Message from the Chairman and Executive Director

On behalf of the Members of MassHousing and our staff, we are pleased to provide this annual report for fiscal year 2021, which ended on June 30, 2021.

Despite the COVID-19 pandemic and a variety of challenging market conditions, MassHousing provided more than $1.7 billion in financing to support affordable rental and homeownership opportunities in Massachusetts during the 2021 fiscal year.

MassHousing closed $894.5 million in loans to help more than 3,000 households buy, refinance, or improve their homes. This includes $17 million in down payment assistance and $1.6 million in financing to help existing homeowners remove hazardous lead paint, repair a failing septic system or make other improvements to their properties.

We closed a total of $854.7 million in financing to 33 multifamily developments with a total of 4,372 units, 4,048 of which are affordable. Developments are in 18 communities, and range in size from the 7-unit Perlman House on Martha's Vineyard to the 500-unit Castle Square in Boston's South End.

We also adopted a new set of five-year goals to guide our work from now through fiscal year 2026. We will grow 5-year lending and servicing activity by 10% over the previous five years; generate at least $150 million in excess revenue in the Operating Working Capital Fund; transition to an effective and efficient hybrid work model while maintaining and promoting MassHousing's mission and values; affirm MassHousing's long-standing commitment to diversity and inclusion and invest in staff excellence and transparent staff transitions.

We would like to thank our many public- and private-sector partners for their collaboration over the last year. These partners include but are not limited to Governor Charlie Baker; The Executive Office of Administration & Finance; The Executive Office of Housing & Economic Development; The Department of Housing and Community Development; all our home mortgage lending partners; rental housing borrowers; rental housing property managers; bond counsel, as well as the many individual and institutional investors who make it possible for us to continue to lend.

We also thank the housing professionals at MassHousing for their hard work under difficult circumstances during another pandemic year.

We are well-positioned to continue to provide affordable housing solutions that confront the Commonwealth's housing challenges and improve the lives of its people.

Michael J. Dirrane
Chairman

Chrystal Kornegay
Executive Director

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MASSACHUSETTS HOUSING FINANCE AGENCY

FINANCIAL STATEMENTS, REQUIRED SUPPLEMENTARY INFORMATION, SCHEDULES AND SUPPLEMENTAL SCHEDULES

JUNE 30, 2021 AND 2020

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Report of Independent Auditors

To the Members of MassHousing
Massachusetts Housing Finance Agency

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and fiduciary fund information of Massachusetts Housing Finance Agency and its affiliates (the "Agency") which comprise the statements of net position and of fiduciary net position as of June 30, 2021 and 2020, and the related statements of revenues, expenses, and changes in net position, of cash flows, and of changes in fiduciary net position for the years then ended, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on the financial statements based on our audits. We did not audit the financial statements of the Massachusetts Housing Finance Agency OPEB Trust as of and for the years ended June 30, 2021 and 2020, which represent 19 percent and 18 percent of the assets of the fiduciary fund information as of June 30, 2021 and 2020, respectively, and 25 percent and 10 percent of additions of the fiduciary fund information for the years then ended. We did not audit the financial statements of the Massachusetts Housing Finance Agency Employees' Retirement System as of and for the years ended December 31, 2020 and 2019, which represent 81 percent and 82 percent of the assets of the fiduciary fund information as of June 30, 2021 and 2020, respectively, and 75 percent and 90 percent of additions of the fiduciary fund information for the years then ended. The financial statements of the Massachusetts Housing Finance Agency OPEB Trust and the Massachusetts Housing Finance Agency Employees' Retirement System were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for the Massachusetts Housing Finance Agency OPEB Trust and the Massachusetts Housing Finance Agency Employees' Retirement System, which as discussed in Note B are the two fiduciary activities making up the fiduciary fund information, are based solely on the reports of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 from material misstatement. The financial statements of the Massachusetts Housing Finance Agency OPEB Trust were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Agency's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary fund information of the Massachusetts Housing Finance Agency and its affiliates as of June 30, 2021 and 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The accompanying management's discussion and analysis on pages 4 through 23 and schedule of changes in the Agency's net pension liability and related ratios and schedule of Agency contributions for the Massachusetts Housing Finance Agency Employees' Retirement System Plan and schedule of changes in the Agency's net OPEB liability and related ratios and schedule of Agency contributions for the Massachusetts Housing Finance Agency OPEB Trust on pages 89 through 92 are required by accounting principles generally accepted in the United States of America to supplement the basic financial statements. Such information, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The supplemental information on schedule 2 – mortgage / construction loan obligations and commitments and schedule 7 – combining financial statements by program (collectively referred to as the "supplementary information") are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary 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 supplementary 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 supplementary information, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 24, 2021 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 grant agreements and other matters for the year ended June 30, 2021. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Agency's internal control over financial reporting and compliance.

PricewaterhouseCoopers LLP

September 24, 2021

Massachusetts Housing Finance Agency

Annual Financial Report
June 30, 2021
Prepared by the
Office of the Financial Director
Rachel C. Madden, Financial Director
Stephen E. Vickery, Comptroller

MANAGEMENT'S DISCUSSION AND ANALYSIS

Overview of the Annual Financial Report

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

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

Background

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

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

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

Financial Markets

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

Management's Discussion and Analysis

The following is an unaudited narrative overview of MassHousing's financial position and the results of its operations for the fiscal years ended June 30, 2021 (FY 2021) and June 30, 2020 (FY 2020), with selected comparative information for the fiscal year ended June 30, 2019 (FY 2019). Readers are encouraged to consider the information presented in this discussion and analysis in conjunction with the information presented in the audited financial statements, notes to the financial statements, supplemental schedules, schedules, and unaudited required supplemental schedules, all of which follow this narrative overview.

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

The Financial Statements

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

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

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

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

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

The Notes to Financial Statements

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

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

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

Required Supplementary Schedules, Schedules, and Supplemental Schedules

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

- The audited Schedules 1, 3, 4, 5 & 6 provide detailed information on the Agency's: investments and cash equivalents; bonds and notes payable; and MBS Forward Contracts. These schedules provide additional information included in Notes C, H and I.

- Supplemental Schedule 2, which provides detailed information on the Agency's loan receivables and loan commitments, is presented to facilitate additional analysis of the information included herein and is not part of the basic financial statements. The information contained in Supplemental Schedule 2 has been subjected to the auditing procedures applied in the audits 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. This schedule provides additional information included in Note D.

- In addition to the Agency's basic financial statements, presented on a combined basis, combining financial statements that provide details of each separate bond resolution and the Working Capital Fund (WCF) and Affiliates (as defined in Note A) are presented in Supplemental Schedule 7 for both FY 2021 and FY 2020, in accordance with the financial reporting requirements of the various bond resolutions. These detailed combining financial statements include eliminating entries. The information contained in Supplemental Schedule 7 has been subjected to the auditing procedures applied in the audits 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.

COVID-19 Response

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and on March 13, 2020, the President of the United States declared a national emergency in response to the COVID-19 pandemic. Since the initial emergency declaration, the Federal government has enacted several COVID-19 related bills, including the Coronavirus Aid, Relief and Economic Security Act (The CARES Act), signed into law on March 27, 2020, and the American Rescue Plan Act of 2021 (ARPA), signed into law on March 11, 2021.

Under The CARES Act, a borrower with a federally backed mortgage loan secured by a lien on residential property designed for 1-4 families, who is experiencing financial hardship due, directly or indirectly, to the COVID-19 emergency could request forbearance regardless of delinquency status. The CARES Act further provided that upon receipt of a request of forbearance, servicers of such loans, such as MassHousing, will (i) provide forbearance for up to 180 days and (ii) extend forbearance for up to an additional 180-day period, upon the timely request of the borrower.

ARPA, a $1.9 trillion COVID-19 relief package, which includes a number of provisions that mostly affect hospitals and health systems, provides financial support for families and small businesses, as well as extends and expands support for housing, childcare, food and the education system. MassHousing is currently monitoring the housing related implications of ARPA and plans for deploying any housing-related funds made available by ARPA.

In February 2021, the President of the United States announced additional measures available for certain eligible homeowners with federally-backed mortgage loans, including (i) the extension of a foreclosure moratorium through June 30, 2021, (ii) the extension, to June 30, 2021, of the deadline by which forbearance may be requested and (iii) the availability of up to six months of additional mortgage payment forbearance, in three-month increments, for eligible borrowers who entered forbearance on or before June 30, 2020. In addition, the Federal Housing Financing Agency (FHFA) announced that certain eligible borrowers with mortgages backed by FNMA or FHLMC (i) are covered under a foreclosure moratorium running through June 30, 2021 and (ii) if the borrower was in an active COVID-19 forbearance plan as of February 28, 2021, may qualify for an additional six-months of forbearance (bringing the overall forbearance period to up to 18-months for such borrowers).

In May of 2021, The Commonwealth of Massachusetts launched its Subsidized Housing Emergency Rental Assistance (SHERA) program. The SHERA program is funded with a portion of the federal assistance provided for under section 501 of Division N of the Consolidated Appropriations Acts, 2021, PUB. L No. 116-260, enacted December 27, 2020. The SHERA Program helps residents clear rent arrearages incurred from April 1, 2020 through March 31, 2021 due to the COVID-19 pandemic. MassHousing borrowers are among the first phase of eligible participants for the program. MassHousing is one of the administrators of the SHERA program.

On May 28, 2021, Governor Baker issued an executive order terminating, as of June 15, 2021, the state of emergency due to COVID-19 that had been in place in Massachusetts since March 20, 2020 and rescinding prior orders that had implemented COVID-19 restrictions such as masking and limits on the size of gatherings or occupancy of certain buildings. However, MassHousing cannot predict (i) the duration or extent of the COVID-19 pandemic or any other outbreak emergency; (ii) the duration or expansion of any foreclosure or eviction moratorium affecting MassHousing's ability to foreclose and collect on delinquent mortgage loans; (iii) the number of mortgage loans that will be in default as a result of the COVID-19 pandemic and subsequent federal, state and local responses thereto, including the CARES Act and the referenced actions announced by the President and FHFA and ARPA; (iv) whether and to what extent the COVID-19 pandemic or other outbreak or emergency may disrupt the local or global economy, manufacturing, or supply chain, or whether any such disruption may adversely impact MassHousing or its operations; or (v) whether or to what extent MassHousing or other government agencies may provide additional deferrals, forbearances, adjustments, or other changes to payments on mortgage loans.

In June 2021, President Biden announced (i) the extension by the Department of Housing and Urban Development (HUD), the Department of Veterans Affairs (VA), and the United States Department of Agriculture (USDA) of their foreclosure moratorium for one, final month, until July 31, 2021, (ii) the extension by FHFA of its foreclosure moratorium for mortgages backed by Fannie Mae and Freddie Mac until July 31, 2021 and (iii) that HUD, VA and USDA would continue to allow homeowners who had not taken advantage of forbearance to date to enter into COVID-19 related forbearance through September 30, 2021, while homeowners with Fannie Mae and Freddie Mac-backed mortgages who have COVID-19 related hardships would continue to be eligible for COVID-19 related forbearance.

On August 3, 2021, the United States Centers for Disease Control and Prevention (CDC) issued an order to be effective through October 3, 2021 that, with certain exceptions, halts evictions of certain eligible tenants in United States counties experiencing substantial and high levels of community transmission of COVID-19. On August 26, 2021, the U.S. Supreme Court blocked any enforcement of the CDC's order. It is unknown what, if any, legislative or other governmental action may be prompted by the court ruling.

Any of these legislative or administrative actions, and other proposals, if enacted, may have both adverse and positive effects on MassHousing's operations and financial condition. MassHousing adhered to all state and federal state of emergency mandates, continues to comply with applicable laws and regulations, and has adapted its business accordingly. Management continues to monitor its business lines and operations to minimize potential disruptions.

Each month since April 2020, the Agency has posted a voluntary notice regarding the impact of the COVID-19 pandemic on the Agency's Home Ownership Programs, Mortgage Insurance Fund and Rental Bond Programs on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system.

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

Summarized Financial Information – Statement of Net Position (in millions)

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

	6/30/2021	Change from FY 2020 $	Change from FY 2020 %	6/30/2020	Change from FY 2019 $	Change from FY 2019 %	6/30/2019
Assets - Working Capital Fund and Affiliates (WCF)							
Cash, cash equivalents, investments	$ 600	$ (95)	-13.7%	$ 695	$ 56	8.8%	$ 639
Loans receivable (net)	624	191	44.1%	433	28	6.9%	405
Other assets	799	94	13.3%	705	84	13.5%	621
Total Assets – WCF and Affiliates	$ 2,023	$ 190	10.4%	$ 1,833	$ 168	10.1%	$ 1,665
Total Deferred Outflow of Resources - WCF and Affiliates	$ 22	$ 6	37.5%	$ 16	$ (4)	-20.0%	$ 20
Total Assets and Deferred Outflow of Resources – WCF and Affiliates	$ 2,045	$ 196	10.6%	$ 1,849	$ 164	9.7%	$ 1,685
Assets - Bond Programs							
Cash, cash equivalents, investments	$ 1,688	$ 68	4.2%	$ 1,620	$ 140	9.5%	$ 1,480
Loans receivable (net)	2,567	124	5.1%	2,443	122	5.3%	2,321
Other assets	12	(2)	-14.3%	14	(2)	-12.5%	16
Total Assets – Bond Programs	$ 4,267	$ 190	4.7%	$ 4,077	$ 260	6.8%	$ 3,817
Total Deferred Outflow of Resources - Bond Programs	$ 4	$ (18)	-81.8%	$ 22	$ 8	57.1%	$ 14
Total Assets and Deferred Outflow of Resources – Bond Programs	$ 4,271	$ 172	4.2%	$ 4,099	$ 268	7.0%	$ 3,831
Total Assets and Deferred Outflow of Resources	$ 6,316	$ 368	6.2%	$ 5,948	$ 432	7.8%	$ 5,516
Liabilities - WCF and Affiliates							
Debt (net)	$ 274	$ 58	26.9%	$ 216	$ (20)	-8.5%	$ 236
Derivative instruments	11	10	1000.0%	1	-	0.0%	1
Other liabilities	779	49	6.7%	730	73	11.1%	657
Total Liabilities – WCF and Affiliates	$ 1,064	$ 117	12.4%	$ 947	$ 53	5.9%	$ 894
Total Deferred Inflow of Resources - WCF and Affiliates	$ 29	$ 19	190.0%	$ 10	$ 7	233.3%	$ 3
Total Liabilities and Deferred Inflow of Resources – WCF and Affiliates	$ 1,093	$ 136	14.2%	$ 957	$ 60	6.7%	$ 897
Liabilities – Bond Programs							
Debt (net)	$ 3,675	$ 213	6.2%	$ 3,462	$ 212	6.5%	$ 3,250
Derivative instruments	8	(20)	-71.4%	28	11	64.7%	17
Other liabilities	10	-	0.0%	10	(1)	-9.1%	11
Total Liabilities – Bond Programs	$ 3,693	$ 193	5.5%	$ 3,500	$ 222	6.8%	$ 3,278
Total Liabilities and Deferred Inflow of Resources – Bond Programs	$ 3,693	$ 193	5.5%	$ 3,500	$ 222	6.8%	$ 3,278
Total Liabilities and Deferred Inflow of Resources	$ 4,786	$ 329	7.4%	$ 4,457	$ 282	6.8%	$ 4,175
Net Position – WCF and Affiliates							
Restricted by contractual or statutory agreements	$ 248	$ 6	2.5%	$ 242	$ 3	1.3%	$ 239
Unrestricted	703	52	8.0%	651	101	18.4%	550
Total Net Position – WCF and Affiliates	$ 951	$ 58	6.5%	$ 893	$ 104	13.2%	$ 789
Net Position – Bond Programs							
Restricted by bond resolutions	$ 579	$ (19)	-3.2%	$ 598	$ 46	8.3%	$ 552
Total Net Position – Bond Programs	$ 579	$ (19)	-3.2%	$ 598	$ 46	8.3%	$ 552
Total Net Position							
Restricted by bond resolutions	$ 579	$ (19)	-3.2%	$ 598	$ 46	8.3%	$ 552
Restricted by contractual or statutory agreements	248	6	2.5%	242	3	1.3%	239
Unrestricted	703	52	8.0%	651	101	18.4%	550
Total Net Position	$ 1,530	$ 39	2.6%	$ 1,491	$ 150	11.2%	$ 1,341

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

Discussion of Changes in Statements of Net Position

Reference is made to the comparative statements of net position at June 30, 2021, 2020 and 2019 and the year-over-year increases and decreases presented on the prior page and the consolidated Statements of Net Position and Supplemental Schedule 7, Combining Statements of Net Position.

Assets

Cash and Cash Equivalents

Cash and Cash Equivalents (in thousands)	**2021**	**2020**	**2019**
Balance at June 30	$ 1,214,476	$ 1,118,773	$ 821,858
$ increase from prior period	95,703	296,915	
% increase from prior period	9%	36%	

The increase in Cash and Cash Equivalents in FY 2021 was primarily due to a combination of bond issuance proceeds and the proceeds from investment redemptions, partially offset by the funding of new mortgages. The increase in Cash and Cash Equivalents in FY 2020 was primarily due to a combination of bond issuance proceeds and the proceeds from investment redemptions. Disclosure for Cash and Cash Equivalents is contained in Note C to the financial statements.

Investments

Investments (in thousands)	**2021**	**2020**	**2019**
Balance at June 30	$ 1,074,014	$ 1,196,486	$ 1,297,332
$ (decrease) from prior period	(122,472)	(100,846)	
% (decrease) from prior period	-10%	-8%	

The decrease in Investments in FY 2021 was primarily the result of adjustments to the fair market values of the investments and investment redemption proceeds in excess of the purchase of new investments. The decrease in Investments in FY 2020 was primarily the result of investment redemption proceeds. Disclosure for Investments is contained in Note C to the financial statements.

At June 30, 2021, 2020 and 2019, MBS with a fair value totaling approximately $638 million, $920 million and $888 million, respectively, were held as investments in the WCF, the Single-Family Housing Revenue Bond (SFHRB) Program and the Residential Mortgage Revenue Bond (RMRB) Program. At June 30, 2021, 2020, and 2019 the fair value of these investments exceeded its cost basis by approximately $38 million, $57 million and 30 million, respectively. These amounts were recorded to reflect the current value that is the result of a changing interest rate environment. MBS held in the WCF are recorded as investments, pledged as security for the FHLB of Boston's "Helping to House New England" program loans and are not expected to be sold prior to maturity. MBS held under the SFHRB and RMRB Resolutions are recorded as investments, pledged as security for bonds issued under the SFHRB and RMRB Programs, respectively, and are not expected to be sold prior to maturity. Because the Agency expects to hold these MBS to maturity, it does not expect to realize gains or losses from these investments, other than interest income.

Loan Portfolios

Loan Portfolios (in thousands)	2021	2020	2019
Balance at June 30	$ 3,190,974	$ 2,876,328	$ 2,726,218
$ increase from prior period	314,646	150,110	
% increase from prior period	11%	6%	

The net increase in the mortgage loan portfolios in FY 2021 was primarily the result of multifamily and single-family loan production, partially offset by loan collections. The net increase in the mortgage loan portfolio in FY 2020 was primarily the result of multifamily and single-family loan production, partially offset by loan collections.

The following are key highlights of comparative loan related activities for the years ended June 30, 2021, 2020 and 2019:

Multifamily Loans

Multifamily Loans, net (in thousands)	2021	2020	2019
Balance at June 30	$ 2,705,303	$ 2,495,291	$ 2,408,953
$ increase from prior period	210,012	86,338	
% increase from prior period	8%	4%	

The increase in the multifamily mortgage loan portfolio in both FY 2021 and FY 2020 was the result of a combination of new lending activity, partially offset by loan payoffs and an increase in the allowance for uncollectible accounts.

Multifamily Loan Originations (in millions) Year months ended June 30	2021	2020	2019
Loans retained in Bond Resolutions or WCF	$ 408.6	$ 390.5	$ 237.8
Loans securitized as MBS and sold to Investors	394.3	225.3	89.0
Loans sold to FFB	5.8	10.9	200.2
Conduit Loans [1]	25.0	54.0	161.7
	$ 833.7	**$ 680.7**	**$ 688.7**

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

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

Multifamily Loan Loss Reserve (in thousands)	2021	2020	2019
Balance at June 30	$ 225,761	$ 203,336	$ 200,346
$ increase from prior period	22,425	2,990	
% increase from prior period	11%	1%	

The increase in the multifamily allowance for FY 2021 was mainly due to two factors 1) an increase in new subordinate debt on projects where the current expectations do not appear to be supportive of full collection and 2) certain projects refinancing their first mortgage debt with third party lenders at higher loan amounts resulting in additional exposure to existing MassHousing subordinate debt. The increase in the multifamily allowance for FY 2020 was mainly due to an increased loss assessment due to the restructure of one project. In FY 2020 certain debt previously written off for financial reporting purposes was refinanced with other subordinate debt and therefore brought back onto the financial statements and reserved against.

Single-Family Loans

Single-Family Loans, net (in thousands)	2021	2020	2019
Balance at June 30	$ 485,671	$ 381,037	$ 317,265
$ increase from prior period	104,634	63,772	
% increase from prior period	27%	20%	

The increase in single-family loans in FY 2021 and FY2020 was primarily the result of an increase in loans sold to the SFHRB program, net of loan payoffs.

During each of the last three fiscal years, Home Ownership purchased single-family loans from participating lenders. These purchases were initially funded through the WCF. The WCF serves as a temporary funding source for Home Ownership lending activity, pending subsequent sale of the loans, or loans wrapped by MBS, either to outside investors or to one or more of MassHousing's bond programs. The table below summarizes the WCF warehouse activity for each of the years ended June 30, 2021, 2020 and 2019, including the purchases of loans and the sales of the loans, or loans wrapped by MBS, to: Fannie Mae, the SFHRB Program, the WCF, Freddie Mac, and other loan sales. There have been no sales of loans wrapped by MBS to the RMRB Program during these periods. MassHousing has retained the servicing rights for all loans sold or loans wrapped by MBS to Fannie Mae, the SFHRB Program, the RMRB Program, Freddie Mac and others.

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

Single-Family Loan Reserve (in thousands)	2021	2020	2019
Balance at June 30	$ 3,884	$ 3,349	$ 3,262
$ increase from prior period	535	87	
% increase from prior period	16%	3%	

Despite higher unemployment rates and uncertainty surrounding the COVID-19 pandemic the MassHousing single-family portfolio remains relatively stable.

WCF Loan Activity
(in millions)

Years ended June 30	**2021**	**2020**	**2019**
Loan beginning balance	$ 56.6	$ 33.4	$ 42.3
Loan purchases	893.2	605.1	788.6
MBS backed by loans or loans sold to FNMA [2]	(301.9)	(194.3)	(485.1)
MBS backed by loans or loans sold to SFHRB Program	(186.2)	(224.8)	(188.4)
MBS backed by loans or loans sold to FHLMC	(406.3)	(158.2)	(118.8)
Loans sold to FHLB	(8.3)		
Down Payment Assistance loan sales retained in the WCF	(13.9)	(4.2)	(3.2)
Principal receipts	(0.3)	(0.4)	(2.0)
Ending balance	**$ 32.9**	**$ 56.6**	**$ 33.4**

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

SFHRB Program

Included in the SFHRB Program Portfolio as of June 30, 2021, 2020 and 2019, were 225, 175 and 64 loans, respectively, that had payment arrearages of 90 days or more or were in foreclosure. The outstanding mortgage loan balances for these properties as of June 30, 2021, 2020 and 2019, respectively, was $22.3 million, $18.9 million and $7.2 million.

Loans with payment arrearages that cannot be cured or otherwise successfully restructured may proceed to foreclosure by the Agency. During FY 2021, FY 2020 and FY 2019, the Agency foreclosed on 2, 9 and 13 loans held in the SFHRB Program, respectively, with a total fair value of $290 thousand, $1.5 million and $2.1 million, respectively.

As of June 30, 2021, 2020 and 2019, there were 3, 10 and 11 Real Estate Owned (REO) properties, respectively, in the SFHRB Program Portfolio with a total fair value of $308 thousand, $1.3 million and $1.2 million, respectively.

Home Ownership Servicing Portfolio

MassHousing's Mortgage Service Center (MSC), which was established in 1996 within Home Ownership, services the Home Ownership loan portfolio. As of June 30, 2021, 2020 and 2019, the MSC serviced a portfolio with a principal balance of approximately $3.5 billion, $4.0 billion, and $4.2 billion, respectively, for each of the three years, as detailed more fully in the table below:

Home Ownership Servicing Portfolio
(in millions)

Year ended June 30	**2021**	**2020**	**2019**
Beginning Balance	$ 3,968.9	$ 4,226.3	$ 3,842.4
New loans, including loans in which the servicing rights were purchased	894.5	663.5	792.1
Loans Paid in Full	(1,234.8)	(818.8)	(306.0)
Amortization and Curtailments	(95.2)	(100.0)	(98.5)
Foreclosures, Writeoffs and Adjustments	(5.2)	(2.1)	(3.7)
Ending Balance	**$ 3,528.2**	**$ 3,968.9**	**$ 4,226.3**

The Agency experienced a significant increase in loan arrearages in FY 2021 and FY2020, as compared to historical averages, as a direct result of the impact of the COVID-19 pandemic and due to its compliance with the CARES Act.

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

Total Assets

Total Assets (in millions)	**2021**	**2020**	**2019**
Balance at June 30	$ 6,290	$ 5,910	$ 5,482
$ increase from prior period	380	428	
% increase from prior period	6%	8%	

The increase in Total Assets in FY2021 and FY 2020 was primarily the result of an increase in Cash and Cash Equivalents (see page 11 for details) and Loans Receivable (see page 12 for details).

Liabilities

Debt Payable

MassHousing's total debt payable, which includes bonds, notes and other debt obligations, comprised approximately 83%, 83% and 84% of total liabilities at June 30, 2021, 2020 and 2019, respectively. All bonds are special obligations of MassHousing and all notes are either special obligations or general obligations of MassHousing, depending on the terms of the applicable resolution. All other debt obligations are general obligations of MassHousing. General obligations of MassHousing are secured by the full faith and credit of MassHousing and are payable out of any of its moneys or revenues, subject to lawful expenditures and to the provisions of any other resolutions or agreements now or hereafter pledging particular moneys or revenues to particular notes, bonds or other obligations of MassHousing. Special obligations are payable solely from and secured solely by a pledge of certain Revenues and Funds established under a specific bond resolution. Funds generated from the sales of bonds and notes are used to fund or purchase mortgages or MBS. Principal and interest payments received from such loans and MBS are used to fund the debt service (principal and interest payments) due on MassHousing's bonds and notes.

Total Debt (in millions)	**2021**	**2020**	**2019**
Balance at June 30	$ 3,949	$ 3,678	$ 3,486
$ increase from prior period	271	192	
% increase from prior period	7%	6%	

The increase of total debt payable in FY 2021 and FY 2020 was mainly due to the issuance of new bonds in the Housing Bonds (HB) and SFHRB programs.

Bond and Note Activity

MassHousing incurred approximately $718 million, $628 million and $463 million of new bond and note debt in FY 2021, FY 2020 and FY 2019, respectively, to fund multifamily and single-family loans, as detailed more fully in the table below:

New Debt Fundings (in millions)

Years ended June 30	**2021**		**2020**		**2019**	
Program	**Total**	**Number of Series**	**Total**	**Number of Series**	**Total**	**Number of Series**
WCF Direct Purchase Construction Loan Notes (DPCLN)	$ 140.4	9	$ 52.8	5	$ 65.8	6
General Rental Development Bonds (GRDB)	-	-	-	-	23.7	1
HB and Notes	304.1	9	371.8	11	226.2	5
SFHRB	273.6	7	203.8	8	147.0	12
Total New Debt Fundings	**$ 718.1**	**25**	**$ 628.4**	**24**	**$ 462.7**	**24**

MassHousing had unscheduled bond redemptions or defeasance of approximately $350 million, $333 million and $419 million in FY 2021, FY 2020 and FY 2019, respectively, resulting in no gain or loss, as detailed more fully in the table below:

Unscheduled Debt Redemptions/Defeasance (in millions)
Year ended June 30

Program	**2021**	**2020**	**2019**
WCF Construction Loan Notes (CLN)	$ 26.9	$ 51.5	$ 31.1
WCF DPCLN	28.3	6.5	39.3
Rental Housing Mortgage Revenue Bonds (RHMRB)	21.7	14.8	32.4
Multi-Family Development Bonds (MFDB)	36.7	-	-
GRDB	21.9	1.3	16.2
HB	60.9	146.9	202.6
SFHRB	153.6	112.1	97.2
Total Unscheduled Debt Redemptions/Defeasance	**$ 350.0**	**$ 333.1**	**$ 418.8**

Total Liabilities

Total Liabilities (in millions)	**2021**	**2020**	**2019**
Balance at June 30	$ 4,756	$ 4,448	$ 4,172
$ increase from prior period	308	276	
% increase from prior period	7%	7%	

The increase in Total Liabilities in FY 2021 and FY 2020 was primarily the result of bond and note issuances.

Total Net Position

Changes in Net Position

Total Net Position (in millions)	**2021**	**2020**	**2019**
Balance at June 30	$ 1,530	$ 1,491	$ 1,341
$ increase from prior period	39	150	
% increase from prior period	3%	11%	

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

WCF and Affiliates

Total WCF Net Position (in thousands)	**2021**	**2020**	**2019**
Balance at June 30	$ 951,842	$ 892,521	$ 788,657
$ increase from prior period	59,321	103,864	
% increase from prior period	7%	13%	

The increase in total net position of the WCF and Affiliates for the year ended June 30, 2021 was primarily the result of three factors: operating income of $54.2 million and a transfer of net position from bond programs of $26.2 million, partially offset by an increase in the provision for loan losses of $21.1 million. The increase in total net position of the WCF and Affiliates for the year June 30, 2020 was primarily the result of three factors: operating income of $100.4 and a transfer of net position from bond programs of $14 million, partially offset by an increase in the provision for loan losses of $10.5 million.

WCF Net Position Restricted by Contractual or Statutory Agreements (in thousands)	**2021**	**2020**	**2019**
Balance at June 30	$ 248,255	$ 242,023	$ 238,906
$ increase from prior period	6,232	3,117	
% increase from prior period	3%	1%	

The following table presents the restricted net position on which constraints have been externally imposed be creditors, grantors and laws or regulations on the WCF at June 30, 2021, 2020 and 2019, respectively, and the amount of those restrictions (in thousands).

WCF and Affiliates Restricted Net Position	**2021**	**2020**	**2019**
MassHousing Mortgage Insurance Funds (MIF)	$ 123,235	$ 118,887	$ 113,224
Minimum net position covenants	100,000	100,000	100,000
FHLB of Boston Collateral (Helping to House New England)	20,038	18,591	20,555
Single family co-insurance	3,796	3,796	3,796
Restricted by Note Resolutions	1,186	749	1,331
Total WCF and Affiliates Restricted Net Position	**$ 248,255**	**$ 242,023**	**$ 238,906**

WCF Unrestricted Net Position (in thousands)	**2021**	**2020**	**2019**
Balance at June 30	$ 703,587	$ 650,498	$ 549,751
$ increase from prior period	53,089	100,747	
% increase from prior period	8%	18%	

The following table presents the WCF's unrestricted net position at June 30, 2021, 2020 and 2019, respectively, which has been designated by vote of MassHousing Members for specified purposes that further the Agency's mission, and the amount of those designations (in thousands):

WCF and Affiliates Unrestricted Designations Net Position	**2021**	**2020**	**2019**
Opportunity Fund	$ 353,493	$ 341,954	$ 244,331
Funding for loan purchases, loan advances and unrestricted net position requirements	286,328	239,678	234,624
Lease Commitments	43,686	48,690	53,655
Funding of the Construction Security Fund	14,000	14,000	14,000
Capital Magnet Grants to be disbursed	3,331	2,250	
Designation of Equity of Affiliates Center for Community Recovery Innovations (CCRI) and Property Acquisition and Disposition Corporation (PADCO)	927	1,003	1,731
Funding of the Tenancy Preservation Project	773	660	660
Funding of the CCRI	700	700	700
FHLB Helping to House New England Grant to be disbursed	179	1,513	
Funding for the Mel King Institute	120		
Funding of the New Lease for Homeless Families initiative	50	50	50
Total WCF and Affiliates Unrestricted Designations of Net Position	**$ 703,587**	**$ 650,498**	**$ 549,751**
Total WCF and Affiliates Restricted and Unrestricted Designations Net	**$ 951,842**	**$ 892,521**	**$ 788,657**

Bond-Funded Programs

Total Bond Program Net Position (in thousands)	2021	2020	2019
Balance at June 30	$ 578,589	$ 598,085	$ 552,788
$ increase/(decrease) from prior period	(19,496)	45,297	
% increase/(decrease) from prior period	-3%	8%	

The decrease in net position of the bond-funded programs for the year ended June 30, 2021 was primarily the result of three factors: net transfers to the WCF of $26.2 million and an increase to the provision for loan losses of $700 thousand, partially offset by operating income before provision for loan losses of $7.4 million. The increase in net position of the bond-funded programs for the year ended June 30, 2020 was primarily the result of three factors: operating income before provision for loan losses of $53.8 million and a decrease to the provision for loan losses of $5.5 million, which were partially offset by net transfers to the WCF of $14 million.

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

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

		Change from FY 2020			Change from FY 2019		
	Fiscal 2021	$	%	Fiscal 2020	$	%	Fiscal 2019
Operating Revenues – WCF and Affiliates							
Interest on loans	$ 17	$ 2	13.3%	$ 15	$ 2	15.4%	$ 13
Investment earnings	(10)	(24)	-171.4%	14	(4)	-22.2%	18
Fee income	91	14	18.2%	77	(1)	-1.3%	78
Grant income	13	(80)	-86.0%	93	93		-
Other income	25	23	1150.0%	2	(3)	-60.0%	5
Total Revenues - WCF and Affiliates	$ 136	$ (65)	-32.3%	$ 201	$ 87	76.3%	$ 114
Operating Revenues – Bond Programs							
Interest on loans	$ 120	$ 8	7.1%	$ 112	$ (4)	-3.4%	$ 116
Investment earnings	8	(57)	-87.7%	65	(4)	-5.8%	69
Fee income	2	(1)	-33.3%	3	-	0.0%	3
Other income	1	1		-	-		-
Total Revenues - Bond Programs	$ 131	$ (49)	-27.2%	$ 180	$ (8)	-4.3%	$ 188
Total Revenues	$ 267	$ (114)	-29.9%	$ 381	$ 79	26.2%	$ 302
Operating Expenses – WCF and Affiliates							
Interest on bonds and notes, net of discount/premium	$ 8	$ 1	14.3%	$ 7	$ -	0.0%	$ 7
Administrative expenses	70	(14)	-16.7%	84	1	1.2%	83
Grant expenses	4	(3)	-42.9%	7	7		-
Other expenses	1	-	0.0%	1	1		-
Total Expenses - WCF and Affiliates	$ 83	$ (16)	-16.2%	$ 99	$ 9	10.0%	$ 90
Operating Expenses – Bond Programs							
Interest on bonds and notes, net of discount/premium	$ 111	$ (2)	-1.8%	$ 113	$ 1	0.9%	$ 112
Administrative expenses	6	-	0.0%	6	2	50.0%	4
Other expenses	6	(2)	-25.0%	8	-	0.0%	8
Total Expenses - Bond Programs	$ 123	$ (4)	-3.1%	$ 127	$ 3	2.4%	$ 124
Total Expenses	$ 206	$ (20)	-8.8%	$ 226	$ 12	5.6%	$ 214
Operating income before provision for (reduction to) loan losses- WCF and Affiliates	$ 53	$ (49)	-48.0%	$ 102	$ 78	325.0%	$ 24
Operating income before provision for (reduction to) loan losses - Bond Programs	$ 8	$ (45)	-84.9%	$ 53	$ (11)	-17.2%	$ 64
Total operating income before provision for (reduction to) loan losses	$ 61	$ (94)	-60.6%	$ 155	$ 67	76.1%	$ 88
Provision for (reduction to) loan losses	$ 22	$ 17	340.0%	$ 5	$ 33	-117.9%	$ (28)
Total provision for (reduction to) loan losses	$ 22	$ 17	340.0%	$ 5	$ 33	-117.9%	$ (28)
Total operating income	$ 39	$ (111)	-74.0%	$ 150	$ 34	29.3%	$ 116
Special Items	$ -	$ -		$ -	$ 2	-100.0%	$ (2)
Changes in net position	$ 39	$ (111)	-74.0%	$ 150	$ 36	31.6%	$ 114
Net position at beginning of the fiscal year	$ 1,491	$ 150	11.2%	$ 1,341	$ 114	9.3%	$ 1,227
Total net position at end of the fiscal quarter	$ 1,530	$ 39	2.6%	$ 1,491	$ 150	11.2%	$ 1,341

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

Discussion of Operating Results

Reference is made to the statements of revenues, expenses, and changes in net position for the fiscal years ended June 30, 2021, 2020 and 2019, and the year-over-year increases and decreases presented on the prior page. Changes in Operating Income before Special Items are the result of several major items that positively or negatively affected Operating Income as described below:

Operating Revenues

Interest on Loans
Interest on loans for the year ended June 30, 2021 increased when compared with FY 2020 as result of an increase in Loans Receivable in both the multifamily and single-family programs. Interest on loans for the year ended June 30, 2020 decreased as compared with FY 2019. The decrease for the year ended June 30, 2020, as compared to the prior respective year, was due to the prepayment of several multifamily loans and lower interest rates in the SFHRB program.

Investment Earnings
Investment Earnings consist of interest income and increases or decreases in the fair value of investments. Investment Earnings for the years ended June 30, 2021 and 2020 decreased as compared with FY 2020 and FY 2019 due to decreased invested principal balances, decreased rates of return and a decrease in the fair market value of investments.

Fee Income
Fee Income includes fees received from loan originations, securitization premiums, loan servicing fees, insurance premiums, and Section 8 administrative fees received from the U.S. Department of Housing and Urban Development (HUD), including administrative fees that are paid by HUD to MassHousing in consideration for serving as HUD's contract administrator with respect to the Performance-Based Contract Administration (PBCA) contract and the Traditional Contract Assistance (TCA). Fee Income for the year ended June 30, 2021 as compared with FY 2020 increased primarily due to an increase in secondary marketing gains, increased origination fees and an increase in multifamily servicing fees, partially offset by a reduction in single family servicing fee income. Fee Income for the year ended June 30, 2020 as compared with FY 2019 decreased primarily due to a reduction in fees received from multifamily loans.

As noted above, MassHousing receives fee income in consideration for serving as HUD's contract administrator with respect to project-based Section 8 subsidy programs in the Commonwealth, including both the TCA and the PBCA programs. Starting in 2011, HUD sought to achieve cost savings in the PBCA program and initiated the first of several processes for re-bidding PBCA administration in multiple states. Each such process has been withdrawn or overturned following legal challenges. On November 3, 2020, HUD informed MassHousing of its intention to extend the optional renewal of the ninth amendment of the Annual Contributions Contract (ACC) as PBCA administrator for HUD, subject to the availability of sufficient appropriations, for both the first additional term, which began on February 1, 2021, and shall end on July 31, 2021, and the second additional term, which shall begin on August 1, 2021 and end on January 31, 2022.

Grant Income
Grant Income consists of grants received for purposes that increase housing opportunities and otherwise support the Agency's mission. Grant Income for the year ended June 30, 2021, as compared with year ended June 30, 2020, decreased due to fewer grant proceeds received in FY 2021 when compared to FY 2020. FY 2021 grants included a grant of $5.8 million from the Capital Magnet Fund and will be used to provide subordinate loans to multifamily developers and for home

ownership loans down payment assistance program, a grant of $5 million for Workforce Production Funds from the Commonwealth to expand the state's workforce housing supply and a grant of $2 million from the FHLB, under the Helping to House New England Program, to fund affordable sober housing and support services through the Agency's Center for Community Recovery Innovations. Grant Income for the year ended June 30, 2020, as compared with year ended June 30, 2019, increased due to a number of grants received, including a grant of $86.2 million for Workforce Production Funds from the Commonwealth to expand the state's workforce housing supply, a grant of $2.5 million from the Commonwealth's FY 2019 Supplemental Budget for the Agency's down payment assistance program, a grant of $2.25 million of Capital Magnet Funds from the federal government's Community Development Financial Institutions Fund to provide down payment assistance loans to income eligible first-time homebuyers and a grant of $2 million from the FHLB, under the Helping to House New England Program, to fund affordable sober housing and support services through the Agency's Center for Community Recovery Innovations.

Other Income

Other Income primarily includes insurance claim receipts on foreclosed properties, reinsurance receipts received by MIF on insurance claims paid, recoveries on multifamily loans and various other operating income items. Other income for the year ended June 30, 2021 as compared to the year ended June 30, 2020 increased primarily due to funds received from multifamily refinancing's, including the collection of a loan that had been written off in prior years as uncollectable. Other income for the year ended June 30, 2020 as compared to the year ended June 30, 2019 decreased.

Operating Expenses

Interest Expense on Bonds and Notes, net of premium/discount

Interest Expense on Bonds and Notes, net of premium/discount, for the year ended June 30, 2021, as compared with the year ended June 30, 2020, decreased due to savings from bond refundings and lower interest rates. Interest Expense on Bonds and Notes, net of premium/discount, for the year ended June 30, 2020, as compared with the year ended June 30, 2019, increased due to the new issuance of bonds.

Financing Costs

The costs of issuing bonds (other than bond discount or premium) are recognized as expense in the year incurred as Financing Costs. Financing Costs for the years ended June 30, 2021, as compared to the year ended June 30, 2020, decreased due to fewer bond issuances during the fiscal year. Financing Costs for the year ended June 30, 2020, as compared to the year ended June 30, 2019, increased due to increased bond issuances during the fiscal year

Administrative Expenses

Administrative Expenses for the year ended June 30, 2021, as compared with FY 2020, decreased due to a decrease in pension and OPEB expenses. Administrative Expenses for the year ended June 30, 2020, as compared with FY 2019, increased due to an increase in the amortization of servicing rights.

Grant Expenses

The Agency provides grants to programs and initiatives that increase housing opportunities and otherwise support the Agency's mission, subject to all applicable requirements of the Agency's enabling act. Most grants are paid out of the Agency's Opportunity Fund or CCRI. Grant Expenses for the year ended June 30, 2021, as compared with the year ended June 30, 2020, decreased due to a reduction in grants disbursed through the Opportunity Fund. Grant Expenses for the year ended June 30, 2020, as compared with the year ended June 30, 2019, increased due a disbursement of funds out of the Opportunity Fund to a special fund under the Commonwealth's Residential Assistance for Families in Transition (RAFT) for COVID-19 assistance, and to the disbursement of funds made available from a grant received from the FHLB for the Helping to House New England program.

Other Expenses

Other Expenses include MIF insurance claims paid, losses on property dispositions and various other items. Other Expenses for the year ended June 30, 2021 as compared with the year ended June 30, 2020 decreased due to lower asset protection expenses, lower paid claims in MIF and lower fees charged in the WCF. Other Expenses for the year ended June 30, 2020 as compared with the year ended June 30, 2019 increased due to higher asset protection expenses and paid claims in MIF.

Provision for Loan Losses

The Provision for Loan Losses for the years ended June 30, 2021 and June 30, 2020, as compared with FY 2020 and FY 2019, increased mainly due to two factors 1) an increase in new subordinate debt on projects where the current expectations do not appear to be supportive of full collection and 2) certain projects refinancing their first mortgage debt with third party lenders at higher loan amounts resulting in additional loss reserves to existing MassHousing subordinate debt.

MIF

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

(in thousands)	**2021**	**2020**	**2019**
Net insurance premium revenue	$ 6,259	$ 6,064	$ 5,701
Investment Earnings	2,136	3,357	2,301
Net increase (decrease) in fair value of investments	(1,742)	2,221	2,612
Underwriting and Administrative expenses	(1,765)	(2,209)	(1,960)
Claims expense	(930)	(699)	(196)
Reduction to (provision for) allowance for potential claims	390	(3,071)	207
Operating Income	**$ 4,348**	**$ 5,663**	**$ 8,665**

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

Legislative Developments

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

COMBINED STATEMENTS OF NET POSITION

June 30, 2021 and 2020

In thousands

	June 30, 2021	June 30, 2020
Assets		
Current assets		
Cash and cash equivalents (Notes C & N)	$ 1,214,476	$ 1,118,773
Investments (Notes C & N)	191,176	181,189
Interest and fees receivable on construction and mortgage loans, net (Note D)	10,031	10,017
Current portion of loans receivable, net (Note D)	309,000	159,494
Other assets (Note F)	17,293	12,849
Total current assets	**1,741,976**	**1,482,322**
Non-current assets		
Investments (Notes C & N)	882,838	1,015,297
Non-current portion of loans receivable, net (Notes D & E)	2,881,974	2,716,834
Escrowed funds (Note G)	727,266	638,717
Investment derivative instruments (Note I)	11	24
Other assets (Note F)	56,102	56,691
Total non-current assets	**4,548,191**	**4,427,563**
Total assets	**6,290,167**	**5,909,885**
Deferred outflow of resources		
Pension and Other Post Employment Benefits (OPEB) (Note M)	21,492	15,476
Hedging derivative instruments (Note I)	4,418	22,931
Total deferred outflow of resources	**25,910**	**38,407**
Total assets and deferred outflow of resources	**$ 6,316,077**	**$ 5,948,292**
Liabilities		
Current liabilities		
Current portion of long term debt, net (Note H)	$ 360,662	$ 112,767
Obligation line of credit (Note H)	25,000	35,000
Accrued interest payable	10,840	10,261
Other liabilities (Note F)	22,433	16,458
Hedging derivative instruments (Note I)	93	936
Total current liabilities	**419,028**	**175,422**
Non-current liabilities		
Non-current portion of long term debt, net (Note H)	3,546,644	3,514,271
Long term- loan (Note H)	16,363	16,363
Net pension and OPEB liability (Note M)	2,563	45,880
Other liabilities (Note F)	25,573	29,203
Escrowed funds payable (Note G)	727,266	638,717
Hedging derivative instruments (Note I)	4,325	21,995
Investment derivative instruments (Note I)	14,632	5,658
Total non-current liabilities	**4,337,366**	**4,272,087**
Total liabilities	**4,756,394**	**4,447,509**
Deferred inflow of resources		
Pension and OPEB (Note M)	29,252	10,177
Total deferred inflow of resources	**29,252**	**10,177**
Total liabilities and deferred inflow of resources	**4,785,646**	**4,457,686**
Commitments and contingencies (Note N)		
Net position (Notes A & K)		
Restricted by bond resolutions	578,589	598,085
Restricted by contractual or statutory agreements	248,255	242,023
Unrestricted	703,587	650,498
Total net position	**$ 1,530,431**	**$ 1,490,606**

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

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

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

For the periods ended: June 30, 2021 and 2020

In thousands	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
Operating revenues		
Interest on loans (Notes B & D)	$ 136,856	$ 126,810
Investment earnings: (Notes B & C)		
Interest income	29,427	51,730
Net increase (decrease) in fair value of investments	(31,231)	27,172
Fee income (Note B)	93,332	79,931
Grant income (Note B)	12,800	92,950
Other income (Note B)	25,342	1,861
Total operating revenues	**266,526**	**380,454**
Operating expenses		
Interest on bonds and notes, net of discount/premium (Notes B & H)	118,768	120,240
Financing costs	7,032	7,472
Administrative expenses	74,818	89,837
Grant expenses (Note B)	3,546	7,225
Other expenses (Note B)	641	1,577
Total operating expenses	**204,805**	**226,351**
Operating income before provision for loan losses	**61,721**	**154,103**
Provision for loan losses (Notes B & D)	21,896	4,942
Total provision for loan losses	**21,896**	**4,942**
Operating income after provision for loan losses	**39,825**	**149,161**
Change in net position	**39,825**	**149,161**
Net position at the beginning of the period	1,490,606	1,341,445
Net position at the end of the period	**$ 1,530,431**	**$ 1,490,606**

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

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

COMBINED STATEMENTS OF CASH FLOWS

For the periods ended: June 30, 2021 and 2020

In thousands	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash flows from operating activities:		
Collections on mortgage loans, construction loan repayments and loan sales	$ 1,765,320	$ 1,139,076
Loan advances to borrowers	(1,968,483)	(1,168,155)
Interest collections on construction loans	5,875	3,964
Fees collected	92,252	78,058
Cash payments to employees for services	(35,251)	(34,765)
Cash payments to other suppliers of goods and services	(62,992)	(48,814)
Grants received	12,800	92,950
Grants disbursed	(3,493)	(7,219)
Miscellaneous receipts (disbursements)	14,205	(7,016)
Escrow funds, net	(88,550)	(85,541)
Escrow funds payable, net	88,550	85,541
Net cash provided by (used for) operating activities	**(179,767)**	**48,079**
Cash flows from non-capital financing activities:		
Sale of bonds and notes and draw down on line of credit	849,522	646,449
Bond issuance / redemption costs	(6,922)	(7,352)
Retirement of bonds and notes and pay down on line of credit	(574,241)	(449,782)
Interest on bonds and notes	(123,192)	(124,538)
Net cash provided by non-capital financing activities	**145,167**	**64,777**
Cash flows from investing activities:		
Purchase of investments	(670,006)	(517,440)
Proceeds from sales of investments	767,485	649,623
Investment earnings, net of rebate	32,824	51,876
Net cash provided by investing activities	**130,303**	**184,059**
Net increase in cash and cash equivalents	95,703	296,915
Cash and cash equivalents at the beginning of the period	1,118,773	821,858
Cash and cash equivalents at end of the period	**$ 1,214,476**	**$ 1,118,773**

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

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

COMBINED STATEMENTS OF CASH FLOWS (continued)

For the periods ended: June 30, 2021 and 2020

In thousands	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating income	**$ 39,825**	**$ 149,161**
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:		
Amortization of bond original discount (premium), net	(5,073)	(3,909)
Depreciation and amortization	12,398	27,045
Provision for losses on loans	21,896	4,942
Recognition of fee income	(4,194)	(4,103)
Investment earnings	(29,427)	(51,730)
Change in fair value of investments	31,231	(27,172)
Interest expense on bonds and notes	123,841	124,149
Financing expenses	7,032	7,472
Changes in assets and liabilities:		
Increase in loans receivable	(336,930)	(151,983)
Decrease (increase) in interest and fees receivable on loans	(16)	48
Increase in other assets and other receivables	(126,094)	(107,466)
Increase in accounts payable and other liabilities	85,744	81,625
Total adjustments	**(219,592)**	**(101,082)**
Net cash provided by (used for) operating activities	**$ (179,767)**	**$ 48,079**

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

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

STATEMENTS OF FIDUCIARY NET POSITION

In thousands	Massachusetts Housing Finance Agency OPEB Trust *		Massachusetts Housing Finance Agency Employees' Retirement System **		Total Pension (and other employee benefit) Trust Funds	
	June 30, 2021	June 30, 2020	December 31, 2020	December 31, 2019	Fiscal Year Ended	Prior Fiscal Year Ended
Assets						
Cash and cash equivalents	$ 100	$ 100	$ 3,010	$ 494	$ 3,110	$ 594
Investments	50,506	38,127	207,383	178,381	257,889	216,508
Other assets	-	-	190	214	190	214
Total assets	**50,606**	**38,227**	**210,583**	**179,089**	**261,189**	**217,316**
Liabilities						
Accounts payable	658	576	163	63	821	639
Due to MassHousing	-	-	202	194	202	194
Total liabilities	**658**	**576**	**365**	**257**	**1,023**	**833**
Net position						
Restricted for postemployment benefits	49,948	37,651	210,218	178,832	260,166	216,483
Total net position	**$ 49,948**	**$ 37,651**	**$ 210,218**	**$ 178,832**	**$ 260,166**	**$ 216,483**

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

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

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

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

	Massachusetts Housing Finance Agency OPEB Trust *		Massachusetts Housing Finance Agency Employees' Retirement System **		Total Pension (and other employee benefit) Trust Funds	
In thousands	**Fiscal Year Ended**		**Fiscal Year Ended**			
	June 30, 2021	**June 30, 2020**	**December 31, 2020**	**December 31, 2019**	**Fiscal Year Ended**	**Prior Fiscal Year Ended**
Additions						
Contributions:						
Employer contributions	$ 3,597	$ 3,421	$ 10,081	$ 10,031	$ 13,678	$ 13,452
Plan members contributions			3,527	3,449	3,527	3,449
Reimbursements and transfers from other systems			579	760	579	760
Total contributions	3,597	3,421	14,187	14,240	17,784	17,661
Net investment earnings:						
Interest and dividend income	1,026	1,019	3,994	4,167	5,020	5,186
Net increase in fair value	9,258	199	24,646	25,248	33,904	25,447
Less: investment expense	(24)	(23)	(1,641)	(1,684)	(1,665)	(1,707)
Total net investment earnings	10,260	1,195	26,999	27,731	37,259	28,926
Total additions	**13,857**	**4,616**	**41,186**	**41,971**	**55,043**	**46,587**
Deductions						
Benefits and refunds paid	1,517	1,327	9,180	8,526	10,697	9,853
Reimbursements and transfers to other systems	-		130	263	130	263
Administrative expenses	43	27	490	468	533	495
Total deductions	**1,560**	**1,354**	**9,800**	**9,257**	**11,360**	**10,611**
Net increase in net position	**12,297**	**3,262**	**31,386**	**32,714**	**43,683**	**35,976**
Net position restricted for postemployment benefits						
Net position restricted for postemployment benefits at the beginning of the fiscal year	37,651	34,389	178,832	146,118	216,483	180,507
Net position restricted for postemployment benefits at the end of the fiscal year	**$ 49,948**	**$ 37,651**	**$ 210,218**	**$ 178,832**	**$ 260,166**	**$ 216,483**

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

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

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

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

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

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

Working Capital Fund (WCF) and Affiliates

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

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

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

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

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

separate account within the WCF, and its net position is included in Restricted Net Position on the combining Statements of Net Position.

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

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

(2) Multifamily Bond Programs
MassHousing issues bonds to finance multifamily rental housing under several separate bond resolutions. Each general and series specific bond resolution requires that certain funds and accounts be established and maintained for that respective bond program. The following multifamily development bond programs were active in fiscal years 2021 and 2020.

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

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

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

(b) General Rental Development Bond Program

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

(c) Multi-Family Housing Bond Program

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

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

(d) Housing Bond Program

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

(3) Single-Family Housing Bond Programs

MassHousing has issued bonds to finance the purchase of mortgage-backed securities or loans made to single-family borrowers from participating lenders under two separate general resolutions. Each general and series specific bond resolution requires that certain funds and accounts be established and maintained for that respective bond program. The following is a description of the Single-Family Housing Revenue Bond Program and the Residential Mortgage Revenue Bond Program, which were active in fiscal years 2021 and 2020.

(a) Single-Family Housing Revenue Bond Program

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

(b) Residential Mortgage Revenue Bond Program

The Residential Mortgage Revenue Bond Program (RMRB) was established in September 2012 to finance mortgage loans under the HomeOwnership Program exclusively through the purchase of Fannie Mae MBS that are backed by single-family mortgage loans.

COVID-19 Response

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and on March 13, 2020, the President of the United States declared a national emergency in response to the COVID-19 pandemic. Since the initial emergency declaration, the Federal government has enacted several COVID-19 related bills, including the Coronavirus Aid, Relief and Economic Security Act (The CARES Act), signed into law on March 27, 2020, and the American Rescue Plan Act of 2021 (ARPA), signed into law on March 11, 2021.

Under The CARES Act, a borrower with a federally backed mortgage loan secured by a lien on residential property designed for 1-4 families, who is experiencing financial hardship due, directly or indirectly, to the COVID-19 emergency could request forbearance regardless of delinquency status. The CARES Act further provided that upon receipt of a request of forbearance, servicers of such loans, such as MassHousing, will (i) provide forbearance for up to 180 days and (ii) extend forbearance for up to an additional 180-day period, upon the timely request of the borrower.

ARPA, a $1.9 trillion COVID-19 relief package, which includes a number of provisions that mostly affect hospitals and health systems, provides financial support for families and small businesses, as well as extends and expands support for housing, childcare, food and the education system. MassHousing is currently monitoring the housing related implications of ARPA and plans for deploying any housing-related funds made available by ARPA.

In February 2021, the President of the United States announced additional measures available for certain eligible homeowners with federally-backed mortgage loans, including (i) the extension of a foreclosure moratorium through June 30, 2021, (ii) the extension, to June 30, 2021, of the deadline by which forbearance may be requested and (iii) the availability of up to six months of additional mortgage payment forbearance, in three-month increments, for eligible borrowers who entered forbearance on or before June 30, 2020. In addition, the Federal Housing Financing Agency (FHFA) announced that certain eligible borrowers with mortgages backed by FNMA or FHLMC (i) are covered under a foreclosure moratorium running through June 30, 2021 and (ii) if the borrower was in an active COVID-19 forbearance plan as of February 28, 2021, may qualify for an additional six-months of forbearance (bringing the overall forbearance period to up to 18-months for such borrowers).

In May of 2021, The Commonwealth of Massachusetts launched its Subsidized Housing Emergency Rental Assistance (SHERA) program. The SHERA program is funded with a portion of the federal assistance provided for under section 501 of Division N of the Consolidated Appropriations Acts, 2021, PUB. L No. 116-260, enacted December 27, 2020. The SHERA Program helps residents clear rent arrearages incurred from April 1, 2020 through March 31, 2021 due to the COVID-19 pandemic. MassHousing borrowers are among the first phase of eligible participants for the program. MassHousing is one of the administrators of the SHERA program.

On May 28, 2021, Governor Baker issued an executive order terminating, as of June 15, 2021, the state of emergency due to COVID-19 that had been in place in Massachusetts since March 20, 2020 and rescinding prior orders that had implemented COVID-19 restrictions such as masking and limits on the size of gatherings or occupancy of certain buildings. However, MassHousing cannot predict (i) the duration or extent of the COVID-19 pandemic or any other outbreak emergency; (ii) the duration or expansion of any foreclosure or eviction moratorium affecting MassHousing's ability to foreclose and collect on delinquent mortgage loans; (iii) the number of mortgage loans that will be in default as a result of the COVID-19 pandemic and subsequent federal, state and local responses thereto, including the CARES Act and the referenced actions announced by the President and FHFA and ARPA; (iv) whether and to what extent the COVID-19 pandemic or other outbreak or emergency may disrupt the local or global economy, manufacturing, or supply chain, or whether any such disruption may adversely impact MassHousing or its operations; or (v) whether or to what extent MassHousing or other government agencies may provide additional deferrals, forbearances, adjustments, or other changes to payments on mortgage loans.

In June 2021, President Biden announced (i) the extension by the Department of Housing and Urban Development (HUD), the Department of Veterans Affairs (VA), and the United States Department of Agriculture (USDA) of their foreclosure moratorium for one, final month, until July 31, 2021, (ii) the extension by FHFA of its foreclosure moratorium for mortgages backed by Fannie Mae and Freddie Mac until July 31, 2021 and (iii) that HUD, VA and USDA would continue to allow homeowners who had not taken advantage of forbearance to date to enter into COVID-19 related forbearance through September 30, 2021, while homeowners with Fannie Mae and Freddie Mac-backed mortgages who have COVID-19 related hardships would continue to be eligible for COVID-19 related forbearance.

On August 3, 2021, the United States Centers for Disease Control and Prevention (CDC) issued an order to be effective through October 3, 2021 that, with certain exceptions, halts evictions of certain eligible tenants in United States counties experiencing substantial and high levels of community transmission of COVID-19. On August 26, 2021, the U.S. Supreme Court blocked any enforcement of the CDC's order. It is unknown what, if any, legislative or other governmental action may be prompted by the court ruling.

Any of these legislative or administrative actions, and other proposals, if enacted, may have both adverse and positive effects on MassHousing's operations and financial condition. MassHousing adhered to all state and federal state of emergency mandates, continues to comply with applicable laws and regulations, and has adapted its business accordingly. Management continues to monitor its business lines and operations to minimize potential disruptions.

Each month since April 2020, the Agency has posted a voluntary notice regarding the impact of the COVID-19 pandemic on the Agency's Home Ownership Programs, Mortgage Insurance Fund and Rental Bond Programs on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system.

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

Note B. Summary of Significant Accounting Policies

Basis of Presentation

MassHousing's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The combining financial statements include all MassHousing's programs and affiliates described in Note A. All interprogram and interfund transactions and balances have been eliminated and are summarized in Note J. Detailed financial information for each individual bond program is presented in accompanying Supplemental Schedule 7 to the financial statements.

Basis of Accounting

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

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

Certain financial statement line items for the year ended June 30, 2020 have been reclassified to conform to current year presentation.

Fiduciary Statements

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

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

PADCO Accounting Policies
Properties acquired by PADCO are carried at the lower of cost or market. The related mortgage loans receivable were included in Other Assets on the Statements of Net Position of either the applicable bond programs or the WCF, with an offset to Other Liabilities on the WCF's Statements of Net Position and were eliminated in the combining Statements of Net Position. Rent and other revenues from properties owned by PADCO were included in Miscellaneous Income. Expenses of operating the properties were included in Miscellaneous Expenses. There were no properties owned by PADCO during the years ended June 30, 2021 or June 30, 2020.

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

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

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

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

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

Interest income is accrued as earned and is presented in the combining Statements of Revenues, Expenses, and Changes in Net Position net of any applicable arbitrage rebate owed to or received from the U.S. Treasury. There were no arbitrage rebates received or paid in 2021 and 2020.

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

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

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

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

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

Escrow Funds
The Agency holds Escrow funds consisting of deposits that are invested principally in money-market mutual fund shares which are held in segregated cash accounts. Escrow

accounts are recorded on the Statements of Net Position as Escrow funds (assets) with an equal amount recorded as Escrow funds payable (liability). The cash flows for escrow accounts are recorded net in the Operating activities section of the Statements of Cash Flows as Escrow funds, net or Escrow funds payable, net. The accounts described above are required to be held by the Agency through its mission as a Mortgage Lender and Servicer. As a policy and practice, the Agency holds funds for the benefit of its borrowers, investors and others.

Other Assets

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

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

Mortgage Servicing Rights

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

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

Long-Term Debt

Bond Issuance Costs, Discounts and Premiums

The costs of issuing bonds (other than bond discount and premium) are recognized as an expense in the period incurred as financing costs. Bond discounts and premiums are both deferred and amortized. MassHousing utilizes the effective interest method to amortize all discounts and premiums of new debt. The amortization is reflected as a component of interest expense. The amortization period used for each new bond issue is equal to the first optional redemption date for that new bond offering.

Interest and Fee Revenues on Mortgage Loans

Interest on Loans

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

Fee Income

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

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

Grant Income and Grant Expense

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

Grant Expense are recognized as grant funds are disbursed for the related grant projects.

Other Income and Other Expenses

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

Interprogram and Interfund Balances and Eliminations

The WCF engaged in interfund transactions with several of the bond programs. These transactions and resulting year-end interfund balances have been eliminated in the accompanying combining financial statements. Further details of these transactions and year-end balances are included in Notes J and L.

Net Position

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

Recently Issued Accounting Standards

In January 2017, GASB approved Statement No. 84, “Fiduciary Activities” (GASB 84). This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. The Agency implemented this standard in the third quarter of the fiscal year ended June 30, 2019 (FY 2019) for interim reports. The agency identified two fiduciary activities: (1) the Massachusetts Housing Finance Agency Other Post-Employment Benefits (OPEB) Trust and (2) the Massachusetts Housing Finance Agency Employees’ Retirement System. The Agency implemented this standard for annual reports in its fiscal year ended June 30, 2020 (FY 2020) financial statements.

In June 2017, GASB approved Statement No. 87, “Leases” (GASB 87). The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases. This Statement increases the usefulness of financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. In accordance with GASB Statement No. 92, “Omnibus 2020” as described below, the effective date of this standard is for fiscal years beginning after December 15, 2019. The effective date was superseded again in accordance with GASB Statement No. 95, “Postponement of the Effective Dates of Certain Authoritative Guidance”, as described below, to fiscal years beginning after June 15, 2021. The Agency is currently assessing the impact of GASB 87 and the implementation issues.

In August 2018, GASB issued Statement No. 90, Majority Equity Interests (GASB 90) – an amendment of GASB Statements No. 14 and No. 61. GASB 90 defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government’s holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The requirements of this statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The Agency has determined that GASB 90 does not apply to the Agency financial statements.

In May 2019, GASB approved Statement No. 91, “Conduit Debt Obligations” (GASB 91) The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. In accordance with GASB Statement No. 95, “Postponement of the Effective Dates of Certain Authoritative Guidance” as described below, the effective date of this standard is for reporting periods beginning after December 15, 2021. Earlier application is encouraged. The Agency is currently assessing the impact of GASB 91 and the implementation issues.

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

In March 2020, GASB approved Statement No. 93, “Replacement of Interbank Offered Rates” (GASB 93). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates. The GASB issued GASB 93 to amend GASB Statement 53 in order to address the accounting and financial reporting implications that result from the replacement of LIBOR. At the time that Statement 93 was issued, LIBOR was expected to cease to exist after December 31, 2021. The GASB Board chose that date as the date after which LIBOR would no longer be an appropriate benchmark interest rate for a derivative instrument that hedges the interest rate risk of taxable debt. Subsequently, LIBOR’s administrator, the ICE Benchmark Administration, announced that the most widely used United States Dollar LIBOR tenors would continue to be published until June 30, 2023. On, July 1, 2021, GASB has issued an exposure draft Omnibus 20xx to address the extension of the publication of Libor until June 30, 2023, with comments due by September 17, 2021. The Agency is currently assessing the impact of GASB 93, the exposure draft Omnibus 20xx and the implementation issues.

In May 2020, GASB approved Statement No. 95, “Postponement of the Effective Dates of Certain Authoritative Guidance” (GASB 95). The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

In May 2020, GASB approved Statement No. 96, “Subscription-Based Information Technology Arrangements” (GASB 96). The primary objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The Agency is currently assessing the impact of GASB 96 and the implementation issues.

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

Note C. Investments, Cash and Cash Equivalents

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

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

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

(2) Federal Agency or GSE obligations

(3) Agency or GSE MBS

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

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

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

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

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

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

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

(11) Collateralized Bank Deposits

(12) Insured Bank Deposits

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

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

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

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

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

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

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

Investments and Cash Equivalents

At June 30, 2021 and 2020, MassHousing had the following investments and cash equivalents by type and by maturities with credit ratings when available (in thousands):

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

June 30, 2020	Total Cost, Amortized Cost or Fair Value	Investment Maturities (In Years) Less Than 1	1-5	6-10	More Than 10	Creditor Rating Range
Cash Equivalents	$1,096,372	$1,096,372				N/A to AAA
GSE MBS and Obligations	959,644	19,361	$ 52,027	$ 8,221	$ 880,035	AA+
U.S. Treasuries	191,620	126,386	65,234			A-1+ to AA+
Commercial Paper	24,746	24,746				A-1+ to A-1
Negotiable Bank Debt Obligations	15,163	10,696	4,467			A-1+ to A+
Government Guaranteed Obligations	5,194		5,194			AAA
GICs	119			119		N/A
Total Investments and Cash Equivalents	**$2,292,858**	**$1,277,561**	**$ 126,922**	**$ 8,340**	**$ 880,035**	

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

The total carrying amount of these items plus cash deposits (see below) equals the sum of all cash and cash equivalents and investments line items in the accompanying combining Statements of Net Position. Detailed information about the investments and cash equivalents of MassHousing's individual programs is contained in the accompanying Schedule 1 to the financial statements.

For the fiscal year ended June 30, 2021, the total cash equivalents and investments from the bond programs included in the table were $875.2 million and $778.7 million respectively, all of which are restricted as to use. For the fiscal year ended June 30, 2020, the total cash equivalents and investments from the bond programs included in the table were $566 million and $1.1 billion, respectively, all of which are restricted as to use.

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

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

The ratings of the financial institution with which the Agency has a GIC equals or exceed MassHousing's minimum rating requirements. The GIC investment has not been rated by any national rating agencies.

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

MassHousing had GICs with the following issuer that represented over 5% of the respective bond program's total investments at June 30, 2021 and 2020 (in thousands):

	June 30, 2021		June 30, 2020	
	Investments	% of Total Investments	Investments	% of Total Investments
General Rental Development Bond Program				
AIG Matched Funding Corp.				
(agreement is collateralized)	$ 118	100%	$ 119	100%

Cash Deposits

MassHousing's cash deposits per the bank were approximately $162.3 million and $46.4 million at June 30, 2021 and 2020, respectively. Of those amounts, $3.5 million and $2.9 million, respectively, were fully insured by the FDIC or collateralized with securities held by the pledging financial institution, its trust department or its agent. Such securities were not held in MassHousing's name. Deposits totaling $158.8 million and $43.5 million, respectively, were not insured or collateralized.

Cash balances reflected on the combining Statements of Net Position were approximately $54.1 million and $22.4 million at June 30, 2021 and 2020, respectively. The difference between the bank balances and the carrying amounts represents deposits in transit net of outstanding checks and other transactions not recorded by the bank until after year-end.

Fair Value of Investments

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

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities at the measurement date. Cash and cash equivalents are considered Level 1 and are not included in the table below.

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

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

MassHousing has the following recurring fair value measurements as of June 30, 2021 and June 30, 2020:

- U.S. Treasuries purchased with an initial maturity of more than one year are valued using quoted market prices (Level 1 inputs)

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

MassHousing has the following Investment and Derivative Instruments, which are measured at fair value, as of June 30, 2021 and 2020:

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

June 30, 2021	**Total Fair Value 06/30/21**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Investments by fair value level				
Debt securities				
GSE MBS and Obligations	$ 665,363	$ 665,363		
U.S. Treasuries	259,779	218,325	$ 41,454	
Government Guaranteed Obligations	57,445	27,519	29,926	
Commercial Paper	44,115	-	44,115	
Corporate Obligations	30,119	30,119		
Negotiable Bank Debt Obligations	12,840	5,940	6,900	
Asset-Backed Securities	4,235	4,235		
Total Debt Securities	**$ 1,073,896**	**$ 951,501**	**$ 122,395**	**$ -**
Investment derivative instruments				
Interest Rate Cap Agreement	$ 11		$ 11	
Interest Rate Swaps	(18,957)		(18,957)	
MBS Forward Contracts	(93)	$ (93)		
Total Derivative Instruments	**$ (19,039)**	**$ (93)**	**$ (18,946)**	**$ -**

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

June 30, 2020	Total Fair Value 06/30/20	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Debt securities				
GSE MBS and Obligations	$ 959,644	$ 959,644		
U.S. Treasuries	191,620	132,536	$ 59,084	
Commercial Paper	24,746		24,746	
Negotiable Bank Debt Obligations	15,163	11,163	4,000	
Government Guaranteed Obligations	5,194	5,194		
Total Debt Securities	**$ 1,196,367**	**$ 1,108,537**	**$ 87,830**	**$ -**
Investment derivative instruments				
Interest Rate Cap Agreement	$ 24		$ 24	
Interest Rate Swaps	(27,653)		(27,653)	
MBS Forward Contracts	(936)	$ (936)		
Total Derivative Instruments	**$ (28,565)**	**$ (936)**	**$ (27,629)**	**$ -**

Note D. Mortgage Loans Receivable and Allowances for Uncollectible Loans

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

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

6/30/2020 (in thousands)	Mortgage Obligation	Unamortized Prem./Disc. Loans	Loan Loss Reserve	Total
WCF - Multifamily	$ 550,038	$ -	$ (189,421)	$ 360,617
RHMRB Program	29,318	-	-	29,318
GRDB Program	187,892	1	(430)	187,463
MFHB Program	292,941	-	(950)	291,991
HB Program	1,638,437	-	(12,535)	1,625,902
Subtotal Multifamily	$ 2,698,626	$ 1	$ (203,336)	$ 2,495,291
WCF - Single-family	$ 72,430	$ 721	$ (645)	$ 72,506
SFHRB Program	311,235	-	(2,704)	308,531
Subtotal Single-family	$ 383,665	$ 721	$ (3,349)	$ 381,037
Totals	**$ 3,082,291**	**$ 722**	**$ (206,685)**	**$ 2,876,328**

The Agency also reviews its off-balance sheet loans with risk share for potential loss exposure. As of June 30, 2021 and 2020, the Agency has recorded a loss reserve on off-balance sheet loans of $670 thousand and $57 thousand, respectively, and is included in Other Liabilities, non-current on the Combined Statements of Net Position. Loans with risk sharing agreements are described more fully in Note N, "Commitments and Contingencies."

Note E. Actions Taken on Mortgage Loans and Mortgage Servicing Rights

SFHRB Program

Included in the SFHRB Program Portfolio as of June 30, 2021 and June 30, 2020, were 225 and 175 first mortgage and subordinate loans, respectively, that had payment arrearages of 90 days or more or were in foreclosure. The outstanding mortgage loan balances for these properties as of June 30, 2021 and June 30, 2020, respectively, was $22.3 million and $18.9 million.

Loans with payment arrearages that cannot be cured or otherwise successfully restructured may proceed to foreclosure by the Agency. During FY 2021 and FY 2020, the Agency foreclosed on 2 loans and 9 loans held in the SFHRB Program, respectively, with a total fair value of $290 thousand and $1.5 million, respectively.

As of June 30, 2021 and June 30, 2020, there were 3 and 10 Real Estate Owned properties, respectively, in the SFHRB Program Portfolio with a total fair value of $308 thousand and $1.3 million, respectively.

Multifamily Bond Programs

There was 1 delinquent development included in the multifamily loan portfolio at June 30, 2021 and there were 3 delinquent developments included in the multifamily loan portfolio at June 30, 2020. The total principal balance for these loans at June 30, 2021 and 2020 was $5.2 million and $44.3 million, respectively. No multifamily loans were foreclosed in either FY 2021 or FY 2020.

Mortgage Servicing Rights
Mortgage servicing rights purchased by the Agency are capitalized and amortized over the expected life of the related cash flows. In fiscal years ending June 30, 2021 and June 30, 2020, respectively, the Agency paid $7.9 million and $5.6 million for servicing rights. The amortization for the fiscal years ending June 30, 2021 and June 30, 2020, respectively, was $6.8 million and $6.4 million.

Excess mortgage servicing rights for mortgage loans pooled into MBS, which are retained by the Agency for which the stated servicing fee rate differs from current (normal) servicing, are capitalized and amortized over the expected life of the related cash flows. For the fiscal years ended June 30, 2021 and June 30, 2020, $223 thousand and $623 thousand, respectively, were capitalized, and $1.8 million and $1.9 million, respectively, were amortized.

Note F. Other Assets and Other Liabilities

At June 30, 2021 and 2020, MassHousing had the following current and non-current other assets (in thousands):

	FY 2021	FY 2020
Single-family Service Rights and Excess Servicing Rights	$ 32,611	$ 33,115
Investments in Affordable Housing Trust Fund (AHTF) participation rights	15,396	11,344
Accounts receivable - various	11,814	7,278
Unamortized Reinsurance Premium - Mortgage Insurance Fund	8,046	10,012
Interest receivable on investments	2,927	3,576
Fixed assets, net of accumulated depreciation	2,292	2,862
Other Real Estate Owned, net of allowance	308	1,293
Prepaid items	1	60
Total Other Assets	**$ 73,395**	**$ 69,540**

At June 30, 2021 and 2020, MassHousing had the following current and non-current other liabilities (in thousands):

	FY 2021	FY 2020
Accounts Payable	$ 15,036	$ 9,324
Deferred Premium Income (See Note N)	14,453	17,512
Liabilities- various	14,204	14,122
Allowance for MIF Claims (See Note N)	4,313	4,703
Total Other Liabilities	**$ 48,006**	**$ 45,661**

Note G. Escrowed Funds

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

Note H. Bond and Note Indebtedness

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

Summaries of MassHousing's bond and note indebtedness activity for fiscal years 2021 and 2020 are as follows (in thousands):

2021	Beginning Balance	New Issues	Retirements	Ending Balance	Current Maturities [1]
Bonds (all programs)	$ 3,434,748	$ 577,630	$ 376,524	$ 3,635,854	$ 193,087
Notes: HB Program	250		250	-	
Notes: WCF	164,864	140,428	72,468	232,824	167,575
Totals	**$ 3,599,862**	**$ 718,058**	**$ 449,242**	**$ 3,868,678**	**$ 360,662**
Unamortized Bond/Note Discount/Premium				38,628	
Bonds and Notes Payable, Net				**$ 3,907,306**	

2020	Beginning Balance	New Issues	Retirements	Ending Balance	Current Maturities [1]
Bonds (all programs)	$ 3,225,945	$ 575,555	$ 366,752	$ 3,434,748	$ 74,876
Notes: HB Program	250			250	250
Notes: WCF	170,135	52,759	58,030	164,864	37,641
Totals	**$ 3,396,330**	**$ 628,314**	**$ 424,782**	**$ 3,599,862**	**$ 112,767**
Unamortized Bond/Note Discount/Premium				27,176	
Bonds and Notes Payable, Net				**$ 3,627,038**	

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

Future principal and interest payments on bonds and notes for the years subsequent to June 30, 2021 through their final maturities are presented in the accompanying Schedule 5 to the financial statements; due dates, interest rates and other information relating to bond and note indebtedness of individual programs are presented in the accompanying Schedules 3 (Bonds) and 4 (Notes and Other Indebtedness) to the financial statements.

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

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

Fixed Rate Bonds and Notes – Bonds are issued in the form of both serial bonds and term bonds. Term bonds and notes require the establishment of a sinking fund in the year preceding any scheduled mandatory redemption. Debt service requirements of the Agency's outstanding fixed rate debt at June 30, 2021 are as follows (in thousands):

	Fixed Rate Bonds and Notes				
Fiscal Year Ending June 30	**Underwritten Principal**	**Underwritten Interest**	**Private Placement Principal**	**Private Placement Interest**	**Total**
FY22	$ 191,618	$ 98,687	$ 148,780	$ 14,863	$ 453,948
FY23	130,861	96,186	44,665	10,282	281,994
FY24	139,695	93,196	17,109	9,680	259,680
FY25	98,196	90,461	41,715	8,919	239,291
FY26	79,925	87,934	1,780	8,737	178,376
FY27 - FY31	365,295	401,968	10,095	42,696	820,054
FY32 - FY36	430,580	334,604	19,935	40,471	825,590
FY37 - FY41	412,760	258,098	45,325	35,526	751,709
FY42 - FY46	459,921	179,293	69,870	26,304	735,388
FY47 - FY51	347,900	99,875	85,535	13,983	547,293
FY52 - FY56	239,240	45,267	22,285	3,710	310,502
FY57 - FY61	107,840	11,077	14,805	1,339	135,061
FY62 - FY66	15,850	521	2,420	78	18,869
Totals	**$ 3,019,681**	**$ 1,797,167**	**$ 524,319**	**$ 216,588**	**$ 5,557,755**

Variable Rate Bonds

Listed in the table below are the outstanding Variable Rate Bonds as of June 30, 2021 and 2020, including Remarketing Agent and Liquidity Providers, if applicable (in thousands):

Variable Rate Bonds and Notes

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

Variable Rate Bonds and Notes

Issue Name	Maturity Date	Bonds & Notes Outstanding June 30, 2020	Remarketing Agent	Remarketing Expiration Date	Liquidity Provider	Liquidity Expiration Date
RHMRB Series 2002D	01/01/2045	$ 4,505	n/a	n/a	n/a	n/a
RHMRB Series 2003A	07/01/2043	17,680	n/a	n/a	n/a	n/a
GRDB VRHB 2015A	01/01/2034	31,225	Raymond James	01/31/2034	Bank of America	01/31/2034
2018 Mill Road	11/01/2048	23,325	n/a	n/a	n/a	n/a
HB Series 2003F	12/01/2037	315	Merrill Lynch	12/01/2037	n/a	n/a
HB Series 2008A	05/01/2048	80,225	n/a	n/a	n/a	n/a
HB Series 2009B	01/01/2044	11,208	Merrill Lynch	01/01/2044	T.D. Bank	02/01/2021
HB Series 2013F	12/01/2038	23,720	Raymond James	12/01/2038	T.D. Bank	12/04/2023
HB Series 2016I	12/01/2056	25,000	n/a	n/a	n/a	n/a
HB Series 2018B	06/01/2058	25,000	n/a	n/a	n/a	n/a
HB 2018 Issue 2 Blk 2018A Notes	07/24/2020	250	n/a	n/a	n/a	n/a
SFHRB Series 76	12/01/2030	13,160	n/a	n/a	n/a	n/a
SFHRB Series 196	12/01/2048	15,000	n/a	n/a	n/a	n/a
SFHRB Series 200	12/01/2048	15,000	n/a	n/a	n/a	n/a
SFHRB Series 204	12/01/2048	10,000	n/a	n/a	n/a	n/a
SFHRB Series 208	06/01/2049	15,000	RBC Capital Markets	05/08/2024	Royal Bank of Canada	05/08/2024
SFHRB Series 212	12/01/2049	15,000	n/a	n/a	n/a	n/a
SFHRB Series 216	12/01/2050	25,000	n/a	n/a	n/a	n/a
Total		**$ 350,613**				

Reference is made to Note I for a description of the interest rate swaps and caps that are outstanding on several variable rate bonds at year end. The total amounts of such hedged variable rate bonds outstanding at June 30, 2021 and 2020 were as follows (in thousands):

	June 30, 2021	June 30, 2020
HB Program	$ 102,881	$ 114,843
RHMRB Program	-	22,185
SFHRB Program	33,750	33,750
Total	**$ 136,631**	**$ 170,778**

The total amounts of such unhedged, or partially unhedged, variable rate bonds outstanding at June 30, 2021 and 2020 were as follows (in thousands):

Basis	June 30, 2021	June 30, 2020
Initial term rate of 1.45% until mandatory tender date of 12/1/2022	$ 15,000	$ 15,000
Initial term rate of 1.85% until mandatory tender date of 6/1/2025	25,000	25,000
One-month LIBOR plus 60 basis points	12,360	13,160
One-month LIBOR plus 65 basis points	26,224	26,590
79% of one-month LIBOR plus 35 bps multiplied by 1.26582	-	250
70% of one-month LIBOR	7,500	7,500
SIFMA Municipal Swap Index (SIFMA) plus 55 bps	23,070	23,325
SIFMA plus 33 bps	10,000	10,000
Weekly rate set by the underwriter/remarketing agent, determined by current market conditions	57,885	59,010
Weekly rate set by the remarketing agent, determined by current market conditions, but not exceeding Variable Rate Ceiling of 15% per annum	11,008	-
Total	**$ 188,047**	**$ 179,835**

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

Reference is made to Note I for the debt service requirements of the Agency's outstanding variable rate debt. Reference is made to Schedule 5 for the debt service requirements for all of the Agency's outstanding debt.

Debt Issuance

The following tables summarize new debt issues for the fiscal years ended June 30, 2021 and June 30, 2020:

FY 2021

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

[2] Funds used to finance new mortgage loans

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

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

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

FY 2020

Issue Name	Issue Date	Final Maturity Date	Original Principal Amount	New Debt [2/5]	Refunded Debt [3]	Conduit [4]
Direct Purchase Construction Loan Note (CLN), Issue 6 Blk 2019A	8/1/2019	10/3/2022	$ 13,570	$ 13,570		
Direct Purchase CLN, Issue 6 Blk 2019B (Taxable)	8/1/2019	9/30/2021	29,840	29,840		
Total Direct Purchase CLN Issues			**$ 43,410**	**$ 43,410**	**$ -**	**$ -**
HB Series 2019B-1	10/31/2019	12/1/2056	$ 71,940	$ 49,835	$ 22,105	
HB Series 2019B-2	10/31/2019	6/1/2023	20,060	20,060		
HB Series 2019B-3	10/31/2019	12/1/2059	8,340	8,340		
HB Series 2019B-4	10/31/2019	12/1/2022	8,750	8,750		
HB Series 2019C-1	12/12/2019	6/1/2062	92,920	92,920		
HB Series 2019C-2	12/12/2019	6/1/2023	1,280	1,280		
HB Series 2019D (Taxable)	12/12/2019	6/1/2061	13,860	13,860		
HB Series 2020A	6/25/2020	6/1/2060	133,260	121,710	11,550	
HB Series 2020B (Taxable)	6/25/2020	12/1/2040	21,355		21,355	
Total HB Issues			**$ 371,765**	**$ 316,755**	**$ 55,010**	**$ -**
SFHRB Series 209 (Taxable)	9/12/2019	6/1/2034	$ 14,000	$ 14,000		
SFHRB Series 210	9/12/2019	12/1/2036	9,150		$ 9,150	
SFHRB Series 211	9/12/2019	12/1/2049	20,290	9,282	11,008	
SFHRB Series 212	9/12/2019	12/1/2049	15,000	15,000		
SFHRB Series 213	12/19/2019	12/1/2023	4,495		4,495	
SFHRB Series 214	12/19/2019	12/1/2049	73,710	50,705	23,005	
SFHRB Series 215	5/28/2020	12/1/2050	42,145	14,303	27,842	
SFHRB Series 216	5/28/2020	12/1/2050	25,000	5,000	20,000	
Total SFHRB Issues			**$ 203,790**	**$ 108,290**	**$ 95,500**	**$ -**
Multifamily Conduit Revenue Bonds (Arthur O'Shea House Issue), Series 2019A	7/31/2019	7/31/2021	$ 18,030			$ 18,030
Multifamily Conduit Revenue Bonds (Arthur O'Shea House Issue), Series 2019B	7/31/2019	7/31/2036	5,276			5,276
Multifamily Conduit Revenue Bonds (Arthur O'Shea House Issue), Series 2019C	7/31/2019	7/31/2036	1,694			1,694
Multifamily Tax-Exempt Mortgage-backed Bonds (M-TEMS) (Colonial Village Project), Series 2019 (FN)	12/19/2019	1/1/2037	8,250			8,250
Multifamily Conduit Revenue Bonds (Colonial Village Project), Series 2019	12/19/2019	1/1/2023	760			760
Multifamily Conduit Revenue Bonds, (Michael E. Haynes Arms Issue), Series 2020A	1/16/2020	6/1/2022	10,653			10,653
Multifamily Conduit Revenue Bonds, (Michael E. Haynes Arms Issue), Series 2020B	1/16/2020	1/3/2040	6,765			6,765
Total Conduit Issues			**$ 51,428**	**$ -**	**$ -**	**$ 51,428**
Total			**$ 670,393**	**$ 468,455**	**$ 150,510**	**$ 51,428**

[2] Funds used to finance new mortgage loans

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

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

[5] This table includes $25.6 million of CLN debt issued in FY 2020, but not yet advanced. This table excludes $34.9 million of CLN debt advanced in FY 2020 for notes issued in previous fiscal years.

Bond Refundings

GASB Statement No. 23, Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities provides guidance on Debt Refunding transactions. Pursuant to GASB Statement No. 23, the deferred amounts should be amortized in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. The Agency has elected to recognize the prior deferred amounts related to debt refundings immediately as Gains/Loss on Early Retirement of Debt, due to the insignificance of these transactions.

Lines of Credit
On November 6, 2019, MassHousing amended an existing revolving loan agreement with Bank of America, N.A. for a line of credit to provide funding for the Agency's purchase of single-family loans in the WCF. The revolving loan agreement was extended to November 4, 2021 with no change to the maximum line of credit amount of $100 million. At June 30, 2021 and June 30, 2020, $25 million and $35 million, respectively, of the line of credit was outstanding. The agreement contains several provisions which would result in default, including, but not limited to, failure to pay the debt, bankruptcy, material breach of any representation or warranty, failure to pay other debt in excess of $10 million and failure to maintain $100 million of unrestricted net assets.

On November 12, 2020, MassHousing entered into an uncommitted revolving loan agreement with Bank of America, N.A. for a line of credit to provide funding for the Agency's multifamily loans held in the WCF in an aggregate amount not exceeding $75 million. At June 30, 2021, $0 of the line of credit was outstanding. The agreement contains several provisions which would result in default, including, but not limited to, failure to pay the debt, bankruptcy, material breach of any representation or warranty, failure to pay other debt in excess of $10 million and failure to maintain $100 million of unrestricted net assets.

Helping to House New England Financing
In December 2016, MassHousing entered into an *Agreement for Advances, Collateral Pledge, and Security Agreement* (Agreement) with the Federal Home Loan Bank of Boston's Helping to House New England Program, of which the Agency has posted certain investments as collateral as required under the program. The Agency is utilizing the program to provide funding for some of the Agency's multi-family loans. Each advance has a term of 10 years and a 0% interest rate. The Agreement contains several provisions which would result in default, including, but not limited to, failure to pay the debt, bankruptcy and material breach of any representation or warranty. At both June 30, 2021 and 2020, $16.4 million, with maturity dates of December 21, 2026 for $9.2 million and December 6, 2028 for $7.2 million, had been advanced and was outstanding. At June 30, 2021 MBS with a fair value of $20.0 million was held in the WCF as collateral for the program. At June 30, 2020 MBS with a fair value of $17.2 million and cash in the amount of $1.4 million was held in the WCF as collateral for the program.

Conduit Debt
MassHousing issues bonds, from time to time, under its GRDB Resolution, to finance certain mortgage loans for which, due to the conduit nature of the obligations, neither the bonds nor the mortgage loans securing those bonds are included in MassHousing's financial statements. Each of such bond issues are separately secured from any other obligations issued by MassHousing.

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

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

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

Defeased Debt
MassHousing defeases certain multifamily bonds, from time to time, by placing the proceeds of new bonds into irrevocable trusts established to provide funds to call the defeased bond. These defeasance transactions are generally of short duration.

Prior-years' Defeased Debt
In 1992 and 1993, MassHousing defeased certain multifamily bonds of two resolutions by placing the proceeds of new bonds into irrevocable trusts established to provide for all future debt service payments on the old bonds until their scheduled maturities in 2021. Accordingly, the assets and the liabilities of these irrevocable trusts are not included in MassHousing's financial statements. At June 30, 2021 and 2020, $0 and $7.7 million, respectively, of bonds outstanding were considered defeased.

Note I. Derivative Instruments

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

At June 30, 2021 and 2020 MassHousing had three types of derivative instruments outstanding: interest rate swaps, an interest rate cap agreement, and MBS Forward Contracts.

Interest Rate Swaps

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

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

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

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

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

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

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

Terms, fair values, and credit ratings – The terms, including fair values and counterparty credit ratings, of the outstanding interest rate swaps at both June 30, 2021 and 2020 are provided below. The credit ratings were issued by S&P and Moody's, respectively. The maturity dates of hedged interest rate swap agreements and their related bonds are generally coterminous, maturing according to the dates shown below. The notional value of each interest rate swap and the principal amount of the associated debt declines over time.

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

Associated Bond Series (Counterparty)	Derivative Type	Notional Amount 06/30/21	Effective Date	Swap Termination Date	Fixed Rate Paid	Variable Rate Received	Fair Values 06/30/21	Change in Fair Values from 06/30/20 [increase/ (decrease)]
WCF (1)	Investment	$ 17,355	9/3/2003	7/1/2043	6.729%	LIBOR (a)	$(11,281)	$ 3,521
HB Series 2008A -Block III (Lebanese) (2)	Hedge	2,491	11/1/2009	5/1/2048	5.178%	LIBOR + .65% (a)	(308)	145
HB Series 2016I (3)	Hedge	25,000	12/15/2016	12/1/2041	3.655%	(70% * LIBOR) + 1.20% (b)	(1,463)	1,239
HB 2018B (3)	Hedge	25,000	6/19/2018	6/1/2053	3.845%	(70 % * LIBOR) + 1.05% (a)	(2,554)	1,484
SFHRB Series 196 (4)	Investment	11,250	6/19/2018	12/1/2048	2.573%	70% * LIBOR (a)	(1,056)	633
SFHRB Series 200 (5)	Investment	11,250	11/1/2018	12/1/2048	2.732%	70% * LIBOR (a)	(1,396)	761
SFHRB Series 208 (5)	Investment	11,250	5/9/2019	6/1/2049	2.350%	SIFMA (c)	(899)	705
		$ 103,596					**$(18,957)**	**$ 8,488**

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

Counterparty	Counterparty Credit Rating	Notional Amount 06/30/21	Percentage of Notional Amount	Fair Values 06/30/21	Percentage of Fair Values
(1) JP Morgan Chase Bank	A+/Aa2	$ 17,355	16.76%	$ (11,281)	59.51%
(2) Bank of America, N.A.	A+/Aa2	2,491	2.40%	(308)	1.62%
(3) Barclays Bank PLC	A/A1	50,000	48.26%	(4,017)	21.19%
(4) Citibank, N.A.	A+/Aa3	11,250	10.86%	(1,056)	5.57%
(5) Royal Bank of Canada	AA-/A2	22,500	21.72%	(2,295)	12.11%
		$ 103,596	**100.00%**	**$ (18,957)**	**100.00%**

June 30, 2020
Swap - Derivative Instruments (in thousands)

Associated Bond Series (Counterparty)	Derivative Type	Notional Amount 06/30/20	Effective Date	Swap Termination Date	Fixed Rate Paid	Variable Rate Received	Fair Values 06/30/20	Change in Fair Values from 06/30/19 [increase/ (decrease)]
RHMRB Series 2002D (4)	Investment	$ 4,505	11/1/2019	1/1/2045	2.980%	LIBOR + .25% (a)	$ (62)	$ (48)
RHMRB Series 2003A (1)	Hedge	17,680	9/3/2003	7/1/2043	6.729%	LIBOR (a)	(14,802)	$ (4,011)
HB Series 2008A -Block III (Lebanese) (2)	Hedge	2,525	11/1/2009	5/1/2048	5.178%	LIBOR + .65% (a)	(453)	(118)
HB Series 2009B (5)	Investment	11,208	3/2/2020	1/1/2044	2.561%	LIBOR (a)	(146)	(123)
HB Series 2016I (3)	Hedge	25,000	12/15/2016	12/1/2041	3.655%	(70% * LIBOR) + 1.20% (b)	(2,702)	(1,613)
HB 2018B (3)	Hedge	25,000	6/19/2018	6/1/2053	3.845%	(70 % * LIBOR) + 1.05% (a)	(4,038)	(1,878)
SFHRB Series 196 (4)	Investment	11,250	6/19/2018	12/1/2048	2.573%	70% * LIBOR (a)	(1,689)	(823)
SFHRB Series 200 (6)	Investment	11,250	11/1/2018	12/1/2048	2.732%	70% * LIBOR (a)	(2,157)	(979)
SFHRB Series 208 (6)	Investment	11,250	5/9/2019	6/1/2049	2.350%	SIFMA (c)	(1,604)	(1,017)
		$ 119,668					**$(27,653)**	**$ (10,610)**

(a) LIBOR 1 month USD (.16625% at June 30, 2020)
(b) LIBOR 3 month USD (.302% at June 30, 2020)
(c) USD SIFMA Municipal Swap Index (.13% at June 30, 2020)

Counterparty	Counterparty Credit Rating	Notional Amount 06/30/20	Percentage of Notional Amount	Fair Values 06/30/20	Percentage of Fair Values
(1) JP Morgan Chase Bank	A+/Aa2	$ 17,680	14.77%	$ (14,802)	53.53%
(2) Bank of America, N.A.	A-/A2	2,525	2.11%	(453)	1.64%
(3) Barclays Bank PLC	A/A1	50,000	41.78%	(6,740)	24.37%
(4) Citibank, N.A.	A+/Aa3	15,755	13.17%	(1,751)	6.33%
(5) Wells Fargo Bank, N.A.	BBB+/A2	11,208	9.37%	(146)	0.53%
(6) Royal Bank of Canada	AA-/A2	22,500	18.80%	(3,761)	13.60%
		$ 119,668	**100.00%**	**$ (27,653)**	**100.00%**

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

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

Using interest rates at June 30, 2021, debt service requirements of the Agency's outstanding variable rate debt and net interest rate swap payments at June 30, 2021 are as follows (in thousands):

	Hedged Variable Rate Bonds and Notes [6]					
Fiscal Year Ending June 30	Underwritten Principal	Underwritten Interest	Private Placement Principal	Private Placement Interest	Interest rate Swaps Net	Total
FY22	$ -	$ 14	$ 1,200	$ 1,161	$ 3,251	$ 5,626
FY23	-	14	1,285	1,153	3,321	5,773
FY24	-	14	1,295	1,147	3,292	5,748
FY25	-	13	1,375	1,134	3,265	5,787
FY26	-	13	1,500	1,032	3,234	5,779
FY27 - FY31	840	67	8,875	5,545	15,573	30,900
FY32 - FY36	4,330	64	12,160	5,090	14,075	35,719
FY37 - FY41	12,110	52	16,410	4,592	11,840	45,004
FY42 - FY46	17,075	31	22,415	3,920	6,005	49,446
FY47 - FY51	10,645	5	32,075	2,662	3,163	48,550
FY52 - FY56			24,125	1,211	741	26,077
FY57 - FY61			6,390	80		6,470
Totals	**$ 45,000**	**$ 287**	**$ 129,105**	**$ 28,727**	**$ 67,760**	**$ 270,879**

6 The variable rate bonds included in the above table include $37 million of the unhedged portion of partially hedged bonds. At June 30, 2021, the following amounts were unhedged: HB Series 2008A- $26.2 million, SFHRB Series 196- $3.8 million, SFHRB Series 200- $3.8 million, and SFHRB Series 208- $3.8 million

Current Collateral Agreements – The outstanding interest rate swap agreements contain varying collateral requirements with the counterparties to mitigate the potential for credit risk. When these requirements are not met, collateral is posted with the counterparty. These requirements were met at June 30, 2021 and 2020, and as a result, the Agency did not have any collateral on deposit with any of its swap counterparties.

Interest Rate Cap Agreement

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

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

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

Terms, fair values and credit rating – The terms, including fair value and counterparty credit rating, of the outstanding cap at June 30, 2021 and 2020 is provided below. The credit rating was issued by Moody's. The notional value of the cap and the principal amount of the associated debt declines each fiscal year.

June 30, 2021

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

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

Counterparty	Counterparty Credit Rating
1 SMBC Capital Markets, Inc	A1

June 30, 2020

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

Associated Bond Series	Notional Amount 06/30/20	Effective Date	Cap Termination Date	Strike Rate	Rate Index	Fair Value 06/30/20	Changes in Fair Values from 06/30/19 [increase/ (decrease)]	Name of Counterparty
HB Series 2008A	$ 51,110	4/2/2014	4/1/2024	6.000%	1 Month LIBOR	$ 24	$ (16)	1

Counterparty	Counterparty Credit Rating
1 SMBC Capital Markets, Inc	A1

MBS Forward Contracts

In October 2009, MassHousing converted its HomeOwnership Program from a whole loan purchase program to a program primarily financed through the sale of MBS guaranteed by a Government Agency or GSEs as to timely payment of principal and interest. These securities represent pools of qualified first mortgage loans originated by MassHousing-approved lenders. Under this program, MassHousing periodically enters into forward contracts to sell MBS to investors before the securities are ready for delivery (referred to as MBS Forward Contracts). MassHousing enters into MBS Forward Contracts to hedge the interest rate risk for loan commitments made to originating mortgage lenders. MBS Forward Contracts are derivative instruments due to one or more of the following factors that are not determined at the time MassHousing and the investor enter into the transaction: settlement factors; the reference rates or interest rates the MBS will bear; and notional amounts in the form of the principal amount of the future MBS. In addition, payment to

MassHousing by the investor is not required until the investor receives the MBS, enabling the investor to take a position on interest rates without making a payment. Finally, the MBS Forward Contracts may be "net settled" because MassHousing is not obligated to deliver or purchase an asset (the MBS) to settle the MBS Forward Contract.

MBS Forward Contracts are included on the combining Statements of Net Position as deferred outflows of resources if the fair value is negative and as deferred inflows of resources if the fair value adjustment is positive. Pursuant to the terms of the counterparty forward contract with Fannie Mae, when the aggregate negative value of the forward contracts exceeds $3 million, the Agency is required to post collateral. The minimum transfer amount is $50 thousand. Collateral is not returned until the aggregate negative value becomes positive. At June 30, 2021 and 2020, the Agency did not have any collateral on deposit with Fannie Mae.

Terms, fair values, and credit ratings – A summary of the MBS Forward Contracts outstanding at June 30, 2021 and 2020, are provided below. The terms, including fair values and counterparty credit ratings, of the MBS Forward Contracts at June 30, 2021 and 2020, are provided in Schedule 6. The credit rating was issued by Moodys. The fair values presented below and in Schedule 6 at June 30, 2021 and 2020 were obtained from an external pricing service which used acceptable methods and assumptions in compliance with GASB disclosure requirements, subject to review and approval by MassHousing.

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

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

MBS Forward Contracts at June 30, 2020 (dollars in thousands)

MBS Forward Contracts	Notional Amount June 30, 2020	Coupon Rate Rate	Fair Value at June 30, 2020	Counterparty Credit Rating
FNMA	$ 105,000	2.5%	$ (626)	Aaa
FNMA [7]	22,448	2.5-3.0%	(104)	Aaa
FHLMC	54,000	2.5-3.0%	(206)	Aaa
Total	**$ 181,448**		**$ (936)**	

[7] These MBS forward contracts relate to Government National Mortgage Association (GNMA) MBS to be issued. The HUD loans that eventually back the GNMA MBS are on a forward contract between MassHousing and Fannie Mae.

Derivative Instrument Risk

Credit Risk – Credit risk is the risk that a counterparty will not fulfill its settlement obligations. The fair values of the interest rate swaps at June 30, 2021 and 2020 represent MassHousing's credit exposure to the various counterparties with which the swaps were executed. Swap terms often expose MassHousing to credit risk for those swaps with positive fair values. The term "positive fair value" implies that the swap provider would owe a payment to MassHousing if the swap were terminated at a midmarket price on the valuation date. The term "negative fair value" implies that MassHousing would owe a payment to the swap provider if the swap were terminated at a midmarket price on the valuation date. At June 30, 2021 and 2020 the Agency had no exposure to credit risk on its outstanding interest rate swaps, as no interest rate swap had a positive value.

MBS Forward Contract terms often expose MassHousing to credit risk. On both June 30, 2021 and 2020, the Agency was exposed to some credit risk on its outstanding MBS Forward Contracts due to a positive fair value on such MBS Forward Contracts. However, the net fair value to the counterparty at June 30, 2021 and 2020 was negative, and the counterparties were rated Aaa by Moody's on both dates. As such, the Agency does not believe it was exposed to significant credit risk on its MBS Forward Contracts at June 30, 2021 and 2020.

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

At June 30, 2021 and 2020, the Agency was not exposed to basis risk on its interest rate swaps, interest rate cap, or its MBS Forward Contracts.

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

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

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

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

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

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

Rollover risk – MassHousing is exposed to rollover risk on interest rate swaps that mature or may be terminated prior to the maturity of the associated debt. When these interest rate swaps terminate, or if MassHousing exercises its elective termination option, the risk is that MassHousing will not realize the synthetic rate offered by the interest rate swaps on the underlying debt issues. The debt that is exposed to rollover risk at June 30, 2021 and 2020 is as follows:

Debt exposed to Rollover risk - June 30, 2021

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

Debt exposed to Rollover risk - June 30, 2020

Associated Debt Issuance	Debt Maturity Dates	Swap Early Termination Date
RHMRB 2002D	01/01/45	01/01/21
HB 2008A Block III (Lebanese)	05/01/48	10/18/24
HB 2009B	01/01/44	01/04/21
HB 2016I	12/01/56	12/01/25
HB 2018B	06/01/58	06/01/27
SFHRB 196	12/01/48	06/01/27
SFHRB 200	12/01/48	12/01/28
SFHRB 208	06/01/49	12/01/28

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

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

The following tables provide the interfund receivable (payable) balances at June 30, 2021 and 2020 and the interfund transfers for fiscal years 2021 and 2020 (in thousands):

Interfund Receivable (Payable) Balances at June 30, 2021

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

Interfund Receivable (Payable) Balances at June 30, 2020

	WCF & Affiliates	RHMRB Program	GRDB Program	MFHB Program	SFHRB Program	RMRB Program	Totals
WCF & Affiliates	$ -	$ (16)	$ (12)	$ (6)	$ (475)	$ (3)	$ (512)
RHMRB Program	16	-	-	-	-	-	16
GRDB Program	12	-	-	-	-	-	12
MFHB Program	6	-	-	-	-	-	6
SFHRB Program	475	-	-	-	-	-	475
RMRB Program	3	-	-	-	-	-	3
Totals	**$ 512**	**$ (16)**	**$ (12)**	**$ (6)**	**$ (475)**	**$ (3)**	**$ -**

Interfund Transfers for Fiscal Year 2021

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

Interfund Transfers for Fiscal Year 2020

	WCF & Affiliates	RHMRB Program	GRDB Program	MFHB Program	HB Program	SFHRB Program	RMRB Program	Totals
WCF & Affiliates	$ -	$ (295)	$ (1,460)	$ (2,976)	$ (13,479)	$ 4,423	$ (175)	$ (13,962)
RHMRB Program	295	-	-	-	-	-	-	$ 295
GRDB Program	1,460	-	-	-	-	-	-	$ 1,460
MFHB Program	2,976	-	-	-	-	-	-	$ 2,976
HB Program	13,479	-	-	-	-	-	-	$ 13,479
SFHRB Program	(4,423)	-	-	-	-	-	-	$ (4,423)
RMRB Program	175	-	-	-	-	-	-	$ 175
Totals	**$ 13,962**	**$ (295)**	**$ (1,460)**	**$ (2,976)**	**$ (13,479)**	**$ 4,423**	**$ (175)**	**$ -**

Note K. Net Position

(1) Restricted by Contractual or Statutory Agreements

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

	June 30, 2021	June 30, 2020
MIF	$ 123,235	$ 118,887
Minimum net position covenants	100,000	100,000
FHLB of Boston Collateral (Helping to House New England)	20,038	18,591
Single family co-insurance	3,796	3,796
Restricted by Note Resolutions	1,186	749
WCF and Affiliates Restricted Net Position	**248,255**	**242,023**
Restricted by Bond Resolutions	578,589	598,085
Total Restricted Net Position	**$ 826,844**	**$ 840,108**

(2) Designated Unrestricted Net Position

In accordance with the accounting policy outlined in Note B, MassHousing has adopted, at its discretion, certain designations of the unrestricted net position in the WCF and

Affiliates. Designated unrestricted net position at June 30, 2021 and 2020 consist of the following (in thousands):

	June 30, 2021	June 30, 2020
Opportunity Fund	$ 353,493	$ 341,954
Funding for loan purchases and advances and unrestricted net position requirements	286,328	239,678
Lease Commitments	43,686	48,690
Funding of the Construction Security Fund	14,000	14,000
Capital Magnet Grants to be distributed	3,331	2,250
Equity of Affiliates (CCRI, PADCO)	927	1,003
Funding of the Tenancy Preservation Project	773	660
Funding of the CCRI	700	700
FHLB Helping to House New England Grant to be disbursed	179	1,513
Funding for the Mel King Institute	120	-
Funding of the New Lease for Homeless Families Initiative	50	50
Total Designations	**$ 703,587**	**$ 650,498**

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

Included in the financial statements of the WCF and Affiliates are the blended component units PADCO and CCRI. MIF is part of the WCF but its assets are restricted under an Escrow Agreement. The condensed Statements of Net Position and Statements of Revenues, Expenses, and Changes in Net Position are presented below for fiscal years 2021 and 2020 (in thousands):

Fiscal 2021	**WCF (excluding MIF)**	**MIF**	**PADCO**	**CCRI**	**Combined Totals**
STATEMENTS OF NET POSITION at June 30, 2021					
Total assets	$ 1,878,903	$ 143,172	$ -	$ 930	$ 2,023,005
Deferred outflow of resources	21,585	-	-	-	21,585
Total assets and deferred outflow of resources	**$ 1,900,488**	**$ 143,172**	**$ -**	**$ 930**	**$2,044,590**
Total liabilities	$ 1,043,556	$ 19,937	$ -	$ 3	$ 1,063,496
Deferred inflow of resources	29,252	-	-	-	29,252
Total net position	827,680	123,235	-	927	951,842
Total liabilities, deferred inflow of resources, and net position	**$ 1,900,488**	**$ 143,172**	**$ -**	**$ 930**	**$2,044,590**
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION					
For the fiscal year ended June 30, 2021					
Total revenues	$ 129,528	$ 6,744	$ -	$ 703	$ 136,975
Total expenses	100,572	2,396	-	779	103,747
Changes in net position	**$ 28,956**	**$ 4,348**	**$ -**	**$ (76)**	**$ 33,228**

Fiscal 2020	**WCF (excluding MIF)**	**MIF**	**PADCO**	**CCRI**	**Combined Totals**
STATEMENTS OF NET POSITION at June 30, 2020					
Total assets	$ 1,690,217	$ 142,107	$ -	$ 1,003	$ 1,833,327
Deferred outflow of resources	16,412	-	-	-	16,412
Total assets and deferred outflow of resources	**$ 1,706,629**	**$ 142,107**	**$ -**	**$ 1,003**	**$1,849,739**
Total liabilities	$ 923,821	$ 23,220	$ -	$ -	$ 947,041
Deferred inflow of resources	10,177	-	-	-	10,177
Total net position	772,631	118,887	-	1,003	892,521
Total liabilities, deferred inflow of resources, and net position	**$ 1,706,629**	**$ 142,107**	**$ -**	**$ 1,003**	**$1,849,739**
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION					
For the fiscal year ended June 30, 2020					
Total revenues	$ 188,054	$ 12,228	$ -	$ 735	$ 201,017
Total expenses	103,086	6,565	-	1,464	111,115
Changes in net position	**$ 84,968**	**$ 5,663**	**$ -**	**$ (729)**	**$ 89,902**

Note M. Employee Benefit Plans

Defined Benefit Pension Plan

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

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

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

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

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

- age, as of last birthday
- length of creditable service
- highest 36 consecutive months of regular compensation for members hired before April 2, 2012, or highest 5 consecutive years of regular compensation for members hired on or after April 2, 2012.
- Compensation basis limited to $185,600 for members hired after January 1, 2011

On March 9, 2021, the MHFAERS Members voted to maintain the current a cost-of-living adjustment (COLA) of 3% on the first $15,000 of annual benefits. On June 8, 2021 MassHousing Members approved these provisions with an effective date of July 1, 2021.

Employees covered by benefit terms. At January 1, 2019, the following employees were covered by the benefit terms:

Active Employees	323
Inactive employees or beneficiaries currently receiving benefits	168
Inactive employees entitled to but not yet receiving benefits	52
Total	543

Contributions – Active participants (current employees covered by the Plan) are required to contribute between 5% and 9% of their annual salaries (members hired after 1978 contribute an additional 2% of pay over $30,000) to the Plan, depending on their initial employment date in a Commonwealth's Public Employee Retirement Systems plan in accordance with Chapter 32. MassHousing is required to contribute the remaining amounts necessary to fund the Plan, using the actuarial basis specified by statute. Contributions to the pension plan from the Agency were $10 million for both FY 2021 and FY 2020. The Agency made an additional contribution to the pension plan of $12.2 million on June 11, 2021. In accordance with GASB 68 paragraph 46.c, the additional contribution of $12.2 million is recorded as a deferred outflow of resources at June 30, 2021 as the contribution was made after the measurement date. With that contribution the pension plan is deemed fully funded which will result in the FY 2022 and FY 2023 contributions to be based on covering "normal costs" only.

Net Pension Liability

The Agency's net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019.

Actuarial Assumptions – The total pension liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.1%
Salary Increases	5.25 % grading down to 3.75%
Investment rate of return	7.25 %, including inflation, net of pension plan investment expense

Mortality rates for the actuarial valuation as of January 1, 2019 were based on the RP-2014 White Collar Mortality Table projected generationally from the year 2006 using MP-2016.

The actuarial assumptions used in the January 1, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2018 through December 31, 2018.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Geometric Average)
US Equity	25%	4.6%
Developed Market Equity (non US)	10%	4.9%
Emerging Markets Equity	10%	5.9%
Private Equity	10%	6.9%
Investment Grade Bonds	10%	-0.3%
Real Estate	10%	3.3%
High Yield Bonds	6%	2.1%
TIPS	6%	-0.3%
Emerging Markets Bonds	5%	1.6%
Core Infrastructure	5%	4.8%
Natural Resources (Public)	3%	5.1%
Total	100%	

Discount rate - The discount rate used to measure the total pension liability for the financial statements was 7.25% for FY 2021 and FY 2020. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and contributions from the Agency will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

Changes in the Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Beginning Balance at 12/31/19	$ 201,998	$ 178,832	$ 23,166
Changes for the year:			
Service Cost	3,861	-	3,861
Interest	14,608	-	14,608
Contributions - employer	-	10,081	(10,081)
Contributions - employee	-	3,527	(3,527)
Net Investment Income	-	26,999	(26,999)
Benefit payments, including refunds of employee contributions	(8,732)	(8,732)	-
Administrative expenses		(490)	490
Net Changes	9,737	31,385	(21,648)
Balance at 12/31/20	**$ 211,735**	**$ 210,217**	**$ 1,518**

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

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

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

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

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

For the years ended June 30, 2021 and 2020, the Agency recognized pension expense of $1.4 million and $9.1 million, respectively, which is included in administrative expenses. At June 30, 2021 and June 30, 2020, the Agency reported deferred outflows and inflows of resources related to pensions from the following sources (in millions):

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

Fiscal 2020	**Deferred Outflows of Resources**		**Deferred Inflows of Resources**	
Differences between expected and actual experience	$	3.1	$	1.7
Change in assumptions		10.3		-
Net difference between projected and actual earnings on pension plan investments		-		7.0
Total	**$**	**13.4**	**$**	**8.7**

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

Year ended June 30:		
2022	$	(1,166)
2023		(392)
2024		(4,222)
2025		(2,401)
Thereafter		-

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

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

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

Deferred Compensation and Defined Contribution Plans

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

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

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

- Employees not vested in the MassHousing pension plan, (less than 10 years) receive a 50% match of each dollar, up to 6% of salary, contributed to the deferred compensation plan. For employees with 4 or more years of service, all matching dollars from MassHousing are vested automatically. For employees with less than four years of service, matching dollars from MassHousing vest over time at 25% increments based on length of service.

Participant contributions and investment income are held in a trust for the exclusive benefit of participants and their beneficiaries. Participants may choose from among a range of fixed income and equity investment funds. Contributions and earnings thereon are not taxable to participants until they are withdrawn. Total participant contributions for FY 2021 and FY 2020 were approximately $2.3 million and $2.2 million, respectively. Total matching contributions for FY 2021 and FY 2020 were approximately $402,000 and $389,000, respectively.

Postretirement Healthcare Benefit Plan

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

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

The Trust's financial statements for both fiscal years 2021 and 2020 were audited by a different firm than the auditor of the Agency.

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

Employees covered by benefit terms – At June 30, 2021, the following employees were covered by the benefit terms:

Active plan members	312
Retired, Disabled, Survivors and Beneficiaries receiving benefits	183
Inactive plan members entitled to but not yet receiving benefit payments	29
Total	524

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

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

Cash contributions to the Trust from the Agency were $3.2 million for both FY 2021 and FY 2020. Employees are not required to contribute to the OPEB Plan.

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

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

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

Mortality rates for the actuarial valuation as of January 1, 2021 was based on the. RP-2014 White-collar Mortality Tables and uses the most recently published mortality projection factors (MP-2020).

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

Changes in the Net OPEB Liability (1)

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

(1) In FY 2021, the Agency identified an overstatement in the FY 2019 and FY 2020 actuarial valuation of its Net OPEB Liability of $8.9 million and $9.4 million, respectively. In FY 2021 the Agency, utilizing a corrected actuarial valuation, made a cumulative adjustment through the changes in the Net OPEB Liability above. Additionally, the Agency adjusted the net deferred inflows by $5.2 million, and recorded a cumulative adjustment to decrease administrative expenses by $4.2 million.

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

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

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

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

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

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

Discount rate - The discount rate used to measure the total OPEB liability was 7.00% for the January 1, 2021 Actuarial Valuation. The projection of cash flows used to determine the discount rate assumed that MassHousing contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the Trust's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Trust's investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate used to determine the FY 2021 and FY 2020 contribution was 7.25% which was the rate used on the January 1, 2019 Actuarial Valuation.

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return (Geometric Average)
US Equity	30%	4.60%
Developed Markets Equity (non US)	19%	4.90%
Emerging Markets Equity	19%	5.90%
High Yield Bond	8%	2.10%
Investment Grade Bond	8%	-0.30%
Long-term Government Bonds	8%	0.40%
Treasury Inflation Protection Securities	8%	-0.30%
Total	100%	

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

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

At June 30, 2020, the Agency reported a liability of $22.7 million for its net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2019. The Agency's net OPEB liability was based on a projection of the Agency's long-term share of the cost of health insurance, actuarially determined.

The Agency recognized an OPEB expense recovery of $5.7 million in FY 2021 and an OPEB expense of $3.1 million in FY 2020, which is included in administrative expenses. At June 30, 2021 and 2020, the Agency reported deferred outflows and inflows of resources related to OPEB from the following sources (in thousands):

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

Fiscal 2020	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Differences between expected and actual experience		$ 639
Change in assumptions	$ 572	856
Net difference between projected and actual earnings on OPEB plan investments	1,453	
Total	**$ 2,025**	**$ 1,495**

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

Year ended June 30:	
2022	$ (3,419)
2023	(3,499)
2024	(2,292)
2025	(2,151)
2026	(461)
Thereafter	-

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

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

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

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

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

Note N. Commitments and Contingencies

MassHousing Mortgage Insurance Fund (MIF)
MassHousing established MIF within the WCF to provide an additional source of primary mortgage insurance for certain borrowers. In both fiscal years 2021 and 2020, MassHousing made no transfers to MIF. From the inception of MIF in fiscal year 1989 through fiscal year 2010, MassHousing transferred a total of $30.6 million to MIF. The transfers and MIF's regular operations have resulted in total net position of approximately $123.2 million and $118.9 million at June 30, 2021 and 2020, respectively, which is included in a separate account within the WCF. At June 30, 2021 and 2020, approximately $56.0 million and $77.8 million, respectively, of these totals served as collateral for insurance coverage relating to insured loans. Reinsurance agreements with unrelated insurers (described below) provide additional resources for the settlement of claims. A reserve for claims totaling $4.3 million and $4.7 million at June 30, 2021 and 2020, respectively, is included in WCF's other liabilities.

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

The following table summarizes the MIF claims activity at June 30, 2021 and 2020 (in thousands):

	June 30, 2021		June 30, 2020	
	Claims	MI Plus Claims	Claims	MI Plus Claims
Claims Paid	$ 48	$ 973	$ 863	$ 422
Number of Claims	1	1,012	18	414

MassHousing, on behalf of MIF, has reinsurance agreements with the Mortgage Guaranty Insurance Corporation (MGIC), United Guaranty Residential Insurance Corporation (UG), Genworth Mortgage Insurance Corporation (GMIC) and Willis Re, acting as a broker for Everest Reinsurance Company, Partner Reinsurance Europe ZE (Zurich Branch), Partner Reinsurance Company of the U.S, Insurance Company of the West, Markel Global Reinsurance Company and Aspen Insurance UK Limited. These agreements provide reinsurance of MassHousing's HomeOwnership loans and, in certain cases, other conventional mortgage loans purchased by MassHousing, loans which were made to persons and families of low- and moderate-income and which were originated by other mortgage lenders on Massachusetts one-to-four unit, owner-occupied residential dwellings, as well as other bank portfolio loans held by Massachusetts banks. Under each reinsurance agreement, the MIF retains a 10% share of the insurance coverage written on any reinsured loan; the reinsurer provides reinsurance for the remaining 90% of the coverage. In addition to MIF's 10% share, MIF receives a ceding commission ranging from 20% to 37% of the reinsurance premiums paid under the MGIC, UG, GMIC, and Willis Re agreements. The net benefits to MIF under the agreements range from 26.3% to 43.3% of the premiums for the assumption of 10% of the mortgage risk. The first contract with Genworth includes an excess of loss coverage which costs 1.7% of gross premiums written.

The following table summarizes the MIF reinsurance balances at June 30, 2021 and 2020 (in millions):

	June 30, 2021	June 30, 2020
Willis RE	$ 1,598	$ 1,830
GMIC	50	73
MGIC	15	21
UG	6	9
Total loans with reinsurance	**$ 1,669**	**$ 1,933**

Center for Community Recovery Innovations, Inc. (CCRI)
CCRI has been funded with contributions from MassHousing since fiscal year 1995. In both fiscal years 2021 and 2020, MassHousing contributed $700,000 and has committed to fund $700,000 in fiscal year 2022.

Opportunity Fund
On March 8, 2016, MassHousing Members voted to create a segregated revolving fund to be known as the Opportunity Fund within the Agency's WCF for programs and initiatives that increase housing opportunities and otherwise support the Agency's mission, subject to all applicable requirements of the Agency's enabling act. MassHousing Members further voted to make a cash investment of $156 million and to transfer $4 million from previously committed and reserved cash assets in the WCF to such Opportunity Fund. The Opportunity Fund is a designated unrestricted net position of the WCF and is included in the financial statements of the WCF and Affiliates.

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

As part of the Opportunity Fund, MassHousing Members voted to designate and reserve $50 million of such Opportunity Fund for programs and investments related to the preservation of the Commonwealth's Section 13A portfolio and $100 million of such Opportunity Fund for programs and investments related to the creation of workforce housing. Since inception, MassHousing Members voted to contribute an additional $58.6 million of WCF earnings into the Opportunity Fund. On May 14, 2019, MassHousing Members voted to designate and reserve an additional $10 million of Opportunity Fund cash for the creation of workforce housing.

On April 13, 2020, the Agency received $86.2 million of Workforce Production Funds from the Commonwealth to expand the state's workforce housing supply. These funds were deposited into the Opportunity Fund. The Agency has designated $60 million of these funds for the CommonWealth Builder program, which will provide grants for the new construction of workforce homeownership units for first-time homebuyers. The Agency has also designated $14.5 million to facilitate the proposed mixed-use rental residential and commercial development at 31 Elm Street in Springfield, MA, which is a priority Gateway City development and a key component of Springfield's Court Square Urban Renewal Plan. The Agency has designated the remaining funds of $11.7 million to provide either additional funding for the CommonWealth Builder program and/or for workforce rental developments.

Since FY 2020, the Agency has received $7.5 million from the Commonwealth's budget, which was deposited into the Opportunity Fund. The Agency has designated these funds for its Workforce Advantage Program, which is a down payment assistance loan program available to income-eligible, first-time homebuyers.

Effective on April 26, 2021, the Agency received a grant of $5.8 million of Capital Magnet Funds from the federal government's Community Development Financial Institutions Fund. On June 8, 2021, MassHousing Members voted to allocate $4.1 million to the Opportunity Fund to provide subordinate loans to multifamily developments. On June 11, 2021, these funds were deposited into the Opportunity Fund.

Helping to House New England Program

Since FY 2020 The Agency has received $4 million from the FHLB in the form of grants under the Helping to House New England Program. The Agency has allocated approximately $2.1 million of these proceeds to fund affordable sober housing and support services through CCRI, and approximately $1.9 million has been allocated for down payment assistance loan program available to income-eligible, first-time homebuyers. As of June 30, 2021, $1.2 million of the CCRI funds had been disbursed and $199 thousand of the down payment assistance funds had been disbursed.

Capital Magnet Funds

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

Legislative Developments

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

Lease Commitments

MassHousing is subject to an operating office lease with One Beacon Street Limited Partnership. This lease consists of building space of approximately 106,382 rentable square feet and is effective through March 31, 2030.

MassHousing also leases office equipment, automobiles and other items under several non-cancelable operating leases with terms in excess of one year.

The following is a summary of the future minimum lease payments under these leases (in thousands):

Fiscal Year	Total Future Minimum Lease Payments
2022	$ 4,925
2023	4,811
2024	4,891
2025	4,922
2026	5,004
2027-2030	19,133
Total future minimum lease payments	**$ 43,686**

Rent expense under all non-cancelable leases with terms in excess of one year totaled $5.3 million and $5.4 million in fiscal years 2021 and 2020, respectively.

Other

MassHousing's WCF has pledged to indemnify its municipal bond insurers in the event an insurer incurs losses under certain policies the insurer has issued. Those policies guarantee that bondholders of certain bond series and maturities will receive scheduled principal and interest payments. The indemnified amounts at June 30, 2021, by bond program are noted below (in thousands):

GRDB Program	$ 480
SFHRB Program	12,360
	$ 12,840

At June 30, 2021, MassHousing had commitments to provide approximately $168.6 million for undisbursed portions of existing and new permanent and construction mortgage loans.

Risk-Sharing Program

MassHousing serves as an approved lender under the Housing Finance Agency Risk-Sharing Program for Insured Affordable Multi Family Project Loans (Risk-Sharing Program), authorized by Section 542(c) of the Housing and Community Development Act of 1992, which is administered by HUD. Under the Risk-Sharing Program, MassHousing acts as the servicer for these loans, and bears a percentage of risk loss ranging from 10-50% of each loan with the balance of risk loss borne by HUD in the event of a claim. As of June 30, 2021, MassHousing has 279 loans with an unpaid principal balance of $2.9 billion, which is subject to a maximum loss exposure up to $1.4 billion. MassHousing utilizes strict underwriting standards to minimize exposure to risk loss. Following default on a risk-share loan, MassHousing may obtain an initial claim payment from HUD of 100% of the loan's unpaid principal balance and accrued interest (subject to certain adjustments). After a period during which MassHousing works toward curing the default, foreclosure or resale of the related project, losses (if any) are calculated and apportioned between MassHousing and HUD according to the applicable risk-sharing percentage for the loan, and MassHousing reimburses HUD (with interest on the initial claim payment) for its share of the loss, with such reimbursement to be made by debentures maturing over a period of five years (unless extended by HUD). In addition to using this program to insure mortgage loans pledged to secure bonds, MassHousing from time to time has sold 100% participation interests in mortgage loans secured under this program. In these cases, MassHousing is the original mortgagee and holds legal title to certain mortgage loans insured under this program for which 100% beneficial ownership has been transferred to participant owners. Since the inception of the Risk-Sharing Program, the Agency has suffered two partial claims, totaling approximately $5 million.

Additionally, MassHousing has risk sharing agreements with four independent insurers whereby MassHousing co-insures single-family primary mortgage loans. The following table provides the risk sharing exposure balances at June 30, 2021 and 2020 (in thousands):

	June 30, 2021	June 30, 2020
Balance of loans with co-insurance	$ 2,783	$ 4,276
Risk exposure of loans with co-insurance coverage	959	1,469
MassHousing claim liability	3,796	3,796
Co-insurers claim liability	1,316	1,316
MassHousing collateral on deposit	1,312	1,312

Note O. Events Subsequent to June 30, 2021

Loan Commitments

Through the September 14, 2021 meeting of the Members of MassHousing, the Agency issued new mortgage and bridge loan commitments totaling $456 million for multifamily developments.

Unscheduled Debt Redemptions

The following table summarizes the unscheduled debt redemption activity subsequent to June 30, 2021 (in thousands):

Bond Program	Series	Redemption Date	Amount
GRDB Program	2015A	7/1/2021	135
SFHRB Program	Various	7/12/2021	135,325
GRDB Program	2014B	7/15/2021	35
GRDB Program	2014B	8/16/2021	35
CLN	2017B	7/23/2021	11,105
Direct Purchase CLN	Issue Five, Block 2019B	8/2/2021	1,100
HB Program	2013A	8/16/2021	12,470
HB Program	2020B	8/16/2021	5,945
Direct Purchase CLN	Issue Five, Block 2018A	9/15/2021	21,140
GRDB Program	2014B	9/15/2021	35
Total unscheduled debt redemptions subsequent to June 30, 2021			**$ 187,325**

Debt

The following table summarizes the new debt issues subsequent to June 30, 2021 (in thousands):

Issue Name	Issue Date	Final Maturity Date	Original Principal Amount	New Debt [8]	Refunded Debt [9]	Conduit [10]
SFHRB Series 222	9/21/2021	6/1/2051	$ 89,900	$ 23,325	$ 66,575	
Total SFHRB Issues			**$ 89,900**	**$ 23,325**	**$ 66,575**	**$ -**
Multifamily Conduit Revenue Bonds, Orient Heights Phase Three Issue, Series 2021	7/15/2021	7/15/2024	**$ 40,750**			**$40,750**
Total Conduit Issues			**$ 40,750**	**$ -**	**$ -**	**$40,750**
			$ 130,650	**$ 23,325**	**$ 66,575**	**$ -**

8 Funds used to finance new mortgage loans

9 Funds used to refund and/or replace outstanding bonds.

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

Note P. Litigation

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

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Required Supplemental Schedule 1
Unaudited

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

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

Please see Note M for further disclosure

Required Supplemental Schedule 2
Unaudited

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

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

Notes to Schedule

Methods and assumption used to determine contribution rates:

Actuarial cost method	Entry age, normal
Amortization method	Level payment, closed
Remaining amortization period	Plan is fully funded as of 6/30/21
Asset valuation method	Fair value adjusted by accounts receivable and accounts payable
Inflation	2.1 percent
Salary Increases	5.25 percent grading down to 3.75 percent
Investment rate of return	7.25 percent, including inflation, net of pension plan investment expense
Mortality	RP-2014 White Collar Mortality Table projected generationally from the year 2006 using MP-2016.
Measurement Date	December 31, 2020
Valuation Date	January 1, 2019
Changes in assumptions	In FY 2020, the discount rate used to measure the total pension liability was reduced to 7.25% from 7.50% and the salary scale was increased by .25 bp in all years.
Changes in benefit terms	The COLA base was increased from $13,000 to $15,000.

Please see Note M for further disclosure

Required Supplemental Schedule 3
Unaudited

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

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

(1) Data is being accumulated annually to present 10 years of the reported information.
(2) In FY 2021, the Agency identified an error in the FY 2019 and FY 2020 actuarial calculation of the Net OPEB Liability, which resulted in changes in the Schedule of Changes in the Agency's Net OPEB Liability and related ratios. The cumulative effect is reflected in the FY 2021 reporting period.

Required Supplemental Schedule 4
Unaudited

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

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

Notes to Schedule

Actuarially Determined Contributions consist of:

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

Methods and assumption used to determine contribution rates:

Actuarial cost method	Projected Unit Credit Level Dollar cost method
Amortization method	Level percentage of pay, closed basis
Remaining amortization period	16 years
Asset valuation method	Market value
Salary Increases	3.5 percent
Healthcare cost trend rates	7% to 9% initial graded down to 5% in 2046
Investment rate of return	7.25 percent, net of OPEB plan investment expense
Retirement Age	Based on Tier classification, gender and hire dates
Mortality	RP-2014 Mortality Table at 2006 white collar, projected with MP-2016

Please see Note M for further disclosure

SUPPLEMENTAL SCHEDULE 1: INVESTMENTS AND CASH EQUIVALENTS

		Investment Maturities (In Years) In thousands of dollars				
		Total Cost, Amortized Cost, or Fair Value	**Less Than 1**	**1-5**	**6-10**	**More Than 10**
Working Capital Fund and Affiliates						
	U.S. Treasuries	$ 129,502	$ 6,363	$ 123,139		
	Government Sponsored Enterprises (GSEs) MBS and Obligations	70,211	6,210	27,397	$ 4,804	$ 31,800
	Asset-Backed Securities	4,235		3,735	500	
	Government Guaranteed Obligations	6,691		6,691		
	Corporate Obligations	30,119		30,119		
	Commercial Paper	41,687	41,687			
	Negotiable Bank Debt Obligations	12,840	8,093	4,747		
	Cash Equivalents	285,154	285,154			
	Total Investments and Cash Equivalents	$ 580,439	$ 347,507	$ 195,828	$ 5,304	$ 31,800
General Rental Development Bond Program						
	Guaranteed Investment Contracts (GIC's)	$ 118		$ 118		
	Cash Equivalents	4,694	$ 4,694			
	Total Investments and Cash Equivalents	$ 4,812	$ 4,694	$ 118		
Multi-Family Housing Bond Program						
	Cash Equivalents	$ 29,033	$ 29,033			
	Total Investments and Cash Equivalents	$ 29,033	$ 29,033			
Housing Bond Program						
	U.S. Treasuries	$ 108,244	$ 66,194	$ 42,050		
	Government Guaranteed Obligations	50,185	35,860	14,325		
	Commercial Paper	-				
	Cash Equivalents	485,010	485,010			
	Total Investments and Cash Equivalents	$ 643,439	$ 587,064	$ 56,375		

SUPPLEMENTAL SCHEDULE 1: INVESTMENTS AND CASH EQUIVALENTS

		Investment Maturities (In Years) In thousands of dollars				
		Total Cost, Amortized Cost, or Fair Value	**Less Than 1**	**1-5**	**6-10**	**More Than 10**
Single Family Housing Revenue Bond Program						
	U.S. Treasuries	$ 22,033	$ 10,833	$ 11,200		
	GSE MBS and Obligations	568,707	12,731	5,910	$ 907	$ 549,159
	Government Guaranteed Obligations	569		569		
	Commercial Paper	2,428	2,428			
	Cash Equivalents	356,487	356,487			
	Total Investments and Cash Equivalents	$ 950,224	$ 382,479	$ 17,679	$ 907	$ 549,159
Residential Mortgage Revenue Bond Program						
	GSE MBS and Obligations	$ 26,445	$ 777			$ 25,668
	Cash Equivalents	27	27			
	Total Investments and Cash Equivalents	$ 26,472	$ 804			$ 25,668
Combined Totals Memorandum Only						
	U.S. Treasuries	$ 259,779	$ 83,390	$ 176,389		
	GSE MBS and Obligations	665,363	19,718	33,307	$ 5,711	$ 606,627
	Asset-Backed Securities	4,235		3,735	500	
	Government Guaranteed Obligations	57,445	35,860	21,585		
	Corporate Obligations	30,119		30,119		
	GICs	118		118		
	Commercial Paper	44,115	44,115			
	Negotiable Bank Debt Obligations	12,840	8,093	4,747		
	Cash Equivalents	1,160,405	1,160,405			
	Total Investments and Cash Equivalents	$ 2,234,419	$ 1,351,581	$ 270,000	$ 6,211	$ 606,627

SUPPLEMENTAL SCHEDULE 2: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	Mortgage Obligation (In thousands)	Advances Construction/ Mortgage Loans (In thousands)	Balance of Commitment (In thousands)	Notes
Working Capital Fund and Affiliates						
11 Long Point Road	5.550%	01/01/2029	$ 76			
1199 Hixville Road	5.350%	08/01/2026	52			
120 Centre Court	0.000%	11/01/2042	652			
120 Centre Court	0.000%	11/01/2038	435			
181 Chestnut	3.670%	03/01/2061	4,876			
181 Chestnut	0.000%	03/01/2061	650			
2 Pierce Lane	5.350%	07/01/2026	51			
2101 Washington Street	3.750%	06/01/2059	3,952			
225 Centre Street	0.000%	08/01/2054	5,600			
246-248 Norwell Street	0.000%	06/01/2059	600			
246-248 Norwell Street	0.000%	07/09/2059	775			
28 Austin Street	0.000%	04/01/2060	1,300			
3 Flintlock Lane	5.550%	12/01/2026	57			
38 Winfield Street	5.350%	08/01/2026	53			
706 Huntington Ave.	0.000%	11/01/2049	357			
808 Memorial Drive	2.810%	07/01/2023		$ 103	$ 8,797	
808 Memorial Drive	3.000%	11/01/2021	250			
98 Essex	1.500%	04/01/2055	974			
98 Essex	0.000%	04/01/2055	600			
A.O. Flats At Forest Hills	5.000%	06/01/2060	8,100			
Academy Hill School	3.750%	04/30/2058	1,474			
Academy Hill School	3.020%	04/30/2058	215			
AEI Group Homes-Braintree	5.350%	08/01/2026	79			
AEI Group Homes-Centerville	5.350%	07/01/2026	71			
AEI Group Homes-Kingston	5.550%	02/01/2027	82			
AEI Group Homes-Marshfield	5.550%	05/01/2028	94			
Ames Privilege Unit 2	2.600%	10/01/2054	118			
Appleton Mills Redevelopment Phase 1B	6.350%	04/01/2052	163			
Arlington Park	4.000%	02/01/2037	845			
Arlington Point	5.490%	07/01/2060	1,242			
Arlington Point	0.000%	12/18/2060	1,900			
Aurora Hotel	2.600%	03/01/2056	332			
Barstow Village	0.010%	07/01/2053	877			
Bedford Village	2.000%	07/01/2060	4,500			
Bergen Circle	3.870%	04/01/2063			13,316	
Bergen Circle	0.000%	04/01/2063	1,593		6,357	
Broadway Tower	2.790%	09/01/2040	9,547			
Brooks School	8.000%	01/01/2028	5,227			
Brooks School	0.000%	01/01/2028	122			
Brown Family House	4.370%	07/01/2061	5,514			
Brown Kaplan Townhomes	0.000%	08/25/2049	414			
Burbank Gardens	2.590%	07/01/2059	4,617			
Burbank Gardens Acquisition	0.000%	07/01/2059	452			
Cable Gardens	4.500%	01/01/2036	7,527			
Canal Bluffs III	2.500%	09/01/2059	700			
Casselman House	0.000%	05/01/2044	198			
Central Grammar	0.000%	04/01/2053	695			
Chapman House	3.290%	04/10/2064	1,558			
Chatham West I	0.000%	06/01/2058	4,500			
Chatham West II	0.000%	06/01/2027	7,222			

SUPPLEMENTAL SCHEDULE 2: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

			In thousands			
Project Name	Interest Rate	Maturity Date	Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	Notes
Cheriton Heights Senior Housing	0.000%	11/22/2053	$ 1,000			
Cobbet Hill	2.260%	12/23/2066	1,000			
Colonial Village	0.000%	12/01/2059	945			
Covenant House I & II	0.570%	07/01/2045	974			
Curtain Lofts	0.000%	11/01/2052	783			
Finch Cambridge	0.000%	11/01/2060	3,800			
Franklin Hill Revitalization Phase 2A	6.000%	05/01/2059	1,350			
Franklin Hill Revitalization Phase 2B	0.100%	12/31/2059	1,000			
Franklin School	5.250%	12/31/2049	3,433			
Gardner Terrace I & II	4.000%	08/01/2022		$ 11,300		
Gateway Residences On Washington	0.000%	10/01/2058	1,600			
Glen Meadow Apartments	0.000%	05/01/2057	1,750			
Granite Lena Park Apts	4.440%	05/01/2022		1,668	$ 532	
Greenway Apartments	3.850%	06/01/2053	1,000			
Habitat for Humanity - Boston, Inc.	0.000% to 2.500%		560			
Hampton Court	3.120%	06/20/2064	17,891			
Hanover House	0.000%	12/18/2029	1,065			
Hanover Woods	1.890%	08/01/2066	7,029			
Haynes House	3.330%	08/01/2021		21,140		
Hayward Landing	2.570%	11/04/2065	19,100			
Hebronville Mill	0.000%	08/01/2022	5,950			
Hebronville Mill	8.000%	12/01/2016	8			
Hebronville Mill	9.616%	02/01/2020	4,702			
Hebronville Mill	8.500%	06/01/2018	1,166			
Heritage Common	0.700%	06/01/2050	9,779			
Heritage Common	0.000%	06/16/2051	1,500			
Heywood Wakefield Village	4.790%	12/31/2041	14,777			
Highland Apartments	3.040%	05/01/2056	5,896			
Hillside Village	0.000%	07/01/2059	600			
Holmes Beverly	0.000%	11/01/2058	1,600			
Holmes Beverly	0.000%	05/11/2024	600			
Holyoke Farms	3.700%	01/01/2022		9,950		
Houghton Village	2.700%	06/01/2058	7,150			
Houghton Village	0.000%	06/01/2058	1,545			
Joseph'S House	6.300%	09/01/2050	582			
Kennedy Building Apartments	0.000%	01/01/2064	1,250			
Kimball Court II	7.270%	09/18/2023	17,189			
King James Court	0.000%	04/01/2043	474			
Landfall Community Associates II	0.000%	01/01/2060	134			
Latin Academy	0.000%	06/01/2050	642			
Leyden Woods Apartments	3.850%	10/01/2037	1,903			
Lincoln Woods	2.740%	07/01/2057	1,200			
Lincoln Woods	0.000%	08/01/2057	291			
Linwood Mill	0.010%	07/01/2053	1,000			
Littlebrook	1.650%	03/31/2071	9			
Loring Towers	1.000%	12/20/2049	405			
LPI Portfolio	2.990%	04/01/2061	1,700			
Madison Melnea Cass Apts	2.880%	03/01/2060	1,900			
Majestic Apartments	3.150%	04/01/2061	2,560			
Mansfield Meadows	3.250%	09/19/2063	10,384			
Maple Ridge Phase I	0.000%	06/01/2052	2,000			
Mariner's Hill	0.899%	05/15/2064	812			

SUPPLEMENTAL SCHEDULE 2: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	Mortgage Obligation (In thousands)	Advances Construction/ Mortgage Loans (In thousands)	Balance of Commitment (In thousands)	Notes
Mashpee Village	7.000%	06/01/2056	$ 1,500			
Mass Mills I	3.120%	07/01/2049	669			
Mass Mills II	3.120%	07/01/2049	818			
Matheson Apartments II	4.600%	04/01/2022		$ 145	$ 250	
Merrimack Valley Apts	0.000%	08/01/2044	269			
Middlebury Arms	3.320%	09/30/2055	3,986			
Mill House	3.750%	10/16/2069	371			
Mill Valley Estates	2.550%	11/18/2060	10,840			
Mt Pleasant Apts	7.700%	12/01/2048	512			
Museum Square	2.720%	07/24/2065	15,164			
Mystic Place	2.550%	07/01/2056	97,370			
New Codman Square Apartments	2.640%	01/01/2054	840			
New Port Antonio Apts.	2.700%	08/01/2025	40,000			
Newcastle Saranac	0.000%	07/01/2062	2,250			
Oak Woods	0.000%	12/01/2053	678			
Old Colony Phase Three A 4%	4.540%	08/31/2021		22,467	7,373	
Old Colony Phase Three A 9%	4.030%	02/01/2062		4,470		
Old Colony Phase Three A 9%	4.540%	02/01/2022		1,411	1,919	
Old Colony Phase Three B 4%	2.770%	09/01/2023		8,640	23,642	
Old Colony Phase Three B 9%	2.800%	09/01/2063		3,259	2,443	
Old Colony Phase Three B9	2.770%	09/01/2023			4,465	
Olmsted Green	1.000%	05/01/2061	4,000			
Oxford House at Queeney Square	2.720%	01/01/2050	4,411			
Pelham I Apartments	5.086%	12/01/2064	5,434			
Perlman House	2.500%	03/01/2041	615			
Perlman House	0.000%	03/01/2041	500			
Peter Sanborn Place	0.000%	08/01/2043	362			
Pilot Grove Hill	0.000%	12/01/2049	248			
Pine Crest	0.000%	01/01/2044	240			
Plantation Tower	6.000%	04/01/2047	4,330			
Pleasant Plaza	3.025%	01/01/2065	11,162			
Pond Side At Littleton	2.119%	02/28/2071	13,844			
Providence House	6.350%	01/01/2045	7,911			
Residences At Brighton Marine	0.000%	11/01/2060	5,000			
Residences at Canal Bluffs	5.250%	06/01/2051	1,850			
Residences At Fairmount Station	0.000%	09/01/2049	300			
Rindge Tower Apartments	2.610%	07/01/2058	1,506			
Riverboat Village	5.010%	12/01/2033	6,021			
Riverview Meadows	2.180%	03/16/2065	4,968			
Rock Harbor Vlge	5.000%	07/01/2052	28			
Rogers Hall	0.063%	05/01/2044	323			
Roxbury Corners	4.000%	01/01/2050	601			
Roxbury Corners	0.000%	01/01/2050	1,196			
S.C. Hamilton Apts	4.680%	12/01/2021		870	1,440	
S.S.C.R.II-Bridgewater	5.550%	03/01/2027	69			
S.S.C.R.II-Mattapoisett	5.550%	10/01/2026	58			
S.S.C.R.II-Stoughton	5.550%	03/01/2027	61			
School House Apartments Brookledge Cummings	0.010%	12/04/2048	100			
School House Kenilworth	0.010%	06/01/2049	1,000			
Seabury Heights	5.548%	04/01/2022	475			
Semass Housing I-Raynham	6.650%	10/01/2025	57			
Semass Housing I-Somerset	6.650%	09/01/2025	55			

SUPPLEMENTAL SCHEDULE 2: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

			In thousands			
Project Name	**Interest Rate**	**Maturity Date**	**Mortgage Obligation**	**Advances Construction/ Mortgage Loans**	**Balance of Commitment**	**Notes**
Semass Housing I-Taunton	6.650%	10/01/2025	$ 60			
Shillman House	0.000%	11/01/2051	2,604			
Shillman House	0.000%	12/17/2051	972			
Ships Watch	2.120%	03/31/2071	6,976			
Simon C. Fireman Community	0.000%	03/01/2044	716			
Single Family Capital Magnet Fund Loans	0.000%		184			
Single Family Gateway City Loans	1.000% to 2.000%		6,916			
Single Family Home Improvement Loans	4.250% to 5.000%		836			
Single Family Long Term Assets	1.000% to 7.375%		16,412			
Single Family Mass Advantage Loans	0.000%		1,335			
Single Family Modification Loans	0.000%		727			
Single Family Mortgage (Warehouse) Loans	0.000% to 4.000%		32,872			
Single Family Tax Credit Loans	5.375%		1			
Single Family Veterans Assistance Loans	0.000% to 2.000%		722			
Single Family Work Force Advantage Loans	0.000% to 1.000%		200			
Sitkowski School Apartments	2.000%	07/01/2056	1,645			
Skyview Downtown	0.000%	12/01/2058	5,000			
Solemar at South Dartmouth	2.750%	06/01/2052	846			
South End Tenants Houses II	6.190%	12/01/2045	4,046			
South Shore-Easton	6.650%	06/01/2025	60			
South Shore-Pembroke	6.650%	03/01/2025	66			
Station Pointe Apartments I	1.834%	12/31/2070	7,969			
Station Pointe Apartments II	1.834%	12/31/2070	10,566			
Stratton Hill	0.000%	08/01/2059	2,430			
Susan S Bailis Assisted Living	1.000%	12/31/2057	1,464			
Temple Landing	0.000%	02/01/2043	1,260			
The Central Building	0.000%	03/01/2060	1,400			
The Commons at Boston Road	0.000%	11/30/2038	27			
The Coolidge	4.460%	06/30/2051	750			
The Settlement	7.160%	05/01/2013	2,200			
The Tannery	3.680%	12/17/2021		$ 8,500		
The Tannery	4.430%	12/17/2021		8,500		
The Tannery	0.000%	01/01/2062	4,000			
The Watson	1.000%	12/01/2059	7,000			
Town Brook House	0.000%	05/01/2045	607			
Trinity Terrace	7.700%	01/31/2035	1,097			
Van Ness Terrace	3.120%	06/24/2064	8,123			
Village At Nauset Green	0.000%	09/01/2060	1,500			
Voke Lofts	3.400%	01/01/2055	197			
Voke Lofts	0.000%	01/01/2055	695			
Wakefield Place	8.250%	12/31/2034	21,071			
Walker School	2.960%	06/30/2062			$ 750	
Walker School	2.800%	06/30/2022		7,911	839	
Warren House	3.500%	12/01/2023		2,992		
West Newton Rutland Apartments	4.920%	12/01/2061			7,760	
West Newton Rutland Apartments	3.390%	11/01/2021		30,990		
Whitney Carriage Park	0.000%	11/01/2069	4,093			
Whitney Carriage Park	2.210%	11/01/2069	18,827			
Whitney Carriage Park	3.502%	11/01/2069	638			
Whittier At Cabot 4%	4.620%	01/01/2061	3,148			
Whittier At Cabot 4%	2.000%	01/01/2061	800			
Whittier At Cabot 9%	5.840%	02/01/2061	275			

SUPPLEMENTAL SCHEDULE 2: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	Mortgage Obligation (In thousands)	Advances Construction/ Mortgage Loans (In thousands)	Balance of Commitment (In thousands)	Notes
Whittier At Cabot 9%	2.000%	02/01/2061	$ 700			
Sub-total			**$ 691,301**	**$ 144,316**	**$ 79,883**	**(a)**
General Rental Development Bond Program Adopted April 13, 2004						
113 Spencer	7.150%	05/01/2050	$ 1,852			
Barstow Village	5.500%	06/01/2053	1,140			
Blackstone	4.500%	07/01/2053	29,231			
Clinton Housing Authority	5.200%	01/01/2026	225			
Curtain Lofts	7.250%	11/01/2052	1,045			
Franklin Square House	4.500%	09/01/2053	31,935			
Greenway Apartments	6.720%	06/01/2053	1,137			
Linwood Mill	6.180%	07/01/2053	942			
Machado House at Peter's Grove	5.300%	07/01/2053	6,067			
Maple Ridge Phase II	6.500%	02/01/2053	1,130			
Mill Road Apartments (variable rate)	0.580%	11/01/2033	23,021			
Ocean Shores at Marshfield	7.250%	07/01/2052	1,904			
Oliver Lofts	7.250%	03/01/2052	1,322			
Princeton at Westford (variable rate)	0.030%	01/01/2034	30,825			
Regency Towers I	1.000%	04/01/2040	430			
Rita Hall	5.250%	11/01/2053	6,089			
Rock Harbor Village	5.300%	05/01/2053	6,108			
School House Kenilworth	8.000%	06/01/2049	1,187			
Tecumseh Mill	5.250%	02/01/2054	6,633			
Temple Landing	6.500%	02/01/2043	1,855			
Tri-Town Landing Apartments	6.700%	12/01/2051	1,350			
Victory Gardens Plaza	5.070%	04/01/2054	7,755			
Village at Hospital Hill II	6.830%	03/01/2050	1,314			
Winchendon Housing Authority	5.190%	01/01/2026	$ 255			
Sub-total			**$ 164,752**			
Multi-Family Housing Bond Program Adopted November 10, 2009						
225 Centre Street	3.600%	01/01/2055	$ 14,656			
225 Centre Street	5.500%	01/01/2055	711			
Castle Square	5.100%	01/01/2053	4,051			
Cedar Glen	4.850%	01/01/2051	13,449			
Central Grammar	5.250%	04/01/2053	2,675			
Charlesview Residences	4.800%	10/01/2054	43,013			
Charlesview Residences	0.000%	06/30/2055	160			
Cheriton Grove	5.070%	05/01/2053	4,666			
Chestnut Glen	4.850%	01/01/2051	12,648			
Glen Grove	4.850%	01/01/2051	18,115			
Gosnold Grove	4.850%	01/01/2053	1,936			
Heritage Apartments	4.610%	02/01/2053	18,191			
Heritage Green	4.850%	01/01/2051	10,087			
Inman/Cast 2 Apartments	4.500%	07/01/2052	12,629			
Kensington Court at Lakeville	0.000%	08/01/2050	2,243			
Longfellow Glen	4.850%	01/01/2051	11,511			
Lower Mills Apartments	4.750%	08/01/2052	8,173			
Nehoiden Glen	4.850%	01/01/2051	9,086			

SUPPLEMENTAL SCHEDULE 2: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	Mortgage Obligation (In thousands)	Advances Construction/ Mortgage Loans (In thousands)	Balance of Commitment (In thousands)	Notes
Noonan Glen	4.850%	01/01/2051	1,964			
Norton Glen	4.660%	01/01/2051	14,445			
Old Mill Glen	4.850%	01/01/2051	5,684			
Regency Towers I	0.000%	04/01/2040	950			
Tri-Town Landing Apartments	0.000%	12/01/2051	1,317			
Westminster Village	4.500%	10/01/2051	40,135			
Sub-total			**$ 252,495**			
Housing Bond Program Adopted February 19, 2003						
113 Spencer	0.000%	05/01/2050	$ 1,000			
27 Jackson Street	0.000%	07/01/2048	2,856			
808 Memorial Drive	3.830%	07/01/2063		$ 10,970	$ 50,530	
808 Memorial Drive	2.060%	07/01/2023		16,000		
A.O. Flats at Forest Hills	4.120%	06/01/2060	13,068			
Academy Hill School	3.020%	04/30/2058	939			
Academy Homes I	5.850%	07/01/2040	5,652			
Adams Templeton	3.870%	12/01/2057	12,113			
Allen Park Apartments I	7.750%	01/01/2035	2,762			
Allen Park Apartments II	7.750%	01/01/2026	681			
Ames Privilege	8.250%	06/01/2024	730			
Ames Privilege - Unit 2	4.800%	10/01/2054	1,318			
Amory Street Residences	3.000%	07/01/2045	845			
Amy Lowell House	5.900%	07/28/2039	7,489			
Anderson Park	3.870%	08/01/2058	21,310			
Appleton Mills Redevelopment Phase IA	6.300%	04/01/2052	1,364			
Appleton Mills Redevelopment Phase IA	0.010%	07/01/2051	1,640			
Asher's Path	6.910%	11/01/2048	683			
Asher's Path	0.000%	11/01/2048	487			
Auburn Court	3.530%	06/01/2048	13,545			
Avalon at Chestnut Hill	5.320%	10/01/2047	36,089			
Back of the Hill	5.400%	10/01/2048	6,529			
Beachmont Apartments	6.500%	05/01/2049	1,959			
Beacon House	5.500%	07/01/2054	13,190			
Beacon House	3.500%	07/01/2024	901			
Bedford Village	4.740%	07/01/2060	8,209			
Berkshire Peak	3.470%	04/01/2058	4,008			
Binnall House	0.438%	04/01/2043	448			
Blackstone	5.000%	07/01/2052	253			
Blue Mountain Apartments (Building)	3.890%	09/01/2062		46,624	5,626	
Blue Mountain Apts (Land)	3.900%	09/01/2062		12,500		
The Apartments at Boott Mills	3.000%	10/01/2058	2,325			
Bowdoin Apartments	6.250%	08/01/2042	1,356			
Brandy Hill	3.900%	10/01/2058	10,679			
Bridle Path Apartments	5.430%	01/01/2049	8,829			
Briston Arms	4.640%	03/01/2057	34,341			
Brown School Residences	6.950%	08/01/2048	2,035			
Burbank Gardens	4.420%	07/01/2059	3,731			
Camden Apartments	4.920%	01/01/2061	5,880			
Capitol Square	7.500%	11/01/2045	1,045			
Casa Maria	5.500%	12/01/2048	3,944			

SUPPLEMENTAL SCHEDULE 2: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

			In thousands			
Project Name	Interest Rate	Maturity Date	Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	Notes
Central Annex	5.250%	07/01/2055	$ 5,156			
Chauncy House	5.050%	07/01/2057	8,891			
Chelsea Village	7.000%	04/01/2048	1,318			
Cheriton Heights Senior Housing	6.000%	08/01/2053	1,390			
Chestnut Gardens Apartments	5.400%	01/01/2049	5,169			
Clarendon Hill	6.030%	03/01/2052	19,821			
Cleaves Dimock-Bragdon Apartments	4.000%	03/01/2057	9,645			
Cobbet Hill	4.290%	12/01/2058	7,411			
Cohen Residences	4.420%	02/01/2060	28,035			
Columbia West Apartments	5.340%	12/31/2052	300			
Conant Village	0.000%	05/01/2057	1,046			
Conway Court	4.150%	11/01/2053	2,022			
Counting House Lofts	6.000%	12/01/2045	2,108			
Cromwell Court	5.360%	01/01/2052	5,476			
Davenport Commons	4.920%	08/01/2031	20,047			
Dom Polski	5.400%	12/01/2048	2,218			
Eastgate Apartments	5.400%	01/01/2049	7,445			
Esperanza Trust	3.860%	06/01/2061	25,250			
Fairweather Apartments	5.450%	12/01/2048	15,580			
Finch Cambridge	4.790%	11/01/2060	8,856			
Fitchburg Green	6.870%	01/01/2048	1,067			
Florence Apartments	7.310%	08/01/2050	1,432			
Forest Park Apartments	7.500%	03/01/2041	863			
Forestvale	7.380%	08/01/2050	1,479			
Founders Court Apts.	3.600%	10/01/2057	1,810			
Founders Court Apts.	6.650%	01/01/2026	20			
Franklin Highlands	4.550%	12/01/2026	5,547			
Franklin Hill Revitalization Phase 2A	7.000%	10/01/2050	1,837			
Franklin Hill Revitalization Phase 2B	6.000%	10/01/2050	1,092			
Gateway Residences On Washington	4.100%	10/01/2058	9,799			
Georgetowne Homes One	4.520%	05/01/2056	68,795			
Georgetowne Homes Two	4.520%	05/01/2056	42,266			
Golda Meir House II	3.900%	04/01/2059	36,912			
Goldman Residences	0.374%	11/01/2042	675			
Granite Lena Park Apts	3.850%	04/01/2062		$ 16,300		
Granite Lena Park Apts	3.690%	05/01/2022		6,025	$ 1,050	
Hadley Building Apartments	0.000%	01/31/2048	2,199			
Haley House	6.250%	05/01/2029	370			
Hamilton Wade Douglas	4.100%	01/01/2057	12,378			
Hamilton Wade Douglas	3.500%	01/01/2057	5,388			
Harborview Towers	4.200%	07/01/2052	6,047			
Haynes House	4.920%	07/01/2061		9,000		
Hemenway Apts	6.930%	08/01/2047	1,283			
Heritage at Bedford Springs	4.725%	08/01/2048	24,264			
Heritage House	6.750%	08/01/2047	600			
High Rock Homes	5.650%	05/01/2050	2,425			
High Rock Homes	0.000%	05/01/2050	1,500			
Historic South End Apartments	5.250%	06/01/2055	21,733			
Holyoke Farms	3.900%	01/01/2061	12,764			
Hope Gardens	6.850%	07/01/2047	814			
Hotel Raymond	5.950%	01/01/2044	1,625			
Island Creek East - I	6.850%	12/01/2048	424			

SUPPLEMENTAL SCHEDULE 2: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	Mortgage Obligation (In thousands)	Advances Construction/ Mortgage Loans (In thousands)	Balance of Commitment (In thousands)	Notes
Island Creek Village North - Age Restricted	4.500%	05/01/2058	$ 3,591			
Jaclen Tower	4.150%	11/01/2053	8,600			
Jas Consolidation	4.670%	01/01/2060	9,974			
Kennedy Building Apartments	4.760%	01/01/2059	1,688			
Kensington Court at Lakeville	7.310%	08/01/2050	3,934			
King Pine	4.920%	07/01/2060	9,726			
Kings Landing	5.000%	06/01/2054	4,033			
Kurlat House	3.900%	01/01/2049	54,261			
Landfall Community Associates II	4.570%	01/01/2060	5,716			
LBB Housing	3.400%	01/01/2054	3,604			
Lebanese Community Housing	5.750%	10/01/2049	2,490			
Leisure Towers	5.250%	07/01/2054	17,024			
Leyden Woods Apartments	3.850%	10/01/2057	25,114			
Lincoln Woods	3.750%	08/01/2057	12,040			
Lionhead Apartments	4.540%	12/27/2055	6,738			
Loring Towers	5.400%	01/01/2050	8,761			
Louis Barett Residences	4.600%	03/01/2057	15,054			
LPI Portfolio	4.540%	04/01/2061	25,962			
Lucerne Gardens	9.000%	07/01/2024	272			
Madison Melnea Cass Apts	4.420%	03/01/2060	11,019			
Madison Park III	4.090%	01/01/2058	20,237			
Maple Commons	9.740%	10/01/2022	845			
Maple Commons	9.740%	06/01/2023	116			
Maple Commons	8.150%	06/01/2023	201			
Maple Ridge Phase I	7.000%	06/01/2052	3,757			
Mary Colbert Apartments	5.500%	07/01/2055	3,094			
Mashpee Village	4.900%	05/01/2056	3,909			
Mason Place	6.050%	04/01/2044	4,592			
Mason Place	5.680%	04/01/2024	1,919			
Mass Mills III	4.500%	04/01/2048	3,312			
Matheson Apartments II	3.760%	12/01/2061		$ 6,000		
Matheson Apartments II	3.850%	04/01/2022		4,000		
Mattapan Heights II	5.850%	02/01/2046	1,005			
Mattapan Heights II	2.000%	02/01/2046	2,000			
Mattapan Heights III	5.330%	03/01/2048	2,691			
Maverick Landing Phase I	6.300%	11/01/2035	1,966			
Maverick Landing Phase II	7.000%	11/01/2035	1,103			
Maverick Landing Phase III	7.100%	01/01/2037	1,531			
Maverick Landing Phase IV	5.940%	06/01/2037	1,378			
Melville Towers	5.750%	01/01/2048	1,181			
Metropolitan (Rental)	7.900%	06/01/2045	11,015			
Middlebury Arms	5.250%	09/01/2055	1,237			
Mission Park	7.050%	02/01/2040	37,786			
Mohawk Forest Apartments	4.780%	08/01/2039	1,556			
Mohawk Forest Apartments	5.225%	08/01/2039	1,171			
Morgan Woods	5.550%	01/01/2048	4,238			
Mtn View Terrace	5.500%	07/31/2050	1,331			
New Codman Square Apartments	5.500%	01/01/2054	1,032			
New Girls Latin Academy	6.960%	07/01/2038	996			
Newcastle Saranac	3.830%	07/01/2062		10,824	$ 6,776	
Newcastle Saranac	2.060%	07/01/2022		10,500		
Nor-Al	5.250%	01/01/2055	5,621			

SUPPLEMENTAL SCHEDULE 2: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

			In thousands			
Project Name	Interest Rate	Maturity Date	Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	Notes
Nor-Al	5.250%	01/01/2034	$ 1,902			
North Village at Webster	4.650%	01/01/2056	5,253			
Norton Glen	5.400%	11/01/2025	1,205			
Oak Terrace	4.290%	06/01/2058	12,171			
Ocean Shores	6.850%	06/01/2048	17,559			
Old Colony Phase Three C	3.670%	05/01/2063		$ 2,783	$ 4,437	
Old Colony Phase Three C	2.020%	05/01/2023		1,119	5,091	
Orchard Hill	6.680%	07/01/2027	546			
Palmer Green Est	3.320%	05/01/2058	11,061			
Palmer Green Est	3.250%	07/01/2036	3,308			
Pequot Highlands	4.140%	05/01/2059	40,416			
Pine Commons	7.800%	12/01/2037	805			
Pine Commons	6.900%	12/01/2043	1,466			
Pine Gardens	7.800%	12/01/2037	562			
Pine Gardens	7.350%	09/01/2044	709			
Powdermill Village	3.820%	08/01/2062		6,725	7,775	
Powdermill Village	2.000%	08/01/2022		11,925		
Powdermill Village	1.550%	08/01/2062	528			
Power Town	3.750%	11/01/2056	6,556			
Quincy Heights	2.290%	06/01/2041	14,259			
Quincy Tower	4.290%	01/01/2059	20,458			
Regency Towers I	0.000%	04/01/2040	5,151			
Residences At Brighton Marine	4.570%	11/01/2060	9,749			
Residences At Canal Bluffs	7.640%	06/01/2051	760			
Rindge Tower Apartments	4.250%	07/01/2058	20,476			
River Place Towers	4.125%	04/01/2055	15,013			
Rolfe House	6.500%	01/01/2047	312			
Sc Hamilton Apts	4.100%	10/01/2061		6,600		
School House Apts Brookledge Cummings	7.200%	01/01/2049	149			
Seabury Heights	5.340%	02/01/2043	11,394			
Seabury Heights	5.548%	04/01/2022	172			
Shillman House	6.500%	11/01/2051	11,872			
Silver Leaf Terrace	5.730%	12/01/2040	11,109			
Sitkowski School Apartments	5.000%	07/01/2056	1,673			
Smith House	3.750%	12/01/2058	13,030			
South End Apartments	6.760%	06/01/2043	3,680			
South End Tenants Houses II	6.190%	12/01/2045	10,939			
South End Tenants Houses II	5.250%	12/01/2023	1,046			
Spring Gate	7.250%	07/01/2056	5,252			
St Mathieus School	4.000%	06/01/2053	1,766			
St Stephen's Tower	3.600%	01/01/2034	15,356			
Stratton Hill	4.560%	06/01/2059	9,708			
Summer Hill Glen	4.150%	11/01/2053	11,131			
Susan S Bailis Assisted Living	6.500%	07/01/2043	1,876			
Sycamore Village	6.810%	08/01/2050	938			
Taurus At Ftn Hill	8.000%	07/01/2021	20			
Taurus At Ftn Hill	9.625%	07/01/2021	2			
The Carruth	5.850%	10/01/2048	5,031			
The Close Building	4.690%	03/01/2060	9,198			
The Commons at Boston Road (variable rate)	0.030%	11/30/2038	13,889			
The Commons at Drum Hill (variable rate)	0.030%	08/31/2038	9,003			
The Coolidge	5.300%	07/01/2050	3,571			

SUPPLEMENTAL SCHEDULE 2: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	Mortgage Obligation (In thousands)	Advances Construction/ Mortgage Loans (In thousands)	Balance of Commitment (In thousands)	Notes
The Coolidge	4.460%	08/01/2049	$ 2,517			
The Cordovan At Haverhill Station	6.760%	09/01/2048	680			
The Fairways At Lebaron Hills	7.000%	02/01/2051	372			
The Moorings at Squantum Gardens I	0.100%	02/01/2056	1,601			
The Moorings at Squantum Gardens I	5.650%	05/01/2048	1,033			
The Moorings at Squantum Gardens II	7.050%	05/01/2048	493			
The Tannery	4.100%	01/01/2062		$ 20,856	$ 7,444	
The Watson	4.150%	12/01/2059	28,933			
Town Brook House	2.970%	10/01/2060	28,740			
Treehouse at Easthampton Meadow	7.100%	09/01/2037	572			
Tribune Apartments	4.290%	05/01/2058	4,215			
Trinity Terrace	7.700%	01/31/2035	392			
UE Apartments	5.500%	01/01/2053	4,080			
Uphams Corner Market	6.470%	12/01/2042	1,299			
Valebrook	5.000%	04/01/2051	7,886			
Van Der Hayden	8.000%	09/01/2021	33			
Village at Hospital Hill II	4.000%	01/20/2050	1,300			
Voke Lofts	3.400%	01/01/2055	1,969			
Wait Street	8.800%	11/01/2021	134			
Warren House	6.947%	12/01/2023	1,101			
Washington Park Apartments	3.400%	01/01/2055	3,022			
Waterway Apartments	5.000%	02/01/2052	5,141			
Waverley Woods	6.980%	07/01/2049	1,601			
Waverley Woods	0.000%	07/01/2049	1,750			
Weeks School Apartments	6.720%	06/01/2047	1,019			
Wellington Community	4.570%	01/01/2060	16,189			
Westland Avenue Apartments	6.050%	02/01/2046	8,929			
Whittier At Cabot 4%	4.620%	01/01/2061	9,166			
Wilbraham Commons	7.000%	03/19/2048	947			
Wilkins Glen	4.150%	11/01/2053	10,341			
Willow Apartments	5.300%	05/01/2047	3,013			
Woodbourne Apartments	5.600%	07/01/2049	279			
Woodland Station Apartments	5.650%	01/01/2048	3,550			
Woodland Station Apartments	0.000%	01/01/2048	270			
Woods at Wareham	5.500%	07/01/2054	8,616			
Worcester Loomworks Phase I	4.900%	01/01/2056	1,297			
Worcester Loomworks Phase II	6.000%	01/01/2056	1,034			
Zelma Lacey House of Charlestown	5.900%	11/01/2044	5,424			
Sub-total			**$ 1,540,214**	**$ 198,751**	**$ 88,729**	
Single Family Housing Revenue Bond Program Adopted September 12, 1985						
Home Improvement Loans	1.000% - 2.00%		$ 13,896			
Single Family Mortgages Receivable	2.500% - 8.500%		414,566			
Sub-total			**$ 428,462**			
Total			**$ 3,077,224**	**$ 343,067**	**$ 168,612**	

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

SCHEDULE 3: BONDS PAYABLE

In thousands of dollars

	Final Maturity Date	Next Scheduled Principal Payment Date	Interest % Rate Range From	To	Debt Type	Outstanding June 30, 2020	Issued and Compounded	Retired or Exchanged	Outstanding June 30, 2021	Unamortized Bond/Note Discount/Premium	Adjusted Totals
Rental Housing Mortgage Revenue Bond Program											
2002 Series D (var)	01/01/2045		0.3700	0.4300	Underwritten	$ 4,505	$ -	$ 4,505	$ -	$ -	$ -
2003 Series A (var)	07/01/2043		0.3700	0.4300	Private Placement	17,680	-	17,680	-	-	-
Sub-total						**$ 22,185**	**$ -**	**$ 22,185**	**$ -**	**$ -**	**$ -**
General Rental Development Bond Program											
2005 Series AC	01/01/2026	01/01/2022	4.3750	4.5000	Underwritten	$ 264	$ -	$ 40	$ 224	$ -	$ 224
2005 Series AW	01/01/2026	01/01/2022	4.3750	4.5000	Underwritten	301	-	45	256	-	256
2012 Issue One	06/01/2053	12/01/2021	2.7000	4.6250	Underwritten	12,350	-	145	12,205	-	12,205
2012 Series A	06/01/2053	12/01/2021	4.0000	4.0000	Private Placement	62,125	-	825	61,300	-	61,300
2014 Series A	01/15/2046		4.3750	4.3750	Underwritten	15,176	-	15,176	-	-	-
2014 Series B	04/15/2054	04/15/2054	4.5000	4.5000	Underwritten	42,949	-	6,289	36,660	-	36,660
VRHB 2015A (var)	01/01/2034	01/01/2034	0.0300	0.2300	Underwritten	31,225	-	400	30,825	-	30,825
2018 Mill Road (var)	11/01/2048	11/01/2021	0.5800	0.7600	Underwritten	23,325	-	255	23,070	-	23,070
Sub-total						**$ 187,715**	**$ -**	**$ 23,175**	**$ 164,540**	**$ -**	**$ 164,540**
Multi-Family Housing Bond Program											
2009 Series A, Subseries 1	12/01/2051	12/01/2038	3.0100	3.0100	Private Placement	$ 85,280	$ -	$ 20,150	$ 65,130	$ -	$ 65,130
2009 Series A, Subseries 2	12/01/2051	06/01/2033	3.5500	3.5500	Private Placement	50,170	-	-	50,170	-	50,170
2009 Series A, Subseries 3	12/01/2051	06/01/2035	2.5800	2.5800	Private Placement	42,830	-	-	42,830	-	42,830
2009 Series A, Subseries 4	12/01/2051	12/01/2021	2.3200	2.3200	Private Placement	14,380	-	270	14,110	-	14,110
2010 Series A	12/01/2038	12/01/2021	3.9000	5.3000	Underwritten	56,370	-	18,195	38,175	-	38,175
2011 Series A	12/01/2032	12/01/2021	3.3750	4.8750	Underwritten	13,295	-	795	12,500	-	12,500
2011 Series B	12/01/2053	12/01/2021	3.0000	5.1250	Underwritten	26,290	-	890	25,400	-	25,400
Sub-total						**$ 288,615**	**$ -**	**$ 40,300**	**$ 248,315**	**$ -**	**$ 248,315**
Housing Bond Program											
2003 Series F (var)	12/01/2037	12/01/2021	0.0900	0.4400	Underwritten	$ 315	$ -	$ 20	$ 295	$ -	$ 295
2003 Series H	06/01/2043	12/01/2021	4.8750	5.1250	Underwritten	1,375	-	30	1,345	-	1,345
2008 Series A (var)	05/01/2048	07/01/2021	0.3300	0.8300	Private Placement	80,225	-	1,120	79,105	-	79,105
2009 Series B (var)	01/01/2044	07/01/2021	0.0900	0.1900	Underwritten	11,208	-	200	11,008	-	11,008
2009 Series C	12/01/2049	12/01/2021	4.4500	5.3500	Underwritten	19,070	-	355	18,715	-	18,715
2011 Series A	12/01/2041	12/01/2021	3.9000	5.3000	Underwritten	14,395	-	375	14,020	(5)	14,015
2012 Series A	12/01/2031	12/01/2021	2.3500	3.5000	Underwritten	22,580	-	1,680	20,900	-	20,900
2012 Series B	06/01/2053	12/01/2021	2.3500	4.0200	Underwritten	36,685	-	605	36,080	-	36,080
2012 Series C	06/01/2043	12/01/2021	3.2790	4.8360	Underwritten	13,945	-	1,675	12,270	-	12,270
2012 Series E	12/01/2054	12/01/2021	2.0000	3.7500	Underwritten	22,515	-	550	21,965	-	21,965
2012 Series F	06/01/2043	12/01/2021	2.0000	3.5000	Underwritten	555	-	15	540	-	540
2013 Series A	12/01/2041	12/01/2021	2.6130	5.0860	Underwritten	13,580	-	1,110	12,470	-	12,470
2013 Series B	06/01/2056	12/01/2021	2.5000	4.5000	Underwritten	111,365	-	1,415	109,950	41	109,991
2013 Series C	12/01/2049	12/01/2021	2.8500	5.3500	Underwritten	22,150	-	275	21,875	-	21,875
2013 Series E	12/01/2054	12/01/2021	2.7000	5.2500	Underwritten	28,250	-	290	27,960	(44)	27,916
2013 Series F (var)	12/01/2038	12/01/2021	0.0300	0.2100	Underwritten	23,720	-	705	23,015	-	23,015
2014 Series A	12/01/2055	12/01/2021	2.1000	4.6000	Underwritten	20,645	-	830	19,815	-	19,815
2014 Series B	12/01/2047	06/01/2022	2.5000	4.7000	Underwritten	60,405	-	2,370	58,035	-	58,035
2014 Series C	12/01/2045	12/01/2021	3.0760	5.0000	Underwritten	1,355	-	95	1,260	-	1,260
2014 Series D	12/01/2054	12/01/2021	1.9000	4.2500	Underwritten	28,195	-	430	27,765	-	27,765
2014 Series E	12/01/2045	12/01/2021	2.2500	4.3500	Underwritten	3,705	-	90	3,615	-	3,615
2015 Series A	12/01/2048	12/01/2021	2.4500	4.5000	Underwritten	44,730	-	7,855	36,875	-	36,875
2015 Series B	12/01/2053	12/01/2021	2.6080	4.6140	Underwritten	28,845	-	10,650	18,195	-	18,195
2015 Series C	06/01/2055	12/01/2021	2.0500	4.2500	Underwritten	20,135	-	290	19,845	-	19,845
2015 Series D	12/01/2045	12/01/2021	1.9500	4.3000	Underwritten	34,620	-	375	34,245	-	34,245
2015 Series E	12/01/2045	12/01/2021	1.8500	4.2000	Underwritten	26,495	-	660	25,835	-	25,835
2015 Series G	12/01/2050	12/01/2021	1.8000	4.1000	Underwritten	48,580	-	940	47,640	-	47,640
2015 Series H	12/01/2050	12/01/2021	1.8000	4.1000	Underwritten	19,635	-	380	19,255	-	19,255
2015 Series I	12/01/2050		3.4500	3.4500	Underwritten	25,000	-	25,000	-	-	-
2016 Series A	12/01/2055	12/01/2021	1.4000	4.1000	Underwritten	24,090	-	295	23,795	-	23,795
2016 Series B	12/01/2048	12/01/2021	1.8000	4.2500	Underwritten	12,825	-	3,810	9,015	-	9,015
2016 Series C	12/01/2055	12/01/2021	2.7500	5.0000	Underwritten	17,995	-	280	17,715	-	17,715
2016 Series D	12/01/2048	12/01/2027	2.9000	3.4500	Underwritten	48,530	-	-	48,530	-	48,530
2016 Series E	12/01/2027	12/01/2021	2.0500	3.2000	Underwritten	10,490	-	1,340	9,150	-	9,150
2016 Series F	06/01/2057	12/01/2021	1.2500	3.6250	Underwritten	71,895	-	1,250	70,645	-	70,645
2016 Series G	12/01/2058	12/01/2021	3.8500	3.8500	Private Placement	9,790	-	110	9,680	-	9,680
2016 Series H	12/01/2046	12/01/2021	2.0000	4.4000	Underwritten	50,155	-	1,155	49,000	-	49,000
2016 Series I (var)	12/01/2056	06/01/2047	1.2964	1.3974	Private Placement	25,000	-	-	25,000	-	25,000
2017 Series A	12/01/2049	12/01/2021	1.9000	4.5500	Underwritten	67,105	-	2,755	64,350	-	64,350
2017 Series B	12/01/2028	12/01/2021	2.6000	3.8500	Underwritten	2,170	-	785	1,385	-	1,385
2017 Series C	12/01/2052	12/01/2021	1.4000	4.0500	Underwritten	42,570	-	740	41,830	-	41,830
2017 Series D	06/01/2059	12/01/2021	1.6500	4.0000	Underwritten	105,845	-	1,010	104,835	-	104,835
2018 Series A	06/01/2046	12/01/2021	1.8500	3.8500	Underwritten	27,395	-	620	26,775	-	26,775
2018 Series B (var)	06/01/2058	06/01/2046	1.1100	1.1700	Private Placement	25,000	-	-	25,000	-	25,000
2018 Series C	06/01/2040	12/01/2021	3.1260	4.7210	Underwritten	41,675	-	2,490	39,185	-	39,185
2018 Series D	12/01/2058	12/01/2021	1.9500	4.4500	Underwritten	51,235	-	255	50,980	-	50,980
2019 Series A	06/01/2061	12/01/2021	1.4000	3.6250	Underwritten	70,855	-	90	70,765	-	70,765
2019 Series B, Subseries 1	12/01/2056	12/01/2021	1.2500	3.3000	Underwritten	71,170	-	1,065	70,105	-	70,105
2019 Series B, Subseries 2	06/01/2023	06/01/2023	1.6000	1.6000	Underwritten	20,060	-	-	20,060	-	20,060
2019 Series B, Subseries 3	12/01/2059	12/01/2056	3.3000	3.3000	Private Placement	8,340	-	-	8,340	-	8,340
2019 Series B, Subseries 4	12/01/2022	12/01/2022	1.5000	1.5000	Private Placement	8,750	-	-	8,750	-	8,750
2019 Series C, Subseries 1	06/01/2062	12/01/2022	1.2500	3.3500	Underwritten	92,920	-	-	92,920	-	92,920
2019 Series C, Subseries 2	06/01/2023	06/01/2023	1.4500	1.4500	Underwritten	1,280	-	-	1,280	-	1,280
2019 Series D	06/01/2061	12/01/2021	1.9500	3.8400	Underwritten	13,860	-	-	13,860	(48)	13,812

SCHEDULE 3: BONDS PAYABLE

In thousands of dollars

	Final Maturity Date	Next Scheduled Principal Payment Date	Interest % Rate Range From	To	Debt Type	Outstanding June 30, 2020	Issued and Compounded	Retired or Exchanged	Outstanding June 30, 2021	Unamortized Bond/Note Discount/Premium	Adjusted Totals
2020 Series A, Subseries 1	06/01/2060	12/01/2022	0.8000	3.1000	Underwritten	$ 94,710	-	-	$ 94,710	$ 289	$ 94,999
2020 Series A, Subseries 2	12/01/2052	12/01/2021	0.4500	3.0000	Underwritten	11,550	-	$ 290	11,260	49	11,309
2020 Series A, Subseries 3	12/01/2023	12/01/2023	0.8750	0.8750	Underwritten	27,000	-	-	27,000	-	27,000
2020 Series B	12/01/2040	12/01/2021	0.8500	3.3500	Underwritten	21,355	-	10,495	10,860	-	10,860
2020 Series C, Subseries 1	12/01/2062	12/01/2022	0.3500	2.9000	Underwritten	-	29,615	-	29,615	-	29,615
2020 Series C, Subseries 2	06/01/2023	12/01/2022	0.4000	0.5000	Underwritten	-	28,015	-	28,015	-	28,015
2020 Series C, Subseries 3	06/01/2063	06/01/2023	2.6000	2.6000	Private Placement	-	26,410	-	26,410	-	26,410
2020 Series C, Subseries 4	12/01/2023	06/01/2023	0.5000	0.5000	Private Placement	-	10,020	-	10,020	-	10,020
2020 Series D, Subseries 1	06/01/2063	06/01/2024	0.5500	2.8000	Underwritten	-	63,210	-	63,210	-	63,210
2020 Series D, Subseries 2	12/01/2023	12/01/2023	0.4500	0.4500	Underwritten	-	2,980	-	2,980	-	2,980
2020 Series E	12/01/2050	12/01/2021	0.5030	3.2650	Underwritten	-	50,560	680	49,880	-	49,880
2021 Series A, Subseries 1	12/01/2063	06/01/2024	0.3500	2.7000	Underwritten	-	50,655	-	50,655	-	50,655
2021 Series A, Subseries 2	12/01/2024	12/01/2023	0.3000	0.4500	Underwritten	-	42,595	-	42,595	-	42,595
Sub-total						**$ 1,859,893**	**$ 304,060**	**$ 89,900**	**$ 2,074,053**	**$ 282**	**$ 2,074,335**
Single Family Housing Revenue Bond Program											
Series 76 (var)	12/01/2030	12/01/2021	0.7800	1.0000	Underwritten	$ 13,160	$ -	$ 800	$ 12,360	$ -	$ 12,360
Series 151	12/01/2027		4.1000	4.1000	Underwritten	230	-	230	-	-	-
Series 152	12/01/2020		3.2500	3.2500	Underwritten	860	-	860	-	-	-
Series 153	12/01/2020		4.0000	4.0000	Underwritten	720	-	720	-	-	-
Series 155	12/01/2028		5.0000	5.0000	Underwritten	695	-	695	-	-	-
Series 156	12/01/2022	12/01/2021	3.2000	4.5000	Underwritten	2,040	-	730	1,310	-	1,310
Series 157	12/01/2023	12/01/2023	3.9000	3.9000	Underwritten	2,195	-	-	2,195	-	2,195
Series 159	12/01/2032	12/01/2021	2.6500	4.0500	Underwritten	5,250	-	1,690	3,560	-	3,560
Series 160	06/01/2034	12/01/2021	2.9000	3.7500	Underwritten	7,105	-	1,890	5,215	54	5,269
Series 161	12/01/2027	12/01/2021	2.3000	3.1500	Underwritten	1,180	-	565	615	-	615
Series 162	12/01/2042	12/01/2021	2.0000	3.5000	Underwritten	77,830	-	22,540	55,290	136	55,426
Series 163	12/01/2033	12/01/2021	2.5500	4.0000	Underwritten	26,020	-	2,735	23,285	-	23,285
Series 165	12/01/2043	12/01/2021	2.1000	4.0000	Underwritten	15,190	-	5,445	9,745	220	9,965
Series 166	12/01/2026	06/01/2023	2.0600	3.7910	Underwritten	13,565	-	400	13,165	-	13,165
Series 167	12/01/2043	06/01/2029	2.8000	4.0000	Underwritten	7,285	-	3,715	3,570	457	4,027
Series 168	12/01/2026	12/01/2021	2.2000	3.7500	Underwritten	14,690	-	1,715	12,975	-	12,975
Series 169	12/01/2044	12/01/2021	2.5500	4.0000	Underwritten	5,725	-	2,200	3,525	489	4,014
Series 170	12/01/2020		3.1920	3.1920	Underwritten	465	-	465	-	-	-
Series 171	12/01/2044	12/01/2021	2.0000	4.0000	Underwritten	17,035	-	3,485	13,550	548	14,098
Series 172	06/01/2045	12/01/2029	3.3000	4.0000	Underwritten	25,595	-	8,080	17,515	1,147	18,662
Series 173	12/01/2026	12/01/2025	3.0000	3.1000	Underwritten	3,080	-	-	3,080	-	3,080
Series 174	12/01/2025	12/01/2021	2.3500	3.4000	Underwritten	14,010	-	2,465	11,545	-	11,545
Series 175	12/01/2045	06/01/2039	4.0000	4.1000	Underwritten	9,305	-	470	8,835	-	8,835
Series 176	12/01/2025	12/01/2024	2.9500	3.0000	Underwritten	3,120	-	-	3,120	-	3,120
Series 177	06/01/2039	12/01/2021	2.4000	4.0000	Underwritten	24,650	-	6,055	18,595	973	19,568
Series 178	06/01/2042	06/01/2031	3.5000	3.7000	Underwritten	34,030	-	5,315	28,715	1,180	29,895
Series 179	12/01/2025	12/01/2022	2.3000	2.9000	Underwritten	12,800	-	-	12,800	-	12,800
Series 180	12/01/2028	12/01/2021	2.2000	3.5000	Underwritten	8,335	-	5,385	2,950	262	3,212
Series 181	12/01/2044	06/01/2031	3.2500	4.0000	Underwritten	27,200	-	5,355	21,845	887	22,732
Series 182	12/01/2028	12/01/2021	1.7500	3.3000	Underwritten	16,140	-	1,635	14,505	-	14,505
Series 183	12/01/2046	06/01/2023	2.8000	3.5000	Underwritten	27,755	-	3,775	23,980	1,085	25,065
Series 184	06/01/2027	12/01/2021	1.4500	2.6250	Underwritten	7,795	-	1,035	6,760	-	6,760
Series 185	06/01/2046	12/01/2021	2.1000	4.2000	Underwritten	35,460	-	1,165	34,295	-	34,295
Series 186	06/01/2039	12/01/2030	2.1500	4.0000	Underwritten	22,015	-	6,160	15,855	1,210	17,065
Series 187	12/01/2037	12/01/2026	2.4000	3.5500	Underwritten	45,870	-	5,165	40,705	-	40,705
Series 188	06/01/2043	12/01/2021	1.7000	4.0000	Underwritten	31,185	-	6,515	24,670	1,779	26,449
Series 190	12/01/2048	12/01/2028	2.7000	4.0000	Underwritten	56,960	-	25,350	31,610	1,325	32,935
Series 191	12/01/2028	12/01/2021	2.0500	3.1500	Underwritten	13,840	-	1,445	12,395	-	12,395
Series 192	12/01/2022	12/01/2022	0.0000	0.0000	Private Placement	14,800	-	-	14,800	-	14,800
Series 193	12/01/2043	12/01/2021	2.8500	4.4000	Underwritten	16,715	-	830	15,885	-	15,885
Series 195	12/01/2048	12/01/2021	1.8500	4.0000	Underwritten	14,630	-	2,250	12,380	595	12,975
Series 196 (var)	12/01/2048	06/01/2030	0.0300	0.4690	Underwritten	15,000	15,000	15,000	15,000	-	15,000
Series 197	06/01/2030	12/01/2021	3.1000	4.0500	Underwritten	8,270	-	725	7,545	-	7,545
Series 198	12/01/2034	06/01/2022	2.3000	3.8500	Underwritten	8,035	-	270	7,765	-	7,765
Series 199	12/01/2048	12/01/2037	3.8000	4.0000	Underwritten	15,040	-	3,340	11,700	618	12,318
Series 200 (var)	12/01/2048	12/01/2034	0.0300	0.4990	Underwritten	15,000	15,000	15,000	15,000	-	15,000
Series 201	12/01/2037	12/01/2021	3.2000	4.7000	Underwritten	12,080	-	210	11,870	-	11,870
Series 202	06/01/2034	06/01/2031	2.4500	4.0500	Underwritten	3,090	-	360	2,730	-	2,730
Series 203	12/01/2048	12/01/2021	4.5000	4.5000	Underwritten	11,695	-	1,530	10,165	658	10,823
Series 204 (var)	12/01/2048	06/01/2038	0.3600	0.5400	Underwritten	10,000	-	-	10,000	-	10,000
Series 205	06/01/2035	12/01/2021	2.4800	3.8000	Underwritten	17,875	-	960	16,915	-	16,915
Series 206	12/01/2036	06/01/2022	2.0500	3.4500	Underwritten	5,900	-	80	5,820	-	5,820
Series 207	06/01/2049	12/01/2036	3.1500	4.0000	Underwritten	19,505	-	1,810	17,695	1,167	18,862
Series 208 (var)	06/01/2049	06/01/2037	0.0300	0.2100	Underwritten	15,000	-	-	15,000	-	15,000
Series 209	06/01/2034	12/01/2021	1.7500	3.0000	Underwritten	14,000	-	545	13,455	-	13,455
Series 210	12/01/2036	06/01/2022	1.4000	3.0000	Underwritten	8,555	-	315	8,240	-	8,240
Series 211	12/01/2049	12/01/2036	2.6000	3.5000	Underwritten	20,290	-	1,395	18,895	1,313	20,208
Series 212 (var)	12/01/2049	12/01/2037	1.4500	1.4500	Underwritten	15,000	-	-	15,000	-	15,000
Series 213	12/01/2023	12/01/2021	1.3000	1.7000	Underwritten	4,375	-	1,215	3,160	-	3,160
Series 214	12/01/2049	12/01/2023	1.3500	5.0000	Underwritten	73,710	-	775	72,935	3,642	76,577
Series 215	12/01/2050	12/01/2023	0.6500	4.0000	Underwritten	42,145	-	1,825	40,320	1,849	42,169
Series 216 (var)	12/01/2050	06/01/2033	1.8500	1.8500	Underwritten	25,000	-	-	25,000	-	25,000
Series 217	12/01/2022	12/01/2021	5.0000	5.0000	Underwritten	-	2,815	595	2,220	177	2,397
Series 218	12/01/2050	06/01/2023	1.6000	5.0000	Underwritten	-	64,360	-	64,360	3,849	68,209
Series 219	12/01/2022	12/01/2021	5.0000	5.0000	Underwritten	-	2,800	-	2,800	152	2,952

SCHEDULE 3: BONDS PAYABLE

In thousands of dollars

	Final Maturity Date	Next Scheduled Principal Payment Date	Interest % Rate Range From	To	Debt Type	Outstanding June 30, 2020	Issued and Compounded	Retired or Exchanged	Outstanding June 30, 2021	Unamortized Bond/Note Discount/Premium	Adjusted Totals
Series 220	12/01/2050	12/01/2022	1.3500	5.0000	Underwritten	$ -	$ 102,365	$ -	$ 102,365	$ 6,940	$ 109,305
Series 221	12/01/2050	12/01/2021	1.4000	5.0000	Underwritten	-	71,230	-	71,230	4,780	76,010
Sub-total						**$ 1,036,095**	**$ 273,570**	**$ 185,280**	**$ 1,124,385**	**$ 37,492**	**$ 1,161,877**
Residential Mortgage Revenue Bond Program											
2012 Series A	10/01/2042	10/01/2042	3.0270	3.0270	Underwritten	$ 21,021	$ -	$ 8,481	$ 12,540	$ 552	$ 13,092
2012 Series B	12/01/2042	12/01/2042	2.5270	2.5270	Underwritten	19,224	-	7,203	12,021	302	12,323
Sub-total						**$ 40,245**	**$ -**	**$ 15,684**	**$ 24,561**	**$ 854**	**$ 25,415**
Grand Total						**$ 3,434,748**	**$ 577,630**	**$ 376,524**	**$ 3,635,854**	**$ 38,628**	**$ 3,674,482**

SCHEDULE 4: NOTES AND OTHER INDEBTEDNESS

In thousands of dollars

	Scheduled Redemption Date	Interest % Rate Range From	To	Debt Type	Outstanding June 30, 2020	Issued and Compounded	Retired	Outstanding June 30, 2021	Unamortized Bond/Note Discount/Premium	Adjusted Totals
Working Capital Fund										
General Obligation Notes Payable										
Construction Loan Notes										
2017 Series B	12/01/2021	2.0500	2.0500	Underwritten	$ 46,935	$ -	$ 26,890	$ 20,045	$ -	$ 20,045
Sub-total					**$ 46,935**	**$ -**	**$ 26,890**	**$ 20,045**	**$ -**	**$ 20,045**
Direct Purchase (DP) Construction Loan Notes										
DP NOTE IS 4, BLK 2018A	06/18/2021	4.2700	4.2700	Direct Purchase	$ 24,351	$ 11,967	$ 36,318	$ -	$ -	$ -
DP NOTE IS 4, BLK 2018C	12/20/2021	4.1700	4.1700	Direct Purchase	26,011	4,979	-	30,990	-	30,990
DP NOTE IS 4, BLK 2020A	08/07/2024	1.7200	1.7200	Direct Purchase	-	40,000	-	40,000	-	40,000
DP NOTE IS 5, BLK 2018A	12/20/2021	4.1900	4.1900	Direct Purchase	30,400	3,425	9,260	24,565	-	24,565
DP NOTE IS 5, BLK 2019A	06/27/2022	3.2600	3.2600	Direct Purchase	10,810	41,725	-	52,535	-	52,535
DP NOTE IS 5, BLK 2019B	06/27/2022	4.1000	4.1000	Direct Purchase	8,500	1,100	-	9,600	-	9,600
DP NOTE IS 6, BLK 2019A	10/03/2022	3.5500	3.5500	Direct Purchase	50	13,520	-	13,570	-	13,570
DP NOTE IS 6, BLK 2019B	09/30/2021	4.2000	4.2000	Direct Purchase	17,807	12,033	-	29,840	-	29,840
DP NOTE IS 7, BLK 2020A	09/01/2023	2.1500	2.1500	Direct Purchase	-	11,679	-	11,679	-	11,679
Sub-total					**$ 117,929**	**$ 140,428**	**$ 45,578**	**$ 212,779**	**$ -**	**$ 212,779**
Housing Bond Program										
ANTICIPATIO NT IS 2 BLK 2018A (var)	07/24/2020	0.6220	0.6220	Underwritten	$ 250	$ -	$ 250	$ -	$ -	$ -
Sub-total					**$ 250**	**$ -**	**$ 250**	**$ -**	**$ -**	**$ -**
Grand Total					**$ 165,114**	**$ 140,428**	**$ 72,718**	**$ 232,824**	**$ -**	**$ 232,824**

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SCHEDULE 5: DEBT SERVICE REQUIREMENTS

In thousands of dollars

	2022		2023		2024		2025		2026		2027-2031		2032-
	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Working Capital Fund *	$ 5,954	$ 167,575	$ 1,798	$ 13,570	$ 1,087	$ 36,747	$ 122	$ 40,000					
General Rental Development Bond Program**	4,790	1,500	4,745	1,430	4,698	1,495	4,648	1,570	$ 4,596	$ 1,655	$ 22,142	$ 8,930	$ 20,496
Multi-Family Housing Bond Program	8,812	3,490	8,675	3,650	8,522	3,825	8,359	4,005	8,189	4,200	37,886	24,140	31,665
Housing Bond Program**	65,292	30,220	64,595	98,460	63,103	93,420	61,961	56,310	60,854	40,830	286,481	221,380	247,960
Single Family Housing Revenue Bond Program **	30,101	157,100	28,548	61,000	27,086	49,045	25,623	40,840	24,263	35,565	104,638	138,050	80,783
Residential Mortgage Revenue Bond Program	683	777	683		683		683		683		3,417		3,417
Totals ***	$ 115,632	$ 360,662	$ 109,044	$ 178,110	$ 105,179	$ 184,532	$ 101,396	$ 142,725	$ 98,585	$ 82,250	$ 454,564	$ 392,500	$ 384,321

*The following Direct Purchase Construction Loan Notes (DP CLN) are being drawn down in increments based on the draw schedules in the Schedule of Advances in the Block Certificates: Issue Seven Block 2020A and Issue Seven Block 2020B. As of June 30, 2021, the amount of DP CLN outstanding is $232,824. However, the schedule above includes additional advances of $25,068, which will be completed by April 1, 2022.

**The bond programs indicated above include weekly variable rate debt in some or all of the outstanding principal balance. For purposes of the table above, interest is calculated at the rate in effect on June 30, 2021. Most of the variable rate debt is subject to weekly redetermination by the remarketing agent, while some series are based on LIBOR (London Interbank Offer Rate) and SIFMA index rates.

***The total Principal amount shown excludes any amounts for unamortized bond / note discount / premium. In addition, the future principal and interest payments have been adjusted for contractual amounts or scheduled payments paid during the first quarter of FY 2022 for notices received by the Agency as of June 30, 2021.

In thousands of dollars

-2037	2037-2041		2042-2046		2047-2051		2052-2056		2057-2061		2062-2066		Scheduled Maturity	
Principal	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**
													$ 8,961	$ 257,892
$ 42,035	$ 18,414	$ 14,415	$ 15,799	$ 18,335	$ 12,403	$ 26,840	$ 5,221	$ 46,335					$ 117,952	$ 164,540
30,430	24,865	39,395	17,771	53,820	8,748	65,620	868	15,740					$ 164,360	$ 248,315
261,785	199,618	293,910	145,177	319,463	88,473	287,395	44,098	223,575	$ 12,496	$ 129,035	$ 599	$ 18,270	$ 1,340,707	$ 2,074,053
180,535	55,274	163,210	31,950	177,885	7,517	121,155							$ 415,783	$ 1,124,385
	3,417		962	23,784									$ 14,628	$ 24,561
$ 514,785	$ 301,588	$ 510,930	$ 211,659	$ 593,287	$ 117,141	$ 501,010	$ 50,187	$ 285,650	$ 12,496	$ 129,035	$ 599	$ 18,270	$ 2,062,391	$ 3,893,746

SCHEDULE 6: MBS Forward Contracts - Hedging Derivative Instruments

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

SCHEDULE 6: Mortgage Backed Securities (MBS) Forward Contracts - Hedging Derivative Instruments

Forward Contracts to sell TBA MBS	Notional Amount Jun. 30, 2020	Trade Date	Delivery Date	Coupon Rate	Fair Value Jun. 30, 2020	Counterparty Credit Rating
FNMA TBA JUL 2020 [1]	$ 5,000,000	5/11/2020	7/21/2020	2.50%	$ (51,563)	Aaa
FNMA TBA JUL 2020 [1]	5,143,045	5/11/2020	7/21/2020	3.00%	(25,715)	Aaa
FNMA TBA AUG 2020	5,000,000	5/13/2020	8/13/2020	2.50%	(43,750)	Aaa
FNMA TBA AUG 2020	30,000,000	5/20/2020	8/13/2020	2.50%	(239,063)	Aaa
FNMA TBA JUL 2020	15,000,000	5/26/2020	7/14/2020	2.50%	(140,039)	Aaa
FHLMC TBA AUG 2020	5,000,000	5/28/2020	8/13/2020	2.50%	(48,438)	Aaa
FHLMC TBA AUG 2020	2,000,000	6/1/2020	8/13/2020	3.00%	(6,250)	Aaa
FNMA TBA AUG 2020	5,000,000	6/1/2020	8/13/2020	2.50%	(37,109)	Aaa
FHLMC TBA AUG 2020	5,000,000	6/2/2020	8/13/2020	2.50%	(32,031)	Aaa
FHLMC TBA AUG 2020	5,000,000	6/4/2020	8/13/2020	2.50%	(43,555)	Aaa
FHLMC TBA SEP 2020	15,000,000	6/11/2020	9/14/2020	2.50%	(25,781)	Aaa
FHLMC TBA SEP 2020	5,000,000	6/12/2020	9/14/2020	2.50%	(14,844)	Aaa
FNMA TBA JUL 2020 [1]	4,304,665	6/15/2020	7/21/2020	2.50%	(9,416)	Aaa
FNMA TBA AUG 2020 [1]	5,000,000	6/15/2020	8/20/2020	2.50%	(17,183)	Aaa
FNMA TBA SEP 2020	10,000,000	6/17/2020	9/14/2020	2.50%	(50,781)	Aaa
FHLMC TBA AUG 2020	5,000,000	6/19/2020	8/13/2020	2.50%	(22,656)	Aaa
FNMA TBA SEP 2020	10,000,000	6/24/2020	9/14/2020	2.50%	(35,938)	Aaa
FNMA TBA AUG 2020	20,000,000	6/25/2020	8/13/2020	2.50%	(65,625)	Aaa
FNMA TBA SEP 2020	5,000,000	6/25/2020	9/14/2020	2.50%	(16,406)	Aaa
FHLMC TBA AUG 2020	2,000,000	6/26/2020	8/13/2020	3.00%	(1,875)	Aaa
FHLMC TBA AUG 2020	10,000,000	6/30/2020	8/13/2020	2.50%	(10,938)	Aaa
FNMA TBA SEP 2020	5,000,000	6/30/2020	9/14/2020	2.50%	2,539	Aaa
FNMA TBA SEP 2020 [1]	3,000,000	6/30/2020	9/14/2020	2.50%	-	Aaa
Total	$ 181,447,710				$ (936,417)	

[1] These MBS forward contracts relate to Government National Mortgage Association (GNMA) MBS to be issued. The Housing and Urban Development (HUD) loans that eventually back the GNMA MBS are on a forward contract between MassHousing and FNMA.

Supplemental Schedule 7

Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF NET POSITION

June 30, 2021

In thousands	Working Capital Fund and Affiliates	Rental Housing Mortgage Revenue Bond Program	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	June 30, 2021
Assets									
Current assets									
Cash and cash equivalents	$ 304,607		$ 4,694	$ 29,033	$ 519,105	$ 357,010	$ 27		$ 1,214,476
Investments	62,353				102,054	25,992	777		191,176
Interest and fees receivable on construction and mortgage loans, net	950		464	995	6,639	983			10,031
Current portion of loans receivable, net	250,512		2,366	3,666	37,483	14,973			309,000
Interfund accounts receivable (payable)	371		(12)	(6)	(1)	(349)	(3)		
Other assets	15,036			1	577	1,636	70	$ (27)	17,293
Total current assets	**633,829**		**7,512**	**33,689**	**665,857**	**400,245**	**871**	**(27)**	**1,741,976**
Non-current assets									
Investments	232,932		118		56,375	567,745	25,668		882,838
Non-current portion of loans receivable, net	373,277		161,956	247,879	1,688,541	410,321			2,881,974
Escrowed funds	727,180		31		55				727,266
Investment derivative instruments					11				11
Other assets	55,787		7			308			56,102
Total non-current assets	**1,389,176**		**162,112**	**247,879**	**1,744,982**	**978,374**	**25,668**		**4,548,191**
Total assets	**2,023,005**		**169,624**	**281,568**	**2,410,839**	**1,378,619**	**26,539**	**(27)**	**6,290,167**
Deferred outflow of resources									
Pension and Other Post Employment Benefits (OPEB)	21,492								21,492
Hedging derivative instruments	93				4,325				4,418
Total deferred outflow of resources	**21,585**				**4,325**				**25,910**
Total assets and deferred outflow of resource	**$ 2,044,590**		**$ 169,624**	**$ 281,568**	**$ 2,415,164**	**$ 1,378,619**	**$ 26,539**	**$ (27)**	**$ 6,316,077**
Liabilities									
Current liabilities									
Current portion of long term debt, net	$ 167,575		$ 1,500	$ 3,490	$ 30,220	$ 157,100	$ 777		$ 360,662
Obligation line of credit	25,000								25,000
Accrued interest payable	1,322		345	737	5,541	2,838	57		10,840
Other liabilities	22,029		376		28		27	$ (27)	22,433
Hedging derivative instruments	93								93
Total current liabilities	**216,019**		**2,221**	**4,227**	**35,789**	**159,938**	**861**	**(27)**	**419,028**
Non-current liabilities									
Non-current portion of long term debt, net	65,249		163,040	244,825	2,044,115	1,004,777	24,638		3,546,644
Long term- loan	16,363								16,363
Net pension and OPEB liability	2,563								2,563
Other liabilities	24,841				732				25,573
Escrowed funds payable	727,180		31		55				727,266
Hedging derivative instruments					4,325				4,325
Investment derivative instruments	11,281					3,351			14,632
Total non-current liabilities	**847,477**		**163,071**	**244,825**	**2,049,227**	**1,008,128**	**24,638**		**4,337,366**
Total liabilities	**1,063,496**		**165,292**	**249,052**	**2,085,016**	**1,168,066**	**25,499**	**(27)**	**4,756,394**
Deferred inflow of resources									
Pension and OPEB	29,252								29,252
Total deferred inflow of resources	**29,252**								**29,252**
Total liabilities and deferred inflow of resources	**1,092,748**		**165,292**	**249,052**	**2,085,016**	**1,168,066**	**25,499**	**(27)**	**4,785,646**
Commitments and contingencies									
Net position									
Restricted by bond resolutions			4,332	32,516	330,148	210,553	1,040		578,589
Restricted by contractual or statutory agreements	248,255								248,255
Unrestricted	703,587								703,587
Total net position	**$ 951,842**		**$ 4,332**	**$ 32,516**	**$ 330,148**	**$ 210,553**	**$ 1,040**		**$ 1,530,431**

COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the fiscal year ended:
June 30, 2021

In thousands	Working Capital Fund and Affiliates	Rental Housing Mortgage Revenue Bond Program	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	Fiscal 2021
Operating revenues									
Interest on loans	$ 17,365	$ 1,797	$ 6,676	$ 12,371	$ 83,713	$ 14,934			$ 136,856
Investment earnings:									
Interest income	3,699		3	7	1,392	23,355	$ 971		29,427
Net increase (decrease) in fair value of investments	(13,385)	62			(731)	(15,865)	(1,312)		(31,231)
Fee income	90,569		139	387	2,237				93,332
Grant income	12,800								12,800
Other income	25,927				115			$ (700)	25,342
Total operating revenues	**136,975**	**1,859**	**6,818**	**12,765**	**86,726**	**22,424**	**(341)**	**(700)**	**266,526**
Operating expenses									
Interest on bonds and notes, net of discount/premium	8,072	1,238	5,476	9,838	65,196	28,724	224		118,768
Financing costs	238				4,145	2,649			7,032
Administrative expenses	68,956	31	7	7	1,113	4,685	19		74,818
Grant expenses	4,246							(700)	3,546
Other expenses (other expense recoveries)	1,082					(441)			641
Total operating expenses	**82,594**	**1,269**	**5,483**	**9,845**	**70,454**	**35,617**	**243**	**(700)**	**204,805**
Operating income (loss) before provision for loan losses	**54,381**	**590**	**1,335**	**2,920**	**16,272**	**(13,193)**	**(584)**		**61,721**
Provision for loan losses	21,153				405	338			21,896
Total Provision for loan losses	**21,153**				**405**	**338**			**21,896**
Operating income (loss) after provision for loan losses	**33,228**	**590**	**1,335**	**2,920**	**15,867**	**(13,531)**	**(584)**		**39,825**
Change in net position	**33,228**	**590**	**1,335**	**2,920**	**15,867**	**(13,531)**	**(584)**		**39,825**
Interfund transfers	26,093	(11,459)	(2,222)	(2,937)	(9,472)	109	(112)		
Net position at the beginning of the period	892,521	10,869	5,219	32,533	323,753	223,975	1,736		1,490,606
Net position at the end of the period	**$ 951,842**		**$ 4,332**	**$ 32,516**	**$ 330,148**	**$ 210,553**	**$ 1,040**		**$ 1,530,431**

Supplemental Schedule 7

Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF CASH FLOWS

For the fiscal year ended:
June 30, 2021

In thousands	Working Capital Fund and Affiliates	Rental Housing Mortgage Revenue Bond Program	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	Fiscal 2021
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS									
Cash flows from operating activities:									
Collections on mortgage loans, construction loan repayments and loan sales	$ 1,379,694	$ 3,600	$ 21,538	$ 52,988	$ 222,171	$ 85,329			$ 1,765,320
Loan advances to borrowers	(1,572,933)				(209,354)	(186,196)			(1,968,483)
Interest collections on construction loans	5,875								5,875
Fees collected	89,461		139	398	2,254				92,252
Cash payments to employees for services	(35,251)								(35,251)
services	(57,189)	(25)	(74)	(7)	(929)	(4,749)	$ (19)		(62,992)
Grants received	12,800								12,800
Grants disbursed	(4,193)							$ 700	(3,493)
Other receipts (disbursements)	14,579		66		260			(700)	14,205
Escrow funds, net	(88,544)		(6)						(88,550)
Escrow funds payable, net	88,544		6						88,550
Net cash provided by (used for) operating activities	**(167,157)**	**3,575**	**21,669**	**53,379**	**14,402**	**(105,616)**	**(19)**		**(179,767)**
Cash flows from non-capital financing activities:									
Sale of bonds and notes and draw down on line of credit	255,427				304,000	290,095			849,522
Bond issuance / redemption costs	(238)				(4,145)	(2,539)			(6,922)
Retirement of bonds and notes and pay down on line of credit	(197,468)	(22,185)	(23,174)	(40,300)	(90,150)	(185,280)	(15,684)		(574,241)
Interest on bonds and notes	(7,478)	(1,353)	(5,527)	(9,970)	(64,913)	(33,064)	(887)		(123,192)
Fund transfers	20,254	16,205	6,308	(2,937)	(39,704)		(126)		
Net cash provided by (used for) non-capital financing activities	**70,497**	**(7,333)**	**(22,393)**	**(53,207)**	**105,088**	**69,212**	**(16,697)**		**145,167**
Cash flows from investing activities:									
Purchase of investments	(246,036)				(398,392)	(25,578)			(670,006)
Proceeds from sales of investments	92,210		1		334,105	325,485	15,684		767,485
Investment earnings, net of rebate	3,774		3	7	3,867	24,158	1,015		32,824
Net cash provided by (used for) investing activities	**(150,052)**		**4**	**7**	**(60,420)**	**324,065**	**16,699**		**130,303**
Net increase (decrease) in cash and cash equivalents	(246,712)	(3,758)	(720)	179	59,070	287,661	(17)		95,703
Cash and cash equivalents at the beginning of the period	551,319	3,758	5,414	28,854	460,035	69,349	44		1,118,773
Cash and cash equivalents at end of the period	**$ 304,607**		**$ 4,694**	**$ 29,033**	**$ 519,105**	**$ 357,010**	**$ 27**		**$ 1,214,476**

COMBINING STATEMENTS OF CASH FLOWS
(continued)
For the fiscal year ended:
June 30, 2021

In thousands	**Working Capital Fund and Affiliates**	**Rental Housing Mortgage Revenue Bond Program**	**General Rental Development Bond Program**	**Multi-Family Housing Bond Program**	**Housing Bond Program**	**Single Family Housing Revenue Bond Program**	**Residential Mortgage Revenue Bond Program**	**Eliminations**	**Fiscal 2021**
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES									
Operating income (loss)	**$ 33,228**	**$ 590**	**$ 1,335**	**$ 2,920**	**$ 15,867**	**$ (13,531)**	**$ (584)**		**$ 39,825**
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:									
Amortization of bond original discount (premium), net					(19)	(4,427)	(627)		(5,073)
Depreciation and amortization	12,398								12,398
Provision for losses on loans, net	21,153				405	338			21,896
Recognition of fee income	(4,166)				(28)				(4,194)
Investment earnings	(3,699)		(3)	(7)	(1,392)	(23,355)	(971)		(29,427)
Change in fair value of investments	13,385	(62)			731	15,865	1,312		31,231
Interest expense on bonds and notes	8,072	1,238	5,476	9,838	65,215	33,151	851		123,841
Financing expenses	238				4,145	2,649			7,032
Changes in assets and liabilities:									
Decrease (increase) in loans receivable	(206,058)	1,794	14,611	40,447	(70,623)	(117,101)			(336,930)
Decrease (increase) in interest and fees receivable on loans	(30)	9	114	181	(227)	(63)			(16)
Decrease (increase) in interfund balances	(207)	6			328	(127)			
Decrease (increase) in other assets and other receivables	(127,079)					985			(126,094)
Increase in accounts payable and other liabilities	85,608		136						85,744
Total adjustments	**(200,385)**	**2,985**	**20,334**	**50,459**	**(1,465)**	**(92,085)**	**565**		**(219,592)**
Net cash provided by (used for) operating activities	**$ (167,157)**	**$ 3,575**	**$ 21,669**	**$ 53,379**	**$ 14,402**	**$ (105,616)**	**$ (19)**		**$ (179,767)**

Supplemental Schedule 7
Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF NET POSITION
June 30, 2020

In thousands	Working Capital Fund and Affiliates	Rental Housing Mortgage Revenue Bond Program	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	June 30, 2020
Assets									
Current assets									
Cash and cash equivalents	$ 551,319	$ 3,758	$ 5,414	$ 28,854	$ 460,035	$ 69,349	$ 44		$ 1,118,773
Investments	31,719				59,085	89,209	1,176		181,189
Interest and fees receivable on construction and mortgage loans, net	760	170	578	1,177	6,412	920			10,017
Current portion of loans receivable, net	111,771	1,410	2,445	3,953	27,276	12,639			159,494
Interfund accounts receivable (payable)	512	(16)	(12)	(6)		(475)	(3)		
Other assets	9,718	4	1		611	2,442	114	$ (41)	12,849
Total current assets	**705,799**	**5,326**	**8,426**	**33,978**	**553,419**	**174,084**	**1,331**	**(41)**	**1,482,322**
Non-current assets									
Investments	112,148		119		38,368	822,397	42,265		1,015,297
Non-current portion of loans receivable, net	321,352	27,908	185,018	288,038	1,598,626	295,892			2,716,834
Escrowed funds	638,637		25		55				638,717
Investment derivative instruments					24				24
Other assets	55,391		7			1,293			56,691
Total non-current assets	**1,127,528**	**27,908**	**185,169**	**288,038**	**1,637,073**	**1,119,582**	**42,265**		**4,427,563**
Total assets	**1,833,327**	**33,234**	**193,595**	**322,016**	**2,190,492**	**1,293,666**	**43,596**	**(41)**	**5,909,885**
Deferred outflow of resources									
Pension and Other Post Employment Benefits (OPEB)	15,476								15,476
Hedging derivative instruments	936	14,802			7,193				22,931
Total deferred outflow of resources	**16,412**	**14,802**			**7,193**				**38,407**
Total assets and deferred outflow of resources	**$ 1,849,739**	**$ 48,036**	**$ 193,595**	**$ 322,016**	**$ 2,197,685**	**$ 1,293,666**	**$ 43,596**	**$ (41)**	**$ 5,948,292**
Liabilities									
Current liabilities									
Current portion of long term debt, net	$ 37,641	$ 445	$ 1,310	$ 3,915	$ 29,210	$ 39,070	$ 1,176		$ 112,767
Obligation line of credit	35,000								35,000
Accrued interest payable	728	118	396	868	5,305	2,752	94		10,261
Other liabilities	16,190		240		28		41	$ (41)	16,458
Hedging derivative instruments	936								936
Total current liabilities	**90,495**	**563**	**1,946**	**4,783**	**34,543**	**41,822**	**1,311**	**(41)**	**175,422**
Non-current liabilities									
Non-current portion of long term debt, net	127,223	21,740	186,405	284,700	1,831,235	1,022,419	40,549		3,514,271
Long term- loan	16,363								16,363
Net pension and OPEB liability	45,880								45,880
Other liabilities	28,443				760				29,203
Escrowed funds payable	638,637		25		55				638,717
Hedging derivative instruments		14,802			7,193				21,995
Investment derivative instruments		62			146	5,450			5,658
Total non-current liabilities	**856,546**	**36,604**	**186,430**	**284,700**	**1,839,389**	**1,027,869**	**40,549**		**4,272,087**
Total liabilities	**947,041**	**37,167**	**188,376**	**289,483**	**1,873,932**	**1,069,691**	**41,860**	**(41)**	**4,447,509**
Deferred inflow of resources									
Pension and OPEB	10,177								**10,177**
Total deferred inflow of resources	**10,177**								**10,177**
Total liabilities and deferred inflow of resources	**957,218**	**37,167**	**188,376**	**289,483**	**1,873,932**	**1,069,691**	**41,860**	**(41)**	**4,457,686**
Commitments and contingencies									
Net position									
Restricted by bond resolutions		10,869	5,219	32,533	323,753	223,975	1,736		598,085
Restricted by contractual or statutory agreements	242,023								242,023
Unrestricted	650,498								650,498
Total net position	**$ 892,521**	**$ 10,869**	**$ 5,219**	**$ 32,533**	**$ 323,753**	**$ 223,975**	**$ 1,736**		**$ 1,490,606**

Supplemental Schedule 7

Massachusetts Housing Finance Agency and Affiliates

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

For the fiscal year ended:
June 30, 2020

In thousands	Working Capital Fund and Affiliates	Rental Housing Mortgage Revenue Bond Program	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	Fiscal 2020
Operating revenues									
Interest on loans	$ 14,750	$ 2,073	$ 7,860	$ 13,712	$ 75,001	$ 13,414			$ 126,810
Investment earnings:									
Interest income	11,386	183	79	334	7,199	31,095	$ 1,454		51,730
Net increase (decrease) in fair value of investments	2,764	(40)			666	22,308	1,474		27,172
Fee income	76,973		141	490	2,327				79,931
Grant income	92,950								92,950
Other income	2,194				276	608		$ (1,217)	1,861
Total operating revenues	**201,017**	**2,216**	**8,080**	**14,536**	**85,469**	**67,425**	**2,928**	**(1,217)**	**380,454**
Operating expenses									
Interest on bonds and notes, net of discount/premium	6,936	1,605	6,477	10,507	64,116	29,945	654		120,240
Financing costs	154				5,003	2,315			7,472
Administrative expenses	84,053	34	17	7	1,446	4,261	19		89,837
Grant expenses	7,925							(700)	7,225
Other expenses (other expense recoveries)	1,561					533		(517)	1,577
Total operating expenses	**100,629**	**1,639**	**6,494**	**10,514**	**70,565**	**37,054**	**673**	**(1,217)**	**226,351**
Operating income before provision for (reduction to) loan losses	**100,388**	**577**	**1,586**	**4,022**	**14,904**	**30,371**	**2,255**		**154,103**
Provision for (reduction to) loan losses	10,486				(5,522)	(22)			4,942
Total Provision for (reduction to) loan losses	**10,486**				**(5,522)**	**(22)**			**4,942**
Operating income after provision for (reduction to) loan losses	**89,902**	**577**	**1,586**	**4,022**	**20,426**	**30,393**	**2,255**		**149,161**
Change in net position	**89,902**	**577**	**1,586**	**4,022**	**20,426**	**30,393**	**2,255**		**149,161**
Interfund transfers	13,962	(295)	(1,460)	(2,976)	(13,479)	4,423	(175)		
Net position at the beginning of the period	788,657	10,587	5,093	31,487	316,806	189,159	(344)		1,341,445
Net position at the end of the period	**$ 892,521**	**$ 10,869**	**$ 5,219**	**$ 32,533**	**$ 323,753**	**$ 223,975**	**$ 1,736**		**$ 1,490,606**

Supplemental Schedule 7

Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF CASH FLOWS

For the fiscal year ended:
June 30, 2020

In thousands	Working Capital Fund and Affiliates	Rental Housing Mortgage Revenue Bond Program	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	Fiscal 2020
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS									
Cash flows from operating activities:									
Collections on mortgage loans, construction loan repayments and loan sales	$ 894,267	$ 3,406	$ 10,320	$ 17,657	$ 156,932	$ 56,494			$ 1,139,076
Loan advances to borrowers	(937,498)				(151,156)	(79,501)			(1,168,155)
Interest collections on construction loans	3,964								3,964
Fees collected	74,965		141	490	2,462				78,058
Cash payments to employees for services	(34,765)								(34,765)
Cash payments to other suppliers of goods and services	(43,562)	(34)	(79)	(1)	(866)	(4,256)	$ (16)		(48,814)
Grants received	92,950								92,950
Grants disbursed	(7,919)							$ 700	(7,219)
Miscellaneous receipts (disbursements)	(6,825)	(16)	66		459			(700)	(7,016)
Escrow funds, net	(85,530)		(10)		(1)				(85,541)
Escrow funds payable, net	85,530		10		1				85,541
Net cash provided by (used for) operating activities	**35,577**	**3,356**	**10,448**	**18,146**	**7,831**	**(27,263)**	**(16)**		**48,079**
Cash flows from non-capital financing activities:									
Sale of bonds and notes and draw down on line of credit	62,759				372,081	211,609			646,449
Bond issuance / redemption costs	(154)				(5,003)	(2,195)			(7,352)
Retirement of bonds and notes and pay down on line of credit	(83,030)	(16,280)	(2,538)	(3,745)	(174,350)	(158,460)	$ (11,379)		(449,782)
Interest on bonds and notes	(6,880)	(1,660)	(6,555)	(10,517)	(64,315)	(33,319)	(1,292)		(124,538)
Fund transfers	33,011	(295)	(1,459)	(2,976)	(32,271)	4,180	(190)		
Net cash provided by (used for) non-capital financing activities	**5,706**	**(18,235)**	**(10,552)**	**(17,238)**	**96,142**	**21,815**	**(12,861)**		**64,777**
Cash flows from capital financing activities:									
Acquisition of capital assets									
Net cash (used for) capital financing activities									
Cash flows from investing activities:									
Purchase of investments	(105,232)	(781)			(137,069)	(274,358)			(517,440)
Proceeds from sales of investments	147,776	3,108			252,341	235,019	11,379		649,623
Investment earnings, net of rebate	11,541	254	88	380	7,324	30,803	1,486		51,876
Net cash provided by (used for) investing activities	**54,085**	**2,581**	**88**	**380**	**122,596**	**(8,536)**	**12,865**		**184,059**
Net increase (decrease) in cash and cash equivalents	95,368	(12,298)	(16)	1,288	226,569	(13,984)	(12)		296,915
Cash and cash equivalents at the beginning of the fiscal year	455,951	16,056	5,430	27,566	233,466	83,333	56		821,858
Cash and cash equivalents at end of the fiscal year	**$ 551,319**	**$ 3,758**	**$ 5,414**	**$ 28,854**	**$ 460,035**	**$ 69,349**	**$ 44**		**$ 1,118,773**

Supplemental Schedule 7

Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF CASH FLOWS (continued)

For the fiscal year ended:
June 30, 2020

In thousands	Working Capital Fund and Affiliates	Rental Housing Mortgage Revenue Bond Program	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	Fiscal 2020
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES									
Operating income	**$ 89,902**	**$ 577**	**$ 1,586**	**$ 4,022**	**$ 20,426**	**$ 30,393**	**$ 2,255**		**$ 149,161**
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:									
Amortization of bond original discount (premium), net					11	(3,308)	(612)		(3,909)
Depreciation and amortization	27,045								27,045
Provision for (reduction to) losses on loans	10,486				(5,522)	(22)			4,942
Recognition of fee income	(4,075)				(28)				(4,103)
Investment earnings	(11,386)	(183)	(79)	(334)	(7,199)	(31,095)	(1,454)		(51,730)
Change in fair value of investments	(2,764)	40			(666)	(22,308)	(1,474)		(27,172)
Interest expense on bonds and notes	6,936	1,605	6,477	10,507	64,105	33,253	1,266		124,149
Financing expenses	154				5,003	2,315			7,472
Changes in assets and liabilities:									
Decrease (increase) in loans receivable	(53,929)	1,325	2,566	3,930	(69,042)	(36,833)			(151,983)
Decrease (increase) in interest and fees receivable on loans	77	7	12	15	(163)	100			48
Decrease (increase) in interfund balances	(1,140)	(15)	9	6	745	392	3		
Decrease (increase) in other assets and other receivables	(107,573)		(6)		161	(48)			(107,466)
Increase (decrease) in accounts payable and other liabilities	81,844		(117)			(102)			81,625
Total adjustments	**(54,325)**	**2,779**	**8,862**	**14,124**	**(12,595)**	**(57,656)**	**(2,271)**		**(101,082)**
Net cash provided by (used for) operating activities	**$ 35,577**	**$ 3,356**	**$ 10,448**	**$ 18,146**	**$ 7,831**	**$ (27,263)**	**$ (16)**		**$ 48,079**