



DISTRICT OF COLUMBIA
HOUSING FINANCE AGENCY

25th Anniversary 1979-2004

ANNUAL REPORT

2004



Wheeler Creek Estates

**FREE
ISSUE!**

WINNER

25th Anniversary Affordable Housing
Development Award of Excellence



www.dchfa.org

Housing Families
Affordably





“I want to congratulate the staff and leadership of the D.C. Housing Finance Agency for 25 years of creating affordable housing for our city’s residents. Whether it is providing millions for an apartment complex or thousands for a below-market mortgage loan, the HFA is one of the city’s champions of affordable housing. I thank you, and the residents of Washington thank you for helping ensure low- and moderate-income individuals have affordable places to call home.”

Anthony A. Williams, Mayor

MISSION STATEMENT

The District of Columbia Housing Finance Agency (HFA) was established in 1979 to stimulate and expand homeownership and rental housing opportunities in Washington, D.C. We accomplish our mission by issuing mortgage revenue bonds that lower the homebuyer’s cost of purchasing and rehabilitating a home and the developer’s costs of acquiring, constructing and rehabilitating rental housing. We embrace our responsibility with conviction and pledge our best efforts to serve as the city’s champion for homeowners and renters and to act as the city’s principal catalyst for neighborhood investment.

VISION STATEMENT

We are committed to working cooperatively and closely with our housing partners to create attractive, stable and vibrant neighborhoods.

DEDICATION

The District of Columbia Housing Finance Agency annual report for the fiscal year ending September 30, 2004 is respectfully submitted to:

The Honorable Anthony A. Williams
Mayor, District of Columbia

The Honorable Linda W. Cropp
Chair, Council of the District of Columbia

The Honorable Harold Brazil
Chair, Committee on Economic Development

The Honorable Carol Schwartz (At-Large)
The Honorable David A. Catania (At-Large)
The Honorable Phil Mendelson (At-Large)
The Honorable Jim Graham (Ward 1)
The Honorable Jack Evans (Ward 2)
The Honorable Kathleen Patterson (Ward 3)
The Honorable Adrian Fenty (Ward 4)
The Honorable Vincent B. Orange, Sr. (Ward 5)
The Honorable Sharon Ambrose (Ward 6)
The Honorable Kevin P. Chavous (Ward 7)
The Honorable Sandra Allen (Ward 8)

Councilmember Elect Kwame Brown (At-Large)
Councilmember Elect Vincent Gray (Ward 7)
Councilmember Elect Marion Barry (Ward 8)

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Message from
THE CHAIR



As you will see in our anniversary report, the HFA has a 25-year record that all Washingtonians can regard with pride. Since 1979, we have issued over \$2.1 billion in mortgage revenue bonds to finance over 16,900 affordable housing units, 8,422 of them in the past six years.

Not only do we have a solid history of carrying out our main mission—financing affordable home mortgages and new and rehabilitated multifamily housing—but we also have reached out to make housing possible for those who have the most difficulty buying or renting, including special needs groups and individuals who are seen as credit risks or who need hands-on guidance.

The HFA has also been an innovator by securitizing prospective payments from the federal McKinney Act to use as bridge loans for nonprofit housing developers; combining other city housing monies with HFA bond funds to provide interest rates of below 4% to low-income homebuyers; providing taxable bond funding to national lenders to finance affordable housing in the current low-interest environment; and encouraging multifamily housing developers to increase replacement reserves over those required by federal lenders and insurers in order to promote long-term housing durability.

As we look forward, we will vigorously search out new affordable housing financing opportunities and make builders and buyers aware of our customer-friendly, service orientation. We will continue to work with our partners in the federal and local government and in the housing and lending industries to maximize our usefulness. We will joint venture with for-profit and nonprofit developers to use our newly legislated ability to develop as well as finance affordable housing for communities throughout Washington.

The current HFA Board of Directors has played only a small part in the 25-year success of the agency. We thank our enterprising and capable staff for their contributions, our executive and council leadership and our many public and private partners. We look forward with enthusiasm to the challenges ahead.



Isaac Green



Kathleen Miles



Michael Wheet

Message from
THE EXECUTIVE DIRECTOR

Twenty-five years ago, our Board of Directors, staff and housing partners committed themselves to investing in people and neighborhoods. Twenty-five years later, and having earned an A3 investment-grade credit rating, the HFA is considered among the finest in the nation for its solid financial management, creative investment strategies and innovative solutions for bridging Washington's affordability gap.

Since its founding in 1979, the HFA and its partners have invested over \$2.1 billion in the residents and neighborhoods of Washington. Its sound investment practices have produced and preserved over 16,900 affordable housing units, helped about 6,000 people achieve their dreams of homeownership and financed the special housing needs of our senior citizens, veterans, persons living with HIV/AIDS, the homeless, battered women and abandoned children.

I am immensely proud of our accomplishments. More importantly, I look forward to another 25 years of equal success at serving the affordable housing needs of our residents.




ACCOMPLISHMENTS

Financial

- ♦ Realized \$2.163 million in Net Earnings
- ♦ Increased Operating Reserves by \$1.912 million, from \$13.742 million to \$15.654 million

Programmatic: Single-Family Homeownership Programs

- ♦ Counseled 1,535 clients citywide
- ♦ Opened satellite office east of the river at 4415 South Capitol Street, SW
- ♦ Generated \$89,750 in revenues from housing counseling contracts

Legislative Initiatives

- ♦ Achieved re-appointment of two board members
- ♦ Continued exemption of HFA-sponsored projects from recordation and transfer taxes

Programmatic: Multifamily Rental Housing

- ♦ Issued \$31.3 million in tax-exempt bonds and \$4.7 million in tax-exempt bridge bonds for the construction, acquisition and/or rehabilitation of 524 rental units
- ♦ Funded \$13.2 million for 1330 7th Street Apartments
- ♦ Funded \$9.1 million for Congress Park II
- ♦ Funded \$5.8 million for J.W. King Seniors Center
- ♦ Funded \$7.9 million for Savannah Heights Apartments

General

- ♦ Completed physical and environmental improvements of HFA headquarters
- ♦ Released interactive outreach CD-ROM
- ♦ Launched full-scale Web site in English and Spanish

	Units	Tax-Exempt Bonds	Tax-Exempt Bridge Bonds	LIHTC/DCHFA	CDBG	HPTF
1330 7th Street Apts.	136	\$13,240,000		\$5,950,082		\$2,187,557
Congress Park II	214	\$4,900,000	\$4,160,000	\$5,196,000		
J.W. King Seniors Center	74	\$5,290,000	\$515,000	\$3,718,400		
Savannah Heights Apts.	100	\$7,895,000		\$4,032,000	\$984,853	
TOTALS	524	\$31,325,000	\$4,675,000	\$18,896,482	\$984,853	\$2,187,557

OBJECTIVES

Financial

- ♦ Earn \$1.385 million in revenue
- ♦ Increase Operating Reserves by \$1.323 million, from \$15.654 million to \$16.997 million

Programmatic: Multifamily Rental Housing

Fund approximately 1,688 units of affordable housing at a total community investment of approximately \$123 million in tax-exempt and taxable bonds

- ♦ Fund \$7.4 million for George Washington Carver
- ♦ Fund \$11 million for Hunter Pines Apartments
- ♦ Fund \$7.9 million for Wesley House Apartments
- ♦ Fund \$20 million for Arboretum Place Apartments
- ♦ Fund \$13.5 million for Henson Ridge Phase II
- ♦ Fund \$9 million for Capper Senior Phase I
- ♦ Fund \$12.4 million for Faircliff Plaza West
- ♦ Fund \$10.5 million for Shipley Park Apartments
- ♦ Fund \$19 million for Platinum Realty Pool
- ♦ Fund \$12 million for Capitol Gateway Single-Family Rental

Programmatic: Single-Family Homeownership Programs

- ♦ Provide homeownership counseling to approximately 2,000 borrowers

Legislative Initiatives

- ♦ Seek legislative amendments to the Housing Production Trust Fund and the Housing Act of 2002 to authorize transfer of such funds to the HFA

Management and Administrative

- ♦ Solidify the HFA's investment niche by working with stakeholders, Mayor, councilmembers and government agencies to determine how the HFA can most effectively use its resources to help leverage city financial investments to develop neighborhoods
- ♦ Establish a trust fund for use in HFA multifamily and single-family programs
- ♦ Develop general compliance manual and tax credit compliance guidelines for use by owners, developers, management companies and on-site management personnel
- ♦ Strengthen and reorganize administrative systems and develop staff skills

HOME RESOURCE CENTER

The HFA received its certification as a comprehensive housing counseling agency in June 1991. Within the first year, more than 850 potential homeowners were counseled. Now, the HFA is one of the premier organizations in Washington that provide individuals with credit, budget and housing counseling as well as homeownership counseling for individuals looking to purchase homes in specific housing developments.

In 1997, the HFA's staff began counseling for special housing development projects. The first contract was with the developers of Walter E. Washington Estates in Ward 8. Staff conducted group counseling sessions and provided individual counseling for prospective homebuyers interested in the site. Seven years later, the HFA's staff has provided counseling or created Homebuyers Clubs for some of the city's most well-known affordable housing developments, including Wheeler Creek Estates, Henson Ridge, George Washington Carver Apartments, Arthur Capper Carrollsburg, Capitol Gateway and East Gate.

In April 1999, the HFA opened its Home Resource Center, which is the flagship component of the agency's homeownership education and counseling activities. Since its opening, staff has responded to thousands of inquiries and conducted hundreds of weekly workshops about the homebuying process. Staff partners with other government agencies and local nonprofit organizations to help increase the city's homeownership rate. Through a partnership with Fannie Mae and GMAC Financing, the HFA also launched the Mobile Home Resource Center. The



bus is stocked with homebuying information, and staff takes it to local neighborhoods, schools and events to provide residents with much-needed homeownership information.

Since 1979, the HFA has been Washington's most notable financier of low-interest mortgage loans. The HFA has provided over 5,700 low-interest mortgage loans totaling more than \$497.5 million. While rates fluctuate with the bond market, the HFA always maintains rates below market rate to ensure individuals of every



income level can afford to purchase a home. In 2001, the HFA was able to offer the incredibly low rate of 3.75% for a 30-year fixed mortgage loan. The Home Resource Center also serves as the primary intake department for the agency's Single-Family Mortgage Bond Program. Counselors assist first-time homebuyers who normally do not meet the requirements for a conventional mortgage loan or are neglected by conventional mortgage loan lenders.

The weekly homebuying workshops are the HFA's most successful method of educating individuals about homeownership. Individuals that attend are able to take advantage of the useful, free information and mortgage pre-qualification analysis.



- **Basic Home Repair Workshop**—This workshop consists of four 2-hour sessions designed to teach homeowners how to complete repairs around their homes. Registration is required.
- **Brown Bag Friday Workshop**—This workshop is perfect for working individuals. Attendees are encouraged to bring their lunch and listen as our housing counselors explain the homeownership process. The workshop is held every Friday at 11:30 a.m.
- **Credit Chat Room Seminar**—This proactive lesson is designed to teach young adults basic information about credit, including what it is, how it is used and how to avoid credit pitfalls.
- **“Su Casa Propia” Workshop**—Conducted completely in Spanish, this workshop teaches Spanish-speaking individuals about the homeownership process, including how to apply for a mortgage loan, how to build and repair credit and tips to avoid foreclosure.
- **Walk-in Wednesday Workshop**—During this workshop, housing counselors teach attendees each step of the homebuying process, from how to get an affordable mortgage loan to what happens at settlement. The workshop is held every Wednesday at 10 a.m.



MCKINNEY ACT SAVINGS LOAN FUND PROGRAM

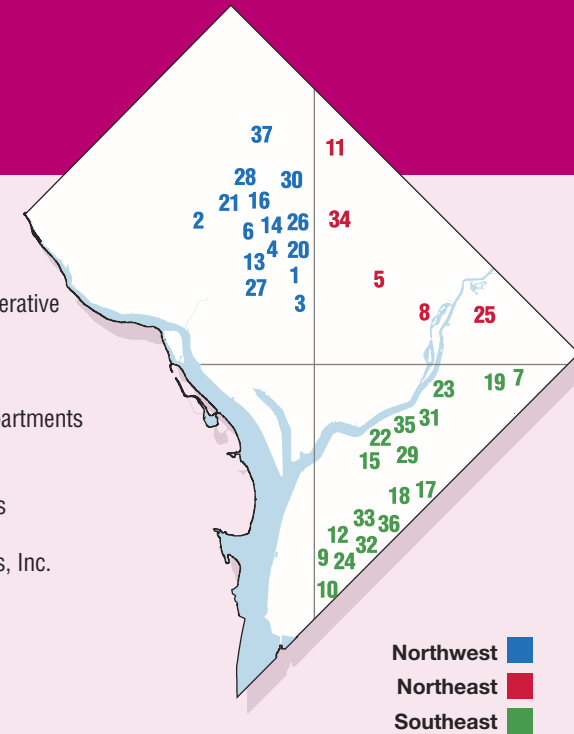
Under the McKinney Act Savings Loan Fund Program, the HFA offers short-term bridge loans to complete affordable housing development activities for individuals and families earning less than 50% of the Area Median Income, which is \$43,500 for a family of four. The McKinney Act Savings Loan Fund Program is intended for use by groups that may lack the financial resources necessary to pay for the initial costs of planning and undertaking an affordable housing initiative.

Tenant groups exercising their Right of First Refusal can use funds to purchase their buildings, nonprofit organizations can utilize the funds to develop transitional housing for the homeless and mentally challenged individuals, and developers can use the loan funds for enhancements and deferred maintenance needs to existing projects. More specifically, the loans may be used for the following purposes:

- ♦ to purchase apartment buildings by tenant organizations;
- ♦ to develop affordable housing for persons with special needs, such as the elderly, homeless, persons with disabilities and individuals recovering from substance abuse;
- ♦ to pay for pre-development soft costs, acquisition, construction and rehabilitation;
- ♦ to provide supplemental loans to existing projects for enhancements and deferred maintenance; and
- ♦ to provide functionally-related recreational, health, educational or social service facilities that are integral to housing occupied by very low-income persons and families.

Over the decades, local developers have tapped into the McKinney Act Savings Loan Fund Program to create many much-needed housing developments, including the Buckmon House, Chi Child Care, Neighbor's Consejo, Efforts from Ex-Convicts, Access Housing, Inc., Riley Checks House, Inc., and the Southeast Veterans Center.

- 1 Gibson Plaza Apartments
- 2 2854 Connecticut Avenue Cooperative
- 3 801 P Street Cooperative
- 4 Access Housing, Inc.
- 5 Chi Child Care
- 6 Meridian Manor Cooperative Apartments
- 7 Benning Road Housing Co-Op
- 8 Carver Terrace Apartments
- 9 South Capitol Street Apartments
- 10 Madison Courts
- 11 Community Family Life Services, Inc.
- 12 Hope Apartments
- 13 Chapin Street Apartments
- 14 Euclid Street Apartments
- 15 Efforts from Ex-Convicts
- 16 Fairmont I & II
- 17 Daffodil House
- 18 Gainesville Apartments
- 19 George Washington Carver Apartments
- 20 Golden Rule Plaza
- 21 Haven House Cooperative
- 22 Hope Housing Inc.
- 23 Independence Place
- 24 Yuma Street Apartments
- 25 Kenilworth Parkside Residential Management Corp
- 26 Matisse
- 27 Promise Place
- 28 Neighbor's Consejo
- 29 1728 W Street
- 30 Parkview Apartments
- 31 Randall Highlands
- 32 Walter E. Washington Estates
- 33 Residing in Group Housing Together (RIGHT)
- 34 Riley-Cheeks House, Inc.
- 35 Buckmon House
- 36 Southeast Veterans Center
- 37 Colorado Avenue Cooperative



“Without the last minute McKinney funds from the HFA, I don’t know where the money would have come from to open the Buckmon House. Our clients that are challenged by HIV, poor mental health and substance abuse diagnoses would have had nowhere to go.”

-Marsha Richerson
Executive Director of
Safe Haven Ministries

MILESTONES

1983—The agency financed its first affordable multifamily housing development.

1993—The agency’s Land Development Program was established to provide management, inspection, monitoring and accounting services for public infrastructure construction.

1994—The agency offered a mortgage interest rate of 6.5%, the lowest rate offered in Washington since the late 1960s.

1995—The HFA became one of the first housing finance agencies to be approved by the U.S. Department of Housing and Urban Development (HUD) for its Risk-Sharing Program.

1996—The Council of the District of Columbia, Mayor, D.C. Control Board and U.S. Congress eliminated the HFA’s appropriated debt, allowing the agency to be financially self-sufficient.

1996—For the first time, the HFA provided credit enhancement for a multifamily housing development.

1996—The HFA received approval from HUD to launch its McKinney Act Savings Fund Loan Program.

1997—The agency established the HFA’s first Target Area Builder Bond (TABB) Program.

1998—Through a partnership with the Department of Housing and Community Development, the HFA infused HOME funds to decrease mortgage loan interest rates to 3.75%.

1998—The HFA purchased its headquarters at 815 Florida Avenue, NW.

1998—The HFA received its first Issuer Credit Rating of “BBB” from Standard and Poor’s.

1999—The HFA opened the Home Resource Center to provide free housing counseling to potential homebuyers.

1999—A tri-state homebuyer-training program was established with Maryland and Virginia to benefit U.S. Navy personnel.

2001—The Mobile Home Resource Center was launched.

2001—Moody’s Investors Service upgraded the agency’s Issuer Credit Rating to “A3.”

2002—The National Taxable Mortgage Loan Program was established.

2003—Council of the District of Columbia approved legislation allowing the HFA to own and develop property.

2003—A satellite Home Resource Center was opened to bring the homeownership message directly to residents east of the river.



Notes

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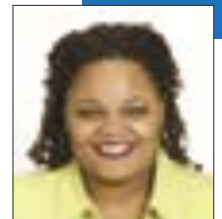
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Housing Families Affordably

Business Services Group



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INDEPENDENT AUDITOR'S REPORT

Board of Directors District of Columbia Housing Finance Agency

We have audited the accompanying basic financial statements of the District of Columbia Housing Finance Agency ("the Agency"), a component unit of the District of Columbia Government, as of and for the years ended September 30, 2004 and 2003. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of September 30, 2004 and 2003, and the changes in its financial position and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis on pages 3 through 6 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The combining financial statements on pages 45 through 49 are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The combining financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated December 30, 2004, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Washington, D.C.
December 30, 2004

Thompson, Ash, Boyles & Associates, P.C.

HFA Combining Balance Sheet
September 30, 2004

HFA Combining Balance Sheet
September 30, 2004

	General Fund	Single-Family Fund	Multifamily Fund	DC Building Finance Corporation	2004	2003
CURRENT ASSETS						
Cash and cash equivalents	\$16,773,226	\$ -	\$ -	\$ -	\$ 16,773,226	\$ 14,676,533
Restricted cash and cash equivalents	11,031,607	-	-	-	11,031,607	9,774,556
Other receivables	300,285	-	-	-	300,285	561,978
Mortgage and construction loans receivable	-	-	-	-	-	-
Total current assets	28,105,118	-	-	-	28,105,118	25,013,067
NON-CURRENT ASSETS						
Other assets:						
Investments	5,103,996	-	-	-	5,103,996	6,457,913
Loans receivable	6,652	-	140,000	-	146,652	153,384
Prepays	201,323	-	-	28,110	229,433	273,540
Due from (to) other funds	2,715,357	(2,684,066)	(25,546)	(5,745)	-	-
Bond issue costs—net	-	2,254,648	12,469,220	93,535	14,817,403	16,095,992
Total other assets	8,027,328	(429,418)	12,583,674	115,900	20,297,484	22,980,829
Restricted assets:						
Cash and cash equivalents	-	64	241,102	-	241,166	470,550
Investments held in trust	-	277,421,242	105,151,716	245,802	382,818,760	354,135,914
Mortgage backed securities at fair value	-	115,063,321	104,147,180	-	219,210,501	265,070,170
Mortgage and construction loans receivable	-	3,704,602	337,952,297	-	341,656,899	381,565,927
Rehab financed by tax credits	-	-	3,927,171	-	3,927,171	17,736,748
Loans receivable	-	-	1,684,790	-	1,684,790	1,585,923
McKinney Act fund receivables	1,085,975	-	-	-	1,085,975	1,786,181
Other receivables	206,668	-	24,930	67,556	299,154	5,432,690
Accrued interest receivable	-	1,163,065	2,459,178	-	3,622,243	3,934,096
Total restricted assets	1,292,643	397,352,294	555,588,364	313,358	954,546,659	1,031,718,199
Capital assets:						
Land	-	-	-	573,000	573,000	573,000
Depreciable property and equipment	1,584,363	-	-	1,795,238	3,379,601	3,306,184
Leasehold improvements	1,119,980	-	-	-	1,119,980	1,024,669
Less accumulated depreciation and amortization	(1,770,603)	-	-	(411,869)	(2,182,472)	(1,915,294)
Total capital assets	933,740	-	-	1,956,369	2,890,109	2,988,559
Total non-current assets	10,253,711	396,922,876	568,172,038	2,385,627	977,734,252	1,057,687,587
TOTAL ASSETS	\$ 38,358,829	\$ 396,922,876	\$ 568,172,038	\$ 2,385,627	\$ 1,005,839,370	\$ 1,082,700,654

(continued)

	General Fund	Single-Family Fund	Multifamily Fund	DC Building Finance Corporation	2004	2003
CURRENT LIABILITIES						
Accounts payable and accrued liabilities	381,618	16,426	831,435	208,778	1,438,257	1,881,436
Accrued salary and vacation payable	231,736	-	-	-	231,736	211,647
Deferred revenue	528,412	-	-	97,495	625,907	714,837
Current portion of bonds payable	-	1,465,000	9,090,000	-	10,555,000	11,710,000
Current portion of certificates of participation	-	-	-	105,000	105,000	100,000
Total current liabilities	1,141,766	1,481,426	9,921,435	411,273	12,955,900	14,617,920
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS						
Tenant subsidy funds	543,277	-	-	-	543,277	1,488,048
Escrow deposits	2,221,370	-	-	-	2,221,370	1,415,055
Deferred credits	-	6,150,000	22,469,669	-	28,619,669	61,488,703
Deferred revenue	-	764,059	490,871	-	1,254,930	1,912,219
Interest payable	-	2,796,584	6,257,317	32,323	9,086,224	10,578,134
Total current liabilities payable from restricted assets	2,764,647	9,710,643	29,217,857	32,323	41,725,470	76,882,159
NON-CURRENT LIABILITIES						
Deferred revenue—less current portion	-	-	-	-	-	-
Loans payable	-	-	467,678	-	467,678	469,325
Bonds payable—less current portion	-	375,438,802	487,649,589	-	863,088,391	908,663,091
Certificates of participation—less current portion	-	-	-	1,750,000	1,750,000	1,655,000
Total non-current liabilities	-	375,438,802	488,117,267	1,750,000	865,306,069	910,987,416
Total liabilities	3,906,413	386,630,871	527,256,559	2,193,596	919,987,439	1,002,487,495
NET ASSETS						
Invested in capital assets—net of related debt Restricted for:	933,740	-	-	101,369	1,035,109	1,000,049
Bond Fund and Risk Share	1,687,645	10,292,005	40,915,479	32,323	52,927,452	49,255,217
McKinney Act Fund	6,847,715	-	-	-	6,847,715	6,081,115
Total restricted net assets	8,535,360	10,292,005	40,915,479	32,323	59,775,167	55,336,332
Unrestricted net assets	24,983,316	-	-	58,339	25,041,655	23,876,778
Total net assets	34,452,416	10,292,005	40,915,479	192,031	85,816,812	80,213,159
TOTAL LIABILITIES AND NET ASSETS	\$ 38,358,829	\$ 396,922,876	\$ 568,172,038	\$ 2,385,627	\$ 1,005,839,370	\$ 1,082,700,654

**HFA Combining Statement of Revenues, Expenses and
Changes in Net Assets - Years ended September 30, 2004 and 2003**

	General Fund	Single-Family Fund	Multifamily Fund	DC Building Finance Corporation Fund	2004	2003
OPERATING REVENUES						
Mortgage-backed security income	\$ -	\$ 5,526,917	\$ 7,652,643	\$ -	\$13,179,560	\$14,072,523
Interest on mortgage and construction loans	26,197	394,176	18,988,370	-	19,408,743	18,005,380
McKinney Act revenue	790,930	-	-	-	790,930	743,531
Application and commitment fees	116,464	-	-	-	116,464	175,442
HUD Section 8 housing assistance receipts	13,443,870	-	-	-	13,443,870	13,279,760
Service project receipts	6,636,490	-	-	-	6,636,490	6,369,578
Other	5,500,375	299,064	7,391,034	209,115	13,999,588	13,160,802
Total operating revenues	26,514,326	6,220,157	34,032,047	209,115	66,975,645	65,807,016
OPERATING EXPENSES						
Operations	1,141,521	189,466	3,732,976	-	5,063,963	4,613,002
Personnel and related costs	3,381,121	-	-	-	3,381,121	3,353,370
Interest expense	-	12,868,698	21,585,744	100,201	34,554,643	36,998,889
Depreciation and amortization	200,687	-	-	66,490	267,177	255,528
Federal program payments	9,188,092	-	-	-	9,188,092	10,510,234
Housing assistance payments	10,892,268	-	-	-	10,892,268	9,139,104
Bond amortization	-	394,866	539,601	10,386	944,853	797,180
Trustee fees and other expenses	6,712	474,084	3,327,856	503	3,809,155	4,150,195
Total operating expenses	24,810,401	13,927,114	29,186,177	177,560	68,101,272	69,817,502
OPERATING INCOME (LOSS)	1,703,925	(7,706,957)	4,845,870	31,535	(1,125,627)	(4,010,486)
NON-OPERATING REVENUES						
Investment income	458,683	4,922,134	2,580,193	1,626	7,962,636	9,022,984
EXCESS OF REVENUE OVER EXPENSES BEFORE						
Extraordinary item	2,162,608	(2,784,823)	7,426,063	33,161	6,837,009	5,012,498
Extraordinary item - Loss On Extinguishment Of Debt	-	-	(1,198,237)	-	(1,198,237)	(459,300)
Change In Net Assets	2,162,608	(2,784,823)	6,227,826	33,161	5,638,772	4,553,198
Net Assets, Beginning Of Year	32,289,808	13,076,828	34,687,653	158,870	80,213,159	75,659,961
Net Assets, End Of Year	\$34,452,416	\$10,292,005	\$40,915,479	\$192,031	\$85,851,931	\$80,213,159





District of Columbia Housing Finance Agency

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