Treasury Bills (UST), Federal Farm Credit Bank (FFCB), Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA) and Government National Mortgage Association (GNMA) obligations are in NH Housing’s name and held by third parties.

Short-Term Investments – Short-term investments at June 30, 2023 consist of the following investments with maturities of less than one year:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guaranteed investment contracts (at contract value)</td>
<td>$33,414</td>
</tr>
<tr>
<td>Collateralized repurchase agreements (at contract value)</td>
<td>970</td>
</tr>
<tr>
<td>U.S. Treasury obligation money market funds (at fair value)</td>
<td>69,638</td>
</tr>
<tr>
<td>UST obligations (at fair value)</td>
<td>87,580</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$191,602</strong></td>
</tr>
</tbody>
</table>


NEW HAMPSHIRE HOUSING FINANCE AUTHORITY
NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 2023
(In thousands of dollars)

4. **Cash and Investments (Continued)**

*Long-Term Investments* – Long-term investments at June 30, 2023 with their credit quality ratings as issued by Moody’s Investors Service as of the date of this report, consist of the following (at fair value), all maturing in excess of one year, with maturities ranging from 2024 to 2053.

<table>
<thead>
<tr>
<th>Investment</th>
<th>Rating</th>
<th>1 – 5</th>
<th>6 – 10</th>
<th>11 – 15</th>
<th>16 – 30</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FFCB obligations</td>
<td>Aaa</td>
<td>$ 716</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>$ 716</td>
</tr>
<tr>
<td>FHLB obligations</td>
<td>Aaa</td>
<td>2,327</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>2,327</td>
</tr>
<tr>
<td>FHLMC obligations</td>
<td>Aaa</td>
<td>–</td>
<td>1,320</td>
<td>–</td>
<td>–</td>
<td>1,320</td>
</tr>
<tr>
<td>FNMA obligations</td>
<td>Aaa</td>
<td>1,208</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>1,208</td>
</tr>
<tr>
<td>GNMA obligations</td>
<td>Aaa</td>
<td>–</td>
<td>–</td>
<td>41,759</td>
<td>–</td>
<td>41,759</td>
</tr>
<tr>
<td>UST obligations</td>
<td>Aaa</td>
<td>6,888</td>
<td>6,425</td>
<td>–</td>
<td>1,544</td>
<td>14,857</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>$11,139</td>
<td>$7,745</td>
<td>–</td>
<td>$43,303</td>
<td>$62,187</td>
</tr>
</tbody>
</table>

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. NH Housing invests primarily in guaranteed investment contracts and collateralized repurchase agreements that provide for withdrawal of funds at par over the lives of the contracts. The portfolio of UST, FFCB, FHLB, FHLMC, FNMA and GNMA investments is subject to fair value fluctuations. The balance in money market funds at June 30, 2023 includes amounts withdrawn from guaranteed investment contracts and collateralized repurchase agreements to satisfy July 1, 2023 scheduled debt service payments.

*Credit Risk* – Credit risk is the risk that an investment issuer will not fulfill its obligations. Credit risk is measured by the credit quality ratings of issuers as described by nationally recognized rating organizations. NH Housing requires providers of guaranteed investment contracts to have and maintain a long-term unsecured debt obligation rating or claims paying ability rating sufficient to support the applicable NH Housing bond rating. In the event of an investment provider rating downgrade that will impact the applicable NH Housing bond rating, NH Housing may request the provider to deliver collateral sufficient to maintain the NH Housing bond rating or terminate the contract.

*Custodial Credit Risk* – Custodial credit risk is the risk that, in the failure of a counterparty, NH Housing will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. NH Housing’s policy requires collateralized repurchase agreement providers to be members of the Federal Deposit Insurance Corporation or the Association of Primary Dealers in United States Government Securities and the collateral provided must be direct obligations of the United States or GSE debt obligations, have a maintained market value of not less than 102% of the repurchase agreement maturity value and be delivered to a third party custodian acting as a fiduciary on behalf of NH Housing.
4. **Cash and Investments (Continued)**

Repurchase agreement collateral held by Wells Fargo Bank, National Association:
  Government National Mortgage Association mortgage pools (at fair value) $ 1,040

**Concentration of Credit Risk** – Concentration of credit risk is the risk of loss that may be attributed to the magnitude of investment in a single issue or a single issuer. NH Housing does not place limits on the amount of investment in a single issue or a single issuer. Investments in issuers that represent 5% or more of total short and long-term investments at June 30, 2023, with their credit quality ratings as issued by Moody’s Investors Service as of the date of this report, are as follows:

<table>
<thead>
<tr>
<th>Rating</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bayerische Landesbank Girozentrale Aa3</td>
<td>$ 20,378</td>
</tr>
<tr>
<td>Natixis Funding Corporation Aa3</td>
<td>14,006</td>
</tr>
<tr>
<td>Government National Mortgage Association Aaa</td>
<td>41,759</td>
</tr>
<tr>
<td>Government National Mortgage Association Aaa</td>
<td>41,759</td>
</tr>
<tr>
<td>Fidelity Institutional Money Market Funds Aaa-mf</td>
<td>69,638</td>
</tr>
<tr>
<td>U.S. Treasury obligations Aaa</td>
<td>102,437</td>
</tr>
</tbody>
</table>

Total $248,218

5. **Other Assets**

Other assets at June 30, 2023 consist of the following:

<table>
<thead>
<tr>
<th>Item</th>
<th>Current</th>
<th>Long Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable</td>
<td>$ 6,423</td>
<td>$ –</td>
</tr>
<tr>
<td>Repurchased loans</td>
<td>2,411</td>
<td>–</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>909</td>
<td>–</td>
</tr>
<tr>
<td>Fair value investment derivatives</td>
<td>6</td>
<td>–</td>
</tr>
<tr>
<td>Notes receivable</td>
<td>–</td>
<td>1,976</td>
</tr>
<tr>
<td>Accrued servicing revenue</td>
<td>560</td>
<td>–</td>
</tr>
</tbody>
</table>

Total $10,309 $1,976
6. **Mortgage Loan Servicing Rights**

During the year ended June 30, 2023, NH Housing capitalized $1,087 in connection with the purchase of servicing rights and recorded amortization of $1,738. At June 30, 2023, mortgage loan servicing rights totaled $6,981, net of accumulated amortization of $9,939. Gross servicing rights totaled $16,920.

7. **Property and Equipment**

Property and equipment at June 30, 2023, consists of:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and building</td>
<td>$7,293</td>
</tr>
<tr>
<td>Equipment</td>
<td>7,084</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>724</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15,101</td>
</tr>
</tbody>
</table>

Less accumulated depreciation | (10,951) |

Property and equipment – net | $4,150 |

Depreciation expense for the year ended June 30, 2023 was $434.

8. **Forward Commitments**

NH Housing sells forward commitments to deliver Ginnie Mae guaranteed mortgage-backed securities. Commitments are sold as mortgage loan reservations are taken to hedge against market fluctuations prior to loan origination and securitization. NH Housing is subject to market value fluctuations in the event that mortgage loans are not funded as expected and the committed securities cannot be delivered. A net increase in fair value of $104 on these forward commitments, classified as investment derivative instruments, has been recorded within investment income. The $5 fair value mark-to-market adjustment is included in accrued and other liabilities and other assets on the statement of net position. In addition, NH Housing has agreements with five forward commitment counterparties that require the delivery of collateral should the aggregate fair market value of outstanding forward commitments with a counterparty decline from the aggregate contract amount by more than specified amounts. As of June 30, 2023, the aggregate fair market value of forward commitment contracts containing such collateral provisions was $4,471 compared to an aggregate contract amount of $4,400 and no collateral was posted as of that date.
8. **Forward Commitments (Continued)**

NH Housing is subject to credit risk with respect to counterparties to the forward commitment contracts, summarized as follows at June 30, 2023, with their credit quality ratings as issued by Moody’s Investors Service, unless otherwise noted, as of the date of this report:

<table>
<thead>
<tr>
<th>Rating</th>
<th>Number of Contracts</th>
<th>Par Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank of Montreal</td>
<td>Aa2</td>
<td>3</td>
</tr>
<tr>
<td>Bank of New York Mellon Capital Markets</td>
<td>Aa2</td>
<td>2</td>
</tr>
<tr>
<td>Bank of Oklahoma</td>
<td>A3</td>
<td>2</td>
</tr>
<tr>
<td>Daiwa Capital Markets</td>
<td>Not Rated</td>
<td>1</td>
</tr>
<tr>
<td>Federal National Mortgage Association</td>
<td>Aaa</td>
<td>1</td>
</tr>
<tr>
<td>Jefferies Group LLC</td>
<td>Baa2</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>12</td>
</tr>
</tbody>
</table>

9. **Bonds Payable**

Bonds payable consist of term and serial bonds due in installments on January 1 and July 1 of each year, with interest rates ranging from 0.30% to 6.00%. Interest paid on bonds of NH Housing is generally exempt from Federal income taxes, except for certain bonds including nine series of Single Family Mortgage Acquisition Revenue Bonds and two series of Multi-family Housing Revenue bonds.

Bonds payable activity for the year ended June 30, 2023 was as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance – June 30, 2022</td>
<td>$355,086</td>
</tr>
<tr>
<td>Bond issuance</td>
<td>164,366</td>
</tr>
<tr>
<td>Amortization of bond premium and discount, net</td>
<td>(172)</td>
</tr>
<tr>
<td>Principal repayment</td>
<td>(45,670)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$473,610</strong></td>
</tr>
</tbody>
</table>

Amount payable within one year $15,180
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 2023

(In thousands of dollars)

9. Bonds Payable (Continued)

Principal and interest payments due on outstanding bonds are as follows at June 30, 2023:

<table>
<thead>
<tr>
<th>Years ending June 30:</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>$15,180</td>
<td>$15,737</td>
<td>$30,917</td>
</tr>
<tr>
<td>2025</td>
<td>41,382</td>
<td>16,025</td>
<td>57,407</td>
</tr>
<tr>
<td>2026</td>
<td>24,475</td>
<td>15,025</td>
<td>39,500</td>
</tr>
<tr>
<td>2027</td>
<td>12,630</td>
<td>14,392</td>
<td>27,022</td>
</tr>
<tr>
<td>2028</td>
<td>13,430</td>
<td>14,001</td>
<td>27,431</td>
</tr>
<tr>
<td>Subtotal, years ending 2024 – 2028</td>
<td>107,097</td>
<td>75,180</td>
<td>182,277</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Years ending June 30:</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2029 – 2033</td>
<td>58,925</td>
<td>63,542</td>
<td>122,467</td>
</tr>
<tr>
<td>2034 – 2038</td>
<td>55,580</td>
<td>54,577</td>
<td>110,157</td>
</tr>
<tr>
<td>2039 – 2043</td>
<td>49,730</td>
<td>45,680</td>
<td>95,410</td>
</tr>
<tr>
<td>2044 – 2048</td>
<td>76,195</td>
<td>33,249</td>
<td>109,444</td>
</tr>
<tr>
<td>2049 – 2053</td>
<td>51,800</td>
<td>20,052</td>
<td>71,852</td>
</tr>
<tr>
<td>2054 – 2058</td>
<td>43,800</td>
<td>9,312</td>
<td>53,112</td>
</tr>
<tr>
<td>2059 – 2063</td>
<td>25,290</td>
<td>2,440</td>
<td>27,730</td>
</tr>
<tr>
<td>2064 – 2065</td>
<td>3,445</td>
<td>108</td>
<td>3,553</td>
</tr>
<tr>
<td>Total</td>
<td>471,862</td>
<td>$304,140</td>
<td>$776,002</td>
</tr>
</tbody>
</table>

Unamortized premium                   | 1,858     |
Unamortized discount                  | (110)     |
Total bonds payable                   | $473,610  |

In the ordinary course of its business, NH Housing redeems, prior to stated maturity, various amounts of bonds from prepayments of the related mortgage loans. During fiscal 2023, NH Housing redeemed, prior to stated maturity and in accordance with the terms of the bonds, $15,820 of current interest single family bond program bonds and $13,940 of current interest multi-family bonds.
10. **Notes Payable and Credit Facilities**

NH Housing has a line of credit with a bank, with availability between $40,000 and $60,000 depending on need, for the purpose of acquiring single family mortgage loans prior to the issuance of single family bonds or other secondary market disposition and for financing short-term construction loans for multi-family housing projects. The bank holds collateral assignments in the related mortgages and notes related to each advance. This line of credit bears interest at a fluctuating per annum rate based on the bank's one-month Term Secured Overnight Financing Rate (SOFR) rate plus 0.95% with a floor of 2.15% and expires on December 31, 2025. At June 30, 2023, $31,586, with $832 included in current portion of bonds payable, was outstanding with an interest rate of 6.11%, whereas $28,414 was unused with an interest rate of 0.15%.

NH Housing has a $5,000 line of credit with a bank, which bears interest at a fluctuating per annum rate based on the bank’s one-month Term SOFR rate plus 2.45% and expires on December 31, 2024. There were no amounts outstanding on the line at June 30, 2023.

In connection with the bank lines of credit, NH Housing has covenanted to maintain an unrestricted net position of $35,000 and a minimum investment rating of A3 from Moody’s Investors Service, Inc. NH Housing was in compliance with these covenants as of and for the year ended June 30, 2023.

11. **Accrued and Other Liabilities**

Accrued and other liabilities at June 30, 2023 consist of the following:

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Long-Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$ 2,106</td>
<td>$ –</td>
</tr>
<tr>
<td>Funds held in escrow</td>
<td>83,561</td>
<td>1,945</td>
</tr>
<tr>
<td>Fair value investment derivatives</td>
<td>1</td>
<td>–</td>
</tr>
<tr>
<td>Accrued servicing fees</td>
<td>79</td>
<td>–</td>
</tr>
<tr>
<td>GNMA loss liability</td>
<td>1,528</td>
<td>250</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$87,275</strong></td>
<td><strong>$ 2,195</strong></td>
</tr>
</tbody>
</table>
12. Commitments and Contingent Liabilities

In the normal course of business, NH Housing has outstanding various commitments and contingent liabilities, including the following:

- At June 30, 2023, NH Housing was committed to fund approximately $44,933 of mortgage loans to be used in the Ginnie Mae mortgage-backed securities program. Ginnie Mae guarantees securities that are backed by mortgage loan pools. These mortgages are either acquired or originated by NH Housing and then exchanged with Ginnie Mae for mortgage-backed securities which are either sold or transferred to tax-exempt bond issues. Ginnie Mae has established minimum net worth requirements for program participants based on outstanding securities and the balance of commitments to guarantee securities. At June 30, 2023, NH Housing met the minimum net worth requirement of $5,787. Under the Ginnie Mae program, NH Housing must use its own funds if a borrower fails to make a timely payment on a mortgage loan. NH Housing must also assess the overall performance of the portfolio and repurchase loans as necessary to maintain required delinquency thresholds. NH Housing assesses the overall risk of loss on loans that it may be required to repurchase and repurchases the loans as necessary. NH Housing securitized $133,301 of mortgage loans during the year ended June 30, 2023 and held $2,411 of repurchased loans in other assets at June 30, 2023.

- At June 30, 2023, NH Housing was committed to fund approximately $15,309 of mortgage loans to be sold to Fannie Mae. NH Housing sells mortgage loans to Fannie Mae on a nonrecourse basis although previously also sold loans on a risk-share basis.

- NH Housing has committed to maintain primary mortgage insurance policies for all the single family bond program bond issues. The primary insurance policies for two issues contain risk-sharing arrangements. NH Housing has also committed to maintain pool insurance policies or self-insurance funds held within bond indentures for all issues, except those in the General Single Family Mortgage Acquisition Revenue Bond Resolution adopted on August 25, 2022. The aggregate maximum contingent liability to the general funds with respect to these arrangements is approximately $876 for the risk-sharing insurance agreements.

- NH Housing has committed to maintain mortgage insurance provided through the Federal Housing Administration (FHA) for a number of multi-family mortgage loans, including the multi-family loan participation interests sold as discussed in Note 3. The FHA insurance used by NH Housing includes risk-sharing arrangements by which NH Housing has a maximum contingent liability to the general funds of $195,505.

- NH Housing has authorized the funding of approximately $39,616 from the general funds for the purchase of housing units and for other housing-related purposes. This total includes $35,906 of construction loans expected to be funded from a bank line of credit.
12. Commitments and Contingent Liabilities (Continued)

- Provisions of certain general funds and multi-family bond program loans require NH Housing to administer certain funds in escrow on behalf of developers for the purposes of project completion, working capital and contingency reserves, insurance and taxes. At June 30, 2023, these balances aggregated $56,151. These balances are not included in NH Housing’s financial statements as they are maintained in separate accounts in the names of the developers.

NH Housing is subject to various legal proceedings and claims that arise in the normal course of its business. In the opinion of management, the ultimate resolution of these actions will not materially affect the accompanying financial statements of NH Housing.

13. Restricted Net Position

The components of restricted net position at June 30, 2023 are as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted for purpose of funding source</td>
<td>$ 43,562</td>
</tr>
<tr>
<td>Restricted for purpose of bond issues:</td>
<td></td>
</tr>
<tr>
<td>Single family bond programs</td>
<td>52,988</td>
</tr>
<tr>
<td>Multi-family bond programs</td>
<td>21,273</td>
</tr>
<tr>
<td>Total</td>
<td>$117,823</td>
</tr>
</tbody>
</table>

14. Grants and Subsidies

NH Housing receives and distributes grants and subsidies in support of a variety of housing-related initiatives. Grants and subsidies expense exceeds grants and subsidies revenue by $16,407 primarily due to $15,848 net disbursements related to the timing of revenue and expenditures in a state supported multi-family subsidy program, the timing of revenue and expenditures in several smaller Federal and state supported programs, and expenditures in certain NH Housing funded initiatives without direct revenue offsets.
15. **Employee Benefit Plans**

NH Housing has established, and can amend, the Defined Contribution Pension Plan for Employees of New Hampshire Housing Finance Authority in accordance with the provisions of Internal Revenue Code Section 401(a). All employees with over six months of service are covered by the plan, which is administered by Mutual of America and requires employer contributions equal to 5% or 10% of the salaries of covered employees and employer matching contributions to specified limits of employee contributions. Payroll of covered employees for the year ended June 30, 2023 totaled $11,037 while total payroll for the year ended June 30, 2023 totaled $11,813. NH Housing expensed and made contributions to the plan of $807 for the year ended June 30, 2023, such amount representing 7.3% of covered payroll and including $249 of matched contribution for the Voluntary Deferred Compensation Plan. The Voluntary Deferred Compensation Plan for Employees of New Hampshire Housing Finance Authority was established by NH Housing in accordance with the provisions of Internal Revenue Code Section 457. This plan, which is administered by Mutual of America, enables all employees to make tax-deferred contributions that are partially matched by NH Housing.

16. **Housing Management Fees**

NH Housing administers subsidized housing programs under HUD Section 811, Family Self Sufficiency and Section 8 mainstream voucher, moderate rehabilitation, housing choice voucher, COVID-19 and special allocation programs and receives fees for these services. Total federal funds administered by NH Housing under these programs aggregated $122,799 for the year ended June 30, 2023.

17. **Fair Value Measurements**

NH Housing generally holds investments until maturity to pay reserve fund bonds as they become due, so fluctuations in the fair value of the investments have a minimal long-term effect. NH Housing categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The three level framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

United States government obligations and money market funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Assets and liabilities in Level 2 of the fair value hierarchy are valued using inputs, other than quoted prices in Level 1, that are observable, either directly or indirectly. In Level 3, inputs are unobservable for an asset or liability. Investment derivatives are classified in Level 3 and are valued using mark-to-market techniques based on third-party pricing.
17. **Fair Value Measurements (Continued)**

The following table sets forth by level, within the fair value hierarchy, NH Housing's money market funds, United States government obligations and investment derivative instruments at fair value as of June 30, 2023:

<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money market funds</td>
<td>$69,638</td>
<td>–</td>
<td>–</td>
<td>$69,638</td>
</tr>
<tr>
<td>United States government obligations</td>
<td>149,767</td>
<td>–</td>
<td>–</td>
<td>149,767</td>
</tr>
<tr>
<td>Investment derivative instruments</td>
<td>–</td>
<td>–</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$219,405</td>
<td>–</td>
<td>$5</td>
<td>$219,410</td>
</tr>
</tbody>
</table>

Certain investments not subject to the fair value measurement requirement at June 30, 2023 include:

- Collateralized repurchase agreements $970
- Guaranteed investment contracts 33,414

**Total** $34,384

18. **Subsequent Events**

- On August 23, 2023, NH Housing issued $45,000 of Single Family Mortgage Acquisition Revenue Bonds, 2023 Series B. The bonds consist of serial and term bonds with varying maturities and interest rates. In connection with the issuance of the 2023 Series B Bonds, NH Housing transferred approximately $1,228 from the general funds to the single-family bond program funds. The transfer resulted in a decrease of the unrestricted fund balance of the general funds and an increase in the restricted fund balance of the single family bond program funds.

- On August 30, 2023, NH Housing issued $19,645 of Multi-Family Housing Revenue Bonds, 2023 Series 2. The bonds consist of serial and term bonds with varying maturities and interest rates. Bond proceeds will be used to fund mortgage loans to two multi-family housing projects and to fund the required mortgage reserve.

- On September 18, 2023, NH Housing sold $45,000 of Single Family Mortgage Acquisition Revenue Bonds, 2023 Series C that will be issued on October 25, 2023. The bonds will consist of serial and term bonds with varying maturities and interest rates. In connection with the issuance of the 2023 Series C Bonds, NH Housing expects to transfer approximately $880 from the general funds to the single-family bond program funds. The transfer will result in a decrease of the unrestricted fund balance of the general funds and an increase in the restricted fund balance of the single family bond program funds.
SUPPLEMENTAL COMBINING SCHEDULES
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

SUPPLEMENTAL COMBINING SCHEDULE OF STATEMENT OF NET POSITION

June 30, 2023

(In thousands of dollars)

<table>
<thead>
<tr>
<th>Assets</th>
<th>General Funds</th>
<th>Single Family Bond Programs</th>
<th>Multi-Family Bond Programs</th>
<th>Eliminations</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 16,108</td>
<td>$ 360</td>
<td>$ –</td>
<td>$ –</td>
<td>$ 16,468</td>
</tr>
<tr>
<td>Cash held in escrow</td>
<td>68,177</td>
<td></td>
<td></td>
<td></td>
<td>68,177</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>47,353</td>
<td>67,951</td>
<td>76,298</td>
<td>–</td>
<td>191,602</td>
</tr>
<tr>
<td>Accrued interest receivable on investments</td>
<td>38</td>
<td>202</td>
<td>193</td>
<td>–</td>
<td>433</td>
</tr>
<tr>
<td>Current portion of mortgage and construction loans receivable</td>
<td>7,930</td>
<td>6,708</td>
<td>7,058</td>
<td>–</td>
<td>21,696</td>
</tr>
<tr>
<td>Loans held for sale, at lower of cost or fair value</td>
<td>16,151</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>16,151</td>
</tr>
<tr>
<td>Accrued interest receivable on mortgage and construction loans and loans held for sale</td>
<td>168</td>
<td>1,087</td>
<td>1,204</td>
<td>–</td>
<td>2,459</td>
</tr>
<tr>
<td>Real estate owned, net</td>
<td>110</td>
<td>113</td>
<td></td>
<td></td>
<td>223</td>
</tr>
<tr>
<td>Other current assets</td>
<td>9,075</td>
<td>1,327</td>
<td></td>
<td>(93)</td>
<td>10,309</td>
</tr>
<tr>
<td>Total current assets</td>
<td>165,110</td>
<td>77,748</td>
<td>84,753</td>
<td>(93)</td>
<td>327,518</td>
</tr>
<tr>
<td>Long-term investments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage backed securities</td>
<td>271</td>
<td>41,488</td>
<td></td>
<td></td>
<td>41,759</td>
</tr>
<tr>
<td>Other long-term investments</td>
<td>6,313</td>
<td>7,250</td>
<td>6,865</td>
<td>–</td>
<td>20,428</td>
</tr>
<tr>
<td>Total long-term investments</td>
<td>6,584</td>
<td>48,738</td>
<td>6,865</td>
<td>–</td>
<td>62,187</td>
</tr>
<tr>
<td>Loans receivable:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage loans</td>
<td>17,705</td>
<td>116,604</td>
<td>255,349</td>
<td>–</td>
<td>389,658</td>
</tr>
<tr>
<td>Construction loans</td>
<td>16,137</td>
<td></td>
<td></td>
<td></td>
<td>16,137</td>
</tr>
<tr>
<td>Less allowance for possible losses</td>
<td>(223)</td>
<td>(779)</td>
<td></td>
<td></td>
<td>(1,002)</td>
</tr>
<tr>
<td>Loans receivable, net</td>
<td>33,619</td>
<td>115,825</td>
<td>255,349</td>
<td>–</td>
<td>404,793</td>
</tr>
<tr>
<td>Less current portion of loans receivable</td>
<td>(7,930)</td>
<td>(6,708)</td>
<td>(7,058)</td>
<td>–</td>
<td>(21,696)</td>
</tr>
<tr>
<td>Long term portion of loans receivable</td>
<td>25,689</td>
<td>109,117</td>
<td>248,291</td>
<td>–</td>
<td>383,097</td>
</tr>
<tr>
<td>Other assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage loan servicing rights, net</td>
<td>6,981</td>
<td></td>
<td></td>
<td></td>
<td>6,981</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>4,150</td>
<td></td>
<td></td>
<td></td>
<td>4,150</td>
</tr>
<tr>
<td>Interfund receivables</td>
<td>27,516</td>
<td>835</td>
<td>1,347</td>
<td>(29,698)</td>
<td>–</td>
</tr>
<tr>
<td>Other</td>
<td>1,976</td>
<td></td>
<td></td>
<td></td>
<td>1,976</td>
</tr>
<tr>
<td>Total other assets</td>
<td>40,623</td>
<td>835</td>
<td>1,347</td>
<td>(29,698)</td>
<td>13,107</td>
</tr>
<tr>
<td>Total assets</td>
<td>$238,006</td>
<td>$236,438</td>
<td>$341,256</td>
<td>$(29,791)</td>
<td>$785,909</td>
</tr>
</tbody>
</table>

(Continued)
### NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

**SUPPLEMENTAL COMBINING SCHEDULE OF STATEMENT OF NET POSITION (CONTINUED)**

June 30, 2023

(In thousands of dollars)

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>General Funds</th>
<th>Single Family Bond Programs</th>
<th>Multi-Family Bond Programs</th>
<th>Eliminations</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current liabilities:</td>
<td>$ –</td>
<td>$ 8,025</td>
<td>$ 7,155</td>
<td>$ –</td>
<td>$ 15,180</td>
</tr>
<tr>
<td>Current portion of bonds payable</td>
<td>–</td>
<td>2,971</td>
<td>4,609</td>
<td>–</td>
<td>7,580</td>
</tr>
<tr>
<td>Accrued interest payable</td>
<td>30,754</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>30,754</td>
</tr>
<tr>
<td>Notes payable</td>
<td>87,276</td>
<td>73</td>
<td>19</td>
<td>(93)</td>
<td>87,275</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>118,030</td>
<td>11,069</td>
<td>11,783</td>
<td>(93)</td>
<td>140,789</td>
</tr>
<tr>
<td>Long-term liabilities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds payable, net of current portion</td>
<td>832</td>
<td>155,118</td>
<td>302,480</td>
<td>–</td>
<td>458,430</td>
</tr>
<tr>
<td>Accrued and other liabilities</td>
<td>2,195</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>2,195</td>
</tr>
<tr>
<td>Interfund payables</td>
<td>16,116</td>
<td>7,862</td>
<td>5,720</td>
<td>(29,698)</td>
<td>–</td>
</tr>
<tr>
<td>Total long-term liabilities</td>
<td>19,143</td>
<td>162,980</td>
<td>308,200</td>
<td>(29,698)</td>
<td>460,625</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>137,173</td>
<td>174,049</td>
<td>319,983</td>
<td>(29,791)</td>
<td>601,414</td>
</tr>
<tr>
<td>Net Position</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invested in capital assets, net of related debt</td>
<td>4,150</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>4,150</td>
</tr>
<tr>
<td>Restricted</td>
<td>43,562</td>
<td>52,988</td>
<td>21,273</td>
<td>–</td>
<td>117,823</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>53,121</td>
<td>9,401</td>
<td>–</td>
<td>–</td>
<td>62,522</td>
</tr>
<tr>
<td>Total net position</td>
<td>$100,833</td>
<td>$ 62,389</td>
<td>$ 21,273</td>
<td>$ –</td>
<td>$184,495</td>
</tr>
</tbody>
</table>

(Concluded)
## New Hampshire Housing Finance Authority

### Supplemental Combining Schedule of Revenue, Expenses and Changes in Net Position

Year Ended June 30, 2023

(In thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>General Funds</th>
<th>Single Family Bond Programs</th>
<th>Multi-Family Bond Programs</th>
<th>Eliminations</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and fees on mortgage and construction loans and loans held for sale</td>
<td>$3,280</td>
<td>$7,006</td>
<td>$12,929</td>
<td>(229)</td>
<td>$22,986</td>
</tr>
<tr>
<td>Gain on sale of loans and mortgage-backed securities</td>
<td>3,789</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>3,789</td>
</tr>
<tr>
<td>Servicing revenue</td>
<td>6,586</td>
<td>–</td>
<td>–</td>
<td>(725)</td>
<td>5,861</td>
</tr>
<tr>
<td>Investment income, net</td>
<td>2,525</td>
<td>2,640</td>
<td>2,699</td>
<td>–</td>
<td>7,864</td>
</tr>
<tr>
<td>Housing management fees</td>
<td>16,291</td>
<td>–</td>
<td>–</td>
<td>(8,511)</td>
<td>7,780</td>
</tr>
<tr>
<td>Federal rental assistance programs</td>
<td>114,886</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>114,886</td>
</tr>
<tr>
<td>Bond issuance fees</td>
<td>534</td>
<td>–</td>
<td>–</td>
<td>(534)</td>
<td>–</td>
</tr>
<tr>
<td>Grants and subsidies</td>
<td>184,228</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>184,228</td>
</tr>
<tr>
<td>Other</td>
<td>598</td>
<td>1</td>
<td>–</td>
<td>–</td>
<td>599</td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td>332,717</td>
<td>9,647</td>
<td>15,628</td>
<td>(9,999)</td>
<td>347,993</td>
</tr>
<tr>
<td><strong>Operating Expenses:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bond interest expense and debt financing costs</td>
<td>68</td>
<td>4,875</td>
<td>8,941</td>
<td>–</td>
<td>13,884</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>31,500</td>
<td>78</td>
<td>82</td>
<td>(8,511)</td>
<td>23,149</td>
</tr>
<tr>
<td>Loan origination expenses</td>
<td>2,401</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>2,401</td>
</tr>
<tr>
<td>Loan servicing expenses</td>
<td>3,097</td>
<td>460</td>
<td>268</td>
<td>(725)</td>
<td>3,100</td>
</tr>
<tr>
<td>Federal rental assistance programs</td>
<td>114,886</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>114,886</td>
</tr>
<tr>
<td>Bond issuance fees</td>
<td>–</td>
<td>224</td>
<td>310</td>
<td>(534)</td>
<td>–</td>
</tr>
<tr>
<td>Grants and subsidies</td>
<td>200,864</td>
<td>–</td>
<td>–</td>
<td>(229)</td>
<td>200,635</td>
</tr>
<tr>
<td>Other</td>
<td>138</td>
<td>–</td>
<td>124</td>
<td>–</td>
<td>262</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>352,954</td>
<td>5,637</td>
<td>9,725</td>
<td>(9,999)</td>
<td>358,317</td>
</tr>
<tr>
<td><strong>Change in Net Position</strong></td>
<td>(20,237)</td>
<td>4,010</td>
<td>5,903</td>
<td>–</td>
<td>(10,324)</td>
</tr>
<tr>
<td>Net position, beginning of year</td>
<td>118,809</td>
<td>58,330</td>
<td>17,680</td>
<td>–</td>
<td>194,819</td>
</tr>
<tr>
<td>Interfund transfers, net</td>
<td>2,261</td>
<td>49</td>
<td>(2,310)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Net position, end of year</strong></td>
<td>$100,833</td>
<td>$62,389</td>
<td>$21,273</td>
<td>$ –</td>
<td>$184,495</td>
</tr>
</tbody>
</table>
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY
SUPPLEMENTAL COMBINING SCHEDULE OF CASH FLOWS

Year Ended June 30, 2023

(In thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>General Funds</th>
<th>Single Family Bond Programs</th>
<th>Multi-Family Bond Programs</th>
<th>Eliminations</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan repayments received</td>
<td>$ 7,897</td>
<td>$ 16,389</td>
<td>$ 19,546</td>
<td>$ –</td>
<td>$ 43,832</td>
</tr>
<tr>
<td>Loan interest income and servicing revenue received</td>
<td>9,864</td>
<td>7,170</td>
<td>13,951</td>
<td>(954)</td>
<td>30,031</td>
</tr>
<tr>
<td>Proceeds from sale of loans and mortgage-backed securities</td>
<td>180,577</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>180,577</td>
</tr>
<tr>
<td>Federal rental assistance program receipts</td>
<td>114,886</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>114,886</td>
</tr>
<tr>
<td>Grants and subsidies receipts</td>
<td>184,228</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>184,228</td>
</tr>
<tr>
<td>Other receipts</td>
<td>56,795</td>
<td>5,514</td>
<td>1,377</td>
<td>(9,043)</td>
<td>54,643</td>
</tr>
<tr>
<td>Loan disbursements</td>
<td>(196,186)</td>
<td>–</td>
<td>(95,722)</td>
<td>–</td>
<td>(291,908)</td>
</tr>
<tr>
<td>Purchase of loan servicing rights</td>
<td>(1,087)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(1,087)</td>
</tr>
<tr>
<td>Payments to vendors</td>
<td>(12,604)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(12,604)</td>
</tr>
<tr>
<td>Federal rental assistance program disbursements</td>
<td>(114,886)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(114,886)</td>
</tr>
<tr>
<td>Grants and subsidies disbursements</td>
<td>(200,864)</td>
<td>–</td>
<td>–</td>
<td>229</td>
<td>(200,635)</td>
</tr>
<tr>
<td>Other disbursements</td>
<td>(20,439)</td>
<td>(6,754)</td>
<td>(3,728)</td>
<td>1,257</td>
<td>(29,664)</td>
</tr>
<tr>
<td>Net cash provided by (used for) operating activities</td>
<td>(11,778)</td>
<td>22,241</td>
<td>(64,782)</td>
<td>–</td>
<td>(54,319)</td>
</tr>
<tr>
<td>Cash flows from noncapital financing activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from issuance of bonds</td>
<td>1,357</td>
<td>61,709</td>
<td>101,300</td>
<td>–</td>
<td>164,366</td>
</tr>
<tr>
<td>Principal repayment of bonds</td>
<td>(1,800)</td>
<td>(24,230)</td>
<td>(19,640)</td>
<td>–</td>
<td>(45,670)</td>
</tr>
<tr>
<td>Proceeds from notes payable</td>
<td>191,032</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>191,032</td>
</tr>
<tr>
<td>Repayment of notes payable</td>
<td>(179,275)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(179,275)</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(69)</td>
<td>(4,098)</td>
<td>(7,603)</td>
<td>–</td>
<td>(11,770)</td>
</tr>
<tr>
<td>Net cash provided by noncapital financing activities</td>
<td>11,245</td>
<td>33,381</td>
<td>74,057</td>
<td>–</td>
<td>118,683</td>
</tr>
<tr>
<td>Cash flows from capital and related financing activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reductions to property and equipment</td>
<td>(416)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(416)</td>
</tr>
<tr>
<td>Net cash used for capital and related financing activities</td>
<td>(416)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(416)</td>
</tr>
<tr>
<td>Cash flows from investing activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of investment securities</td>
<td>(101,513)</td>
<td>(173,142)</td>
<td>(149,935)</td>
<td>–</td>
<td>(424,590)</td>
</tr>
<tr>
<td>Proceeds from sale and maturities of investment securities</td>
<td>67,712</td>
<td>116,013</td>
<td>139,478</td>
<td>–</td>
<td>323,203</td>
</tr>
<tr>
<td>Investment income received</td>
<td>1,187</td>
<td>1,537</td>
<td>1,182</td>
<td>–</td>
<td>3,906</td>
</tr>
<tr>
<td>Net cash used for investing activities</td>
<td>(32,614)</td>
<td>(55,592)</td>
<td>(9,275)</td>
<td>–</td>
<td>(97,481)</td>
</tr>
<tr>
<td>Net (decrease) increase in cash and cash equivalents</td>
<td>(33,563)</td>
<td>30</td>
<td>–</td>
<td>–</td>
<td>(33,533)</td>
</tr>
<tr>
<td>Cash and cash equivalents, beginning of year</td>
<td>49,671</td>
<td>330</td>
<td>–</td>
<td>–</td>
<td>50,001</td>
</tr>
<tr>
<td>Cash and cash equivalents, end of year</td>
<td>$ 16,108</td>
<td>$ 360</td>
<td>$ –</td>
<td>$ –</td>
<td>$ 16,468</td>
</tr>
</tbody>
</table>

(Continued)
### NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

**SUPPLEMENTAL COMBINING SCHEDULE OF CASH FLOWS (CONTINUED)**

**Year Ended June 30, 2023**

(In thousands of dollars)

<table>
<thead>
<tr>
<th>General Funds</th>
<th>Single Family Bond Programs</th>
<th>Multi-Family Bond Programs</th>
<th>Eliminations</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reconciliation of change in net position to net cash</strong>&lt;br&gt;provided by (used for) operating activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net position</td>
<td>$ (20,237)</td>
<td>$ 4,010</td>
<td>$ 5,903</td>
<td>$ –</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net position to net cash provided by (used for) operating activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of servicing rights</td>
<td>1,738</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Mortgage loan servicing rights capitalized</td>
<td>(1,087)</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Depreciation of property and equipment</td>
<td>434</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Investment income, net</td>
<td>(2,525)</td>
<td>(2,640)</td>
<td>(2,699)</td>
<td>–</td>
</tr>
<tr>
<td>Bond interest expense and debt financing costs</td>
<td>68</td>
<td>4,875</td>
<td>8,941</td>
<td>–</td>
</tr>
<tr>
<td><strong>Changes in operating assets and liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans receivable</td>
<td>(9,209)</td>
<td>17,508</td>
<td>(74,770)</td>
<td>–</td>
</tr>
<tr>
<td>Loans held for sale</td>
<td>(2,262)</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Accrued interest – loans</td>
<td>(32)</td>
<td>45</td>
<td>(383)</td>
<td>–</td>
</tr>
<tr>
<td>Other assets</td>
<td>25,227</td>
<td>(1,759)</td>
<td>(365)</td>
<td>93</td>
</tr>
<tr>
<td>Accrued and other liabilities</td>
<td>6,152</td>
<td>153</td>
<td>899</td>
<td>(93)</td>
</tr>
<tr>
<td>Interfund transfers</td>
<td>2,259</td>
<td>49</td>
<td>(2,308)</td>
<td>–</td>
</tr>
<tr>
<td><strong>Net cash provided by (used for) operating activities</strong></td>
<td>$ (11,778)</td>
<td>$ 22,241</td>
<td>$ (64,782)</td>
<td>$ –</td>
</tr>
<tr>
<td><strong>Supplemental disclosures of noncash information:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real estate acquired through foreclosure</td>
<td>$ 962</td>
<td>$ 309</td>
<td>$ –</td>
<td>$ –</td>
</tr>
</tbody>
</table>

(Concluded)
<table>
<thead>
<tr>
<th>Assets</th>
<th>1995</th>
<th>2009</th>
<th>2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$353</td>
<td>$7</td>
<td>$-</td>
<td>$360</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>37,809</td>
<td>4,613</td>
<td>25,529</td>
<td>67,951</td>
</tr>
<tr>
<td>Accrued interest receivable on investments</td>
<td>58</td>
<td>-</td>
<td>144</td>
<td>202</td>
</tr>
<tr>
<td>Current portion of mortgage loans receivable</td>
<td>6,221</td>
<td>487</td>
<td>$-</td>
<td>6,708</td>
</tr>
<tr>
<td>Accrued interest receivable on mortgage loans</td>
<td>990</td>
<td>97</td>
<td>$-</td>
<td>1,087</td>
</tr>
<tr>
<td>Real estate owned, net</td>
<td>144</td>
<td>(31)</td>
<td>$-</td>
<td>113</td>
</tr>
<tr>
<td>Other current assets</td>
<td>606</td>
<td>47</td>
<td>674</td>
<td>1,327</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>46,181</td>
<td>5,220</td>
<td>26,347</td>
<td>77,748</td>
</tr>
<tr>
<td><strong>Long-term investments:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage backed securities</td>
<td>171</td>
<td>$-</td>
<td>41,317</td>
<td>41,488</td>
</tr>
<tr>
<td>Other long-term investments</td>
<td>7,250</td>
<td>$-</td>
<td>$-</td>
<td>7,250</td>
</tr>
<tr>
<td><strong>Total long-term investments</strong></td>
<td>7,421</td>
<td>$-</td>
<td>41,317</td>
<td>48,738</td>
</tr>
<tr>
<td><strong>Loans receivable:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage loans</td>
<td>104,601</td>
<td>12,003</td>
<td>$-</td>
<td>116,604</td>
</tr>
<tr>
<td>Less allowance for possible losses</td>
<td>(243)</td>
<td>(36)</td>
<td>(500)</td>
<td>(779)</td>
</tr>
<tr>
<td>Loans receivable, net</td>
<td>104,358</td>
<td>11,967</td>
<td>(500)</td>
<td>115,825</td>
</tr>
<tr>
<td>Less current portion of loans receivable</td>
<td>(6,221)</td>
<td>(487)</td>
<td>$-</td>
<td>(6,708)</td>
</tr>
<tr>
<td>Long term portion of loans receivable</td>
<td>98,137</td>
<td>11,480</td>
<td>(500)</td>
<td>109,117</td>
</tr>
<tr>
<td><strong>Other assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interfund receivables</td>
<td>835</td>
<td>$-</td>
<td>$-</td>
<td>835</td>
</tr>
<tr>
<td><strong>Total other assets</strong></td>
<td>835</td>
<td>$-</td>
<td>$-</td>
<td>835</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$152,574</td>
<td>$16,700</td>
<td>$67,164</td>
<td>$236,438</td>
</tr>
</tbody>
</table>
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

SUPPLEMENTAL COMBINING SCHEDULE OF STATEMENT OF NET POSITION – SINGLE FAMILY BOND PROGRAMS (CONTINUED)

June 30, 2023

(In thousands of dollars)

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>1995</th>
<th>2009</th>
<th>2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current portion of bonds payable</td>
<td>$7,240</td>
<td>$150</td>
<td>$635</td>
<td>$8,025</td>
</tr>
<tr>
<td>Accrued interest payable</td>
<td>1,388</td>
<td>265</td>
<td>1,318</td>
<td>2,971</td>
</tr>
<tr>
<td>Current portion of accrued and other liabilities</td>
<td>65</td>
<td>7</td>
<td>1</td>
<td>73</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>8,693</td>
<td>422</td>
<td>1,954</td>
<td>11,069</td>
</tr>
<tr>
<td><strong>Long-term liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds payable, net of current portion</td>
<td>79,264</td>
<td>14,780</td>
<td>61,074</td>
<td>155,118</td>
</tr>
<tr>
<td>Interfund payables</td>
<td>7,201</td>
<td>519</td>
<td>142</td>
<td>7,862</td>
</tr>
<tr>
<td><strong>Total long-term liabilities</strong></td>
<td>86,465</td>
<td>15,299</td>
<td>61,216</td>
<td>162,980</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>95,158</td>
<td>15,721</td>
<td>63,170</td>
<td>174,049</td>
</tr>
<tr>
<td><strong>Net Position</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted</td>
<td>48,015</td>
<td>979</td>
<td>3,994</td>
<td>52,988</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>9,401</td>
<td>–</td>
<td>–</td>
<td>9,401</td>
</tr>
<tr>
<td><strong>Total net position</strong></td>
<td>$57,416</td>
<td>$979</td>
<td>$3,994</td>
<td>$62,389</td>
</tr>
</tbody>
</table>

(Concluded)
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY
SUPPLEMENTAL COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET POSITION –
SINGLE FAMILY BOND PROGRAMS

Year Ended June 30, 2023
(In thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>1995</th>
<th>2009</th>
<th>2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and fees on mortgage and construction loans</td>
<td>$6,382</td>
<td>$624</td>
<td>–</td>
<td>$7,006</td>
</tr>
<tr>
<td>Investment income, net</td>
<td>627</td>
<td>79</td>
<td>1,934</td>
<td>2,640</td>
</tr>
<tr>
<td>Other</td>
<td>–</td>
<td>–</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Total operating revenue</td>
<td>7,009</td>
<td>703</td>
<td>1,935</td>
<td>9,647</td>
</tr>
<tr>
<td>Operating expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bond interest expense and debt financing costs</td>
<td>2,850</td>
<td>540</td>
<td>1,485</td>
<td>4,875</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>54</td>
<td>16</td>
<td>8</td>
<td>78</td>
</tr>
<tr>
<td>Loan servicing expenses</td>
<td>413</td>
<td>47</td>
<td>–</td>
<td>460</td>
</tr>
<tr>
<td>Provision for Loan Losses</td>
<td>(500)</td>
<td>–</td>
<td>500</td>
<td>–</td>
</tr>
<tr>
<td>Bond issuance fees</td>
<td>224</td>
<td>–</td>
<td>–</td>
<td>224</td>
</tr>
<tr>
<td>Total operating expense</td>
<td>3,041</td>
<td>603</td>
<td>1,993</td>
<td>5,637</td>
</tr>
<tr>
<td>Change in net position</td>
<td>3,968</td>
<td>100</td>
<td>(58)</td>
<td>4,010</td>
</tr>
</tbody>
</table>

Net position, beginning of year | 58,101 | 229  | –     | 58,330 |
Interfund transfers, net | (4,653) | 650  | 4,052 | 49    |

Net position, end of year | $57,416 | $979 | $3,994 | $62,389 |
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY
SUPPLEMENTAL COMBINING SCHEDULE OF CASH FLOWS – SINGLE FAMILY BOND PROGRAMS

Year Ended June 30, 2023
(In thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>1995</th>
<th>2009</th>
<th>2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan repayments received</td>
<td>$15,026</td>
<td>$1,363</td>
<td>$–</td>
<td>$16,389</td>
</tr>
<tr>
<td>Loan interest income received</td>
<td>6,534</td>
<td>636</td>
<td>–</td>
<td>7,170</td>
</tr>
<tr>
<td>Other receipts</td>
<td>660</td>
<td>658</td>
<td>4,196</td>
<td>5,514</td>
</tr>
<tr>
<td>Payments to vendors</td>
<td>(54)</td>
<td>(16)</td>
<td>(8)</td>
<td>(78)</td>
</tr>
<tr>
<td>Other disbursements</td>
<td>(6,025)</td>
<td>(55)</td>
<td>(674)</td>
<td>(6,754)</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>16,141</td>
<td>2,586</td>
<td>3,514</td>
<td>22,241</td>
</tr>
<tr>
<td>Cash flows from noncapital financing activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from issuance of bonds</td>
<td>–</td>
<td>–</td>
<td>61,709</td>
<td>61,709</td>
</tr>
<tr>
<td>Principal repayment of bonds</td>
<td>(22,725)</td>
<td>(1,505)</td>
<td>–</td>
<td>(24,230)</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(3,356)</td>
<td>(575)</td>
<td>(167)</td>
<td>(4,098)</td>
</tr>
<tr>
<td>Net cash provided by (used for) noncapital financing activities</td>
<td>(26,081)</td>
<td>(2,080)</td>
<td>61,542</td>
<td>33,381</td>
</tr>
<tr>
<td>Cash flows from investing activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of investment securities</td>
<td>(29,051)</td>
<td>(3,343)</td>
<td>(140,748)</td>
<td>(173,142)</td>
</tr>
<tr>
<td>Proceeds from sale and maturities of investment securities</td>
<td>38,243</td>
<td>2,763</td>
<td>75,007</td>
<td>116,013</td>
</tr>
<tr>
<td>Investment income received</td>
<td>778</td>
<td>74</td>
<td>685</td>
<td>1,537</td>
</tr>
<tr>
<td>Net cash provided by (used for) investing activities</td>
<td>9,970</td>
<td>(506)</td>
<td>(65,056)</td>
<td>(55,592)</td>
</tr>
<tr>
<td>Net increase in cash and cash equivalents</td>
<td>30</td>
<td>–</td>
<td>–</td>
<td>30</td>
</tr>
<tr>
<td>Cash and cash equivalents, beginning of year</td>
<td>323</td>
<td>7</td>
<td>–</td>
<td>330</td>
</tr>
<tr>
<td>Cash and cash equivalents, end of year</td>
<td>$353</td>
<td>$7</td>
<td>–</td>
<td>$360</td>
</tr>
</tbody>
</table>

(Continued)
### Reconciliation of change in net position to net cash provided by operating activities:

<table>
<thead>
<tr>
<th></th>
<th>1995</th>
<th>2009</th>
<th>2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net position</td>
<td>$3,968</td>
<td>$100</td>
<td>$(58)</td>
<td>$4,010</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net position to net cash provided by operating activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income (loss), net</td>
<td>$(627)</td>
<td>$(79)</td>
<td>$(1,934)</td>
<td>$(2,640)</td>
</tr>
<tr>
<td>Bond interest expense and debt financing costs</td>
<td>$2,850</td>
<td>$540</td>
<td>$1,485</td>
<td>$4,875</td>
</tr>
<tr>
<td>Provision for loan losses</td>
<td>$(500)</td>
<td>–</td>
<td>500</td>
<td>–</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans receivable</td>
<td>$15,645</td>
<td>$1,363</td>
<td>$500</td>
<td>$17,508</td>
</tr>
<tr>
<td>Accrued interest – loans</td>
<td>$33</td>
<td>$12</td>
<td>–</td>
<td>$45</td>
</tr>
<tr>
<td>Other assets</td>
<td>$(718)</td>
<td>$(9)</td>
<td>$(1,032)</td>
<td>$(1,759)</td>
</tr>
<tr>
<td>Accrued and other liabilities</td>
<td>$143</td>
<td>$9</td>
<td>$1</td>
<td>$153</td>
</tr>
<tr>
<td>Interfund transfers</td>
<td>$(4,653)</td>
<td>$650</td>
<td>$4,052</td>
<td>$49</td>
</tr>
<tr>
<td><strong>Net cash provided by operating activities</strong></td>
<td><strong>$16,141</strong></td>
<td><strong>$2,586</strong></td>
<td><strong>$3,514</strong></td>
<td><strong>$22,241</strong></td>
</tr>
</tbody>
</table>

Supplemental disclosures of noncash information:

- **Real estate acquired through foreclosure**
  - **$309**
  - **$–**
  - **$–**
  - **$309**

(Concluded)
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY  
SUPPLEMENTAL COMBINING SCHEDULE OF STATEMENT OF NET POSITION – MULTI-FAMILY BOND PROGRAMS  
June 30, 2023  
(In thousands of dollars)

<table>
<thead>
<tr>
<th>Assets</th>
<th>2008-2013</th>
<th>2010</th>
<th>2017-2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term investments</td>
<td>$1,392</td>
<td>$ –</td>
<td>$ 74,906</td>
<td>$ 76,298</td>
</tr>
<tr>
<td>Accrued interest receivable on investments</td>
<td>2</td>
<td>–</td>
<td>191</td>
<td>193</td>
</tr>
<tr>
<td>Current portion of mortgage loans receivable</td>
<td>92</td>
<td>–</td>
<td>6,966</td>
<td>7,058</td>
</tr>
<tr>
<td>Accrued interest receivable on mortgage loans</td>
<td>38</td>
<td>–</td>
<td>1,166</td>
<td>1,204</td>
</tr>
<tr>
<td>Total current assets</td>
<td>1,524</td>
<td>–</td>
<td>83,229</td>
<td>84,753</td>
</tr>
<tr>
<td><strong>Long-term investments:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage backed securities</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Other long-term investments</td>
<td>–</td>
<td>–</td>
<td>6,865</td>
<td>6,865</td>
</tr>
<tr>
<td>Total long-term investments</td>
<td>–</td>
<td>–</td>
<td>6,865</td>
<td>6,865</td>
</tr>
<tr>
<td><strong>Loans receivable:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage loans</td>
<td>6,842</td>
<td>–</td>
<td>248,507</td>
<td>255,349</td>
</tr>
<tr>
<td>Less current portion of loans receivable</td>
<td>(92)</td>
<td>–</td>
<td>(6,966)</td>
<td>(7,058)</td>
</tr>
<tr>
<td>Long term portion of loans receivable</td>
<td>6,750</td>
<td>–</td>
<td>241,541</td>
<td>248,291</td>
</tr>
<tr>
<td><strong>Other assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interfund receivables</td>
<td>44</td>
<td>–</td>
<td>1,303</td>
<td>1,347</td>
</tr>
<tr>
<td>Total other assets</td>
<td>44</td>
<td>–</td>
<td>1,303</td>
<td>1,347</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>8,318</td>
<td>–</td>
<td>332,938</td>
<td>341,256</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>2008-2013</th>
<th>2010</th>
<th>2017-2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current portion of bonds payable</td>
<td>120</td>
<td>–</td>
<td>7,035</td>
<td>7,155</td>
</tr>
<tr>
<td>Accrued interest payable</td>
<td>174</td>
<td>–</td>
<td>4,435</td>
<td>4,609</td>
</tr>
<tr>
<td>Current portion of accrued and other liabilities</td>
<td>2</td>
<td>–</td>
<td>17</td>
<td>19</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>296</td>
<td>–</td>
<td>11,487</td>
<td>11,783</td>
</tr>
<tr>
<td><strong>Long-term liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds payable, net of current portion</td>
<td>6,810</td>
<td>–</td>
<td>295,670</td>
<td>302,480</td>
</tr>
<tr>
<td>Interfund payables</td>
<td>288</td>
<td>–</td>
<td>5,432</td>
<td>5,720</td>
</tr>
<tr>
<td>Total long-term liabilities</td>
<td>7,098</td>
<td>–</td>
<td>301,102</td>
<td>306,200</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>7,394</td>
<td>–</td>
<td>312,589</td>
<td>319,983</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Position</th>
<th>2008-2013</th>
<th>2010</th>
<th>2017-2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total net position – restricted</td>
<td>$ 924</td>
<td>$ –</td>
<td>$ 20,349</td>
<td>$ 21,273</td>
</tr>
</tbody>
</table>
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY
SUPPLEMENTAL COMBINING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET POSITION –
MULTI-FAMILY BOND PROGRAMS

Year Ended June 30, 2023
(In thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>2008-2013</th>
<th>2010</th>
<th>2017-2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating revenue:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and fees on mortgage loans</td>
<td>$ 461</td>
<td>$ 288</td>
<td>$12,180</td>
<td>$12,929</td>
</tr>
<tr>
<td>Investment income, net</td>
<td>37</td>
<td>62</td>
<td>2,600</td>
<td>2,699</td>
</tr>
<tr>
<td><strong>Total operating revenue</strong></td>
<td>498</td>
<td>350</td>
<td>14,780</td>
<td>15,628</td>
</tr>
</tbody>
</table>

| **Operating expenses:**        |           |       |           |        |
| Bond interest expense and debt financing costs | 351      | 190   | 8,400     | 8,941  |
| Administrative expenses        | 12       | 7     | 63        | 82     |
| Loan servicing expenses        | 18       | 16    | 234       | 268    |
| Bond issuance fees             | 14       | –     | 296       | 310    |
| Other                          | 19       | 17    | 88        | 124    |
| **Total operating expenses**   | 414      | 230   | 9,081     | 9,725  |

**Change in net position**

<table>
<thead>
<tr>
<th></th>
<th>2008-2013</th>
<th>2010</th>
<th>2017-2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net position, beginning of year</td>
<td>840</td>
<td>2,188</td>
<td>14,652</td>
<td>17,680</td>
</tr>
<tr>
<td>Interfund transfers, net</td>
<td>–</td>
<td>(2,308)</td>
<td>(2)</td>
<td>(2,310)</td>
</tr>
<tr>
<td><strong>Net position, end of year</strong></td>
<td>$ 924</td>
<td>$   –</td>
<td>$20,349</td>
<td>$21,273</td>
</tr>
</tbody>
</table>
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY
SUPPLEMENTAL COMBINING SCHEDULE OF CASH FLOWS – MULTI-FAMILY BOND PROGRAMS

Year Ended June 30, 2023
(In thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>2008-2013</th>
<th>2010</th>
<th>2017-2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan repayments received</td>
<td>$ 86</td>
<td>$ 7,819</td>
<td>$ 11,641</td>
<td>$ 19,546</td>
</tr>
<tr>
<td>Loan interest income received</td>
<td>463</td>
<td>319</td>
<td>13,169</td>
<td>13,951</td>
</tr>
<tr>
<td>Other receipts</td>
<td>38</td>
<td>41</td>
<td>1,298</td>
<td>1,377</td>
</tr>
<tr>
<td>Loan disbursements</td>
<td>–</td>
<td>–</td>
<td>(95,722)</td>
<td>(95,722)</td>
</tr>
<tr>
<td>Payments to vendors</td>
<td>(31)</td>
<td>(24)</td>
<td>(151)</td>
<td>(206)</td>
</tr>
<tr>
<td>Other disbursements</td>
<td>(32)</td>
<td>(2,754)</td>
<td>(942)</td>
<td>(3,728)</td>
</tr>
<tr>
<td>Net cash provided by (used for) operating activities</td>
<td>524</td>
<td>5,401</td>
<td>(70,707)</td>
<td>(64,782)</td>
</tr>
</tbody>
</table>

Cash flows from noncapital financing activities:
Proceeds from issuance of bonds | – | – | 101,300 | 101,300|
Principal repayment of bonds | (120) | (7,860) | (11,660) | (19,640)|
Interest paid | (352) | (314) | (6,937) | (7,603)|
Net cash provided by (used for) noncapital financing activities | (472) | (8,174) | 82,703 | 74,057|

Cash flows from investing activities:
Purchase of investment securities | (564) | (510) | (148,861) | (149,935)|
Proceeds from sale and maturities of investment securities | 477 | 3,221 | 135,780 | 139,478|
Investment income received | 35 | 62 | 1,085 | 1,182|
Net cash provided by (used for) investing activities | (52) | 2,773 | (11,996) | (9,275)|

Net change in cash and cash equivalents | – | – | – | –|
Cash and cash equivalents, beginning of year | – | – | – | –|
Cash and cash equivalents, end of year | $ – | $ – | $ – | $ –|

(Continued)
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

SUPPLEMENTAL COMBINING SCHEDULE OF CASH FLOWS – MULTI-FAMILY BOND PROGRAMS (CONTINUED)

Year Ended June 30, 2023

(In thousands of dollars)

<table>
<thead>
<tr>
<th>Reconciliation of change in net position to net cash provided by (used for) operating activities:</th>
<th>2008-2013</th>
<th>2010</th>
<th>2017-2022</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net position</td>
<td>$84</td>
<td>$120</td>
<td>$5,699</td>
<td>$5,903</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net position to net cash provided by (used for) operating activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income, net</td>
<td>(37)</td>
<td>(62)</td>
<td>(2,600)</td>
<td>(2,699)</td>
</tr>
<tr>
<td>Bond interest expense and debt financing costs</td>
<td>351</td>
<td>190</td>
<td>8,400</td>
<td>8,941</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans receivable</td>
<td>87</td>
<td>7,819</td>
<td>(82,676)</td>
<td>(74,770)</td>
</tr>
<tr>
<td>Accrued interest – loans</td>
<td>1</td>
<td>32</td>
<td>(416)</td>
<td>(383)</td>
</tr>
<tr>
<td>Other assets</td>
<td>–</td>
<td>41</td>
<td>(406)</td>
<td>(365)</td>
</tr>
<tr>
<td>Accrued and other liabilities</td>
<td>38</td>
<td>(431)</td>
<td>1,292</td>
<td>899</td>
</tr>
<tr>
<td>Interfund transfers</td>
<td>–</td>
<td>(2,308)</td>
<td>–</td>
<td>(2,308)</td>
</tr>
<tr>
<td>Net cash provided by (used for) operating activities</td>
<td>$524</td>
<td>$5,401</td>
<td>$(70,707)</td>
<td>$(64,782)</td>
</tr>
</tbody>
</table>

(Concluded)