NEW ISSUE - BOOK ENTRY ONLY

This cover page contains information for quick reference only. It is not a summary of the information contained in this Official Statement. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

$96,665,000
ALASKA HOUSING FINANCE CORPORATION
State Capital Project Bonds II
2020 Series A (Federally Taxable)

Dated	Date of delivery.
Due	As shown on inside cover page.
Price	As shown on inside cover page.
Tax Matters	In the opinions of Co-Bond Counsel, interest on the 2020 Series A Bonds described above (i) is *included* in gross income for federal income tax purposes and (ii) is free from taxation by the State of Alaska under existing law (*except* that no opinion is expressed as to such exemption from State estate and inheritance taxes and taxes of transfers by or in anticipation of death). Co-Bond Counsel express no opinion regarding any other tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, the 2020 Series A Bonds (the "Offered Bonds"). See "Tax Matters."
Redemption	The Offered Bonds are subject to redemption at par prior to maturity under the circumstances described herein. See "The Offered Bonds — Optional Redemption."
Interest Rates	The Offered Bonds will bear interest at the rates set forth on the inside cover page.
Security	**The Bonds are general obligations of the Corporation for which its full faith and credit are pledged, subject to agreements made and to be made with the holders of other obligations of the Corporation pledging particular revenues and assets not pledged to the Bonds and to the exclusion of money in the Corporation's Housing Development Fund. The Bonds are not secured by a pledge of any assets or any fund or account *except* the Accounts (other than the Rebate Account) established under the Indenture. The Bonds are not secured by the pledge of any mortgage loans. The State has never provided, does not currently provide, and the Corporation does not expect the State to provide in the future, a source of funds for the payment of debt service on the Bonds. THE CORPORATION HAS NO TAXING POWER. THE BONDS DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE STATE OF ALASKA OR OF ANY POLITICAL SUBDIVISION THEREOF OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE STATE OF ALASKA OR OF ANY POLITICAL SUBDIVISION THEREOF. THE BONDS ARE GENERAL OBLIGATIONS OF THE CORPORATION AND ARE NOT INSURED OR GUARANTEED BY ANY OTHER GOVERNMENTAL AGENCY.**
Interest Payment Dates	Each June 1 and December 1, commencing June 1, 2021.
Denominations	$5,000 or any integral multiple thereof.
Delivery Date	October 13, 2020.
Co-Bond Counsel	Kutak Rock LLP and Law Office of Kenneth E. Vassar, LLC.
Underwriters' Counsel	Hawkins Delafield & Wood LLP.
Trustee	U.S. Bank National Association.
Financial Advisor	Hilltop Securities Inc.
Book-Entry System	The Depository Trust Company. See "The Offered Bonds — Book Entry Only."

The Offered Bonds (except to the extent not reoffered) are offered when, as and if issued and received by the Underwriters, subject to the approval of legality and the confirmation of certain tax matters by Co-Bond Counsel, and to certain other conditions.

Raymond James **Barclays**

BofA Merrill Lynch **J.P. Morgan**

Jefferies **Wells Fargo Securities**

September 2, 2020

MATURITY SCHEDULE

$96,665,000 2020 Series A Bonds (Federally Taxable)

$96,665,000 2020 Series A Serial Bonds

Maturity Date	Principal Amount	Interest Rate	CUSIP†
June 1, 2021	$ 345,000	0.531%	011839WA1
December 1, 2021	585,000	0.631	011839WB9
June 1, 2022	585,000	0.681	011839WC7
December 1, 2022	585,000	0.731	011839WD5
June 1, 2023	585,000	0.796	011839WE3
December 1, 2023	585,000	0.846	011839WF0
June 1, 2024	595,000	0.956	011839WG8
December 1, 2024	2,475,000	1.006	011839WH6
June 1, 2025	560,000	1.056	011839WJ2
December 1, 2025	2,485,000	1.186	011839WK9
June 1, 2026	530,000	1.398	011839WL7
December 1, 2026	2,595,000	1.448	011839WM5
June 1, 2027	500,000	1.498	011839WN3
December 1, 2027	2,670,000	1.538	011839WP8
June 1, 2028	500,000	1.680	011839WQ6
December 1, 2028	15,320,000	1.730	011839WR4
June 1, 2029	320,000	1.780	011839WS2
December 1, 2029	12,170,000	1.830	011839WT0
June 1, 2030	200,000	1.880	011839WU7
December 1, 2030	18,125,000	1.930	011839WV5
December 1, 2031	15,290,000	2.030	011839WX1
December 1, 2032	11,195,000	2.130	011839WZ6
December 1, 2033	7,865,000	2.180	011839XA0

Price of all 2020 Series A Bonds: 100%

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by the CUSIP Service Bureau, operated by Standard & Poor's, a division of S&P Global Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services Bureau. This CUSIP number has been assigned by an independent company not affiliated with the Corporation and is included solely for the convenience of the registered owners of the applicable Offered Bonds. The Corporation and the Underwriter are not responsible for the selection or uses of the CUSIP number, and no representation is made as to its correctness by the Corporation or the Underwriter on the Offered Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Offered Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance.

No dealer, broker, salesman or other person has been authorized by the Corporation or the Underwriters to give any information or to make any representations, other than as contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Offered Bonds, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the Corporation and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriters. The Underwriters have reviewed the information in this Official Statement pursuant to their responsibilities to investors under the federal securities laws, but the Underwriters do not guarantee the accuracy or completeness of such information. All summaries herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the Offered Bonds are qualified in their entirety by reference to the form thereof included in the Indenture and the provisions with respect thereto included in the aforesaid documents and agreements. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the information or opinions set forth herein after the date of this Official Statement.

In connection with the offering of the Offered Bonds, the Underwriters may overallot or effect transactions which stabilize or maintain the market price of the Offered Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

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OFFICIAL STATEMENT
OF
ALASKA HOUSING FINANCE CORPORATION

Relating to

$96,665,000 State Capital Project Bonds II

2020 Series A (Federally Taxable)

INTRODUCTION

This Official Statement (including the cover page, inside cover page and appendices) of the Alaska Housing Finance Corporation (the "Corporation") sets forth information in connection with the Corporation's State Capital Project Bonds II, 2020 Series A (the "Offered Bonds"). The Offered Bonds are authorized to be issued pursuant to Chapters 55 and 56 of Title 18 of the Alaska Statutes, as amended (the "Act"), an Indenture, dated as of October 1, 2012 (the "General Indenture"), by and between the Corporation and U.S. Bank National Association, Seattle, Washington, as trustee (the "Trustee"), and a 2020 Series A Supplemental Indenture, dated as of October 1, 2020 (the "2020 Series A Supplemental Indenture"), by and between the Corporation and the Trustee. All bonds outstanding under the General Indenture (including additional bonds which may hereafter be issued) are referred to collectively as the "Bonds." Each series of Bonds is issued pursuant to a Supplemental Indenture. The General Indenture and all Supplemental Indentures (including the 2020 Series A Supplemental Indenture) are referred to collectively as the "Indenture." The Bonds issued under the Indenture prior to the issuance of the Offered Bonds are referred to collectively as the "Prior Series Bonds." Capitalized terms used and not otherwise defined herein have the respective meanings ascribed thereto in the Indenture. See "Summary of Certain Provisions of the Indenture — Certain Definitions."

The Offered Bonds are the nineteenth Series of Bonds issued under the Indenture. As of July 31, 2020, there were Prior Series Bonds outstanding in the aggregate principal amount of $1,271,720,000. The Corporation is permitted to issue additional bonds (including refunding bonds) pursuant to and secured under the Indenture ("Additional Bonds"), subject to certain conditions. See "Summary of Certain Provisions of the Indenture — Issuance and Delivery of Bonds." The Offered Bonds will be secured on a parity with the Prior Series Bonds and any Additional Bonds.

The proceeds of the Offered Bonds are expected to be used to refund certain outstanding bonds of the Corporation (the "Refunded Bonds") and for any other authorized purpose of the Corporation. Upon the issuance of the Offered Bonds, the Corporation from its general unrestricted funds will pay costs of issuance. See "Application of Funds."

The underwriters listed on the cover page (collectively, the "Underwriters") will act as underwriters with respect to the Offered Bonds. See "Underwriting."

THE PRIMARY SOURCE OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE OFFERED BONDS WILL BE THE CORPORATION'S GENERAL UNRESTRICTED FUNDS. NO MORTGAGE LOANS WILL BE PLEDGED TO THE PAYMENT OF THE OFFERED BONDS. THE STATE HAS NEVER PROVIDED, DOES NOT CURRENTLY PROVIDE, AND THE CORPORATION DOES NOT EXPECT THE STATE TO PROVIDE IN THE FUTURE, A SOURCE OF FUNDS FOR THE PAYMENT OF DEBT SERVICE ON THE BONDS.

The Corporation has no taxing power. The Bonds do not constitute a debt, liability or obligation of the State of Alaska (the "State") or a pledge of its faith and credit or taxing power. The Bonds are general obligations of the Corporation and are not insured or guaranteed by any other governmental agency.

The Bonds are, as substantially all bonds of the Corporation currently are, general obligations of the Corporation for which its full faith and credit are pledged, subject to agreements made and to be made with the holders of other obligations of the Corporation pledging particular revenues and assets not pledged to the Bonds and to the exclusion of moneys in the Corporation's Housing Development Fund. A significant portion of the assets of the Corporation is pledged to the payment of outstanding obligations of the Corporation. See Appendix A — "Financial Statements of the Corporation."

In this Official Statement "Bondholder" or "Holder" means any holder of Offered Bonds, except that (i) where the context so requires, such terms shall mean Holders of Bonds under the Indenture and (ii) except under "Tax Matters" herein, so long as the Offered Bonds are immobilized in the custody of DTC, such terms shall mean, for purposes of giving notice to such Bondholders or Holders, DTC or its nominee. (See "Book Entry Only" herein.)

The summaries herein of the Offered Bonds, the Indenture, the Continuing Disclosure Certificate (defined below) and other documents and materials are brief outlines of certain provisions contained therein and do not purport to summarize or describe all the provisions thereof. For further information, reference is hereby made to the Act, the Indenture and such other documents and materials for the complete provisions thereof, copies of which will be furnished by the Corporation upon request. See "The Corporation — General" for the Corporation's address and telephone number.

SOURCES OF PAYMENT AND SECURITY FOR THE BONDS

The Bonds are general obligations of the Corporation for which its full faith and credit are pledged for the payment of principal of and interest on the Bonds, *subject to* agreements made and to be made with the holders of other obligations of the Corporation pledging particular revenues and assets and the exclusion by the Act of a pledge of funds in the Housing Development Fund. The Bonds are not secured by a pledge of any assets or any fund or account *except* the Accounts (other than the Rebate Account) established under the Indenture. See the definition of Investment Securities under "Summary of Certain Provisions of the Indenture — Certain Definitions." **THE PRIMARY SOURCE OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS WILL BE THE CORPORATION'S GENERAL UNRESTRICTED FUNDS. NO MORTGAGE LOANS WILL BE PLEDGED TO THE**

PAYMENT OF THE BONDS. THE STATE HAS NEVER PROVIDED, DOES NOT CURRENTLY PROVIDE, AND THE CORPORATION DOES NOT EXPECT THE STATE TO PROVIDE IN THE FUTURE, A SOURCE OF FUNDS FOR THE PAYMENT OF DEBT SERVICE ON THE BONDS. The Corporation may issue additional Bonds under the Indenture without limit as to principal amount for any purpose of the Corporation. The Corporation will determine which provisions of the Indenture will be applicable to such additional Bonds, except that such issuance, in and of itself, shall not result in the ratings then in effect on the Bonds being reduced or withdrawn. The Corporation has issued, and expects to continue to issue, under other indentures other bonds that are general obligations of the Corporation. A significant portion of the assets of the Corporation is pledged to the payment of outstanding obligations of the Corporation. See Appendix A — "Financial Statements of the Corporation," "The Corporation — Activities of the Corporation" and "Summary of Certain Provisions of the Indenture — Issuance and Delivery of Bonds."

APPLICATION OF FUNDS

The proceeds of the Offered Bonds and certain amounts contributed by the Corporation are expected to be applied approximately as follows:

Refunding of Refunded Bonds	$96,659,081.55
Payment of Underwriting Fee	250,219.44
Payment of other Costs of Issuance	200,000.00
TOTAL	$97,109,300.99

THE OFFERED BONDS

General

The Offered Bonds will be dated as set forth on the cover page and interest thereon will be payable on the dates set forth on the cover page. The Offered Bonds will be issuable in the denominations set forth on the cover page and will mature on the dates and in the amounts set forth on the inside cover page.

The Offered Bonds will bear interest (calculated on the basis of a 360-day year of twelve 30-day months) from their dated date to maturity (or prior redemption) at the applicable rates set forth on the inside cover page.

The Offered Bonds are being issued only as fully-registered bonds without coupons, in book-entry form only, registered in the name of Cede & Co., as registered owner and nominee for DTC, which will act as securities depository for the Offered Bonds. See "Book Entry Only" below.

Optional Redemption

The Offered Bonds are subject to redemption at the option of the Corporation at 100% of the principal amount thereof, plus accrued interest, at any time on or after December 1, 2029, in whole or in part, from any source of funds.

The Offered Bonds are subject to redemption at the option of the Corporation, at any time prior to December 1, 2029, in whole or in part, from any source of funds, at a redemption price equal to the greater of (i) 100% of the principal amount thereof and (ii) as determined by the Corporation, the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Offered Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Offered Bonds are to be redeemed, discounted to the date on which the Offered Bonds are to be redeemed on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate, plus 15 basis points (0.15%); in each case plus accrued interest.

"Treasury Rate" means, with respect to any redemption date for a particular Offered Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available on a date selected by the Corporation that is at least two Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Offered Bond to be redeemed; *provided, however*, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually-traded United States Treasury securities adjusted to a constant maturity of one year will be used.

Selection of Bonds for Redemption

If the Offered Bonds are redeemed in part by optional redemption, the Offered Bonds to be redeemed will be selected as shall be directed by the Corporation. The Indenture provides that if less than all the Offered Bonds of a particular maturity bearing the same interest rate (and otherwise of like tenor) are to be redeemed, the particular Offered Bonds of such maturity bearing the same interest rate (and otherwise of like tenor) to be redeemed will be selected by the Trustee by lot, using such method of selection as it deems proper in its discretion.

Notice of Redemption

Notice of the redemption, identifying the Offered Bonds or portion thereof to be redeemed, will be given by the Trustee by mailing a copy of the redemption notice by first class mail (postage prepaid) not more than 60 days and not less than 30 days prior to the redemption date to the registered owner of each Offered Bond to be redeemed in whole or in part at the address shown on the registration books maintained by the Trustee. Pursuant to the Indenture, neither failure to receive any redemption notice nor any defect in such redemption notice shall affect the sufficiency of the proceedings for such redemption and failure by the Trustee to deliver such notice of redemption of the Bonds at the times required in the Indenture shall not impair the ability of the Trustee and the Corporation to effect such redemption.

Book Entry Only

General

The Offered Bonds will be issued as fully-registered bonds in the name of Cede & Co., as nominee of DTC, as registered owner of the Offered Bonds. Purchasers of such Bonds will not receive physical delivery of bond certificates. For purposes of this Official Statement, so long as all of the Offered Bonds are immobilized in the custody of DTC, references to holders or owners of Offered Bonds (*except* under "Tax Matters") mean DTC or its nominee.

The information in this section concerning DTC and the DTC book-entry system has been obtained from DTC, and neither the Corporation nor the Underwriters take responsibility for the accuracy or completeness thereof.

DTC will act as securities depository for the Offered Bonds. The Offered Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Offered Bond certificate will be issued for all Offered Bonds of each particular maturity bearing the same interest rate (and otherwise of like tenor), in the aggregate principal amount of the Offered Bonds of such maturity bearing the same interest rate (and otherwise of like tenor), and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Offered Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Offered Bonds on DTC's records. The ownership interest of each actual purchaser of each Offered Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Offered Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Offered Bonds, except in the event that use of the book-entry system for the Offered Bonds is discontinued.

To facilitate subsequent transfers, all Offered Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Offered Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Offered Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Offered Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Offered Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Offered Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Indenture. For example, Beneficial Owners of Offered Bonds may wish to ascertain that the nominee holding the Offered Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Offered Bonds of a particular maturity bearing the same interest rate (and otherwise of like tenor) are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the Offered Bonds of such maturity bearing the same interest rate (and otherwise of like tenor) to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Offered Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Corporation as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Offered Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of and interest on the Offered Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Corporation or the Trustee, on a payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee or the Corporation, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants. NEITHER THE CORPORATION NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS, TO THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE OFFERED BONDS, OR TO ANY BENEFICIAL OWNER IN RESPECT OF THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT, THE PAYMENT BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE OFFERED BONDS, ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDHOLDERS UNDER THE INDENTURE, THE SELECTION BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE OFFERED BONDS OR ANY OTHER ACTION TAKEN BY DTC AS REGISTERED BONDHOLDER.

DTC may discontinue providing its services as depository with respect to the Offered Bonds at any time by giving reasonable notice to the Corporation or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Offered Bond certificates are required to be printed and delivered as described in the Indenture.

The Corporation may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Offered Bond certificates will be required to be printed and delivered as described in the Indenture.

If bond certificates are issued, the principal due upon maturity or redemption of any of the Offered Bonds will be payable at the office of the Trustee, as paying agent, upon presentation and surrender of such Offered Bonds by the registered owner thereof on or after the date of maturity or redemption, as the case may be. Payment of the interest on each Offered Bond will be made by the Trustee to the registered owner of such Offered Bond by check mailed by first class mail (or, upon request of a registered owner of $1,000,000 or more aggregate principal amount of Offered Bonds, by wire transfer) on the interest payment date to such registered owner as of the 20th day of the preceding month, in each case at the address appearing on the registration books relating to the Offered Bonds.

If bond certificates are issued, the Offered Bonds may be transferred and exchanged by the registered owner thereof or the registered owner's attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or the registered owner's duly authorized attorney at the office of the Trustee in Seattle, Washington. For every such exchange or transfer the Corporation or the Trustee may charge the transferee to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange. The Trustee is not obligated to make any such transfer or exchange during the 10 days next preceding an interest payment date or the date of mailing of any notice of redemption, nor of any Offered Bond selected for redemption. If any Offered Bond is mutilated, lost, stolen or destroyed, the Trustee may execute and deliver a new Offered Bond or Offered Bonds of the same series, maturity, interest rate and principal amount as the Offered Bond or Offered Bonds so mutilated, lost, stolen or destroyed, provided that such Offered Bond is surrendered to the Trustee, or evidence of loss, destruction or theft, together with satisfactory indemnity, is provided to the Trustee. The fees and expenses of the Corporation and the Trustee in connection with such replacement shall be paid by the owner.

THE CORPORATION

Certain Definitions

"Authority" means the Alaska State Housing Authority.

"Board" means the Board of Directors of the Corporation.

"Department" means the former Department of Community and Regional Affairs.

"Dividend Plan" means the dividend plan adopted by the Board in 1991 to transfer one-half of the lesser of its unrestricted net income or total net income to the State.

"Division" means The Public Housing Division of the Corporation.

"HUD" means the U.S. Department of Housing and Urban Development.

"Self-Liquidity Bonds" means, collectively, the Corporation's $60,250,000 State Capital Project Bonds, 2002 Series C; the Corporation's $150,000,000 State Capital Project Bonds II, 2017 Series B; the Corporation's $90,000,000 State Capital Project Bonds II, 2018 Series A; and the Corporation's $140,000,000 State Capital Project Bonds II, 2019 Series A.

General

The Corporation was established in 1971 as a non-stock, public corporation and government instrumentality of the State. The Corporation currently functions as a major source of residential mortgage loan financing and capital project financing in the State. The Corporation's programs were originally established to take advantage of tax-exempt financing permitted under federal income tax law. Mortgages which meet applicable federal income tax requirements are financed by selling tax-exempt bonds. All other mortgages generally are financed through the issuance of taxable bonds or from internal funds. Since 1972, the Corporation has acquired mortgage loans by appropriation from the State and by purchase from independent originating lending institutions operating throughout the State. On July 1, 1992, the Corporation succeeded to the public housing functions of the Authority and the rural housing and residential energy functions of the Department pursuant to legislation enacted in the State's 1992 legislative session. As a result, the rights and obligations created by bonds and notes that were previously issued by the Authority became rights and obligations of the Corporation.

The Corporation prepares and publishes on its website a monthly Mortgage and Bond Disclosure Report containing detailed information concerning characteristics of the

Corporation's mortgage loan portfolios and outstanding bond issues, including bond redemptions and mortgage prepayments. The Corporation presently intends to continue to provide such information, but is not legally obligated to do so. Certain financial and statistical information relating to the Corporation and its programs under the subheadings "Activities of the Corporation," "Financial Results of Operations" and "Legislative Activity/Transfers to the State — Dividend to the State of Alaska" below was obtained from the February 2020 Mortgage and Bond Disclosure Report of the Corporation, the audited financial statements of the Corporation as of and for the year ended June 30, 2019, and the unaudited financial statements of the Corporation as of and for the nine months ended March 31, 2020. Copies of such financial statements and disclosure report may be obtained upon request from the Corporation. The Corporation's main office is located at 4300 Boniface Parkway, Anchorage, Alaska 99504, and its telephone number is (907) 338-6100. Electronic versions of the financial statements and disclosure reports are available at the Corporation's website.

Board of Directors, Staff and Organization

The Corporation is required by law to comply (except for the procurement provisions of the Alaska Executive Budget Act), and does comply, with the State budget process. The Corporation administratively operates within the State Department of Revenue. The Board of Directors of the Corporation is comprised of the Commissioner of Revenue, the Commissioner of Commerce, Community and Economic Development and the Commissioner of Health and Social Services, as well as four members from the following sectors of the general public appointed by the Governor to serve two-year terms: one member with expertise or experience in finance or real estate; one member who is a rural resident of the State or who has expertise or experience with a regional housing authority; one member who has expertise or experience in residential energy efficient home-building or weatherization; and one member who has expertise or experience in the provision of senior or low-income housing. The powers of the Corporation are vested in and exercised by a majority of its Board of Directors then in office, who may delegate such powers and duties as appropriate and permitted under the Act. The Corporation's current members of its Board of Directors are as follows:

Name	Location
Mr. Brent LeValley Chair	Retired Fairbanks, Alaska
Mr. Robert Yundt	Robert Yundt Homes Wasilla, Alaska
Mr. Haven Harris	St. George Tanaq Corporation Anchorage, Alaska
Ms. Vivian Stiver	Self-Employed Fairbanks, Alaska
Ms. Lucinda Mahoney Commissioner Alaska Department of Revenue	**Mr. Mike Barnhill (**designee) Deputy Commissioner Alaska Department of Revenue Juneau, Alaska
Mr. Adam Crum Commissioner Alaska Department of Health and Social Services	**Mr. Albert Wall** (designee) Deputy Commissioner Alaska Department of Health and Social Services Anchorage, Alaska
Ms. Julie Anderson Commissioner Alaska Department of Commerce, Community and Economic Development	**Mr. John Springsteen** (designee) Deputy Commissioner Alaska Department of Commerce, Community and Economic Development Anchorage, Alaska

The following sub-committees of the Board of Directors have been established: Audit Committee, Investment Advisory Committee, Housing Budget and Policy Committee, and the Personnel Committee.

The Corporation's staff consists of employees organized into the following departments: Accounting, Administrative Services, Audit, Budget, Construction, Finance, Governmental Relations and Public Affairs, Human Resources, Information Services, Mortgage, Planning, Public Housing, Research and Rural Development, Risk Management and Sourcing and Contract Compliance. Principal financial officers of the Corporation are as follows:

Bryan D. Butcher - Chief Executive Officer/Executive Director. Mr. Butcher rejoined the Corporation on August 7, 2013. Prior to his appointment as Chief Executive Officer/Executive Director, Mr. Butcher served as Commissioner of the Alaska Department of Revenue from January 2011 to August 2013, as the Corporation's director of governmental relations and public affairs from 2003 to 2011, and as a senior aide to the House and Senate Finance Committees of the Alaska Legislature for 12 years. Mr. Butcher holds a Bachelor of Science degree from the University of Oregon.

Mark Romick - Deputy Executive Director. Mr. Romick has been with the Corporation since July 1992 and previously served as the Director of Planning and Program Development. He previously worked for the Alaska State Housing Authority and the Alaska Housing Market Council. Mr. Romick holds a Master's degree in Economics from the University of Alaska.

Michael L. Strand - Chief Financial Officer/Finance Director. Mr. Strand joined the Corporation in 2001, and previously served as Senior Finance Officer, Finance Officer and Financial Analyst II. Prior to joining the Corporation, he served as a budget analyst for Anchorage Municipal Light and Power and as a financial analyst for VECO Alaska. Mr. Strand is a graduate of the University of Alaska, Anchorage, with Bachelor of Business Administration degrees in finance and economics.

Gerard Deta - Senior Finance Officer. Mr. Deta has been with the Corporation since 2001, and previously served as Finance Officer and Financial Analyst II. Prior to joining the Corporation, he served as an auditor with Deloitte & Touche LLP. Mr. Deta is a graduate of Southern Utah University with Bachelor of Science degrees in finance and accounting.

Activities of the Corporation

The principal activity of the Corporation is the purchase of residential mortgage loans. This activity has been supplemented by the merger with the Authority under which the Corporation assumed responsibility for the public housing functions of the Authority and its assumption of the rural housing and residential energy functions of the Department. See "The Corporation — General."

Financing Activities

The Corporation is authorized by the State Legislature to issue its own bonds, bond anticipation notes and other obligations in such principal amounts as the Corporation deems necessary to provide sufficient funds for carrying out its purpose.

Pursuant to State law, the maximum amount of bonds that the Corporation may issue during any fiscal year (the Corporation's fiscal years end on June 30) is $1.5 billion. Bonds issued to refund outstanding bonds and to refinance outstanding obligations of the Corporation are not counted against the maximum annual limit.

Since 1986, implementation of refinancing programs by the Corporation has resulted in the prepayment of outstanding mortgage loans with a corresponding redemption at par of substantial amounts of the Corporation's notes or bonds secured by such mortgage loans.

Since 1997, the Corporation has issued certain Self-Liquidity Bonds, which are variable rate demand obligations with weekly interest rate resets. If these bonds are tendered or deemed tendered, the Corporation has the obligation to purchase any such bonds that cannot be remarketed. This general obligation is not secured by any particular funds or assets, including any assets that may be held under the related indentures. The Corporation may issue additional bonds for which it will provide liquidity support, similar to that which it currently provides for the Self-Liquidity Bonds.

Other variable rate demand obligations issued by the Corporation are the subject of liquidity facilities provided by third-party liquidity providers in the form of standby bond purchase agreements. If such obligations are tendered or deemed tendered, the related liquidity provider is obligated to purchase any such obligations that cannot be remarketed. Such purchase obligation also arises in connection with the expiration of such facility in the absence of a qualifying substitute therefor. Bonds so purchased and held by third-party liquidity providers will thereupon begin to bear higher rates of interest and be subject to accelerated mandatory redemption by the Corporation, in each case in accordance with and secured by the related indenture.

The following table sets forth certain information regarding the Corporation's variable rate demand obligations as of July 31, 2020:

Bond Series	**Amount Outstanding**	**Liquidity Provider (or Self-Liquidity)**	**Facility Expiration Date**
Governmental Purpose Bonds, 2001 Series A and B	$ 84,225,000	Federal Home Loan Bank- Des Moines	June 27, 2022
State Capital Project Bonds, 2002 Series C	13,655,000	Self-Liquidity	NA†
Home Mortgage Revenue Bonds, 2002 Series A	32,515,000	Federal Home Loan Bank- Des Moines	September 18, 2021
Home Mortgage Revenue Bonds, 2007 Series A, B and D	220,840,000	Federal Home Loan Bank- Des Moines	May 25, 2021
Home Mortgage Revenue Bonds, 2009 Series A and B	159,540,000	Wells Fargo Bank, N.A.	December 6, 2021
Home Mortgage Revenue Bonds, 2009 Series D	79,765,000	Federal Home Loan Bank- Des Moines	May 30, 2022
State Capital Project Bonds II, 2017 Series B	150,000,000	Self-Liquidity	NA†
State Capital Project Bonds II, 2018 Series A	90,000,000	Self-Liquidity	NA†
State Capital Project Bonds II, 2019 Series A	140,000,000	Self-Liquidity	NA†
	$970,540,000		

† The Corporation's obligation to purchase Self-Liquidity Bonds tendered or deemed tendered remains in effect so long as the related variable rate bonds are outstanding or until a qualifying third-party liquidity facility has replaced it.

The Corporation's financing activities include, in addition to the issuance of Bonds under the Indenture, recurring long-term debt issuances under established bond indentures described below. Such issuances constitute the majority of the Corporation's financing activities.

Mortgage Revenue Bonds. The Corporation issues Mortgage Revenue Bonds to finance the purchase of mortgage loans or to refund other obligations of the Corporation. Mortgage loans and/or other assets are pledged as collateral for the Mortgage Revenue Bonds. Mortgage Revenue Bonds are also general obligations of the Corporation.

Home Mortgage Revenue Bonds. The Corporation issues Home Mortgage Revenue Bonds to finance the purchase of mortgage loans or to refund other obligations of the Corporation. Mortgage loans and/or other assets are pledged as collateral for the Home Mortgage Revenue Bonds. Home Mortgage Revenue Bonds are also general obligations of the Corporation.

General Mortgage Revenue Bonds II. The Corporation issues General Mortgage Revenue Bonds II to finance the purchase of mortgage loans or to refund other obligations of the Corporation. Mortgage loans and other assets are pledged as collateral for the General Mortgage Revenue Bonds II. General Mortgage Revenue Bonds II are general obligations of the Corporation. The Corporation has sold to the underwriters thereof, and expects to issue on or about September 15, 2020, its General Mortgage Revenue Bonds II, 2020 Series A and B in the aggregate principal amount of $209,845,000.

Collateralized Bonds. The Corporation funds its Veterans Mortgage Program with the proceeds of State-guaranteed Collateralized Bonds. Qualified mortgage loans and/or mortgage-backed securities are pledged as collateral for the Collateralized Bonds. Collateralized Bonds are also general obligations of the Corporation and general obligations of the State.

Governmental Purpose Bonds. The Corporation issues Governmental Purpose Bonds to finance capital expenditures of the State for governmental purposes, with certain proceeds available for general corporate purposes. Governmental Purpose Bonds are general obligations of the Corporation.

State Capital Project Bonds and State Capital Project Bonds II. The Corporation issues State Capital Project Bonds and State Capital Project Bonds II to finance designated capital projects of State agencies and the Corporation and to refund other obligations of the Corporation. State Capital Project Bonds and State Capital Project Bonds II are also used to finance building purchases that may or may not be secured by lease agreements between the Corporation and the State of Alaska. State Capital Project Bonds and State Capital Project Bonds II are general obligations of the Corporation.

The following tables set forth certain information as of July 31, 2020, regarding bonds issued under the above-described financing programs and the Bonds issued under the Indenture:

Bonds Issued and Remaining Outstanding by Program

Bond Program	**Issued through 6/30/2020**	**Issued During Thirteen Months Ended 7/31/2020**	**Outstanding as of 7/31/2020**
Home Mortgage Revenue Bonds	$ 1,262,675,000	$ 0	$ 492,660,000
Mortgage Revenue Bonds	1,449,010,353†	0	75,400,000
State Capital Project Bonds	680,190,000	0	16,695,000
State Capital Project Bonds II	1,552,530,000	200,000,000	1,271,720,000
General Mortgage Revenue Bonds II	625,355,000	161,685,000	448,690,000
Governmental Purpose Bonds	973,170,000	0	84,225,000
Veterans Collateralized Bonds	792,885,000	0	91,795,000
Other Bonds	12,154,673,769	0	0
Total Bonds	$19,490,489,122	$361,685,000	$2,481,185,000

† Includes release of proceeds of $193,100,000 Mortgage Revenue Bonds originally issued in 2009.

Summary of Bonds Issued and Remaining Outstanding

	Issued through 6/30/2020	Issued During Thirteen Months Ended 7/31/2020	Outstanding as of 7/31/2020
Tax-Exempt Bonds	$14,285,229,122†	$221,685,000	$1,961,185,000
Taxable Bonds	5,205,260,000	140,000,000	520,000,000
Total Bonds	$19,490,489,122	$361,685,000	$2,481,185,000
Self-Liquidity Bonds††	$440,250,000	$0	$393,655,000

† Includes release of proceeds of $193,100,000 Mortgage Revenue Bonds originally issued in 2009.
†† For information only. These amounts are already included in the categories above.

The Corporation's financing activities also include recurring short-term debt issuances under established programs or agreements. The proceeds of such issuances may be used for any lawful purpose of the Corporation; however, the Corporation has in the past used and intends to continue to use such proceeds to temporarily refund outstanding tax-exempt obligations prior to their permanent refunding through the issuance of tax-exempt bonds.

Commercial Paper Notes Program. On June 13, 2007, the Corporation's Board of Directors authorized a domestic Commercial Paper Notes Program with a major dealer under which the maximum principal amount of notes outstanding at any one time shall not exceed $150,000,000. The Commercial Paper Notes Program is rated "P-1" by Moody's, "A-1+" by S&P, and "F1+" by Fitch.

Reverse Repurchase Agreements. The Corporation may enter into reverse repurchase agreements in such amounts as it deems necessary for carrying out its purpose.

TBA Markets. From time to time, in lieu of utilizing the proceeds of bond issues to finance certain federally insured or guaranteed mortgage loans, the Corporation pools those mortgage loans into GNMA Mortgage-Backed Securities and sells the securities into the national TBA ("To Be Announced") future delivery market.

Lending Activities

The Corporation finances its lending activities with a combination of general operating funds, bond proceeds, and loan prepayments and earnings derived from the permitted spread between borrowing and lending rates. The Corporation acquires mortgage loans after they have been originated and closed by direct lenders, which normally are financial institutions or mortgage companies with operations in the State. Under many of the Corporation's programs, the originating lender continues to service the mortgage loan on behalf of the Corporation. The Corporation also makes available a streamlined refinance option that allows applicants to obtain new financing secured by property that is currently financed by the Corporation without income, credit, or appraisal qualifications.

In addition to the lending programs described below, the Corporation funded a loan totaling approximately $145 million ($50 million on November 20, 2013; $24 million on July 29, 2016; $46 million on June 9, 2017; and $25 million on January 12, 2018) for the construction and rehabilitation of rental housing on two United States Army bases in the State, Fort Wainwright and Fort Greely, bearing interest at a rate of 6.625% per annum and amortizing over a 40-year term maturing April 15, 2058, with a 35-year lockout for prepayment. As of July 31, 2020, the remaining principal balance on this loan was $141,946,254.

Following are brief descriptions of the Corporation's lending programs:

First Home Limited Program. The First Home Limited Program offers lower interest rates to eligible borrowers who meet income, purchase price, and other requirements of the Code.

First Home Program. The First Home Program offers a reduced interest rate to first-time homebuyers who do not meet the Code requirements of the First Home Limited Program.

Veterans Mortgage Program. The Veterans Mortgage Program offers a reduced interest rate to qualified veterans who purchase or construct owner-occupied single-family residences or, with certain restrictions, who purchase a duplex, triplex, or fourplex.

Rural Loan Program. The Rural Loan Program offers financing to purchase, construct, or renovate owner occupied and non-owner occupied housing in small communities. The Rural interest rate is one percent below the calculated cost of funds established for the Corporation's Taxable Program and is applied to the first $250,000 of the loan only. The balance of the loan is at the Rural interest rate plus 1%.

My Home Program. The My Home Program is available statewide for applicants or properties not meeting requirements of other Corporation programs. Borrowers and properties must meet the Corporation's general financing requirements.

Uniquely Alaskan Program. The Uniquely Alaskan Program is targeted toward non-conforming loans for certain properties for which financing may not be obtained through private, state or federal mortgage programs.

Multi-Family Loan Purchase Program. The Corporation participates with approved lenders to provide financing for the acquisition, rehabilitation, and refinancing of multi-family housing (buildings with at least five units and designed principally for residential use) as well as certain special-needs and congregate housing facilities.

The following tables set forth certain information as of July 31, 2020, regarding the mortgage loans financed under the above-described lending programs:

Mortgage Purchases by Program

Loan Program	Original Principal Balance of Mortgage Loans Purchased during FY 2019	Original Principal Balance of Mortgage Loans Purchased during the Thirteen Months Ended 7/31/2020
My Home	$176,172,770	$204,371,427
First Home Limited	117,712,711	127,155,721
First Home	88,802,164	84,207,868
Rural	59,192,466	81,365,579
Veterans Mortgage Program	39,757,020	31,135,158
Multi Family and Special Needs	19,437,675	15,147,000
Uniquely Alaskan	589,360	745,350
Other Loan Programs	8,556,856	7,704,667
Total Mortgage Purchases	$510,221,022	$551,832,770
Percentage of Original Principal Balance of Total Mortgage Purchases during Period Representing Streamline Refinance Loans	0.4%	15.2%

Mortgage Portfolio Summary

	As of 6/30/2019	As of 7/31/2020
Mortgages and Participation Loans	$3,313,682,410	$3,190,692,695
Unconventional Loans	63,985,628	60,995,004
Real Estate Owned/Insurance Receivables	3,913,913	2,959,293
Total Mortgage Portfolio	$3,381,581,951	$3,254,646,992

Mortgage Insurance Summary†

Type	Outstanding Principal Balance as of 7/31/2020	Percentage of Total Mortgage Loans by Outstanding Principal Balance
Uninsured††	$1,800,489,633	55.3%
Private Mortgage Insurance†††	837,767,001	25.7
Federally Insured – FHA	208,457,093	6.4
Federally Insured – VA	156,864,201	4.8
Federally Insured – RD	144,715,661	4.5
Federally Insured – HUD 184	106,353,403	3.3
TOTAL	$3,254,646,992	100.0%

† This table contains information regarding the types of primary mortgage insurance coverage applicable to the Corporation's mortgage loans at their respective originations. No representation is made as to the current status of primary mortgage insurance coverage.

†† Uninsured Mortgage Loans represent loans for which the original loan-to-value ratio was not in excess of 80% (90% for loans in rural areas) and insurance coverage was therefore not required. No representation is made as to current loan-to-value ratios.

††† The following table sets forth information with respect to the providers of such private mortgage insurance. No representation is made as to the amount of private mortgage insurance coverage provided by carriers whose claims-paying ability is rated investment grade or better by Moody's, S&P or Fitch.

PMI Provider	Outstanding Principal Balance as of 7/31/2020	Percentage of Total Mortgage Loans by Outstanding Principal Balance
Radian Guaranty	$233,579,417	7.2%
Essent Guaranty	169,355,125	5.2
Mortgage Guaranty	141,735,498	4.3
United Guaranty	133,124,454	4.1
CMG Mortgage Insurance	92,134,061	2.8
Genworth GE	64,279,627	2.0
National Mortgage Insurance	2,602,388	0.1
Commonwealth	382,533	0.0
PMI Mortgage Insurance	308,281	0.0
Republic Mortgage Insurance	265,617	0.0
TOTAL	$837,767,001	25.7%

Delinquency figures in the following table include loans receiving forbearance. For further information regarding forbearances, see "COVID-19" below.

Corporation Mortgage Delinquency and Foreclosure Summary

	As of 6/30/2019	As of 7/31/2020
Delinquent 30 Days	1.82%	1.53%
Delinquent 60 Days	0.64	1.80
Delinquent 90 Days or More	0.80	4.24
Total Mortgage Delinquency	3.26%	7.57%

	As of 6/30/2019	Thirteen Months Ended 7/31/2020
Total Foreclosures	$7,306,859	$7,799,147

The following table set forth certain delinquency information as of July 31, 2020, regarding the Corporation's aggregate mortgage loan portfolio (Delinquency figures in the following table exclude loans receiving forbearance. For further information regarding forbearances, see "COVID-19" below.):

Corporation Mortgage Delinquency Summary
Excluding Loans in Forbearance

	As of 6/30/2019	As of 7/31/2020
Delinquent 30 Days	1.76%	1.12%
Delinquent 60 Days	0.62	0.71
Delinquent 90 Days or More	0.80	0.64
Total Mortgage Delinquency	3.18%	2.47%

Public Housing Activities

The Corporation performs certain public housing functions in the State through the Division. The Division operates Low Rent and Section 8 New Construction/Additional Assistance housing to serve low-income families, disabled persons and seniors in several communities throughout Alaska. The Division also administers the rent subsidies for numerous families located in private-sector housing through vouchers, certificates, and coupons issued pursuant to Section 8 of the United States Housing Act of 1937. The Division's operating budget is funded primarily through contracts with HUD. The Division is engaged in a number of multifamily renovation and new construction projects throughout the State.

COVID-19

Certain external events, such as pandemics, natural disasters, severe weather, technological emergencies, riots, acts of war or terrorism or other circumstances, could potentially disrupt the Corporation's ability to conduct its business. A prolonged disruption in the Corporation's operations could have an adverse effect on the Corporation's financial condition and results of operations. To plan for and mitigate the impact such an event may have on its operations, the Corporation has developed a Business Continuity Plan (the "Plan"). The Plan is designed to (i) provide for the continued execution of the mission-essential functions of the Corporation and minimize disruption if an emergency threatens, interrupts or incapacitates the Corporation's operations; (ii) provide the Corporation's leadership with timely direction, control and coordination before, during and after an emergency; and (iii) facilitate the return to normal operating conditions as soon as practical based on the circumstances surrounding any given emergency. No assurances can be given that the Corporation's efforts to mitigate the effects of an emergency or other event will be successful in preventing any and all disruptions to its operations in the event of an emergency.

One such external event is the recent global outbreak of COVID-19 ("COVID-19"), a respiratory disease caused by a novel coronavirus and declared to be a pandemic (the "Pandemic") by the World Health Organization, which is affecting the national capital markets and which may negatively impact the State's housing market and its overall economy. The threat from the Pandemic is being addressed on a national, federal, state and local level in various forms, including executive orders and legislative actions.

On March 13, 2020, the President of the United States declared a national emergency with respect to the Pandemic. In addition, the United States Congress recently enacted several COVID-19-related bills, including the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), signed into law on March 27, 2020, which provides over $2 trillion of direct financial aid to American families, payroll and operating expense support for small businesses, and loan assistance for distressed industries, as well as providing funds to and directing the Federal Reserve System to support the capital markets.

Among other things, the CARES Act provides that (a) lenders are prohibited from foreclosing all mortgage loans which are FHA-insured, VA, HUD or Rural Housing-guaranteed, or purchased or securitized by Fannie Mae or Freddie Mac (collectively, "Federal Single Family Loans") for a period of 60 days, which commenced March 18, 2020 and ended on May 17, 2020, and (b) until the sooner of the termination of the Pandemic or December 31, 2020, Federal Single Family Loan borrowers directly or indirectly facing economic difficulties as a result of COVID-19 can seek up to 360 days of payment forbearance. In addition to the foreclosure and eviction relief provided by the CARES Act, HUD/FHA and the Federal Housing Finance Agency ("FHFA") also ordered servicers of Federal Single Family Loans to suspend foreclosures and evictions of Federal Single Family Loans; HUD/FHA and FHFA have extended their foreclosure and eviction moratoriums for single-family residences until at least August 31, 2020. Although not Federal Single Family Loans, the Corporation's current policy provides for forbearance for up to six months of its conventional single family loans by the related servicer with no required Corporation approval, and additional extensions may be allowed with COVID-19-related hardship attestation from the borrower and Corporation approval.

With respect to multifamily housing mortgage loans which are (a) insured, guaranteed, supplemented or assisted in any way by the federal government (including any HUD program or related program) or administered by any federal agency or (b) purchased or securitized by Fannie Mae or Freddie Mac (collectively, "Federal Multifamily Loans"), the CARES Act also provides that, if such Federal Multifamily Loan was current as of February 1, 2020 and is not for temporary financing (i.e., not a construction loan), then, until the earlier of the termination of the

Pandemic or December 31, 2020, the borrower may request a 30-day payment forbearance and up to two additional 30-day forbearances. During the period of any such forbearance, the borrower may not evict any tenant solely for nonpayment of rent. Such relief follows actions previously taken by the Federal Housing Finance Agency, which announced that Fannie Mae and Freddie Mac would offer mortgage loan forbearance to multifamily property owners on the condition that they suspend all evictions for renters who cannot pay their rent due to a COVID-19-related hardship. Although none of the Corporation's multifamily loans is a Federal Multifamily Loan, the Corporation's current policy provides for COVID-19-related forbearance for up to 60 days of its multifamily loans by the related servicer with no required Corporation approval.

With respect to all mortgage loans of the Corporation, as of July 31, 2020, the Corporation had granted forbearance requests with respect to 952 of such loans, which had an approximate aggregate principal balance as of such date of $236,486,031, representing approximately 7.41% by dollar volume of all mortgage loans of the Corporation. Forbearance requests where borrowers are currently delinquent represent only 694 of such loans, which had an approximate aggregate principal balance as of July 31, 2020 of $162,570,745, representing approximately 5.10% by dollar volume of all mortgage loans of the Corporation.

The CARES Act also directs the Federal Reserve Bank to provide liquidity to the financial system through a new facility to purchase certain new issuances of securities by eligible issuers, including housing finance agencies and other state and local governments. Such injection of liquidity follows recent actions by the Federal Reserve Bank, including the purchase of U.S. Treasury securities and GNMA/FNMA/FHLMC mortgage-backed securities, and facilitates the flow of credit to municipalities by expanding its Money Market Mutual Fund Liquidity Facility to cover a wider range of securities, including municipal variable rate demand notes (such as variable rate demand obligations of housing finance agencies).

Separately, Ginnie Mae has announced a program to assist its seller/servicers experiencing financial hardships in meeting their obligations to advance funds and/or repurchase loans due to the forbearance provisions of the CARES Act. Ginnie Mae stated it will implement a "pass-through assistance program" through which its seller/servicers with payment shortfalls may request that Ginnie Mae advance (subject to Ginnie Mae approval) the difference between available funds and the scheduled payments to investors. Ginnie Mae stated that the program would apply initially to seller/servicers of single-family loans and that it anticipated the program subsequently applying to multifamily loans as well.

On March 11, 2020, the Governor of Alaska issued a Declaration of Public Health Disaster Emergency for the State with respect to the Pandemic. On April 9, 2020, the President of the United States declared that a major disaster exists in the State of Alaska and ordered federal assistance to supplement State, tribal, and local recovery efforts in the areas affected by COVID-19.

The Governor issued a series of health mandates, including: (1) suspending and limiting visitation to various State facilities; (2) closing State libraries and museums; (3) sending students home from residential school programs; (4) postponing or canceling elective procedures at surgical centers and hospitals and by oral health care providers; (5) closing all public and private schools through the end of the school year, subject to each school district's individual plan to provide distance-delivered educational services to students; (6) requiring all people arriving in the State (residents, workers, and visitors) to self-quarantine for 14 days; (7) effective March 28, 2020, mandating all persons in Alaska except for those engaged in essential health services, public government services, and essential business activities, to remain at their place of residence and to practice social distancing, and closing all non-essential businesses; and (8) prohibiting in-State travel between communities except to support critical infrastructure or for critical personal needs.

Effective April 24, 2020, the Governor issued a health mandate entitled the "Reopen Alaska Responsibly Plan," modifying a number of previous health mandates and permitting the resumption of certain activities under specified conditions and guidance. This and other health mandates were subsequently rescinded, and as of the date of this Official Statement, only a limited number of health mandates remain in effect, including (1) permitting people arriving in the State to demonstrate that they have tested negative for COVID-19 within 72 hours of arrival in lieu of self-quarantine; (2) providing shelter for first responders, healthcare workers, and homeless families and individuals who require quarantine and isolation; (3) providing guidance for services provided by certain health care providers; (4) providing protective measures for independent commercial fishing vessels; and (5) increasing the ability of individuals within the State to travel.

As of June 6, 2020, travelers arriving into the State from another state or country must follow protocols established by the State. Travelers must complete a declaration form and indicate the combination of testing with negative results and minimizing of interactions with others or 14-day quarantine option that they will be adhering to.

In the Governor's July 13, 2020 press briefing, he acknowledged an upsurge in COVID-19 positive diagnoses in Alaska, but maintained that the incidence rate is still well within the health care sector's capabilities.

The Pandemic is an ongoing situation. At this time the Corporation cannot determine the overall impact that the Pandemic, including the federal and State responses thereto, will have on its programs and operations, including its ability to finance the purchase of Mortgage Loans or collect payments on such Mortgage Loans. However, the continuation of the Pandemic and the resulting containment and mitigation efforts could have a materially adverse effect on the Corporation, its programs and its operations.

Financial Results of Operations

The following is a summary of revenues, expenses and changes in net position of the Corporation for each of its five most recent fiscal years, which have been derived from Note 23 to the Corporation's audited annual financial statements dated June 30, 2019, contained in Appendix A — "Financial Statements of the Corporation."

Summary of Revenues, Expenses and Changes in Net Position
(000's)

	Fiscal Year Ended June 30				
	2019	**2018**	**2017**	**2016**	**2015**
Total Assets and Deferred Outflows	$4,322,532	$4,101,560	$3,939,741	$3,930,554	$3,916,302
Total Liabilities and Deferred Inflows	2,751,109	2,562,864	2,426,113	2,431,021	2,430,821
Total Net Position	1,571,423	1,538,696	1,513,628	1,499,533	1,485,481
Total Operating Revenues	256,033	246,280	249,479	274,180	290,099
Total Operating Expenses	221,200	212,697	235,134	259,979	281,594
Operating Income (Loss)	34,833	33,583	14,345	14,201	8,505
Contribution to State or State agency	(2,106)	(125)	(250)	(149)	(3,825)
Special Item	0	0	0	0	0
Change in Net Position	$32,727	$33,458	$14,095	$14,052	$4,680

For further detail, see the Statement of Revenues, Expenses, and Changes in Net Position in the Corporation's financial statements as of and for the year ended June 30, 2019, included in Appendix A to this Official Statement.

Legislative Activity/Transfers to the State

Prior Transfers to the State

The Board adopted the Dividend Plan in 1991 to transfer one-half of the lesser of its unrestricted net income or total net income to the State. Under the Dividend Plan, in 1991 the Corporation transferred a total of $114,324,000 to the State. Additionally, in 1995, the Board voted to make a one-time payment to the State in the amount of $200,000,000. On April 27, 1995, the Corporation agreed to make a one-time transfer of $50,000,000 to the State and close the Dividend Plan. In 1997, the Corporation transferred to the State's general fund $20,000,000 made available as a consequence of certain bond retirements.

The Current Transfer Plan

In the fiscal year 1996 capital appropriation bill (the April 27, 1995, agreement referred to in the immediately preceding paragraph and the 1996 capital appropriation bill, as amended, collectively, the "Transfer Plan") the Legislature expressed its intent that the Corporation transfer to the State (or expend on its behalf) amounts not to exceed $127,000,000 in fiscal year 1996 and $103,000,000 in each fiscal year from 1997 to 2000, but that, "[T]o ensure the prudent management of [the Corporation and] to protect its excellent debt rating …" in no fiscal year should such amount exceed the Corporation's net income for the preceding fiscal year.

The 1998 Legislature adopted legislation (the "1998 Act") authorizing the Corporation to finance state capital projects through the issuance of up to $224,000,000 in bonds. The 1998 Act also extended the term of the Transfer Plan by stating the Legislature's intent that the Corporation transfer to the State (or expend on its behalf) an amount not to exceed $103,000,000 in each fiscal year through fiscal year 2006, again stating that, to protect the Corporation and its bond rating, in no fiscal year should such amount exceed the Corporation's net income for the preceding fiscal year.

The 2000 Legislature adopted legislation (the "2000 Act") authorizing the issuance of bonds in sufficient amounts to fund the construction of various State capital projects, and extended the Transfer Plan (as described above) through fiscal year 2008.

The 2002 Legislature adopted legislation (the "2002 Act") authorizing the issuance of $60,250,000 in capital project bonds for the renovation and deferred maintenance of the Corporation's Public Housing facilities.

The 2004 Legislature adopted legislation (the "2004 Act") authorizing the additional issuance of bonds in sufficient amounts to fund the construction of various State capital projects. The bond proceeds are allocated to agencies and municipalities subject to specific legislative appropriation.

The Corporation has issued $196,345,000 principal amount of State Capital Project Bonds pursuant to the 1998 Act, $74,535,000 principal amount of State Capital Project Bonds pursuant to the 2000 Act, $60,250,000 principal amount of State Capital Project Bonds pursuant to the 2002 Act, and $45,000,000 principal amount of State Capital Project Bonds pursuant to the 2004 Act, and has completed its issuance authority under the Acts. Payment of principal and interest on these bonds is categorized as a transfer pursuant to the Transfer Plan and is included in the Corporation's capital budget.

The 2003 Legislature enacted Chapter 76 SLA 2003, subsequently amended by Chapter 120 SLA 2004, Chapter 7 SLA 2006 and Chapter 35 SLA 2010 (as so amended, the "2003 Act"), which modified and incorporated provisions of the Transfer Plan. The Corporation views the 2003 Act as an indefinite, sustainable continuation of the Transfer Plan. The 2003 Act provides that the amount transferred by the Corporation to the State in fiscal years 2004, 2005, and 2006 shall not exceed $103,000,000 (in each case, less debt service on certain State Capital Project Bonds and any legislative appropriation of the Corporation's unrestricted, unencumbered funds other than appropriations for the Corporation's operating budget).

The 2003 Act further provides that the amount transferred by the Corporation to the State in each fiscal year beginning with fiscal year 2007 shall not exceed:

(i) the lesser of (A) $103,000,000 and (B) the respective percentage of adjusted change in net assets for the fiscal year two years prior thereto (the "base fiscal year") for such fiscal year set forth in the table below, less

(ii) debt service on certain State Capital Project Bonds, less

(iii) any legislative appropriation of the Corporation's unrestricted, unencumbered funds other than appropriations for the Corporation's operating budget.

Fiscal Year	Percentage of Adjusted Change in Net Assets
2007	95%
2008	85%
2009 and thereafter	75%

Under the 2003 Act, "adjusted change in net assets" means the change in net assets for a base fiscal year as reflected in the Corporation's financial statements, adjusted for capital expenditures incurred during such year and, effective June 20, 2010, temporary market value adjustments to assets and liabilities made during such year.

Dividend to the State of Alaska

Following are the details of the Corporation's dividend to the State as of March 31, 2020 (in thousands).

	Dividend Due to State	Expenditures	Remaining Commitments
State General Fund Transfers	$ 818,618	$ (788,948)	$ 29,670
State Capital Projects Debt Service	482,877	(468,732)	14,145
State of Alaska Capital Projects	264,586	(251,641)	12,945
Corporation Capital Projects	535,592	(490,217)	45,375
Total	$2,101,673	$(1,999,538)	$102,135

(Includes FY21 Dividend of $45.6 million, to be approved by the Legislature in the 2020 Session)

Corporation Budget Legislation

The Corporation's fiscal year 2021 operating budget is expected to be enacted by the Legislature during the 2020 legislative session. Consistent with the Transfer Plan, the expected fiscal year 2021 operating budget estimates that $45.6 million will be available from the adjusted change in net position for payment of debt service, appropriation for capital projects and transfers to the State General Fund.

There can be no assurance that the Legislature or the Governor of the State will not seek and/or enact larger dividends or other transfers of Corporation assets by legislative enactment or other means in the future.

Litigation

There are no threatened or pending cases in which the Corporation is or may be a defendant which the Corporation feels have merit and which it feels could give rise to materially negative economic consequences.

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

Certain covenants and security provisions of the Indenture are summarized below. Reference should be made to the Indenture for a full and complete statement of their provisions.

Certain Definitions (Section 101)

"Bond Counsel's Opinion" means an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal, state and public agency financing, selected by the Corporation.

"Code" means the Internal Revenue Code of 1986, as amended, and United States Treasury regulations promulgated thereunder or applicable thereto.

"Credit Enhancement" means any source of payment of principal or interest with respect to Bonds (including principal and interest payable upon a tendering of the Bonds in accordance with their terms) other than assets and revenues under the Indenture and includes, by example and not limitation, letters of credit, bond insurance, liquidity facilities, surety bonds, and stand-by bond purchase agreements.

"Credit Enhancer" means any entity or entities which provide Credit Enhancement.

"DTC" means The Depository Trust Company, New York, New York.

"Government Obligations" means:

(1) direct obligations of, or obligations guaranteed as to full and timely payment of interest and principal by, the United States of America or any agency or instrumentality of the United States of America the obligations of which are backed by the full faith and credit of the United States of America; or

(2) instruments evidencing direct ownership interests in direct obligations, or specified portions (such as principal or interest) of such obligations, of the United States of America which obligations are held by a custodian in safe keeping on behalf of the holders of such receipts.

"Investment Securities" means any investments selected by the Corporation, if and to the extent the same are at the time legal investments by the Corporation of the funds to be invested therein and in compliance with the Corporation's then current investment policies.

"Outstanding," when used with reference to Bonds, means, as of any date, all Bonds theretofore or thereupon being authenticated and delivered under the Indenture except:

(1) any Bond canceled by the Trustee or delivered to the Trustee for cancellation at or prior to such date;

(2) any Bond in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to the Indenture; and

(3) any Bond that has been paid or is deemed to have been paid as described under "Summary of Certain Provisions of the Indenture — Defeasance."

"Rating Agency" means any national securities rating service requested by the Corporation to rate the Bonds and which, at the time of consideration, provides a published rating for the Bonds.

"Rating Quality" means, with respect to any Series of Bonds, having terms, conditions and/or a credit quality such that the item stated to be of "Rating Quality" will not, as confirmed in writing received by the Trustee from each of the Rating Agencies, impair the ability of the Corporation to obtain the ratings initially from the Rating Agencies anticipated to be received with respect to such Bonds as described in the Supplemental Indenture authorizing such Bonds and, if the Bonds have been rated, will not cause any such Rating Agency to lower or withdraw the rating it has assigned to the Bonds.

"Rebate Amount" means that amount with respect to the Bonds determined by the Corporation to be required to be rebated to the United States government pursuant to the Code.

"Redemption Price" means, with respect to any Bonds that have been designated for redemption, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof.

"Revenues" means, in addition to amounts so identified in the Indenture, such amounts derived from such sources as the Corporation may identify in a Supplemental Indenture authorizing the issuance of a Series of Bonds.

Pledge Effected by Indenture; Indenture to Constitute a Contract (Section 201)

All amounts in the Program Account and the Revenue Account are pledged under the Indenture to secure the payment of the principal of and interest on the Bonds, subject only to the provisions of the Indenture permitting the application thereof for other purposes; provided, however, that the Corporation may direct the Trustee to establish subaccounts for any such accounts to secure all or any portion of a Series or Subseries of Bonds, and, upon the creation of such subaccount, any amounts deposited or held therein may be pledged to secure the payment of principal of and interest on only those Bonds for which such subaccount was created.

In consideration of the purchase and acceptance of the Bonds by those who shall hold the same from time to time, the provisions of the Indenture shall be a part of the contract of the Corporation with the holders of Bonds and shall be deemed to be and shall constitute a contract between the Corporation, the Trustee and the holders from time to time of the Bonds. The pledges and assignments made by the Indenture and the provisions, covenants and agreements set forth in the Indenture to be performed by or on behalf of the Corporation shall be for the equal benefit, protection and security of the holders of any and all of such Bonds, each of which, regardless of the time or times of its issue or maturity, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in the Indenture (and, in particular, except that one or more Series of Bonds may be issued with Credit Enhancement which, as permitted by the Indenture, may be pledged to such Series of Bonds and, at the Corporation's sole discretion, may not benefit any other Series of Bonds).

Issuance and Delivery of Bonds (Section 203)

The Corporation may from time to time issue additional Series of Bonds under the Indenture with such provisions of the Indenture applicable as it determines in an unlimited aggregate principal amount to provide additional funds for any purpose of the Corporation.

Before the Trustee may authenticate an additional Series of Bonds, there must be delivered to the Trustee, among other things, evidence from each Rating Agency that the issuance of such additional Series of Bonds will not, in and of itself, result in the ratings then in effect on any Bonds then Outstanding being reduced or withdrawn.

Investment of Certain Funds (Section 403)

The Corporation shall direct the Trustee to invest amounts in the Accounts in Investment Securities; in the absence of direction from the Corporation, the Trustee shall, to the maximum extent practicable, keep amounts in the Accounts invested in money market funds, secured by obligations with maturities of one year or less, the payment of principal and interest on which is guaranteed by the full faith and credit of the United States of America. Notwithstanding the foregoing, the Corporation shall not direct the investment of, and the Trustee shall hold uninvested, moneys held for the payment of Bonds that may be tendered for purchase, and that have been tendered for purchase, pursuant to the terms of the supplemental indenture authorizing the issuance of such Bonds.

Investment Securities purchased as an investment of moneys in any Account held by the Trustee under the provisions of the Indenture shall be deemed at all times to be a part of such Account, but the income or interest earned (other than accrued interest at the time of purchase of the Investment Securities) and gains realized in excess of losses suffered by an Account due to the investment thereof shall be deposited in the Revenue Account or shall be credited as Revenues to the Revenue Account from time to time and reinvested in accordance with the provisions described in the immediately preceding paragraph.

The Trustee may commingle any of the Accounts established pursuant to the Indenture or any supplemental indenture into a separate fund or funds for investment purposes only; provided, however, that all Accounts held by the Trustee under the Indenture shall be accounted for separately notwithstanding such commingling. In addition, for investment purposes only, the Trustee may, at its sole discretion, commingle any of the Accounts established under any other indenture, resolution, or agreement of the Corporation with the Trustee, to the extent permitted therein.

Valuation and Sale of Investments (Section 404)

Except as provided in the Indenture, in computing the amount in any Account, obligations purchased as an investment of moneys therein shall be valued at amortized value. Amortized value means par, if the obligation was purchased at par, or, when used with respect to an obligation purchased at a premium above or a discount below par, means the value as of any given time obtained by dividing the total premium or discount at which such obligation was purchased by the number of interest payments remaining on such obligation after such purchase and deducting the amount thus calculated for each Interest Payment Date after such purchase from the purchase price in the case of an obligation purchased at a premium or adding the amount thus calculated for each Interest Payment Date after such purchase to the purchase price in the case of an obligation purchased at a discount.

Establishment of Accounts (Section 501)

The Indenture establishes and creates the following Accounts and Subaccounts:

(1) Program Account and, within the Program Account, Program Subaccounts;

(2) Revenue Account; and

(3) Rebate Account.

The Corporation may establish with the Trustee additional accounts and subaccounts in a supplemental indenture for the purpose of creating additional security for a Series of Bonds and may provide in such supplemental indenture that such account is only for the security of such Series of Bonds and not to secure any other bonds of the Corporation, including any other Bonds issued under the Indenture.

Program Account (Section 502)

The Program Account consists of, and there may be created and established, one or more Program Subaccounts for each Series of Bonds as required by the supplemental indenture authorizing such Series.

Revenue Account (Section 503)

The Corporation shall pay or cause to be paid to the Trustee, at least two Business Days prior to the due date thereof, assets and revenues of the Corporation as may be available (subject to agreements made with holders of other obligations of the Corporation pledging particular assets and revenues and the exclusion by the Act of a pledge of funds in the Housing Development Fund) as needed to make all payments of principal, interest and premium with respect to the Bonds and any other payments required by the Indenture or by any supplemental indenture authorizing the issuance of a Series of Bonds. The Trustee shall deposit such amounts in the Revenue Account or, if required under the terms of a supplemental indenture authorizing the issuance of a Series of Bonds, in such subaccount thereof as may be created by such supplemental indenture for such Series of Bonds. There shall also be deposited in the Revenue

Account, or subaccount thereof if applicable, any other amounts required to be deposited therein pursuant to the Indenture or a supplemental indenture.

The Revenue Account may consist of, and there may be created and established, one or more Revenue Subaccounts for each Series of Bonds (and subaccounts of such Revenue Subaccounts for any subseries of such Series) as required by the supplemental indenture authorizing such Series. Amounts deposited in a Revenue Subaccount may be used only for the purposes stated in the supplemental indenture creating such Revenue Subaccount.

The Trustee shall pay out of the Revenue Account:

(i) on each Interest Payment Date, the amounts required for the payment of principal due, if any, and interest due on the Bonds on such date; and

(ii) on any Redemption Date or date of purchase, the amounts required for the payment of accrued interest on the Bonds and for the payment of principal and Sinking Fund Payments to become due on the Bonds to be redeemed or purchased on such date, unless the payment of such accrued interest is otherwise provided for, and in each such case, such amounts will be applied by the Trustee to such payments or to reimburse any Credit Enhancer for any such payment made with any such Credit Enhancer's Credit Enhancement. The Trustee shall deliver written notice to the Corporation (which may be by facsimile transmission or otherwise) on the day before any payment required by the preceding sentence if on such date there are not sufficient funds in the Revenue Account to make such required payment, which notice shall include a statement of the amount of such deficiency.

As soon as practicable after the 45th day preceding the due date of any Sinking Fund Payment, the Trustee shall proceed to call for redemption on such due date, Bonds of the Series and maturity for which such Sinking Fund Payment was established in such amount as shall be necessary to complete the retirement of a principal amount of such Bonds of such maturity equal to the unsatisfied balance of such Sinking Fund Payment. The Trustee shall so call such Bonds for redemption whether or not it then has moneys in the Revenue Account sufficient to pay the applicable Redemption Price thereof on the Redemption Date. The Trustee shall pay out of the Revenue Account on the Redemption Date the amount required for the redemption of the Bonds so called for redemption, and such amount shall be applied by the Trustee to such redemption.

Upon written instruction from the Corporation at any time, the Trustee shall apply amounts in the Revenue Account to the purchase of Outstanding Bonds in lieu of any redemption of such Bonds pursuant to the supplemental indenture applicable to such Bonds, and upon such purchase such Bonds shall be canceled. The Corporation shall notify the Trustee three Business Days before any date that the Corporation intends to instruct the Trustee to purchase Bonds, and, on the date of any such purchase, the Trustee shall notify the Credit Enhancer, if any, that has provided Credit Enhancement applicable to such Bonds. Any purchases shall be settled on such dates as the Corporation and the Trustee mutually agree will permit the Trustee to proceed with the payment of interest on any Bonds remaining Outstanding after such purchase on the applicable Interest Payment Date or with the redemption of any Bonds remaining Outstanding after such purchase on the applicable redemption date. The price paid by the Trustee for any Bond (excluding accrued interest on such Bonds, but including any brokerage and other charges) purchased pursuant to this paragraph shall not exceed the Redemption Price thereof. The Trustee will also pay from the Revenue Account accrued interest on any such Bond. Subject to the above limitations, the Trustee shall, at the written direction of the Corporation, purchase Bonds at such times, for such prices, in such amounts, and in such manner (whether after advertisement for tenders or otherwise) as the Corporation may determine and as may be possible with the amount of money available in the Revenue Account.

On the day following the payment of principal or interest with respect to the Bonds, the Trustee shall make transfers and payments from amounts remaining in the Revenue Account in the manner directed in writing by the Corporation or as provided in a supplemental indenture authorizing the issuance of a Series of Bonds.

Rebate Account (Section 504)

The Rebate Account is not pledged to secure the payment of principal or Redemption Price, if any, of or any interest on the Bonds.

The Corporation shall determine the Rebate Amount in accordance with the Code. If the Corporation determines that a Rebate Amount is required to be paid, the Corporation shall deposit such amount in the Rebate Account with written instructions to the Trustee to pay such amount to the federal government. The Trustee shall make such payment in accordance with such written instructions.

If the amount in the Rebate Account exceeds the Rebate Amount, the Corporation may direct the Trustee in writing to withdraw such excess amount and deliver it to the Corporation, and, upon receipt of such written direction, the Trustee shall so withdraw and deliver such excess amounts free and clear of the lien of the Indenture.

Payment of Redeemed Bonds (Section 606)

Notice having been given by mailing in the manner provided in the Indenture, the Bonds or portion thereof so called for redemption will become due and payable on the Redemption Date so designated at the Redemption Price, plus interest accrued and unpaid to the Redemption Date. If there shall be drawn for redemption less than the entire principal amount of a Bond, the Corporation shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered Bonds of like Series, interest rate and maturity in any of the Authorized Denominations. If, on the Redemption Date, moneys for the redemption of all the Bonds or portions thereof of any like Series and maturity to be redeemed, together with interest to the Redemption Date, are held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the Redemption Date interest on the Bonds or portions thereof of such Series and maturities so called for redemption shall cease to accrue and become payable. If said moneys are not so available on the Redemption Date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

Payment of Bonds (Section 701)

The Corporation shall duly and punctually pay or cause to be paid the principal or Redemption Price, if any, of and the interest on every Bond at the dates and places and in the manner stated in the Bonds and in the Indenture according to the true intent and meaning thereof and will duly and punctually pay or cause to be paid all Sinking Fund Payments, if any, becoming payable with respect to any of the Bonds.

Power to Issue Bonds and Pledge Revenues and Other Property (Section 704)

The Corporation is duly authorized by law to authorize and issue the Bonds and to enter into, execute and deliver the Indenture and to pledge the assets and revenues purported to be pledged by the Indenture in the manner and to the extent provided in the Indenture. Except as provided in the Indenture and in the supplemental indentures authorizing the issuance of any Series of Bonds, the assets and revenues so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon, or with respect thereto prior to, or of equal rank with, the pledge created by the Indenture, and all corporate or other action on the part of the Corporation to that end has been or will be duly and validly taken. The Bonds and the provisions of the Indenture are and will be the valid and legally enforceable obligations of the Corporation in accordance with their terms and the terms of the Indenture. The Corporation directs that the Trustee shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the revenues and other assets, including rights therein pledged under the Indenture and in the supplemental indentures and all the rights of the Bondholders under the Indenture against all claims and demands of all persons whomsoever, and the Corporation shall cooperate in all such matters.

Tax Covenants (Section 706)

With respect to Bonds, the interest on which was, at the time of initial issuance of the Bonds, intended to be excluded from gross income for federal income tax purposes, the Corporation shall not knowingly take or cause any action to be taken which will adversely affect such exclusion. The Corporation shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid on such Bonds will, for the purposes of federal income taxation, be excludable from the gross income of the recipients thereof and exempt from such taxation pursuant to the provisions of Section 103 of the Code, and the Regulations promulgated thereunder.

The Corporation shall not knowingly permit at any time or times any of the proceeds of such Bonds described in the immediately preceding paragraph or any other funds of the Corporation to be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any such Bond to be an "arbitrage bond" as defined in Section 148 of the Code.

Accounts and Reports (Section 707)

The Corporation shall keep, or cause to be kept, proper books and reports in which complete and accurate entries will be made of all transactions relating to any programs for which Bonds are issued and all Accounts established by the Indenture, which books and reports and accountings shall at all reasonable times be subject to inspection by the Trustee, each Credit Enhancer and the holders of an aggregate of not less than 5% in principal amount of Bonds then Outstanding or their representatives duly authorized in writing.

The Trustee shall advise the Corporation, in writing, on or before the 20th day of each calendar month, of the details of all deposits and Investment Securities held for the credit of each Fund and Account in its custody under the provisions of the Indenture as of the end of the preceding month. The Trustee shall also maintain, at the expense of the Corporation, an electronic access system which the Corporation may use to access the balances and respective investment holdings of each fund or account on a daily basis.

Supplemental Indentures (Sections 801, 802 and 803)

For any one or more of the following purposes and at any time or from time to time, a supplemental indenture may be entered into by and between the Corporation and the Trustee: (a) to provide for the issuance of a Series of Bonds and to fix or modify the terms of the Indenture with respect to a Series of Bonds or the creation of a Subseries of Bonds; (b) to add to the covenants and agreements of the Corporation in the Indenture other covenants and agreements to be observed by the Corporation which are not contrary to or inconsistent with the Indenture as theretofore in effect; (c) to add to the limitations and restrictions in the Indenture other limitations and restrictions to be observed by the Corporation which are not contrary to or inconsistent with the Indenture as theretofore in effect; (d) to surrender any right, power or privilege reserved to or conferred upon the Corporation by the terms of the Indenture, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Corporation contained in the Indenture; (e) to confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the Indenture of any revenues or assets; (f) to modify the Indenture in any respect if:

(i) (A) such modification shall be, and be expressed to be, effective only with respect to Bonds issued after the date of the adoption of such supplemental indenture and (B) such supplemental indenture shall be specifically referred to in the text of all Bonds authenticated and delivered after the date of the adoption of such supplemental indenture and of Bonds issued in exchange therefor or in place thereof, or

(ii) such change affects only Bonds which are subject to mandatory tender for purchase and such change is effective as of a date for such mandatory tender; or

(g) to provide for such terms as may be necessary to obtain or maintain the ratings on the Bonds or to provide for Credit Enhancement or other additional security for any Bonds.

At any time or from time to time a supplemental indenture may be entered into, which, upon a finding recited therein by the Corporation and the Trustee (which will be based on reliance on a Bond Counsel's Opinion) that there is no material adverse effect on the Bondholders, shall be fully effective in accordance with its terms:

(a) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Indenture;

(b) to insert such provisions clarifying matters or questions arising under the Indenture as are necessary or desirable and are not contrary to or inconsistent with the Indenture as theretofore in effect;

(c) to provide additional duties of the Trustee; or

(d) to make any other changes not materially adverse to the interests of the Bondholders.

At any time or from time to time, a supplemental indenture may be entered into subject to consent by Bondholders in accordance with and subject to the provisions of the Indenture, which supplemental indenture, upon compliance with the provisions of the Indenture, shall become fully effective in accordance with its terms as provided in the Indenture.

Amendment (Sections 902 and 903)

Any modification of or amendment to the Indenture and of the rights and obligations of the Corporation and of the holders of the Bonds may be made by a supplemental indenture with the written consent given as provided in the Indenture of the holders of at least 60% in principal amount of the Bonds Outstanding at the time such consent is given and in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the holders of at least 60% in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given. If any such modification or amendment will not take effect so long as any Bonds of any specified maturity remain Outstanding, however, the consent of the holders of such Bonds shall not be required and any such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this paragraph. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount of the Redemption Price thereof or in the rate of interest thereon without the consent of the holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds, the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify its written assent thereto. For the purposes of this paragraph, a Series shall be deemed to be affected by a modification or amendment of the Indenture if the same adversely affects or diminishes the rights of the holders of Bonds of such Series. The Trustee may in its sole discretion determine whether or not in accordance with the foregoing powers of amendment Bonds of any particular Series or maturity would be affected by any modification or amendment of the Indenture and any such determination shall be binding and conclusive on the Corporation and all holders of Bonds.

Such supplemental indenture shall not be effective unless and until (a) there shall have been filed with the Trustee (i) the written consents of holders of the percentages of Outstanding Bonds specified in the immediately preceding paragraph and (ii) a Bond Counsel's Opinion stating that such supplemental indenture has been duly and lawfully entered into by the Corporation and the Trustee in accordance with the provisions of the Indenture, is authorized or permitted thereby and is valid and binding upon the Corporation and enforceable in accordance with its terms and (b) notice shall have been mailed to Bondholders as provided in the Indenture.

Modifications by Unanimous Consent (Section 904)

The terms and provisions of the Indenture and the rights and obligations of the Corporation and of the holders of the Bonds may be modified or amended in any respect upon the entering into and filing by the Corporation of a supplemental indenture and the consent of the holders of all the Bonds then Outstanding, such consent to be given as provided in the Indenture, except that no notice of any such modification or amendment to Bondholders is required; but no such modification or amendment may change or modify any of the rights or obligations of the Trustee without the filing with the Trustee of the written assent thereto of the Trustee in addition to the consent of the Bondholders.

Events of Default (Section 1001)

Each of the following is declared an "Event of Default": (a) the Corporation defaults in the payment of the principal of or Redemption Price, if any, on any Bond when and as the same shall become due, whether at maturity or upon call for redemption or otherwise; (b) payment of any installment of interest on any of the Bonds is not made when and as the same becomes due; (c) the Corporation fails or refuses to comply with any of the provisions of the Indenture, or defaults in the performance or observance of any of the covenants, agreements or conditions on its part contained in the Indenture or in any supplemental indenture or in the Bonds, and such failure, refusal or default continues for a period of 45 days after written notice thereof given to the Corporation by the Trustee or the holders of not less than 25% in principal amount of the Outstanding Bonds; or (d) any event designated an Event of Default by a supplemental indenture has occurred and remains uncured.

Remedies (Section 1002)

Upon the happening and continuance of an Event of Default described in clauses (a) or (b) under "Summary of Certain Provisions of the Indenture — Events of Default," the Trustee shall proceed to protect and enforce its rights and the rights of the Bondholders by such of the remedies described herein as the Trustee, being advised by counsel, deems most effectual to protect and enforce such rights. Upon the happening and continuance of any Event of Default described in clauses (c) or (d) under "Summary of Certain Provisions of the Indenture — Events of Default," the Trustee may proceed to enforce such rights and, upon the written request of the holders of not less than 25% in principal amount of the Outstanding Bonds, shall proceed to enforce such rights in its own name, subject to the provisions of the Indenture. The remedies available to the Trustee under the Indenture are: (a) by mandamus or other suit, action or proceeding at law or in equity, to enforce all rights of the Bondholders or the Trustee, including the right to require the Corporation to receive and collect the revenues and assets adequate to carry out the covenants and agreements as to, and the pledge of, such revenues and assets and to require the Corporation to carry out any other covenants or agreements with Bondholders and to perform its duties under the Act; (b) by bringing suit upon the Bonds; (c) by action or suit in equity, to require the Corporation to account as if it were the trustee of an express trust for the holders of the Bonds; (d) by action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the holders of the Bonds; or (e) by declaring all Bonds due and payable, and if all defaults are cured, then, with the written consent of the holders of not less than 25% in principal amount of the Outstanding Bonds, by annulling such declaration and its consequences; provided, however, that no such declaration with respect to Bonds secured by Credit Enhancement may be annulled, regardless of any consent of Bondholders, unless and until the Credit Enhancer has verified to the Trustee in writing that the Credit Enhancement is in effect with respect to such Bonds to the same extent that it would have been in effect had the declaration not been made.

In the enforcement of any rights and remedies under the Indenture, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming due, and at any time remaining due and unpaid for principal, Redemption Price, interest or otherwise, under any provisions of the Indenture or a supplemental indenture or of the Bonds, with interest on overdue payments at the rate of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings thereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce a judgment or decree for any portion of such amounts remaining unpaid, with interest, costs and expenses (including without limitation pre-trial, trial and appellate attorney fees), and to collect from any assets pledged under the Indenture, in any manner provided by law, the moneys adjudged or decreed to be payable.

Upon the occurrence of any Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bondholders under the Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the revenues and of the assets pledged under the Indenture, pending such proceedings, with such powers as the court making such appointment shall confer.

A supplemental indenture may contain provisions granting to any Credit Enhancer the power to control the enforcement of remedies described under this heading "Summary of Certain Provisions of the Indenture — Remedies" with respect to the Series of Bonds to which the Credit Enhancement provided by the Credit Enhancer applies.

Priority of Payments after Default (Section 1003)

In the event that upon the happening and continuance of any Event of Default the funds held by the Trustee shall be insufficient for the payment of principal or Redemption Price, if any, and interest then due on the Bonds, such funds (other than funds held for the payment or redemption of particular Bonds which have theretofore become due at maturity or by call for redemption) and any other amounts received or collected by the Trustee acting pursuant to the Act and the Indenture, after making provision for the payment of any expenses necessary in the opinion of the Trustee to protect the interest of the holders of the Bonds and for the payment of the charges and expenses and liabilities incurred and advances made by the Trustee, including those of its attorneys, in the performance of its duties under the Indenture shall be applied as follows:

(i) Unless the principal of all of the Bonds shall have become or have been declared due and payable:

First, to the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available is not sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installments, to the persons entitled thereto, without any discrimination or preference; and

Second, to the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amounts available shall not be sufficient to pay in full all of the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price, if any, due on such date, to the persons entitled thereto, without any discrimination or preference.

(ii) If the principal of all of the Bonds shall have become or shall have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

Whenever moneys are to be applied by the Trustee pursuant to the above-described provisions, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, and the Trustee shall incur no liability whatsoever to the Corporation, to any Bondholder or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with such provisions of the Indenture as may be applicable at the time of application by the Trustee.

Bondholders' Direction of Proceedings (Section 1005)

Anything in the Indenture to the contrary notwithstanding, the holders of the majority in principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee under the Indenture, provided that such direction shall not be otherwise than in accordance with law or the provisions of the Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

Limitation on Rights of Bondholders (Section 1006)

No holder of any Bond will have any right to institute any suit, action, mandamus or other proceeding in equity or at law under the Indenture, or for the protection or enforcement of any right under the Indenture unless such holder has given to the Trustee written notice of the Event of Default or breach of duty on account of which such suit, action or proceeding is to be taken, and unless the holders of not less than 25% in principal amount of the Bonds then Outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have occurred, and shall have afforded the

Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Indenture or granted under the law or to institute such action, suit or proceeding in its name and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers under the Indenture or for any other remedy under the Indenture or by law. It is understood and intended that no one or more holders of the Bonds shall have any right in any manner whatsoever by his or their action to affect, disturb or prejudice the security of the Indenture, or to enforce any right under the Indenture or under law with respect to the Bonds or the Indenture, except in the manner provided in the Indenture, and that all proceedings at law or in equity will be instituted, and maintained in the manner provided in the Indenture and for the benefit of all holders of the Outstanding Bonds. Nothing contained in the Indenture shall affect or impair the right of any Bondholder to enforce the payment of the principal of and interest on, or Redemption Price, if any, of his or her Bonds, or the obligation of the Corporation to pay the principal of and interest on, or Redemption Price, if any, of each Bond issued under the Indenture to the holder thereof at the time and place specified in said Bond.

Notwithstanding anything to the contrary contained in the Indenture, each holder of any Bond by his acceptance thereof shall be deemed to have agreed that any court in its discretion may require, in any suit for the enforcement of any right or remedy under the Indenture or any supplemental indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of any undertaking to pay the reasonable costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in any such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions described in this paragraph shall not apply to any suit instituted by the Trustee, to any suit instituted by any Bondholder, or group of Bondholders, holding at least 25% in principal amount of the Bonds Outstanding, or to any suit instituted by any Bondholder for the enforcement of the payment of the principal of or interest on any Bond on or after the respective due date thereof expressed in such Bond.

Trustee (Article XI)

Except during the existence of an Event of Default, the Corporation shall remove the Trustee, on thirty (30) days' notice, if requested by an instrument or concurrent instruments in writing, filed with the Trustee and the Corporation and signed by the holders of a majority in principal amount of the Bonds then Outstanding or their attorney-in-fact duly authorized, excluding any Bonds held by or for the account of the Corporation. Except during the existence of an Event of Default, the Corporation may remove the Trustee at any time for any such cause as determined in the sole discretion of the Corporation. Any successor to the Trustee must be a trust company or a bank having the powers of a trust company and having a capital, surplus and undivided profits aggregating at least $25 million. The Corporation is required to pay to the Trustee from time to time, reasonable compensation for all services rendered under the Indenture and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in the performance of their powers and duties under the Indenture.

Defeasance (Section 1201)

If the Corporation shall pay or cause to be paid to the holders of the Bonds the principal and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the Indenture, then the pledge of any revenues and other moneys, securities, funds and property pledged by the Indenture and all other rights granted by the Indenture with respect to such Bonds shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Corporation, execute and deliver to the Corporation all such instruments as may be desirable to evidence such discharge and satisfaction and the Trustee shall pay over or deliver to the Corporation all moneys or securities held by the Trustee pursuant to the Indenture which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption. If the Corporation shall pay or cause to be paid, or there shall otherwise be paid, to the holders of all Outstanding Bonds of a particular Series the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under the Indenture and all covenants, agreements and obligations of the Corporation to the holders of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds shall, prior to the maturity or Redemption Date thereof, be deemed to have been paid with the effect expressed in the immediately preceding paragraph if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Corporation shall have given to the Trustee in form satisfactory to it irrevocable instructions to provide notice of redemption on said date of such Bonds, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Government Obligations the principal of and the interest on which when due will provide moneys in an amount which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, in the opinion of an Accountant, to pay when due the principal or Redemption Price, if any, of and interest due and to become due on said Bonds on and prior to the Redemption Date or maturity date thereof as the case may be, and (iii) in the event said Bonds do not mature and are not by their terms subject to redemption within the next succeeding 60 days, the Corporation shall have given the Trustee in form satisfactory to it irrevocable instructions to mail, as soon as practicable, a notice to the holders of such Bonds that the deposit required by (ii) above of this paragraph has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with the Indenture and stating such maturity or Redemption Date upon which moneys are to be available for the payment of the principal or Redemption Price, if any, on said Bonds. Neither Government Obligations nor moneys deposited with the Trustee nor principal or interest payments on any such Government Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if any, of and interest on said Bonds; but any cash received from such principal or interest payments on such Government Obligations deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if any, and interest to become due on said Bonds on and prior to such Redemption Date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Corporation, as received by the Trustee, free and clear of any trust, lien or pledge. There shall also be delivered to the Trustee in connection with the deposit of moneys or Government Obligations a Bond Counsel's Opinion that, with respect to Bonds the interest on which was intended at the time of their initial issuance to be excluded from gross income for federal income tax purposes, the deposit of moneys does not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes and such deposit has been made in compliance with the Indenture.

Anything in the Indenture to the contrary notwithstanding, any moneys held by the Trustee in trust for the payment and discharge of any of the Bonds which remain unclaimed for two years after the date when all of the Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee at such date, or for two years after the date of deposit of such moneys if deposited with the Trustee after the said date when all of the Bonds became due and payable, shall, at the written request of the Corporation, be repaid by the Trustee to the Corporation, as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged.

TAX MATTERS

Opinions of Co-Bond Counsel

In the opinions of Co-Bond Counsel, to be delivered on the date of issuance of the Offered Bonds, interest on the Offered Bonds (i) is *included* in gross income for federal income tax purposes and (ii) is free from taxation by the State under existing law (*except* that no opinion is expressed as to such exemption from State estate and inheritance taxes and taxes of transfers by or in anticipation of death).

General

The following is a summary of certain anticipated federal income tax consequences of the purchase, ownership and disposition of the Offered Bonds under the Code and the Regulations, and the judicial and administrative rulings and court decisions now in effect, all of which are subject to change or possible differing interpretations. The summary does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances, nor certain types of investors subject to special treatment under the federal income tax laws. Potential purchasers of the Offered Bonds should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, holding and disposition of the Offered Bonds.

In general, interest paid on the Offered Bonds, original issue discount, if any, and market discount, if any, will be treated as ordinary income to the owners of the Offered Bonds, and principal payments (excluding the portion of such payments, if any, characterized as original issue discount or accrued market discount) will be treated as a return of capital.

Bond Premium

An investor that acquires an Offered Bond for a cost greater than its remaining stated redemption price at maturity and holds such bond as a capital asset will be considered to have purchased such bond at a premium and, subject to prior election permitted by Section 171(c) of the Code, may generally amortize such premium under the constant yield method. Except as may be provided by regulation, amortized premium will be allocated among, and treated as an offset to, interest payments. The basis reduction requirements of Section 1016(a)(5) of the Code apply to amortizable bond premium that reduces interest payments under Section 171 of the Code. Bond premium is generally amortized over the bond's term using constant yield principles, based on the purchaser's yield to maturity. Investors of any Offered Bond purchased with a bond premium should consult their own tax advisors as to the effect of such bond premium with respect to their own tax situation and as to the treatment of bond premium for state tax purposes.

Original Issue Discount

If the Offered Bonds are issued with original issue discount, Section 1272 of the Code requires the current ratable inclusion in income of original issue discount greater than a specified *de minimis* amount using a constant yield method of accounting. In general, original issue discount is calculated, with regard to any accrual period, by applying the instrument's yield to its adjusted issue price at the beginning of the accrual period, reduced by any qualified stated interest (as described in Section 1.1273-1 of the Regulations) allocable to the period. The aggregate original issue discount allocable to an accrual period is allocated to each day included in such period. As a general rule, the owner of a debt instrument must include in income the sum of the daily portions of original issue discount attributable to the number of days the owner owned the instrument. The amount of original issue discount accrued by the Owner of an Offered Bond increases the Owner's cost basis in such Offered Bond for purposes of computing gain or loss on disposition, redemption, or retirement of the Offered Bond. Owners of Offered Bonds purchased at a discount should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date, with respect to when such original issue discount must be recognized as an item of gross income (notwithstanding the general rule described above in this paragraph) and with respect to the state and local tax consequences of owning such Offered Bonds.

Market Discount

An investor that acquires an Offered Bond for a price less than the adjusted issue price of such bond may be subject to the market discount rules of Sections 1276 through 1278 of the Code. Under these sections and the principles applied by the Regulations, "market discount" means (a) in the case of an Offered Bond originally issued at a discount, the amount by which the issue price of such bond, increased by all accrued original issue discount (as if held since the issue date), exceeds the initial tax basis of the owner therein, less any prior payments that did not constitute payments of qualified stated interest, and (b) in the case of an Offered Bond not originally issued at a discount, the amount by which the stated redemption price of such bond at maturity exceeds the initial tax basis of the owner therein. Under Section 1276 of the Code, the owner of such an Offered Bond will generally be required (i) to allocate a portion of each principal payment to accrued market discount not previously included in income and, upon sale or other disposition of the bond, to recognize the gain on such sale or disposition as ordinary income to the extent of such cumulative amount of accrued market discount as of the date of sale or other disposition of such a bond or (ii) to elect to include such market discount in income currently as it accrues on all market discount instruments acquired by such owner on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest or, in the case of an Offered Bond with original issue discount, in proportion to the accrual of original issue discount.

An owner of an Offered Bond that acquired such bond at a market discount also may be required to defer, until the maturity date of such bond or its earlier disposition in a taxable transaction, the deduction of a portion of the amount of interest that the owner paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry such bond in excess of the aggregate amount of interest (including original issue discount) includable in such owner's gross income for the taxable year with respect to such bond. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the Offered Bond for the days during the taxable year on which the owner held such bond and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the Offered Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the owner elects to include such market discount in income currently as it accrues on all market discount obligations acquired by such owner in that taxable year or thereafter.

Attention is called to the fact that Regulations implementing the market discount rules have not yet been issued. Therefore, investors should consult their own tax advisors regarding the application of these rules as well as the advisability of making any of the elections with respect thereto.

Recognition of Income Generally

Section 451 of the Code was amended by Pub. L. No.115-97, enacted December 22, 2017 (sometimes referred to as the Tax Cuts and Jobs Act), to provide that taxpayers using an accrual method of accounting for federal income tax purposes generally will be required to include certain amounts in income, including original issue discount, no later than the time such amounts are reflected on certain financial statements of such taxpayer. The application of this rule may require the accrual of income earlier than would have been the case prior to the amendment of Section 451 of the Code. Investors should consult their own tax advisors regarding the application of this rule and its impact on the timing of the recognition of income related to the Offered Bonds under the Code.

Unearned Income Medicare Contribution Tax

Pursuant to Section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals earning certain investment income. Holders of the Offered Bonds should consult their own tax advisors regarding the application of this tax to interest earned on the Offered Bonds and to gain on the sale of an Offered Bond.

Sales or Other Dispositions

If an owner of an Offered Bond sells the bond, such person will recognize gain or loss equal to the difference between the amount realized on such sale and such owner's basis in such bond. Ordinarily, such gain or loss will be treated as a capital gain or loss.

If the terms of an Offered Bond were materially modified, in certain circumstances, a new debt obligation would be deemed created and exchanged for the prior obligation in a taxable transaction. Among the modifications that may be treated as material are those that relate to redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. Each potential owner of an Offered Bond should consult its own tax advisor concerning the circumstances in which such bond would be deemed reissued and the likely effects, if any, of such reissuance.

Defeasance

The legal defeasance of the Offered Bonds may result in a deemed sale or exchange of such bonds under certain circumstances. Owners of such Offered Bonds should consult their tax advisors as to the federal income tax consequences of such a defeasance.

Backup Withholding

An owner of an Offered Bond may be subject to backup withholding at the applicable rate determined by statute with respect to interest paid with respect to the Offered Bonds, if such owner, upon issuance of the Offered Bonds, fails to provide to any person required to collect such information pursuant to Section 6049 of the Code with such owner's taxpayer identification number, furnishes an incorrect taxpayer identification number, fails to report interest, dividends or other "reportable payments" (as defined in the Code) properly, or, under certain circumstances, fails to provide such persons with a certified statement, under penalty of perjury, that such owner is not subject to backup withholding.

Foreign Investors

An owner of an Offered Bond that is not a "United States person" (as defined below) and is not subject to federal income tax as a result of any direct or indirect connection to the United States of America in addition to its ownership of an Offered Bond will generally not be subject to United States income or withholding tax in respect of a payment on an Offered Bond, provided that the owner complies to the extent necessary with certain identification requirements (including delivery of a statement, signed by the owner under penalties of perjury, certifying that such owner is not a United States person and providing the name and address of such owner).

For this purpose the term "United States person" means a citizen or resident of the United States of America, a corporation, partnership or other entity created or organized in or under the laws of the United States of America or any political subdivision thereof, or an estate or trust whose income from sources within the United States of America is includable in gross income for United States of America income tax purposes regardless of its connection with the conduct of a trade or business within the United States of America.

Except as explained in the preceding paragraph and subject to the provisions of any applicable tax treaty, a United States withholding tax will apply to interest paid and original issue discount accruing on Offered Bonds owned by foreign investors. In those instances in which payments of interest on the Offered Bonds continue to be subject to withholding, special rules apply with respect to the withholding of tax on payments of interest on, or the sale or exchange of Offered Bonds having original issue discount and held by foreign investors. Potential investors that are foreign persons should consult their own tax advisors regarding the specific tax consequences to them of owning an Offered Bond.

Tax-Exempt Investors

In general, an entity that is exempt from federal income tax under the provisions of Section 501 of the Code is subject to tax on its unrelated business taxable income. Unrelated business taxable income generally means the gross income derived by an organization from any unrelated trade or business as defined in Section 513 of the Code. An unrelated trade or business is any trade or business that is not substantially related to the purpose that forms the basis for such entity's exemption. However, under the provisions of Section 512 of the Code, interest may be excluded from the calculation of unrelated business taxable income unless the obligation that gave rise to such interest is subject to acquisition indebtedness. Therefore, except to the extent any owner of an Offered Bond incurs acquisition indebtedness with respect to such bond, interest paid or accrued with respect to such owner may be excluded by such tax-exempt owner from the calculation of unrelated business taxable income. Each potential tax-exempt holder of an Offered Bond is urged to consult its own tax advisor regarding the application of these provisions.

ERISA Considerations

The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "ERISA Plans") and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. The prudence of any investment by an ERISA Plan in the Offered Bonds must be determined by the responsible fiduciary of the ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment. Government and non-electing church plans are generally not subject to ERISA. However, such plans may be subject to similar or other restrictions under state or local law.

In addition, ERISA and the Code generally prohibit certain transactions between an ERISA Plan or a qualified employee benefit plan under the Code and persons who, with respect to that plan, are fiduciaries or other "parties in interest" within the meaning of ERISA or "disqualified persons" within the meaning of the Code. In the absence of an applicable statutory, class or administrative exemption, transactions between an ERISA Plan and a party in interest with respect to an ERISA Plan, including the acquisition by one from the other of the Offered Bonds could be viewed as violating those prohibitions. In addition, Section 4975 of the Code prohibits transactions between certain tax-favored vehicles such as Individual Retirement Accounts and disqualified persons. Section 503 of the Code includes similar restrictions with respect to governmental and church plans. In this regard, the Corporation or any dealer of the Offered Bonds might be considered or might become a "party in interest" within the meaning of ERISA or a "disqualified person" within the meaning of the Code, with respect to an ERISA Plan or a plan or arrangement subject to Sections 4975 or 503 of the Code. Prohibited transactions within the meaning of ERISA and the Code may arise if the Offered Bonds are acquired by such plans or arrangements with respect to which the Corporation or any dealer is a party in interest or disqualified person.

In all events, fiduciaries of ERISA Plans and plans or arrangements subject to the above sections of the Code, in consultation with their advisors, should carefully consider the impact of ERISA and the Code on an investment in the Offered Bonds. The sale of the Offered Bonds to a plan is in no respect a representation by the Corporation or the Underwriters that such an investment meets the relevant legal requirements with respect to benefit plans generally or any particular plan. Any plan proposing to invest in the Offered Bonds should consult with its counsel to confirm that such investment is permitted under the plan documents and will not result in a non-exempt prohibited transaction and will satisfy the other requirements of ERISA, the Code and other applicable law.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading "Tax Matters" or adversely affect the market value of the Offered Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Offered Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Offered Bonds or the market value thereof would be impacted thereby. Purchasers of the Offered Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Co-Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Offered Bonds, and Co-Bond Counsel have expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

PROSPECTIVE PURCHASERS OF THE OFFERED BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE OFFERED BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE OFFERED BONDS.

CONTINUING DISCLOSURE UNDER SEC RULE 15c2-12

In order to assist the Underwriters in complying with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"), the Corporation will execute and deliver a Continuing Disclosure Certificate with respect to the Offered Bonds. The Corporation will undertake to provide the Municipal Securities Rulemaking Board (the "MSRB"), on an annual basis on or before 180 days after the end of each fiscal year for the Corporation, commencing with the fiscal year ending June 30, 2020, the financial and operating data concerning the Corporation outlined in the Continuing Disclosure Certificate. In addition, the Corporation will undertake, for the benefit of the registered owners and beneficial owners of the Offered Bonds, to provide to the MSRB, the notices described in the Continuing Disclosure Certificate by the times set forth therein.

The sole and exclusive remedy for breach or default under the Continuing Disclosure Certificate is an action to compel specific performance of the undertakings of the Corporation, and no person, including a registered owner or beneficial owner of the Offered Bonds, may recover monetary damages thereunder under any circumstances. A breach or default under the Continuing Disclosure Certificate shall not constitute an Event of Default under the Indenture. In addition, if all or any part of the Rule ceases to be in effect for any reason, then the information required to be provided under the Continuing Disclosure Certificate, insofar as the provision of the Rule no longer in effect required the provision of such information, shall no longer be required to be provided.

The specific nature of the information to be provided is summarized in Appendix C — "Form of Continuing Disclosure Certificate."

RATINGS OF THE OFFERED BONDS

S&P has assigned the Offered Bonds a rating of "AA+" and Moody's has assigned the Offered Bonds a rating of "Aa2." The Corporation has furnished to each rating agency certain information and materials with respect to the Offered Bonds. Generally, rating agencies base their ratings on such information and materials, and on investigations, studies and assumptions made by the rating agencies. The obligation of the Underwriters to purchase the Offered Bonds is conditioned on the assignment by S&P and Moody's of the respective aforementioned ratings to the Offered Bonds. Each rating reflects only the view of the applicable rating agency at the time such rating was issued and an explanation of the significance of such rating may be obtained from the rating agency. There is no assurance that any such rating will continue for any given period of time or that any such ratings will not be revised downward or withdrawn entirely by the applicable rating agency if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of any such rating can be expected to have an adverse effect on the market price of the Offered Bonds.

FINANCIAL STATEMENTS

The unaudited financial statements of the Corporation as of and for the nine months ended March 31, 2020, included in Appendix A to this Official Statement, appear without review or audit by an independent accountant.

The Corporation's financial statements as of and for the year ended June 30, 2019, included in Appendix A to this Official Statement, have been audited by BDO USA, LLP, independent auditors, as stated in their report appearing herein.

LITIGATION

There is no controversy or litigation of any material nature now pending or threatened to restrain or enjoin the issuance, sale, execution or delivery of the Offered Bonds, or in any way contesting or affecting the validity of the Offered Bonds or any proceedings of the Corporation taken with respect to the issuance or sale thereof, or the pledge or application of any moneys or security provided for the payment of the Offered Bonds or the existence or powers of the Corporation.

LEGAL MATTERS

All legal matters incident to the authorization, sale and delivery of the Offered Bonds and certain federal and state tax matters are subject to the approval of Kutak Rock LLP, and the Law Office of Kenneth E. Vassar, LLC, Co-Bond Counsel to the Corporation. Certain legal matters will be passed upon for the Underwriters by their counsel, Hawkins Delafield & Wood LLP.

STATE NOT LIABLE ON BONDS

The Bonds do not constitute a debt, liability or obligation of the State or of any political subdivision thereof or a pledge of the faith and credit of the State or of any political subdivision thereof, but are payable solely from the revenue or assets of the Corporation.

LEGALITY FOR INVESTMENT

Subject to any applicable federal requirements or limitations, the Offered Bonds are eligible for investment by all public officers and public bodies of the State and its political subdivisions, and, to the extent controlled by State law, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them, in the Offered Bonds.

UNDERWRITING

The Offered Bonds are being purchased by the Underwriters. The Underwriters have jointly and severally agreed to purchase the Offered Bonds at the prices set forth on the inside cover page, plus accrued interest, if any. The Underwriters will be paid a fee of $250,219.44 with respect to the Offered Bonds. The Bond Purchase Agreement with respect to the Offered Bonds provides that the Underwriters will purchase all of such Bonds, if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in such Bond Purchase Agreement, the receipt of certain legal opinions, and certain other conditions. The initial public offering prices and yields of the Offered Bonds may be changed from time to time by the Underwriters. The Underwriters may offer and sell the Offered Bonds to certain dealers (including dealers depositing such Bonds into unit investment trusts, certain of which may be sponsored or managed by an Underwriter) and others at prices lower or yields higher than the public offering prices and yields of the Offered Bonds set forth on the inside cover page.

The following paragraph has been provided by the Underwriters:

Each of the Underwriters and its affiliates is a full-service financial institution engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Each of the Underwriters and its affiliates may have, from time to time, performed and may in the future perform, various investment banking services for the Corporation, for which they may have received or will receive customary fees and expenses. In the ordinary course of their various business activities, each of the Underwriters and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Corporation. Each of the Underwriters and its affiliates may hold bonds that the Corporation is refunding through the issuance of the Offered Bonds and as a result may receive proceeds from such refunding.

The following paragraph has been provided by BofA Securities, Inc.:

BofA Securities, Inc., an underwriter of the Offered Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the Offered Bonds.

The following paragraph has been provided by Jefferies LLC:

Jefferies LLC, an Underwriter of the Offered Bonds, has entered into an agreement (the "Agreement") with E*TRADE Securities LLC ("E*TRADE") for the retail distribution of municipal securities. Pursuant to the Agreement, Jefferies LLC will sell Offered Bonds to E*TRADE and will share a portion of its selling concession compensation with E*TRADE.

The following paragraph has been provided by J.P. Morgan Securities LLC:

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the Offered Bonds, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase Offered Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Offered Bonds that such firm sells.

The following two paragraphs have been provided by Wells Fargo Bank, National Association:

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Finance Group ("WFBNA"), one of the Underwriters of the Offered Bonds, has entered into an agreement (the "WFA Distribution Agreement") with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name "Wells Fargo Advisors") ("WFA"), for the distribution of certain municipal securities offerings, including the Offered Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Offered Bonds with WFA. WFBNA has also entered into an agreement (the "WFSLLC Distribution Agreement") with its affiliate Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the Offered Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

FINANCIAL ADVISOR

Hilltop Securities Inc. ("HilltopSecurities"), is employed as Financial Advisor to the Corporation in connection with the issuance of the Offered Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Offered Bonds is contingent upon the issuance and delivery of the Offered Bonds. HilltopSecurities has agreed not to bid for the Offered Bonds either independently or as a member of a syndicate organized to submit a bid for the Offered Bonds. HilltopSecurities, in its capacity as Financial Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Offered Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Financial Advisor to the Corporation has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Corporation and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

FORWARD-LOOKING STATEMENTS

The following statements are made as contemplated by the provisions of the Private Securities Litigation Reform Act of 1995: If and when included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates," "assumes" and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those that have been projected. Such risks and uncertainties include, among others, general economic and business conditions relating to the Corporation and the housing industry in general, changes in political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, litigation and various other events, conditions and circumstances, many of which are beyond the control of the Corporation. These forward-looking statements speak only as of the date of this Official Statement. The Corporation disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes in the Corporation's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

ADDITIONAL INFORMATION

The summaries and references herein to the Act, the Offered Bonds, the Indenture and other documents and materials are brief outlines of certain provisions contained therein and do not purport to summarize or describe all the provisions thereof. For further information, reference is hereby made to the Act, the Indenture and such other documents and materials for the complete provisions thereof, copies of which will be furnished by the Corporation upon request. See "The Corporation — General" for the address and telephone number of the Corporation's main office.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Corporation and the owner of any Offered Bonds.

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APPENDIX A

FINANCIAL STATEMENTS OF THE CORPORATION

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Alaska Housing

FINANCE CORPORATION

A Component Unit of the State of Alaska

Quarterly Unaudited Financial Statements

March 31, 2020

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Website: https://www.ahfc.us/pros/investors/financials-histori/ or
E-Mail: nmeyers@ahfc.us

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
COMBINED – ALL MAJOR PROGRAMS
As of March 31, 2020
(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs
ASSETS				
Current				
Cash	$ 38,571	$ 5,094	$ 162	$ 29,121
Investments	498,197	-	287,283	3,238
Accrued interest receivable	4,150	-	10,891	108
Inter-fund due (to)/from	(51,256)	(6,601)	59,661	(1,736)
Mortgage loans, notes and other loans	4,976	33	95,801	1,302
Net investment in direct financing lease	-	-	2,180	-
Other assets	7,638	4,341	-	1,642
Intergovernmental receivable	147	5,183	-	676
Total Current	**502,423**	**8,050**	**455,978**	**34,351**
Non Current				
Inter-fund due (to)/from	-	1,423	-	-
Mortgage loans, notes and other loans	146,263	1,087	3,059,162	42,105
Net investment in direct financing lease	-	-	20,288	-
Capital assets - non-depreciable	2,483	-	-	13,710
Capital assets - depreciable, net	13,471	55	-	53,785
Other assets	4,320	-	744	-
Total Non Current	**166,537**	**2,565**	**3,080,194**	**109,600**
Total Assets	**668,960**	**10,615**	**3,536,172**	**143,951**
DEFERRED OUTFLOW OF RESOURCES	**6,971**	**-**	**253,411**	**-**
LIABILITIES				
Current				
Bonds payable	-	-	94,610	-
Short term debt	70,054	-	-	-
Accrued interest payable	-	-	31,835	-
Other liabilities	13,964	402	791	985
Intergovernmental payable	-	-	162	-
Total Current	**84,018**	**402**	**127,398**	**985**
Non Current				
Bonds payable	-	-	2,554,849	-
Other liabilities	2,436	-	-	-
Derivative instrument - interest rate swaps	-	-	233,350	-
Pension & OPEB liability	42,801	-	-	-
Total Non Current	**45,237**	**-**	**2,788,199**	**-**
Total Liabilities	**129,255**	**402**	**2,915,597**	**985**
DEFERRED INFLOW OF RESOURCES	**3,719**	**-**	**-**	**-**
NET POSITION				
Net investment in capital assets	15,954	55	-	67,495
Restricted by bond resolutions	-	-	654,070	-
Restricted by contractual or statutory agreements	116,719	13,628	-	75,848
Unrestricted or (deficit)	410,284	(3,470)	219,916	(377)
Total Net Position	**$ 542,957**	**$ 10,213**	**$ 873,986**	**$ 142,966**

See accompanying notes to the financial statements.

Exhibit A

Total Programs and Funds	Alaska Corporation for Affordable Housing	Total March 31, 2020
$ 72,948	$ 8,102	$ 81,050
788,718	-	788,718
15,149	31	15,180
68	(68)	-
102,112	-	102,112
2,180	-	2,180
13,621	231	13,852
6,006	-	6,006
1,000,802	**8,296**	**1,009,098**
1,423	(1,423)	-
3,248,617	12,761	3,261,378
20,288	-	20,288
16,193	4,740	20,933
67,311	-	67,311
5,064	1	5,065
3,358,896	**16,079**	**3,374,975**
4,359,698	**24,375**	**4,384,073**
260,382	**-**	**260,382**
94,610	-	94,610
70,054	-	70,054
31,835	-	31,835
16,142	1	16,143
162	-	162
212,803	**1**	**212,804**
2,554,849	-	2,554,849
2,436	314	2,750
233,350	-	233,350
42,801	-	42,801
2,833,436	**314**	**2,833,750**
3,046,239	**315**	**3,046,554**
3,719	**-**	**3,719**
83,504	4,740	88,244
654,070	-	654,070
206,195	19,374	225,569
626,353	(54)	626,299
$ 1,570,122	**$ 24,060**	**$ 1,594,182**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
COMBINED – ALL MAJOR PROGRAMS
For the Nine Months Ending March 31, 2020
(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
OPERATING REVENUES					
Mortgage and loan revenue	$ 5,658	$ -	$ 104,256	$ 1,046	$ 110,960
Investment interest	5,260	6	5,117	130	10,513
Net change in the fair value of investments	1,054	-	555	(3)	1,606
Net change of hedge termination	-	-	(227)	-	(227)
Total Investment Revenue	6,314	6	5,445	127	11,892
Grant revenue	66	45,990	-	1,751	47,807
Housing rental subsidies	-	-	-	9,111	9,111
Rental revenue	92	-	-	8,502	8,594
Gain (Loss) on Disposal of Capital Assets	(1,806)	-	-	84	(1,722)
Other revenue	1,681	549	195	-	2,425
Total Operating Revenues	**12,005**	**46,545**	**109,896**	**20,621**	**189,067**
OPERATING EXPENSES					
Interest	625	-	61,943	-	62,568
Mortgage and loan costs	1,848	-	9,439	97	11,384
Bond financing expenses	623	-	3,699	-	4,322
Provision for loan loss	(1,318)	31	(4,123)	5	(5,405)
Operations and administration	12,733	8,154	3,515	11,042	35,444
Rental housing operating expenses	415	-	-	11,021	11,436
Grant expense	5	46,735	-	-	46,740
Total Operating Expenses	**14,931**	**54,920**	**74,473**	**22,165**	**166,489**
Operating Income (Loss)	**(2,926)**	**(8,375)**	**35,423**	**(1,544)**	**22,578**
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers - Internal	32,231	7,553	(43,534)	2,086	(1,664)
Change in Net Position	29,305	(822)	(8,111)	542	20,914
Net position at beginning of year	513,652	11,035	882,097	142,424	1,549,208
Net Position at End of Period	**$ 542,957**	**$ 10,213**	**$ 873,986**	**$ 142,966**	**$ 1,570,122**

See accompanying notes to the financial statements.

Alaska Corporation for Affordable Housing	Total March 31, 2020
$ 104	$ 111,064
9	10,522
-	1,606
-	(227)
9	11,901
-	47,807
-	9,111
179	8,773
-	(1,722)
3	2,428
295	**189,362**
-	62,568
-	11,384
-	4,322
(130)	(5,535)
242	35,686
2	11,438
-	46,740
114	**166,603**
181	**22,759**
-	-
1,664	-
1,845	22,759
22,215	1,571,423
$ 24,060	**$ 1,594,182**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED – ALL MAJOR PROGRAMS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
Cash flows from operating activities:					
Interest income on mortgages and loans	$ 5,709	$ -	$ 97,741	$ 958	$ 104,408
Principal payments received on mortgages and loans	6,810	-	319,549	4,830	331,189
Disbursements to fund mortgages and loans	(377,016)	-	-	-	(377,016)
Receipt (payment) for loan transfers between funds	285,979	-	(279,367)	(6,612)	-
Mortgage and loan proceeds	458,813	-	-	-	458,813
Payment of mortgage and loan proceeds to funds	(439,679)	-	-	-	(439,679)
Payments to employees and other payroll disbursements	(17,145)	(3,924)	-	(7,249)	(28,318)
Payments for goods and services	(4,019)	(1,034)	-	(10,029)	(15,082)
Cash received for externally funded programs	-	16,835	-	9,735	26,570
Cash received for Federal HAP subsidies	-	27,201	-	-	27,201
Payments for Federal HAP subsidies	-	(26,419)	-	-	(26,419)
Interfund receipts (payments)	(11,462)	8,514	-	1,465	(1,483)
Grant payments to other agencies	(5)	(21,569)	-	-	(21,574)
Other operating cash receipts	874	565	162	8,530	10,131
Other operating cash payments	(16)	(289)	(199)	(221)	(725)
Net cash provided by (used for) operating activities	(91,157)	(120)	137,886	1,407	48,016
Cash flows from noncapital financing activities:					
Proceeds from the issuance of bonds	-	-	379,756	-	379,756
Principal paid on bonds	-	-	(175,455)	-	(175,455)
Payment of bond issuance costs	(590)	-	(1,173)	-	(1,763)
Interest paid	-	-	(45,880)	-	(45,880)
Proceeds from issuance of short term debt	466,659	-	-	-	466,659
Payment of short term debt	(446,699)	-	-	-	(446,699)
Contributions to the State of Alaska or other State agencies	-	-	-	-	-
Transfers (to) from other funds	188,984	-	(188,984)	-	-
Other cash payments	-	-	-	-	-
Net cash provided by (used for) noncapital financing	208,354	-	(31,736)	-	176,618
Cash flows from capital financing activities:					
Acquisition of capital assets	(251)	(29)	-	(810)	(1,090)
Proceeds from the disposal of capital assets	1,369	-	-	87	1,456
Principal paid on capital notes	-	-	(6,020)	-	(6,020)
Interest paid on capital notes	-	-	(1,231)	-	(1,231)
Proceeds from direct financing leases	-	-	3,303	-	3,303
Net cash provided by (used for) capital financing activities	1,118	(29)	(3,948)	(723)	(3,582)
Cash flows from investing activities:					
Purchase of investments	(2,594,642)	-	(796,140)	(5,936)	(3,396,718)
Proceeds from maturity of investments	2,475,872	-	689,747	6,659	3,172,278
Interest received from investments	5,484	6	4,154	135	9,779
Net cash provided by (used for) investing activities	(113,286)	6	(102,239)	858	(214,661)
Net Increase (decrease) in cash	5,029	(143)	(37)	1,542	6,391
Cash at the beginning of year	33,542	5,237	199	27,579	66,557
Cash at the end of period	$ 38,571	$ 5,094	$ 162	$ 29,121	$ 72,948

See accompanying independent auditor's report.

Alaska Corporation for Affordable Housing	Total March 31, 2020
$ -	$ 104,408
-	331,189
-	(377,016)
-	-
-	458,813
-	(439,679)
(186)	(28,504)
(72)	(15,154)
-	26,570
-	27,201
-	(26,419)
1,483	-
-	(21,574)
239	10,370
-	(725)
1,464	49,480
-	379,756
-	(175,455)
-	(1,763)
-	(45,880)
-	466,659
-	(446,699)
-	-
-	-
-	-
-	176,618
(1,073)	(2,163)
-	1,456
-	(6,020)
-	(1,231)
-	3,303
(1,073)	(4,655)
-	(3,396,718)
-	3,172,278
9	9,788
9	(214,652)
400	6,791
7,702	74,259
$ 8,102	$ 81,050

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED – ALL MAJOR PROGRAMS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
Reconciliation of operating income (loss) to net cash					
Operating income (loss)	$ (2,926)	$ (8,375)	$ 35,423	$ (1,544)	$ 22,578
Adjustments:	-				
Depreciation expense	746	13	-	3,980	4,739
Provision for loan losses	(1,054)	31	(4,123)	5	(5,141)
Net change in the fair value of investments	(1,318)	-	(555)	3	(1,870)
Transfers between funds for operating activity	32,231	7,553	(43,534)	2,086	(1,664)
Interest received from investments	(5,484)	(6)	(4,154)	(135)	(9,779)
Interest paid	-	-	45,880	-	45,880
Changes in assets, liabilities and deferred resources:	-				
Net (increase) decrease in mortgages and loans	60,862	(31)	(79,360)	(92)	(18,621)
Net increase (decrease) in assets, liabilities, and deferred	(174,214)	695	188,309	(2,896)	11,894
Net cash provided by (used for) operating activities	$ (91,157)	$ (120)	$ 137,886	$ 1,407	$ 48,016
Noncash investing, capital and financing activities:					
Deferred outflow of resources-derivatives	-	-	82,016	-	82,016
Derivative instruments liability	-	-	83,347	-	83,347
Net change of hedge termination	-	-	6,252	-	6,252
Deferred Outflow Debt Refunding	-	-	24,110	-	24,110

See accompanying independent auditor's report.

Alaska Corporation for Affordable Housing	Total March 31, 2020
$ 181	$ 22,759
10	4,749
(130)	(5,271)
-	(1,870)
1,664	-
(9)	(9,788)
-	45,880
(226)	(18,847)
(26)	11,868
$ 1,464	$ 49,480
-	82,016
-	83,347
-	6,252
-	24,110

NOTE DISCLOSURES INDEX

FOR THE NINE MONTHS ENDED MARCH 31, 2020

1 AUTHORIZING LEGISLATION AND FUNDING

The Alaska Housing Finance Corporation (the "Corporation") or ("AHFC"), a public corporation and government instrumentality of the State of Alaska (the "State"), was created in 1971, and substantially modified in 1992, by acts of the Alaska State Legislature (the "Legislature") to assist in the financing, development and sale of dwelling units, operate the State's public housing, offer various home loan programs emphasizing housing for low and moderate-income and rural residents, and administer energy efficiency and weatherization programs within Alaska. The Corporation is a component unit of the State and is discretely presented in the State's financial statements.

Generally, the Corporation accomplishes its mortgage-related objectives by functioning as a secondary market for qualified real estate loans originated by financial institutions. The Corporation is authorized by the Legislature to issue its own bonds, bond anticipation notes and other obligations in such principal amounts as, in the opinion of the Corporation, will be necessary to provide sufficient funds for carrying out its purpose. Certain bonds issued to finance residences for qualified veterans are unconditionally guaranteed by the State. No other obligations constitute a debt of the State.

The non-mortgage related programs of the Corporation are funded through various grant and program agreements with the federal government's departments of Housing and Urban Development ("HUD"), Energy ("DOE"), and Health and Human Services ("HHS"), funding from the State of Alaska, as well as capital and operating subsidies from the Corporation's own funds.

The Corporation has subsidiaries incorporated under the Alaska Nonprofit Corporation Act (AS 10.20) and provisions of the Alaska Housing Finance Corporation Act (AS 18.56), as amended. Each subsidiary issues annual audited financial statements. Copies may be found at the following links, or please contact AHFC to obtain a copy. The subsidiaries are as follows:

- Northern Tobacco Securitization Corporation ("NTSC") incorporated on September 29, 2000, pursuant to House Bill No. 281 of the 2000 Legislature. https://www.ahfc.us/about-us/subsidiaries/ntsc/ntsc-financial-statements/
- Alaska Housing Capital Corporation ("AHCC") incorporated on May 23, 2006, pursuant to Senate Bill No. 232 of the 2006 Legislature. https://www.ahfc.us/about-us/subsidiaries/ahcc/ahcc-financial-statements/
- Alaska Corporation for Affordable Housing ("ACAH") incorporated on February 1, 2012, pursuant to House Bill No. 119 of the 2011 Legislature. https://www.ahfc.us/about-us/subsidiaries/alaska-corporation-affordable-housing-acah/acah-financial-statements/

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The financial reporting entity consists of AHFC and the blended component unit ACAH. The entities are closely related and financially integrated. The board of directors for AHFC and ACAH are the same and both entities have similar mission statements. ACAH is a legally separate entity from AHFC but is considered a blended component unit of AHFC due to AHFC's operational responsibility for ACAH and the potential financial benefit or financial burden between AHFC and ACAH. AHFC is financially accountable for ACAH.

The other subsidiaries of AHFC are not closely related, nor financially integrated with AHFC. There is no financial accountability for the other subsidiaries by AHFC. They are not component units of AHFC, thus not included in these financial statements. NTSC and AHCC are component units of the State.

Neither AHFC nor the State is liable for any debt issued by the subsidiaries of AHFC. They are government instrumentalities of, but have a legal existence separate and apart from, the State.

Basis of Accounting

The financial reporting entity utilizes the economic resource measurement focus and full accrual basis of accounting wherein revenues are recognized when earned and expenses when incurred. The financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") as prescribed by the Governmental Accounting Standards Board ("GASB"). GASB is the accepted standard-setting body for governmental accounting and financial reporting principles as set forth in GASB's pronouncements.

Basis of Presentation

The financial reporting entity is engaged in business-type activities that utilize enterprise funds. The basic fund financial statements are comprised of the Statement of Net Position (Exhibit A), the Statement of Revenues, Expenses and Changes in Net Position (Exhibit B), the Cash Flow Statement (Exhibit C) and the accompanying note disclosures. The supplementary section contains combining financial statements by program, purpose, or bond indenture.

The basic financial statements include a Total Funds and Programs column representing an aggregate of AHFC amounts and a Total column for the financial reporting entity, an aggregation of both AHFC and ACAH amounts.

Major Funds and Component Unit

The basic fund financial statements present the major funds of AHFC and the major component unit ACAH.

Administrative Fund: This is the Corporation's primary operating fund. It accounts for all financial resources of the Corporation not accounted for in other funds.

Grant Programs: Resources provided to other agencies and individuals to develop and improve affordable housing units for lower income families, to assist in improving the energy efficiency of Alaska homes, and to provide tenant-based rental assistance programs for families in the private market (administered by the Corporation under contract with HUD).

Mortgage or Bond Funds: Provides resources to assist in the financing of loan programs or to fund Legislature appropriations.

Other Funds or Programs: Includes the Low Rent program and other affordable housing for low income families managed under contract with HUD, owned by AHFC. Also includes the Home Ownership Fund and the Senior Housing Revolving Loan Fund.

Component unit ACAH: A non-profit public benefit corporation that develops and operates affordable housing for Alaskans, utilizing various funding sources. ACAH is reported as a major component unit for the benefit of users of the financial statements.

Restricted Net Position

The restricted net position of the Administrative Fund consists of the Corporation's remaining commitments to the State (refer to Footnote No. 18 State Authorizations and Commitments for further details) and resources of the Affordable Housing Development Program. The remaining resources of the Administrative Fund are unrestricted.

The other financial activities of the Corporation are restricted by the Corporation's bond indentures, requirements from the Legislature, and statutory requirements or third-party agreements that restrict the use of resources. These restricted resources are recorded in various special purpose funds and accounts. Restricted funds with a net deficit balance are shown as having an unrestricted net position balance pursuant to reporting requirements.

When both restricted and unrestricted resources are available in a fund, it is the Corporation's policy to spend restricted funds to the extent allowed and only spend unrestricted funds when needed.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates. The major estimate for the Corporation is the allowance for loan losses.

Investments

All investments are stated at fair value, except for nonparticipating investment agreements, which are stated at cost.

Accrued Interest Receivable on Loans and Real Estate Owned

Interest is accrued based upon the principal amount outstanding. Accrual of interest income is discontinued on loans when, in the opinion of management, collection of such interest becomes doubtful. When payment of interest is provided for pursuant to the terms of loan insurance or guarantees, accrual of interest on delinquent loans and real estate owned is continued.

Loans and Allowances for Estimated Loan Losses

Mortgage loans are carried at their unpaid principal balances net of allowance for estimated loan losses. Once monies have been disbursed the mortgage loans are recorded.

The Corporation provides for possible losses on loans on which foreclosure is anticipated. A potential loss is recorded when the net realizable value, or fair value, of the related collateral or security interest is estimated to be less than the Corporation's investment in the property less anticipated recoveries from private mortgage insurance, private credit insurance, and various other loan guarantees. In providing for losses, through a charge to operations, consideration is given to the costs of holding real estate, including interest costs. The loan portfolio, property holding periods and property holding costs are reviewed periodically. A general allowance is applied to the performing loan portfolio, and a specific reserve on individual non-performing. This can be modified. While management uses the best information available to make evaluations, future adjustments to the allowances may be necessary if there are significant changes in economic conditions or property disposal programs.

Real Estate Owned

Real estate owned consists principally of properties acquired through foreclosure or repossession and is carried at the lower of cost or estimated net realizable value. These amounts are included in other assets.

Depreciation

Depreciation and amortization of buildings, equipment, and leasehold improvements are computed on a straight-line basis over the estimated useful lives of the related assets. Estimated useful lives range from 3 to 40 years. The capitalization threshold is $5,000.

Bonds

The Corporation issues bonds to provide capital for its mortgage programs and other uses consistent with its mission. The bonds are recorded at cost plus accreted interest and premiums, less discounts. Discounts and premiums are amortized using the straight-line method.

Deferred Debt Refunding Expenses

Deferred debt refunding expenses occur when new debt is issued to replace existing debt. The differences between the carrying value of the old debt and the resources used to redeem it are called deferred debt refunding expenses. The unamortized balances of these expenses are recorded as deferred outflows of resources. These expenses are amortized over the shorter of the remaining life of the old debt or the remaining life of the new debt.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System ("PERS") and additions to/from the PERS fiduciary net position have been determined on the same basis as they are reported by PERS. 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. Based on the amount of unamortized discount or premium from the original bond issue, the net effect of the change is immaterial to the financial statements.

Other Post-Employment Benefits

Information about the Other Post-Employment Benefits ("OPEB") fiduciary net position of the PERS plans has been determined on the same basis as reported by PERS. The PERS information includes the valuation of the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Derivative Instruments-Interest Rate Swaps

The Corporation's Fiscal Policies allow, with certain restrictions, the Corporation to enter into certain derivative financial instruments called interest rate swap agreements, or swaps. The Corporation enters into these swaps with various counter-parties to achieve a lower overall cost of funds for certain bond issuances. These agreements can be negotiated whereby the Corporation pays the counter-party a fixed interest rate in exchange for a variable interest rate payment from the counter-party, or vice-versa. The swap agreements are negotiated to achieve the financing objectives of the Corporation. The swaps are stated at fair value. The change in the fair value of the hedgeable derivatives is recorded as deferred inflows of resources or deferred outflows of resources, and the change in the fair value of the investment derivatives is recorded as investment revenue.

Operating Revenues and Expenses

The Corporation was created with the authority to issue bonds to the investing public in order to create a flow of private capital through the Corporation into mortgage loans to qualified housing sponsors and to certain individuals. The Corporation's primary purpose is to borrow funds in the bond market and to use those funds to make single-family and multi-family mortgages and loans. Its primary operating revenue is derived from the interest income and fees from those mortgages and loans and on the invested proceeds from the bond issues. Additionally, the Corporation's statutory purpose includes providing financial assistance programs for rental subsidies to tenants of various housing developments. The Corporation records all revenues from mortgages and loans, investments, rental activities, and externally funded programs as operating revenues. The primary costs of providing these programs are recorded as operating expenses.

Income Taxes
The Corporation is exempt from federal and state income taxes.

3 CASH AND INVESTMENTS
Cash consists of demand deposits, time deposits, and cash held in trust. The carrying amount of the Corporation's cash is restricted by bond resolutions, contractual agreements, and statutory agreements. A summary of the Corporation's cash is shown below (in thousands):

		March 31, 2020
Restricted cash	$	51,990
Unrestricted cash	$	29,060
Carrying amount	$	81,050
Bank balance	$	81,189

Investment Valuation

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

AHFC measures its investments using quoted market prices (Level 1 inputs).

Investment Maturities

The fair value of debt security investments by contractual maturity is shown below (in thousands). Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without penalty.

Investment Maturities (In Years)

	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years	March 31, 2020
Securities of U.S. Government agencies and corporations	$ 108,800	$ -	$ -	$ -	$ 108,800
Commercial paper & medium-term notes	356,564	-	-	-	356,564
Corporate Certificates of Deposit	7,859	-	-	-	7,859
Money market funds	314,000	-	-	-	314,000
Total not including GeFONSI	$ 787,223	$ -	$ -	$ -	$ 787,223
GeFONSI pool					1,495
Total AHFC Investment Portfolio					$ 788,718

Restricted Investments

A large portion of the Corporation's investments, $392,656,000, is restricted by bond resolutions, contractual agreements, and statutory agreements, and the remainder, $396,062,000, is unrestricted.

Realized Gains and Losses

The calculation of realized gains and losses is independent of the calculation of the net increase in the fair value of investments. Realized gains and losses on investments that had been held in more than one fiscal year and sold in the current period may have been recognized as an increase or decrease in the fair value of investments reported in the prior year. The net increase in the fair value of investments included in the table below takes into account all changes in fair value (including purchases and sales) that occurred during the period. A summary of the gains and losses is shown below (in thousands):

		March 31, 2020
Ending unrealized holding gain	$	3,483
Beginning unrealized holding gain		1,511
Net change in unrealized holding gain		1,972
Net realized gain (loss)		(366)
Net increase (decrease) in fair value	$	1,606

Deposit and Investment Policies
The Corporation utilizes different investment strategies depending upon the nature and intended use of the assets being invested. All funds are classified as trusted or non-trusted, and this classification determines the applicable investment guidelines used by staff when making investment decisions. Trusted funds are invested in accordance with their respective indentures or governing agreements. Non-trusted funds are governed by the terms outlined in the Corporation's Fiscal Policies and are typically invested to meet the projected need for use of such funds.

The following securities are eligible for investment under the Corporation's Fiscal Policies:

- Obligations backed by the full faith and credit of the United States;
- Obligations of U.S. government-sponsored enterprises ("GSEs") and federal agencies not backed by the full faith and credit of the United States;
- Obligations of the World Bank rated at least "AA" by S&P or "Aa2" by Moody's or "AA" by Fitch if maturing in excess of one year or "A-1" by S&P or "P-1" by Moody's or "F1" by Fitch if maturing in one year or less;
- Money market funds rated at least "AAm" by S&P or "Aa-mf" by Moody's or "AAmmf" by Fitch;
- Banker's acceptances and negotiable certificates of deposit of any bank, the unsecured short-term obligations of which are rated at least "A-1" by S&P or "P-1" by Moody's or "F-1" by Fitch and which is incorporated under the laws of the United States of America or any state thereof and subject to supervision and examination by federal or state banking authorities, or which is a foreign bank with a branch or agency licensed under the laws of the United States of America or any state thereof and subject to supervision and examination by federal or state banking authorities, or which is a foreign bank having a long-term issuer rating of at least "AA" from S&P or "Aa2" from Moody's or "AA" from Fitch;
- Commercial paper, including asset-backed commercial paper, rated at least "A-1" by S&P or "P-1" by Moody's or "F1" by Fitch;
- Repurchase agreements ("repos") where: the counterparty is designated as a primary dealer by the Federal Reserve and has a long-term debt rating of at least "A" by S&P or "A" by Moody's or "A" by Fitch or a short-term rating of at least "A-1" by S&P or "P-1" by Moody's or "F-1" by Fitch; collateral is pledged at a minimum level of 102%, valued on a daily basis with a one-business-day cure period; the term of such repurchase agreement is one week or less; a third-party custodian acting as the Corporation's agent has possession of the collateral and holds such collateral in the Corporation's name; the agreement is evidenced by standard documents published by the Securities Industry and Financial Markets Association ("SIFMA"); and the securities to be repurchased are obligations backed by the full faith and credit of the United States or obligations of U.S. government-sponsored enterprises and federal agencies not backed by the full faith and credit of the United States or obligations of the World Bank rated at least "AA" by S&P or "Aa2" by Moody's or "AA" by Fitch if maturing in excess of one year or "A-1" by S&P or "P-1" by Moody's or "F1" by Fitch if maturing in one year or less;
- Guaranteed investment contracts with a financial institution having outstanding unsecured long-term obligations rated, or an investment agreement rating of, at least "AA" by S&P or "Aa2" by Moody's or "AA" by Fitch, or, if the term is one year or less, at least "A-1" by S&P or "P-1" by Moody's or "F-1" by Fitch;
- Fixed and floating-rate notes and bonds, other than commercial paper, issued by corporate or municipal obligors and rated at least "AA" by S&P or "Aa2" by Moody's or "AA" by Fitch if maturing in excess of one

year, or at least "A-1" by S&P or "P-1" by Moody's or "F1" by Fitch if maturing, or with a provision for investor withdrawal or put at par, in one year or less;

- Asset-backed securities, other than asset-backed commercial paper, rated at least "AA+" by S&P or "Aa1" by Moody's or "AA+" by Fitch; and

- Investment pools managed by the State of Alaska, including the General Fund and Other Non-Segregated Investments ("GeFONSI") pool.

Credit Risk
Credit risk is the risk of loss due to the failure of the security or backer. The Corporation mitigates its credit risk by limiting investments to those permitted in its Fiscal Policies and relevant governing agreements, diversifying the investment portfolio, and pre-qualifying firms with which the Corporation administers its investment activities.

The credit quality ratings of the Corporation's investments as of March 31, 2020, as determined by nationally recognized statistical rating organizations, are shown below (in thousands), and do not include investments held by GeFONSI pool.

	S&P	Moody's	Fitch	Investment Fair Value
Securities of U.S. Government agencies and corporations:	AA	Aa1	NA	$ 31,300
	AA+	Aa1	NA	58,705
	AA+	Aa2	AA+	16,295
	NA	Aa3	NA	2,500
				108,800
Commercial paper, medium-term notes and Certificates of Deposit:	AAA	Aaa	WR	250
	AA+	Aa1	NA	252
	AA-	Aa2	NA	752
	AA-	Aa3	AA-	247
	AA-	A1	A+	869
	A+	A1	NA	250
	A+	Aa2	NA	200
	A+	Aa2	AA-	250
	A+	Aa3	A+	250
	A+	P-1	F1+	250
	A	P-1	NA	180
	A	A1	NA	1,501
	A	A2	WR	502
	A	A3	NA	539
	A-1+	P-1	F1+	250
	A-1+	P-1	NA	162,883
	A-1	P-1	NA	29,556
	A-1	P-1	F1	87,033
	A-1	P-1	F1+	26,864
	A-1	P-2	Na	9,936
	A-1	NA	NA	250
	A-2	P-2	F1	40,885
	NA	A1	NA	225
	NA	P-1	NA	250
				364,423
Money market funds:	AAAm	Aaa		314,000
				$ 787,223

Concentration Risk
Concentration risk is the risk of loss attributed to the magnitude of the Corporation's investments in a single issuer. Concentration limits are not established in the bond indentures and governing agreements for trust investments. The following table details the maximum concentration limits for non-trust investments as outlined in the Corporation's Fiscal Policies. Under certain conditions, the Fiscal Policies permit investments in excess of these limits. For more information, please see the Corporation's Fiscal Policies at: http://www.ahfc.us/pros/investors/fiscal-policies

Investment Category	Category Limit as % of Total Portfolio	Issuer Limit as % of Total Portfolio
U.S. Government obligations	n/a	n/a
U.S. GSEs and agencies	n/a	35%
World Bank obligations	n/a	35%
Money market funds	n/a	n/a
Banker's acceptances, negotiable CDs	n/a	5%
Commercial paper	n/a	5%
Repurchase agreements	n/a	25%
Guaranteed investment contracts	n/a	5%
Corporate and municipal notes and bonds	n/a	5%
Asset-backed securities	20%	5%
State of Alaska investment pools	n/a	n/a

Investment Holdings Greater than Five Percent of Total Portfolio
The following investment holdings, summarized by issuer, include both investments that are governed by the maximum concentration limits of the Corporation's Fiscal Policies and trusted investments which have no established concentration limits. As of March 31, 2020, the Corporation had investment balances greater than 5 percent of the Corporation's total investments with the following issuers (in thousands).

Issuer	Investment Fair Value	Percentage of Total Portfolio
Goldman Sachs	$ 314,000	39.81%
Toyota Motor Credit Corporation	$ 77,124	9.78%

Custodial Credit Risk
The Corporation assumes levels of custodial credit risk for its deposits with financial institutions, bank investment agreements, and investments. For deposits, custodial credit risk is the risk that, in the event of a bank failure, the Corporation's deposits may not be returned. For bank investment agreements and investments, custodial credit risk is the risk that, in the event of failure of the custodian or counterparty holding the investment, the Corporation will not be able to recover the value of the investment. The Corporation has not established a formal custodial credit risk policy for its investments.

Of the Corporation's $81,189,000 bank balance at March 31, 2020, cash deposits in the amount of $9,360,000 were uninsured and uncollateralized.

Interest Rate Risk
Interest rate risk is the risk that the market value of investments will decline as a result of changes in general interest rates. For non-trust investments, the Corporation mitigates interest rate risk by structuring its investment maturities to meet cash requirements (including corporate operations), thereby avoiding the need to sell securities in the open market prior to maturity. For investments held in trust, investment maturities are structured to meet cash requirements as outlined in the bond indentures and contractual and statutory agreements.

The GeFONSI pool investment interest rate risk details are at the end of this footnote.

Modified Duration
Modified duration estimates the sensitivity of an investment to interest rate changes. The following table shows the Corporation's trusted and non-trusted investments (in thousands, net of GeFONSI holdings) with their modified duration as of March 31, 2020:

	Investment Fair Value	Modified Duration
Securities of U.S. Government agencies and corporations:		
Federal agency pass through securities	$ 108,800	0.004
Certificate of deposit	7,859	0.344
Commercial paper & medium-term notes:		
Commercial paper discounts	353,655	0.203
Medium-term notes	2,909	0.362
Money market funds	314,000	0.000
Portfolio modified duration	$ 787,223	0.096

Investment in GeFONSI Pool
The Alaska State Department of Revenue, Treasury Division, has established various investment pools to manage funds for which the Commissioner of Revenue has fiduciary responsibility. The GeFONSI pool in which the Corporation participates is itself comprised of investment shares of the State's Short-term Fixed Income, and Intermediate-term Fixed Income investment pools. Assets in these pools are reported at fair value with purchases and sales recorded on a trade-date basis. Securities are valued each business day using prices obtained from a pricing service. The complete financial activity of the State's investment pools is shown in the Comprehensive Annual Financial Report (CAFR) available from the Department of Administration, Division of Finance.

The accrual basis of accounting is used for the investment income and GeFONSI investment income is distributed to pool participants monthly if prescribed by statute or if appropriated by state legislature. Income in the Short-term, Short-term Liquidity and Intermediate-term Fixed Income Pools is allocated to the pool participants daily on a pro-rata basis. The fair value of the Corporation's investment in the GeFONSI pool is $1,495,000.

For additional information on interest rate risk, credit risk, foreign exchange, derivatives, fair value, and counterparty credit risk see the separately issued report on the Invested Assets of the Commissioner of Revenue at:
http://treasury.dor.alaska.gov/Investments/Annual-Investment-Reports.aspx.

4 INTERFUND RECEIVABLE/PAYABLE

A summary of the interfund receivable/payable balance as of March 31, 2020, is shown below (in thousands):

Due To \ Due From	Administrative Fund	Grant Programs	Mortgage or Bond Programs	Other Funds or Programs	Alaska Corporation for Affordable Housing	Total
Administrative Fund	$ -	$ 8,129	$ -	$ 2,043	$ 68	$ 10,240
Grant Programs	1,528	-	-	-	1,423	2,951
Mortgage or Bond Programs	59,661	-	-	-	-	59,661
Other Funds or Programs	307	-	-	-	-	307
Alaska Corporation for Affordable Housing	-	-	-	-	-	-
Total	$ 61,496	$ 8,129	$ -	$ 2,043	$ 1,491	$ 73,159

The balance due to the Mortgage or Bond programs from the Administrative Fund resulted primarily from monies belonging to these funds being deposited in an Administrative Fund account to obtain a greater rate of return.

The balance due to the Administrative Fund from Grant Programs, Other Funds or Programs, and ACAH resulted primarily from expenditures paid by the Administrative Fund on behalf of those programs, as well as an allocation of management and bookkeeping fees mandated by HUD.

The balance due from ACAH to the Grant Programs is the result of a repayable grant to ACAH for the purchase of land in 2013.

5 MORTGAGE LOANS, NOTES AND OTHER LOANS

A summary of mortgage loans, notes and other loans is shown below (in thousands):

		March 31, 2020
Mortgage loans	$	2,870,295
Multifamily loans		460,491
Other notes receivable		75,409
		3,406,195
Less:		
Allowance for losses		(42,705)
Net Mortgages, Notes & other	$	3,363,490

Of the $3,406,195,000 mortgage loans, notes, and other loans, $102,112,000 is due within a year.

Other notes receivable include monies due to AHFC for various unconventional loan programs, monies remaining unexpended by grant recipients, and notes receivable due to ACAH of $13,871,000. Included in the allowance for losses is $1,110,000 for ACAH's notes receivable bringing ACAH's net notes receivable to $12,761,000.

Other supplementary loan information is summarized in the following table (in thousands):

		March 31, 2020
Loans Delinquent 30 days or more	$	127,034
Foreclosures during reporting period		7,401
Loans in foreclosure process		8,231
Mortgage-related commitments:		
To purchase mortgage loans	$	76,253

6 INSURANCE AGREEMENTS

The Corporation has obtained private mortgage insurance, credit insurance, or guarantees on certain mortgages and loans. The agreements protect the Corporation to varying degrees against losses arising from the disposition of the related collateral obtained through foreclosure or repossession, as well as the costs of obtaining title to, maintaining, and liquidating the collateral. The Corporation is exposed to losses on disposition in the event the insurers or guarantors are unable or refuse to meet their obligations under these agreements.

7 DIRECT FINANCING LEASE

In 1997, the Corporation purchased an office building (the "Atwood Office Building") in downtown Anchorage with bond proceeds. As part of the Corporation's State Building Lease Program, the Atwood Office Building was leased to the State of Alaska and was recorded as a direct financing lease. The lease expired in 2017, at which time the State exercised the option to purchase the Atwood Office Building and associated land, identified as Block 79, for $1. Block 102, containing land the State did not transfer but may take ownership of at a later date, is reported as a Corporation asset at the assessed value of $4,175,000, in the Other Non-Current Assets section of the financial statements, pending potential future transfers.

In 2007, the Corporation constructed a parking garage (the "Pacillo Parking Garage") in downtown Anchorage with its corporate assets. The Pacillo Parking Garage cost $44,000,000 and was leased to the State of Alaska for use by its departments and agencies located in Anchorage. As part of the Corporation's State Building Lease Program, the lease has been recorded as a direct financing lease. The State has the option to purchase the Pacillo Parking Garage for $1 after December 1, 2027, which is the end of the lease. In 2015, the Corporation issued its State Capital Project Bonds II, 2015 Series B and C, respectively, to partially refund its State Capital Project Bonds, 2007 Series A, which were originally issued in 2007 to finance the Pacillo Parking Garage. The following table lists the components of the net investment in direct financing lease and shows the future minimum payments under the lease for the next five years and thereafter (in thousands):

Future Minimum Payments Due Twelve Months Ending March 31,		**Parking Garage**
2020	$	3,304
2021		3,304
2022		3,304
2023		3,304
2024		3,304
Thereafter		9,908
Gross payments due		26,428
Less: Unearned revenue		(3,960)
Net investment in direct financing lease	$	22,468

8 CAPITAL ASSETS

Capital assets activity for the nine months ended March 31, 2020, and a summary of balances is shown below (in thousands):

		June 30, 2019		**Additions**		**Reductions**		**March 31, 2020**
Non-Depreciable Capital Assets:								
Land	$	20,228	$	1,073	$	(442)	$	20,859
Construction in progress		-		494		(420)		74
Total Non-Depreciable		20,228		1,567		(862)		20,933
Depreciable Capital Assets:								
Buildings		246,074		394		(2,910)		243,558
Computers & Equipment		2,746		272		-		3,018
Vehicles		2,395		224		(117)		2,502
Less: Accumulated depreciation								
Buildings		(173,021)		(4,439)		262		(177,198)
Computers & Equipment		(2,446)		(160)		-		(2,606)
Vehicles		(1,940)		(141)		118		(1,963)
Total Depreciable, Net		73,808		(3,850)		(2,647)		67,311
Total Capital Assets, Net	$	94,036	$	(2,283)	$	(3,509)	$	88,244

The above capital assets include $4,740,000 of land and land improvements that belong to ACAH.

Depreciation expense charged by the Corporation was $4,700,000 for the nine months ended March 31, 2020.

The Corporation is obligated under contracts and other commitments to purchase and/or modernize certain fixed assets. The total commitment, including amounts to be funded by third parties, was $10,811,000 at March 31, 2020.

9 DEFERRED OUTFLOWS OF RESOURCES

The Government Accounting Standards Board has defined deferred outflows of resources as the consumption of resources that are applicable to a future period. AHFC's deferred outflows of resources at March 31, 2020, were interest rate swap derivatives of $231,563,000, deferred debt refunding expense of $21,848,000, pension deferred outflows of $4,149,000, and other post employment benefits deferred outflows of $2,822,000 for a total of $260,382,000.

10 BONDS PAYABLE

All of the bonds are general obligations of the Corporation for which its full faith and credit are pledged. All of the bonds are secured, as described in the applicable agreements, by the revenues, monies, investments, mortgage loans, and other assets in the funds and accounts established by the respective security agreements. A substantial portion of the assets of the Corporation are pledged to the outstanding obligations of the Corporation.

The Corporation's obligations are not a debt of the State, and the State is not directly liable thereon except for the Veterans Mortgage Program Bonds. The Veterans Mortgage Program Bonds are backed by the full faith and credit of the State. Although the Corporation has always made its Veterans Mortgage Program Bond payments, in the event that the Corporation cannot make the payments, the State would be responsible for the principal and interest.

Bonds outstanding as of March 31, 2020, are shown on the next three pages (in thousands):

	Original Amount	March 31, 2020
Housing Bonds:		
Mortgage Revenue Bonds, Tax-Exempt:		
● 2009 Series A-2; 2.32%, due 2026-2041	$ 128,750	$ 63,080
● 2011 Series B; 3.30% to 4.05%, due 2020-2026	71,360	20,000
Total Mortgage Revenue Bonds	200,110	83,080
Home Mortgage Revenue Bonds, Tax-Exempt:		
● 2002 Series A; Floating Rate*; 1.15% at March 31, 2020, due 2032-2036	170,000	33,400
Unamortized swap termination penalty		(1,672)
● 2007 Series A; Floating Rate*; 4.75% at March 31, 2020, due 2020-2041	75,000	70,095
● 2007 Series B; Floating Rate*; 4.70% at March 31, 2020, due 2020-2041	75,000	70,095
● 2007 Series D; Floating Rate*; 3.70% at March 31, 2020, due 2020-2041	89,370	83,500
● 2009 Series A; Floating Rate*; 3.70% at March 31, 2020, due 2020-2040	80,880	80,880
● 2009 Series B; Floating Rate*; 3.70% at March 31, 2020, due 2020-2040	80,880	80,880
● 2009 Series D; Floating Rate*; 3.70% at March 31, 2020, due 2020-2040	80,870	80,870
Total Home Mortgage Revenue Bonds	652,000	498,048
Collateralized Bonds (Veterans Mortgage Program), Tax-Exempt:		
● 2016 First and Second Series; 1.15% to 3.20%, due 2020-2046	50,000	46,200
● 2019 First and Second Series; 1.60% to 4.00%, due 2020-2049	60,000	59,775
● Unamortized premium		828
Total Collateralized Bonds (Veterans Mortgage Program)	110,000	106,803
General Mortgage Revenue Bonds II, Tax-Exempt:		
● 2012 Series A; 2.50%-4.13%, due 2020-2037	145,890	71,595
Unamortized discount		(186)
● 2016 Series A; 1.05%-3.50%, due 2020-2046	100,000	84,950
Unamortized premium		644
● 2018 Series A; 1.80%-4.00%, due 2020-2048	109,260	103,535
Unamortized premium		1,992
● 2018 Series B; 3.45%-5.00%, due 2031-2035	58,520	58,520
Unamortized premium		4,279
● 2019 Series A; 1.10%-3.75%, due 2020-2049	136,700	136,700
Unamortized premium		2,244
● 2019 Series B; 2.50%-5.00%, due 2030-2034	24,985	24,985
Unamortized premium		4,688
Total General Mortgage Revenue Bonds II, Tax-Exempt	575,355	493,946

	Original Amount	March 31, 2020
Housing Bonds (cont.)		
Governmental Purpose Bonds, Tax-Exempt:		
● 2001 Series A; Floating Rate*; 3.70% at March 31, 2020, due 2020-2030	76,580	39,350
Unamortized swap termination penalty		(3,522)
● 2001 Series B; Floating Rate*; 3.70% at March 31, 2020, due 2020-2030	93,590	48,090
Total Governmental Purpose Bonds	170,170	83,918
Total Housing Bonds	1,707,635	1,265,795
Non-Housing Bonds:		
State Capital Project Bonds, Tax-Exempt:		
● 2002 Series C; Floating Rate*; 4.25% at March 31, 2020, due 2020-2022	60,250	16,890
● 2011 Series A; 5.00%, due 2020	105,185	3,040
Unamortized premium		15
Total State Capital Project Bonds, Tax-Exempt	165,435	19,945
State Capital Project Bonds II, Tax-Exempt:		
● 2012 Series A; 3.25% to 5.00%, due 2020-2032	99,360	37,790
Unamortized discount		(78)
Unamortized premium		1,254
● 2013 Series A; 4.00% to 5.00%, due 2020-2032	86,765	57,870
Unamortized premium		2,469
● 2014 Series A; 4.00% to 5.00%, due 2020-2033	95,115	76,745
Unamortized discount		(45)
Unamortized premium		3,086
● 2014 Series B; 5.00%, due 2020-2029	29,285	22,710
Unamortized premium		1,636
● 2014 Series D; 5.00%, due 2020-2029	78,105	75,030
Unamortized premium		6,288
● 2015 Series A; 3.00% to 5.00%, due 2020-2030	111,535	95,545
Unamortized premium		8,134
● 2015 Series B; 3.00% to 5.00%, due 2020-2036	93,365	88,130
Unamortized discount		(169)
Unamortized premium		3,949
● 2015 Series C; 5.00%, due 2020-2035	55,620	46,360
Unamortized premium		4,752
● 2017 Series A; 4.00% to 5.00%, due 2020-2032	143,955	137,685
Unamortized premium		16,443
● 2017 Series C; 5.00%, due 2024-2032	43,855	43,855
Unamortized premium		6,306
● 2018 Series B; 3.125% to 5.00%, due 2020-2038	35,570	34,485
Unamortized discount		(72)
Unamortized premium		3,625
● 2019 Series B; 3.000% to 5.00%, due 2020-2039	60,000	60,000
Unamortized premium		9,936
Total State Capital Project Bonds II, Tax-Exempt	932,530	843,719

	Original Amount	March 31, 2020
Non-Housing Bonds (cont.):		
State Capital Project Bonds II, Taxable:		
● 2017 Series B; Floating Rate*; 3.50% at March 31, 2020, due 2047	150,000	150,000
● 2018 Series A; Floating Rate*; 4.68% at March 31, 2020, due 2031-2043	90,000	90,000
● 2019 Series A; Floating Rate*; 6.25% at March 31, 2020, due 2033-2044	140,000	140,000
Total State Capital Project Bonds II, Taxable	380,000	380,000
Total Non-Housing Bonds	1,477,965	1,243,664
Direct Placement Bonds, Taxable:		
● 2014 Series C; Indexed Floating Rate**, 2.08% at March 31, 2020, due 2029	140,000	140,000
Total Direct Placement Bonds, Taxable	140,000	140,000
Total Bonds Payable	$ 3,325,600	$ 2,649,459

Note: Debt service payments on the above-mentioned bonds are semi-annual unless otherwise mentioned.
*Interest rates on the annotated variable-rate bonds are established by the Remarketing Agents on each Rate Determination Date.
**Interest rates on the indexed floating rate bonds are established monthly based on an index and a prescribed spread in the underlying bond documents.

Assets Pledged As Collateral for Debt

AHFC's bonds are secured by the general obligation of the Corporation and may also be secured with collateral from mortgages, investments and/or direct financing leases. See the table below (in thousands):

	Mortgages	Investments	Leases	Total
Housing	$ 1,713,080	$ 160,906	$ -	$ 1,873,986
Non-Housing	-	-	22,468	22,468
Direct Placement	-	-	-	-
Total	$ 1,713,080	$ 160,906	$ 22,468	$ 1,896,454

Redemption Provisions

The bonds are generally subject to certain early-redemption provisions, both mandatory and at the option of the Corporation. The Corporation redeems debt pursuant to the terms of the related agreements governing such redemptions. For housing bonds, such agreements typically permit surplus revenues resulting primarily from mortgage loan prepayments to be used to retire housing obligations at par. With respect to non-housing and direct placement bonds, such agreements typically permit optional redemptions at par from any source of funds on or after a specified date.

The Corporation also issues new debt whose proceeds are used to redeem previously issued debt, called current refundings. The related discounts and costs of issuance of the old debt are classified as a deferred outflow of resources and amortized as interest expense. The Corporation may call some bonds at a premium using any monies once bonds reach a certain age and may also use a clean-up call to redeem certain bonds once the outstanding amount falls below 15% of the total issuance.

During the nine months ended March 31, 2020, the Corporation made special revenue redemptions in the amount of $141,805,000.

Advance Refundings

There were no advance refundings in fiscal year 2019. A summary of all defeased debt from prior fiscal years as of March 31, 2020, follows (in thousands):

	Date Defeased	March 31, 2020
State Capital Project Bonds, 2011 Series A	September 2017	$ 63,705
State Capital Project Bonds, 2012 Series A	December 2017	29,795
State Capital Project Bonds, 2013 Series A	December 2017	16,345
		$ 109,845

Debt Service Requirements**

For all bonds in the preceding schedules, the Corporation's debt service requirements through 2025 and in five year increments thereafter to maturity are shown below (in thousands):

Twelve Months March 31,	Housing Bond Debt Service Principal	Housing Bond Debt Service Interest*	Housing Bond Debt Service Total	Non-Housing Bond Debt Service Principal	Non-Housing Bond Debt Service Interest*	Non-Housing Bond Debt Service Total
2021	$ 39,855	$ 42,401	$ 82,256	$ 54,755	$ 51,355	$ 106,110
2022	40,935	40,771	81,706	55,955	52,266	108,221
2023	43,645	39,569	83,214	55,480	49,499	104,979
2024	41,810	38,273	80,083	58,310	46,913	105,223
2025	43,235	37,012	80,247	56,940	44,076	101,016
2026-2030	256,315	162,956	419,271	300,035	176,733	476,768
2031-2035	363,105	109,917	473,022	196,890	113,038	309,928
2036-2040	250,200	55,803	306,003	76,290	85,141	161,431
2041-2045	124,305	18,206	142,511	171,480	73,422	244,902
2046-2050	53,095	4,533	57,628	150,000	15,750	165,750
	$ 1,256,500	$ 549,441	$ 1,805,941	$ 1,176,135	$ 708,193	$ 1,884,328

Twelve Months March 31,	Direct Placement Debt Service Principal	Direct Placement Debt Service Interest*	Direct Placement Debt Service Total	Total Debt Service Principal	Total Debt Service Interest*	Total Debt Service Total
2021	$ -	$ 4,586	$ 4,586	$ 94,610	$ 98,342	$ 192,952
2022	-	4,573	4,573	96,890	97,610	194,500
2023	-	4,573	4,573	99,125	93,641	192,766
2024	-	4,573	4,573	100,120	89,759	189,879
2025	-	4,586	4,586	100,175	85,673	185,848
2026-2030	140,000	22,880	162,880	696,350	362,568	1,058,918
2031-2035	-	-	-	559,995	222,955	782,950
2036-2040	-	-	-	326,490	140,944	467,434
2041-2045	-	-	-	295,785	91,628	387,413
2046-2050	-	-	-	203,095	20,283	223,378
	$ 140,000	$ 45,771	$ 185,771	$ 2,572,635	$ 1,303,403	$ 3,876,038

* Interest requirements have been computed for hedged variable rate bonds using the associated fixed swap rates and for unhedged variable rate bonds using interest rates in effect at March 31, 2020.

** Also see Note 11 – Derivatives.

Conduit Debt

From time to time, the Corporation has issued debt to assist private-sector entities in the acquisition or construction of facilities that help the Corporation fulfill its mission of making housing affordable for all Alaskans. The bonds are secured by the properties financed and are payable from rents, payments received on the underlying mortgage loans, as well as tax credits, grants and other subsidy funding. Neither the Corporation nor the State is obligated in any manner for repayment of the bonds. Accordingly, the bonds and any related assets are not reported as assets or liabilities in the accompanying financial statements.

A summary of all conduit debt as of March 31, 2020, follows (in thousands):

	Maximum Issue Amount	Balance as of March 31, 2020	Remaining Authority as of March 31, 2020
Revenue Bonds, 2018 (Hampstead Heath Apartments)	$ 7,600	$ 6,139	$ 1,461
Revenue Bonds, 2018 (Marina Karina Project)	4,400	4,282	118

Events of Default

Significant finance-related events of default with respect to the Corporation's outstanding housing, non-housing, and direct placement bonds include a failure to repay principal at stated maturity or upon redemption (including sinking fund payments); a failure to pay interest when due; and a continued failure to comply with, or default in the performance or observance of, any of the covenants, agreements or conditions in the Indenture 45 days after having received written notice thereof.

11 DERIVATIVES

The Corporation entered into derivatives to reduce the overall cost of borrowing long-term capital and protect against the risk of rising interest rates. The Corporation's derivatives consist of interest rate swap agreements entered into in connection with its long-term variable rate bonds. The interest rate swaps are pay-fixed, receive-variable agreements, and were entered into at a cost less than what the Corporation would have paid to issue conventional fixed-rate debt.

The swaps are recorded and disclosed as either hedging derivatives or investment derivatives. The synthetic instrument method was used to determine whether or not the derivatives constitute effective hedges. The fair values of the hedgeable derivatives and investment derivatives are presented in the Statement of Net Position, either as a derivative liability (negative fair value amount) or as a derivative asset (positive fair value amount). If a swap changes from a hedgeable derivative to an investment derivative, the hedge is considered terminated and the accumulated change in fair value is no longer deferred but recognized as a revenue item.

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

The fair value amounts, obtained from mark to market statements from the respective counterparties and reconciled to present value calculations done by the Corporation, represent mid-market valuations that approximate the current economic value using market averages, reference rates, and/or mathematical models. These measurements are Level 2 inputs. Actual trade prices may vary significantly from these estimates as a result of various factors, which may include (but are not limited to) portfolio composition, current trading intentions, prevailing credit spreads, market liquidity, hedging costs and risks, position size, transaction and financing costs, and the use of capital profit. The fair value represents the current price to settle swap assets or liabilities in the marketplace if a swap were to be terminated.

The Corporation's interest rate swaps require that if the ratings on the associated bonds fall to "BBB+/Baa1", the Corporation would have to post collateral of up to 100 percent of the swap's fair value. As of March 31, 2020, the Corporation had not posted any collateral and was not required to post any collateral.

Hedging Derivatives

The significant terms and credit ratings of the Corporation's hedging derivatives as of March 31, 2020, are shown below:

Related Bond Issue	Effective Date	Fixed Rate Paid	Variable Rate Received	Swap Termination Date	Counterparty Credit Rating[7]
GP01A[1]	12/01/08	2.4530%	67% of 1M LIBOR[4]	12/01/30	BBB+/A3
GP01B	08/02/01	4.1427%	67% of 1M LIBOR	12/01/30	AA/Aa3
E021A1[2]	10/09/08	2.9800%	70% of 3M LIBOR[5]	06/01/32	AA-/Aa2
SC02C[3]	12/05/02	4.3030%	SIFMA[6] + 0.115%	07/01/22	A+/Aa1
E071AB	05/31/07	3.7345%	70% of 3M LIBOR	12/01/41	AA-/Aa2
E071BD	05/31/07	3.7200%	70% of 3M LIBOR	12/01/41	A+/Aa1
E091A	05/28/09	3.7610%	70% of 3M LIBOR	12/01/40	A+/Aa1
E091B	05/28/09	3.7610%	70% of 3M LIBOR	12/01/40	AA-/Aa2
E091ABD	05/28/09	3.7400%	70% of 3M LIBOR	12/01/40	A+/Aa1
SC14C	06/01/19	3.2220%	100% of 1M LIBOR	12/01/29	AA-/Aa2

1. Governmental Purpose Bonds
2. Home Mortgage Revenue Bonds
3. State Capital Project Bonds
4. London Interbank Offered Rate ("LIBOR") 1 month
5. London Interbank Offered Rate 3 month
6. Securities Industry and Financial Markets Municipal Swap Index
7. Standard & Poor's/Moody's

The change in fair value and ending balance of the hedging derivatives as of March 31, 2020, is shown below (in thousands). The fair value is reported as a deferred outflow / inflow of resources in the Statement of Net Position.

Related Bond Issue	Notional Amounts	Present Values	Fair Values March 31, 2020	Fair Values June 30, 2019	Change in Fair Value
GP01A	$ 39,350	$ 44,036	$ (4,686)	$ (3,063)	$ (1,623)
GP01B	48,090	58,528	(10,438)	(8,776)	(1,662)
E021A1	33,400	38,999	(5,599)	(3,844)	(1,755)
SC02C	16,890	17,662	(772)	(1,059)	287
E071AB	134,214	186,036	(51,822)	(35,750)	(16,072)
E071AD	89,476	123,796	(34,320)	(23,645)	(10,675)
E091A	72,789	100,270	(27,481)	(19,138)	(8,343)
E091B	72,789	99,798	(27,009)	(18,854)	(8,155)
E091ABD	97,052	132,753	(35,701)	(24,873)	(10,828)
SC14C	140,000	173,737	(33,737)	(17,789)	(15,948)
Total	$ 744,050	$ 975,615	$ (231,565)	$ (156,791)	$ (74,774)

As of March 31, 2020, debt service requirements of the Corporation's outstanding variable-rate debt and net swap payments are displayed in the following schedule (in thousands). As interest rates vary, variable-rate bond interest payments and net swap payments will also vary.

Fiscal Year Ending March 31	VRDO Principal	VRDO Interest	Swap Net Payment	Total Payments
2020	$ 10,275	$ 13,129	$ 9,432	$ 32,836
2021	27,780	25,905	18,371	72,056
2022	29,230	24,951	17,835	72,016
2023	27,175	23,941	17,268	68,384
2024	24,750	22,971	16,643	64,364
2025-2029	142,290	99,128	72,626	314,044
2030-2034	274,840	57,132	39,204	371,176
2035-2039	141,660	29,623	20,006	191,289
2040-2044	66,050	3,597	2,363	72,010
	$ 744,050	$ 300,377	$ 213,748	$ 1,258,175

Credit Risk
As of March 31, 2020, the Corporation was not exposed to credit risk on any of the swaps because the swaps all have negative fair values. If interest rates rise and the fair value of the swaps becomes positive, the Corporation would be exposed to credit risk in the amount of the swaps' fair value. The swap agreements contain varying collateral agreements with the counterparties and require full collateralization of the fair value amount of the swap should the counterparty's rating fall to "BBB+/Baa1". The Corporation currently has swap agreements with six separate counterparties. Approximately 32.3% of the total notional amount of the swaps is held with one counterparty rated "AA-/Aa2". Another 27.3% of the total notional amount of the swaps is held with another counterparty rated "A+/Aa1" and 18.8% of the total notional amount of the swaps is held with another counterparty rated "AA-/Aa2." Of the remaining swaps, the counterparties are rated "A+/Aa1", "AA/Aa3", and "BBB+/A3", approximating 9.8%, 6.5%, and 5.3% respectively, of the total notional amount of the swaps.

Interest Rate Risk
The Corporation is exposed to interest rate risk on all of its interest rate swaps. As LIBOR or the SIFMA index decreases, the Corporation's net payment on the swaps increases.

Basis Risk
All of the Corporation's variable-rate bond interest payments related to interest rate swaps are based on the tax-exempt SIFMA index. Therefore, the Corporation is exposed to basis risk on swaps where the variable payment received on the swaps is based on a taxable LIBOR index and does not fully offset the variable rate paid on the bonds. The SC02C swap is based on the SIFMA index and thus is not exposed to any basis risk. As of March 31, 2020, SIFMA was 4.71% and 1-month LIBOR was 0.99%, resulting in a SIFMA/LIBOR ratio of 474.38%. The 3-month LIBOR was 1.45%, resulting in a SIFMA/LIBOR ratio of 324.72%. The SIFMA/LIBOR ratios have fluctuated since the agreements became effective but the anticipated cost savings from the swaps increases as the ratios decrease.

Termination Risk
Termination risk is the risk of an unscheduled termination of a swap prior to its planned maturity. If any of the swaps are terminated, the associated floating rate bonds would no longer carry synthetic fixed interest rates and the Corporation would be exposed to interest rate risk on the bond. This risk is mitigated by the fact that the termination payment could be used to enter into an identical swap at the termination date of the existing swap. Further, if any of the swaps have a negative fair value at termination, the Corporation would be liable to the counterparty for payments equal to the swaps' fair value. The Corporation or the counterparty may terminate any of the swaps if the other party fails to perform under the terms of the agreement, including downgrades and events of default.

Rollover Risk
Rollover risk occurs when there is a mismatch in the amortization of the swap versus the amortization of the floating rate bonds. The Corporation has structured the swaps to amortize at the same rate as scheduled or anticipated reductions in the associated floating rate bonds outstanding. The Home Mortgage Revenue Bonds, 2002 Series A swaps were set up in several tranches of various sizes that could be cancelled to parallel the redemption of debt from mortgage prepayments. In addition, the Governmental Purpose Bonds, 2001 Series A and B swaps cover only a portion of the total debt issuance, allowing any increase in the speed of mortgage prepayments to be directed to the un-swapped portion of the debt.

Investment Derivative
The State Capital Project Bonds, 2002 Series B, were fully redeemed in fiscal year 2009, so the associated interest rate swap is no longer a hedging derivative and is accounted for as an investment derivative.

The significant terms and credit ratings of the Corporation's investment derivative as of March 31, 2020, are shown below:

Related Bond Issue	Effective Date	Fixed Rate Paid	Variable Rate Received	Swap Termination Date	Counterparty Credit Rating
SC02B	12/05/02	3.7700%	70% of 1M LIBOR	07/01/24	A+/Aa1

The change in fair value of the investment derivatives as of March 31, 2020, is shown below (in thousands) and is presented on the net change of hedge termination line in the Statement of Revenues, Expenses, and Changes in Net Position.

Related Bond Issue	Notional Amounts	Present Values	Fair Values March 31, 2020	Fair Values June 30, 2019	Change in Fair Value
SC02B	$ 14,555	$ 16,340	$ (1,785)	$ (1,558)	$ (227)

Credit Risk
As of March 31, 2020, the Corporation was not exposed to credit risk on this outstanding swap because the swap had a negative fair value. If interest rates rise and the fair value of the swap becomes positive, the Corporation would be exposed to credit risk in the amount of the swaps' fair value. The swap agreement requires the counterparty to fully collateralize the fair value amount of the swap should the counterparty's rating fall to "BBB+/Baa1". The counterparty on this swap is rated "A+/Aa1".

12 LONG TERM LIABILITIES

The activity for the nine months ended March 31, 2020, is summarized in the following schedule (in thousands):

	June 30, 2019	Additions	Reductions	March 31, 2020	Due Within One Year
Total bonds and notes payable	$ 2,461,125	$ 379,560	$ (191,226)	$ 2,649,459	$ 94,610
Net Pension liability	35,515	-	-	35,515	-
Net OPEB liability	7,286	-	-	7,286	-
Compensated absences	4,317	1,975	(2,073)	4,219	1,784
Other liabilities	-	337	(337)	-	-
Total long-term liabilities	$ 2,508,243	$ 381,872	$ (193,636)	$ 2,696,479	$ 96,394

13 SHORT TERM DEBT

The Corporation has a taxable commercial paper program. Commercial paper is used to refund certain tax-exempt debt until new debt replaces it. Individual maturities range up to 270 days from date of issuance. The maximum aggregate outstanding principal balance authorized by the Corporation's Board of Directors is $150,000,000. The lowest yield during the nine months ended March 31, 2020, was 0.72% and the highest, 2.46%.

Short term debt activity for the nine months ended March 31, 2020, is summarized in the following schedule (in thousands):

	June 30, 2019	Additions	Reductions	March 31, 2020
Commercial paper	$ 49,550	$ 467,319	$ (446,699)	$ 70,170
Unamortized discount	(81)	(694)	659	(116)
Commercial paper, net	$ 49,469	$ 466,625	$ (446,040)	$ 70,054

14 DEFERRED INFLOWS OF RESOURCES

The Government Accounting Standards Board has defined deferred inflows of resources as the acquisition of resources that are applicable to a future period. AHFC's pension deferred inflows of resources at March 31, 2020, totaling $891,000, represent the difference between projected and actual investment earnings in the State of Alaska's PERS Defined Benefit Retirement Plan. AHFC's OPEB deferred inflows of resources at March 31, 2020, represent $828,000 difference between expected and actual experience, $1,572,000 difference between projected and actual investment earnings, and $428,000 changes in proportion and differences between employer contributions in the OPEB plan. The combined total of all deferred inflows of resources is $3,719,000.

15 TRANSFERS

Transfers for the nine months ended March 31, 2020, are summarized in the following schedule (in thousands):

		From				
	Administrative Fund	Grant Programs	Mortgage or Bond Programs	Other Funds or Programs	Alaska Corporation for Affordable Housing	Total
To Administrative Fund	$ -	$ 2,813	$ 875,345	$ 6,565	$ -	$ 884,723
Grant Programs	15,757	-	-	-	-	15,757
Mortgage or Bond Programs	770,428	-	-	-	-	770,428
Other Funds or Programs	10,110	-	-	-	-	10,110
Alaska Corporation for Affordable Housing	3,328	-	-	-	-	3,328
Total	$ 799,623	$ 2,813	$ 875,345	$ 6,565	$ -	$1,684,346

Transfers are used to:

(1) move cash between the Administrative Fund and the Mortgage or Bond Programs to subsidize debt service payments or satisfy bond indenture requirements;
(2) move mortgages between the Administrative Fund and the Mortgage or Bond Programs;
(3) record expenditures paid on behalf of the Grant Programs, the Mortgage or Bond Programs, and the Other Funds or Programs by the Administrative Fund;
(4) move cash and mortgages between various Mortgage or Bond Programs; or
(5) record any non-reimbursable expenditures paid by the Administrative Fund on behalf of ACAH and cash transferred between the Administrative Fund and ACAH.

16 OTHER CREDIT ARRANGEMENTS

The Corporation currently has certain outstanding debt obligations in relation to which it has entered into standby bond purchase agreements ("SBPAs") to guarantee the payment of debt service in the event of unremarketed tenders. The Corporation also entered into a revolving credit agreement ("RCA") in 2017 for up to $300,000,000 of additional liquidity with respect to debt issued under its State Capital Project Bonds indenture, State Capital Project Bonds II indenture, and Commercial Paper Notes program.

At March 31, 2020, the Corporation had the following available unused credit lines (in thousands):

	Credit Type	Credit Exposure: S&P	Credit Exposure: Moody	Available Unused Lines of Credit
2002 Series A Home Mortgage Revenue Bonds	SBPA	AA+	Aaa	$ 33,400
2007 Series A, B, D Home Mortgage Revenue Bonds	SBPA	AA+	Aaa	223,690
2009 Series A Home Mortgage Revenue Bonds	SBPA	A+	Aa1	80,880
2009 Series B Home Mortgage Revenue Bonds	SBPA	A+	Aa1	80,880
2009 Series D Home Mortgage Revenue Bonds	SBPA	AA+	Aaa	80,870
2001 Series A & B Governmental Purpose Bonds	SBPA	AA+	Aaa	87,440
State Capital Project Bonds (I & II) & Commercial Paper	RCA	A	A1	300,000
Total				$ 887,160

17 YIELD RESTRICTION AND ARBITRAGE REBATE

Most mortgages purchased with the proceeds of tax-exempt mortgage revenue bonds issued by the Corporation are subject to interest-rate yield restrictions of 1.125% to 1.500% over the yield of the bonds. These restrictions are in effect over the lives of the bonds.

Non-mortgage investments made under the Corporation's tax-exempt mortgage revenue bond programs are subject to rebate provisions or restricted as to yields. The rebate provisions require that a calculation be performed every five years and upon full retirement of the bonds to determine the amount, if any, of excess yield earned and owed to the Internal Revenue Service. As investment rates change over time, it is sometimes possible to recoup previous rebate payments. With respect to the Corporation's Governmental Purpose Bonds, 2001 Series A and B, prior payments totaled $1,383,000, but rebate liability as of March 31, 2020, was $639,000, resulting in $744,000 due to the Corporation.

18 STATE AUTHORIZATIONS AND COMMITMENTS

The Corporation uses its assets to fund certain housing and non-housing capital projects identified by the State. The aggregate amount expected to be funded by the Corporation was expressed by the following language of legislative intent included in the fiscal year 1996 capital appropriation bill, enacted in 1995.

> "The Legislature intends to ensure the prudent management of the Alaska Housing Finance Corporation to protect its excellent debt rating by the nation's financial community and to preserve its valuable assets of the State. To accomplish its goal, the sum of withdrawals for transfer to the general fund and for expenditure on corporate funded capital projects should not exceed the Corporation's net income for the preceding fiscal year."

The projected amounts stated in the legislative intent language were based on the Corporation's financial operating plan and represent the total amount of anticipated State transfers and capital expenditures rather than projected "net income". Following are the details of AHFC's dividend to the State as of March 31, 2020, (in thousands):

	Dividend Due to State	Expenditures	Remaining Commitments
State General Fund Transfers	$ 818,618	$ (788,948)	$ 29,670
State Capital Projects Debt Service	482,877	(468,732)	14,145
State of Alaska Capital Projects	264,586	(251,641)	12,945
AHFC Capital Projects	535,592	(490,217)	45,375
Total	$ 2,101,673	$ (1,999,538)	$ 102,135

Transfer Plan with the State

The 1998 Legislature authorized the Corporation to finance state capital projects through the issuance of up to $224,000,000 in bonds. Debt service payments on such bonds are categorized as transfers pursuant to the Transfer Plan. That legislation also extended the term of the Transfer Plan by stating the Legislature's intent that the Corporation transfer to the State (or expend on its behalf) an amount not to exceed $103,000,000 in each fiscal year through fiscal year 2006, again stating that, to protect the Corporation and its bond rating, in no fiscal year should such amount exceed the Corporation's net income for the preceding fiscal year. The bond proceeds are allocated to agencies and municipalities subject to specific legislative appropriation.

The 2000 Legislature adopted legislation authorizing the issuance of bonds in sufficient amounts to fund the construction of various State capital projects, and extended the Transfer Plan (as described above) through fiscal year 2008. The 2002 Legislature authorized the issuance of capital project bonds for the renovation and deferred maintenance of the Corporation's Public Housing facilities. The 2004 Legislature adopted legislation authorizing the additional issuance of bonds in sufficient amounts to fund the construction of various State capital projects. The bond proceeds are allocated to agencies and municipalities subject to specific legislative appropriation.

The Corporation has issued $196,345,000 principal amount of State Capital Project Bonds pursuant to the 1998 Act, $74,535,000 principal amount of State Capital Project Bonds pursuant to the 2000 Act, $60,250,000 principal amount of State Capital Project Bonds pursuant to the 2002 Act, and $45,000,000 principal amount of bonds under the State Capital Project agreement pursuant to the 2004 Act, and has completed its issuance authority under the Acts. The payment of principal and interest on these bonds will be included in future capital budgets of the Corporation. Debt service payments on such bonds are categorized as transfers pursuant to the Transfer Plan.

The Twenty-Third Legislature in 2003 enacted SCS HB 256 (the "2003 Act') which added language to the Alaska Statutes to modify and incorporate the Transfer Plan. The Corporation and the State view the 2003 Act as an indefinite, sustainable continuation of the Transfer Plan. As approved and signed into law by the Governor and modified by the Twenty-Fourth Legislature in 2006 with SB 236, the 2003 Transfer Plan calls for annual transfers that will not exceed the lesser of 75% of the adjusted change in net position for the fiscal year two years prior to the current fiscal year or $103,000,000 less debt service on certain State Capital Project Bonds, less any legislative appropriation of the Corporation's unrestricted, unencumbered funds other than appropriations of the Corporation's operating budget.

19 HOUSING GRANTS AND SUBSIDIES EXPENSES

The grant programs are funded from HUD, federal, State and Corporate proceeds. The Corporation paid grants to third parties for the following programs (in thousands):

		March 31, 2020
AMHTA Rural Capacity Expansion	$	68
Beneficiaries and Special Needs Housing		1,669
Continuum of Care Homeless Assistance		1,098
Domestic Violence		1,248
Discharge Incentive grant		128
Drug Elimination		15
Emergency Shelter Grant (ESG)		149
Energy Efficiency Monitoring Research		358
Energy Efficient Home Program		(2)
Foster Youth to Independence		5
HOME Investment Partnership		2,071
Homeless Assistance Program		3,245
Housing Choice Vouchers		23,101
Housing Choice Voucher - Mainstream		172
Housing Grants - Other Agencies		5
Housing Loan Program		723
Housing Opportunities for Persons with AIDS		479
Housing Trust Fund		1,717
Low Income Weatherization Assistance		4,116
Low Income Home Energy Assistance		660
Non-Elderly Disabled (NED)		184
Parolees (TBRA)		413
Section 811 Rental Housing Assistance		22
Section 8 Rehabilitation		366
Senior Citizen Housing Development Grant		786
Supplemental Housing Grant		2,397
Veterans Affairs Supportive Housing		1,440
Youth (TBRA)		107
Total Housing Grants and Subsidies Expenses	$	46,740

In addition to grant payments made, the Corporation had advanced grant funds of $3,854,000 and committed to third parties a sum of $29,720,000 in grant awards as of March 31, 2020.

20 PENSION AND POST-EMPLOYMENT HEALTHCARE PLANS

Description of Plans

As of March 31, 2020, all regular employees of the Corporation who work more than fifteen hours per week participate in the Alaska Public Employees' Retirement System ("PERS"). PERS administers the State of Alaska Public Employees' Retirement System Defined Benefit Retirement Plan, which includes both pension and post-employment healthcare plans for all employees hired prior to July 1, 2006. The defined benefit plan was an agent multiple-employer, statewide plan until July 1, 2008, when Senate Bill 125 converted the plan to a multiple-employer cost-sharing plan.

PERS also administers the State of Alaska Public Employees' Retirement System Defined Contribution Retirement Plan, which includes both pension and post-employment healthcare plans for all employees hired on or after July 1, 2006.

PERS is administered by the State. Benefits and contributions provisions are established by Chapter 35 of Alaska Statute Title 39, and may be amended only by state legislature. Amendments do not affect existing employees.

PERS audited financial statements are available at www.doa.alaska.gov/drb.

Defined Benefit ("DB") Pension and Post-Employment Healthcare Plans *(Employees hired prior to July 1, 2006)*

Employee Benefits:
Employees hired prior to July 1, 1986, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 55 or early retirement age 50. The normal pension benefit is equal to 2% of the member's three-year highest average monthly compensation for the first ten years of service and for all service prior to July 1, 1986, 2¼% for the second ten years of service and 2½% for all remaining years of service. Employees with 30 or more years of credited service may retire at any age and receive a normal benefit. The plan pays the retiree medical plan premium and provides death and disability benefits.

Employees hired between July 1, 1986, and June 30, 1996, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 60 or early retirement age 55. The normal pension benefit is equal to 2% of the member's three-year highest average monthly compensation for the first ten years of service, 2¼% for the second ten years of service and 2½% for all remaining years of service. Employees with 30 or more years of credited service may retire at any age and receive a normal benefit. The plan does not pay the retiree medical plan premium for retirees under the age of 60 unless the retiree has 30 years of credited service. The employee may elect to pay the full premium cost for medical coverage.

Employees hired between July 1, 1996, and June 30, 2006, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 60 or early retirement age 55. The normal pension benefit is equal to 2% of the member's five-year highest average monthly compensation for the first ten years of service, 2¼% for the second ten years of service and 2½% for all remaining years of service. Employees with 30 or more years of credited service may retire at any age and receive a normal benefit. The plan does not pay the retiree medical plan premium for retirees with less than 10 years of service at age 60. The employee may elect to pay the full premium cost for medical coverage.

This plan was closed to new entrants as of June 30, 2006.

The Defined Benefit Pension and Post-Employment Healthcare Plan issues financial reports that are available to the public on the SOA website: alaska.gov/drb/employer/resources/gasb.html

Funding Policy:

Under State law, covered employees are required to contribute 6.75% of their annual covered salary to the pension plan and are not required to contribute to the post-employment healthcare plan.

Under State law, the Corporation is required to contribute 22.00% of annual covered salary. For fiscal year 2020, 15.72% of covered salary is for the pension plan and 6.28% is for the post-employment healthcare plan.

Under AS39.35.255, the State funds 6.62%, the difference between the actuarial required contribution of 28.62% for fiscal year 2020 and the employer rate of 22.00%.

Pension Liabilities:
The pension liability for the nine months ended March 31, 2020, is not available at this time.

At June 30, 2019, the Corporation reported a liability for its proportionate share of net pension liability of $35,515,000. This amount reflected State pension support provided to the Corporation of $10,284,000. The total net pension liability associated with the Corporation was $45,799,000.

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the new pension liability was determined by an actuarial valuation as of June 30, 2017 and rolled forward to June 30, 2018.

Pension Expense:

The pension expense for the nine months ended March 31, 2020, is not available at this time.

For the year ended June 30, 2019, the Corporation recognized pension expense of $81,000 and revenue of $1,189,000 for support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:
The Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions for the nine months ended March 31, 2020, are not available at this time.

As of June 30, 2019, the Corporation's deferred outflows of resources related to pension expense of $4,148,000 were due to a change in its proportionate share of contributions to the pension plan of $637,000, a difference between projected and actual investment earnings of $784,000 and contributions to the pension plan subsequent to the measurement date of $2,727,000. The Corporation's deferred inflows of resources related to pension of $891,000 were due to a difference between expected and actual experience.

Contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending June 30, 2020. The amounts recognized as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows (in thousands):

Year Ended June 30,	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**	**Total**
2020	$ 3,693	$ (222)	$ 3,471
2021	652	(223)	429
2022	(385)	(223)	(608)
2023	188	(223)	(35)
	$ 4,148	$ (891)	$ 3,257

Pension Employer Contributions:
In 2019, the Corporation was credited with the following contributions to the PERS plan:

	Measurement Period Corporation FY18	**Corporation FY17**
Employer PERS contributions	$ 2,932,000	$ 2,678,000

Pension Actuarial Assumptions:
The total pension liability for the fiscal year ending June 30, 2019, was determined by an actuarial valuation as of June 30, 2017, rolled forward to the measurement date of June 30, 2018. The valuation was prepared assuming an inflation rate of 3.12%. Salary increases were determined by grading by age and service to range from 4.34% to 8.55%. The investment rate of return was calculated at 8.00%, net of pension plan investment expenses, based on an average inflation rate of 3.12% and a real rate of return of 4.88%.

Mortality rates were based on the RP-2000 table, 2000 Base Year projected to 2018 with Projection scale BB.

The actuarial assumptions used in the June 30, 2017 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2009, to June 30, 2013.

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

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018, are summarized in the following table (note that the rates shown below exclude the inflation component):

Asset Class	Long-term Expected Real Rate of Return
Domestic Equity	8.90 %
Global Equity (non-U.S.)	7.85 %
Fixed Income	1.25 %
Opportunistic	4.76 %
Real Assets	6.20 %
Absolute Return	4.76 %
Private Equity	12.08 %
Cash Equivalents	0.66 %

Pension Discount rate:
The discount rate used to measure the total pension liability was 8%. The projection of cash flows used to determine the discount rate assumed that the Corporation and non-employer State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability in accordance with the method prescribed by GASB Statement No. 67.

Sensitivity of the Corporation's proportionate share of the net pension liability to changes in the discount rate:
The following presents the Corporation's proportionate share of the net pension liability using the discount rate of 8% and what it would be if the discount was 1% lower (7%) or 1% higher (9%), (in thousands).

	1% Decrease (7%)	Current Discount Rate (8%)	1% Increase (9%)
Corporation's proportionate share of the net pension liability	$ 47,031	$ 35,515	$ 25,774

Defined Contribution ("DC") Pension and Post-Employment Healthcare Plans *(Employees hired on or after July 1, 2006):*

Employee Benefits
Defined Contribution Pension Plan participants (PERS Tier IV) participate in the Occupational Death and Disability Plan ("ODD"), and the Retiree Medical Plan ("RM"). Information on these plans is included in the comprehensive annual financial report for the PERS Plan noted above. These plans provide for death, disability, and post-employment healthcare benefits.

There is no retirement age set, however taxes and penalties may apply if withdrawn prior to age 59 ½. Retirement benefits are equal to the Defined Contribution account balance plus interest. The employee may direct the investment of the account if so desired. The account balance is 100% of the employee's contribution plus 25% of the Corporation's contribution after two years of service, 50% of the Corporation's contribution after three years of service, 75% of the Corporation's contribution after four years of service, and 100% of the Corporation's contribution after 5 years of service. The plan pays a portion of the retiree medical plan premium if the retiree retires directly from the plan and is eligible for Medicare. The portion of premium paid by the plan is determined by years of service.

Funding Policy
Under State law, covered employees are required to contribute 8% of their annual covered salary to the pension plan and are not required to contribute to the post-employment healthcare plan. Employer contribution rates for the fiscal year 2020 are as follows:

	Other Tier IV
Pension Employer Contribution	5.00 %
Occupational Death and Disability Denefits (ODD)	0.26 %
Retiree Medical	1.32 %
Total OPEB	1.58
Total Contribution Rates	6.58 %

Under State law the Corporation is required to contribute 22% of annual covered salary. For fiscal year 2020, 6.58% of covered salary is split between 5.00% for the pension plan and 1.58% for the post-employment healthcare plan. Then, to offset additional individual post-employment healthcare cost, an annual flat dollar amount of $2,121.60, representing 3% of total annual covered compensation in the Plan for each full-time employee, and $1.36 per hour for part-time employees, is deposited in a Health Reimbursement Arrangement ("HRA") Account for each covered employee per AS 39.30.370.

Additionally, if the total amount that the Corporation has contributed for the defined contribution pension and post-employment healthcare plans is less than 22% of covered payroll after the HRA contributions, the Corporation must pay that additional amount. This additional amount is used to reduce the defined benefit plan's unfunded liability. For the nine months ended March 31, 2020, the Corporation paid additional contributions of $944,000. These contributions equal $675,000 for the defined benefit pension as of March 31, 2020, and $269,000 for the defined benefit post-employment healthcare plans as of March 31, 2020.

The contributions to the pension plan for the nine months ended March 31, 2020, by the employees totaled $622,000 and by the Corporation totaled $389,000.

The Corporation contributed $257,000 to a Health Reimbursement Arrangement for the nine months ended March 31, 2020.

The Defined Contribution Pension and Post Employment Healthcare Plan issues financial reports that are available to the public on the SOA website: alaska.gov/drb/employer/resources/gasb.html.

Other Post-Employment Benefits ("OPEB") Defined Benefit and Defined Contribution Plans

The Corporation's contributions to the defined benefit post-employment healthcare plan for the nine months ended March 31, 2020, totaled $521,000, and for the years ended June 30, 2019, and June 30, 2018, totaled $676,000 and $613,000, respectively.

OPEB Employer Contribution Rate:
In 2019, the Corporation was credited with the following contributions to the OPEB plan:

	Measurement Period FY18	Measurement Period FY17
Employer contributions DB	$ 894,000	$ 1,261,000
Employer contributions DC RM	83,000	86,000
Employer contributions DC ODD	13,000	12,000
Nonemployer contributions (on-behalf)	-	-
Total Contributions	**$ 990,000**	**$ 1,359,000**

Changes in Benefit Provisions Since the Prior Valuation of OPEB:
There have been no changes in the benefit provisions effective since the prior valuation for the Defined Benefit OPEB plan.

OPEB healthcare cost trend rates:
Healthcare Reform legislation passed on March 23, 2010. There is no change due to this legislation, because the State plan is retiree-only. Actuaries determined the impact to be approximately $50.8 million of the projected June 30, 2017 healthcare actuarial accrued liability for the defined benefit plans due to cost plan excise tax (Cadillac tax).

Healthcare cost trend model has been adopted by the Society of Actuaries, and has been populated with assumptions that are specific to the State of Alaska. The table below shows the rate used by actuaries to project the cost from the shown fiscal year to the next fiscal year.

	Medical Pre-65	Medical Post-65	Prescription Drugs	RDS/ Employer Group Waiver Program (EGWP)
FY18	8.0%	5.5%	9.0%	6.5%
FY19	7.5%	5.5%	8.5%	6.2%
FY20	7.0%	5.4%	8.0%	6.0%
FY21	6.5%	5.4%	7.5%	5.7%
FY22	6.3%	5.4%	7.1%	5.5%
FY23	6.1%	5.4%	6.8%	5.4%
FY24	5.9%	5.4%	6.4%	5.2%
FY25	5.8%	5.4%	6.1%	5.0%
FY26	5.6%	5.4%	5.7%	4.8%
FY27-FY40	5.4%	5.4%	5.4%	4.7%
FY41	5.2%	5.2%	5.2%	4.6%
FY42	5.1%	5.1%	5.1%	4.5%
FY43	5.0%	5.0%	5.0%	4.5%
FY44	4.8%	4.8%	4.8%	4.4%
FY45	4.7%	4.7%	4.7%	4.3%
FY46	4.5%	4.5%	4.5%	4.2%
FY47	4.4%	4.4%	4.4%	4.2%
FY48	4.3%	4.3%	4.3%	4.1%
FY49	4.1%	4.1%	4.1%	4.0%
FY50+	4.0%	4.0%	4.0%	4.0%

Key Elements of OPEB formula:
Liabilities and contributions shown in the report are computed using the Entry Age Normal Actuarial Cost Method. Any funding surpluses or unfunded accrued liability are amortized over a closed 25-year period (established June 30, 2014) as a level percentage of payroll amount. State statutes allow the contribution rate to be determined on payroll for all members, defined benefit and defined contribution member payroll combined. State statues allow the contribution rate to be determined on the payroll for all members, defined benefit and defined contribution member payroll combined.

Projected pension and postemployment healthcare benefits were determined for all active members. Cost factors designed to produce annual costs as a level dollar amount from the assumed entry age to the assumed retirement age were applied to the projected benefits to determine the normal cost (the portion of the total cost of the plan allocated to the current year under the method). The normal cost is determined by summing intermediate results for active members and determining an average normal cost rate which is then related to the total payroll of active members. The actuarial accrued liability for active members (the portion of the total cost of the plan allocated to prior years under the method) was determined as the excess of the actuarial present value of projected benefits over the actuarial present value of future normal costs.

The actuarial accrued liability for retired members, their beneficiaries and disabled members currently receiving benefits was determined as the actuarial present value of the benefits expected to be paid. No future normal costs are payable for these members. The actuarial accrued liability under this method at any point in time is the theoretical amount of the fund that would have been accumulated had annual contributions equal to the normal cost been made in prior years (it does not represent the liability for benefits accrued to the valuation date). The unfunded actuarial accrued liability is the excess of the actuarial accrued liability over the actuarial value of plan assets measured on the valuation date. Under this method, experience gains or losses, i.e., decreases or increases in accrued liabilities attributable to deviations in experience from the actuarial assumptions, adjust the unfunded actuarial accrued liability.

Post-employment healthcare benefits:
Major medical benefits are provided to retirees and their surviving spouses by PERS for all employees hired before July 1, 1986, (Tier 1) and disabled retirees. Employees hired after June 30, 1986, (Tier 2) and their surviving spouses with five years of credited service (or ten years of credited service for those first hired after June 30, 1996, (Tier 3))

must pay the full monthly premium if they are under age sixty and will receive benefits paid by PERS if they are over age sixty. Tier 3 Members with between five and ten years of credited service must pay the full monthly premium regardless of their age. Tier 2 and Tier 3 Members with less than five years of credited service are not eligible for post-employment healthcare benefits. Tier 2 Members, who are receiving a conditional benefit and are age eligible, are eligible for post-employment healthcare benefits. Employees and their surviving spouses with thirty years of membership service, and any disabled member, receive benefits paid by PERS, regardless of their age or date of hire.

Medical, prescription drug, dental, vision and audio coverage is provided through the AlaskaCare Retiree Health Plan. Health plan provisions do not vary by retirement tier or age, except for Medicare coordination. Surviving spouses continue coverage only if a pension payment form that provided survivor benefits was elected. Where premiums are required prior to age 60, the valuation bases this payment upon the age of the retiree.

Of those benefit recipients who are eligible for the COLA, 70% are assumed to remain in Alaska and receive COLA. 50%-75% of assumed inflation, or 1.56% and 2.24% respectively, is valued for the annual automatic Post-Retirement Pension Adjustment (PRPA).

OPEB Liabilities:
The OPEB liabilities for the nine months ended March 31, 2020, are not available at this time.

At June 30, 2019, the total net OPEB liability associated with the Corporation was $7,286,000.

At June 30, 2019, the Corporation reported a liability for its proportionate share of the net OPEB liabilities (“NOL”) that reflected a reduction for State OPEB support provided to the Corporation. The amount recognized by the Corporation for its proportional share, the related State proportion, and the total were as follows:

Corporation's proportionate share Net OPEB Liabilities:	2019
Corporation’s proportionate share of NOL – DB	$ 7,334,000
Corporation’s proportionate share of NOL – DC RM	90,000
State’s proportionate share of the NOL associated with the Corporation	-
Total Net OPEB Liabilities	$ 7,424,000

Corporation's proportionate share Net OPEB Assets:	2019
Corporation’s proportionate share of NOA – DC ODD	$ 138,000
Total Net OPEB Assets	$ 138,000

The net OPEB liability was measured as of June 30, 2018, and the total pension liability used to calculate the new pension liability was determined by an actuarial valuation as of June 30, 2017, and rolled forward to June 30, 2018. The Corporation’s proportion of the net OPEB liabilities were based on a projection of the Corporation’s long-term share of contributions to the OPEB plans relative to the projected contributions of all participating entities, actuarially determined.

Corporation's proportionate share Net OPEB Liabilities:	**June 30, 2017 Measurement Date Employer Proportion**	**June 30, 2018 Measurement Date Employer Proportion**	**Change**
DB	0.68990%	0.71458%	0.02468%
DC RM	0.70310%	0.71095%	0.00785%
DC ODD	0.70310%	0.71095%	0.00785%

Changes in Benefit Provisions Since Prior Valuation of OPEB:
For Defined Contribution Retiree Medical OPEB (“DC RM”) and Defined Contribution - Occupational Death & Disability (“DC ODD”) plans there were the following updates: the health care cost trend assumption was updated as shown above to reflect anticipated increases in costs based on recent survey data. Healthcare claim costs are updated annually. Minor updates were made to the factors used to adjust the DB plan costs to reflect DCR plan design differences. For the Defined Benefit (DB) plan healthcare cost trend assumption was

updated to reflect anticipated increases in costs based on recent survey data. Healthcare claim costs are updated annually.

OPEB Expense:
The OPEB expense for the nine months ended March 31, 2020 is not available at this time.

For the year ended June 30, 2019, the Corporation recognized OPEB expense of $450,000 and no support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:
At June 30, 2019, the Corporation reported deferred outflows of resources and deferred inflow of resources related to OPEB from the following sources (in thousands):

Year Ended June 30, 2019	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	$ 1,351	$ -
Difference between expected and actual experience	-	(828)
Difference between projected and actual investment earnings	-	(1,572)
Changes in assumptions	1,154	-
Changes in proportion and difference between employer contributions	317	(428)
Total Deferred Inflows	$ 2,822	$ (2,828)

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

Year Ended June 30:	Total
2020	$ 799
2021	(252)
2022	(514)
2023	(35)
2024	(1)
Thereafter	(3)
	$ (6)

OPEB Actuarial Assumptions:
The total OPEB liability for the year ended June 30, 2019, was determined by an actuarial valuation as of June 30, 2017, rolled forward to the measurement date of June 30, 2018. The actuarial assumptions used in the June 30, 2017, actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2009, to June 30, 2013, resulting in changes in actuarial assumptions adopted by the Alaska Retirement Management Board to better reflect expected future experience.

Actuarial cost method	Entry age normal; level percentage of payroll.
Inflation	3.12%
Salary increases	Graded by age and service, from 8.55% to 4.34% for all others
Allocation Methodology	For PERS ARHT, allocation percentages are applied to OPEB amounts and are based on the ratio of the present value of projected future contributions for AHFC to the total present value of projected future contributions to the Plan for the FY2019-FY2039. For PERS DB RM and DB ODD allocation percentages

	are applied to amounts presented in the schedule of the OPEB amounts by employer and are based on the ratio of contributions made for AHFC to total contributions made to the Plan during FY19.
Investment Return / Discount Rate	8.00%, net of OPEB plan investment expenses. This is based on an average inflation rate of 3.12% and a real rate of return of 4.88%.
Mortality	Pre-termination – Based on the 2010-2013 actual mortality experience, 60% of male and 65% of female post-termination rates. Deaths are assumed to be occupational 50% of the time for others. Post-termination – 96% of all rates of the RP-2000 table, 2000 base year projected to 2018 with projection scale BB.

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

Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2018, are summarized in the following table (note that the rates shown below exclude the inflation component):

Asset Class	Long-term Expected Real Rate of Return	
Domestic Equity	8.90	%
Global Equity (non-U.S.)	7.85	%
Fixed Income	1.25	%
Opportunistic	4.76	%
Real Assets	6.20	%
Absolute Return	4.76	%
Private Equity	12.08	%
Cash Equivalents	0.66	%

OPEB Discount rate:
The discount rate used to ensure the total OPEB liability was 8%. The projection of cash flows used to determine the discount rate assumed that the Corporation and non-employer State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability in accordance with the method prescribed by GASB Statement No. 74.

Sensitivity of the Corporation's proportionate share of the net OPEB liability to changes in the discount rate:
The following presents the Corporations proportionate share of the net pension liability using the discount rate of 8% and what it would be if the discount was 1-percentage-point (7%) lower or 1-percentage-point higher (9%), (in thousands).

Corporation's proportionate share of the net OPEB liabilities (assets):	Proportional Share	1% Decrease (7%)	Current Discount Rate (8%)	1% Increase (9%)
DB plan	0.71458	$ 14,847	$ 7,334	$ 1,036
DC RM plan	0.71095	270	90	(50)
DC ODD plan	0.71095	(130)	(138)	(145)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate:
The following presents the Corporation's net OPEB liability using current healthcare cost trend rates and comparing to a 1% increase and a 1% decrease of current healthcare costs trend rates, (in thousands).

Corporation's proportionate share of the net OPEB liabilities (assets):	Proportional Share	1% Decrease	Current Discount Rate	1% Increase
DB plan	0.71458	$ 142	$ 7,334	$ 15,996
DC RM plan	0.71095	$ (77)	$ 90	$ 314
DC ODD plan	0.71095	n/a	$ (138)	n/a

OPEB plan's fiduciary net position:
All information regarding the Plan's assets, deferred outflow/inflow of resources, liabilities and fiduciary net position can be found in the PERS financial statements that are available to the public on the SOA website: alaska.gov/drb/employer/resources/gasb.html

Annual Postemployment Healthcare Cost
The annual postemployment healthcare cost for the nine months ended March 31, 2020 is not available at this time.

In 2019, the Corporation recognized $381,000 in DC OPEB costs. These amounts were recognized as expense.

21 OTHER COMMITMENTS AND CONTINGENCIES

Medical Self Insurance
During the fiscal year ended June 30, 1998, the Corporation began a program of self-insurance for employee medical benefits. Costs are billed directly to the Corporation by an Administrative Services Provider that processes all of the claims from the employees and their dependents. The Corporation has purchased a stop-loss policy that limits its liability to $175,000 per employee per year. The Corporation has provided for an estimate of the Incurred but Not Reported ("IBNR") liability in the amount of $4,347,000 as of March 31, 2020.

Lease Obligations
The Corporation leases the land at its Anchorage Family Investment Center located at 440 E. Benson Blvd., Anchorage, Alaska for $7,000 per month. Lease expense for the nine months ended March 31, 2020, totaled $63,000.

Litigation
The Corporation, in the normal course of its activities, is involved in various claims and pending litigation, the outcome of which is not presently determinable. In the opinion of management, the disposition of these matters is not presently expected to have a material adverse effect on the Corporation's financial statements.

Contingent Liabilities
The Corporation participates in several federally assisted programs. These programs are subject to program compliance audits and adjustment by the grantor agencies or their representatives. Any disallowed claims, including amounts already collected, would become a liability of the Administrative Fund. In management's opinion, disallowance, if any, will be immaterial.

Subsequent Events
On March 25, 2020, the Corporation's Board of Directors authorized the issuance and sale of not to exceed $300,000,000 State Capital Project Bonds II, in one or more taxable and/or tax-exempt series at fixed and/or variable interest rates, the proceeds of which are expected to be used to refund certain outstanding obligations of the Corporation, to pay certain associated costs of issuance, and to finance additional authorized activities of the Corporation. As of March 31, 2020, the authorized State Capital Project Bonds II have not been issued due to market conditions, but such issuance could occur at any time should economics become favorable.

On April 29, 2020, the Corporation's Board of Directors authorized the issuance and sale of not to exceed $250,000,000 General Mortgage Revenue Bonds II, in one or more taxable and/or tax-exempt series at fixed interest rates, the proceeds of which are expected to be used to finance mortgage loans, to refund certain outstanding obligations of the Corporation, to pay certain associated costs of issuance, and to finance additional authorized activities of the Corporation. Subject to market conditions, the Corporation expects to deliver the General Mortgage Revenue Bonds II on or around July 24, 2020.

In early 2020, an outbreak of the novel strain of coronavirus (COVID-19) emerged globally. There has been significant disruption to businesses worldwide. The duration of the pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. The Corporation is currently evaluating the impact of the COVID-19 pandemic on its operations. It is not possible to estimate the duration and severity of these consequences with any accuracy, as well as their impact on the Corporation for future periods. Accordingly, the Corporation has determined that these events are non-adjusting subsequent events.

22 RISK MANAGEMENT

The Corporation is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by various commercial insurance policies and contractual risk transfers. When the Corporation enters into agreements, contracts or grants, it requires insurance from the party with which the Corporation is doing business. This ensures that the party can adequately sustain any loss exposure, so the Corporation is not first-in-line in case of a loss. There have been no significant reductions in insurance coverage from the prior year, and settlements have not exceeded insurance coverage during the past three years.

23 SUPPLEMENTARY FIVE YEAR FINANCIAL INFORMATION

Entity-wide amounts at year-end are presented below for informational purposes (in thousands):

	June 30, 2019	2018	2017	2016	2015
Assets					
Cash	$ 74,259	$ 69,609	$ 66,343	$ 70,104	$ 50,348
Investments	562,671	596,133	618,544	615,588	816,244
Accrued interest receivable	15,831	14,115	12,771	12,325	11,606
Mortgage loans, notes and other loans	3,342,961	3,132,437	2,910,332	2,817,494	2,662,893
Net investment in direct financing lease	24,780	27,003	29,142	34,555	39,732
Capital assets, net	94,036	100,472	106,762	109,821	116,057
Other assets	21,255	28,684	23,171	35,746	47,982
Total Assets	4,135,793	3,968,453	3,767,065	3,695,633	3,744,862
Deferred Outflow of Resources	186,739	133,107	172,676	234,921	171,440
Liabilities					
Bonds and notes payable	2,461,125	2,328,487	2,124,637	2,083,582	2,201,527
Short term debt	49,469	53,269	82,526	71,589	16,899
Accrued interest payable	8,388	9,984	9,622	9,628	9,397
Other liabilities	70,059	58,868	63,894	55,009	49,522
Derivative instrument - interest rate swaps	158,349	104,674	144,903	210,543	150,199
Total Liabilities	2,747,390	2,555,282	2,425,582	2,430,351	2,427,544
Deferred Inflow of Resources	3,719	7,582	531	670	3,277
Total Net Position	$ 1,571,423	$ 1,538,696	$ 1,513,628	$ 1,499,533	$ 1,485,481

	2019	2018	2017	2016	2015
Operating Revenues					
Mortgage and loans revenue	$ 146,042	$ 135,055	$ 130,538	$ 128,942	$ 126,140
Investment interest	17,404	6,273	4,727	3,595	4,388
Net change in fair value of investments	(838)	2,967	1,899	2,754	1,627
Net change of hedge termination	(278)	760	1,028	(552)	11
Total Investment Revenue	16,288	10,000	7,654	5,797	6,026
Externally funded programs	77,143	86,844	96,081	123,782	146,236
Rental	11,926	11,305	11,155	10,707	9,342
Other	4,634	3,076	4,051	4,952	2,355
Total Operating Revenues	256,033	246,280	249,479	274,180	290,099
Operating Expenses					
Interest	76,831	71,246	69,890	70,357	75,349
Mortgage and loan costs	12,034	11,452	10,843	10,836	11,327
Operations and administration	44,781	46,127	56,867	58,373	53,287
Financing expenses	6,054	5,027	4,512	3,556	5,064
Provision for loan loss	(5,740)	(4,560)	(5,584)	(5,831)	(5,741)
Housing grants and subsidies	72,198	68,314	84,310	107,054	125,222
Rental housing operating expenses	15,042	15,091	14,296	15,634	17,086
Total Operating Expenses	221,200	212,697	235,134	259,979	281,594
Operating Income (Loss)	34,833	33,583	14,345	14,201	8,505
Non-Operating & Special Item					
Contribution to State or State agency	(2,106)	(125)	(250)	(149)	(3,825)
Change in Net Position	$ 32,727	$ 33,458	$ 14,095	$ 14,052	$ 4,680

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Proportionate Share of the Net Pension Liability (in thousands):

	2019	2018	2017	2016	2015	2014
The Corporation's proportion of the net pension liability (asset)	0.714740%	0.689820%	0.852380%	0.780600%	0.608214%	0.598696%
The Corporation's proportionate share of the net pension liability (asset)	$ 35,515	$ 35,660	$ 47,645	$ 37,859	$ 28,368	$ 31,440
State's proportionate share of the net pension liability (asset) associated with the Corporation	10,284	13,285	6,003	10,856	22,644	26,434
Total	$ 45,799	$ 48,945	$ 53,648	$ 48,715	$ 51,012	$ 57,874
The Corporation's covered employee payroll	$12,583	$ 13,817	$ 15,252	$ 16,314	$ 17,189	$ 17,815
The Corporation's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	282.24%	258.10%	312.39%	232.06%	165.04%	176.48%
Plan fiduciary net position as a percentage of the total pension liability	65.19%	63.37%	59.55%	63.96%	62.37%	56.04%

Information in this table is presented based on the Plan measurement date. For June 30, 2019, the plan measurement date is June 30, 2018.

This pension table is intended to present 10 years of information. Additional years will be added to the schedule as they become available.

The Plan is reporting no changes in benefit terms from the prior measurement period.

The Plan is reporting no changes in assumptions from the prior measurement period.

See accompanying independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Contributions (in thousands)

	2019	2018	2017	2016	2015	2014
Contractually required contributions	$ 2,727	$ 2,932	$ 2,679	$ 2,475	$ 2,403	$ 2,128
Contributions in relation to the contractually required contributions	2,727	2,932	2,679	2,475	2,403	2,128
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
The Corporation's covered employee payroll	11,680	12,583	13,817	15,252	16,314	17,189
Contributions as a percentage of covered-employee payroll	23.35%	23.30%	19.39%	16.23%	14.73%	12.38%

This table reports the Corporation's pension contributions to PERS during fiscal year 2019. These contributions are reported as a deferred outflow of resources on the June 30, 2019 basic financial statements.

This pension table is intended to present 10 years of information. Additional years will be added to the schedule as they become available.

The Plan is reporting no changes in benefit terms from the prior measurement period.

The Plan is reporting no changes in assumptions from the prior measurement period.

See accompanying independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Proportionate Share of the Net OPEB Liability (in thousands):

	2019	2018	2017
The Corporation's proportion of the net OPEB liability (asset) for Defined Benefit - Retiree Medical	0.71458000%	0.68992000%	0.85265000%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans (Retiree Medical Plan and Occupational Death & Disability Plans)	0.71095000%	0.70310000%	0.66252000%
The Corporation's proportionate share of the net OPEB liability (asset)	$ 7,286	$ 5,765	$ 9,752
State's proportionate share of the net OPEB liability (asset) associated with the Corporation	2,129	2,173	-
Total	$ 9,415	$ 7,939	$ 9,752
The Corporation's covered employee payroll	$ 20,629	$ 21,133	$ 21,629
The Corporation's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	35.32%	27.28%	45.09%
Defined Benefit - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	88.12%	89.68%	85.45%
Defined Contribution - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	88.71%	93.98%	86.82%
Defined Contribution - Occupational Death & Disability Plan fiduciary net position as a percentage of the total OPEB liability	270.62%	212.97%	245.29%

Information in this table is presented based on the Plan measurement date. For June 30, 2019, the plan measurement date is June 30, 2018.

This OPEB table is intended to present 10 years of information. Additional years will be added to the schedule as they become available.

Defined Benefit - Retiree Medical Plan is reporting no changes in benefit terms from the prior measurement

Defined Contribution Pension Plans (Retiree Medical Plan and Occupational Death & Disability Plan) are reporting the following changes in benefit terms from the prior measurement period:

– Updated non-Medicare eligible dependent coverage premiums to reflect subsidy when the member is Medicare-eligible.

– Updated factors used to adjust the defined benefit plan costs to reflect adopted Defined Contribution Retiree Medical plan design

See accompanying independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Contributions (in thousands)

	2019	**2018**	**2017**
Contractually required contributions	$ 1,325	$ 1,189	$ 1,593
Contributions in relation to the contractually required contributions	$ 1,325	$ 1,189	$ 1,593
Contribution deficiency (excess)	-	-	-
The Corporation's covered employee payroll	20,775	20,629	21,133
Contributions as a percentage of covered-employee payroll	6.38%	5.76%	7.54%

This table reports the Corporation's OPEB contributions to SOA during fiscal year 2019. These contributions are reported as a deferred outflow of resources on the June 30, 2019 basic financial statements.

This OPEB table is intended to present 10 years of information. Additional years will be added to the schedule as they become available.

Defined Benefit - Retiree Medical Plan is reporting no changes in benefit terms from the prior measurement

Defined Contribution Pension Plans (Retiree Medical Plan and Occupational Death & Disability Plan) are reporting the following changes in benefit terms from the prior measurement period:

– Updated non-Medicare eligible dependent coverage premiums to reflect subsidy when the member is Medicare-eligible.

– Updated factors used to adjust the defined benefit plan costs to reflect adopted Defined Contribution Retiree Medical plan design

See accompanying independent auditor's report.

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ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
COMBINED - ALL FUNDS
As of March 31, 2020
(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Mortgage Revenue Bonds
ASSETS				
Current				
Cash	$ 38,571	$ -	$ -	$ -
Investments	498,197	66,818	42,378	11,404
Accrued interest receivable	4,150	2,427	1,541	356
Inter-fund due (to)/from	(51,256)	14,015	9,666	1,722
Mortgage loans, notes and other loans	4,976	22,029	17,878	3,619
Net investment in direct financing lease	-	-	-	-
Other assets	7,638	-	-	-
Intergovernmental receivable	147	-	-	-
Total Current	**502,423**	**105,289**	**71,463**	**17,101**
Non Current				
Inter-fund due (to)/from	-	-	-	-
Mortgage loans, notes and other loans	146,263	712,294	539,624	117,010
Net investment in direct financing lease	-	-	-	-
Capital assets - non-depreciable	2,483	-	-	-
Capital assets - depreciable, net	13,471	-	-	-
Other assets	4,320	-	-	-
Total Non Current	**166,537**	**712,294**	**539,624**	**117,010**
Total Assets	**668,960**	**817,583**	**611,087**	**134,111**
DEFERRED OUTFLOW OF RESOURCES	**6,971**	**188,455**	**1,048**	**-**
LIABILITIES				
Current				
Bonds payable	-	12,505	13,295	5,005
Short term debt	70,054	-	-	-
Accrued interest payable	-	6,641	5,292	726
Other liabilities	13,964	214	141	33
Intergovernmental payable	-	-	-	-
Total Current	**84,018**	**19,360**	**18,728**	**5,764**
Non Current				
Bonds payable	-	485,543	480,651	78,075
Other liabilities	2,436	-	-	-
Derivative instrument - interest rate swaps	-	181,933	-	-
Pension & OPEB liability	42,801	-	-	-
Total Non Current	**45,237**	**667,476**	**480,651**	**78,075**
Total Liabilities	**129,255**	**686,836**	**499,379**	**83,839**
DEFERRED INFLOW OF RESOURCES	**3,719**	**-**	**-**	**-**
NET POSITION				
Net investment in capital assets	15,954	-	-	-
Restricted by bond resolutions	-	319,202	112,756	50,272
Restricted by contractual or statutory agreements	116,719	-	-	-
Unrestricted or (deficit)	410,284	-	-	-
Total Net Position	**$ 542,957**	**$ 319,202**	**$ 112,756**	**$ 50,272**

See accompanying notes to the financial statements.

Combined Collateralized Veterans Mortgage Bonds	Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total March 31, 2020
$ -	$ -	$ 162	$ 42,317	$ 81,050
18,785	21,476	126,422	3,238	788,718
371	507	5,689	139	15,180
4,439	2,904	26,915	(8,405)	-
3,509	5,958	42,808	1,335	102,112
-	-	2,180	-	2,180
-	-	-	6,214	13,852
-	-	-	5,859	6,006
27,104	**30,845**	**204,176**	**50,697**	**1,009,098**
-	-	-	-	-
113,474	192,633	1,384,127	55,953	3,261,378
-	-	20,288	-	20,288
-	-	-	18,450	20,933
-	-	-	53,840	67,311
-	744	-	1	5,065
113,474	**193,377**	**1,404,415**	**128,244**	**3,374,975**
140,578	**224,222**	**1,608,591**	**178,941**	**4,384,073**
-	**15,123**	**48,785**	**-**	**260,382**
2,575	6,475	54,755	-	94,610
-	-	-	-	70,054
1,041	1,122	17,013	-	31,835
32	44	327	1,388	16,143
-	-	162	-	162
3,648	**7,641**	**72,257**	**1,388**	**212,804**
104,228	77,443	1,328,909	-	2,554,849
-	-	-	314	2,750
-	15,123	36,294	-	233,350
-	-	-	-	42,801
104,228	**92,566**	**1,365,203**	**314**	**2,833,750**
107,876	**100,207**	**1,437,460**	**1,702**	**3,046,554**
-	**-**	**-**	**-**	**3,719**
-	-	-	72,290	88,244
32,702	139,138	-	-	654,070
-	-	-	108,850	225,569
-	-	219,916	(3,901)	626,299
$ 32,702	**$ 139,138**	**$ 219,916**	**$ 177,239**	**$ 1,594,182**

ALASKA HOUSING FINANCE CORPORATION **Schedule 2**

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

ADMINISTRATIVE FUND

As of March 31, 2020

(in thousands of dollars)

	Administrative Fund	Total March 31, 2020
ASSETS		
Current		
Cash	$ 38,571	$ 38,571
Investments	498,197	498,197
Accrued interest receivable	4,150	4,150
Inter-fund due (to)/from	(51,256)	(51,256)
Mortgage loans, notes and other loans	4,976	4,976
Net investment in direct financing lease	-	-
Other assets	7,638	7,638
Intergovernmental receivable	147	147
Total Current	**502,423**	**502,423**
Non Current		
Inter-fund due (to)/from	-	-
Mortgage loans, notes and other loans	146,263	146,263
Net investment in direct financing lease	-	-
Capital assets - non-depreciable	2,483	2,483
Capital assets - depreciable, net	13,471	13,471
Other assets	4,320	4,320
Total Non Current	**166,537**	**166,537**
Total Assets	**668,960**	**668,960**
DEFERRED OUTFLOW OF RESOURCES	**6,971**	**6,971**
LIABILITIES		
Current		
Bonds payable	-	-
Short term debt	70,054	70,054
Accrued interest payable	-	-
Other liabilities	13,964	13,964
Intergovernmental payable	-	-
Total Current	**84,018**	**84,018**
Non Current		
Bonds payable	-	-
Other liabilities	2,436	2,436
Derivative instrument - interest rate swaps	-	-
Pension & OPEB liability	42,801	42,801
Total Non Current	**45,237**	**45,237**
Total Liabilities	**129,255**	**129,255**
DEFERRED INFLOW OF RESOURCES	**3,719**	**3,719**
NET POSITION		
Net investment in capital assets	15,954	15,954
Restricted by bond resolutions	-	-
Restricted by contractual or statutory agreements	116,719	116,719
Unrestricted or (deficit)	410,284	410,284
Total Net Position	**$ 542,957**	**$ 542,957**

See accompanying notes to the financial statements.

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ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
HOME MORTGAGE REVENUE BONDS
As of March 31, 2020
(in thousands of dollars)

	Home Mortgage Revenue Bonds 2002 A	Home Mortgage Revenue Bonds 2007 A	Home Mortgage Revenue Bonds 2007 B	Home Mortgage Revenue Bonds 2007 D
ASSETS				
Current				
Cash	$ -	$ -	$ -	$ -
Investments	6,493	7,632	7,268	9,558
Accrued interest receivable	260	255	286	353
Inter-fund due (to)/from	743	2,189	1,179	1,387
Mortgage loans, notes and other loans	2,227	2,461	2,412	3,272
Net investment in direct financing lease	-	-	-	-
Other assets	-	-	-	-
Intergovernmental receivable	-	-	-	-
Total Current	**9,723**	**12,537**	**11,145**	**14,570**
Non Current				
Inter-fund due (to)/from	-	-	-	-
Mortgage loans, notes and other loans	71,999	79,583	78,002	105,807
Net investment in direct financing lease	-	-	-	-
Capital assets - non-depreciable	-	-	-	-
Capital assets - depreciable, net	-	-	-	-
Other assets	-	-	-	-
Total Non Current	**71,999**	**79,583**	**78,002**	**105,807**
Total Assets	**81,722**	**92,120**	**89,147**	**120,377**
DEFERRED OUTFLOW OF RESOURCES	**5,599**	**28,217**	**28,202**	**33,440**
LIABILITIES				
Current				
Bonds payable	-	1,810	1,810	2,145
Short term debt	-	-	-	-
Accrued interest payable	371	962	961	1,108
Other liabilities	24	24	25	30
Intergovernmental payable	-	-	-	-
Total Current	**395**	**2,796**	**2,796**	**3,283**
Non Current				
Bonds payable	31,728	68,285	68,285	81,355
Other liabilities	-	-	-	-
Derivative instrument - interest rate swaps	5,599	27,065	27,049	32,028
Pension & OPEB liability	-	-	-	-
Total Non Current	**37,327**	**95,350**	**95,334**	**113,383**
Total Liabilities	**37,722**	**98,146**	**98,130**	**116,666**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**
NET POSITION				
Net investment in capital assets	-	-	-	-
Restricted by bond resolutions	49,599	22,191	19,219	37,151
Restricted by contractual or statutory agreements	-	-	-	-
Unrestricted or (deficit)	-	-	-	-
Total Net Position	**$ 49,599**	**$ 22,191**	**$ 19,219**	**$ 37,151**

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 A	Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total March 31, 2020
$ -	$ -	$ -	$ -
11,363	12,357	12,147	66,818
433	397	443	2,427
2,438	3,038	3,041	14,015
3,635	3,878	4,144	22,029
-	-	-	-
-	-	-	-
-	-	-	-
17,869	**19,670**	**19,775**	**105,289**
-	-	-	-
117,540	125,383	133,980	712,294
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
117,540	**125,383**	**133,980**	**712,294**
135,409	**145,053**	**153,755**	**817,583**
31,404	**30,933**	**30,660**	**188,455**
2,245	2,245	2,250	12,505
-	-	-	-
1,080	1,080	1,079	6,641
37	35	39	214
-	-	-	-
3,362	**3,360**	**3,368**	**19,360**
78,635	78,635	78,620	485,543
-	-	-	-
30,457	29,986	29,749	181,933
-	-	-	-
109,092	**108,621**	**108,369**	**667,476**
112,454	**111,981**	**111,737**	**686,836**
-	**-**	**-**	**-**
-	-	-	-
54,359	64,005	72,678	319,202
-	-	-	-
-	-	-	-
$ 54,359	**$ 64,005**	**$ 72,678**	**$ 319,202**

ALASKA HOUSING FINANCE CORPORATION **Schedule 4**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
GENERAL MORTGAGE REVENUE BONDS
As of March 31, 2020
(in thousands of dollars)

	General Mortgage Revenue Bonds II 2012 A & B	General Mortgage Revenue Bonds II 2016 A	General Mortgage Revenue Bonds II 2018 A & B	General Mortgage Revenue Bonds II 2019 A & B	Total March 31, 2020
ASSETS					
Current					
Cash	$ -	$ -	$ -	$ -	$ -
Investments	6,313	4,721	15,512	15,832	42,378
Accrued interest receivable	349	206	544	442	1,541
Inter-fund due (to)/from	4,038	858	3,098	1,672	9,666
Mortgage loans, notes and other loans	5,417	2,556	5,204	4,701	17,878
Net investment in direct financing lease	-	-	-	-	-
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	**16,117**	**8,341**	**24,358**	**22,647**	**71,463**
Non Current					
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	136,738	82,641	168,256	151,989	539,624
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
Total Non Current	**136,738**	**82,641**	**168,256**	**151,989**	**539,624**
Total Assets	**152,855**	**90,982**	**192,614**	**174,636**	**611,087**
DEFERRED OUTFLOW OF RESOURCES	**1,048**	**-**	**-**	**-**	**1,048**
LIABILITIES					
Current					
Bonds payable	4,160	4,210	1,900	3,025	13,295
Short term debt	-	-	-	-	-
Accrued interest payable	850	727	2,027	1,688	5,292
Other liabilities	31	21	49	40	141
Intergovernmental payable	-	-	-	-	-
Total Current	**5,041**	**4,958**	**3,976**	**4,753**	**18,728**
Non Current					
Bonds payable	67,249	81,384	166,426	165,592	480,651
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension & OPEB liability	-	-	-	-	-
Total Non Current	**67,249**	**81,384**	**166,426**	**165,592**	**480,651**
Total Liabilities	**72,290**	**86,342**	**170,402**	**170,345**	**499,379**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	81,613	4,640	22,212	4,291	112,756
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total Net Position	**$ 81,613**	**$ 4,640**	**$ 22,212**	**$ 4,291**	**$ 112,756**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION **Schedule 5**

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

MORTGAGE REVENUE BONDS

As of March 31, 2020

(in thousands of dollars)

	Mortgage Revenue Bonds 2009 A-1, 2010 A & B	Mortgage Revenue Bonds 2009 A-2, 2011 A & B	Total March 31, 2020
ASSETS			
Current			
Cash	$ -	$ -	$ -
Investments	-	11,404	11,404
Accrued interest receivable	-	356	356
Inter-fund due (to)/from	-	1,722	1,722
Mortgage loans, notes and other loans	-	3,619	3,619
Net investment in direct financing lease	-	-	-
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total Current	**-**	**17,101**	**17,101**
Non Current			
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	-	117,010	117,010
Net investment in direct financing lease	-	-	-
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	-	-
Total Non Current	**-**	**117,010**	**117,010**
Total Assets	**-**	**134,111**	**134,111**
DEFERRED OUTFLOW OF RESOURCES	**-**	**-**	**-**
LIABILITIES			
Current			
Bonds payable	-	5,005	5,005
Short term debt	-	-	-
Accrued interest payable	-	726	726
Other liabilities	-	33	33
Intergovernmental payable	-	-	-
Total Current	**-**	**5,764**	**5,764**
Non Current			
Bonds payable	-	78,075	78,075
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	-	-	-
Pension & OPEB liability	-	-	-
Total Non Current	**-**	**78,075**	**78,075**
Total Liabilities	**-**	**83,839**	**83,839**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**
NET POSITION			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	-	50,272	50,272
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	-	-
Total Net Position	**$ -**	**$ 50,272**	**$ 50,272**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION **Schedule 6**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
COLLATERALIZED VETERANS MORTGAGE BONDS
As of March 31, 2020
(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total March 31, 2020
ASSETS			
Current			
Cash	$ -	$ -	$ -
Investments	6,519	12,266	18,785
Accrued interest receivable	163	208	371
Inter-fund due (to)/from	1,748	2,691	4,439
Mortgage loans, notes and other loans	1,593	1,916	3,509
Net investment in direct financing lease	-	-	-
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total Current	**10,023**	**17,081**	**27,104**
Non Current			
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	51,511	61,963	113,474
Net investment in direct financing lease	-	-	-
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	-	-
Total Non Current	**51,511**	**61,963**	**113,474**
Total Assets	**61,534**	**79,044**	**140,578**
DEFERRED OUTFLOW OF RESOURCES	**-**	**-**	**-**
LIABILITIES			
Current			-
Bonds payable	1,290	1,285	2,575
Short term debt	-	-	-
Accrued interest payable	386	655	1,041
Other liabilities	14	18	32
Intergovernmental payable	-	-	-
Total Current	**1,690**	**1,958**	**3,648**
Non Current			
Bonds payable	44,910	59,318	104,228
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	-	-	-
Pension & OPEB liability	-	-	-
Total Non Current	**44,910**	**59,318**	**104,228**
Total Liabilities	**46,600**	**61,276**	**107,876**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**
NET POSITION			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	14,934	17,768	32,702
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	-	-
Total Net Position	**$ 14,934**	**$ 17,768**	**$ 32,702**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION **Schedule 7**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
GOVERNMENTAL PURPOSE BONDS
As of March 31, 2020
(in thousands of dollars)

	Governmental Purpose Bonds 1997 A	Governmental Purpose Bonds 2001 A & B	Total March 31, 2020
ASSETS			
Current			
Cash	$ -	$ -	$ -
Investments	-	21,476	21,476
Accrued interest receivable	-	507	507
Inter-fund due (to)/from	-	2,904	2,904
Mortgage loans, notes and other loans	-	5,958	5,958
Net investment in direct financing lease	-	-	-
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total Current	**-**	**30,845**	**30,845**
Non Current			
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	-	192,633	192,633
Net investment in direct financing lease	-	-	-
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	744	744
Total Non Current	**-**	**193,377**	**193,377**
Total Assets	**-**	**224,222**	**224,222**
DEFERRED OUTFLOW OF RESOURCES	**-**	**15,123**	**15,123**
LIABILITIES			
Current			
Bonds payable	-	6,475	6,475
Short term debt	-	-	-
Accrued interest payable	-	1,122	1,122
Other liabilities	-	44	44
Intergovernmental payable	-	-	-
Total Current	**-**	**7,641**	**7,641**
Non Current			
Bonds payable	-	77,443	77,443
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	-	15,123	15,123
Pension & OPEB liability	-	-	-
Total Non Current	**-**	**92,566**	**92,566**
Total Liabilities	**-**	**100,207**	**100,207**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**
NET POSITION			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	-	139,138	139,138
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	-	-
Total Net Position	**$ -**	**$ 139,138**	**$ 139,138**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
STATE CAPITAL PROJECT BONDS
As of March 31, 2020
(in thousands of dollars)

	State Capital Project Bonds 2002 A, B, C	State Capital Project Bonds 2011 A	State Capital Project Bonds II 2012 A & B	State Capital Project Bonds II 2013 A & B
ASSETS				
Current				
Cash	$ -	$ -	$ -	$ -
Investments	958	310	3,681	5,609
Accrued interest receivable	110	37	182	322
Inter-fund due (to)/from	172	39	500	1,184
Mortgage loans, notes and other loans	615	137	1,265	1,888
Net investment in direct financing lease	-	-	-	-
Other assets	-	-	-	-
Intergovernmental receivable	-	-	-	-
Total Current	**1,855**	**523**	**5,628**	**9,003**
Non Current				
Inter-fund due (to)/from	-	-	-	-
Mortgage loans, notes and other loans	19,871	4,444	40,889	61,055
Net investment in direct financing lease	-	-	-	-
Capital assets - non-depreciable	-	-	-	-
Capital assets - depreciable, net	-	-	-	-
Other assets	-	-	-	-
Total Non Current	**19,871**	**4,444**	**40,889**	**61,055**
Total Assets	**21,726**	**4,967**	**46,517**	**70,058**
DEFERRED OUTFLOW OF RESOURCES	**772**	**-**	**-**	**-**
LIABILITIES				
Current				
Bonds payable	6,540	3,040	4,920	5,660
Short term debt	-	-	-	-
Accrued interest payable	182	51	540	868
Other liabilities	8	2	9	12
Intergovernmental payable	-	-	-	-
Total Current	**6,730**	**3,093**	**5,469**	**6,540**
Non Current				
Bonds payable	10,350	15	34,046	54,679
Other liabilities	-	-	-	-
Derivative instrument - interest rate swaps	2,557	-	-	-
Pension & OPEB liability	-	-	-	-
Total Non Current	**12,907**	**15**	**34,046**	**54,679**
Total Liabilities	**19,637**	**3,108**	**39,515**	**61,219**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**
NET POSITION				
Net investment in capital assets	-	-	-	-
Restricted by bond resolutions	-	-	-	-
Restricted by contractual or statutory agreements	-	-	-	-
Unrestricted or (deficit)	2,861	1,859	7,002	8,839
Total Net Position	**$ 2,861**	**$ 1,859**	**$ 7,002**	**$ 8,839**

See accompanying notes to the financial statements.

State Capital Project Bonds II 2014 A, B, C & D	State Capital Project Bonds II 2015 A, B & C	State Capital Project Bonds II 2017 A, B & C	State Capital Project Bonds II 2018 A & B	State Capital Project Bonds II 2019 A & B	Total March 31, 2020
$ -	$ -	$ 162	$ -	$ -	$ 162
28,191	26,079	37,087	5,561	18,946	126,422
1,248	1,053	1,611	440	686	5,689
7,786	4,275	5,294	2,509	5,156	26,915
10,273	7,407	10,667	4,265	6,291	42,808
-	-	2,180	-	-	2,180
-	-	-	-	-	-
-	-	-	-	-	-
47,498	**38,814**	**57,001**	**12,775**	**31,079**	**204,176**
-	-	-	-	-	-
332,174	239,490	344,896	137,915	203,393	1,384,127
-	-	20,288	-	-	20,288
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
332,174	**239,490**	**365,184**	**137,915**	**203,393**	**1,404,415**
379,672	**278,304**	**422,185**	**150,690**	**234,472**	**1,608,591**
33,737	**9,104**	**5,172**	**-**	**-**	**48,785**
13,540	13,685	4,360	1,140	1,870	54,755
-	-	-	-	-	-
4,647	3,561	3,953	1,270	1,941	17,013
90	69	53	35	49	327
-	-	162	-	-	162
18,277	**17,315**	**8,528**	**2,445**	**3,860**	**72,257**
311,910	233,017	349,928	126,898	208,066	1,328,909
-	-	-	-	-	-
33,737	-	-	-	-	36,294
-	-	-	-	-	-
345,647	**233,017**	**349,928**	**126,898**	**208,066**	**1,365,203**
363,924	**250,332**	**358,456**	**129,343**	**211,926**	**1,437,460**
-	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
49,485	37,076	68,901	21,347	22,546	219,916
$ 49,485	**$ 37,076**	**$ 68,901**	**$ 21,347**	**$ 22,546**	**$ 219,916**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
OTHER PROGRAM FUNDS
As of March 31, 2020
(in thousands of dollars)

	Low Rent Program	Market Rate Rental Housing Program	Home Ownership Fund	Senior Housing Revolving Loan Fund
ASSETS				
Current				
Cash	$ 15,205	$ 13,916	$ -	$ -
Investments	-	-	128	3,110
Accrued interest receivable	-	-	20	88
Inter-fund due (to)/from	(1,477)	(567)	58	250
Mortgage loans, notes and other loans	-	-	380	922
Net investment in direct financing lease	-	-	-	-
Other assets	1,469	173	-	-
Intergovernmental receivable	732	(56)	-	-
Total Current	**15,929**	**13,466**	**586**	**4,370**
Non Current				
Inter-fund due (to)/from	-	-	-	-
Mortgage loans, notes and other loans	-	-	12,288	29,817
Net investment in direct financing lease	-	-	-	-
Capital assets - non-depreciable	12,580	1,130	-	-
Capital assets - depreciable, net	40,095	13,690	-	-
Other assets	-	-	-	-
Total Non Current	**52,675**	**14,820**	**12,288**	**29,817**
Total Assets	**68,604**	**28,286**	**12,874**	**34,187**
DEFERRED OUTFLOW OF RESOURCES	**-**	**-**	**-**	**-**
LIABILITIES				
Current				
Bonds payable	-	-	-	-
Short term debt	-	-	-	-
Accrued interest payable	-	-	-	-
Other liabilities	753	222	2	8
Intergovernmental payable	-	-	-	-
Total Current	**753**	**222**	**2**	**8**
Non Current				
Bonds payable	-	-	-	-
Other liabilities	-	-	-	-
Derivative instrument - interest rate swaps	-	-	-	-
Pension & OPEB liability	-	-	-	-
Total Non Current	**-**	**-**	**-**	**-**
Total Liabilities	**753**	**222**	**2**	**8**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**
NET POSITION				
Net investment in capital assets	52,675	14,820	-	-
Restricted by bond resolutions	-	-	-	-
Restricted by contractual or statutory agreements	15,553	13,244	12,872	34,179
Unrestricted or (deficit)	(377)	-	-	-
Total Net Position	**$ 67,851**	**$ 28,064**	**$ 12,872**	**$ 34,179**

See accompanying notes to the financial statements.

Schedule 9

Other Funds or Programs Subtotal	Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total March 31, 2020
$ 29,121	$ 978	$ 4,113	$ 3	$ 5,094	$ 8,102	$ 42,317
3,238	-	-	-	-	-	3,238
108	-	-	-	-	31	139
(1,736)	(175)	(3,556)	(2,870)	(6,601)	(68)	(8,405)
1,302	-	-	33	33	-	1,335
-	-	-	-	-	-	-
1,642	316	487	3,538	4,341	231	6,214
676	1,687	168	3,328	5,183	-	5,859
34,351	**2,806**	**1,212**	**4,032**	**8,050**	**8,296**	**50,697**
-	-	-	1,423	1,423	(1,423)	-
42,105	-	-	1,087	1,087	12,761	55,953
-	-	-	-	-	-	-
13,710	-	-	-	-	4,740	18,450
53,785	-	55	-	55	-	53,840
-	-	-	-	-	1	1
109,600	**-**	**55**	**2,510**	**2,565**	**16,079**	**128,244**
143,951	**2,806**	**1,267**	**6,542**	**10,615**	**24,375**	**178,941**
-	**-**	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
985	-	9	393	402	1	1,388
-	-	-	-	-	-	-
985	**-**	**9**	**393**	**402**	**1**	**1,388**
-	-	-	-	-	-	-
-	-	-	-	-	314	314
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**314**	**314**
985	**-**	**9**	**393**	**402**	**315**	**1,702**
-	**-**	**-**	**-**	**-**	**-**	**-**
67,495	-	55	-	55	4,740	72,290
-	-	-	-	-	-	-
75,848	4,305	2,523	6,800	13,628	19,374	108,850
(377)	(1,499)	(1,320)	(651)	(3,470)	(54)	(3,901)
$ 142,966	**$ 2,806**	**$ 1,258**	**$ 6,149**	**$ 10,213**	**$ 24,060**	**$ 177,239**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
COMBINED - ALL FUNDS
For the Nine Months Ending March 31, 2020
(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds
OPERATING REVENUES					
Mortgage and loan revenue	$ 5,658	$ 23,574	$ 14,552	$ 5,253	$ 3,407
Investment interest	5,260	1,072	499	233	414
Net change in the fair value of investments	1,054	199	134	30	63
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	6,314	1,271	633	263	477
Grant revenue	66	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	92	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	(1,806)	-	-	-	-
Other revenue	1,681	-	-	-	-
Total Operating Revenues	**12,005**	**24,845**	**15,185**	**5,516**	**3,884**
OPERATING EXPENSES					
Interest	625	14,231	9,645	3,143	2,307
Mortgage and loan costs	1,848	2,166	2,663	505	297
Bond financing expenses	623	1,667	1,142	18	4
Provision for loan loss	(1,318)	(1,020)	(396)	(1,635)	103
Operations and administration	12,733	968	643	252	101
Rental housing operating expenses	415	-	-	-	-
Grant expense	5	-	-	-	-
Total Operating Expenses	**14,931**	**18,012**	**13,697**	**2,283**	**2,812**
Operating Income (Loss)	**(2,926)**	**6,833**	**1,488**	**3,233**	**1,072**
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers - Internal	32,231	879	6,681	(12,739)	2,301
Change in Net Position	29,305	7,712	8,169	(9,506)	3,373
Net position at beginning of year	513,652	311,490	104,587	59,778	29,329
Net Position at End of Period	**$ 542,957**	**$ 319,202**	**$ 112,756**	**$ 50,272**	**$ 32,702**

See accompanying notes to the financial statements.

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total March 31, 2020
$ 4,778	$ 52,692	$ 1,150	$ 111,064
322	2,577	145	10,522
128	1	(3)	1,606
-	(227)	-	(227)
450	2,351	142	11,901
-	-	47,741	47,807
-	-	9,111	9,111
-	-	8,681	8,773
-	-	84	(1,722)
195	-	552	2,428
5,423	**55,043**	**67,461**	**189,362**
2,714	29,903	-	62,568
432	3,376	97	11,384
232	636	0	4,322
(350)	(825)	(94)	(5,535)
205	1,346	19,438	35,686
-	-	11,023	11,438
-	-	46,735	46,740
3,233	**34,436**	**77,199**	**166,603**
2,190	**20,607**	**(9,738)**	**22,759**
-	-	-	-
(15,759)	(24,897)	11,303	-
(13,569)	(4,290)	1,565	22,759
152,707	224,206	175,674	1,571,423
$ 139,138	**$ 219,916**	**$ 177,239**	**$ 1,594,182**

ALASKA HOUSING FINANCE CORPORATION **Schedule 11**
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
ADMINISTRATIVE FUND
For the Nine Months Ending March 31, 2020
(in thousands of dollars)

	Administrative Fund	Total March 31, 2020
OPERATING REVENUES		
Mortgage and loan revenue	$ 5,658	$ 5,658
Investment interest	5,260	5,260
Net change in the fair value of investments	1,054	1,054
Net change of hedge termination	-	-
Total Investment Revenue	6,314	6,314
Grant revenue	66	66
Housing rental subsidies	-	-
Rental revenue	92	92
Gain (Loss) on Disposal of Capital Assets	(1,806)	(1,806)
Other revenue	1,681	1,681
Total Operating Revenues	**12,005**	**12,005**
OPERATING EXPENSES		
Interest	625	625
Mortgage and loan costs	1,848	1,848
Bond financing expenses	623	623
Provision for loan loss	(1,318)	(1,318)
Operations and administration	12,733	12,733
Rental housing operating expenses	415	415
Grant expense	5	5
Total Operating Expenses	**14,931**	**14,931**
Operating Income (Loss)	**(2,926)**	**(2,926)**
NON-OPERATING EXPENSES AND TRANSFERS		
Contributions to State of Alaska or State agencies	-	-
Transfers - Internal	32,231	32,231
Change in Net Position	29,305	29,305
Net position at beginning of year	513,652	513,652
Net Position at End of Period	**$ 542,957**	**$ 542,957**

See accompanying notes to the financial statements.

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ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
HOME MORTGAGE REVENUE BONDS
For the Nine Months Ending March 31, 2020
(in thousands of dollars)

	Home Mortgage Revenue Bonds 2002 A	**Home Mortgage Revenue Bonds 2007 A**	**Home Mortgage Revenue Bonds 2007 B**	**Home Mortgage Revenue Bonds 2007 D**	**Home Mortgage Revenue Bonds 2009 A**
OPERATING REVENUES					
Mortgage and loan revenue	$ 2,727	$ 2,684	$ 2,663	$ 3,589	$ 3,616
Investment interest	136	117	114	146	194
Net change in the fair value of investments	-	30	30	35	32
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	136	147	144	181	226
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	**2,863**	**2,831**	**2,807**	**3,770**	**3,842**
OPERATING EXPENSES					
Interest	910	2,036	2,035	2,386	2,289
Mortgage and loan costs	259	262	247	323	323
Bond financing expenses	140	224	224	267	256
Provision for loan loss	(223)	(102)	(84)	(149)	(87)
Operations and administration	151	117	104	138	139
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	**1,237**	**2,537**	**2,526**	**2,965**	**2,920**
Operating Income (Loss)	**1,626**	**294**	**281**	**805**	**922**
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers - Internal	(5,223)	840	803	1,141	1,096
Change in Net Position	(3,597)	1,134	1,084	1,946	2,018
Net position at beginning of year	53,196	21,057	18,135	35,205	52,341
Net Position at End of Period	**$ 49,599**	**$ 22,191**	**$ 19,219**	**$ 37,151**	**$ 54,359**

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total March 31, 2020
$ 3,926	$ 4,369	$ 23,574
185	180	1,072
35	37	199
-	-	-
220	217	1,271
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
4,146	**4,586**	**24,845**
2,289	2,286	14,231
355	397	2,166
256	300	1,667
(138)	(237)	(1,020)
151	168	968
-	-	-
-	-	-
2,913	**2,914**	**18,012**
1,233	**1,672**	**6,833**
-	-	-
1,049	1,173	879
2,282	2,845	7,712
61,723	69,833	311,490
$ 64,005	**$ 72,678**	**$ 319,202**

ALASKA HOUSING FINANCE CORPORATION **Schedule 13**
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
GENERAL MORTGAGE REVENUE BONDS
For the Nine Months Ending March 31, 2020
(in thousands of dollars)

	General Mortgage Revenue Bonds II 2012 A & B	General Mortgage Revenue Bonds II 2016 A	General Mortgage Revenue Bonds II 2018 A & B	General Mortgage Revenue Bonds II 2019 A & B	Total March 31, 2020
OPERATING REVENUES					
Mortgage and loan revenue	$ 3,971	$ 2,312	$ 5,618	$ 2,651	$ 14,552
Investment interest	126	56	155	162	499
Net change in the fair value of investments	21	14	50	49	134
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	147	70	205	211	633
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	**4,118**	**2,382**	**5,823**	**2,862**	**15,185**
OPERATING EXPENSES					
Interest	2,469	1,561	4,145	1,470	9,645
Mortgage and loan costs	1,661	241	517	244	2,663
Bond financing expenses	5	5	9	1,123	1,142
Provision for loan loss	(1,846)	(42)	(91)	1,583	(396)
Operations and administration	143	120	224	156	643
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	**2,432**	**1,885**	**4,804**	**4,576**	**13,697**
Operating Income (Loss)	**1,686**	**497**	**1,019**	**(1,714)**	**1,488**
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers - Internal	153	257	266	6,005	6,681
Change in Net Position	1,839	754	1,285	4,291	8,169
Net position at beginning of year	79,774	3,886	20,927	-	104,587
Net Position at End of Period	**$ 81,613**	**$ 4,640**	**$ 22,212**	**$ 4,291**	**$ 112,756**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION **Schedule 14**

(A Component Unit of the State of Alaska)

STATEMENT OF ACTIVITIES

MORTGAGE REVENUE BONDS

For the Nine Months Ending March 31, 2020

(in thousands of dollars)

	Mortgage Revenue Bonds 2009 A-1, 2010 A & B	Mortgage Revenue Bonds 2009 A-2, 2011 A & B	Total March 31, 2020
OPERATING REVENUES			
Mortgage and loan revenue	$ 1,535	$ 3,718	$ 5,253
Investment interest	74	159	233
Net change in the fair value of investments	(1)	31	30
Net change of hedge termination	-	-	-
Total Investment Revenue	73	190	263
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-
Other revenue	-	-	-
Total Operating Revenues	**1,608**	**3,908**	**5,516**
OPERATING EXPENSES			
Interest	1,332	1,811	3,143
Mortgage and loan costs	143	362	505
Bond financing expenses	6	12	18
Provision for loan loss	(1,106)	(529)	(1,635)
Operations and administration	45	207	252
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	**420**	**1,863**	**2,283**
Operating Income (Loss)	**1,188**	**2,045**	**3,233**
NON-OPERATING EXPENSES AND TRANSFERS			
Contributions to State of Alaska or State agencies	-	-	-
Transfers - Internal	(12,958)	219	(12,739)
Change in Net Position	(11,770)	2,264	(9,506)
Net position at beginning of year	11,770	48,008	59,778
Net Position at End of Period	**$ -**	**$ 50,272**	**$ 50,272**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION **Schedule 15**
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
COLLATERALIZED VETERANS MORTGAGE BONDS
For the Nine Months Ending March 31, 2020
(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total March 31, 2020
OPERATING REVENUES			
Mortgage and loan revenue	$ 1,632	$ 1,775	$ 3,407
Investment interest	100	314	414
Net change in the fair value of investments	29	34	63
Net change of hedge termination	-	-	-
Total Investment Revenue	129	348	477
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-
Other revenue	-	-	-
Total Operating Revenues	**1,761**	**2,123**	**3,884**
OPERATING EXPENSES			
Interest	871	1,436	2,307
Mortgage and loan costs	143	154	297
Bond financing expenses	2	2	4
Provision for loan loss	(39)	142	103
Operations and administration	52	49	101
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	**1,029**	**1,783**	**2,812**
Operating Income (Loss)	**732**	**340**	**1,072**
			-
NON-OPERATING EXPENSES AND TRANSFERS			-
Contributions to State of Alaska or State agencies	-	-	-
Transfers - Internal	(2,452)	4,753	2,301
Change in Net Position	(1,720)	5,093	3,373
			-
Net position at beginning of year	16,654	12,675	29,329
Net Position at End of Period	**$ 14,934**	**$ 17,768**	**$ 32,702**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION **Schedule 16**

(A Component Unit of the State of Alaska)

STATEMENT OF ACTIVITIES

GOVERNMENTAL PURPOSE BONDS

For the Nine Months Ending March 31, 2020

(in thousands of dollars)

	Governmental Purpose Bonds 1997 A	Governmental Purpose Bonds 2001 A & B	Total March 31, 2020
OPERATING REVENUES			
Mortgage and loan revenue	$ 36	$ 4,742	$ 4,778
Investment interest	-	322	322
Net change in the fair value of investments	-	128	128
Net change of hedge termination	-	-	-
Total Investment Revenue	-	450	450
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-
Other revenue	(8)	203	195
Total Operating Revenues	**28**	**5,395**	**5,423**
OPERATING EXPENSES			
Interest	-	2,714	2,714
Mortgage and loan costs	-	432	432
Bond financing expenses	11	221	232
Provision for loan loss	-	(350)	(350)
Operations and administration	-	205	205
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	**11**	**3,222**	**3,233**
Operating Income (Loss)	**17**	**2,173**	**2,190**
NON-OPERATING EXPENSES AND TRANSFERS			
Contributions to State of Alaska or State agencies	-	-	-
Transfers - Internal	(15,599)	(160)	(15,759)
Change in Net Position	(15,582)	2,013	(13,569)
Net position at beginning of year	15,582	137,125	152,707
Net Position at End of Period	**$ -**	**$ 139,138**	**$ 139,138**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
STATE CAPITAL PROJECT BONDS
For the Nine Months Ending March 31, 2020
(in thousands of dollars)

	State Capital Project Bonds 2002 A, B, C	State Capital Project Bonds 2011 A	State Capital Project Bonds II 2012 A & B	State Capital Project Bonds II 2013 A & B	State Capital Project Bonds II 2014 A, B, C & D
OPERATING REVENUES					
Mortgage and loan revenue	$ 829	$ 232	$ 1,857	$ 2,778	$ 12,483
Investment interest	26	7	42	68	365
Net change in the fair value of investments	(1)	-	(1)	(6)	(9)
Net change of hedge termination	(227)	-	-	-	-
Total Investment Revenue	(202)	7	41	62	356
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	**627**	**239**	**1,898**	**2,840**	**12,839**
OPERATING EXPENSES					
Interest	807	122	894	1,392	8,612
Mortgage and loan costs	64	10	100	136	958
Bond financing expenses	8	-	2	3	16
Provision for loan loss	(147)	(95)	(394)	(417)	(820)
Operations and administration	47	13	33	42	399
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	**779**	**50**	**635**	**1,156**	**9,165**
Operating Income (Loss)	**(152)**	**189**	**1,263**	**1,684**	**3,674**
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers - Internal	(5,392)	(964)	(5,198)	(5,672)	(15,201)
Change in Net Position	(5,544)	(775)	(3,935)	(3,988)	(11,527)
Net position at beginning of year	8,405	2,634	10,937	12,827	61,012
Net Position at End of Period	**$ 2,861**	**$ 1,859**	**$ 7,002**	**$ 8,839**	**$ 49,485**

See accompanying notes to the financial statements.

State Capital Project Bonds II 2015 A, B & C	State Capital Project Bonds II 2017 A, B & C	State Capital Project Bonds II 2018 A & B	State Capital Project Bonds II 2019 A & B	Total March 31, 2020
$ 9,521	$ 14,184	$ 4,483	$ 6,325	$ 52,692
310	1,283	135	341	2,577
-	(2)	5	15	1
-	-	-	-	(227)
310	1,281	140	356	2,351
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
9,831	**15,465**	**4,623**	**6,681**	**55,043**
5,800	6,488	2,415	3,373	29,903
683	577	364	484	3,376
12	96	24	475	636
(431)	(616)	(23)	2,118	(825)
340	202	110	160	1,346
-	-	-	-	-
-	-	-	-	-
6,404	**6,747**	**2,890**	**6,610**	**34,436**
3,427	**8,718**	**1,733**	**71**	**20,607**
-	-	-	-	-
(9,422)	(4,978)	(545)	22,475	(24,897)
(5,995)	3,740	1,188	22,546	(4,290)
43,071	65,161	20,159	-	224,206
$ 37,076	**$ 68,901**	**$ 21,347**	**$ 22,546**	**$ 219,916**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
OTHER PROGRAM FUNDS
For the Nine Months Ending March 31, 2020
(in thousands of dollars)

	Low Rent Program	Market Rate Rental Housing Program	Home Ownership Fund	Senior Housing Revolving Loan Fund	Other Funds or Programs Subtotal
OPERATING REVENUES					
Mortgage and loan revenue	$ -	$ -	$ 200	$ 846	$ 1,046
Investment interest	18	16	24	72	130
Net change in the fair value of investments	-	-	-	(3)	(3)
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	18	16	24	69	127
Grant revenue	1,751	-	-	-	1,751
Housing rental subsidies	7,417	1,694	-	-	9,111
Rental revenue	6,688	1,814	-	-	8,502
Gain (Loss) on Disposal of Capital Assets	84	-	-	-	84
Other revenue	-	-	-	-	-
Total Operating Revenues	**15,958**	**3,524**	**224**	**915**	**20,621**
OPERATING EXPENSES					
Interest	-	-	-	-	-
Mortgage and loan costs	-	-	19	78	97
Bond financing expenses	-	-	-	-	-
Provision for loan loss	-	-	15	(10)	5
Operations and administration	8,762	2,237	11	32	11,042
Rental housing operating expenses	9,251	1,770	-	-	11,021
Grant expense	-	-	-	-	-
Total Operating Expenses	**18,013**	**4,007**	**45**	**100**	**22,165**
Operating Income (Loss)	**(2,055)**	**(483)**	**179**	**815**	**(1,544)**
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers - Internal	1,581	447	10	48	2,086
Change in Net Position	(474)	(36)	189	863	542
Net position at beginning of year	68,325	28,100	12,683	33,316	142,424
Net Position at End of Period	**$ 67,851**	**$ 28,064**	**$ 12,872**	**$ 34,179**	**$ 142,966**

See accompanying notes to the financial statements.

Schedule 18

Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total March 31, 2020
$ -	$ -	$ -	$ -	$ 104	$ 1,150
1	5	-	6	9	145
-	-	-	-	-	(3)
-	-	-	-	-	-
1	5	-	6	9	142
5,344	31,369	9,277	45,990	-	47,741
-	-	-	-	-	9,111
-	-	-	-	179	8,681
-	-	-	-	-	84
-	19	530	549	3	552
5,345	**31,393**	**9,807**	**46,545**	**295**	**67,461**
-	-	-	-	-	-
-	-	-	-	-	97
-	-	-	-	-	-
-	-	31	31	(130)	(94)
1,695	4,246	2,213	8,154	242	19,438
-	-	-	-	2	11,023
5,132	27,039	14,564	46,735	-	46,735
6,827	**31,285**	**16,808**	**54,920**	**114**	**77,199**
(1,482)	**108**	**(7,001)**	**(8,375)**	**181**	**(9,738)**
-	-	-	-	-	-
1,608	293	5,652	7,553	1,664	11,303
126	401	(1,349)	(822)	1,845	1,565
2,680	857	7,498	11,035	22,215	175,674
$ 2,806	**$ 1,258**	**$ 6,149**	**$ 10,213**	**$ 24,060**	**$ 177,239**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED - ALL FUNDS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Mortgage Revenue Bonds	Combined Collateralized Mortgage Mortgage Bonds
Cash flows from operating activities:					
Interest income on mortgages and loans	$ 5,709	$ 21,659	$ 14,049	$ 4,831	$ 3,170
Principal payments received on mortgages and loans	6,810	89,033	40,760	18,768	19,625
Disbursements to fund mortgages and loans	(377,016)	-	-	-	-
Receipt (payment) for loan transfers between funds	285,979	(88,374)	(85,705)	(2,445)	(29,823)
Mortgage and loan proceeds	458,813	-	-	-	-
Payment of mortgage and loan proceeds to funds	(439,679)	-	-	-	-
Payments to employees and other payroll disbursements	(17,145)	-	-	-	-
Payments for goods and services	(4,019)	-	-	-	-
Cash received for externally funded programs	-	-	-	-	-
Cash received for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	(11,462)	-	-	-	-
Grant payments to other agencies	(5)	-	-	-	-
Other operating cash receipts	874	-	-	-	-
Other operating cash payments	(16)	-	-	-	-
Net cash provided by (used for) operating activities	(91,157)	22,318	(30,896)	21,154	(7,028)
Cash flows from noncapital financing activities:					
Proceeds from the issuance of bonds	-	-	168,836	-	-
Principal paid on bonds	-	(3,640)	(27,750)	(107,625)	(865)
Payment of bond issuance costs	(590)	-	(725)	-	-
Interest paid	-	(8,686)	(5,823)	(2,838)	(1,951)
Proceeds from issuance of short term debt	466,659	-	-	-	-
Payment of short term debt	(446,699)	-	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-	-	-
Transfers (to) from other funds	188,984	(1)	(83,196)	82,887	(321)
Other cash payments	-	-	-	-	-
activities	208,354	(12,327)	51,342	(27,576)	(3,137)
Cash flows from capital financing activities:					
Acquisition of capital assets	(251)	-	-	-	-
Proceeds from the disposal of capital assets	1,369	-	-	-	-
Principal paid on capital notes	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net cash provided by (used for) capital financing activities	1,118	-	-	-	-
Cash flows from investing activities:					
Purchase of investments	(2,594,642)	(136,477)	(176,850)	(29,889)	(45,072)
Proceeds from maturity of investments	2,475,872	125,344	155,891	36,051	54,780
Interest received from investments	5,484	1,142	513	260	457
Net cash provided by (used for) investing activities	(113,286)	(9,991)	(20,446)	6,422	10,165
Net Increase (decrease) in cash	5,029	-	-	-	-
Cash at the beginning of year	33,542	-	-	-	-
Cash at the end of period	$ 38,571	$ -	$ -	$ -	$ -

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total March 31, 2020
$ 4,361	$ 49,671	$ 958	$ 104,408
23,382	127,981	4,830	331,189
-	-	-	(377,016)
(20,209)	(52,811)	(6,612)	-
-	-	-	458,813
-	-	-	(439,679)
-	-	(11,359)	(28,504)
-	-	(11,135)	(15,154)
-	-	26,570	26,570
-	-	27,201	27,201
-	-	(26,419)	(26,419)
-	-	11,462	-
-	-	(21,569)	(21,574)
-	162	9,334	10,370
-	(199)	(510)	(725)
7,534	124,804	2,751	49,480
-	210,920	-	379,756
(17,730)	(17,845)	-	(175,455)
-	(448)	-	(1,763)
(1,526)	(25,056)	-	(45,880)
-	-	-	466,659
-	-	-	(446,699)
-	-	-	-
(14)	(188,339)	-	-
-	-	-	-
(19,270)	(20,768)	-	176,618
-	-	(1,912)	(2,163)
-	-	87	1,456
-	(6,020)	-	(6,020)
-	-	-	-
-	(1,231)	-	(1,231)
-	3,303	-	3,303
-	(3,948)	(1,825)	(4,655)
(69,097)	(338,755)	(5,936)	(3,396,718)
80,480	237,201	6,659	3,172,278
353	1,429	150	9,788
11,736	(100,125)	873	(214,652)
-	(37)	1,799	6,791
-	199	40,518	74,259
$ -	$ 162	$ 42,317	$ 81,050

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED - ALL FUNDS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds
Reconciliation of operating income (loss) to net cash					
Operating income (loss)	$ (2,926)	$ 6,833	$ 1,488	$ 3,233	$ 1,072
Adjustments:					
Depreciation expense	746	-	-	-	-
Provision for loan losses	(1,054)	(1,020)	(396)	(1,635)	103
Net change in the fair value of investments	(1,318)	(199)	(134)	(30)	(63)
Transfers between funds for operating activity	32,231	879	6,681	(12,739)	2,301
Interest received from investments	(5,484)	(1,142)	(513)	(260)	(457)
Interest paid	-	8,686	5,823	2,838	1,951
Changes in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	60,862	4,800	(125,729)	109,500	(10,150)
Net increase (decrease) in assets, liabilities and deferred	(174,214)	3,481	81,884	(79,753)	(1,785)
Net cash provided by (used for) operating activities	$ (91,157)	$ 22,318	$ (30,896)	$ 21,154	$ (7,028)

See accompanying independent auditor's report.

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total March 31, 2020
$ 2,190	$ 20,607	$ (9,738)	$ 22,759
-	-	4,003	4,749
(350)	(825)	(94)	(5,271)
(128)	(1)	3	(1,870)
(15,759)	(24,897)	11,303	-
(353)	(1,429)	(150)	(9,788)
1,526	25,056	-	45,880
18,436	(76,217)	(349)	(18,847)
1,972	182,510	(2,227)	11,868
$ 7,534	$ 124,804	$ 2,751	$ 49,480

ALASKA HOUSING FINANCE CORPORATION **Schedule 20**
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
ADMINISTRATIVE FUND
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	Administrative Fund	Total March 31, 2020
Cash flows from operating activities:		
Interest income on mortgages and loans	$ 5,709	$ 5,709
Principal payments received on mortgages and loans	6,810	6,810
Disbursements to fund mortgages and loans	(377,016)	(377,016)
Receipt (payment) for loan transfers between funds	285,979	285,979
Mortgage and loan proceeds	458,813	458,813
Payment of mortgage and loan proceeds to funds	(439,679)	(439,679)
Payments to employees and other payroll disbursements	(17,145)	(17,145)
Payments for goods and services	(4,019)	(4,019)
Cash received for externally funded programs	-	-
Cash received for Federal HAP subsidies	-	-
Payments for Federal HAP subsidies	-	-
Interfund receipts (payments)	(11,462)	(11,462)
Grant payments to other agencies	(5)	(5)
Other operating cash receipts	874	874
Other operating cash payments	(16)	(16)
Net cash provided by (used for) operating activities	(91,157)	(91,157)
Cash flows from noncapital financing activities:		
Proceeds from the issuance of bonds	-	-
Principal paid on bonds	-	-
Payment of bond issuance costs	(590)	(590)
Interest paid	-	-
Proceeds from issuance of short term debt	466,659	466,659
Payment of short term debt	(446,699)	(446,699)
Contributions to the State of Alaska or other State agencies	-	-
Transfers (to) from other funds	188,984	188,984
Other cash payments	-	-
activities	208,354	208,354
Cash flows from capital financing activities:		
Acquisition of capital assets	(251)	(251)
Proceeds from the disposal of capital assets	1,369	1,369
Principal paid on capital notes	-	-
Interest paid on capital notes	-	-
Proceeds from direct financing leases	-	-
Net cash provided by (used for) capital financing activities	1,118	1,118
Cash flows from investing activities:		
Purchase of investments	(2,594,642)	(2,594,642)
Proceeds from maturity of investments	2,475,872	2,475,872
Interest received from investments	5,484	5,484
Net cash provided by (used for) investing activities	(113,286)	(113,286)
Net Increase (decrease) in cash	5,029	5,029
Cash at the beginning of year	33,542	33,542
Cash at the end of period	$ 38,571	$ 38,571

ALASKA HOUSING FINANCE CORPORATION **Schedule 20**
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
ADMINISTRATIVE FUND
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	Administrative Fund	Total March 31, 2020
Reconciliation of operating income (loss) to net cash		
Operating Income (Loss)	(2,926)	(2,926)
Adjustments:		-
Depreciation	746	746
Net change in the fair value of investments	(1,054)	(1,054)
Provision for loan loss	(1,318)	(1,318)
Transfers - Internal	32,231	32,231
Interest received from investments	(5,484)	(5,484)
Interest paid	-	-
Changes in assets, liabilities and deferred resources:		-
Net (increase) decrease in mortgages and loans	60,862	60,862
Net increase (decrease) in assets, liabilities and deferred	(174,214)	(174,214)
Net cash provided by (used for) operating activities	$ (91,157)	$ (91,157)

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
HOME MORTGAGE REVENUE BONDS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	Home Mortgage Revenue Bonds 2002 A	Home Mortgage Revenue Bonds 2007 A	Home Mortgage Revenue Bonds 2007 B	Home Mortgage Revenue Bonds 2007 D	Home Mortgage Revenue Bonds 2009 A
Cash flows from operating activities:					
Interest income on mortgages and loans	$ 2,517	$ 2,458	$ 2,452	$ 3,320	$ 3,307
Principal payments received on mortgages and loans	10,296	9,314	10,552	11,252	16,252
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipt (payment) for loan transfers between funds	(7,553)	(8,967)	(10,256)	(11,843)	(17,658)
Mortgage and loan proceeds	-	-	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-	-	-
Payments to employees and other payroll disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Cash received for externally funded programs	-	-	-	-	-
Cash received for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts	-	-	-	-	-
Other operating cash payments	-	-	-	-	-
Net cash provided by (used for) operating activities	5,260	2,805	2,748	2,729	1,901
Cash flows from noncapital financing activities:					
Proceeds from the issuance of bonds	-	-	-	-	-
Principal paid on bonds	(865)	(870)	(870)	(1,035)	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid	(478)	(1,236)	(1,236)	(1,472)	(1,421)
Proceeds from issuance of short term debt	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-	-	-
Transfers (to) from other funds	(5,027)	754	754	899	873
Other cash payments	-	-	-	-	-
activities	(6,370)	(1,352)	(1,352)	(1,608)	(548)
Cash flows from capital financing activities:					
Acquisition of capital assets	-	-	-	-	-
Proceeds from the disposal of capital assets	-	-	-	-	-
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net cash provided by (used for) capital financing activities	-	-	-	-	-
Cash flows from investing activities:					
Purchase of investments	(14,652)	(15,395)	(16,023)	(18,209)	(24,184)
Proceeds from maturity of investments	15,617	13,816	14,504	16,929	22,627
Interest received from investments	145	126	123	159	204
Net cash provided by (used for) investing activities	1,110	(1,453)	(1,396)	(1,121)	(1,353)
Net Increase (decrease) in cash	-	-	-	-	-
Cash at the beginning of year	-	-	-	-	-
Cash at the end of period	$ -	$ -	$ -	$ -	$ -

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total March 31, 2020
$ 3,603	$ 4,002	$ 21,659
16,715	14,652	89,033
-	-	-
(16,468)	(15,629)	(88,374)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
3,850	3,025	22,318
-	-	-
-	-	(3,640)
-	-	-
(1,421)	(1,422)	(8,686)
-	-	-
-	-	-
-	-	-
873	873	(1)
-	-	-
(548)	(549)	(12,327)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
(24,951)	(23,063)	(136,477)
21,456	20,395	125,344
193	192	1,142
(3,302)	(2,476)	(9,991)
-	-	-
-	-	-
$ -	$ -	$ -

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
HOME MORTGAGE REVENUE BONDS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	Home Mortgage Revenue Bonds 2002 A	Home Mortgage Revenue Bonds 2007 A	Home Mortgage Revenue Bonds 2007 B	Home Mortgage Revenue Bonds 2007 D	Home Mortgage Revenue Bonds 2009 A
Reconciliation of operating income (loss) to net cash					
Operating income (loss)	$ 1,626	$ 294	$ 281	$ 805	$ 922
Adjustments:					
Depreciation	-	-	-	-	-
Provision for loan loss	(223)	(102)	(84)	(149)	(87)
Net change in the fair value of investments	-	(30)	(30)	(35)	(32)
Transfers - Internal	(5,223)	840	803	1,141	1,096
Interest received from investments	(145)	(126)	(123)	(159)	(204)
Interest paid	478	1,236	1,236	1,472	1,421
Changes in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	2,952	702	468	(989)	(216)
Net increase (decrease) in assets, liabilities and deferred	5,795	(9)	197	643	(999)
Net cash provided by (used for) operating activities	$ 5,260	$ 2,805	$ 2,748	$ 2,729	$ 1,901

See accompanying independent auditor's report.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total March 31, 2020
$ 1,233	$ 1,672	$ 6,833
-	-	-
(138)	(237)	(1,020)
(35)	(37)	(199)
1,049	1,173	879
(193)	(192)	(1,142)
1,421	1,422	8,686
2,288	(405)	4,800
(1,775)	(371)	3,481
$ 3,850	$ 3,025	$ 22,318

ALASKA HOUSING FINANCE CORPORATION **Schedule 22**

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

GENERAL MORTGAGE REVENUE BONDS

For The Nine Months Ended March 31, 2020

(in thousands of dollars)

	General Mortgage Revenue Bonds II 2012 A & B	General Mortgage Revenue Bonds II 2016 A	General Mortgage Revenue Bonds II 2018 A & B	General Mortgage Revenue Bonds II 2019 A & B	Total March 31, 2020
Cash flows from operating activities:					
Interest income on mortgages and loans	$ 4,481	$ 2,088	$ 5,128	$ 2,352	$ 14,049
Principal payments received on mortgages and loans	14,879	5,034	13,267	7,580	40,760
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipt (payment) for loan transfers between funds	-	(1,004)	(5,485)	(79,216)	(85,705)
Mortgage and loan proceeds	-	-	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-	-	-
Payments to employees and other payroll disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Cash received for externally funded programs	-	-	-	-	-
Cash received for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts	-	-	-	-	-
Other operating cash payments	-	-	-	-	-
Net cash provided by (used for) operating activities	19,360	6,118	12,910	(69,284)	(30,896)
Cash flows from noncapital financing activities:					
Proceeds from the issuance of bonds	-	-	-	168,836	168,836
Principal paid on bonds	(21,755)	(3,045)	(2,950)	-	(27,750)
Payment of bond issuance costs	-	-	-	(725)	(725)
Interest paid	(1,618)	(1,117)	(3,088)	-	(5,823)
Proceeds from issuance of short term debt	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-	-	-
Transfers (to) from other funds	-	-	-	(83,196)	(83,196)
Other cash payments	-	-	-	-	-
activities	(23,373)	(4,162)	(6,038)	84,915	51,342
Cash flows from capital financing activities:					
Acquisition of capital assets	-	-	-	-	-
Proceeds from the disposal of capital assets	-	-	-	-	-
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net cash provided by (used for) capital financing activities	-	-	-	-	-
Cash flows from investing activities:					
Purchase of investments	(22,400)	(11,169)	(31,458)	(111,823)	(176,850)
Proceeds from maturity of investments	26,275	9,154	24,423	96,039	155,891
Interest received from investments	138	59	163	153	513
Net cash provided by (used for) investing activities	4,013	(1,956)	(6,872)	(15,631)	(20,446)
Net Increase (decrease) in cash	-	-	-	-	-
Cash at the beginning of year	-	-	-	-	-
Cash at the end of period	$ -	$ -	$ -	$ -	$ -

ALASKA HOUSING FINANCE CORPORATION **Schedule 22**
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
GENERAL MORTGAGE REVENUE BONDS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	General Mortgage Revenue Bonds II 2012 A & B	General Mortgage Revenue Bonds II 2016 A	General Mortgage Revenue Bonds II 2018 A & B	General Mortgage Revenue Bonds II 2019 A & B	Total March 31, 2020
Reconciliation of operating income (loss) to net cash					
Operating income (loss)	$ 1,686	$ 497	$ 1,019	$ (1,714)	$ 1,488
Adjustments:					
Depreciation	-	-	-	-	-
Provision for loan loss	(1,846)	(42)	(91)	1,583	(396)
Net change in the fair value of investments	(21)	(14)	(50)	(49)	(134)
Transfers - Internal	153	257	266	6,005	6,681
Interest received from investments	(138)	(59)	(163)	(153)	(513)
Interest paid	1,618	1,117	3,088	-	5,823
Changes in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	17,788	4,115	9,058	(156,690)	(125,729)
Net increase (decrease) in assets, liabilities and deferred	120	247	(217)	81,734	81,884
Net cash provided by (used for) operating activities	$ 19,360	$ 6,118	$ 12,910	$ (69,284)	$ (30,896)

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 23**
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
MORTGAGE REVENUE BONDS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	Mortgage Revenue Bonds 2009 A-1, 2010 A & B	Mortgage Revenue Bonds 2009 A-2, 2011 A & B	Total March 31, 2020
Cash flows from operating activities:			
Interest income on mortgages and loans	$ 1,432	$ 3,399	$ 4,831
Principal payments received on mortgages and loans	4,836	13,932	18,768
Disbursements to fund mortgages and loans	-	-	-
Receipt (payment) for loan transfers between funds	(2,870)	425	(2,445)
Mortgage and loan proceeds	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-
Payments to employees and other payroll disbursements	-	-	-
Payments for goods and services	-	-	-
Cash received for externally funded programs	-	-	-
Cash received for Federal HAP subsidies	-	-	-
Payments for Federal HAP subsidies	-	-	-
Interfund receipts (payments)	-	-	-
Grant payments to other agencies	-	-	-
Other operating cash receipts	-	-	-
Other operating cash payments	-	-	-
Net cash provided by (used for) operating activities	3,398	17,756	21,154
Cash flows from noncapital financing activities:			
Proceeds from the issuance of bonds	-	-	-
Principal paid on bonds	(90,895)	(16,730)	(107,625)
Payment of bond issuance costs	-	-	-
Interest paid	(1,525)	(1,313)	(2,838)
Proceeds from issuance of short term debt	-	-	-
Payment of short term debt	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-
Transfers (to) from other funds	82,887	-	82,887
activities	(9,533)	(18,043)	(27,576)
Cash flows from capital financing activities:			
Acquisition of capital assets	-	-	-
Proceeds from the disposal of capital assets	-	-	-
Principal paid on capital notes	-	-	-
Interest paid on capital notes	-	-	-
Proceeds from direct financing leases	-	-	-
Net cash provided by (used for) capital financing activities	-	-	-
Cash flows from investing activities:			
Purchase of investments	(6,815)	(23,074)	(29,889)
Proceeds from maturity of investments	12,864	23,187	36,051
Interest received from investments	86	174	260
Net cash provided by (used for) investing activities	6,135	287	6,422
Net Increase (decrease) in cash	-	-	-
Cash at the beginning of year	-	-	-
Cash at the end of period	$ -	$ -	$ -

ALASKA HOUSING FINANCE CORPORATION **Schedule 23**

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

MORTGAGE REVENUE BONDS

For The Nine Months Ended March 31, 2020

(in thousands of dollars)

	Mortgage Revenue Bonds 2009 A-1, 2010 A & B	Mortgage Revenue Bonds 2009 A-2, 2011 A & B	Total March 31, 2020
Reconciliation of operating income (loss) to net cash			
Operating income (loss)	1,188	2,045	$ 3,233
Adjustments:			
Depreciation	-	-	-
Provision for loan loss	(1,106)	(529)	(1,635)
Net change in the fair value of investments	1	(31)	(30)
Transfers - Internal	(12,958)	219	(12,739)
Interest received from investments	(86)	(174)	(260)
Interest paid	1,525	1,313	2,838
Changes in assets, liabilities and deferred resources:			
Net (increase) decrease in mortgages and loans	95,434	14,066	109,500
Net increase (decrease) in assets, liabilities and deferred	(80,600)	847	(79,753)
Net cash provided by (used for) operating activities	$ 3,398	$ 17,756	$ 21,154

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 24**

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

COLLATERALIZED VETERANS MORTGAGE BONDS

For The Nine Months Ended March 31, 2020

(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total March 31, 2020
Cash flows from operating activities:			
Interest income on mortgages and loans	$ 1,518	$ 1,652	$ 3,170
Principal payments received on mortgages and loans	8,039	11,586	19,625
Disbursements to fund mortgages and loans	-	-	-
Receipt (payment) for loan transfers between funds	(6,532)	(23,291)	(29,823)
Mortgage and loan proceeds	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-
Payments to employees and other payroll disbursements	-	-	-
Payments for goods and services	-	-	-
Cash received for externally funded programs	-	-	-
Cash received for Federal HAP subsidies	-	-	-
Payments for Federal HAP subsidies	-	-	-
Interfund receipts (payments)	-	-	-
Grant payments to other agencies	-	-	-
Other operating cash receipts	-	-	-
Other operating cash payments	-	-	-
Net cash provided by (used for) operating activities	3,025	(10,053)	(7,028)
Cash flows from noncapital financing activities:			
Proceeds from the issuance of bonds	-	-	-
Principal paid on bonds	(640)	(225)	(865)
Payment of bond issuance costs	-	-	-
Interest paid	(581)	(1,370)	(1,951)
Proceeds from issuance of short term debt	-	-	-
Payment of short term debt	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-
Transfers (to) from other funds	(321)	-	(321)
Other cash payments	-	-	-
activities	(1,542)	(1,595)	(3,137)
Cash flows from capital financing activities:			
Acquisition of capital assets	-	-	-
Proceeds from the disposal of capital assets	-	-	-
Principal paid on capital notes	-	-	-
Interest paid on capital notes	-	-	-
Proceeds from direct financing leases	-	-	-
Net cash provided by (used for) capital financing activities	-	-	-
Cash flows from investing activities:			
Purchase of investments	(15,526)	(29,546)	(45,072)
Proceeds from maturity of investments	13,936	40,844	54,780
Interest received from investments	107	350	457
Net cash provided by (used for) investing activities	(1,483)	11,648	10,165
Net Increase (decrease) in cash	-	-	-
Cash at the beginning of year	-	-	-
Cash at the end of period	$ -	$ -	$ -

ALASKA HOUSING FINANCE CORPORATION **Schedule 24**
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COLLATERALIZED VETERANS MORTGAGE BONDS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total March 31, 2020
Reconciliation of operating income (loss) to net cash			
Operating income (loss)	$ 732	$ 340	$ 1,072
Adjustments:			
Depreciation	-	-	-
Provision for loan loss	(39)	142	103
Net change in the fair value of investments	(29)	(34)	(63)
Transfers - Internal	(2,452)	4,753	2,301
Interest received from investments	(107)	(350)	(457)
Interest paid	581	1,370	1,951
Changes in assets, liabilities and deferred resources:			
Net (increase) decrease in mortgages and loans	3,903	(14,053)	(10,150)
Net increase (decrease) in assets, liabilities and deferred	436	(2,221)	(1,785)
Net cash provided by (used for) operating activities	$ 3,025	$ (10,053)	$ (7,028)

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 25**
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
GOVERNMENTAL PURPOSE BONDS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	Governmental Purpose Bonds 1997 A	Governmental Purpose Bonds 2001 A & B	Total March 31, 2020
Cash flows from operating activities:			
Interest income on mortgages and loans	$ -	$ 4,361	$ 4,361
Principal payments received on mortgages and loans	-	23,382	23,382
Disbursements to fund mortgages and loans	-	-	-
Receipt (payment) for loan transfers between funds	-	(20,209)	(20,209)
Mortgage and loan proceeds	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-
Payments to employees and other payroll disbursements	-	-	-
Payments for goods and services	-	-	-
Cash received for externally funded programs	-	-	-
Cash received for Federal HAP subsidies	-	-	-
Payments for Federal HAP subsidies	-	-	-
Interfund receipts (payments)	-	-	-
Grant payments to other agencies	-	-	-
Other operating cash receipts	-	-	-
Other operating cash payments	-	-	-
Net cash provided by (used for) operating activities	-	7,534	7,534
Cash flows from noncapital financing activities:			
Proceeds from the issuance of bonds	-	-	-
Principal paid on bonds	(14,600)	(3,130)	(17,730)
Payment of bond issuance costs	-	-	-
Interest paid	(19)	(1,507)	(1,526)
Proceeds from issuance of short term debt	-	-	-
Payment of short term debt	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-
Transfers (to) from other funds	(14)	-	(14)
Other cash payments	-	-	-
activities	(14,633)	(4,637)	(19,270)
Cash flows from capital financing activities:			
Acquisition of capital assets	-	-	-
Proceeds from the disposal of capital assets	-	-	-
Principal paid on capital notes	-	-	-
Interest paid on capital notes	-	-	-
Proceeds from direct financing leases	-	-	-
Net cash provided by (used for) capital financing activities	-	-	-
Cash flows from investing activities:			
Purchase of investments	(13)	(69,084)	(69,097)
Proceeds from maturity of investments	14,636	65,844	80,480
Interest received from investments	10	343	353
Net cash provided by (used for) investing activities	14,633	(2,897)	11,736
Net Increase (decrease) in cash	-	-	-
Cash at the beginning of year	-	-	-
Cash at the end of period	$ -	$ -	$ -

ALASKA HOUSING FINANCE CORPORATION **Schedule 25**
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
GOVERNMENTAL PURPOSE BONDS
For The Nine Months Ended March 31,
2020 *(in thousands of dollars)*

	Governmental Purpose Bonds 1997 A	Governmental Purpose Bonds 2001 A & B	Total March 31, 2020
Reconciliation of operating income (loss) to net cash			
Operating income (loss)	$ 17	$ 2,173	$ 2,190
Adjustments:			
Depreciation	-	-	-
Provision for loan loss	-	(350)	(350)
Net change in the fair value of investments	-	(128)	(128)
Transfers - Internal	(15,599)	(160)	(15,759)
Interest received from investments	(10)	(343)	(353)
Interest paid	19	1,507	1,526
Changes in assets, liabilities and deferred resources:			
Net (increase) decrease in mortgages and loans	15,363	3,073	18,436
Net increase (decrease) in assets, liabilities and deferred	210	1,762	1,972
Net cash provided by (used for) operating activities	$ -	$ 7,534	$ 7,534

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
STATE CAPITAL PROJECT BONDS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	State Capital Project Bonds 2002 A, B, C	State Capital Project Bonds 2011 A	State Capital Project Bonds II 2012 A & B	State Capital Project Bonds II 2013 A & B	State Capital Project Bonds II 2014 A, B, C & D
Cash flows from operating activities:					
Interest income on mortgages and loans	$ 776	$ 221	$ 1,790	$ 2,687	$ 11,698
Principal payments received on mortgages and loans	2,755	335	3,696	6,718	33,518
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipt (payment) for loan transfers between funds	-	-	-	-	(8,892)
Mortgage and loan proceeds	-	-	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-	-	-
Payments to employees and other payroll disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Cash received for externally funded programs	-	-	-	-	-
Cash received for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts	-	-	-	-	-
Other operating cash payments	-	-	-	-	-
Net cash provided by (used for) operating activities	3,531	556	5,486	9,405	36,324
Cash flows from noncapital financing activities:					
Proceeds from the issuance of bonds	-	-	-	-	-
Principal paid on bonds	(439)	(1,296)	(2,355)	(2,765)	(6,150)
Payment of bond issuance costs	-	-	-	-	-
Interest paid	(92)	(98)	(868)	(1,371)	(7,105)
Proceeds from issuance of short term debt	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-	-	-
Transfers (to) from other funds	790	930	-	(930)	(790)
Other cash payments	-	-	-	-	-
activities	259	(464)	(3,223)	(5,066)	(14,045)
Cash flows from capital financing activities:					
Acquisition of capital assets	-	-	-	-	-
Proceeds from the disposal of capital assets	-	-	-	-	-
Principal paid on capital notes	(5,826)	(194)	-	-	-
Interest paid on capital notes	(1,216)	(15)	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net cash provided by (used for) capital financing activities	(7,042)	(209)	-	-	-
Cash flows from investing activities:					
Purchase of investments	(3,704)	(1,493)	(6,055)	(9,470)	(56,526)
Proceeds from maturity of investments	6,923	1,603	3,750	5,067	33,899
Interest received from investments	33	7	42	64	348
Net cash provided by (used for) investing activities	3,252	117	(2,263)	(4,339)	(22,279)
Net Increase (decrease) in cash	-	-	-	-	-
Cash at the beginning of year	-	-	-	-	-
Cash at the end of period	$ -	$ -	$ -	$ -	$ -

State Capital Project Bonds II 2015 A, B & C	State Capital Project Bonds II 2017 A, B & C	State Capital Project Bonds II 2018 A & B	State Capital Project Bonds II 2019 A & B	Total March 31, 2020
$ 8,981	$ 13,673	$ 4,140	$ 5,705	$ 49,671
25,832	18,051	11,501	25,575	127,981
-	-	-	-	-
(6,547)	(10,699)	(10,480)	(16,193)	(52,811)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	162	-	-	162
-	(199)	-	-	(199)
28,266	20,988	5,161	15,087	124,804
-	-	-	210,920	210,920
(2,195)	(2,100)	(545)	-	(17,845)
-	-	-	(448)	(448)
(5,386)	(6,106)	(1,809)	(2,221)	(25,056)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	16,393	-	(204,732)	(188,339)
-	-	-	-	-
(7,581)	8,187	(2,354)	3,519	(20,768)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	(6,020)
-	-	-	-	(1,231)
-	3,303	-	-	3,303
-	3,303	-	-	(3,948)
(58,543)	(62,438)	(21,271)	(119,255)	(338,755)
37,555	29,750	18,329	100,325	237,201
303	173	135	324	1,429
(20,685)	(32,515)	(2,807)	(18,606)	(100,125)
-	(37)	-	-	(37)
-	199	-		199
$ -	$ 162	$ -	$ -	$ 162

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
STATE CAPITAL PROJECT BONDS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	State Capital Project Bonds 2002 A, B, C	State Capital Project Bonds 2011 A	State Capital Project Bonds II 2012 A & B	State Capital Project Bonds II 2013 A & B	State Capital Project Bonds II 2014 A, B, C & D
Reconciliation of operating income (loss) to net cash					
Operating income (loss)	$ (152)	$ 189	$ 1,263	$ 1,684	$ 3,674
Adjustments:					
Depreciation	-	-	-	-	-
Provision for loan loss	(147)	(95)	(394)	(417)	(820)
Net change in the fair value of investments	1	-	1	6	9
Transfers - Internal	(5,392)	(964)	(5,198)	(5,672)	(15,201)
Interest received from investments	(33)	(7)	(42)	(64)	(348)
Interest paid	92	98	868	1,371	7,105
Changes in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	8,655	2,131	8,584	11,423	41,921
Net increase (decrease) in assets, liabilities and deferred	507	(796)	404	1,074	(16)
Net cash provided by (used for) operating activities	$ 3,531	$ 556	$ 5,486	$ 9,405	$ 36,324

See accompanying independent auditor's report.

State Capital Project Bonds II 2015 A, B & C	State Capital Project Bonds II 2017 A, B & C	State Capital Project Bonds II 2018 A & B	State Capital Project Bonds II 2019 A & B	Total March 31, 2020
$ 3,427	$ 8,718	$ 1,733	$ 71	$ 20,607
-	-	-	-	-
(431)	(616)	(23)	2,118	(825)
-	2	(5)	(15)	(1)
(9,422)	(4,978)	(545)	22,475	(24,897)
(303)	(173)	(135)	(324)	(1,429)
5,386	6,106	1,809	2,221	25,056
27,630	30,814	2,309	(209,684)	(76,217)
1,979	(18,885)	18	198,225	182,510
$ 28,266	$ 20,988	$ 5,161	$ 15,087	$ 124,804

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
OTHER PROGRAM FUNDS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	Low Rent Program	Market Rate Rental Housing Program	Home Ownership Fund	Senior Housing Revolving Loan Fund	Other Funds or Programs Subtotal
Cash flows from operating activities:					
Interest income on mortgages and loans	$ -	$ -	$ 183	$ 775	$ 958
Principal payments received on mortgages and loans	-	-	516	4,314	4,830
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipt (payment) for loan transfers between funds	-	-	(2,053)	(4,559)	(6,612)
Mortgage and loan proceeds	-	-	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-	-	-
Payments to employees and other payroll disbursements	(6,040)	(1,209)	-	-	(7,249)
Payments for goods and services	(8,435)	(1,594)	-	-	(10,029)
Cash received for externally funded programs	8,041	1,694	-	-	9,735
Cash received for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	1,232	233	-	-	1,465
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts	6,648	1,882	-	-	8,530
Other operating cash payments	(185)	(36)	-	-	(221)
Net cash provided by (used for) operating activities	1,261	970	(1,354)	530	1,407
Cash flows from noncapital financing activities:					
Proceeds from the issuance of bonds	-	-	-	-	-
Principal paid on bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid	-	-	-	-	-
Proceeds from issuance of short term debt	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-	-	-
Transfers (to) from other funds	-	-	-	-	-
activities	-	-	-	-	-
Cash flows from capital financing activities:					
Acquisition of capital assets	(804)	(6)	-	-	(810)
Proceeds from the disposal of capital assets	87	-	-	-	87
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net cash provided by (used for) capital financing activities	(717)	(6)	-	-	(723)
Cash flows from investing activities:					
Purchase of investments	-	-	(726)	(5,210)	(5,936)
Proceeds from maturity of investments	-	-	2,053	4,606	6,659
Interest received from investments	18	16	27	74	135
Net cash provided by (used for) investing activities	18	16	1,354	(530)	858
Net Increase (decrease) in cash	562	980	-	-	1,542
Cash at the beginning of year	14,643	12,936	-	-	27,579
Cash at the end of period	$ 15,205	$ 13,916	$ -	$ -	$ 29,121

Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total March 31, 2020	
$ -	$ -	$ -	$ -	$ -	$ 958	
-	-	-	-	-	4,830	
-	-	-	-	-	-	
-	-	-	-	-	(6,612)	
-	-	-	-	-	-	
-	-	-	-	-	-	
(169)	(3,044)	(711)	(3,924)	(186)	(11,359)	
(322)	(226)	(486)	(1,034)	(72)	(11,135)	
4,321	4,208	8,306	16,835	-	26,570	
-	27,201	-	27,201	-	27,201	
-	(26,419)	-	(26,419)	-	(26,419)	
1,132	(1,218)	8,600	8,514	1,483	11,462	
(4,962)	(620)	(15,987)	(21,569)	-	(21,569)	
-	-	565	565	239	9,334	
-	(2)	(287)	(289)	-	(510)	
-	(120)	-	(120)	1,464	2,751	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	-
-	(29)	-	(29)	(1,073)	(1,912)	
-	-	-	-	-	87	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	(29)	-	(29)	(1,073)	(1,825)	-
-	-	-	-	-	(5,936)	
-	-	-	-	-	6,659	
1	5	-	6	9	150	
1	5	-	6	9	873	-
1	(144)	-	(143)	400	1,799	-
977	4,257	3	5,237	7,702	40,518	-
$ 978	$ 4,113	$ 3	$ 5,094	$ 8,102	$ 42,317	

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
OTHER PROGRAM FUNDS
For The Nine Months Ended March 31, 2020
(in thousands of dollars)

	Low Rent Program	Market Rate Rental Housing Program	Home Ownership Fund	Senior Housing Revolving Loan Fund	Other Funds or Programs Subtotal
Reconciliation of operating income (loss) to net cash					
Operating Income (Loss)	$ (2,055)	$ (483)	$ 179	$ 815	$ (1,544)
Adjustments:					
Depreciation expense	3,081	899	-	-	3,980
Provision for loan loss	-	-	15	(10)	5
Net change in the fair value of investments	-	-	-	3	3
Transfers between funds for operating activity	1,581	447	10	48	2,086
Interest received from investments	(18)	(16)	(27)	(74)	(135)
Interest paid	-	-	-	-	-
Changes in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	-	-	(593)	501	(92)
Net increase (decrease) in assets, liabilities and deferred	(1,328)	123	(938)	(753)	(2,896)
Net cash provided by (used for) operating activities	$ 1,261	$ 970	$ (1,354)	$ 530	$ 1,407

See accompanying independent auditor's report.

Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total March 31, 2020
$ (1,482)	$ 108	$ (7,001)	$ (8,375)	$ 181	$ (9,738)
-	13	-	13	10	4,003
-	-	31	31	(130)	(94)
-	-	-	-	-	3
1,608	293	5,652	7,553	1,664	11,303
(1)	(5)	-	(6)	(9)	(150)
-	-	-	-	-	-
-	-	(31)	(31)	(226)	(349)
(125)	(529)	1,349	695	(26)	(2,227)
$ -	$ (120)	$ -	$ (120)	$ 1,464	$ 2,751

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Alaska Housing
FINANCE CORPORATION

a component unit of the State of Alaska

Financial Statements

And Independent Auditor's Report

June 30, 2019

With Summarized Financial Information for June 30, 2018

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This publication of Alaska Housing Finance Corporation. For comments or questions
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Anchorage, AK 99503

Independent Auditor's Report

Board of Directors
Alaska Housing Finance Corporation
Anchorage, Alaska

Report on the Financial Statements

We have audited the accompanying statements of net position, revenues, expenses and change in net position and cash flows of each major fund of the Alaska Housing Finance Corporation (Corporation), a component unit of the State of Alaska, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements.

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Alaska Housing Finance Corporation, as of June 30, 2019, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3 through 9 and the schedules of net pension liability, and pension contributions on pages 49 and 52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Alaska Housing Finance Corporation's basic financial statements. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 1, 2019 on our consideration of the Alaska Housing Finance Corporation'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 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 Alaska Housing Finance Corporation's internal control over financial reporting and compliance.

BDO USA, LLP

Anchorage, Alaska
October 1, 2019

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report of the Alaska Housing Finance Corporation (the "Corporation") consists of three sections: Management's Discussion and Analysis, the Basic Financial Statements, and Supplementary Schedules. The Corporation's operations are business-type activities and follow enterprise fund accounting rules. The Corporation is a component unit of the State of Alaska (the "State") and is discretely presented in the State's financial statements. The Corporation's Basic Financial Statements include: the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; the Statement of Cash Flows; and the Notes to Financial Statements. These statements are presented for all of the Corporation's operations and grouped by program or function. Summarized financial information for fiscal year 2019 is also presented in Management's Discussion and Analysis to facilitate and enhance the understanding of the Corporation's financial position and the results of operations for the current fiscal year in comparison to the prior fiscal year.

Management's Discussion and Analysis

This section of the Corporation's annual financial report presents management's discussion and analysis of the financial position and results of operations for the fiscal year ended June 30, 2019. This information is presented to assist the reader in identifying significant financial issues and to provide additional information regarding the activities of the Corporation. This information should be read in conjunction with the Independent Auditors' Report, audited financial statements and accompanying notes.

Basic Financial Statements

The *Statement of Net Position (Exhibit A)* helps answer the question: "How is the Corporation's financial health at the end of the year?" The Statement of Net Position includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Corporation, both financial and capital, short-term and long-term. It uses the accrual basis of accounting and economic resources measurement focus. The accrual basis of accounting is used by most private-sector companies. The resulting net position presented in the Statement of Net Position is characterized as restricted or unrestricted. Assets are restricted when their use is subject to external limits or rules such as bond resolutions, legal agreements, or statutes. Assets not included in this category are characterized as unrestricted. Over time, changes in net position may serve as a useful indicator of whether the financial position of the Corporation is improving or declining.

The *Statement of Revenues, Expenses and Changes in Net Position (Exhibit B)* measures the activities of the Corporation's operations over the past year and presents the operating income or (loss) and change in net position. It can be used to determine whether the Corporation has successfully recovered all of its expenses through mortgage and loan interest, investment interest, externally funded programs and other revenue sources. The Statement of Revenues, Expenses and Changes in Net Position helps answer the question: "Is the Corporation as a whole better or worse off as a result of the year's activities?"

The primary purpose of the *Statement of Cash Flows (Exhibit C)* is to provide information about the sources and uses of the Corporation's cash and the components of the change in cash balance during the reporting period. This statement reports cash receipts, cash payments, and net changes resulting from operations, non-capital and capital financing and investing activities. It provides answers to such questions as: "Where did cash come from?"; "What was cash used for?" and "What was the change in the cash balance during the reporting period?"

The *Notes to Financial Statements* provide additional information that is essential to a full understanding of the data provided in the Basic Financial Statements. The *Notes to Financial Statements* follow *Exhibit C*.

Major Funds

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

For fiscal year 2019, the Corporation reports the following major funds:

The *Administrative Fund* is the main operating fund of the Corporation. It represents all of the Corporation's activity not presented in other funds. The resources in this fund:

- provide for general working capital requirements of the Corporation;
- fund program requirements;
- are available to meet outstanding obligations and to fund continuing appropriations;
- are available to absorb future loan foreclosure losses; and
- are the source of legislatively authorized transfers to and from the State of Alaska and debt service payments for debt issued on behalf of the State.

As of June 30, 2019, the Administrative Fund reported a net position of $513.7 million, a decrease of $36.1 million from June 30, 2018. The decrease in net position is the net result of internal transfers out to other funds of $40.5 million, net operating income of $6.5 million and the contribution to the State of Alaska of $2.1 million. Transfers were made from the Administrative Fund to the Grant Programs in the amount of $16.7 million; the Mortgage or Bond Funds of $259.6 million; and to Other Funds or Programs of $4.6 million. The $259.6 million transferred from the Administrative Fund to the Mortgage or Bond Funds was used to fund mortgage loans and includes bond proceeds from two new bond issuances. See Financial Highlights for more on the 2019 bond issuances. Approximately $19.5 million, or 3.8%, of the Administrative Fund's net position is invested in capital assets; $92.8 million, or 18.1% of the total net position, is restricted by contractual or statutory agreements; and $401.3 million, or 78.1%, is unrestricted, and may be used for operations and to meet the continuing obligations of the Corporation.

The *Grant Programs* include resources provided to other agencies and individuals to develop and improve affordable housing units for lower income families and to assist in improving the energy efficiency of Alaskan homes, as well as tenant-based rental assistance programs for families in the private market that are administered by the Corporation under contract with HUD. These programs include the Energy Programs, the Section 8 Voucher Programs, and Other Grants. As of June 30, 2019, the net position for these three programs combined was $11.0 million, a decrease of $2.5 million from June 30, 2018.

The *Mortgage and Bond Funds* include resources used to assist in the financing of loan programs or to fund legislative appropriations. This fund includes the First Time Homebuyer Program Bonds, Veterans Mortgage Program Bonds, Other Housing Bonds, and Non-Housing Bonds.

As of June 30, 2019, the Mortgage and Bond Funds reported a net position of $882.1 million, an increase of $73.8 million from the prior year. Net operating income was $51.4 million, the primary reason for the increase in net position. Net transfers in from the Administrative Fund of $16.0 million also contributed to the increase in net position. In fiscal year 2018, the net operating income was $41.3 million. In 2019, the mortgage loan portfolio increased by $203.0 million and in 2018, the increase was $302.5 million. Approximately $657.9 million, or 74.6%, of the fund's net position is restricted by bond resolutions, an increase from the $611.2 million and 75.6% in 2018. Unrestricted net position increased by $27.1 million in fiscal year 2019.

The *Other Funds and Programs* include AHFC-owned housing for low income families that is managed under contract with HUD as well as other programs that are not specifically grants or bond funds. These programs include the Low Rent Program, the Market Rate Rental Housing Program, the Home Ownership Fund and the Senior Housing Revolving Loan Fund. Between fiscal year 2019 and fiscal year 2018, operating results were very close, and net position decreased by $2.7 million. Overall, the fund had an operating loss of $4.8 million compared to a loss of $3.6 million in 2018, and received transfers from the Administrative Fund of $2.1 million.

The *Alaska Corporation for Affordable Housing ("ACAH")* is a non-profit public benefit corporation that develops and operates affordable housing for Alaskans, utilizing various funding sources. ACAH is reported as a major blended component unit for the benefit of users of the financial statements. ACAH's net position at June 30, 2019, was $22.2 million, a $214,000 increase from June 30, 2018. ACAH had an operating income of $214,000 for fiscal year 2019. The net income is the product of rental income on both housing and non-housing properties.

FINANCIAL HIGHLIGHTS

- Operating income for the Corporation for fiscal year 2019 was $34.8 million, an increase of $1.3 million over fiscal year 2018. Operating income in the Administrative Fund and the Mortgage and Bond Fund offset operating losses in the Grant Fund and Other Funds and Programs.
- The Corporation's assets and deferred outflow of resources exceeded its liabilities and deferred inflow of resources as of June 30, 2019, by $1.57 billion (net position), an increase of $32.7 million over 2018.
- During the fiscal year ended June 30, 2019, the investment portfolio earned approximately 2.58% overall, as compared to 1.25% for the fiscal year ended June 30, 2018, reflecting the rise in short-term interest rates during fiscal year 2019.
- The Corporation's mortgage loan portfolio is one of its primary assets. During the fiscal year ended June 30, 2019, the mortgage loan portfolio increased by 6.4%, and the bond portfolio used to finance the loans increased by 6.1%.
- On August 28, 2018, the Corporation issued $167,780,000 in General Mortgage Revenue Bonds II, 2018 Series A and Series B. Net proceeds of the bonds totaled $174,408,000, including a premium of $7,218,000. Proceeds were used to fund mortgage purchases, refund certain obligations of the Corporation, and pay costs of issuance. The bonds are tax-exempt general obligations of the Corporation and bear interest at fixed rates between 1.65% and 5.0%, payable on each June 1 and December 1 with a final maturity of December 1, 2048.
- On March 21, 2019, the Corporation issued $60,000,000 in Collateralized Bonds (Veterans Mortgage Program), First and Second Series. Total proceeds of $60,402,000, including premium in the amount of $881,000 less underwriter's discount of $479,000, and will be used to fund mortgage purchases. The bonds are tax-exempt and bear interest at fixed rates between 1.60% and 4.00%, payable on each June 1 and December 1, with a final maturity of December 1, 2049. Principal and interest on the bonds are unconditionally guaranteed by the State of Alaska.
- As of June 30, 2019, the weighted average interest rate on the mortgage portfolio was 4.54% and the weighted average interest rate on the bond portfolio was 3.73%, yielding a net interest margin of 0.81%, a slight decrease from 0.89% in fiscal year 2018.

CONDENSED STATEMENT OF NET POSITION

The following table presents condensed information about the financial position of the Corporation as of June 30, 2019 and 2018, and changes in the balances during the fiscal year ended June 30, 2019 (in thousands):

MANAGEMENT'S DISCUSSION AND ANALYSIS

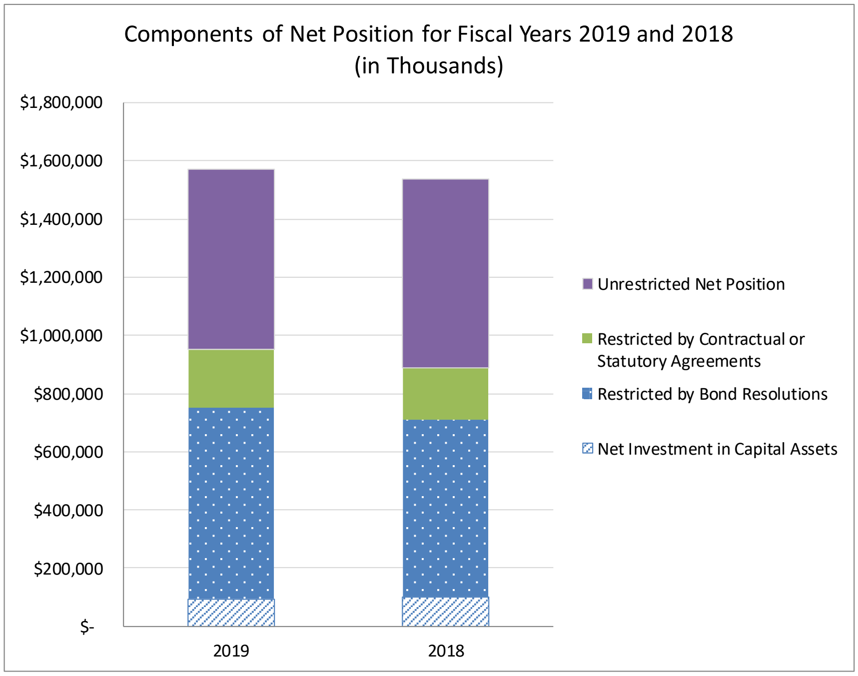
Condensed Statement of Net Position

	2019	2018	Increase/(Decrease)	
Cash and investments	$ 636,930	$ 665,742	$ (28,812)	-4.3%
Mortgage loans, notes and other loans, net	3,358,792	3,132,437	226,355	7.2%
Capital assets, net	94,036	100,472	(6,436)	-6.4%
Other assets	46,035	69,802	(23,767)	-34.0%
Total Assets	4,135,793	3,968,453	167,340	4.2%
Deferred outflow of resources	186,739	133,107	53,632	40.3%
Bonds and notes payable, net	2,461,125	2,328,487	132,638	5.7%
Short term debt	49,469	53,269	(3,800)	-7.1%
Accrued interest payable	8,388	9,984	(1,596)	-16.0%
Derivatives	158,349	104,674	53,675	51.3%
Pension and OPEB liabilities	42,801	41,425	1,376	3.3%
Other liabilities	27,258	17,443	9,815	56.3%
Total liabilities	2,747,390	2,555,282	192,108	7.5%
Deferred inflow of resources	3,719	7,582	(3,863)	-50.9%
Total net position	$ 1,571,423	$ 1,538,696	$ 32,727	2.1%

The increase in total assets during FY 2019 can be attributed primarily to an increase in mortgage loans resulting from competitive mortgage rates, expanded loan parameters and increased outreach to our industry partners. The increase in mortgage loans was made possible by the additional capital from the increase in the bond portfolio.

Total liabilities increased by $192.1 million. See the description of new bond issuances in fiscal year 2019 in the Financial Highlights section of this report. Total net pension and other post-employment benefit (OPEB) liability as of June 30, 2019 increased by $1.4 million in 2019. The pension and OPEB liabilities were determined by actuarial valuation. Short-term debt decreased by $3.8 million. The major factor in the increase of total liabilities was the increase in bonds payable. The derivative liability also increased significantly. Derivative valuations are based on the forward swap rates, which were steadily increasing during fiscal year 2018, causing the derivative liability to decrease in 2018. In fiscal year 2019, the Federal Reserve reversed direction and began cutting rates due to global volatility, which caused the forward swap curve to decrease sharply, and thus increased the fair value of the derivatives.

The chart on the next page shows the various components of net position in fiscal years 2019 and 2018.



CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The following table presents condensed information about the revenues, expenses and changes in net position for the fiscal years ended June 30, 2019 and 2018, and the variances from the prior fiscal year (in thousands):

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	2019	2018	Increase/(Decrease)	
Mortgage and loan revenue	$ 146,042	$ 135,055	$ 10,987	8.1%
Investment interest income	17,404	6,273	11,131	177.4%
Net change in fair value of investments	(1,116)	3,727	(4,843)	-129.9%
Externally funded programs	77,143	86,844	(9,701)	-11.2%
Rental and other revenue	16,560	14,381	2,179	15.2%
Total operating revenue	256,033	246,280	9,753	4.0%
Interest expense	76,831	71,246	5,585	7.8%
Mortgage and loan costs	6,294	6,892	(598)	-8.7%
Bond financing expenses	6,054	5,027	1,027	20.4%
Operations and administration	44,781	46,127	(1,346)	-2.9%
Rental housing and grant expenses	87,240	83,405	3,835	4.6%
Total operating expense	221,200	212,697	8,503	4.0%
Operating income(loss)	34,833	33,583	1,250	3.7%
Contributions to the State of Alaska	(2,106)	(125)	(1,981)	1584.8%
Cumulative effect of accounting change	-	(8,390)	8,390	
Change in net position	$ 32,727	$ 25,068	$ 18,632	132.2%

Total operating revenues increased by $9.8 million, or 4.0%, during fiscal year 2019 due primarily to increases in mortgage and loan revenue and investment interest revenue.

Total increase in operating expenses in fiscal year 2019 was $8.5 million, or 4.0%. Increases in interest expense and rental housing and grant expenses offset decreases in mortgage and loan costs as well as administrative expenses.

As shown in the table on the preceding page, the net effect of changes in operating revenues and expenses was very similar in fiscal years 2019 and 2018. The change in operating income from 2018 to 2019 was $1.3 million.

In fiscal year 2019, the Corporation sent cash contributions to the State of Alaska of $2.1 million compared to those of fiscal year 2018 of $125,000. See Footnote No. 18 for more details about the Transfer Plan.

DEBT ADMINISTRATION

As of June 30, 2019, the Corporation had $2.4 billion in outstanding bonds and notes payable secured by assets held and the general obligation pledge of the Corporation. The Corporation's general obligation is rated by three major rating agencies as follows.

Rating Category	Fitch Ratings	Moody's Investors Service	Standard & Poor's
Long Term	AA+	Aa2	AA+
Short Term	F1+	P-1	A-1+

Significant debt activity during the year included the following:

- Issued $227.8 million of bonds;
- Redeemed bonds through special redemption provisions of their respective indentures in the amount of $24.4 million.

Additional information on the Corporation's long-term debt can be found in the Notes to Financial Statements.

ECONOMIC FACTORS AND OTHER FINANCIAL INFORMATION

The primary business activity of the Corporation is providing a secondary market for the purchase of single-family and multi-family mortgage loans. The Corporation's mortgage financing activities are sensitive to changes in interest rates, the spread between the rate on the Corporation's loans and those available in the conventional mortgage markets, and the availability of affordable housing in the State. The availability of long-term tax-exempt financing on favorable terms is a key element in providing the funding necessary for the Corporation to continue its mortgage financing activities.

The Corporation's main sources of revenue include mortgage loan activity, investment interest income and externally funded grants and subsidies. Market interest rates have an effect on both the mortgage program and investment income revenues. If interest rates rise, mortgage and investment income should increase as new loans are originated and new investments are purchased at the higher rates. If interest rates fall, mortgage and investment income will decrease as new loans are originated and new investments are purchased at the lower rates.

Any decrease in interest rates could also cause an increase in prepayments on higher rate mortgages. The Corporation uses these prepayments to redeem higher rate bonds, thus lowering the interest expense incurred on the Corporation's overall portfolio, or to recycle mortgages to obtain the maximum allowable spread.

Large federal deficits or changes in programs or funding levels could have a negative impact on externally funded program revenues.

CONTACTING THE CORPORATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Corporation's finances and to show the Corporation's accountability for the money it receives during the periods reported. For inquiries about this report or to request additional financial information please call (907) 330-8322 or email finance@ahfc.us.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
As of 06/30/2019
(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
ASSETS					
Current					
Cash	$ 33,542	$ 5,237	$ 199	$ 27,579	$ 66,557
Investments	378,372	-	180,333	3,966	562,671
Accrued interest receivable	4,405	-	11,286	115	15,806
Inter-fund due (to)/from	(28,675)	(7,832)	38,462	(1,871)	84
Mortgage loans, notes and other loans	6,794	64	88,844	1,235	96,937
Net investment in direct financing lease	-	-	2,312	-	2,312
Other assets	3,817	4,968	-	1,038	9,823
Intergovernmental receivable	201	6,728	-	623	7,552
Total Current	**398,456**	**9,165**	**321,436**	**32,685**	**761,742**
Non Current					
Investments	-	-	-	-	-
Inter-fund due (to)/from	-	1,423	-	-	1,423
Mortgage loans, notes and other loans	205,307	1,087	2,986,759	40,336	3,233,489
Net investment in direct financing lease	-	-	22,468	-	22,468
Capital assets - non-depreciable	2,917	-	-	13,644	16,561
Capital assets - depreciable, net	16,613	39	-	57,156	73,808
Other assets	3,218	-	550	-	3,768
Total Non Current	**228,055**	**2,549**	**3,009,777**	**111,136**	**3,351,517**
Total Assets	**626,511**	**11,714**	**3,331,213**	**143,821**	**4,113,259**
DEFERRED OUTFLOW OF RESOURCES	**6,971**	**-**	**179,768**	**-**	**186,739**
LIABILITIES					
Current					
Bonds payable	-	-	83,225	-	83,225
Short term debt	49,469	-	-	-	49,469
Accrued interest payable	-	-	8,388	-	8,388
Other liabilities	21,797	679	823	940	24,239
Intergovernmental payable	-	-	199	457	656
Total Current	**71,266**	**679**	**92,635**	**1,397**	**165,977**
Non Current					
Bonds payable	-	-	2,377,900	-	2,377,900
Other liabilities	2,044	-	-	-	2,044
Derivative instrument - interest rate swaps	-	-	158,349	-	158,349
Net Pension & OPEB liabilities	42,801	-	-	-	42,801
Total Non Current	**44,845**	**-**	**2,536,249**	**-**	**2,581,094**
Total Liabilities	**116,111**	**679**	**2,628,884**	**1,397**	**2,747,071**
DEFERRED INFLOW OF RESOURCES	**3,719**	**-**	**-**	**-**	**3,719**
NET POSITION					
Net investment in capital assets	19,530	39	-	70,800	90,369
Restricted by bond resolutions	-	-	657,891	-	657,891
Restricted by contractual or statutory agreements	92,838	15,567	-	72,329	180,734
Unrestricted or (deficit)	401,284	(4,571)	224,206	(705)	620,214
Total Net Position	**$ 513,652**	**$ 11,035**	**$ 882,097**	**$ 142,424**	**$ 1,549,208**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Exhibit A**

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

As of 06/30/2019

(in thousands of dollars)

	Alaska Corporation for Affordable Housing	Total June 30, 2019
ASSETS		
Current		
Cash	$ 7,702	$ 74,259
Investments	-	562,671
Accrued interest receivable	25	15,831
Inter-fund due (to)/from	(84)	-
Mortgage loans, notes and other loans	-	96,937
Net investment in direct financing lease	-	2,312
Other assets	111	9,934
Intergovernmental receivable	-	7,552
Total Current	**7,754**	**769,496**
Non Current		
Investments	-	-
Inter-fund due (to)/from	(1,423)	-
Mortgage loans, notes and other loans	12,535	3,246,024
Net investment in direct financing lease	-	22,468
Capital assets - non-depreciable	3,667	20,228
Capital assets - depreciable, net	-	73,808
Other assets	1	3,769
Total Non Current	**14,780**	**3,366,297**
Total Assets	**22,534**	**4,135,793**
DEFERRED OUTFLOW OF RESOURCES	**-**	**186,739**
LIABILITIES		
Current		
Bonds payable	-	83,225
Short term debt	-	49,469
Accrued interest payable	-	8,388
Other liabilities	5	24,244
Intergovernmental payable	-	656
Total Current	**5**	**165,982**
Non Current		
Bonds payable	-	2,377,900
Other liabilities	314	2,358
Derivative instrument - interest rate swaps	-	158,349
Net Pension & OPEB liabilities	-	42,801
Total Non Current	**314**	**2,581,408**
Total Liabilities	**319**	**2,747,390**
DEFERRED INFLOW OF RESOURCES	**-**	**3,719**
NET POSITION		
Net investment in capital assets	3,667	94,036
Restricted by bond resolutions	-	657,891
Restricted by contractual or statutory agreements	18,586	199,320
Unrestricted or (deficit)	(38)	620,176
Total Net Position	**$ 22,215**	**$ 1,571,423**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
For the Year Ended 06/30/2019
(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs
OPERATING REVENUES				
Mortgage and loan revenue	$ 9,236	$ -	$ 135,185	$ 1,484
Investment interest	11,005	7	6,263	119
Net change in the fair value of investments	(785)	-	(53)	-
Net change of hedge termination	-	-	(278)	-
Total Investment Revenue	10,220	7	5,932	119
Grant revenue	-	64,351	-	600
Housing rental subsidies	-	-	-	12,192
Rental revenue	490	-	-	11,177
Other revenue	3,069	1,270	102	120
Total Operating Revenues	**23,015**	**65,628**	**141,219**	**25,692**
OPERATING EXPENSES				
Interest	962	-	75,869	-
Mortgage and loan costs	1,280	-	10,616	138
Bond financing expenses	979	-	5,075	-
Provision for loan loss	630	61	(6,404)	(37)
Operations and administration	12,105	11,846	4,665	15,910
Rental housing operating expenses	536	-	-	14,506
Grant expense	-	72,198	-	-
Total Operating Expenses	**16,492**	**84,105**	**89,821**	**30,517**
Operating Income (Loss)	**6,523**	**(18,477)**	**51,398**	**(4,825)**
NON-OPERATING EXPENSES AND TRANSFERS				
Contributions to the State of Alaska or other State agencies	(2,106)	-	-	-
Transfers - Internal	(40,528)	16,005	22,403	2,120
Change in Net Position	(36,111)	(2,472)	73,801	(2,705)
Net position at beginning of year	549,763	13,507	808,296	145,129
Net Position at End of Period	**$ 513,652**	**$ 11,035**	**$ 882,097**	**$ 142,424**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION

Exhibit B

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Year Ended 06/30/2019

(in thousands of dollars)

	Total Programs and Funds	Alaska Corporation for Affordable Housing	Total June 30, 2019
OPERATING REVENUES			
Mortgage and loan revenue	$ 145,905	$ 137	$ 146,042
Investment interest	17,394	10	17,404
Net change in the fair value of investments	(838)	-	(838)
Net change of hedge termination	(278)	-	(278)
Total Investment Revenue	16,278	10	16,288
Grant revenue	64,951	-	64,951
Housing rental subsidies	12,192	-	12,192
Rental revenue	11,667	259	11,926
Other revenue	4,561	73	4,634
Total Operating Revenues	**255,554**	**479**	**256,033**
OPERATING EXPENSES			
Interest	76,831	-	76,831
Mortgage and loan costs	12,034	-	12,034
Bond financing expenses	6,054	-	6,054
Provision for loan loss	(5,750)	10	(5,740)
Operations and administration	44,526	255	44,781
Rental housing operating expenses	15,042	-	15,042
Grant expense	72,198	-	72,198
Total Operating Expenses	**220,935**	**265**	**221,200**
Operating Income (Loss)	**34,619**	**214**	**34,833**
NON-OPERATING EXPENSES AND TRANSFERS			
Contributions to the State of Alaska or other State agencies	(2,106)	-	(2,106)
Transfers - Internal	-	-	-
Change in Net Position	32,513	214	32,727
Net position at beginning of year	1,516,695	22,001	1,538,696
Net Position at End of Period	**$ 1,549,208**	**$ 22,215**	**$ 1,571,423**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
For Year Ended June 30, 2019
(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs
Cash flows from operating activities:				
Interest income on mortgages and loans	$ 5,224	$ -	$ 124,947	$ 1,362
Principal payments received on mortgages and loans	8,139	-	273,523	3,883
Disbursements to fund mortgages and loans	(513,097)	-	-	-
Receipt (payment) for loan transfers between funds	237,275	-	(234,806)	(2,469)
Mortgage and loan proceeds	432,531	-	-	-
Payment of mortgage and loan proceeds to funds	(421,005)	-	-	-
Payments to employees and other payroll disbursements	(24,869)	(5,054)	-	(9,409)
Payments for goods and services	(32,219)	(2,175)	-	(17,358)
Cash received for externally funded programs	-	37,999	-	13,279
Cash received for Federal HAP subsidies	-	36,199	-	-
Payments for Federal HAP subsidies	-	(35,876)	-	-
Interfund receipts (payments)	234	134	-	(757)
Grant payments to other agencies	-	(32,974)	-	-
Other operating cash receipts	53,541	1,342	199	22,563
Other operating cash payments	(20,319)	(114)	(878)	(7,026)
Net cash provided by (used for) operating activities	(274,565)	(519)	162,985	4,068
Cash flows from noncapital financing activities:				
Proceeds from the issuance of bonds	-	-	236,407	-
Principal paid on bonds	-	-	(84,793)	-
Payment of bond issuance costs	(50)	-	(1,598)	-
Interest paid	-	-	(84,011)	-
Proceeds from issuance of short term debt	710,680	-	-	-
Payment of short term debt	(715,443)	-	-	-
Contributions to the State of Alaska or other State agencies	(2,106)	-	-	-
Transfers (to) from other funds	153,144	-	(153,144)	-
Other cash payments	(47)	-	-	-
Net cash provided by (used for) noncapital financing activities	146,178	-	(87,139)	-
Cash flows from capital financing activities:				
Acquisition of capital assets	(7)	(41)	-	(303)
Proceeds from the disposal of capital assets	-	-	-	116
Principal paid on capital notes	-	-	(5,807)	-
Interest paid on capital notes	-	-	(1,390)	-
Proceeds from direct financing leases	-	-	3,303	-
Net cash provided by (used for) capital financing activities	(7)	(41)	(3,894)	(187)
Cash flows from investing activities:				
Purchase of investments	(2,634,927)	-	(939,034)	(5,568)
Proceeds from maturity of investments	2,756,369	-	862,151	2,730
Interest received from investments	10,592	6	4,969	108
Net cash provided by (used for) investing activities	132,034	6	(71,914)	(2,730)
Net Increase (decrease) in cash	3,640	(554)	38	1,151
Cash at the beginning of year	29,902	5,791	161	26,428
Cash at the end of period	$ 33,542	$ 5,237	$ 199	$ 27,579
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	$ 6,523	$ (18,477)	$ 51,398	$ (4,825)
Adjustments:				
Depreciation expense	1,084	16	-	5,640
Provision for loan losses	630	61	(6,404)	(37)
Net change in the fair value of investments	(785)	-	(53)	-
Transfers between funds for operating activity	(40,528)	16,005	22,403	2,120
Interest received from investments	(10,592)	(6)	(4,969)	(108)
Interest paid	-	-	84,011	-
Changes in assets, liabilities and deferred resources:				
Net (increase) decrease in mortgages and loans	(38,093)	50	(256,949)	2,690
Net increase (decrease) in assets, liabilities, and deferred resources	(192,804)	1,832	273,548	(1,412)
Net cash provided by (used for) operating activities	$ (274,565)	$ (519)	$ 162,985	$ 4,068
Noncash investing, capital and financing activities:				
Deferred outflow of resources-derivatives	-	-	39,292	-
Derivative instruments liability	-	-	40,148	-
Net change of hedge termination	-	-	7,318	-
Deferred Outflow Debt Refunding	-	-	25,618	-

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION *Exhibit C*

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

For Year Ended June 30, 2019

(in thousands of dollars)

	Total Programs and Funds	Alaska Corporation for Affordable Housing	Total June 30, 2019
Cash flows from operating activities:			
Interest income on mortgages and loans	$ 131,533	$ -	$ 131,533
Principal payments received on mortgages and loans	285,545	-	285,545
Disbursements to fund mortgages and loans	(513,097)	-	(513,097)
Receipt (payment) for loan transfers between funds	-	-	-
Mortgage and loan proceeds	432,531	-	432,531
Payment of mortgage and loan proceeds to funds	(421,005)	-	(421,005)
Payments to employees and other payroll disbursements	(39,332)	(167)	(39,499)
Payments for goods and services	(51,752)	64	(51,688)
Cash received for externally funded programs	51,278	-	51,278
Cash received for Federal HAP subsidies	36,199	-	36,199
Payments for Federal HAP subsidies	(35,876)	-	(35,876)
Interfund receipts (payments)	(389)	389	-
Grant payments to other agencies	(32,974)	-	(32,974)
Other operating cash receipts	77,645	107	77,752
Other operating cash payments	(28,337)	(24)	(28,361)
Net cash provided by (used for) operating activities	(108,031)	369	(107,662)
Cash flows from noncapital financing activities:			
Proceeds from the issuance of bonds	236,407	-	236,407
Principal paid on bonds	(84,793)	-	(84,793)
Payment of bond issuance costs	(1,648)	-	(1,648)
Interest paid	(84,011)	-	(84,011)
Proceeds from issuance of short term debt	710,680	-	710,680
Payment of short term debt	(715,443)	-	(715,443)
Contributions to the State of Alaska or other State agencies	(2,106)	-	(2,106)
Transfers (to) from other funds	-	-	-
Other cash payments	(47)	-	(47)
Net cash provided by (used for) noncapital financing activities	59,039	-	59,039
Cash flows from capital financing activities:			
Acquisition of capital assets	(351)	-	(351)
Proceeds from the disposal of capital assets	116	-	116
Principal paid on capital notes	(5,807)	-	(5,807)
Interest paid on capital notes	(1,390)	-	(1,390)
Proceeds from direct financing leases	3,303	-	3,303
Net cash provided by (used for) capital financing activities	(4,129)	-	(4,129)
Cash flows from investing activities:			
Purchase of investments	(3,579,529)	-	(3,579,529)
Proceeds from maturity of investments	3,621,250	-	3,621,250
Interest received from investments	15,675	6	15,681
Net cash provided by (used for) investing activities	57,396	6	57,402
Net Increase (decrease) in cash	4,275	375	4,650
Cash at the beginning of year	62,282	7,327	69,609
Cash at the end of period	$ 66,557	$ 7,702	$ 74,259
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating income (loss)	$ 34,619	$ 214	$ 34,833
Adjustments:			
Depreciation expense	6,740	-	6,740
Provision for loan losses	(5,750)	10	(5,740)
Net change in the fair value of investments	(838)	-	(838)
Transfers between funds for operating activity	-	-	-
Interest received from investments	(15,675)	(6)	(15,681)
Interest paid	84,011	-	84,011
Changes in assets, liabilities and deferred resources:			
Net (increase) decrease in mortgages and loans	(292,302)	(101)	(292,403)
Net increase (decrease) in assets, liabilities, and deferred resources	81,164	252	81,416
Net cash provided by (used for) operating activities	$ (108,031)	$ 369	$ (107,662)
Noncash investing, capital and financing activities:			
Deferred outflow of resources-derivatives	39,292	-	39,292
Derivative instruments liability	40,148	-	40,148
Net change of hedge termination	7,318	-	7,318
Deferred Outflow Debt Refunding	25,618	-	25,618

See accompanying independent auditor's report.

NOTE DISCLOSURES INDEX

FOR THE TWELVE MONTHS ENDED JUNE 30, 2019

1 AUTHORIZING LEGISLATION AND FUNDING

The Alaska Housing Finance Corporation (the "Corporation") or ("AHFC"), a public corporation and government instrumentality of the State of Alaska (the "State"), was created in 1971, and substantially modified in 1992, by acts of the Alaska State Legislature (the "Legislature") to assist in the financing, development and sale of dwelling units, operate the State's public housing, offer various home loan programs emphasizing housing for low and moderate-income and rural residents, and administer energy efficiency and weatherization programs within Alaska. The Corporation is a component unit of the State and is discretely presented in the State's financial statements.

Generally, the Corporation accomplishes its mortgage-related objectives by functioning as a secondary market for qualified real estate loans originated by financial institutions. The Corporation is authorized by the Legislature to issue its own bonds, bond anticipation notes and other obligations in such principal amounts as, in the opinion of the Corporation, will be necessary to provide sufficient funds for carrying out its purpose. Certain bonds issued to finance residences for qualified veterans are unconditionally guaranteed by the State. No other obligations constitute a debt of the State.

The non-mortgage related programs of the Corporation are funded through various grant and program agreements with the federal government's departments of Housing and Urban Development ("HUD"), Energy ("DOE"), and Health and Human Services ("HHS"), funding from the State of Alaska, as well as capital and operating subsidies from the Corporation's own funds.

The Corporation has subsidiaries incorporated under the Alaska Nonprofit Corporation Act (AS 10.20) and provisions of the Alaska Housing Finance Corporation Act (AS 18.56), as amended. Each subsidiary issues annual audited financial statements. Copies may be found at the following links, or please contact AHFC to obtain a copy. The subsidiaries are as follows:

- Northern Tobacco Securitization Corporation ("NTSC") incorporated on September 29, 2000, pursuant to House Bill No. 281 of the 2000 Legislature. https://www.ahfc.us/about-us/subsidiaries/ntsc/ntsc-financial-statements/
- Alaska Housing Capital Corporation ("AHCC") incorporated on May 23, 2006, pursuant to Senate Bill No. 232 of the 2006 Legislature. https://www.ahfc.us/about-us/subsidiaries/ahcc/ahcc-financial-statements/
- Alaska Corporation for Affordable Housing ("ACAH") incorporated on February 1, 2012, pursuant to House Bill No. 119 of the 2011 Legislature. https://www.ahfc.us/about-us/subsidiaries/alaska-corporation-affordable-housing-acah/acah-financial-statements/

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The financial reporting entity consists of AHFC and the blended component unit ACAH. The entities are closely related and financially integrated. The board of directors for AHFC and ACAH are the same and both entities have similar mission statements. ACAH is a legally separate entity from AHFC but is considered a blended component unit of AHFC due to AHFC's operational responsibility for ACAH and the potential financial benefit or financial burden between AHFC and ACAH. AHFC is financially accountable for ACAH.

The other subsidiaries of AHFC are not closely related, nor financially integrated with AHFC. There is no financial accountability for the other subsidiaries by AHFC. They are not component units of AHFC, thus not included in these financial statements. NTSC and AHCC are component units of the State.

Neither AHFC nor the State is liable for any debt issued by the subsidiaries of AHFC. They are government instrumentalities of, but have a legal existence separate and apart from, the State.

Basis of Accounting

The financial reporting entity utilizes the economic resource measurement focus and full accrual basis of accounting wherein revenues are recognized when earned and expenses when incurred. The financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") as prescribed by the Governmental Accounting Standards Board ("GASB"). GASB is the accepted standard-setting body for governmental accounting and financial reporting principles as set forth in GASB's pronouncements.

Basis of Presentation
The financial reporting entity is engaged in business-type activities that utilize enterprise funds. The basic fund financial statements are comprised of the Statement of Net Position (Exhibit A), the Statement of Revenues, Expenses and Changes in Net Position (Exhibit B), the Cash Flow Statement (Exhibit C) and the accompanying note disclosures. The supplementary section contains combining financial statements by program, purpose, or bond indenture.

The basic financial statements include a Total Funds and Programs column representing an aggregate of AHFC amounts and a Total column for the financial reporting entity, an aggregation of both AHFC and ACAH amounts.

Major Funds and Component Unit
The basic fund financial statements present the major funds of AHFC and the major component unit ACAH.

Administrative Fund: This is the Corporation's primary operating fund. It accounts for all financial resources of the Corporation not accounted for in other funds.

Grant Programs: Resources provided to other agencies and individuals to develop and improve affordable housing units for lower income families, to assist in improving the energy efficiency of Alaska homes, and to provide tenant-based rental assistance programs for families in the private market (administered by the Corporation under contract with HUD).

Mortgage or Bond Funds: Provides resources to assist in the financing of loan programs or to fund Legislature appropriations.

Other Funds or Programs: Includes the Low Rent program and other affordable housing for low income families managed under contract with HUD, owned by AHFC. Also includes the Home Ownership Fund and the Senior Housing Revolving Loan Fund.

Component unit ACAH: A non-profit public benefit corporation that develops and operates affordable housing for Alaskans, utilizing various funding sources. ACAH is reported as a major component unit for the benefit of users of the financial statements.

Restricted Net Position
The restricted net position of the Administrative Fund consists of the Corporation's remaining commitments to the State (refer to Footnote No. 18 State Authorizations and Commitments for further details) and resources of the Affordable Housing Development Program. The remaining resources of the Administrative Fund are unrestricted.

The other financial activities of the Corporation are restricted by the Corporation's bond indentures, requirements from the Legislature, and statutory requirements or third-party agreements that restrict the use of resources. These restricted resources are recorded in various special purpose funds and accounts. Restricted funds with a net deficit balance are shown as having an unrestricted net position balance pursuant to reporting requirements.

When both restricted and unrestricted resources are available in a fund, it is the Corporation's policy to spend restricted funds to the extent allowed and only spend unrestricted funds when needed.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates. The major estimate for the Corporation is the allowance for loan losses.

Investments
All investments are stated at fair value, except for nonparticipating investment agreements, which are stated at cost.

Accrued Interest Receivable on Loans and Real Estate Owned
Interest is accrued based upon the principal amount outstanding. Accrual of interest income is discontinued on loans when, in the opinion of management, collection of such interest becomes doubtful. When payment of interest is provided for pursuant to the terms of loan insurance or guarantees, accrual of interest on delinquent loans and real estate owned is continued.

Loans and Allowances for Estimated Loan Losses
Mortgage loans are carried at their unpaid principal balances net of allowance for estimated loan losses. Once monies have been disbursed the mortgage loans are recorded.

The Corporation provides for possible losses on loans on which foreclosure is anticipated. A potential loss is recorded when the net realizable value, or fair value, of the related collateral or security interest is estimated to be less than the Corporation's investment in the property less anticipated recoveries from private mortgage insurance, private credit insurance, and various other loan guarantees. In providing for losses, through a charge to operations, consideration is given to the costs of holding real estate, including interest costs. The loan portfolio, property holding periods and property holding costs are reviewed periodically. A general allowance is applied to the performing loan portfolio, and a specific reserve on individual non-performing. This can be modified. While management uses the best information available to make evaluations, future adjustments to the allowances may be necessary if there are significant changes in economic conditions or property disposal programs.

Real Estate Owned
Real estate owned consists principally of properties acquired through foreclosure or repossession and is carried at the lower of cost or estimated net realizable value. These amounts are included in other assets.

Depreciation
Depreciation and amortization of buildings, equipment, and leasehold improvements are computed on a straight-line basis over the estimated useful lives of the related assets. Estimated useful lives range from 3 to 40 years. The capitalization threshold is $5,000.

Bonds
The Corporation issues bonds to provide capital for its mortgage programs and other uses consistent with its mission. The bonds are recorded at cost plus accreted interest and premiums, less discounts. Discounts and premiums are amortized using the straight-line method.

Deferred Debt Refunding Expenses
Deferred debt refunding expenses occur when new debt is issued to replace existing debt. The differences between the carrying value of the old debt and the resources used to redeem it are called deferred debt refunding expenses. The unamortized balances of these expenses are recorded as deferred outflows of resources. These expenses are amortized over the shorter of the remaining life of the old debt or the remaining life of the new debt.

Pensions
For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System ("PERS") and additions to/from the PERS fiduciary net position have been determined on the same basis as they are reported by PERS. 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. Based on the amount of unamortized discount or premium from the original bond issue, the net effect of the change is immaterial to the financial statements.

Other Post-Employment Benefits
Information about the Other Post-Employment Benefits ("OPEB") fiduciary net position of the PERS plans has been determined on the same basis as reported by PERS. The PERS information includes the valuation of the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Derivative Instruments-Interest Rate Swaps
The Corporation's Fiscal Policies allow, with certain restrictions, the Corporation to enter into certain derivative financial instruments called interest rate swap agreements, or swaps. The Corporation enters into these swaps with various counter-parties to achieve a lower overall cost of funds for certain bond issuances. These agreements can be negotiated whereby the Corporation pays the counter-party a fixed interest rate in exchange for a variable interest rate payment from the counter-party, or vice-versa. The swap agreements are negotiated to achieve the financing objectives of the Corporation. The swaps are stated at fair value. The change in the fair value of the hedgeable derivatives is recorded as deferred inflows of resources or deferred outflows of resources, and the change in the fair value of the investment derivatives is recorded as investment revenue.

Operating Revenues and Expenses
The Corporation was created with the authority to issue bonds to the investing public in order to create a flow of private capital through the Corporation into mortgage loans to qualified housing sponsors and to certain individuals. The Corporation's primary purpose is to borrow funds in the bond market and to use those funds to make single-family and multi-family mortgages and loans. Its primary operating revenue is derived from the interest income and fees from those mortgages and loans and on the invested proceeds from the bond issues. Additionally, the Corporation's statutory purpose includes providing financial assistance programs for rental subsidies to tenants of various housing developments. The Corporation records all revenues from mortgages and loans, investments, rental activities, and

externally funded programs as operating revenues. The primary costs of providing these programs are recorded as operating expenses.

Income Taxes
The Corporation is exempt from federal and state income taxes.

3 CASH AND INVESTMENTS
Cash consists of demand deposits, time deposits, and cash held in trust. The carrying amount of the Corporation's cash is restricted by bond resolutions, contractual agreements, and statutory agreements. A summary of the Corporation's cash is shown below (in thousands):

	June 30, 2019
Restricted cash	$ 51,882
Unrestricted cash	$ 22,377
Carrying amount	$ 74,259
Bank balance	$ 74,623

Investment Valuation

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

AHFC measures its investments using quoted market prices (Level 1 inputs).

Investment Maturities

The fair value of debt security investments by contractual maturity is shown below (in thousands). Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without penalty.

Investment Maturities (In Years)

	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years	June 30, 2019
Securities of U.S. Government agencies and corporations	$ 3,504	$ -	$ -	$ -	$ 3,504
Commercial paper & medium-term notes	32,429	-	-	-	32,429
Corporate Certificate of Deposit	6,521	-	-	-	6,521
Money market funds	518,748	-	-	-	518,748
Total not including GeFONSI	$ 561,202	$ -	$ -	$ -	$ 561,202
GeFONSI pool					1,469
Total AHFC Investment Portfolio					$ 562,671

Restricted Investments

A large portion of the Corporation's investments, $184,372,000, is restricted by bond resolutions, contractual agreements, and statutory agreements, and the remainder, $378,299,000, is unrestricted.

Realized Gains and Losses

The calculation of realized gains and losses is independent of the calculation of the net increase in the fair value of investments. Realized gains and losses on investments that had been held in more than one fiscal year and sold in the current period may have been recognized as an increase or decrease in the fair value of investments reported in the prior year. The net increase in the fair value of investments included in the table below takes into account all changes in fair value (including purchases and sales) that occurred during the period. A summary of the gains and losses is shown below (in thousands):

		June 30, 2019
Ending unrealized holding gain	$	1,511
Beginning unrealized holding gain		2,395
Net change in unrealized holding gain		(884)
Net realized gain (loss)		46
Net increase (decrease) in fair value	$	(838)

Deposit and Investment Policies
The Corporation utilizes different investment strategies depending upon the nature and intended use of the assets being invested. All funds are classified as trusted or non-trusted, and this classification determines the applicable investment guidelines used by staff when making investment decisions. Trusted funds are invested in accordance with their respective indentures or governing agreements. Non-trusted funds are governed by the terms outlined in the Corporation's Fiscal Policies and are typically invested to meet the projected need for use of such funds.

The following securities are eligible for investment under the Corporation's Fiscal Policies:

- Obligations backed by the full faith and credit of the United States;
- Obligations of U.S. government-sponsored enterprises ("GSEs") and federal agencies not backed by the full faith and credit of the United States;
- Obligations of the World Bank rated at least "AA" by S&P or "Aa2" by Moody's or "AA" by Fitch if maturing in excess of one year or "A-1" by S&P or "P-1" by Moody's or "F1" by Fitch if maturing in one year or less;
- Money market funds rated at least "AAm" by S&P or "Aa-mf" by Moody's or "AAmmf" by Fitch;
- Banker's acceptances and negotiable certificates of deposit of any bank, the unsecured short-term obligations of which are rated at least "A-1" by S&P or "P-1" by Moody's or "F-1" by Fitch and which is incorporated under the laws of the United States of America or any state thereof and subject to supervision and examination by federal or state banking authorities, or which is a foreign bank with a branch or agency licensed under the laws of the United States of America or any state thereof and subject to supervision and examination by federal or state banking authorities, or which is a foreign bank having a long-term issuer rating of at least "AA" from S&P or "Aa2" from Moody's or "AA" from Fitch;
- Commercial paper, including asset-backed commercial paper, rated at least "A-1" by S&P or "P-1" by Moody's or "F1" by Fitch;
- Repurchase agreements ("repos") where: the counterparty is designated as a primary dealer by the Federal Reserve and has a long-term debt rating of at least "A" by S&P or "A" by Moody's or "A" by Fitch or a short-term rating of at least "A-1" by S&P or "P-1" by Moody's or "F-1" by Fitch; collateral is pledged at a minimum level of 102%, valued on a daily basis with a one-business-day cure period; the term of such repurchase agreement is one week or less; a third-party custodian acting as the Corporation's agent has possession of the collateral and holds such collateral in the Corporation's name; the agreement is evidenced by standard documents published by the Securities Industry and Financial Markets Association ("SIFMA"); and the securities to be repurchased are obligations backed by the full faith and credit of the United States or obligations of U.S. government-sponsored enterprises and federal agencies not backed by the full faith and credit of the United States or obligations of the World Bank rated at least "AA" by S&P or "Aa2" by Moody's or "AA" by Fitch if maturing in excess of one year or "A-1" by S&P or "P-1" by Moody's or "F1" by Fitch if maturing in one year or less;
- Guaranteed investment contracts with a financial institution having outstanding unsecured long-term obligations rated, or an investment agreement rating of, at least "AA" by S&P or "Aa2" by Moody's or "AA" by Fitch, or, if the term is one year or less, at least "A-1" by S&P or "P-1" by Moody's or "F-1" by Fitch;

- Fixed and floating-rate notes and bonds, other than commercial paper, issued by corporate or municipal obligors and rated at least "AA" by S&P or "Aa2" by Moody's or "AA" by Fitch if maturing in excess of one year, or at least "A-1" by S&P or "P-1" by Moody's or "F1" by Fitch if maturing, or with a provision for investor withdrawal or put at par, in one year or less;

- Asset-backed securities, other than asset-backed commercial paper, rated at least "AA+" by S&P or "Aa1" by Moody's or "AA+" by Fitch; and

- Investment pools managed by the State of Alaska, including the General Fund and Other Non-Segregated Investments ("GeFONSI") pool.

Credit Risk
Credit risk is the risk of loss due to the failure of the security or backer. The Corporation mitigates its credit risk by limiting investments to those permitted in its Fiscal Policies and relevant governing agreements, diversifying the investment portfolio, and pre-qualifying firms with which the Corporation administers its investment activities.

The credit quality ratings of the Corporation's investments as of June 30, 2019, as determined by nationally recognized statistical rating organizations, are shown below (in thousands), and do not include investments held by GeFONSI pool.

	S&P	Moody's	Investment Fair Value
Securities of U.S. Government agencies and corporations:	AA+	Aaa	$ 3,504
Commercial paper, medium-term notes and Certificates of Deposit:	AA	A1	2
	AA-	Aa3	1,016
	AA-	P-1	251
	A+	A2	255
	A+	Aa2	651
	A+	Aa3	751
	A+	P-1	801
	A	P-1	1,001
	A	A1	250
	A	A2	751
	A-1+	P-1	1,250
	A-1	P-1	31,471
	NA/NR	P-1	500
			38,950
Money market funds:	AAAm	Aaa	343,748
	AAAm	WR	175,000
			518,748
			$ 561,202

Concentration Risk
Concentration risk is the risk of loss attributed to the magnitude of the Corporation's investments in a single issuer. Concentration limits are not established in the bond indentures and governing agreements for trust investments. The following table details the maximum concentration limits for non-trust investments as outlined in the Corporation's Fiscal Policies. Under certain conditions, the Fiscal Policies permit investments in excess of these limits. For more information, please see the Corporation's Fiscal Policies at: http://www.ahfc.us/pros/investors/fiscal-policies

Investment Category	Category Limit as % of Total Portfolio	Issuer Limit as % of Total Portfolio
U.S. Government obligations	n/a	n/a
U.S. GSEs and agencies	n/a	35%
World Bank obligations	n/a	35%
Money market funds	n/a	n/a
Banker's acceptances, negotiable CDs	n/a	5%
Commercial paper	n/a	5%
Repurchase agreements	n/a	25%
Guaranteed investment contracts	n/a	5%
Corporate and municipal notes and bonds	n/a	5%
Asset-backed securities	20%	5%
State of Alaska investment pools	n/a	n/a

Investment Holdings Greater than Five Percent of Total Portfolio

The following investment holdings, summarized by issuer, include both investments that are governed by the maximum concentration limits of the Corporation's Fiscal Policies and trusted investments which have no established concentration limits. As of June 30, 2019, the Corporation had investment balances greater than 5 percent of the Corporation's total investments with the following issuers (in thousands).

Issuer	Investment Fair Value	Percentage of Total Portfolio
Goldman Sachs	$ 249,498	44.34%
Federated Investors	175,000	31.10%
Morgan Stanley	94,500	16.79%
China National Petroleum Corporation	28,820	5.12%

Custodial Credit Risk

The Corporation assumes levels of custodial credit risk for its deposits with financial institutions, bank investment agreements, and investments. For deposits, custodial credit risk is the risk that, in the event of a bank failure, the Corporation's deposits may not be returned. For bank investment agreements and investments, custodial credit risk is the risk that, in the event of failure of the custodian or counterparty holding the investment, the Corporation will not be able to recover the value of the investment. The Corporation has not established a formal custodial credit risk policy for its investments.

Of the Corporation's $74,623,000 bank balance at June 30, 2019, cash deposits in the amount of $350,000 were uninsured and uncollateralized.

Interest Rate Risk

Interest rate risk is the risk that the market value of investments will decline as a result of changes in general interest rates. For non-trust investments, the Corporation mitigates interest rate risk by structuring its investment maturities to meet cash requirements (including corporate operations), thereby avoiding the need to sell securities in the open market prior to maturity. For investments held in trust, investment maturities are structured to meet cash requirements as outlined in the bond indentures and contractual and statutory agreements.

The GeFONSI pool investment interest rate risk details are at the end of this footnote.

Modified Duration

Modified duration estimates the sensitivity of an investment to interest rate changes. The following table shows the Corporation's trusted and non-trusted investments (in thousands, net of GeFONSI holdings) with their modified duration as of June 30, 2019:

	Investment Fair Value	Modified Duration
Securities of U.S. Government agencies and corporations:		
Federal agency pass through securities	$ 3,504	0.006
Certificate of deposit	6,521	0.549
Commercial paper & medium-term notes:		
Commercial paper discounts	29,971	0.063
Medium-term notes	2,458	0.427
Money market funds	518,748	0.000
Portfolio modified duration	$ 561,202	0.012

Investment in GeFONSI Pool
The Alaska State Department of Revenue, Treasury Division, has established various investment pools to manage funds for which the Commissioner of Revenue has fiduciary responsibility. The GeFONSI pool in which the Corporation participates is itself comprised of investment shares of the State's Short-term Fixed Income, and Intermediate-term Fixed Income investment pools. Assets in these pools are reported at fair value with purchases and sales recorded on a trade-date basis. Securities are valued each business day using prices obtained from a pricing service. The complete financial activity of the State's investment pools is shown in the Comprehensive Annual Financial Report (CAFR) available from the Department of Administration, Division of Finance.

The accrual basis of accounting is used for the investment income and GeFONSI investment income is distributed to pool participants monthly if prescribed by statute or if appropriated by state legislature. Income in the Short-term, Short-term Liquidity and Intermediate-term Fixed Income Pools is allocated to the pool participants daily on a pro-rata basis. The fair value of the Corporation's investment in the GeFONSI pool is $1,469,000.

For additional information on interest rate risk, credit risk, foreign exchange, derivatives, fair value, and counterparty credit risk see the separately issued report on the Invested Assets of the Commissioner of Revenue at:
http://treasury.dor.alaska.gov/Investments/Annual-Investment-Reports.aspx.

4 INTERFUND RECEIVABLE/PAYABLE

A summary of the interfund receivable/payable balance as of June 30, 2019, is shown below (in thousands):

Due To \ Due From	Administrative Fund	Grant Programs	Mortgage or Bond Programs	Other Funds or Programs	Alaska Corporation for Affordable Housing	Total
Administrative Fund	$ -	$ 9,211	$ -	$ 2,229	$ 84	$ 11,524
Grant Programs	1,379	-	-	-	1,423	2,802
Mortgage or Bond Programs	38,462	-	-	-	-	38,462
Other Funds or Programs	358	-	-	-	-	358
Alaska Corporation for Affordable Housing	-	-	-	-	-	-
Total	$ 40,199	$ 9,211	$ -	$ 2,229	$ 1,507	$ 53,145

The balance due to the Mortgage or Bond programs from the Administrative Fund resulted primarily from monies belonging to these funds being deposited in an Administrative Fund account to obtain a greater rate of return.

The balance due to the Administrative Fund from Grant Programs, Other Funds or Programs, and ACAH resulted primarily from expenditures paid by the Administrative Fund on behalf of those programs, as well as an allocation of management and bookkeeping fees mandated by HUD.

The balance due from ACAH to the Grant Programs is the result of a repayable grant to ACAH for the purchase of land in 2013.

5 MORTGAGE LOANS, NOTES AND OTHER LOANS

A summary of mortgage loans, notes and other loans is shown below (in thousands):

		June 30, 2019
Mortgage loans	$	2,846,647
Multifamily loans		467,034
Other notes receivable		77,727
		3,391,408
Less:		
Allowance for losses		(48,447)
Net Mortgages, Notes & other	$	3,342,961

Of the $3,391,408,000 mortgage loans, notes, and other loans, $96,937,000 is due within a year.

Other notes receivable include monies due to AHFC for various unconventional loan programs, monies remaining unexpended by grant recipients, and notes receivable due to ACAH of $13,775,000. Included in the allowance for losses is $1,240,000 for ACAH's notes receivable bringing ACAH's net notes receivable to $12,535,000.

Other supplementary loan information is summarized in the following table (in thousands):

		June 30, 2019
Loans Delinquent 30 days or more	$	108,150
Foreclosures during reporting period		7,307
Loans in foreclosure process		9,817
Mortgage-related commitments:		
To purchase mortgage loans	$	117,352

6 INSURANCE AGREEMENTS

The Corporation has obtained private mortgage insurance, credit insurance, or guarantees on certain mortgages and loans. The agreements protect the Corporation to varying degrees against losses arising from the disposition of the related collateral obtained through foreclosure or repossession, as well as the costs of obtaining title to, maintaining, and liquidating the collateral. The Corporation is exposed to losses on disposition in the event the insurers or guarantors are unable or refuse to meet their obligations under these agreements.

7 DIRECT FINANCING LEASE

In 1997, the Corporation purchased an office building (the "Atwood Office Building") in downtown Anchorage with bond proceeds. As part of the Corporation's State Building Lease Program, the Atwood Office Building was leased to the State of Alaska and was recorded as a direct financing lease. The lease expired in 2017, at which time the State exercised the option to purchase the Atwood Office Building and associated land, identified as Block 79, for $1. Block 102, containing land the State did not transfer but may take ownership of at a later date, is reported as a Corporation asset at the assessed value of $4,175,000, in the Other Non-Current Assets section of the financial statements, pending potential future transfers.

In 2007, the Corporation constructed a parking garage (the "Pacillo Parking Garage") in downtown Anchorage with its corporate assets. The Pacillo Parking Garage cost $44,000,000 and was leased to the State of Alaska for use by its departments and agencies located in Anchorage. As part of the Corporation's State Building Lease Program, the lease has been recorded as a direct financing lease. The State has the option to purchase the Pacillo Parking Garage for $1 after December 1, 2027, which is the end of the lease. In 2015, the Corporation issued its State Capital Project Bonds II, 2015 Series B and C, respectively, to partially refund its State Capital Project Bonds, 2007 Series A, which were originally issued in 2007 to finance the Pacillo Parking Garage. The following table lists the components of the net investment in direct financing lease and shows the future minimum payments under the lease for the next five years and thereafter (in thousands):

Future Minimum Payments Due

Year Ending June 30,	Parking Garage
2020	$ 3,304
2021	3,304
2022	3,304
2023	3,304
2024	3,304
Thereafter	13,211
Gross payments due	29,731
Less: Unearned revenue	(4,951)
Net investment in direct financing lease	$ 24,780

8 CAPITAL ASSETS

Capital assets activity for the twelve months ended June 30, 2019, and a summary of balances is shown below (in thousands):

	June 30, 2018	Additions	Reductions	June 30, 2019
Non-Depreciable Capital Assets:				
Land	$ 20,247	$ -	$ (19)	$ 20,228
Total Non-Depreciable	20,247	-	(19)	20,228
Depreciable Capital Assets:				
Buildings	246,086	-	(12)	246,074
Computers & Equipment	2,691	109	(54)	2,746
Vehicles	2,264	214	(83)	2,395
Less: Accumulated depreciation				
Buildings	(166,663)	(6,370)	12	(173,021)
Computers & Equipment	(2,291)	(209)	54	(2,446)
Vehicles	(1,862)	(161)	83	(1,940)
Total Depreciable, Net	80,225	(6,417)	-	73,808
Total Capital Assets, Net	$ 100,472	$ (6,417)	$ (19)	$ 94,036

The above capital assets include $3,667,000 of land and land improvements that belong to ACAH.

Depreciation expense charged by the Corporation was $6,740,000 for the twelve months ended June 30, 2019.

The Corporation is obligated under contracts and other commitments to purchase and/or modernize certain fixed assets. The total commitment, including amounts to be funded by third parties, was $9,549,000 at June 30, 2019.

9 DEFERRED OUTFLOWS OF RESOURCES

The Government Accounting Standards Board has defined deferred outflows of resources as the consumption of resources that are applicable to a future period. AHFC's deferred outflows of resources at June 30, 2019, were interest rate swap derivatives of $156,790,000, deferred debt refunding expense of $22,978,000, pension deferred outflows of $4,149,000, and other post employment benefits deferred outflows of $2,822,000 for a total of $186,739,000.

10 BONDS PAYABLE

All of the bonds are general obligations of the Corporation for which its full faith and credit are pledged. All of the bonds are secured, as described in the applicable agreements, by the revenues, monies, investments, mortgage loans, and other assets in the funds and accounts established by the respective security agreements. A substantial portion of the assets of the Corporation are pledged to the outstanding obligations of the Corporation.

The Corporation's obligations are not a debt of the State, and the State is not directly liable thereon except for the Veterans Mortgage Program Bonds. The Veterans Mortgage Program Bonds are backed by the full faith and credit of the State. Although the Corporation has always made its Veterans Mortgage Program Bond payments, in the event that the Corporation cannot make the payments, the State would be responsible for the principal and interest.

Bonds outstanding as of June 30, 2019, are shown on the next three pages (in thousands):

	Original Amount	June 30, 2019
Housing Bonds:		
Mortgage Revenue Bonds, Tax-Exempt:		
● 2009 Series A-1; 3.07%, due 2027-2041	$ 64,350	$ 38,880
● 2009 Series A-2; 2.32%, due 2026-2041	128,750	68,250
● 2010 Series A; 3.00%-4.00%, due 2019-2027	43,130	23,030
Unamortized discount		(85)
● 2010 Series B; 0.00% to 0.000%, due 2019-2040	35,680	28,985
● 2011 Series B; 3.10% to 4.05%, due 2019-2026	71,360	31,560
Total Mortgage Revenue Bonds	343,270	190,620
Home Mortgage Revenue Bonds, Tax-Exempt:		
● 2002 Series A; Floating Rate*; 1.95% at June 30, 2019, due 2032	170,000	34,265
Unamortized swap termination penalty		(1,821)
● 2007 Series A; Floating Rate*; 1.88% at June 30, 2019, due 2019-2041	75,000	70,965
● 2007 Series B; Floating Rate*; 1.88% at June 30, 2019, due 2019-2041	75,000	70,965
● 2007 Series D; Floating Rate*; 1.85% at June 30, 2019, due 2019-2041	89,370	84,535
● 2009 Series A; Floating Rate*; 1.85% at June 30, 2019, due 2020-2040	80,880	80,880
● 2009 Series B; Floating Rate*; 1.85% at June 30, 2019, due 2020-2040	80,880	80,880
● 2009 Series D; Floating Rate*; 1.85% at June 30, 2019, due 2020-2040	80,870	80,870
Total Home Mortgage Revenue Bonds	652,000	501,539
Collateralized Bonds (Veterans Mortgage Program), Tax-Exempt:		
● 2016 First and Second Series; 1.05% to 3.20%, due 2019-2046	50,000	46,840
● 2019 First and Second Series; 1.60% to 4.00%, due 2020-2049	60,000	60,000
● Unamortized premium		871
Total Collateralized Bonds (Veterans Mortgage Program)	110,000	107,711
General Mortgage Revenue Bonds II, Tax-Exempt:		
● 2012 Series A; 2.25%-4.25%, due 2019-2040	145,890	93,350
Unamortized discount		(431)
● 2016 Series A; 0.95%-3.50%, due 2019-2046	100,000	87,995
Unamortized premium		741
● 2018 Series A; 1.65%-4.00%, due 2019-2048	109,260	106,485
Unamortized premium		2,171
● 2018 Series B; 3.45%-5.00%, due 2031-2035	58,520	58,520
Unamortized premium		4,555
Total General Mortgage Revenue Bonds II, Tax-Exempt	413,670	353,386

	Original Amount	June 30, 2019
Housing Bonds (cont.)		
Governmental Purpose Bonds, Tax-Exempt:		
● 1997 Series A; Floating Rate*, monthly payments, 1.85% at June 30, 2019, due 2027	33,000	14,600
● 2001 Series A; Floating Rate*; 1.85% at June 30, 2019, due 2019-2030	76,580	40,760
Unamortized swap termination penalty		(3,902)
● 2001 Series B; Floating Rate*; 1.85% at June 30, 2019, due 2019-2030	93,590	49,810
Total Governmental Purpose Bonds	203,170	101,268
Total Housing Bonds	1,722,110	1,254,524
Non-Housing Bonds:		
State Capital Project Bonds, Tax-Exempt:		
● 2002 Series C; Floating Rate*; 1.85% at June 30, 2019, due 2019-2022	60,250	23,155
● 2011 Series A; 5.00%, due 2019- 2020	105,185	4,530
Unamortized premium		38
Total State Capital Project Bonds, Tax-Exempt	165,435	27,723
State Capital Project Bonds II, Tax-Exempt:		
● 2012 Series A; 3.25% to 5.00%, due 2019-2032	99,360	40,145
Unamortized discount		(84)
Unamortized premium		1,630
● 2013 Series A; 4.00% to 5.00%, due 2019-2032	86,765	60,635
Unamortized premium		3,088
● 2014 Series A; 4.00% to 5.00%, due 2019-2033	95,115	79,350
Unamortized discount		(49)
Unamortized premium		3,678
● 2014 Series B; 5.00%, due 2019-2029	29,285	23,575
Unamortized premium		1,937
● 2014 Series D; 5.00%, due 2019-2029	78,105	77,710
Unamortized premium		7,447
● 2015 Series A; 3.00% to 5.00%, due 2019-2030	111,535	97,740
Unamortized premium		9,512
● 2015 Series B; 3.00% to 5.00%, due 2019-2036	93,365	88,130
Unamortized discount		(180)
Unamortized premium		4,738
● 2015 Series C; 5.00%, due 2020-2035	55,620	46,360
Unamortized premium		5,362
● 2017 Series A; 4.00% to 5.00%, due 2019-2032	143,955	139,785
Unamortized premium		18,580
● 2017 Series C; 5.00%, due 2024-2032	43,855	43,855
Unamortized premium		7,006
● 2018 Series B; 3.125% to 5.00%, due 2019-2038	35,570	35,030
Unamortized discount		(76)
Unamortized premium		3,974
Total State Capital Project Bonds II, Tax-Exempt	872,530	798,878

	Original Amount	June 30, 2019
Non-Housing Bonds (cont.):		
State Capital Project Bonds II, Taxable:		
● 2017 Series B; Floating Rate*; 2.38% at June 30, 2019, due 2047	150,000	150,000
● 2018 Series A; Floating Rate*; 2.39% at June 30, 2019, due 2031-2043	90,000	90,000
Total State Capital Project Bonds II, Taxable	240,000	240,000
Total Non-Housing Bonds	1,277,965	1,066,601
Direct Placement Bonds, Taxable:		
● 2014 Series C; Indexed Floating Rate**, 2.94% at June 30, 2019, due 2029	140,000	140,000
Total Direct Placement Bonds, Taxable	140,000	140,000
Total Bonds Payable	$ 3,140,075	$ 2,461,125

Note: Debt service payments on the above-mentioned bonds are semi-annual unless otherwise mentioned.
*Interest rates on the annotated variable-rate bonds are established by the Remarketing Agents on each Rate Determination Date.
**Interest rates on the indexed floating rate bonds are established monthly based on an index and a prescribed spread in the underlying bond documents.

Assets Pledged As Collateral for Debt

AHFC's bonds are secured by the general obligation of the Corporation and may also be secured with collateral from mortgages, investments and/or direct financing leases. See the table below (in thousands):

	Mortgages	Investments	Leases	Total
Housing	$ 1,747,998	$ 155,467	$ -	$ 1,903,465
Non-Housing	-	-	24,780	24,780
Direct Placement	-	-	-	-
Total	$ 1,747,998	$ 155,467	$ 24,780	$ 1,928,245

Redemption Provisions

The bonds are generally subject to certain early-redemption provisions, both mandatory and at the option of the Corporation. The Corporation redeems debt pursuant to the terms of the related agreements governing such redemptions. For housing bonds, such agreements typically permit surplus revenues resulting primarily from mortgage loan prepayments to be used to retire housing obligations at par. With respect to non-housing and direct placement bonds, such agreements typically permit optional redemptions at par from any source of funds on or after a specified date.

The Corporation also issues new debt whose proceeds are used to redeem previously issued debt, called current refundings. The related discounts and costs of issuance of the old debt are classified as a deferred outflow of resources and amortized as interest expense. The Corporation may call some bonds at a premium using any monies once bonds reach a certain age and may also use a clean-up call to redeem certain bonds once the outstanding amount falls below 15% of the total issuance.

During the twelve months ended June 30, 2019, the Corporation made special revenue redemptions in the amount of $24,400,000.

Advance Refundings

There were no advance refundings in fiscal year 2019. A summary of all defeased debt from prior fiscal years as of June 30, 2019, follows (in thousands):

	Date Defeased	June 30, 2019
State Capital Project Bonds, 2011 Series A	September 2017	$ 63,705
State Capital Project Bonds, 2012 Series A	December 2017	29,795
State Capital Project Bonds, 2013 Series A	December 2017	16,345
		$ 109,845

Debt Service Requirements**

For all bonds in the preceding schedules, the Corporation's debt service requirements through 2024 and in five year increments thereafter to maturity are shown below (in thousands):

Year Ended June 30,	Housing Bond Debt Service			Non-Housing Bond Debt Service		
	Principal	Interest*	Total	Principal	Interest*	Total
2020	$ 35,805	$ 43,106	$ 78,911	$ 47,420	$ 41,363	$ 88,783
2021	41,000	41,625	82,625	53,995	38,987	92,982
2022	42,540	40,363	82,903	55,885	36,375	92,260
2023	45,710	38,994	84,704	51,360	33,603	84,963
2024	45,365	37,547	82,912	54,940	31,006	85,946
2025-2029	270,860	163,204	434,064	290,235	113,392	403,627
2030-2034	342,160	111,326	453,486	204,575	51,433	256,008
2035-2039	256,620	56,664	313,284	56,430	26,518	82,948
2040-2044	130,895	16,863	147,758	35,160	20,025	55,185
2045-2049	39,830	4,122	43,952	150,000	12,495	162,495
2050-2054	1,640	32	1,672	-	-	-
	$ 1,252,425	$ 553,846	$ 1,806,271	$ 1,000,000	$ 405,197	$ 1,405,197

Year Ended June 30,	Direct Placement Debt Service			Total Debt Service		
	Principal	Interest*	Total	Principal	Interest*	Total
2020	$ -	$ 4,586	$ 4,586	$ 83,225	$ 89,055	$ 172,280
2021	-	4,573	4,573	94,995	85,185	180,180
2022	-	4,573	4,573	98,425	81,312	179,737
2023	-	4,573	4,573	97,070	77,171	174,241
2024	-	4,586	4,586	100,305	73,139	173,444
2025-2029	-	22,880	22,880	561,095	299,476	860,571
2030-2034	140,000	2,293	142,293	686,735	165,052	851,787
2035-2039	-	-	-	313,050	83,181	396,231
2040-2044	-	-	-	166,055	36,888	202,943
2045-2049	-	-	-	189,830	16,617	206,447
2050-2054	-	-	-	1,640	32	1,672
	$ 140,000	$ 48,064	$ 188,064	$ 2,392,425	$ 1,007,108	$ 3,399,533

* Interest requirements have been computed for hedged variable rate bonds using the associated fixed swap rates and for unhedged variable rate bonds using interest rates in effect at June 30, 2019.

** Also see Note 11 – Derivatives

Conduit Debt

From time to time, the Corporation has issued debt to assist private-sector entities in the acquisition or construction of facilities that help the Corporation fulfill its mission of making housing affordable for all Alaskans. The bonds are secured by the properties financed and are payable from rents, payments received on the underlying mortgage loans, as well as tax credits, grants and other subsidy funding. Neither the Corporation nor the State is obligated in any manner for repayment of the bonds. Accordingly, the bonds and any related assets are not reported as assets or liabilities in the accompanying financial statements.

A summary of all conduit debt as of June 30, 2019, follows (in thousands):

	Maximum Issue Amount	Balance as of June 30, 2019	Remaining Authority as of June 30, 2019
Revenue Bonds, 2018 (Hampstead Heath Apartments)	$ 7,600	$ 3,485	$ 4,115
Revenue Bonds, 2018 (Marina Karina Project)	4,400	3,423	977

Events of Default

Significant finance-related events of default with respect to the Corporation's outstanding housing, non-housing, and direct placement bonds include a failure to repay principal at stated maturity or upon redemption (including sinking fund payments); a failure to pay interest when due; and a continued failure to comply with, or default in the performance or observance of, any of the covenants, agreements or conditions in the Indenture 45 days after having received written notice thereof.

11 DERIVATIVES

The Corporation entered into derivatives to reduce the overall cost of borrowing long-term capital and protect against the risk of rising interest rates. The Corporation's derivatives consist of interest rate swap agreements entered into in connection with its long-term variable rate bonds. The interest rate swaps are pay-fixed, receive-variable agreements, and were entered into at a cost less than what the Corporation would have paid to issue conventional fixed-rate debt.

The swaps are recorded and disclosed as either hedging derivatives or investment derivatives. The synthetic instrument method was used to determine whether or not the derivatives constitute effective hedges. The fair values of the hedgeable derivatives and investment derivatives are presented in the Statement of Net Position, either as a derivative liability (negative fair value amount) or as a derivative asset (positive fair value amount). If a swap changes from a hedgeable derivative to an investment derivative, the hedge is considered terminated and the accumulated change in fair value is no longer deferred but recognized as a revenue item.

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

The fair value amounts, obtained from mark to market statements from the respective counterparties and reconciled to present value calculations done by the Corporation, represent mid-market valuations that approximate the current economic value using market averages, reference rates, and/or mathematical models. These measurements are Level 2 inputs. Actual trade prices may vary significantly from these estimates as a result of various factors, which may include (but are not limited to) portfolio composition, current trading intentions, prevailing credit spreads, market liquidity, hedging costs and risks, position size, transaction and financing costs, and the use of capital profit. The fair value represents the current price to settle swap assets or liabilities in the marketplace if a swap were to be terminated.

The Corporation's interest rate swaps require that if the ratings on the associated bonds fall to “BBB+/Baa1”, the Corporation would have to post collateral of up to 100 percent of the swap's fair value. As of June 30, 2019, the Corporation had not posted any collateral and was not required to post any collateral.

Hedging Derivatives

The significant terms and credit ratings of the Corporation's hedging derivatives as of June 30, 2019, are shown below:

Related Bond Issue	Effective Date	Fixed Rate Paid	Variable Rate Received	Swap Termination Date	Counterparty Credit Rating[7]
GP01A[1]	12/01/08	2.4530%	67% of 1M LIBOR[4]	12/01/30	BBB+/A3
GP01B	08/02/01	4.1427%	67% of 1M LIBOR	12/01/30	AA/Aa3
E021A1[2]	10/09/08	2.9800%	70% of 3M LIBOR[5]	06/01/32	AA-/Aa2
SC02C[3]	12/05/02	4.3030%	SIFMA[6] + 0.115%	07/01/22	A+/Aa1
E071AB	05/31/07	3.7345%	70% of 3M LIBOR	12/01/41	AA-/Aa2
E071BD	05/31/07	3.7200%	70% of 3M LIBOR	12/01/41	A+/Aa1
E091A	05/28/09	3.7610%	70% of 3M LIBOR	12/01/40	A+/Aa1
E091B	05/28/09	3.7610%	70% of 3M LIBOR	12/01/40	AA-/Aa2
E091ABD	05/28/09	3.7400%	70% of 3M LIBOR	12/01/40	A+/Aa1
SC14C	06/01/19	3.2220%	100% of 1M LIBOR	12/01/29	AA-/Aa2

1. Governmental Purpose Bonds
2. Home Mortgage Revenue Bonds
3. State Capital Project Bonds
4. London Interbank Offered Rate ("LIBOR") 1 month
5. London Interbank Offered Rate 3 month
6. Securities Industry and Financial Markets Municipal Swap Index
7. Standard & Poor's/Moody's

The change in fair value and ending balance of the hedging derivatives as of June 30, 2019, is shown below (in thousands). The fair value is reported as a deferred outflow / inflow of resources in the Statement of Net Position.

Related Bond Issue	Notional Amounts	Present Values	Fair Values June 30, 2019	Fair Values June 30, 2018	Change in Fair Value
GP01A	$ 40,760	$ 43,823	$ (3,063)	$ (1,577)	$ (1,486)
GP01B	49,810	58,586	(8,776)	(7,526)	(1,250)
E021A1	34,265	38,109	(3,844)	(2,439)	(1,405)
SC02C	23,155	24,214	(1,059)	(1,342)	283
E071AB	135,879	171,629	(35,750)	(26,448)	(9,302)
E071AD	90,586	114,231	(23,645)	(17,373)	(6,272)
E091A	72,789	91,927	(19,138)	(14,372)	(4,766)
E091B	72,789	91,643	(18,854)	(13,997)	(4,857)
E091ABD	97,052	121,925	(24,873)	(18,321)	(6,552)
SC14C	140,000	157,789	(17,789)	-	(17,789)
Total	$757,085	$ 913,876	$ (156,791)	$ (103,395)	$ (53,396)

As of June 30, 2019, debt service requirements of the Corporation's outstanding variable-rate debt and net swap payments are displayed in the following schedule (in thousands). As interest rates vary, variable-rate bond interest payments and net swap payments will also vary.

Fiscal Year Ending June 30	VRDO Principal	VRDO Interest	Swap Net Payment	Total Payments
2020	$ 23,310	$ 15,425	$ 13,589	$ 52,324
2021	27,780	14,958	13,080	55,818
2022	29,230	14,439	12,510	56,179
2023	27,175	13,891	11,911	52,977
2024	24,750	13,417	11,407	49,574
2025-2029	142,290	59,701	49,271	251,262
2030-2034	274,840	27,797	29,737	332,374
2035-2039	141,660	13,655	15,538	170,853
2040-2044	66,050	1,618	1,834	69,502
	$ 757,085	$ 174,901	$ 158,877	$ 1,090,863

Credit Risk
As of June 30, 2019, the Corporation was not exposed to credit risk on any of the swaps because the swaps all have negative fair values. If interest rates rise and the fair value of the swaps becomes positive, the Corporation would be exposed to credit risk in the amount of the swaps' fair value. The swap agreements contain varying collateral agreements with the counterparties and require full collateralization of the fair value amount of the swap should the counterparty's rating fall to "BBB+/Baa1". The Corporation currently has swap agreements with six separate counterparties. Approximately 32.1% of the total notional amount of the swaps is held with one counterparty rated "AA-/Aa2". Another 27.8% of the total notional amount of the swaps is held with another counterparty rated "A+/Aa1" and 18.5% of the total notional amount of the swaps is held with another counterparty rated "AA-/Aa2." Of the remaining swaps, one counterparty is rated "A+/Aa1", "AA/Aa3", and "BBB+/A3", approximating 9.6%, 6.6%, and 5.4% respectively, of the total notional amount of the swaps.

Interest Rate Risk
The Corporation is exposed to interest rate risk on all of its interest rate swaps. As LIBOR or the SIFMA index decreases, the Corporation's net payment on the swaps increases.

Basis Risk
All of the Corporation's variable-rate bond interest payments related to interest rate swaps are based on the tax-exempt SIFMA index. Therefore, the Corporation is exposed to basis risk on swaps where the variable payment received on the swaps is based on a taxable LIBOR index and does not fully offset the variable rate paid on the bonds. The SC02C swap is based on the SIFMA index and thus is not exposed to any basis risk. As of June 30, 2019, SIFMA was 1.90% and 1-month LIBOR was 2.40%, resulting in a SIFMA/LIBOR ratio of 79.2%. The 3-month LIBOR was 2.32%, resulting in a SIFMA/LIBOR ratio of 81.9%. The SIFMA/LIBOR ratios have fluctuated since the agreements became effective but the anticipated cost savings from the swaps increases as the ratios decrease.

Termination Risk
Termination risk is the risk of an unscheduled termination of a swap prior to its planned maturity. If any of the swaps are terminated, the associated floating rate bonds would no longer carry synthetic fixed interest rates and the Corporation would be exposed to interest rate risk on the bond. This risk is mitigated by the fact that the termination payment could be used to enter into an identical swap at the termination date of the existing swap. Further, if any of the swaps have a negative fair value at termination, the Corporation would be liable to the counterparty for payments equal to the swaps' fair value. The Corporation or the counterparty may terminate any of the swaps if the other party fails to perform under the terms of the agreement, including downgrades and events of default.

Rollover Risk
Rollover risk occurs when there is a mismatch in the amortization of the swap versus the amortization of the floating rate bonds. The Corporation has structured the swaps to amortize at the same rate as scheduled or anticipated reductions in the associated floating rate bonds outstanding. The Home Mortgage Revenue Bonds, 2002 Series A swaps were set up in several tranches of various sizes that could be cancelled to parallel the redemption of debt from mortgage prepayments. In addition, the Governmental Purpose Bonds, 2001 Series A and B swaps cover only a portion of the total debt issuance, allowing any increase in the speed of mortgage prepayments to be directed to the un-swapped portion of the debt.

Investment Derivative
The State Capital Project Bonds, 2002 Series B, were fully redeemed in fiscal year 2009, so the associated interest rate swap is no longer a hedging derivative and is accounted for as an investment derivative.

The significant terms and credit ratings of the Corporation's investment derivative as of June 30, 2019, are shown below:

Related Bond Issue	Effective Date	Fixed Rate Paid	Variable Rate Received	Swap Termination Date	Counterparty Credit Rating
SC02B	12/05/02	3.7700%	70% of 1M LIBOR	07/01/24	A+/Aa1

The change in fair value of the investment derivatives as of June 30, 2019, is shown below (in thousands) and is presented on the net change of hedge termination line in the Statement of Revenues, Expenses, and Changes in Net Position.

Related Bond Issue	Notional Amounts	Present Values	Fair Values June 30, 2019	Fair Values June 30, 2018	Change in Fair Value
SC02B	$ 14,555	$ 16,113	$ (1,558)	$ (1,280)	$ (278)

Credit Risk
As of June 30, 2019, the Corporation was not exposed to credit risk on this outstanding swap because the swap had a negative fair value. If interest rates rise and the fair value of the swap becomes positive, the Corporation would be exposed to credit risk in the amount of the swaps' fair value. The swap agreement requires the counterparty to fully collateralize the fair value amount of the swap should the counterparty's rating fall to "BBB+/Baa1". The counterparty on this swap is rated "A+/Aa1".

12 LONG TERM LIABILITIES

The activity for the twelve months ended June 30, 2019, is summarized in the following schedule (in thousands):

	June 30, 2018	Additions	Reductions	June 30, 2019	Due Within One Year
Total bonds and notes payable	$ 2,328,487	$ 235,880	$ (103,242)	$ 2,461,125	$ 83,225
Net Pension liability	35,660	-	(145)	35,515	-
Net OPEB liability	5,765	1,559	(38)	7,286	-
Compensated absences	4,263	2,721	(2,667)	4,317	2,273
Other liabilities	-	362	(362)	-	-
Total long-term liabilities	$ 2,374,175	$ 240,522	$ (106,454)	$ 2,508,243	$ 85,498

13 SHORT TERM DEBT

The Corporation has a taxable commercial paper program. Commercial paper is used to refund certain tax-exempt debt until new debt replaces it. Individual maturities range up to 270 days from date of issuance. The maximum aggregate outstanding principal balance authorized by the Corporation's Board of Directors is $150,000,000. The lowest yield during the twelve months ended June 30, 2019, was 2.12% and the highest, 2.70%.

Short term debt activity for the twelve months ended June 30, 2019, is summarized in the following schedule (in thousands):

	June 30, 2018	Additions	Reductions	June 30, 2019
Commercial paper	$ 53,377	$ 711,616	$ (715,443)	$ 49,550
Unamortized discount	(108)	(942)	969	(81)
Commercial paper, net	$ 53,269	$ 710,674	$ (714,474)	$ 49,469

14 DEFERRED INFLOWS OF RESOURCES

The Government Accounting Standards Board has defined deferred inflows of resources as the acquisition of resources that are applicable to a future period. AHFC's pension deferred inflows of resources at June 30, 2019, totaling $891,000, represent the difference between projected and actual investment earnings in the State of Alaska's PERS Defined Benefit Retirement Plan. AHFC's OPEB deferred inflows of resources at June 30, 2019, represent $828,000 difference between expected and actual experience, $1,572,000 difference between projected and actual investment earnings, and $428,000 changes in proportion and differences between employer contributions in the OPEB plan, combined total of $2,828,000.

15 TRANSFERS

Transfers for the twelve months ended June 30, 2019, are summarized in the following schedule (in thousands):

		From					
		Administrative Fund	Grant Programs	Mortgage or Bond Programs	Other Funds or Programs	Alaska Corporation for Affordable Housing	Total
To	Administrative Fund	$ -	$ 678	$ 237,181	$ 2,467	$ 110	$240,436
	Grant Programs	16,683	-	-	-	-	16,683
	Mortgage or Bond Programs	259,584	-	-	-	-	259,584
	Other Funds or Programs	4,587	-	-	-	-	4,587
	Alaska Corporation for Affordable Housing	110	-	-	-	-	110
	Total	$ 280,964	$ 678	$ 237,181	$ 2,467	$ 110	$521,400

Transfers are used to:

(1) move cash between the Administrative Fund and the Mortgage or Bond Programs to subsidize debt service payments or satisfy bond indenture requirements;
(2) move mortgages between the Administrative Fund and the Mortgage or Bond Programs;
(3) record expenditures paid on behalf of the Grant Programs, the Mortgage or Bond Programs, and the Other Funds or Programs by the Administrative Fund;
(4) move cash and mortgages between various Mortgage or Bond Programs; or
(5) record any non-reimbursable expenditures paid by the Administrative Fund on behalf of ACAH and cash transferred between the Administrative Fund and ACAH.

16 OTHER CREDIT ARRANGEMENTS

The Corporation currently has certain outstanding debt obligations in relation to which it has entered into standby bond purchase agreements ("SBPAs") to guarantee the payment of debt service in the event of unremarketed tenders. The Corporation also entered into a revolving credit agreement ("RCA") in 2017 for up to $300,000,000 of additional liquidity with respect to debt issued under its State Capital Project Bonds indenture, State Capital Project Bonds II indenture, and Commercial Paper Notes program.

At June 30, 2019, the Corporation had the following available unused credit lines (in thousands):

	Credit Type	Credit Exposure: S&P	Credit Exposure: Moody	Available Unused Lines of Credit
2002 Series A Home Mortgage Revenue Bonds	SBPA	A+	Aa1	$ 34,265
2007 Series A, B, D Home Mortgage Revenue Bonds	SBPA	AA+	Aaa	226,465
2009 Series A Home Mortgage Revenue Bonds	SBPA	A+	Aa1	80,880
2009 Series B Home Mortgage Revenue Bonds	SBPA	A+	Aa1	80,880
2009 Series D Home Mortgage Revenue Bonds	SBPA	AA+	Aaa	80,870
2001 Series A & B Governmental Purpose Bonds	SBPA	AA+	Aaa	90,570
State Capital Project Bonds (I & II) & Commercial Paper	RCA	A	A1	300,000
Total				$ 893,930

17 YIELD RESTRICTION AND ARBITRAGE REBATE

Most mortgages purchased with the proceeds of tax-exempt mortgage revenue bonds issued by the Corporation are subject to interest-rate yield restrictions of 1.125% to 1.500% over the yield of the bonds. These restrictions are in effect over the lives of the bonds.

Non-mortgage investments made under the Corporation's tax-exempt mortgage revenue bond programs are subject to rebate provisions or restricted as to yields. The rebate provisions require that a calculation be performed every five years and upon full retirement of the bonds to determine the amount, if any, of excess yield earned and owed to the Internal Revenue Service. As investment rates change over time, it is sometimes possible to recoup previous rebate payments. With respect to the Corporation's Governmental Purpose Bonds, 2001 Series A and B, prior payments totaled $1,341,000, but rebate liability as of June 30, 2019, was $799,000, resulting in $542,000 due to the Corporation. Total for both bond issues as follows: prior payments totaled $1,369,000, but rebate liability as of June 30, 2019, was $819,000, resulting in $550,000 due to the Corporation.

18 STATE AUTHORIZATIONS AND COMMITMENTS

The Corporation uses its assets to fund certain housing and non-housing capital projects identified by the State. The aggregate amount expected to be funded by the Corporation was expressed by the following language of legislative intent included in the fiscal year 1996 capital appropriation bill, enacted in 1995.

> "The Legislature intends to ensure the prudent management of the Alaska Housing Finance Corporation to protect its excellent debt rating by the nation's financial community and to preserve its valuable assets of the State. To accomplish its goal, the sum of withdrawals for transfer to the general fund and for expenditure on corporate funded capital projects should not exceed the Corporation's net income for the preceding fiscal year."

The projected amounts stated in the legislative intent language were based on the Corporation's financial operating plan and represent the total amount of anticipated State transfers and capital expenditures rather than projected "net income". Following are the details of AHFC's dividend to the State as of June 30, 2019, (in thousands):

	Dividend Due to State	**Expenditures**	**Remaining Commitments**
State General Fund Transfers	$ 794,648	$ (788,948)	$ 5,700
State Capital Projects Debt Service	470,877	(458,877)	12,000
State of Alaska Capital Projects	255,761	(251,641)	4,120
AHFC Capital Projects	534,787	(483,339)	51,448
Total	$ 2,056,073	$ (1,982,805)	$ 73,268

Transfer Plan with the State

The 1998 Legislature authorized the Corporation to finance state capital projects through the issuance of up to $224,000,000 in bonds. Debt service payments on such bonds are categorized as transfers pursuant to the Transfer Plan. That legislation also extended the term of the Transfer Plan by stating the Legislature's intent that the Corporation transfer to the State (or expend on its behalf) an amount not to exceed $103,000,000 in each fiscal year through fiscal year 2006, again stating that, to protect the Corporation and its bond rating, in no fiscal year should such amount exceed the Corporation's net income for the preceding fiscal year. The bond proceeds are allocated to agencies and municipalities subject to specific legislative appropriation.

The 2000 Legislature adopted legislation authorizing the issuance of bonds in sufficient amounts to fund the construction of various State capital projects, and extended the Transfer Plan (as described above) through fiscal year 2008. The 2002 Legislature authorized the issuance of capital project bonds for the renovation and deferred maintenance of the Corporation's Public Housing facilities. The 2004 Legislature adopted legislation authorizing the additional issuance of bonds in sufficient amounts to fund the construction of various State capital projects. The bond proceeds are allocated to agencies and municipalities subject to specific legislative appropriation.

The Corporation has issued $196,345,000 principal amount of State Capital Project Bonds pursuant to the 1998 Act, $74,535,000 principal amount of State Capital Project Bonds pursuant to the 2000 Act, $60,250,000 principal amount of State Capital Project Bonds pursuant to the 2002 Act, and $45,000,000 principal amount of bonds under the State Capital Project agreement pursuant to the 2004 Act, and has completed its issuance authority under the Acts. The payment of principal and interest on these bonds will be included in future capital budgets of the Corporation. Debt service payments on such bonds are categorized as transfers pursuant to the Transfer Plan.

The Twenty-Third Legislature in 2003 enacted SCS HB 256 (the "2003 Act') which added language to the Alaska Statutes to modify and incorporate the Transfer Plan. The Corporation and the State view the 2003 Act as an indefinite, sustainable continuation of the Transfer Plan. As approved and signed into law by the Governor and modified by the Twenty-Fourth Legislature in 2006 with SB 236, the 2003 Transfer Plan calls for annual transfers that will not exceed the lesser of 75% of the adjusted change in net position for the fiscal year two years prior to the current fiscal year or $103,000,000 less debt service on certain State Capital Project Bonds, less any legislative appropriation of the Corporation's unrestricted, unencumbered funds other than appropriations of the Corporation's operating budget.

19 HOUSING GRANTS AND SUBSIDIES EXPENSES

The grant programs are funded from HUD, federal, State and Corporate proceeds. The Corporation paid grants to third parties for the following programs (in thousands):

	June 30, 2019
AMHTA Scholarships	$ 6
Beneficiaries and Special Needs Housing	1,816
Continuum of Care Homeless Assistance	2,085
Domestic Violence	1,460
Discharge Incentive grant	190
Drug Elimination	49
Emergency Shelter Grant (ESG)	217
Energy Efficiency Monitoring Research	949
Energy Efficient Home Program	168
HOME Investment Partnership	3,919
Homeless Assistance Program	7,328
Housing Choice Vouchers	32,096
Housing Loan Program	1,794
Housing Opportunities for Persons with AIDS	610
Housing Trust Fund	2,519
Low Income Weatherization Assistance	7,264
Low Income Home Energy Assistance	990
Non-Elderly Disabled (NED)	227
Parolees (TBRA)	421
Section 811 Rental Housing Assistance	32
Section 8 Rehabilitation	489
Senior Citizen Housing Development Grant	2,441
Supplemental Housing Grant	3,170
Technical Assistance Grant	2
Veterans Affairs Supportive Housing	1,833
Youth (TBRA)	123
Total Housing Grants and Subsidies Expenses	$ 72,198

In addition to grant payments made, the Corporation had advanced grant funds of $4,531,000 and committed to third parties a sum of $31,278,000 in grant awards as of June 30, 2019.

20 PENSION AND POST-EMPLOYMENT HEALTHCARE PLANS

Description of Plans

As of June 30, 2019, all regular employees of the Corporation who work more than fifteen hours per week participate in the Alaska Public Employees' Retirement System ("PERS"). PERS administers the State of Alaska Public Employees' Retirement System Defined Benefit Retirement Plan, which includes both pension and post-employment healthcare plans for all employees hired prior to July 1, 2006. The defined benefit plan was an agent multiple-employer, statewide plan until July 1, 2008, when Senate Bill 125 converted the plan to a multiple-employer cost-sharing plan.

PERS also administers the State of Alaska Public Employees' Retirement System Defined Contribution Retirement Plan, which includes both pension and post-employment healthcare plans for all employees hired on or after July 1, 2006.

PERS is administered by the State. Benefits and contributions provisions are established by Chapter 35 of Alaska Statute Title 39, and may be amended only by state legislature. Amendments do not affect existing employees.

PERS audited financial statements are available at www.doa.alaska.gov/drb.

Defined Benefit ("DB") Pension and Post-Employment Healthcare Plans *(Employees hired prior to July 1, 2006)*

Employee Benefits:
Employees hired prior to July 1, 1986, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 55 or early retirement age 50. The normal pension benefit is equal to 2% of the member's three-year highest average monthly compensation for the first ten years of service and for all service prior to July 1, 1986, 2¼% for the second ten years of service and 2½% for all remaining years of service. Employees with 30 or more years of credited service may retire at any age and receive a normal benefit. The plan pays the retiree medical plan premium and provides death and disability benefits.

Employees hired between July 1, 1986, and June 30, 1996, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 60 or early retirement age 55. The normal pension benefit is equal to 2% of the member's three-year highest average monthly compensation for the first ten years of service, 2¼% for the second ten years of service and 2½% for all remaining years of service. Employees with 30 or more years of credited service may retire at any age and receive a normal benefit. The plan does not pay the retiree medical plan premium for retirees under the age of 60 unless the retiree has 30 years of credited service. The employee may elect to pay the full premium cost for medical coverage.

Employees hired between July 1, 1996, and June 30, 2006, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 60 or early retirement age 55. The normal pension benefit is equal to 2% of the member's five-year highest average monthly compensation for the first ten years of service, 2¼% for the second ten years of service and 2½% for all remaining years of service. Employees with 30 or more years of credited service may retire at any age and receive a normal benefit. The plan does not pay the retiree medical plan premium for retirees with less than 10 years of service at age 60. The employee may elect to pay the full premium cost for medical coverage.

This plan was closed to new entrants as of June 30, 2006.

The Defined Benefit Pension and Post-Employment Healthcare Plan issues financial reports that are available to the public on the SOA website: alaska.gov/drb/employer/resources/gasb.html

Funding Policy:

Under State law, covered employees are required to contribute 6.75% of their annual covered salary to the pension plan and are not required to contribute to the post-employment healthcare plan.

Under State law, the Corporation is required to contribute 22.00% of annual covered salary. For fiscal year 2019, 16.17% of covered salary is for the pension plan and 5.83% is for the post-employment healthcare plan.

Under AS39.35.255, the State funds 5.58%, the difference between the actuarial required contribution of 27.58% for fiscal year 2019 and the employer rate of 22.00%.

The Corporation's contributions to the defined benefit post-employment healthcare plan for the twelve months ended June 30, 2019, totaled $676,000, and for the years ended June 30, 2018, and June 30, 2017, totaled $613,000 and $973,000, respectively.

Pension Liabilities:
At June 30, 2019, the Corporation reported a liability for its proportionate share to the net pension liability of $35,515,000. This amount reflected State pension support provided to the Corporation of $10,284,000. The total net pension liability associated with the Corporation was $45,799,000.

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the new pension liability was determined by an actuarial valuation as of June 30, 2017 and rolled forward to June 30, 2018.

Pension Expense:

For the year ended June 30, 2019, the Corporation recognized pension expense of $81,000 and revenue of $1,189,000 for support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:
As of June 30, 2019, the Corporation's deferred outflows of resources related to pension expense of $4,148,000 were due to a change in its proportionate share of contributions to the pension plan of $637,000, a difference between projected and actual investment earnings of $784,000 and contributions to the pension plan subsequent to the measurement date of $2,727,000. The Corporation's deferred inflows of resources related to pension of $891,000 were due to a difference between expected and actual experience.

Contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending June 30, 2020. The amounts recognized as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows (in thousands):

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
2020	$ 3,693	$ (222)	$ 3,471
2021	652	(223)	429
2022	(385)	(223)	(608)
2023	188	(223)	(35)
	$ 4,148	$ (891)	$ 3,257

Pension Actuarial Assumptions:
The total pension liability for the fiscal year ending June 30, 2019, was determined by an actuarial valuation as of June 30, 2017, rolled forward to the measurement date of June 30, 2018. The valuation was prepared assuming an inflation rate of 3.12%. Salary increases were determined by grading by age and service to range from 4.34% to 8.55%. The investment rate of return was calculated at 8.00%, net of pension plan investment expenses, based on an average inflation rate of 3.12% and a real rate of return of 4.88%.

Mortality rates were based on the RP-2000 table, 2000 Base Year projected to 2018 with Projection scale BB.

The actuarial assumptions used in the June 30, 2017 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2009, to June 30, 2013.

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

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018, are summarized in the following table (note that the rates shown below exclude the inflation component):

Asset Class	Long-term Expected Real Rate of Return
Domestic Equity	8.90 %
Global Equity (non-U.S.)	7.85 %
Fixed Income	1.25 %
Opportunistic	4.76 %
Real Assets	6.20 %
Absolute Return	4.76 %
Private Equity	12.08 %
Cash Equivalents	0.66 %

Pension Discount rate:
The discount rate used to measure the total pension liability was 8%. The projection of cash flows used to determine the discount rate assumed that the Corporation and non-employer State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability in accordance with the method prescribed by GASB Statement No. 67.

Sensitivity of the Corporation's proportionate share of the net pension liability to changes in the discount rate:
The following presents the Corporation's proportionate share of the net pension liability using the discount rate of 8% and what it would be if the discount was 1% lower (7%) or 1% higher (9%), (in thousands).

	1% Decrease (7%)	Current Discount Rate (8%)	1% Increase (9%)
Corporation's proportionate share of the net pension liability	$ 47,031	$ 35,515	$ 25,774

Defined Contribution ("DC") Pension and Post-Employment Healthcare Plans *(Employees hired on or after July 1, 2006):*

Employee Benefits
Defined Contribution Pension Plan participants (PERS Tier IV) participate in the Occupational Death and Disability Plan ("ODD"), and the Retiree Medical Plan ("RM"). Information on these plans is included in the comprehensive annual financial report for the PERS Plan noted above. These plans provide for death, disability, and post-employment healthcare benefits.

There is no retirement age set, however taxes and penalties may apply if withdrawn prior to age 59 ½. Retirement benefits are equal to the Defined Contribution account balance plus interest. The employee may direct the investment of the account if so desired. The account balance is 100% of the employee's contribution plus 25% of the Corporation's contribution after two years of service, 50% of the Corporation's contribution after three years of service, 75% of the Corporation's contribution after four years of service, and 100% of the Corporation's contribution after 5 years of service. The plan pays a portion of the retiree medical plan premium if the retiree retires directly from the plan and is eligible for Medicare. The portion of premium paid by the plan is determined by years of service.

Funding Policy
Under State law, covered employees are required to contribute 8% of their annual covered salary to the pension plan and are not required to contribute to the post-employment healthcare plan. Employer contribution rates for the year ended June 30, 2019, were as follows:

	Other Tier IV
Retiree medical plan	0.94%
Occupational death and disability benefits	0.26%
Total Contribution Rates	1.20%

Under State law the Corporation is required to contribute 22% of annual covered salary. For fiscal year 2019, 6.20% of covered salary is split between 5.26% for the pension plan and 0.94% for the post-employment healthcare plan. Then, to offset additional individual post-employment healthcare cost, an annual flat dollar amount of $2,102.88, representing 3% of total annual covered compensation in the Plan for each full-time employee, and $1.35 per hour for part-time employees, is deposited in a Health Reimbursement Arrangement ("HRA") Account for each covered employee per AS 39.30.370.

Additionally, if the total amount that the Corporation has contributed for the defined contribution pension and post-employment healthcare plans is less than 22% of covered payroll after the HRA contributions, the Corporation must pay that additional amount. This additional amount is used to reduce the defined benefit plan's unfunded liability. For the twelve months ended June 30, 2019, the Corporation paid additional contributions of $1,012,000. These contributions equal $744,000 for the defined benefit pension as of June 30, 2019, and $268,000 for the defined benefit post-employment healthcare plans as of June 30, 2019.

The contributions to the pension plan for the twelve months ended June 30, 2019, by the employees totaled $728,000 and by the Corporation totaled $424,000.

The Corporation contributed $381,000 to a Health Reimbursement Arrangement for the twelve months ended June 30, 2019.

The Defined Contribution Pension and Post Employment Healthcare Plan issues financial reports that are available to the public on the SOA website: alaska.gov/drb/employer/resources/gasb.html.

Other Post-Employment Benefits ("OPEB") Defined Benefit and Defined Contribution Plans

OPEB Employer Contribution Rate:
In 2019, the Corporation was credited with the following contributions to the OPEB plan:

	Measurement Period FY18	Measurement Period FY17
Employer contributions DB	$ 894,000	$ 1,261,000
Employer contributions DC RM	83,000	86,000
Employer contributions DC ODD	13,000	12,000
Nonemployer contributions (on-behalf)	-	-
Total Contributions	**$ 990,000**	**$ 1,359,000**

Changes in Benefit Provisions Since the Prior Valuation of OPEB:
There have been no changes in the benefit provisions effective since the prior valuation for the Defined Benefit OPEB plan.

OPEB healthcare cost trend rates:
Healthcare Reform legislation passed on March 23, 2010. There is no change due to this legislation, because the State plan is retiree-only. Actuaries determined the impact to be approximately $50.8 million of the projected June 30, 2017 healthcare actuarial accrued liability for the defined benefit plans due to cost plan excise tax (Cadillac tax).

Healthcare cost trend model has been adopted by the Society of Actuaries, and has been populated with assumptions that are specific to the State of Alaska. The table below shows the rate used by actuaries to project the cost from the shown fiscal year to the next fiscal year.

	Medical Pre-65	Medical Post-65	Prescription Drugs	RDS/ Employer Group Waiver Program (EGWP)
FY18	8.0%	5.5%	9.0%	6.5%
FY19	7.5%	5.5%	8.5%	6.2%
FY20	7.0%	5.4%	8.0%	6.0%
FY21	6.5%	5.4%	7.5%	5.7%
FY22	6.3%	5.4%	7.1%	5.5%
FY23	6.1%	5.4%	6.8%	5.4%
FY24	5.9%	5.4%	6.4%	5.2%
FY25	5.8%	5.4%	6.1%	5.0%
FY26	5.6%	5.4%	5.7%	4.8%
FY27-FY40	5.4%	5.4%	5.4%	4.7%
FY41	5.2%	5.2%	5.2%	4.6%
FY42	5.1%	5.1%	5.1%	4.5%
FY43	5.0%	5.0%	5.0%	4.5%
FY44	4.8%	4.8%	4.8%	4.4%
FY45	4.7%	4.7%	4.7%	4.3%
FY46	4.5%	4.5%	4.5%	4.2%
FY47	4.4%	4.4%	4.4%	4.2%
FY48	4.3%	4.3%	4.3%	4.1%
FY49	4.1%	4.1%	4.1%	4.0%
FY50+	4.0%	4.0%	4.0%	4.0%

Key Elements of OPEB formula:
Liabilities and contributions shown in the report are computed using the Entry Age Normal Actuarial Cost Method. Any funding surpluses or unfunded accrued liability are amortized over a closed 25-year period (established June 30, 2014) as a level percentage of payroll amount. State statutes allow the contribution rate to be determined on payroll for all members, defined benefit and defined contribution member payroll combined. State statues allow the contribution rate to be determined on the payroll for all members, defined benefit and defined contribution member payroll combined.

Projected pension and postemployment healthcare benefits were determined for all active members. Cost factors designed to produce annual costs as a level dollar amount from the assumed entry age to the assumed retirement age were applied to the projected benefits to determine the normal cost (the portion of the total cost of the plan allocated to the current year under the method). The normal cost is determined by summing intermediate results for active members and determining an average normal cost rate which is then related to the total payroll of active members. The actuarial accrued liability for active members (the portion of the total cost of the plan allocated to prior years under the method) was determined as the excess of the actuarial present value of projected benefits over the actuarial present value of future normal costs.

The actuarial accrued liability for retired members, their beneficiaries and disabled members currently receiving benefits was determined as the actuarial present value of the benefits expected to be paid. No future normal costs are payable for these members. The actuarial accrued liability under this method at any point in time is the theoretical amount of the fund that would have been accumulated had annual contributions equal to the normal cost been made in prior years (it does not represent the liability for benefits accrued to the valuation date). The unfunded actuarial accrued liability is the excess of the actuarial accrued liability over the actuarial value of plan assets measured on the valuation date. Under this method, experience gains or losses, i.e., decreases or increases in accrued liabilities attributable to deviations in experience from the actuarial assumptions, adjust the unfunded actuarial accrued liability.

Post-employment healthcare benefits:
Major medical benefits are provided to retirees and their surviving spouses by PERS for all employees hired before July 1, 1986, (Tier 1) and disabled retirees. Employees hired after June 30, 1986, (Tier 2) and their surviving spouses with five years of credited service (or ten years of credited service for those first hired after June 30, 1996, (Tier 3)) must pay the full monthly premium if they are under age sixty and will receive benefits paid by PERS if they are over age sixty. Tier 3 Members with between five and ten years of credited service must pay the full monthly premium regardless of their age. Tier 2 and Tier 3 Members with less than five years of credited service are not eligible for post-employment healthcare benefits. Tier 2 Members, who are receiving a conditional benefit and are age eligible, are eligible for post-employment healthcare benefits. Employees and their surviving spouses with thirty years of membership service, and any disabled member, receive benefits paid by PERS, regardless of their age or date of hire.

Medical, prescription drug, dental, vision and audio coverage is provided through the AlaskaCare Retiree Health Plan. Health plan provisions do not vary by retirement tier or age, except for Medicare coordination. Surviving spouses continue coverage only if a pension payment form that provided survivor benefits was elected. Where premiums are required prior to age 60, the valuation bases this payment upon the age of the retiree.

Of those benefit recipients who are eligible for the COLA, 70% are assumed to remain in Alaska and receive COLA. 50%-75% of assumed inflation, or 1.56% and 2.24% respectively, is valued for the annual automatic Post-Retirement Pension Adjustment (PRPA).

OPEB Liabilities:
At June 30, 2019, the total net OPEB liability associated with the Corporation was $7,286,000.

At June 30, 2019, the Corporation reported a liability for its proportionate share of the net OPEB liabilities ("NOL") that reflected a reduction for State OPEB support provided to the Corporation. The amount recognized by the Corporation for its proportional share, the related State proportion, and the total were as follows:

Corporation's proportionate share Net OPEB Liabilities:		2019
Corporation's proportionate share of NOL – DB	$	7,334,000
Corporation's proportionate share of NOL – DC RM		90,000
State's proportionate share of the NOL associated with the Corporation		-
Total Net OPEB Liabilities	$	7,424,000

Corporation's proportionate share Net OPEB Assets:		2019
Corporation's proportionate share of NOA – DC ODD	$	138,000
Total Net OPEB Assets	$	138,000

The net OPEB liability was measured as of June 30, 2018, and the total pension liability used to calculate the new pension liability was determined by an actuarial valuation as of June 30, 2017, and rolled forward to June 30, 2018. The Corporation's proportion of the net OPEB liabilities were based on a projection of the Corporation's long-term share of contributions to the OPEB plans relative to the projected contributions of all participating entities, actuarially determined.

Corporation's proportionate share Net OPEB Liabilities:	June 30, 2017 Measurement Date Employer Proportion	June 30, 2018 Measurement Date Employer Proportion	Change
DB	0.68990%	0.71458%	0.02468%
DC RM	0.70310%	0.71095%	0.00785%
DC ODD	0.70310%	0.71095%	0.00785%

Changes in Benefit Provisions Since Prior Valuation of OPEB:
For Defined Contribution Retiree Medical OPEB ("DC RM") and Defined Contribution - Occupational Death & Disability ("DC ODD") plans there were the following updates: the health care cost trend assumption was updated as shown above to reflect anticipated increases in costs based on recent survey data. Healthcare claim costs are updated annually. Minor updates were made to the factors used to adjust the DB plan costs to reflect DCR plan design differences. For the Defined Benefit (DB) plan healthcare cost trend assumption was updated to reflect anticipated increases in costs based on recent survey data. Healthcare claim costs are updated annually.

OPEB Expense:
For the year ended June 30, 2019, the Corporation recognized OPEB expense of $450,000 and no support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:
At June 30, 2019, the Corporation reported deferred outflows of resources and deferred inflow of resources related to OPEB from the following sources (in thousands):

Year Ended June 30, 2019	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	$ 1,351	$ -
Difference between expected and actual experience	-	(828)
Difference between projected and actual investment earnings	-	(1,572)
Changes in assumptions	1,154	-
Changes in proportion and difference between employer contributions	317	(428)
Total Deferred Inflows	$ 2,822	$ (2,828)

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

Year Ended June 30:	Total
2020	$ 799
2021	(252)
2022	(514)
2023	(35)
2024	(1)
Thereafter	(3)
	$ (6)

OPEB Actuarial Assumptions:
The total OPEB liability for the year ended June 30, 2019, was determined by an actuarial valuation as of June 30, 2017, rolled forward to the measurement date of June 30, 2018. The actuarial assumptions used in the June 30, 2017, actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2009, to June 30, 2013, resulting in changes in actuarial assumptions adopted by the Alaska Retirement Management Board to better reflect expected future experience.

Actuarial cost method	Entry age normal; level percentage of payroll.
Inflation	3.12%
Salary increases	Graded by age and service, from 8.55% to 4.34% for all others
Allocation Methodology	For PERS ARHT, allocation percentages are applied to OPEB amounts and are based on the ratio of the present value of projected future contributions for AHFC to the total present value of projected future contributions to the Plan for the FY2019-FY2039. For PERS DB RM and DB ODD allocation percentages are applied to amounts presented in the schedule of the OPEB amounts by employer and are based on the ratio of contributions made for AHFC to total contributions made to the Plan during FY19.
Investment Return / Discount Rate	8.00%, net of OPEB plan investment expenses. This is based on an average inflation rate of 3.12% and a real rate of return of 4.88%.
Mortality	Pre-termination – Based on the 2010-2013 actual mortality experience, 60% of male and 65% of female post-termination rates. Deaths are assumed to be occupational 50% of the time for others. Post-termination – 96% of all rates of the RP-2000 table, 2000 base year projected to 2018 with projection scale BB.

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

Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2018, are summarized in the following table (note that the rates shown below exclude the inflation component):

Asset Class	Long-term Expected Real Rate of Return	
Domestic Equity	8.90	%
Global Equity (non-U.S.)	7.85	%
Fixed Income	1.25	%
Opportunistic	4.76	%
Real Assets	6.20	%
Absolute Return	4.76	%
Private Equity	12.08	%
Cash Equivalents	0.66	%

OPEB Discount rate:
The discount rate used to ensure the total OPEB liability was 8%. The projection of cash flows used to determine the discount rate assumed that the Corporation and non-employer State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability in accordance with the method prescribed by GASB Statement No. 74.

Sensitivity of the Corporation's proportionate share of the net OPEB liability to changes in the discount rate:
The following presents the Corporations proportionate share of the net pension liability using the discount rate of 8% and what it would be if the discount was 1-percentage-point (7%) lower or 1-percentage-point higher (9%), (in thousands).

Corporation's proportionate share of the net OPEB liabilities (assets):	**Proportional Share**	**1% Decrease (7%)**	**Current Discount Rate (8%)**	**1% Increase (9%)**
DB plan	0.71458	$ 14,847	$ 7,334	$ 1,036
DC RM plan	0.71095	270	90	(50)
DC ODD plan	0.71095	(130)	(138)	(145)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate:
The following presents the Corporation's net OPEB liability using current healthcare cost trend rates and comparing to a 1% increase and a 1% decrease of current healthcare costs trend rates, (in thousands).

Corporation's proportionate share of the net OPEB liabilities (assets):	**Proportional Share**	**1% Decrease**	**Current Discount Rate**	**1% Increase**
DB plan	0.71458	$ 142	$ 7,334	$ 15,996
DC RM plan	0.71095	$ (77)	$ 90	$ 314
DC ODD plan	0.71095	n/a	$ (138)	n/a

OPEB plan's fiduciary net position:

All information regarding the Plan's assets, deferred outflow/inflow of resources, liabilities and fiduciary net position can be found in the PERS financial statements that are available to the public on the SOA website: alaska.gov/drb/employer/resources/gasb.html

Healthcare cost trend rates:
Healthcare Reform legislation passed on March 23, 2010 included several provisions with potential implications for the State of Alaska Retiree Health Plan liability. Buck evaluated impacts of these provisions, however, for all three plans, none of the impacts have been included except for the high cost plan excise taxes (Cadillac tax). In addition, for DC RM and DC ODD plans Patient Centered Outcomes Research Institute fee impact has been included in the valuation results as part of administrative fee. The adopted DC RM and DC ODD plans do not place lifetime limits on benefits, but restrict dependent child coverage to age 26.

The healthcare cost trend model has been adopted by the Society of Actuaries, and has been populated with assumptions that are specific to the State of Alaska. The table below shows the rate used by actuaries to project the cost from the shown fiscal year to the next fiscal year.

	Medical Pre-65	Medical Post-65	Prescription Drugs	RDS/ Employer Group Waiver Program (EGWP)
FY18	8.0%	5.5%	9.0%	6.5%
FY19	7.5%	5.5%	8.5%	6.2%
FY20	7.0%	5.4%	8.0%	6.0%
FY21	6.5%	5.4%	7.5%	5.7%
FY22	6.3%	5.4%	7.1%	5.5%
FY23	6.1%	5.4%	6.8%	5.4%
FY24	5.9%	5.4%	6.4%	5.2%
FY25	5.8%	5.4%	6.1%	5.0%
FY26	5.6%	5.4%	5.7%	4.8%
FY27-FY40	5.4%	5.4%	5.4%	4.7%
FY41	5.2%	5.2%	5.2%	4.6%
FY42	5.1%	5.1%	5.1%	4.5%
FY43	5.0%	5.0%	5.0%	4.5%
FY44	4.8%	4.8%	4.8%	4.4%
FY45	4.7%	4.7%	4.7%	4.3%
FY46	4.5%	4.5%	4.5%	4.2%
FY47	4.4%	4.4%	4.4%	4.2%
FY48	4.3%	4.3%	4.3%	4.1%
FY49	4.1%	4.1%	4.1%	4.0%
FY50+	4.0%	4.0%	4.0%	4.0%

Key Elements of OPEB formula:
Liabilities and contributions shown in the report are computed using the Entry Age Normal Actuarial Cost Method. Any funding surpluses or unfunded accrued liability is amortized over 25 years as a level percentage of expected payroll. State statues allow the contribution rate to be determined on the payroll for all members, defined benefit and defined contribution member payroll combined.

Cost factors designed to produce annual costs as a constant percentage of each member's expected compensation in each year for retiree medical benefits, from the assumed entry age to the last age with a future benefit were applied to the projected benefits to determine the normal cost (the portion of the total cost of the Plan allocated to the current year under the method). The normal cost is determined by summing intermediate results for active members and determining an average normal cost rate which is then related to the total plans payroll of active members. The actuarial accrued liability for active members (the portion of the total cost of the Plan allocated to prior years under the method) was determined as the excess of the actuarial present value of projected benefits over the actuarial present value of future normal costs.

The actuarial accrued liability for beneficiaries and disability members currently receiving benefits was determined as the actuarial present value of the benefits expected to be paid. No future normal costs are payable for these members.

The actuarial accrued liability under this method at any point in time is the theoretical amount of the fund that would have been accumulated had annual contributions equal to the normal cost been made in prior years. It does not represent the liability for benefits accrued to the valuation date. The unfunded actuarial accrued liability is the excess of the actuarial accrued liability over the actuarial value of plan assets measured on the valuation date. Under this method, experience gains or losses in accrued liabilities attributable to deviations in experience from the actuarial assumptions, adjust the unfunded actuarial accrued liability.

Post-employment healthcare benefits:
Member must retire directly from the plan to be eligible for retiree medical coverage. Normal retirement eligibility is the earlier of a) 30 years of service or b) Medicare eligible and 10 years of service. No subsidized retiree medical benefits are provided until normal retirement eligibility. The member's and any covered dependent premium is 100% until the member is Medicare eligible. Upon the member's Medicare-eligibility, the required contribution will follow the service based schedule. Members who are receiving disability benefits or survivors who are receiving monthly survivor benefits

are not eligible until the member meets, or would have met if he/she had lived, the normal retirement eligibility requirements. The medical plan's coverage is supplementary to Medicare. Medicare payment is deducted from the Medicare allowable expense and plan parameters are applied to that amount. Starting in 2019, the prescription drug coverage is a Medicare Part D Employer Group Waiver Plan (EGWP) arrangement. The premium for Medicare-eligible retirees will be based on the member's years of service. The premium for dependents who are not eligible for Medicare aligns with the member's subsidy. While a member is not Medicare-eligible, premiums are 100% of the estimated cost. Members have a separate defined contribution HRA account that can be used to pay for premiums or other medical expenses. Coverage will continue for surviving spouses of covered retired members.

Annual Postemployment Healthcare Cost
In 2019, the Corporation recognized $381,000 in DC OPEB costs. These amounts were recognized as expense.

21 OTHER COMMITMENTS AND CONTINGENCIES

Medical Self Insurance
During the fiscal year ended June 30, 1998, the Corporation began a program of self-insurance for employee medical benefits. Costs are billed directly to the Corporation by an Administrative Services Provider that processes all of the claims from the employees and their dependents. The Corporation has purchased a stop-loss policy that limits its liability to $175,000 per employee per year. The Corporation has provided for an estimate of the Incurred but Not Reported ("IBNR") liability in the amount of $4,008,000 as of June 30, 2019.

Lease Obligations
The Corporation leases the land at its Anchorage Family Investment Center located at 440 E. Benson Blvd., Anchorage, Alaska for $7,000 per month. Lease expense for the twelve months ended June 30, 2019, totaled $84,000.

Litigation
The Corporation, in the normal course of its activities, is involved in various claims and pending litigation, the outcome of which is not presently determinable. In the opinion of management, the disposition of these matters is not presently expected to have a material adverse effect on the Corporation's financial statements.

Contingent Liabilities
The Corporation participates in several federally assisted programs. These programs are subject to program compliance audits and adjustment by the grantor agencies or their representatives. Any disallowed claims, including amounts already collected, would become a liability of the Administrative Fund. In management's opinion, disallowance, if any, will be immaterial.

Subsequent Events
The Corporation delivered its $200,000,000 State Capital Project Bonds II, 2019 Series A and B, on July 11, 2019. The Series A Bonds are $140,000,000 federally taxable general obligations of the Corporation maturing December 1, 2044, with interest payable each June 1 and December 1 at variable rates. The Series B Bonds are $60,000,000 tax-exempt general obligations of the Corporation with a final maturity of December 1, 2039. Interest on the Series B Bonds is payable each June 1 and December 1 at fixed rates ranging from 3.00% to 5.00%. Proceeds of the 2019 Bonds were and will be used to refund certain outstanding obligations of the Corporation, to finance additional authorized activities of the Corporation, and to pay costs of issuance of the Bonds.

The Corporation anticipates issuing up to $225,000,000 of its tax-exempt General Mortgage Revenue Bonds II, 2019 Series A and B, in or around October 2019. As preliminarily structured, interest on the Series A and B Bonds would be payable each June 1 and December 1 at fixed rates, and proceeds of the Series A and B Bonds will be used to finance mortgage loans, to refund certain outstanding obligations of the Corporation, to finance additional authorized activities of the Corporation, and to pay certain costs of issuance of the Bonds.

22 RISK MANAGEMENT

The Corporation is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by various commercial insurance policies and contractual risk transfers. When the Corporation enters into agreements, contracts or grants, it requires insurance from the party with which the Corporation is doing business. This ensures that the party can adequately sustain any loss exposure, so the Corporation is not first-in-line in case of a loss. There have been no significant reductions in insurance coverage from the prior year, and settlements have not exceeded insurance coverage during the past three years.

23 SUPPLEMENTARY FIVE YEAR FINANCIAL INFORMATION

Entity-wide amounts at year-end are presented below for informational purposes (in thousands):

	June 30, 2019	2018	2017	2016	2015
Assets					
Cash	$ 74,259	$ 69,609	$ 66,343	$ 70,104	$ 50,348
Investments	562,671	596,133	618,544	615,588	816,244
Accrued interest receivable	15,831	14,115	12,771	12,325	11,606
Mortgage loans, notes and other loans	3,342,961	3,132,437	2,910,332	2,817,494	2,662,893
Net investment in direct financing lease	24,780	27,003	29,142	34,555	39,732
Capital assets, net	94,036	100,472	106,762	109,821	116,057
Other assets	21,255	28,684	23,171	35,746	47,982
Total Assets	4,135,793	3,968,453	3,767,065	3,695,633	3,744,862
Deferred Outflow of Resources	186,739	133,107	172,676	234,921	171,440
Liabilities					
Bonds and notes payable	2,461,125	2,328,487	2,124,637	2,083,582	2,201,527
Short term debt	49,469	53,269	82,526	71,589	16,899
Accrued interest payable	8,388	9,984	9,622	9,628	9,397
Other liabilities	70,059	58,868	63,894	55,009	49,522
Derivative instrument - interest rate swaps	158,349	104,674	144,903	210,543	150,199
Total Liabilities	2,747,390	2,555,282	2,425,582	2,430,351	2,427,544
Deferred Inflow of Resources	3,719	7,582	531	670	3,277
Total Net Position	$ 1,571,423	$ 1,538,696	$ 1,513,628	$ 1,499,533	$ 1,485,481

	2019	2018	2017	2016	2015
Operating Revenues					
Mortgage and loans revenue	$ 146,042	$ 135,055	$ 130,538	$ 128,942	$ 126,140
Investment interest	17,404	6,273	4,727	3,595	4,388
Net change in fair value of investments	(838)	2,967	1,899	2,754	1,627
Net change of hedge termination	(278)	760	1,028	(552)	11
Total Investment Revenue	16,288	10,000	7,654	5,797	6,026
Externally funded programs	77,143	86,844	96,081	123,782	146,236
Rental	11,926	11,305	11,155	10,707	9,342
Other	4,634	3,076	4,051	4,952	2,355
Total Operating Revenues	256,033	246,280	249,479	274,180	290,099
Operating Expenses					
Interest	76,831	71,246	69,890	70,357	75,349
Mortgage and loan costs	12,034	11,452	10,843	10,836	11,327
Operations and administration	44,781	46,127	56,867	58,373	53,287
Financing expenses	6,054	5,027	4,512	3,556	5,064
Provision for loan loss	(5,740)	(4,560)	(5,584)	(5,831)	(5,741)
Housing grants and subsidies	72,198	68,314	84,310	107,054	125,222
Rental housing operating expenses	15,042	15,091	14,296	15,634	17,086
Total Operating Expenses	221,200	212,697	235,134	259,979	281,594
Operating Income (Loss)	34,833	33,583	14,345	14,201	8,505
Non-Operating & Special Item					
Contribution to State or State agency	(2,106)	(125)	(250)	(149)	(3,825)
Change in Net Position	$ 32,727	$ 33,458	$ 14,095	$ 14,052	$ 4,680

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Proportionate Share of the Net Pension Liability (in thousands):

	2019	2018	2017	2016	2015	2014
The Corporation's proportion of the net pension liability (asset)	0.714740%	0.689820%	0.852380%	0.780600%	0.608214%	0.598696%
The Corporation's proportionate share of the net pension liability (asset)	$ 35,515	$ 35,660	$ 47,645	$ 37,859	$ 28,368	$ 31,440
State's proportionate share of the net pension liability (asset) associated with the Corporation	10,284	13,285	6,003	10,856	22,644	26,434
Total	$ 45,799	$ 48,945	$ 53,648	$ 48,715	$ 51,012	$ 57,874
The Corporation's covered employee payroll	$12,583	$ 13,817	$ 15,252	$ 16,314	$ 17,189	$ 17,815
The Corporation's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	282.24%	258.10%	312.39%	232.06%	165.04%	176.48%
Plan fiduciary net position as a percentage of the total pension liability	65.19%	63.37%	59.55%	63.96%	62.37%	56.04%

Information in this table is presented based on the Plan measurement date. For June 30, 2019, the plan measurement date is June 30, 2018.

This pension table is intended to present 10 years of information. Additional years will be added to the schedule as they become available.

The Plan is reporting no changes in benefit terms from the prior measurement period.

The Plan is reporting no changes in assumptions from the prior measurement period.

See accompanying independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Contributions (in thousands)

	2019	2018	2017	2016	2015	2014
Contractually required contributions	$ 2,727	$ 2,932	$ 2,679	$ 2,475	$ 2,403	$ 2,128
Contributions in relation to the contractually required contributions	2,727	2,932	2,679	2,475	2,403	2,128
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
The Corporation's covered employee payroll	11,680	12,583	13,817	15,252	16,314	17,189
Contributions as a percentage of covered-employee payroll	23.35%	23.30%	19.39%	16.23%	14.73%	12.38%

This table reports the Corporation's pension contributions to PERS during fiscal year 2019. These contributions are reported as a deferred outflow of resources on the June 30, 2019 basic financial statements.

This pension table is intended to present 10 years of information. Additional years will be added to the schedule as they become available.

The Plan is reporting no changes in benefit terms from the prior measurement period.

The Plan is reporting no changes in assumptions from the prior measurement period.

See accompanying independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Proportionate Share of the Net OPEB Liability (in thousands):

	2019	2018	2017
The Corporation's proportion of the net OPEB liability (asset) for Defined Benefit - Retiree Medical	0.71458000%	0.68992000%	0.85265000%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans (Retiree Medical Plan and Occupational Death & Disability Plans)	0.71095000%	0.70310000%	0.66252000%
The Corporation's proportionate share of the net OPEB liability (asset)	$ 7,286	$ 5,765	$ 9,752
State's proportionate share of the net OPEB liability (asset) associated with the Corporation	2,129	2,173	-
Total	$ 9,415	$ 7,939	$ 9,752
The Corporation's covered employee payroll	$ 20,629	$ 21,133	$ 21,629
The Corporation's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	35.32%	27.28%	45.09%
Defined Benefit - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	88.12%	89.68%	85.45%
Defined Contribution - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	88.71%	93.98%	86.82%
Defined Contribution - Occupational Death & Disability Plan fiduciary net position as a percentage of the total OPEB liability	270.62%	212.97%	245.29%

Information in this table is presented based on the Plan measurement date. For June 30, 2019, the plan measurement date is June 30, 2018.

This OPEB table is intended to present 10 years of information. Additional years will be added to the schedule as they become available.

Defined Benefit - Retiree Medical Plan is reporting no changes in benefit terms from the prior measurement

Defined Contribution Pension Plans (Retiree Medical Plan and Occupational Death & Disability Plan) are reporting the following changes in benefit terms from the prior measurement period:

– Updated non-Medicare eligible dependent coverage premiums to reflect subsidy when the member is Medicare-eligible.

– Updated factors used to adjust the defined benefit plan costs to reflect adopted Defined Contribution Retiree Medical plan design

See accompanying independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Contributions (in thousands)

	2019	2018	2017
Contractually required contributions	$ 1,325	$ 1,189	$ 1,593
Contributions in relation to the contractually required contributions	$ 1,325	$ 1,189	$ 1,593
Contribution deficiency (excess)	-	-	-
The Corporation's covered employee payroll	20,775	20,629	21,133
Contributions as a percentage of covered-employee payroll	6.38%	5.76%	7.54%

This table reports the Corporation's OPEB contributions to SOA during fiscal year 2019. These contributions are reported as a deferred outflow of resources on the June 30, 2019 basic financial statements.

This OPEB table is intended to present 10 years of information. Additional years will be added to the schedule as they become available.

Defined Benefit - Retiree Medical Plan is reporting no changes in benefit terms from the prior measurement

Defined Contribution Pension Plans (Retiree Medical Plan and Occupational Death & Disability Plan) are reporting the following changes in benefit terms from the prior measurement period:

– Updated non-Medicare eligible dependent coverage premiums to reflect subsidy when the member is Medicare-eligible.

– Updated factors used to adjust the defined benefit plan costs to reflect adopted Defined Contribution Retiree Medical plan design

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
COMBINED - ALL FUNDS
As of 06/30/2019
(in thousands of dollars)

	Administrative Fund	Combined Mortgage Revenue Bonds	Combined Home Mortgage Revenue Bonds	Combined Veterans Mortgage Program Bonds
ASSETS				
Current				
Cash	$ 33,542	$ -	$ -	$ -
Investments	378,372	17,533	55,482	28,428
Accrued interest receivable	4,405	767	2,704	437
Inter-fund due (to)/from	(28,675)	2,543	10,674	2,019
Mortgage loans, notes and other loans	6,794	6,264	21,241	3,205
Net investment in direct financing lease	-	-	-	-
Other assets	3,817	-	-	-
Intergovernmental receivable	201	-	-	-
Total Current	**398,456**	**27,107**	**90,101**	**34,089**
Non Current				
Investments	-	-	-	-
Inter-fund due (to)/from	-	-	-	-
Mortgage loans, notes and other loans	205,307	223,865	717,882	103,628
Net investment in direct financing lease	-	-	-	-
Capital assets - non-depreciable	2,917	-	-	-
Capital assets - depreciable, net	16,613	-	-	-
Other assets	3,218	-	-	-
Total Non Current	**228,055**	**223,865**	**717,882**	**103,628**
Total Assets	**626,511**	**250,972**	**807,983**	**137,717**
DEFERRED OUTFLOW OF RESOURCES	**6,971**	**-**	**132,891**	**-**
LIABILITIES				
Current				
Bonds payable	-	8,590	8,950	1,920
Short term debt	49,469	-	-	-
Accrued interest payable	-	505	1,509	643
Other liabilities	21,797	69	231	34
Intergovernmental payable	-	-	-	-
Total Current	**71,266**	**9,164**	**10,690**	**2,597**
Non Current				
Bonds payable	-	182,030	492,589	105,791
Other liabilities	2,044	-	-	-
Derivative instrument - interest rate swaps	-	-	126,105	-
Net Pension & OPEB liabilities	42,801	-	-	-
Total Non Current	**44,845**	**182,030**	**618,694**	**105,791**
Total Liabilities	**116,111**	**191,194**	**629,384**	**108,388**
DEFERRED INFLOW OF RESOURCES	**3,719**	**-**	**-**	**-**
NET POSITION				
Net investment in capital assets	19,530	-	-	-
Restricted by bond resolutions	-	59,778	311,490	29,329
Restricted by contractual or statutory agreements	92,838	-	-	-
Unrestricted or (deficit)	401,284	-	-	-
Total Net Position	**$ 513,652**	**$ 59,778**	**$ 311,490**	**$ 29,329**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 1**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
COMBINED - ALL FUNDS
As of 06/30/2019
(in thousands of dollars)

	Combined Other Housing Bonds	Combined Non-Housing Bonds	Combined Other Programs	Combined Total
ASSETS				
Current				
Cash	$ -	$ 199	$ 40,518	$ 74,259
Investments	54,018	24,872	3,966	562,671
Accrued interest receivable	1,989	5,389	140	15,831
Inter-fund due (to)/from	6,959	16,267	(9,787)	-
Mortgage loans, notes and other loans	19,086	39,048	1,299	96,937
Net investment in direct financing lease	-	2,312	-	2,312
Other assets	-	-	6,117	9,934
Intergovernmental receivable	-	-	7,351	7,552
Total Current	**82,052**	**88,087**	**49,604**	**769,496**
Non Current				
Investments	-	-	-	-
Inter-fund due (to)/from	-	-	-	-
Mortgage loans, notes and other loans	629,714	1,311,670	53,958	3,246,024
Net investment in direct financing lease	-	22,468	-	22,468
Capital assets - non-depreciable	-	-	17,311	20,228
Capital assets - depreciable, net	-	-	57,195	73,808
Other assets	550	-	1	3,769
Total Non Current	**630,264**	**1,334,138**	**128,465**	**3,366,297**
Total Assets	**712,316**	**1,422,225**	**178,069**	**4,135,793**
DEFERRED OUTFLOW OF RESOURCES	**12,927**	**33,950**	**-**	**186,739**
LIABILITIES				
Current				
Bonds payable	16,345	47,420	-	83,225
Short term debt	-	-	-	49,469
Accrued interest payable	1,300	4,431	-	8,388
Other liabilities	157	332	1,624	24,244
Intergovernmental payable	-	199	457	656
Total Current	**17,802**	**52,382**	**2,081**	**165,982**
Non Current				
Bonds payable	438,309	1,159,181	-	2,377,900
Other liabilities	-	-	314	2,358
Derivative instrument - interest rate swaps	11,838	20,406	-	158,349
Net Pension & OPEB liabilities	-	-	-	42,801
Total Non Current	**450,147**	**1,179,587**	**314**	**2,581,408**
Total Liabilities	**467,949**	**1,231,969**	**2,395**	**2,747,390**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**3,719**
NET POSITION				
Net investment in capital assets	-	-	74,506	94,036
Restricted by bond resolutions	257,294	-	-	657,891
Restricted by contractual or statutory agreements	-	-	106,482	199,320
Unrestricted or (deficit)	-	224,206	(5,314)	620,176
Total Net Position	**$ 257,294**	**$ 224,206**	**$ 175,674**	**$ 1,571,423**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 2**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
ADMINISTRATIVE FUND
As of 06/30/2019
(in thousands of dollars)

	Administrative Fund
ASSETS	
Current	
Cash	$ 33,542
Investments	378,372
Accrued interest receivable	4,405
Inter-fund due (to)/from	(28,675)
Mortgage loans, notes and other loans	6,794
Net investment in direct financing lease	-
Other assets	3,817
Intergovernmental receivable	201
Total Current	**398,456**
Non Current	
Investments	-
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	205,307
Net investment in direct financing lease	-
Capital assets - non-depreciable	2,917
Capital assets - depreciable, net	16,613
Other assets	3,218
Total Non Current	**228,055**
Total Assets	**626,511**
DEFERRED OUTFLOW OF RESOURCES	**6,971**
LIABILITIES	
Current	
Bonds payable	-
Short term debt	49,469
Accrued interest payable	-
Other liabilities	21,797
Intergovernmental payable	-
Total Current	**71,266**
Non Current	
Bonds payable	-
Other liabilities	2,044
Derivative instrument - interest rate swaps	-
Net Pension & OPEB liabilities	42,801
Total Non Current	**44,845**
Total Liabilities	**116,111**
DEFERRED INFLOW OF RESOURCES	**3,719**
NET POSITION	
Net investment in capital assets	19,530
Restricted by bond resolutions	-
Restricted by contractual or statutory agreements	92,838
Unrestricted or (deficit)	401,284
Total Net Position	**$ 513,652**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 3**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
FIRST TIME HOMEBUYERS PROGRAM
MORTGAGE REVENUE BONDS
As of 06/30/2019
(in thousands of dollars)

	Bonds 2009 A-1 2010 A, B	Bonds 2009 A-2 2011 A, B	Mortgage Revenue Bonds Combined Total
ASSETS			
Current			
Cash	$ -	$ -	$ -
Investments	6,048	11,485	17,533
Accrued interest receivable	338	429	767
Inter-fund due (to)/from	1,067	1,476	2,543
Mortgage loans, notes and other loans	2,594	3,670	6,264
Net investment in direct financing lease	-	-	-
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total Current	**10,047**	**17,060**	**27,107**
Non Current			
Investments	-	-	-
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	92,840	131,025	223,865
Net investment in direct financing lease	-	-	-
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	-	-
Total Non Current	**92,840**	**131,025**	**223,865**
Total Assets	**102,887**	**148,085**	**250,972**
DEFERRED OUTFLOW OF RESOURCES	**-**	**-**	**-**
LIABILITIES			
Current			
Bonds payable	3,510	5,080	8,590
Short term debt	-	-	-
Accrued interest payable	277	228	505
Other liabilities	30	39	69
Intergovernmental payable	-	-	-
Total Current	**3,817**	**5,347**	**9,164**
Non Current			
Bonds payable	87,300	94,730	182,030
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	-	-	-
Net Pension & OPEB liabilities	-	-	-
Total Non Current	**87,300**	**94,730**	**182,030**
Total Liabilities	**91,117**	**100,077**	**191,194**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**
NET POSITION			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	11,770	48,008	59,778
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	-	-
Total Net Position	**$ 11,770**	**$ 48,008**	**$ 59,778**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
FIRST TIME HOMEBUYERS PROGRAM HOME
MORTGAGE REVENUE BONDS
As of 06/30/2019
(in thousands of dollars)

	Bonds 2002 A,B	Bonds 2007 A	Bonds 2007 B	Bonds 2007 D	Bonds 2009 A
ASSETS					
Current					
Cash	$ -	$ -	$ -	$ -	$ -
Investments	7,456	6,022	5,718	8,242	9,774
Accrued interest receivable	319	292	296	395	469
Inter-fund due (to)/from	802	1,999	1,239	1,828	1,323
Mortgage loans, notes and other loans	2,130	2,391	2,350	3,090	3,544
Net investment in direct financing lease	-	-	-	-	-
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	**10,707**	**10,704**	**9,603**	**13,555**	**15,110**
Non Current					
Investments	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	75,048	80,355	78,532	105,000	117,415
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
Total Non Current	**75,048**	**80,355**	**78,532**	**105,000**	**117,415**
Total Assets	**85,755**	**91,059**	**88,135**	**118,555**	**132,525**
DEFERRED OUTFLOW OF RESOURCES	**3,844**	**19,874**	**19,861**	**23,540**	**22,193**
LIABILITIES					
Current					
Bonds payable	-	1,765	1,765	2,095	1,110
Short term debt	-	-	-	-	-
Accrued interest payable	88	213	213	256	246
Other liabilities	27	27	25	33	39
Intergovernmental payable	-	-	-	-	-
Total Current	**115**	**2,005**	**2,003**	**2,384**	**1,395**
Non Current					
Bonds payable	32,444	69,200	69,200	82,440	79,770
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	3,844	18,671	18,658	22,066	21,212
Net Pension & OPEB liabilities	-	-	-	-	-
Total Non Current	**36,288**	**87,871**	**87,858**	**104,506**	**100,982**
Total Liabilities	**36,403**	**89,876**	**89,861**	**106,890**	**102,377**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	53,196	21,057	18,135	35,205	52,341
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total Net Position	**$ 53,196**	**$ 21,057**	**$ 18,135**	**$ 35,205**	**$ 52,341**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 4**

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

FIRST TIME HOMEBUYERS PROGRAM HOME MORTGAGE REVENUE BONDS

As of 06/30/2019

(in thousands of dollars)

	Bonds 2009 B	Bonds 2009 D	Home Mortgage Revenue Bonds Combined Total
ASSETS			
Current			
Cash	$ -	$ -	$ -
Investments	8,827	9,443	55,482
Accrued interest receivable	449	484	2,704
Inter-fund due (to)/from	1,082	2,401	10,674
Mortgage loans, notes and other loans	3,836	3,900	21,241
Net investment in direct financing lease	-	-	-
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total Current	**14,194**	**16,228**	**90,101**
Non Current			
Investments	-	-	-
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	127,713	133,819	717,882
Net investment in direct financing lease	-	-	-
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	-	-
Total Non Current	**127,713**	**133,819**	**717,882**
Total Assets	**141,907**	**150,047**	**807,983**
DEFERRED OUTFLOW OF RESOURCES	**21,909**	**21,670**	**132,891**
LIABILITIES			
Current			
Bonds payable	1,110	1,105	8,950
Short term debt	-	-	-
Accrued interest payable	246	247	1,509
Other liabilities	39	41	231
Intergovernmental payable	-	-	-
Total Current	**1,395**	**1,393**	**10,690**
Non Current			
Bonds payable	79,770	79,765	492,589
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	20,928	20,726	126,105
Net Pension & OPEB liabilities	-	-	-
Total Non Current	**100,698**	**100,491**	**618,694**
Total Liabilities	**102,093**	**101,884**	**629,384**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**
NET POSITION			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	61,723	69,833	311,490
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	-	-
Total Net Position	**$ 61,723**	**$ 69,833**	**$ 311,490**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 5**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
VETERANS MORTGAGE PROGRAM
BONDS - STATE GUARANTEED
As of 06/30/2019
(in thousands of dollars)

	Collateralized Bonds 2016 First & Second Series	Collateralized Bonds 2019 First & Second Series	Veterans Mortgage Program Bonds Combined Total
ASSETS			
Current			
Cash	$ -	$ -	$ -
Investments	4,899	23,529	28,428
Accrued interest receivable	209	228	437
Inter-fund due (to)/from	1,494	525	2,019
Mortgage loans, notes and other loans	1,710	1,495	3,205
Net investment in direct financing lease	-	-	-
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total Current	**8,312**	**25,777**	**34,089**
Non Current			
Investments	-	-	-
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	55,297	48,331	103,628
Net investment in direct financing lease	-	-	-
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	-	-
Total Non Current	**55,297**	**48,331**	**103,628**
Total Assets	**63,609**	**74,108**	**137,717**
DEFERRED OUTFLOW OF RESOURCES	**-**	**-**	**-**
LIABILITIES			
Current			-
Bonds payable	1,280	640	1,920
Short term debt	-	-	-
Accrued interest payable	97	546	643
Other liabilities	18	16	34
Intergovernmental payable	-	-	-
Total Current	**1,395**	**1,202**	**2,597**
Non Current			
Bonds payable	45,560	60,231	105,791
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	-	-	-
Net Pension & OPEB liabilities	-	-	-
Total Non Current	**45,560**	**60,231**	**105,791**
Total Liabilities	**46,955**	**61,433**	**108,388**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**
NET POSITION			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	16,654	12,675	29,329
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	-	-
Total Net Position	**$ 16,654**	**$ 12,675**	**$ 29,329**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
OTHER HOUSING BONDS
As of 06/30/2019
(in thousands of dollars)

	General Mortgage Revenue Bonds II 2012 A & B	General Mortgage Revenue Bonds II 2016 A	General Mortgage Revenue Bonds II 2018 A & B	Governmental Purpose Bonds 1997 A
ASSETS				
Current				
Cash	$ -	$ -	$ -	$ -
Investments	10,168	2,692	8,427	14,623
Accrued interest receivable	408	243	581	207
Inter-fund due (to)/from	1,405	586	1,698	-
Mortgage loans, notes and other loans	4,726	2,679	5,476	461
Net investment in direct financing lease	-	-	-	-
Other assets	-	-	-	-
Intergovernmental receivable	-	-	-	-
Total Current	**16,707**	**6,200**	**16,182**	**15,291**
Non Current				
Investments	-	-	-	-
Inter-fund due (to)/from	-	-	-	-
Mortgage loans, notes and other loans	155,217	86,633	177,042	14,902
Net investment in direct financing lease	-	-	-	-
Capital assets - non-depreciable	-	-	-	-
Capital assets - depreciable, net	-	-	-	-
Other assets	-	-	-	8
Total Non Current	**155,217**	**86,633**	**177,042**	**14,910**
Total Assets	**171,924**	**92,833**	**193,224**	**30,201**
DEFERRED OUTFLOW OF RESOURCES	**1,089**	**-**	**-**	**-**
LIABILITIES				
Current				
Bonds payable	4,060	4,190	1,750	-
Short term debt	-	-	-	-
Accrued interest payable	285	186	515	19
Other liabilities	35	25	51	-
Intergovernmental payable	-	-	-	-
Total Current	**4,380**	**4,401**	**2,316**	**19**
Non Current				
Bonds payable	88,859	84,546	169,981	14,600
Other liabilities	-	-	-	-
Derivative instrument - interest rate swaps	-	-	-	-
Net Pension & OPEB liabilities	-	-	-	-
Total Non Current	**88,859**	**84,546**	**169,981**	**14,600**
Total Liabilities	**93,239**	**88,947**	**172,297**	**14,619**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**
NET POSITION				
Net investment in capital assets	-	-	-	-
Restricted by bond resolutions	79,774	3,886	20,927	15,582
Restricted by contractual or statutory agreements	-	-	-	-
Unrestricted or (deficit)	-	-	-	-
Total Net Position	**$ 79,774**	**$ 3,886**	**$ 20,927**	**$ 15,582**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 6**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
OTHER HOUSING BONDS
As of 06/30/2019
(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B	Other Housing Bonds Combined Total
ASSETS		
Current		
Cash	$ -	$ -
Investments	18,108	54,018
Accrued interest receivable	550	1,989
Inter-fund due (to)/from	3,270	6,959
Mortgage loans, notes and other loans	5,744	19,086
Net investment in direct financing lease	-	-
Other assets	-	-
Intergovernmental receivable	-	-
Total Current	**27,672**	**82,052**
Non Current		
Investments	-	-
Inter-fund due (to)/from	-	-
Mortgage loans, notes and other loans	195,920	629,714
Net investment in direct financing lease	-	-
Capital assets - non-depreciable	-	-
Capital assets - depreciable, net	-	-
Other assets	542	550
Total Non Current	**196,462**	**630,264**
Total Assets	**224,134**	**712,316**
DEFERRED OUTFLOW OF RESOURCES	**11,838**	**12,927**
LIABILITIES		
Current		
Bonds payable	6,345	16,345
Short term debt	-	-
Accrued interest payable	295	1,300
Other liabilities	46	157
Intergovernmental payable	-	-
Total Current	**6,686**	**17,802**
Non Current		
Bonds payable	80,323	438,309
Other liabilities	-	-
Derivative instrument - interest rate swaps	11,838	11,838
Net Pension & OPEB liabilities	-	-
Total Non Current	**92,161**	**450,147**
Total Liabilities	**98,847**	**467,949**
DEFERRED INFLOW OF RESOURCES	**-**	**-**
NET POSITION		
Net investment in capital assets	-	-
Restricted by bond resolutions	137,125	257,294
Restricted by contractual or statutory agreements	-	-
Unrestricted or (deficit)	-	-
Total Net Position	**$ 137,125**	**$ 257,294**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
NON-HOUSING BONDS
As of 06/30/2019
(in thousands of dollars)

	State Capital Project Bonds 2002 A, B, C	State Capital Project Bonds 2011 A	State Capital Project Bonds II 2012 A & B	State Capital Project Bonds II 2013 A & B
ASSETS				
Current				
Cash	$ -	$ -	$ -	$ -
Investments	4,178	421	1,378	1,212
Accrued interest receivable	187	33	210	302
Inter-fund due (to)/from	310	58	457	913
Mortgage loans, notes and other loans	817	131	1,227	1,941
Net investment in direct financing lease	-	-	-	-
Other assets	-	-	-	-
Intergovernmental receivable	-	-	-	-
Total Current	**5,492**	**643**	**3,272**	**4,368**
Non Current				
Investments	-	-	-	-
Inter-fund due (to)/from	-	-	-	-
Mortgage loans, notes and other loans	28,324	6,581	49,511	72,425
Net investment in direct financing lease	-	-	-	-
Capital assets - non-depreciable	-	-	-	-
Capital assets - depreciable, net	-	-	-	-
Other assets	-	-	-	-
Total Non Current	**28,324**	**6,581**	**49,511**	**72,425**
Total Assets	**33,816**	**7,224**	**52,783**	**76,793**
DEFERRED OUTFLOW OF RESOURCES	**1,059**	**-**	**-**	**-**
LIABILITIES				
Current				
Bonds payable	6,265	1,490	4,825	5,520
Short term debt	-	-	-	-
Accrued interest payable	684	19	145	229
Other liabilities	14	2	11	14
Intergovernmental payable	-	-	-	-
Total Current	**6,963**	**1,511**	**4,981**	**5,763**
Non Current				
Bonds payable	16,890	3,079	36,865	58,203
Other liabilities	-	-	-	-
Derivative instrument - interest rate swaps	2,617	-	-	-
Net Pension & OPEB liabilities	-	-	-	-
Total Non Current	**19,507**	**3,079**	**36,865**	**58,203**
Total Liabilities	**26,470**	**4,590**	**41,846**	**63,966**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**
NET POSITION				
Net investment in capital assets	-	-	-	-
Restricted by bond resolutions	-	-	-	-
Restricted by contractual or statutory agreements	-	-	-	-
Unrestricted or (deficit)	8,405	2,634	10,937	12,827
Total Net Position	**$ 8,405**	**$ 2,634**	**$ 10,937**	**$ 12,827**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
NON-HOUSING BONDS
As of 06/30/2019
(in thousands of dollars)

	State Capital Project Bonds II 2014 A & B	State Capital Project Bonds II 2014 C & D	State Capital Project Bonds II 2015 A	State Capital Project Bonds II 2015 B	State Capital Project Bonds II 2015 C
ASSETS					
Current					
Cash	$ -	$ -	$ -	$ -	$ -
Investments	1,684	3,891	2,246	1,587	1,260
Accrued interest receivable	596	862	460	437	287
Inter-fund due (to)/from	1,751	2,711	2,103	1,330	1,856
Mortgage loans, notes and other loans	3,476	7,674	3,354	3,101	1,635
Net investment in direct financing lease	-	-	-	-	-
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	**7,507**	**15,138**	**8,163**	**6,455**	**5,038**
Non Current					
Investments	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	121,313	251,905	112,587	100,759	53,091
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
Total Non Current	**121,313**	**251,905**	**112,587**	**100,759**	**53,091**
Total Assets	**128,820**	**267,043**	**120,750**	**107,214**	**58,129**
DEFERRED OUTFLOW OF RESOURCES	**-**	**17,789**	**4,103**	**3,990**	**1,526**
LIABILITIES					
Current					
Bonds payable	7,030	5,810	5,025	3,160	2,930
Short term debt	-	-	-	-	-
Accrued interest payable	425	667	374	330	193
Other liabilities	38	72	36	30	17
Intergovernmental payable	-	-	-	-	-
Total Current	**7,493**	**6,549**	**5,435**	**3,520**	**3,140**
Non Current					
Bonds payable	101,462	219,347	102,227	89,527	48,792
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	-	17,789	-	-	-
Net Pension & OPEB liabilities	-	-	-	-	-
Total Non Current	**101,462**	**237,136**	**102,227**	**89,527**	**48,792**
Total Liabilities	**108,955**	**243,685**	**107,662**	**93,047**	**51,932**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	-	-	-	-	-
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	19,865	41,147	17,191	18,157	7,723
Total Net Position	**$ 19,865**	**$ 41,147**	**$ 17,191**	**$ 18,157**	**$ 7,723**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 7**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
NON-HOUSING BONDS
As of 06/30/2019
(in thousands of dollars)

	State Capital Project Bonds II 2017 A	State Capital Project Bonds II 2017 B	State Capital Project Bonds II 2017 C	State Capital Project Bonds II 2018 A & B	Non-Housing Bonds Combined Total
ASSETS					
Current					
Cash	$ 199	$ -	$ -	$ -	$ 199
Investments	901	2,756	744	2,614	24,872
Accrued interest receivable	810	541	211	453	5,389
Inter-fund due (to)/from	886	1,622	383	1,887	16,267
Mortgage loans, notes and other loans	4,373	5,307	1,677	4,335	39,048
Net investment in direct financing lease	2,312	-	-	-	2,312
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	**9,481**	**10,226**	**3,015**	**9,289**	**88,087**
Non Current					
Investments	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	141,406	179,394	54,220	140,154	1,311,670
Net investment in direct financing lease	22,468	-	-	-	22,468
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
Total Non Current	**163,874**	**179,394**	**54,220**	**140,154**	**1,334,138**
Total Assets	**173,355**	**189,620**	**57,235**	**149,443**	**1,422,225**
DEFERRED OUTFLOW OF RESOURCES	**5,331**	**-**	**152**	**-**	**33,950**
LIABILITIES					
Current					
Bonds payable	4,250	-	-	1,115	47,420
Short term debt	-	-	-	-	-
Accrued interest payable	564	298	183	320	4,431
Other liabilities	2	50	10	36	332
Intergovernmental payable	199	-	-	-	199
Total Current	**5,015**	**348**	**193**	**1,471**	**52,382**
Non Current					
Bonds payable	154,115	150,000	50,861	127,813	1,159,181
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	-	-	-	-	20,406
Net Pension & OPEB liabilities	-	-	-	-	-
Total Non Current	**154,115**	**150,000**	**50,861**	**127,813**	**1,179,587**
Total Liabilities	**159,130**	**150,348**	**51,054**	**129,284**	**1,231,969**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	-	-	-	-	-
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	19,556	39,272	6,333	20,159	224,206
Total Net Position	**$ 19,556**	**$ 39,272**	**$ 6,333**	**$ 20,159**	**$ 224,206**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
OTHER PROGRAM FUNDS
As of 06/30/2019
(in thousands of dollars)

	Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal	Low Rent Program
ASSETS					
Current					
Cash	$ 977	$ 4,257	$ 3	$ 5,237	$ 14,643
Investments	-	-	-	-	-
Accrued interest receivable	-	-	-	-	-
Inter-fund due (to)/from	(1,250)	(3,990)	(2,592)	(7,832)	(1,797)
Mortgage loans, notes and other loans	-	-	64	64	-
Net investment in direct financing lease	-	-	-	-	-
Other assets	464	439	4,065	4,968	945
Intergovernmental receivable	2,552	131	4,045	6,728	619
Total Current	**2,743**	**837**	**5,585**	**9,165**	**14,410**
Non Current					
Investments	-	-	-	-	-
Inter-fund due (to)/from	-	-	1,423	1,423	-
Mortgage loans, notes and other loans	-	-	1,087	1,087	-
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	-	-	-	-	12,514
Capital assets - depreciable, net	-	39	-	39	42,573
Other assets	-	-	-	-	-
Total Non Current	**-**	**39**	**2,510**	**2,549**	**55,087**
Total Assets	**2,743**	**876**	**8,095**	**11,714**	**69,497**
DEFERRED OUTFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
LIABILITIES					
Current					
Bonds payable	-	-	-	-	-
Short term debt	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Other liabilities	63	19	597	679	715
Intergovernmental payable	-	-	-	-	457
Total Current	**63**	**19**	**597**	**679**	**1,172**
Non Current					
Bonds payable	-	-	-	-	-
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	-	-	-	-	-
Net Pension & OPEB liabilities	-	-	-	-	-
Total Non Current	**-**	**-**	**-**	**-**	**-**
Total Liabilities	**63**	**19**	**597**	**679**	**1,172**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	-	39	-	39	55,087
Restricted by bond resolutions	-	-	-	-	-
Restricted by contractual or statutory agreements	4,183	2,786	8,598	15,567	13,943
Unrestricted or (deficit)	(1,503)	(1,968)	(1,100)	(4,571)	(705)
Total Net Position	**$ 2,680**	**$ 857**	**$ 7,498**	**$ 11,035**	**$ 68,325**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 8**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
OTHER PROGRAM FUNDS
As of 06/30/2019
(in thousands of dollars)

	Market Rate Rental Housing Program	Home Ownership Fund	Senior Housing Revolving Loan Fund	Other Funds or Programs Subtotal	Alaska Corporation for Affordable Housing	Other Program Funds Combined Total
ASSETS						
Current						
Cash	$ 12,936	$ -	$ -	$ 27,579	$ 7,702	$ 40,518
Investments	-	1,456	2,510	3,966	-	3,966
Accrued interest receivable	-	26	89	115	25	140
Inter-fund due (to)/from	(431)	48	309	(1,871)	(84)	(9,787)
Mortgage loans, notes and other loans	-	335	900	1,235	-	1,299
Net investment in direct financing lease	-	-	-	-	-	-
Other assets	93	-	-	1,038	111	6,117
Intergovernmental receivable	4	-	-	623	-	7,351
Total Current	**12,602**	**1,865**	**3,808**	**32,685**	**7,754**	**49,604**
Non Current						
Investments	-	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	(1,423)	-
Mortgage loans, notes and other loans	-	10,820	29,516	40,336	12,535	53,958
Net investment in direct financing lease	-	-	-	-	-	-
Capital assets - non-depreciable	1,130	-	-	13,644	3,667	17,311
Capital assets - depreciable, net	14,583	-	-	57,156	-	57,195
Other assets	-	-	-	-	1	1
Total Non Current	**15,713**	**10,820**	**29,516**	**111,136**	**14,780**	**128,465**
Total Assets	**28,315**	**12,685**	**33,324**	**143,821**	**22,534**	**178,069**
DEFERRED OUTFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**	**-**
LIABILITIES						
Current						
Bonds payable	-	-	-	-	-	-
Short term debt	-	-	-	-	-	-
Accrued interest payable	-	-	-	-	-	-
Other liabilities	215	2	8	940	5	1,624
Intergovernmental payable	-	-	-	457	-	457
Total Current	**215**	**2**	**8**	**1,397**	**5**	**2,081**
Non Current						
Bonds payable	-	-	-	-	-	-
Other liabilities	-	-	-	-	314	314
Derivative instrument - interest rate swaps	-	-	-	-	-	-
Net Pension & OPEB liabilities	-	-	-	-	-	-
Total Non Current	**-**	**-**	**-**	**-**	**314**	**314**
Total Liabilities	**215**	**2**	**8**	**1,397**	**319**	**2,395**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**	**-**
NET POSITION						
Net investment in capital assets	15,713	-	-	70,800	3,667	74,506
Restricted by bond resolutions	-	-	-	-	-	-
Restricted by contractual or statutory agreements	12,387	12,683	33,316	72,329	18,586	106,482
Unrestricted or (deficit)	-	-	-	(705)	(38)	(5,314)
Total Net Position	**$ 28,100**	**$ 12,683**	**$ 33,316**	**$ 142,424**	**$ 22,215**	**$ 175,674**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
COMBINED - ALL FUNDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	Administrative Fund	Combined Mortgage Revenue Bonds	Combined Home Mortgage Revenue Bonds	Combined Veterans Mortgage Program Bonds
OPERATING REVENUES				
Mortgage and loan revenue	$ 9,236	$ 9,875	$ 32,687	$ 3,104
Investment interest	11,005	538	1,480	278
Net change in the fair value of investments	(785)	(5)	-	2
Net change of hedge termination	-	-	-	-
Total Investment Revenue	10,220	533	1,480	280
Grant revenue	-	-	-	-
Housing rental subsidies	-	-	-	-
Rental revenue	490	-	-	-
Other revenue	3,069	-	-	-
Total Operating Revenues	**23,015**	**10,408**	**34,167**	**3,384**
OPERATING EXPENSES				
Interest	962	6,374	18,114	1,709
Mortgage and loan costs	1,280	945	3,014	272
Bond financing expenses	979	28	2,566	738
Provision for loan loss	630	(1,534)	(2,214)	457
Operations and administration	12,105	506	1,331	105
Rental housing operating expenses	536	-	-	-
Grant expense	-	-	-	-
Total Operating Expenses	**16,492**	**6,319**	**22,811**	**3,281**
Operating Income (Loss)	**6,523**	**4,089**	**11,356**	**103**
NON-OPERATING EXPENSES AND TRANSFERS				
Contributions to the State of Alaska or other State agencies	(2,106)	-	-	-
Transfers - Internal	(40,528)	(1,739)	3,015	12,883
Change in Net Position	(36,111)	2,350	14,371	12,986
Net position at beginning of year	549,763	57,428	297,119	16,343
Net Position at End of Period	**$ 513,652**	**$ 59,778**	**$ 311,490**	**$ 29,329**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 9**
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
COMBINED - ALL FUNDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	Combined Other Housing Bonds	Combined Non-Housing Bonds	Combined Other Programs	Combined Total
OPERATING REVENUES				
Mortgage and loan revenue	$ 22,864	$ 66,655	$ 1,621	$ 146,042
Investment interest	1,344	2,623	136	17,404
Net change in the fair value of investments	(15)	(35)	-	(838)
Net change of hedge termination	-	(278)	-	(278)
Total Investment Revenue	1,329	2,310	136	16,288
Grant revenue	-	-	64,951	64,951
Housing rental subsidies	-	-	12,192	12,192
Rental revenue	-	-	11,436	11,926
Other revenue	102	-	1,463	4,634
Total Operating Revenues	**24,295**	**68,965**	**91,799**	**256,033**
OPERATING EXPENSES				
Interest	14,402	35,270	0	76,831
Mortgage and loan costs	2,052	4,333	138	12,034
Bond financing expenses	1,268	475	0	6,054
Provision for loan loss	26	(3,139)	34	(5,740)
Operations and administration	965	1,758	28,011	44,781
Rental housing operating expenses	-	-	14,506	15,042
Grant expense	-	-	72,198	72,198
Total Operating Expenses	**18,713**	**38,697**	**114,887**	**221,200**
Operating Income (Loss)	**5,582**	**30,268**	**(23,088)**	**34,833**
NON-OPERATING EXPENSES AND TRANSFERS				
Contributions to the State of Alaska or other State agencies	-	-	-	(2,106)
Transfers - Internal	11,365	(3,121)	18,125	-
Change in Net Position	16,947	27,147	(4,963)	32,727
Net position at beginning of year	240,347	197,059	180,637	1,538,696
Net Position at End of Period	**$ 257,294**	**$ 224,206**	**$ 175,674**	**$ 1,571,423**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 10**
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
ADMINISTRATIVE FUNDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	Administrative Fund
OPERATING REVENUES	
Mortgage and loan revenue	$ 9,236
Investment interest	11,005
Net change in the fair value of investments	(785)
Net change of hedge termination	-
Total Investment Revenue	10,220
Grant revenue	-
Housing rental subsidies	-
Rental revenue	490
Other revenue	3,069
Total Operating Revenues	**23,015**
OPERATING EXPENSES	
Interest	962
Mortgage and loan costs	1,280
Bond financing expenses	979
Provision for loan loss	630
Operations and administration	12,105
Rental housing operating expenses	536
Grant expense	-
Total Operating Expenses	**16,492**
Operating Income (Loss)	**6,523**
NON-OPERATING EXPENSES AND TRANSFERS	
Contributions to the State of Alaska or other State agencie	(2,106)
Transfers - Internal	(40,528)
Change in Net Position	(36,111)
Net position at beginning of year	549,763
Net Position at End of Period	**$ 513,652**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 11**
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FIRST TIME HOMEBUYERS PROGRAM MORTGAGE REVENUE BONDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	Bonds 2009 A-1 2010 A, B	Bonds 2009 A-2 2011 A, B	Mortgage Revenue Bonds Combined Total
OPERATING REVENUES			
Mortgage and loan revenue	$ 4,327	$ 5,548	$ 9,875
Investment interest	227	311	538
Net change in the fair value of investments	(3)	(2)	(5)
Net change of hedge termination	-	-	-
Total Investment Revenue	224	309	533
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Other revenue	-	-	-
Total Operating Revenues	**4,551**	**5,857**	**10,408**
OPERATING EXPENSES			
Interest	3,466	2,908	6,374
Mortgage and loan costs	405	540	945
Bond financing expenses	12	16	28
Provision for loan loss	(619)	(915)	(1,534)
Operations and administration	206	300	506
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	**3,470**	**2,849**	**6,319**
Operating Income (Loss)	**1,081**	**3,008**	**4,089**
NON-OPERATING EXPENSES AND TRANSFERS			
Contributions to the State of Alaska or other State agencie	-	-	-
Transfers - Internal	(715)	(1,024)	(1,739)
Change in Net Position	366	1,984	2,350
Net position at beginning of year	11,404	46,024	57,428
Net Position at End of Period	**$ 11,770**	**$ 48,008**	**$ 59,778**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FIRST TIME HOMEBUYERS PROGRAM HOME MORTGAGE REVENUE BONDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	Bonds 2002 A,B	Bonds 2007 A	Bonds 2007 B	Bonds 2007 D
OPERATING REVENUES				
Mortgage and loan revenue	$ 3,934	$ 3,778	$ 3,731	$ 4,924
Investment interest	286	149	152	229
Net change in the fair value of investments	(2)	-	-	1
Net change of hedge termination	-	-	-	-
Total Investment Revenue	284	149	152	230
Grant revenue	-	-	-	-
Housing rental subsidies	-	-	-	-
Rental revenue	-	-	-	-
Other revenue	-	-	-	-
Total Operating Revenues	**4,218**	**3,927**	**3,883**	**5,154**
OPERATING EXPENSES				
Interest	1,226	2,587	2,586	3,070
Mortgage and loan costs	367	372	347	443
Bond financing expenses	186	303	303	391
Provision for loan loss	(432)	(237)	(195)	(362)
Operations and administration	212	162	145	192
Rental housing operating expenses	-	-	-	-
Grant expense	-	-	-	-
Total Operating Expenses	**1,559**	**3,187**	**3,186**	**3,734**
Operating Income (Loss)	**2,659**	**740**	**697**	**1,420**
NON-OPERATING EXPENSES AND TRANSFERS				
Contributions to the State of Alaska or other State agencies	-	-	-	-
Transfers - Internal	(4,374)	1,029	1,023	1,439
Change in Net Position	(1,715)	1,769	1,720	2,859
Net position at beginning of year	54,911	19,288	16,415	32,346
Net Position at End of Period	**$ 53,196**	**$ 21,057**	**$ 18,135**	**$ 35,205**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 12**

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

FIRST TIME HOMEBUYERS PROGRAM HOME MORTGAGE REVENUE BONDS

For the Year Ended 06/30/2019

(in thousands of dollars)

	Bonds 2009 A	Bonds 2009 B	Bonds 2009 D	Home Mortgage Revenue Bonds Combined Total
OPERATING REVENUES				
Mortgage and loan revenue	$ 5,018	$ 5,388	$ 5,914	$ 32,687
Investment interest	210	219	235	1,480
Net change in the fair value of investments	-	-	1	-
Net change of hedge termination	-	-	-	-
Total Investment Revenue	210	219	236	1,480
Grant revenue	-	-	-	-
Housing rental subsidies	-	-	-	-
Rental revenue	-	-	-	-
Other revenue	-	-	-	-
Total Operating Revenues	**5,228**	**5,607**	**6,150**	**34,167**
OPERATING EXPENSES				
Interest	2,812	3,003	2,830	18,114
Mortgage and loan costs	455	492	538	3,014
Bond financing expenses	501	396	486	2,566
Provision for loan loss	(222)	(253)	(513)	(2,214)
Operations and administration	189	205	226	1,331
Rental housing operating expenses	-	-	-	-
Grant expense	-	-	-	-
Total Operating Expenses	**3,735**	**3,843**	**3,567**	**22,811**
Operating Income (Loss)	**1,493**	**1,764**	**2,583**	**11,356**
NON-OPERATING EXPENSES AND TRANSFERS				
Contributions to the State of Alaska or other State agencies	-	-	-	-
Transfers - Internal	1,399	1,044	1,455	3,015
Change in Net Position	2,892	2,808	4,038	14,371
Net position at beginning of year	49,449	58,915	65,795	297,119
Net Position at End of Period	**$ 52,341**	**$ 61,723**	**$ 69,833**	**$ 311,490**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 13**
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
VETERANS MORTGAGE PROGRAM BONDS - STATE GUARANTEED
For the Year Ended 06/30/2019
(in thousands of dollars)

	Collateralized Bonds 2016 First & Second Series	Collateralized Bonds 2019 First & Second Series	Veterans Mortgage Program Bonds Combined Total
OPERATING REVENUES			
Mortgage and loan revenue	$ 2,447	$ 657	$ 3,104
Investment interest	113	165	278
Net change in the fair value of investments	(1)	3	2
Net change of hedge termination	-	-	-
Total Investment Revenue	112	168	280
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Other revenue	-	-	-
Total Operating Revenues	**2,559**	**825**	**3,384**
OPERATING EXPENSES			
Interest	1,173	536	1,709
Mortgage and loan costs	216	56	272
Bond financing expenses	4	734	738
Provision for loan loss	(46)	503	457
Operations and administration	76	29	105
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	**1,423**	**1,858**	**3,281**
Operating Income (Loss)	**1,136**	**(1,033)**	**103**
			-
NON-OPERATING EXPENSES AND TRANSFERS			-
Contributions to the State of Alaska or other State agencies	-	-	-
Transfers - Internal	(825)	13,708	12,883
Change in Net Position	311	12,675	12,986
			-
Net position at beginning of year	16,343	-	16,343
Net Position at End of Period	**$ 16,654**	**$ 12,675**	**$ 29,329**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
OTHER HOUSING BONDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	General Mortgage Revenue Bonds II 2012 A & B	General Mortgage Revenue Bonds II 2016 A	General Mortgage Revenue Bonds II 2018 A & B
OPERATING REVENUES			
Mortgage and loan revenue	$ 5,892	$ 3,289	$ 6,297
Investment interest	255	128	370
Net change in the fair value of investments	(1)	(2)	(5)
Net change of hedge termination	-	-	-
Total Investment Revenue	254	126	365
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Other revenue	-	-	-
Total Operating Revenues	**6,146**	**3,415**	**6,662**
OPERATING EXPENSES			
Interest	3,513	2,114	4,769
Mortgage and loan costs	498	345	585
Bond financing expenses	7	6	1,133
Provision for loan loss	(1,039)	(52)	1,844
Operations and administration	208	167	300
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	**3,187**	**2,580**	**8,631**
Operating Income (Loss)	**2,959**	**835**	**(1,969)**
NON-OPERATING EXPENSES AND TRANSFERS			
Contributions to the State of Alaska or other State agencie	-	-	-
Transfers - Internal	(17,976)	174	22,896
Change in Net Position	(15,017)	1,009	20,927
Net position at beginning of year	94,791	2,877	-
Net Position at End of Period	**$ 79,774**	**$ 3,886**	**$ 20,927**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 14**
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
OTHER HOUSING BONDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	Governmental Purpose Bonds 1997 A	Governmental Purpose Bonds 2001 A & B	Other Housing Bonds Combined Total
OPERATING REVENUES			
Mortgage and loan revenue	$ 578	$ 6,808	$ 22,864
Investment interest	86	505	1,344
Net change in the fair value of investments	(1)	(6)	(15)
Net change of hedge termination	-	-	-
Total Investment Revenue	85	499	1,329
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Other revenue	2	100	102
Total Operating Revenues	**665**	**7,407**	**24,295**
OPERATING EXPENSES			
Interest	221	3,785	14,402
Mortgage and loan costs	-	624	2,052
Bond financing expenses	23	99	1,268
Provision for loan loss	-	(727)	26
Operations and administration	-	290	965
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	**244**	**4,071**	**18,713**
Operating Income (Loss)	**421**	**3,336**	**5,582**
NON-OPERATING EXPENSES AND TRANSFERS			
Contributions to the State of Alaska or other State agencie	-	-	-
Transfers - Internal	6,179	92	11,365
Change in Net Position	6,600	3,428	16,947
Net position at beginning of year	8,982	133,697	240,347
Net Position at End of Period	**$ 15,582**	**$ 137,125**	**$ 257,294**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NON-HOUSING BONDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	State Capital Project Bonds 2002 A, B, C	State Capital Project Bonds 2011 A	State Capital Project Bonds II 2012 A & B	State Capital Project Bonds II 2013 A & B
OPERATING REVENUES				
Mortgage and loan revenue	$ 1,531	$ 413	$ 2,864	$ 4,067
Investment interest	96	14	64	79
Net change in the fair value of investments	1	-	-	-
Net change of hedge termination	(278)	-	-	-
Total Investment Revenue	(181)	14	64	79
Grant revenue	-	-	-	-
Housing rental subsidies	-	-	-	-
Rental revenue	-	-	-	-
Other revenue	-	-	-	-
Total Operating Revenues	**1,350**	**427**	**2,928**	**4,146**
OPERATING EXPENSES				
Interest	1,321	216	1,277	1,922
Mortgage and loan costs	128	22	167	212
Bond financing expenses	22	-	2	3
Provision for loan loss	(179)	(151)	(657)	(632)
Operations and administration	80	22	54	70
Rental housing operating expenses	-	-	-	-
Grant expense	-	-	-	-
Total Operating Expenses	**1,372**	**109**	**843**	**1,575**
Operating Income (Loss)	**(22)**	**318**	**2,085**	**2,571**
NON-OPERATING EXPENSES AND TRANSFERS				
Contributions to the State of Alaska or other State agencies	-	-	-	-
Transfers - Internal	566	825	(39)	(1,378)
Change in Net Position	544	1,143	2,046	1,193
Net position at beginning of year	7,861	1,491	8,891	11,634
Net Position at End of Period	**$ 8,405**	**$ 2,634**	**$ 10,937**	**$ 12,827**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NON-HOUSING BONDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	State Capital Project Bonds II 2014 A & B	State Capital Project Bonds II 2014 C & D	State Capital Project Bonds II 2015 A	State Capital Project Bonds II 2015 B
OPERATING REVENUES				
Mortgage and loan revenue	$ 6,584	$ 11,334	$ 5,741	$ 5,297
Investment interest	157	202	115	110
Net change in the fair value of investments	1	-	-	1
Net change of hedge termination	-	-	-	-
Total Investment Revenue	158	202	115	111
Grant revenue	-	-	-	-
Housing rental subsidies	-	-	-	-
Rental revenue	-	-	-	-
Other revenue	-	-	-	-
Total Operating Revenues	**6,742**	**11,536**	**5,856**	**5,408**
OPERATING EXPENSES				
Interest	3,964	6,344	3,027	3,214
Mortgage and loan costs	445	978	454	378
Bond financing expenses	6	90	5	5
Provision for loan loss	(604)	(254)	(311)	(72)
Operations and administration	175	405	207	183
Rental housing operating expenses	-	-	-	-
Grant expense	-	-	-	-
Total Operating Expenses	**3,986**	**7,563**	**3,382**	**3,708**
Operating Income (Loss)	**2,756**	**3,973**	**2,474**	**1,700**
NON-OPERATING EXPENSES AND TRANSFERS				
Contributions to the State of Alaska or other State agencies	-	-	-	-
Transfers - Internal	116	(1,332)	69	(394)
Change in Net Position	2,872	2,641	2,543	1,306
Net position at beginning of year	16,993	38,506	14,648	16,851
Net Position at End of Period	**$ 19,865**	**$ 41,147**	**$ 17,191**	**$ 18,157**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NON-HOUSING BONDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	State Capital Project Bonds II 2015 C	State Capital Project Bonds II 2017 A	State Capital Project Bonds II 2017 B	State Capital Project Bonds II 2017 C
OPERATING REVENUES				
Mortgage and loan revenue	$ 2,965	$ 9,667	$ 7,404	$ 2,989
Investment interest	87	1,166	113	48
Net change in the fair value of investments	1	-	-	-
Net change of hedge termination	-	-	-	-
Total Investment Revenue	88	1,166	113	48
Grant revenue	-	-	-	-
Housing rental subsidies	-	-	-	-
Rental revenue	-	-	-	-
Other revenue	-	-	-	-
Total Operating Revenues	**3,053**	**10,833**	**7,517**	**3,037**
OPERATING EXPENSES				
Interest	1,639	4,319	3,457	1,281
Mortgage and loan costs	197	16	702	151
Bond financing expenses	3	7	121	3
Provision for loan loss	(61)	84	(478)	19
Operations and administration	112	6	246	53
Rental housing operating expenses	-	-	-	-
Grant expense	-	-	-	-
Total Operating Expenses	**1,890**	**4,432**	**4,048**	**1,507**
Operating Income (Loss)	**1,163**	**6,401**	**3,469**	**1,530**
NON-OPERATING EXPENSES AND TRANSFERS				
Contributions to the State of Alaska or other State agencies	-	-	-	-
Transfers - Internal	29	1,054	(65)	1,434
Change in Net Position	1,192	7,455	3,404	2,964
Net position at beginning of year	6,531	12,101	35,868	3,369
Net Position at End of Period	**$ 7,723**	**$ 19,556**	**$ 39,272**	**$ 6,333**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 15**
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NON-HOUSING BONDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	State Capital Project Bonds II 2018 A & B	Non-Housing Bonds Combined Total
OPERATING REVENUES		
Mortgage and loan revenue	$ 5,799	$ 66,655
Investment interest	372	2,623
Net change in the fair value of investments	(39)	(35)
Net change of hedge termination	-	(278)
Total Investment Revenue	333	2,310
Grant revenue	-	-
Housing rental subsidies	-	-
Rental revenue	-	-
Other revenue	-	-
Total Operating Revenues	**6,132**	**68,965**
OPERATING EXPENSES		
Interest	3,289	35,270
Mortgage and loan costs	483	4,333
Bond financing expenses	208	475
Provision for loan loss	157	(3,139)
Operations and administration	145	1,758
Rental housing operating expenses	-	-
Grant expense	-	-
Total Operating Expenses	**4,282**	**38,697**
Operating Income (Loss)	**1,850**	**30,268**
NON-OPERATING EXPENSES AND TRANSFERS		
Contributions to the State of Alaska or other State agencies	-	-
Transfers - Internal	(4,006)	(3,121)
Change in Net Position	(2,156)	27,147
Net position at beginning of year	22,315	197,059
Net Position at End of Period	**$ 20,159**	**$ 224,206**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
OTHER PROGRAM FUNDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal
OPERATING REVENUES				
Mortgage and loan revenue	$ -	$ -	$ -	$ -
Investment interest	1	6	-	7
Net change in the fair value of investments	-	-	-	-
Net change of hedge termination	-	-	-	-
Total Investment Revenue	1	6	-	7
Grant revenue	9,165	41,454	13,732	64,351
Housing rental subsidies	-	-	-	-
Rental revenue	-	-	-	-
Other revenue	1	10	1,259	1,270
Total Operating Revenues	**9,167**	**41,470**	**14,991**	**65,628**
OPERATING EXPENSES				
Interest	-	-	-	-
Mortgage and loan costs	-	-	-	-
Bond financing expenses	-	-	-	-
Provision for loan loss	-	-	61	61
Operations and administration	2,751	5,719	3,376	11,846
Rental housing operating expenses	-	-	-	-
Grant expense	9,371	36,649	26,178	72,198
Total Operating Expenses	**12,122**	**42,368**	**29,615**	**84,105**
Operating Income (Loss)	**(2,955)**	**(898)**	**(14,624)**	**(18,477)**
NON-OPERATING EXPENSES AND TRANSFERS				
Contributions to the State of Alaska or other State agencie	-	-	-	-
Transfers - Internal	3,508	169	12,328	16,005
Change in Net Position	553	(729)	(2,296)	(2,472)
Net position at beginning of year	2,127	1,586	9,794	13,507
Net Position at End of Period	**$ 2,680**	**$ 857**	**$ 7,498**	**$ 11,035**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
OTHER PROGRAM FUNDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	Low Rent Program	Market Rate Rental Housing Program	Home Ownership Fund	Senior Housing Revolving Loan Fund
OPERATING REVENUES				
Mortgage and loan revenue	$ -	$ -	$ 285	$ 1,199
Investment interest	25	23	25	46
Net change in the fair value of investments	-	-	-	-
Net change of hedge termination	-	-	-	-
Total Investment Revenue	25	23	25	46
Grant revenue	600	-	-	-
Housing rental subsidies	9,943	2,249	-	-
Rental revenue	8,821	2,356	-	-
Other revenue	120	-	-	-
Total Operating Revenues	**19,509**	**4,628**	**310**	**1,245**
OPERATING EXPENSES				
Interest	-	-	-	-
Mortgage and loan costs	-	-	27	111
Bond financing expenses	-	-	-	-
Provision for loan loss	-	-	(12)	(25)
Operations and administration	12,761	3,095	13	41
Rental housing operating expenses	12,243	2,263	-	-
Grant expense	-	-	-	-
Total Operating Expenses	**25,004**	**5,358**	**28**	**127**
Operating Income (Loss)	**(5,495)**	**(730)**	**282**	**1,118**
NON-OPERATING EXPENSES AND TRANSFERS				
Contributions to the State of Alaska or other State agencie	-	-	-	-
Transfers - Internal	1,891	161	14	54
Change in Net Position	(3,604)	(569)	296	1,172
Net position at beginning of year	71,929	28,669	12,387	32,144
Net Position at End of Period	**$ 68,325**	**$ 28,100**	**$ 12,683**	**$ 33,316**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION **Schedule 16**
(A Component Unit of the State of Alaska)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
OTHER PROGRAM FUNDS
For the Year Ended 06/30/2019
(in thousands of dollars)

	Other Funds or Programs Subtotal	Alaska Corporation for Affordable Housing	Other Program Funds Combined Total
OPERATING REVENUES			
Mortgage and loan revenue	$ 1,484	$ 137	$ 1,621
Investment interest	119	10	136
Net change in the fair value of investments	-	-	-
Net change of hedge termination	-	-	-
Total Investment Revenue	119	10	136
Grant revenue	600	-	64,951
Housing rental subsidies	12,192	-	12,192
Rental revenue	11,177	259	11,436
Other revenue	120	73	1,463
Total Operating Revenues	**25,692**	**479**	**91,799**
OPERATING EXPENSES			
Interest	-	-	-
Mortgage and loan costs	138	-	138
Bond financing expenses	-	-	-
Provision for loan loss	(37)	10	34
Operations and administration	15,910	255	28,011
Rental housing operating expenses	14,506	-	14,506
Grant expense	-	-	72,198
Total Operating Expenses	**30,517**	**265**	**114,887**
Operating Income (Loss)	**(4,825)**	**214**	**(23,088)**
NON-OPERATING EXPENSES AND TRANSFERS			
Contributions to the State of Alaska or other State agencie	-	-	-
Transfers - Internal	2,120	-	18,125
Change in Net Position	(2,705)	214	(4,963)
Net position at beginning of year	145,129	22,001	180,637
Net Position at End of Period	**$ 142,424**	**$ 22,215**	**$ 175,674**

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED - ALL FUNDS
For Year Ended June 30, 2019
(in thousands of dollars)

	Administrative Fund	Combined Mortgage Revenue Bonds	Combined Home Mortgage Revenue Bonds	Combined Veterans Mortgage Program Bonds
Cash flows from operating activities:				
Interest income on mortgages and loans	$ 5,224	$ 9,061	$ 30,079	$ 2,785
Principal payments received on mortgages and loans	8,139	29,788	78,188	7,825
Disbursements to fund mortgages and loans	(513,097)	-	-	-
Receipt (payment) for loan transfers between funds	237,275	(7,476)	(47,367)	(43,239)
Mortgage and loan proceeds	432,531	-	-	-
Payment of mortgage and loan proceeds to funds	(421,005)	-	-	-
Payments to employees and other payroll disbursements	(24,869)	-	-	-
Payments for goods and services	(32,219)	-	-	-
Cash received for externally funded programs	-	-	-	-
Cash received for Federal HAP subsidies	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-
Interfund receipts (payments)	234	-	-	-
Grant payments to other agencies	-	-	-	-
Other operating cash receipts	53,541	-	-	-
Other operating cash payments	(20,319)	-	(717)	-
Net cash provided by (used for) operating activities	(274,565)	31,373	60,183	(32,629)
Cash flows from noncapital financing activities:				
Proceeds from the issuance of bonds	-	-	-	60,880
Principal paid on bonds	-	(17,775)	(7,035)	(1,280)
Payment to defease bonds	-	-	-	-
Payment of bond issuance costs	(50)	-	-	(479)
Interest paid	-	(6,396)	(16,703)	(1,174)
Proceeds from issuance of short term debt	710,680	-	-	-
Payment of short term debt	(715,443)	-	-	-
Contributions to the State of Alaska or other State agencies	(2,106)	-	-	-
Transfers (to) from other funds	153,144	(2,493)	(1,182)	871
Other cash payments	(47)	-	-	-
Net cash provided by (used for) noncapital financing activities	146,178	(26,664)	(24,920)	58,818
Cash flows from capital financing activities:				
Acquisition of capital assets	(7)	-	-	-
Proceeds from the disposal of capital assets	-	-	-	-
Proceeds from the issuance of capital notes	-	-	-	-
Principal paid on capital notes	-	-	-	-
Payment of bond issuance costs	-	-	-	-
Interest paid on capital notes	-	-	-	-
Proceeds from direct financing leases	-	-	-	-
Other cash payments	-	-	-	-
Net cash provided by (used for) capital financing activities	(7)	-	-	-
Cash flows from investing activities:				
Purchase of investments	(2,634,927)	(74,130)	(194,743)	(38,651)
Proceeds from maturity of investments	2,756,369	68,897	158,054	12,243
Interest received from investments	10,592	524	1,426	219
Net cash provided by (used for) investing activities	132,034	(4,709)	(35,263)	(26,189)
Net Increase (decrease) in cash	3,640	-	-	-
Cash at the beginning of year	29,902	-	-	-
Cash at the end of period	$ 33,542	$ -	$ -	$ -
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	$ 6,523	$ 4,089	$ 11,356	$ 103
Adjustments:				
Depreciation expense	1,084	-	-	-
Provision for loan losses	630	(1,534)	(2,214)	457
Net change in the fair value of investments	(785)	(5)	-	2
Transfers between funds for operating activity	(40,528)	(1,739)	3,015	12,883
Interest received from investments	(10,592)	(524)	(1,426)	(219)
Interest paid	-	6,396	16,703	1,174
Changes in assets, liabilities and deferred resources:				
Net (increase) decrease in mortgages and loans	(38,093)	19,812	26,761	(45,315)
Net increase (decrease) in assets, liabilities and deferred resources	(192,804)	4,878	5,988	(1,714)
Net cash provided by (used for) operating activities	$ (274,565)	$ 31,373	$ 60,183	$ (32,629)

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION *Schedule 17*

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

COMBINED - ALL FUNDS

For Year Ended June 30, 2019

(in thousands of dollars)

	Combined Other Housing Bonds	Combined Non-Housing Bonds	Combined Other Programs	Combined Total
Cash flows from operating activities:				
Interest income on mortgages and loans	$ 21,911	$ 61,111	$ 1,362	$ 131,533
Principal payments received on mortgages and loans	52,702	105,020	3,883	285,545
Disbursements to fund mortgages and loans	-	-	-	(513,097)
Receipt (payment) for loan transfers between funds	(47,360)	(89,364)	(2,469)	-
Mortgage and loan proceeds	-	-	-	432,531
Payment of mortgage and loan proceeds to funds	-	-	-	(421,005)
Payments to employees and other payroll disbursements	-	-	(14,630)	(39,499)
Payments for goods and services	-	-	(19,469)	(51,688)
Cash received for externally funded programs	-	-	51,278	51,278
Cash received for Federal HAP subsidies	-	-	36,199	36,199
Payments for Federal HAP subsidies	-	-	(35,876)	(35,876)
Interfund receipts (payments)	-	-	(234)	-
Grant payments to other agencies	-	-	(32,974)	(32,974)
Other operating cash receipts	-	199	24,012	77,752
Other operating cash payments	-	(161)	(7,164)	(28,361)
Net cash provided by (used for) operating activities	27,253	76,805	3,918	(107,662)
Cash flows from noncapital financing activities:				
Proceeds from the issuance of bonds	175,527	-	-	236,407
Principal paid on bonds	(28,550)	(30,153)	-	(84,793)
Payment to defease bonds	-	-	-	-
Payment of bond issuance costs	(1,119)	-	-	(1,648)
Interest paid	(13,965)	(45,773)	-	(84,011)
Proceeds from issuance of short term debt	-	-	-	710,680
Payment of short term debt	-	-	-	(715,443)
Contributions to the State of Alaska or other State agencies	-	-	-	(2,106)
Transfers (to) from other funds	(136,270)	(14,070)	-	-
Other cash payments	-	-	-	(47)
Net cash provided by (used for) noncapital financing activities	(4,377)	(89,996)	-	59,039
Cash flows from capital financing activities:				
Acquisition of capital assets	-	-	(344)	(351)
Proceeds from the disposal of capital assets	-	-	116	116
Proceeds from the issuance of capital notes	-	-	-	-
Principal paid on capital notes	-	(5,807)	-	(5,807)
Payment of bond issuance costs	-	-	-	-
Interest paid on capital notes	-	(1,390)	-	(1,390)
Proceeds from direct financing leases	-	3,303	-	3,303
Other cash payments	-	-	-	-
Net cash provided by (used for) capital financing activities	-	(3,894)	(228)	(4,129)
Cash flows from investing activities:				
Purchase of investments	(342,359)	(289,151)	(5,568)	(3,579,529)
Proceeds from maturity of investments	318,177	304,780	2,730	3,621,250
Interest received from investments	1,306	1,494	120	15,681
Net cash provided by (used for) investing activities	(22,876)	17,123	(2,718)	57,402
Net Increase (decrease) in cash	-	38	972	4,650
Cash at the beginning of year	-	161	39,546	69,609
Cash at the end of period	$ -	$ 199	$ 40,518	$ 74,259
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	$ 5,582	$ 30,268	$ (23,088)	$ 34,833
Adjustments:				
Depreciation expense	-	-	5,656	6,740
Provision for loan losses	26	(3,139)	34	(5,740)
Net change in the fair value of investments	(15)	(35)	-	(838)
Transfers between funds for operating activity	11,365	(3,121)	18,125	-
Interest received from investments	(1,306)	(1,494)	(120)	(15,681)
Interest paid	13,965	45,773	-	84,011
Changes in assets, liabilities and deferred resources:				
Net (increase) decrease in mortgages and loans	(138,161)	(120,046)	2,639	(292,403)
Net increase (decrease) in assets, liabilities and deferred resources	135,797	128,599	672	81,416
Net cash provided by (used for) operating activities	$ 27,253	$ 76,805	$ 3,918	$ (107,662)

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION *Schedule 18*

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

ADMINISTRATIVE FUND

For Year Ended June 30, 2019

(in thousands of dollars)

	Administrative Fund
Cash flows from operating activities:	
Interest income on mortgages and loans	$ 5,224
Principal payments received on mortgages and loans	8,139
Disbursements to fund mortgages and loans	(513,097)
Receipt (payment) for loan transfers between funds	237,275
Mortgage and loan proceeds	432,531
Payment of mortgage and loan proceeds to funds	(421,005)
Payments to employees and other payroll disbursements	(24,869)
Payments for goods and services	(32,219)
Cash received for externally funded programs	-
Cash received for Federal HAP subsidies	-
Payments for Federal HAP subsidies	-
Interfund receipts (payments)	234
Grant payments to other agencies	-
Other operating cash receipts	53,541
Other operating cash payments	(20,319)
Net cash provided by (used for) operating activities	(274,565)
Cash flows from noncapital financing activities:	
Proceeds from the issuance of bonds	-
Principal paid on bonds	-
Payment of bond issuance costs	(50)
Interest paid	-
Proceeds from issuance of short term debt	710,680
Payment of short term debt	(715,443)
Contributions to the State of Alaska or other State agencies	(2,106)
Transfers (to) from other funds	153,144
Other cash payments	(47)
Net cash provided by (used for) noncapital financing activities	146,178
Cash flows from capital financing activities:	
Acquisition of capital assets	(7)
Proceeds from the disposal of capital assets	-
Principal paid on capital notes	-
Interest paid on capital notes	-
Proceeds from direct financing leases	-
Net cash provided by (used for) capital financing activities	(7)
Cash flows from investing activities:	
Purchase of investments	(2,634,927)
Proceeds from maturity of investments	2,756,369
Interest received from investments	10,592
Net cash provided by (used for) investing activities	132,034
Net Increase (decrease) in cash	3,640
Cash at the beginning of year	29,902
Cash at the end of period	$ 33,542
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities	
Operating Income (Loss)	6,523
Adjustments:	
Depreciation	1,084
Net change in the fair value of investments	(785)
Provision for loan loss	630
Transfers - Internal	(40,528)
Interest received from investments	(10,592)
Interest paid	-
Changes in assets, liabilities and deferred resources:	
Net (increase) decrease in mortgages and loans	(38,093)
Net increase (decrease) in assets, liabilities and deferred resources	(192,804)
Net cash provided by (used for) operating activities	$ (274,565)

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION *Schedule 19*

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

FIRST TIME HOMEBUYERS PROGRAM

MORTGAGE REVENUE BONDS

For Year Ended June 30, 2019

(in thousands of dollars)

	Bonds 2009 A-1 2010 A, B	Bonds 2009 A-2 2011 A, B	Mortgage Revenue Bonds Combined Total
Cash flows from operating activities:			
Interest income on mortgages and loans	$ 3,979	$ 5,082	$ 9,061
Principal payments received on mortgages and loans	11,406	18,382	29,788
Disbursements to fund mortgages and loans	-	-	-
Receipt (payment) for loan transfers between funds	(4,451)	(3,025)	(7,476)
Mortgage and loan proceeds	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-
Payments to employees and other payroll disbursements	-	-	-
Payments for goods and services	-	-	-
Cash received for externally funded programs	-	-	-
Cash received for Federal HAP subsidies	-	-	-
Payments for Federal HAP subsidies	-	-	-
Interfund receipts (payments)	-	-	-
Grant payments to other agencies	-	-	-
Other operating cash receipts	-	-	-
Other operating cash payments	-	-	-
Net cash provided by (used for) operating activities	10,934	20,439	31,373
Cash flows from noncapital financing activities:			
Proceeds from the issuance of bonds	-	-	-
Principal paid on bonds	(5,930)	(11,845)	(17,775)
Payment of bond issuance costs	-	-	-
Interest paid	(3,461)	(2,935)	(6,396)
Proceeds from issuance of short term debt	-	-	-
Payment of short term debt	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-
Transfers (to) from other funds	(1,140)	(1,353)	(2,493)
Net cash provided by (used for) noncapital financing activities	(10,531)	(16,133)	(26,664)
Cash flows from capital financing activities:			
Acquisition of capital assets	-	-	-
Proceeds from the disposal of capital assets	-	-	-
Principal paid on capital notes	-	-	-
Interest paid on capital notes	-	-	-
Proceeds from direct financing leases	-	-	-
Net cash provided by (used for) capital financing activities	-	-	-
Cash flows from investing activities:			
Purchase of investments	(29,343)	(44,787)	(74,130)
Proceeds from maturity of investments	28,717	40,180	68,897
Interest received from investments	223	301	524
Net cash provided by (used for) investing activities	(403)	(4,306)	(4,709)
Net Increase (decrease) in cash	-	-	-
Cash at the beginning of year	-	-	-
Cash at the end of period	$ -	$ -	$ -
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating income (loss)	1,081	3,008	$ 4,089
Adjustments:			
Depreciation	-	-	-
Provision for loan loss	(619)	(915)	(1,534)
Net change in the fair value of investments	(3)	(2)	(5)
Transfers - Internal	(715)	(1,024)	(1,739)
Interest received from investments	(223)	(301)	(524)
Interest paid	3,461	2,935	6,396
Changes in assets, liabilities and deferred resources:			
Net (increase) decrease in mortgages and loans	5,794	14,018	19,812
Net increase (decrease) in assets, liabilities and deferred resources	2,158	2,720	4,878
Net cash provided by (used for) operating activities	$ 10,934	$ 20,439	$ 31,373

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
FIRST TIME HOMEBUYERS PROGRAM
HOME MORTGAGE REVENUE BONDS
For Year Ended June 30, 2019
(in thousands of dollars)

	Bonds 2002 A,B	Bonds 2007 A	Bonds 2007 B	Bonds 2007 D
Cash flows from operating activities:				
Interest income on mortgages and loans	$ 3,640	$ 3,443	$ 3,452	$ 4,554
Principal payments received on mortgages and loans	10,833	7,609	8,412	14,241
Disbursements to fund mortgages and loans	-	-	-	-
Receipt (payment) for loan transfers between funds	(4,906)	(3,307)	(4,457)	(8,868)
Mortgage and loan proceeds	-	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-	-
Payments to employees and other payroll disbursements	-	-	-	-
Payments for goods and services	-	-	-	-
Cash received for externally funded programs	-	-	-	-
Cash received for Federal HAP subsidies	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-
Interfund receipts (payments)	-	-	-	-
Grant payments to other agencies	-	-	-	-
Other operating cash receipts	-	-	-	-
Other operating cash payments	(717)	-	-	-
Net cash provided by (used for) operating activities	8,850	7,745	7,407	9,927
Cash flows from noncapital financing activities:				
Proceeds from the issuance of bonds	-	-	-	-
Principal paid on bonds	(1,675)	(1,680)	(1,680)	(2,000)
Payment of bond issuance costs	-	-	-	-
Interest paid	(266)	(2,508)	(2,509)	(2,973)
Proceeds from issuance of short term debt	-	-	-	-
Payment of short term debt	-	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-	-
Transfers (to) from other funds	(4,799)	541	543	796
Other cash payments	-	-	-	-
Net cash provided by (used for) noncapital financing activities	(6,740)	(3,647)	(3,646)	(4,177)
Cash flows from capital financing activities:				
Acquisition of capital assets	-	-	-	-
Proceeds from the disposal of capital assets	-	-	-	-
Principal paid on capital notes	-	-	-	-
Interest paid on capital notes	-	-	-	-
Proceeds from direct financing leases	-	-	-	-
Net cash provided by (used for) capital financing activities	-	-	-	-
Cash flows from investing activities:				
Purchase of investments	(30,844)	(20,016)	(21,257)	(32,119)
Proceeds from maturity of investments	28,454	15,777	17,348	26,149
Interest received from investments	280	141	148	220
Net cash provided by (used for) investing activities	(2,110)	(4,098)	(3,761)	(5,750)
Net Increase (decrease) in cash	-	-	-	-
Cash at the beginning of year	-	-	-	-
Cash at the end of period	$ -	$ -	$ -	$ -
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	$ 2,659	$ 740	$ 697	$ 1,420
Adjustments:				
Depreciation	-	-	-	-
Provision for loan loss	(432)	(237)	(195)	(362)
Net change in the fair value of investments	(2)	-	-	1
Transfers - Internal	(4,374)	1,029	1,023	1,439
Interest received from investments	(280)	(141)	(148)	(220)
Interest paid	266	2,508	2,509	2,973
Changes in assets, liabilities and deferred resources:				
Net (increase) decrease in mortgages and loans	4,509	4,699	3,471	4,379
Net increase (decrease) in assets, liabilities and deferred resources	6,504	(853)	50	297
Net cash provided by (used for) operating activities	$ 8,850	$ 7,745	$ 7,407	$ 9,927

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION *Schedule 20*

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

FIRST TIME HOMEBUYERS PROGRAM

HOME MORTGAGE REVENUE BONDS

For Year Ended June 30, 2019

(in thousands of dollars)

	Bonds 2009 A	Bonds 2009 B	Bonds 2009 D	Home Mortgage Revenue Bonds Combined Total
Cash flows from operating activities:				
Interest income on mortgages and loans	$ 4,603	$ 4,955	$ 5,432	$ 30,079
Principal payments received on mortgages and loans	12,310	11,929	12,854	78,188
Disbursements to fund mortgages and loans	-	-	-	-
Receipt (payment) for loan transfers between funds	(7,642)	(8,436)	(9,751)	(47,367)
Mortgage and loan proceeds	-	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-	-
Payments to employees and other payroll disbursements	-	-	-	-
Payments for goods and services	-	-	-	-
Cash received for externally funded programs	-	-	-	-
Cash received for Federal HAP subsidies	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-
Interfund receipts (payments)	-	-	-	-
Grant payments to other agencies	-	-	-	-
Other operating cash receipts	-	-	-	-
Other operating cash payments	-	-	-	(717)
Net cash provided by (used for) operating activities	9,271	8,448	8,535	60,183
Cash flows from noncapital financing activities:				
Proceeds from the issuance of bonds	-	-	-	-
Principal paid on bonds	-	-	-	(7,035)
Payment of bond issuance costs	-	-	-	-
Interest paid	(2,808)	(2,808)	(2,831)	(16,703)
Proceeds from issuance of short term debt	-	-	-	-
Payment of short term debt	-	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-	-
Transfers (to) from other funds	665	389	683	(1,182)
Other cash payments	-	-	-	-
Net cash provided by (used for) noncapital financing activities	(2,143)	(2,419)	(2,148)	(24,920)
Cash flows from capital financing activities:				
Acquisition of capital assets	-	-	-	-
Proceeds from the disposal of capital assets	-	-	-	-
Principal paid on capital notes	-	-	-	-
Interest paid on capital notes	-	-	-	-
Proceeds from direct financing leases	-	-	-	-
Net cash provided by (used for) capital financing activities	-	-	-	-
Cash flows from investing activities:				
Purchase of investments	(28,228)	(30,229)	(32,050)	(194,743)
Proceeds from maturity of investments	20,900	23,987	25,439	158,054
Interest received from investments	200	213	224	1,426
Net cash provided by (used for) investing activities	(7,128)	(6,029)	(6,387)	(35,263)
Net Increase (decrease) in cash	-	-	-	-
Cash at the beginning of year	-	-	-	-
Cash at the end of period	$ -	$ -	$ -	$ -
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating income (loss)	$ 1,493	$ 1,764	$ 2,583	$ 11,356
Adjustments:				
Depreciation	-	-	-	-
Provision for loan loss	(222)	(253)	(513)	(2,214)
Net change in the fair value of investments	-	-	1	-
Transfers - Internal	1,399	1,044	1,455	3,015
Interest received from investments	(200)	(213)	(224)	(1,426)
Interest paid	2,808	2,808	2,831	16,703
Changes in assets, liabilities and deferred resources:				
Net (increase) decrease in mortgages and loans	4,385	2,241	3,077	26,761
Net increase (decrease) in assets, liabilities and deferred resources	(392)	1,057	(675)	5,988
Net cash provided by (used for) operating activities	$ 9,271	$ 8,448	$ 8,535	$ 60,183

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION *Schedule 21*

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

VETERANS MORTGAGE PROGRAM BONDS - STATE GUARANTEED

For Year Ended June 30, 2019

(in thousands of dollars)

	Collateralized Bonds 2016 First & Second Series	Collateralized Bonds 2019 First & Second Series	Collateralized Bonds 2016 & 2019 First & Second Series
Cash flows from operating activities:			
Interest income on mortgages and loans	$ 2,231	$ 554	$ 2,785
Principal payments received on mortgages and loans	6,800	1,025	7,825
Disbursements to fund mortgages and loans	-	-	-
Receipt (payment) for loan transfers between funds	(2,973)	(40,266)	(43,239)
Mortgage and loan proceeds	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-
Payments to employees and other payroll disbursements	-	-	-
Payments for goods and services	-	-	-
Cash received for externally funded programs	-	-	-
Cash received for Federal HAP subsidies	-	-	-
Payments for Federal HAP subsidies	-	-	-
Interfund receipts (payments)	-	-	-
Grant payments to other agencies	-	-	-
Other operating cash receipts	-	-	-
Other operating cash payments	-	-	-
Net cash provided by (used for) operating activities	6,058	(38,687)	(32,629)
Cash flows from noncapital financing activities:			
Proceeds from the issuance of bonds	-	60,880	60,880
Principal paid on bonds	(1,280)	-	(1,280)
Payment of bond issuance costs	-	(479)	(479)
Interest paid	(1,174)	-	(1,174)
Proceeds from issuance of short term debt	-	-	-
Payment of short term debt	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-
Transfers (to) from other funds	(721)	1,592	871
Other cash payments	-	-	-
Net cash provided by (used for) noncapital financing activities	(3,175)	61,993	58,818
Cash flows from capital financing activities:			
Acquisition of capital assets	-	-	-
Proceeds from the disposal of capital assets	-	-	-
Principal paid on capital notes	-	-	-
Interest paid on capital notes	-	-	-
Proceeds from direct financing leases	-	-	-
Net cash provided by (used for) capital financing activities	-	-	-
Cash flows from investing activities:			
Purchase of investments	(15,124)	(23,527)	(38,651)
Proceeds from maturity of investments	12,139	104	12,243
Interest received from investments	102	117	219
Net cash provided by (used for) investing activities	(2,883)	(23,306)	(26,189)
Net Increase (decrease) in cash	-	-	-
Cash at the beginning of year	-	-	-
Cash at the end of period	$ -	$ -	$ -
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating income (loss)	$ 1,136	$ (1,033)	$ 103
Adjustments:			
Depreciation	-	-	-
Provision for loan loss	(46)	503	457
Net change in the fair value of investments	(1)	3	2
Transfers - Internal	(825)	13,708	12,883
Interest received from investments	(102)	(117)	(219)
Interest paid	1,174	-	1,174
Changes in assets, liabilities and deferred resources:			
Net (increase) decrease in mortgages and loans	4,511	(49,826)	(45,315)
Net increase (decrease) in assets, liabilities and deferred resources	211	(1,925)	(1,714)
Net cash provided by (used for) operating activities	$ 6,058	$ (38,687)	$ (32,629)

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION *Schedule 22*

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

OTHER HOUSING BONDS

For Year Ended June 30, 2019

(in thousands of dollars)

	General Mortgage Revenue Bonds II 2012 A & B	General Mortgage Revenue Bonds II 2016 A	General Mortgage Revenue Bonds II 2018 A & B	Governmental Purpose Bonds 1997 A	Governmental Purpose Bonds 2001 A-D	Other Housing Bonds Combined Total
Cash flows from operating activities:						
Interest income on mortgages and loans	$ 6,396	$ 2,971	$ 5,660	$ 601	$ 6,283	$ 21,911
Principal payments received on mortgages and loans	11,982	5,961	8,559	3,988	22,212	52,702
Disbursements to fund mortgages and loans	-	-	-	-	-	-
Receipt (payment) for loan transfers between funds	(5,272)	(900)	(28,117)	-	(13,071)	(47,360)
Mortgage and loan proceeds	-	-	-	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-	-	-	-
Payments to employees and other payroll disbursements	-	-	-	-	-	-
Payments for goods and services	-	-	-	-	-	-
Cash received for externally funded programs	-	-	-	-	-	-
Cash received for Federal HAP subsidies	-	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-	-
Other operating cash receipts	-	-	-	-	-	-
Other operating cash payments	-	-	-	-	-	-
Net cash provided by (used for) operating activities	13,106	8,032	(13,898)	4,589	15,424	27,253
Cash flows from noncapital financing activities:						
Proceeds from the issuance of bonds	-	-	175,527	-	-	175,527
Principal paid on bonds	(13,755)	(5,920)	(2,775)	-	(6,100)	(28,550)
Payment of bond issuance costs	-	-	(1,119)	-	-	(1,119)
Interest paid	(3,530)	(2,307)	(4,745)	(216)	(3,167)	(13,965)
Proceeds from issuance of short term debt	-	-	-	-	-	-
Payment of short term debt	-	-	-	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-	-	-	-
Transfers (to) from other funds	11	-	(144,910)	8,629	-	(136,270)
Other cash payments	-	-	-	-	-	-
Net cash provided by (used for) noncapital financing activities	(17,274)	(8,227)	21,978	8,413	(9,267)	(4,377)
Cash flows from capital financing activities:						
Acquisition of capital assets	-	-	-	-	-	-
Proceeds from the disposal of capital assets	-	-	-	-	-	-
Principal paid on capital notes	-	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-	-
Net cash provided by (used for) capital financing activities	-	-	-	-	-	-
Cash flows from investing activities:						
Purchase of investments	(29,204)	(16,667)	(205,452)	(18,791)	(72,245)	(342,359)
Proceeds from maturity of investments	33,116	16,738	197,020	5,712	65,591	318,177
Interest received from investments	256	124	352	77	497	1,306
Net cash provided by (used for) investing activities	4,168	195	(8,080)	(13,002)	(6,157)	(22,876)
Net Increase (decrease) in cash	-	-	-	-	-	-
Cash at the beginning of year	-	-	-	-	-	-
Cash at the end of period	$ -	$ -	$ -	$ -	$ -	$ -
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities						
Operating income (loss)	$ 2,959	$ 835	$ (1,969)	$ 421	$ 3,336	$ 5,582
Adjustments:						
Depreciation	-	-	-	-	-	-
Provision for loan loss	(1,039)	(52)	1,844	-	(727)	26
Net change in the fair value of investments	(1)	(2)	(5)	(1)	(6)	(15)
Transfers - Internal	(17,976)	174	22,896	6,179	92	11,365
Interest received from investments	(256)	(124)	(352)	(77)	(497)	(1,306)
Interest paid	3,530	2,307	4,745	216	3,167	13,965
Changes in assets, liabilities and deferred resources:						
Net (increase) decrease in mortgages and loans	23,895	5,162	(182,518)	6,462	8,838	(138,161)
Net increase (decrease) in assets, liabilities and deferred resources	1,994	(268)	141,461	(8,611)	1,221	135,797
Net cash provided by (used for) operating activities	$ 13,106	$ 8,032	$ (13,898)	$ 4,589	$ 15,424	$ 27,253

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
NON-HOUSING BONDS
For Year Ended June 30, 2019
(in thousands of dollars)

	State Capital Project Bonds 2002 A, B, C	State Capital Project Bonds 2011 A	State Capital Project Bonds II 2012 A & B	State Capital Project Bonds II 2013 A & B	State Capital Project Bonds II 2014 A & B	State Capital Project Bonds II 2014 C & D
Cash flows from operating activities:						
Interest income on mortgages and loans	$ 1,435	$ 400	$ 2,723	$ 3,922	$ 5,846	$ 9,332
Principal payments received on mortgages and loans	6,184	609	4,639	4,279	11,990	21,674
Disbursements to fund mortgages and loans	-	-	-	-	-	-
Receipt (payment) for loan transfers between funds	-	-	-	(950)	(6,678)	(22,887)
Mortgage and loan proceeds	-	-	-	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-	-	-	-
Payments to employees and other payroll disbursements	-	-	-	-	-	-
Payments for goods and services	-	-	-	-	-	-
Cash received for externally funded programs	-	-	-	-	-	-
Cash received for Federal HAP subsidies	-	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-	-
Other operating cash receipts	-	-	-	-	-	-
Other operating cash payments	-	-	-	-	-	-
Net cash provided by (used for) operating activities	7,619	1,009	7,362	7,251	11,158	8,119
Cash flows from noncapital financing activities:						
Proceeds from the issuance of bonds	-	-	-	-	-	-
Principal paid on bonds	(420)	(1,483)	(4,620)	(3,505)	(6,695)	(120)
Payment of bond issuance costs	-	-	-	-	-	-
Interest paid	(102)	(234)	(1,887)	(2,875)	(5,356)	(7,872)
Proceeds from issuance of short term debt	-	-	-	-	-	-
Payment of short term debt	-	-	-	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-	-	-	-
Transfers (to) from other funds	(3,794)	804	-	(804)	(2,660)	668
Other cash payments	-	-	-	-	-	-
Net cash provided by (used for) noncapital financing activities	(4,316)	(913)	(6,507)	(7,184)	(14,711)	(7,324)
Cash flows from capital financing activities:						
Acquisition of capital assets	-	-	-	-	-	-
Proceeds from the disposal of capital assets	-	-	-	-	-	-
Principal paid on capital notes	(5,585)	(222)	-	-	-	-
Interest paid on capital notes	(1,355)	(35)	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-	-
Net cash provided by (used for) capital financing activities	(6,940)	(257)	-	-	-	-
Cash flows from investing activities:						
Purchase of investments	(12,438)	(3,447)	(7,882)	(8,594)	(18,216)	(40,777)
Proceeds from maturity of investments	15,983	3,593	6,965	8,451	21,620	39,799
Interest received from investments	92	15	62	76	149	183
Net cash provided by (used for) investing activities	3,637	161	(855)	(67)	3,553	(795)
Net Increase (decrease) in cash	-	-	-	-	-	-
Cash at the beginning of year	-	-	-	-	-	-
Cash at the end of period	$ -	$ -	$ -	$ -	$ -	$ -
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities						
Operating income (loss)	$ (22)	$ 318	$ 2,085	$ 2,571	$ 2,756	$ 3,973
Adjustments:						
Depreciation	-	-	-	-	-	-
Provision for loan loss	(179)	(151)	(657)	(632)	(604)	(254)
Net change in the fair value of investments	1	-	-	-	1	-
Transfers - Internal	566	825	(39)	(1,378)	116	(1,332)
Interest received from investments	(92)	(15)	(62)	(76)	(149)	(183)
Interest paid	102	234	1,887	2,875	5,356	7,872
Changes in assets, liabilities and deferred resources:						
Net (increase) decrease in mortgages and loans	5,925	(141,656)	4,163	2,872	7,301	9,046
Net increase (decrease) in assets, liabilities and deferred resources	1,318	141,454	(15)	1,019	(3,619)	(11,003)
Net cash provided by (used for) operating activities	$ 7,619	$ 1,009	$ 7,362	$ 7,251	$ 11,158	$ 8,119

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION *Schedule 23*

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

NON-HOUSING BONDS

For Year Ended June 30, 2019

(in thousands of dollars)

	State Capital Project Bonds II 2015 A	State Capital Project Bonds II 2015 B	State Capital Project Bonds II 2015 C	State Capital Project Bonds II 2017 A	State Capital Project Bonds II 2017 B	State Capital Project Bonds II 2017 C	State Capital Project Bonds II 2018 A & B	Non-Housing Bonds Combined Total
Cash flows from operating activities:								
Interest income on mortgages and loans	$ 5,389	$ 4,963	$ 2,780	$ 9,659	$ 6,786	$ 2,570	$ 5,306	$ 61,111
Principal payments received on mortgages and loans	12,649	10,416	5,947	1,156	13,751	4,047	7,679	105,020
Disbursements to fund mortgages and loans	-	-	-	-	-	-	-	-
Receipt (payment) for loan transfers between funds	(7,644)	(6,884)	(2,430)	(4,449)	(14,140)	(3,866)	(19,436)	(89,364)
Mortgage and loan proceeds	-	-	-	-	-	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-	-	-	-	-	-
Payments to employees and other payroll disbursements	-	-	-	-	-	-	-	-
Payments for goods and services	-	-	-	-	-	-	-	-
Cash received for externally funded programs	-	-	-	-	-	-	-	-
Cash received for Federal HAP subsidies	-	-	-	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-	-	-	-
Other operating cash receipts	-	-	-	199	-	-	-	199
Other operating cash payments	-	-	-	(161)	-	-	-	(161)
Net cash provided by (used for) operating activities	10,394	8,495	6,297	6,404	6,397	2,751	(6,451)	76,805
Cash flows from noncapital financing activities:								
Proceeds from the issuance of bonds	-	-	-	-	-	-	-	-
Principal paid on bonds	(3,790)	(3,015)	(2,795)	(3,170)	-	-	(540)	(30,153)
Payment of bond issuance costs	-	-	-	-	-	-	-	-
Interest paid	(4,590)	(4,110)	(2,457)	(6,877)	(3,395)	(2,192)	(3,826)	(45,773)
Proceeds from issuance of short term debt	-	-	-	-	-	-	-	-
Payment of short term debt	-	-	-	-	-	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-	-	-	-	-	-
Transfers (to) from other funds	-	-	-	1,015	(510)	789	(9,578)	(14,070)
Other cash payments	-	-	-	-	-	-	-	-
Net cash provided by (used for) noncapital financing activities	(8,380)	(7,125)	(5,252)	(9,032)	(3,905)	(1,403)	(13,944)	(89,996)
Cash flows from capital financing activities:								
Acquisition of capital assets	-	-	-	-	-	-	-	-
Proceeds from the disposal of capital assets	-	-	-	-	-	-	-	-
Principal paid on capital notes	-	-	-	-	-	-	-	(5,807)
Interest paid on capital notes	-	-	-	-	-	-	-	(1,390)
Proceeds from direct financing leases	-	-	-	3,303	-	-	-	3,303
Net cash provided by (used for) capital financing activities	-	-	-	3,303	-	-	-	(3,894)
Cash flows from investing activities:								
Purchase of investments	(17,323)	(15,592)	(15,937)	(14,217)	(18,694)	(12,894)	(103,140)	(289,151)
Proceeds from maturity of investments	15,200	14,114	14,810	13,496	16,093	11,498	123,158	304,780
Interest received from investments	109	108	82	84	109	48	377	1,494
Net cash provided by (used for) investing activities	(2,014)	(1,370)	(1,045)	(637)	(2,492)	(1,348)	20,395	17,123
Net Increase (decrease) in cash	-	-	-	38	-	-	-	38
Cash at the beginning of year	-	-	-	161	-	-	-	161
Cash at the end of period	$ -	$ -	$ -	$ 199	$ -	$ -	$ -	$ 199
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities								
Operating income (loss)	$ 2,474	$ 1,700	$ 1,163	$ 6,401	$ 3,469	$ 1,530	$ 1,850	$ 30,268
Adjustments:								
Depreciation	-	-	-	-	-	-	-	-
Provision for loan loss	(311)	(72)	(61)	84	(478)	19	157	(3,139)
Net change in the fair value of investments	-	1	1	-	-	-	(39)	(35)
Transfers - Internal	69	(394)	29	1,054	(65)	1,434	(4,006)	(3,121)
Interest received from investments	(109)	(108)	(82)	(84)	(109)	(48)	(377)	(1,494)
Interest paid	4,590	4,110	2,457	6,877	3,395	2,192	3,826	45,773
Changes in assets, liabilities and deferred resources:								
Net (increase) decrease in mortgages and loans	5,232	4,047	4,653	(3,197)	(1,047)	(1,866)	(15,519)	(120,046)
Net increase (decrease) in assets, liabilities and deferred resources	(1,551)	(789)	(1,863)	(4,731)	1,232	(510)	7,657	128,599
Net cash provided by (used for) operating activities	$ 10,394	$ 8,495	$ 6,297	$ 6,404	$ 6,397	$ 2,751	$ (6,451)	$ 76,805

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
OTHER PROGRAM FUNDS
For Year Ended June 30, 2019
(in thousands of dollars)

	Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal
Cash flows from operating activities:				
Interest income on mortgages and loans	$ -	$ -	$ -	$ -
Principal payments received on mortgages and loans	-	-	-	-
Disbursements to fund mortgages and loans	-	-	-	-
Receipt (payment) for loan transfers between funds	-	-	-	-
Mortgage and loan proceeds	-	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-	-
Payments to employees and other payroll disbursements	(357)	(3,877)	(820)	(5,054)
Payments for goods and services	(820)	(351)	(1,004)	(2,175)
Cash received for externally funded programs	13,529	5,263	19,207	37,999
Cash received for Federal HAP subsidies	-	36,199	-	36,199
Payments for Federal HAP subsidies	-	(35,876)	-	(35,876)
Interfund receipts (payments)	(7,189)	(1,085)	8,408	134
Grant payments to other agencies	(5,161)	(773)	(27,040)	(32,974)
Other operating cash receipts	-	35	1,307	1,342
Other operating cash payments	-	(56)	(58)	(114)
Net cash provided by (used for) operating activities	2	(521)	-	(519)
Cash flows from noncapital financing activities:				
Proceeds from the issuance of bonds	-	-	-	-
Principal paid on bonds	-	-	-	-
Payment to defease bonds	-	-	-	-
Payment of bond issuance costs	-	-	-	-
Interest paid	-	-	-	-
Proceeds from issuance of short term debt	-	-	-	-
Payment of short term debt	-	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-	-
Transfers (to) from other funds	-	-	-	-
Other cash payments	-	-	-	-
Net cash provided by (used for) noncapital financing activities	-	-	-	-
Cash flows from capital financing activities:				
Acquisition of capital assets	-	(41)	-	(41)
Proceeds from the disposal of capital assets	-	-	-	-
Principal paid on capital notes	-	-	-	-
Interest paid on capital notes	-	-	-	-
Proceeds from direct financing leases	-	-	-	-
Net cash provided by (used for) capital financing activities	-	(41)	-	(41)
Cash flows from investing activities:				
Purchase of investments	-	-	-	-
Proceeds from maturity of investments	-	-	-	-
Interest received from investments	-	6	-	6
Net cash provided by (used for) investing activities	-	6	-	6
Net Increase (decrease) in cash	2	(556)	-	(554)
Cash at the beginning of year	975	4,813	3	5,791
Cash at the end of period	$ 977	$ 4,257	$ 3	$ 5,237
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities				
Operating Income (Loss)	$ (2,955)	$ (898)	$ (14,624)	$ (18,477)
Adjustments:				
Depreciation expense	-	16	-	16
Provision for loan loss	-	-	61	61
Net change in the fair value of investments	-	-	-	-
Transfers between funds for operating activity	3,508	169	12,328	16,005
Interest received from investments	-	(6)	-	(6)
Interest paid	-	-	-	-
Changes in assets, liabilities and deferred resources:				
Net (increase) decrease in mortgages and loans	-	-	50	50
Net increase (decrease) in assets, liabilities and deferred resources	(551)	198	2,185	1,832
Net cash provided by (used for) operating activities	$ 2	$ (521)	$ -	$ (519)

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
OTHER PROGRAM FUNDS
For Year Ended June 30, 2019
(in thousands of dollars)

	Low Rent Program	Market Rate Rental Housing Program	Home Ownership Fund	Senior Housing Revolving Loan Fund	Other Funds or Programs Subtotal
Cash flows from operating activities:					
Interest income on mortgages and loans	$ -	$ -	$ 259	$ 1,103	$ 1,362
Principal payments received on mortgages and loans	-	-	910	2,973	3,883
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipt (payment) for loan transfers between funds	-	-	261	(2,730)	(2,469)
Mortgage and loan proceeds	-	-	-	-	-
Payment of mortgage and loan proceeds to funds	-	-	-	-	-
Payments to employees and other payroll disbursements	(7,719)	(1,690)	-	-	(9,409)
Payments for goods and services	(14,465)	(2,893)	-	-	(17,358)
Cash received for externally funded programs	11,030	2,249	-	-	13,279
Cash received for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	1,668	(2,425)	-	-	(757)
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts	17,225	5,338	-	-	22,563
Other operating cash payments	(6,993)	(33)	-	-	(7,026)
Net cash provided by (used for) operating activities	746	546	1,430	1,346	4,068
Cash flows from noncapital financing activities:					
Proceeds from the issuance of bonds	-	-	-	-	-
Principal paid on bonds	-	-	-	-	-
Payment to defease bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid	-	-	-	-	-
Proceeds from issuance of short term debt	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to the State of Alaska or other State agencies	-	-	-	-	-
Transfers (to) from other funds	-	-	-	-	-
Other cash payments	-	-	-	-	-
Net cash provided by (used for) noncapital financing activities	-	-	-	-	-
Cash flows from capital financing activities:					
Acquisition of capital assets	(256)	(47)	-	-	(303)
Proceeds from the disposal of capital assets	116	-	-	-	116
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net cash provided by (used for) capital financing activities	(140)	(47)	-	-	(187)
Cash flows from investing activities:					
Purchase of investments	-	-	(1,451)	(4,117)	(5,568)
Proceeds from maturity of investments	-	-	-	2,730	2,730
Interest received from investments	24	22	21	41	108
Net cash provided by (used for) investing activities	24	22	(1,430)	(1,346)	(2,730)
Net Increase (decrease) in cash	630	521	-	-	1,151
Cash at the beginning of year	14,013	12,415	-	-	26,428
Cash at the end of period	$ 14,643	$ 12,936	$ -	$ -	$ 27,579
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities					
Operating Income (Loss)	$ (5,495)	$ (730)	$ 282	$ 1,118	$ (4,825)
Adjustments:					
Depreciation expense	4,424	1,216	-	-	5,640
Provision for loan loss	-	-	(12)	(25)	(37)
Net change in the fair value of investments	-	-	-	-	-
Transfers between funds for operating activity	1,891	161	14	54	2,120
Interest received from investments	(24)	(22)	(21)	(41)	(108)
Interest paid	-	-	-	-	-
Changes in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	-	-	1,141	1,549	2,690
Net increase (decrease) in assets, liabilities and deferred resources	(50)	(79)	26	(1,309)	(1,412)
Net cash provided by (used for) operating activities	$ 746	$ 546	$ 1,430	$ 1,346	$ 4,068

See accompanying independent auditor's report.

ALASKA HOUSING FINANCE CORPORATION ***Schedule 24***

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

OTHER PROGRAM FUNDS

For Year Ended June 30, 2019

(in thousands of dollars)

	Alaska Corporation for Affordable Housing	Other Program Funds Combined Total
Cash flows from operating activities:		
Interest income on mortgages and loans	$ -	$ 1,362
Principal payments received on mortgages and loans	-	3,883
Disbursements to fund mortgages and loans	-	-
Receipt (payment) for loan transfers between funds	-	(2,469)
Mortgage and loan proceeds	-	-
Payment of mortgage and loan proceeds to funds	-	-
Payments to employees and other payroll disbursements	(167)	(14,630)
Payments for goods and services	64	(19,469)
Cash received for externally funded programs	-	51,278
Cash received for Federal HAP subsidies	-	36,199
Payments for Federal HAP subsidies	-	(35,876)
Interfund receipts (payments)	389	(234)
Grant payments to other agencies	-	(32,974)
Other operating cash receipts	107	24,012
Other operating cash payments	(24)	(7,164)
Net cash provided by (used for) operating activities	369	3,918
Cash flows from noncapital financing activities:		
Proceeds from the issuance of bonds	-	-
Principal paid on bonds	-	-
Payment to defease bonds	-	-
Payment of bond issuance costs	-	-
Interest paid	-	-
Proceeds from issuance of short term debt	-	-
Payment of short term debt	-	-
Contributions to the State of Alaska or other State agencies	-	-
Transfers (to) from other funds	-	-
Other cash payments	-	-
Net cash provided by (used for) noncapital financing activities	-	-
Cash flows from capital financing activities:		
Acquisition of capital assets	-	(344)
Proceeds from the disposal of capital assets	-	116
Principal paid on capital notes	-	-
Interest paid on capital notes	-	-
Proceeds from direct financing leases	-	-
Net cash provided by (used for) capital financing activities	-	(228)
Cash flows from investing activities:		
Purchase of investments	-	(5,568)
Proceeds from maturity of investments	-	2,730
Interest received from investments	6	120
Net cash provided by (used for) investing activities	6	(2,718)
Net Increase (decrease) in cash	375	972
Cash at the beginning of year	7,327	39,546
Cash at the end of period	$ 7,702	$ 40,518
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities		
Operating Income (Loss)	$ 214	$ (23,088)
Adjustments:		
Depreciation expense	-	5,656
Provision for loan loss	10	34
Net change in the fair value of investments	-	-
Transfers between funds for operating activity	-	18,125
Interest received from investments	(6)	(120)
Interest paid	-	-
Changes in assets, liabilities and deferred resources:		
Net (increase) decrease in mortgages and loans	(101)	2,639
Net increase (decrease) in assets, liabilities and deferred resources	252	672
Net cash provided by (used for) operating activities	$ 369	$ 3,918

See accompanying independent auditor's report.

FORM OF OPINIONS OF CO-BOND COUNSEL

On the date of issuance of the Offered Bonds, Co-Bond Counsel propose to issue approving opinions in substantially the following form:

Alaska Housing Finance Corporation
4300 Boniface Parkway
Anchorage, Alaska 99504

Ladies and Gentlemen:

We have examined the Constitution and laws of the State of Alaska (the "State") and a record of proceedings relating to the issuance of $96,665,000 aggregate principal amount of State Capital Project Bonds II, 2020 Series A (the "2020 Bonds"), of the Alaska Housing Finance Corporation (the "Corporation"), a public corporation and government instrumentality of the State created by and existing under Alaska Statutes 18.55 and 18.56, as amended (the "Act").

In such examinations, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof.

The 2020 Bonds are authorized and issued pursuant to the Act and a resolution of the Corporation adopted March 25, 2020, and are issued pursuant to the Indenture by and between the Corporation and U.S. Bank, National Association, as trustee (the "Trustee"), dated as of October 1, 2012, and the 2020 Series A Supplemental Indenture by and between the Corporation and the Trustee, dated as of October 1, 2020, executed pursuant to said Indenture (together, the "Indenture").

The 2020 Bonds mature and are subject to redemption as provided in the Indenture.

Capitalized terms used herein and not defined herein are used as defined in the Indenture.

As to any facts material to our opinion, we have relied upon various statements and representations of officers and other representatives of the Corporation including without limitation those contained in the Indenture and the certified proceedings and other certifications of public officials and certifications by officers of the Corporation furnished to us (which are material to the opinion expressed below) without undertaking to verify the same by independent investigation.

Subject to the foregoing, we are of the opinion that:

1. Under the Constitution and laws of the State of Alaska (the "State"), the Corporation has been duly created, organized, and validly exists as a public corporation and government instrumentality in good standing under the laws of the State, performing an essential

public function with full corporate power and authority under the Act, among other things, to enter into, and to perform its obligations under the terms and conditions of, the Indenture.

2. The Indenture has been duly authorized, executed and delivered, is in full force and effect, and is valid and binding upon the Corporation and enforceable in accordance with its terms (subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium, or other laws affecting creditors' rights generally from time to time in effect).

3. The 2020 Bonds have been duly and validly authorized, sold and issued by the Corporation in accordance with the Indenture and Constitution and laws of the State, including the Act and, pursuant to the Act, are issued by a public corporation and government instrumentality of the State for an essential public and governmental purpose.

4. Subject to agreements heretofore or hereafter made with the holders of any notes or other bonds of the Corporation pledging any particular revenues or assets not pledged under the Indenture and the exclusion by the Act of a pledge of funds in the Housing Development Fund (as described in the Act), the 2020 Bonds are valid and legally binding general obligations of the Corporation for the payment of which, in accordance with their terms, the full faith and credit of the Corporation have been legally and validly pledged, are enforceable in accordance with their terms and the terms of the Indenture and are entitled to the equal benefit, protection, and security of the provisions, covenants, and agreements of the Indenture.

5. The 2020 Bonds are secured by a pledge in the manner and to the extent set forth in the Indenture. The Indenture creates a valid pledge of a lien on all funds established by the Indenture and moneys and securities therein which the Indenture purports to create, to the extent and on the terms provided therein.

6. Interest on the 2020 Bonds is *included* in gross income for federal income tax purposes. We express no opinion regarding any other consequences affecting the federal income tax liability of a recipient of interest on the 2020 Bonds.

7. Under existing laws, interest on the 2020 Bonds is free from taxation of every kind by the State, and by municipalities and all other political subdivisions of the State (except that no opinion is expressed as to such exemption from State estate and inheritance taxes and taxes of transfers by or in anticipation of death).

Very truly yours,

APPENDIX C

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Certificate") is executed and delivered by the Alaska Housing Finance Corporation (the "Corporation") in connection with the issuance of $96,665,000 aggregate principal amount of its State Capital Project Bonds II, 2020 Series A (the "Subject Bonds"). The Subject Bonds are being issued pursuant to an Indenture by and between the Corporation and U.S. Bank National Association, as trustee (the "Trustee"), dated as of October 1, 2012 (the "Master Indenture"), and a 2020 Series A Supplemental Indenture, dated as of October 1, 2020, by and between the Corporation and the Trustee (together with the Master Indenture, the "Indenture"). The Corporation covenants and agrees with the registered owners and the beneficial owners of the Subject Bonds as follows:

SECTION 1. Purpose of the Certificate. This Certificate is being executed and delivered by the Corporation for the sole and exclusive benefit of the registered owners and beneficial owners of the Subject Bonds.

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Corporation pursuant to, and as described in, Sections 3 and 4 of this Certificate.

"Disclosure Representative" shall mean the Executive Director/Chief Executive Officer of the Corporation or his or her designee.

"Financial Obligation" shall mean "financial obligation" as such term is defined in the Rule.

"Fiscal Year" shall mean any twelve-month period ending on June 30 or on such other date as the Corporation may designate from time to time.

"Listed Events" shall mean any of the events listed in Section 5 of this Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Certificate.

"Official Statement" shall mean the Corporation's final Official Statement with respect to the Subject Bonds, dated September 2, 2020.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" shall mean the United States Securities and Exchange Commission.

SECTION 3. Provision of Annual Reports. The Corporation shall provide to the MSRB an Annual Report for the preceding Fiscal Year (commencing with the Fiscal Year ending June 30, 2020) which is consistent with the requirements of Section 4 of this Certificate. The Annual Report shall be provided not later than 180 days after the Fiscal Year to which it relates. The Annual Report may be submitted as a single document or as separate documents constituting a package, and may cross-reference other information as provided in Section 4 of this Certificate; provided that the audited financial statements of the Corporation may be submitted separately from the balance of the Annual Report, and later than the date required for the filing of the Annual Report if not available by that date. The Corporation shall, in a timely manner, file notice with the MSRB of any failure to file an Annual Report by the date specified in this Section 3. Such notice shall be in the form attached as Exhibit A to this Certificate, subject to Section 9 of this Certificate.

SECTION 4. Content of Annual Reports. The Corporation's Annual Report shall include (i) the Corporation's audited financial statements for the Fiscal Year ended on the previous June 30, prepared in accordance with generally accepted accounting principles established by the Governmental Accounting Standards Board, if available, or unaudited financial statements for such Fiscal Year, (ii) an update of the financial information and operating data contained in the Official Statement under the caption "The Corporation," (iii) the amount and type of the investments (and cash) in the accounts and subaccounts established in the Indenture, (iv) the outstanding principal balances of each maturity of Subject Bonds and the sinking fund installment amounts as applicable, and (v) financial information and operating data with respect to any other series of Bonds.

If not provided as part of the Annual Report by the date required (as described above under "Provision of Annual Reports"), the Corporation shall provide audited financial statements, when and if available, to the MSRB.

Any or all of the items listed above may be incorporated by specific reference to other documents (i) available to the public on the MSRB Internet Web Site or (ii) filed with the SEC.

SECTION 5. Reporting of Significant Events.

This Section 5 shall govern the giving of notices of the occurrence of any of the following events:

1. Principal and interest payment delinquencies on the Subject Bonds or any other bonds of the Corporation;

2. Non-payment related defaults under the Indenture and any Supplemental Indenture, if material;

3. Unscheduled draws on debt service reserve reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Subject Bonds, or other material events affecting the tax status of the Subject Bonds;

7. Modifications to rights of Subject Bondholders, if material;

8. Subject Bond calls, if material, and tender offers;

9. Defeasances of Subject Bonds;

10. Release, substitution or sale of property securing repayment of the Subject Bonds, if material;

11. Rating changes for the Subject Bonds;

12. Bankruptcy, insolvency, receivership or similar event[†] of the Corporation;

13. The consummation of a merger, consolidation, or acquisition involving the Corporation or the sale of all or substantially all of the assets of the Corporation, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

15. Incurrence of a Financial Obligation of the Corporation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Corporation, any of which affect Bondholders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Corporation, any of which reflect financial difficulties.

Upon the occurrence of a Listed Event, the Corporation shall file a notice of such occurrence with the MSRB and the Trustee in a timely manner not in excess of ten (10) business

[†] Note to Paragraph 12: For the purposes of the event identified in Paragraph 12 above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Corporation in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Corporation, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Corporation.

days after the occurrence of such Listed Event. Each notice of a Listed Event hereunder shall indicate that it is a notice of a Listed Event.

SECTION 6. Termination of Reporting Obligation. The Corporation's obligations under this Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Subject Bonds.

SECTION 7. Dissemination Agent. The Corporation may from time to time designate an agent to act on its behalf in providing or filing notices, documents and information as required of the Corporation under this Certificate, and revoke or modify any such designation.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Certificate, the Corporation may amend this Certificate if the following conditions are met:

(a) The amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof or a change in the identity, nature or status of the Corporation or the type of business conducted thereby;

(b) The Certificate, as amended, would have complied with the requirements of the Rule at the time of the issuance of the Subject Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of the beneficial owners of the Subject Bonds as determined either by a party unaffiliated with the Corporation (such as Bond Counsel) or by approving vote of the registered owners of a majority in principal amount of the Subject Bonds pursuant to the terms of the Indenture.

The Corporation shall deliver a copy of any such amendment to the MSRB.

To the extent any amendment to this Certificate results in a change in the type of financial information or operating data provided pursuant to this Certificate, the first annual financial information provided thereafter will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

SECTION 9. Transmission of Information and Notices. Unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in an electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 10. Default. *Except* as described in this paragraph, the provisions of this Certificate will create no rights in any other person or entity. The obligation of the Corporation to comply with the provisions of this Certificate are enforceable (i) in the case of enforcement of obligations to provide financial statements, financial information, operating data, and notices, by any beneficial owner of Outstanding Subject Bonds, or by the Trustee on behalf of the registered owners of Outstanding Subject Bonds, or (ii) in the case of challenges to the adequacy of the financial statements, financial information, and operating data so provided, by the Trustee on behalf of the registered owners of Outstanding Subject Bonds; *provided, however,* that the Trustee shall not be required to take any enforcement action *except* at the direction of the registered owners of not less than 25% in aggregate principal amount of the Subject Bonds at the time Outstanding who shall have provided the Trustee with adequate security and indemnity. A default under this Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Certificate in the event of any failure of the Corporation or the Trustee to comply with this Certificate shall be an action to compel performance.

SECTION 11. Governing Law. This Certificate shall be construed and interpreted in accordance with the laws of the State of Alaska, and any suits and actions arising out of this Certificate shall be instituted in a court of competent jurisdiction in the State, *provided* that, to the extent this Certificate addresses matters of federal securities laws, including the Rule, this Certificate shall be construed in accordance with such federal securities laws and official interpretations thereof.

SECTION 12. Beneficiaries. This Certificate shall inure solely to the benefit of the Corporation, and the registered owners and beneficial owners from time to time of the Subject Bonds, and shall create no rights in any other person or entity.

Date: October 13, 2020

ALASKA HOUSING FINANCE CORPORATION

By: ___________________________________

Exhibit A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Alaska Housing Finance Corporation (the "Corporation")

Name of Bond Issue: $96,665,000 State Capital Project Bonds II, 2020 Series A

Date of Issuance: October 13, 2020

NOTICE IS HEREBY GIVEN that the Corporation has not provided an Annual Report with respect to the above-named bond issue as required by the certificate of the Corporation.

Dated: ____________________

ALASKA HOUSING FINANCE CORPORATION

By: ____________________________________

ALASKA HOUSING FINANCE CORPORATION • STATE CAPITAL PROJECT BONDS, 2020 SERIES A (FEDERALLY TAXABLE)

Alaska Housing
FINANCE CORPORATION

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