ILLINOIS HOUSING
DEVELOPMENT AUTHORITY

State of Illinois

Illinois Housing Development Authority

# Annual Comprehensive Financial Report

For the Fiscal Year Ended
June 30, 2021

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# ILLINOIS HOUSING DEVELOPMENT AUTHORITY

State of Illinois

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

# ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2021

**Prepared by:**
IHDA Finance and Accounting Staff

Illinois Housing Development Authority
111 E. Wacker Drive, Ste 1000
Chicago, IL 60601
(312) 836-5200
www.ihda.org

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## State of Illinois
## Illinois Housing Development Authority

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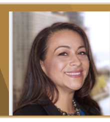
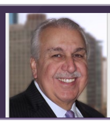
The Uniform Guidance Single Audit Report will be issued under separate cover.

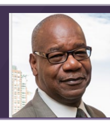
ILLINOIS HOUSING DEVELOPMENT AUTHORITY

# INTRODUCTORY SECTION


Chairman
Mr. King Harris 07/11/16 - Present


Vice-Chairman
Ms. Luz Ramirez 03/13/17 - Present


Secretary / Asset Management Committee Chair
Mr. Salvatore Tornatore 02/25/13 - Present


Treasurer / Finance Committee Chair
Mr. Darrell Hubbard 10/21/19 - Present


Member / Audit Committee Chair
Mr. Tom Morsch 11/19/19 - Present


Member
Ms. Sonia Berg 10/21/19 - Present


Member
Ms. Aarti Kotak 01/10/20 - Present

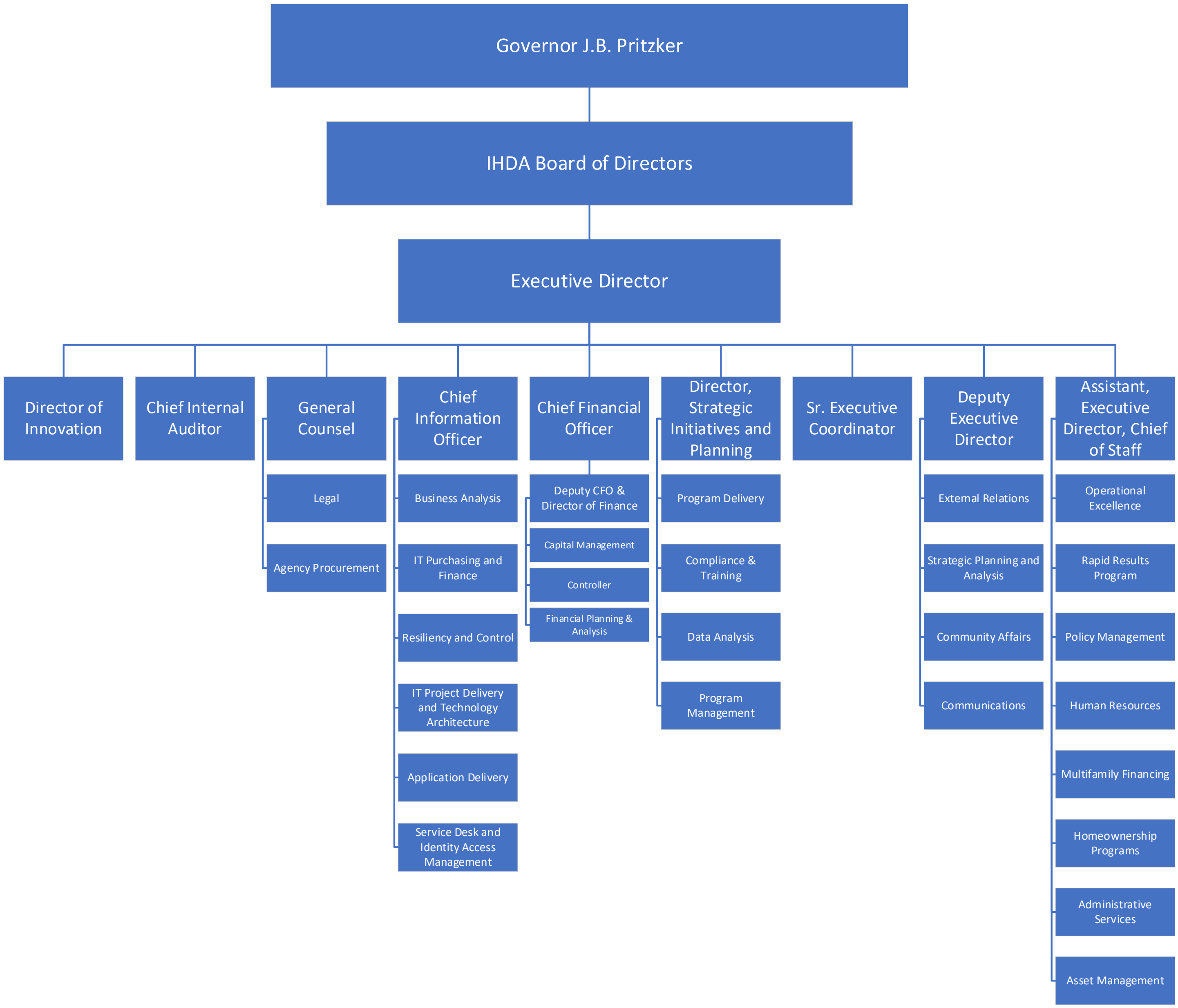
Note:
Dr. Rita Ali served as a voting member of the Board of Directors from September 25, 2020 through May 5, 2021.

Ms. Karen Davis served as Vice-Chairman through July 17, 2020


Note: Position of Chief Internal Auditor was vacant from July 2020 – December 2020. Prior to this vacancy the position was held by Kevin O'Connor.

Agency Officials are located at:

111. E. Wacker Drive, Suite 1000
Chicago, Illinois 60601


Governor J.B. Pritzker
IHDA Board of Directors
Executive Director
Director of Innovation
Chief Internal Auditor
General Counsel
Legal
Agency Procurement
Chief Information Officer
Business Analysis
IT Purchasing and Finance
Resiliency and Control
IT Project Delivery and Technology Architecture
Application Delivery
Service Desk and Identity Access Management
Chief Financial Officer
Deputy CFO & Director of Finance
Capital Management
Controller
Financial Planning & Analysis
Director, Strategic Initiatives and Planning
Program Delivery
Compliance & Training
Data Analysis
Program Management
Sr. Executive Coordinator
Deputy Executive Director
External Relations
Strategic Planning and Analysis
Community Affairs
Communications
Assistant, Executive Director, Chief of Staff
Operational Excellence
Rapid Results Program
Policy Management
Human Resources
Multifamily Financing
Homeownership Programs
Administrative Services
Asset Management

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
WWW.IHDA.ORG

111 E. Wacker Drive
Suite 1000
Chicago, IL 60601
312.836.5200

March 11, 2022

The Honorable J.B. Pritzker
Office of the Governor
207 State House
Springfield, Illinois 62706

Dear Governor Pritzker, Board of Directors, and Citizens of Illinois:

It is our pleasure to present the Fiscal Year 2021 Annual Comprehensive Financial Statement for the Illinois Housing Development Authority (IHDA, the Authority) for the fiscal year ended June 30, 2021, which provides an in-depth, detailed analysis of our financial transactions and standing for the fiscal year. Management assumes full responsibility for the completeness and reliability of the information contained in the report , based upon the design, implementation, and maintenance of a framework of internal control that it has established to ensure the Authority's financial statements are free from material misstatement, whether due to fraud or error. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any misstatements.

The Authority is required to have an annual audit in accordance with the Governmental Account Audit Act (50 Illinois Compiled Statues 310/2) and to file a complete audit, including annual financial statements, to the Illinois Office of the Comptroller.

This report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) and in conformance with the financial reporting principles and standards established by the Governmental Accounting Standards Board (GASB). Additionally, this report follows the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA) and will be submitted for its review and evaluation.

**Reporting Entity**

IHDA was created in 1967 by an act of the Illinois General Assembly for the purposes of assisting in the financing of decent, safe, and sanitary housing for persons and families of low- and moderate-income in the State and assisting in the financing of residential mortgages in the State. To accomplish its mission, the Authority is authorized to make mortgage or other loans to nonprofit corporations and limited profit entities for the acquisition, construction, or rehabilitation of affordable housing. IHDA is also authorized to issue bonds and notes to fulfill its corporate purposes, including the financing of mortgage and construction loans, the acquisition of residential mortgage loans and the making of loans for housing-related commercial facilities.

Over the years, the Authority's scope has expanded to address the diverse housing challenges facing Illinois. Today, IHDA administers a variety of programs focused on the following key areas: (1) Multi-Family and Single Family Housing Finance; (2) Community Revitalization; (3) Planning and Capacity Building; (4) Foreclosure and Eviction Prevention; and (5) Coordination with Other Public and Private Agencies.

The Authority implements an executive budget each fiscal year. The executive budget is reviewed and approved by the Executive Director, monitored for compliance on a monthly basis, and any use of the general fund beyond the approved executive budget must be approved by the Executive Director. This annual budget serves as the basis for the Authority's financial planning and control.

**Economic Condition and Outlook**

According to the U.S. Census Bureau, Illinois' population decreased from 12,830,632 in 2010 to 12,671,821 in 2019. This represents a 1.2% decrease compared to a national population increase of 6.3%. Based on Census figures for 2019, 11.5% of the State's population is below poverty level compared to a national average of 12.3%.

Illinois' median household income was $65,886 in 2019, 4.8% above the national average of $62,843. The State's unemployment rate for 2019 was 4.8%, compared to the nation's average of 4.5%, giving Illinois the 11th highest unemployment rate in the U.S.

Total housing production in Illinois totaled 20,524 units in 2019, a 4.6% decrease from 21,510 in 2018 and down 17.9 compared to 24,992 in 2017. Illinois' rate of home ownership, as reported by the U.S. Census Bureau, is 66.1%, compared to a national average of 64.0%.

It is the mission of the Illinois Housing Development Authority to finance the creation and preservation of affordable housing in Illinois. During these times of economic challenges, the Authority will maintain a proactive and innovative approach to fulfilling this mission in service to low-income and moderate-income families, seniors, persons with disabilities, persons at risk of homelessness, and special needs populations in Illinois.

**Current Major Initiatives**

Affordable Rental Housing

IHDA made significant progress in Multi-Family finance in FY2021, leveraging state and federal resources with access to private capital to create affordable housing for families, seniors, and people with special needs. During the course of the year, IHDA allocated $376.1 million in state and federal resources, awarded state and federal tax credits that generated $346.1 million in private investment, and leveraged an additional $275.7 million in non-Authority resources to finance the construction or preservation of 46 affordable rental developments in communities throughout the State. These properties contain 3,539 affordable rental units, all of which are designated for income-eligible families, seniors, and special needs populations.

In addition to preserving and creating affordable rental housing, the Authority takes an active approach to oversee its rental portfolio, which includes over 101,900 units in 1,925 developments. To ensure Authority-financed properties remain viable and well-maintained over the long term, IHDA equips its property management partners with comprehensive trainings, streamlined reporting processes, and subsidy programs designed to meet the housing needs of severely and extremely low-income households.

Affordable Homeownership

Helping more Illinoisans achieve affordable and sustainable homeownership is a priority for the Authority. Owning a home is one of the most common strategies for working families to build household wealth, but homeownership has been falling further out of reach for an entire generation of Illinois households due to rising costs, student debt and an inadequate supply of affordable homes. While Illinois' homeownership rate of 66.1% is marginally higher than the national average, minority households remain underrepresented among homeowners, and the Authority continues to create financing tools and partnerships that will help even more Illinois residents, especially minority households and historically underserved communities, to achieve the dream of homeownership.

Towards this end, this fiscal year saw the launch of the SmartBuy program, funded by the state's Rebuild Illinois Capital Plan, which pairs $5,000 for down payment and closing cost assistance with up to $40,000 for student loan debt relief, removing a significant roadblock to homeownership and financial security. In addition, IHDA launched the Opening Doors program to bring additional financial assistance to communities of color which have historically faced barriers in their path to homeownership.

In FY2021, IHDA funded $1.1 billion in first mortgage loans and $57.7 million in down payment assistance to help 7,362 Illinois families purchase their first home. In addition, IHDA issued mortgaged credit certificates totaling $39.4 million. This assistance was provided through the Authority's Access Mortgage, SmartBuy, Opening Doors and 1stHomeIllinois programs. All IHDA mortgage programs are offered in tandem with free financial education and pre-purchase counseling to ensure new buyers not only have the resources, but the education and support they need to make sustainable homeownership possible.

Emergency Foreclosure and Eviction Prevention

The economic fallout caused by the COVID-19 pandemic has highlighted the fundamental role of housing in keeping families safe, stable, and healthy, while also exposing the longstanding housing affordability crisis that existed throughout the nation. Though Illinois quickly enacted moratoriums on evictions and foreclosures, direct financial assistance was needed to assist those who were accruing considerable amounts of back rent or missed mortgage payments after a COVID-19-related job or income loss.

In May 2020, the Illinois General Assembly directed over $300 million in federal aid from the Coronavirus Relief Fund to IHDA to provide direct assistance to struggling renters and homeowners. In 60 days, IHDA launched the Emergency Rental Assistance and Emergency Mortgage Assistance programs to cover past due rent and mortgage payments, as well as future housing payments for the period of March 1 through Dec. 30, 2021. The programs successfully delivered $230.6 million in rental assistance to 46,129 households and $98.5 million in mortgage payment assistance to 10,071 households before the legislated deadline of Dec. 30, 2021.

Building on this effort, IHDA launched the Illinois Rental Payment Program in May 2021 with a goal of distributing $500 million in additional emergency rent assistance to renters facing eviction due to COVID-19. By the end of FY2021, IHDA had disbursed $108 million on behalf of 13,700 renters across the state. The Authority expects to open future rounds of emergency rental assistance as well as a new emergency mortgage assistance program in early FY2022.

Finally, IHDA continued to improve access to foreclosure prevention services and funded a network of counseling agencies that provided critical support and financial education to 24,761 families facing foreclosure, helping them explore their options to achieve the best possible outcome for their situation.

Home Rehabilitation and Repair

For many families, the high costs of repairs and maintenance can make homeownership unaffordable. The Census reports that 49.7% of the owner-occupied housing stock in Illinois is more than 50 years old, and many of these homes are in need of updates, renovations or repairs that can be out of reach for low-income households. In addition, the number of Illinois homeowners over the age of 65 increased by 21.5% since 2010, and while they may have the financial means to stay in their homes, many low-income seniors or persons with disabilities are forced to relocate due to accessibility concerns. For this reason, the Authority has been working diligently to help municipalities maintain affordability, improve accessibility, and preserve the quality of the State's Single family housing stock.

In FY2021 IHDA utilized funds from the Illinois Affordable Housing Trust Fund to offer two programs that help existing homeowners make costly improvements and repairs. Through the Home Accessibility Program, IHDA partnered with local governments and non-profit organizations to help seniors and persons with disabilities make their homes safer and more accessible by installing interior chair lifts, platform lifts, exterior ramps, bathroom modifications and other improvements For homeowners struggling with the high costs of maintenance on their aging properties, IHDA's Single Family Rehabilitation Program helped eligible households afford work that corrected code violations, eliminated health and safety hazards, and lowered energy consumption. Together these programs awarded $2.9 million in funding to municipalities and non-profit agencies in 25 counties to help 86 families, seniors, and persons with disabilities remain comfortable and safe in their homes.

Community Revitalization

The Authority administers four community revitalization programs that provided $6.1 million to local jurisdictions for the purpose of acquiring 1,337 vacant or abandoned properties and returning them to productive and taxable use, either as affordable housing or other means. In cases where the properties are beyond repair and negatively impacting neighboring residences, the program also provide funds for demolition. To further empower local and regional revitalization efforts in communities outside the Chicago Metropolitan Area, IHDA's Land Bank Capacity Program also provided funds to help local governments create and operate land banks to acquire, develop, or otherwise repurpose vacant properties within their jurisdictions.

FY2021 also saw the launch of the new Strong Communities Program. Funded by the state's Rebuild Illinois Capital Plan, the program applies best practices learned from the administration of the Blight Reduction Program and Abandoned Properties Program to help local governments to return vacant properties to productive, taxable use. In the initial funding round, 68 municipalities, counties and land banks were approved for $10 million in Strong Communities funds.

Other Programs

The Authority continues to form partnerships and build the capacity of the affordable housing community.

Notably, FY2021 saw significant progress made under the Illinois Housing Blueprint, a new comprehensive planning process that captures the changing needs across the state and maps a new future for accessible and equitable housing in Illinois. For more than fifteen months, IHDA planning experts, housing organizations, advocates and everyday residents across Illinois worked together to contribute to this comprehensive planning process. With the first installment of the multi-year planning project published, IHDA will coordinate working groups focused on three priority themes in FY2022 which will inform the Authority's legislative and programmatic recommendations in the years ahead.

The Authority's team of Community Revitalization Specialists continued their work with communities throughout Illinois and formed partnerships to expand local planning capacity via a community revitalization strategy process. Notably, the Authority made it a priority to reach out to smaller, rural communities that do not have the capacity to create and implement long-term housing plans. By providing community revitalization strategies and technical assistance to communities, these partnerships will increase local capacity to see affordable housing as an important element of local economic and community development goals and provide a clearer understanding of current housing needs.

Finally, the Authority continued its collaboration with the Illinois Department of Healthcare and Family Services, Illinois Department of Human Services, and Illinois Department on Aging in support of ILHousingSearch.org. This free housing locator service provides real-time, detailed information about available rental housing, including all IHDA-financed apartments as well as market rate units, to help Illinois residents find a rental home within their budget.

**Other Information**

Independent Audit

The Authority financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed Certified Public Accountants. The independent auditor concluded, based upon the audit, the Authority financial statements as of and for the fiscal year ending June 30, 2021, are fairly presented in conformity with GAAP. The independent auditors' report expresses an unmodified opinion and has been included in the Financial Statement section of this report.

Management's Discussion and Analysis

Management has provided a narrative overview and analysis of the financial activities of the Authority to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This transmittal letter is intended to complement the Authority's MD&A and should be read in conjunction with it. The Authority's MD&A can be found following the report of the independent auditor.

Acknowledgements

The preparation of this report was accomplished through the efficient and dedicated effort of IHDA's Finance department along with valuable assistance and information provided by other staff members of the Authority. This report is also available online at www.ihda.org/financial-accountability-reports.

Sincerely,

Kristin Faust

Edward Gin

Kristin Faust
Executive Director

Edward Gin
Chief Financial Officer

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

# FINANCIAL SECTION

CliftonLarsonAllen LLP
CLAconnect.com

# INDEPENDENT AUDITORS' REPORT

The Honorable Frank J. Mautino
Auditor General of the State of Illinois and
The Board of Directors
Illinois Housing Development Authority:

## Report on the Financial Statements

As Special Assistant Auditors for the Auditor General, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Illinois Housing Development Authority (the Authority), a component unit of the State of Illinois, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these 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 these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, the auditor considers internal control relevant to the entity'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 entity'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.

The Honorable Frank J. Mautino
Auditor General of the State of Illinois and
The Board of Directors
Illinois Housing Development Authority

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Illinois Housing Development Authority, a component unit of the State of Illinois, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Report on Summarized Comparative Information*

The summarized comparative information presented within Note 8 to the financial statements as of June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 21 through 34 be presented 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 Illinois Housing Development Authority's, basic financial statements. The supplementary information on pages 100 through 107 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. Such 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 as a whole. The supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information, such as the combining and individual nonmajor governmental, mortgage loan program and single family program fund financial statements (supplementary information), and the other information, such as the introductory and statistical sections (other 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. Such 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 as a whole.

The other information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Oak Brook, IL
March 11, 2022

This Section of the Illinois Housing Development Authority's (the Authority) annual financial report presents management's discussion and analysis of the Authority's financial performance during the fiscal year ended June 30, 2021. Please read it in conjunction with the Authority's financial statements, which follow this section.

Financial Highlights

- The Authority's net position increased by $99.0 million, to $1,374.8 million as of June 30, 2021, from an increase in the Authority's governmental activities ($56.1 million) and an increase in business-type activities ($42.9 million).

- The Authority's net position from governmental activities increased to $471.2 million, a $56.1 million increase during the year, primarily due to increases in federal funding ($455.4 million), and state funding ($87.3 million), lower program income transferred to the State of Illinois ($0.5 million), lower financing costs ($0.4 million), offset by lower interest and investment income ($2.4 million), offset by higher grant disbursements ($396.3 million) and higher general and administrative ($28.5 million). The Authority's net position from governmental activities overall increases mainly from an increase of federal and state program revenue in the HOME Program Fund and Build Illinois Bond Program fund respectively partially offset by a decrease in Nonmajor Government Programs due to Hardest Hit Program closeout.

- The Authority's net position from business-type activities increased to $903.6 million, a $42.9 million increase from the prior year, primarily due to increases in tax credit reservation and monitoring fees ($3.1 million), state assistance programs of ($0.1 million), lower interest expense ($3.4 million), lower federal assistance programs ($20.1 million), offset by lower investment income ($26.7 million), higher salaries and benefits ($2.4 million), higher professional fees ($0.6 million), higher general and administrative expenses ($2.3 million), and higher financing costs ($0.3 million).

- The Authority's gross debt issuances during the fiscal year ended June 30, 2021, totaled $749.0 million. The Authority's debt outstanding (net of discounts and premiums) totaled $1.7 billion as of June 30, 2021, which was $201.4 million more than the amount outstanding as of June 30, 2020.

- The Authority issued three (3) new series of fixed rate, tax-exempt Revenue Bonds, totaling $300 million, to fund its homeownership loan program. The bonds are secured by Government National Mortgage Association (GNMA) certificates, Fannie Mae (FNMA) mortgage-backed securities, and Freddie Mac (FHLMC) mortgage-backed securities.

- The Authority issued one (1) new series of fixed rate, taxable Revenue Bonds, totaling $19.28 million, to fund its homeownership loan program. The bonds are secured by GNMA certificates, FNMA mortgage-backed securities, and FHLMC mortgage-backed securities.

- The Authority issued one (1) new series of variable rate, tax-exempt Revenue Bonds, totaling $40 million, to fund its homeownership loan program. The bonds are secured by GNMA certificates, FNMA mortgage-backed securities, and FHLMC mortgage-backed securities.

- The Authority issued one (1) series of fixed rate, tax-exempt Multi-Family Revenue Bonds totaling $2.93 million, to finance a portion of the acquisition, rehabilitation and equipping by the Series 2020B borrower of a 48-unit Multi-Family residential housing development known as "Oso Apartments" located in Chicago, Illinois.

- The Authority issued one (1) series of fixed rate, tax-exempt Multi-Family Revenue Bonds totaling $1.65 million, to finance a portion of the acquisition, rehabilitation and equipping by the Series 2020C borrower of a 40-unit Multi-Family residential housing development known as "Chelsea" located in Chicago, Illinois.

- The Authority issued one (1) series of fixed rate, taxable Multi-Family Revenue Bonds totaling $1.69 million, to finance a portion of the acquisition, rehabilitation and equipping by the Series 2020D borrower of a 62-unit Multi-Family residential housing development known as "Cary Senior" located in Chicago, Illinois.

- The Authority issued one (1) series of fixed rate, tax-exempt Multi-Family Revenue Bonds totaling $84.9 million, to finance a portion of the acquisition, rehabilitation and equipping by the Series 2021A borrower of a 418-unit Multi-Family residential housing development known as "Circle Park" located in Chicago, Illinois.

- The Authority issued one (1) series of fixed rate, tax-exempt Multi-Family Revenue Bonds totaling $28.7 million, to finance a portion of the acquisition, rehabilitation and equipping by the Series 2021B borrower of a 171-unit Multi-Family residential housing development known as "Morningside Court" located in Chicago, Illinois.

- Program loan originations for fiscal year 2021 totaled $68.6 million and $157.7 million in the Authority's governmental and business-type activities, respectively, compared to fiscal year 2020 loan originations of $61.1 million and $49.8 million, respectively.

- The Authority has continued to sponsor home buying in the State, and particularly in the four Illinois counties hardest hit by the foreclosure crisis. Using funds provided by the United States Department of the Treasury's Hardest Hit Fund (HHF) program, the Authority disbursed $4.2 million in fiscal year 2021 down payment assistance that helped 561 homebuyers buy their first home. On March 31, 2021, the

Authority returned $11.9 million of program funds to the United States Department of Treasury, in accordance with Section 3 of the financial instruments due to close out of the HHF program in the current fiscal year.

- During the fiscal year, the Authority continued to offer its ACCESS down payment program. Available statewide, the program offers an affordable, fixed interest rate and up to $10,000 to assist eligible borrowers with their down payment and closing costs for the purchase of a new or existing home. Based on program structure and anticipated demand, the Authority's Administrative Fund and excess revenues held under various Authority bond funds are used to fund the ACCESS program.

- The CARES Act established the Coronavirus Relief Fund (CRF). The Authority became the designated administrator for the Emergency Rental Assistance (ERA), and Emergency Mortgage Assistance (EMA) Program in Illinois. The purpose of CRF is to use monies appropriated from the State Coronavirus Urgent Remediation Emergency Fund to make ERA and EMA grants to eligible borrowers. During the fiscal year IHDA issued grants related to ERA in the amount of $220.2 million and to EMA in the amount of $97.2 million.

- The Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020) and the Coronavirus Response and Consolidated Appropriations Act (2021) established the Emergency Rental Assistance Program (ERAP). In partnership with the Department of Commerce and Economic Opportunity (DCEO), the Authority administers and manages the ERAP program to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic. The Authority appropriated $493.4 million in the Emergency Rental Assistance Program, with $104.0 million expended through grants, and $7.7 million in general and administrative.

## Overview of the Financial Statements

The financial statements consist of three parts – management's discussion and analysis (this section), the basic financial statements, and supplementary information. The basic financial statements include two types of statements that present different views of the Authority:

- The first two statements are government-wide financial statements that provide information about the Authority's overall financial position and operations. These statements, which are presented on the accrual basis, consist of the statement of net position and the statement of activities.

- The remaining statements are fund financial statements of the Authority's 15 governmental funds, for which activities are funded from State appropriation (grants), U.S. Department of Housing & Urban

Development (HUD) and U.S. Treasury Programs, and which the Authority follows the modified accrual basis of accounting, and three proprietary funds, which operate similar to business activities and for which the Authority follows the accrual basis of accounting.

- The basic financial statements include notes to the financial statements that explain some of the information in the government-wide and fund financial statements and provide more detailed data.

The remainder of this overview section of the management's discussion and analysis explains the structure and contents of each of these statements. The prior year results referred to throughout this section for comparison purposes are as previously reported.

The government-wide statements report information about the Authority as a whole using accounting methods similar to those used by private sector companies. The statement of net position includes all of the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. Most of the Authority's activities are business-type and are reported in its proprietary funds. The fund financial statements provide more detailed information about the Authority's most significant funds but not the Authority as a whole.

The Authority manages two types of funds:

- Governmental funds – The Authority is the administrator of fifteen governmental funds, of which the revenues are appropriated annually to the Illinois Department of Revenue, with the exception of revenues received directly from the HOME program and National Housing Trust Fund. The Authority also received Emergency Rental Assistance Funds directly from Department of Commerce and Economic Development, with the Authority having intergovernmental agreements with the following counties: Will County, DuPage County, and Kane County. These fund statements focus on how cash and other assets flowing into the funds have been used.

  Proprietary funds – The Authority's primary activities are in its three enterprise funds; for which activities are accounted in a manner similar to businesses operating in the private sector. Funding has primarily arisen through the issuances of both tax-exempt and taxable bonds, the proceeds of which are primarily used to provide various types of loans to finance low and moderate-income housing.

## Financial Analysis of the Authority as a Whole

### Net Position

The combined net position of the Authority increased by $99.0 million, or 7.8%, from July 1, 2020, through June 30, 2021. The following table shows a summary of changes from prior year amounts.

Condensed Statements of Net Position

**Net Position**
(in millions of dollars)

| | Governmental Activities | | Business-Type Activities | | Total | | Increase/(Decrease) | |
|---|---|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | Amount | Percentage |
| **Current assets:** | | | | | | | | |
| Cash and investments – unrestricted | $ 416.9 | $ 147.1 | $ 783.6 | $ 699.8 | $ 1,200.5 | $ 846.9 | $ 353.6 | 41.8% |
| Investments - restricted | 12.0 | 48.8 | 163.3 | 143.3 | 175.3 | 192.1 | (16.8) | (8.7)% |
| Program loans receivable | 23.2 | 18.9 | 18.0 | 23.1 | 41.2 | 42.0 | (0.8) | (1.9)% |
| Other current assets | 36.5 | 10.2 | 16.1 | 12.7 | 52.6 | 22.9 | 29.7 | 129.7% |
| Total current assets | 488.6 | 225.0 | 981.0 | 878.9 | 1,469.6 | 1,103.9 | 365.7 | 33.1% |
| **Noncurrent assets:** | | | | | | | | |
| Investments | - | - | 87.0 | 70.9 | 87.0 | 70.9 | 16.1 | 22.7% |
| Investments – restricted | - | - | 1,117.5 | 1,070.5 | 1,117.5 | 1,070.5 | 47.0 | 4.4% |
| Net program loans receivable | 672.5 | 658.7 | 509.5 | 426.8 | 1,182.0 | 1,085.5 | 96.5 | 8.9% |
| Capital assets, net | - | - | 26.1 | 27.3 | 26.1 | 27.3 | (1.2) | (4.4)% |
| Other assets | - | - | 91.3 | 91.1 | 91.3 | 91.1 | 0.2 | 0.2% |
| Total noncurrent assets | 672.5 | 658.7 | 1,831.4 | 1,686.6 | 2,503.9 | 2,345.3 | 158.6 | 6.8% |
| Total assets | $ 1,161.1 | $ 883.7 | $ 2,812.4 | $ 2,565.5 | $ 3,973.5 | $ 3,449.2 | $ 524.3 | 15.2% |
| **Deferred outflow of resources:** | | | | | | | | |
| Accumulated decrease in fair value of hedge derivatives | $ - | $ - | $ 6.2 | $ 9.1 | $ 6.2 | $ 9.1 | $ (2.9) | (31.9)% |
| Total deferred outflow of resources | $ - | $ - | $ 6.2 | $ 9.1 | $ 6.2 | $ 9.1 | $ (2.9) | (31.9)% |
| **Current liabilities:** | | | | | | | | |
| Due to grantees | 64.9 | 60.3 | - | - | 64.9 | 60.3 | 4.6 | 7.6% |
| Due to State of Illinois | 98.4 | 100.7 | - | - | 98.4 | 100.7 | (2.3) | (2.3)% |
| Bonds and notes payable | - | - | 82.2 | 58.8 | 82.2 | 58.8 | 23.4 | 39.8% |
| Deposits held in escrow | - | - | 140.3 | 136.3 | 140.3 | 136.3 | 4.0 | 2.9% |
| Bank note cash collateral | - | - | - | - | - | - | - | —% |
| Other current liabilities | 213.7 | - | 32.4 | 34.3 | 246.1 | 34.3 | 211.8 | 617.5% |
| Total current liabilities | 377.0 | 161.0 | 254.9 | 229.4 | 631.9 | 390.4 | 241.5 | 61.9% |
| **Noncurrent liabilities:** | | | | | | | | |
| Due to State of Illinois | 312.9 | 307.6 | - | - | 312.9 | 307.6 | 5.3 | 1.7% |
| Bonds and notes payable | - | - | 1,648.9 | 1,471.1 | 1,648.9 | 1,471.1 | 177.8 | 12.1% |
| Other liabilities | - | - | 9.6 | 13.4 | 9.6 | 13.4 | (3.8) | (28.4)% |
| Total noncurrent liabilities | 312.9 | 307.6 | 1,658.5 | 1,484.5 | 1,971.4 | 1,792.1 | 179.3 | 10.0% |
| Total liabilities | $ 689.9 | $ 468.6 | $ 1,913.4 | $ 1,713.9 | $ 2,603.3 | $ 2,182.5 | $ 420.8 | 19.3% |

Condensed Statements of Net Position (Continued)

**Net Position**
(in millions of dollars)

| | Governmental Activities | | Business-Type Activities | | Total | | Increase/(Decrease) | |
|---|---|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | Amount | Percentage |
| **Deferred inflow of resources:** | | | | | | | | |
| Accumulated increase in fair value of hedging derivatives | $ - | $ - | $ 1.6 | $ - | $ 1.6 | $ - | $ 1.6 | —% |
| Unearned revenue | - | - | - | - | - | - | - | —% |
| Total deferred inflows of resources | $ - | $ - | $ 1.6 | $ - | $ 1.6 | $ - | $ 1.6 | —% |
| **Net position:** | | | | | | | | |
| Net investment in capital assets | $ - | $ - | $ 7.9 | $ 6.9 | $ 7.9 | $ 6.9 | $ 1.0 | 14.5% |
| Restricted | 471.2 | 415.1 | 616.7 | 597.6 | 1,088.0 | 1,012.7 | 75.3 | 7.4% |
| Unrestricted | - | - | 279.0 | 256.2 | 279.0 | 256.2 | 22.8 | 8.9% |
| Total net position | $ 471.2 | $ 415.1 | $ 903.6 | $ 860.7 | $ 1,374.9 | $ 1,275.8 | $ 99.1 | 7.8% |

## Governmental Activities

Net position of the Authority's governmental activities increased by $56.1 million, or 13.5%, to $471.2 million, mainly from an increase of federal and state program revenue in the HOME Program Fund and Build Illinois Bonds Program fund respectively partially offset by decrease in Nonmajor Government Funds due to Hardest Hit Program closeout. There is no net position for four of the Authority's governmental activities recorded on the Authority's financial statements. The net position of the Illinois Affordable Housing Trust Fund is recorded as due to the State of Illinois. Revenues from the Rental Housing Support Program Fund, CV Urgent Remediation Emergency Fund and Emergency Rental Assistance Program Fund are disbursed as grant or administrative expenses, and therefore no net position is recorded on the Authority's financial statements.

Total net program loans receivable (current and noncurrent), increased by $18.0 million, or 2.7%, to $695.7 million, mainly attributable to increases in the Federal HOME Program Fund ($9.3 million), and the Illinois Affordable Housing Trust Fund ($8.1 million). Cash and investment increased by $233.0 million, mainly from the new program - the Emergency Rental Assistance Program ($213.0 million), and an increase in the Build Illinois Bonds Program ($62.2 million), partially offset by decreases in the Hardest Hit Fund ($15.0 million), Illinois Affordable Housing Trust Fund ($14.8 million), and Rental Housing Support Program Fund ($9.3 million). State statute and federal regulations restrict the use of the governmental funds to program activities.

The Authority's liability (current and noncurrent) increased by $221.2 million, mainly due to unearned revenue for Coronavirus Urgent Remediation Emergency Fund and Emergency Rental Assistance Program Fund. Due to the State of Illinois (current and noncurrent) increased by $3.0 million. This item reflects a liability for the State of Illinois interest in the net position of the Affordable Housing Trust Fund as the Authority acts only as the administrator of the Housing Program and accounts for the interest in the net position to be that of the State of Illinois.

**Business-Type Activities**

The Authority's net position from business-type activities increased by $42.9 million, or 5.0% to $903.6 million.

Net program loans receivable (current and noncurrent) increased by $77.6 million, or 17.2% to $527.5 million due to the increases in the Mortgage Loan Program Fund ($98.3 million) and the Administrative Fund ($1.1 million), offset by the decrease in the Single Family Program Fund ($21.8 million). The increase in Mortgage Loan Program Fund is mainly due to the increase ($130.8 million) in Multi-Family Revenue Bonds Program's noncurrent loans receivable, funded by the two new issuances of the Multi-Family Revenue Bonds in FY2021.

Cash and investments (current and noncurrent) increased by $166.9 million, or 8.4%, due to an increase in the Single Family Program Fund ($204.2 million), which was offset by decreases in the Administrative Fund ($26.9 million) and the Mortgage Loan Program Fund ($10.4 million).

Total bonds and notes payable (current and noncurrent) increased by $201.2 million, or 13.2%, due to increases in the Single Family Program Fund ($110.0 million) and in the Mortgage Loan Program Fund ($92.2 million), offset by a decrease in the Administrative Fund ($0.8 million).

The restricted net position of the Authority's business-type activities increased by $19.1 million, or 3.2%, mostly due to net increases within the Authority's Mortgage Loan Program Fund and Single Family Program Fund (Bond Funds). The net position of the Authority's Bond Funds is classified as restricted, except for the $6.3 million net position invested in capital assets within the Mortgage Loan Program Fund.

**Statement of Activities**

The statement of activities shows the sources of the Authority's changes in net position as they arise through its various programs and functions.

The governmental activities consist of programs recorded in six major governmental funds: Illinois Affordable Housing Trust Fund, HOME Program Fund, Rental Housing Support Program Fund, Coronavirus Urgent Remediation Emergency Fund, Build Illinois Bonds Program Fund, and Emergency Rental Assistance Program Fund. Other programs are recorded in Nonmajor Governmental Funds and consist of Foreclosure Prevention Program Fund, Community Development Block Grant Fund, American Recovery and Reinvestment Act Fund, Foreclosure Prevention Graduated Program Fund, Hardest Hit Fund, Neighborhood Stabilization Program Fund, Abandoned Property Program Fund, National Housing Trust Fund, and Section 811 Project Rental Assistance Demonstration Program Fund.

The business-type activities consist of two housing lending programs, the results of which are primarily recorded within the funds comprising the two major bond funds (the Mortgage Loan Program Fund and the Single Family Program Fund).

A condensed summary of changes in net position for the fiscal year ended June 30, 2021, is shown in the following table.

**Changes in Net Position**
(In millions of dollars)

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| **Revenue:** | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $ 2.4 | $ 5.6 | $ 58.3 | $ 62.3 | $ 60.7 | $ 67.9 |
| Operating/grant/federal revenues | 575.6 | 32.9 | 39.0 | 59.6 | 614.6 | 92.5 |
| General revenues: | | | | | | |
| Investment income | - | - | 79.1 | 105.8 | 79.1 | 105.8 |
| Total revenues | 578.0 | 38.5 | 176.4 | 227.7 | 754.4 | 266.2 |
| **Expenses:** | | | | | | |
| Direct | 476.1 | 82.8 | 94.2 | 115.2 | 570.3 | 198.0 |
| Administrative | 45.8 | 17.3 | 39.4 | 29.5 | 85.2 | 46.8 |
| Total expenses | 521.9 | 100.1 | 133.6 | 144.7 | 655.5 | 244.8 |
| **Increase (decrease) in net position** | 56.1 | (61.6) | 42.8 | 83.0 | 98.9 | 21.4 |
| Net position at beginning of the year | 415.1 | 476.7 | 860.7 | 777.7 | 1,275.8 | 1,254.4 |
| **Net position at end of the year** | $ 471.2 | $ 415.1 | $ 903.5 | $ 860.7 | $ 1,374.7 | $ 1,275.8 |

## Governmental Activities

Revenues of the Authority's governmental activities, increased by $539.5 million from the prior year, due to new federal government programs Coronavirus Urgent Remediation Emergency Fund ($330.6 million), the Emergency Rental Assistance Program Fund ($111.7 million), and an increase in the Build Illinois Bonds Program Fund ($69.8 million), the Rental Housing Support Program ($9.0 million), HOME Program Fund ($7.5 million), Nonmajor Governmental Funds ($7.6 million), and Illinois Affordable Housing Trust Program ($3.3 million).

Direct expenses of the Authority's governmental activities increased by $393.3 million from the prior year, primarily due to a new federal government program CV Urgent Remediation Emergency Fund ($330.6 million), and Emergency Rental Assistance Program Fund ($111.7 million), offset by a decrease in the Home Housing Program Fund ($4.1 million) and Build Illinois Bond Program ($8.0 million). The key driver of these increases is the program grants.

**Business-Type Activities**

Revenues of the Authority's business-type activities decreased by $51.2 million from the prior year, due to decreases in investment income ($26.7 million), operating/grant/federal revenues ($20.1 million) and charges for services ($4.4 million).

Direct expenses of the Authority's business-type activities which consist primarily of interest expense ($32.7 million) on Authority debt incurred to fund its various lending programs and the pass-through of federal assistance programs' funds ($39.0 million), decreased by $21.0 million from the prior year. The decrease was mainly due to lower Federal Assistance Programs ($20.0 million), interest expense ($3.4 million), losses on derivative transactions ($0.8 million), provision for estimated losses on real estate held for sale ($0.6 million), losses on mortgage participation certificate program ($0.3 million), provisions for estimated losses on program loans receivable ($0.5 million); offset by higher program grants ($9.0 million), increases in salaries and benefits ($2.4 million), general and administrative ($2.4 million), and other expenses ($0.8 million).

Program revenues of the Mortgage Loan Program exceeded direct expenses by $10.6 million (see the Statement of Activities). The Authority's business-type activities also generated $79.1 million of unrestricted investment income, which was used primarily to fund and finance Single Family Loans through the use of FNMA MBSs and GNMA certificates, and to partially offset its administrative costs, and thus provided most of the Authority's increase in net position.

**Proprietary Fund Results**

The net position of the Authority's proprietary funds increased from June 30, 2020, amount by $43.0 million to $903.6 million. The following table summarizes the revenues, expenses, and changes in fund net position of the Authority's proprietary funds:

**Changes in Net Position/Proprietary Funds**
(In millions of dollars)

| | Administrative Fund | | Mortgage Loan Program Fund | | Single Family Program Fund | |
|---|---|---|---|---|---|---|
| | Jun-21 | Jun-20 | Jun-21 | Jun-20 | Jun-21 | Jun-20 |
| **Operating revenues:** | | | | | | |
| Interest earned on program loans | $ 0.6 | $ 0.8 | $ 13.1 | $ 13.3 | $ 6.2 | $ 7.5 |
| Investment income | 48.2 | 28.8 | 0.1 | 6.3 | 30.8 | 70.7 |
| Service fees | 7.3 | 8.5 | - | 0.1 | - | - |
| Development fees | 5.8 | 3.3 | - | - | - | - |
| HUD savings | 0.5 | 0.5 | - | - | - | - |
| Tax credit reservation and monitoring fees | 9.5 | 6.4 | - | - | - | - |
| Other | 4.5 | 4.9 | 10.5 | 17.1 | - | 0.1 |
| Total operating revenues | 76.4 | 53.2 | 23.7 | 36.8 | 37.0 | 78.3 |
| **Operating expenses:** | | | | | | |
| Interest expense | 0.4 | 0.5 | 6.9 | 7.5 | 25.4 | 28.1 |
| Salaries and benefits | 21.9 | 19.5 | - | - | - | - |
| Professional fees | 3.7 | 3.1 | - | - | - | - |
| Other general and administrative | 5.1 | 3.4 | 6.7 | 6.1 | 0.4 | 0.3 |
| Financing costs | 1.3 | 0.9 | 0.1 | 0.1 | 3.1 | 3.2 |
| Program grants | 18.7 | 9.8 | - | - | - | - |
| Change in accrual for estimated losses on mortgage participation certificate program | (0.8) | (0.5) | - | - | - | - |
| Provision for (reversal of) estimated losses on program loans receivable | 1.2 | 1.0 | (0.7) | 0.3 | 0.4 | 0.1 |
| Provision for estimated losses on real estate held for sale | - | - | 0.1 | 0.1 | 0.3 | 0.9 |
| Loss of Derivative Transaction | - | 0.8 | - | - | - | - |
| Total operating expenses | 51.5 | 38.5 | 13.1 | 14.1 | 29.6 | 32.6 |
| **Operating income** | 24.9 | 14.7 | 10.6 | 22.7 | 7.4 | 45.7 |
| **Nonoperating revenues and expenses** | | | | | | |
| State assistance revenues | 0.4 | 0.3 | - | - | - | - |
| State assistance expenses | (0.4) | (0.3) | - | - | - | - |
| Federal assistance programs revenues | 39.0 | 59.0 | - | - | - | - |
| Federal assistance programs expenses | (39.0) | (59.0) | - | (0.1) | - | - |
| **Total Nonoperating revenues and expenses** | - | - | - | (0.1) | - | - |
| Transfers | (2.8) | (2.0) | - | - | 2.8 | 2.0 |
| **Change in net position** | 22.1 | 12.7 | 10.6 | 22.6 | 10.2 | 47.7 |
| Net position at beginning of year | 302.5 | 289.8 | 348.5 | 325.9 | 209.7 | 162.0 |
| **Net position at end of year** | $ 324.6 | $ 302.5 | $ 359.1 | $ 348.5 | $ 219.9 | $ 209.7 |

The net position of the Administrative Fund increased by $22.2 million, compared to the prior year increase of $12.7 million. Administrative Fund operating income was $25.0 million, an increase of $10.3 million from the prior year, and net transfers out were $2.8 million, compared to $2.0 million in the prior year. The fiscal year 2021 operating earnings was primarily due to the increases in investment income ($19.4 million), tax credit reservation and monitoring fees ($3.1 million), offset by lower service fees ($1.2 million), other income ($0.4 million), higher salaries and benefits ($2.4 million), higher program grants ($9.0 million), higher provision for estimated losses on program loan receivable ($0.3 million), higher professional fees ($0.6 million), higher financing costs ($0.3 million), offset by a decrease in federal assistance programs ($20.0 million).

The net position of the Mortgage Loan Program Fund increased by $10.6 million, compared to the prior year's increase of $22.6 million. Operating income was lower by ($12.1 million), mainly due to the decrease in other revenue ($6.6 million), investment income ($6.2 million), and lower interest earned on program loans ($0.2 million), higher general and administration expenses ($0.6 million) offset by lower interest expense ($0.6 million) and decreased estimated losses on program loans receivable ($1.0 million).

The net position of the Single Family Program Fund increased by $10.2 million, compared to the prior year increase of $47.7 million. Operating income is lower by ($38.3 million), primarily due to lower investment income ($39.9 million) and interest earned on program loans ($1.3 million), offset by lower interest expense ($2.7 million).

**Non-Operating Revenues and Expenses**

Total non-operating revenues and expenses were ($39.4 million) for fiscal year 2021, a decrease of ($19.9 million) from fiscal year 2020. The decrease is primarily due to the ($20.0 million) decrease in federal assistance programs and the increase of ($0.1 million) in state assistance programs.

**Authority Debt**

Authority gross debt issuances during the fiscal year 2021 totaled $749.0 million with the issuance of Revenue Bonds ($359.3 million), premium on Revenue Bonds ($13.9 million) within the Single Family Program Fund, Multi-Family Revenue Bonds ($119.9 million), and Federal Home Loan Bank Advances ($255.9 million). Debt retirements within the Mortgage Loan Program, Single Family Program, and Administrative Funds were $27.7 million, $263.2 million, and $256.7 million, respectively. Total bonds and notes payable increased by $201.4 million. For additional information, see Note 8 – Bonds and Notes Payable in the Notes to the Financial Statements.

Pursuant to the IHDA Act, the Authority has the power to hold up to $3.6 billion of general and special limited obligation bonds and notes outstanding, excluding those issued to refund outstanding bonds and notes. As of June 30, 2021, amounts outstanding against this limitation were approximately $2.8 billion.

As of June 30, 2021, the Authority's Issuer Credit Ratings were A1 (Stable) by Moody's Investors Service, AA- (Stable) by Standard and Poor's and AA- (Stable) by Fitch Ratings and remain unchanged from prior year. In addition, Issuer Credit Ratings were recently affirmed by Standard and Poor's in 2021, and no rating updates are expected at this time.

**Economic Factors and Outlook**

During the majority of fiscal year 2021, tax-exempt bond rates were favorable for new issuance, which provided the Authority an opportunity to issue tax-exempt fixed/variable rate long-term bonds in the amount of $340.0 million, and taxable fixed rate long-term bonds in the amount of $19.3 million in the Single Family Program. The Authority correspondingly issued both tax-exempt and taxable fixed rate long-term bonds in support of its Multi-Family Program in the amount of $118.2 million and $1.7 million, respectively.

During fiscal year 2021, the Authority continued to finance its activity relating to homeownership in the State of Illinois through the sale of mortgage-backed securities to the secondary market. The Authority uses forward commitments to lock in the price of securities related to secondary market sales.

The global outbreak of COVID-19 is affecting national capital markets and negatively impacting the overall economy. The Authority has a Continuity of Operations Plan which has allowed it to provide continued execution of its programs with minimal disruption. In response to COVID-19, the Authority is administering a new program, with federal funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act and may be asked to administer additional programs in the future in response to the pandemic. Furthermore, the Authority cannot predict the duration of the pandemic and how it may impact the Authority's housing and state revolving fund programs and financial position.

The Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136), signed into law on March 27, 2020, as may be amended from time to time (the CARES Act), created, through Section 5001 of the CARES Act, the Coronavirus Relief Fund (CRF), which provides $150 billion in direct assistance for domestic governments, including the State of Illinois (the State). In connection with the State's receipt of federal CRF, the State established, among other funds, the State Coronavirus Urgent Remediation Emergency Fund (IL CURE Fund). The sum of $396,000,000 was appropriated, for fiscal year 2021, from the IL CURE Fund to the Department of Revenue (DOR) for IHDA to fund affordable housing grants, for the benefit of persons impacted by the COVID-19 public health emergency, for emergency rental assistance, emergency mortgage assistance, and subordinate financing.

Further relief funds were provided through the Consolidated Appropriations Act (2021), enacted December 27, 2020, which created a $25 billion federal Emergency Rental Assistance program (ERAP) for state, local, and tribal governments, to be allocated in substantively the same manner as the Coronavirus Relief Fund. ERAP funds were distributed as grants to those state and local governments who attested to compliance with federal grant award terms "Grantees". The Illinois Department of Commerce and Economic Opportunity (DCEO) received the funds on behalf of Illinois as a Grantee and entered into a Uniform Grant Agreement with IHDA for implementation of its emergency rental assistance program. The sum of $317.1 million was appropriated for fiscal year 2021.

As the Authority moves into fiscal year 2022 and into the future, the Authority will continue to explore new methods to expand its Single Family and Multi-Family lending activities that are consistent with the State housing needs. The Authority will collaboratively work with other housing entities and stakeholders to provide effective and efficient housing solutions. The Authority will continue to explore solutions to prevent foreclosures by providing assistance to eligible homeowners who have and may still be experiencing significant financial hardship. Due to the continued impact of the COVID-19 pandemic and the inability to predict its duration, the level of uncertainty in the economy is intensified and will likely lead to a slow recovery in the housing market.

At this time, the Authority is not aware of any other facts, decisions, or conditions that are expected to have a significant effect on financial position or results of operations.

**Capital Asset Activity**

The Authority had no significant capital asset activity in Fiscal Year 2021. More details on capital asset activity can be found in Note 7 – Capital Asset in the Notes to the Financial Statements.

**Contacting the Authority's Financial Management**

This financial report is designed to provide the citizens of Illinois, our constituents, and investors with a general overview of the Authority's finances and to demonstrate the Authority's financial accountability over its resources. If you have questions about this report or need additional financial information, contact the Controller at the Illinois Housing Development Authority, 111 E. Wacker Drive, Suite 1000, Chicago, IL 60601, or visit our web site at: www.ihda.org.

Statement of Net Position (Dollars in Thousands)

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| **ASSETS** | | | |
| **CURRENT ASSETS** | | | |
| Cash and Cash Equivalents | $ - | $ 95,327 | $ 95,327 |
| Cash and Cash Equivalents - Restricted | 416,899 | 639,164 | 1,056,063 |
| Total Cash and Cash Equivalents | 416,899 | 734,491 | 1,151,390 |
| Investments | - | 49,080 | 49,080 |
| Investments – Restricted | 12,030 | 163,281 | 175,311 |
| Investment Income Receivable | - | 598 | 598 |
| Investment Income Receivable – Restricted | 12 | 3,341 | 3,353 |
| Program Loans Receivable | 23,182 | 17,993 | 41,175 |
| Grant Receivable | 44,702 | - | 44,702 |
| Interest Receivable on Program Loans | 290 | 1,753 | 2,043 |
| Other | 166 | 1,766 | 1,932 |
| Internal Balances | (8,675) | 8,675 | - |
| Total Current Assets | 488,606 | 980,978 | 1,469,584 |
| **NONCURRENT ASSETS** | | | |
| Investments | - | 86,988 | 86,988 |
| Investments – Restricted | - | 1,117,536 | 1,117,536 |
| Program Loans Receivable, Net of Current Portion | 753,097 | 521,331 | 1,274,428 |
| Less: Allowance for Estimated Losses | (80,611) | (11,836) | (92,447) |
| Net Program Loans Receivable | 672,486 | 509,495 | 1,181,981 |
| Real Estate Held for Sale | - | 206 | 206 |
| Less: Allowance for Estimated Losses | - | (168) | (168) |
| Net Real Estate Held for Sale | - | 38 | 38 |
| Due from Fannie Mae | - | 84,194 | 84,194 |
| Due from Freddie Mac | - | 4,307 | 4,307 |
| Capital Assets, Net | - | 26,138 | 26,138 |
| Derivative Instrument Asset | - | 1,585 | 1,585 |
| Other | - | 1,196 | 1,196 |
| Total Noncurrent Assets | 672,486 | 1,831,477 | 2,503,963 |
| Total Assets | 1,161,092 | 2,812,455 | 3,973,547 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | |
| Accumulated Decrease in Fair Value of Hedging Derivatives | - | 6,223 | 6,223 |
| Total Deferred Outflows of Resources | - | 6,223 | 6,223 |

Statement of Net Position, continued (Dollars in Thousands)

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| **LIABILITIES** | | | |
| **CURRENT LIABILITIES** | | | |
| Due to Grantees | $ 64,939 | $ - | $ 64,939 |
| Due to State of Illinois | 98,377 | - | 98,377 |
| Bonds and Notes Payable | - | 82,338 | 82,338 |
| Accrued Interest Payable | - | 11,575 | 11,575 |
| Unearned Revenue | 211,541 | 2,066 | 213,607 |
| Deposits Held in Escrow | - | 140,281 | 140,281 |
| Accrued Liabilities and Other | 2,076 | 18,790 | 20,866 |
| Total Current Liabilities | 376,933 | 255,050 | 631,983 |
| **CURRENT LIABILITIES** | | | |
| Due to State of Illinois | 312,918 | - | 312,918 |
| Bonds and Notes Payable, Net of Current Portion | - | 1,648,901 | 1,648,901 |
| Unearned Revenue | - | 3,354 | 3,354 |
| Derivative Instrument Liability | - | 6,223 | 6,223 |
| Total Noncurrent Liabilities | 312,918 | 1,658,478 | 1,971,396 |
| Total Liabilities | 689,851 | 1,913,528 | 2,603,379 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Accumulated Increase in Fair Value of Hedging Derivatives | - | 1,585 | 1,585 |
| Unearned Revenue | - | 9 | 9 |
| Total Deferred Inflows of Resources | - | 1,594 | 1,594 |
| **NET POSITION** | | | |
| Net Investment in Capital Assets | - | 7,853 | 7,853 |
| Restricted for Bond Resolution Purposes | - | 572,656 | 572,656 |
| Restricted for Loan and Grant Programs | 471,241 | 44,083 | 515,324 |
| Unrestricted | - | 278,964 | 278,964 |
| Total Net Position | $ 471,241 | $ 903,556 | $ 1,374,797 |

Statement of Activities (Dollars in Thousands)

| Functions/Programs | Expenses | Program Revenues: Charges for Services and Interest Income | Program Revenues: Operating Grant/Federal Revenues | Program Revenues: Capital Contributions | Net (Expenses) Revenues and Changes in Net Position: Governmental Activities | Net (Expenses) Revenues and Changes in Net Position: Business-Type Activities | Net (Expenses) Revenues and Changes in Net Position: Total |
|---|---|---|---|---|---|---|---|
| Governmental Activities: | | | | | | | |
| Illinois Affordable Housing Trust Program | $ 11,584 | $ 11 | $ 11,573 | $ - | $ - | $ - | $ - |
| HOME Program | 4,735 | 2,003 | 14,022 | - | 11,290 | - | 11,290 |
| Rental Housing Support Program | 21,427 | 130 | 21,297 | - | - | - | - |
| Build Illinois Bond Program Fund | 8,786 | 12 | 70,000 | - | 61,226 | - | 61,226 |
| CV Urgent Remediation Emg Fund | 330,621 | 28 | 330,593 | - | - | - | - |
| Emergency Rental Assistance Program | 111,701 | - | 111,701 | - | - | - | - |
| Other Programs | 33,016 | 225 | 16,435 | - | (16,356) | - | (16,356) |
| Total Governmental activities | 521,870 | 2,409 | 575,621 | - | 56,160 | - | 56,160 |
| Business-Type Activities: | | | | | | | |
| Administrative Programs | 90,899 | 28,640 | 39,040 | - | - | (23,219) | (23,219) |
| Mortgage Loan Programs | 13,071 | 23,549 | - | - | - | 10,478 | 10,478 |
| Single Family Mortgage Loan Programs | 29,686 | 6,149 | - | - | - | (23,537) | (23,537) |
| Total Business-Type Activities | 133,656 | 58,338 | 39,040 | - | - | (36,278) | (36,278) |
| Total Authority | $ 655,526 | $ 60,747 | $ 614,661 | $ - | 56,160 | (36,278) | 19,882 |
| **GENERAL REVENUES** | | | | | | | |
| Unrestricted Investment Income | | | | | - | 79,119 | 79,119 |
| Total General Revenues | | | | | - | 79,119 | 79,119 |
| **CHANGE IN NET POSITION** | | | | | 56,160 | 42,841 | 99,001 |
| Net Position - Beginning of Year | | | | | 415,081 | 860,715 | 1,275,796 |
| **NET POSITION - END OF YEAR** | | | | | $ 471,241 | $ 903,556 | $ 1,374,797 |

State of Illinois
Illinois Housing Development Authority
Balance Sheet – Governmental Funds (Dollars in Thousands)
As of June 30, 2021

| | Major Funds | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Illinois Affordable Housing Trust Fund | HOME Program Fund | Rental Housing Support Program Fund | Build Illinois Bond Program Fund | CV Urgent Remediation Emgergency Fund | Emergency Rental Assistance Program Fund | Nonmajor Governmental Funds | Total |
| **ASSETS** | | | | | | | | |
| **CURRENT ASSETS** | | | | | | | | |
| Cash and Cash Equivalents - Restricted | $ 65,013 | $ 12,575 | $ 40,459 | $ 72,388 | $ 5,940 | $ 213,010 | $ 7,514 | $ 416,899 |
| Investments - Restricted | - | - | 12,030 | - | - | - | - | 12,030 |
| Investment Income Receivable - Restricted | - | - | 12 | - | - | - | - | 12 |
| Program Loans Receivable | 10,548 | 12,340 | - | 26 | - | - | 268 | 23,182 |
| Grant Receivable | 22,682 | 46 | 14,624 | - | - | - | 7,350 | 44,702 |
| Interest Receivable on Program Loans | 122 | 148 | - | - | - | - | 20 | 290 |
| Others | - | - | - | - | 90 | 76 | - | 166 |
| Due from Other Funds | 12 | - | - | - | 164 | - | 4 | 180 |
| Total Current Assets | 98,377 | 25,109 | 67,125 | 72,414 | 6,194 | 213,086 | 15,156 | 497,461 |
| **NONCURRENT ASSETS** | | | | | | | | |
| Program Loans Receivable, Net of Current Portion | 352,226 | 299,738 | - | 8,392 | - | - | 92,741 | 753,097 |
| Less: Allowance for Estimated Losses | (39,308) | (29,035) | - | (4,429) | - | - | (7,839) | (80,611) |
| Total Noncurrent Assets | 312,918 | 270,703 | - | 3,963 | - | - | 84,902 | 672,486 |
| Total Assets | $ 411,295 | $ 295,812 | $ 67,125 | $ 76,377 | $ 6,194 | $ 213,086 | $ 100,058 | $ 1,169,947 |
| **LIABILITIES AND FUND BALANCES** | | | | | | | | |
| **CURRENT LIABILITIES** | | | | | | | | |
| Due to Grantees | $ - | $ - | $ 64,939 | $ - | $ - | $ - | $ - | $ 64,939 |
| Due to State of Illinois | 98,377 | - | - | - | - | - | - | 98,377 |
| Unearned Revenue | - | 148 | - | - | 6,186 | 205,356 | 21 | 211,711 |
| Accrued Liabilities and Other | - | - | 2,063 | - | 8 | - | 5 | 2,076 |
| Due to Other Funds | - | 958 | 123 | 3 | - | 7,730 | 41 | 8,855 |
| Total Current Liabilities | 98,377 | 1,106 | 67,125 | 3 | 6,194 | 213,086 | 67 | 385,958 |
| **NONCURRENT LIABILITIES** | | | | | | | | |
| Due to State of Illinois | 312,918 | - | - | - | - | - | - | 312,918 |
| Total Liabilities | 411,295 | 1,106 | 67,125 | 3 | 6,194 | 213,086 | 67 | 698,876 |
| **FUND BALANCES** | | | | | | | | |
| Restricted | - | 294,706 | - | 76,374 | - | - | 99,991 | 471,071 |
| Total Fund Balances | - | 294,706 | - | 76,374 | - | - | 99,991 | 471,071 |
| Total Liabilities and Fund Balances | $ 411,295 | $ 295,812 | $ 67,125 | $ 76,377 | $ 6,194 | $ 213,086 | $ 100,058 | $ 1,169,947 |

| | |
|---|---|
| Amounts reported for governmental activities in the statement of net position are different due to: | |
| Unearned Interest Receivable on Certain Program Loans Receivable | $ 170 |
| Net Position of Governmental Activities | $ 471,241 |

## Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds (Dollars in Thousands)
## Year Ended June 30, 2021

| | Major Funds | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Illinois Affordable Housing Trust Fund | HOME Program Fund | Rental Housing Support Program Fund | Build Illinois Bond Program Fund | CV Urgent Remediation Emgergency Fund | Emergency Rental Assistance Program Fund | Nonmajor Governmental Funds | Total |
| **REVENUES** | | | | | | | | |
| Grant from State of Illinois | $ 11,573 | $ - | $ 21,297 | $ 70,000 | $ - | $ - | $ 7,928 | $ 110,798 |
| Federal Funds | - | 14,022 | - | - | 330,593 | 111,701 | 8,507 | 464,823 |
| Interest and Investment Income | 11 | 1,999 | 130 | 12 | 28 | - | 231 | 2,411 |
| Other Income | - | - | - | - | - | - | 2 | 2 |
| Total Revenues | 11,584 | 16,021 | 21,427 | 70,012 | 330,621 | 111,701 | 16,668 | 578,034 |
| **EXPENDITURES** | | | | | | | | |
| General and Administrative | 7,661 | 2,400 | 417 | - | 10,741 | 7,729 | 16,848 | 45,796 |
| Grants | 3,912 | - | 21,010 | 7,790 | 319,879 | 103,971 | 14,439 | 471,001 |
| Financing Costs | - | - | - | - | 1 | 1 | 139 | 141 |
| Program Income Transferred to State of Illinois | 11 | - | - | - | - | - | - | 11 |
| Provision for Estimated Losses on Program Loans Receivable | - | 2,335 | - | 996 | - | - | 1,568 | 4,899 |
| Total Expenditures | 11,584 | 4,735 | 21,427 | 8,786 | 330,621 | 111,701 | 32,994 | 521,848 |
| **EXCESS OF REVENUES (UNDER) EXPENDITURES** | - | 11,286 | - | 61,226 | - | - | (16,326) | 56,186 |
| **NET CHANGE IN FUND BALANCES** | - | 11,286 | - | 61,226 | - | - | (16,326) | 56,186 |
| Fund Balances - Beginning of Year | - | 283,420 | - | 15,148 | - | - | 116,317 | |
| **FUND BALANCES - END OF YEAR** | $ - | $ 294,706 | $ - | $ 76,374 | $ - | $ - | $ 99,991 | |

| | |
|---|---|
| Amounts reported for governmental activities in the statemnet of activities are different due to: | |
| Unearned Interest Receivable on Certain Program Loans Receivable | $ (4) |
| Depreciation on Capital Assets | (22) |
| Change in Net Position of Governmental Activities | $ 56,160 |

Statement of Net Position – Proprietary Funds (Dollars in Thousands)

| | Major Funds | | | |
|---|---|---|---|---|
| | Administrative Fund | Mortgage Loan Program Fund | Single Family Program Fund | Total |
| **ASSETS** | | | | |
| **CURRENT ASSETS** | | | | |
| Cash and Cash Equivalents | $ 95,327 | $ - | $ - | $ 95,327 |
| Cash and Cash Equivalents - Restricted | 156,352 | 208,038 | 274,774 | 639,164 |
| Total Cash and Cash Equivalents | 251,679 | 208,038 | 274,774 | 734,491 |
| Investments | 49,080 | - | - | 49,080 |
| Investments – Restricted | 10,086 | 82,929 | 70,266 | 163,281 |
| Investment Income Receivable | 598 | - | - | 598 |
| Investment Income Receivable – Restricted | 8 | 229 | 3,104 | 3,341 |
| Program Loans Receivable | 1,112 | 5,798 | 11,083 | 17,993 |
| Interest Receivable on Program Loans | 70 | 1,091 | 592 | 1,753 |
| Due from Other Funds | 75,769 | 33,526 | 2,031 | 111,326 |
| Other | 1,766 | - | - | 1,766 |
| Total Current Assets | 390,168 | 331,611 | 361,850 | 1,083,629 |
| **NONCURRENT ASSETS** | | | | |
| Investments | 86,988 | - | - | 86,988 |
| Investments – Restricted | 12,032 | 21,175 | 1,084,329 | 1,117,536 |
| Program Loans Receivable, Net of Current Portion | 54,925 | 360,673 | 105,733 | 521,331 |
| Less: Allowance for Estimated Losses | (5,657) | (3,573) | (2,606) | (11,836) |
| Net Program Loans Receivable | 49,268 | 357,100 | 103,127 | 509,495 |
| Real Estate Held for Sale | - | - | 206 | 206 |
| Less: Allowance for Estimated Losses | - | - | (168) | (168) |
| Net Real Estate Held for Sale | - | - | 38 | 38 |
| Due from Fannie Mae | - | 84,194 | - | 84,194 |
| Due from Freddie Mac | - | 4,307 | - | 4,307 |
| Capital Assets, Net | 1,580 | 24,558 | - | 26,138 |
| Derivative Instrument Asset | - | 12 | 1,573 | 1,585 |
| Other | 1,031 | 165 | - | 1,196 |
| Total Noncurrent Assets | 150,899 | 491,511 | 1,189,067 | 1,831,477 |
| Total Assets | 541,067 | 823,122 | 1,550,917 | 2,915,106 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | |
| Accumulated Decrease in Fair Value of Hedging Derivatives | - | 358 | 5,865 | 6,223 |
| Total Deferred Outflows of Resources | - | 358 | 5,865 | 6,223 |

Statement of Net Position – Proprietary Funds, continued (Dollars in Thousands)

| | Major Funds | | | |
|---|---|---|---|---|
| | Administrative Fund | Mortgage Loan Program Fund | Single Family Program Fund | Total |
| **LIABILITIES** | | | | |
| **CURRENT LIABILITIES** | | | | |
| Bonds and Notes Payable | $ 6,652 | $ 41,464 | $ 34,222 | $ 82,338 |
| Accrued Interest Payable | - | 3,616 | 7,959 | 11,575 |
| Unearned Revenue | 2,038 | 28 | - | 2,066 |
| Deposits Held in Escrow | 140,281 | - | - | 140,281 |
| Accrued Liabilities and Other | 17,368 | 1,120 | 302 | 18,790 |
| Due to Other Funds | 35,737 | 8,336 | 58,578 | 102,651 |
| Total Current Liabilities | 202,076 | 54,564 | 101,061 | 357,701 |
| **NONCURRENT LIABILITIES** | | | | |
| Bonds and Notes Payable, Net of Current Portion | 11,001 | 409,447 | 1,228,453 | 1,648,901 |
| Unearned Revenue | 3,354 | - | - | 3,354 |
| Derivative Instrument Liability | - | 358 | 5,865 | 6,223 |
| Total Noncurrent Liabilities | 14,355 | 409,805 | 1,234,318 | 1,658,478 |
| Total Liabilities | 216,431 | 464,369 | 1,335,379 | 2,016,179 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Accumulated Increase in Fair Value of Hedging Derivatives | - | 12 | 1,573 | 1,585 |
| Unearned Revenue | 9 | - | - | 9 |
| Total Deferred Inflow s of Resources | 9 | 12 | 1,573 | 1,594 |
| **NET POSITION** | | | | |
| Net Investment in Capital Assets | 1,580 | 6,273 | - | 7,853 |
| Restricted for Bond Resolution Purposes | - | 352,826 | 219,830 | 572,656 |
| Restricted for Loan and Grant Programs | 44,083 | - | - | 44,083 |
| Unrestricted | 278,964 | - | - | 278,964 |
| Total Net Position | $ 324,627 | $ 359,099 | $ 219,830 | $ 903,556 |

Statement of Revenues, Expenses and Changes in Net Positions – Proprietary Funds (Dollars in Thousands)

| | Administrative Fund | Mortgage Loan Program Fund | Single Family Program Fund | Total |
|---|---|---|---|---|
| **OPERATING REVENUES** | | | | |
| Interest and Other Investment Income | $ 45,722 | $ 1,240 | $ 32,728 | $ 79,690 |
| Net Increase in Fair Value of Investments | 2,457 | (1,145) | (1,883) | (571) |
| Total Investment Income | 48,179 | 95 | 30,845 | 79,119 |
| Interest Earned on Program Loans | 555 | 13,070 | 6,143 | 19,768 |
| Service Fees | 7,295 | - | - | 7,295 |
| Development Fees | 5,764 | - | - | 5,764 |
| HUD Savings | 513 | - | - | 513 |
| Tax Credit Reservation and Monitoring Fees | 9,520 | - | - | 9,520 |
| Other Income | 4,542 | 10,479 | 6 | 15,027 |
| Total Operating Revenues | 76,368 | 23,644 | 36,994 | 137,006 |
| **OPERATING EXPENSES** | | | | |
| Interest Expense | 365 | 6,912 | 25,457 | 32,734 |
| Salaries and Benefits | 21,920 | - | - | 21,920 |
| Professional Fees | 3,686 | - | - | 3,686 |
| Other General and Administrative | 5,076 | 6,718 | 364 | 12,158 |
| Financing Costs | 1,257 | 73 | 3,107 | 4,437 |
| Program Grants | 18,686 | - | - | 18,686 |
| Change in Accrual for Estimated Losses on Mortgage Participation Certificate Program | (814) | - | - | (814) |
| Provision for Estimated Losses on Program Loans Receivable | 1,232 | (688) | 420 | 964 |
| Provision for Estimated Losses on Real Estate Held for Sale | - | 56 | 338 | 394 |
| Total Operating Expenses | 51,408 | 13,071 | 29,686 | 94,165 |
| Total Operating Income | 24,960 | 10,573 | 7,308 | 42,841 |
| **NONOPERATING REVENUES AND EXPENSES** | | | | |
| State Assistance Programs Revenues | 451 | - | - | 451 |
| State Assistance Programs Expenses | (451) | - | - | (451) |
| Federal Assistance Programs Revenues | 39,040 | - | - | 39,040 |
| Federal Assistance Programs Expenses | (39,040) | - | - | (39,040) |
| Total Nonoperating Income | - | - | - | - |
| **INCOME BEFORE TRANSFERS** | 24,960 | 10,573 | 7,308 | 42,841 |
| Transfers In | - | - | 2,781 | 2,781 |
| Transfers Out | (2,781) | - | - | (2,781) |
| Total Transfers | (2,781) | - | 2,781 | - |
| **CHANGE IN NET POSITION** | 22,179 | 10,573 | 10,089 | 42,841 |
| Net Position - Beginning of Year | 302,448 | 348,526 | 209,741 | 860,715 |
| **NET POSITION - END OF YEAR** | $ 324,627 | $ 359,099 | $ 219,830 | $ 903,556 |

## State of Illinois
## Illinois Housing Development Authority
## Statement of Cash Flows – Proprietary Funds, (Dollars in Thousands)
## Year Ended June 30, 2021

| | Major Funds | | | |
|---|---|---|---|---|
| | Administrative Fund | Mortgage Loan Program Fund | Single Family Program Fund | Total |
| **CASH FLOWS FROM OPERATING/NONOPERATING ACTIVITIES** | | | | |
| Receipts for Program Loans, Interest, and Service Fees | $ 17,364 | $ 61,394 | $ 38,020 | $ 116,778 |
| Payments for Program Loans | (3,528) | (144,608) | (10,735) | (158,871) |
| Receipts for State Assistance Programs | 451 | - | - | 451 |
| Payments for State Assistance Programs | (451) | - | - | (451) |
| Receipts for Federal Assistance Programs | 39,040 | - | - | 39,040 |
| Payments for Federal Assistance Programs | (39,040) | - | - | (39,040) |
| Receipts for Credit Enhancements | - | 1,676 | - | 1,676 |
| Payments for Program Grants | (18,686) | - | - | (18,686) |
| Payments to Suppliers | (9,176) | (7,180) | (3,345) | (19,701) |
| Payments to Employees | (21,920) | - | - | (21,920) |
| Receipts for Tax Credit Reservations and Monitoring Fees | 9,520 | - | - | 9,520 |
| Other Receipts | 5,055 | 10,479 | 6 | 15,540 |
| Net Cash Provided (Used) by Operating Activities | (21,371) | (78,239) | 23,946 | (75,664) |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | | | |
| Interest Paid on Revenue Bonds and Notes | (365) | (6,232) | (24,809) | (31,406) |
| Due to / from Other Funds | (49,320) | (17,670) | 62,817 | (4,173) |
| Proceeds from Sale of Bonds and Notes | 255,920 | 119,875 | 373,209 | 749,004 |
| Principal Paid on Bonds and Notes | (256,749) | (27,690) | (263,196) | (547,635) |
| Transfers In | - | - | 2,781 | 2,781 |
| Transfers Out | (2,781) | - | - | (2,781) |
| Net Cash Provided (Used) by Noncapital Financing Activities | (53,295) | - 68,283 | 150,802 | 165,790 |
| **CASH FLOWS FROM CAPITAL FINANCING AND RELATED ACTIVITIES** | | | | |
| Acquisition of Capital Assets | (266) | (547) | - | (813) |
| Net Cash Provided (Used) by Capital Financing and Related Activities | (266) | (547) | - | (813) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | |
| Purchase of Investment Securities | (1,886,225) | (507,017) | (824,890) | (3,218,132) |
| Proceeds from Sales and Maturities of Investment Securities | 2,024,966 | 505,802 | 744,636 | 3,275,404 |
| Interest Received on Investments | 8,604 | 1,854 | 36,488 | 46,946 |
| Net Cash Provided (Used) by Investing Activities | 147,345 | 639 | (43,766) | 104,218 |
| **NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS** | 72,413 | (9,864) | 130,982 | 193,531 |
| Cash and Cash Equivalents - Beginning of Year | 179,266 | 217,902 | 143,792 | 540,960 |
| **CASH AND CASH EQUIVALENTS - END OF YEAR** | $ 251,679 | $ 208,038 | $ 274,774 | $ 734,491 |

Statement of Cash Flows – Proprietary Funds, continued (Dollars in Thousands)

| | | Major Funds | | |
|---|---|---|---|---|
| | Administrative Fund | Mortgage Loan Program Fund | Single Family Program Fund | Total |
| **RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES** | | | | |
| Income (Loss) | $ 24,960 | $ 10,573 | $ 7,308 | $ 42,841 |
| Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities: | | | | |
| Investment Income | (48,179) | (95) | (30,845) | (79,119) |
| Interest Expense | 365 | 6,912 | 25,457 | 32,734 |
| Depreciation and Amortization | 843 | 1,162 | - | 2,005 |
| Change in Accrual for Estimated Losses on Mortgage Participation Certificate Program | (814) | - | - | (814) |
| Changes in Provision for (Reversal of) Estimated Losses on Program Loans Receivable | 1,232 | (688) | 420 | 964 |
| Changes in Assets and Liabilities: | | | | |
| Program Loans Receivable | (2,288) | (97,151) | 21,452 | (77,987) |
| Interest Receivable on Program Loans | (9) | (188) | 28 | (169) |
| Other Liabilities | 2,425 | (275) | 126 | 2,276 |
| Other Assets | 94 | (165) | - | (71) |
| Due from Fannie Mae | - | 1,676 | - | 1,676 |
| Total adjustments | (46,331) | (88,812) | 16,638 | (118,505) |
| Net Cash Provided (used) by Operating Activities | $ (21,371) | $ (78,239) | $ 23,946 | $ (75,664) |
| **NONCASH INVESTING CAPITAL AND FINANCING ACTIVITIES** | | | | |
| Transfer of Foreclosed Assets | $ - | $ 5 | $ 665 | $ 670 |
| Increase (Decrease) in the Fair Value of Investments | $ 2,457 | $ (1,145) | $ (1,883) | $ (571) |

# Notes to the Financial Statements

## NOTE 1 AUTHORIZING LEGISLATION

The Illinois Housing Development Authority (the Authority) is a body politic and corporate of the State of Illinois (the State) created by the Illinois Housing Development Act, as amended (the Act), for the purposes of assisting in the financing of decent, safe, and sanitary housing for persons and families of low and moderate income in the State and assisting in the financing of residential mortgages in the State. To accomplish its purposes, the Authority is authorized by the Act to make mortgage or other loans to nonprofit corporations and limited profit entities for the acquisition, construction, or rehabilitation of dwelling accommodations and to acquire, and to contract and enter into advance commitments to acquire, residential mortgage loans from lending institutions. The Act also authorizes the Authority to issue its bonds and notes to fulfill corporate purposes, including the financing of mortgage and construction loans, the acquisition of residential mortgage loans, and the making of loans for housing related commercial facilities. The Authority has issued various bonds andnotes to finance mortgage loans and construction loans, to purchase residential mortgage loans from lending institutions, and to make loans to private lending institutions for making new residential mortgage loans.

The bonds and notes outstanding as of June 30, 2021, as shown on the Authority's financial statements consist of both general and special limited obligations of the Authority (see note 8). The full faith and credit of the Authority are pledged for payment of general obligation bonds and notes. The Authority has the power under the Act to have up to $3.6 billion of general and special limited obligation bonds and notes outstanding, excluding those issued to refund outstanding bonds and notes. At June 30, 2021, amounts outstanding against this limitation were approximately $2.8 billion.

## NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following summarizes the significant accounting policies of the Authority:

### A. Reporting Entity

As defined by U.S. generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

(a) Appointment of a voting majority of the component unit's board, and either a) the ability of the primary government to impose its will, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**A. Reporting Entity (Continued)**

(b) Fiscal dependency on the primary government.

For financial reporting purposes, the Authority is a component unit of the State of Illinois. The Authority has one component unit, the IHDA Dispositions LLC (the LLC). The LLC has no activity for fiscal year 2021.

**B. Basis of Presentation**

*Government-Wide Statements* – The government-wide statement of net position and statement of activities reports the overall financial activity of the Authority. Eliminations have been made to help minimize the double-counting of internal activities of the Authority. These statements distinguish between the governmental and business-type activities of the Authority. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Authority and for each function of the Authority's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

*Fund Financial Statements* – The fund financial statements provide information about the Authority's funds. Separate statements for each fund category, governmental and proprietary, are presented. The emphasis on fund financial statements is on major and nonmajor governmental and proprietary (enterprise) funds, each displayed in a separate column.

As a quasi-governmental agency, the annual operating budget of the Authority is approved by the Board of Directors. Therefore, the Authority is not required to formally adopt budgets for each fund.

The Authority reports the following major governmental funds:

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**B. Basis of Presentation (Continued)**

Illinois Affordable Housing Trust Fund

The Authority is designated administrator of the Illinois Affordable Housing Program (the Housing Program). The program is funded by the Illinois Affordable Housing Trust Fund with funds generated from a portion of the State real estate transfer tax collected by the Illinois Department of Revenue and held within the State Treasury. The funds are appropriated annually to the Illinois Department of Revenue by the General Assembly. In accordance with State statute, the Authority makes grants and low or no interest mortgages or other loans, some with deferred repayment terms, to acquire, construct, rehabilitate, develop, operate, insure, and retain affordable Single Family and Multi-Family housing for low and very low-income households.

As the administrator of the Housing Program, the Authority considers the interest in equity of the Housing Program to be that of the State of Illinois and the Authority records a liability to the State of Illinois for their equity share. Additionally, the Authority records amounts received to administer the Housing Program as grant revenue.

HOME Program Fund

The Authority is the designated program administrator and the Participating Jurisdiction for the federally funded HOME Investment Partnerships Program (the HOME Program) for the State of Illinois. HOME funds are utilized for a variety of housing activities, according to local housing needs. Eligible uses of funds include tenant-based rental assistance, housing rehabilitation; assistance to homebuyers; and new construction of housing. HOME funding may also be used for site acquisition, site improvements, demolition, relocation, and other necessary and reasonable activities related to the development of non-luxury housing.

Rental Housing Support Program Fund

The Authority is the designated administrator of the Rental Housing Support Program (the Support Program). The program is funded by a surcharge for the recording of any real estate-related document. The funds are appropriated to the Illinois Department of Revenue by the General Assembly. The Authority awards funds to local administering agencies, which will contract with local landlords to make rental units affordable to households who earn less than 30% of the area median income.

As the administrator of the Support Program, the Authority initially records amounts

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**B. Basis of Presentation (Continued)**

received as revenue and a due to grantee liability is recorded. As funds are disbursed from the program, the Authority reduces the liability.

Build Illinois Bonds Program

The Authority is the designated program administrator for the Build Illinois Bonds Program (BIBP). BIBP funds are utilized for a variety of housing activities, loans, and investments for low-income families, low-income senior citizens, low-income persons with disabilities and at-risk displaced veterans.

Coronavirus Urgent Remediation Emergency Fund

The Authority is the designated program administrator of The Coronavirus Urgent Remediation Emergency Fund Program. The State established the Coronavirus Urgent Remediation Emergency Fund (IL CURE Fund), in the sum of $396,000,000. The Authority received $337 million in fiscal year 2021. The CURE Funds are for IHDA to fund affordable housing grants for the benefit of persons impacted by the COVID-19 public health emergency, for emergency rental assistance, and emergency mortgage assistance.

Emergency Rental Assistance Program Fund

The Authority is the designated program administrator of the Emergency Rental Assistance (ERA) program. The State established the Emergency Rental Assistance (ERA) program, in the sum of $493.8 million. The Authority used $317.1 million during fiscal year 2021 to assist households that were unable to pay rent and utilities due to the COVID-19 pandemic. The Authority has received ($254.7 million) from DCEO and has intergovernmental agreements with the following counties in Illinois to help administer these funds: DuPage County ($26.8 million), Will County ($20.1 million), and Kane County ($15.5 million).

The Authority reports the following major proprietary funds:

Administrative Fund

Development and financing fees income related to Multi-Family mortgage loans, income fromservice fees, and operating expenses of the Authority are accounted for in the Administrative Fund. In addition, the Administrative Fund has provided for supplemental financing of certain developments through residual income loans and below market

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**B. Basis of Presentation (Continued)**

financing for various developments through the Authority's Housing Partnership Program (see Note 5), and its lending program in conjunction with a debt service savings sharing agreement (the FAF Savings Program) with the United States Department of Housing and Urban Development (HUD) (see Note 13). The Administrative Fund also includes Section 8 New Construction, Section 8 Mod Rehab, and Land Bank Capacity Program.

Mortgage Loan Program Fund

The Mortgage Loan Program Fund accounts for the financing of low- and moderate-income housing developments from the proceeds of Housing Bonds, Multi-Family Initiative Bonds, Multi-Family Revenue Bonds and Affordable Housing Program Trust Fund Bonds, and for the retirement of such obligations.

The Authority holds first mortgage liens on such developments. Affordable Housing Program Trust Fund Bond accounts include a transfer of funds from the Illinois Affordable Housing Trust Fund.

Single Family Program Fund

The Single Family Program Fund accounts for the proceeds of Homeowner Mortgage Revenue Bonds, Housing Revenue Bonds, Revenue Bonds, and Residential Mortgage Revenue Bonds issued to provide funds for the purchase from lending institutions of mortgage loans on owner-occupied, one-to-four-unit dwellings acquired by eligible buyers.

The use of tax-exempt financing to provide eligible borrowers with affordable rate mortgage loans involves federal restrictions on expenses chargeable to the program. Unless described otherwise in the indenture, any expenses incurred in the program more than such maximum amounts are absorbed by the Administrative Fund.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Basis of Accounting**

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues

and expenses resulting from exchange and exchange-like transactions are recognized when the exchange takes place, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Authority receives value without directly giving equal value in exchange, include federal and state grant revenue. Revenue from these sources are recognized in the fiscal year in which all eligibility requirements have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Separate fund financial statements are provided for governmental and proprietary funds. Major governmental and proprietary funds are reported as separate columns in the fund financial statements.

The accounting policies and financial reporting practices of the Authority conform to GAAP, as promulgated in the pronouncements of GASB.

**D. Fund Balances**

In the fund financial statements, governmental funds report fund balances in the following categories:

**Nonspendable** – This consists of amounts that cannot be spent because they are either a) not in spendable form, or b) legally or contractually required to be maintained intact.

**Restricted** – This consists of amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or b) imposed by law through constitutional provisions or enabling legislation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**D. Fund Balances (Continued)**

**Committed** – This consists of amounts constrained by limitations that the Authority imposes upon itself through resolution by its board of directors. The commitment amount will be binding unless removed or amended in the same manner.

**Assigned** – This consists of net amounts that are constrained by the Authority's intent to be used for specific purposes, but that are neither restricted nor committed.

**Unassigned** – This consists of residual deficit fund balances.

In instances where restricted, committed, and assigned fund balances are available for use, the Authority's policy is to use restricted resources first, followed by committed resources, then assigned resources, as needed. Currently, all of the Authority's governmental funds fund balances are restricted.

**E. Net Position**

In the government-wide and proprietary fund financial statements, net position is displayed in the following components:

**Net Investment in Capital Assets** – This consists of capital assets, net of accumulated depreciation and related debt.

**Restricted** – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

All net position of the governmental activities column of the government-wide financial statements is restricted with respect to the use of cash, investments and loan amounts that are to be repaid to the Authority. (See note 5 for schedules of aging for the loans made under these programs).

The use of assets of each of the proprietary fund program funds is restricted by the related bond and note resolutions of the Authority. Certain amounts in the above program funds are considered subject to the restriction that they be applied to the financing of housing for the respective program purposes or to the retirement of obligations issued for such purposes; these amounts may include certain investment earnings attributable to the respective fund net position. When both restricted and unrestricted resources are

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**E. Net Position (Continued)**

available for use, generally it is the Authority's policy to use restricted resources first, then unrestricted resources when they are needed.

**Unrestricted** – This consists of net position that does not meet the criteria of the two preceding categories.

Designations of net position represent tentative plans by the Authority for financial resource utilization in a future period as documented in the minutes or budgeting process for a succeeding year. Such plans are subject to change from original authorizations and may never result in expenses.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**E. Net Position (Continued)**

A portion of the Authority's Administrative Fund unrestricted net position, as of the most recent fiscal year-end, is designated as follows, in thousands:

| | | |
|---|---|---|
| Homeownership Mortgage Loan Program | | |
| Provide funds to support Single Family Homeownership in the State of Illinois through second lien position loans and/or grants | $ | 75,000 |
| Multifamily Mortgage Loan Program | | |
| To pay possible losses arising in the Multifamily Program attributable, but not limited to, delinquencies or defaults on uninsured or unsubsidized loans | | 25,000 |
| Homeownership Mortgage Loan Program | | |
| To pay possible losses arising in the Homeownership Program attributable, but not limited to, delinquencies or defaults on uninsured or unsubsidized loans | | 5,000 |
| Homeownership Mortgage Loan Program | | |
| Provide funds to purchase homeownership mortgage loans and/or mortgage-backed securities under the Program which may eventually be purchased with proceeds from future issuances of Authority debt or sold in the secondary market | | 115,000 |
| Multifamily Mortgage Loan Program | | |
| Provide funds to finance Multifamily loans originated under the Program | | 10,000 |
| Provide funds for the Authority's planned technology enhancements | | 10,000 |
| | $ | 240,000 |

The designations of the Administrative Fund unrestricted net position may be amended or rescinded by the board members of the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**F. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to use estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, and expendituresduring the reporting period. Actual results could differ from the estimates.

In March 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic may impact various parts of the Authority's operations and financial results, including the loan loss reserve.

Management believes the Authority is taking appropriate actions to mitigate the negative impact, including the increase of the loan loss reserve. However, the full impact of COVID-19 on future allowance for loan loss is difficult to reasonably estimate as these events are still developing.

The Authority has allocated its loan loss reserve as follows: $0.8 million to Mortgage Loan Program Fund, $0.6 million to Single Family Program Fund, $7.3 million to Major Governmental Funds, $1.6 million to Nonmajor Governmental Funds, and $1.2 million to Administrative Fund; totaling $11.5 million allocated to loan loss reserve.

**G. Deferred Inflows/Outflows of Resources**

A deferred inflow of resources is defined as an acquisition of net assets by the government that is applicable to a future reporting period and a deferred outflow of resources is defined as a consumption of net assets by the government that is applicable to a future reporting period. A deferred inflow of resources has a negative impact on net position like liabilities but is required to be reported within the statement of net position in a separate section following liabilities. A deferred outflow of resources has a positive effect on net position like assets but is required to be reported in the statement of net position in a separate section following assets.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**G. Deferred Inflows/Outflows of Resources (Continued)**

Deferred outflows/inflows of resources include:

i. Unamortized losses/gains on bond refundings, which are deferred and amortized over the shorter of the remaining life of the old debt or the life of the new debt.

ii. Amounts reported as accumulated decrease/increase in fair value of hedging derivatives, which represent the anticipated future utilization of the net position of interest rate swap agreements deemed to be effective hedging derivatives.

iii. Unearned revenue for fees earned from the buy down of homeowner mortgage interest ratesto below market levels and amortized over the forgivable loan period of the down payment assistance provided.

**H. Risks and Uncertainties**

The Authority invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term. Such changes could materially affect the amounts reported in the financial statements.

The allowances for estimated losses on loans are reported based on certain assumptions pertaining to the Authority's periodic review and evaluation of the loan portfolio, which is subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would be material to the financial statements.

**I. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Authority considers all cash, certificates of deposit, time deposits, and short-term repurchase agreements with original maturity dates of three months or less from date of purchase to be cash equivalents.

**J. Investments**

Investments of the Authority are reported at fair value. Fair value is determined by reference to public market prices and quotations from a securities pricing service.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**J. Investments (Continued)**

The Authority records investment transactions based on trade date.

The investment of funds is restricted by various bond and note resolutions of the Authority and the Act, generally, to direct obligations of the United States government; specific bank obligations, certain of which are fully secured as required by the bond and

note resolutions; and obligations of other governmental entities that meet defined standards. The type of collateral instruments that secure the demand repurchase agreements held by the Authority are subject to the same restrictions described above. Generally, collateral instruments are held by third-party institutions.

**K. Program Loans Receivable**

Program loans receivable include mortgage loans receivable, advances receivable, and residual income loans receivable. Mortgage loans receivable include certain amounts of interest and fees that have been charged by the Authority and added to the loan balance. The due dates for advances and residual income loans receivable are dependent upon future events as specified in the related loan or advance agreements.

**L. Capital Assets**

Capital assets in the Administrative Fund consist of investments in furniture, fixtures, and equipment; computer hardware; computer software; and leasehold improvements and are defined by the Authority as assets with an initial, individual historical cost of $5,000 or more, except for computers, camera, and video equipment, which are capitalized at any cost. Depreciation and amortization are recorded on a straight-line basis over a period of five to ten years, depending upon the nature of the asset. Leasehold improvements are amortized over the term of the lease.

The Authority records depreciation against Lakeshore Plaza on a straight-line basis over forty years. At June 30, 2021, the net carrying value was $24.5 million which is net of accumulated depreciation of $25.8 million. Depreciation expense for fiscal year 2021 was $1.2 million. Although the Authority does not regularly own and operate properties as part of its normal business operations, for the benefit of furthering its affordable housing mission, it is within its scope to do so. Since its acquisition Lakeshore Plaza has continued to be owned and operated by the Authority as part of its business operations and therefore is reported as a capital asset of the Mortgage Loan Program Fund. This property is collateral for Housing Bond 2008B.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**L. Capital Assets (Continued)**

The Authority will continue to evaluate the operation of Lakeshore Plaza and its impact on operations accordingly.

Capital Assets for governmental activities, having a net carrying value of zero on June 30, 2021, are used in the Hardest Hit Fund. Depreciation and amortization for these items is recorded on a straight-line basis over three years and amounted to $22 thousand during fiscal year 2021.

**M. Real Estate Held for Sale**

Real estate held for sale arises from foreclosures or other mortgage default related actions on properties pledged as collateral on Mortgage Loan Program ($0), and Single Family ($37,866). See Note 6 for analysis of real estate for sale, net of allowance for estimated losses. Real estate held for sale is recorded at the unpaid principal balance plus accrued interest on the loans as of the date the loans become real estate owned, plus subsequent expenses incurred less any insurance or other loan related payments received. Since several loans covered by pool insurance have reached maximum reimbursements allowable for loss claims and other loans in the portfolio are uninsured, it is anticipated that proceeds arising from the sale of such property and certain insurance proceeds may not fully cover any losses experienced.

Therefore, the Authority has established a provision for estimated losses on real estate held for sale based on a periodic review of such conditions which considers factors such as interest costs, holding costs, sales proceeds, mortgage insurance and pool insurance recoveries to estimate losses.

**N. Bond Premium/Discount, Issuance Costs and Gain/Loss on Refunding**

Premium/discount on bonds is netted with bonds payable and amortized using a method approximating the effective interest method over the life of the bonds. Debt issuance costs are recorded as an expense in the period incurred. Unamortized gains and losses on refunding are reported as deferred inflows and outflows of resources, respectively, and are amortized over the shorter of the life of the old or new debt as a component of interest expense.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**O. Operations**

Proprietary funds loan origination fee, development fee, and financing fee income are recognized as revenue in the period received. Fees earned on loans, which the Authority does not directly originate, such as loans financed through other financings (see Note 8E), are recognized as revenue in the Administrative Fund generally at the time of initial closing.

Proprietary funds annual service fees charged by the Authority to loan recipients, which are deposited in the respective program funds or added to program loans receivable, are recognized as revenue in the Administrative Fund through interfund transfers.

Proprietary funds operating revenues and expenses are activities classified as core business activities of the fund. Proprietary funds operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund including interest income, service fees, development fees, interest, and other investment income. Proprietary funds operating expenses include grant program expenses, general and administrative expenses of the Authority; salaries and benefits; costs and expenses incurred in connection with the amortization, issuance, and sale of certain bonds and notes; fees and expenses of trustees and depository and paying agents; and costs related to analyses, surveys, appraisals, and other matters pertaining to maintenance and evaluation of program loans receivable. Operating costs and expenses are recognized as incurred.

Proprietary funds nonoperating revenues and expenses include the reporting of Land Bank Capacity Program, Section 8 Model Rehabilitation, and Section 8 New Construction. Also included in this section are activities not classified as core business activities to the Proprietary fund.

A portion of the Authority's operating expenses of administering the Illinois Affordable Housing Trust Fund, HOME Program, Rental Housing Support Program, Build Illinois Bond Fund, CV Urgent Remediation Emergency Fund, Emergency Rental Assistance Program Fund, and Nonmajor Governmental Funds are recorded within these governmental funds. Similarly, other related special assistance programs and resolutions of various bond programs allow for these program accounts to record a certain level of operating expenses. Expenses in excess of the allowable ceilings set forth in the resolutions are charged to the Administrative Fund.

Expenses are shown in the statement of activities by identifiable programs.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**P. Compensated Absences**

The Authority grants vacation and sick leave to all employees and accrues for unused compensated absences. Vacations are allotted on a calendar year basis and are intended to be taken during that year. Unused sick leave allowance is carried forward and accumulated. In the event of termination, employees are paid for all earned but unused vacation time, and one-half of unused accumulated sick leave earned, to a maximum of 30 days. The Authority has no other post-employment benefits (OPEB).

The following is the activity for the compensated absences recorded as accrued liabilities and other and liquidated from the Administrative Fund in thousands.

| Balance June 30, 2020 | Additions | Retirements | Balance June 30, 2021 | Due Within One Year |
|---|---|---|---|---|
| $ 938 | $ 2,023 | $ 1,517 | $ 1,444 | $ 1,444 |

**Q. Provision for Estimated Losses on Program Loans**

The Authority provides for estimated losses on program loans in its proprietary and governmental funds based upon the periodic review and evaluation of the Multi-Family and developer loan portfolios and provides additional amounts, if it deems necessary, for estimated losses for individual loans in the funds. In making such a review and evaluation, the Authority considers current economic conditions, occupancy and rental level projections, financial statement analyses, on-site inspections, independent appraisals of certain developments, insurance coverage, and such other factors as it deems necessary. The estimated losses of the Single Family loan portfolio are based upon a periodic review and evaluation of the whole loan portfolio, including real estate owned properties and considers such factors as delinquencies, interest costs, holding costs, sales proceeds, mortgage insurance, and pool insurance recoveries for estimating losses. Although management uses the best available information to assess the adequacy of its provisions, adjustments may be required if the actual experience differs from the factors used in making those assessments.

Pursuant to Resolution 2021-05-IHDA-090, authorizing the CFO to make manual adjustments to the Multi-Family Loan Rating and Loan Loss Reserve. Illinois Housing Development Authority completed a review and deemed it necessary to adjust our reserves to reflect the current market conditions. The loan loss reserve requirement has

## NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Q. Provision for Estimated Losses on Program Loans (Continued)

increased due to additional risk-based factors applied to the entire portfolio. For this reason, management is recommending an increase of an additional $11.5 million to the existing loan loss reserve for fiscal year 2021.

### R. Income Taxes

The Authority is a component unit of the State of Illinois and is generally exempt from federal, state, and local income taxes.

## NOTE 3 CASH AND INVESTMENTS

The Authority's Financial Management Policy (the Policy) contains the following stated objectives:

- Safety of principal – Preservation and safety of principal is the foremost objective of the Authority's investments. Each investment transaction shall seek to ensure that capital losses within the investment portfolio are avoided, whether they are from securities defaults or erosion of market value.

- Liquidity – The investments portfolio shall remain sufficiently flexible to enable the Authority to meet all operating requirements that may be reasonably anticipated in any fund. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demand.

- Maximum rate of return – The investment portfolio shall be designed with the purpose of regularly exceeding the average return of U.S. Treasury obligations of comparable maturities. The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles.

### A. Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will decrease as a result of an increase in interest rates. The Authority's policy does not limit the maturity of investments as a means of managing its exposure to fair value losses arising from an

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

**A. Interest Rate Risk (Continued)**

increasing rate environment.

As of June 30, 2021, the Authority had cash and cash equivalent totaling $1,151 million which consists of cash of $269 million and cash equivalents held in investments of $882 million.

The below table indicates the Authority's cash and cash equivalents held in investments as of June 30, 2021, in thousands.

| | | Investment Maturities (in Days) | | | |
|---|---|---|---|---|---|
| Investment | Carrying Amount | Less Than 7 | Less Than 30 | Less Than 60 | Less Than 90 |
| Sweep Accounts - Money Market Fund - Restricted | $ 868,982 | $ 868,982 | $ - | $ - | $ - |
| Sweep Accounts - Money Market Fund | 12,914 | 12,914 | - | - | - |
| Total Cash Equivalents Held in Investment | $ 881,896 | $ 881,896 | $ - | $ - | $ - |

Money market funds are collateralized by obligations of the U.S. Government or its agencies, or direct investments of such obligations overnight and funds are available the next day.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

### A. Interest Rate Risk (Continued)

As of June 30, 2021, the Authority had the following investments in thousands:

| | | Investment Maturities (in Years) | | | |
|---|---|---|---|---|---|
| Investment | Carrying Amount | Less Than 1 | 1–5 | 6–10 | More Than 10 |
| Commercial Paper | $ 54,540 | $ 54,540 | $ - | $ - | $ - |
| Federal Home Loan Bank Bonds | 28,148 | 21,308 | 6,840 | - | - |
| Federal Farm Credit Bank Bonds | 5,471 | 1,668 | 3,173 | 630 | - |
| Federal Home Loan Mortgage Corp. | 40,656 | 252 | - | 8,396 | 32,008 |
| Federal Home Loan Discount Notes | 48,919 | 48,919 | - | - | - |
| Federal National Mortgage Association | 474,544 | 18,368 | 1,842 | 12,172 | 442,162 |
| Federal National Mortgage Association Benchmark Notes | 1,684 | - | - | 1,684 | - |
| Government National Mortgage Association | 677,390 | - | - | - | 677,390 |
| Municipal Bonds | 34,289 | 33,366 | 667 | 256 | - |
| U.S. Treasury Bills | 5,095 | 5,095 | - | - | - |
| U.S. Treasury Strips | 6,197 | - | 4,497 | 1,600 | 100 |
| U.S. Treasury Bonds | 5,059 | 5,059 | - | - | - |
| U.S. Treasury Notes | 46,923 | 35,816 | 11,107 | - | - |
| Total | $ 1,428,915 | $ 224,391 | $ 28,126 | $ 24,738 | $ 1,151,660 |

### B. Credit Risk

Credit risk is the risk the Authority will not recover its investments due to the inability of the counterparty to fulfill its obligation. Statutes of the State and resolutions of the Authority authorize the Authority to invest in obligations of the U.S. Government, agencies, and instrumentalities of the U.S. Government, demand repurchase agreements, and other banking arrangements. The Authority may also invest its funds in such investments as may be lawful for fiduciaries in the State. All funds are held outside of the State Treasury in various banks and financial institutions.

The Authority's investments in U.S. Government and Agency Obligations are rated Aaa by Moody's and/or AA+ by Standard & Poor's.

### C. Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Authority will not be able to recover deposits or will

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

**C. Custodial Credit Risk (Continued)**

not be able to recover collateral securities that are in the possession of an outside party.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Authority will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The Authority's cash carrying value balance totaled $269 million at June 30, 2021. The June 30, 2021, cash bank balance for the Authority totaled $332 million, which includes $15.5 million of conduit bank balances. Also, $27 million was not covered by federal depository insurance or by collateral held by an agent in the Authority's name. The amount is further addressed in Note 14 – Subsequent Events. Additionally, the Authority's cash equivalents at June 30, 2021, consisted of sweep accounts, held in the Authority's name, with the funds in these accounts invested in money market funds that invest in U.S. Treasury securities, or were held in accounts that were either FDIC insured or collateralized with U.S. government obligations. The Authority's investments at June 30, 2021, were held in the Authority's name in separate Authority custodial accounts. Collateral is pledged in the Authority's name and consists of U.S. Treasury obligations.

**D. Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in any one single issuer. The Authority's policy does not limit the amounts the Authority may invest in any one issuer. The Authority is considered to have a concentration of credit risk if its investments in any one single issuer (other than securities explicitly guaranteed by the U.S. government) are greater than 5% of total investments.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

**D. Concentration of Credit Risk (Continued)**

Investments which comprise more than 5% of the Authority's investments as of June 30, 2021, are as follows, in thousands:

| Investment | Fair Value |
|---|---|
| Federal Home Loan Bank | $ 117,723 |
| Federal National Mortgage Association | 476,228 |

**E. Forward Commitments**

The Authority sells forward commitments to deliver Government National Mortgage Association (GNMA) certificates and Fannie Mae (FNMA) mortgage-backed securities (MBS). Commitments are sold as mortgage loan reservations are taken to hedge against market fluctuations prior to loan origination and securitization. The Authority is subject to market value fluctuations in the event that mortgage loans are not originated as expected and the committed securities cannot be delivered. A net increase in fair value of $1.9 million on these forward commitments, classified as investment derivative instruments, has been recorded in investment income in the Administrative Fund for the year ended June 30, 2021. In addition, $653 thousand of forward commitments is recorded on the statement of net position as accrued liabilities and other current liabilities at June 30, 2021.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

**E. Forward Commitments (Continued)**

The Authority is subject to credit risk with respect to counterparties for the forward commitment contracts, summarized below with their credit ratings as of June 30, 2021, in thousands:

| Counterparty | Rating (1) | Number of Contracts | Par Amount |
|---|---|---|---|
| Bank of New York Mellon | AA-/A-1+ Stable; Aa1(cr)/P-1(cr) Stable | 18 | $ 36,395 |
| Bank of Oklahoma | A-/A-2 Stable; A1(cr)/P-1(cr) Stable | 7 | 43,742 |
| Citigroup Global Markets | BBB+/A-2 Stable; A3 / Stable | 12 | 41,644 |
| Fannie Mae | AA+u/A-1+u Stable; Aaa /WR Stable | 28 | 126,882 |
| Hilltop Securities | NR; Baa2 Stable (2) | 2 | - |
| Jefferies LLC | BBB/BBB Stable; Baa3/Baa3 POS | 18 | 67,400 |
| Morgan Stanley | BBB+ / A-2 POS; A1/ P-1 | 19 | 76,188 |
| Piper Sandler | BBB+ / A-2 POS; A1/ P-1 | 14 | 24,120 |
| Raymond James | BBB+ Stable; Baa1 Stable | 11 | 65,550 |
| Stifel | BBB - POS; NR | 9 | 25,500 |
| Wells Fargo Securities, LLC | A+ / A-1 Stable; Aa1(cr)/P-1(cr) NEG | 5 | 17,525 |
| Total Forward Commitments | | 143 | $ 524,946 |

(1) S&P; Moody's
(2) Hilltop Securities par value at 6/30/21 was zero.

**F. Fair Value Measurements**

GASB Statement No. 72 explains that the government could determine the market price of an asset in one of three ways:

1) Actual market transactions for identical or similar items (market approach);

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

**F. Fair Value Measurements (Continued)**

2) The current cost to replace the service capacity of an asset (cost approach); or
3) Discounting the current value of future cash flows (income approach).

It also establishes a three-tier hierarchy of input quality as follows:

Level 1 – inputs are quoted prices in active markets for identical items;
Level 2 – inputs are all inputs that are directly or indirectly observable, but not on Level 1; and
Level 3 – inputs are all inputs that are unobservable.

The statement directs governments to maximize their use of observable inputs and to minimize the use of unobservable inputs.

Fair value is most frequently applied to investments which GASB Statement No. 72 defines as a security or other asset that: A government holds primarily for the purpose of income or profit and has a present service capacity based solely on its ability to generate cash or to be sold to generate cash.

The Authority categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a description of the valuation methods and assumptions used by the Authority to estimate the fair value of its financial instruments. There have been no changes to the methods or assumptions used at June 30, 2021. The Authority management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Agency securities classified in Level 2 of the fair value hierarchy are valued using prices quoted in active markets for similar securities.

Derivative instruments classified in Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates and foreign exchange rates.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

**F. Fair Value Measurements (Continued)**

Investments and derivative instruments measured at fair value as of June 30, 2021, are as follows, in thousands:

| | | Fair Value Measurements Using | | |
|---|---|---|---|---|
| | At June 30, 2020 | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable (Level 3) |
| Investments: | | | | |
| Commercial Paper | $ 54,540 | $ - | $ 54,540 | $ - |
| Federal Home Loan Bank Bonds | 28,148 | - | 28,148 | - |
| Federal Farm Credit Bank Bonds | 5,471 | - | 5,471 | - |
| Federal Home Loan Mortgage Corp. | 40,656 | - | 40,656 | - |
| Federal National Mortgage Association Benchmark Notes | 1,684 | - | 1,684 | - |
| Federal Home Loan Bank Discount Notes | 48,919 | - | 48,919 | - |
| Government National Mortgage Association | 677,390 | - | 677,390 | - |
| Federal National Mortgage Association | 474,544 | - | 474,544 | - |
| Municipal Bonds: | 34,289 | - | 34,289 | - |
| U.S. Treasury Bills | 5,095 | 5,095 | - | - |
| U.S. Treasury Strips | 6,197 | 6,197 | - | - |
| U.S. Treasury Bonds | 5,059 | 5,059 | - | - |
| U.S. Treasury Notes | 46,923 | 46,923 | - | - |
| | $ 1,428,915 | $ 63,274 | $ 1,365,641 | $ - |
| Derivative Instrument: | | | | |
| Interest Rate Caps | $ 12 | $ - | $ 12 | $ - |
| Interest Rate Swaps | (4,650) | - | (4,650) | - |
| Forward Commitments | 653 | - | 653 | - |
| | $ (3,985) | $ - | $ (3,985) | $ - |

## NOTE 4 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

### <u>Interfund Balances</u>

The Authority reports interfund balances among its funds. These balances generally consist of accruals for various revenues or expenses due to a fund, but received or paid to another, and subsidy transfers between funds. These amounts are generally paid or received within the subsequent fiscal year. Interfund accounts receivable (payable) balances at June 30, 2021, consisted of the following, in thousands:

| | Payable from | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Governmental Funds | | | | | | | Proprietary Funds | | | |
| Receivable to | Illinois Affordable Housing Trust Fund | HOME Program Fund | Rental Housing Support Program Fund | CV Remediation Emer Fund | Emergency Rental Assist Fund | Build IL Bonds Pgm Fund | Nonmajor Governmental Funds | Administrative Fund | Mortgage Loan Program Fund | Single Family Program Fund | Total |
| Governmental Funds: | | | | | | | | | | | |
| Illnois Affordable Housing Trust Fund | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 12 | $ - | $ - | $ 12 |
| CV Remediation Emer Fund | - | - | - | - | - | - | - | 164 | - | - | 164 |
| Nonmajor Govermental Funds | - | - | - | - | - | - | - | 4 | - | - | 4 |
| Proprietary Funds: | | | | | | | | | | | - |
| Administrative Fund | - | 958 | 123 | - | 7,730 | 3 | 41 | - | 8,336 | 58,578 | 75,769 |
| Mortgage Loan Program Fund | - | - | - | - | - | - | - | 33,526 | - | - | 33,526 |
| Single Family Program Fund | - | - | - | - | - | - | - | 2,031 | - | - | 2,031 |
| Total | $ - | $ 958 | $ 123 | $ - | $ 7,730 | $ 3 | $ 41 | $ 35,737 | $ 8,336 | $ 58,578 | $ 111,506 |

The interfund accounts receivable (payable) between the Mortgage Loan Program Fund and the Administrative Fund primarily consist of Housing Bonds transfer for funding access 4% Down Payment Assistance program and Multi-Family Revenue Bond special program fund and Affordable Housing Trust Fund transfer for funding Single Family loan origination and securitization programs of $18 million in fiscal year 2021. It also includes the fiscal year 2000 operating transfer of $10.4 million to Multi-Family Housing Revenue Bond Accounts made from the Administrative Fund in conjunction with the issuance of the Multi-Family Housing Revenue Bonds, Series 2000A, subsequently refunded with the Housing Bond 2008B, (Lakeshore Plaza Development) and the corresponding transfer of the carrying value of the real estate investment, partially reversed by a $5.4 million fiscal year 2006 transfer to the Administrative Fund. The Authority intends to reverse the remaining amounts of the transfers upon the disposition of Lakeshore Plaza.

Other interfund payables from the Administrative Fund to governmental and proprietary funds primarily consist of deposits of loan debt service payments that will be transferred subsequent to the fiscal year end. Funds are transferred from one fund to support expenses of other funds, including operating activities, bond issuances, and bond redemptions in accordance with authority established for the individual fund. Interfund balances result from timing differences between the date a disbursement is made by the Proprietary Funds and Governmental Funds and the date the Proprietary Funds and Governmental Funds receives reimbursement from other funds.

NOTE 4 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

**Transfers**

The Authority records transfers between program funds for various purposes including fund closings, earnings transfers, program subsidies, and advances for the initial financing of the Authority's programs.

Transfers (in thousands) for the year ended June 30, 2021, consisted of the following:

| | Transfers Out | | |
|---|---|---|---|
| | Proprietary Funds | | |
| Transfers In | Administrative Fund | Single Family Program Fund | Total |
| Proprietary Funds: | | | |
| Single Family Program Fund | $ 2,781 | $ - | $ 2,781 |
| | $ 2,781 | $ - | $ 2,781 |
| | (A) | | |

(A) Transfer totaling $2,781 thousand from the Administrative Fund to Single Family Program Fund funded costs related to issuance of Revenue Bonds ($815 thousand - RB 2020 B&C) and ($818 thousand - RB2021A), and ($1,148 thousand - RB2021 B&C).

## NOTE 5 PROGRAM LOANS RECEIVABLE

The following summarizes program loans receivable, net of allowance for estimated losses, activity for the Authority for the year ended June 30, 2021, follows, in thousands:

| | Net Program Loans Receivable June 30, 2020 | Loan Disbursements | Loan Repayments | Loan Transfer In/(Out) | (Increase)/ Decrease in Loan Loss Allowance | Net Program Loans Receivable June 30, 2021 |
|---|---|---|---|---|---|---|
| Governmental Funds: | | | | | | |
| Illinois Affordable Housing Trust Fund | $ 315,403 | $ 30,278 | $ (13,709) | $ - | $ (8,506) | $ 323,466 |
| HOME Program Fund | 273,743 | 15,900 | (4,313) | - | (2,287) | 283,043 |
| Build Illinois Bond Program | 5,012 | - | (27) | - | (996) | 3,989 |
| ARRA Program | 69,068 | 39 | (269) | - | (2,212) | 66,626 |
| Hardest Hit Fund | 769 | 134 | (34) | (869) | - | - |
| NSP | 2,651 | - | (6) | - | (13) | 2,632 |
| CDBG | 5,390 | - | - | - | 753 | 6,143 |
| National Housing Trust Fund | 5,521 | 4,344 | - | - | (96) | 9,769 |
| Nonmajor Governmental Funds | 83,399 | 4,517 | (309) | (869) | (1,568) | 85,170 |
| Total Governmental Funds | $ 677,557 | $ 50,695 | $ (18,358) | $ (869) | $ (13,357) | $ 695,668 |
| Proprietary Fund: | | | | | | |
| Administrative Fund | 49,291 | 2,659 | (1,240) | 869 | (1,199) | 50,380 |
| Mortgage Loan Program Fund: | | | | | | |
| Housing Bonds | $ 149,839 | $ 12,550 | $ (44,511) | $ - | $ 647 | $ 118,525 |
| Multi-Family Initiative Bonds | 39,715 | - | (1,056) | - | (171) | 38,488 |
| Affordable Housing Program Trust Fund Bonds | 6,402 | 198 | (631) | - | (57) | 5,912 |
| Multi-Family Revenue Bonds | 68,663 | 131,860 | (824) | - | 274 | 199,973 |
| Total Mortgage Loan Program Fund | 264,619 | 144,608 | (47,022) | - | 693 | 362,898 |
| Single Family Program Fund: | | | | | | |
| Homeowner Mortgage Revenue Bonds | 135,675 | 10,735 | (31,955) | - | (428) | 114,027 |
| Revenue Bonds | 288 | - | (114) | - | 9 | 183 |
| Total Single Family Program Fund | 135,963 | 10,735 | (32,069) | - | (419) | 114,210 |
| Total Proprietary Funds | $ 449,873 | $ 158,002 | $ (80,331) | $ 869 | $ (925) | $ 527,488 |

Loans receivable in the Mortgage Loan Program Fund are secured by first mortgage liens on the related developments. Each development is subject to a regulatory agreement under which the Authority has certain powers relating to rents, profits, occupancy, management, and operations. Monies are required to be deposited in reserve accounts monthly by all mortgagors for real estate tax reserves and by substantially all mortgagors for insurance and replacement reserves. See note 9 regarding these reserves and other deposits held in escrow.

The ability of the mortgagors to make required payments on the mortgage loans receivable depends principally upon the related developments achieving and sustaining sufficient

## NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

occupancy and rental levels to support such payments. With respect to most developments financed from proceeds of Housing Bonds, the Authority, HUD, and the owners of the developments have entered into agreements whereby HUD will make, under its Section 8 Program, housing assistance payments for the developments. With respect to a portion of loans within its Housing Bond accounts, the Authority has made loans to finance developments entitled to interest reduction payments by HUD under Section 236 of the National Housing Act for all or a portion of the dwelling units in the developments. Such federal subsidies, together with the rents to be paid by the tenants, are estimated by the Authority prior to its issuing an initial mortgage loan commitment, to provide sufficient funds to pay the costs of operation, maintenance, administration, mortgage payments, and Authority fees with respect to each of the developments.

For certain past delinquencies, the related developments have not been able to generate net rental income sufficient to pay scheduled debt service and reserve deposits in full. In the opinion of the Authority, these deficiencies of net rental income have arisen for various reasons including (i) the existence of physical defects in the development which have caused operational problems, (ii) higher than anticipated operating expenses of the development, and (iii) depressed rental market conditions in the development's local area.

In certain cases, cash deficiencies of developments, including certain developments as to which the related mortgage loans are not delinquent as to scheduled debt service payments or required reserve deposits, have been funded in part by advances from the owners of the respective developments. However, there generally can be no assurance that the owners will make additional advances for this purpose. For certain mortgage loans, the Authority holds reserve deposits and letters of credit that may be applied toward delinquencies.

At June 30, 2021, for loans financed under the Mortgage Loan Program Fund, one loan was in arrears in amounts equal to more than three months debt service payments or required deposits to tax and insurance and/or replacement reserves, totaling $0.5 million and $1.1 million, respectively.

The Authority has pursued actions available under the mortgage and regulatory agreements to cure certain delinquencies. With respect to some developments, the need for capital improvements, repairs, marketing campaigns and other expenditures may be indicated. Where necessary and appropriate, the Authority has committed and/or advanced residual income loans from the Administrative Fund or mortgage loan increases from the related program account to finance these expenditures. In certain instances, the Authority has initiated actions to effect necessary changes in the management of the developments. In addition, the Authority has, in some cases, filed suit against the applicable general contractors and/or bonding companies seeking corrections of the development's physical defects and has

## NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

instituted foreclosure proceedings for certain developments.

The Authority's policy for converting mortgage loans, except for loans financed under the Single Family Mortgage Loan Program, to non-accrual status is to discontinue the accrual of interest when a loan becomes 90 days past due. In addition, the Authority does not accrue interest income on loans in which payments are to be made from residual receipts of the development. Payments on such loans are recognized only as received. For loans receivable within the Single Family Mortgage Loan Program, the Authority accrues interest income on all loans unless they become real estate owned properties, at which time the accrual is suspended.

The Authority does not accrue interest income on approximately $5.8 million of mortgage loans recorded in the Administrative Fund. Payments made on such loans, which generally are payable from residual receipts, if any, of the affected development funds, are recognized only as received. The annual amount of interest on these loans is approximately $108.2 thousand.

The Authority, through its Housing Partnership Program, provides loans to not-for-profit organizations, community groups and cities to finance the rehabilitation of existing housing and for the construction of new housing for low- and moderate-income persons and families. The program's activities are recorded in the Administrative Fund.

In fiscal year 2016, the Authority entered into a new financing agreement with the Federal Financing Bank (FFB), an arm of the United States Department of Treasury, for selling beneficial ownership interests in mortgage loans originated by housing finance agencies and insured under the FHA-HFA Risk Sharing Program. The Authority sells beneficial ownership interest in its mortgages under this program to FFB. Beneficial ownership interest in mortgage loans that the Authority sells to the FFB will be evidenced by certificates of participation from the Authority. The monthly mortgage payments from the borrower will be used to repay the interest to the FFB and principal payments will reflect the scheduled mortgage principal payments. Through fiscal year 2021, the Authority sold beneficial ownership interests in loans for seventeen affordable Multi-Family developments totaling $121.5 million to the FFB.

The Authority, as of June 30, 2021, has 55 outstanding Risk Sharing Loans totaling $441.9 million and elected that HUD assume 10% to 90% of the loss with respect to those loans as a result of the existing Risk Sharing agreement. Three of these loans totaling $13.5 million were financed through the issuance of the Authority's Housing Bonds, eight loans totaling $38.9 million were financed through the issuance of the Authority's Multi-Family Initiative Bonds, thirteen loans totaling $199.0 million were financed through the issuance of the Authority's Multi-Family Revenue Bonds and four loans totaling $8.74 million were financed by the

## NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

Administrative Fund. The remaining 28 loans totaling $181.7 million are not included in the Authority's financial statements as the Authority sold 10% to 90% participation interests in the loans to outside parties.

At June 30, 2021, for loans financed under the FHA-HFA Risk Sharing Program were the Authority sold 100% participation interest in the loans to outside parties, there were no amounts in arrears equal to more than two months debt service payments or required deposits to tax and insurance and/or replacement reserves.

At June 30, 2021, for loans financed under the Mortgage Participation Certificate Program, where the Authority has sold 100% participation interests in the loans to outside parties, one loan was in arrears in amounts equal to more than three months debt service payments and required deposits to tax and insurance and/or replacement reserves, totaling $9.2 thousand and $472.8 thousand respectively. The loss reserve for loans financed under this program, totaling $962 thousand as of June 30, 2021, is recorded in accrued liabilities (and other) in the Administrative Fund.

As of June 30, 2021, for mortgage loans insured with Ambac Assurance Corporation (Ambac) on Multi-Family housing developments under the Authority's Mortgage Participation Certificate Program, the Authority has outstanding three Ambac loans totaling $5.5 million. These loans are not included in the Authority's financial statements as the Authority sold 100% participation interests in the loans to outside parties. Ambac has guaranteed repayment of principal and interest due on a timely or accelerated basis in accordance with the agreement between the Authority and Ambac. The agreement allows (or provides) the Authority to share its risk with Ambac on the aggregate loan portfolio after the satisfaction of certain requirements and thresholds.

In March of 2021, the remaining loan receivables of the Hardest Hit Fund (HHF) were transferred to the Administrative Fund in the amount of $869 thousand due to the close out of the HHF program.

## NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

The following summarizes the changes in the allowance for estimated losses on program loans receivable during the year ended June 30, 2021, follows in, thousands:

| | Allowance for Estimated Losses June 30, 2020 | Provision for/ (Reversal of) Estimated Losses | Write-Offs of Uncollectible Losses, Net of Recoveries | Allowance for Estimated Losses June 30, 2021 |
|---|---|---|---|---|
| Governmental Funds: | | | | |
| Illinois Affordable Housing Trust Fund | $ 30,802 | $ 8,594 | $ (88) | $ 39,308 |
| HOME Program Fund | 26,748 | 2,335 | (48) | 29,035 |
| Build IL Bond Program - BIBP | 3,432 | 996 | 1 | 4,429 |
| Nonmajor Governmental Funds | 6,270 | 1,568 | 1 | 7,839 |
| Total Governmental Funds | $ 67,252 | $ 13,493 | $ (134) | $ 80,611 |
| Proprietary Funds: | | | | |
| Administrative Fund | $ 4,458 | $ 1,232 | $ (33) | $ 5,657 |
| Mortgage Loan Program Fund | 4,266 | (688) | (5) | 3,573 |
| Single Family Program Fund | 2,186 | 420 | - | 2,606 |
| Total Proprietary Funds | $ 10,910 | $ 964 | $ (38) | $ 11,836 |

The provision for estimated losses for the Illinois Affordable Housing Trust Fund is recorded as a reduction to the amount due to the State of Illinois to reflect the State of Illinois net position interest in the program.

State statute (30 ILCS 205/2) requires that all uncollected receivables due that exceed $1,000 be submitted to the Illinois Attorney General to be certified as uncollectible before the Authority can delete such receivables from its records. As of June 30, 2021, the Authority has eleven loans certifications outstanding, totaling $214 thousand. Certification requests are anticipated to be filed as loss amounts are determined following the conclusion of foreclosure or other loss mitigation activities. The Authority has established provisions for estimated losses against such loans requested and to be requested for such certifications in amounts equal to the outstanding principal balances of the loans.

In response to the COVID-19 pandemic and related economic disruption to non-essential businesses and increased unemployment, the Authority has increased its Allowance for Loan Loss by $11.5 million to reflect current market conditions. Per paragraph 33 of GASB Statement No. 62, the Authority prorated this increase based on the share of the account balance across the funds except for the Illinois Affordable Housing Trust Fund. The loan loss reserve requirement has increased due to additional risk-based factors applied to the entire portfolio, including credit, market, operational factors, and macro-economic factors.

NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

However, as the full impact of the pandemic and related economic disruption are still developing, the actual COVID-19 related losses may be higher or lower than this amount.

Scheduled receipts of principal on gross program loans receivable in certain governmental funds and proprietary funds in the five years subsequent to June 30, 2021, and thereafter are as follows (in thousands):

**Governmental Funds**

| | Illinois Affordable Housing Trust Fund | HOME Program Fund | Build Illinois Bonds Program Fund | American Recovery and Reinvestment Act Fund |
|---|---|---|---|---|
| 2022 | $ 10,548 | $ 12,340 | $ 26 | $ 235 |
| 2023 | 12,539 | 11,202 | 26 | 220 |
| 2024 | 9,964 | 19,128 | 26 | 227 |
| 2025 | 10,136 | 6,461 | 26 | 236 |
| 2026 | 12,541 | 14,305 | 26 | 246 |
| After 2026 | 307,046 | 248,642 | 8,288 | 72,949 |
| | $ 362,774 | $ 312,078 | $ 8,418 | $ 74,113 |

**Proprietary Funds**

| | Administrative Fund | Mortgage Loan Fund | Single Family Fund |
|---|---|---|---|
| 2022 | $ 1,112 | $ 5,798 | $ 11,083 |
| 2023 | 627 | 6,035 | 11,062 |
| 2024 | 928 | 7,005 | 11,063 |
| 2025 | 1,674 | 8,932 | 11,025 |
| 2026 | 9,195 | 8,473 | 11,005 |
| After 2026 | 42,501 | 330,228 | 61,578 |
| | $ 56,037 | $ 366,471 | $ 116,816 |

Amounts recorded as due from FNMA (Fannie Mae) and the Federal Home Loan Mortgage Corporation (FHLMC/Freddie Mac) in the Mortgage Loan Program Fund represent the disbursed bond proceeds and accrued interest on certain bond issues which are secured by credit enhancements provided by FNMA and FHLMC. Under these obligations, the bond trustee may draw funds directly from FNMA and FHLMC when needed and in amounts sufficient to make timely payments of principal and interest on the bond issues when due and payable.

## NOTE 6 REAL ESTATE HELD FOR SALE

An analysis of real estate for sale, net of allowance for estimated losses, as of June 30, 2021, is shown below in, thousands:

**Proprietary Funds:**

| | Mortgage Loan Program Fund | Single Family Program Fund | Total |
|---|---|---|---|
| Balance at June 30, 2020 | $ 385 | $ 155 | $ 540 |
| Transfers of Loans | 5 | 665 | 670 |
| Proceeds Received/Write-Offs | (410) | (968) | (1,378) |
| Change in Loan Loss Allowance | 20 | 186 | 206 |
| Balance at June 30, 2021 | $ - | $ 38 | $ 38 |

## NOTE 7 CAPITAL ASSETS

Capital asset activity for year ended June 30, 2021, for governmental activities was as follows, in thousands:

| | Balance June 30, 2020 | Additions | Deletions | Balance June 30, 2021 |
|---|---|---|---|---|
| Capital Assets Being Depreciated: | | | | |
| Furniture and Equipment | $ 153 | $ - | $ (153) | $ - |
| Total Capital Assets Being Depreciated | 153 | - | (153) | - |
| Accumulated Depreciation: | | | | |
| Furniture and Equipment | 131 | 22 | (153) | - |
| Total Accumulated Depreciation | 131 | 22 | (153) | - |
| Capital Assets, Net of Depreciation | $ 22 | $ (22) | $ - | $ - |

All depreciation expense in governmental activities was charged to other programs.

## NOTE 7 CAPITAL ASSETS (CONTINUED)

Capital asset activity for the fiscal year ended June 30, 2021, for business-type activities was as follows, in thousands:

| | Balance June 30, 2020 | Additions | Deletions | Balance June 30, 2021 |
|---|---|---|---|---|
| Capital Assets Being Depreciated: | | | | |
| Administrative Fund | | | | |
| Furniture and Equipment | $ 6,600 | $ 289 | $ (23) | $ 6,866 |
| Mortgage Loan Program Fund | | | | |
| Real Estate | 49,818 | 782 | (236) | 50,364 |
| Total Capital Assets Being Depreciated | 56,418 | 1,071 | (259) | 57,230 |
| Total Capital Assets | 56,418 | 1,071 | (259) | 57,230 |
| Accumulated Depreciation: | | | | |
| Administrative Fund | | | | |
| Furniture and Equipment | 4,443 | 866 | (23) | 5,286 |
| Mortgage Loan Program Fund | | | | |
| Real Estate | 24,644 | 1,162 | - | 25,806 |
| Total Accumulated Depreciation | 29,087 | 2,028 | (23) | 31,092 |
| Capital Assets, Net of Depreciation | $ 27,331 | $ (957) | $ (236) | $ 26,138 |

## NOTE 8 BONDS AND NOTES PAYABLE

The following summarizes the debt activity for the Authority's proprietary funds for the fiscal year ended June 30, 2021, in thousands:

| | June 30, 2020 | Additions | Deductions | June 30, 2021 | Amount Due Within One Year |
|---|---|---|---|---|---|
| Administrative Fund: | | | | | |
| Direct Borrowing | | | | | |
| Federal Home Loan Bank Advances | $ 18,482 | $ 255,920 | $ (256,749) | $ 17,653 | $ 6,652 |
| Total Administrative Fund | 18,482 | 255,920 | (256,749) | 17,653 | 6,652 |
| Mortgage Loan Program Fund: | | | | | |
| Direct Placement | | | | | |
| Multi-Family Initiative Bonds | 130,850 | - | (2,761) | 128,089 | 2,779 |
| Multi-Family Revenue Bonds | 5,750 | 119,875 | - | 125,625 | 285 |
| Other Debt: | | | | | |
| Housing Bonds | 130,710 | - | (24,199) | 106,511 | 37,626 |
| Multi-Family Revenue Bonds | 91,416 | - | (730) | 90,686 | 774 |
| Total Mortgage Loan Program Fund | 358,726 | 119,875 | (27,690) | 450,911 | 41,464 |
| Single Family Program Fund: | | | | | |
| Other Debt: | | | | | |
| Homeowner Mortgage Revenue Bonds | 328,550 | - | (67,395) | 261,155 | 9,920 |
| Premium on Homeowner Mortgage Revenue Bonds | 4,718 | - | (1,050) | 3,668 | - |
| Housing Revenue Bonds | 80,275 | - | (23,373) | 56,902 | 1,595 |
| Premium on Housing Revenue Bonds | 134 | - | (110) | 24 | - |
| Discount on Housing Revenue Bonds | (802) | - | 24 | (778) | - |
| Revenue Bonds | 715,763 | 359,280 | (165,887) | 909,156 | 22,707 |
| Premium on Revenue Bonds | 24,024 | 13,930 | (5,406) | 32,548 | - |
| Total Single Family Program Fund | 1,152,662 | 373,210 | (263,197) | 1,262,675 | 34,222 |
| Total Proprietary Funds | $ 1,529,870 | $ 749,005 | $ (547,636) | $ 1,731,239 | $ 82,338 |

Bonds and notes outstanding are general obligations (G.O.) of the Authority with the exception of Homeowner Mortgage Revenue Bonds, Housing Revenue Bonds, Revenue Bonds, Multi-FamilyInitiative Bonds and Multi-Family Revenue Bonds, which are special limited obligations (S.L.O.) of the Authority. S.L.O. bonds, other than Housing Revenue Bonds, Revenue Bonds, and specific series of Homeowner Mortgage Revenue Bonds are payable from

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

pledged property as defined in their respective general resolutions. Housing Revenue Bonds, Revenue Bonds, and specific series of Homeowner Mortgage Revenue Bonds are payable from pledged mortgage-backed securities. Certain issues of Multi-Family Initiative Bonds are credit enhanced by FNMA and FHLMC. The Authority has also pledged its general obligations to the payment of the Affordable Housing ProgramTrust Fund Bonds to a limited extent and amounts. Per GASB Statement No. 88 disclosure requirements, the Authority is required to disclose direct borrowings, direct placement of debt, as well as other debt that it may hold. As seen in the table above, the Authority currently holds $17.6 million in direct borrowings of debt,

all within the Administrative Fund. The Authority also holds $253.7 million in direct placements of debt, all within the Mortgage Loan Program fund. The remainder of debt held by the Authority is classified as Other Debt, and is located within the Mortgage Loan Program Fund, $197.1 million and the Single Family Program Fund, $1.2 billion, for an Other Debt total of $1.4 billion.

The Authority has pledged future mortgage loan and mortgage-backed security revenues, net of specified operating expenses, to repay outstanding principal $1.57 billion of S.L.O. bonds as noted in the following schedules for the Mortgage Loan Program Fund and Single Family Program Fund. The total principal and interest remaining to be paid on the S.L.O. Bonds is $2.31 billion. For S.L.O. bonds payable from pledged property, interest paid for the fiscal year ended June 30, 2021, was $31.0 million, and total related mortgage loan principal and interest received were $31.0 million and $12.8 million, respectively.

Bonds and notes outstanding at June 30, 2021, are as follows. Listed maturity dates are indicated as calendar years. The June 30, 2020, amounts are shown for comparative purposes only.

The Authority’s outstanding obligations from direct borrowing relating to business-type activities contain provisions declaring events of default based on nonpayment on monies owed, failure to meet certain conditions under the governing documents, the Authority ceasing to be eligible as a housing associate under the Act, and other defined provisions within the applicable agreements. The lenders under each of the agreements have rights of principal acceleration under the governing documents based on aforementioned events of default. Subject to the provisions outlined within the respective agreements, additional remedies and enforcement exist.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

## A. Mortgage Loan Program Fund

Bonds outstanding of the Mortgage Loan Program Fund are as follows, in thousands:

| | Maturity Dates | Interest Rate Range% | Debt Class | Amount June 30, 2021 | Amount June 30, 2020 |
|---|---|---|---|---|---|
| Housing Bonds: | | | | | |
| 2008 Series A (1) | 2021-2027 | Variable | G.O. | $ 9,850 | $ 10,210 |
| 2008 Series B (1) | 2021-2027 | Variable | G.O. | 18,285 | 20,385 |
| 2008 Series C (1) | 2021-2041 | Variable | G.O. | 4,351 | 4,470 |
| 2013 Series B (Taxable) | 2021-2033 | 2.90-4.44 | G.O. | 15,525 | 21,385 |
| 2015 Series A-1 | 2021–2034 | 2.30-3.85 | G.O. | 5,125 | 9,665 |
| 2015 Series A-2 (Taxable) | 2021-2022 | 3.04-3.26 | G.O. | 980 | 1,730 |
| 2015 Series A-3 (Taxable) (1) | 2045 | Variable | G.O. | 20,415 | 22,580 |
| 2017 Series A-1 (Taxable) | 2021-2022 | 2.62-2.91 | G.O. | 1,980 | 10,285 |
| 2017 Series A-2 (Taxable) (1) | 2027-2048 | Variable | G.O. | 30,000 | 30,000 |
| Total Housing Bonds | | | | $ 106,511 | $ 130,710 |

(1) In accordance with the indenture, interest rates on the bonds are determined weekly and are paid monthly at a rate established by the remarketing agents on each rate determination date. The variable rates paid on the subject bonds ranged from 0.04% to 0.06% at June 30, 2021. Pursuant to the liquidity agreements, the bonds are subject for purchase by liquidity providers in the event of a tender by bondholders (Bank Bonds). Subject to other provisions within the liquidity agreements, the Bank Bonds will bear interest at a rate specified within the agreements and continue to be subject for remarketing-by-remarketing agents. In the event the remarketing agents are unable to remarket the Bank Bonds over a certain period of time, the Bank Bonds are subject to a put whereby the Authority is required to purchase and redeem the Bank Bonds over a period stated within the agreements. The Authority has a take-out agreement with the liquidity providers to convert the bonds to an installment loan payable over a three-to-five-year period. The interest rate that is to be paid during the put periods is LIBOR plus 150 basis points. The current liquidity agreements for 2008 Series A, B, and C expire on April 24, 2024. The current agreements for 2015 Series A-3 and 2017 Series A-2 expire on December 30, 2024, and February 14, 2022, respectively.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

### A. Mortgage Loan Program Fund (Continued)

The bonds and Bank Bonds are general obligations of the Authority and the timely payment of principal and interest on the bonds and Bank Bonds are subject to credit enhancement agreements with credit enhancement providers. The Authority has a general obligation to reimburse the liquidity providers and credit enhancement providers for any such payments made.

Bonds outstanding of the Mortgage Loan Program Fund are as follows, in thousands:

| | Maturity Dates | Interest Rate Range% | Debt Class | Amount June 30, 2021 | Amount June 30, 2020 |
|---|---|---|---|---|---|
| Multi-Family Initiative Bonds: | | | | | |
| Series 2009 B | 2021–2051 | 3.50% | S.L.O. | $ 6,840 | $ 7,110 |
| Series 2009 C | 2021–2051 | 3.01 | S.L.O. | 17,410 | 17,810 |
| Series 2009 D | 2021–2041 | 3.48 | S.L.O. | 52,630 | 53,580 |
| Series 2009 E | 2021–2042 | 2.32 | S.L.O. | 4,120 | 4,200 |
| Series 2009 F | 2021–2041 | 2.32 | S.L.O. | 4,940 | 5,040 |
| Series 2009 G | 2021–2041 | 2.32 | S.L.O. | 7,400 | 7,570 |
| Series 2009 H | 2021–2041 | 2.32 | S.L.O. | 9,820 | 10,020 |
| Series 2009 I | 2021–2051 | 2.32 | S.L.O. | 8,709 | 8,870 |
| Series 2009 J | 2021–2043 | 3.84 | S.L.O. | 16,220 | 16,650 |
| Total Multi-Family Initiative Bonds | | | | 128,089 | 130,850 |
| Multi-Family Revenue Bonds: | | | | | |
| 2016 Series A (Taxable) | 2021–2048 | 2.63 | S.L.O. | 13,601 | 13,904 |
| 2017 Series A | 2021–2059 | 4.05 | S.L.O. | 25,526 | 25,743 |
| 2017 Series B | 2021–2043 | 3.21 | S.L.O. | 10,008 | 10,219 |
| 2019 Series A | 2023-2063 | 1.50-3.40 | S.L.O. | 41,550 | 41,550 |
| 2020 Series A | 2021-2060 | 1.45-3.85 | S.L.O. | 5,750 | 5,750 |
| 2020 Series B | 2022-2062 | 2.15-4.10 | S.L.O. | 2,935 | - |
| 2020 Series C | 2022-2062 | 2.20-4.10 | S.L.O. | 1,650 | - |
| 2020 Series D (Taxable) | 2022-2062 | 3.30-4.65 | S.L.O. | 1,695 | - |
| 2021 Series A | 2024-2041 | 2.07 | S.L.O. | 84,895 | - |
| 2021 Series B | 2022-2042 | 0.40-2.06 | S.L.O. | 28,700 | - |
| Total Multi-Family Revenue Bonds | | | | 216,311 | 97,165 |
| Total Mortgage Loan Program Fund | | | | $ 450,911 | $ 358,725 |

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

### B. Single Family Program Fund

Bonds outstanding of the Single Family Program Fund are as follows, in thousands:

| | Maturity Dates | Interest Rate Range% | Debt Class | Amount June 30, 2021 | Amount June 30, 2020 |
|---|---|---|---|---|---|
| Homeowner Mortgage Revenue Bonds: | | | | | |
| 2001 Series F (Taxable) | 2021 | Variable | S.L.O. | $ - | $ 920 |
| 2002 Series B (Taxable) (1) | 2021-2023 | Variable | S.L.O. | 270 | 465 |
| 2004 Series C-3 (2) | 2025–2034 | Variable | S.L.O. | 10,095 | 10,725 |
| 2011 Series B | 2021 | 4.00-5.00 | S.L.O. | - | 80 |
| 2014 Series A | 2021-2035 | 2.75-4.00 | S.L.O. | 14,520 | 25,090 |
| 2014 Series A-4 (Taxable) (2) | 2026-2034 | Variable | S.L.O. | 10,675 | 10,675 |
| 2014 Series A-5 (Taxable) (2) | 2025-2035 | Variable | S.L.O. | 20,000 | 20,000 |
| 2014 Series B | 2021-2024 | 2.75-3.40 | S.L.O. | 1,345 | 1,730 |
| 2016 Series A (Taxable) | 2021-2034 | 2.91-4.00 | S.L.O. | 19,550 | 50,245 |
| 2016 Series B | 2021-2046 | 1.85-3.50 | S.L.O. | 10,410 | 17,535 |
| 2016 Series C | 2022-2046 | 1.50-3.50 | S.L.O. | 81,065 | 86,405 |
| 2018 Series A-1 | 2026-2048 | 2.95-4.00 | S.L.O. | 48,125 | 56,255 |
| 2018 Series A-2 | 2038 | Variable | S.L.O. | 30,000 | 30,000 |
| 2018 Series A-3 | 2021-2026 | 2.65-3.35 | S.L.O. | 15,100 | 18,425 |
| | | | | 261,155 | 328,550 |
| Plus Unamortized Premium Thereon | | | | 3,668 | 4,718 |
| Total Homeowner Mortgage Revenue Bonds | | | | $ 264,823 | $ 333,268 |

(1) In accordance with the indenture, interest rates on the 2002 Series B bonds are determined and paid semi-annually based upon an index of the one-month LIBOR rate plus 0.415%. The variable rates paid on the subject bonds was 0.5009 % at June 30, 2021.

(2) In accordance with the indenture, interest rates on the bonds are determined weekly and are paid monthly at a rate established by the remarketing agents on each rate determination date. The variable rates paid on the subject bonds ranged from 0.14% to 0.22% at June 30, 2021. Pursuant to the liquidity agreements, the bonds are subject for purchase by liquidity providers in the event of a tender by bondholders (“Bank Bonds”). Subject to other provisions within the liquidity agreements, the Bank Bonds will bear interest at a rate specified within the agreements and continue to be subject for remarketing by remarketing agents. In the event the remarketing agents are unable to remarket the Bank Bonds over a certain period of time, the Bank Bonds are subject to a put whereby the Authority is required to purchase and redeem the Bank Bonds over a period stated within the agreements. The Authority has a take-out agreement with the liquidity providers to convert the bonds to an installment loan payable over a three-to-five-year period. The interest rate that is to be paid during the put periods is LIBOR plus 50 basis points for 2004 Series C-3, LIBOR plus 150 basis points for 2014 Series A-4 and 2014 Series A-5, and LIBOR plus 150 basis points for Series 2018 A-2. The liquidity agreement for 2004 Series C-3 expires on July 13, 2025. The liquidity agreements for 2014 Series A-4 and 2014 Series A-5 expire on March 15, 2024, and March 10, 2024, respectively, and the liquidity agreements for 2018 Series A-2 expire on July 11, 2023.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

**B. Single Family Program Fund (Continued)**

Bonds outstanding of the Single Family Program Fund are as follows, in thousands:

| | Maturity Dates | Interest Rate Range% | Debt Class | Amount June 30, 2021 | Amount June 30, 2020 |
|---|---|---|---|---|---|
| Housing Revenue Bonds: | | | | | |
| Series 2011-1A | 2021–2041 | 3.285% | S.L.O. | $ 2,977 | $ 4,769 |
| Series 2011-1B | 2021 | 3.285 | S.L.O. | 937 | 6,017 |
| Series 2011-1C | 2021–2041 | 3.285 | S.L.O. | 7,500 | 7,500 |
| Series 2012A (Taxable) | 2021–2042 | 2.625 | S.L.O. | 10,123 | 14,224 |
| Series 2013A | 2021–2043 | 2.450 | S.L.O. | 23,705 | 31,619 |
| Series 2013B (Taxable) | 2021–2043 | 2.750 | S.L.O. | 6,257 | 8,764 |
| Series 2013C | 2021–2043 | 3.875 | S.L.O. | 5,403 | 7,382 |
| | | | | 56,902 | 80,275 |
| Plus Unamortized Premium Thereon | | | | 24 | 134 |
| Less Unamortized Discount Thereon | | | | (778) | (802) |
| Total Housing Revenue Bonds | | | | $ 56,148 | $ 79,607 |

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

### B. Single Family Program Fund (Continued)

Bonds outstanding of the Single Family Program Fund are as follows, in thousands:

| | Maturity Dates | Interest Rate Range% | Debt Class | Amount June 30, 2021 | Amount June 30, 2020 |
|---|---|---|---|---|---|
| Revenue Bonds: | | | | | |
| 2016 Series A | 2021-2046 | 0.95-4.00% | S.L.O. | $ 31,680 | $ 47,415 |
| 2017 Series A | 2021–2047 | 3.13 | S.L.O. | 31,705 | 49,443 |
| 2017 Series B | 2021–2048 | 1.35-4.00 | S.L.O. | 74,895 | 105,225 |
| 2018 Series A | 2021–2048 | 2.05-4.50 | S.L.O. | 62,790 | 84,160 |
| 2019 Series A | 2021–2049 | 1.60-4.25 | S.L.O. | 44,070 | 61,325 |
| 2019 Series B (1) | 2042 | variable | S.L.O. | 30,000 | 30,000 |
| 2019 Series C | 2021–2049 | 1.35-4.00 | S.L.O. | 68,580 | 88,955 |
| 2019 Series D | 2021-2050 | 1.20-3.75 | S.L.O. | 99,890 | 124,240 |
| 2020 Series A | 2021-2050 | 0.75-3.75 | S.L.O. | 108,165 | 125,000 |
| 2020 Series B | 2021-2050 | 0.15-3.00 | S.L.O. | 78,101 | - |
| 2020 Series C (1) | 2042 | variable | S.L.O. | 40,000 | - |
| 2021 Series A | 2021-2051 | 0.10-3.00 | S.L.O. | 95,000 | - |
| 2021 Series B | 2021-2051 | 0.10-3.00 | S.L.O. | 125,000 | - |
| 2021 Series C (taxable) | 2022-2031 | 0.015-2.228 | S.L.O. | 19,280 | - |
| | | | | 909,156 | 715,763 |
| Plus Unamortized Premium Thereon | | | | 32,548 | 24,024 |
| Total Revenue Bonds | | | | 941,704 | 739,788 |
| Total Single Family Program Fund | | | | $ 1,262,675 | $ 1,152,663 |

(1) In accordance with the indenture, interest rates on the bonds are determined weekly and are paid monthly at a rate established by the remarketing agents on each rate determination date. The variable rates paid on the subject bonds ranged from 0.02% to 0.03% at June 30, 2021, Pursuant to the liquidity agreements, the bonds are subject for purchase by liquidity providers in the event of a tender by bondholders (Bank Bonds). Subject to other provisions within the liquidity agreements, the Bank Bonds will bear interest at a rate specified within the agreements and continue to be subject for remarketing by remarketing agents. In the event the remarketing agents are unable to remarket the Bank Bonds over a certain period of time, the Bank Bonds are subject to a put whereby the Authority is required to purchase and redeem the Bank Bonds over a period stated within the agreements. The Authority has a take-out agreement with the liquidity providers to convert the bonds to an installment loan payable over a three-to-five-year period. The interest rate that is to be paid during the put periods is LIBOR plus 150 basis points for 2019 Series B. The interest rate that is to be paid during the put periods is SOFR plus 175 basis points for 2020 Series C. The liquidity agreement for 2019 Series B expires on March 7, 2024, and the liquidity agreement for 2020 Series C expires on October 15, 2025.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

### C. Administrative Fund

Outstanding debt of the Administrative Fund is as follows, in thousands:

| | Maturity Date | Interest Rate (1) | Debt Class | Amount June 30, 2021 | Amount June 30, 2020 |
|---|---|---|---|---|---|
| Direct Borrowing: | | | | | |
| Federal Home Loan Bank Advances: | | | | | |
| | 2021 | — | Loan | $ - | $ 4,000 |
| | 2021 | 1.89 | Loan | - | 1,503 |
| | 2021 | 2.03 | Loan | 1,313 | 1,313 |
| | 2022 | — | Loan | 5,000 | - |
| | 2024 | 2.35 | Loan | 1,406 | 1,406 |
| | 2027 | 2.37 | Loan | 956 | 1,101 |
| | 2027 | 2.70 | Loan | 8,978 | 9,160 |
| | | | | $ 17,653 | $ 18,482 |

(1) Interest rate on the loan(s) may be fixed or variable, and is determined by type, length, and use of proceeds.

### D. Defeased Debt

The Authority has defeased debt by placing the proceeds of new bonds and other amounts in an irrevocable trust to provide for all future debt service payments of the old bonds. At June 30, 2021, the following outstanding bonds are considered defeased. Table shown in thousands:

| Issue | Amount |
|---|---|
| Multi-Family Housing Bonds, 1981 Series A | $ 14,930 |

### E. Other Financings

From time to time, the Authority has issued conduit obligations with a claim for repayment solely from payments received with respect to the mortgage loans. The bonds are not general obligations of the Authority, and they are not a debt of the State of Illinois; neither is liable to pay interest and principal on the bonds. Accordingly, the bonds and the related mortgage loans are not included in the Authority's financial statements. The bonds do, however, apply toward the Authority's authorized debt limitation.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

**E. Other Financings (Continued)**

As of June 30, 2021, there were 88 series of such bonds or notes outstanding, with an aggregate principal amount payable of $1,147 million.

**F. Assets Restricted for Capital and Debt Service Reserves**

Pursuant to the Act and various resolutions of the Authority, certain assets (principally investments) are maintained in capital and debt service reserve funds and may be used only for the payment of principal and interest on certain bonds. The reserve funds must be maintained at an amount at least equal to the following:

| Bonds | Requirement |
|---|---|
| Housing Bonds | The amount established by each series resolution, currently six months of maximum principal and interest payments. |
| Multifamily Initiative Bonds | The maximum amount of principal and interest due on any interest payment date excluding the final interest payment date. |
| Multifamily Revenue Bonds | One-half of the maximum amount of principal and interest due for the then-current or any future calendar year. |
| Homeowner Mortgage Revenue Bonds | The sum of all amounts established by each series resolution, but such amount cannot be less than 2% for the Homeowner Mortgage Revenue Bonds of the sum of (i) the outstanding principal balance of related mortgage loans and (ii) the amount on deposit to the credit of series program accounts of the program fund. |

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

**F. Assets Restricted for Capital and Debt Service Reserves (Continued)**

The amounts of such reserves, for measurement purposes against the various bond resolution reserve requirements, are valued at book value or par, or, if purchased at less than par, at their cost to the Authority. At June 30, 2021, these reserve amounts, which were not less than the amounts required are as follows, in thousands:

| | |
|---|---|
| Housing Bonds | $ 4,077 |
| Multifamily Initiative Bonds | 1,385 |
| Multifamily Revenue Bonds | 5,210 |
| Homeowner Mortgage Revenue Bonds | 2,929 |
| Total | $ 13,601 |

**G. Debt Service Requirements**

Debt service requirements (dollars in millions) through 2026 and five year increments thereafter to maturity for the Authority's proprietary fund are as follows:

| | Administrative Fund Direct Borrowing | | Single Family Program Fund Other Debt | |
|---|---|---|---|---|
| | Principal | Interest | Principal | Interest |
| Year Ending June 30: | | | | |
| 2022 | $ 6.7 | $ 0.3 | $ 34.2 | $ 32.9 |
| 2023 | 0.4 | 0.3 | 39.8 | 32.3 |
| 2024 | 1.8 | 0.3 | 40.5 | 31.6 |
| 2025 | 0.4 | 0.2 | 40.3 | 30.8 |
| 2026 | 0.4 | 0.2 | 40.2 | 30.0 |
| Five Years Ending June 30: | | | | |
| 2027-2031 | 8.0 | 0.3 | 210.0 | 136.6 |
| 2032-2036 | - | - | 200.8 | 112.1 |
| 2037-2041 | - | - | 149.8 | 91.4 |
| 2042-2046 | - | - | 295.5 | 55.7 |
| 2047-2051 | - | - | 176.1 | 13.5 |
| | $ 17.7 | $ 1.6 | $ 1,227.2 | $ 566.9 |

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

### G. Debt Service Requirements (Continued)

| | Direct Placement of Debt | | Mortgage Loan Other Debt | | Total | |
|---|---|---|---|---|---|---|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| Year Ending June 30: | | | | | | |
| 2022 | $ 3.1 | $ 6.8 | $ 38.4 | $ 3.7 | $ 41.5 | $ 10.5 |
| 2023 | 3.6 | 6.7 | 6.3 | 3.5 | 9.9 | 10.2 |
| 2024 | 3.7 | 6.6 | 18.9 | 3.3 | 22.6 | 9.9 |
| 2025 | 5.9 | 6.4 | 6.8 | 3.1 | 12.7 | 9.5 |
| 2026 | 5.7 | 6.3 | 7.1 | 2.9 | 12.8 | 9.2 |
| Five Years Ending June 30: | | | | | | |
| 2027-2031 | 31.7 | 29.0 | 31.8 | 12.6 | 63.5 | 41.6 |
| 2032-2036 | 36.5 | 24.3 | 11.1 | 10.5 | 47.6 | 34.8 |
| 2037-2041 | 42.6 | 18.8 | 14.1 | 8.7 | 56.7 | 27.5 |
| 2042-2046 | 108.2 | 4.0 | 31.5 | 6.7 | 139.7 | 10.7 |
| 2047-2051 | 7.2 | 1.7 | 8.9 | 5.1 | 16.1 | 6.8 |
| 2052-2056 | 2.9 | 0.7 | 10.5 | 3.2 | 13.4 | 3.9 |
| 2057-2061 | 2.4 | 0.3 | 9.3 | 1.2 | 11.7 | 1.5 |
| 2062-2066 | 0.2 | - | 2.5 | - | 2.7 | - |
| | $ 253.7 | $ 111.6 | $ 197.2 | $ 64.5 | $ 450.9 | $ 176.1 |

The Authority's outstanding obligations from direct borrowing relating to business-type activities contain provisions declaring events of default based on nonpayment on monies owed, failure to meet certain conditions under the governing documents, the authority ceasing to be eligible as a housing associate under the Act and other defined provisions within the applicable agreements. The lenders under each of the agreements have rights of principal acceleration under the governing documents based on aforementioned events of default. Subject to the provisions outlined within the respective agreements, additional remedies and enforcement exist.

The Authority has a line of credit for cash advances with the Federal Home Loan Bank of Chicago up to $250 million. The current undrawn portion of the Authority's authorized amount is $232 thousand.

### H. Derivative Instruments

The incurring of obligations by the Authority involves a variety of interest rate payments and other risks, for which a variety of financial instruments are available to offset, hedge, or reduce these payments and risks. It is the policy of the Authority to utilize risk management agreements to better manage its assets and liabilities. The Authority may execute risk management agreements if the transaction can be expected to result in at least one of, but not limited to the following:

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

**H. Derivative Instruments (Continued)**

a) The achievement of savings over alternative products existing in the capital markets;
b) The management of the Authority's exposure to floating and fixed interest rates;
c) Ability to access the capital markets more rapidly than may be possible with conventional debt instruments;
d) The management of the Authority's exposure to the risk of changes in the legal and regulatory treatment of tax-exempt bonds; and
e) The ability of the Authority to increase income, lower costs, or strengthen the Authority's financial position.

As of June 30, 2021, the Authority has active swap and interest rate cap contracts. Details are shown in the following tables, in thousands.

| | Changes in Fair Value | | Fair Value at June 30, 2021 | | |
|---|---|---|---|---|---|
| | Classification | Amount | Classification | Amount | Notional |
| Business-Type Activities: | | | | | |
| Cash Flow Hedges: | | | | | |
| Pay-Fixed/Receive Variable, | | | | | |
| Interest Rate Swaps: | | | | | |
| HMRB | Deferred Outflow | $ 1,610 | * | $ (2,992) | $ 30,000 |
| RB | Deferred Outflow | $ 1,657 | * | $ (2,873) | $ 30,000 |
| RB | Deferred Inflow | $ 1,573 | ** | $ 1,573 | $ 40,000 |
| MFRB Maywood | Deferred Outflow | $ (358) | * | $ (358) | $ 24,995 |
| Rate Caps | | | | | |
| Housing Bonds | Deferred Inflow | $ (2) | ** | $ 12 | $ 15,280 |

* The fair value is classified as derivative instrument liability and a deferred outflow of resources.
** The fair value is classified as derivative instrument asset and a deferred inflow of resources.

The fair value of the interest rate swaps was estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps.

The fair value of the interest rate swap and rate caps were estimated by the Authority using data provided by the Authority's swap advisor.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

### H. Derivative Instruments (Continued)

6/30/2021 (Dollars in thousands)

| Associated Bond Issue | Notional Amounts | Effective Date | Fixed Rate Paid (3) | Variable Rate Received | Fair Values (1) | Termination Date | Counter-Party Credit Rating (2) |
|---|---|---|---|---|---|---|---|
| Active Swap Contracts: | | | | | | | |
| Single Family Program Fund: | | | | | | | |
| HMRB**: | | | | | | | |
| HMRB 2018 A-2 | $ 30,000 | 8/1/2018 | 2.3940 | 70% 1M LIBOR | $ (2,992) | 2/1/2038 | Aa2 / AA- / AA |
| RB***: | | | | | | | |
| RB 2018B | 30,000 | 3/7/2019 | 2.4310 | 100% SIFMA -> 70% LIBOR | (2,873) | 4/1/2042 | Aa2/ A+/ AA |
| RB 2020C | 40,000 | 10/15/2020 | 1.0570 | 100% SIFMA -> 70% LIBOR | 1,573 | 4/1/2042 | Aa2 / AA- / AA |
| | $ 100,000 | | | | $ (4,292) | | |
| Active Swap Contracts: | | | | | | | |
| Mortgage Loan Program Fund: | | | | | | | |
| RB***: | | | | | | | |
| MFRB Maywood | $ 24,995 | 7/1/2024 | 2.1470 | 70% SOFR Compound + 0.08% -> 70% LIBOR | $ (358) | 7/1/2064 | Aa2 / AA- / AA |
| Active Interest Rate Caps: | | | | | | | |
| Mortgage Loan Program Fund: | | | | | | | |
| HB****: | | | | | | | |
| Series 2008 A | $ 10,930 | 1/1/2018 | 6.0000 | 100% SIFMA | $ 12 | 1/1/2027 | A1 / A / A+ |
| Series 2008 C | 4,350 | 6/28/2006 | 4.7500 | 100% SIFMA | - | 6/30/2021 | Aa2 / A+ / AA |
| | $ 15,280 | | | | $ 12 | | |

** Homeowner Mortgage Revenue Bonds
*** Revenue Bonds
**** Housing Bonds
(1) Includes accrued interest.
(2) S&P/Moody's
(3) Represents rate for swap and cap rate for interest rate caps.

To protect against the potential of rising interest rates, the Authority has entered into pay fixed, receive variable, interest rate swap agreements. The objective of these agreements is to achieve a synthetic fixed interest rate on the underlying bonds at a cost anticipated to be less than the amounts paid had the Authority issued fixed rate debt. In addition, the Authority has entered into interest rate cap agreement, the objective of which is to establish a maximum debt service which may be paid over the life of the underlying bonds.

The terms, fair values, and credit ratings of the outstanding agreements as of June 30, 2021, are shown in the above table. The notional amount of the swap and caps match the principal amount of the associated debt except in the case of Series 2008 A where early redemption of bonds has reduced the outstanding bond amount leaving the notional amount of the interest rate cap at its original scheduled value.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

**H. Derivative Instruments (Continued)**

The Authority's swap and cap agreements in most cases contain scheduled reductions to outstanding notional amounts that are expected to approximately follow scheduled or an anticipated reduction in the associated bonds payable category.

Because interest rates have declined since the execution of the swap agreements in the Single- Family Program Fund, they have negative fair values as of June 30, 2021, except for RB 2020C which was entered in the current fiscal year. The negative fair value may be countered by reductions in total interest payments required under the variable-rate bonds, creating lower synthetic interest rates. Because the coupons on the Authority's variable rate bonds adjust to changing interest rates, the bonds do not have corresponding fair value changes.

As of June 30, 2021, the Authority was not exposed to credit risk for the swaps that had negative fair value. As interest rates change and the fair value becomes positive, the Authority is exposed to credit risk in the amount of the swap's or cap's fair value. The Authority is exposed to credit risk on the caps and swaps with positive fair value. The aggregate fair value of hedging derivative instruments with positive fair value on June 30, 2021, was $1.6 million. This represents the maximum loss that would be recognized at the reporting date if all counter-parties failed to perform as contracted. Fair value is a factor only upon termination.

Basis risk on a swap occurs when the variable payment received is based on an index other than the index on the underlying bonds. The Authority believes its swap agreements have been structured to minimize or eliminate this risk.

The Authority or the counterparty may terminate the swap agreements if the other party fails to perform under the terms of the agreements. If a swap is insured, a termination event occurs if the insurer fails to meet its obligations under the agreement.

The Authority is not exposed to rollover risk on its swap agreements. The Authority is exposed to rollover risk on hedging derivative instruments that are hedges of debt that mature or may be terminated prior to the maturity of the hedged debt. When these hedging derivative instruments terminate, the Authority will be re-exposed to the risks being hedged by the hedging derivative instrument. The Authority is exposed to rollover risk on the caps which have termination dates that occur prior to the final maturity of the related bonds.

## NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

### H. Derivative Instruments (Continued)

As of June 30, 2021, debt service requirements of the Authority's outstanding variable-rate debt and net swap payments, assuming current interest rates remain the same, for their term are as follows, in thousands:

| | Variable-Rate Bonds | | Interest Rate | |
|---|---|---|---|---|
| | Principal | Interest | Swap, Net | Total |
| Year Ending June 30: | | | | |
| 2022 | $ - | $ 30 | $ 1,841 | $ 1,871 |
| 2023 | 490 | 36 | 1,841 | 2,367 |
| 2024 | 495 | 36 | 1,840 | 2,371 |
| 2025 | 500 | 36 | 1,840 | 2,376 |
| 2026 | 505 | 35 | 1,840 | 2,380 |
| | 1,990 | 173 | 9,202 | 11,365 |
| Five Years Ending June 30: | | | | |
| 2031 | 9,265 | 165 | 9,202 | 18,632 |
| 2036 | 46,140 | 129 | 7,668 | 53,937 |
| 2041 | 48,770 | 44 | 2,684 | 51,498 |
| 2046 | 8,035 | 2 | 94 | 8,131 |
| | 112,210 | 340 | 19,648 | 132,198 |
| Total | $ 114,200 | $ 513 | $ 28,850 | $ 143,563 |

As rates vary, variable-rate bond interest payments and net swap payments will vary.

## NOTE 9 DEPOSITS HELD IN ESCROW

Deposits from developers, which are held in escrow in the Administrative Fund, may be used when necessary to pay principal and interest payments and fund construction cost overruns, change orders, tax and insurance payments and capital improvements (see Note 5). In addition, on certain developments, letters of credit and assignments of syndication proceeds are held by the Authority for similar purposes and to fund potential operating deficits of the related developments; investment income earned on deposited funds is credited to the respective developer's escrow accounts.

## NOTE 10 OPERATING LEASES

The Authority leased office facilities at one location 111 E. Wacker Ave. (111 facility) in Chicago, Illinois.

The Authority entered into a 10-year lease at 111 E. Wacker Drive in Chicago, Illinois, which commenced on November 6, 2016. The office lease provides for annual base rent of approximately $1,344,764 for fiscal year 2021, plus approximately $1,053,032 for the Authority's 6.5974% share of ownership taxes and operating expenses, which also are subject to adjustment, based on the actual costs incurred by the lessor. Base rent, ownership taxes and operating expenses totaling $180,692 per month were abated for the first 10 months of the lease. Under this lease, total rent expense for fiscal year 2021 was $2,732,116.

The future minimum lease commitments in the five years subsequent to June 30, 2021, and thereafter are as follows, in thousands:

| Year | Amount |
|---|---|
| 2022 | $ 2,122 |
| 2023 | 1,817 |
| 2024 | 1,817 |
| 2025 | 1,817 |
| 2026 | 1,817 |
| 2027 and thereafter | 606 |
| Total | $ 9,996 |

## NOTE 11 RISK MANAGEMENT

The bonds issued by the Authority after 1980 are subject to a variety of Internal Revenue Service (IRS) regulations that limit the amount of income that may be earned with nonmortgage investmentsto an amount not greater than the amount that would have been earned had the funds been invested at the yield on the bonds as defined by the IRS. Excess earnings must be rebated annually, or every five years, depending on the date and type of bond issue. It has been determined that there is no estimated rebate liability as of June 30, 2021.

In connection with various federal and state grant programs, the Authority is obligated to administer related programs and spend the grant funding in accordance with regulatory restrictions and is subject to audits by the grantor agencies. In the opinion of Authority management, any grant expenditures that may be disallowed by the grantor agency, if any, would not result in a material liability to the Authority.

## NOTE 11 RISK MANAGEMENT (CONTINUED)

The Authority carries commercial insurance for directors and officer's liability, general liability, employee health, workers' compensation, cyber liability, crime, property, and automobile ownership and usage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Insurance coverage has not changed significantly since the prior year.

## NOTE 12 RETIREMENT PLAN

The Authority provides a defined contribution retirement plan for the benefit of its employees through an agreement with Vanguard Investments. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Full time employees are eligible to participate in and are fully vested in the plan from the date of employment. All plan assets and investments are administered by a trustee, which maintains an individual account for each participant. The Authority contributes 6% of its employees' salaries and employees, at their option, may contribute up to 100% (within a maximum dollar limit) of their salaries to the plan. In addition, the Authority, under the provisions of the Economic Growth and Tax Relief Act of 2001, permits additional contributions each calendar year for those employees who attain age 50 (or higher) during the calendar year. The plan may be amended or terminated by the Authority at any time and for any reason in the future, but no such action can deprive employees of their vested interests.

The Authority's total payroll for the fiscal year 2021 was $26.6 million. The Authority's contributions were calculated using the base salary amount of $25.9 million. The Authority's contributed $1.6 million, or 6% of the base salary amount, in fiscal year 2021. Employee contributions amounted to $2.1 million, in fiscal year 2021, or approximately 8.024% of the base salary amount.

## NOTE 13 COMMITMENTS AND CONTINGENCIES

### A. Loans

At June 30, 2021, the Authority had authorized loans and grants totaling $32.7 million for the Illinois Affordable Housing Trust Fund.

Under the HOME Program, $548.6 million and $16.6 million for federal fiscal years 1992 through 2020 and 2021, respectively, have been allocated to the State by HUD, to be administered by the Authority, under the HOME Program provisions of the 1990 National Affordable Housing Act. At June 30, 2021, the Authority had authorized loans totaling $7.8 million for the HOME Program.

In accordance with an agreement (the FAF Agreement) entered into by the Authority and in 1982, annual Section 8 contributions payable to HUD with respect to the developments financed by certain of the Authority's Multi-Family Housing Bonds, would be reduced to the extent of the debt service savings resulting from the early redemption of these bonds.

These redemptions were accomplished through subsequent issuance of Multi-Family Housing Bonds.

In November of 2006, the Authority entered into a new agreement (the FAF Refunding Agreement) with HUD at the time of delivery of the Authority's Housing Bonds, 2006 Series G to refund the Multi-Family Housing Bond refunding bonds. Pursuant to federal legislation and a written agreement with the Authority, HUD has agreed to share a portion of such savings (the FAF Savings Program) with the Authority in order to create and maintain affordable housing opportunities for individuals of "very low income" (as such term is defined in the 1937 Housing Act) in the State. These savings, which are to be used solely for the purposes stated above, are recorded as other income of the Administrative Fund. At June 30, 2021, loans receivable under this program were approximately $42.3 million.

In addition, due to the ongoing COVID-19 pandemic the Authority has been appropriated further funds (CRF II) to assist with rental (ERA) and mortgage assistance (EMA) in the approximate amounts of $500 million.

## NOTE 13 COMMITMENTS AND CONTINGENCIES (CONTINUED)

### B. Issuances

A Summary of the Authority's outstanding issuances as of June 30, 2021, is as follows, in thousands:

| Series | Date of Commitment | Estimated Delivery Date | Amount Not to Exceed |
|---|---|---|---|
| Multi-Family Revenue Bonds: | | | |
| Southbridge 4% - As Part of a 2022 Nontaxable Refunding Issuance | 5/17/2019 | 2/1/2024 | $ 9,000 |
| Southbridge 9% - As Part of a 2022 Taxable Refunding Issuance | 5/17/2019 | 2/1/2024 | 7,000 |
| Barwell Manor - As Part of a 2022 Refunding Issuance | 10/18/2019 | 4/1/2024 | 13,500 |
| Major Jenkins - As Part of a 2023 Refunding Issuance | 10/29/2020 | 11/1/2023 | 8,640 |
| Hebron Apartments - As Part of a 2023 Refunding Issuance | 12/22/2020 | 1/1/2024 | 5,300 |
| Maywood SLF - As Part of a 2024 Refunding Issuance | 6/18/2021 | 6/18/2024 | 35,000 |

### C. Legal

The Authority is a defendant in various legal actions arising from normal business activities.Management believes, after consultation with legal counsel, that the ultimate liability, if any,resulting from these legal actions, will not materially affect the Authority's financial position or results of operations.

## NOTE 14 SUBSEQUENT EVENTS

Subsequent to June 30, 2021, the Authority has issued the following debt instruments, is as follows, in thousands:

| Series | Date of Issuance | Amount of Issuance | | Interest Rates | Maturities |
|---|---|---|---|---|---|
| Revenue Bonds: | | | | | |
| Series 2021 D (Fixed Rate) | 9/23/2021 | $ | 125,000 | 0.10-3.00 | 2022-2051 |
| Series 2021 E (Taxable) | 9/23/2021 | $ | 19,300 | 0.27-2.08 | 2022-2031 |
| Multi-Family Revenue Bonds: | | | | | |
| Series 2021 C (Non-AMT) | 9/29/2021 | $ | 78,005 | 0.60-3.05 | 2025-2065 |
| Series 2022 A (Non-AMT) | 2/17/2022 | $ | 21,800 | 3.53 | 2022-2062 |

On September 23, 2021, the Authority issued $78.0 million in aggregate principal amount of its Multi-Family Revenue Bonds, 2021 Series C (Non-AMT) (FHA Risk Sharing Insured Pass-Through) (the Bonds), the proceeds of which will be used to make a loan (the Bond Loan) for rehabilitation and equipping of a 394-unit Multi-Family residential housing development (Sheffield Seniors Development) located in Chicago, Illinois.

On September 29, 2021, the Authority issued its Revenue Bonds, 2021 Series D and E, in aggregate principal amount of $144.3 million. Proceeds of the Series 2021D and E Bonds together with other funds of the Authority are expected to be used to: (a) purchase, and/or reimburse the Authority for its prior purchase of mortgage-backed securities guaranteed as to timely payment of principal and interest by the Government National Mortgage Association, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation (or participation interests in such mortgage-backed securities), and (b) pay/reimburse the Authority for certain costs incurred in connection with the issuance of the Series 2021 D and E Bonds.

On February 17, 2022, the Authority issued $21.8 million in an aggregate principal amount of its Multi-Family Revenue Bonds, Series A (Non-AMT) (FHA Risking Sharing Insured) (the Bonds), the proceeds of which will be used to make a loan (the Bond Loan) for rehabilitations and equipping 87-unit (two Multi-Family residential housing development) (Orlando Apartments) located City of Decatur, Illinois.

Due to the ongoing COVID-19 pandemic the Authority has been appropriated further relief funds were provided through the American Rescue Plan Act of 2021, also called the COVID-19 Stimulus Package or American Rescue Plan, Pub L. No. 117-2 (March 11, 2021), is a $1.9 trillion economic stimulus bill passed by the 117th United States Congress and signed into law by President Joe Biden on March 11, 2021, to speed up the United States recovery from the economic and health effects of the COVID-19 pandemic and the ongoing recession. The COVID-19 relief package includes almost $50 billion in essential housing and homelessness assistance,

## NOTE 14 SUBSEQUENT EVENTS (CONTINUED)

including more than $27 billion for rental assistance, $10 billion for homeowner assistance, $5 billion for homelessness assistance, $4.5 billion for utility assistance, $100 million for housing counseling and $20 million for fair housing activities. Of this, more than $1.5 billion in direct funding to address pandemic-related housing needs is coming to Illinois, including more than $660 million in emergency rent assistance, almost $400 million in emergency mortgage assistance and more than $200 million in assistance for people experiencing homelessness. Illinois is also receiving more than 2,100 emergency housing vouchers. The Authority was appropriated $317.1 million on August 17, 2021, to assist Illinois residents who are unable to pay rent and utilities due to the COVID-19 pandemic.

On July 1, 2021, the $27 million of the Authority's bank balances that were not covered by federal depository insurance, or collateral held by an agent – as described in Note 3- was fully collateralized by additional securities provided by the banking institution.

At this time, the Authority is not aware of any other facts, decisions or conditions that are expected to have asignificant impact on financial position or results of operations.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

# SUPPLEMENTARY INFORMATION

State of Illinois

Illinois Housing Development Authority

Combining Balance Sheet – Nonmajor Governmental Funds (Dollars in Thousands)

As of June 30, 2021

(See Accompanying Independent Auditors' Report)

| | Foreclosure Prevention Program Fund | Community Development Block Grant Fund | American Recovery and Reinvestment Act Fund | Foreclosure Prevention Graduated Program Fund | Neighborhood Stabilization Program Fund | Abandoned Property Program Fund | National Housing Trust Fund | Section 811 Project Rental Assistance Demonstration Program Fund | Hardest Hit Fund | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | | | |
| **CURRENT ASSETS** | | | | | | | | | | |
| Cash and Cash Equivalents - Restricted | $ 867 | $ - | $ 1,277 | $ 730 | $ 95 | $ 4,518 | $ 21 | $ 6 | $ - | $ 7,514 |
| Program Loans Receivable | - | - | 235 | - | 3 | - | 30 | - | - | 268 |
| Grant Receivable | 7,350 | - | - | - | - | - | - | - | - | 7,350 |
| Interest Receivable on Program Loans | - | - | 20 | - | - | - | - | - | - | 20 |
| Due from Other Funds | - | - | - | - | 4 | - | - | - | - | 4 |
| Total Current Assets | 8,217 | - | 1,532 | 730 | 102 | 4,518 | 51 | 6 | - | 15,156 |
| **NONCURRENT ASSETS** | | | | | | | | | | |
| Program Loans Receivable, Net of Current Portion | - | 6,235 | 73,878 | - | 2,703 | - | 9,925 | - | - | 92,741 |
| Less Allowance for Estimated Losses | - | (91) | (7,487) | - | (74) | - | (187) | - | - | (7,839) |
| Net Program Loans Receivable | - | 6,144 | 66,391 | - | 2,629 | - | 9,738 | - | - | 84,902 |
| Total Noncurrent Assets | - | 6,144 | 66,391 | - | 2,629 | - | 9,738 | - | - | 84,902 |
| Total Assets | $ 8,217 | $ 6,144 | $ 67,923 | $ 730 | $ 2,731 | $ 4,518 | $ 9,789 | $ 6 | $ - | $ 100,058 |
| **LIABILITIES AND FUND BALANCES** | | | | | | | | | | |
| **CURRENT LIABILITIES** | | | | | | | | | | |
| Unearned Revenue | $ - | $ - | $ 21 | $ - | $ - | $ - | $ - | $ - | $ - | $ 21 |
| Accrued Liabilities and Other | - | - | - | - | - | - | - | 5 | - | 5 |
| Due to Other Funds | - | 1 | 3 | 14 | - | 2 | 20 | 1 | - | 41 |
| Total Current Liabilities | - | 1 | 24 | 14 | - | 2 | 20 | 6 | - | 67 |
| **FUND BALANCES** | | | | | | | | | | |
| Restricted | 8,217 | 6,143 | 67,899 | 716 | 2,731 | 4,516 | 9,769 | - | - | 99,991 |
| Total Fund Balances | 8,217 | 6,143 | 67,899 | 716 | 2,731 | 4,516 | 9,769 | - | - | 99,991 |
| Total Liabilities and Fund Balances | $ 8,217 | $ 6,144 | $ 67,923 | $ 730 | $ 2,731 | $ 4,518 | $ 9,789 | $ 6 | $ - | $ 100,058 |

State of Illinois

Illinois Housing Development Authority

Combining Statement of Revenues, Expenditures and

Changes in Fund Balances – Nonmajor Governmental Funds (Dollars in Thousands)

Fiscal Year Ended June 30, 2021

(See Accompanying Independent Auditors' Report)

| | Foreclosure Prevention Program Fund | Community Development Block Grant Fund | American Recovery and Reinvestment Act Fund | Foreclosure Prevention Graduated Program Fund | Neighborhood Stabilization Program Fund | Abandoned Property Program Fund | National Housing Trust Fund | Section 811 Project Rental Assistance Demonstration Program Fund | Hardest Hit Fund | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | | | | | |
| Grant from State of Illinois | $ 7,552 | $ - | $ - | $ 152 | $ - | $ 224 | $ - | $ - | $ - | $ 7,928 |
| Federal Funds | - | - | - | - | 359 | - | 7,088 | 1,060 | - | 8,507 |
| Interest and Other Investment Income | - | - | 175 | - | 18 | - | - | - | 38 | 231 |
| Other Income | - | - | 2 | - | - | - | - | - | - | 2 |
| Total Revenues | 7,552 | - | 177 | 152 | 377 | 224 | 7,088 | 1,060 | 38 | 16,668 |
| **EXPENDITURES** | | | | | | | | | | |
| General and Administrative | $ 262 | $ - | $ - | $ 201 | $ - | $ 1,349 | $ 459 | $ 99 | $ 14,478 | $ 16,848 |
| Grants | - | - | - | - | - | - | - | - | 139 | 139 |
| Financing Costs | 2,334 | - | - | 2,894 | 380 | 5,443 | 2,286 | 961 | 141 | 14,439 |
| Provision for (Reversal of) Estimated Losses on Program Loans Receivable | - | (754) | 2,213 | - | 14 | - | 95 | - | - | 1,568 |
| Total Expenditures | 2,596 | (754) | 2,213 | 3,095 | 394 | 6,792 | 2,840 | 1,060 | 14,758 | 32,994 |
| **NET CHANGE IN FUND BALANCES** | 4,956 | 754 | (2,036) | (2,943) | (17) | (6,568) | 4,248 | - | (14,720) | (16,326) |
| Fund Balances - Beginning of Year | 3,261 | 5,389 | 69,935 | 3,659 | 2,748 | 11,084 | 5,521 | - | 14,720 | 116,317 |
| **FUND BALANCES - END OF YEAR** | $ 8,217 | $ 6,143 | $ 67,899 | $ 716 | $ 2,731 | $ 4,516 | $ 9,769 | $ - | $ - | $ 99,991 |

Combining Schedule of Net Position – Mortgage Loan Program Fund (Dollars in Thousands)

| | Housing Bonds | Multifamily Initiative Bonds | Multifamily Revenue Bonds | Affordable Housing Program Trust Fund Bonds | Total |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **CURRENT ASSETS** | | | | | |
| Cash and Cash Equivalents - Restricted | $ 191,638 | $ 694 | $ 14,308 | $ 1,398 | $ 208,038 |
| Investments - Restricted | 58,808 | 3,288 | 1,029 | 19,804 | 82,929 |
| Investment Income Receivable - Restricted | 190 | 3 | 14 | 22 | 229 |
| Program Loans Receivable | 3,118 | 1,093 | 1,296 | 291 | 5,798 |
| Interest Receivable on Program Loans | 359 | 126 | 591 | 15 | 1,091 |
| Due from Other Funds | 23,217 | 208 | - | 10,101 | 33,526 |
| Total Current Assets | 277,330 | 5,412 | 17,238 | 31,631 | 331,611 |
| **NONCURRENT ASSETS** | | | | | |
| Investments - Restricted | 5,495 | 1 | 15,679 | - | 21,175 |
| Program Loans Receivable, Net of Current Portion | 117,730 | 37,832 | 199,363 | 5,748 | 360,673 |
| Less Allowance for Estimated Losses | (2,323) | (437) | (686) | (127) | (3,573) |
| Net Program Loans Receivable | 115,407 | 37,395 | 198,677 | 5,621 | 357,100 |
| Due from Fannie Mae | - | 84,194 | - | - | 84,194 |
| Due from Freddie Mac | - | 4,307 | - | - | 4,307 |
| Capital Assets, Net | 24,558 | - | - | - | 24,558 |
| Others | 165 | - | - | - | 165 |
| Derivative Instrument Assets | 12 | - | - | - | 12 |
| Total Noncurrent Assets | 145,637 | 125,897 | 214,356 | 5,621 | 491,511 |
| Total Assets | 422,967 | 131,309 | 231,594 | 37,252 | 823,122 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | | |
| Accumulated Decrease in Fair Value of Hedging Derivatives | - | - | 358 | - | 358 |
| Total Deferred Outflows of Resources | - | - | 358 | - | 358 |
| **LIABILITIES** | | | | | |
| **CURRENT LIABILITIES** | | | | | |
| Bonds and Notes Payable | 37,626 | 2,779 | 1,059 | - | 41,464 |
| Accrued Interest Payable | 427 | 1,343 | 1,846 | - | 3,616 |
| Unearned Revenue | 28 | - | - | - | 28 |
| Accrued Liabilities and Other | 82 | - | 1,038 | - | 1,120 |
| Due to Other Funds | 2,453 | 145 | 5,583 | 155 | 8,336 |
| Total Current Liabilities | 40,616 | 4,267 | 9,526 | 155 | 54,564 |
| **NONCURRENT LIABILITIES** | | | | | |
| Bonds and Notes Payable, Net of Current Portion | 68,885 | 125,310 | 215,252 | - | 409,447 |
| Derivative Instrument Liability | - | - | 358 | - | 358 |
| Total Noncurrent Liabilities | 68,885 | 125,310 | 215,610 | - | 409,805 |
| Total Liabilities | 109,501 | 129,577 | 225,136 | 155 | 464,369 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | |
| Accumulated Increase in Fair Value of Hedging Derivatives | 12 | - | - | - | 12 |
| Total Deferred Inflows of Resources | 12 | - | - | - | 12 |
| **NET POSITION** | | | | | |
| Net Investment in Capital Assets | 6,273 | - | - | - | 6,273 |
| Restricted for Bond Resolution Purposes | 307,181 | 1,732 | 6,816 | 37,097 | 352,826 |
| Total Net Position | $ 313,454 | $ 1,732 | $ 6,816 | $ 37,097 | $ 359,099 |

Fund Net Position – Mortgage Loan Program Fund (Dollars in Thousands)

| | Housing Bonds | Multifamily Initiative Bonds | Multifamily Revenue Bonds | Affordable Housing Program Trust Fund Bonds | Total |
|---|---|---|---|---|---|
| **OPERATING REVENUES** | | | | | |
| Interest and Other Investment Income | $ 991 | $ 9 | $ 229 | $ 11 | $ 1,240 |
| Net Decrease in Fair Value of Investments | (892) | (7) | (239) | (7) | (1,145) |
| Total Investment Income | 99 | 2 | (10) | 4 | 95 |
| Interest Earned on Program Loans | 6,164 | 1,614 | 5,143 | 149 | 13,070 |
| Other Income | 10,479 | - | - | - | 10,479 |
| Total Operating Revenues | 16,742 | 1,616 | 5,133 | 153 | 23,644 |
| **OPERATING EXPENSES** | | | | | |
| Interest Expense | 1,283 | 1,402 | 4,227 | - | 6,912 |
| Other General and Administrative | 6,664 | 54 | - | - | 6,718 |
| Financing Costs | 26 | 7 | 40 | - | 73 |
| Provision for (Reversal of) Estimated Losses on Program Loans Receivable | (641) | 170 | (274) | 57 | (688) |
| Provision for Estimated Losses on Real Estate Held for Sale | - | - | - | 56 | 56 |
| Total Operating Expenses | 7,332 | 1,633 | 3,993 | 113 | 13,071 |
| **OPERATING INCOME** | 9,410 | (17) | 1,140 | 40 | 10,573 |
| **CHANGE IN NET POSITION** | 9,410 | (17) | 1,140 | 40 | 10,573 |
| Net Position - Beginning of Year | 304,044 | 1,749 | 5,676 | 37,057 | 348,526 |
| **NET POSITION - END OF YEAR** | $ 313,454 | $ 1,732 | $ 6,816 | $ 37,097 | $ 359,099 |

Combining Schedule of Cash Flows – Mortgage Loan Program Fund (Dollars in Thousands)

| | Housing Bonds | Multifamily Initiative Bonds | Multifamily Revenue Bonds | Affordable Housing Program Trust Fund Bonds | Total |
|---|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | | |
| Receipts for Program Loans, Interest Service Fees | $ 51,662 | $ 2,674 | $ 5,898 | $ 1,160 | $ 61,394 |
| Payments for Program Loans | (12,550) | - | (131,860) | (198) | (144,608) |
| Receipts for Credit Enhancements | - | 1,676 | - | - | 1,676 |
| Payments to Suppliers | (7,079) | (61) | (40) | - | (7,180) |
| Other Receipts | 10,479 | - | - | - | 10,479 |
| Net Cash Provided (Used) by Operating Activities | 42,512 | 4,289 | (126,002) | 962 | (78,239) |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | | | | |
| Interest Paid on Revenue Bonds and Notes | (1,679) | (1,430) | (3,123) | - | (6,232) |
| Due to / from Other Funds | (12,766) | (58) | 5,191 | (10,037) | (17,670) |
| Proceeds from Sales of Bonds and Notes | - | - | 119,875 | - | 119,875 |
| Principal Paid on Bonds and Notes | (24,199) | (2,761) | (730) | - | (27,690) |
| Net Cash Provided (Used) by Noncapital Financing Activities | (38,644) | (4,249) | 121,213 | (10,037) | 68,283 |
| **CASH FLOWS FROM CAPITAL FINANCING AND RELATED ACTIVITIES** | | | | | |
| Acquisition of Capital Assets | (547) | - | - | - | (547) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | |
| Purchase of Investment Securities | (429,869) | (2,578) | (34,747) | (39,823) | (507,017) |
| Proceeds from Sales and Maturities of Investment Securities | 451,240 | 642 | 33,975 | 19,945 | 505,802 |
| Interest Received on Investments | 1,619 | 18 | 216 | 1 | 1,854 |
| Net Cash Provided (Used) by Investing Activities | 22,990 | (1,918) | (556) | (19,877) | 639 |
| **NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS** | 26,311 | (1,878) | (5,345) | (28,952) | (9,864) |
| Cash and Cash Equivalents - Beginning of Year | 165,327 | 2,572 | 19,653 | 30,350 | 217,902 |
| **CASH AND CASH EQUIVALENTS - END OF YEAR** | $ 191,638 | $ 694 | $ 14,308 | $ 1,398 | $ 208,038 |
| **RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES** | | | | | |
| Operating income | $ 9,410 | $ (17) | $ 1,140 | $ 40 | $ 10,573 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | | | |
| Investment Income | (99) | (2) | 10 | (4) | (95) |
| Interest Expense | 1,283 | 1,402 | 4,227 | - | 6,912 |
| Depreciation and Amortization | 1,162 | - | - | - | 1,162 |
| Changes in Provision for (Reversal of) Estimated Losses on Program Loans Receivable | (641) | 170 | (274) | 57 | (688) |
| Changes in Assets and Liabilities: | | | | | |
| Program Loans Receivable | 31,956 | 1,057 | (131,036) | 872 | (97,151) |
| Interest Receivable on Program Loans | 51 | 3 | (239) | (3) | (188) |
| Other Assets | (165) | - | - | - | (165) |
| Other Liabilities | (445) | - | 170 | - | (275) |
| Due from Fannie Mae | - | 1,676 | - | - | 1,676 |
| Total Adjustments | 33,102 | 4,306 | (127,142) | 922 | (88,812) |
| Net Cash Provided (Used) by Operating Activities | $ 42,512 | $ 4,289 | $ (126,002) | $ 962 | $ (78,239) |
| **NONCASH INVESTING CAPITAL AND FINANCING ACTIVITIES** | | | | | |
| Transfer of Foreclosed Assets | $ - | $ - | $ - | $ 5 | $ 5 |
| Increase (Decrease) in the Fair Value of Investments | $ (892) | $ (7) | $ (239) | $ (7) | $ (1,145) |

Combining Schedule of Net Position – Single Family Program Fund (Dollars in Thousands)

| | Homeowner Mortgage Revenue Bonds | Housing Revenue Bonds | Revenue Bonds | Inter-Account Eliminations | Total |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **CURRENT ASSETS** | | | | | |
| Cash and Cash Equivalents - Restricted | $ 67,306 | $ 6,562 | $ 200,906 | $ - | $ 274,774 |
| Investments - Restricted | 68,532 | 1,002 | 732 | - | 70,266 |
| Investment Income Receivable - Restricted | 487 | 179 | 2,438 | - | 3,104 |
| Program Loans Receivable | 11,025 | - | 58 | - | 11,083 |
| Interest Receivable on Program Loans | 592 | - | - | - | 592 |
| Due from Other Funds | 33,156 | 459 | 58 | (31,642) | 2,031 |
| Total Current Assets | 181,098 | 8,202 | 204,192 | (31,642) | 361,850 |
| **NONCURRENT ASSETS** | | | | | |
| Investments – Restricted | 111,156 | 62,873 | 910,300 | - | 1,084,329 |
| Program Loans Receivable, Net of Current Portion | 105,599 | - | 134 | - | 105,733 |
| Less Allowance for Estimated Losses | (2,597) | - | (9) | - | (2,606) |
| Net Program Loans Receivable | 103,002 | - | 125 | - | 103,127 |
| Real Estate Held for Sale | 206 | - | - | - | 206 |
| Less Allowance for Estimated Losses | (168) | - | - | - | (168) |
| Net Real Estate Held for Sale | 38 | - | - | - | 38 |
| Derivative Instrument Assets | - | - | 1,573 | - | 1,573 |
| Other Receivables | - | - | - | - | - |
| Total Noncurrent Assets | 214,196 | 62,873 | 911,998 | - | 1,189,067 |
| Total Assets | 395,294 | 71,075 | 1,116,190 | (31,642) | 1,550,917 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | | |
| Accumulated Decrease in Fair Value of Hedging Derivatives | 2,992 | - | 2,873 | - | 5,865 |
| Total Deferred Outflows of Resources | 2,992 | - | 2,873 | - | 5,865 |
| **LIABILITIES** | | | | | |
| **CURRENT LIABILITIES** | | | | | |
| Bonds and Notes Payable | 9,920 | 1,595 | 22,707 | - | 34,222 |
| Accrued Interest Payable | 2,563 | 134 | 5,262 | - | 7,959 |
| Accrued Liabilities and Other | 296 | 5 | 1 | - | 302 |
| Due to Other Funds | 217 | 2,786 | 87,217 | (31,642) | 58,578 |
| Total Current Liabilities | 12,996 | 4,520 | 115,187 | (31,642) | 101,061 |
| **NONCURRENT LIABILITIES** | | | | | |
| Bonds and notes payable, net of current portion | 254,903 | 54,553 | 918,997 | - | 1,228,453 |
| Derivative instrument liability | 2,992 | - | 2,873 | - | 5,865 |
| Total Noncurrent Liabilities | 257,895 | 54,553 | 921,870 | - | 1,234,318 |
| Total Liabilities | 270,891 | 59,073 | 1,037,057 | (31,642) | 1,335,379 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | |
| Accumulated Increase in Fair Value of Hedging Derivatives | - | - | 1,573 | - | 1,573 |
| Total Deferred Inflows of Resources | - | - | 1,573 | - | 1,573 |
| **NET POSITION** | | | | | |
| Restricted for Bond Resolution Purposes | 127,395 | 12,002 | 80,433 | - | 219,830 |
| Total Net Position | $ 127,395 | $ 12,002 | $ 80,433 | $ - | $ 219,830 |

Fund Net Position – Single Family Program Fund (Dollars in Thousands)

| | Homeowner Mortgage Revenue Bonds | Housing Revenue Bonds | Revenue Bonds | Total |
|---|---|---|---|---|
| **OPERATING REVENUES** | | | | |
| Interest and Other Investment Income | $ 5,315 | $ 2,432 | $ 24,981 | $ 32,728 |
| Net Increase (Decrease) in Fair Value of Investments | (3,636) | (2,475) | 4,228 | (1,883) |
| Total Investment Income | 1,679 | (43) | 29,209 | 30,845 |
| Interest Earned on Program Loans | 6,143 | - | - | 6,143 |
| Other Income | 6 | - | - | 6 |
| Total Operating Revenues | 7,828 | (43) | 29,209 | 36,994 |
| **OPERATING EXPENSES** | | | | |
| Interest Expense | 6,978 | 1,787 | 16,692 | 25,457 |
| Other General and Administrative | 364 | - | - | 364 |
| Financing Costs | 46 | 258 | 2,803 | 3,107 |
| Provision for (Reversal of) Estimated Losses on Program Loans Receivable | 428 | - | (8) | 420 |
| Provision for Estimated Losses on Real Estate Held for Sale | 338 | - | - | 338 |
| Total Operating Expenses | 8,154 | 2,045 | 19,487 | 29,686 |
| **OPERATING INCOME (LOSS)** | (326) | (2,088) | 9,722 | 7,308 |
| Transfers In | - | - | 2,781 | 2,781 |
| Total Transfers | - | - | 2,781 | 2,781 |
| **CHANGE IN NET POSITION** | (326) | (2,088) | 12,503 | 10,089 |
| Net Position - Beginning of Year | 127,721 | 14,090 | 67,930 | 209,741 |
| **NET POSITION - END OF YEAR** | $ 127,395 | $ 12,002 | $ 80,433 | $ 219,830 |

Combining Schedule of Cash Flows – Single Family Program Fund (Dollars in Thousands)

| | Homeowner Mortgage Revenue Bonds | Housing Revenue Bonds | Revenue Bonds | Total |
|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | |
| Receipts for Program Loans, Interest, and Service Fees | $ 37,906 | $ - | $ 114 | $ 38,020 |
| Payments for Loan Program Loans | (10,735) | - | - | (10,735) |
| Payments to Suppliers | (284) | (258) | (2,803) | (3,345) |
| Other Receipts | 6 | - | - | 6 |
| Net Cash Provided (Used) by Operating Activities | 26,893 | (258) | (2,689) | 23,946 |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | | | |
| Interest Paid on Revenue Bonds and Notes | (7,941) | (1,838) | (15,030) | (24,809) |
| Due to / from Other Funds | (4,786) | (657) | 68,260 | 62,817 |
| Proceeds from Sale of Revenue Bonds and Notes | - | - | 373,209 | 373,209 |
| Principal Paid on Revenue Bonds and Notes | (68,445) | (23,459) | (171,292) | (263,196) |
| Transfers In | - | - | 2,781 | 2,781 |
| Net Cash Provided (Used) by Noncapital Financing Activities | (81,172) | (25,954) | 257,928 | 150,802 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | |
| Purchase of Investment Securities | (299,462) | - | (525,428) | (824,890) |
| Proceeds from Sales and Maturities of investment Securities | 330,606 | 25,509 | 388,521 | 744,636 |
| Interest received on investments | 6,116 | 2,537 | 27,835 | 36,488 |
| Net Cash Provided (Used) by Investing Activities | 37,260 | 28,046 | (109,072) | (43,766) |
| **NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS** | (17,019) | 1,834 | 146,167 | 130,982 |
| Cash and Cash Equivalents - Beginning of Year | 84,325 | 4,728 | 54,739 | 143,792 |
| **CASH AND CASH EQUIVALENTS - END OF YEAR** | $ 67,306 | $ 6,562 | $ 200,906 | $ 274,774 |
| **RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES** | | | | |
| Operating Income (Loss) | $ (326) | $ (2,088) | $ 9,722 | $ 7,308 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | | |
| Investment Income | (1,679) | 43 | (29,209) | (30,845) |
| Interest Expense | 6,978 | 1,787 | 16,692 | 25,457 |
| Changes in Provision for (Reversal of) Estimated Losses on Program Loans Receivable | 428 | - | (8) | 420 |
| Changes in Assets and Liabilities: | | | | |
| Program Loans Receivable | 21,338 | - | 114 | 21,452 |
| Interest Receivable on Program Loans | 28 | - | - | 28 |
| Other Liabilities | 126 | - | - | 126 |
| Total adjustments | 27,219 | 1,830 | (12,411) | 16,638 |
| Net cash provided by (used in) operating activities | $ 26,893 | $ (258) | $ (2,689) | $ 23,946 |
| **NONCASH INVESTING CAPITAL AND FINANCING ACTIVITIES** | | | | |
| Transfer of Foreclosed Assets | $ - | $ - | $ 665 | $ 665 |
| Increase (Decrease) in the Fair Value of Investments | $ (3,636) | $ (2,475) | $ 4,228 | $ (1,883) |

# STATISTICAL SECTION

# State of Illinois
# Illinois Housing Development Authority
# Financial Trends Information
# Net Position by Component
# Last Ten Fiscal Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Governmental activities** | | | | | | | | | | |
| Net Investment in Capital Assets | $ 116,047 | $ 106,525 | $ 175,334 | $ 123,458 | $ 50,658 | $ 107,148 | $ 69,032 | $ 41,515 | $ 21,753 | $ - |
| Restricted for Bond Resolution Purposes | - | - | - | - | - | - | - | - | - | - |
| Restricted for Loan and Grant Programs | 386,785,292 | 396,551,321 | 485,895,024 | 435,344,602 | 431,808,386 | 534,647,449 | 412,077,611 | 476,703,527 | 415,059,050 | 471,241,000 |
| Unrestricted | - | - | - | - | - | - | - | - | - | - |
| Total Governmental activities net position | $ 386,901,339 | $ 396,657,846 | $ 486,070,358 | $ 435,468,060 | $ 431,859,044 | $ 534,754,597 | $ 412,146,643 | $ 476,745,042 | $ 415,080,803 | $ 471,241,000 |
| **Business-type activities** | | | | | | | | | | |
| Net Investment in Capital Assets | $ (6,580,031) | $ (6,705,131) | $ (5,323,424) | $ (3,772,979) | $ (2,265,038) | $ 166,222 | $ 2,522,305 | $ 4,754,494 | $ 6,945,706 | $ 7,853,000 |
| Restricted for Bond Resolution Purposes | 312,108,700 | 330,198,761 | 328,747,862 | 352,081,420 | 399,697,878 | 423,610,724 | 431,445,905 | 484,872,295 | 553,477,860 | 572,656,200 |
| Restricted for Loan and Grant Programs | 38,214,187 | 40,331,426 | 41,195,659 | 41,842,372 | 42,478,467 | 43,107,146 | 43,798,573 | 44,082,897 | 44,082,747 | 44,083,000 |
| Unrestricted | 102,081,462 | 117,879,666 | 143,702,212 | 156,453,396 | 178,722,561 | 204,845,037 | 230,173,606 | 244,033,016 | 256,208,846 | 278,963,900 |
| Total Business-type activities net position | $ 445,824,318 | $ 481,704,722 | $ 508,322,309 | $ 546,604,209 | $ 618,633,868 | $ 671,729,129 | $ 707,940,389 | $ 777,742,702 | $ 860,715,159 | $ 903,556,100 |
| **Entity-wide** | | | | | | | | | | |
| Net Investment in Capital Assets | $ (6,463,984) | $ (6,598,606) | $ (5,148,090) | $ (3,649,521) | $ (2,214,380) | $ 273,370 | $ 2,591,337 | $ 4,796,009 | $ 6,967,459 | $ 7,853,000 |
| Restricted for Bond Resolution Purposes | 312,108,700 | 330,198,761 | 328,747,862 | 352,081,420 | 399,697,878 | 423,610,724 | 431,445,905 | 484,872,295 | 553,477,860 | 572,656,200 |
| Restricted for Loan and Grant Programs | 424,999,479 | 436,882,747 | 527,090,683 | 477,186,974 | 474,286,853 | 577,754,595 | 455,876,184 | 520,786,424 | 459,141,797 | 515,324,000 |
| Unrestricted | 102,081,462 | 117,879,666 | 143,702,212 | 156,453,396 | 178,722,561 | 204,845,037 | 230,173,606 | 244,033,016 | 256,208,846 | 278,963,900 |
| Total entity-wide net position | $ 832,725,657 | $ 878,362,568 | $ 994,392,667 | $ 982,072,269 | $ 1,050,492,912 | $ 1,206,483,726 | $ 1,120,087,032 | $ 1,254,487,744 | $ 1,275,795,962 | $ 1,374,797,100 |

# State of Illinois
## Illinois Housing Development Authority
## Financial Trends Information
## Change in Net Position
## Last Ten Fiscal Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Expenses** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Illinois Affordable Housing Trust Fund Program | $ 7,425,265 | $ 5,289,502 | $ 12,568,375 | $ 28,716,779 | $ 10,632,652 | $ 2,939,528 | $ 7,301,940 | $ 8,764,155 | $ 8,119,987 | $ 11,584,000 |
| HOME Program | 14,895,565 | 12,790,574 | 13,580,940 | 11,367,784 | 4,287,866 | 2,182,083 | 18,266,884 | (194,128) | 8,865,268 | 4,735,000 |
| Rental Housing Support Program | 21,008,165 | 10,562,975 | 18,912,367 | 515,723 | 23,673,316 | 31,295,385 | 20,553,059 | 13,123,090 | 12,466,200 | 21,427,000 |
| Hardest Hit Fund | 41,785,639 | 136,412,486 | 158,769,187 | 48,616,605 | 35,510,094 | 76,189,962 | 116,164,137 | 89,840,917 | 52,370,908 | - |
| ARRA Fund | 68,692,185 | 839,334 | - | - | - | - | - | - | - | - |
| Build Illinois Bond Program | 5,259,787 | 16,406,436 | 21,206,222 | 102,396,242 | 13,358,746 | - | - | - | - | 8,786,000 |
| Neighborhood Stabilization Program | - | 22,613,929 | - | - | - | - | - | - | - | - |
| CV Urgent Remediation Emg Fund | - | - | - | - | - | - | - | - | - | 330,621,000 |
| Emergency Rental Assistance Program | - | - | - | - | - | - | - | - | - | 111,701,000 |
| Other Programs | 13,417,736 | 9,481,266 | 11,906,883 | 10,532,713 | 4,592,256 | 6,373,551 | 17,958,368 | 14,994,649 | 18,284,675 | 33,016,000 |
| Total Governmental activities | $ 172,484,342 | $ 214,396,502 | $ 236,943,974 | $ 202,145,846 | $ 92,054,930 | $ 118,980,509 | $ 180,244,388 | $ 126,528,683 | $ 100,107,038 | $ 521,870,000 |
| Business-type Activities: | | | | | | | | | | |
| Administrative Programs | $ 11,394,375 | $ 11,277,002 | $ 19,555,784 | $ 17,776,979 | $ 14,627,899 | $ 15,672,823 | $ 18,926,134 | $ 21,352,859 | $ 29,335,017 | $ 90,899,000 |
| Multi-Family Mortgage Loan Programs | 35,072,247 | 27,537,440 | 29,810,315 | 21,554,716 | 22,187,467 | 23,312,712 | 24,505,866 | 24,702,251 | 19,851,370 | 13,071,000 |
| Multi-Family Federal Assistance Programs | 140,555,118 | 133,016,259 | 119,890,678 | 116,262,641 | 109,660,510 | 97,889,564 | 80,118,448 | 60,702,300 | 59,086,028 | - |
| Single-Family Mortgage Loan Programs | 50,626,662 | 27,917,401 | 36,132,832 | 35,700,914 | 28,198,229 | 24,729,020 | 23,648,330 | 32,223,452 | 35,221,586 | 29,686,000 |
| Tax Credit Authorization and Monitoring | 913,815 | 1,050,276 | 1,391,482 | 1,631,256 | 2,511,320 | 2,421,895 | 2,273,964 | 2,721,506 | 1,158,499 | - |
| FAF Lending Program | - | - | - | - | - | - | - | - | - | - |
| IHDA Dispositions LLC* | 1,367,403 | 1,733,517 | 688,602 | 113,437 | 41,630 | 388,768 | 209,987 | 57,834 | - | - |
| Total Business-type activities | $ 239,929,620 | $ 202,531,895 | $ 207,469,693 | $ 193,039,943 | $ 177,227,055 | $ 164,414,782 | $ 149,682,729 | $ 141,760,202 | $ 144,652,500 | $ 133,656,000 |
| Total entity-wide expenses | $ 412,413,962 | $ 416,928,397 | $ 444,413,667 | $ 395,185,789 | $ 269,281,985 | $ 283,395,291 | $ 329,927,117 | $ 268,288,885 | $ 244,759,538 | $ 655,526,000 |
| **Program Revenues** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Illinois Affordable Housing Trust Fund Program | $ 12,625,265 | $ 10,489,502 | $ 17,768,375 | $ 33,916,779 | $ 15,832,652 | $ 8,139,528 | $ 7,301,940 | $ 8,764,155 | $ 8,119,987 | $ 11,584,000 |
| HOME Program | 33,295,172 | 18,902,640 | 22,334,881 | 24,891,370 | 17,983,890 | 22,161,492 | 6,045,918 | 20,730,321 | 8,494,616 | 16,025,000 |
| Rental Housing Support Program | 21,008,165 | 10,562,975 | 18,912,367 | 515,723 | 23,673,316 | 31,295,385 | 20,553,059 | 13,123,090 | 12,466,200 | 21,427,000 |
| Hardest Hit Fund | 88,274,018 | 127,526,833 | 170,573,363 | 46,872,267 | 52,282,305 | 143,497,834 | 1,117,127 | 128,823,137 | 895,285 | - |
| ARRA Fund | 70,232,364 | 242,531 | - | - | - | - | - | - | - | - |
| Build Illinois Bond Program | 34,220,858 | 24,448,744 | 80,541,538 | 57,918,940 | 669,030 | - | - | - | - | 70,012,000 |
| Neighborhood Stabilization Program | - | 22,454,794 | - | - | - | - | - | - | - | - |
| CV Urgent Remediation Emg Fund | - | - | - | - | - | - | - | - | - | 330,621,000 |
| Emergency Rental Assistance Program | - | - | - | - | - | - | - | - | - | 111,701,000 |
| Other Programs | 16,389,730 | 14,724,990 | 21,425,962 | 4,242,264 | 3,082,721 | 21,981,823 | 22,618,390 | 19,686,379 | 8,466,711 | 16,660,000 |
| Total Government activities | $ 276,045,572 | $ 229,353,009 | $ 331,556,486 | $ 168,357,343 | $ 113,523,914 | $ 227,076,062 | $ 57,636,434 | $ 191,127,082 | $ 38,442,799 | $ 578,030,000 |
| Business-type activities: | | | | | | | | | | |
| Administrative Programs | $ 3,207,650 | $ 7,765,863 | $ 1,984,814 | $ 1,958,748 | $ 3,535,603 | $ 5,294,335 | $ 5,708,146 | $ 3,194,576 | $ 4,850,765 | $ 67,680,000 |
| Multi-Family Mortgage Loan Programs | 52,822,287 | 47,492,901 | 48,213,041 | 45,702,775 | 47,006,563 | 46,426,238 | 45,164,087 | 50,578,849 | 49,558,312 | 23,549,000 |
| Multi-Family Federal Assistance Programs | 140,555,118 | 133,016,259 | 119,890,678 | 116,262,641 | 109,660,510 | 97,889,564 | 80,118,448 | 60,702,300 | 59,106,028 | - |
| Single-Family Mortgage Loan Programs | 37,709,988 | 27,317,952 | 20,335,407 | 18,895,381 | 32,357,060 | 25,794,707 | 16,535,971 | 63,500,109 | 78,439,693 | 6,149,000 |
| Tax Credit Authorization and Monitoring | 7,167,435 | 4,831,797 | 6,233,950 | 5,239,797 | 7,069,882 | 5,405,549 | 8,476,003 | 6,799,304 | 6,381,178 | - |
| FAF Lending Program | 2,505,720 | 2,117,239 | 864,233 | 646,713 | 636,095 | 628,679 | 691,426 | 577,694 | 536,275 | - |
| IHDA Dispositions LLC* | 1,731,064 | 2,379,074 | 1,110,287 | 140,816 | 55,310 | 60,183 | 38,516 | 21,945 | - | - |
| Total Business-type activities | $ 245,699,262 | $ 224,921,085 | $ 198,632,410 | $ 188,846,871 | $ 200,321,023 | $ 181,499,255 | $ 156,732,597 | $ 185,374,777 | $ 198,872,251 | $ 97,378,000 |
| Total entity-wide revenues | $ 521,744,834 | $ 454,274,094 | $ 530,188,896 | $ 357,204,214 | $ 313,844,937 | $ 408,575,317 | $ 214,369,031 | $ 376,501,859 | $ 237,315,050 | $ 675,408,000 |

# State of Illinois
# Illinois Housing Development Authority
# Financial Trends Information
# Change in Net Position (continued)
# Last Ten Fiscal Years

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Net (Expenses)/Revenue** | | | | | | | | | | |
| Governmental activites | $ 103,561,230 | $ 14,956,507 | $ 94,612,512 | $ (33,788,503) | $ 21,468,984 | $ 108,095,553 | $ (122,607,954) | $ 64,598,399 | $ (61,664,239) | $ 56,160,000 |
| Business-type activites | 5,769,642 | 22,389,190 | (8,837,283) | (4,193,072) | 23,093,968 | 17,084,473 | 7,049,868 | 43,614,575 | 54,219,751 | (36,278,000) |
| Total entity-wide net (expense)/revenue | $ 109,330,872 | $ 37,345,697 | $ 85,775,229 | $ (37,981,575) | $ 44,562,952 | $ 125,180,026 | $ (115,558,086) | $ 108,212,974 | $ (7,444,488) | $ 19,882,000 |
| **General Revenues and Other Changes in Net Position** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Transfers | $ (5,200,000) | $ (5,200,000) | $ (5,200,000) | $ (5,200,000) | $ (25,078,000) | $ (5,200,000) | $ - | $ - | $ - | $ - |
| Total Governmental activities | $ (5,200,000) | $ (5,200,000) | $ (5,200,000) | $ (5,200,000) | $ (25,078,000) | $ (5,200,000) | $ - | $ - | $ - | $ - |
| Business-type activities | | | | | | | | | | |
| Unrestricted Investment Income | $ 4,887,382 | $ 8,291,214 | $ 31,771,381 | $ 36,934,972 | $ 24,072,985 | $ 30,629,303 | $ 29,161,392 | $ 26,187,738 | $ 28,752,706 | $ 79,119,000 |
| Special Item - Foreclosed Property | 6,307,176 | - | - | - | - | - | - | - | - | - |
| Gain on Disposition | - | - | 1,076,274 | - | - | - | - | - | - | - |
| Capital Contributions | - | - | - | 340,000 | (215,294) | 181,485 | - | - | - | - |
| Transfers | 5,200,000 | 5,200,000 | 5,200,000 | 5,200,000 | 25,078,000 | 5,200,000 | - | - | - | - |
| Total Business-type activities | $ 16,394,558 | $ 13,491,214 | $ 38,047,655 | $ 42,474,972 | $ 48,935,691 | $ 36,010,788 | $ 29,161,392 | $ 26,187,738 | $ 28,752,706 | $ 79,119,000 |
| Total entity-wide | $ 11,194,558 | $ 8,291,214 | $ 32,847,655 | $ 37,274,972 | $ 23,857,691 | $ 30,810,788 | $ 29,161,392 | $ 26,187,738 | $ 28,752,706 | $ 79,119,000 |
| **Change in Net Position** | | | | | | | | | | |
| Governmental activities | $ 98,361,230 | $ 9,756,507 | $ 89,412,512 | $ (38,988,503) | $ (3,609,016) | $ 102,895,553 | $ (122,607,954) | $ 64,598,399 | $ (61,664,239) | $ 56,160,000 |
| Business-type activities | 22,164,200 | 35,880,404 | 29,210,372 | 38,281,900 | 72,029,659 | 53,095,261 | 36,211,260 | 69,802,313 | 82,972,457 | 42,841,000 |
| Total entity-wide | $ 120,525,430 | $ 45,636,911 | $ 118,622,884 | $ (706,603) | $ 68,420,643 | $ 155,990,814 | $ (86,396,694) | $ 134,400,712 | $ 21,308,218 | $ 99,001,000 |

* Previously referred to as Illinois Housing Authority LLC

## State of Illinois
## Illinois Housing Development Authority
## Financial Trends Information
## Fund Balances of Governmental Funds
## Last Ten Fiscal Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| Governmental Funds | | | | | | | | | | |
| Nonspendable | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Restricted | 386,564,027 | 396,353,658 | 485,680,980 | 435,144,826 | 431,601,517 | 534,469,129 | 411,889,835 | 476,536,646 | 414,886,387 | 471,071,000 |
| Committed | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - | - | - |
| **Total Fund Balances of Governmental Funds** | $ 386,564,027 | $ 396,353,658 | $ 485,680,980 | $ 435,144,826 | $ 431,601,517 | $ 534,469,129 | $ 411,889,835 | $ 476,536,646 | $ 414,886,387 | $ 471,071,000 |

# State of Illinois
## Illinois Housing Development Authority
## Financial Trends Information
## Changes in Fund Balances of Governmental Funds
## Last Ten Fiscal Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | |
| Grant from State of Illinois | $ 71,787,475 | $ 49,489,708 | $ 127,524,104 | $ 93,596,775 | $ 39,584,627 | $ 58,940,833 | $ 45,577,161 | $ 35,129,032 | $ 23,477,758 | $ 110,798,000 |
| Federal Funds | 197,752,599 | 162,033,949 | 177,137,490 | 59,426,431 | 67,748,985 | 163,308,121 | 6,504,355 | 149,122,045 | 9,406,149 | 464,823,000 |
| Interest and investment income | 6,471,676 | 17,852,954 | 26,878,511 | 15,348,405 | 6,183,209 | 4,855,657 | 5,100,422 | 6,896,901 | 4,856,321 | 2,411,000 |
| Other | - | - | - | - | - | - | 445,040 | - | 696,789 | 2,000 |
| Total revenues | $ 276,011,750 | $ 229,376,611 | $ 331,540,105 | $ 168,371,611 | $ 113,516,821 | $ 227,104,611 | $ 57,626,978 | $ 191,147,978 | $ 38,437,017 | $ 578,034,000 |
| **Expenditures** | | | | | | | | | | |
| Grants | $ 155,867,163 | $ 180,079,749 | $ 211,094,946 | $ 186,941,023 | $ 81,105,677 | $ 106,937,208 | $ 144,148,525 | $ 110,956,653 | $ 72,423,328 | $ 471,001,000 |
| General and administrative | 15,065,809 | 18,327,055 | 24,619,322 | 27,730,873 | 7,542,114 | 13,796,506 | 16,799,873 | 16,445,993 | 17,288,339 | 45,796,000 |
| Program income transferred to State of Illinois | 1,567 | 1,580 | 8,893 | 13,182 | 13,780 | 49,506 | 222,827 | 450,917 | 540,671 | 11,000 |
| Provision for estimated losses on program loans receivable | 1,617,239 | 15,978,596 | 1,289,622 | (12,591,108) | 3,320,559 | (1,746,221) | 19,035,047 | (1,352,396) | 9,343,187 | 4,899,000 |
| Financing Costs | - | - | - | - | - | - | - | - | 491,751 | 141,000 |
| Total expenditures | $ 172,551,778 | $ 214,386,980 | $ 237,012,783 | $ 202,093,970 | $ 91,982,130 | $ 119,036,999 | $ 180,206,272 | $ 126,501,167 | $ 100,087,276 | $ 521,848,000 |
| **Excess/(deficiency) of revenues over expenditures** | $ 103,459,972 | $ 14,989,631 | $ 94,527,322 | $ (33,722,359) | $ 21,534,691 | $ 108,067,612 | $ (122,579,294) | $ 64,646,811 | $ (61,650,259) | $ 56,186,000 |
| **Other Financing Sources** | | | | | | | | | | |
| Transfers In | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Transfers Out | (5,200,000) | (5,200,000) | (5,200,000) | (5,200,000) | (25,078,000) | (5,200,000) | - | - | - | - |
| Total Other Financing Sources | $ (5,200,000) | $ (5,200,000) | $ (5,200,000) | $ (5,200,000) | $ (25,078,000) | $ (5,200,000) | $ - | $ - | $ - | $ - |
| Net Change in fund balances before special item | $ 98,259,972 | $ 9,789,631 | $ 89,327,322 | $ (38,922,359) | $ (3,543,309) | $ 102,867,612 | $ (122,579,294) | $ 64,646,811 | $ (61,650,259) | $ 56,186,000 |
| Special Item | $ 101,236 | $ (33,124) | $ 85,190 | $ (66,143) | $ (65,707) | $ 27,941 | $ (28,660) | $ (48,412) | $ (13,891) | $ (26,000) |
| **Net Change in fund balances** | $ 98,361,208 | $ 9,756,507 | $ 89,412,512 | $ (38,988,502) | $ (3,609,016) | $ 102,895,553 | $ (122,607,954) | $ 64,598,399 | $ (61,664,150) | $ 56,160,000 |
| **Debt Service as a percentage of noncapital expenditures** | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

# State of Illinois
# Illinois Housing Development Authority
# Revenue Capacity Information
# Significant “Own-Source” Revenue Base – Mortgage Loans Receivable
# Last Ten Fiscal Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Governmental activities:** | | | | | | | | | | |
| Illinois Affordable Housing Trust Fund Program | $ 308,202,736 | $ 306,660,392 | $ 309,945,861 | $ 313,406,304 | $ 312,348,399 | $ 301,905,192 | $ 287,491,717 | $ 292,351,926 | $ 315,403,150 | $ 323,466,000 |
| HOME Program | 224,118,743 | 225,757,249 | 227,494,714 | 241,265,832 | 249,751,628 | 267,219,937 | 253,462,229 | 272,657,527 | 273,743,369 | 283,043,000 |
| Rental Housing Support Program | - | - | - | - | - | - | - | - | - | - |
| Hardest Hit Fund | 1,372,536 | 16,593,226 | 9,349,559 | 23,746,035 | 10,683,336 | 3,775,232 | 1,967,692 | 788,007 | 768,571 | - |
| ARRA Fund | 73,095,263 | 72,051,831 | - | - | - | - | - | - | - | - |
| Build Illinois Bond Program | - | - | - | 1,203,783 | 3,708,553 | - | - | - | - | 3,989,000 |
| CV Urgent Remediation Emg Fund | - | - | - | - | - | - | - | - | - | - |
| Emergency Rental Assistance Program | - | - | - | - | - | - | - | - | - | - |
| Neighborhood Stabilization Program | - | - | - | - | - | - | - | - | - | - |
| Other Programs | - | 5,483,989 | 78,297,938 | 77,830,792 | 78,608,204 | 83,853,080 | 89,667,656 | 96,079,161 | 87,641,749 | 85,170,000 |
| Total governmental activities | $ 606,789,278 | $ 626,546,687 | $ 625,088,072 | $ 657,452,746 | $ 655,100,120 | $ 656,753,441 | $ 632,589,294 | $ 661,876,621 | $ 677,556,839 | $ 695,668,000 |
| **Business-type activities:** | | | | | | | | | | |
| Administrative Fund | 82,247,189 | 31,192,896 | 93,605,611 | 76,142,457 | 73,685,337 | 89,031,763 | 72,954,983 | 64,906,919 | 49,290,810 | 50,380,000 |
| Mortgage Loan Program Fund | 512,820,913 | 533,709,063 | 477,023,657 | 431,981,128 | 426,390,151 | 347,136,659 | 330,938,292 | 287,270,228 | 264,618,180 | 362,898,000 |
| Single Family Program Fund | 483,459,312 | 406,343,308 | 331,735,097 | 280,678,961 | 251,300,032 | 213,949,890 | 183,492,165 | 159,653,305 | 135,963,731 | 114,210,000 |
| IHDA Dispositions LLC* | - | - | - | - | - | - | - | - | - | - |
| | $ 1,078,527,414 | $ 971,245,267 | $ 902,364,365 | $ 788,802,546 | $ 751,375,520 | $ 650,118,312 | $ 587,385,440 | $ 511,830,452 | $ 449,872,721 | $ 527,488,000 |
| Total entity-wide | $ 1,685,316,692 | $ 1,597,791,954 | $ 1,527,452,437 | $ 1,446,255,292 | $ 1,406,475,640 | $ 1,306,871,753 | $ 1,219,974,734 | $ 1,173,707,073 | $ 1,127,429,560 | $ 1,223,156,000 |
| Total interest income on loans | $ 56,910,463 | $ 55,249,584 | $ 47,029,997 | $ 42,230,120 | $ 36,942,609 | $ 32,142,357 | $ 30,137,414 | $ 25,924,997 | $ 21,580,727 | $ 19,768,000 |
| Average rate of return for year | 3.38% | 3.46% | 3.08% | 2.92% | 2.63% | 2.46% | 2.47% | 2.21% | 1.91% | 1.62% |

* Previously referred to as Illinois Housing Authority LLC

# State of Illinois
# Illinois Housing Development Authority
# Revenue Capacity Information
# Significant "Own-Source" Revenue Rates – Interest Income on Mortgage Receivables
# Last Ten Fiscal Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Governmental activities:** | | | | | | | | | | |
| Illinois Affordable Housing Trust Fund Program | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| HOME Program | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Rental Housing Support Program | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Hardest Hit Fund | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| ARRA Fund | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Build Illinois Bond Program | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| CV Urgent Remediation Emg Fund | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Emergency Rental Assistance Program | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Neighborhood Stabilization Program | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Other Programs | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| **Business-type activities:** | | | | | | | | | | |
| Administrative Fund | 4.71% | 11.85% | 2.11% | 2.97% | 3.02% | 1.44% | 2.74% | 2.09% | 1.52% | 1.10% |
| Mortgage Loan Program Fund | 5.17% | 4.58% | 5.22% | 4.96% | 4.83% | 5.35% | 5.30% | 5.43% | 5.04% | 3.60% |
| Single Family Program Fund | 5.49% | 6.67% | 6.08% | 6.61% | 5.62% | 5.74% | 5.78% | 5.62% | 5.52% | 5.38% |
| IHDA Dispositions LLC* | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Average rate of return for year | 3.38% | 3.46% | 3.08% | 2.92% | 2.63% | 2.46% | 2.47% | 2.21% | 1.91% | 1.62% |

* Previously referred to as Illinois Housing Authority LLC

# State of Illinois
# Illinois Housing Development Authority
## Debt Capacity Information
## Debt Limitation Information / Ratios of Outstanding Debt by Type
## Last Ten Fiscal Years

| | Securitized Mortgage Loans and Mortgage Loans Receivable, Net, at Fiscal Year Ended June 30 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
| **Governmental activities:** | | | | | | | | | | |
| Bonds and Notes Payable | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Total Governmental activities | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Business-type activities:** | | | | | | | | | | |
| Bonds and Notes Payable | $ 1,511,422,132 | $ 1,446,843,575 | $ 1,282,075,926 | $ 1,083,981,566 | $ 1,080,340,780 | $ 1,147,673,217 | $ 1,164,424,724 | $ 1,386,721,017 | $ 1,529,870,979 | $ 1,731,239,000 |
| Total Business-type activities | $ 1,511,422,132 | $ 1,446,843,575 | $ 1,282,075,926 | $ 1,083,981,566 | $ 1,080,340,780 | $ 1,147,673,217 | $ 1,164,424,724 | $ 1,386,721,017 | $ 1,529,870,979 | $ 1,731,239,000 |
| Total entity-wide | $ 1,511,422,132 | $ 1,446,843,575 | $ 1,282,075,926 | $ 1,083,981,566 | $ 1,080,340,780 | $ 1,147,673,217 | $ 1,164,424,724 | $ 1,386,721,017 | $ 1,529,870,979 | $ 1,731,239,000 |
| **Entity-wide** | | | | | | | | | | |
| Investments | $ 96,045,514 | $ 194,837,252 | $ 92,545,748 | $ 104,293,828 | $ 236,566,316 | $ 264,042,157 | $ 313,030,834 | $ 283,831,811 | $ 229,724,194 | $ 136,068,000 |
| Restricted Investments | 575,082,700 | 555,116,035 | 419,596,462 | 306,216,011 | 513,741,455 | 745,588,980 | 709,126,352 | 1,092,121,142 | 1,262,584,807 | 1,292,847,000 |
| Net Mortage Loans Receivable | 1,647,171,007 | 1,530,675,799 | 1,462,671,953 | 1,372,832,695 | 1,308,120,241 | 1,248,091,598 | 1,134,927,383 | 1,113,295,366 | 1,127,429,560 | 1,223,156,000 |
| Total investments, restricted investments and net mortgage loans receivable | $ 2,318,299,221 | $ 2,280,629,086 | $ 1,974,814,163 | $ 1,783,342,534 | $ 2,058,428,012 | $ 2,257,722,735 | $ 2,157,084,569 | $ 2,489,248,319 | $ 2,619,738,561 | $ 2,652,071,000 |
| Debt as a percentage of investments, restricted investments and net mortgage loans receivable | 65.20% | 63.44% | 64.92% | 60.78% | 52.48% | 50.83% | 53.98% | 55.71% | 58.40% | 65.28% |

Note: Details regarding the Authority's outstanding debt can be found in Note 8 to the current financial statements.

**Authority Debt Limitation**

Pursuant to the IHDA Act, the Authority has the power to have up to $3.6B of general and special limited obligation bonds and notes outstanding, excluding those issued to refund outstanding bonds and notes. At June 30, 2021 amounts outstanding against this limitation were approximately $2.8B.

# State of Illinois
# Illinois Housing Development Authority
# Demographic and Economic Information
# State of Illinois Demographic and Economic Statistics
# Last Ten Calendar Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020* | 2021* |
|---|---|---|---|---|---|---|---|---|---|---|
| **State of Illinois** | | | | | | | | | | |
| Population | 12,883,029 | 12,895,778 | 12,885,092 | 12,859,585 | 12,821,709 | 12,779,893 | 12,724,685 | 12,671,821 | n/a | n/a |
| Personal income (millions of dollars) | 593,239 | 607,671 | 637,280 | 665,490 | 672,020 | 693,274 | 727,064 | 744,641 | n/a | n/a |
| Per capita personal income (dollars) | 46,048 | 47,122 | 49,459 | 51,751 | 52,413 | 54,247 | 57,138 | 58,786 | n/a | n/a |
| Unemployment rate | 14.7% | 14.7% | 14.4% | 13.3% | 13.0% | 12.6% | 12.1% | 4.8% | n/a | n/a |
| Poverty rate | 6.6% | 6.9% | 6.6% | 6.0% | 5.3% | 4.8% | 4.3% | 11.5% | n/a | n/a |
| Median home value (dollars) | 190,800 | 182,300 | 175,700 | 173,800 | 174,800 | 179,700 | 187,200 | 194,500 | n/a | n/a |

* Data not yet available

Sources: U.S. Census Bureau, U.S. Department of Commerce - Bureau of Economic Analysis

State of Illinois Employment by Industry Sectors
Most Recent Year Data and Nine Years Ago

| | Calendar Year 2020 | | | Calendar Year 2011 | | |
|---|---|---|---|---|---|---|
| **Sector** | Employees | Rank | % of Total Employment | Employees | Rank | % of Total Employment |
| Trade, Transportation & Utilities | 1,157,525 | 1 | 20.35% | 1,141,583 | 1 | 20.11% |
| Education & Health Services | 891,392 | 2 | 15.67% | 848,358 | 2 | 14.94% |
| Professional & Business Sevices | 889,717 | 3 | 15.64% | 824,033 | 4 | 14.51% |
| Government | 785,175 | 4 | 13.80% | 838,742 | 3 | 14.77% |
| Manufacturing | 553,817 | 5 | 9.73% | 574,450 | 5 | 10.12% |
| Leisure & Hospitaity | 461,142 | 6 | 8.11% | 522,450 | 6 | 9.20% |
| Financial Activities | 406,242 | 7 | 7.14% | 372,358 | 7 | 6.56% |
| Other Services | 233,533 | 8 | 4.10% | 249,683 | 8 | 4.40% |
| Construction | 216,617 | 9 | 3.81% | 195,892 | 9 | 3.45% |
| Information | 87,392 | 10 | 1.54% | 100,492 | 10 | 1.77% |
| Mining & Logging | 6,825 | 11 | 0.12% | 9,608 | 11 | 0.17% |
| Totals | 5,689,375 | | | 5,677,650 | | |

Note: Figures represent State of Illinois annual averages of monthy employment for all industries outside of Farming/Agriculture.
Source: US Bureau of Labor Statistics

## State of Illinois
## Illinois Housing Development Authority
## Operating Information
## IHDA Full-time Equivalent Employees by Function
## Last Ten Fiscal Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Function** | | | | | | | | | | |
| Executive | 6 | 5 | 6 | 3 | 5 | 8 | 7 | 5 | 8 | 9 |
| Accounting | 12 | 12 | 12 | 12 | 12 | 13 | 15 | 11 | 16 | 19 |
| Legal | 13 | 15 | 17 | 18 | 18 | 20 | 19 | 18 | 22 | 24 |
| Human Resources | 0 | 6 | 5 | 6 | 6 | 7 | 7 | 7 | 6 | 6 |
| Asset Management * | 45 | 45 | 52 | 48 | 53 | 53 | 65 | 67 | 66 | 71 |
| Homeownership (Single Family) * | 18 | 20 | 20 | 21 | 15 | 15 | 23 | 26 | 31 | 30 |
| Finance | 11 | 6 | 9 | 11 | 11 | 12 | 15 | 15 | 17 | 19 |
| Operational Excellence | 6 | 5 | 5 | 6 | 6 | 8 | 7 | 7 | 7 | 6 |
| Information Technology | 15 | 15 | 19 | 17 | 19 | 21 | 24 | 24 | 30 | 39 |
| Communications (Public Affairs) | 3 | 6 | 5 | 4 | 6 | 5 | 5 | 5 | 5 | 6 |
| Internal Audit | 4 | 4 | 5 | 6 | 5 | 5 | 3 | 5 | 4 | 5 |
| Strategic Planning & Reporting | 7 | 4 | 5 | 6 | 18 | 19 | 19 | 19 | 18 | 20 |
| Community Affairs | 6 | 7 | 10 | 8 | 11 | 10 | 11 | 11 | 12 | 13 |
| Hardest Hit Fund Department *** | 48 | 35 | 28 | 21 | 32 | 35 | 44 | 23 | 19 | 0 |
| Multifamily | 21 | 30 | 29 | 30 | 28 | 31 | 31 | 28 | 34 | 36 |
| Loan Portfolio Management * | 17 | 19 | 19 | 29 | 31 | 27 | 0 | 0 | 0 | 0 |
| Housing Coordination | 0 | 7 | 8 | 6 | 0 | 0 | 0 | 0 | 0 | 0 |
| Strategic Response ** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 26 |
| **Total entity full-time equivalent** | 232 | 241 | 254 | 252 | 276 | 289 | 295 | 271 | 295 | 329 |

* Loan Portfolio Management department was shuttered following FY2017 and functionality was moved into the Asset Management and Homeownership departments in FY2018.
** Strategic Response department was created in FY2021.
*** Hardest Hit Fund program and department closed in FY2021. Some personnel moved to the new Strategic Response department.

Source: Illinois Housing Development Authority

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