December 31, 2024 and 2023

2024

annual financial report

Homeownership

Rental Housing

Business Lending

Community Partnerships

chfa®

colorado housing and finance authority

COLORADO HOUSING AND FINANCE AUTHORITY – Annual Financial Report

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executive letter (unaudited)

Message from Thomas Bryan
Executive Director and CEO
March 27, 2025

Throughout 2024, Colorado Housing and Finance Authority (CHFA or the Authority) worked to fulfill its mission across its core program areas, while remaining innovative and responsive to market challenges and opportunities. In total, CHFA invested more than $2.6 billion across Colorado. Through these investments, CHFA was proud to support:

- 5,291 Colorado households in achieving homeownership with CHFA home finance products;
- 5,502 affordable rental housing units to be developed or preserved with CHFA multifamily lending and/or Housing Tax Credits;
- 582 businesses and nonprofits in accessing capital, supporting more than 3,900 jobs; and
- 560 nonprofit organizations in growing capacity to meet local needs through grants, sponsorships, donations, and volunteerism.

As investments were made across our core programs and established lines of business, we pursued new opportunities to help meet Colorado's housing and economic development needs, including piloting a single family construction loan program and beginning deployment of expanded state Affordable Housing Tax Credit resources to support affordable rental housing. In addition, CHFA celebrated the Colorado General Assembly's establishment of tax credits to support affordable housing in Transit-oriented Communities (TOC), and the Middle-income Housing Tax Credit (MIHTC) pilot program.

Finally, CHFA was proud to celebrate its 50th anniversary in 2024, having commenced its operations in 1974 following its establishment by the Colorado General Assembly in 1973. This provided CHFA an opportunity to reflect on its historical impact on our state, and the critical role of partner organizations in helping us work toward our vision that everyone in Colorado will have the opportunity for housing stability and economic prosperity.

Thomas Bryan
Executive Director and CEO

independent auditor's report

INDEPENDENT AUDITORS' REPORT

Board of Directors
Colorado Housing and Finance Authority
Denver, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Colorado Housing and Finance Authority (Authority), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of December 31, 2024 and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Other Matters

Prior Year Financial Statements
The 2023 financial statements of the Colorado Housing and Finance Authority were audited by other auditors whose report dated March 28, 2024, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedules of Selected Pension Information, Notes to the RSI – Pension Plans, Schedules of Selected OPEB Information, and Notes to the RSI – OPEB (collectively, RSI) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 for the year ended December 31, 2024 was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Colorado Housing and Finance Authority's basic financial statements. The Combining Schedule – Statement of Net Position, Combining Schedule – Statement of Revenues, Expenses, and Changes in Net Position, Combining Schedule – Statement of Cash Flows, Schedule of Adjusted Net Worth, Schedule of Other Assets, Liquid Asset Requirement Calculation for Issuers, Capital Requirement Calculation for Issuer, and Schedule of Insurance Requirement (collectively, the Supplemental Information) for the year ended December 31, 2024 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2024 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 GAAS. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2024.

The information for the year ended December 31, 2023 presented as summarized comparative totals within The Combining Schedule – Statement of Net Position, Combining Schedule – Statement of Revenues, Expenses, and Changes in Net Position, Combining Schedule – Statement of Cash Flows is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information was subjected to the auditing procedures applied in the December 31, 2023 audit of the basic financial statements performed by other auditors, whose report on such information stated that it was fairly stated in all material respects in relation to the December 31, 2023 basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Executive Letter but does not include the basic financial statements and our auditors' report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
March 27, 2025

management's discussion and analysis (unaudited)

This section of Colorado Housing and Finance Authority's (the Authority) annual financial report presents management's discussion and analysis of the financial position and results of operations as of and for the years ended December 31, 2024 and 2023. This information is being presented to provide additional information regarding the activities of the Authority and to meet the disclosure requirements of Government Accounting Standards Board (GASB).

The Authority is a body corporate and political subdivision of the State of Colorado (the State), that finances affordable housing, business and economic growth opportunities for residents and businesses of Colorado. Its dual mission is to increase the availability of affordable, decent and accessible housing for lower- and moderate-income Coloradans, and to strengthen the state's economy by providing financial assistance to businesses.

Established by the Colorado General Assembly in 1973, the Authority raises funds through the public and private sale of bonds and notes, which are not obligations of the State. As a self-sustaining organization, the Authority's operating revenues come from loan and investment income, program administration fees, loan servicing fees and gains on sales of loans. The Authority receives no tax appropriations, and its net revenues are reinvested in its programs and used to support bond ratings.

The Authority participates in the Government National Mortgage Association (Ginnie Mae) Mortgage Backed Securities (MBS) Programs. Through the MBS Programs, Ginnie Mae guarantees securities that are issued by the Authority and that are backed by pools of mortgage loans. Ginnie Mae securities, which can be held or sold, carry the full faith and credit guaranty of the United States government. Holders of the securities receive a "pass-through" of the principal and interest payments on a pool of mortgage loans, less amounts required to cover servicing costs and Ginnie Mae guaranty fees. The Ginnie Mae guaranty ensures that the holder of the security issued by the Authority receives the timely payment of scheduled monthly principal and any unscheduled recoveries of principal on the underlying mortgage loans, plus interest at the rate provided for in the securities. All loans pooled under the Ginnie Mae MBS Programs are either insured by the Federal Housing Administration (FHA) or are guaranteed by the United States Department of Agriculture (USDA) Rural Development or the Veterans Administration.

The Authority also participates in the Federal National Mortgage Association (Fannie Mae) MBS and Whole Loan Commitment Programs. Fannie Mae is a government-sponsored enterprise with a public mission to provide stability in, and to increase the liquidity of, the residential mortgage market for homebuyers. The Authority is a Fannie Mae Seller/Servicer, either selling whole loans to Fannie Mae for cash or swapping pooled loans for MBS issued by Fannie Mae, which securities can be held or sold.

The Authority also participates in the Federal Home Loan Mortgage Corporation (Freddie Mac) Whole Loan Commitment Program. Freddie Mac is a government-sponsored enterprise with a public mission to provide liquidity, stability and affordability to the nation's housing market. The Authority is a Freddie Mac Seller/Servicer, selling whole loans to Freddie Mac for cash.

Overview of the Financial Statements

The basic financial statements consist of the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, the Statement of Cash Flows and the notes thereto. The Authority follows enterprise fund accounting, whereby changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows. The financial statements offer information about the Authority's activities and operations.

The Statement of Net Position includes all of the Authority's assets and liabilities, presented in order of liquidity, along with deferred outflows and deferred inflows. The resulting net position presented in these statements is displayed as invested in capital assets, restricted or unrestricted. Net position is restricted when its use is subject to external limits such as bond indentures, legal agreements or statutes. Net position is unrestricted when there are no external limits on its use. The unrestricted net position is, however, formally designated for specific purposes by the Authority's Board of Directors each year.

All of the Authority's current year revenues and expenses are recorded in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the activities of the Authority's operations over the past year and presents the resulting change in net position.

The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. This statement reports cash receipts, cash payments and net changes in cash resulting from operating, noncapital financing, capital and related financing and investing activities. The statement provides information regarding the sources and uses of cash and the change in the cash balance during the reporting period.

The notes to basic financial statements provide additional information that is essential for a full understanding of the information provided in the financial statements.

Required and other supplementary information is presented following the notes to basic financial statements to provide selected pension and other post employment benefit (OPEB) information and other supplemental information, such as combining schedules for the Authority's programs. These programs are explained in greater detail below.

Programs

General Programs – Insured and uninsured single family and multifamily loans have been made by the Authority using funds in its General Fund designated as the Community Impact Fund (CIF). Within the CIF resides the Authority's Housing Opportunity Fund (HOF Program). Under the HOF Program, the Authority makes fixed interest rate loans and provides interest rate subsidies to nonprofit and for profit developers in support of rental housing facilities targeted to support affordable rental housing. The Authority also makes loans to support its single family program, including down payment assistance loans, within the fund. All HOF loans must conform to standard Authority due diligence processes and underwriting criteria, unless waived in accordance with the Authority's standard process, and are secured by either first or second mortgages on real estate. Loan terms on HOF loans may range up to 40 years.

Single Family Programs – Under its Single Family Mortgage Programs, the Authority may purchase mortgage loans for single-family residential dwellings from qualified originating mortgage lenders, or may, under certain programs, provide loans directly to individual borrowers. The Authority presently acquires mortgage loans under its Non-Qualified Single Family Mortgage Program (taxable) and its Qualified Single Family Mortgage Program (tax exempt). Loans made under the qualified program are subject to certain income and purchase price limitations. The Authority permits eligible borrowers under its Non-Qualified Single Family Mortgage Program to meet certain income limits which are generally somewhat higher than the limits permitted for a Qualified Single Family Mortgage Program. There is no limit imposed by the Authority on prior home ownership or limit on the purchase price of a residence which may be acquired with the proceeds of a loan under the Non-Qualified Single Family Mortgage Program, although all such mortgage loans must meet any applicable loan limit.

Multifamily Lending Programs – The Multifamily Lending Programs provide financing to sponsors of affordable rental housing developments. Financing options include construction to permanent loans, permanent-only loans, acquisition loans, acquisition/rehabilitation loans and, in certain circumstances, refinancing of existing debt. Other financing structures may be considered, based upon the property characteristics and sub-market due diligence, as well as the demonstrated experience and financial capacity of the sponsor. The mortgages originated under the multifamily loan programs include a combination of insured and uninsured mortgages. The Authority is a Tier I lender under FHA's Section 542(c) of the Housing and Community Development Act of 1992, as amended, which provides insurance on multifamily loans and is a credit enhancement mechanism available only to qualified housing and finance agencies acting as the mortgage lender.

Business Finance Programs – The Authority originates uninsured loans as part of its direct business loan programs, including the Direct Loan Program, the Non-Profit Real Estate Loan Program, the U.S. Small Business Administration 504

Program, the Rural Loan Program, the Rural Development Loan Program and the RENEW (Recycling) Program. These business loans must meet certain economic development or job creation/retention objectives and are made to Colorado businesses to provide long-term, fixed rate financing for real estate and equipment. The uninsured direct business loans are generally secured by a first lien on the assets financed, are made in amounts up to 90% of the lesser of cost or appraised value of the collateral, are fully amortizing over terms of up to thirty years for real estate loans and seven years for equipment, and generally require guarantees from principals of the business having a 20% or greater ownership interest. A guaranty is also required from the operating company if different from the borrower. Some of the Authority's small business loans may carry credit enhancement by an agency or instrumentality of the United States under an insurance program requiring payment of not less than 50% of the principal amount of such mortgage in the event of default. Direct small business loans insured to date have utilized the USDA Rural Development guarantee programs.

Financial Highlights

The following financial highlights section refers to the Authority's consolidated financial statements. The reader of this management's discussion and analysis section is encouraged to also review the Authority's combining schedules within the supplementary information section of this 2024 financial report.

Condensed Summary of Net Position
(in thousands of dollars)

As of December 31,	2024	2023	2022
Assets			
Cash	**$ 207,099**	$ 169,745	$ 173,618
Investments	**4,162,413**	3,256,398	2,010,447
Loans receivable, net	**1,783,374**	1,475,614	1,330,673
Loans receivable held for sale	**131,593**	120,987	95,836
Capital assets, net	**10,593**	11,403	11,931
Derivative instruments	**100,698**	53,493	69,029
Other assets	**219,510**	189,540	144,110
Total assets	**6,615,280**	5,277,180	3,835,644
Deferred outflows of resources			
Accumulated fair value of hedging derivatives	**13,759**	31,695	24,513
Pension and OPEB contributions and investment earnings	**10,192**	12,941	3,328
Refundings of debt	**931**	878	896
Total deferred outflows of resources	**24,882**	45,514	28,737
Liabilities			
Bonds, notes payable and short-term debt	**5,402,016**	4,216,117	2,856,096
Derivative instruments and related borrowings	**1,834**	2,905	3,680
Net pension and OPEB liability - proportionate share	**20,395**	25,532	(463)
Other liabilities	**279,581**	215,857	200,109
Total liabilities	**5,703,826**	4,460,411	3,059,422
Deferred inflows of resources			
Accumulated fair value of hedging derivatives	**107,079**	79,842	88,555
Pension and OPEB investment differences	**792**	851	15,254
Total deferred inflows of resources	**107,871**	80,693	103,809
Net position			
Investment in capital assets, net of related debt	**1,533**	1,969	2,138
Restricted by grants	**2,638**	7,344	6,283
Restricted primarily by bond indentures	**129,577**	96,955	39,415
Unrestricted	**694,717**	675,322	653,314
Total net position	**$ 828,465**	$ 781,590	$ 701,150

Statement of Net Position

Total investments comprised 62.9% of the Authority's total assets and represent the Authority's largest asset class. Total investments as of December 31, 2024 were $4.2 billion, an increase of $906.0 million, or 27.8%, compared to the amount outstanding as of December 31, 2023. This increase was primarily the result of the Authority retaining MBS as investments on its balance sheet, as opposed to selling these in the secondary market at a premium. These MBS were pledged as collateral for bonds issued by the Authority during the year.

In 2023, investments increased $1.2 billion, or 62.0%, when compared to 2022. Similar to 2024, this increase was primarily the result of the Authority retaining MBS as investments on its balance sheet, as opposed to selling these in the secondary market at a premium. These MBS were pledged as collateral for bonds issued by the Authority during the year.

Total loans receivable, including loans held for sale, net of allowances for loan losses, comprised 29.0% of the Authority's total assets. These loan balances as of December 31, 2024 were $1.9 billion; an increase of $318.4 million, or 19.9%, compared to the amount outstanding as of December 31, 2023. During 2024, the Authority retained a majority of its loan production on its balance sheet in the form of MBS securities. The remaining single family loan production was sold through four vehicles: sales of Ginnie Mae and Fannie Mae mortgage backed securities or by direct sale to Fannie Mae or Freddie Mac. During 2024, $1.4 billion in loans were securitized through Ginnie Mae, of which $1.2 billion were placed into taxable and tax-exempt MBS-backed bond structures. The remainder were sold in the to-be-announced (TBA) market through the issuance and sale of Ginnie Mae securities. Loans totaling $102.5 million were either pooled and swapped for Fannie Mae mortgage backed securities and sold for a premium, or sold directly to Fannie Mae. Additionally, $443.3 million in loans were sold directly to Freddie Mac.

In 2023, net loans receivable increased by $170.1 million, or 11.9%, when compared to 2022. This increase over the prior year was primarily the result of the demand for the Authority's down payment assistance (DPA) in the form of second mortgages.

While it has been the Authority's practice to pool loans into mortgage backed securities and either sell them in the secondary market for a gain or retain and pledge them as collateral for bonds, the Authority continued the practice of purchasing and retaining the mortgage servicing rights (MSRs) to these loans. Additionally, the Authority continued the practice of servicing the whole loans it retains in its loan portfolio. The loans serviced by the Authority include both single family and commercial loans.

Servicing Portfolio *(gross, in thousands)*	**2024**	**2023**	**2022**
GNMA - securities sold	$ 8,737,767	$ 8,070,179	$ 7,231,151
FNMA - loans and securities sold	1,216,727	1,201,078	1,235,411
FHLMC - loans sold	1,032,019	636,505	232,089
Balance sheet loans (single family/multifamily/business finance)	1,930,533	1,614,696	1,436,925
Total Servicing Portfolio	$ 12,917,046	$ 11,522,458	$ 10,135,576

The delinquency ratios represented in the following tables are calculated using industry best practices and are reported on the Authority's entire servicing portfolio, including loans that were sold and the mortgage servicing rights retained, as well as loans the Authority maintains as assets on its balance sheet. Investors looking for past due information on loans pledged as collateral for specific bond series of the Authority can find this information by visiting the Municipal Securities Rulemaking Board's EMMA website at https://emma.msrb.org/IssuerHomePage/State?state=CO.

Delinquent unpaid principal balances within the single family loan portfolio increased slightly during 2024 when compared to the prior year. Total single family past due loans increased to 13.2% in 2024, from 12.3% in 2023. There was no change in delinquencies in the multifamily and business finance portfolios.

Single Family Portfolio Delinquency	2024	2023	2022
Current	86.8%	87.7%	87.8%
30 Day	5.3%	6.1%	4.8%
60 Day	2.7%	2.4%	2.0%
90 Day	4.4%	3.1%	4.3%
Foreclosure	0.8%	0.7%	1.1%
Total past due	13.2%	12.3%	12.2%

Multifamily Portfolio Delinquency	2024	2023	2022
Current	100.0%	100.0%	100.0%
30 Day	0.0%	0.0%	0.0%
60 Day	0.0%	0.0%	0.0%
90 Day	0.0%	0.0%	0.0%
Foreclosure	0.0%	0.0%	0.0%
Total past due	0.0%	0.0%	0.0%

Business Finance Portfolio Delinquency	2024	2023	2022
Current	100.0%	100.0%	99.8%
30 Day	0.0%	0.0%	0.0%
60 Day	0.0%	0.0%	0.2%
90 Day	0.0%	0.0%	0.0%
Foreclosure	0.0%	0.0%	0.0%
Total past due	0.0%	0.0%	0.2%

During 2024, derivative instruments increased $47.2 million, or 88.2%, over prior year. The increase was due to changes in interest rates and continued to result in the Authority reporting derivative instruments as a cumulative non-current asset compared to years prior to 2022, where the instruments have been valued and reported as a cumulative non-current liability.

Total deferred outflows as of December 31, 2024 were $24.9 million, a decrease of $20.6 million, or 45.3%, compared to the amount outstanding as of December 31, 2023. Deferred outflows for 2023 increased $16.8 million, or 58.4%, from those reported in 2022. These changes were primarily the result of changes in market interest rates.

As of December 31, 2024, bonds, notes payable and short-term debt were $5.4 billion, an increase of $1.2 billion, or 28.1%, compared to the balance at December 31, 2023. This increase is the result of several 2024 single family and multifamily bond issuances, the proceeds of which were used to finance loans for the single family and multifamily programs.

The Authority's debt transactions followed best execution analysis and were part of the Authority's annual plan of finance. Debt activity detail for 2024 occurred as follows:

- On February 14, 2024, the Authority issued $125.0 million of taxable Single Family Mortgage Class I 2024 Series A Bonds to fund approximately $119.0 million of MBS backed by new single family mortgages and $5.0 million of down-payment assistance second mortgage loans.

- On April 17, 2024, the Authority issued $170.0 million of taxable Single Family Mortgage Class I, 2024 Series B Bonds to fund approximately $143.4 million of MBS backed by new single-family mortgages, $20.0 million of FHA loan modifications held by CHFA'S General Fund, and $5.6 million of down-payment assistance second mortgage loans.

- On June 18, 2024, the Authority issued $200.0 million of taxable Class I 2024 Series C Bonds to fund approximately $169.0 million of MBS backed by new single-family mortgages, $25.0 million of FHA loan modifications held by CHFA'S General Fund, and $5.0 million of down-payment assistance second mortgage loans.

- On July 17, 2024, the Authority issued $150.0 million of taxable Single Family Mortgage Class I 2024 Series D Bonds to fund $145.0 million of MBS backed by new single-family mortgages and $4.8 million of down-payment assistance second mortgage loans.

- On August 1, 2024, the Authority issued $45.8 million of tax-exempt Class I 2024 Series A Bonds to fund a new Multifamily Project loan.

- On September 5, 2024, the Authority issued $62.6 million of tax-exempt Class I 2024 Series CD Bonds to fund a new Multifamily Project loan.

- On September 11, 2024, the Authority issued $200.0 million of taxable Single Family Mortgage Class I 2024 Series E Bonds to fund approximately $174.0 million of MBS backed by new single-family mortgages, $20.0 million of FHA loan modifications held by CHFA'S General Fund, and $5.5 million of down-payment assistance second mortgage loans.

- On September 24, 2024, the Authority issued $19.4 million of tax-exempt Class I 2024 Series B Bonds to fund a new Multifamily Project loan.

- On October 16, 2024, the Authority issued $150.0 million of taxable Single Family Mortgage Class I 2024 Series F Bonds to fund $146.5 million of MBS backed by new single-family mortgages and $5.0 million of down-payment assistance second mortgage loans.

- On November 13, 2024, the Authority issued $200.0 million of taxable Single Family Mortgage Class I 2024 Series G Bonds to fund approximately $174.1 million of MBS backed by new single-family mortgages, $20.0 million of FHA loan modifications held by CHFA'S General Fund, and $5.5 million of down-payment assistance second mortgage loans.

Additional information on the Authority's long-term debt can be found in note 6 of this report.

As of December 31, 2024, the net pension and OPEB liability was $20.4 million, a decrease of $5.1 million, or 20.1%, compared to the balance at December 31, 2023. The net pension and OPEB liability relies on information from the prior year and this decrease is the result of favorable investment performance during 2023. Additional information on the Authority's retirement plan can be found in note 12 of this report.

During 2023, total liabilities increased $1.4 billion, or 45.8%, over the prior year. Bonds, notes payable and short-term debt increased $1.4 billion, or 47.6% over 2022, primarily due to the issuance of new single family and multifamily program bonds. Also in 2023, derivative instruments and related borrowings decreased $14.8 million, or 22.6%, from the prior year due to changing market interest rates.

The Authority's net position as of December 31, 2024, was $828.5 million, an increase of $46.9 million, or 6.0%, compared to the balance as of December 31, 2023. The increase in net position was primarily due to an increase in fair market value of investments during 2024 as a result of more favorable market rates compared to prior year. Net position, as a percent of total assets, decreased from 14.8% as of December 31, 2023, to 12.5% as of December 31, 2024.

Condensed Summary of Revenues, Expenses and Changes in Net Position
(in thousands of dollars)

For the years ended December 31,	2024	2023	2022
Interest income and expense:			
Interest on loans receivable	**$ 57,701**	$ 53,745	$ 48,168
Interest on investments	**196,706**	115,781	51,507
Interest on debt	**(197,143)**	(126,670)	(71,587)
Net interest income	**57,264**	42,856	28,088
Other operating income:			
Gain on sale of loans	**17,358**	19,276	51,997
Investment derivative activity gain (loss)	**2,034**	358	4,741
Net increase (decrease) in the fair value of investments	**(10,005)**	51,099	(204,822)
Other revenues	**81,356**	71,592	65,580
Total other operating income (loss)	**90,743**	142,325	(82,504)
Total operating income (loss)	**148,007**	185,181	(54,416)
Operating expenses:			
Salaries and related benefits	**30,305**	33,120	19,555
General operating	**71,752**	67,829	43,528
Depreciation	**1,170**	1,071	1,075
Provision for loan losses	**543**	10,065	2,245
Total operating expenses	**103,770**	112,085	66,403
Net operating income (loss)	**44,237**	73,096	(120,819)
Nonoperating expenses:			
Grant revenues	**193,574**	188,388	194,227
Grant expenses	**(190,936)**	(181,044)	(187,944)
Total nonoperating income and expenses, net	**2,638**	7,344	6,283
Change in net position	**46,875**	80,440	(114,536)
Net position:			
Beginning of year	**781,590**	701,150	815,686
End of year	**$ 828,465**	$ 781,590	$ 701,150

Revenues, Expenses and Changes in Net Position

As reflected in the Statement of Revenues, Expenses and Changes in Net Position, the change in net position during 2024 was $46.9 million, for an increase of 6.0% over the results at December 31, 2023. The increase in the change in net position compared to the prior year was composed of the following:

- A $14.4 million increase in net interest income. This increase is the result of additional interest earned on MBS that were added to the balance sheet throughout the year, offset against additional interest expense due to increased bond financing.

- A $51.6 million decrease in other operating income as a result of the following:
    - $1.9 million decrease in gain on sale of loans. This change was driven by a decrease in the amount of single family loans being pooled into MBS and sold through the TBA market at a premium. Additionally, the MBS that were sold through the TBA market generally earned a lower premium than MBS sold in the prior year. Year-over-year loans securitized into MBS for single family loans is depicted in the table below:

Single Family Loans Securitized ***(in thousands)***	**2024**	**2023**	**2022**
GNMA	$ 1,365,220	$ 1,528,654	$ 2,131,790
FNMA	102,532	53,686	296,384
FHLMC	443,329	423,570	83,329
Total Single Family Loans Securitized	$ 1,911,081	$ 2,005,910	$ 2,511,503

  - $1.7 million increase in investment derivative activity
  - $61.1 million decrease in fair value of investments related to a decrease in the fair market value of program investments
  - $9.8 million increase in other revenues related to program fee income

- An $8.3 million decrease in total operating expenses primarily due to decreased loan loss reserves and salaries and benefits related to pension expense.

- A $4.7 million decrease in nonoperating income related to federal grant commitments that will be paid out in subsequent years.

During 2023, total operating income increased by $239.6 million, or 440.3%, compared to 2022. The following contributed to the increase:

- Other revenues increased $6.0 million related to an increase in program fee and servicing fee income.

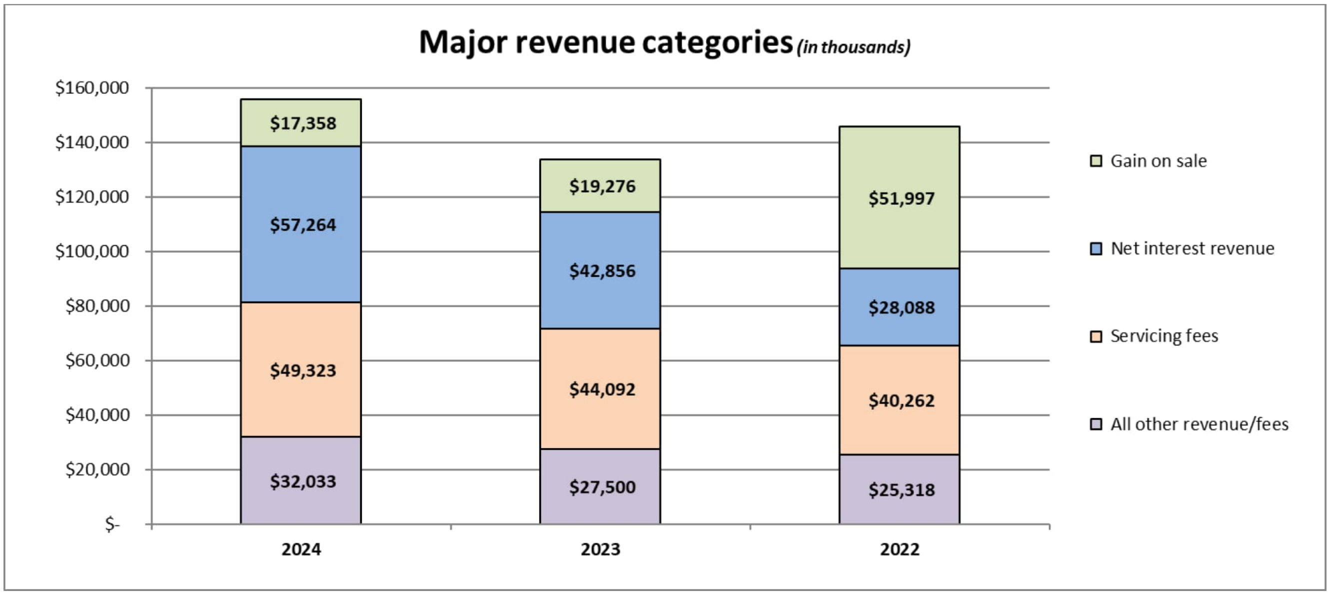
- Gain on sale of loans decreased $32.7 million due to declining premiums offered in the secondary market.

- The fair value of investments increased by $255.9 million primarily due to changes in market rates during 2023.

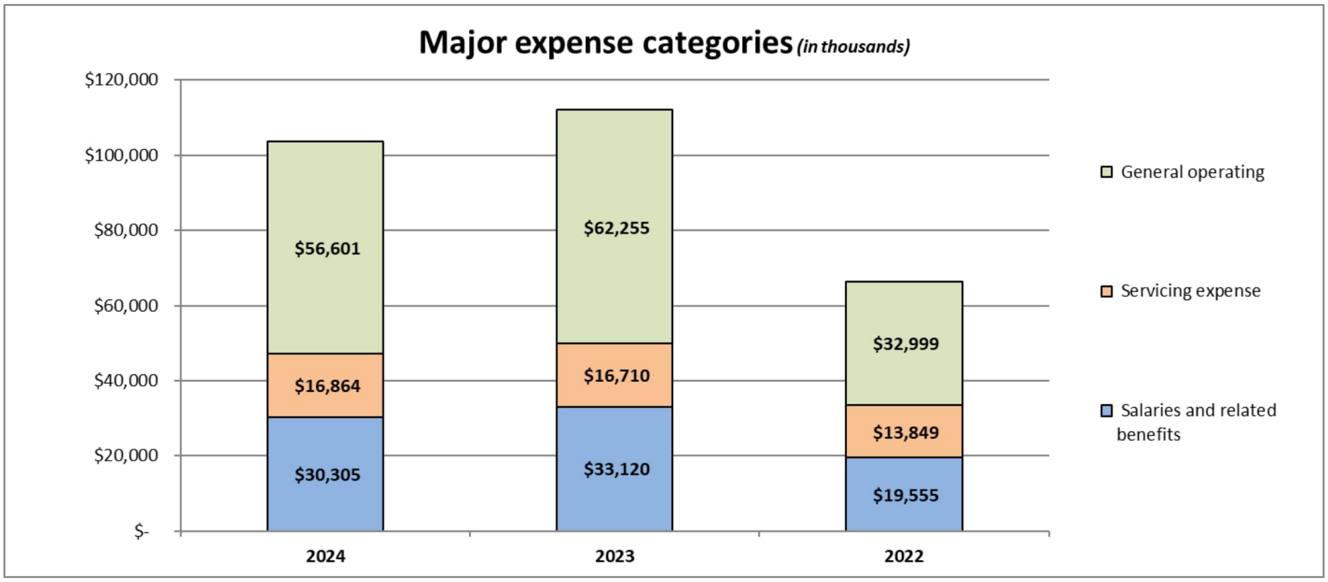
Total operating expenses in 2023 increased $45.7 million, or 68.8%, compared to 2022 primarily due to increased servicing expense and cost of issuance expense.

The federal grant receipts/payments consisted primarily of pass-through amounts related to the Authority's role as a contract administrator of the U.S. Department of Housing and Urban Development's Section 8 subsidy program. Under the Section 8 subsidy program, tenants pay 30% of their income toward rent and the balance is paid by federal subsidy.

Year-over-year comparisons of major income and major expense categories are depicted in the tables below:



Gain on sale represents the gain recognized on the sale of single family loans in the secondary market at a premium.
The category for all other revenues/fees is primarily made up of PBCA, LIHTC and conduit transaction fees.



Amounts reported in salaries and related benefits include entries related to GASB Statement No. 68 Pension expense and GASB Statement No. 75 OPEB expense. These amounts totaled $(2.4) million, $2.0 million and $(10.1) million for fiscal years, 2024, 2023 and 2022, respectively.

Economic Factors and Next Year's Budget

The 2025 budget was developed to provide desired products and services while maintaining financially responsible practices. In recent years, the Authority has seen a decline in single family loan production, partly due to rising interest rates as well as declining affordable inventory in the metro areas of Colorado.

During 2025, the Authority's loan and investment portfolios are projected to increase in size due to continued efforts to add loans and investment securities to the balance sheet. Contributing to this increase is the anticipated addition of over $1.4 billion in new loans and investment securities as a result of single family and multifamily lending operations, related debt is also projected to increase in 2025. As a result, overall net interest revenue is expected to increase.

Pressure on tax credit equity pricing and strong demand for affordable rental housing throughout the state are increasing the need for multifamily financing products and services. This being the case, the Authority is working to enhance its product offerings and increase its presence and visibility within the multifamily financing space. We believe this will result in an increase in the pipeline of multifamily loans the Authority finances in the years to come. The Authority also expects business finance production to continue to generate fee income through the Authority's lending activities.

Securitizing single family loan production and selling the securities for their market premiums is projected to continue to decline in 2025 due to lower premiums and declining opportunities in the secondary market. The budget reflects a 'purchase and sell' model for 22% of the $1.9 billion in budgeted single family loan production. The remaining 78% is budgeted to be bond-financed in an effort to continue growing the Authority's loan portfolio, providing future net interest revenue. The 2025 budget projects single family production to decline from 2024 results.

The Authority's operating expenses are projected to increase slightly over amounts reported for 2024. This increase will reside primarily within the Authority's salaries and related benefits due to budgeted merit increases, modest staffing increases and increases in health insurance premium expense.

Certain of the matters contained in this management's discussion and analysis about the Authority's future performance, including, without limitation, future revenues, earnings, strategies, prospects, consequences and all other statements that are not purely historical constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from those anticipated. Such statements are based on management's beliefs as well as assumptions made by and information currently available to management.

Readers are cautioned not to place undue reliance on these forward-looking statements in making any investment decisions with regards to our securities. Forward-looking statements made in this discussion apply only as of the date of these financial statements. While we may elect to update forward-looking statements from time to time, we specifically disclaim any obligation to do so, even in light of new information or future events, unless otherwise required by applicable laws.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances. Questions concerning the information provided in this report or other financial information should be addressed to the Chief Financial Officer at Colorado Housing and Finance Authority, 1981 Blake Street, Denver, Colorado 80202 (303-297-2432 or toll free, 800-877-2432).

basic financial statements

Colorado Housing and Finance Authority
Statement of Net Position
As of December 31, 2024 and 2023
(in thousands of dollars)

	2024	2023
Assets		
Current assets:		
Cash		
Restricted	$ 192,120	$ 155,828
Unrestricted	14,979	13,917
Investments (partially restricted, see note 2)	514,160	555,574
Loans receivable (partially restricted, see note 3)	59,446	49,188
Loans receivable held for sale	131,593	120,987
Other current assets	73,297	56,460
Total current assets	985,595	951,954
Noncurrent assets:		
Investments (partially restricted, see note 2)	3,648,253	2,700,824
Loans receivable, net (partially restricted, see note 3)	1,723,928	1,426,426
Derivative instruments	100,698	53,493
Capital assets, net	10,593	11,403
Other assets	146,213	133,080
Total noncurrent assets	5,629,685	4,325,226
Total assets	6,615,280	5,277,180
Deferred outflows of resources		
Accumulated fair value of hedging derivatives	13,759	31,695
Pension and OPEB contributions and investment earnings	10,192	12,941
Refundings of debt	931	878
Total deferred outflows of resources	24,882	45,514
Liabilities		
Current liabilities:		
Short-term debt	327,134	206,502
Bonds payable	265,765	147,400
Notes payable	59	59
Hybrid instrument borrowings	484	623
Other current liabilities	193,589	157,344
Total current liabilities	787,031	511,928
Noncurrent liabilities:		
Bonds and notes payable	4,809,058	3,862,156
Hybrid instrument borrowings	1,350	2,282
Net pension and OPEB liability - proportionate share	20,395	25,532
Other liabilities	85,992	58,513
Total noncurrent liabilities	4,916,795	3,948,483
Total liabilities	5,703,826	4,460,411
Deferred inflows of resources		
Accumulated fair value of hedging derivatives	107,079	79,842
Pension and OPEB investment differences	792	851
Total deferred inflows of resources	107,871	80,693
Net position		
Investment in capital assets, net of related debt	1,533	1,969
Restricted by grants	2,638	7,344
Restricted primarily by bond indentures	129,577	96,955
Unrestricted	694,717	675,322
Total net position	$ 828,465	$ 781,590

See accompanying notes to basic financial statements.

Colorado Housing and Finance Authority
Statement of Revenues, Expenses and Changes in Net Position
For the years ended December 2024 and 2023

(in thousands of dollars)

	2024	2023
Interest income and expense:		
Interest on loans receivable	**$ 57,701**	$ 53,745
Interest on investments	**196,706**	115,781
Interest on debt	**(197,143)**	(126,670)
Net interest income	**57,264**	42,856
Other operating income:		
Gain on sale of loans	**17,358**	19,276
Investment derivative activity gain	**2,034**	358
Net decrease in the fair value of investments	**(10,005)**	51,099
Other revenues	**81,356**	71,592
Total other operating income	**90,743**	142,325
Total operating income	**148,007**	185,181
Operating expenses:		
Salaries and related benefits	**30,305**	33,120
General operating	**71,752**	67,829
Depreciation	**1,170**	1,071
Provision for loan losses	**543**	10,065
Total operating expenses	**103,770**	112,085
Net operating income	**44,237**	73,096
Nonoperating income and expenses:		
Grant revenues	**193,574**	188,388
Grant expenses	**(190,936)**	(181,044)
Total nonoperating income and expenses	**2,638**	7,344
Change in net position	**46,875**	80,440
Net position:		
Beginning of year	**781,590**	701,150
End of year	**$ 828,465**	$ 781,590

See accompanying notes to basic financial statements.

Colorado Housing and Finance Authority
Statement of Cash Flows
For the years ended December 2024 and 2023

(in thousands of dollars)

	2024	2023
Cash flows from operating activities:		
Principal payments received on loans receivable and receipts from dispositions of other real estate owned	**$ 1,015,202**	$ 728,948
Interest payments received on loans receivable	**55,415**	53,972
Payments for loans receivable	**(2,705,100)**	(2,437,174)
Receipts from sales of Ginnie Mae securities	**1,388,795**	1,547,610
Changes in servicing escrows	**20,637**	11,753
Receipts from other revenues	**81,182**	71,384
Payments for salaries and related benefits	**(34,948)**	(6,958)
Payments for goods and services	**(59,310)**	(90,256)
All other, net	**(1,618)**	(31,361)
Net cash used in operating activities	**(239,745)**	(152,082)
Cash flows from noncapital financing activities:		
Net increase in short-term debt	**120,632**	43,504
Proceeds from issuance of bonds	**1,322,795**	1,530,720
Receipts from federal grant programs	**193,142**	173,435
Payments for federal grant programs	**(190,936)**	(181,044)
Principal paid on bonds	**(266,044)**	(231,565)
Principal paid on notes payable	**(59)**	(58)
Interest paid on short-term debt	**(12,658)**	(13,943)
Interest rate swap settlements	**21,737**	18,464
Interest paid on bonds	**(184,843)**	(100,282)
Interest paid on notes payable	**(1,857)**	(1,476)
Net cash provided by noncapital financing activities	**1,001,909**	1,237,755
Cash flows from capital and related financing activities:		
Purchase of capital assets	**(360)**	(544)
Net cash used in capital and related financing activities	**(360)**	(544)
Cash flows from investing activities:		
Proceeds from maturities and sales of investments	**4,494,396**	4,761,825
Purchase of investments	**(5,406,288)**	(5,957,182)
Income received from investments	**187,442**	106,355
Net cash used in capital and related financing activities	**(724,450)**	(1,089,002)
Net increase (decrease) in cash	**37,354**	(3,873)
Cash at beginning of year	**169,745**	173,618
Cash at end of year	**$ 207,099**	$ 169,745
Restricted	**$ 192,120**	$ 155,828
Unrestricted	**14,979**	13,917
Cash, end of year	**$ 207,099**	$ 169,745

Continued on the next page

Colorado Housing and Finance Authority

Statement of Cash Flows *(continued)*

For the years ended December 2024 and 2023

(in thousands of dollars)

	2024	2023
Reconciliation of operating income to net cash provided by (used in) operating activities:		
Net operating income	**$ 44,237**	$ 73,096
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Depreciation expense	**1,169**	1,071
Amortization and fair value adjustments of service release premiums	**11,617**	10,081
Proportionate share of net pension and OPEB expense	**(2,448)**	1,979
Amortization of derivatives related borrowings	**(1,071)**	(774)
Provision for loan losses	**543**	10,065
Interest on investments	**(196,706)**	(115,781)
Interest on debt	**198,214**	127,444
Unrealized gain on investment derivatives	**(2,034)**	(358)
Unrealized (gain) loss on investments	**10,005**	(51,099)
Gain on sale of real estate owned	**(29)**	(27)
Gain on sale of loans receivable held for sale	**(17,358)**	(19,276)
Changes in assets and liabilities:		
Loans receivable and other real estate owned	**(312,692)**	(170,670)
Accrued interest receivable on loans and investments	**(2,285)**	228
Other assets	**(20,244)**	(45,603)
Accounts payable and other liabilities	**49,337**	27,542
Net cash used in operating activities	**$ (239,745)**	$ (152,082)

See accompanying notes to basic financial statements.

notes to basic
financial statements

1) Organization and Summary of Significant Accounting Policies

(a) Authorizing Legislation and Reporting Entity

Authorizing Legislation - The Colorado Housing and Finance Authority (the Authority) is a body corporate and a political subdivision of the State of Colorado (the State) established pursuant to the Colorado Housing and Finance Authority Act, Title 29, Article 4, Part 7 of the Colorado Revised Statutes (C.R.S. or the Statutes), as amended (the Act). The Authority is not a state agency and is not subject to administrative direction by the State. The governing body of the Authority is its Board of Directors (the Board). Operations of the Authority commenced in 1974. The Authority is not a component unit of the State or any other entity.

The Authority was created for the purpose of making funds available to assist private enterprise and governmental entities in providing housing facilities for lower- and moderate-income families. Under the Act, the Authority is also authorized to finance projects and working capital loans to industrial and commercial enterprises (both for-profit and nonprofit) of small and moderate size.

In 1992, Colorado voters approved an amendment to the State Constitution, Article X, Section 20, which, among other things, imposes restrictions on increases in revenue and expenditures of state and local governments (known as the Taxpayer Bill of Rights or TABOR). In the opinion of its bond counsel, the Authority is a "special purpose authority", not part of the "State" under C.R.S. § 24-77-102(15) and (16), and not a "district" as defined in TABOR and is therefore exempt from its provisions.

In 2001, the Colorado state legislature repealed the limitation on the amount of debt that the Authority can issue as well as removed the moral obligation of the State on future debt issues of the Authority. The bonds, notes and other obligations of the Authority do not constitute debt of the State.

Lending and Housing Programs – The Authority accounts for its lending and operating activities in the following groups:

General Program – The General Program is the Authority's primary operating program. It accounts for assets, deferred outflows, liabilities, deferred inflows, revenues and expenses not directly attributable to a bond program. Most of the bond resolutions of the programs permit the Authority to make cash transfers to the general accounts after establishing reserves required by the bond resolutions. The general accounts financially support the bond programs when necessary. The general accounts include proprietary loan programs developed by the Authority to meet the needs of low- and moderate-income borrowers not served by traditional lending programs. The general accounts also include administrative activities related to the federal government's Section 8 housing assistance payments program.

Single Family Program – The Single Family Program includes bonds issued and assets pledged for payment of the bonds under the related indentures. Loans acquired under this program with the proceeds of single family bond issues include Federal Housing Administration (FHA), conventional, United States Department of Agriculture (USDA) Rural Development, Rural Economic and Community Development Department (RD), and Veterans Administration (VA) loans made under various loan programs.

Multifamily/Business Program – The Multifamily/Business Program includes bonds issued and assets pledged for payment of the bonds under the related indentures. Loans acquired under this program with the proceeds of multifamily and business (sometimes referred to as project) bond issues include loans made for the purchase, construction or rehabilitation of multifamily rental housing. In addition, business loans are made to both for-profit and nonprofit organizations primarily for the purpose of acquisition or expansion of their facilities or for the purchase of equipment.

(b) Basis of Accounting

The Authority presents its financial statements in accordance with United States Generally Accepted Accounting Principles (U.S. GAAP) as established by the Governmental Accounting Standards Board (GASB). For financial purposes, the Authority is considered a special-purpose government engaged in business-type activities. The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when incurred. All significant intra-entity transactions have been eliminated.

(c) Summary of Significant Accounting Policies

Estimates **–** The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows and deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Significant estimates to the Authority's financial statements include the allowance for loan losses, MSRs, interest rate swap agreements and fair value estimates. Actual results could differ from those estimates.

Cash and Restricted Cash **–** The Authority's cash and cash equivalents are represented by cash on hand and demand deposits held in banks. Restricted cash includes payments received on pledged assets and used for the payment of bonds under the related indenture agreements. Also included in restricted cash are escrow balances, payments in process and various government deposits.

Restricted Assets **–** Amounts related to Single Family and Multifamily/Business Programs are considered restricted and are detailed in the supplemental schedules. Restricted assets are held for the benefit of respective bondholders and accounted for by program. Certain other assets are held on behalf of various governmental housing initiatives or regulations.

Investments **–** Investments of the Authority, representing those investments which are held as reserves under indenture or other restrictions, are reported at either amortized cost or fair value based on values obtained from third-party pricing services. The values are based on quoted market prices when available or on adjusted value in relation to observable prices on similar investments. Money market investments are reported at amortized cost. Investment amounts related to Single Family and Multifamily/Business Programs are considered restricted and are detailed in the supplemental schedules.

Loans Receivable **–** Mortgage loans receivable are reported at their unpaid principal balance net of an allowance for estimated loan losses. Loans related to Single Family and Multifamily/Business Programs are considered restricted and are detailed in the supplemental schedules.

Loans Receivable Held for Sale **–** Loans originated or acquired and intended for sale in the secondary market are carried at the lower of cost or fair value. Gains and losses on loan sales (sales proceeds minus carrying value) are reported as other operating income.

Allowance for Loan Losses **–** The allowance for loan losses is a reserve against current operations based on management's estimate of expected loan losses. Management's estimate considers such factors as the payment history of the loans, the projected cash flows of the borrowers, estimated value of the collateral, subsidies, guarantees, mortgage insurance, historical loss experience for each loan type, additional guarantees provided by the borrowers and economic conditions. Based on review of these factors, a total reserve amount is calculated and a provision is made against current operations to reflect the estimated balance.

Troubled Debt Restructuring **–** A restructuring of a debt constitutes a troubled debt restructuring if the creditor for economic or legal reasons related to the debtor's financial difficulties grants a concession to the debtor that it would not otherwise consider. Whatever the form of concession granted by the creditor to the debtor in a troubled debt restructuring, the creditor's objective is to make the best of a difficult situation. That is, the creditor expects to obtain more cash or other value from the debtor, or to increase the probability of receipt, by granting the concession than by not granting it.

Interest income is recognized using the new interest rate after restructuring, which approximates the effective interest rate. Additional information is disclosed in the loans receivable note. See note 3.

Capital Assets – Capital assets are defined by the Authority as assets with an initial, individual cost of $10 thousand or greater and an estimated life of greater than one year. Capital assets are depreciated or amortized using the straight-line method over their estimated useful lives, which are 30 years for buildings and from 3 to 10 years for furniture and equipment.

Other Noncurrent Assets – Other noncurrent asset balances as of December 31, 2024 and 2023, were $146.2 million and $133.1 million, respectively. Included in these amounts are mortgage servicing rights of $134.6 million and $120.9 million as of December 31, 2024 and 2023, respectively, related to loans sold by the Authority for which the Authority retained the mortgage servicing. These mortgage servicing rights are reported at the lower of cost or fair value.

The Authority did not record any fair market value adjustments on mortgage servicing rights as of December 31, 2024 and 2023, respectively. When cost exceeds fair value, the adjustments are reported in general operating expense on the Statement of Revenues, Expenses and Changes in Net Position.

Bonds – Bonds payable are general and limited obligations of the Authority and are not a debt or liability of the State or any subdivisions thereof. Each bond issue is secured, as described in the applicable trust indenture, by all revenues, moneys, investments, mortgage loans, and other assets in the accounts of the program to which the bonds relate. Virtually all of the Authority's loans and investments are pledged as security for the bonds. The provisions of the applicable trust indentures require or allow for redemption of bonds through the use of unexpended bond proceeds and excess funds accumulated primarily through prepayment of mortgage loans and program certificates. All outstanding bonds are subject to redemption at the option of the Authority, in whole or in part at any time after certain dates, as specified in the respective series indentures.

The Authority issues fixed rate and variable rate bonds. The rate on the fixed rate bonds is set at bond closing. The variable rate bonds bear interest at either a monthly or a weekly rate until maturity or earlier redemption. For bonds that pay weekly rates, the remarketing agent for each bond issue establishes the weekly rate according to each indenture's remarketing agreement. The weekly rates are communicated to the various bond trustees for preparation of debt service payments. The weekly rate, as set by the remarketing agent, allows the bonds to trade in the secondary market at a price equal to 100% of the principal amount of the bonds outstanding, with each rate not exceeding maximum rates permitted by law.

The Authority has variable rate demand bonds that have Stand-by Purchase Agreements (SBPA), which state that the issuer of the SBPA will purchase the bonds in the event the remarketing agent is unsuccessful in marketing the bonds. In this event, the interest rate paid by the Authority will be calculated using a defined rate from the SBPA. If the bonds remain unsold for a period of 90 days, they are deemed to be "bank bonds" and the Authority is required to repurchase the bonds from the SBPA issuer. The timing of this repurchase, or term out, will vary by issuer from two to five years.

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

Debt Refundings – For current refundings and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense over the remaining life of the old or new debt, whichever is shorter. The difference is amortized using the effective interest method, with the exception of the amount relating to deferred loss on terminated interest rate swap hedging relationships, which is amortized on a straight-line basis. The deferred refunding amounts are classified as a component of deferred outflows on the Statement of Net Position.

Derivative Instruments – Derivative instruments, as defined in GASB No. 53, *Accounting and Financial Reporting for Derivative Instruments*, are measured on the Statement of Net Position at fair value. Changes in fair value for those derivative instruments that meet the criteria for hedging instruments under GASB No. 53 are reported as deferred inflows and outflows. Changes in fair value of investment derivative instruments, which are ineffective derivative instruments, are reported within investment derivative activity loss starting in the period of change.

Derivative Instruments – Interest Rate Swap Agreements – The Authority enters into interest rate swap agreements (swap) with rated swap counterparties in order to (1) provide lower cost fixed rate financing for its loan production needs through synthetic fixed rate structures and (2) utilize synthetic fixed rate structures with refunding bonds in order to generate cash flow savings. The interest differentials to be paid or received under such swaps are recognized as an increase or decrease in interest expense of the related bond liability. The Authority enters into fixed payor swaps, where it pays a fixed interest rate in exchange for receiving a variable interest rate from the counterparty. The variable interest rate may be based on either a taxable or tax-exempt index. By entering into a swap agreement, the Authority hedges its interest rate exposure on the associated variable rate bonds. The Authority's interest rate swaps are generally considered to be hedging derivative instruments under GASB No. 53. However, certain interest rate swaps have been deemed ineffective and are classified as investment derivative instruments. Additional information about the swap agreements is provided in note 8.

Derivative Instruments – Forward Sales Contracts – Forward sales of mortgage backed securities within the To-Be-Announced market are utilized to hedge changes in fair value of mortgage loan inventory and commitments to purchase mortgage loans at fixed rates. As of December 31, 2024, the Authority had executed 11 forward sales transactions with a $69.0 million notional amount with five counterparties with concentrations and ratings (Standard and Poor's/Moody's Investors Service) as shown in note 8. The forward sales will all settle by February 13, 2025. These contracts were considered investment derivative instruments and carried a fair value of $(166) thousand as of December 31, 2024. As of December 31, 2023, the Authority had executed 14 forward sales transactions with a $92.0 million notional amount with seven counterparties with concentrations and ratings (Standard and Poor's/Moody's Investors Service) as shown in note 8. The forward sales will all settle by March 13, 2024. These contracts were considered investment derivative instruments and carried a fair value of $747 thousand as of December 31, 2023.

Hybrid Instrument Borrowings – Hybrid instrument borrowings represent cash premiums received on interest rate swaps that had a fair value other than zero at the date of execution, generally because the fixed rates were different from market rates at that date. Interest expense is imputed on these borrowings, which are reported at amortized cost.

Net Pension Liability – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) of the Public Employee's Retirement Association of Colorado (PERA) pension plan and additions to/deductions from PERA's FNP have been determined on the same basis as they are reported by PERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Post Employment Benefits Other than Pension (OPEB) – For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the FNP of the OPEB Plan and additions to/deductions from the plan FNP have been determined on the same basis as they are reported by PERA. For this purpose, PERA recognizes benefit payments when due and payable in accordance with the benefit terms.

Other Liabilities – The major other liabilities are as follows:

- *Servicing escrow:* The net amount of collected escrow funds currently being held on behalf of borrowers to pay future obligations of property taxes and insurance premiums due on real properties. The Authority has a corresponding asset that is recorded in restricted cash.
- *Deferred Low Income Housing Tax Credit Income:* Compliance monitoring fees collected in advance on multifamily properties that have been awarded low-income housing tax credits to be used over a 15-year period. These fees

cover the ongoing cost the Authority incurs to certify that these properties remain low-income compliant during the 15-year period and continue to be eligible to use the tax credits awarded.

- *Compensated Absences:* Employees accrue paid time off at a rate based on length of service. Employees may accrue and carry over a maximum of 150% of their annual paid time off benefit. The liability for compensated absences is based on current salary rates and is reported in the Statement of Net Position.
- *Federal Financing Bank (FFB) Program**:*** Certificates of Participation of multifamily loans are sold to FFB and entitles FFB to a portion of interest and 100% of principal received from participated mortgage loans. The Authority has a corresponding asset that is recorded in loans receivable.

Classification of Revenues and Expenses – The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the Authority's ongoing operations. The principal operating revenues of the Authority are interest income on loans, gain on sale of loans and investment income. The Authority also recognizes revenues from rental operations and other revenues, which include loan servicing fees and other administrative fees. Operating expenses include interest expense, administrative expenses, depreciation, and the provision for loan losses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Authority's nonoperating revenues and expenses consist primarily of pass-through amounts related to the Authority's role as a contract administrator of the U.S. Department of Housing and Urban Development's (HUD) Section 8 subsidy program. Under the Section 8 subsidy program, tenants pay 30% of their income toward rent and the balance is paid to the Authority by federal subsidy.

New Accounting Principles – GASB issued Statement No. 99 *Omnibus 2022* which has varying effective dates for different components. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are as follows:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument
- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt
- Disclosures related to nonmonetary transactions
- Pledges of future revenues when resources are not received by the pledging government
- Clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements
- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*
- Terminology used in Statement 53 to refer to resource flows statements.

The adoption of these components during the year ended December 31, 2024, had no impact on the Authority's financial statements.

GASB issued Statement No. 100 *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62,* which is effective for accounting changes and error corrections made in fiscal years after June 15, 2023. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The adoption of this Statement during the year ended December 31, 2024, had no impact on the Authority's financial statements.

GASB issued Statement No. 101 *Compensated Absences*, which is effective for fiscal years beginning after December 15, 2023. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and amending certain previously required disclosures. The adoption of this Statement during the year ended December 31, 2024, had no impact on the Authority's financial statements.

Future Accounting Principles – GASB issued Statement No. 102 *Certain Risk Disclosures*, which is effective for fiscal years beginning after June 15, 2024. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The impact of the applicability of Statement No. 102 on the Authority's financial statements, and footnotes therein, has not yet been determined.

GASB issued Statement No. 103 *Financial Reporting Modeling Improvements*, which is effective for fiscal years beginning after June 15, 2025. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The impact of the applicability of Statement No. 103 on the Authority's financial statements, and footnotes therein, has not yet been determined.

GASB issued Statement No. 104 *Disclosure of Certain Capital Assets*, which is effective for fiscal years beginning after June 15, 2025. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures as required by Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. The objective of Statement No. 104 is to provide users of government financial statements with essential information about certain types of capital assets. The impact of the applicability of Statement No. 104 on the Authority's financial statements, and footnotes therein, has not yet been determined.

(2) Cash and Investments

Cash and Cash Equivalents – The Authority's cash and cash equivalents are reported as either restricted or unrestricted and are represented by cash on hand and demand deposits held in banks. Cash is classified as restricted when its use is subject to external limits such as bond indentures, legal agreements or statutes. Restricted cash includes payments received on pledged assets and used for the payment of bonds under the related indenture agreements. Also included in restricted cash are escrow balances, payments in process and various government deposits. As of December 31, 2024 and 2023, the Authority had unrestricted cash of $15.0 million and $13.9 million, respectively.

(tabular dollar amounts are in thousands)

Restricted cash as of December 31, was as follows:

Summary of Restricted Cash	2024	2023
Customer escrow accounts	$ 132,432	$ 107,081
Payments in process	20,734	10,609
Administered program deposits	38,954	38,138
Total fair value	$ 192,120	$ 155,828

Custodial Credit Risk – Cash Deposits – In the case of cash deposits, custodial credit risk is the risk that in the event of a bank failure, cash deposits belonging to the Authority may not be returned. All deposit accounts were either covered by the Federal Deposit Insurance Corporation or fully collateralized in accordance with the State of Colorado's Division of Banking's Public Deposit Protection Act.

Included in cash deposits are escrow deposits in the amount of $132.4 million and $107.1 million as of December 31, 2024 and 2023, respectively. These escrow deposits, included in other current liabilities on the statement of net position, are primarily held for the payment of property taxes and insurance on behalf of the mortgagors whose loans are owned or serviced by the Authority.

Investments – The Authority is authorized by means of a Board-approved investment policy to invest in notes, bonds and other obligations issued or guaranteed by the U.S. government and certain governmental agencies. Additionally, the Authority is permitted to invest, with certain restrictions as to concentration of risk, collateralization levels, maximum periods to maturity, and/or underlying rating levels applied, in revenue or general obligations of states and their agencies, certificates of deposits, U.S. dollar denominated corporate or bank debt, commercial paper, repurchase agreements backed by U.S. government or agency securities, money market mutual funds and investment agreements. The Authority's investment policy requires 1) staggered maturities to avoid undue concentrations of assets in a specific maturity sector, 2) stable income, 3) adequate liquidity to meet operations and debt service obligations and 4) diversification to avoid overweighting in any one type of security. The Authority is also subject to permissible investments as authorized by Title 24, Article 75, Part 6 of the Statutes. Permissible investments pursuant to the Statutes are either identical to or less restrictive than the Authority's investment policy. In addition, each of the trust indentures established under the Authority's bond programs contains requirements as to permitted investments of bond fund proceeds, which may be more or less restrictive than the Authority's investment policy. These investments are included in the disclosures below under State and political subdivision obligations.

General Program investments of $47.0 million as of December 31, 2024 consisted of securities pledged with Federal Home Loan Bank (FHLB).

General Program investments of $38.3 million include investments pledged as of December 31, 2023 as follows: $16.2 million in interest only strips held at Wells Fargo and $22.0 million in pledged securities with FHLB.

All Single Family and Multifamily/Business Program investments, which total $4.1 billion and $3.2 billion as of December 31, 2024 and 2023, respectively, are restricted under bond indentures or other debt agreements, or otherwise pledged as collateral for borrowings. These amounts are detailed in the supplemental schedules.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Except for the money market mutual fund investments, substantially all of the Authority's investments are subject to this risk.

(tabular dollar amounts are in thousands)

As of December 31, 2024, the Authority had the following investment maturities:

	Investment Maturities (In Years)				
Investment Type	Less Than 1	1-5	6-10	More Than 10	Total
Investment agreements - uncollateralized	$ 19,308	$ -	$ -	$ -	$ 19,308
Money market fund	439,865	-	-	-	439,865
Repurchase agreement	8,038	-	-	2,469	10,507
U.S. government agencies	46,949	9,045	13,846	3,617,847	3,687,687
U.S. Treasury	-	-	5,046	-	5,046
Total	$ 514,160	$ 9,045	$ 18,893	$ 3,620,316	$ 4,162,413

As of December 31, 2023, the Authority had the following investment maturities:

	Investment Maturities (In Years)				
Investment Type	Less Than 1	1-5	6-10	More Than 10	Total
Investment agreements - uncollateralized	$ 23,358	$ -	$ -	$ -	23,358
Money market fund	500,044	-	-	-	500,044
Repurchase agreement	10,130	-	-	2,469	12,599
U.S. government agencies	22,042	-	23,864	2,669,388	2,715,294
U.S. Treasury	-	-	5,103	-	5,103
Total	$ 555,574	$ -	$ 28,967	$ 2,671,857	$ 3,256,398

Credit Risk – The following table provides credit ratings of the Authority's investments as determined by Standard and Poor's and/or Moody's Investors Service.

	2024		2023	
Investment Type	Rating	Total	Rating	Total
Investment agreements - uncollateralized	AA+/Aa3	$ 13,151	AA+/Aa3	$ 17,427
Investment agreements - uncollateralized	A/A1	-	A/A1	5,931
Investment agreements - uncollateralized	A+/A1	6,157	A+/A1	-
Money market mutual fund	AAAm/Aaa-mf	439,865	AAAm/Aaa-mf	500,044
Repurchase agreements	AA+/Aaa	10,507	AA+/Aaa	12,599
U.S. government agencies	AA+/Aaa	3,687,687	AA+/Aaa	2,715,294
U.S. Treasury	AA+/Aaa	5,046	AA+/Aaa	5,103
Total		$ 4,162,413		$ 3,256,398

Investment agreements meet the requirements of the rating agency providing the rating on the related debt issue and of the Board's investment policy. The Board's investment policy states that the Authority is empowered to invest in any security that is a revenue or general obligation of any political subdivision. The credit rating at the time of purchase must be rated in one of its two highest rating categories by one or more nationally recognized organizations, which regularly rate such obligations and concentration limits may not exceed more than 20% of the investment portfolio.

(tabular dollar amounts are in thousands)

Concentration of Credit Risk – The Authority has various maximum investment limits both by type of investment and by issuer to prevent inappropriate concentration of credit risk. The following table provides information on issuers in which the Authority has investments representing more than 5% of its total investments as of December 31, 2024 and 2023.

Issuer	2024	2023
GNMA	85.43%	81.64%
Goldman Sachs	7.71%	11.89%

Custodial Credit Risk – Investments – Custodial credit risk is the risk that, in the event of the failure of the custodian, the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of the custodian. All securities owned by the Authority are either in the custody of the related bond indenture trustees or held in the name of the Authority by a party other than the issuer of the security.

(3) Loans Receivable, Related Allowances and Troubled Debt Restructuring

Loans receivable and loans receivable held for sale at December 31, consisted of the following:

	2024	2023
General Program	$ 880,436	$ 754,520
Single Family Program	381,882	283,108
Multifamily/Business Program:		
Multifamily/Project	632,786	532,563
Multifamily Pass Through	81,078	85,435
Total Multifamily/Business Program	713,864	617,998
Less intercompany loans, included in Multifamily/Project above	(38,560)	(39,434)
Total loans receivable	1,937,622	1,616,192
Payments in process	(8,990)	(2,974)
Allowance for loan losses	(13,665)	(16,617)
Total loans receivable, net	$ 1,914,967	$ 1,596,601

Loans in the Single Family Program and the Multifamily/Business Program in the table above are grouped based on the related bond type (see note 6 for additional information). Amounts related to these programs are considered restricted and are detailed in the supplemental schedules.

General Program loans include single family, multifamily and business finance loans acquired under various programs of the General Program, loans to be sold through the issuance of Ginnie Mae securities, loans to be sold to Fannie Mae and Freddie Mac, loans to be pooled and swapped for securities issued by Fannie Mae, loans held as investments and loans backed by bonds within the General Program. These loans are typically collateralized by mortgages on real property and improvements. Certain of these loans are also insured or guaranteed by agencies of the U.S. government.

Single family bond program loans are collateralized by mortgages on applicable real property and, in the case of loans with an initial loan-to-value ratio of 80% or more, are generally either insured by the FHA or guaranteed by the VA or RD or insured by private mortgage insurance.

The single family loan portfolio included in the general and single family programs as of December 31, 2024 was comprised of $514.5 million of FHA insured loans, $11.1 million of VA guaranteed loans, $4.9 million of RD guaranteed loans and $50.3 million of conventional insured loans with the balance of $503.4 million made up of uninsured conventional and second mortgage loans.

The single family loan portfolio included in the general and single family programs as of December 31, 2023 was comprised of $442.3 million of FHA insured loans, $10.9 million of VA guaranteed loans, $6.0 million of RD guaranteed loans and $46.7 million of conventional insured loans with the balance of $448.0 million made up of uninsured conventional and second mortgage loans.

The Authority is exposed to operational risk, which makes it subject to loss or repurchase of insured FHA loans if specific guidelines are not met. As of December 31, 2024 and 2023, the Authority recorded a reserve of $252 thousand and $180 thousand, respectively, for claim refunds to be paid to the HUD.

As of December 31, 2024 and 2023, single family mortgage loans with pending foreclosure actions have aggregate principal balances of approximately $27.2 million and $11.2 million, respectively. As of December 31, 2024 and 2023, the aggregate principal balance of single family mortgage loans delinquent 91 days or greater was approximately $173.1 million and $70.5 million, respectively.

The Multifamily/Business Program loans and a portion of General Program loans are commercial loans. Commercial loans are collateralized by mortgages on applicable real estate and, in some cases, are insured by an agency of the U.S. government, which reduces the credit risk exposure for that type of insured loan.

As of December 31, 2024, approximately $528.3 million, or 72.7%, of the commercial loan balances are not covered by insurance. The insured loans were comprised of $396.9 million of Section 542(c) risk share loans, which are 50% insured.

As of December 31, 2023, approximately $468.1 million, or 75.7%, of the commercial loan balances are not covered by insurance. The insured loans were comprised of $301.3 million of Section 542(c) risk share loans, which are 50% insured.

As of December 31, 2024 and 2023, there were no commercial loans with pending foreclosure actions. As of December 31, 2024 and 2023, the aggregate principal balance of commercial loans delinquent 91 days or greater was approximately $17 thousand and $200 thousand, respectively.

(tabular dollar amounts are in thousands)

Activity in the allowance for loan loss for the years ended December 31, was as follows:

	2024	2023
Beginning balance	$ 16,617	$ 8,922
Provision	542	10,065
Net charge-offs		
Single Family	(2,745)	(1,927)
Multifamily/Business	(749)	(443)
Ending balance	$ 13,665	$ 16,617

The Authority services loans that it securitizes as Ginnie Mae mortgage-backed securities and sells. As of December 31, 2024 and 2023, these loans totaled $8.7 billion and $8.1 billion, respectively.

The Authority services loans on the behalf of others, primarily for Fannie Mae and Freddie Mac, which are not reported on the Statement of Net Position. As of December 31, 2024 and 2023, these outstanding loan balances were $2.2 billion and $1.8 billion, respectively.

(tabular dollar amounts are in thousands)

The Authority has granted terms and interest rate concessions to debtors, which are considered troubled debt restructurings, as of December 31, as summarized below:

Single Family Program Loans:	**2024**	**2023**
Aggregate recorded balance	$ 102,564	$ 79,965
Number of loans	558	477
Gross interest revenue if receivables had been current	$ 5,887	$ 4,072
Interest revenue included in changes in net position	$ 3,936	$ 3,033

Multifamily/Business Program Loans:	**2024**	**2023**
Aggregate recorded balance	$ 3,277	$ 3,421
Number of loans	5	5
Gross interest revenue if receivables had been current	$ 148	$ 160
Interest revenue included in changes in net position	$ 141	$ 165

(tabular dollar amounts are in thousands)

(4) Capital Assets

Capital asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Nondepreciable capital assets:				
Land	$ 1,573	$ -	$ -	$ 1,573
Construction in progress	375	360	(471)	264
Total nondepreciable capital assets	1,948	360	(471)	1,837
Depreciable capital assets:				
Cost:				
Computer equipment/software	7,606	381	-	7,987
Furniture and equipment	3,139	90	-	3,229
Buildings and related improvements	13,736	-	-	13,736
Total depreciable capital assets	24,481	471	-	24,952
Less accumulated depreciation:				
Computer equipment/software	(7,181)	(362)	-	(7,543)
Furniture and equipment	(1,596)	(438)	-	(2,034)
Buildings and related improvements	(6,249)	(370)	-	(6,619)
Total accumulated depreciation	(15,026)	(1,170)	-	(16,196)
Total depreciable capital assets, net	9,455	(699)	-	8,756
Total capital assets, net	$ 11,403	$ (339)	$ (471)	$ 10,593

(tabular dollar amounts are in thousands)

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Nondepreciable capital assets:				
Land	$ 1,573	$ -	$ -	$ 1,573
Construction in progress	576	544	(745)	375
Total nondepreciable capital assets	2,149	544	(745)	1,948
Depreciable capital assets:				
Cost:				
Computer equipment/software	8,465	-	(859)	7,606
Furniture and equipment	2,394	745	-	3,139
Buildings and related improvements	13,736	-	-	13,736
Total depreciable capital assets	24,595	745	(859)	24,481
Less accumulated depreciation:				
Computer equipment/software	(7,678)	(362)	859	(7,181)
Furniture and equipment	(1,257)	(339)	-	(1,596)
Buildings and related improvements	(5,878)	(371)	-	(6,249)
Total accumulated depreciation	(14,813)	(1,072)	859	(15,026)
Total depreciable capital assets, net	9,782	(327)	-	9,455
Total capital assets, net	$ 11,931	$ 217	$ (745)	$ 11,403

(5) Short-Term Debt

The Authority has an agreement with the FHLB for collateralized borrowings in an amount not to exceed the lending limit internally established by the FHLB, which is 40% of the Authority's total assets, or $2.6 billion. Amounts drawn under the agreement bear interest at the same rates charged by the FHLB to its member banks and are collateralized by certain mortgage loans and investments. As of December 31, 2024 and 2023, the Authority had $104.6 million and $94.5 million of short-term debt outstanding with the FHLB.

The Authority has a revolving, unsecured, commercial bank line of credit agreement for borrowings of up to $75.0 million. Amounts drawn under the agreement bear interest fixed at a spread above one-month Term Secured Overnight Financing Rate (SOFR). This line of credit agreement terminates on April 30, 2025. The Authority pays an unused line fee, payable in arrears on the first business day after each calendar quarter. The fee is based upon the average daily unused amount of the line of credit computed on the basis of a 360-day year. As of December 31, 2024 and 2023, the Authority had $75.0 million and $15.0 million of short-term debt outstanding on this agreement.

During 2023, the Authority had a revolving, unsecured, commercial bank line of credit agreement for borrowings of up to $250.0 million. In 2024, the Authority increased the limit on the line of credit to $400.0 million. Amounts drawn under the agreement bear interest fixed at a spread above the Daily Simple SOFR. This line of credit agreement terminates on December 3, 2025. The Authority pays an unused line fee based upon the daily available balance, and is payable in arrears on the first business day after each calendar quarter. As of December 31, 2024 and 2023, the Authority had $147.5 million and $97.0 million of short-term debt outstanding on this agreement.

(tabular dollar amounts are in thousands)

Borrowings under these agreements are used to support the Authority's various lending programs, to purchase loans to be sold through the issuance and sale of Ginnie Mae and Fannie Mae securities, to provide additional liquidity for Ginnie Mae loan buyouts and for activities related to the Authority's private activity bond volume cap preservation program. There are no commitment fees associated with these agreements.

Short-term debt activity for the years ended December 31, was as follows:

	2024		2023	
Beginning balance	$	206,502	$	162,998
Additions		7,477,088		7,503,768
Reductions		(7,356,456)		(7,460,264)
Ending balance	$	327,134	$	206,502

(6) Bonds, Notes Payable and Other Liabilities

The Authority issues bonds and notes payable to finance its lending programs. Proceeds from long-term debt of the Single Family and Multifamily/Business bonds are used for funding of single family, multifamily and business loans. Long-term debt of the General Program (including notes payable) is used to finance single family and business loans. The aggregate principal amounts of bonds and notes payable outstanding as of December 31, 2024 and 2023 are shown in the table on the following pages. Interest is payable semiannually unless otherwise noted. Interest rates on variable rate debt reset on a weekly or monthly basis. At December 31, 2024, these rates ranged from 3.50% to 4.60%. At December 31, 2023, these rates ranged from 3.75% to 5.43%.

(tabular dollar amounts are in thousands)

Outstanding Bonds as of December 31:

Descripton and due date		Interest rate (%)	2024	2023
Bonds payable:				
Single Family Fund:				
2001 Series AA	2025 - 2041	Variable	$ 24,495	$ 29,055
2014 Series A	2025 - 2027	3.53	1,675	2,370
2015 Series A	2025 - 2027	2.97 - 3.19	5,995	9,260
2015 Series B	2025 - 2025	3.20 - 3.27	445	1,055
2017 Series A	2025 - 2047	3.00	7,117	8,228
2017 Series B	2025 - 2034	Variable	7,110	7,765
2017 Series AA	2025 - 2047	3.03	7,717	8,339
2017 Series CDE	2025 - 2048	Variable and 4.00	22,890	26,770
2018 Series AA	2025 - 2048	3.70	13,561	15,140
2018 Series AB	2025 - 2048	Variable and 4.00	25,040	29,885
2018 Series C	2025 - 2048	2.60 - 4.25	15,150	18,340
2018 Series D	2025 - 2029	3.40 - 3.81	11,355	13,575
2018 Series BB	2025 - 2048	4.20 - 4.50	16,725	19,852
2019 Series ABC	2025 - 2049	Variable and 4.25 - 4.75	28,915	31,385
2019 Series DE	2025 - 2049	Variable and 2.15 - 4.25	54,190	65,440
2019 Series FG	2025 - 2049	Variable and 2.05 - 4.25	37,830	40,970
2019 Series HI	2025 - 2049	Variable and 2.40 - 4.25	42,860	48,775
2019 Series AA	2025 - 2049	3.18	15,690	18,119
2019 Series BB	2025 - 2049	2.85 - 3.60	12,964	16,033
2019 Series JKL	2025 - 2050	Variable and 1.70 - 4.00	54,390	61,400
2019 Series CC	2025 - 2050	2.91	15,632	17,760
2020 Series ABC	2025 - 2050	Variable and 2.00 - 3.75	60,985	67,165
2020 Series AA	2025 - 2050	2.35	21,557	23,650
2020 Series BB	2025 - 2050	2.60	17,025	18,867
2020 Series DEF	2025 - 2050	Variable and 1.20 - 3.50	71,630	78,210
2020 Series GHI	2025 - 2050	Variable and 0.60 - 3.00	94,615	102,385
2021 Series ABC	2025 - 2051	Variable and 0.45 - 3.00	93,600	101,815
2021 Series DEF	2025 - 2051	0.65 - 3.00	65,286	71,889
2021 Series GHIJ	2025 - 2051	Variable and 0.50 - 3.00	107,595	115,376
2021 Series KLM	2025 - 2051	Variable and 0.63 - 3.25	108,425	114,225
2022 Series ABC	2025 - 2052	Variable and 1.30 - 3.25	110,990	116,865
2022 Series AA	2025 - 2052	3.55	44,190	48,424
2022 Series D	2025 - 2047	Variable and 3.17 - 5.00	65,190	71,830
2022 Series BB	2025 - 2052	4.65 - 4.80	42,247	48,463
2022 Series EFG	2025 - 2052	Variable and 2.70 - 5.25	90,160	97,550
2022 Series HI	2025 - 2053	Variable and 4.85 - 6.50	133,376	147,521
2022 Series JKL	2025 - 2053	Variable and 4.05 - 6.08	93,240	98,825
2023 Series AB	2025 - 2053	Variable and 4.30 - 6.00	116,894	127,620
2023 Series CDE	2025 - 2053	Variable and 3.10 - 5.75	93,865	99,375
2023 Series FG	2025 - 2053	Variable and 4.31 - 6.50	169,380	179,439

Table continued on following page.

(tabular dollar amounts are in thousands)

Descripton and due date		Interest rate (%)	2024	2023
Bonds payable:				
Single Family Fund:				
2023 Series HIJ	2025 - 2053	4.00 - 6.00	117,295	124,800
2023 Series K	2025 - 2053	Variable and 5.04 - 6.50	193,390	199,990
2023 Series LM	2025 - 2054	Variable and 5.21 - 5.75	144,145	150,000
2023 Series N	2025 - 2053	Variable and 5.27 - 6.25	223,660	230,000
2023 Series OP	2025 - 2054	Variable and 5.52 - 6.50	147,990	150,000
2023 Series Q	2025 - 2053	Variable and 5.36 - 6.50	167,490	170,000
2024 Series A	2025 - 2053	Variable and 4.65 - 5.88	124,600	-
2024 Series B	2025 - 2054	Variable and 4.81 - 6.25	170,000	-
2024 Series C	2025 - 2054	Variable and 4.71 - 6.00	200,000	-
2024 Series D	2025 - 2054	Variable and 4.64 - 6.00	150,000	-
2024 Series E	2025 - 2054	Variable and 4.16 - 6.00	200,000	-
2024 Series F	2025 - 2055	Variable and 3.91 - 6.00	150,000	-
2024 Series G	2025 - 2054	Variable and 4.28 - 6.25	200,000	-
Total Single Family Bonds			4,210,566	3,243,800
Total Single Family Fund			4,210,566	3,243,800

Descripton and due date		Interest rate (%)	2024	2023
Multifamily/Business Fund:				
2000 Series A	2024 - 2024	Variable	-	1,470
2007 Series B	2025 - 2038	Variable	37,160	41,320
2008 Series A	2025 - 2029	Variable	6,575	7,125
2008 Series B	2025 - 2052	Variable	131,095	134,390
2009 Series A	2025 - 2041	Variable	3,910	6,770
2012 Series A	2025 - 2051	3.90 - 4.50	8,910	9,090
2013 Series I	2025 - 2044	3.20	2,284	2,548
2016 Series A	2025 - 2041	2.10 - 4.00	8,935	9,310
2016 Series I	2025 - 2056	3.45	4,747	4,818
2016 Series II	2025 - 2056	3.00	8,409	8,541
2016 Series III	2025 - 2052	3.10	3,109	3,170
2016 Series IV	2025 - 2056	3.13	5,984	6,077
2016 Series V	2025 - 2045	3.40	7,768	10,883
2017 Series I	2025 - 2057	3.85	9,530	9,652
2017 Series II	2025 - 2057	3.76	6,166	6,245
2017 Series III	2025 - 2057	3.75	8,873	8,985
2017 Series IV	2025 - 2057	3.64	24,326	24,653
2018 Series A	2025 - 2040	Variable and 3.35 - 3.60	40,055	42,135
2019 Series A	2025 - 2040	1.75 - 3.00	17,575	18,245
2019 Series B	2025 - 2059	1.75 - 3.50	19,380	19,675
2019 Series C	2025 - 2051	Variable	38,945	40,000
2020 Series A	2025 - 2057	Variable	9,950	10,160
2020 Series B	2025 - 2043	0.60 - 2.35	34,770	35,025
2020 Series C	2025 - 2041	0.70 - 2.25	7,770	7,920

Table continued on following page.

(tabular dollar amounts are in thousands)

Descripton and due date		Interest rate (%)	2024	2023
Multifamily/Business Fund:				
2020 Series D	2025 - 2050	Variable and 1.22 - 2.31	48,710	51,995
2020 Series E	2025 - 2061	0.55 - 2.65	24,055	24,475
2021 Series A	2025 - 2042	0.65 - 2.38	20,520	20,895
2021 Series B	2024 - 2024	0.67	-	8,225
2021 Series C	2025 - 2061	0.55 - 2.60	8,860	9,020
2021 Series E	2025 - 2061	0.70 - 2.75	7,720	11,085
2023 Series A	2025 - 2060	2.85 - 4.85	16,080	16,080
2023 Series BC	2025 - 2066	3.25 - 5.08	22,610	22,610
2023 Series DE	2025 - 2066	3.90 - 5.74	23,950	23,950
2023 Series F	2025 - 2066	3.65 - 5.15	34,576	34,576
2024 Series A	2025 - 2067	3.38 - 4.88	45,770	-
2024 Series B	2025 - 2064	3.10 - 4.60	19,425	-
2024 Series CD	2025 - 2067	3.13 - 4.80	62,600	-
Total Multifamily/Project Bonds			781,102	691,118
Total Multifamily/Business Fund			781,102	691,118
Total bonds payable			4,991,668	3,934,918
Premiums classified as bonds payable				
Bond premiums (unamortized)			82,778	74,202
Bonds payable			5,074,446	4,009,120
Notes payable			436	495
Bonds and notes payable			$ 5,074,882	$ 4,009,615
Current:				
Bonds payable			$ 265,765	$ 147,400
Notes payable			59	59
Noncurrent:				
Bonds and notes payable			4,809,058	3,862,156
Total			$ 5,074,882	$ 4,009,615

A breakdown of bonds payable as of December 31, by fixed and variable interest rates, follows in the table below. Certain of the Authority's variable rate debt has been hedged by entering into pay fixed/receive variable rate interest rate swap agreements as further described in note 8. Such debt is referred to in the table as synthetic fixed rate debt.

Description	2024	2023
Fixed rate debt	$ 3,570,598	$ 2,763,033
Synthetic fixed rate debt	1,328,305	1,080,740
Unhedged variable rate debt	92,765	91,145
Total	$ 4,991,668	$ 3,934,918

(tabular dollar amounts are in thousands)

Also included in the table of bonds and notes payable outstanding are certain Single Family and Multifamily/Project bonds, which carry the Authority's general obligation pledge. These general obligation bonds are presented in the following table as of December 31:

Description	2024	2023
Single Family/Mortgage Bonds, Class III	$ 187,790	$ 203,140
Multifamily/Project Bonds, Class I	36,240	38,085
Multifamily/Project Bonds, Class II	6,575	7,125
Total	$ 230,605	$ 248,350

SBPA's provide liquidity support on variable rate bonds that are remarketed weekly. The liquidity/commitment fees vary by agreement and are based on a percentage of the outstanding bond balance, payable monthly or quarterly. If the liquidity agreements expire or the renewal or replacement efforts are unsuccessful for the liquidity agreements and the bonds are mandatorily redeemed, the bond's principal portion of the debt service requirements would increase by the respective amounts for the respective years as presented in the following schedule of providers and maturities as of December 31, 2024. During 2024 and 2023, the Authority renewed or replaced expiring liquidity facilities of $401.2 million and $124.9 million, respectively. Subsequent to year-end, the Authority renewed $74.3 million of expiring liquidity facilities. Liquidity fees for the years ended December 31, 2024 and 2023, were $3.8 million and $3.1 million, respectively.

(tabular dollar amounts are in thousands)

A schedule of providers and maturities is presented below, as of December 31, 2024:

Liquidity Expiration	Bank of America (1)	Barclays Capital (2)	FHLB (3)(4)(5)(6)(7)	Royal Bank of Canada (8)(9)(10)	TD Bank (11)	Grand Total
2025	$ 30,255	$ 13,000	$ 147,445	$ -	$ -	$ 190,700
2026	37,500	61,950	269,035	44,745	-	413,230
2027	51,885	-	302,340	32,000	82,975	469,200
2028	-	-	46,370	95,620	-	141,990
2029	-	-	-	144,095	33,965	178,060
2030	-	-	-	27,890	-	27,890
Total	$ 119,640	$ 74,950	$ 765,190	$ 344,350	$ 116,940	$ 1,421,070

The following provides the terms of the debt service requirements that would result if the SBPA commitments were to be exercised (bank bond rate, accelerated payment schedule, and lien):

(1) (a) Bank Rate: for the first 90 days following the purchase date, the "Base Rate," which equals the highest of (i) the Federal Funds Rate plus 2.00%, (ii) the Prime Rate plus 1.00% and (iii) 7.5%, then the Base Rate plus 1.00%.
(b) Term out provisions: repayments due 366 days following the purchase date and the first business day of every sixth month thereafter to the fifth anniversary of the purchase date with the first such payment being equal to 2/10ths of the outstanding principal amount of such Bank Bonds and each subsequent being equal to 1/10th of such amount. Class III lien/General Obligation.

(2) (a) Bank Rate: for the first 60 days following the purchase date, the "Base Rate," which equals the highest of (i) the Fed Funds Rate plus 2.50%, (ii) the Prime Rate plus 2.50%, (iii) 150% of the yield on actively traded 30-year United States Treasury Bonds and (iv) 8.00%; then for the period 61-120 days following the purchase date, the Base Rate plus 1.00%; then the Base Rate plus 2.00%.
(b) Term out provisions: repayments due 366 days following the purchase date and each six-month anniversary thereafter in equal installments to the third anniversary of such purchase date. Class III lien/General Obligation.

(3) (a) Bank Rate: SOFR Rate plus 2.115%.
(b) Term out provisions: repayments due 90 days after the 366th calendar day following purchase date in equal semiannual installments until fifth anniversary of the purchase date.

(4) (a) Bank Rate: SOFR Rate plus 2.115% - 3.00%.
(b) Term out provisions: repayments due 90 days after the 366th calendar day following purchase date in equal semiannual installments until fifth anniversary of the purchase date. Class III lien/General Obligation.

(5) (a) Bank Rate: SOFR Rate plus 2.50%.
(b) Term out provisions: repayments due 90 days after the 366th calendar day following purchase date in equal semiannual installments until fifth anniversary of the purchase date. Class III lien/General Obligation.

(6) (a) Bank Rate: SOFR Rate plus 2.75%.
(b) Term out provisions: repayments due 90 days after the 366th calendar day following purchase date in equal semiannual installments until fifth anniversary of the purchase date. Class III lien/General Obligation.

(7) (a) Bank Rate: SOFR Rate plus 2.00%.
(b) Term out provisions: repayments due 90 days after the 366th calendar day following purchase date in equal semiannual installments until fifth anniversary of the purchase date. Class III lien/General Obligation.

(8) (a) Bank Rate: for the first 366 days following the purchase date Daily SOFR plus 3.115%; then for the period 367 days and higher following the purchase date, the "Base Rate," which equals the highest of (i) the Prime Rate plus 2.5%, (ii) the Federal Funds Rate plus 3.0% and (iii) 10.00%.
(b) Term out provisions: repayments due on the first business day of February, May, August or November on or following 366 days following purchase date and thereafter quarterly on each such date in equal installments to the third anniversary of such purchase date. Class III lien/General Obligation.

(9) (a) Bank Rate: for the first 366 days following the purchase date Daily SOFR plus 3.00%; then for the period 367 days and higher following the purchase date, the “Base Rate,” which equals the highest of (i) the Prime Rate plus 2.5%, (ii) the Federal Funds Rate plus 3.0% and (iii) 10.00%.
(b) Term out provisions: repayments due on the first business day of February, May, August or November on or following 366 days following purchase date and thereafter quarterly on each such date in equal installments to the third anniversary of such purchase date. Class III lien/General Obligation.

(10) (a) Bank Rate: for the first 366 days following the purchase date Daily SOFR plus 3.00%; then for the period 367 days and higher following the purchase date, the “Base Rate,” which equals the highest of (i) the Prime Rate plus 2.5%, (ii) the Federal Funds Rate plus 3.0% and (iii) 8.50%.
(b) Term out provisions: repayments due on the first business day of February, May, August or November on or following 366 days following purchase date and thereafter quarterly on each such date in equal installments to the third anniversary of such purchase date. Class III lien/General Obligation.

(11) (a) Bank Rate: for the first 366 days following the purchase date the “Base Rate,” which equals the highest of (i) the Federal Funds Rate plus 2.0%, (ii) the Prime Rate plus 1.0% and (iii) 7.0%; then for the period 367 days and higher following the purchase date, the “Base Rate” plus 1.0%.
(b) Term out provisions: repayments due on the first business day of February, May, August or November on or following 366 days following the earlier of (a) the purchase date or (b) the last day of the Purchase Period and thereafter quarterly on each such date in equal installments to the earlier of (a) the third anniversary of such purchase date or (b) the third anniversary of the last day of the Purchase Period. Class III lien/General Obligation.

(tabular dollar amounts are in thousands)

The following table presents the detail of bonds, notes payable and certain other liabilities that include current and noncurrent activity for the year ended December 31, 2024:

Description	Beginning Balance	Additions	Reductions	Ending Balance	Current	Noncurrent
Bonds payable	$ 3,934,918	$ 1,322,795	$ (266,045)	$ 4,991,668	$ 261,430	$ 4,730,238
Bond premiums - unamortized	74,202	14,563	(5,987)	82,778	4,335	78,443
Total bonds payable	4,009,120	1,337,358	(272,032)	5,074,446	265,765	4,808,681
Notes payable	495	-	(59)	436	59	377
Unearned revenue	10,078	2,259	(1,005)	11,332	755	10,577
Other liabilities	49,880	28,235	(1,647)	76,468	1,053	75,415
Total other liabilities	59,958	30,494	(2,652)	87,800	1,808	85,992
Total	$ 4,069,573	$ 1,367,852	$ (274,743)	$ 5,162,682	$ 267,632	$ 4,895,050

The following table presents the detail of bonds, notes payable and certain other liabilities that include current and noncurrent activity for the year ended December 31, 2023:

Description	Beginning Balance	Additions	Reductions	Ending Balance	Current	Noncurrent
Bonds payable	$ 2,635,763	$ 1,530,720	$ (231,565)	$ 3,934,918	$ 144,672	$ 3,790,246
Bond premiums - unamortized	56,782	22,320	(4,900)	74,202	2,728	71,474
Total bonds payable	2,692,545	1,553,040	(236,465)	4,009,120	147,400	3,861,720
Notes payable	553	-	(58)	495	59	436
Unearned revenue	9,159	1,819	(900)	10,078	672	9,406
Other liabilities	46,399	4,515	(1,034)	49,880	773	49,107
Total other liabilities	55,558	6,334	(1,934)	59,958	1,445	58,513
Total	$ 2,748,656	$ 1,559,374	$ (238,457)	$ 4,069,573	$ 148,904	$ 3,920,669

(tabular dollar amounts are in thousands)

Bonds and notes payable sinking fund installments and contractual maturities subsequent to December 31, 2024, using rates in effect as of December 31, 2024, are as follows:

Years Ending	Single Family		Multifamily / Business		Notes Payable	
December 31,	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 209,660	$ 197,057	$ 51,770	$ 29,180	$ 59	$ 4
2026	97,995	191,573	35,510	27,885	25	4
2027	95,565	187,596	54,025	26,212	26	4
2028	115,205	183,070	12,225	24,738	26	3
2029	104,900	178,335	14,330	24,301	26	3
2030 - 2034	565,115	814,845	41,545	117,656	134	11
2035 - 2039	609,015	670,271	84,005	108,171	140	4
2040 - 2044	663,715	512,363	91,564	89,745	-	-
2045 - 2049	838,914	326,072	37,478	79,240	-	-
2050 - 2054	906,417	100,377	199,439	52,438	-	-
2055 - 2059	4,065	88	108,816	22,462	-	-
2060 - 2064	-	-	33,930	8,485	-	-
2065 - 2067	-	-	16,465	1,271	-	-
Total	$ 4,210,566	$ 3,361,647	$ 781,102	$ 611,784	$ 436	$ 33

(7) Conduit Debt Obligation

The Authority has issued certain conduit bonds, the proceeds of which were made available to various developers and corporations for rental housing and commercial purposes. The bonds are payable solely from amounts received by the trustees. The faith and credit of the Authority is not pledged for the payment of the principal or interest on the bonds. Accordingly, these obligations are excluded from the Authority's financial statements.

As of December 31, 2024 and 2023, the aggregate principal amount of conduit debt outstanding totaled $2.2 billion and $1.9 billion, respectively.

(8) Derivative Instruments

The Authority reports derivative instruments at fair value. The fair value of all derivatives is reported on the Statement of Net Position as a derivative instrument at the end of the year. If an interest rate hedge is considered ineffective, it is referred to as an investment derivative and the change in fair value is reported on the Statement of Revenues, Expenses and Changes in Net Position as investment derivative activity loss. The annual changes in the fair value of effective hedging derivative instruments are reported as deferred inflows and outflows, as appropriate, on the Statement of Net Position.

Swaps Transactions – The Authority has entered into pay fixed, receive variable interest rate swaps in order to (1) provide lower cost fixed rate financing for its production needs through synthetic fixed rate structures and (2) utilize synthetic fixed rate structures with refunding bonds in order to generate cash flow savings. The objective of the swaps is to hedge interest rate risk.

(tabular dollar amounts are in thousands)

The fair values take into consideration the prevailing interest rate environment and the specific terms and conditions of each swap. All fair values were estimated using the zero-coupon discounting method. This method calculates the future payments required by the swap, assuming that the current forward rates implied by the yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero coupon rate bonds due on the date of each future net settlement payment on the swaps.

The Authority's interest rate swaps, which are used to hedge interest rate risk, are generally considered to be hedging derivative instruments under GASB No. 53. However, certain interest rate swaps have been deemed ineffective and are classified as investment derivative instruments.

There were no deemed termination events for the years ended December 31, 2024 and 2023.

The Authority entered into the following interest rate swap agreements during 2024, the swaps are considered to be effective interest rate hedges of certain single family bonds:

Effective Date	Amount
February 14	$ 31,250
April 17	42,745
June 18	54,490
July 17	33,330
September 11	49,645
October 16	33,965
November 13	37,000
Total	$ 282,425

The Authority entered into the following interest rate swap agreements during 2023, the swaps are considered to be effective interest rate hedges of certain single family bonds:

Effective Date	Amount
March 8	$ 21,000
March 21	33,910
May 10	25,150
July 20	40,000
September 6	37,500
September 20	50,000
November 8	40,320
December 13	43,040
Total	$ 290,920

(tabular dollar amounts are in thousands)

A summary of interest rate swaps for the years ended December 31, was as follows:

Summary of Interest Rate Swaps	2024 Fair Value	2023 Fair Value
Par optional termination right	$ (103,477)	$ (70,506)
Trigger	160	458
Plain	2,785	15,808
Total fair value	$ (100,532)	$ (54,240)

Trigger: The variable rate received on these swaps is 68% of the one-month SOFR plus a spread, if SOFR plus a spread is equal to or greater than 3.5%. The variable rate received on these swaps is based on the Securities Industry Financial Markets Association Municipal Swap Index (SIFMA) plus a spread if the one-month SOFR plus a spread is less than 3.5%. See further discussion in the basis risk section below.

Par Optional Termination Right: Certain swaps contain a cancellation clause that provides the Authority the option to cancel a certain amount of the swaps on certain dates. The Authority may cancel the optional termination amount for no payment (callable at par). The optional termination dates coincide with the debt service dates on the associated hedged bonds payable. These dates and amounts are provided in the table below.

Detail of Outstanding Interest Rate Swaps – The key terms, including the fair values and counterparty credit ratings of the outstanding swaps as of December 31, 2024 and 2023, are shown in the table below. Except as discussed under amortization risk below, the Authority's swap agreements contain scheduled reductions to outstanding notional amounts that are expected to approximately follow scheduled or anticipated reductions in the associated bonds payable. Based on the standard swap agreement, payments are settled on a net basis.

The Authority enters into master netting arrangements with each of its swap counterparties. All of the agreements provide for the netting of the value of assets and liability positions of all transactions with the respective counterparty. There are no other significant transactions with these counterparties outside of these swap agreements, such that the aggregate amount of liabilities included in the master netting arrangements is equal to the net fair value of the swaps.

(tabular dollar amounts are in thousands)

Outstanding Swaps as of December 31:

Swap Series	Current Notional Amount	Effective Date	Termination Date	Fixed Rate Paid	Variable Rate Received *	Embedded Options	Optional Termination Date, at Par	Optional Termination Amount	Counterparty Rating S&P/Moody's	2024 Fair Value **	Change in Fair Value	2023 Fair Value **
Single Family:												
Investment derivatives (includes overhedged portion of interest rate swaps):												
2019B-2 (A)	$ 7,000	1/3/2019	5/1/2042	2.9675%	SOFR+11.448 bp				AA- / Aa1	$ (242)	$ (61)	$ (181)
2019G-2	1,130	7/15/2019	5/1/1943	3.2275%	SOFR+11.448 bp	***	5/1/2025	1,130	AA- / Aa1	(124)	(38)	(86)
2019I-2	3,980	7/23/2019	11/1/2040	2.5800%	SOFR+11.448 bp	***	5/1/2025	2,545	AA- / Aa1	(601)	(123)	(478)
2019L-2	8,910	11/20/2019	5/1/2041	2.2300%	SOFR+11.448 bp	***	5/1/2025	8,910	AA- / Aa1	(1,601)	(275)	(1,326)
2020C-2	9,800	2/20/2020	5/1/2041	2.2480%	SOFR+11.448 bp	***	5/1/2025	4,330	A+ / Aa2	(1,822)	(325)	(1,497)
2020F-2	735	7/30/2020	5/1/2041	1.2245%	SOFR+11.448 bp	***	5/1/2025	735	AA- / Aa1	(185)	(17)	(168)
2020I-2	4,900	10/29/2020	5/1/2041	1.3510%	SOFR+11.448 bp	***	5/1/2025	4,695	A+ / Aa2	(1,367)	(159)	(1,208)
2021C-2	5,085	1/21/2021	11/1/2043	1.6190%	SOFR+11.448 bp	***	5/1/2025	5,085	AA- / Aa1	(1,266)	(168)	(1,098)
2022D-2	765	11/1/2024	11/1/2025	3.0675%	SOFR+11.448 bp	***	11/1/2031	765	AA- / Aa1	(4)	(4)	-
Total	42,305									(7,212)	(1,170)	(6,042)
Hedging derivatives:												
2001AA-2 ****	21,245	12/4/2008	5/1/2031	4.6000%	Trigger, SIFMA + .05% or 68% SOFR + 7.785bp				A+ / A1	160	(298)	458
2012A-2 (SPV)	16,685	5/1/2018	5/1/2038	1.3820%	70% SOFR + 8.014 bp	***	5/1/2030	8,485	A+ / Aa2	(1,245)	(98)	(1,147)
2018B-2	17,385	5/1/2019	11/1/2041	1.8985%	70% SOFR + 8.014 bp	***	5/1/2030	6,300	AA- / Aa1	(721)	(118)	(603)
2019B-2 (A)	3,000	1/3/2019	5/1/2028	2.9675%	SOFR+11.448 bp				AA- / Aa1	(103)	(25)	(78)
2019B-2 (B)	10,000	1/3/2019	5/1/2042	3.7575%	SOFR+11.448 bp	***	5/1/2025	10,000	AA- / Aa1	(939)	(283)	(656)
2019D	32,290	5/1/2019	11/1/2037	1.3340%	70% SOFR + 8.014 bp				A+ / Aa2	(2,044)	(11)	(2,033)
2019G-2	21,000	7/15/2019	5/1/2043	3.2275%	SOFR+11.448 bp	***	5/1/2025	175	AA- / Aa1	(2,293)	(693)	(1,600)
2019I-2	26,020	7/23/2019	11/1/2040	2.5800%	SOFR+11.448 bp	***			AA- / Aa1	(3,929)	(800)	(3,129)
2019L-2	30,255	11/20/2019	5/1/2041	2.2300%	SOFR+11.448 bp	***	5/1/2025	7,795	AA- / Aa1	(5,434)	(929)	(4,505)
2020C-2	27,890	2/20/2020	5/1/2041	2.2480%	SOFR+11.448 bp	***			A+ / Aa2	(5,184)	(925)	(4,259)
2020F-2	36,425	7/30/2020	5/1/2041	1.2245%	SOFR+11.448 bp	***	5/1/2025	11,260	AA- / Aa1	(9,184)	(901)	(8,283)
2020I-2	36,790	10/29/2020	5/1/2044	1.3510%	SOFR+11.448 bp	***			A+ / Aa2	(10,266)	(1,198)	(9,068)
2021C-2	38,000	1/21/2021	11/1/2043	1.6190%	SOFR+11.448 bp	***	5/1/2025	3,390	AA- / Aa1	(9,461)	(1,257)	(8,204)
2021M-2	21,000	11/18/2021	11/1/2030	1.4408%	SOFR+11.448 bp				AA- / Aa1	(2,654)	(166)	(2,488)
2022C-2	30,140	2/23/2022	11/1/2030	1.6980%	SOFR+11.448 bp				A+ / Aa1	(3,754)	(373)	(3,381)
2022D-2	24,765	5/25/2022	5/1/2041	3.0675%	SOFR+11.448 bp	***	11/1/2031	18,930	AA- / Aa1	(2,529)	(886)	(1,643)
2022G-2	32,000	11/1/2022	11/1/2040	3.1960%	SOFR+11.448 bp	***	11/1/2031	22,450	AA- / Aa1	(2,609)	(1,064)	(1,545)
2022H-3	19,700	11/29/2022	5/1/2039	4.5230%	SOFR+11.448 bp	***	11/1/2029	15,995	AA- / Aa1	(312)	(746)	434
2022L-2	32,535	12/15/2022	11/1/2039	4.4940%	SOFR+11.448 bp	***	11/1/2029	27,180	AA- / Aa1	(352)	(1,169)	817
2023A-2	20,470	3/8/2023	11/1/2042	3.8700%	SOFR+11.448 bp	***	5/1/2030	16,830	A+ / Aa1	(1,304)	(850)	(454)
2023E-2	33,155	3/21/2023	5/1/2041	3.9410%	SOFR+11.448 bp	***	5/1/2030	27,075	A+ / Aa1	(1,439)	(1,207)	(232)
2023F-2	25,150	5/10/2023	5/1/2041	3.9710%	SOFR+11.448 bp	***	5/1/2030	20,320	AA- / Aa1	(1,283)	(984)	(299)
2023K-2	38,870	7/20/2023	11/1/2042	4.2210%	SOFR+11.448 bp	***	5/1/2030	31,430	AA- / Aa1	(1,472)	(1,612)	140
2023M-2	36,880	9/6/2023	5/1/2044	4.4150%	SOFR+11.448 bp	***	11/1/2030	27,325	AA- / Aa1	(665)	(1,515)	850
2023N-2	50,000	9/20/2023	5/1/2044	4.6900%	SOFR+11.448 bp				A+ / Aa2	(568)	(2,406)	1,838
2023P-2	40,320	11/8/2023	5/1/2042	5.1140%	SOFR+11.448 bp	***	11/1/2030	30,975	A+ / Aa1	884	(1,867)	2,751
2023Q-2	42,695	12/13/2023	11/1/2046	4.9690%	SOFR+11.448 bp	***	11/1/2030	35,030	A+ / Aa1	160	(2,212)	2,372
2024A-2	31,250	2/14/2024	5/1/2043	4.2550%	SOFR+11.448 bp	***	5/1/2031	23,225	A+ / Aa1	(793)	(793)	-
2024B-2	42,745	4/17/2024	11/1/2044	4.5939%	SOFR+11.448 bp	***	5/1/2031	30,985	AA- / Aa1	(413)	(413)	-
2024C-2	54,490	6/18/2024	5/1/2045	4.5900%	SOFR+11.448 bp	***	5/1/2031	36,255	AA- / Aa1	(212)	(212)	-
2024D-2	33,330	7/17/2024	11/1/2045	4.5700%	SOFR+11.448 bp	***	5/1/2031	24,580	A+ / Aa1	(386)	(386)	-
2024E-2	49,645	9/11/2024	5/1/2044	4.2730%	SOFR+11.448 bp	***	5/1/2031	40,275	A+ / Aa1	(1,791)	(1,791)	-
2024F-2	33,965	10/16/2024	11/1/2046	3.8550%	SOFR+11.448 bp	***	11/1/2031	24,395	A+ / Aa3	(2,112)	(2,112)	-
2024G-2	37,000	11/13/2024	11/1/2045	4.2260%	SOFR+11.448 bp	***	11/1/2031	26,775	A+ / Aa3	(1,224)	(1,224)	-
Total	1,047,090									(75,471)	(31,524)	(43,947)
Total Single Family	1,089,395									(82,683)	(32,694)	(49,989)

Table continued on following page.

(tabular dollar amounts are in thousands)

Swap Series	Current Notional Amount	Effective Date	Termination Date	Fixed Rate Paid	Variable Rate Received *	Embedded Options	Optional Termination Date, at Par	Optional Termination Amount	Counterparty Rating S&P/Moody's	2024 Fair Value **	Change in Fair Value	2023 Fair Value **
Multifamily:												
Investment derivatives (includes overhedged portion of interest rate swaps):												
2009A-1 ****	-	6/24/2009	10/1/2041	4.7900%	SIFMA + .05%	***			A+ / A1	-	50	(50)
Total	-									-	50	(50)
Hedging derivatives:												
2006A-1 ****	1,090	12/3/2008	4/1/2027	5.7100%	SOFR + 16.448 bp				A+ / A1	(49)	50	(99)
2007B-1 ****	3,200	12/3/2008	4/1/2038	5.6400%	SOFR + 16.448 bp				A+ / A1	(356)	51	(407)
2007B-1 (replacement)	33,040	4/1/2021	10/1/2038	1.2990%	SOFR + 11.448 bp	***	4/1/2027	15,195	AA- / Aa1	(7,871)	(723)	(7,148)
2008B (a) ****	91,435	12/3/2008	10/1/2044	5.1722%	SOFR + 11.448 bp				AA- / Aa1	8,341	(6,201)	14,542
2008B (b) ****	39,660	12/3/2008	3/1/2047	5.2071%	SOFR + 11.448 bp				AA- / Aa1	4,214	(3,279)	7,493
2009A-1 ****	-	6/24/2009	10/1/2041	4.7900%	SIFMA + .05%				A+ / A1	-	394	(394)
2018A-2	23,040	4/1/2018	4/1/2040	3.1450%	SOFR + 11.448 bp	***	4/1/2025	22,185	AA- / Aa1	(2,395)	(476)	(1,919)
2019C (A)	29,500	10/1/2019	10/1/2034	1.6000%	SOFR + 11.448 bp	***	10/1/2026	26,500	A+ / Aa1	(3,908)	(164)	(3,744)
2019C (B)	9,445	10/1/2019	10/1/2039	1.8510%	SOFR + 11.448 bp	***	10/1/2028	8,685	A+ / Aa1	(2,147)	(291)	(1,856)
2020A	9,950	4/1/2023	4/1/2050	1.4630%	SIFMA	***	4/1/2032	8,210	A+ / Aa1	(2,468)	(574)	(1,894)
2020D-2	29,395	10/1/2020	4/1/2050	1.3600%	SOFR + 11.448 bp	***	10/1/2029	13,020	A+ / Aa1	(9,491)	(1,233)	(8,258)
2018A-2	11,460	5/1/2023	4/1/2040	3.7250%	SOFR + 11.448 bp	***	4/1/2033	25,795	A+ / Aa1	(1,719)	(1,202)	(517)
Total	281,215									(17,849)	(13,648)	(4,201)
Total Multifamily	281,215									(17,849)	(13,598)	(4,251)
Total	$1,370,610									$ (100,532)	$ (46,292)	$ (54,240)

(*) SIFMA is the Securities Industry Financial Markets Association Municipal Swap Index; SOFR is the Secured Overnight Financing Rate.
(**) All fair values include the effect of any related embedded option.
(***) Par optional termination right.
(****) Swaps for which cash premiums were received in the amount of $73.4 million in 2008. The outstanding unamortized balance of the premium is reported on the Statement of Net Position as a component of hybrid instrument borrowings.
(SPV) Counterparty operates as a special-purpose vehicle.

(tabular dollar amounts are in thousands)

Risk Disclosure

Credit Risk: All of the Authority's swaps rely upon the performance of the third parties who serve as swap counterparties, and as a result, the Authority is exposed to credit risk – that is, the risk that a swap counterparty fails to perform according to its contractual obligations. The appropriate measurement of this risk at the reporting date is the fair value of the swaps, as shown in the column labeled "Fair Value" in the outstanding swaps table above. The Authority is exposed to credit risk in the amount of any positive net fair value exposure to each counterparty. As of December 31, 2024 and 2023, the Authority was exposed to minimal credit risk to any of its counterparties. To mitigate credit risk, the Authority maintains strict credit standards for swap counterparties. All swap counterparties must be rated in the AA/Aa or higher category by either Standard & Poor's (S&P) or Moody's Investors Service (Moody's), respectively, at the time the contract is executed. Since the time of contract execution, certain counterparty ratings were lowered due to the national recession.

At December 31, 2024, the Authority had executed 45 swap transactions with six counterparties with concentrations and ratings (Standard and Poor's/ Moody's Investors Service) as shown in the following table:

Swap Count	Notional Amount	Concentration	Counterparty Rating (S&P / Moody's)
22	$ 725,000	52.9%	AA- / Aa1
13	370,755	27.0%	A+ / Aa1
5	178,355	13.0%	A+ / Aa2
2	70,965	5.2%	A+ / Aa3
3	25,535	1.9%	A+ / A1
45	$ 1,370,610	100.0%	

At December 31, 2023, the Authority had executed 39 swap transactions with five counterparties with concentrations and ratings (Standard and Poor's/ Moody's Investors Service) as shown in the following table:

Swap Count	Notional Amount	Concentration	Counterparty Rating (S&P / Moody's)
11	$ 430,810	38.4%	AA- / Aa1
10	257,145	22.9%	A+ / Aa1
9	209,355	18.6%	AA- / Aa2
5	185,320	16.5%	A+ / Aa2
4	40,440	3.6%	A+ / A1
39	$ 1,123,070	100.0%	

Interest Rate Risk: The Authority is exposed to interest rate risk in that as the variable rates on the swaps agreements decrease, the Authority's net payment on the swap agreement would increase.

Basis Risk: The Authority is exposed to basis risk when the variable interest rate paid to the holders of its variable rate demand obligations is not equivalent to the variable interest rate received from its counterparties on the related swap agreements.

When exposed to basis risk, the net interest expense incurred on the combination of the swap agreement and the associated variable rate debt may be higher or lower than anticipated.

The Authority's tax-exempt variable rate bond interest payments are substantially equivalent to the SIFMA rate (plus a trading spread). Certain tax-exempt swaps, as indicated in the table above, contain a trigger feature in which the Authority receives a rate indexed on SIFMA should SOFR plus 11.448 basis points be less than a predetermined level (the trigger level, 3.5%), or a rate pegged at a percentage of SOFR plus 11.448 basis points should SOFR plus 11.448 basis points be equal to or greater than the predetermined trigger level. For these swaps, the Authority would be negatively exposed to basis risk during the time period it is receiving the rate based on a percentage of SOFR should the relationship between SOFR and SIFMA converge.

The Authority's taxable variable rate bond interest payments, which reset on a weekly basis, are generally hedged with a SOFR-based swap agreement. The Authority receives SOFR plus 11.448 basis points (plus a trading spread) or SOFR plus 11.448 basis points flat for all of its taxable swaps and therefore is only exposed to basis risk to the extent that the Authority's bonds diverge from these formulations of SOFR.

Termination Risk: The Authority's swap agreements do not contain any out-of-the-ordinary termination events that would expose it to significant termination risk. In keeping with market standards, the Authority or the counterparty may terminate each swap if the other party fails to perform under the terms of the contract. In addition, the swap documents allow either party to terminate in the event of a significant loss of creditworthiness. If at the time of the termination a swap has a negative value, the Authority would be liable to the counterparty for a payment equal to the fair value of such swap.

There are certain termination provisions relevant to the Authority's counterparties operating as special-purpose vehicles (SPV) with a terminating structure. In the case of certain events, including the credit downgrade of the SPV or the failure of the parent company to maintain certain collateral levels, the SPV would be required to wind up its business and terminate all of its outstanding transactions with all clients, including the Authority. All such terminations would be at mid-market pricing. In the event of such termination, the Authority would be exposed to the risk of market re-entry and the cost differential between the mid-market termination and the offered price upon re-entry.

Rollover Risk: The Authority is exposed to rollover risk only on swaps that mature or may be terminated at the counterparty's option prior to the maturity of the associated debt. As of December 31, 2024 and 2023, the Authority was not exposed to rollover risk.

Amortization Risk: The Authority is exposed to amortization risk in the event that the swap amortization schedules fail to match the actual amortization of the underlying bonds as a result of loan prepayments, which significantly deviate from expectations. If prepayments are significantly higher than anticipated, the Authority would have the option of reinvesting or recycling the prepayments, or calling unhedged bonds. Alternatively, if the Authority chose to call bonds associated with the swap, the Authority could elect an early termination of the related portions of the swap at a potential cost to the Authority. If prepayments are significantly lower than anticipated and the associated bonds remained outstanding longer than the relevant portion of the swap, the Authority could experience an increase in its exposure to unhedged variable rate bonds. Alternatively, the Authority could choose to enter into a new swap or an extension of the existing swap. If interest rates are higher at the time of entering into a new swap or swap extension, such action would result in an increased cost to the Authority.

Collateral Requirements: As of December 31, 2024 and 2023, swaps with a fair value of $(100.3) million and $(53.7) million, respectively, require the Authority to post collateral in the event that the underlying Class I bond rating drops below Aa3 as issued by Moody's Investor Service or AA- as issued by Standard & Poor's. Collateral requirements range up to 100% of the fair value of the swap depending on the bond rating. Over collateralization is required for investments posted in lieu of cash. At December 31, 2024 and 2023, the ratings of bonds subject to collateral requirements exceed the levels specified in the swap agreements.

(tabular dollar amounts are in thousands)

Swap Payments – Using interest rates as of December 31, 2024, debt service requirements of the Authority's outstanding variable rate debt and net swap payments were as follows. As rates vary, variable rate interest rate payments on the bonds and net swap payments will change.

Years Ending December 31,	Changes in Notional Amounts	Interest	Swaps, Net	Total
2025	$ 36,540	$ 57,049	$ (11,872)	$ 81,717
2026	44,330	55,423	(13,155)	86,598
2027	48,010	53,511	(12,873)	88,648
2028	55,870	51,374	(12,404)	94,840
2029	52,290	49,189	(12,007)	89,472
2030 - 2034	371,580	205,853	(45,108)	532,325
2035 - 2039	424,510	125,490	(20,433)	529,567
2040 - 2044	291,910	39,736	(3,392)	328,254
2045 - 2049	37,190	4,325	(1,707)	39,808
2050	8,380	172	(129)	8,423
Total	$1,370,610	$ 642,122	$ (133,080)	$ 1,879,652

Hybrid Instrument Borrowings – Certain interest rate swaps, as identified on the detailed swap table above, include fixed rates that were off-market at the execution of the interest rate swaps. For financial reporting purposes, these interest rate swaps are considered hybrid instruments and are bifurcated between borrowings, with an aggregate original amount of $98.0 million reflecting the fair value of the instrument at its execution, and an interest rate swap with a fixed rate that was considered at-the-market at execution.

Activity for the hybrid instrument borrowings for the years ended December 31, was as follows:

	2024	2023
Beginning balance	$ 2,905	$ 3,680
Reductions	(1,071)	(775)
Ending balance	$ 1,834	$ 2,905

(tabular dollar amounts are in thousands)

The following table sets forth as of December 31, 2024, payments of principal and interest on the hybrid instrument borrowings for the next five years and thereafter. The total payments generally reflect the difference between the stated fixed rate of the hybrid instrument and the at-the-market fixed rate at the execution of the instrument.

Years Ending December 31,	Principal and Interest
2025	$ 484
2026	393
2027	295
2028	197
2029	146
2030 - 2034	224
2035 - 2039	69
2040 - 2044	23
2045 - 2047	3
Total	$ 1,834

Forward Sales Contracts – The Authority has entered into forward sales of mortgage backed securities with the To-Be-Announced market in order to lock in the sales price of certain single family loans to be securitized and later sold. The contracts offset potential changes in interest rates between the time of the loan reservation and the securitization and sale of such loans into Ginnie Mae and Fannie Mae securities. These contracts are considered investment derivative instruments, such that their change in fair value is reported as investment derivative activity gains or losses on the Statement of Revenues, Expenses and Changes in Net Position.

The outstanding forward contracts, summarized by counterparty as of December 31, 2024, were as follows:

Count	Par	Exposure	Original Sales Price	12/31/24 Premium	Fair Value	Counterparty Rating (S&P / Moody's)
2	$ 18,000	26.1%	$ 18,054	$ 18,079	$ 25	A+ / A1
2	16,000	23.2%	16,147	16,080	(67)	BBB+ / Baa1
3	14,000	20.3%	14,097	14,070	(27)	AA- / Aa1
2	12,000	17.4%	12,172	12,165	(7)	A- / A1
2	9,000	13.0%	8,978	8,888	(90)	BBB+ / A1
11	$ 69,000	100.0%	$ 69,448	$ 69,282	$ (166)	

(tabular dollar amounts are in thousands)

The outstanding forward contracts, summarized by counterparty as of December 31, 2023, were as follows:

Count	Par	Exposure	Original Sales Price	12/31/23 Premium	Fair Value	Counterparty Rating (S&P / Moody's)
1	$ 25,000	27.3%	$ 25,719	$ 25,652	$ (67)	BBB+ / Baa1
3	16,000	17.4%	16,141	16,441	300	AA- / Aa2
2	15,000	16.3%	15,222	15,413	191	A+ / A1
3	14,000	15.2%	14,226	14,376	150	A- / A1
3	12,000	13.0%	12,199	12,274	75	BBB+ / A1
1	6,000	6.5%	6,083	6,177	94	A+ / AA
1	4,000	4.3%	4,090	4,094	4	BBB+ / Baa1
14	$ 92,000	100.0%	$ 93,680	$ 94,427	$ 747	

Summary

A summary of derivative instruments activity for the years ended December 31, is as follows:

	2024				2023			
	Hedging	Investments			Hedging	Investments		
	Swaps	Swaps	Forwards	Total	Swaps	Swaps	Forwards	Total
Fair value, beginning	$ (48,148)	$ (6,092)	$ 747	$ (53,493)	$ (64,043)	$ (5,191)	$ 205	$ (69,029)
Settlements	20,486	2,323	(747)	22,062	18,683	556	(205)	19,034
Change in fair value	(65,658)	(3,443)	(166)	(69,267)	(2,788)	(1,457)	747	(3,498)
Fair value, ending	$ (93,320)	$ (7,212)	$ (166)	$ (100,698)	$ (48,148)	$ (6,092)	$ 747	$ (53,493)

(9) Debt Refundings

There were no debt refunding transactions during 2024 or 2023.

(10) Fair Value Measurement

The Authority categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the assets and liabilities and gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. These measurements are described as follows:

Level 1 – Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

(tabular dollar amounts are in thousands)

The Authority has the following recurring fair value measurements as of December 31, 2024:

		Fair Value Measurements Using		
	12/31/2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. government agencies	$ 3,687,688	$ 22,891	$ 3,664,797	$ -
U.S. Treasuries	5,046	4,854	192	-
Total investments by fair value level		$ 27,745	$ 3,664,989	$ -
Other investments not subject to the leveling hierarchy				
Investment agreements - uncollaterlized	19,308			
Repurchase agreements	10,507			
Money market funds	439,864			
Total investments	$ 4,162,413			
Derivative instruments				
Forward sale agreements	$ 166	$ -	$ 166	$ -
Hedging and investment derivatives	100,532	-	100,532	-
Total derivative instruments	$ 100,698	$ -	$ 100,698	$ -

Investments and derivative instruments classified as Level 2 are valued using either bid evaluation or a matrix-based pricing technique. Bid evaluations are typically based on market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on a securities' relationship to benchmark quoted prices.

As of December 31, 2024, the Authority held investments totaling $29.8 million that were not subject to the leveling hierarchy, these investments consisted of private, guaranteed investment contracts categorized as either investment agreements or repurchase agreements. Additionally, the Authority held investments in money market funds totaling $439.9 million which were not subject to the leveling hierarchy as amounts are recorded based on amortized cost.

(tabular dollar amounts are in thousands)

The Authority has the following recurring fair value measurements as of December 31, 2023:

		Fair Value Measurements Using		
	12/31/2023	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Investments by fair value level				
U.S. government agencies	$ 2,715,294	$ 20,195	$ 2,695,099	$ -
U.S. Treasuries	5,103	4,910	193	-
Total investments by fair value level		$ 25,105	$ 2,695,292	$ -
Other investments not subject to the leveling hierarchy				
Investment agreements - uncollaterlized	23,358			
Repurchase agreements	12,599			
Money market funds	500,044			
Total investments	$ 3,256,397			
Derivative instruments				
Forward sale agreements	$ (747)	$ -	$ (747)	$ -
Hedging and investment derivatives	54,240	-	54,240	-
Total derivative instruments	$ 53,493	$ -	$ 53,493	$ -

Investments and derivative instruments classified as Level 2 are valued using either bid evaluation or a matrix-based pricing technique. Bid evaluations are typically based on market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on a securities' relationship to benchmark quoted prices.

As of December 31, 2023, the Authority held investments totaling $36.0 million that were not subject to the leveling hierarchy, these investments consisted of private, guaranteed investment contracts categorized as either investment agreements or repurchase agreements. Additionally, the Authority held investments in money market funds totaling $500.0 million which were not subject to the leveling hierarchy as amounts are recorded based on amortized cost.

(11) Restricted and Unrestricted Net Position

The amounts restricted for the Single Family bond programs and the Multifamily/Business bond programs are for the payment of principal, redemption premium, if any, and interest, including net swap payments, on all outstanding single family and multifamily/business bond issues, in the event that no other funds are legally available for such payments. Such assets are segregated within the Single Family and Multifamily/Business bond programs and are held in cash, loans receivable and investments.

The Board may authorize the withdrawal of all or part of this restricted balance if (1) updated cash flow projections indicate that adequate resources will exist after any withdrawal to service the outstanding debt, subject to approval by the bond trustee and the rating agency review; (2) the Authority determines that such funds are needed for the implementation or maintenance of any duly adopted program of the Authority; and (3) no default exists in the payment of the principal, redemption premium, if any, or interest on such bonds.

(tabular dollar amounts are in thousands)

The Board has designated certain amounts of the unrestricted net position of the General Programs as of December 31, 2024 and 2023, for various purposes, as indicated in the following table. These designations of net position are not binding and can be changed by the Board.

Unrestricted Net Position for the years ended December 31:

	2024	2023
Designations:		
Housing lending program	$ 574,415	$ 560,406
Commerical lending program	500	521
General operating and working capital reserves	42,494	38,824
Debt reserves	77,308	75,571
Total general programs unrestricted net position	$ 694,717	$ 675,322

(12) Retirement Plans

Summary of Significant Accounting Policies

Pensions – The Authority participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the PERA. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the FNP and additions to/deductions from the FNP of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description – Eligible employees of the Authority are provided with pensions through the LGDTF - a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the C.R.S., administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the Internal Revenue Code (IRC). Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided – PERA provides retirement, disability and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713 and 1714.

(tabular dollar amounts are in thousands)

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100% of highest average salary and cannot exceed the maximum benefit allowed by federal IRC.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether five years of service credit has been obtained and the benefit structure under which contributions were made.

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum of 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained and the qualified survivor(s) who will receive the benefits.

Contributions – Eligible employees and the Authority are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period of January 1, 2023 through December 31, 2024, are summarized in the table below:

	January 1, 2023 Through December 31, 2023	**January 1, 2024 Through December 31, 2024**
Employee Contribution Rate [1]	9.00%	9.00%

[1]Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

(tabular dollar amounts are in thousands)

The employer contribution requirements for all employees are summarized in the table below:

	January 1, 2023 Through December 31, 2023	January 1, 2024 Through December 31, 2024
Employer Contribution Rate [1]	11.00%	11.00%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) [1]	-1.02%	-1.02%
Amount Apportioned to the LGDTF [1]	9.98%	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 [1]	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 [1]	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415 [1]	0.06%	0.08%
Total Employer Contribution Rate to the LGDTF [1]	13.74%	13.76%

[1]Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Authority were $3.1 million and $2.6 million for the years ended December 31, 2024 and 2023, respectively.

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

At December 31, 2024, the Authority reported a liability of $18.9 million for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll forward the TPL to December 31, 2023. The Authority's proportion of the net pension liability was based on the Authority's contributions to the LGDTF for the calendar year 2023 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2023, the Authority's proportion was 2.58%, which was an increase of 0.19% from its proportion measured as of December 31, 2022.

At December 31, 2023, the Authority reported a liability of $24.0 million for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll forward the TPL to December 31, 2022. The Authority's proportion of the net pension liability was based on the Authority's contributions to the LGDTF for the calendar year 2022 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2022, the Authority's proportion was 2.39%, which was an increase of 0.05% from its proportion measured as of December 31, 2021.

For the years ended December 31, 2024 and 2023, the Authority recognized pension expense of $(2.2) million and $2.1 million, respectively.

(tabular dollar amounts are in thousands)

At December 31, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 1,025	$ 18
Net difference between projected and actual earnings on pension plan investments	4,698	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	953	310
Contributions subsequent to the measurement date	3,070	-
Total	$ 9,746	$ 328

The $3.1 million reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2025.

At December 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ -	$ 119
Net difference between projected and actual earnings on pension plan investments	9,751	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	23	100
Contributions subsequent to the measurement date	2,740	-
Total	$ 12,514	$ 219

The $2.7 million reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2024.

(tabular dollar amounts are in thousands)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending December 31,	Pension Expense
2025	$ 1,555
2026	2,106
2027	4,209
2028	(1,522)
2029	-
Thereafter	-

Actuarial assumptions – The TPL in the December 31, 2022 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20% - 11.30%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount Rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06 [1]	Financed by the AIR

[1] Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions for members were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for members were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.

(tabular dollar amounts are in thousands)

- Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows

- Males: 97% of the rates for all ages, with generational projection using scale MP-2019.
- Females: 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for members were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2022, valuations were based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by the PERA Board on November 20, 2020.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years and asset/liability studies performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long- term expected nominal rate of return assumption of 7.25%.

Discount rate – The discount rate used to measure the TPL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.

- Benefit payments and contributions were assumed to be made at the middle of the year.

- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.

- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a $24 million payment received on December 4, 2023 and a $2 million receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund and HCTF were $25.0 million and $1.0 million, respectively.

Based on the above assumptions and methods, LGDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Authority's proportionate share of the net pension liability to changes in the discount rate – The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

(tabular dollar amounts are in thousands)

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
Proportionate share of the net pension liability	$ 37,116	$ 18,936	$ 3,707

Pension plan fiduciary net position – Detailed information about the LGDTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

Defined Contribution Pension Plans

PERAPlus 401(k) Plan

Plan Description - Employees of the Authority that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program (PERAPlus 401(k) Plan), an IRC Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERAPlus 401(k) Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy - The PERAPlus 401(k) Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service (IRS), as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. In addition, the Authority has agreed to match employee contributions up to 5.0% of covered salary as determined by the IRS. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For years ended December 31, 2024 and 2023, program members contributed $1.6 million and $1.5 million, respectively. For years ended December 31, 2024 and 2023, the Authority recognized expense of $912 thousand and $868 thousand, respectively, related to the PERAPlus 401(k) plan.

PERAPlus 457 Plan

Plan Description - Employees of the Authority may voluntarily contribute to the Deferred Compensation Plan (PERAPlus 457 Plan), an IRC Section 457 defined contribution plan administered by PERA. Title 24, Article 51, Part 16 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available ACFR which includes additional information on the PERAPlus 457 Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy - The PERAPlus 457 plan is funded by voluntary member contributions up to the maximum limits set by the IRS, as established under Title 24, Article 51, Section 1603 of the C.R.S., as amended. The Authority does not match employee contributions. Employees are immediately vested in their own contributions and investment earnings. For the years ended December 31, 2024 and 2023, program members contributed $194 thousand and $149 thousand, respectively.

Other Post-Employment Benefits

Summary of Significant Accounting Policies

OPEB - The Authority participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered PERA. The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the FNP and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan

Plan description - Eligible employees of the Authority are provided with OPEB through the HCTF – a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the C.R.S., as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available ACFR that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided - The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 *et seq*. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare.

Enrollment in the PERACare health benefits program is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

OPEB Benefit Structure - The maximum service-based premium subsidy is $230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is $115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF on behalf of benefit recipients not covered by Medicare Part A.

Contributions - Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

(tabular dollar amounts are in thousands)

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the Authority were $230 thousand and $199 thousand for the years ended December 31, 2024 and 2023.

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

At December 31, 2024 the Authority reported a liability of $1.5 million for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2023. The Authority's proportion of the net OPEB liability was based on the Authority's contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the Authority's proportion was 0.20%, which was an increase of 0.01% from its proportion measured as of December 31, 2022.

At December 31, 2023 the Authority reported a liability of $1.6 million for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2022. The Authority's proportion of the net OPEB liability was based on the Authority's contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF.

At December 31, 2022, the Authority's proportion was 0.19%, which was an increase of 0.01% from its proportion measured as of December 31, 2021.

For the years ended December 31, 2024 and 2023, the Authority recognized OPEB expense of $(295) thousand and $(110) thousand, respectively.

At December 31, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ -	$ 277
Change of assumptions or other inputs	15	145
Net difference between projected and actual earnings on OPEB plan investments	41	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	162	42
Contributions subsequent to the measurement date	228	
Total	$ 446	$ 464

The $228 thousand reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2025.

(tabular dollar amounts are in thousands)

At December 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ -	$ 369
Change of assumptions or other inputs	24	172
Net difference between projected and actual earnings on OPEB plan investments	99	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	101	91
Contributions subsequent to the measurement date	203	-
Total	$ 427	$ 632

The $203 thousand reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31,	OPEB Expense
2025	$ (143)
2026	(63)
2027	(11)
2028	(33)
2029	1
Thereafter	3

(tabular dollar amounts are in thousands)

Actuarial assumptions - The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20% - 11.30%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount Rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	7.00% in 2023, gradually decreasing to 4.50% in 2033
Medicare Part A premiums	3.50% in 2023, gradually increasing to 4.50% in 2035

Each year the per capita health care costs are developed by plan option; currently based on 2023 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-68	2.2%	2.3%
69	2.8%	2.2%
70	2.7%	1.6%
71	3.1%	0.5%
72	2.3%	0.7%
73	1.2%	0.8%
74	0.9%	1.5%
75-85	0.9%	1.3%
86 and older	0.0%	0.0%

(tabular dollar amounts are in thousands)

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$1,692	$1,406	$579	$481	$1,913	$1,589
70	$1,901	$1,573	$650	$538	$2,149	$1,778
75	$2,100	$1,653	$718	$566	$2,374	$1,869

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$6,469	$5,373	$4,198	$3,487	$6,719	$5,581
70	$7,266	$6,011	$4,715	$3,900	$7,546	$6,243
75	$8,026	$6,319	$5,208	$4,101	$8,336	$6,563

The 2023 Medicare Part A premium is $506 per month.

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2022, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

(tabular dollar amounts are in thousands)

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2023	7.00%	3.50%
2024	6.75%	3.50%
2025	6.50%	3.75%
2026	6.25%	3.75%
2027	6.00%	4.00%
2028	5.75%	4.00%
2029	5.50%	4.00%
2030	5.25%	4.25%
2031	5.00%	4.25%
2032	4.75%	4.25%
2033	4.50%	4.25%
2034	4.50%	4.25%
2035+	4.50%	4.50%

Mortality assumptions used in the December 31, 2022, valuation for the determination of the TPL for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the total OPEB liability for the HCTF, but developed using a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based on the PubG-2010 Healthy Retiree Table, adjusted as follows:

- Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- Males: 97% of the rates for all ages, with generational projection using scale MP-2019.
- Females: 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for members were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The following health care costs assumptions were updated and used in the roll-forward calculation for the Trust Fund:

- Per capita health care costs in effect as of the December 31, 2022, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2023 plan year.

- The morbidity rates used to estimate individual retiree and spouse costs by age and by gender were updated effective for the December 31, 2022, actuarial valuation. The revised morbidity rate factors are based on a review of historical claims experience by age, gender, and status (active versus retired) from actuary's claims data warehouse.

- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by PERA Board's actuary, as discussed above.

The actuarial assumptions used in the December 31, 2022, valuation were based on the results of the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

(tabular dollar amounts are in thousands)

Asset Class	Target Allocation	30 Year Expected Geometric Real rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25%.

Sensitivity of the Authority's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates - The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	$ 1,417	$ 1,459	$ 1,504

Discount rate - The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2023, measurement date.

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.

(tabular dollar amounts are in thousands)

- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.

- Benefit payments and contributions were assumed to be made at the middle of the year.

- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.

- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a $24 million payment received on December 4, 2023, and a $2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were $1.0 million and $25.0 million, respectively.

Based on the above assumptions and methods, the FNP for the HCTF was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the Authority's proportionate share of the net OPEB liability to changes in the discount rate - The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
Proportionate share of the net OPEB liability	$ 1,723	$ 1,459	$ 1,233

OPEB plan fiduciary net position - Detailed information about the HCTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/investments/pera-financial-reports.

(13) Risk Management

The Authority's Legal and Enterprise Risk Management function consists of Legal Operations, Internal Audit, Compliance, Information Security and Privacy. The Authority embraces the Three Lines of Defense Model to enterprise risk management, in which senior management and the Board look to (a) operating management, (b) the risk and compliance functions and (c) internal audit testing to appropriately manage risk. The Enterprise Risk Management function includes the Board and an Enterprise Risk Management Committee, which is a staff level committee with Executive Team involvement that periodically reports to the Audit Committee of the Board. Risk management techniques utilized include annual risk assessments with periodic updates, periodic review of governance around risk and opportunity, information technology and strategic projects, establishment of appropriate policies and procedures, business continuity planning and testing and insurance coverage as appropriate. The Authority presently maintains commercial general and premises liability, business automobile liability, property, mortgage protection, worker's compensation, crime, cyber and public entity and official's liability coverages. Settled claims did not exceed insurance coverage during the reporting period.

(14) Related-Party Transactions

As of the years ended December 31, 2024 and 2023, the Authority had allocated Federal Low Income Housing Tax Credits in the amount of $930 thousand to a housing project in which Total Concept is the general partner. Federal tax credits are provided annually for each of ten years. In addition, the Authority had outstanding loans with Total Concept. As of December 31, 2024 and 2023, the unpaid principal balance on the loans totaled $1.2 million and $1.3 million, respectively. The Executive Director of Total Concept was a member of the Authority's Board at the time that the tax credits were allocated and the loans were made.

(15) Commitments and Contingencies

The Authority had outstanding commitments to make or acquire single family and multifamily/business loans of $215.0 million and $192.9 million, respectively, as of December 31, 2024. The Authority had outstanding commitments to make or acquire single family and multifamily/business loans of $182.8 million and $68.3 million, respectively, as of December 31, 2023.

There are a limited number of claims or suits pending against the Authority arising in the Authority's ordinary course of business. In the opinion of the Authority's management and counsel, any losses that might result from these claims and suits are either covered by insurance or, to the extent not covered by insurance, would not have a material adverse effect on the Authority's financial position.

The Authority participates in the Ginnie Mae MBS Programs. Through the MBS Programs, Ginnie Mae guarantees securities that are issued by the Authority and backed by pools of mortgage loans. If a borrower fails to make a timely payment on a mortgage loan, the Authority must advance its own funds to ensure that the security holders receive timely payment. All loans pooled under the Ginnie Mae MBS Program are either insured by the FHA or are guaranteed by the VA or RD. The Authority assesses the overall risk of loss on loans that it may be required to repurchase and advances funds to repurchase the loans as necessary. Advances are recovered as claims are processed or loans are modified. The Authority repurchased $301.2 million and $83.2 million of these loans in 2024 and 2023, respectively. Claims, recoveries and proceeds from re-pooled, modified loans substantially reimburse the Authority over time.

The Authority also participates in the Whole Loan Sales and MBS programs with Fannie Mae. Through the consideration of Whole Loan Sales to Fannie Mae, the Authority receives cash for mortgages. Through the MBS program, the Authority swaps loans for securities issued by Fannie Mae. Whole Loan Sales are serviced by the Authority in an Actual/Actual remittance method and the MBS loans are serviced by the Authority in a Schedule/Schedule remittance method. Under the Schedule/Schedule method, if a borrower fails to make a timely payment on a MBS mortgage loan, the Authority must advance its own funds to ensure that the security holders receive timely payment. The Authority assesses the overall risk of loss on loans that it may be required to repurchase and repurchases the loans as necessary. The Authority repurchased $274 thousand and $866 thousand of these loans in 2024 and 2023, respectively.

The Authority also participates in the Whole Loan Sales program with Freddie Mac. Through the consideration of Whole Loan Sales to Freddie Mac, the Authority receives cash for mortgages. Whole Loan Sales are serviced by the Authority in a Schedule/Actual remittance method. Under the Schedule/Actual method, if a borrower fails to make a timely payment on a mortgage loan, the Authority must advance its own funds to ensure that the interest is current. The Authority assesses the overall risk of loss on loans that it may be required to repurchase and repurchases the loans as necessary. The Authority repurchased $3.3 million and $1.1 million of these loans in 2024 and 2023, respectively.

(16) Subsequent Events

There have not been any reportable events identified subsequent to the end date of the audit period through the issuance of this report.

required supplemental information (unaudited)

Colorado Housing and Finance Authority
Schedule of the Authority's Share of Net Pension Liability
Last 10 Fiscal Years*
(in thousands of dollars)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	2.58%	2.39%	2.34%	2.47%	2.42%	2.41%	2.61%	2.41%	2.29%	2.16%
Proportionate share of net pension liability	$ 18,936	$ 23,965	$ (2,004)	$ 12,886	$ 17,693	$ 30,278	$ 29,015	$ 32,535	$ 25,185	$ 19,360
Covered-employee payroll	$ 19,940	$ 18,560	$ 17,539	$ 17,165	$ 16,634	$ 15,994	$ 14,974	$ 14,091	$ 12,984	$ 11,857
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	94.96%	129.12%	-11.43%	75.07%	106.38%	189.31%	193.77%	230.89%	193.97%	163.28%
Plan fiduciary net position as a percentage of the total pension plan liability	88.03%	82.99%	101.49%	90.88%	86.26%	75.96%	79.37%	73.65%	76.87%	80.72%

The accompanying notes are an integral part of the Required Supplementary Information.

Colorado Housing and Finance Authority
Schedule of Authority Contributions
Local Government Division Trust Fund
Last 10 Fiscal Years*
(in thousands of dollars)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 2,740	$ 2,502	$ 2,315	$ 2,215	$ 2,109	$ 2,028	$ 1,899	$ 1,787	$ 1,646	$ 1,504
Contributions in relation to the contractually required contribution	2,740	2,502	2,315	2,215	2,109	2,028	1,899	1,787	1,646	1,504
Contribution deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 19,940	$ 18,560	$ 17,539	$ 17,165	$ 16,634	$ 15,994	$ 14,974	$ 14,091	$ 12,984	$ 11,857
Contributions as a percentage of covered-employee payroll	13.74%	13.48%	13.20%	12.90%	12.68%	12.68%	12.68%	12.68%	12.68%	12.68%

The accompanying notes are an integral part of the Required Supplementary Information.

1) Significant changes in Plan Provisions Affecting Trends in Actuarial Information

2023 changes

- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a $24 million payment received on December 4, 2023 and a $2 million receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund and Health Care Trust Fund were $25.0 million and $1.0 million, respectively.

- Senate Bill (SB) 23-056, enacted and effective June 2,2023, intended to recompense PERA for the remaining portion of the $225,000 direct distribution originally scheduled for receipt July 1, 2020, suspended due to the enactment of House Bill (HB) 20-1379, but not fully repaid through the provisions within HB 22-1029. Pursuant to SB 23-056, the State Treasurer issued a warrant consisting of the balance of the PERA Payment Cash Fund, created in § 24-51-416, plus $10,000 from the General Fund, totaling $14,561.

- As of the December 31, 2023, measurement date, the TPL recognizes the change in the default method applied for granting service accruals for certain members, from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least eight months but fewer than 12 months (including, but not limited to positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per year.

2022 changes

- HB 22-1029, effective upon enactment in 2022, required the State treasurer to issue, in addition to the regularly scheduled $225 million (actual dollars) direct distribution, a warrant to PERA in the amount of $380 million (actual dollars) with reductions to future direct distributions. The July 1, 2023, direct distribution will be reduced by $190 million (actual dollars) to $35 million (actual dollars). The July 1, 2024, direct distribution will not be reduced from $225 million (actual dollars) due to a negative investment return in 2022.

- The total pension liability for the Local Government Division, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, as allowable under C.R.S. § 24-51-313, of Tri-County Health, effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the fiduciary net position as of December 31, 2022, measurement date.

2021 changes

- The following changes reflect the anticipated adjustments resulting from the 2020 AAP assessment, statutorily recognized July 1,2021, and effective July 1, 2022:
  - Member contribution rates increase by 0.50%.
  - Employer contribution rates increase by 0.50%.
  - AI cap is lowered from 1.25% per year to 1.00% per year.

2020 changes

- HB 20-1379, enacted on June 29, 2020, suspended the $225 million (actual dollars) direct distribution payable on July 1,2020 for the State's 2020-21 fiscal year.

2019 changes

- SB 18-200 was enacted on June 4, 2018, which included the adoption of the AAP. The following changes reflect the anticipated adjustments resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020:
    - Member contribution rates increase by 0.50%.
    - Employer contribution rates increase by 0.50%.
    - AI cap is lowered from 1.50% per year to 1.25% per year.
- HB 19-1217, enacted May 20, 2019, repealed the member contribution increases scheduled for the Local Government Division pursuant to SB 18-200.

2018 changes

- The following changes were made to the plan provisions as part of SB 18-200:
    - Member contribution rates increase by 0.75% effective July 1, 2019, an additional 0.75% effective July 1, 2020, and an additional 0.50% effective July 1, 2021.
    - AI cap is lowered from 2.00% per year to 1.50% per year.
    - Initial AI waiting period is extended from one year after retirement to three years after retirement.
    - AI payments are suspended for 2018 and 2019.
    - The number of years used in the Highest Average Salary calculation for non-vested members as of January 1, 2020, increases from three to five years for the State, School, Local Government and DPS Divisions and increases from one to three years for the Judicial Division.

2017 changes

- There were no changes made to plan provisions.

2016 changes

- There were no changes made to plan provisions.

2015 changes

- There were no changes made to plan provisions.

2014 changes

- There were no changes made to plan provisions.

2) Significant changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information

2023 changes

- There were no changes made to the actuarial methods or assumptions.

2022 changes

- There were no changes made to the actuarial methods or assumptions.

2021 changes

- The assumption used to value the AI cap benefit provision was changed from 1.25% to 1.00%.

2020 changes

- The price inflation assumption was lowered from 2.40% to 2.30%.
- The wage inflation assumption was lowered from 3.50% to 3.00%.
- The real rate of investment return assumption was increased to 4.95% per year, net of investment expenses from 4.85% per year, net of investment expenses.
- Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.
- Rates of termination / withdrawal, retirement and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the State and Local Government Divisions (Members other than State Troopers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the State and Local Government Divisions (Members other than State Troopers) was changed to the PubG-2010 Healthy Retiree Table, adjust as follows:
    - Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
    - Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

2019 changes

- The assumption used to value the AI cap benefit provision was changed from 1.50% to 1.25%.

2018 changes

- There were no changes made to the actuarial methods or assumptions.

2017 changes

- There were no changes made to the actuarial methods or assumptions.

2016 changes

- The investment return assumption was lowered from 7.50% to 7.25%.
- The price inflation assumption was lowered from 2.80% to 2.40%.
- The wage inflation assumption was lowered from 3.90% to 3.50%.
- The post-retirement mortality assumption for healthy lives for the State and Local Government Divisions was changed to the RP-2014 Healthy Annuitant Mortality Table with adjustments for credibility and gender adjustments of a 73% factor applied to ages below 80 and a 108% factor applied to age 80 and above, projected to 2018, for males, and a 78% factor applied to ages below 80 and a 109% factor applied to age 80 and above, projected to 2020, for females.
- For disabled retirees, the mortality assumption was changed to reflect 90% of RP-2014 Disabled Retiree Mortality Table.
- The mortality assumption for active members was changed to RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70% factor applied to male rates and a 55% factor applied to female rates.
- The rates of retirement, withdrawal and disability were revised to reflect more closely actual experience.
- The estimated administrative expense as a percentage of covered payroll was increased from 0.35% to 0.40%.
- The single equivalent interest rate (SEIR) for the Local Government Division was lowered from 7.50% to 7.25%, reflecting the change in the long-term expected rate of return.

2015 changes

- The following programming changes were made:
  - Valuation of the full survivor benefit without reduction for possible remarriage.
  - Reflection of the employer match on separation benefits for all eligible years.
  - Reflection of one year of service eligibility for survivor annuity benefit.
  - Refinement of the 18-month AI timing.
  - Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.
- The following methodology changes were made:
  - Recognition of merit salary increases in the first projection year.
  - Elimination of the assumption that 35% of future disabled members elect to receive a refund.
  - Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
  - Adjustments to the timing of the normal cost and unfunded actuarial accrued liability (UAAL) payment calculation to reflect contributions throughout the year.

2014 changes

- There were no changes made to the actuarial methods or assumptions.

Colorado Housing and Finance Authority
Schedule of the Authority's Share of Net OPEB Liability
Last 10 Fiscal Years*
(in thousands of dollars)

	2024	2023	2022	2021	2020	2019	2018	2017
Proportion of the net OPEB liability	0.20%	0.19%	0.18%	0.19%	0.18%	0.19%	0.20%	0.18%
Proportionate share of net OPEB liability	$ 1,459	$ 1,567	$ 1,560	$ 1,789	$ 2,083	$ 2,541	$ 2,632	$ 2,398
Covered-employee payroll	$ 19,940	$ 18,560	$ 17,539	$ 17,165	$ 16,634	$ 15,994	$ 14,974	$ 14,091
Proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	7.32%	8.44%	8.90%	10.42%	12.52%	15.89%	17.57%	17.02%
Plan fiduciary net position as a percentage of the total OPEB plan liability	46.16%	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%	16.72%

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The accompanying notes are an integral part of the Required Supplementary Information.

Colorado Housing and Finance Authority
Schedule of Authority Contributions
Health Care Trust Fund
Last 10 Fiscal Years*
(in thousands of dollars)

	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ 203	$ 189	$ 179	$ 175	$ 170	$ 161	$ 153	$ 144
Contributions in relation to the contractually required contribution	203	189	179	175	170	161	153	144
Contribution deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 19,940	$ 18,560	$ 17,539	$ 17,165	$ 16,634	$ 15,994	$ 14,974	$ 14,091
Contributions as a percentage of covered-employee payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The accompanying notes are an integral part of the Required Supplementary Information.

1) Significant changes in Plan Provisions Affecting Trends in Actuarial Information

2023 changes

- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a $24 million payment received on December 4, 2023 and a $2 million receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund and Health Care Trust Fund were $25.0 million and $1.0 million, respectively.

2022 changes

- The total OPEB liability for the HCTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health, effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the fiduciary net position as of December 31, 2022, measurement date.

2021 changes

- There were no changes made to plan provisions.

2020 changes

- The price inflation assumption was lowered from 2.40% to 2.30%.
- The wage inflation assumption was lowered from 3.50% to 3.00%.
- The real rate of investment return assumption was increased to 4.95% per year, net of investment expenses from 4.85% per year, net of investment expenses.
- Rates of termination / withdrawal, retirement and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the State and Local Government Divisions (Members other than State Troopers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the State and Local Government Divisions (Members other than State Troopers) was changed to the PubG-2010 Healthy Retiree Table, adjust as follows:
    - Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
    - Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

2019 changes

- There were no changes made to plan provisions.

2018 changes

- There were no changes made to plan provisions.

2017 changes

- There were no changes made to plan provisions.

2016 changes

- There were no changes made to plan provisions.

2) Significant changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information

2023 changes

- There were no changes made to the actuarial methods or assumptions.

2022 changes

- The timing of the retirement decrement was adjusted to middle-of-year.

2021 changes

- There were no changes made to the actuarial methods or assumptions.

2020 changes

- The price inflation assumption was lowered from 2.40% to 2.30%.
- The wage inflation assumption was lowered from 3.50% to 3.00%.
- The real rate of investment return assumption was increased to 4.95% per year, net of investment expenses from 4.85% per year, net of investment expenses.
- Rates of termination, withdrawal, retirement and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the State and Local Government Divisions (members other than State Troopers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the State and Local Government Divisions (members other than State Troopers) was changed to the PubG-2010 Healthy Retiree Table, adjusted as follows:
    - Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
    - Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables developed on a head-count weighted basis.

2019 changes

- There were no changes made to the actuarial methods or assumptions.

2018 changes

- There were no changes made to the actuarial methods or assumptions.

2017 changes

- There were no changes made to the actuarial methods or assumptions.

2016 changes

- The following methodology change was made:
    - The Entry Age Normal actuarial cost method allocation basis has been changed from a level dollar amount to a level percentage of pay.
- The following changes were made to the actuarial assumptions:
    - The investment rate of return assumption decreased from 7.50% to 7.25%.
    - The price inflation assumption decreased from 2.80% to 2.40%.
    - The wage inflation assumption decreased from 3.90% to 3.50%.
    - The mortality assumption for active members was changed to RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70% factor applied to male rates and a 55% factor applied to female rates.
    - The post-retirement mortality assumption for healthy lives for the State and Local Government Divisions was changed to the RP-2014 Healthy Annuitant Mortality Table with adjustments for credibility and gender adjustments of a 73% factor applied to ages below 80 and a 108% factor applied to age 80 and above, projected to 2018, for males, and a 78% factor applied to ages below 80 and a 109% factor applied to age 80 and above, projected to 2020, for females.
    - For disabled retirees, the mortality assumption was changed to reflect 90% of RP-2014 Disabled Retiree Mortality Table.
    - The assumed rates of withdrawal, retirement and disability have been adjusted to more closely reflect experience.
    - The assumed rates of PERACare participation have been revised to reflect more closely actual experience.
    - Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits have been updated to reflect the change in costs for the 2017 plan year.
    - The percentage of PERACare enrollees who will attain age 65 and older ages and are assumed to not qualify for premium-free Medicare Part A coverage have been revised to reflect more closely actual experience.
    - The percentage of disabled PERACare enrollees who are assumed to not qualify for premium-free Medicare Part A coverage has been revised to reflect more closely actual experience.
    - The health care cost trend rates for Medicare Part A premiums have been revised to reflect the then current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.
    - Assumed election rates for the PERACare coverage options that would be available to future PERACare enrollees who will qualify for the “No Part A Subsidy” when they retire have been revised to more closely reflect actual experience.
    - Assumed election rates for the PERACare coverage options that will be available to those current PERACare enrollees, who qualify for the “No Part A Subsidy” but have not reached age 65, have been revised to more closely reflect actual experience.

- The rates of PERACare coverage election for spouses of eligible inactive members and future retirees was revised to reflect more closely actual experience.
- The assumed age differences between future retirees and their participating spouses have been revised to reflect more closely actual experience.

supplemental information

Colorado Housing and Finance Authority
Combining Schedule - Statement of Net Position

As of December 31, 2024

(with summarized financial information for December 31, 2023)

(in thousands of dollars)

	General Programs	Single Family	Multifamily/ Business	Eliminations	2024	Summarized 2023
Assets						
Current assets:						
Cash *(Note 2)*						
Restricted	$ 192,120	$ -	$ -	$ -	**$ 192,120**	$ 155,828
Unrestricted	14,979	-	-	-	**14,979**	13,917
Investments *(Note 2)*	46,949	333,982	133,229	-	**514,160**	555,574
Loans receivable *(Note 3)*	24,464	12,661	23,606	(1,285)	**59,446**	49,188
Loans receivable held for sale *(Note 3)*	131,593	-	-	-	**131,593**	120,987
Accrued interest receivable	10,858	19,501	5,283	(229)	**35,413**	27,586
Other assets	37,305	559	20	-	**37,884**	28,874
Due (to) from other programs	(10,196)	3,038	7,158	-	**-**	-
Total current assets	448,072	369,741	169,296	(1,514)	**985,595**	951,954
Noncurrent assets:						
Investments *(Note 2)*	49	22,722	32,604	-	**55,375**	76,732
Program investments (MBS)	-	3,592,878	-	-	**3,592,878**	2,624,092
Loans receivable, net *(Note 3)*	709,466	367,160	684,577	(37,275)	**1,723,928**	1,426,426
Derivative instruments	166	82,683	17,849	-	**100,698**	53,493
Capital assets - nondepreciable *(Note 4)*	1,837	-	-	-	**1,837**	1,948
Capital assets - depreciable, net *(Note 4)*	8,756	-	-	-	**8,756**	9,455
Other real estate owned, net	262	-	-	-	**262**	709
Other assets	145,951	-	-	-	**145,951**	132,371
Total noncurrent assets	866,487	4,065,443	735,030	(37,275)	**5,629,685**	4,325,226
Total assets	1,314,559	4,435,184	904,326	(38,789)	**6,615,280**	5,277,180
Deferred outflows of resources						
Accumulated fair value of hedging derivatives	-	1,204	12,555	-	**13,759**	31,695
Pension and OPEB contributions and investment earnings	10,192	-	-	-	**10,192**	12,941
Refundings of debt	-	457	474	-	**931**	878
Total deferred outflows of resources	10,192	1,661	13,029	-	**24,882**	45,514
Liabilities						
Current liabilities:						
Short-term debt *(Note 5)*	327,134	-	-	-	**327,134**	206,502
Bonds payable *(Note 6)*	-	213,971	51,794	-	**265,765**	147,400
Notes payable *(Note 6)*	59	-	-	-	**59**	59
Hybrid instrument borrowings *(Note 8)*	-	266	218	-	**484**	623
Accrued interest payable	300	30,612	6,522	(229)	**37,205**	25,259
Federally assisted program advances	322	-	-	-	**322**	274
Accounts payable and other liabilities	151,795	677	3,590	-	**156,062**	131,811
Total current liabilities	479,610	245,526	62,124	(229)	**787,031**	511,928
Noncurrent liabilities:						
Bonds payable *(Note 6)*	-	4,078,920	729,761	-	**4,808,681**	3,861,720
Hybrid instrument borrowings *(Note 8)*	-	713	637	-	**1,350**	2,282
Net pension and OPEB liability - proportionate share	20,395	-	-	-	**20,395**	25,532
Notes payable *(Note 6)*	38,937	-	-	(38,560)	**377**	436
Other liabilities *(Note 6)*	85,992	-	-	-	**85,992**	58,513
Total noncurrent liabilities	145,324	4,079,633	730,398	(38,560)	**4,916,795**	3,948,483
Total liabilities	624,934	4,325,159	792,522	(38,789)	**5,703,826**	4,460,411
Deferred inflows of resources						
Accumulated fair value of hedging derivatives	-	76,675	30,404	-	**107,079**	79,842
Pension and OPEB investment differences	792	-	-	-	**792**	851
Total deferred inflows of resources	792	76,675	30,404	-	**107,871**	80,693
Net position						
Investment in capital assets, net of related debt	10,593	-	-	(9,060)	**1,533**	1,969
Restricted by grants	2,638	-	-	-	**2,638**	7,344
Restricted primarily by bond indentures	29,637	35,011	94,429	(29,500)	**129,577**	96,955
Unrestricted *(Note 11)*	656,157	-	-	38,560	**694,717**	675,322
Total net position	$ 699,025	$ 35,011	$ 94,429	$ -	**$ 828,465**	$ 781,590

Colorado Housing and Finance Authority

Combining Schedule - Statement of Revenues, Expenses and Changes in Net Position

For the year ended December 31, 2024

(with summarized financial information for the year ended December 31, 2023)

(in thousands of dollars)

	General Program	Single Family	Multifamily/ Business	Eliminations	**2024**	Summarized 2023
Interest income and expense:						
Interest on loans receivable	$ 20,924	$ 9,861	$ 27,882	$ (966)	**$ 57,701**	$ 53,745
Interest on investments	10,709	178,169	7,828	-	**196,706**	115,781
Interest on debt	(15,481)	(158,004)	(24,624)	966	**(197,143)**	(126,670)
Net interest income	16,152	30,026	11,086	-	**57,264**	42,856
Other operating income (loss):						
Loan servicing income	62,511	-	-	-	**62,511**	52,618
Gain on sale of loans	17,358	-	-	-	**17,358**	19,276
Investment derivative activity gain (loss)	913	1,171	(50)	-	**2,034**	358
Net decrease in the fair value of investments	(8,762)	(499)	(744)	-	**(10,005)**	51,099
Other revenues	18,845	-	-	-	**18,845**	18,974
Total other operating income	90,865	672	(794)	-	**90,743**	142,325
Total operating income	107,017	30,698	10,292	-	**148,007**	185,181
Operating expenses:						
Salaries and related benefits	30,305	-	-	-	**30,305**	33,120
General operating	60,162	11,302	288	-	**71,752**	67,829
Depreciation	1,170	-	-	-	**1,170**	1,071
Provision for losses	1,202	(120)	(539)	-	**543**	10,065
Total operating expenses	92,839	11,182	(251)	-	**103,770**	112,085
Net operating income	14,178	19,516	10,543	-	**44,237**	73,096
Nonoperating income and expenses:						
Grant revenues	193,574	-	-	-	**193,574**	188,388
Grant expenses	(190,936)	-	-	-	**(190,936)**	(181,044)
Total nonoperating income and expenses, net	2,638	-	-	-	**2,638**	7,344
Income (loss) before transfers	16,816	19,516	10,543	-	**46,875**	80,440
Transfers from (to) other programs	4,963	(403)	(4,560)	-	**-**	-
Change in net position	21,779	19,113	5,983	-	**46,875**	80,440
Net position:						
Beginning of year	677,246	15,898	88,446	-	**781,590**	701,150
End of year	$ 699,025	$ 35,011	$ 94,429	$ -	**$ 828,465**	$ 781,590

Colorado Housing and Finance Authority
Combining Schedule - Statement of Cash Flows

For the year ended December 31, 2024

(with summarized financial information for the year ended December 31, 2023)

(in thousands of dollars)

	General Program	Single Family	Multifamily/ Business	Eliminations	**2024**	Summarized 2023
Cash flows from operating activities:						
Principal payments received on loans receivable & receipts from dispositions of other real estate owned	$ 963,517	$ 24,499	$ 27,186	$ -	**$ 1,015,202**	$ 728,948
Interest payments received on loans receivable	19,512	9,072	27,802	(971)	**55,415**	53,972
Payments for loans receivable	(2,457,153)	(124,023)	(123,051)	(873)	**(2,705,100)**	(2,437,174)
Receipts from sales of Ginnie Mae securities	1,388,795	-	-	-	**1,388,795**	1,547,610
Changes in servicing escrows	20,637	-	-	-	**20,637**	11,753
Receipts from other revenues	81,182	-	-	-	**81,182**	71,384
Payments for salaries and related benefits	(34,948)	-	-	-	**(34,948)**	(6,958)
Payments for goods and services	(50,122)	(12,058)	2,870	-	**(59,310)**	(90,256)
All other, net	(1,618)	-	-	-	**(1,618)**	(31,361)
Net cash used in operating activities	(70,198)	(102,510)	(65,193)	(1,844)	**(239,745)**	(152,082)
Cash flows from noncapital financing activities:						
Net increase (decrease) in short-term debt	120,632	-	-	-	**120,632**	43,504
Proceeds from issuance of bonds	-	1,195,000	127,795	-	**1,322,795**	1,530,720
Receipts from federal grant programs	193,142	-	-	-	**193,142**	173,435
Payments for federal grant programs	(190,936)	-	-	-	**(190,936)**	(181,044)
Principal paid on bonds	-	(228,234)	(37,810)	-	**(266,044)**	(231,565)
Principal paid on notes payable	(59)	-	-	-	**(59)**	(58)
Interest paid on short-term debt	(12,658)	-	-	-	**(12,658)**	(13,943)
Interest rate swap settlements	-	16,903	4,834	-	**21,737**	18,464
Interest paid on bonds	19	(156,291)	(28,575)	4	**(184,843)**	(100,282)
Interest paid on notes payable	(1,857)	-	-	-	**(1,857)**	(1,476)
Transfers to (from) other programs	8,005	(1,005)	(7,000)	-	**-**	-
Net cash provided by noncapital financing activities	116,288	826,373	59,244	4	**1,001,909**	1,237,755
Cash flows from capital and related financing activities:						
Purchase of capital assets	(360)	-	-	-	**(360)**	(544)
Principal paid on capital-related debt	(874)	-	-	874	**-**	-
Interest paid on capital-related debt	(966)	-	-	966	**-**	-
Net cash provided by (used in) capital and related financing activities	(2,200)	-	-	1,840	**(360)**	(544)
Cash flows from investing activities:						
Proceeds from maturities and sales of investments	1,422,521	2,819,838	252,037	-	**4,494,396**	4,761,825
Purchase of investments	(1,439,390)	(3,713,102)	(253,796)	-	**(5,406,288)**	(5,957,182)
Income received from investments	10,333	169,401	7,708	-	**187,442**	106,355
Net cash provided by (used in) investing activities	(6,536)	(723,863)	5,949	-	**(724,450)**	(1,089,002)
Net increase (decrease) in cash	37,354	-	-	-	**37,354**	(3,873)
Cash at beginning of year	169,745	-	-	-	**169,745**	173,618
Cash at end of year	$ 207,099	$ -	$ -	$ -	**$ 207,099**	$ 169,745
Restricted	$ 192,120	$ -	$ -	$ -	**$ 192,120**	$ 155,828
Unrestricted	14,979	-	-	-	**14,979**	13,917
Cash, end of year	$ 207,099	$ -	$ -	$ -	**$ 207,099**	$ 169,745

Continued on the next page.

Colorado Housing and Finance Authority
Combining Schedule - Statement of Cash Flows *(continued)*

For the year ended December 31, 2024

(with summarized financial information for the year ended December 31, 2023)

(in thousands of dollars)

	General Program	Single Family	Multifamily/ Business	Eliminations	**2024**	Summarized 2023
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Net operating income	$ 14,178	$ 19,516	$ 10,543	$ -	**$ 44,237**	$ 73,096
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:						
Depreciation expense	1,169	-	-	-	**1,169**	1,071
Amortization and fair value adjustments of service release premiums	11,617	-	-	-	**11,617**	10,081
Proportionate share of net pension and OPEB expense	(2,448)	-	-	-	**(2,448)**	1,979
Amortization of imputed debt associated with swaps	-	(304)	(767)	-	**(1,071)**	(774)
Provision for losses	1,202	(120)	(539)	-	**543**	10,065
Interest on investments	(10,709)	(178,169)	(7,828)	-	**(196,706)**	(115,781)
Interest on debt	15,481	158,308	25,391	(966)	**198,214**	127,444
Unrealized (gain) loss on investment derivatives	(913)	(1,171)	50	-	**(2,034)**	(358)
Unrealized (gain) loss on investments	8,762	499	744	-	**10,005**	(51,099)
Gain on sale of real estate owned	(29)	-	-	-	**(29)**	(27)
Gain on sale of loans	(17,358)	-	-	-	**(17,358)**	(19,276)
Changes in assets and liabilities:						
Loans receivable and other real estate owned	(116,429)	(99,524)	(95,865)	(874)	**(312,692)**	(170,670)
Accrued interest receivable on loans and investments	(1,412)	(789)	(80)	(4)	**(2,285)**	228
Other assets	(19,963)	(282)	1	-	**(20,244)**	(45,603)
Accounts payable and other liabilities	46,654	(474)	3,157	-	**49,337**	27,542
Net cash used in operating activities	$ (70,198)	$ (102,510)	$ (65,193)	$ (1,844)	**$ (239,745)**	$ (152,082)

Colorado Housing and Finance Authority
Schedule of Adjusted Net Worth
At December 31, 2024
(in thousands of dollars)

A.	Adjusted net worth calculation:		
	Net position per statement of net position at end of reporting period		$ 828,465
	Less:		
	Itemized unacceptable assets		
	1. Other assets	$ 183,835	
	Total unacceptable assets		183,835
	Adjusted net worth		$ 644,630
B.	Required net worth calculation:		
	Unpaid principal balance (UPB) of securities outstanding (Note: number of pools = 1,478)		$ 8,737,767
	Plus:		
	Outstanding balance of available commitment authority and pools funded		606,130
	Total outstanding portfolio, commitment authority and pools funded		$ 9,343,897
	Required net worth		$ 45,652
C.	Excess net worth (Adjusted net worth - required net worth)		$ 598,978

Colorado Housing and Finance Authority
Schedule of Other Assets
At December 31, 2024
(in thousands of dollars)

A.	Accrued interest income	$	35,413
B.	Deferred debt cost of issuance		-
C.	Other real estate owned		262
	Total other asset included in adjusted net worth	$	35,675
D.	Other assets excluded from adjusted net worth		183,835
	Total current and noncurrent other assets	$	219,510

Colorado Housing and Finance Authority
Liquid Asset Requirement Calculation for Issuers
At December 31, 2024
(in thousands of dollars)

A.	Liquid asset calculation:			
	Required net worth (Schedule of Adjusted Net Worth, section B)		$ 45,652	
	Acceptable liquid assets			
	1. Unrestricted cash	$ 14,979		
	Total liquid assets		$ 14,979	
B.	Required liquid asset:			
				Meets requirements?
	Single family issuer liquidity requirement		$ 12,526	Yes / No

Colorado Housing and Finance Authority

Capital Requirement Calculation for Issuer

At December 31, 2024

(in thousands of dollars)

A. Capital requirement for depository institutions: not applicable to CHFA

Tier 1 capital	$	
Total capital	$	
Risk-based assets	$	
Total assets	$	

Tier 1 capital/total assets		%
Tier 1 capital/risk-based assets		%
Total capital/risk-based assets		%

		Meets requirement?
5% of tier 1 capital/total assets	$	Yes / No
6% of tier 1 capital/risk-based assets	$	Yes / No
10% of total capital/risk-based assets	$	Yes / No

B. Capital requirement for nondepository institutions:

Total adjusted net worth	$	644,630
Total assets	$	6,615,280

		Meets requirement?
Total adjusted net worth/total assets	9.74 %	Yes / No

colorado housing and finance authority

chfa financing the places where people live and work

Colorado Housing and Finance Authority
Schedule of Insurance Requirement
At December 31, 2024
(in thousands of dollars)

A.	Identification of affiliated Ginnie Mae Issuers		
	Affiliated Ginnie Mae issuers:		None
B.	Required insurance calculation:		
	Servicing portfolio:		
	Ginnie Mae	$	8,737,767
	Fannie Mae		1,216,727
	Freddie Mac		1,032,019
	Conventional (other)		1,930,533
	Total servicing portfolio	$	12,917,046
	Required fidelity bond coverage	$	13,442
	Required mortgage servicing errors and omissions coverage	$	13,442
C.	Verification of insurance coverage:		
	Fidelity bond coverage at end of reporting period	$	15,000
	Mortgage servicing errors and omissions coverage at end of reporting period	$	15,000
D.	Excess insurance coverage:		
	Fidelity bond coverage	$	1,558
	Required mortgage servicing errors and omissions coverage	$	1,558
E.	Policies contain the required elements		
	Fidelity bond coverage		Yes No
	Mortgage servicing errors and omissions coverage		Yes No

The Authority certifies that it is in good standing with FHA, Fannie Mae and Freddie Mac, and has not been the subject of any adverse actions.

hud reporting

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR HUD PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE *CONSOLIDATED AUDIT GUIDE FOR AUDITS OF HUD PROGRAMS*

Board of Directors
Colorado Housing and Finance Authority
Denver, Colorado

Report on Compliance for the Major HUD Program

Opinion on the Major HUD Program

We have audited Colorado Housing and Finance Authority's (Authority) compliance with the types of compliance requirements identified as subject to audit in the *Consolidated Audit Guide for Audits of HUD Programs* (the Audit Guide) that could have a direct and material effect on the Authority's major U.S. Department of Housing and Urban Development (HUD) program for the year ended December 31, 2024.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major HUD program for the year ended December 31, 2024.

Basis for Opinion on the Major HUD Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the Audit Guide. Our responsibilities under those standards and the Audit Guide are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major HUD program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's HUD program.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Audit Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of the major HUD program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Audit Guide we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Colorado Housing and Finance Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a HUD program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a HUD program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a HUD program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Audit Guide. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
March 27, 2025

what is chfa?

CHFA's mission is to strengthen Colorado by investing in affordable housing and community development. CHFA invests in loans, down payment assistance, and homebuyer education to support responsible homeownership. We provide loans and tax credits to developers of affordable rental housing, so all Coloradans may have access to a place to call home; and we help business owners access capital to help them grow and support jobs. CHFA strengthens local capacity through nonprofit and community partnerships providing technical assistance, grants, sponsorships, and donations.

CHFA's programs and services are informed by statewide community engagement. CHFA is self-funded. We are not a state agency. CHFA's operating revenues come from loan and investment income, program administration fees, loan servicing, and gains on sales of loans. CHFA receives no direct tax appropriations, and its net revenues are reinvested in its programs and used to support bond ratings. This document was designed and printed in house without the use of state general fund dollars.

CHFA's work revitalizes neighborhoods and creates jobs. We are proud to invest in Colorado's success. Visit www.chfainfo.com for more information.

Prepared by:
CHFA Accounting Division

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colorado housing and finance authority