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.

Alaska Housing FINANCE CORPORATION

$90,420,000
ALASKA HOUSING FINANCE CORPORATION
State Capital Project Bonds II
2021 Series A (Social Bonds)

Dated	Date of delivery.
Due	As shown on inside cover page.
Price	As shown on inside cover page.
Social Bonds	The 2021 Series A Bonds (the "Offered Bonds") have been designated as "Social Bonds." (See "Designation of the Offered Bonds as Social Bonds" and "Appendix D — Social Bonds Designation" herein for a discussion of the use of proceeds of the Offered Bonds.)
Tax Exemption	In the opinions of Co-Bond Counsel, interest on the Offered Bonds (A) under existing laws, regulations, rulings and judicial decisions, (i) is *excluded* from gross income for federal income tax purposes and (ii) is not a specific preference item for purposes of the alternative minimum tax imposed under the Internal Revenue Code of 1986, as amended, and (B) 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 Offered Bonds. See "Tax Matters."
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 December 1, 2021.
Denominations	$5,000 or any integral multiple thereof.
Delivery Date	April 28, 2021.
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	Masterson Advisors LLC.
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.

Wells Fargo Securities

Barclays **BofA Securities** **Jefferies**

J.P. Morgan **Raymond James**

March 17, 2021

MATURITY SCHEDULE

$90,420,000 2021 Series A Bonds (Social Bonds)

$90,420,000 2021 Series A Serial Bonds

Maturity Date	Principal Amount	Interest Rate	Priced to Yield	CUSIP†
December 1, 2023	$2,700,000	3.00%	0.20%	011839XB8
June 1, 2024	2,740,000	3.00	0.33	011839XC6
December 1, 2024	2,790,000	4.00	0.38	011839XD4
June 1, 2025	2,845,000	4.00	0.47	011839XE2
December 1, 2025	6,735,000	4.00	0.51	011839XF9
June 1, 2026	7,165,000	4.00	0.63	011839XG7
December 1, 2026	7,315,000	5.00	0.66	011839XH5
June 1, 2027	7,515,000	5.00	0.80	011839XJ1
December 1, 2027	7,930,000	5.00	0.85	011839XK8
June 1, 2028	8,130,000	5.00	0.97	011839XL6
December 1, 2028	8,330,000	5.00	1.02	011839XM4
June 1, 2029	8,540,000	5.00	1.13	011839XN2
December 1, 2029	8,755,000	4.00	1.20	011839XP7
June 1, 2030	8,930,000	4.00	1.27	011839XQ5

† 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 Underwriters 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 Underwriters 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.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

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OFFICIAL STATEMENT
OF
ALASKA HOUSING FINANCE CORPORATION

Relating to

$90,420,000 State Capital Project Bonds II

2021 Series A (Social Bonds)

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, 2021 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 2021 Series A Supplemental Indenture, dated as of April 1, 2021 (the "2021 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 2021 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 twentieth Series of Bonds issued under the Indenture. As of January 31, 2021, there were Prior Series Bonds outstanding in the aggregate principal amount of $1,261,000.00. 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 Prior Series Bonds (the "Refunded Bonds"), to refund certain outstanding obligations of the Corporation (the "Refunded Obligations") which originally refunded certain Prior Series Bonds, to reimburse the Corporation for certain governmental purpose expenditures, 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.

DESIGNATION OF THE OFFERED BONDS AS SOCIAL BONDS

The Offered Bonds are the first Series of Bonds to be designated by the Corporation as "Social Bonds." The Corporation is issuing the Offered Bonds as Social Bonds based on the intended use of proceeds of the Offered Bonds to refund the Refunded Bonds, to refund the Refunded Obligations, and to reimburse the Corporation for certain governmental purpose expenditures, which have provided funding for energy efficiency improvements, government offices, affordable housing, transportation and water/sewer projects. The Corporation's Social Bonds designation reflects the use of proceeds of the Offered Bonds in a manner that is consistent with the "Social Bond Principles" as promulgated by the International Capital Market Association ("ICMA") and updated most recently in June 2020. The Corporation believes the intended use of the proceeds of the Offered Bonds and the manner of expenditure of such funds are consistent with the four core components described by ICMA in its publication, *Social Bond Principles*: *Voluntary Process Guidelines for Issuing Social Bonds*.

The term "Social Bonds" is neither defined in nor related to provisions in the Indenture. The use of such term herein is for identification purposes only and is not intended to provide or imply that an owner of Social Bonds is entitled to any additional security beyond that provided therefor in the Indenture. Such Offered Bonds will be secured on a parity with the Prior Series Bonds and any Additional Bonds issued under the Indenture. See "Appendix D — Social Bonds Designation" for a further description of the Corporation's Social Bonds Designation.

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	$ 29,340,000.00
Refunding of Refunded Obligations	73,010,000.00
Reimbursement of Governmental Purpose Expenditures	8,534,922.80
Payment of Underwriting Fee	236,684.00
Payment of other Costs of Issuance	55,844.00
TOTAL	$111,177,450.80

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 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.

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 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.

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 OF OR INTEREST ON THE OFFERED BONDS, ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDHOLDERS UNDER THE INDENTURE 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 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. 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. 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 January 2021 Mortgage and Bond Disclosure Report of the Corporation, the audited financial statements of the Corporation as of and for the year ended June 30, 2020, and the unaudited financial statements of the Corporation as of and for the six months ended December 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	**Ms. Sandra Moller** (designee) Division Director 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 January 31, 2021:

Bond Series	Amount Outstanding	Liquidity Provider (or Self-Liquidity)	Facility Expiration Date
Governmental Purpose Bonds, 2001 Series A and B	$ 80,965,000	Federal Home Loan Bank- Des Moines	June 27, 2022
State Capital Project Bonds, 2002 Series C	10,350,000	Self-Liquidity	NA†
Home Mortgage Revenue Bonds, 2002 Series A	31,615,000	Federal Home Loan Bank- Des Moines	September 18, 2021
Home Mortgage Revenue Bonds, 2007 Series A, B and D	217,925,000	Federal Home Loan Bank- Des Moines	May 25, 2021
Home Mortgage Revenue Bonds, 2009 Series A and B	157,270,000	Wells Fargo Bank, N.A.	December 6, 2021
Home Mortgage Revenue Bonds, 2009 Series D	78,620,000	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†
	$956,745,000		

† 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.

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.

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 January 31, 2021, 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 1/31/2021	Issued During Seven Months Ended 1/31/2021	Outstanding as of 1/31/2021
Home Mortgage Revenue Bonds	$ 1,262,675,000	$ 0	$ 485,430,000
State Capital Project Bonds	680,190,000	0	10,350,000
State Capital Project Bonds II	1,649,195,000	96,665,000	1,261,000,000
General Mortgage Revenue Bonds II	835,200,000	209,845,000	582,295,000
Governmental Purpose Bonds	973,170,000	0	80,965,000
Veterans Collateralized Bonds	792,885,000	0	77,245,000
Other Bonds	13,603,684,122	0	0
Total Bonds	$19,796,999,122	$306,510,000	$2,497,285,000

Summary of Bonds Issued and Remaining Outstanding

	Issued through 1/31/2021	Issued During Seven Months Ended 1/31/2021	Outstanding as of 1/31/2021
Tax-Exempt Bonds	$14,495,074,122	$209,845,000	$1,977,285,000
Taxable Bonds	5,301,925,000	96,665,000	520,000,000
Total Bonds	$19,796,999,122	$306,510,000	$2,497,285,000
Self-Liquidity Bonds†	$440,250,000	$0	$390,350,000

† 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 January 31, 2021, the remaining principal balance on this loan was $141,509,362.

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 January 31, 2021, 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 2020	Original Principal Balance of Mortgage Loans Purchased during the Seven Months Ended 1/31/2021
My Home	$191,894,856	$118,233,721
First Home Limited	121,674,619	64,715,896
First Home	78,643,986	53,372,241
Rural	72,793,309	59,562,974
Veterans Mortgage Program	28,430,702	18,053,493
Multi Family and Special Needs	13,284,500	20,976,600
Uniquely Alaskan	745,350	346,050
Other Loan Programs	6,849,886	11,573,071
Total Mortgage Purchases	$514,317,208	$346,834,046
Percentage of Original Principal Balance of Total Mortgage Purchases during Period Representing Streamline Refinance Loans	14.2%	17.7%

Mortgage Portfolio Summary

	As of 6/30/2019	As of 7/31/2020
Mortgages and Participation Loans	$3,222,708,204	$3,054,940,729
Unconventional Loans	61,274,631	58,793,087
Real Estate Owned/Insurance Receivables	4,380,872	2,788,670
Total Mortgage Portfolio	$3,288,363,707	$3,116,522,486

Mortgage Insurance Summary†

Type	Outstanding Principal Balance as of 1/31/2021	Percentage of Total Mortgage Loans by Outstanding Principal Balance
Uninsured††	$1,714,399,400	55.0%
Private Mortgage Insurance†††	797,577,894	25.6
Federally Insured – FHA	217,074,922	7.0
Federally Insured – VA	148,442,073	4.7
Federally Insured – RD	142,283,490	4.6
Federally Insured – HUD 184	96,744,707	3.1
TOTAL	$3,116,522,486	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 1/31/2021	Percentage of Total Mortgage Loans by Outstanding Principal Balance
Radian Guaranty	$204,167,316	6.6%
Essent Guaranty	158,329,268	5.1
Mortgage Guaranty	144,726,445	4.7
United Guaranty	153,247,072	4.9
CMG Mortgage Insurance	69,917,663	2.2
Genworth GE	63,460,309	2.0
National Mortgage Insurance	2,785,687	0.1
Commonwealth	379,590	0.0
PMI Mortgage Insurance	301,565	0.0
Republic Mortgage Insurance	262,979	0.0
TOTAL	$797,577,894	25.6%

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 6/30/2020	As of 1/31/2021
Delinquent 30 Days	2.24%	1.67%
Delinquent 60 Days	2.53	0.97
Delinquent 90 Days or More	3.62	3.48
Total Mortgage Delinquency	8.39%	6.12%

	As of 6/30/2020	Seven Months Ended 1/31/2021
Total Foreclosures	$7,799,147	$1,311,553

The following table set forth certain delinquency information as of January 31, 2021, 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 6/30/2020	As of 1/31/2021
Delinquent 30 Days	1.57%	1.44%
Delinquent 60 Days	0.73	0.75
Delinquent 90 Days or More	0.64	2.49
Total Mortgage Delinquency	2.94%	4.68%

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 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 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, the Consolidated Appropriations Act (the "COVID Relief Act"), signed into law on December 27, 2020, and the American Rescue Plan Act of 2021 (the "ARP Act"), signed into law on March 11, 2021. The CARES Act 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. The COVID Relief Act provides over $900 billion of direct financial aid to American families, payroll and operating expense support for small businesses, loan assistance for distressed industries, education funding, assistance for vaccine testing, tracing and development, and transportation funding. Among other things, the ARP Act established the $9.961 billion Homeowner Assistance Fund (the "HAF") in the Department of Treasury to mitigate financial hardships associated with the Pandemic. The Department of Treasury will allocate more than $9 billion of the HAF to each state of the United States, the District of Columbia and the Commonwealth of Puerto Rico (collectively, the "HAF States") based on homeowner need of each HAF State relative to all HAF States as determined by reference to: (a) the average number of individuals who are unemployed and (b) the total number of mortgagors with mortgages that are (i) more than 30 days past due or (ii) in foreclosure. Each HAF State will be allocated no less than $50 million from the HAF. Each HAF State is required to request such allocated funds within 45 days of the date of enactment of the ARP Act and any unrequested funds will be reallocated amongst those HAF States that have requested allocated funds. Once disbursed to the HAF States, such funds can be used for certain qualified expenses under the ARP Act which include, among others, mortgage payments, reinstating a mortgage after a period of forbearance, delinquency or default, and payment of utilities, internet service, homeowner's, flood and mortgage insurance premiums and homeowner's and condominium association fees and common charges.

Among other things, the CARES Act provides that (a) lenders are prohibited from foreclosing all mortgage loans which are FHA-insured, VA, HUD or RD-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 could seek up to 360 days of payment forbearance. HUD, USDA and VA have extended the timeframe for homeowners with mortgages guaranteed or insured by HUD, USDA or VA to request a forbearance in response to COVID-19 until June 30, 2021, and have expanded forbearance to allow up to two forbearance extensions of up to three months each, in addition to the 360 days authorized under the CARES Act, for certain homeowners who are in a COVID-19 forbearance plan as of June 30, 2020. The Federal Housing Finance Agency ("FHFA") also expanded its forbearance rules for loans purchased or securitized by Fannie Mae or Freddie Mac to allow up to two forbearance extensions of up to three months each, in addition to the 360 days authorized under the CARES Act, for certain homeowners who are in a COVID-19 forbearance plan as of February 28, 2021.

In addition to the foreclosure and eviction relief provided by the CARES Act, HUD/FHA, USDA and FHFA also ordered servicers of Federal Single Family Loans to suspend foreclosures and evictions of Federal Single Family Loans; HUD/FHA, USDA, VA and FHFA have extended their foreclosure and eviction moratoriums for single-family residences several times, currently until at least June 30, 2021. The FHFA foreclosure moratorium applies to Fannie Mae-backed or Freddie Mac-backed single family mortgages only. 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 FHFA, 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. The expiration of such provisions has been subsequently extended, and FHFA has announced that Fannie Mae and Freddie Mac will be further extending such expiration to June 30, 2021. 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.

To further prevent the spread of COVID-19, the Centers for Disease Control and Prevention (the "CDC"), located within the Department of Health and Human Services, issued an order on September 4, 2020 (the "CDC Order"), entitled "Temporary Halt in Residential

Evictions" (85 Fed. Reg. 55,292), under Section 361 of the Public Health Service Act (42 U.S.C. 264), preventing any entity with a legal right to pursue eviction, or other possessory action, from evicting certain covered persons from residential properties through December 31, 2020. The CDC Order was extended pursuant to the COVID Relief Act through January 31, 2021.

On January 20, 2021, the President signed an Executive Order requesting that the CDC extend the expiration of the CDC Order and that other federal agencies extend the expiration of foreclosure protection and forbearance availability described in the fourth paragraph under this subheading "COVID-19," in each case through March 31, 2021. The CDC, FHA, HUD, USDA (RD), VA, Fannie Mae and Freddie Mac have each extended such expiration as described above. On February 25, 2021, the U.S. District Court for the Eastern District of Texas entered a declaratory judgment declaring the CDC Order unconstitutional. The court did not enter an injunction against enforcement of the CDC Order but left open that possibility if the federal government does not abide by the declaratory judgment. The U.S. Department of Justice has appealed the decision to the U.S. Court of Appeals for the Fifth Circuit.

With respect to all mortgage loans of the Corporation, as of January 31, 2021, the Corporation had granted forbearance requests with respect to 311 of such loans, which had an approximate aggregate principal balance as of such date of $77,794,574, representing approximately 2.55% by dollar volume of all mortgage loans of the Corporation. Forbearance requests where borrowers are currently delinquent represent only 194 of such loans, which had an approximate aggregate principal balance as of January 31, 2021 of $44,084,757, representing approximately 1.44% 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. The Governor thereafter 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) 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.

On April 9, 2020, the President 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.

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 effective January 15, 2021, only a limited number of health mandates remained in effect, including (1) requiring all international and interstate travelers to complete a travel declaration form and self-isolation plan, and not allowing any person currently testing positive with COVID-19 to travel to Alaska until they have been released from isolation, or cleared for travel, by a medical provider or public health agency; (2) permitting people arriving in the State to demonstrate that they have tested negative for COVID-19 within 72 hours of arrival and agree to follow social distancing protocols; (3) providing shelter for first responders, healthcare workers, and homeless families and individuals who require quarantine and isolation; (4) providing guidance for services provided by certain health care providers; (5) providing protective measures for independent commercial fishing vessels; and (6) providing guidance on the ability of individuals within the State to travel.

On February 14, 2021, all then-existing public health orders (which were issued under power of law), health mandates (which provided for civil and criminal enforcement) and health alerts expired or were superseded or rescinded and were thereafter no longer valid, and on that date, the Alaska Department of Social Services issued four new health advisories relating to COVID-19: Health Advisory No. 1, "Recommendations for Keeping Alaskans Safe," suggesting recommended measures such as wearing a cloth face covering/mask, social distancing, monitoring health and staying home when sick, practicing good hygiene, and testing and quarantine recommendations; Health Advisory No. 2, "International and Interstate Travel," suggesting recommended measures for such travelers with respect to COVID-19, including completion of a travel declaration form and a self-isolation plan in the State's online Travel Portal and new pre-travel testing recommendations; Health Advisory No. 3, "Intrastate Travel," suggesting recommended measures regarding travel from the Alaska Road System and Marine Highway System to communities off the Alaska Road System and Marine Highway System, and vice versa, with respect to community restrictions and critical infrastructure access and testing recommendations; and Health Advisory No. 4, "Critical Infrastructure," suggesting recommended measures for critical infrastructure businesses in general and in particular for seafood processing workers, independent commercial fishing vessels and independent commercial fishing harvesters.

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, 2020, 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				
	2020	**2019**	**2018**	**2017**	**2016**
Total Assets and Deferred Outflows	$4,609,943	$4,322,532	$4,101,560	$3,939,741	$3,930,554
Total Liabilities and Deferred Inflows	3,002,979	2,751,109	2,562,864	2,426,113	2,431,021
Total Net Position	1,606,964	1,571,423	1,538,696	1,513,628	1,499,533
Total Operating Revenues	251,076	256,033	246,280	249,479	274,180
Total Operating Expenses	215,535	221,200	212,697	235,134	259,979
Operating Income (Loss)	35,541	34,833	33,583	14,345	14,201
Contribution to State or State agency	0	(2,106)	(125)	(250)	(149)
Special Item	0	0	0	0	0
Change in Net Position	$35,541	$32,727	$33,458	$14,095	$14,052

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, 2020, 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 December 31, 2020 (in thousands).

	Dividend Due to State	Expenditures	Remaining Commitments
State General Fund Transfers	$ 817,875	$ (788,948)	$ 28,927
State Capital Projects Debt Service	494,877	(476,877)	18,000
State of Alaska Capital Projects	281,204	(251,839)	29,365
Corporation Capital Projects	550,292	(498,955)	51,337
Total	$2,144,248	$(2,016,619)	$127,629

(Includes FY22 Dividend of $42.6 million, to be approved by the Legislature in the 2021 Session)

Corporation Budget Legislation

The Corporation's fiscal year 2022 operating budget is expected to be enacted by the Legislature during the 2021 legislative session. Consistent with the Transfer Plan, the expected fiscal year 2022 operating budget estimates that $42.6 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, (A) assuming compliance with certain covenants which are designed to meet the requirements of the Code, under existing laws, regulations, rulings and judicial decisions, (i) interest on the Offered Bonds (including any original issue discount properly allocable to the owner of an Offered Bond) is *excluded* from gross income for federal income tax purposes and (ii) interest on the Offered Bonds is not a specific preference item for purposes of the alternative minimum tax imposed under the Code; and (B) interest on the Offered Bonds 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).

Compliance

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Offered Bonds, including compliance with restrictions on the yield of investments and periodic rebate payments to the Federal government. The Tax Certificate as to Arbitrage and the Provisions of Sections 103 and 141-150 of the Internal Revenue Code of 1986 of the Corporation, which will be delivered concurrently with the delivery of the Offered Bonds, will contain provisions and procedures relating to compliance with such requirements of the Code. The Corporation also has covenanted in the Indenture to do and perform all acts and things permitted by law and necessary or desirable to assure that interest paid on the Offered Bonds shall not be included in gross income for federal income tax purposes. Failure to comply with these covenants may result in interest on the Offered Bonds being included in gross income for federal income tax purposes from the date of issuance of the Offered Bonds. The opinions of Co-Bond Counsel assume the Corporation is in compliance with these covenants. Co-Bond Counsel are not aware of any reason why the Corporation cannot or will not be in compliance with such covenants. *However,* Co-Bond Counsel have not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Offered Bonds may affect the tax status of interest on the Offered Bonds.

Original Issue Discount

The Offered Bonds that have an original yield above their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "Discount Bonds"), are being sold at an original issue discount. The difference between the initial public offering prices of such Discount Bonds and their stated amounts to be paid at maturity constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount that is treated as having accrued with respect to a Discount Bond or is otherwise required to be recognized in gross income is added to the cost basis of the owner of the bond in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale or payment at maturity). Amounts received on disposition of such Discount Bond that are attributable to accrued or otherwise recognized original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days that are determined by reference to the maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, (b) less the amount of any interest payable for such Discount Bond during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Bonds 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 and with respect to the state and local tax consequences of owning a Discount Bond. Subsequent purchasers of Discount Bonds that purchase such bonds for a price that is higher or lower than the "adjusted issue price" of the bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

Original Issue Premium

Offered Bonds sold at an initial public offering price that is greater than the stated amount to be paid at maturity constitute "Premium Bonds." An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. An initial purchaser of a Premium Bond must amortize any premium over such Premium Bond's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the purchaser's basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of Premium Bonds should consult with their tax advisors with respect to the determination and treatment of amortizable premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

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 and market 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. However, proposed regulations generally would exclude, among other items, original issue discount (whether or not de minimis) from applicability of the book/tax conformity rule. 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.

Backup Withholding

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the Offered Bonds is subject to information reporting in a manner similar to that with respect to interest paid on taxable obligations. Backup withholding may be imposed on payments to any bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. This reporting requirement does not in and of itself affect or alter the excludability of interest on the Offered Bonds from gross income for federal income tax purposes or any other Federal tax consequence of purchasing, holding or selling tax-exempt obligations.

Certain Additional Federal Tax Consequences

The foregoing is a brief discussion of certain Federal and State income tax matters with respect to the Offered Bonds under existing statutes. It does not purport to deal with all aspects of Federal or State taxation that may be relevant to a particular owner of Offered Bonds. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the Federal, state and local tax consequences of owning and disposing of the Offered Bonds.

Although Co-Bond Counsel will each render an opinion that interest on the Offered Bonds will be excluded from gross income for federal income tax purposes, the accrual or receipt of interest on the Offered Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. Co-Bond Counsel express no opinion regarding any such consequences. Purchasers of the Offered Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States), property or casualty insurance companies, banks, thrifts or other financial institutions or recipients of Social Security or Railroad Retirement benefits, taxpayers otherwise entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations, are advised to consult their tax advisors as to the tax consequences of purchasing, holding or selling the Offered Bonds.

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, 2021, 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 six months ended December 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, 2020, included in Appendix A to this Official Statement, have been audited by Eide Bailly 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 price of $110,884,922.80 (equal to the principal amount of the Offered Bonds, plus original issue premium of $20,464,922.80). The Underwriters will be paid a fee of $236,684.00 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 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.

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 ("Jefferies"), one of the Underwriters of the Offered Bonds, has entered into a distribution agreement with 280 Securities LLC ("280 Securities") for the retail distribution of municipal securities. Pursuant to the agreement, if Jefferies sells Offered Bonds to 280 Securities, it will share a portion of its selling concession compensation with 280 Securities.

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.

FINANCIAL ADVISOR

Masterson Advisors LLC 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. Masterson Advisors LLC, 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

December 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 December 31, 2020
(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
ASSETS					
Current					
Cash	$ 41,612	$ 3,782	$ 53	$ 28,445	$ 73,892
Investments	657,373	-	380,070	9,520	1,046,963
Accrued interest receivable	3,847	-	11,217	117	15,181
Inter-fund due (to)/from	(88,176)	(3,425)	91,665	47	111
Mortgage loans, notes and other loans	4,442	32	88,351	1,114	93,939
Net investment in direct financing lease	-	-	2,238	-	2,238
Other assets	4,392	9,806	-	2,175	16,373
Intergovernmental receivable	111	3,888	-	149	4,148
Total Current	**623,601**	**14,083**	**573,594**	**41,567**	**1,252,845**
Non Current					
Inter-fund due (to)/from	-	1,423	-	-	1,423
Mortgage loans, notes and other loans	127,786	1,056	2,822,177	36,025	2,987,044
Net investment in direct financing lease	-	-	18,049	-	18,049
Capital assets - non-depreciable	2,483	-	-	13,636	16,119
Capital assets - depreciable, net	12,864	42	-	50,381	63,287
Other assets	2,795	-	909	-	3,704
Total Non Current	**145,928**	**2,521**	**2,841,135**	**100,042**	**3,089,626**
Total Assets	**769,529**	**16,604**	**3,414,729**	**141,609**	**4,342,471**
DEFERRED OUTFLOW OF RESOURCES	**7,309**	**-**	**228,473**	**-**	**235,782**
LIABILITIES					
Current					
Bonds payable	-	-	95,835	-	95,835
Short term debt	124,987	-	-	-	124,987
Accrued interest payable	-	-	8,492	-	8,492
Other liabilities	10,620	6,907	848	1,080	19,455
Intergovernmental payable	-	-	53	1	54
Total Current	**135,607**	**6,907**	**105,228**	**1,081**	**248,823**
Non Current					
Bonds payable	-	-	2,492,657	-	2,492,657
Other liabilities	2,922	-	-	-	2,922
Derivative instrument - interest rate swaps	-	-	203,745	-	203,745
Pension & OPEB liability	36,968	-	-	-	36,968
Total Non Current	**39,890**	**-**	**2,696,402**	**-**	**2,736,292**
Total Liabilities	**175,497**	**6,907**	**2,801,630**	**1,081**	**2,985,115**
DEFERRED INFLOW OF RESOURCES	**2,861**	**-**	**-**	**-**	**2,861**
NET POSITION					
Net investment in capital assets	15,347	42	-	64,017	79,406
Restricted by bond resolutions	-	-	659,274	-	659,274
Restricted by contractual or statutory agreements	140,093	13,783	-	77,268	231,144
Unrestricted or (deficit)	443,040	(4,128)	182,298	(757)	620,453
Total Net Position	**$ 598,480**	**$ 9,697**	**$ 841,572**	**$ 140,528**	**$ 1,590,277**

See accompanying notes to the financial statements.

Exhibit A

Alaska Corporation for Affordable Housing	Total December 31, 2020
$ 8,589	$ 82,481
-	1,046,963
110	15,291
(111)	-
-	93,939
-	2,238
206	16,579
-	4,148
8,794	**1,261,639**
(1,423)	-
12,785	2,999,829
-	18,049
4,740	20,859
-	63,287
1	3,705
16,103	**3,105,729**
24,897	**4,367,368**
-	**235,782**
-	95,835
-	124,987
-	8,492
-	19,455
-	54
-	**248,823**
-	2,492,657
291	3,213
-	203,745
-	36,968
291	**2,736,583**
291	**2,985,406**
-	**2,861**
4,740	84,146
-	659,274
19,912	251,056
(46)	620,407
$ 24,606	**$ 1,614,883**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
COMBINED – ALL MAJOR PROGRAMS
For the Six Months Ended December 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	$ 4,126	$ -	$ 63,603	$ 677	$ 68,406
Investment interest	2,539	4	1,821	29	4,393
Net change in the fair value of investments	(1,595)	-	(79)	-	(1,674)
Net change of hedge termination	-	-	277	-	277
Total Investment Revenue	944	4	2,019	29	2,996
Grant revenue	-	36,621	-	782	37,403
Housing rental subsidies	-	-	-	5,667	5,667
Rental revenue	4	-	-	5,472	5,476
Gain (Loss) on Disposal of Capital Assets	14	-	-	16	30
Other revenue	1,368	509	180	-	2,057
Total Operating Revenues	**6,456**	**37,134**	**65,802**	**12,643**	**122,035**
OPERATING EXPENSES					
Interest	132	-	35,821	-	35,953
Mortgage and loan costs	649	-	4,962	63	5,674
Bond financing expenses	481	-	2,998	-	3,479
Provision for loan loss	(427)	26	(1,235)	(56)	(1,692)
Operations and administration	8,119	5,118	2,242	7,727	23,206
Rental housing operating expenses	-	8	-	7,273	7,281
Grant expense	-	39,991	-	-	39,991
Total Operating Expenses	**8,954**	**45,143**	**44,788**	**15,007**	**113,892**
Operating Income (Loss)	**(2,498)**	**(8,009)**	**21,014**	**(2,364)**	**8,143**
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	(198)	-	-	-	(198)
Interfund receipts (payments) for operations	44,261	7,697	(53,800)	1,303	(539)
Change in Net Position	41,565	(312)	(32,786)	(1,061)	7,406
Net position at beginning of year	556,915	10,009	874,358	141,589	1,582,871
Net Position at End of Period	**$ 598,480**	**$ 9,697**	**$ 841,572**	**$ 140,528**	**$ 1,590,277**

See accompanying notes to the financial statements.

Exhibit B

Alaska Corporation for Affordable Housing	Total December 31, 2020
$ 69	$ 68,475
6	4,399
-	(1,674)
-	277
6	3,002
-	37,403
-	5,667
100	5,576
-	30
-	2,057
175	**122,210**
-	35,953
-	5,674
-	3,479
2	(1,690)
198	23,404
1	7,282
-	39,991
201	**114,093**
(26)	**8,117**
-	(198)
539	-
513	7,919
24,093	1,606,964
$ 24,606	**$ 1,614,883**

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

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
CASH FLOWS					
Operating Activities					
Interest income on mortgages and loans	$ 6,560	$ -	$ 60,399	$ 627	$ 67,586
Principal receipts on mortgages and loans	7,108	-	426,296	4,664	438,068
Disbursements to fund mortgages and loans	(284,310)	-	-	-	(284,310)
Receipts (payments) for interfund loan transfers	244,386	-	(244,386)	-	-
Mortgage and loan proceeds receipts	514,078	-	-	-	514,078
Mortgage and loan proceeds paid to funds	(504,556)	-	-	-	(504,556)
Payroll-related disbursements	(10,486)	(2,462)	-	(4,757)	(17,705)
Payments for goods and services	(10,757)	(403)	-	(7,368)	(18,528)
Receipts for externally funded programs	-	14,553	-	6,185	20,738
Receipts for Federal HAP subsidies	-	16,990	-	-	16,990
Payments for Federal HAP subsidies	-	(17,309)	-	-	(17,309)
Interfund receipts (payments)	(11,621)	10,902	-	130	(589)
Grant payments to other agencies	-	(28,064)	-	-	(28,064)
Other operating cash receipts (payments)	2,109	1,336	(136)	5,256	8,565
Net Cash Receipts (Disbursements)	**(47,489)**	**(4,457)**	**242,173**	**4,737**	**194,964**
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	325,609	-	325,609
Principal paid on bonds	-	-	(209,741)	-	(209,741)
Payments to defease bonds	-	-	(96,665)	-	(96,665)
Payment of bond issuance costs	(992)	-	(1,025)	-	(2,017)
Interest paid on bonds	-	-	(38,440)	-	(38,440)
Proceeds from short-term debt issuance	582,584	-	-	-	582,584
Payment of short term debt	(573,095)	-	-	-	(573,095)
Contributions to State of Alaska or State agencies	(198)	-	-	-	(198)
Transfers from (to) other funds	185,130	-	(185,130)	-	-
Net Cash Receipts (Disbursements)	**193,429**	**-**	**(205,392)**	**-**	**(11,963)**
Capital Financing Activities					
Acquisition of capital assets	-	-	-	(148)	(148)
Proceeds from the disposal of capital assets	14	-	-	16	30
Principal paid on capital notes	-	-	(3,404)	-	(3,404)
Interest paid on capital notes	-	-	(590)	-	(590)
Proceeds from direct financing leases	-	-	3,303	-	3,303
Net Cash Receipts (Disbursements)	**14**	**-**	**(691)**	**(132)**	**(809)**
Investing Activities					
Purchase of investments	(1,895,737)	-	(1,040,867)	(9,520)	(2,946,124)
Proceeds from maturity of investments	1,760,771	-	1,003,875	4,223	2,768,869
Interest received from investments	2,586	4	766	28	3,384
Net Cash Receipts (Disbursements)	**(132,380)**	**4**	**(36,226)**	**(5,269)**	**(173,871)**
Net Increase (decrease) in cash	13,574	(4,453)	(136)	(664)	8,321
Cash at beginning of year	28,038	8,235	189	29,109	65,571
Cash at end of period	**$ 41,612**	**$ 3,782**	**$ 53**	**$ 28,445**	**$ 73,892**

Exhibit C

Alaska Corporation for Affordable Housing	Total December 31, 2020
$ -	$ 67,586
-	438,068
(27)	(284,337)
-	-
-	514,078
-	(504,556)
(136)	(17,841)
(63)	(18,591)
-	20,738
-	16,990
-	(17,309)
589	-
-	(28,064)
20	8,585
383	**195,347**
-	325,609
-	(209,741)
-	(96,665)
-	(2,017)
-	(38,440)
-	582,584
-	(573,095)
-	(198)
-	-
-	**(11,963)**
-	(148)
-	30
-	(3,404)
-	(590)
-	3,303
-	**(809)**
-	(2,946,124)
-	2,768,869
6	3,390
6	**(173,865)**
389	8,710
8,200	73,771
$ 8,589	**$ 82,481**

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

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
RECONCILIATION					
Operating Income (Loss) to Net Cash					
Operating income (loss)	$ (2,498)	$ (8,009)	$ 21,014	$ (2,364)	$ 8,143
Adjustments:					
Depreciation expense	506	8	-	2,701	3,215
Provision for loan loss	(427)	26	(1,235)	(56)	(1,692)
Net change in the fair value of investments	1,595	-	79	-	1,674
Interfund receipts (payments) for operations	44,261	7,697	(53,800)	1,303	(539)
Interest received from investments	(2,586)	(4)	(766)	(28)	(3,384)
Interest paid on bonds and capital notes	-	-	39,030	-	39,030
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	39,090	27	117,842	5,587	162,546
Net increase (decrease) in assets, liabilities, and deferred resources	(127,430)	(4,202)	120,009	(2,406)	(14,029)
Net Operating Cash Receipts (Disbursements)	**$ (47,489)**	**$ (4,457)**	**$ 242,173**	**$ 4,737**	**$ 194,964**
Non-Cash Activities					
Deferred outflow of resources - derivatives	-	-	(126,533)	-	(126,533)
Derivative instruments liability	-	-	(126,240)	-	(126,240)
Net change of hedge termination	-	-	269	-	269
Deferred outflow debt refunding	-	-	(5,092)	-	(5,092)
Total Non-Cash Activities	**$ -**	**$ -**	**$ (257,596)**	**$ -**	**$ (257,596)**

See accompanying notes to the financial statements.

Exhibit C

Alaska Corporation for Affordable Housing	Total December 31, 2020
$ (26)	$ 8,117
-	3,215
2	(1,690)
-	1,674
539	-
(6)	(3,390)
-	39,030
(24)	162,522
(102)	(14,131)
$ 383	**$ 195,347**
-	(126,533)
-	(126,240)
-	269
-	(5,092)
$ -	**$ (257,596)**

NOTE DISCLOSURES INDEX

FOR THE SIX MONTHS ENDED DECEMBER 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 statement..

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 affiliates 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 affiliate issues annual audited financial statements. Copies may be found at the following links, or please contact AHFC to obtain a copy. The affiliates 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 affiliates of AHFC are not closely related, nor financially integrated with AHFC. There is no financial accountability for the other affiliates 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 affiliates 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.

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. Costs of issuance are expensed when incurred.

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):

	December 31, 2020
Restricted cash	$ 49,851
Unrestricted cash	32,630
Carrying amount	82,481
Bank balance	$ 81,312

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	December 31, 2020
Commercial paper & medium-term notes	$ 681,664	$ -	$ -	$ -	$ 681,664
Corporate Certificates of Deposit	20,031	-	-	-	20,031
Money market funds	343,761	-	-	-	343,761
Total not including GeFONSI	$ 1,045,456	$ -	$ -	$ -	$ 1,045,456
GeFONSI pool					1,507
Total AHFC Investment Portfolio					$ 1,046,963

Restricted Investments

A large portion of the Corporation's investments, $517,219,000, is restricted by bond resolutions, contractual agreements, and statutory agreements, and the remainder, $529,744,000, 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):

		December 31, 2020
Ending unrealized holding gain	$	1,860
Beginning unrealized holding gain		3,433
Net change in unrealized holding gai		(1,573)
Net realized gain (loss)		(101)
Net increase (decrease) in fair value	$	(1,674)

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 December 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
Commercial paper, medium-term notes and Certificates of Deposit:	A-1+	P-1	F-1+	$ 45,519
	A-1+	P-1	F-1	250
	A-1+	P-1	NA	144,909
	A-1	P-1	F-1+	50,656
	A-1	P-1	F-1	160,022
	A-1	P-1	NA	151,213
	A-1	P-1	WR	15,227
	NA	P-1	F1+	250
	NA	P-1	F1	250
	A-2	P-1	F1+	19,971
	A-1	P-2	F1	35,556
	A-2	P-2	F1	32,492
	A-2	P-1	NA	10,386
	NA	P-2	F1	34,994
				701,695
Money market funds:	AAAm	Aaa	AAA	332,979
	AAAm	WR	AAA	10,782
				343,761
				$ 1,045,456

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 December 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
Morgan Stanley	$ 310,363	29.64%
Toronto Dominion Bank	106,033	10.13%
Groupe BPCE	55,319	5.28%

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. As stated in the Corporation's Fiscal Policies, credit risk is mitigated by limiting investments to those highly-rated securities permitted in the Fiscal Policies and by pre-qualifying firms through which the Corporation administers its investment activities.

Of the Corporation's $81,312,000 bank balance at December 31, 2020, cash deposits in the amount of $3,405,000 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. As stated in the Corporation's Fiscal Policies, 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 December 31, 2020:

	Investment Fair Value		Modified Duration
Certificate of deposit	$	20,031	0.288
Commercial paper & medium-term notes:			
Commercial paper discounts		674,469	0.277
Medium-term notes		7,195	0.397
Money market funds		343,761	0.000
Portfolio modified duration	$	1,045,456	0.187

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 was $1,507,000 on December 31, 2020.

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 December 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	$ -	$ 5,187	$ -	$ 1,218	$ 111	$ 6,516
Grant Programs	1,762	-	-	-	1,423	3,185
Mortgage or Bond Programs	91,665	-	-	-	-	91,665
Other Funds or Programs	1,265	-	-	-	-	1,265
Alaska Corporation for Affordable Housing	-	-	-	-	-	-
Total	$ 94,692	$ 5,187	$ -	$ 1,218	$ 1,534	$102,631

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):

		December 31, 2020
Mortgage loans	$	2,623,600
Multifamily loans		437,110
Other notes receivable		72,931
		3,133,641
Less:		
Allowance for losses		(39,873)
Net Mortgages, Notes & other	$	3,093,768

Of the $3,133,641,000 mortgage loans, notes, and other loans, $93,939,000 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 $13,897,000. Included in the allowance for losses is $1,112,000 for ACAH's notes receivable bringing ACAH's net notes receivable to $12,785,000.

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

		December 31, 2020
Loans Delinquent 30 days or more	$	198,703
Foreclosures during reporting period		1,136
Loans in foreclosure process		7,485
Mortgage-related commitments:		
To purchase mortgage loans	$	142,903

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 December 31,	Parking Garage
2021	$ 3,304
2022	3,304
2023	3,304
2024	3,304
2025	3,304
Thereafter	6,604
Gross payments due	23,124
Less: Unearned revenue	(2,837)
Net investment in direct financing lease	$ 20,287

8 CAPITAL ASSETS

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

	June 30, 2020	Additions	Reductions	December 31, 2020
Non-Depreciable Capital Assets:				
Land	$ 20,859	$ -	$ -	$ 20,859
Total Non-Depreciable	20,859	-	-	20,859
Depreciable Capital Assets:				
Buildings	243,819	-	-	243,819
Computers & Equipment	3,171	-	(10)	3,161
Vehicles	2,573	300	(145)	2,728
Less: Accumulated depreciation				
Buildings	(178,675)	(2,961)	-	(181,636)
Computers & Equipment	(2,675)	(132)	10	(2,797)
Vehicles	(2,011)	(122)	145	(1,988)
Total Depreciable, Net	66,202	(2,915)	-	63,287
Total Capital Assets, Net	$ 87,061	$ (2,915)	$ -	$ 84,146

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

Depreciation expense charged by the Corporation was $3,215,000 for the six months ended December 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 $10,461,000 at December 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 December 31, 2020, were interest rate swap derivatives of $202,287,000, deferred debt refunding expense of $26,186,000, pension deferred outflows of $4,178,000, and other post employment benefits deferred outflows of $3,131,000 for a total of $235,782,000.

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 December 31, 2020, are shown on the next three pages (in thousands):

	Original Amount	December 31, 2020
Housing Bonds:		
Home Mortgage Revenue Bonds, Tax-Exempt:		
● 2002 Series A; Floating Rate*; 0.13% at December 31, 2020, due 2032-2036	$ 170,000	$ 31,615
Unamortized swap termination penalty		(1,485)
● 2007 Series A; Floating Rate*; 0.11% at December 31, 2020, due 2021-2041	75,000	68,285
● 2007 Series B; Floating Rate*; 0.08% at December 31, 2020, due 2021-2041	75,000	68,285
● 2007 Series D; Floating Rate*; 0.08% at December 31, 2020, due 2021-2041	89,370	81,355
● 2009 Series A; Floating Rate*; 0.08% at December 31, 2020, due 2021-2040	80,880	78,635
● 2009 Series B; Floating Rate*; 0.08% at December 31, 2020, due 2021-2040	80,880	78,635
● 2009 Series D; Floating Rate*; 0.08% at December 31, 2020, due 2021-2040	80,870	78,620
Total Home Mortgage Revenue Bonds	652,000	483,945
Collateralized Bonds (Veterans Mortgage Program), Tax-Exempt:		
● 2016 First and Second Series; 1.25% to 3.20%, due 2021-2046	50,000	42,730
● 2019 First and Second Series; 1.70% to 4.00%, due 2021-2048	60,000	35,115
Unamortized premium		736
Total Collateralized Bonds (Veterans Mortgage Program)	110,000	78,581
General Mortgage Revenue Bonds II, Tax-Exempt:		
● 2012 Series A; 2.88%-3.50%, due 2021-2027	145,890	35,595
Unamortized discount		(91)
● 2016 Series A; 1.25%-3.50%, due 2021-2046	100,000	70,545
Unamortized premium		494
● 2018 Series A; 2.00%-4.00%, due 2021-2048	109,260	86,280
Unamortized premium		1,672
● 2018 Series B; 3.45%-5.00%, due 2031-2033	58,520	35,850
Unamortized premium		4,003
● 2019 Series A; 1.20%-3.75%, due 2021-2049	136,700	124,695
Unamortized premium		1,864
● 2019 Series B; 2.50%-5.00%, due 2030-2034	24,985	24,385
Unamortized premium		4,406
● 2020 Series A; 0.15%-3.25%, due 2021-2044	135,170	135,170
Unamortized premium		5,044
● 2020 Series B; 2.00%-5.00%, due 2030-2035	74,675	74,675
Unamortized premium		13,237
Total General Mortgage Revenue Bonds II, Tax-Exempt	$ 785,200	$ 617,824

	Original Amount	December 31, 2020
Housing Bonds (cont.)		
Governmental Purpose Bonds, Tax-Exempt:		
● 2001 Series A; Floating Rate*; 0.08% at December 31, 2020, due 2021-2030	$ 76,580	$ 36,440
Unamortized swap termination penalty		(3,033)
● 2001 Series B; Floating Rate*; 0.08% at December 31, 2020, due 2021-2030	93,590	44,525
Total Governmental Purpose Bonds	170,170	77,932
Total Housing Bonds	1,717,370	1,258,282
Non-Housing Bonds:		
State Capital Project Bonds, Tax-Exempt:		
● 2002 Series C; Floating Rate*; 0.08% at December 31, 2020, due 2021-2022	60,250	13,655
Total State Capital Project Bonds, Tax-Exempt	60,250	13,655
State Capital Project Bonds II, Tax-Exempt:		
● 2012 Series A; 3.25% to 5.00%, due 2021-2032	99,360	15,120
Unamortized premium		503
● 2013 Series A; 4.00% to 5.00%, due 2021-2032	86,765	18,465
Unamortized premium		729
● 2014 Series A; 4.00% to 5.00%, due 2021-2033	95,115	36,140
Unamortized discount		(22)
Unamortized premium		1,323
● 2014 Series B; 5.00%, due 2021-2029	29,285	20,910
Unamortized premium		1,364
● 2014 Series D; 5.00%, due 2021-2029	78,105	68,695
Unamortized premium		5,233
● 2015 Series A; 4.00% to 5.00%, due 2021-2030	111,535	89,895
Unamortized premium		6,816
● 2015 Series B; 3.00% to 5.00%, due 2021-2036	93,365	83,025
Unamortized discount		(157)
Unamortized premium		3,220
● 2015 Series C; 5.00%, due 2021-2035	55,620	43,430
Unamortized premium		4,202
● 2017 Series A; 4.00% to 5.00%, due 2021-2032	143,955	133,325
Unamortized premium		14,388
● 2017 Series C; 5.00%, due 2024-2032	43,855	43,855
Unamortized premium		5,606
● 2018 Series B; 3.125% to 5.00%, due 2021-2038	35,570	33,345
Unamortized discount		(67)
Unamortized premium		3,294
● 2019 Series B; 4.00% to 5.00%, due 2020-2039	60,000	58,130
Unamortized premium		9,123
Total State Capital Project Bonds II, Tax-Exempt	$ 932,530	$ 699,890

	Original Amount	December 31, 2020
Non-Housing Bonds (cont.):		
State Capital Project Bonds II, Taxable:		
• 2017 Series B; Floating Rate*; 0.18% at December 31, 2020, due 2047	$ 150,000	$ 150,000
• 2018 Series A; Floating Rate*; 0.14% at December 31, 2020, due 2031-2043	90,000	90,000
• 2019 Series A; Floating Rate*; 0.13% at December 31, 2020, due 2033-2044	140,000	140,000
• 2020 Series A; 0.53% to 2.18%, due 2021-2033	96,665	96,665
Total State Capital Project Bonds II, Taxable	476,665	476,665
Total Non-Housing Bonds	1,469,445	1,190,210
Direct Placement Bonds, Taxable:		
• 2014 Series C; Indexed Floating Rate**, 0.655% at December 31, 2020, due 2029	140,000	140,000
Total Direct Placement Bonds, Taxable	140,000	140,000
Total Bonds Payable	$ 3,326,815	$ 2,588,492

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	$ 1,648,442	$ 198,887	$ -	$ 1,847,329
Non-Housing	-	-	20,288	20,288
Total	$ 1,648,442	$ 198,887	$ 20,288	$ 1,867,617

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 six months ended December 31, 2020, the Corporation made special redemptions in the amount of $229,805,000.

Advance Refundings

In the six months ending December 31, 2020, the Corporation effected advanced refundings where the proceeds of the issued bonds were used to defease outstanding debt of the Corporation.

A summary of all defeased debt, as of December 31, 2020, follows (in thousands):

	Date Defeased	December 31, 2020
State Capital Project Bonds II, 2012 Series A	December 2017	$ 29,795
State Capital Project Bonds II, 2013 Series A	December 2017	16,345
State Capital Project Bonds II, 2012 Series A	October 2020	17,750
State Capital Project Bonds II, 2013 Series A	October 2020	33,745
State Capital Project Bonds II, 2014 Series A	October 2020	35,200
		$ 132,835

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

Twelve Months Ending December 31,	Housing Bond Debt Service			Non-Housing Bond Debt Service		
	Principal	Interest*	Total	Principal	Interest*	Total
2021	$ 39,095	$ 41,532	$ 80,627	$ 56,740	$ 32,890	$ 89,630
2022	41,975	39,289	81,264	60,100	29,888	89,988
2023	42,795	38,151	80,946	59,480	27,144	86,624
2024	45,410	36,950	82,360	58,130	24,285	82,415
2025	47,345	35,659	83,004	59,260	21,477	80,737
2026-2030	259,810	156,079	415,889	300,925	65,437	366,362
2031-2035	389,290	96,657	485,947	161,760	17,567	179,327
2036-2040	248,780	45,450	294,230	64,305	4,334	68,639
2041-2045	90,995	11,357	102,352	163,955	2,138	166,093
2046-2050	25,940	1,579	27,519	150,000	540	150,540
	$ 1,231,435	$ 502,703	$ 1,734,138	$ 1,134,655	$ 225,700	$ 1,360,355

Twelve Months Ending December 31,	Direct Placement Debt Service			Total Debt Service		
	Principal	Interest*	Total	Principal	Interest*	Total
2021	$ -	$ 4,573	$ 4,573	$ 95,835	$ 78,995	$ 174,830
2022	-	4,573	4,573	102,075	73,751	175,826
2023	-	4,573	4,573	102,275	69,868	172,143
2024	-	4,586	4,586	103,540	65,821	169,361
2025	-	4,573	4,573	106,605	61,709	168,314
2026-2030	140,000	18,306	158,306	700,735	239,823	940,558
2031-2035	-	-	-	551,050	114,224	665,274
2036-2040	-	-	-	313,085	49,784	362,869
2041-2045	-	-	-	254,950	13,495	268,445
2046-2050	-	-	-	175,940	2,119	178,059
	$ 140,000	$ 41,184	$ 181,184	$ 2,506,090	$ 769,589	$ 3,275,679

* 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 December 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 December 31, 2020, follows (in thousands):

	Maximum Issue Amount	Balance as of December 31, 2020	Remaining Authority as of December 31, 2020
Revenue Bonds, 2020 (Old Mat Phase 1 Project)	$ 3,800	$ 50	$ 3,750
Revenue Bonds, 2020 (West 32nd Avenue Project)	3,500	523	2,977
Revenue Bonds, 2020 (Spruce View Apartments Project)	9,500	5,864	3,636
Total	$ 16,800	$ 6,437	$ 10,363

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 December 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 December 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 (I/II)
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 December 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 December 31, 2020	Fair Values June 30, 2020	Change in Fair Value
GP01A	$ 36,440	$ 40,553	$ (4,113)	$ (4,745)	$ 632
GP01B	44,525	53,672	(9,147)	(10,355)	1,208
E021A1	31,615	36,543	(4,928)	(5,630)	702
SC02C	13,655	14,074	(419)	(695)	276
E071AB	130,755	175,787	(45,032)	(51,628)	6,596
E071AD	87,170	116,944	(29,774)	(34,198)	4,424
E091A	70,767	94,547	(23,780)	(27,363)	3,583
E091B	70,767	94,317	(23,550)	(26,920)	3,370
E091ABD	94,356	125,428	(31,072)	(35,591)	4,519
SC14C	140,000	170,472	(30,472)	(35,421)	4,949
Total	$ 720,050	$ 922,337	$ (202,287)	$ (232,546)	$ 30,259

As of December 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 June 30	VRDO Principal	VRDO Interest	Swap Net Payment	Total Payments
2021	$ 14,055	$ 710	$ 12,320	$ 27,085
2022	29,230	1,402	23,879	54,511
2023	27,175	1,377	22,820	51,372
2024	24,750	1,354	21,931	48,035
2025	25,920	1,332	21,076	48,328
2026-2030	288,960	5,830	88,933	383,723
2031-2035	127,845	1,065	44,710	173,620
2036-2040	148,840	502	21,109	170,451
2041-2045	33,275	26	1,030	34,331
	$ 720,050	$ 13,598	$ 257,808	$ 991,456

Credit Risk
As of December 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 32.4% of the total notional amount of the swaps is held with one counterparty rated "AA-/Aa2". Another 27.1% of the total notional amount of the swaps is held with another counterparty rated "A+/Aa1" and 19.4% 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%, 6.2%, and 5.1% 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 December 31, 2020, SIFMA was 0.09% and 1-month LIBOR was 0.14%, resulting in a SIFMA/LIBOR ratio of 62.54%. The 3-month LIBOR was 0.24%, resulting in a SIFMA/LIBOR ratio of 37.75%. 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 December 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	3.77%	70% of 1M LIBOR	07/01/24	A+/Aa1

The change in fair value of the investment derivatives as of December 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 December 31, 2020	Fair Values June 30, 2020	Change in Fair Value
SC02B	$ 14,555	$ 16,013	$ (1,458)	$ (1,735)	$ 277

Credit Risk
As of December 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 six months ended December 31, 2020, is summarized in the following schedule (in thousands):

	June 30, 2020	Additions	Reductions	December 31, 2020	Due Within One Year
Total bonds and notes payable	$ 2,572,813	$ 325,217	$ (309,538)	$ 2,588,492	$ 95,835
Net Pension liability	35,960	-	-	35,960	-
Net OPEB liability	1,008	-	-	1,008	-
Compensated absences	4,732	603	(597)	4,738	1,816
Other liabilities	-	192	(192)	-	-
Total long-term liabilities	$ 2,614,513	$ 326,012	$ (310,327)	$ 2,630,198	$ 97,651

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 six months ended December 31, 2020, was 0.11% and the highest, 0.72%.

Short term debt activity for the six months ended December 31, 2020, is summarized in the following schedule (in thousands).

	June 30, 2020	Additions	Reductions	December 31, 2020
Commercial paper	$ 115,417	$ 582,686	$ (573,095)	$ 125,008
Unamortized discount	(51)	(161)	191	(21)
Commercial paper, net	$ 115,366	$ 582,525	$ (572,904)	$ 124,987

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 December 31, 2020, totaling $1,537,000, represent the difference between expected and actual experience of $532,000 and changes in proportion and differences between employer contributions of $1,005,000 in the State of Alaska's PERS Defined Benefit Retirement Plan. AHFC's OPEB deferred inflows of resources at December 31, 2020, represent $709,000 difference between expected and actual experience, 3,000 changes in assumptions, $430,000 difference between projected and actual investment earnings, and $183,000 changes in proportion and differences between employer contributions in the OPEB plan. The total of all OPEB deferred inflows of resources is $1,324,000. The combined total of all deferred inflows of resources is $2,861,000.

15 TRANSFERS

Transfers for the six months ended December 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	$ -	$ 648	$ 450,056	$ 48	$ -	$450,752
	Grant Programs	8,345	-	-	-	-	8,345
	Mortgage or Bond Programs	396,256	-	-	-	-	396,256
	Other Funds or Programs	1,351	-	-	-	-	1,351
	Alaska Corporation for Affordable Housing	539	-	-	-	-	539
	Total	$ 406,491	$ 648	$ 450,056	$ 48	$ -	$857,243

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 December 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	$ 31,615
2007 Series A, B, D Home Mortgage Revenue Bonds	SBPA	AA+	Aaa	217,925
2009 Series A Home Mortgage Revenue Bonds	SBPA	A+	Aa1	78,635
2009 Series B Home Mortgage Revenue Bonds	SBPA	A+	Aa1	78,635
2009 Series D Home Mortgage Revenue Bonds	SBPA	AA+	Aaa	78,620
2001 Series A & B Governmental Purpose Bonds	SBPA	AA+	Aaa	84,225
State Capital Project Bonds (I & II) & Commercial Paper	RCA	A	A1	300,000
Total				$ 869,655

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 $1,424,000, but rebate liability as of December 31, 2020, was $515,000, resulting in $909,000 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". The following table shows the cumulative total of all dividends due and payable to the State since 1991, and the remaining commitment as of December 31, 2020, (in thousands).

	Dividend Due to State	Expenditures	Remaining Commitments
State General Fund Transfers	$ 817,875	$ (788,948)	$ 28,927
State Capital Projects Debt Service	494,877	(476,877)	18,000
State of Alaska Capital Projects	281,204	(251,839)	29,365
AHFC Capital Projects	550,292	(498,955)	51,337
Total	$ 2,144,248	$ (2,016,619)	$ 127,629

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):

		December 31, 2020
AMHTA Rural Capacity Expansion	$	11
Beneficiaries and Special Needs Housing		1,013
Continuum of Care Homeless Assistance		893
COVID-19 Housing Relief Expansion		48
Alaska Housing Relief Program (AHR)		8,826
Denali Commission Program		144
Domestic Violence		834
Discharge Incentive grant		36
Emergency Shelter Grant (ESG)		38
Energy Efficiency Monitoring Research		111
Foster Youth to Independence		39
HOME Investment Partnership		1,637
Homeless Assistance Program (HAP)		1,349
Housing Choice Vouchers		15,039
Housing Choice Voucher - Mainstream		160
Housing Loan Program		1,007
Housing Opportunities for Persons with AIDS		242
Housing Trust Fund		925
Low Income Weatherization Assistance		2,051
Low Income Home Energy Assistance		428
Non-Elderly Disabled (NED)		113
Parolees (TBRA)		228
Section 811 Rental Housing Assistance		114
Section 8 Rehabilitation		260
Senior Citizen Housing Development Grant		1,483
Supplemental Housing Grant		1,876
Veterans Affairs Supportive Housing		1,024
Youth (TBRA)		62
Total Housing Grants and Subsidies Expenses	$	39,991

In addition to grant payments made, the Corporation had advanced grant funds of $9,294,000 and committed to third parties a sum of $34,216,000 in grant awards as of December 31, 2020.

20 PENSION AND POST-EMPLOYMENT HEALTHCARE PLANS

Description of Plans

As of December 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 2021, 14.57% of covered salary is for the pension plan and 7.43% is for the post-employment healthcare plan.

Under AS39.35.255, the State funds 8.85%, the difference between the actuarial required contribution of 30.85% for fiscal year 2021 and the employer rate of 22.00%.

The Corporation's contributions to the Defined Benefit pension plan for the six months ended December 31, 2020, totaled $708,000.

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

For the year ended June 30, 2020, the Corporation reported a liability for its proportionate share of net pension liability of $35,960,000. This amount reflected State pension support provided to the Corporation of $14,276,000. The total net pension liability associated with the Corporation was $50,236,000.

The net pension liability for the June 30, 2019 measurement date, and the total pension liability used to calculate the new pension liability was determined by an actuarial valuation as of June 30, 2018 and rolled forward to June 30, 2019.

Pension Expense:
The pension expense for the six months ended December 31, 2020, is not available at this time.

For the year ended June 30, 2020, the Corporation recognized pension expense of $5,006,000 and revenue of $1,383,000 for support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:
Deferred outflows of resources and deferred inflow of resources related to Pensions for the six months ended December 31, 2020, are not available at this time.

For the year ended June 30, 2020, the Corporation's deferred outflows of resources related to pension expense of $4,178,000 were due to changes in assumptions of $1,101,000, a difference between projected and actual investment earnings of $516,000 and contributions to the pension plan subsequent to the measurement date of $2,561,000. The

Corporation's deferred inflows of resources related to pension of $1,537,000 were due to a difference between expected and actual experience of $532,000 and a change in proportion and differences between employer contributions of $1,005,000.

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
2021	$ 3,081	$ (385)	$ 2,696
2022	4	(384)	(380)
2023	531	(384)	147
2024	562	(384)	178
	$ 4,178	$ (1,537)	$ 2,641

Pension Employer Contributions:
In 2020, the Corporation was credited with the following contributions to the PERS plan:

	Measurement Period Corporation FY19	Measurement Period Corporation FY18
Employer PERS contributions	$ 2,616,000	$ 2,932,000

Pension and OPEB Actuarial Assumptions:
The total pension and OPEB liabilities for the fiscal year ending June 30, 2020, was determined by an actuarial valuation as of June 30, 2018, rolled forward to the measurement date of June 30, 2019. The valuation was prepared assuming an inflation rate of 2.50%. Salary increases were determined by grading by service to range from 6.75% to 2.75%. The investment rate of return was calculated at 7.38%, net of pension and OPEB plan investment expenses, based on an average inflation rate of 2.50% and a real return of 4.88%.

Mortality rates were based on the RP-2014 table, based upon the 2013-2017 actual experience.

The actuarial assumptions used in the June 30, 2018 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013, to June 30, 2017.

The long-term expected rate of return on pension and OPEB plans 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 and OPEB plans investment expense and inflation) are developed for each major asset class. These ranged 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, excluding the inflation component of 2.50%, for each major asset class included in the and OPEB plans' target asset allocation are summarized in the following:

Asset Class	Long-term Expected Real Rate of Return
Domestic Equity	8.16 %
Global Equity (non-U.S.)	7.51 %
Intermediate treasuries	1.58 %
Opportunistic	3.96 %
Real Assets	4.76 %
Private Equity	11.39 %
Cash Equivalents	0.83 %

Pension Discount rate:
The discount rate used to measure the total pension liability was 7.38%. 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 7.38% and what it would be if the discount was 1% lower (6.38%) or 1% higher (8.38%), (in thousands).

	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
Corporation's proportionate share of the net pension liability	$ 47,462	$ 35,960	$ 26,329

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 2021 are as follows:

	Other Tier IV
Pension Employer Contribution	5.00 %
Occupational Death and Disability Denefits (ODD)	0.31 %
Retiree Medical	1.27 %
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 2021, 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 $2,159.04, representing 3% of total annual covered compensation in the Plan for each full-time employee, and $1.38 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 six months ended December 31, 2020, the Corporation paid additional contributions of $663,000. These contributions equal $439,000 for the defined benefit pension as of December 31, 2020, and $224,000 for the defined benefit post-employment healthcare plans as of December 31, 2020.

The contributions to the pension plan for the six months ended December 31, 2020, by the employees totaled $435,000 and by the Corporation totaled $262,000.

The contributions to Other Post-Employment Benefits (OPEB) plan by the Corporation for the six months ended December 31, 2020, totaled $83,000.

The Corporation contributed $177,000 to a Health Reimbursement Arrangement for the six months ended December 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 six months ended December 31, 2020, totaled $361,000, and for the years ended June 30, 2020, and June 30, 2019, totaled $669,000 and $676,000, respectively.

OPEB Employer Contribution Rate:
In 2020, the Corporation was credited with the following contributions to the OPEB plan:

	Measurement Period Corporation FY19	Measurement Period Corporation FY18
Employer contributions DB	$ 2,616,000	$ 2,932,000
Employer contributions DC RM	82,000	83,000
Employer contributions DC ODD	23,000	13,000
Nonemployer contributions (on-behalf)	-	-
Total Contributions	**$ 2,721,000**	**$ 3,028,000**

Changes in Benefit Provisions Since the Prior Valuation of OPEB:
For the DB and DC RM OPEB plans, in addition to the changes in assumptions due to the experience study displayed in the table "OPEB Actuarial Assumptions," the following assumption changes have been made since the prior evaluation: a) based on recent experience, the healthcare cost trend assumptions were updated, b) per capita claim costs were updated to reflect recent experience, c) healthcare costs trends were updated to reflect a Cadillac tax load. For the DB OPEB only, the changes of the benefit terms are significantly impacted by the adoption of EGWP program, certain prescription drug benefits previously provided by the Plan now provided by Medicare. No changes for DC ODD plan, except for the changes in assumptions due to the experience study displayed in the table "OPEB Actuarial Assumptions."

OPEB healthcare cost trend rates:
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 (includes increase due to the cost plan excise tax (Cadillac tax).

	Medical Pre-65	Medical Post-65	Prescription Drugs/ Employer Group Waiver Plan (EGWP)	RDS
FY19	7.5%	5.5%	8.5%	4.7%
FY20	7.0%	5.4%	8.0%	4.7%
FY21	6.5%	5.4%	7.5%	4.6%
FY22	6.3%	5.4%	7.1%	4.6%
FY23	6.1%	5.4%	6.8%	4.6%
FY24	5.9%	5.4%	6.4%	4.6%
FY25	5.8%	5.4%	6.1%	4.6%
FY26	5.6%	5.4%	5.7%	4.6%
FY27-FY40	5.4%	5.4%	5.4%	4.5%
FY41	5.3%	5.3%	5.3%	4.5%
FY42	5.2%	5.2%	5.2%	4.5%
FY43	5.1%	5.1%	5.1%	4.5%
FY44	5.1%	5.1%	5.1%	4.5%
FY45	5.0%	5.0%	5.0%	4.5%
FY46	4.9%	4.9%	4.9%	4.5%
FY47	4.8%	4.8%	4.8%	4.5%
FY48	4.7%	4.7%	4.7%	4.5%
FY49	4.6%	4.6%	4.6%	4.5%
FY50+	4.5%	4.5%	4.5%	4.5%

Key Elements of OPEB formula:
Liabilities and contributions shown in the report are computed using the Entry Age Normal Actuarial Cost Method. Projected pension and postemployment healthcare benefits were determined for all active members. Cost factors designed to produce annual costs as a constant percentage of each member's expected compensation in each year 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 currently receiving benefits, terminated vested members and disabled members not yet 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.

Post-employment healthcare benefits:
For DB plan 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 full 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 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 1.25% and 1.875% respectively, is valued for the annual automatic Post-Retirement Pension Adjustment (PRPA).

For DC RM and DC ODD retirement eligibility: must retire from the plan and have 30 years of service or be eligible for Medicare and have 10 years of service. Once member becomes eligible for Medicare, the required contribution follows a set plan schedule. The plan's coverage is supplemental to Medicare, referred to in the industry as exclusion coordination. Medicare payment is deducted from the Medicare allowable expense and plan parameters are applied to the remaining amount. Starting in 2019, the prescription drug coverage will be through a Medicare Part D Employer Group Waiver Plan (EGWP) arrangement. The cost of premiums for retiree major medical insurance coverage for an eligible member of surviving spouse who is: a) not eligible for Medicare is an amount equal to the full monthly group premium for retiree major medical insurance coverage; b) eligible based on the years of service. Occupational Disability and Death benefit are 40% of salary at date of qualifying event. Medicare exclusion coordination applies to ODD benefits.

OPEB Liabilities:
OPEB liabilities for the six months ended December 31, 2020, are not available at this time.

For the year ended June 30, 2020, the total net OPEB liability associated with the Corporation was $1,008,000.

For the year ended June 30, 2020, 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:	2020
Corporation's proportionate share of NOL – DB	$ 976,000
Corporation's proportionate share of NOL – DC RM	167,000
State's proportionate share of the NOL associated with the Corporation	-
Total Net OPEB Liabilities	$ 1,143,000

Corporation's proportionate share Net OPEB Assets:	2020
Corporation's proportionate share of NOA – DC ODD	$ 135,000
	-
Total Net OPEB Assets	$ 135,000

The net OPEB liability was measured as of June 30, 2019, and the total pension liability used to calculate the new pension liability was determined by an actuarial valuation as of June 30, 2018, and rolled forward to June 30, 2019.

Corporation's proportionate share Net OPEB Liabilities:	**June 30, 2018 Measurement Date Employer Proportion**	**June 30, 2019 Measurement Date Employer Proportion**	**Change**
DB	0.71460%	0.65680%	(0.05780%)
DC RM	0.71095%	0.69949%	(0.01146%)
DC ODD	0.71095%	0.55609%	(0.15486%)

Changes in Benefit Provisions Since Prior Valuation of OPEB:
For DC RM and DC ODD plans, there were no changes in benefit provisions. For the DB OPEB only, the changes of benefit terms are significantly impacted by the adoption of EGWP program, certain prescription drug benefits previously

provided by the Plan now provided by Medicare. There were changes for the DC RM plan except for the changes in assumptions due to the experience study displayed in the table "OPEB Actuarial Assumptions."

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

For the year ended June 30, 2020, the Corporation recognized OPEB expense of $505,000 and no support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:
Deferred outflows of resources and deferred inflow of resources related to OPEB for the six months ended December 31, 2020, are not available at this time.

For the year ended June 30, 2020, 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, 2020	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Contributions subsequent to the measurement date	$ 1,631	$ -
Difference between expected and actual experience	-	(708)
Difference between projected and actual investment earnings	-	(430)
Changes in assumptions	1,374	(3)
Changes in proportion and differences between employer contributions	126	(183)
Total Deferred Outflows and Deferred Inflows	$ 3,131	$ (1,324)

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**
2021	1,870
2022	(330)
2023	110
2024	141
2025	5
Thereafter	11
	$ 1,807

OPEB Discount rate:
The discount rate used to measure the total OPEB liability was 7.38%. 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 7.38% and what it would be if the discount was 1-percentage-point (6.38%) lower or 1-percentage-point higher (8.38%), (in thousands).

Corporation's proportionate share of the net OPEB liabilities (assets):	Proportional Share		1% Decrease (6.38%)		Current Discount Rate (7.38%)		1% Increase (8.38%)
DB plan	0.65680	$	7,839	$	976	$	(4,672)
DC RM plan	0.69949	$	420	$	167	$	(23)
DC ODD plan	0.55609	$	(128)	$	(135)	$	(140)

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	0.65680	$	(5,333)	$	976	$	8,672
DC RM plan	0.69949	$	(51)	$	167	$	467
DC ODD plan	0.55609		n/a	$	(135)		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: http://doa.alaska.gov/drb/employer/resources/gasb.html#.XtWcbXkzVbs

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

For the year ended June 30, 2020, the Corporation recognized $335,000 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 $1,878,000 as of December 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 six months ended December 31, 2020, totaled $42,000.

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 January 25, 2021, the Corporation closed a $19,000,000 conduit bond issuance for the Jewel Lake Villa Apartments Project for the purpose of making a loan to Jewel Lake Housing Partners, LLC (the borrower) to finance a portion of the costs of acquiring, rehabilitating, and equipping an approximately 129-unit multifamily rental housing development and facilities functionally related to it. The conduit bonds will not constitute an indebtedness of the Corporation or the State of Alaska, but will instead be payable solely by the borrower.

The Corporation has been authorized by Governor Dunleavy and the Legislature to administer up to $200 million in federal funds to eligible Alaskan renters who have been negatively impacted by COVID-19. The new program allows for up to 12 months of financial assistance, with the possibility of extended assistance for an additional three months. Payments will be directed to landlords, property managers and utility providers. Funding will be available at least through September 30, 2021. AHFC is currently developing a program that will adhere to U.S. Treasury Department requirements. Funds will be available for rent and utilities relief, including past due accounts for Alaskans that meet eligibility criteria. Funds will be available to renters statewide with household incomes of no more than 80% of Area Median Income (AMI). To be qualified an applicant must demonstrate negative economic or financial hardship due directly or indirectly to the coronavirus outbreak; or one or more individuals in the household can demonstrate a risk of experiencing housing instability or homelessness.

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 FIVE YEAR FINANCIAL INFORMATION

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

	June 30, 2020	2019	2018	2017	2016
Assets					
Cash	$ 73,772	$ 74,259	$ 69,609	$ 66,343	$ 70,104
Investments	871,387	562,671	596,133	618,544	615,588
Accrued interest receivable	16,183	15,831	14,115	12,771	12,325
Mortgage loans, notes and other loans	3,256,290	3,342,961	3,132,437	2,910,332	2,817,494
Net investment in direct financing lease	22,468	24,780	27,003	29,142	34,555
Capital assets, net	87,061	94,036	100,472	106,762	109,821
Other assets	21,455	21,255	28,684	23,171	35,746
Total Assets	4,348,616	4,135,793	3,968,453	3,767,065	3,695,633
Deferred Outflow of Resources	261,327	186,739	133,107	172,676	234,921
Liabilities					
Bonds and notes payable	2,572,813	2,461,125	2,328,487	2,124,637	2,083,582
Short term debt	115,366	49,469	53,269	82,526	71,589
Accrued interest payable	7,257	8,388	9,984	9,622	9,628
Other liabilities	70,401	70,059	58,868	63,894	55,009
Derivative instrument - interest rate swaps	234,281	158,349	104,674	144,903	210,543
Total Liabilities	3,000,118	2,747,390	2,555,282	2,425,582	2,430,351
Deferred Inflow of Resources	2,861	3,719	7,582	531	670
Total Net Position	$ 1,606,964	$ 1,571,423	$ 1,538,696	$ 1,513,628	$ 1,499,533

	2020	2019	2018	2017	2016
Operating Revenues					
Mortgage and loans revenue	$ 147,068	$ 146,042	$ 135,055	$ 130,538	$ 128,942
Investment interest	13,031	17,404	6,273	4,727	3,595
Net change in fair value of investments	1,922	(838)	2,967	1,899	2,754
Net change of hedge termination	(177)	(278)	760	1,028	(552)
Total Investment Revenue	14,776	16,288	10,000	7,654	5,797
Externally funded programs	76,113	77,143	86,844	96,081	123,782
Rental	11,512	11,926	11,305	11,155	10,707
Other	1,607	4,634	3,076	4,051	4,952
Total Operating Revenues	251,076	256,033	246,280	249,479	274,180
Operating Expenses					
Interest	81,137	76,831	71,246	69,890	70,357
Mortgage and loan costs	14,763	12,034	11,452	10,843	10,836
Operations and administration	40,958	44,781	46,127	56,867	58,373
Financing expenses	5,163	6,054	5,027	4,512	3,556
Provision for loan loss	(6,639)	(5,740)	(4,560)	(5,584)	(5,831)
Housing grants and subsidies	63,800	72,198	68,314	84,310	107,054
Rental housing operating expenses	16,353	15,042	15,091	14,296	15,634
Total Operating Expenses	215,535	221,200	212,697	235,134	259,979
Operating Income (Loss)	35,541	34,833	33,583	14,345	14,201
Non-Operating & Special Item					
Contribution to State or State agency	-	(2,106)	(125)	(250)	(149)
Change in Net Position	$ 35,541	$ 32,727	$ 33,458	$ 14,095	$ 14,052

REQUIRED SUPPLEMENTARY INFORMATION

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

	2020	2019	2018	2017	2016	2015	2014
The Corporation's proportion of the net pension liability (asset)	0.656900%	0.714740%	0.689820%	0.852380%	0.780600%	0.608214%	0.598696%
The Corporation's proportionate share of the net pension liability (asset)	$ 35,960	$ 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	14,276	10,284	13,285	6,003	10,856	22,644	26,434
Total	$ 50,236	$ 45,799	$ 48,945	$ 53,648	$ 48,715	$ 51,012	$ 57,874
The Corporation's covered employee payroll	$11,680	$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	307.88%	282.24%	258.10%	312.39%	232.06%	165.04%	176.48%
Plan fiduciary net position as a percentage of the total pension liability	63.42%	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, 2020, the plan measurement date is June 30, 2019.

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)

	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	$ 2,561	$ 2,727	$ 2,932	$ 2,679	$ 2,475	$ 2,403	$ 2,128
Contributions in relation to the contractually required contributions	2,561	2,727	2,932	2,679	2,475	2,403	2,128
Contribution deficiency (excess)	-	-	-	-	-	-	-
The Corporation's covered employee payroll	10,681	11,680	12,583	13,817	15,252	16,314	17,189
Contributions as a percentage of covered-employee payroll	23.98%	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 2020. These contributions are reported as a deferred outflow of resources on the June 30, 2020 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):

	2020	2019	2018	2017
The Corporation's proportion of the net OPEB liability (asset) for Defined Benefit - Retiree Medical	0.65680000%	0.71458000%	0.68992000%	0.85265000%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans - Retiree Medical Plan	0.69949000%	0.71095000%	0.70310000%	0.66252000%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans - Occupational Death & Disability Plan	0.55609000%	0.71095000%	0.70310000%	0.66252000%
The Corporation's proportionate share of the net OPEB liability (asset)	$ 1,007	$ 7,286	$ 5,765	$ 9,752
State's proportionate share of the net OPEB liability (asset) associated with the Corporation	388	2,129	2,173	-
Total	$ 1,395	$ 9,415	$ 7,939	$ 9,752
The Corporation's covered employee payroll	$ 20,890	$ 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	4.82%	35.32%	27.28%	45.09%
Defined Benefit - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	98.13%	88.12%	89.68%	85.45%
Defined Contribution - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	83.17%	88.71%	93.98%	86.82%
Defined Contribution - Occupational Death & Disability Plan fiduciary net position as a percentage of the total OPEB liability	297.43%	270.62%	212.97%	245.29%

Information in this table is presented based on the Plan measurement date. For June 30, 2020, the plan measurement date is June 30, 2019.

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 period.

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)

	2020	2019	2018	2017
Contractually required contributions	$ 1,358	$ 1,325	$ 1,189	$ 1,593
Contributions in relation to the contractually required contributions	1,358	1,325	1,189	1,593
Contribution deficiency (excess)	-	-	-	-
The Corporation's covered employee payroll	20,890	20,775	20,629	21,133
Contributions as a percentage of covered-employee payroll	6.50%	6.38%	5.76%	7.54%

This table reports the Corporation's OPEB contributions to SOA during fiscal year 2020. These contributions are reported as a deferred outflow of resources on the June 30, 2020 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 December 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
ASSETS					
Current					
Cash	$ 41,612	$ -	$ -	$ -	$ -
Investments	657,373	92,020	39,769	-	8,091
Accrued interest receivable	3,847	2,691	2,233	-	335
Inter-fund due (to)/from	(88,176)	21,691	18,740	-	2,642
Mortgage loans, notes and other loans	4,442	20,499	22,666	-	3,113
Net investment in direct financing lease	-	-	-	-	-
Other assets	4,392	-	-	-	-
Intergovernmental receivable	111	-	-	-	-
Total Current	**623,601**	**136,901**	**83,408**	**-**	**14,181**
Non Current					
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	127,786	662,792	698,342	-	100,659
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	2,483	-	-	-	-
Capital assets - depreciable, net	12,864	-	-	-	-
Other assets	2,795	-	-	-	-
Total Non Current	**145,928**	**662,792**	**698,342**	**-**	**100,659**
Total Assets	**769,529**	**799,693**	**781,750**	**-**	**114,840**
DEFERRED OUTFLOW OF RESOURCES	**7,309**	**164,396**	**1,007**	**-**	**-**
LIABILITIES					
Current					
Bonds payable	-	13,130	17,115	-	2,115
Short term debt	124,987	-	-	-	-
Accrued interest payable	-	1,531	2,655	-	186
Other liabilities	10,620	250	212	-	30
Intergovernmental payable	-	-	-	-	-
Total Current	**135,607**	**14,911**	**19,982**	**-**	**2,331**
Non Current					
Bonds payable	-	470,814	600,709	-	76,466
Other liabilities	2,922	-	-	-	-
Derivative instrument - interest rate swaps	-	158,136	-	-	-
Pension & OPEB liability	36,968	-	-	-	-
Total Non Current	**39,890**	**628,950**	**600,709**	**-**	**76,466**
Total Liabilities	**175,497**	**643,861**	**620,691**	**-**	**78,797**
DEFERRED INFLOW OF RESOURCES	**2,861**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	15,347	-	-	-	-
Restricted by bond resolutions	-	320,228	162,066	-	36,043
Restricted by contractual or statutory agreements	140,093	-	-	-	-
Unrestricted or (deficit)	443,040	-	-	-	-
Total Net Position	**$ 598,480**	**$ 320,228**	**$ 162,066**	**$ -**	**$ 36,043**

See accompanying notes to the financial statements.

Schedule 1

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total December 31, 2020
$ -	$ 53	$ 40,816	$ 82,481
58,997	181,193	9,520	1,046,963
435	5,523	227	15,291
5,933	42,659	(3,489)	-
4,586	37,487	1,146	93,939
-	2,238	-	2,238
-	-	12,187	16,579
-	-	4,037	4,148
69,951	**269,153**	**64,444**	**1,261,639**
-	-	-	-
148,275	1,212,109	49,866	2,999,829
-	18,049	-	18,049
-	-	18,376	20,859
-	-	50,423	63,287
909	-	1	3,705
149,184	**1,230,158**	**118,666**	**3,105,729**
219,135	**1,499,311**	**183,110**	**4,367,368**
13,260	**49,810**	**-**	**235,782**
6,735	56,740	-	95,835
-	-	-	124,987
227	3,893	-	8,492
39	317	7,987	19,455
-	53	1	54
7,001	**61,003**	**7,988**	**248,823**
71,197	1,273,471	-	2,492,657
-	-	291	3,213
13,260	32,349	-	203,745
-	-	-	36,968
84,457	**1,305,820**	**291**	**2,736,583**
91,458	**1,366,823**	**8,279**	**2,985,406**
-	**-**	**-**	**2,861**
-	-	68,799	84,146
140,937	-	-	659,274
-	-	110,963	251,056
-	182,298	(4,931)	620,407
$ 140,937	**$ 182,298**	**$ 174,831**	**$ 1,614,883**

ALASKA HOUSING FINANCE CORPORATION **Schedule 2**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
ADMINISTRATIVE FUND
As of December 31, 2020
(in thousands of dollars)

	Administrative Fund
ASSETS	
Current	
Cash	$ 41,612
Investments	657,373
Accrued interest receivable	3,847
Inter-fund due (to)/from	(88,176)
Mortgage loans, notes and other loans	4,442
Net investment in direct financing lease	-
Other assets	4,392
Intergovernmental receivable	111
Total Current	**623,601**
Non Current	
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	127,786
Net investment in direct financing lease	-
Capital assets - non-depreciable	2,483
Capital assets - depreciable, net	12,864
Other assets	2,795
Total Non Current	**145,928**
Total Assets	**769,529**
DEFERRED OUTFLOW OF RESOURCES	**7,309**
LIABILITIES	
Current	
Bonds payable	-
Short term debt	124,987
Accrued interest payable	-
Other liabilities	10,620
Intergovernmental payable	-
Total Current	**135,607**
Non Current	
Bonds payable	-
Other liabilities	2,922
Derivative instrument - interest rate swaps	-
Pension & OPEB liability	36,968
Total Non Current	**39,890**
Total Liabilities	**175,497**
DEFERRED INFLOW OF RESOURCES	**2,861**
NET POSITION	
Net investment in capital assets	15,347
Restricted by bond resolutions	-
Restricted by contractual or statutory agreements	140,093
Unrestricted or (deficit)	443,040
Total Net Position	**$ 598,480**

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 December 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
ASSETS					
Current					
Cash	$ -	$ -	$ -	$ -	$ -
Investments	8,424	12,801	9,199	12,617	15,423
Accrued interest receivable	281	254	334	372	479
Inter-fund due (to)/from	1,158	1,292	2,028	4,615	3,482
Mortgage loans, notes and other loans	2,055	2,289	2,258	3,000	3,393
Net investment in direct financing lease	-	-	-	-	-
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	**11,918**	**16,636**	**13,819**	**20,604**	**22,777**
Non Current					
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	66,450	73,998	73,009	96,992	109,715
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
Total Non Current	**66,450**	**73,998**	**73,009**	**96,992**	**109,715**
Total Assets	**78,368**	**90,634**	**86,828**	**117,596**	**132,492**
DEFERRED OUTFLOW OF RESOURCES	**4,928**	**24,620**	**24,603**	**29,138**	**27,285**
LIABILITIES					
Current					
Bonds payable	-	1,895	1,895	2,255	2,365
Short term debt	-	-	-	-	-
Accrued interest payable	81	218	217	259	252
Other liabilities	27	25	30	35	44
Intergovernmental payable	-	-	-	-	-
Total Current	**108**	**2,138**	**2,142**	**2,549**	**2,661**
Non Current					
Bonds payable	30,129	66,390	66,390	79,100	76,270
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	4,928	23,517	23,501	27,787	26,372
Pension & OPEB liability	-	-	-	-	-
Total Non Current	**35,057**	**89,907**	**89,891**	**106,887**	**102,642**
Total Liabilities	**35,165**	**92,045**	**92,033**	**109,436**	**105,303**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	48,131	23,209	19,398	37,298	54,474
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total Net Position	**$ 48,131**	**$ 23,209**	**$ 19,398**	**$ 37,298**	**$ 54,474**

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total December 31, 2020
$ -	$ -	$ -
17,703	15,853	92,020
447	524	2,691
4,488	4,628	21,691
3,590	3,914	20,499
-	-	-
-	-	-
-	-	-
26,228	**24,919**	**136,901**
-	-	-
116,076	126,552	662,792
-	-	-
-	-	-
-	-	-
-	-	-
116,076	**126,552**	**662,792**
142,304	**151,471**	**799,693**
27,054	**26,768**	**164,396**
2,365	2,355	13,130
-	-	-
252	252	1,531
42	47	250
-	-	-
2,659	**2,654**	**14,911**
76,270	76,265	470,814
-	-	-
26,141	25,890	158,136
-	-	-
102,411	**102,155**	**628,950**
105,070	**104,809**	**643,861**
-	**-**	**-**
-	-	-
64,288	73,430	320,228
-	-	-
-	-	-
$ 64,288	**$ 73,430**	**$ 320,228**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
GENERAL MORTGAGE REVENUE BONDS
As of December 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	General Mortgage Revenue Bonds II 2020 A & B
ASSETS					
Current					
Cash	$ -	$ -	$ -	$ -	$ -
Investments	5,020	2,936	6,902	6,264	18,647
Accrued interest receivable	276	222	497	492	746
Inter-fund due (to)/from	1,519	1,546	6,347	4,242	5,086
Mortgage loans, notes and other loans	4,351	2,400	4,252	4,631	7,032
Net investment in direct financing lease	-	-	-	-	-
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	**11,166**	**7,104**	**17,998**	**15,629**	**31,511**
Non Current					
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	106,175	77,584	137,471	149,734	227,378
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
Total Non Current	**106,175**	**77,584**	**137,471**	**149,734**	**227,378**
Total Assets	**117,341**	**84,688**	**155,469**	**165,363**	**258,889**
DEFERRED OUTFLOW OF RESOURCES	**1,007**	**-**	**-**	**-**	**-**
LIABILITIES					
Current					
Bonds payable	4,375	4,270	1,780	3,075	3,615
Short term debt	-	-	-	-	-
Accrued interest payable	97	150	390	360	1,658
Other liabilities	25	24	44	47	72
Intergovernmental payable	-	-	-	-	-
Total Current	**4,497**	**4,444**	**2,214**	**3,482**	**5,345**
Non Current					
Bonds payable	31,129	66,769	126,025	152,275	224,511
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension & OPEB liability	-	-	-	-	-
Total Non Current	**31,129**	**66,769**	**126,025**	**152,275**	**224,511**
Total Liabilities	**35,626**	**71,213**	**128,239**	**155,757**	**229,856**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	82,722	13,475	27,230	9,606	29,033
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total Net Position	**$ 82,722**	**$ 13,475**	**$ 27,230**	**$ 9,606**	**$ 29,033**

See accompanying notes to the financial statements.

Schedule 4

Total December 31, 2020
$ -
39,769
2,233
18,740
22,666
-
-
-
83,408
-
698,342
-
-
-
-
698,342
781,750
1,007
17,115
-
2,655
212
-
19,982
600,709
-
-
-
600,709
620,691
-
-
162,066
-
-
$ 162,066

ALASKA HOUSING FINANCE CORPORATION **Schedule 5**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
MORTGAGE REVENUE BONDS
As of December 31, 2020
(in thousands of dollars)

	Mortgage Revenue Bonds 2009 A-2, 2011 A & B
ASSETS	
Current	
Cash	$ -
Investments	-
Accrued interest receivable	-
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	-
Net investment in direct financing lease	-
Other assets	-
Intergovernmental receivable	-
Total Current	**-**
Non Current	
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	-
Net investment in direct financing lease	-
Capital assets - non-depreciable	-
Capital assets - depreciable, net	-
Other assets	-
Total Non Current	**-**
Total Assets	**-**
DEFERRED OUTFLOW OF RESOURCES	**-**
LIABILITIES	
Current	
Bonds payable	-
Short term debt	-
Accrued interest payable	-
Other liabilities	-
Intergovernmental payable	-
Total Current	**-**
Non Current	
Bonds payable	-
Other liabilities	-
Derivative instrument - interest rate swaps	-
Pension & OPEB liability	-
Total Non Current	**-**
Total Liabilities	**-**
DEFERRED INFLOW OF RESOURCES	**-**
NET POSITION	
Net investment in capital assets	-
Restricted by bond resolutions	-
Restricted by contractual or statutory agreements	-
Unrestricted or (deficit)	-
Total Net Position	**$ -**

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 December 31, 2020
(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total December 31, 2020
ASSETS			
Current			
Cash	$ -	$ -	$ -
Investments	4,079	4,012	8,091
Accrued interest receivable	178	157	335
Inter-fund due (to)/from	1,248	1,394	2,642
Mortgage loans, notes and other loans	1,617	1,496	3,113
Net investment in direct financing lease	-	-	-
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total Current	**7,122**	**7,059**	**14,181**
Non Current			
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	52,275	48,384	100,659
Net investment in direct financing lease	-	-	-
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	-	-
Total Non Current	**52,275**	**48,384**	**100,659**
Total Assets	**59,397**	**55,443**	**114,840**
DEFERRED OUTFLOW OF RESOURCES	**-**	**-**	**-**
LIABILITIES			
Current			-
Bonds payable	1,305	810	2,115
Short term debt	-	-	-
Accrued interest payable	89	97	186
Other liabilities	16	14	30
Intergovernmental payable	-	-	-
Total Current	**1,410**	**921**	**2,331**
Non Current			
Bonds payable	41,425	35,041	76,466
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	-	-	-
Pension & OPEB liability	-	-	-
Total Non Current	**41,425**	**35,041**	**76,466**
Total Liabilities	**42,835**	**35,962**	**78,797**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**
NET POSITION			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	16,562	19,481	36,043
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	-	-
Total Net Position	**$ 16,562**	**$ 19,481**	**$ 36,043**

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 December 31, 2020
(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B
ASSETS	
Current	
Cash	$ -
Investments	58,997
Accrued interest receivable	435
Inter-fund due (to)/from	5,933
Mortgage loans, notes and other loans	4,586
Net investment in direct financing lease	-
Other assets	-
Intergovernmental receivable	-
Total Current	**69,951**
Non Current	
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	148,275
Net investment in direct financing lease	-
Capital assets - non-depreciable	-
Capital assets - depreciable, net	-
Other assets	909
Total Non Current	**149,184**
Total Assets	**219,135**
DEFERRED OUTFLOW OF RESOURCES	**13,260**
LIABILITIES	
Current	
Bonds payable	6,735
Short term debt	-
Accrued interest payable	227
Other liabilities	39
Intergovernmental payable	-
Total Current	**7,001**
Non Current	
Bonds payable	71,197
Other liabilities	-
Derivative instrument - interest rate swaps	13,260
Pension & OPEB liability	-
Total Non Current	**84,457**
Total Liabilities	**91,458**
DEFERRED INFLOW OF RESOURCES	**-**
NET POSITION	
Net investment in capital assets	-
Restricted by bond resolutions	140,937
Restricted by contractual or statutory agreements	-
Unrestricted or (deficit)	-
Total Net Position	**$ 140,937**

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
STATE CAPITAL PROJECT BONDS
As of December 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
ASSETS					
Current					
Cash	$ -	$ -	$ -	$ -	$ -
Investments	4,807	42	1,118	3,775	40,069
Accrued interest receivable	107	46	123	196	1,281
Inter-fund due (to)/from	809	98	172	175	7,772
Mortgage loans, notes and other loans	471	128	537	608	7,800
Net investment in direct financing lease	-	-	-	-	-
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	**6,194**	**314**	**1,950**	**4,754**	**56,922**
Non Current					
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	15,230	4,134	17,374	19,655	252,214
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
Total Non Current	**15,230**	**4,134**	**17,374**	**19,655**	**252,214**
Total Assets	**21,424**	**4,448**	**19,324**	**24,409**	**309,136**
DEFERRED OUTFLOW OF RESOURCES	**419**	**-**	**-**	**-**	**30,472**
LIABILITIES					
Current					
Bonds payable	6,680	-	5,140	5,975	14,220
Short term debt	-	-	-	-	-
Accrued interest payable	220	-	60	77	977
Other liabilities	8	2	6	6	89
Intergovernmental payable	-	-	-	-	-
Total Current	**6,908**	**2**	**5,206**	**6,058**	**15,286**
Non Current					
Bonds payable	6,975	-	10,483	13,219	259,424
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	1,877	-	-	-	30,472
Pension & OPEB liability	-	-	-	-	-
Total Non Current	**8,852**	**-**	**10,483**	**13,219**	**289,896**
Total Liabilities	**15,760**	**2**	**15,689**	**19,277**	**305,182**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	-	-	-	-	-
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	6,083	4,446	3,635	5,132	34,426
Total Net Position	**$ 6,083**	**$ 4,446**	**$ 3,635**	**$ 5,132**	**$ 34,426**

See accompanying notes to the financial statements.

Schedule 8

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	State Capital Project Bonds II 2020 A & B	Total December 31, 2020
$ -	$ 53	$ -	$ -	$ -	$ 53
45,656	30,877	12,561	20,753	21,535	181,193
1,009	1,384	397	797	183	5,523
8,751	7,142	7,560	7,813	2,367	42,659
6,215	9,847	3,618	5,472	2,791	37,487
-	2,238	-	-	-	2,238
-	-	-	-	-	-
-	-	-	-	-	-
61,631	**51,541**	**24,136**	**34,835**	**26,876**	**269,153**
-	-	-	-	-	-
200,961	318,383	116,966	176,934	90,258	1,212,109
-	18,049	-	-	-	18,049
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
200,961	**336,432**	**116,966**	**176,934**	**90,258**	**1,230,158**
262,592	**387,973**	**141,102**	**211,769**	**117,134**	**1,499,311**
8,589	**4,861**	**-**	**-**	**5,469**	**49,810**
13,615	7,050	1,200	1,930	930	56,740
-	-	-	-	-	-
838	743	356	244	378	3,893
67	50	33	45	11	317
-	53	-	-	-	53
14,520	**7,896**	**1,589**	**2,219**	**1,319**	**61,003**
216,816	340,124	125,372	205,323	95,735	1,273,471
-	-	-	-	-	-
-	-	-	-	-	32,349
-	-	-	-	-	-
216,816	**340,124**	**125,372**	**205,323**	**95,735**	**1,305,820**
231,336	**348,020**	**126,961**	**207,542**	**97,054**	**1,366,823**
-	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
39,845	44,814	14,141	4,227	25,549	182,298
$ 39,845	**$ 44,814**	**$ 14,141**	**$ 4,227**	**$ 25,549**	**$ 182,298**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
OTHER PROGRAM FUNDS
As of December 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
ASSETS					
Current					
Cash	$ 14,428	$ 14,017	$ -	$ -	$ 28,445
Investments	-	-	1,815	7,705	9,520
Accrued interest receivable	-	-	25	92	117
Inter-fund due (to)/from	(782)	(436)	106	1,159	47
Mortgage loans, notes and other loans	-	-	333	781	1,114
Net investment in direct financing lease	-	-	-	-	-
Other assets	1,931	244	-	-	2,175
Intergovernmental receivable	146	3	-	-	149
Total Current	**15,723**	**13,828**	**2,279**	**9,737**	**41,567**
Non Current					
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	-	-	10,783	25,242	36,025
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	12,506	1,130	-	-	13,636
Capital assets - depreciable, net	37,521	12,860	-	-	50,381
Other assets	-	-	-	-	-
Total Non Current	**50,027**	**13,990**	**10,783**	**25,242**	**100,042**
Total Assets	**65,750**	**27,818**	**13,062**	**34,979**	**141,609**
DEFERRED OUTFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
LIABILITIES					
Current					
Bonds payable	-	-	-	-	-
Short term debt	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Other liabilities	846	224	2	8	1,080
Intergovernmental payable	-	1	-	-	1
Total Current	**846**	**225**	**2**	**8**	**1,081**
Non Current					
Bonds payable	-	-	-	-	-
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension & OPEB liability	-	-	-	-	-
Total Non Current	**-**	**-**	**-**	**-**	**-**
Total Liabilities	**846**	**225**	**2**	**8**	**1,081**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	50,028	13,989	-	-	64,017
Restricted by bond resolutions	-	-	-	-	-
Restricted by contractual or statutory agreements	15,516	13,721	13,060	34,971	77,268
Unrestricted or (deficit)	(640)	(117)	-	-	(757)
Total Net Position	**$ 64,904**	**$ 27,593**	**$ 13,060**	**$ 34,971**	**$ 140,528**

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total December 31, 2020
$ 979	$ 2,800	$ 3	$ 3,782	$ 8,589	$ 40,816
-	-	-	-	-	9,520
-	-	-	-	110	227
(82)	(1,103)	(2,240)	(3,425)	(111)	(3,489)
-	-	32	32	-	1,146
-	-	-	-	-	-
274	511	9,021	9,806	206	12,187
1,656	10	2,222	3,888	-	4,037
2,827	**2,218**	**9,038**	**14,083**	**8,794**	**64,444**
-	-	1,423	1,423	(1,423)	-
-	-	1,056	1,056	12,785	49,866
-	-	-	-	-	-
-	-	-	-	4,740	18,376
-	42	-	42	-	50,423
-	-	-	-	1	1
-	**42**	**2,479**	**2,521**	**16,103**	**118,666**
2,827	**2,260**	**11,517**	**16,604**	**24,897**	**183,110**
-	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,939	4,968	6,907	-	7,987
-	-	-	-	-	1
-	**1,939**	**4,968**	**6,907**	**-**	**7,988**
-	-	-	-	-	-
-	-	-	-	291	291
-	-	-	-	-	-
-	-	-	-	-	-
-	**-**	**-**	**-**	**291**	**291**
-	**1,939**	**4,968**	**6,907**	**291**	**8,279**
-	**-**	**-**	**-**	**-**	**-**
-	42	-	42	4,740	68,799
-	-	-	-	-	-
4,305	2,110	7,368	13,783	19,912	110,963
(1,478)	(1,831)	(819)	(4,128)	(46)	(4,931)
$ 2,827	**$ 321**	**$ 6,549**	**$ 9,697**	**$ 24,606**	**$ 174,831**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
COMBINED - ALL FUNDS
For the Six Months Ended December 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	$ 4,126	$ 13,469	$ 11,602	$ 1,392	$ 2,092
Investment interest	2,539	215	64	11	27
Net change in the fair value of investments	(1,595)	(39)	11	(2)	(9)
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	944	176	75	9	18
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	4	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	14	-	-	-	-
Other revenue	1,368	-	-	-	-
Total Operating Revenues	**6,456**	**13,645**	**11,677**	**1,401**	**2,110**
OPERATING EXPENSES					
Interest	132	9,235	7,191	657	1,203
Mortgage and loan costs	649	1,248	1,086	137	192
Bond financing expenses	481	1,039	1,252	2	3
Provision for loan loss	(427)	36	1,851	(1,150)	(8)
Operations and administration	8,119	591	581	57	66
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	**8,954**	**12,149**	**11,961**	**(297)**	**1,456**
Operating Income (Loss)	**(2,498)**	**1,496**	**(284)**	**1,698**	**654**
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	(198)	-	-	-	-
Interfund receipts (payments) for operations	44,261	(3,958)	47,924	(52,592)	2,155
Change in Net Position	41,565	(2,462)	47,640	(50,894)	2,809
Net position at beginning of year	556,915	322,690	114,426	50,894	33,234
Net Position at End of Period	**$ 598,480**	**$ 320,228**	**$ 162,066**	**$ -**	**$ 36,043**

See accompanying notes to the financial statements.

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total December 31, 2020
$ 2,762	$ 32,286	$ 746	$ 68,475
34	1,470	39	4,399
18	(58)	-	(1,674)
-	277	-	277
52	1,689	39	3,002
-	-	37,403	37,403
-	-	5,667	5,667
-	-	5,572	5,576
-	-	16	30
180	-	509	2,057
2,994	**33,975**	**49,952**	**122,210**
1,697	15,838	-	35,953
253	2,046	63	5,674
142	560	-	3,479
(293)	(1,671)	(28)	(1,690)
121	826	13,043	23,404
-	-	7,282	7,282
-	-	39,991	39,991
1,920	**17,599**	**60,351**	**114,093**
1,074	**16,376**	**(10,399)**	**8,117**
-	-	-	(198)
262	(47,591)	9,539	-
1,336	(31,215)	(860)	7,919
139,601	213,513	175,691	1,606,964
$ 140,937	**$ 182,298**	**$ 174,831**	**$ 1,614,883**

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

	Administrative Fund
OPERATING REVENUES	
Mortgage and loan revenue	$ 4,126
Investment interest	2,539
Net change in the fair value of investments	(1,595)
Net change of hedge termination	-
Total Investment Revenue	944
Grant revenue	-
Housing rental subsidies	-
Rental revenue	4
Gain (Loss) on Disposal of Capital Assets	14
Other revenue	1,368
Total Operating Revenues	**6,456**
OPERATING EXPENSES	
Interest	132
Mortgage and loan costs	649
Bond financing expenses	481
Provision for loan loss	(427)
Operations and administration	8,119
Rental housing operating expenses	-
Grant expense	-
Total Operating Expenses	**8,954**
Operating Income (Loss)	**(2,498)**
NON-OPERATING EXPENSES AND TRANSFERS	
Contributions to State of Alaska or State agencies	(198)
Interfund receipts (payments) for operations	44,261
Change in Net Position	41,565
Net position at beginning of year	556,915
Net Position at End of Period	**$ 598,480**

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 Six Months Ended December 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	$ 1,542	$ 1,537	$ 1,525	$ 2,046	$ 2,051
Investment interest	21	24	21	30	38
Net change in the fair value of investments	(7)	(3)	(2)	(4)	(7)
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	14	21	19	26	31
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	**1,556**	**1,558**	**1,544**	**2,072**	**2,082**
OPERATING EXPENSES					
Interest	584	1,304	1,304	1,553	1,497
Mortgage and loan costs	148	150	142	185	185
Bond financing expenses	60	136	145	181	177
Provision for loan loss	(3)	10	19	7	10
Operations and administration	94	73	65	85	81
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	**883**	**1,673**	**1,675**	**2,011**	**1,950**
Operating Income (Loss)	**673**	**(115)**	**(131)**	**61**	**132**
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	(2,314)	794	(28)	(461)	(617)
Change in Net Position	(1,641)	679	(159)	(400)	(485)
Net position at beginning of year	49,772	22,530	19,557	37,698	54,959
Net Position at End of Period	**$ 48,131**	**$ 23,209**	**$ 19,398**	**$ 37,298**	**$ 54,474**

See accompanying notes to the financial statements.

Schedule 12

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total December 31, 2020
$ 2,258	$ 2,510	$ 13,469
40	41	215
(8)	(8)	(39)
-	-	-
32	33	176
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
2,290	**2,543**	**13,645**
1,497	1,496	9,235
208	230	1,248
177	163	1,039
(22)	15	36
90	103	591
-	-	-
-	-	-
1,950	**2,007**	**12,149**
340	**536**	**1,496**
-	-	-
(730)	(602)	(3,958)
(390)	(66)	(2,462)
64,678	73,496	322,690
$ 64,288	**$ 73,430**	**$ 320,228**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
GENERAL MORTGAGE REVENUE BONDS
For the Six Months Ended December 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	General Mortgage Revenue Bonds II 2020 A & B
OPERATING REVENUES					
Mortgage and loan revenue	$ 1,942	$ 1,393	$ 3,201	$ 2,894	$ 2,172
Investment interest	9	5	12	20	18
Net change in the fair value of investments	-	3	5	3	-
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	9	8	17	23	18
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	**1,951**	**1,401**	**3,218**	**2,917**	**2,190**
OPERATING EXPENSES					
Interest	865	947	2,260	1,884	1,235
Mortgage and loan costs	163	147	296	269	211
Bond financing expenses	2	2	4	5	1,239
Provision for loan loss	(347)	(25)	(217)	72	2,368
Operations and administration	61	75	132	141	172
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	**744**	**1,146**	**2,475**	**2,371**	**5,225**
Operating Income (Loss)	**1,207**	**255**	**743**	**546**	**(3,035)**
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	(692)	8,341	3,766	4,441	32,068
Change in Net Position	515	8,596	4,509	4,987	29,033
Net position at beginning of year	82,207	4,879	22,721	4,619	-
Net Position at End of Period	**$ 82,722**	**$ 13,475**	**$ 27,230**	**$ 9,606**	**$ 29,033**

See accompanying notes to the financial statements.

Total December 31, 2020
$ 11,602
64
11
-
75
-
-
-
-
-
11,677
7,191
1,086
1,252
1,851
581
-
-
11,961
(284)
-
47,924
47,640
114,426
$ 162,066

ALASKA HOUSING FINANCE CORPORATION **Schedule 14**
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
MORTGAGE REVENUE BONDS
For the Six Months Ended December 31, 2020
(in thousands of dollars)

	Mortgage Revenue Bonds 2009 A-2, 2011 A & B
OPERATING REVENUES	
Mortgage and loan revenue	$ 1,392
Investment interest	11
Net change in the fair value of investments	(2)
Net change of hedge termination	-
Total Investment Revenue	9
Grant revenue	-
Housing rental subsidies	-
Rental revenue	-
Gain (Loss) on Disposal of Capital Assets	-
Other revenue	-
Total Operating Revenues	**1,401**
OPERATING EXPENSES	
Interest	657
Mortgage and loan costs	137
Bond financing expenses	2
Provision for loan loss	(1,150)
Operations and administration	57
Rental housing operating expenses	-
Grant expense	-
Total Operating Expenses	**(297)**
Operating Income (Loss)	**1,698**
NON-OPERATING EXPENSES AND TRANSFERS	
Contributions to State of Alaska or State agencies	-
Interfund receipts (payments) for operations	(52,592)
Change in Net Position	(50,894)
Net position at beginning of year	50,894
Net Position at End of Period	**$ -**

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 Six Months Ended December 31, 2020
(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total December 31, 2020
OPERATING REVENUES			
Mortgage and loan revenue	$ 994	$ 1,098	$ 2,092
Investment interest	18	9	27
Net change in the fair value of investments	(8)	(1)	(9)
Net change of hedge termination	-	-	-
Total Investment Revenue	10	8	18
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-
Other revenue	-	-	-
Total Operating Revenues	**1,004**	**1,106**	**2,110**
OPERATING EXPENSES			
Interest	567	636	1,203
Mortgage and loan costs	89	103	192
Bond financing expenses	1	2	3
Provision for loan loss	59	(67)	(8)
Operations and administration	35	31	66
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	**751**	**705**	**1,456**
Operating Income (Loss)	**253**	**401**	**654**
NON-OPERATING EXPENSES AND TRANSFERS			
Contributions to State of Alaska or State agencies	-	-	-
Interfund receipts (payments) for operations	1,136	1,019	2,155
Change in Net Position	1,389	1,420	2,809
Net position at beginning of year	15,173	18,061	33,234
Net Position at End of Period	**$ 16,562**	**$ 19,481**	**$ 36,043**

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 Six Months Ended December 31, 2020
(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B
OPERATING REVENUES	
Mortgage and loan revenue	$ 2,762
Investment interest	34
Net change in the fair value of investments	18
Net change of hedge termination	-
Total Investment Revenue	52
Grant revenue	-
Housing rental subsidies	-
Rental revenue	-
Gain (Loss) on Disposal of Capital Assets	-
Other revenue	180
Total Operating Revenues	**2,994**
OPERATING EXPENSES	
Interest	1,697
Mortgage and loan costs	253
Bond financing expenses	142
Provision for loan loss	(293)
Operations and administration	121
Rental housing operating expenses	-
Grant expense	-
Total Operating Expenses	**1,920**
Operating Income (Loss)	**1,074**
NON-OPERATING EXPENSES AND TRANSFERS	
Contributions to State of Alaska or State agencies	-
Interfund receipts (payments) for operations	262
Change in Net Position	1,336
Net position at beginning of year	139,601
Net Position at End of Period	**$ 140,937**

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
STATE CAPITAL PROJECT BONDS
For the Six Months Ended December 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	$ 442	$ 139	$ 854	$ 1,049	$ 7,110
Investment interest	1	-	5	28	103
Net change in the fair value of investments	-	-	(1)	(5)	(11)
Net change of hedge termination	277	-	-	-	-
Total Investment Revenue	278	-	4	23	92
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	**720**	**139**	**858**	**1,072**	**7,202**
OPERATING EXPENSES					
Interest	706	54	450	671	5,256
Mortgage and loan costs	36	6	44	61	545
Bond financing expenses	7	2	1	1	8
Provision for loan loss	(27)	(2)	(224)	(389)	(832)
Operations and administration	30	5	14	18	229
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	**752**	**65**	**285**	**362**	**5,206**
Operating Income (Loss)	**(32)**	**74**	**573**	**710**	**1,996**
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	1,342	2,474	(4,237)	(4,816)	(18,194)
Change in Net Position	1,310	2,548	(3,664)	(4,106)	(16,198)
Net position at beginning of year	4,773	1,898	7,299	9,238	50,624
Net Position at End of Period	**$ 6,083**	**$ 4,446**	**$ 3,635**	**$ 5,132**	**$ 34,426**

See accompanying notes to the financial statements.

Schedule 17

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	State Capital Project Bonds II 2020 A & B	Total December 31, 2020
$ 5,716	$ 9,127	$ 2,873	$ 4,215	$ 761	$ 32,286
104	1,173	17	35	4	1,470
(29)	(4)	4	(11)	(1)	(58)
-	-	-	-	-	277
75	1,169	21	24	3	1,689
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,791	**10,296**	**2,894**	**4,239**	**764**	**33,975**
3,773	2,886	610	962	470	15,838
387	364	229	328	46	2,046
6	83	21	40	391	560
(346)	(391)	(214)	(186)	940	(1,671)
200	130	69	103	28	826
-	-	-	-	-	-
-	-	-	-	-	-
4,020	**3,072**	**715**	**1,247**	**1,875**	**17,599**
1,771	**7,224**	**2,179**	**2,992**	**(1,111)**	**16,376**
-	-	-	-	-	-
(82)	(17,805)	(10,168)	(22,765)	26,660	(47,591)
1,689	(10,581)	(7,989)	(19,773)	25,549	(31,215)
38,156	55,395	22,130	24,000	-	213,513
$ 39,845	**$ 44,814**	**$ 14,141**	**$ 4,227**	**$ 25,549**	**$ 182,298**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
OTHER PROGRAM FUNDS
For the Six Months Ended December 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	$ -	$ -	$ 123	$ 554	$ 677
Investment interest	12	11	1	5	29
Net change in the fair value of investments	-	-	-	-	-
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	12	11	1	5	29
Grant revenue	782	-	-	-	782
Housing rental subsidies	4,497	1,170	-	-	5,667
Rental revenue	4,292	1,180	-	-	5,472
Gain (Loss) on Disposal of Capital Assets	16	-	-	-	16
Other revenue	-	-	-	-	-
Total Operating Revenues	**9,599**	**2,361**	**124**	**559**	**12,643**
OPERATING EXPENSES					
Interest	-	-	-	-	-
Mortgage and loan costs	-	-	12	51	63
Bond financing expenses	-	-	-	-	-
Provision for loan loss	-	-	(14)	(42)	(56)
Operations and administration	6,209	1,493	5	20	7,727
Rental housing operating expenses	5,837	1,436	-	-	7,273
Grant expense	-	-	-	-	-
Total Operating Expenses	**12,046**	**2,929**	**3**	**29**	**15,007**
Operating Income (Loss)	**(2,447)**	**(568)**	**121**	**530**	**(2,364)**
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	988	337	6	(28)	1,303
Change in Net Position	(1,459)	(231)	127	502	(1,061)
Net position at beginning of year	66,363	27,824	12,933	34,469	141,589
Net Position at End of Period	**$ 64,904**	**$ 27,593**	**$ 13,060**	**$ 34,971**	**$ 140,528**

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 December 31, 2020
$ -	$ -	$ -	$ -	$ 69	$ 746
1	3	-	4	6	39
-	-	-	-	-	-
-	-	-	-	-	-
1	3	-	4	6	39
2,559	19,635	14,427	36,621	-	37,403
-	-	-	-	-	5,667
-	-	-	-	100	5,572
-	-	-	-	-	16
-	5	504	509	-	509
2,560	**19,643**	**14,931**	**37,134**	**175**	**49,952**
-	-	-	-	-	-
-	-	-	-	-	63
-	-	-	-	-	-
-	-	26	26	2	(28)
939	2,787	1,392	5,118	198	13,043
-	8	-	8	1	7,282
2,590	17,759	19,642	39,991	-	39,991
3,529	**20,554**	**21,060**	**45,143**	**201**	**60,351**
(969)	**(911)**	**(6,129)**	**(8,009)**	**(26)**	**(10,399)**
-	-	-	-	-	-
969	161	6,567	7,697	539	9,539
-	(750)	438	(312)	513	(860)
2,827	1,071	6,111	10,009	24,093	175,691
$ 2,827	**$ 321**	**$ 6,549**	**$ 9,697**	**$ 24,606**	**$ 174,831**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED - ALL FUNDS
For the Six Months Ended December 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
CASH FLOWS					
Operating Activities					
Interest income on mortgages and loans	$ 6,560	12,506	$ 10,488	$ 1,299	$ 1,947
Principal receipts on mortgages and loans	7,108	110,480	69,268	10,067	18,056
Disbursements to fund mortgages and loans	(284,310)	-	-	-	-
Receipts (payments) for interfund loan transfers	244,386	(110,334)	(111,358)	-	(16,780)
Mortgage and loan proceeds receipts	514,078	-	-	-	-
Mortgage and loan proceeds paid to funds	(504,556)	-	-	-	-
Payroll-related disbursements	(10,486)	-	-	-	-
Payments for goods and services	(10,757)	-	-	-	-
Receipts for externally funded programs	-	-	-	-	-
Receipts for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	(11,621)	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	2,109	-	-	-	-
Net Cash Receipts (Disbursements)	**(47,489)**	**12,652**	**(31,602)**	**11,366**	**3,223**
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	228,549	-	-
Principal paid on bonds	-	(7,230)	(82,840)	(76,400)	(16,450)
Payments to defease bonds	-	-	-	-	-
Payment of bond issuance costs	(992)	-	(636)	-	-
Interest paid on bonds	-	(8,881)	(6,937)	(822)	(1,296)
Proceeds from short-term debt issuance	582,584	-	-	-	-
Payment of short term debt	(573,095)	-	-	-	-
Contributions to State of Alaska or State agencies	(198)	-	-	-	-
Transfers from (to) other funds	185,130	(11,852)	(122,691)	57,063	2,030
Net Cash Receipts (Disbursements)	**193,429**	**(27,963)**	**15,445**	**(20,159)**	**(15,716)**
Capital Financing Activities					
Acquisition of capital assets	-	-	-	-	-
Proceeds from the disposal of capital assets	14	-	-	-	-
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net Cash Receipts (Disbursements)	**14**	**-**	**-**	**-**	**-**
Investing Activities					
Purchase of investments	(1,895,737)	(228,952)	(183,150)	(11,380)	(27,468)
Proceeds from maturity of investments	1,760,771	244,034	199,227	20,159	39,929
Interest received from investments	2,586	229	80	14	32
Net Cash Receipts (Disbursements)	**(132,380)**	**15,311**	**16,157**	**8,793**	**12,493**
Net Increase (decrease) in cash	13,574	-	-	-	-
Cash at beginning of year	28,038	-	-	-	-
Cash at end of period	**$ 41,612**	**$ -**	**$ -**	**$ -**	**$ -**

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total December 31, 2020
$ 2,639	31,520	$ 627	$ 67,586
29,999	188,426	4,664	438,068
-	-	(27)	(284,337)
-	(5,914)	-	-
-	-	-	514,078
-	-	-	(504,556)
-	-	(7,355)	(17,841)
-	-	(7,834)	(18,591)
-	-	20,738	20,738
-	-	16,990	16,990
-	-	(17,309)	(17,309)
-	-	11,621	-
-	-	(28,064)	(28,064)
-	(136)	6,612	8,585
32,638	**213,896**	**663**	**195,347**
-	97,060	-	325,609
(3,260)	(23,561)	-	(209,741)
-	(96,665)	-	(96,665)
-	(389)	-	(2,017)
(1,425)	(19,079)	-	(38,440)
-	-	-	582,584
-	-	-	(573,095)
-	-	-	(198)
-	(109,680)	-	-
(4,685)	**(152,314)**	**-**	**(11,963)**
-	-	(148)	(148)
-	-	16	30
-	(3,404)	-	(3,404)
-	(590)	-	(590)
-	3,303	-	3,303
-	**(691)**	**(132)**	**(809)**
(69,151)	(520,766)	(9,520)	(2,946,124)
41,157	459,369	4,223	2,768,869
41	370	38	3,390
(27,953)	**(61,027)**	**(5,259)**	**(173,865)**
-	(136)	(4,728)	8,710
-	189	45,544	73,771
$ -	**$ 53**	**$ 40,816**	**$ 82,481**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED - ALL FUNDS
For the Six Months Ended December 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					
Operating Income (Loss) to Net Cash					
Operating income (loss)	$ (2,498)	$ 1,496	$ (284)	$ 1,698	$ 654
Adjustments:					
Depreciation expense	506	-	-	-	-
Provision for loan loss	(427)	36	1,851	(1,150)	(8)
Net change in the fair value of investments	1,595	39	(11)	2	9
Interfund receipts (payments) for operations	44,261	(3,958)	47,924	(52,592)	2,155
Interest received from investments	(2,586)	(229)	(80)	(14)	(32)
Interest paid on bonds and capital notes	-	8,881	6,937	822	1,296
			-		
Change in assets, liabilities and deferred resources:			-		
Net (increase) decrease in mortgages and loans	39,090	(3,609)	(201,037)	113,867	830
Net increase (decrease) in assets, liabilities,			-		
and deferred resources	(127,430)	9,996	113,098	(51,267)	(1,681)
Net Operating Cash Receipts (Disbursements)	**$ (47,489)**	**$ 12,652**	**$ (31,602)**	**$ 11,366**	**$ 3,223**

See accompanying notes to the financial statements.

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total December 31, 2020
$ 1,074	$ 16,376	$ (10,399)	$ 8,117
-	-	2,709	3,215
(293)	(1,671)	(28)	(1,690)
(18)	58	-	1,674
262	(47,591)	9,539	-
(41)	(370)	(38)	(3,390)
1,425	19,669	-	39,030
29,039	178,752	5,590	162,522
1,190	48,673	(6,710)	(14,131)
$ 32,638	**$ 213,896**	**$ 663**	**$ 195,347**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
ADMINISTRATIVE FUND
For the Six Months Ended December 31, 2020
(in thousands of dollars)

	Administrative Fund
CASH FLOWS	
Operating Activities	
Interest income on mortgages and loans	$ 6,560
Principal receipts on mortgages and loans	7,108
Disbursements to fund mortgages and loans	(284,310)
Receipts (payments) for interfund loan transfers	244,386
Mortgage and loan proceeds receipts	514,078
Mortgage and loan proceeds paid to funds	(504,556)
Payroll-related disbursements	(10,486)
Payments for goods and services	(10,757)
Receipts for externally funded programs	-
Receipts for Federal HAP subsidies	-
Payments for Federal HAP subsidies	-
Interfund receipts (payments)	(11,621)
Grant payments to other agencies	-
Other operating cash receipts (payments)	2,109
Net Cash Receipts (Disbursements)	**(47,489)**
Non-Capital Financing Activities	
Proceeds from bond issuance	-
Principal paid on bonds	-
Payments to defease bonds	-
Payment of bond issuance costs	(992)
Interest paid on bonds	-
Proceeds from short-term debt issuance	582,584
Payment of short term debt	(573,095)
Contributions to State of Alaska or State agencies	(198)
Transfers from (to) other funds	185,130
Net Cash Receipts (Disbursements)	**193,429**
Capital Financing Activities	
Acquisition of capital assets	-
Proceeds from the disposal of capital assets	14
Principal paid on capital notes	-
Interest paid on capital notes	-
Proceeds from direct financing leases	-
Net Cash Receipts (Disbursements)	**14**
Investing Activities	
Purchase of investments	(1,895,737)
Proceeds from maturity of investments	1,760,771
Interest received from investments	2,586
Net Cash Receipts (Disbursements)	**(132,380)**
Net Increase (decrease) in cash	13,574
Cash at beginning of year	28,038
Cash at end of period	**$ 41,612**

		Administrative Fund
RECONCILIATION		
Operating Income (Loss) to Net Cash		
Operating income (loss)	$	(2,498)
Adjustments:		
Depreciation expense		506
Provision for loan loss		(427)
Net change in the fair value of investments		1,595
Interfund receipts (payments) for operations		44,261
Interest received from investments		(2,586)
Interest paid on bonds and capital notes		-
Change in assets, liabilities and deferred resources:		
Net (increase) decrease in mortgages and loans		39,090
Net increase (decrease) in assets, liabilities, and deferred resources		(127,430)
Net Operating Cash Receipts (Disbursements)	**$**	**(47,489)**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
HOME MORTGAGE REVENUE BONDS
For the Six Months Ended December 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					
Operating Activities					
Interest income on mortgages and loans	$ 1,424	$ 1,456	$ 1,410	$ 1,925	$ 1,870
Principal receipts on mortgages and loans	9,809	12,713	12,048	16,348	19,454
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	(7,840)	(12,203)	(12,820)	(17,837)	(18,508)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to funds	-	-	-	-	-
Payroll-related disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Receipts for externally funded programs	-	-	-	-	-
Receipts for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	-	-	-	-	-
Net Cash Receipts (Disbursements)	**3,393**	**1,966**	**638**	**436**	**2,816**
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	(900)	(915)	(915)	(1,085)	(1,135)
Payments to defease bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	(472)	(1,260)	(1,262)	(1,501)	(1,462)
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	(3,130)	23	(974)	(1,034)	(2,938)
Net Cash Receipts (Disbursements)	**(4,502)**	**(2,152)**	**(3,151)**	**(3,620)**	**(5,535)**
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 Receipts (Disbursements)	**-**	**-**	**-**	**-**	**-**
Investing Activities					
Purchase of investments	(23,163)	(28,344)	(22,054)	(30,122)	(40,370)
Proceeds from maturity of investments	24,250	28,504	24,544	33,274	43,048
Interest received from investments	22	26	23	32	41
Net Cash Receipts (Disbursements)	**1,109**	**186**	**2,513**	**3,184**	**2,719**
Net Increase (decrease) in cash	-	-	-	-	-
Cash at beginning of year	-	-	-	-	-
Cash at end of period	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total December 31, 2020
$ 2,109	$ 2,312	$ 12,506
21,309	18,799	110,480
-	-	-
(20,016)	(21,110)	(110,334)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
3,402	**1**	**12,652**
-	-	-
(1,135)	(1,145)	(7,230)
-	-	-
-	-	-
(1,462)	(1,462)	(8,881)
-	-	-
-	-	-
-	-	-
(1,803)	(1,996)	(11,852)
(4,400)	**(4,603)**	**(27,963)**
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	**-**	**-**
(45,346)	(39,553)	(228,952)
46,302	44,112	244,034
42	43	229
998	**4,602**	**15,311**
-	-	-
-	-	-
$ -	**$ -**	**$ -**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
HOME MORTGAGE REVENUE BONDS
For the Six Months Ended December 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					
Operating Income (Loss) to Net Cash					
Operating income (loss)	$ 673	$ (115)	$ (131)	$ 61	$ 132
Adjustments:					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(3)	10	19	7	10
Net change in the fair value of investments	7	3	2	4	7
Interfund receipts (payments) for operations	(2,314)	794	(28)	(461)	(617)
Interest received from investments	(22)	(26)	(23)	(32)	(41)
Interest paid on bonds and capital notes	472	1,260	1,262	1,501	1,462
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	287	(1,002)	(1,921)	(716)	(977)
Net increase (decrease) in assets, liabilities, and deferred resources	4,293	1,042	1,458	72	2,840
Net Operating Cash Receipts (Disbursements)	**$ 3,393**	**$ 1,966**	**$ 638**	**$ 436**	**$ 2,816**

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total December 31, 2020
$ 340	$ 536	$ 1,496
-	-	-
(22)	15	36
8	8	39
(730)	(602)	(3,958)
(42)	(43)	(229)
1,462	1,462	8,881
2,221	(1,501)	(3,609)
165	126	9,996
$ 3,402	**$ 1**	**$ 12,652**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
GENERAL MORTGAGE REVENUE BONDS
For the Six Months Ended December 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	General Mortgage Revenue Bonds II 2020 A & B
CASH FLOWS					
Operating Activities					
Interest income on mortgages and loans	$ 1,819	$ 1,262	$ 3,002	$ 2,674	$ 1,731
Principal receipts on mortgages and loans	17,541	7,173	19,073	13,669	11,812
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	(4,837)	59	(22,708)	(83,872)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to funds	-	-	-	-	-
Payroll-related disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Receipts for externally funded programs	-	-	-	-	-
Receipts for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	-	-	-	-	-
Net Cash Receipts (Disbursements)	**19,360**	**3,598**	**22,134**	**(6,365)**	**(70,329)**
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	-	228,549
Principal paid on bonds	(29,145)	(11,360)	(32,690)	(9,645)	-
Payments to defease bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	(636)
Interest paid on bonds	(902)	(1,050)	(2,713)	(2,272)	-
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	3,372	8,251	3,630	4,212	(142,156)
Net Cash Receipts (Disbursements)	**(26,675)**	**(4,159)**	**(31,773)**	**(7,705)**	**85,757**
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 Receipts (Disbursements)	**-**	**-**	**-**	**-**	**-**
Investing Activities					
Purchase of investments	(22,858)	(8,449)	(22,153)	(19,792)	(109,898)
Proceeds from maturity of investments	30,159	9,004	31,775	33,836	94,453
Interest received from investments	14	6	17	26	17
Net Cash Receipts (Disbursements)	**7,315**	**561**	**9,639**	**14,070**	**(15,428)**
Net Increase (decrease) in cash	-	-	-	-	-
Cash at beginning of year	-	-	-	-	-
Cash at end of period	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Total December 31, 2020
$ 10,488
69,268
-
(111,358)
-
-
-
-
-
-
-
-
-
-
(31,602)
228,549
(82,840)
-
(636)
(6,937)
-
-
-
(122,691)
15,445
-
-
-
-
-
-
(183,150)
199,227
80
16,157
-
-
$ -

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

RECONCILIATION	General Mortgage Revenue Bonds II 2012 A & B 12	General Mortgage Revenue Bonds II 2016 A 13	General Mortgage Revenue Bonds II 2018 A & B 14	General Mortgage Revenue Bonds II 2019 A & B 15	General Mortgage Revenue Bonds II 2020 A & B 16
Operating Income (Loss) to Net Cash					
Operating income (loss)	$ 1,207	$ 255	$ 743	$ 546	$ (3,035)
Adjustments:					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(347)	(25)	(217)	72	2,368
Net change in the fair value of investments	-	(3)	(5)	(3)	-
Interfund receipts (payments) for operations	(692)	8,341	3,766	4,441	32,068
Interest received from investments	(14)	(6)	(17)	(26)	(17)
Interest paid on bonds and capital notes	902	1,050	2,713	2,272	-
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	16,539	2,488	21,454	(7,108)	(234,410)
Net increase (decrease) in assets, liabilities, and deferred resources	1,765	(8,502)	(6,303)	(6,559)	132,697
Net Operating Cash Receipts (Disbursements)	**$ 19,360**	**$ 3,598**	**$ 22,134**	**$ (6,365)**	**$ (70,329)**

See accompanying notes to the financial statements.

Total December 31, 2020
17
$ (284)
-
1,851
(11)
47,924
(80)
6,937
(201,037)
113,098
$ (31,602)

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

	Mortgage Revenue Bonds 2009 A-2, 2011 A & B
CASH FLOWS	
Operating Activities	
Interest income on mortgages and loans	$ 1,299
Principal receipts on mortgages and loans	10,067
Disbursements to fund mortgages and loans	-
Receipts (payments) for interfund loan transfers	-
Mortgage and loan proceeds receipts	-
Mortgage and loan proceeds paid to funds	-
Payroll-related disbursements	-
Payments for goods and services	-
Receipts for externally funded programs	-
Receipts for Federal HAP subsidies	-
Payments for Federal HAP subsidies	-
Interfund receipts (payments)	-
Grant payments to other agencies	-
Other operating cash receipts (payments)	-
Net Cash Receipts (Disbursements)	**11,366**
Non-Capital Financing Activities	
Proceeds from bond issuance	-
Principal paid on bonds	(76,400)
Payments to defease bonds	-
Payment of bond issuance costs	-
Interest paid on bonds	(822)
Proceeds from short-term debt issuance	-
Payment of short term debt	-
Contributions to State of Alaska or State agencies	-
Transfers from (to) other funds	57,063
Net Cash Receipts (Disbursements)	**(20,159)**
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 Receipts (Disbursements)	**-**
Investing Activities	
Purchase of investments	(11,380)
Proceeds from maturity of investments	20,159
Interest received from investments	14
Net Cash Receipts (Disbursements)	**8,793**
Net Increase (decrease) in cash	-
Cash at beginning of year	-
Cash at end of period	**$ -**

		Mortgage Revenue Bonds 2009 A-2, 2011 A & B
RECONCILIATION		
Operating Income (Loss) to Net Cash		
Operating income (loss)	$	1,698
Adjustments:		
Depreciation expense		-
Provision for loan loss		(1,150)
Net change in the fair value of investments		2
Interfund receipts (payments) for operations		(52,592)
Interest received from investments		(14)
Interest paid on bonds and capital notes		822
Change in assets, liabilities and deferred resources:		
Net (increase) decrease in mortgages and loans		113,867
Net increase (decrease) in assets, liabilities, and deferred resources		(51,267)
Net Operating Cash Receipts (Disbursements)	**$**	**11,366**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COLLATERALIZED VETERANS MORTGAGE BONDS
For the Six Months Ended December 31, 2020
(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total December 31, 2020
CASH FLOWS			
Operating Activities			
Interest income on mortgages and loans	$ 899	$ 1,048	$ 1,947
Principal receipts on mortgages and loans	7,102	10,954	18,056
Disbursements to fund mortgages and loans	-	-	-
Receipts (payments) for interfund loan transfers	(13,478)	(3,302)	(16,780)
Mortgage and loan proceeds receipts	-	-	-
Mortgage and loan proceeds paid to funds	-	-	-
Payroll-related disbursements	-	-	-
Payments for goods and services	-	-	-
Receipts for externally funded programs	-	-	-
Receipts for Federal HAP subsidies	-	-	-
Payments for Federal HAP subsidies	-	-	-
Interfund receipts (payments)	-	-	-
Grant payments to other agencies	-	-	-
Other operating cash receipts (payments)	-	-	-
Net Cash Receipts (Disbursements)	**(5,477)**	**8,700**	**3,223**
Non-Capital Financing Activities			
Proceeds from bond issuance	-	-	-
Principal paid on bonds	(2,830)	(13,620)	(16,450)
Payments to defease bonds	-	-	-
Payment of bond issuance costs	-	-	-
Interest paid on bonds	(574)	(722)	(1,296)
Proceeds from short-term debt issuance	-	-	-
Payment of short term debt	-	-	-
Contributions to State of Alaska or State agencies	-	-	-
Transfers from (to) other funds	1,053	977	2,030
Net Cash Receipts (Disbursements)	**(2,351)**	**(13,365)**	**(15,716)**
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 Receipts (Disbursements)	**-**	**-**	**-**
Investing Activities			
Purchase of investments	(14,865)	(12,603)	(27,468)
Proceeds from maturity of investments	22,673	17,256	39,929
Interest received from investments	20	12	32
Net Cash Receipts (Disbursements)	**7,828**	**4,665**	**12,493**
Net Increase (decrease) in cash	-	-	-
Cash at beginning of year	-	-	-
Cash at end of period	**$ -**	**$ -**	**$ -**

	Collateralized Bonds, 2016 1st & 2nd Series		Collateralized Bonds, 2019 1st & 2nd Series		Total December 31, 2020	
RECONCILIATION						
Operating Income (Loss) to Net Cash						
Operating income (loss)	$	253	$	401	$	654
Adjustments:						
Depreciation expense		-		-		-
Provision for loan loss		59		(67)		(8)
Net change in the fair value of investments		8		1		9
Interfund receipts (payments) for operations		1,136		1,019		2,155
Interest received from investments		(20)		(12)		(32)
Interest paid on bonds and capital notes		574		722		1,296
Change in assets, liabilities and deferred resources:						
Net (increase) decrease in mortgages and loans		(5,802)		6,632		830
Net increase (decrease) in assets, liabilities, and deferred resources		(1,685)		4		(1,681)
Net Operating Cash Receipts (Disbursements)	**$**	**(5,477)**	**$**	**8,700**	**$**	**3,223**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
GOVERNMENTAL PURPOSE BONDS
For the Six Months Ended December 31, 2020
(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B
CASH FLOWS	
Operating Activities	
Interest income on mortgages and loans	$ 2,639
Principal receipts on mortgages and loans	29,999
Disbursements to fund mortgages and loans	-
Receipts (payments) for interfund loan transfers	-
Mortgage and loan proceeds receipts	-
Mortgage and loan proceeds paid to funds	-
Payroll-related disbursements	-
Payments for goods and services	-
Receipts for externally funded programs	-
Receipts for Federal HAP subsidies	-
Payments for Federal HAP subsidies	-
Interfund receipts (payments)	-
Grant payments to other agencies	-
Other operating cash receipts (payments)	-
Net Cash Receipts (Disbursements)	**32,638**
Non-Capital Financing Activities	
Proceeds from bond issuance	-
Principal paid on bonds	(3,260)
Payments to defease bonds	-
Payment of bond issuance costs	-
Interest paid on bonds	(1,425)
Proceeds from short-term debt issuance	-
Payment of short term debt	-
Contributions to State of Alaska or State agencies	-
Transfers from (to) other funds	-
Net Cash Receipts (Disbursements)	**(4,685)**
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 Receipts (Disbursements)	**-**
Investing Activities	
Purchase of investments	(69,151)
Proceeds from maturity of investments	41,157
Interest received from investments	41
Net Cash Receipts (Disbursements)	**(27,953)**
Net Increase (decrease) in cash	-
Cash at beginning of year	-
Cash at end of period	**$ -**

		Governmental Purpose Bonds 2001 A & B
RECONCILIATION		
Operating Income (Loss) to Net Cash		
Operating income (loss)	$	1,074
Adjustments:		
Depreciation expense		-
Provision for loan loss		(293)
Net change in the fair value of investments		(18)
Interfund receipts (payments) for operations		262
Interest received from investments		(41)
Interest paid on bonds and capital notes		1,425
Change in assets, liabilities and deferred resources:		
Net (increase) decrease in mortgages and loans		29,039
Net increase (decrease) in assets, liabilities, and deferred resources		1,190
Net Operating Cash Receipts (Disbursements)	**$**	**32,638**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
STATE CAPITAL PROJECT BONDS
For the Six Months Ended December 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					
Operating Activities					
Interest income on mortgages and loans	$ 418	$ 126	$ 949	$ 1,168	$ 6,843
Principal receipts on mortgages and loans	3,072	156	2,943	8,833	46,963
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	-	-	-	-
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to funds	-	-	-	-	-
Payroll-related disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Receipts for externally funded programs	-	-	-	-	-
Receipts for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	-	-	-	-	-
Net Cash Receipts (Disbursements)	**3,490**	**282**	**3,892**	**10,001**	**53,806**
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	(226)	(2,645)	(2,450)	(2,905)	(6,850)
Payments to defease bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	(44)	(66)	(419)	(533)	(5,912)
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	1,306	2,466	(2,500)	(13,001)	(31,502)
Net Cash Receipts (Disbursements)	**1,036**	**(245)**	**(5,369)**	**(16,439)**	**(44,264)**
Capital Financing Activities					
Acquisition of capital assets	-	-	-	-	-
Proceeds from the disposal of capital assets	-	-	-	-	-
Principal paid on capital notes	(3,009)	(395)	-	-	-
Interest paid on capital notes	(580)	(10)	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net Cash Receipts (Disbursements)	**(3,589)**	**(405)**	**-**	**-**	**-**
Investing Activities					
Purchase of investments	(8,307)	(283)	(6,514)	(19,912)	(108,066)
Proceeds from maturity of investments	7,367	651	7,986	26,320	98,415
Interest received from investments	3	-	5	30	109
Net Cash Receipts (Disbursements)	**(937)**	**368**	**1,477**	**6,438**	**(9,542)**
Net Increase (decrease) in cash	-	-	-	-	-
Cash at beginning of year	-	-	-	-	-
Cash at end of period	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Schedule 26

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	State Capital Project Bonds II 2020 A & B	Total December 31, 2020
$ 5,529	$ 9,150	$ 2,655	$ 3,975	$ 707	$ 31,520
32,810	36,590	19,755	32,482	4,822	188,426
-	-	-	-	-	-
-	-	-	(5,914)	-	(5,914)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(136)	-	-	-	(136)
38,339	**45,604**	**22,410**	**30,543**	**5,529**	**213,896**
-	-	-	-	97,060	97,060
(4,765)	(2,210)	(570)	(940)	-	(23,561)
-	-	-	-	(96,665)	(96,665)
-	-	-	-	(389)	(389)
(5,149)	(4,532)	(899)	(1,525)	-	(19,079)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(14,499)	(29,000)	(14,000)	(24,950)	16,000	(109,680)
(24,413)	**(35,742)**	**(15,469)**	**(27,415)**	**16,006**	**(152,314)**
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	(3,404)
-	-	-	-	-	(590)
-	3,303	-	-	-	3,303
-	**3,303**	**-**	**-**	**-**	**(691)**
(134,487)	(83,955)	(34,269)	(60,666)	(64,307)	(520,766)
120,455	70,600	27,309	57,496	42,770	459,369
106	54	19	42	2	370
(13,926)	**(13,301)**	**(6,941)**	**(3,128)**	**(21,535)**	**(61,027)**
-	(136)	-	-	-	(136)
-	189	-	-	-	189
$ -	**$ 53**	**$ -**	**$ -**	**$ -**	**$ 53**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
STATE CAPITAL PROJECT BONDS
For the Six Months Ended December 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					
Operating Income (Loss) to Net Cash					
Operating income (loss)	$ (32)	$ 74	$ 573	$ 710	$ 1,996
Adjustments:					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(27)	(2)	(224)	(389)	(832)
Net change in the fair value of investments	-	-	1	5	11
Interfund receipts (payments) for operations	1,342	2,474	(4,237)	(4,816)	(18,194)
Interest received from investments	(3)	-	(5)	(30)	(109)
Interest paid on bonds and capital notes	624	76	419	533	5,912
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	2,631	211	22,138	38,465	82,369
Net increase (decrease) in assets, liabilities, and deferred resources	(1,045)	(2,551)	(14,773)	(24,477)	(17,347)
Net Operating Cash Receipts (Disbursements)	**$ 3,490**	**$ 282**	**$ 3,892**	**$ 10,001**	**$ 53,806**

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	State Capital Project Bonds II 2020 A & B	Total December 31, 2020
$ 1,771	$ 7,224	$ 2,179	$ 2,992	$ (1,111)	$ 16,376
-	-	-	-	-	-
(346)	(391)	(214)	(186)	940	(1,671)
29	4	(4)	11	1	58
(82)	(17,805)	(10,168)	(22,765)	26,660	(47,591)
(106)	(54)	(19)	(42)	(2)	(370)
5,149	4,532	899	1,525	-	19,669
34,275	35,858	23,139	32,715	(93,049)	178,752
(2,351)	16,236	6,598	16,293	72,090	48,673
$ 38,339	**$ 45,604**	**$ 22,410**	**$ 30,543**	**$ 5,529**	**$ 213,896**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
OTHER PROGRAM FUNDS
For the Six Months Ended December 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					
Operating Activities					
Interest income on mortgages and loans	$ -	$ -	$ 113	$ 514	$ 627
Principal receipts on mortgages and loans	-	-	1,409	3,255	4,664
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	-	-	-	-
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to funds	-	-	-	-	-
Payroll-related disbursements	(3,961)	(796)	-	-	(4,757)
Payments for goods and services	(6,035)	(1,333)	-	-	(7,368)
Receipts for externally funded programs	5,021	1,164	-	-	6,185
Receipts for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	108	22	-	-	130
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	4,085	1,171	-	-	5,256
Net Cash Receipts (Disbursements)	**(782)**	**228**	**1,522**	**3,769**	**4,737**
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	-	-	-	-	-
Payments to defease bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	-	-	-	-	-
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	-	-	-	-	-
Net Cash Receipts (Disbursements)	**-**	**-**	**-**	**-**	**-**
Capital Financing Activities					
Acquisition of capital assets	(148)	-	-	-	(148)
Proceeds from the disposal of capital assets	16	-	-	-	16
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net Cash Receipts (Disbursements)	**(132)**	**-**	**-**	**-**	**(132)**
Investing Activities					
Purchase of investments	-	-	(1,815)	(7,705)	(9,520)
Proceeds from maturity of investments	-	-	293	3,930	4,223
Interest received from investments	12	10	-	6	28
Net Cash Receipts (Disbursements)	**12**	**10**	**(1,522)**	**(3,769)**	**(5,269)**
Net Increase (decrease) in cash	(902)	238	-	-	(664)
Cash at beginning of year	15,330	13,779	-	-	29,109
Cash at end of period	**$ 14,428**	**$ 14,017**	**$ -**	**$ -**	**$ 28,445**

Schedule 27

Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total December 31, 2020
$ -	$ -	$ -	$ -	$ -	$ 627
-	-	-	-	-	4,664
-	-	-	-	(27)	(27)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(31)	(2,016)	(415)	(2,462)	(136)	(7,355)
(49)	(120)	(234)	(403)	(63)	(7,834)
1,857	2,647	10,049	14,553	-	20,738
-	16,990	-	16,990	-	16,990
-	(17,309)	-	(17,309)	-	(17,309)
940	(4,199)	14,161	10,902	589	11,621
(2,717)	(450)	(24,897)	(28,064)	-	(28,064)
-	-	1,336	1,336	20	6,612
-	**(4,457)**	**-**	**(4,457)**	**383**	**663**
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	(148)
-	-	-	-	-	16
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**(132)**
-	-	-	-	-	(9,520)
-	-	-	-	-	4,223
1	3	-	4	6	38
1	**3**	**-**	**4**	**6**	**(5,259)**
1	(4,454)	-	(4,453)	389	(4,728)
978	7,254	3	8,235	8,200	45,544
$ 979	**$ 2,800**	**$ 3**	**$ 3,782**	**$ 8,589**	**$ 40,816**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
OTHER PROGRAM FUNDS
For the Six Months Ended December 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					
Operating Income (Loss) to Net Cash					
Operating income (loss)	$ (2,447)	$ (568)	$ 121	$ 530	$ (2,364)
Adjustments:					
Depreciation expense	2,097	604	-	-	2,701
Provision for loan loss	-	-	(14)	(42)	(56)
Net change in the fair value of investments	-	-	-	-	-
Interfund receipts (payments) for operations	988	337	6	(28)	1,303
Interest received from investments	(12)	(10)	-	(6)	(28)
Interest paid on bonds and capital notes	-	-	-	-	-
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	-	-	1,407	4,180	5,587
Net increase (decrease) in assets, liabilities, and deferred resources	(1,408)	(135)	2	(865)	(2,406)
Net Operating Cash Receipts (Disbursements)	**$ (782)**	**$ 228**	**$ 1,522**	**$ 3,769**	**$ 4,737**

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total December 31, 2020
$ (969)	$ (911)	$ (6,129)	$ (8,009)	$ (26)	$ (10,399)
-	8	-	8	-	2,709
-	-	26	26	2	(28)
-	-	-	-	-	-
969	161	6,567	7,697	539	9,539
(1)	(3)	-	(4)	(6)	(38)
-	-	-	-	-	-
-	-	27	27	(24)	5,590
1	(3,712)	(491)	(4,202)	(102)	(6,710)
$ -	**$ (4,457)**	**$ -**	**$ (4,457)**	**$ 383**	**$ 663**

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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, 2020

With Summarized Financial Information for June 30, 2019

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This publication of Alaska Housing Finance Corporation. For comments or questions:
Website: https://www.ahfc.us/investors/financials-histori or
E-Mail: nmeyers@ahfc.us

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Board of Directors
Alaska Housing Finance Corporation
Anchorage, Alaska

Report on the Financial Statements

We have audited the accompanying financial statements of net position, revenues, expenses, and change in net position and cash flows of each major fund of the Alaska Housing Finance Corporation (the Corporation), a component unit of the State of Alaska, as of and for the year ended June 30, 2020, 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 Corporation'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 Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions
In our opinion, 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, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of the net pension liability, contributions to the pension plan, net OPEB liability, and contributions to the OPEB plan 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 an opinion on the financial statements that collectively comprise the Alaska Housing Finance Corporation's basic financial statements. The accompanying supplementary financial 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 financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 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 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 September 30, 2020, on our consideration of the 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 Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

Eide Bailly LLP

Boise, Idaho
September 30, 2020

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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 2020 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, 2020. 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 2020, 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, 2020, the Administrative Fund reported a net position of $556.9 million, an increase of $43.2 million from June 30, 2019. The increase in net position is the net result of internal transfers from other funds of $39.4 million and net operating income of $3.8 million. Transfers were made from the Administrative Fund to the Grant Programs Fund for $11.7 million, to Other Funds and Programs of $3.4 million, and to the Alaska Corporation for Affordable Housing of $1.7 million. Transfers from the Mortgage and Bond Funds to the Administrative Fund of $56.2 million offset these transfers. The $56.2 million from the Mortgage and Bond Funds was used to purchase mortgage loans. Approximately $15.9 million, or 2.9%, of the Administrative Fund's net position is invested in capital assets; $111.4 million, or 20.0%, of the total net position is restricted by contractual or statutory agreements; and $429.6 million, or 77.1%, is unrestricted and may be used for operations and to meet the continuing obligations of the Corporation.

The *Grant Programs Fund* includes 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, 2020, the net position for these three programs combined was $10.0 million, a decrease of $1.0 million from June 30, 2019. This decrease is due to a net operating loss of $1.0 million. In fiscal year 2020, the Administrative Fund transferred $11.7 million to the Grant Programs Fund.

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, 2020, the Mortgage and Bond Funds reported a net position of $874.4 million, a decrease of $7.7 million from the prior year. Net operating income was $48.5 million and the Mortgage and Bond Funds transferred $56.2 million to the Administrative Fund to fund mortgage purchases. During fiscal year 2020, the mortgage loan portfolio decreased by 2.8% from fiscal year 2019, attributable primarily to increased loan payoffs resulting from the availability of relatively low market interest rates. Approximately $660.8 million, or 75.6%, of the fund's net position is restricted by bond resolutions, an increase from $657.9 million in 2019. Unrestricted net position decreased by $10.7 million in fiscal year 2020.

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. The fiscal year 2020 operating loss of $4.2 million was consistent with the fiscal year 2019 operating loss of $4.8 million. In fiscal year 2020 the Administrative Fund transferred $3.4 million to Other Funds and Programs.

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, 2020, was $22.4 million, a $214,000 increase from June 30, 2019. ACAH had operating income of $214,000 for fiscal year 2020. ACAH's net income is the product of rental income from both housing and non-housing properties.

Also in fiscal year 2020, the Administrative Fund transferred $1.7 million to ACAH from the sale of a building owned by AHFC. The funds are to be used in the production of affordable housing.

FINANCIAL HIGHLIGHTS

- Operating income for the Corporation for fiscal year 2020 was $35.5 million, an increase of $708,000 over fiscal year 2019. Operating income in the Administrative Fund and the Mortgage and Bond Funds offset operating losses in the Grant Programs 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, 2020, by $1.61 billion (net position).
- During the fiscal year ended June 30, 2020, the investment portfolio earned approximately 1.76% overall, as compared to 2.58% for the fiscal year ended June 30, 2019, reflecting the decrease in short-term interest rates during fiscal year 2020.
- The Corporation's mortgage loan portfolio is one of its primary assets. During the fiscal year ended June 30, 2020, the mortgage loan portfolio decreased by 2.8%, primarily due to loan payoffs, which were 169.1% higher than in 2019. The bond portfolio increased by 4.5%. See the paragraphs below regarding new bonds issued in fiscal year 2020.
- On July 11, 2019, the Corporation issued $200,000,000 in State Capital Project Bonds II, 2019 Series A and Series B. Net proceeds of the bonds totaled $210,472,000, including a premium of $10,725,000. Proceeds were used to refund certain of the Corporation's outstanding commercial paper, to reimburse the Corporation for certain capital expenditures, to fund certain maintenance expenses related to its Public Housing Division infrastructure, and to pay costs of issuance. The bonds are general obligations of the Corporation. The Series A bonds are taxable and bear interest at variable rates. The Series B bonds are non-taxable and bear interest at fixed rates between 2.51% and 5.0%. Interest is payable on each June 1 and December 1 with a final maturity of December 1, 2044.
- On October 22, 2019, the Corporation issued $161,685,000 in General Mortgage Revenue Bonds II, 2019 Series A and Series B. Total proceeds of $168,110,000, including premium in the amount of $7,150,000 less underwriter's discount of $725,000, were used to refund certain of the Corporation's outstanding commercial paper, finance the purchase of mortgage loans, refund the principal amount outstanding of the Corporation's Mortgage Revenue Bonds, 2009 Series A-1, and to refund a portion of the principal amount outstanding of the Corporation's Mortgage Revenue Bonds, 2010 Series A and Series B. The bonds are tax-exempt general obligations of the Corporation bearing interest at fixed rates between 1.10% and 5.00%, payable on each June 1 and December 1, with a final maturity of June 1, 2049.
- As of June 30, 2020, the weighted average interest rate on the mortgage and bond portfolios were 4.42% and 3.31%, respectively, yielding a net interest margin of 1.11%, an increase from 0.81% in fiscal year 2019.
- In fiscal year 2020, the Corporation sold the McKinley Towers for $1.3 million. Realized loss on the sale of the property was $1.7 million.
- On June 16, 2020, the Corporation received $10.0 million in Federal CARES funding from the State of Alaska to assist Alaskans struggling to make rent or mortgage payments due to the coronavirus pandemic. As of June 30, 2020, the Corporation has made payments totaling $3.8 million to various non-profit organizations assisting those in need.

CONDENSED STATEMENT OF NET POSITION

The following table presents condensed information about the financial position of the Corporation as of June 30, 2020 and 2019, and changes in balances during the fiscal year ended June 30, 2020 (in thousands):

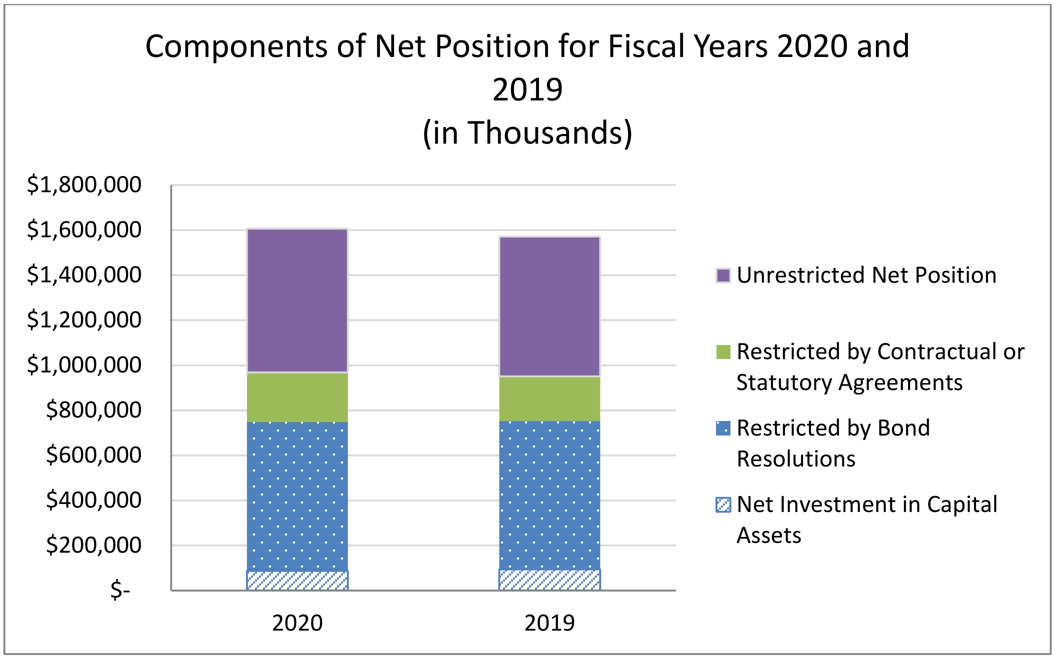
Condensed Statement of Net Position

	2020	2019	Increase/(Decrease)	
Cash and investments	$ 945,157	$ 636,930	$ 308,227	48.4%
Mortgage loans, notes and other loans, net	3,256,290	3,358,792	(102,502)	-3.1%
Capital assets, net	87,061	94,036	(6,975)	-7.4%
Other assets	60,108	46,035	14,073	30.6%
Total Assets	4,348,616	4,135,793	212,823	5.1%
Deferred outflow of resources	261,327	186,739	74,588	39.9%
Bonds and notes payable, net	2,572,813	2,461,125	111,688	4.5%
Short term debt	115,366	49,469	65,897	133.2%
Accrued interest payable	7,257	8,388	(1,131)	-13.5%
Derivatives	234,281	158,349	75,932	48.0%
Pension and OPEB liabilities	36,968	42,801	(5,833)	-13.6%
Other liabilities	33,433	27,258	6,175	22.7%
Total liabilities	3,000,118	2,747,390	252,728	9.2%
Deferred inflow of resources	2,861	3,719	(858)	-23.1%
Total net position	$ 1,606,964	$ 1,571,423	$ 35,541	2.3%

The increase in total assets during FY 2020 is primarily due to an increase in investments relating to increased capital reserves held for a large commitment pipeline. As discussed previously, there was a decrease in mortgage loans due to the large number of loan prepayments.

Total liabilities increased by $252.7 million. See the description of new bond issuances in fiscal year 2020 in the Financial Highlights section of this report. Total net pension and other post-employment benefit (OPEB) liability as of June 30, 2020, actually decreased by $5.8 million, but short term debt (commercial paper) increased by $65.9 million in 2020. The increase in short term debt is due partly to delays in issuing new debt to refund the commercial paper. In addition, the fair value of the Corporation's derivatives increased, thereby increasing liabilities by $75.9 million. Derivative valuations are based on forward swap rates, which were steadily increasing during fiscal year 2018, causing derivative liability to decrease in 2018. But in fiscal years 2019 and 2020, the Federal Reserve reversed direction and began cutting rates due to global volatility, which caused the forward swap curve to decrease sharply, thus increasing the fair value of the derivatives.

The chart on the next page shows the various components of net position in fiscal years 2020 and 2019.



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, 2020 and 2019, and the variances from the prior fiscal year (in thousands):

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

	2020	2019	Increase/(Decrease)	
Mortgage and loan revenue	$ 147,068	$ 146,042	$ 1,026	0.7%
Investment interest income	13,031	17,404	(4,373)	-25.1%
Net change in fair value of investments	1,745	(1,116)	2,861	-256.4%
Externally funded programs	76,113	77,143	(1,030)	-1.3%
Rental and other revenue	13,119	16,560	(3,441)	-20.8%
Total operating revenue	251,076	256,033	(4,957)	-1.9%
Interest expense	81,137	76,831	4,306	5.6%
Mortgage and loan costs	8,124	6,294	1,830	29.1%
Bond financing expenses	5,163	6,054	(891)	-14.7%
Operations and administration	40,958	44,781	(3,823)	-8.5%
Rental housing and grant expenses	80,153	87,240	(7,087)	-8.1%
Total operating expense	215,535	221,200	(5,665)	-2.6%
Operating income(loss)	35,541	34,833	708	2.0%
Contributions to the State of Alaska	-	(2,106)	2,106	-100.0%
Cumulative effect of accounting change	-	-	-	
Change in net position	$ 35,541	$ 32,727	$ 2,814	8.6%

Total operating revenues decreased by $4.9 million, or 1.9%, during fiscal year 2020, due primarily to decreases in investment interest revenue and other revenue. The decrease in other revenue is primarily due to the loss on the sale of the McKinley Towers property. See the Financial Highlights for more explanation on the loss on the sale of the property. Grant revenue also decreased by $1.0 million.

Operating expenses likewise decreased in 2020 due primarily to decreased administrative expenses and grant expenses.

As shown in the table, the net effect of changes in operating revenues and expenses was very similar in fiscal years 2020 and 2019. Total change in operating income from 2019 to 2020 was an increase of $708,000.

In fiscal year 2020, the Corporation sent no cash contributions to the State of Alaska, compared to cash contributions of $2.1 million in fiscal year 2019. See Footnote No. 18 in the Notes to the Financial Statements for more details about the Transfer Plan.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The Corporation's capital assets include land, buildings, office, and computer equipment. Capital assets are presented in the financial statements at $87.1 million (net of accumulated depreciation), a decrease of 7.4%, partly due to the sale of the McKinley Towers (see Financial Highlights). Typically, the change in capital assets in any given year is immaterial to the overall operation of the Corporation.

As of June 30, 2020, the Corporation had $2.6 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	Standard & Poor's	Moody's Investors Service	Fitch Ratings
Long Term	AA+	Aa2	AA+
Short Term	A-1+	P-1	F1+

Significant debt activity during the year included the following:

- Issued $361.7 million in bonds;
- Redeemed bonds through special redemption provisions of their respective indentures in the amount of $171.4 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.

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ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
COMBINED – ALL MAJOR PROGRAMS
As of June 30, 2020
(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
ASSETS					
Current					
Cash	$ 28,038	$ 8,235	$ 189	$ 29,110	$ 65,572
Investments	579,326	-	287,837	4,224	871,387
Accrued interest receivable	3,811	-	12,187	119	16,117
Inter-fund due (to)/from	(85,773)	2,850	83,988	(982)	83
Mortgage loans, notes and other loans	5,589	33	91,984	1,282	98,888
Net investment in direct financing lease	-	-	2,180	-	2,180
Other assets	5,231	5,262	2	1,377	11,872
Intergovernmental receivable	86	5,107	-	(1)	5,192
Total Current	**536,308**	**21,487**	**478,367**	**35,129**	**1,071,291**
Non Current					
Inter-fund due (to)/from	-	1,423	-	-	1,423
Mortgage loans, notes and other loans	165,729	1,082	2,936,386	41,444	3,144,641
Net investment in direct financing lease	-	-	20,288	-	20,288
Capital assets - non-depreciable	2,483	-	-	13,636	16,119
Capital assets - depreciable, net	13,370	50	-	52,782	66,202
Other assets	3,540	-	729	-	4,269
Total Non Current	**185,122**	**2,555**	**2,957,403**	**107,862**	**3,252,942**
Total Assets	**721,430**	**24,042**	**3,435,770**	**142,991**	**4,324,233**
DEFERRED OUTFLOW OF RESOURCES	**7,309**	**-**	**254,018**	**-**	**261,327**
LIABILITIES					
Current					
Bonds payable	-	-	96,180	-	96,180
Short term debt	115,366	-	-	-	115,366
Accrued interest payable	-	-	7,257	-	7,257
Other liabilities	12,863	14,033	890	945	28,731
Intergovernmental payable	-	-	189	457	646
Total Current	**128,229**	**14,033**	**104,516**	**1,402**	**248,180**
Non Current					
Bonds payable	-	-	2,476,633	-	2,476,633
Other liabilities	3,766	-	-	-	3,766
Derivative instrument - interest rate swaps	-	-	234,281	-	234,281
Pension & OPEB liability	36,968	-	-	-	36,968
Total Non Current	**40,734**	**-**	**2,710,914**	**-**	**2,751,648**
Total Liabilities	**168,963**	**14,033**	**2,815,430**	**1,402**	**2,999,828**
DEFERRED INFLOW OF RESOURCES	**2,861**	**-**	**-**	**-**	**2,861**
NET POSITION					
Net investment in capital assets	15,853	50	-	66,418	82,321
Restricted by bond resolutions	-	-	660,845	-	660,845
Restricted by contractual or statutory agreements	111,441	13,505	-	75,763	200,709
Unrestricted or (deficit)	429,621	(3,546)	213,513	(592)	638,996
Total Net Position	**$ 556,915**	**$ 10,009**	**$ 874,358**	**$ 141,589**	**$ 1,582,871**

See accompanying notes to the financial statements.

Alaska Corporation for Affordable Housing	Total June 30, 2020
$ 8,200	$ 73,772
-	871,387
66	16,183
(83)	-
-	98,888
-	2,180
121	11,993
-	5,192
8,304	**1,079,595**
(1,423)	-
12,761	3,157,402
-	20,288
4,740	20,859
-	66,202
1	4,270
16,079	**3,269,021**
24,383	**4,348,616**
-	**261,327**
-	96,180
-	115,366
-	7,257
-	28,731
-	646
-	**248,180**
-	2,476,633
290	4,056
-	234,281
-	36,968
290	**2,751,938**
290	**3,000,118**
-	**2,861**
4,740	87,061
-	660,845
19,397	220,106
(44)	638,952
$ 24,093	**$ 1,606,964**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
COMBINED – ALL MAJOR PROGRAMS
For the Year Ended June 30, 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	$ 7,548	$ -	$ 137,970	$ 1,412	$ 146,930
Investment interest	6,339	7	6,527	146	13,019
Net change in the fair value of investments	1,693	-	225	4	1,922
Net change of hedge termination	-	-	(177)	-	(177)
Total Investment Revenue	8,032	7	6,575	150	14,764
Grant revenue	66	61,654	-	3,191	64,911
Housing rental subsidies	-	-	-	11,202	11,202
Rental revenue	94	-	-	11,189	11,283
Gain (Loss) on Disposal of Capital Assets	(1,806)	-	-	84	(1,722)
Other revenue	2,424	683	179	2	3,288
Total Operating Revenues	**16,358**	**62,344**	**144,724**	**27,230**	**250,656**
OPERATING EXPENSES					
Interest	742	-	80,395	-	81,137
Mortgage and loan costs	2,557	-	12,075	131	14,763
Bond financing expenses	820	-	4,343	-	5,163
Provision for loan loss	(1,145)	37	(5,400)	(1)	(6,509)
Operations and administration	8,973	11,241	4,820	15,591	40,625
Rental housing operating expenses	622	17	-	15,711	16,350
Grant expense	5	63,795	-	-	63,800
Total Operating Expenses	**12,574**	**75,090**	**96,233**	**31,432**	**215,329**
Operating Income (Loss)	**3,784**	**(12,746)**	**48,491**	**(4,202)**	**35,327**
NON-OPERATING EXPENSES AND TRANSFERS					
Interfund receipts (payments) for operations	39,479	11,720	(56,230)	3,367	(1,664)
Change in Net Position	43,263	(1,026)	(7,739)	(835)	33,663
Net position at beginning of year	513,652	11,035	882,097	142,424	1,549,208
Net Position at End of Period	**$ 556,915**	**$ 10,009**	**$ 874,358**	**$ 141,589**	**$ 1,582,871**

See accompanying notes to the financial statements.

Exhibit B

Alaska Corporation for Affordable Housing	Total June 30, 2020
$ 138	$ 147,068
12	13,031
-	1,922
-	(177)
12	14,776
-	64,911
-	11,202
229	11,512
-	(1,722)
41	3,329
420	**251,076**
-	81,137
-	14,763
-	5,163
(130)	(6,639)
333	40,958
3	16,353
-	63,800
206	**215,535**
214	**35,541**
1,664	-
1,878	35,541
22,215	1,571,423
$ 24,093	**$ 1,606,964**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED – ALL MAJOR PROGRAMS
For the Year Ended June 30, 2020
(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
CASH FLOWS					
Operating Activities					
Interest income on mortgages and loans	$ 6,577	$ -	$ 127,692	$ 1,282	$ 135,551
Principal receipts on mortgages and loans	9,550	-	533,588	5,478	548,616
Disbursements to fund mortgages and loans	(511,119)	-	-	-	(511,119)
Receipts (payments) for interfund loan transfers	396,594	-	(389,981)	(6,613)	-
Mortgage and loan proceeds receipts	735,191	-	-	-	735,191
Mortgage and loan proceeds paid to funds	(688,369)	-	-	-	(688,369)
Payroll-related disbursements	(21,809)	(5,216)	-	(9,729)	(36,754)
Payments for goods and services	(6,374)	(1,497)	-	(13,480)	(21,351)
Receipts for externally funded programs	-	33,785	-	13,906	47,691
Receipts for Federal HAP subsidies	-	36,028	-	-	36,028
Payments for Federal HAP subsidies	-	(35,211)	-	-	(35,211)
Interfund receipts (payments)	(7,715)	4,944	-	949	(1,822)
Grant payments to other agencies	(5)	(30,050)	-	-	(30,055)
Other operating cash receipts (payments)	24,618	237	(10)	10,833	35,678
Net Cash Receipts (Disbursements)	**(62,861)**	**3,020**	**271,289**	**2,626**	**214,074**
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	379,756	-	379,756
Principal paid on bonds	-	-	(248,670)	-	(248,670)
Payment of bond issuance costs	(590)	-	(1,173)	-	(1,763)
Interest paid on bonds	-	-	(91,977)	-	(91,977)
Proceeds from short-term debt issuance	656,727	-	-	-	656,727
Payment of short term debt	(591,571)	-	-	-	(591,571)
Transfers from (to) other funds	193,881	-	(193,881)	-	-
Net Cash Receipts (Disbursements)	**258,447**	**-**	**(155,945)**	**-**	**102,502**
Capital Financing Activities					
Acquisition of capital assets	(251)	(29)	-	(1,078)	(1,358)
Proceeds from the disposal of capital assets	1,359	-	-	84	1,443
Principal paid on capital notes	-	-	(6,020)	-	(6,020)
Interest paid on capital notes	-	-	(1,222)	-	(1,222)
Proceeds from direct financing leases	-	-	3,303	-	3,303
Net Cash Receipts (Disbursements)	**1,108**	**(29)**	**(3,939)**	**(994)**	**(3,854)**
Investing Activities					
Purchase of investments	(3,661,406)	-	(1,480,567)	(6,915)	(5,148,888)
Proceeds from maturity of investments	3,452,171	-	1,363,340	6,660	4,822,171
Interest received from investments	7,037	7	5,812	154	13,010
Net Cash Receipts (Disbursements)	**(202,198)**	**7**	**(111,415)**	**(101)**	**(313,707)**
Net Increase (decrease) in cash	(5,504)	2,998	(10)	1,531	(985)
Cash at beginning of year	33,542	5,237	199	27,579	66,557
Cash at end of period	**$ 28,038**	**$ 8,235**	**$ 189**	**$ 29,110**	**$ 65,572**

Alaska Corporation for Affordable Housing	Total June 30, 2020
$ -	$ 135,551
-	548,616
-	(511,119)
-	-
-	735,191
-	(688,369)
(254)	(37,008)
(81)	(21,432)
-	47,691
-	36,028
-	(35,211)
1,822	-
-	(30,055)
72	35,750
1,559	**215,633**
-	379,756
-	(248,670)
-	(1,763)
-	(91,977)
-	656,727
-	(591,571)
-	-
-	**102,502**
(1,073)	(2,431)
-	1,443
-	(6,020)
-	(1,222)
-	3,303
(1,073)	**(4,927)**
-	(5,148,888)
-	4,822,171
12	13,022
12	**(313,695)**
498	(487)
7,702	74,259
$ 8,200	**$ 73,772**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED – ALL MAJOR PROGRAMS
For the Year Ended June 30, 2020
(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
RECONCILIATION					
Operating Income (Loss) to Net Cash					
Operating income (loss)	$ 3,784	$ (12,746)	$ 48,491	$ (4,202)	$ 35,327
Adjustments:					
Depreciation expense	1,000	18	-	5,315	6,333
Provision for loan loss	(1,145)	37	(5,400)	(1)	(6,509)
Net change in the fair value of investments	(1,693)	-	(225)	(4)	(1,922)
Interfund receipts (payments) for operations	39,479	11,720	(56,230)	3,367	(1,664)
Interest received from investments	(7,037)	(7)	(5,812)	(154)	(13,010)
Interest paid on bonds and capital notes	-	-	91,977	-	91,977
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	40,783	36	47,233	(1,155)	86,897
Net increase (decrease) in assets, liabilities, and deferred resources	(138,032)	3,962	151,255	(540)	16,645
Net Operating Cash Receipts (Disbursements)	**$ (62,861)**	**$ 3,020**	**$ 271,289**	**$ 2,626**	**$ 214,074**
Non-Cash 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
Total Non-Cash Activities	**$ -**	**$ -**	**$ 195,725**	**$ -**	**$ 195,725**

See accompanying notes to the financial statements.

Exhibit C

Alaska Corporation for Affordable Housing	Total June 30, 2020
$ 214	$ 35,541
-	6,333
(130)	(6,639)
-	(1,922)
1,664	-
(12)	(13,022)
-	91,977
(226)	86,671
49	16,694
$ 1,559	**$ 215,633**
-	82,016
-	83,347
-	6,252
-	24,110
$ -	**$ 195,725**

NOTE DISCLOSURES INDEX

FOR THE TWELVE MONTHS ENDED JUNE 30, 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 affiliates 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 affiliate issues annual audited financial statements. Copies may be found at the following links, or please contact AHFC to obtain a copy. The affiliates 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 affiliates of AHFC are not closely related, nor financially integrated with AHFC. There is no financial accountability for the other affiliates 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 affiliates 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.

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. Costs of issuance are expensed when incurred.

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, 2020
Restricted cash	$	55,248
Unrestricted cash		18,524
Carrying amount		73,772
Bank balance	$	73,881

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.

	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years	June 30, 2020
Commercial paper & medium-term notes	$ 468,616	$ -	$ -	$ -	$ 468,616
Corporate Certificates of Deposit	4,657	-	-	-	4,657
Money market funds	396,613	-	-	-	396,613
Total not including GeFONSI	$ 869,886	$ -	$ -	$ -	$ 869,886
GeFONSI pool					1,501
Total AHFC Investment Portfolio					$ 871,387

Restricted Investments

A large portion of the Corporation's investments, $389,698,000, is restricted by bond resolutions, contractual agreements, and statutory agreements, and the remainder, $481,689,000, 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, 2020
Ending unrealized holding gain	$	3,433
Beginning unrealized holding gain		1,511
Net change in unrealized holding gain		1,922
Net realized gain (loss)		-
Net increase (decrease) in fair value	$	1,922

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, 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
Commercial paper, medium-term notes and Certificates of Deposit:	AAA	Aaa	WD	$ 252
	AA+	Aa1	NA	253
	AA-	Aa2	NA	501
	A+	Aa2	AA	500
	A-1+	P-1	F1+	40,482
	A-1+	P-1	F1	19,824
	A-1+	P-1	F-1+	252
	A-1+	P-1	F-1	724
	A-1+	P-1	F-2	10,426
	A-1+	P-1	NA	139,216
	A-1	P-1	F1	92,546
	A-1	P-1	F1+	27,500
	A-1	P-1	NA	58,634
	A-1	P-1	WD	503
	A-1	P-2	F-1	291
	A-1	P-2	F2	29,910
	A-1	P-2	NA	9,975
	A-2	P-1	F1+	26,928
	A-2	P-2	F1	14,056
	NA	P-1	NA	250
	NR	P-1	NA	250
				473,273
Money market funds:	AAA	Aaa	AAA	320,787
	AAAm	Aaa	NA	75,826
				396,613
				$ 869,886

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, 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
Morgan Stanley	$ 320,787	36.81%
Goldman Sachs	75,826	8.70
Toronto Dominion Bank	65,358	7.50

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. As stated in the Corporation's Fiscal Policies, credit risk is mitigated by limiting investments to those highly-rated securities permitted in the Fiscal Policies and by pre-qualifying firms through which the Corporation administers its investment activities.

Of the Corporation's $73,881,000 bank balance at June 30, 2020, cash deposits in the amount of $1,914,000 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. As stated in the Corporation's Fiscal Policies, 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, 2020:

	Investment Fair Value	Modified Duration
Certificate of deposit	$ 4,657	0.251
Commercial paper & medium-term notes:		
Commercial paper discounts	455,665	0.278
Medium-term notes	12,951	0.375
Money market funds	396,613	0.000
Portfolio modified duration	$ 869,886	0.152

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 $1,501,000.

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, 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	$ -	$ 6,599	$ -	$ 1,326	$ 83	$ 8,008
Grant Programs	9,449	-	-	-	1,423	10,872
Mortgage or Bond Programs	83,988	-	-	-	-	83,988
Other Funds or Programs	344	-	-	-	-	344
Alaska Corporation for Affordable Housing	-	-	-	-	-	-
Total	$ 93,781	$ 6,599	$ -	$ 1,326	$ 1,506	$103,212

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, 2020
Mortgage loans	$	2,770,213
Multifamily loans		452,498
Other notes receivable		75,172
		3,297,883
Less:		
Allowance for losses		(41,593)
Net Mortgages, Notes & other	$	3,256,290

Of the $3,297,883,000 mortgage loans, notes, and other loans, $98,888,000 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):

		June 30, 2020
Loans Delinquent 30 days or more	$	270,554
Foreclosures during reporting period		7,799
Loans in foreclosure process		6,645
Mortgage-related commitments:		
To purchase mortgage loans	$	105,475

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
2021	$	3,304
2022		3,304
2023		3,304
2024		3,304
2025		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 twelve months ended June 30, 2020, and a summary of balances is shown below (in thousands):

		June 30, 2019		Additions		Reductions		June 30, 2020
Non-Depreciable Capital Assets:								
Land	$	20,228	$	1,073	$	(442)	$	20,859
Construction in progress		-		691		(691)		-
Total Non-Depreciable		20,228		1,764		(1,133)		20,859
Depreciable Capital Assets:								
Buildings		246,074		637		(2,892)		243,819
Computers & Equipment		2,746		425		-		3,171
Vehicles		2,395		296		(118)		2,573
Less: Accumulated depreciation								
Buildings		(173,021)		(5,915)		261		(178,675)
Computers & Equipment		(2,446)		(229)		-		(2,675)
Vehicles		(1,940)		(189)		118		(2,011)
Total Depreciable, Net		73,808		(4,975)		(2,631)		66,202
Total Capital Assets, Net	$	94,036	$	(3,211)	$	(3,764)	$	87,061

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

Depreciation expense charged by the Corporation was $6,333,000 for the twelve months ended June 30, 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 $10,809,000 at June 30, 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 June 30, 2020, were interest rate swap derivatives of $232,547,000, deferred debt refunding expense of $21,471,000, pension deferred outflows of $4,178,000, and other post employment benefits deferred outflows of $3,131,000 for a total of $261,327,000.

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, 2020, are shown on the next three pages (in thousands):

	Original Amount	June 30, 2020
Housing Bonds:		
Mortgage Revenue Bonds, Tax-Exempt:		
● 2009 Series A-2; 2.32%, due 2026-2041	$ 128,750	$ 60,170
● 2011 Series B; 3.30% to 4.05%, due 2020-2026	71,360	16,230
Total Mortgage Revenue Bonds	200,110	76,400
Home Mortgage Revenue Bonds, Tax-Exempt:		
● 2002 Series A; Floating Rate*; 0.17% at June 30, 2020, due 2032-2036	170,000	32,515
Unamortized swap termination penalty		(1,595)
● 2007 Series A; Floating Rate*; 0.12% at June 30, 2020, due 2020-2041	75,000	69,200
● 2007 Series B; Floating Rate*; 0.12% at June 30, 2020, due 2020-2041	75,000	69,200
● 2007 Series D; Floating Rate*; 0.12% at June 30, 2020, due 2020-2041	89,370	82,440
● 2009 Series A; Floating Rate*; 0.12% at June 30, 2020, due 2020-2040	80,880	79,770
● 2009 Series B; Floating Rate*; 0.12% at June 30, 2020, due 2020-2040	80,880	79,770
● 2009 Series D; Floating Rate*; 0.12% at June 30, 2020, due 2020-2040	80,870	79,765
Total Home Mortgage Revenue Bonds	652,000	491,065
Collateralized Bonds (Veterans Mortgage Program), Tax-Exempt:		
● 2016 First and Second Series; 1.25% to 3.20%, due 2020-2046	50,000	45,560
● 2019 First and Second Series; 1.65% to 4.00%, due 2020-2049	60,000	48,735
● Unamortized premium		781
Total Collateralized Bonds (Veterans Mortgage Program)	110,000	95,076
General Mortgage Revenue Bonds II, Tax-Exempt:		
● 2012 Series A; 2.50%-4.125%, due 2020-2037	145,890	64,740
Unamortized discount		(120)
● 2016 Series A; 1.10%-3.50%, due 2020-2046	100,000	81,905
Unamortized premium		571
● 2018 Series A; 1.90%-4.00%, due 2020-2048	109,260	100,300
Unamortized premium		1,843
● 2018 Series B; 3.45%-5.00%, due 2031-2035	58,520	54,520
Unamortized premium		4,188
● 2019 Series A; 1.15%-3.75%, due 2020-2049	136,700	133,740
Unamortized premium		2,043
● 2019 Series B; 2.50%-5.00%, due 2030-2034	24,985	24,985
Unamortized premium		4,594
Total General Mortgage Revenue Bonds II, Tax-Exempt	$ 575,355	$ 473,309

	Original Amount	June 30, 2020
Housing Bonds (cont.)		
Governmental Purpose Bonds, Tax-Exempt:		
● 2001 Series A; Floating Rate*; 0.12% at June 30, 2020, due 2020-2030	$ 76,580	$ 37,905
Unamortized swap termination penalty		(3,313)
● 2001 Series B; Floating Rate*; 0.12% at June 30, 2020, due 2020-2030	93,590	46,320
Total Governmental Purpose Bonds	170,170	80,912
Total Housing Bonds	1,707,635	1,216,762
Non-Housing Bonds:		
State Capital Project Bonds, Tax-Exempt:		
● 2002 Series C; Floating Rate*; 0.13% at June 30, 2020, due 2020-2022	60,250	16,890
● 2011 Series A; 5.00%, due 2020	105,185	3,040
Unamortized premium		9
Total State Capital Project Bonds, Tax-Exempt	165,435	19,939
State Capital Project Bonds II, Tax-Exempt:		
● 2012 Series A; 3.25% to 5.00%, due 2020-2032	99,360	35,320
Unamortized discount		(76)
Unamortized premium		1,143
● 2013 Series A; 4.00% to 5.00%, due 2020-2032	86,765	55,115
Unamortized premium		2,283
● 2014 Series A; 4.00% to 5.00%, due 2020-2033	95,115	74,075
Unamortized discount		(44)
Unamortized premium		2,906
● 2014 Series B; 5.00%, due 2020-2029	29,285	21,820
Unamortized premium		1,542
● 2014 Series D; 5.00%, due 2020-2029	78,105	71,900
Unamortized premium		5,925
● 2015 Series A; 4.00% to 5.00%, due 2020-2030	111,535	92,715
Unamortized premium		7,690
● 2015 Series B; 3.00% to 5.00%, due 2020-2036	93,365	84,970
Unamortized discount		(165)
Unamortized premium		3,695
● 2015 Series C; 5.00%, due 2021-2035	55,620	43,430
Unamortized premium		4,559
● 2017 Series A; 4.00% to 5.00%, due 2020-2032	143,955	135,535
Unamortized premium		15,752
● 2017 Series C; 5.00%, due 2024-2032	43,855	43,855
Unamortized premium		6,074
● 2018 Series B; 3.125% to 5.00%, due 2020-2038	35,570	33,915
Unamortized discount		(70)
Unamortized premium		3,513
● 2019 Series B; 3.00% to 5.00%, due 2020-2039	60,000	59,070
Unamortized premium		9,665
Total State Capital Project Bonds II, Tax-Exempt	$ 932,530	$ 816,112

	Original Amount	June 30, 2020
Non-Housing Bonds (cont.):		
State Capital Project Bonds II, Taxable:		
• 2017 Series B; Floating Rate*; 0.25% at June 30, 2020, due 2047	$ 150,000	$ 150,000
• 2018 Series A; Floating Rate*; 0.22% at June 30, 2020, due 2031-2043	90,000	90,000
• 2019 Series A; Floating Rate*; 0.27% at June 30, 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	1,216,051
Direct Placement Bonds, Taxable:		
• 2014 Series C; Indexed Floating Rate**, 0.673% at June 30, 2020, due 2029	140,000	140,000
Total Direct Placement Bonds, Taxable	140,000	140,000
Total Bonds Payable	$ 3,325,600	$ 2,572,813

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	$ 1,584,237	$ 223,355	$ -	$ 1,807,592
Non-Housing	-	-	22,468	22,468
Direct Placement	-	-	-	-
Total	$ 1,584,237	$ 223,355	$ 22,468	$ 1,830,060

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, 2020, the Corporation made special redemptions in the amount of $171,395,000.

Advance Refundings

There were no advance refundings in fiscal year 2020. A summary of all defeased debt from prior fiscal years as of June 30, 2020, follows (in thousands):

	Date Defeased	June 30, 2020
State Capital Project Bonds, 2011 Series A	September 2017	$ 63,705
State Capital Project Bonds II, 2012 Series A	December 2017	29,795
State Capital Project Bonds II, 2013 Series A	December 2017	16,345
		$ 109,845

Debt Service Requirements**

For all bonds in the preceding schedules, the Corporation's annual debt service requirements through 2025 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
2021	$ 40,290	$ 40,332	$ 80,622	$ 55,890	$ 36,443	$ 92,333
2022	41,655	39,173	80,828	57,855	33,750	91,605
2023	43,300	37,922	81,222	53,425	30,883	84,308
2024	41,545	36,654	78,199	57,110	28,176	85,286
2025	43,020	35,389	78,409	57,895	25,324	83,219
2026-2030	259,200	154,314	413,514	296,730	82,905	379,635
2031-2035	351,435	99,830	451,265	188,175	24,496	212,671
2036-2040	242,415	49,521	291,936	66,825	6,608	73,433
2041-2045	101,460	14,974	116,434	167,745	3,702	171,447
2046-2050	43,450	3,286	46,736	150,000	938	150,938
	$ 1,207,770	$ 511,395	$ 1,719,165	$ 1,151,650	$ 273,225	$ 1,424,875

Year Ended June 30,	Direct Placement Debt Service			Total Debt Service		
	Principal	Interest*	Total	Principal	Interest*	Total
2021	$ -	$ 4,573	$ 4,573	$ 96,180	$ 81,348	$ 177,528
2022	-	4,573	4,573	99,510	77,496	177,006
2023	-	4,573	4,573	96,725	73,378	170,103
2024	-	4,586	4,586	98,655	69,416	168,071
2025	-	4,573	4,573	100,915	65,287	166,202
2026-2030	140,000	20,599	160,599	695,930	257,819	953,749
2031-2035	-	-	-	539,610	124,326	663,936
2036-2040	-	-	-	309,240	56,129	365,369
2041-2045	-	-	-	269,205	18,675	287,880
2046-2050	-	-	-	193,450	4,223	197,673
	$ 140,000	$ 43,477	$ 183,477	$ 2,499,420	$ 828,097	$ 3,327,517

* 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, 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 June 30, 2020, follows (in thousands):

	Maximum Issue Amount	Balance as of June 30, 2020	Remaining Authority as of June 30, 2020
Revenue Bonds, 2018 (Marina Karina Project)	$ 4,400	$ 742	$ 3,658
Revenue Bonds, 2020 (West 32nd Avenue Project)	3,500	50	3,450

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, 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 June 30, 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 (I/II)
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, 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 June 30, 2020	Fair Values June 30, 2019	Change in Fair Value
GP01A	$ 37,905	$ 42,650	$ (4,745)	$ (3,063)	$ (1,682)
GP01B	46,320	56,675	(10,355)	(8,776)	(1,579)
E021A1	32,515	38,145	(5,630)	(3,844)	(1,786)
SC02C	16,890	17,585	(695)	(1,059)	364
E071AB	132,504	184,132	(51,628)	(35,750)	(15,878)
E071AD	88,336	122,534	(34,198)	(23,645)	(10,553)
E091A	71,791	99,154	(27,363)	(19,138)	(8,225)
E091B	71,792	98,712	(26,920)	(18,854)	(8,066)
E091ABD	95,722	131,313	(35,591)	(24,873)	(10,718)
SC14C	140,000	175,421	(35,421)	(17,789)	(17,632)
Total	$ 733,775	$ 966,321	$ (232,546)	$ (156,791)	$ (75,755)

As of June 30, 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 June 30	VRDO Principal	VRDO Interest	Swap Net Payment	Total Payments
2021	$ 27,780	$ 1,664	$ 24,625	$ 54,069
2022	29,230	1,629	23,630	54,489
2023	27,175	1,591	22,581	51,347
2024	24,750	1,559	21,701	48,010
2025	25,920	1,528	20,855	48,303
2026-2030	288,960	6,646	87,986	383,592
2031-2035	127,845	1,508	44,153	173,506
2036-2040	148,840	709	20,846	170,395
2041-2045	33,275	34	1,017	34,326
	$ 733,775	$ 16,868	$ 267,394	$ 1,018,037

Credit Risk
As of June 30, 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 27.4% of the total notional amount of the swaps is held with another counterparty rated "A+/Aa1" and 19.1% 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%, 6.3%, and 5.2% 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, 2020, SIFMA was 0.13% and 1-month LIBOR was 0.16%, resulting in a SIFMA/LIBOR ratio of 80%. The 3-month LIBOR was 0.30%, resulting in a SIFMA/LIBOR ratio of 43%. 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, 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	3.77%	70% of 1M LIBOR	07/01/24	A+/Aa1

The change in fair value of the investment derivatives as of June 30, 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 June 30, 2020	Fair Values June 30, 2019	Change in Fair Value
SC02B	$ 14,555	$ 16,290	$ (1,735)	$ (1,558)	$ (177)

Credit Risk
As of June 30, 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 twelve months ended June 30, 2020, is summarized in the following schedule (in thousands):

	June 30, 2019	Additions	Reductions	June 30, 2020	Due Within One Year
Total bonds and notes payable	$ 2,461,125	$ 379,558	$ (267,870)	$ 2,572,813	$ 96,180
Net Pension liability	35,515	445	-	35,960	-
Net OPEB liability	7,286	80	(6,358)	1,008	-
Compensated absences	4,317	2,816	(2,401)	4,732	966
Other liabilities	-	397	(397)	-	-
Total long-term liabilities	$ 2,508,243	$ 383,296	$ (277,026)	$ 2,614,513	$ 97,146

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, 2020, was 0.17% and the highest, 2.46%.

Short term debt activity for the twelve months ended June 30, 2020, is summarized in the following schedule (in thousands):

	June 30, 2019	Additions	Reductions	June 30, 2020
Commercial paper	$ 49,550	$ 657,438	$ (591,571)	$ 115,417
Unamortized discount	(81)	(718)	748	(51)
Commercial paper, net	$ 49,469	$ 656,720	$ (590,823)	$ 115,366

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, 2020, totaling $1,537,000, represent the difference between expected and actual experience of $532,000 and changes in proportion and differences between employer contributions of $1,005,000 in the State of Alaska's PERS Defined Benefit Retirement Plan. AHFC's OPEB deferred inflows of resources at June 30, 2020, represent $709,000 difference between expected and actual experience, 3,000 changes in assumptions, $430,000 difference between projected and actual investment earnings, and $183,000 changes in proportion and differences between employer contributions in the OPEB plan. The combined total of all OPEB deferred inflows of resources is $1,324,000. The combined total of all deferred inflows of resources is $2,861,000.

15 TRANSFERS

Transfers for the twelve months ended June 30, 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	$ -	$ 2,126	$ 593,813	$ 6,613	$ -	$ 602,552
	Grant Programs	13,846	-	-	-	-	13,846
	Mortgage or Bond Programs	537,583	-	-	-	-	537,583
	Other Funds or Programs	9,980	-	-	-	-	9,980
	Alaska Corporation for Affordable Housing	1,664	-	-	-	-	1,664
	Total	$ 563,073	$ 2,126	$ 593,813	$ 6,613	$ -	$1,165,625

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, 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	$ 32,515
2007 Series A, B, D Home Mortgage Revenue Bonds	SBPA	AA+	Aaa	220,840
2009 Series A Home Mortgage Revenue Bonds	SBPA	A+	Aa1	79,770
2009 Series B Home Mortgage Revenue Bonds	SBPA	A+	Aa1	79,770
2009 Series D Home Mortgage Revenue Bonds	SBPA	AA+	Aaa	79,765
2001 Series A & B Governmental Purpose Bonds	SBPA	AA+	Aaa	84,225
State Capital Project Bonds (I & II) & Commercial Paper	RCA	A	A1	300,000
Total				$ 876,885

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 $1,396,000, but rebate liability as of June 30, 2020, was $667,000, resulting in $729,000 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". The following table shows the cumulative total of all dividends due and payable to the State since 1991, and the remaining commitment as of June 30, 2020, (in thousands).

	Dividend Due to State	Expenditures	Remaining Commitments
State General Fund Transfers	$ 807,018	$ (788,948)	$ 18,070
State Capital Projects Debt Service	482,877	(470,877)	12,000
State of Alaska Capital Projects	276,186	(251,641)	24,545
AHFC Capital Projects	535,592	(492,570)	43,022
Total	$ 2,101,673	$ (2,004,036)	$ 97,637

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, 2020
AMHTA Rural Capacity Expansion	$	68
Beneficiaries and Special Needs Housing		2,519
Continuum of Care Homeless Assistance		2,054
Alaska Housing Relief Program (AHR)		24
Domestic Violence		1,685
Discharge Incentive grant		187
Drug Elimination		15
Emergency Shelter Grant (ESG)		245
Energy Efficiency Monitoring Research		361
Energy Efficient Home Program		(2)
Foster Youth to Independence		15
HOME Investment Partnership		2,896
Homeless Assistance Program (HAP)		5,989
Housing Choice Vouchers		30,709
Housing Choice Voucher - Mainstream		252
Housing Grants - Other Agencies		5
Housing Loan Program		797
Housing Opportunities for Persons with AIDS		692
Housing Trust Fund		1,717
Low Income Weatherization Assistance		5,432
Low Income Home Energy Assistance		669
Non-Elderly Disabled (NED)		239
Parolees (TBRA)		558
Section 811 Rental Housing Assistance		84
Section 8 Rehabilitation		492
Senior Citizen Housing Development Grant		1,178
Supplemental Housing Grant		2,822
Veterans Affairs Supportive Housing		1,954
Youth (TBRA)		144
Total Housing Grants and Subsidies Expenses	$	63,800

In addition to grant payments made, the Corporation had advanced grant funds of $4,747,000 and committed to third parties a sum of $35,025,000 in grant awards as of June 30, 2020.

20 PENSION AND POST-EMPLOYMENT HEALTHCARE PLANS

Description of Plans

As of June 30, 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:
At June 30, 2020, the Corporation reported a liability for its proportionate share of net pension liability of $35,960,000. This amount reflected State pension support provided to the Corporation of $14,276,000. The total net pension liability associated with the Corporation was $50,236,000.

The net pension liability for the June 30, 2019 measurement date, and the total pension liability used to calculate the new pension liability was determined by an actuarial valuation as of June 30, 2018 and rolled forward to June 30, 2019.

Pension Expense:

For the year ended June 30, 2020, the Corporation recognized pension expense of $5,006,000 and revenue of $1,383,000 for support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:
As of June 30, 2020, the Corporation's deferred outflows of resources related to pension expense of $4,178,000 were due to changes in assumptions of $1,101,000, a difference between projected and actual investment earnings of $516,000 and contributions to the pension plan subsequent to the measurement date of $2,561,000. The Corporation's deferred inflows of resources related to pension of $1,537,000 were due to a difference between expected and actual experience of $532,000 and a change in proportion and differences between employer contributions of $1,005,000.

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
2021	$ 3,081	$ (385)	$ 2,696
2022	4	(384)	(380)
2023	531	(384)	147
2024	562	(384)	178
	$ 4,178	$ (1,537)	$ 2,641

Pension Employer Contributions:
In 2020, the Corporation was credited with the following contributions to the PERS plan:

	Measurement Period Corporation FY19	Measurement Period Corporation FY18
Employer PERS contributions	$ 2,616,000	$ 2,932,000

Pension and OPEB Actuarial Assumptions:
The total pension and OPEB liabilities for the fiscal year ending June 30, 2020, was determined by an actuarial valuation as of June 30, 2018, rolled forward to the measurement date of June 30, 2019. The valuation was prepared assuming an inflation rate of 2.50%. Salary increases were determined by grading by service to range from 6.75% to 2.75%. The investment rate of return was calculated at 7.38%, net of pension and OPEB plan investment expenses, based on an average inflation rate of 2.50% and a real return of 4.88%.

Mortality rates were based on the RP-2014 table, based upon the 2013-2017 actual experience.

The actuarial assumptions used in the June 30, 2018 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013, to June 30, 2017.

The long-term expected rate of return on pension and OPEB plans 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 and OPEB plans investment expense and inflation) are developed for each major asset class. These ranged 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, excluding the inflation component of 2.50%, for each major asset class included in the and OPEB plans' target asset allocation are summarized in the following:

Asset Class	Long-term Expected Real Rate of Return
Domestic Equity	8.16 %
Global Equity (non-U.S.)	7.51 %
Intermediate treasuries	1.58 %
Opportunistic	3.96 %
Real Assets	4.76 %
Private Equity	11.39 %
Cash Equivalents	0.83 %

Pension Discount rate:
The discount rate used to measure the total pension liability was 7.38%. 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 7.38% and what it would be if the discount was 1% lower (6.38%) or 1% higher (8.38%), (in thousands).

	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
Corporation's proportionate share of the net pension liability	$ 47,462	$ 35,960	$ 26,329

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 twelve months ended June 30, 2020, the Corporation paid additional contributions of $1,240,000. These contributions equal $886,000 for the defined benefit pension as of June 30, 2020, and $354,000 for the defined benefit post-employment healthcare plans as of June 30, 2020.

The contributions to the pension plan for the twelve months ended June 30, 2020, by the employees totaled $817,000 and by the Corporation totaled $505,000.

The contributions to Other Post-Employment Benefits (OPEB) plan by the Corporation for the twelve months ended June 30, 2020, totaled $159,000.

The Corporation contributed $335,000 to a Health Reimbursement Arrangement for the twelve months ended June 30, 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 twelve months ended June 30, 2020, totaled $669,000, and for the years ended June 30, 2019, and June 30, 2018, totaled $676,000 and $613,000, respectively.

OPEB Employer Contribution Rate:
In 2020, the Corporation was credited with the following contributions to the OPEB plan:

	Measurement Period Corporation FY19	Measurement Period Corporation FY18
Employer contributions DB	$ 2,616,000	$ 2,932,000
Employer contributions DC RM	82,000	83,000
Employer contributions DC ODD	23,000	13,000
Nonemployer contributions (on-behalf)	-	-
Total Contributions	**$ 2,721,000**	**$ 3,028,000**

Changes in Benefit Provisions Since the Prior Valuation of OPEB:
For the DB and DC RM OPEB plans, in addition to the changes in assumptions due to the experience study displayed in the table "OPEB Actuarial Assumptions," the following assumption changes have been made since the prior evaluation: a) based on recent experience, the healthcare cost trend assumptions were updated, b) per capita claim costs were updated to reflect recent experience, c) healthcare costs trends were updated to reflect a Cadillac tax load. For the DB OPEB only, the changes of the benefit terms are significantly impacted by the adoption of EGWP program, certain prescription drug benefits previously provided by the Plan now provided by Medicare. No changes for DC ODD plan, except for the changes in assumptions due to the experience study displayed in the table "OPEB Actuarial Assumptions."

OPEB healthcare cost trend rates:
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 (includes increase due to the cost plan excise tax (Cadillac tax).

	Medical Pre-65	Medical Post-65	Prescription Drugs/ Employer Group Waiver Plan (EGWP)	RDS
FY19	7.5%	5.5%	8.5%	4.7%
FY20	7.0%	5.4%	8.0%	4.7%
FY21	6.5%	5.4%	7.5%	4.6%
FY22	6.3%	5.4%	7.1%	4.6%
FY23	6.1%	5.4%	6.8%	4.6%
FY24	5.9%	5.4%	6.4%	4.6%
FY25	5.8%	5.4%	6.1%	4.6%
FY26	5.6%	5.4%	5.7%	4.6%
FY27-FY40	5.4%	5.4%	5.4%	4.5%
FY41	5.3%	5.3%	5.3%	4.5%
FY42	5.2%	5.2%	5.2%	4.5%
FY43	5.1%	5.1%	5.1%	4.5%
FY44	5.1%	5.1%	5.1%	4.5%
FY45	5.0%	5.0%	5.0%	4.5%
FY46	4.9%	4.9%	4.9%	4.5%
FY47	4.8%	4.8%	4.8%	4.5%
FY48	4.7%	4.7%	4.7%	4.5%
FY49	4.6%	4.6%	4.6%	4.5%
FY50+	4.5%	4.5%	4.5%	4.5%

Key Elements of OPEB formula:
Liabilities and contributions shown in the report are computed using the Entry Age Normal Actuarial Cost Method. Projected pension and postemployment healthcare benefits were determined for all active members. Cost factors designed to produce annual costs as a constant percentage of each member's expected compensation in each year 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 currently receiving benefits, terminated vested members and disabled members not yet 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.

Post-employment healthcare benefits:
For DB plan 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 full 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 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 1.25% and 1.875% respectively, is valued for the annual automatic Post-Retirement Pension Adjustment (PRPA).

For DC RM and DC ODD retirement eligibility: must retire from the plan and either after 30 years of service or to be eligible for Medicare and have 10 years of service. Once member becomes eligible for Medicare, the required contribution follows a set plan schedule. The plan's coverage is supplemental to Medicare, referred to in the industry as exclusion coordination. Medicare payment is deducted from the Medicare allowable expense and plan parameters are applied to the remaining amount. Starting in 2019, the prescription drug coverage will be through a Medicare Part D Employer Group Waiver Plan (EGWP) arrangement. The cost of premiums for retiree major medical insurance coverage for an eligible member of surviving spouse who is: a) not eligible for Medicare is an amount equal to the full monthly group premium for retiree major medical insurance coverage; b) eligible based on the years of service. Occupational Disability and Death benefit are 40% of salary at date of qualifying event. Medicare exclusion coordination applies to ODD benefits.

OPEB Liabilities:
At June 30, 2020, the total net OPEB liability associated with the Corporation was $1,008,000.

At June 30, 2020, 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:	2020
Corporation's proportionate share of NOL – DB	$ 976,000
Corporation's proportionate share of NOL – DC RM	167,000
State's proportionate share of the NOL associated with the Corporation	-
Total Net OPEB Liabilities	$ 1,143,000

Corporation's proportionate share Net OPEB Assets:	2020
Corporation's proportionate share of NOA – DC ODD	$ 135,000
	-
Total Net OPEB Assets	$ 135,000

The net OPEB liability was measured as of June 30, 2019, and the total pension liability used to calculate the new pension liability was determined by an actuarial valuation as of June 30, 2018, and rolled forward to June 30, 2019.

Corporation's proportionate share Net OPEB Liabilities:	June 30, 2018 Measurement Date Employer Proportion	June 30, 2019 Measurement Date Employer Proportion	Change
DB	0.71460%	0.65680%	(0.05780%)
DC RM	0.71095%	0.69949%	(0.01146%)
DC ODD	0.71095%	0.55609%	(0.15486%)

Changes in Benefit Provisions Since Prior Valuation of OPEB:
For DC RM and DC ODD plans, there were no changes in benefit provisions. For the DB OPEB only, the changes of benefit terms are significantly impacted by the adoption of EGWP program, certain prescription drug benefits previously provided by the Plan now provided by Medicare. No changes for DC RM plan except for the changes in assumptions due to the experience study displayed in the table "OPEB Actuarial Assumptions."

OPEB Expense:
For the year ended June 30, 2020, the Corporation recognized OPEB expense of $505,000 and no support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:
At June 30, 2020, 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, 2020	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	$ 1,631	$ -
Difference between expected and actual experience	-	(708)
Difference between projected and actual investment earnings	-	(430)
Changes in assumptions	1,374	(3)
Changes in proportion and differences between employer contributions	126	(183)
Total Deferred Outflows and Deferred Inflows	$ 3,131	$ (1,324)

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
2021	1,870
2022	(330)
2023	110
2024	141
2025	5
Thereafter	11
	$ 1,807

OPEB Discount rate:
The discount rate used to measure the total OPEB liability was 7.38%. 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 7.38% and what it would be if the discount was 1-percentage-point (6.38%) lower or 1-percentage-point higher (8.38%), (in thousands).

Corporation's proportionate share of the net OPEB liabilities (assets):	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
DB plan	0.65680	$ 7,839	$ 976	$ (4,672)
DC RM plan	0.69949	$ 420	$ 167	$ (23)
DC ODD plan	0.55609	$ (128)	$ (135)	$ (140)

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	0.65680	$ (5,333)	$ 976	$ 8,672
DC RM plan	0.69949	$ (51)	$ 167	$ 467
DC ODD plan	0.55609	n/a	$ (135)	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: http://doa.alaska.gov/drb/employer/resources/gasb.html#.XtWcbXkzVbs

Annual Postemployment Healthcare Cost

In 2020, the Corporation recognized $335,000 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 $1,987,000 as of June 30, 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 twelve months ended June 30, 2020, 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 will deliver its $209,845,000 General Mortgage Revenue Bonds II, 2020 Series A and B, on September 15, 2020. The Series A Bonds are $135,170,000 tax-exempt general obligations of the Corporation with a final maturity of December 1, 2044. The Series B Bonds are $74,675,000 tax-exempt general obligations of the Corporation with a final maturity of December 1, 2035. Interest on the Series A and B Bonds is payable each June 1 and December 1 at fixed rates ranging from 0.25% to 5.00%. Proceeds of the Series A Bonds will be used to finance mortgage loans, to refund the Corporation's Mortgage Revenue Bonds, 2009 Series A 2, and to pay certain costs of issuance. Proceeds of the Series B Bonds will be used to refund the Corporation's Mortgage Revenue Bonds, 2011 Series B-1 and 2011 Series B-2 and certain other outstanding obligations of the Corporation.

The Corporation will deliver $96,665,000 State Capital Project Bonds II, 2020 Series A (Federally Taxable), on October 13, 2020. The Series A Bonds are taxable general obligations of the Corporation with a final maturity of December 1, 2033. Interest on the Bonds will be payable each June 1 and December 1 at fixed rates ranging from 0.531% to 2.18%. Proceeds of the Bonds will be used to refund certain outstanding bonds of the Corporation and for any authorized purpose of the Corporation.

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. 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. Currently, the Corporation continues to closely monitor the fast changing and developing COVID-19 situation and implement necessary measures, policies and procedures.

On May 11, 2020, the State of Alaska Legislative Budget and Audit Committee approved Revised Program Legislative (RPL) Process Overview for the distribution of coronavirus Aid, Relief, and Economic Security (CARES) Act Funding to State of Alaska agencies. RPL-04-2020-1059 approved $10 million in CARES Act funding for AFHC'S Homeless Assistance Program. The funds were subsequently appropriated.

The initial advance of approximately 70% was paid to grantees to manage the Alaska Housing Relief (AHR) Program for the CARES Acts funds. The funds went to grantees in order to reimburse landlords for rent or mortgage companies for mortgage payments. Period of performance for this grant is from June 1, 2020 until November 30, 2020.

During COVID-19, if a borrower is unable to make mortgage payments, a temporary forbearance may be granted and borrower(s) would work with their loan servicer to agree on a loss mitigation plan, acceptable to AHFC, to bring the loan current when the forbearance period has ended. The Corporation's Public Housing Division created an emergency hardship process to provide immediate rental relief to families affected by income loss due to COVID-19. The program is provided to those who use an AHFC Housing Choice Voucher or live in public housing and is called the Safety Net program. The program initially provided for three months of rental assistance, but has been expanded to provide for more assistance if the family continues to have a negative economic impact due to COVID-19. The Public Housing Division received CARES Act funding from HUD which covers the cost of the Safety Net program.

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 FIVE YEAR FINANCIAL INFORMATION

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

	June 30,				
	2020	**2019**	**2018**	**2017**	**2016**
Assets					
Cash	$ 73,772	$ 74,259	$ 69,609	$ 66,343	$ 70,104
Investments	871,387	562,671	596,133	618,544	615,588
Accrued interest receivable	16,183	15,831	14,115	12,771	12,325
Mortgage loans, notes and other loans	3,256,290	3,342,961	3,132,437	2,910,332	2,817,494
Net investment in direct financing lease	22,468	24,780	27,003	29,142	34,555
Capital assets, net	87,061	94,036	100,472	106,762	109,821
Other assets	21,455	21,255	28,684	23,171	35,746
Total Assets	4,348,616	4,135,793	3,968,453	3,767,065	3,695,633
Deferred Outflow of Resources	261,327	186,739	133,107	172,676	234,921
Liabilities					
Bonds and notes payable	2,572,813	2,461,125	2,328,487	2,124,637	2,083,582
Short term debt	115,366	49,469	53,269	82,526	71,589
Accrued interest payable	7,257	8,388	9,984	9,622	9,628
Other liabilities	70,401	70,059	58,868	63,894	55,009
Derivative instrument - interest rate swaps	234,281	158,349	104,674	144,903	210,543
Total Liabilities	3,000,118	2,747,390	2,555,282	2,425,582	2,430,351
Deferred Inflow of Resources	2,861	3,719	7,582	531	670
Total Net Position	$ 1,606,964	$ 1,571,423	$ 1,538,696	$ 1,513,628	$ 1,499,533

<u>Operating Revenues</u>					
Mortgage and loans revenue	$ 147,068	$ 146,042	$ 135,055	$ 130,538	$ 128,942
Investment interest	13,031	17,404	6,273	4,727	3,595
Net change in fair value of investments	1,922	(838)	2,967	1,899	2,754
Net change of hedge termination	(177)	(278)	760	1,028	(552)
Total Investment Revenue	14,776	16,288	10,000	7,654	5,797
Externally funded programs	76,113	77,143	86,844	96,081	123,782
Rental	11,512	11,926	11,305	11,155	10,707
Other	1,607	4,634	3,076	4,051	4,952
Total Operating Revenues	251,076	256,033	246,280	249,479	274,180
<u>Operating Expenses</u>					
Interest	81,137	76,831	71,246	69,890	70,357
Mortgage and loan costs	14,763	12,034	11,452	10,843	10,836
Operations and administration	40,958	44,781	46,127	56,867	58,373
Financing expenses	5,163	6,054	5,027	4,512	3,556
Provision for loan loss	(6,639)	(5,740)	(4,560)	(5,584)	(5,831)
Housing grants and subsidies	63,800	72,198	68,314	84,310	107,054
Rental housing operating expenses	16,353	15,042	15,091	14,296	15,634
Total Operating Expenses	215,535	221,200	212,697	235,134	259,979
Operating Income (Loss)	35,541	34,833	33,583	14,345	14,201
<u>Non-Operating & Special Item</u>					
Contribution to State or State agency	-	(2,106)	(125)	(250)	(149)
Change in Net Position	$ 35,541	$ 32,727	$ 33,458	$ 14,095	$ 14,052

REQUIRED SUPPLEMENTARY INFORMATION

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

	2020	2019	2018	2017	2016	2015	2014
The Corporation's proportion of the net pension liability (asset)	0.656900%	0.714740%	0.689820%	0.852380%	0.780600%	0.608214%	0.598696%
The Corporation's proportionate share of the net pension liability (asset)	$ 35,960	$ 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	14,276	10,284	13,285	6,003	10,856	22,644	26,434
Total	$ 50,236	$ 45,799	$ 48,945	$ 53,648	$ 48,715	$ 51,012	$ 57,874
The Corporation's covered employee payroll	$11,680	$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	307.88%	282.24%	258.10%	312.39%	232.06%	165.04%	176.48%
Plan fiduciary net position as a percentage of the total pension liability	63.42%	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, 2020, the plan measurement date is June 30, 2019.

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)

	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	$ 2,561	$ 2,727	$ 2,932	$ 2,679	$ 2,475	$ 2,403	$ 2,128
Contributions in relation to the contractually required contributions	2,561	2,727	2,932	2,679	2,475	2,403	2,128
Contribution deficiency (excess)	-	-	-	-	-	-	-
The Corporation's covered employee payroll	10,681	11,680	12,583	13,817	15,252	16,314	17,189
Contributions as a percentage of covered-employee payroll	23.98%	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 2020. These contributions are reported as a deferred outflow of resources on the June 30, 2020 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):

	2020	2019	2018	2017
The Corporation's proportion of the net OPEB liability (asset) for Defined Benefit - Retiree Medical	0.65680000%	0.71458000%	0.68992000%	0.85265000%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans - Retiree Medical Plan	0.69949000%	0.71095000%	0.70310000%	0.66252000%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans - Occupational Death & Disability Plan	0.55609000%	0.71095000%	0.70310000%	0.66252000%
The Corporation's proportionate share of the net OPEB liability (asset)	$ 1,007	$ 7,286	$ 5,765	$ 9,752
State's proportionate share of the net OPEB liability (asset) associated with the Corporation	388	2,129	2,173	-
Total	$ 1,395	$ 9,415	$ 7,939	$ 9,752
The Corporation's covered employee payroll	$ 20,890	$ 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	4.82%	35.32%	27.28%	45.09%
Defined Benefit - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	98.13%	88.12%	89.68%	85.45%
Defined Contribution - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	83.17%	88.71%	93.98%	86.82%
Defined Contribution - Occupational Death & Disability Plan fiduciary net position as a percentage of the total OPEB liability	297.43%	270.62%	212.97%	245.29%

Information in this table is presented based on the Plan measurement date. For June 30, 2020, the plan measurement date is June 30, 2019.

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 period.

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)

	2020	**2019**	**2018**	**2017**
Contractually required contributions	$ 1,358	$ 1,325	$ 1,189	$ 1,593
Contributions in relation to the contractually required contributions	1,358	1,325	1,189	1,593
Contribution deficiency (excess)	-	-	-	-
The Corporation's covered employee payroll	20,890	20,775	20,629	21,133
Contributions as a percentage of covered-employee payroll	6.50%	6.38%	5.76%	7.54%

This table reports the Corporation's OPEB contributions to SOA during fiscal year 2020. These contributions are reported as a deferred outflow of resources on the June 30, 2020 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 June 30, 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
ASSETS					
Current					
Cash	$ 28,038	$ -	$ -	$ -	$ -
Investments	579,326	107,142	53,708	10,908	20,561
Accrued interest receivable	3,811	2,660	1,666	387	375
Inter-fund due (to)/from	(85,773)	19,531	12,744	2,334	3,036
Mortgage loans, notes and other loans	5,589	20,391	16,731	3,416	3,138
Net investment in direct financing lease	-	-	-	-	-
Other assets	5,231	-	-	-	-
Intergovernmental receivable	86	-	-	-	-
Total Current	**536,308**	**149,724**	**84,849**	**17,045**	**27,110**
Non Current					
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	165,729	659,291	503,240	110,451	101,464
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	2,483	-	-	-	-
Capital assets - depreciable, net	13,370	-	-	-	-
Other assets	3,539	-	-	-	-
Total Non Current	**185,122**	**659,291**	**503,240**	**110,451**	**101,464**
Total Assets	**721,430**	**809,015**	**588,089**	**127,496**	**128,574**
DEFERRED OUTFLOW OF RESOURCES	**7,309**	**187,765**	**1,035**	**-**	**-**
LIABILITIES					
Current					
Bonds payable	-	12,815	13,605	4,935	2,335
Short term debt	115,366	-	-	-	-
Accrued interest payable	-	1,457	1,236	165	231
Other liabilities	12,863	238	153	37	33
Intergovernmental payable	-	-	-	-	-
Total Current	**128,229**	**14,510**	**14,994**	**5,137**	**2,599**
Non Current					
Bonds payable	-	478,250	459,704	71,465	92,741
Other liabilities	3,766	-	-	-	-
Derivative instrument - interest rate swaps	-	181,330	-	-	-
Pension & OPEB liability	36,968	-	-	-	-
Total Non Current	**40,734**	**659,580**	**459,704**	**71,465**	**92,741**
Total Liabilities	**168,963**	**674,090**	**474,698**	**76,602**	**95,340**
DEFERRED INFLOW OF RESOURCES	**2,861**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	15,853	-	-	-	-
Restricted by bond resolutions	-	322,690	114,426	50,894	33,234
Restricted by contractual or statutory agreements	111,441	-	-	-	-
Unrestricted or (deficit)	429,621	-	-	-	-
Total Net Position	**$ 556,915**	**$ 322,690**	**$ 114,426**	**$ 50,894**	**$ 33,234**

See accompanying notes to the financial statements.

Schedule 1

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total June 30, 2020
$ -	$ 189	$ 45,545	$ 73,772
30,986	64,532	4,224	871,387
524	6,575	185	16,183
6,658	39,685	1,785	-
5,457	42,851	1,315	98,888
-	2,180	-	2,180
-	2	6,760	11,993
-	-	5,106	5,192
43,625	**156,014**	**64,920**	**1,079,595**
-	-	-	-
176,443	1,385,497	55,287	3,157,402
-	20,288	-	20,288
-	-	18,376	20,859
-	-	52,832	66,202
729	-	1	4,270
177,172	**1,405,785**	**126,496**	**3,269,021**
220,797	**1,561,799**	**191,416**	**4,348,616**
15,101	**50,117**	**-**	**261,327**
6,600	55,890	-	96,180
-	-	-	115,366
237	3,931	-	7,257
47	382	14,978	28,731
-	189	457	646
6,884	**60,392**	**15,435**	**248,180**
74,312	1,300,161	-	2,476,633
-	-	290	4,056
15,101	37,850	-	234,281
-	-	-	36,968
89,413	**1,338,011**	**290**	**2,751,938**
96,297	**1,398,403**	**15,725**	**3,000,118**
-	**-**	**-**	**2,861**
-	-	71,208	87,061
139,601	-	-	660,845
-	-	108,665	220,106
-	213,513	(4,182)	638,952
$ 139,601	**$ 213,513**	**$ 175,691**	**$ 1,606,964**

ALASKA HOUSING FINANCE CORPORATION **Schedule 2**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
ADMINISTRATIVE FUND
As of June 30, 2020
(in thousands of dollars)

	Administrative Fund
ASSETS	
Current	
Cash	$ 28,038
Investments	579,326
Accrued interest receivable	3,811
Inter-fund due (to)/from	(85,773)
Mortgage loans, notes and other loans	5,589
Net investment in direct financing lease	-
Other assets	5,231
Intergovernmental receivable	86
Total Current	**536,308**
Non Current	
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	165,729
Net investment in direct financing lease	-
Capital assets - non-depreciable	2,483
Capital assets - depreciable, net	13,370
Other assets	3,540
Total Non Current	**185,122**
Total Assets	**721,430**
DEFERRED OUTFLOW OF RESOURCES	**7,309**
LIABILITIES	
Current	
Bonds payable	-
Short term debt	115,366
Accrued interest payable	-
Other liabilities	12,863
Intergovernmental payable	-
Total Current	**128,229**
Non Current	
Bonds payable	-
Other liabilities	3,766
Derivative instrument - interest rate swaps	-
Pension & OPEB liability	36,968
Total Non Current	**40,734**
Total Liabilities	**168,963**
DEFERRED INFLOW OF RESOURCES	**2,861**
NET POSITION	
Net investment in capital assets	15,853
Restricted by bond resolutions	-
Restricted by contractual or statutory agreements	111,441
Unrestricted or (deficit)	429,621
Total Net Position	**$ 556,915**

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 June 30, 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
ASSETS					
Current					
Cash	$ -	$ -	$ -	$ -	$ -
Investments	9,518	12,965	11,691	15,773	18,108
Accrued interest receivable	273	283	315	376	482
Inter-fund due (to)/from	2,213	2,296	2,504	3,601	3,353
Mortgage loans, notes and other loans	2,064	2,259	2,200	2,978	3,364
Net investment in direct financing lease	-	-	-	-	-
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	**14,068**	**17,803**	**16,710**	**22,728**	**25,307**
Non Current					
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	66,728	73,026	71,146	96,298	108,767
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
Total Non Current	**66,728**	**73,026**	**71,146**	**96,298**	**108,767**
Total Assets	**80,796**	**90,829**	**87,856**	**119,026**	**134,074**
DEFERRED OUTFLOW OF RESOURCES	**5,630**	**28,098**	**28,084**	**33,307**	**31,265**
LIABILITIES					
Current					
Bonds payable	-	1,850	1,850	2,200	2,305
Short term debt	-	-	-	-	-
Accrued interest payable	78	207	207	247	239
Other liabilities	26	27	28	33	42
Intergovernmental payable	-	-	-	-	-
Total Current	**104**	**2,084**	**2,085**	**2,480**	**2,586**
Non Current					
Bonds payable	30,920	67,350	67,350	80,240	77,465
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	5,630	26,963	26,948	31,915	30,329
Pension & OPEB liability	-	-	-	-	-
Total Non Current	**36,550**	**94,313**	**94,298**	**112,155**	**107,794**
Total Liabilities	**36,654**	**96,397**	**96,383**	**114,635**	**110,380**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	49,772	22,530	19,557	37,698	54,959
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total Net Position	**$ 49,772**	**$ 22,530**	**$ 19,557**	**$ 37,698**	**$ 54,959**

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total June 30, 2020
$ -	$ -	$ -
18,667	20,420	107,142
441	490	2,660
2,797	2,767	19,531
3,657	3,869	20,391
-	-	-
-	-	-
-	-	-
25,562	**27,546**	**149,724**
-	-	-
118,230	125,096	659,291
-	-	-
-	-	-
-	-	-
-	-	-
118,230	**125,096**	**659,291**
143,792	**152,642**	**809,015**
30,822	**30,559**	**187,765**
2,305	2,305	12,815
-	-	-
240	239	1,457
39	43	238
-	-	-
2,584	**2,587**	**14,510**
77,465	77,460	478,250
-	-	-
29,887	29,658	181,330
-	-	-
107,352	**107,118**	**659,580**
109,936	**109,705**	**674,090**
-	**-**	**-**
-	-	-
64,678	73,496	322,690
-	-	-
-	-	-
$ 64,678	**$ 73,496**	**$ 322,690**

ALASKA HOUSING FINANCE CORPORATION **Schedule 4**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
GENERAL MORTGAGE REVENUE BONDS
As of June 30, 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 June 30, 2020
ASSETS					
Current					
Cash	$ -	$ -	$ -	$ -	$ -
Investments	13,397	3,488	16,518	20,305	53,708
Accrued interest receivable	361	239	570	496	1,666
Inter-fund due (to)/from	5,192	1,358	3,845	2,349	12,744
Mortgage loans, notes and other loans	4,944	2,474	4,895	4,418	16,731
Net investment in direct financing lease	-	-	-	-	-
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	**23,894**	**7,559**	**25,828**	**27,568**	**84,849**
Non Current					
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	122,121	79,998	158,282	142,839	503,240
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
Total Non Current	**122,121**	**79,998**	**158,282**	**142,839**	**503,240**
Total Assets	**146,015**	**87,557**	**184,110**	**170,407**	**588,089**
DEFERRED OUTFLOW OF RESOURCES	**1,035**	**-**	**-**	**-**	**1,035**
LIABILITIES					
Current					
Bonds payable	4,265	4,235	1,940	3,165	13,605
Short term debt	-	-	-	-	-
Accrued interest payable	192	177	486	381	1,236
Other liabilities	31	25	52	45	153
Intergovernmental payable	-	-	-	-	-
Total Current	**4,488**	**4,437**	**2,478**	**3,591**	**14,994**
Non Current					
Bonds payable	60,355	78,241	158,911	162,197	459,704
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension & OPEB liability	-	-	-	-	-
Total Non Current	**60,355**	**78,241**	**158,911**	**162,197**	**459,704**
Total Liabilities	**64,843**	**82,678**	**161,389**	**165,788**	**474,698**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	82,207	4,879	22,721	4,619	114,426
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total Net Position	**$ 82,207**	**$ 4,879**	**$ 22,721**	**$ 4,619**	**$ 114,426**

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 June 30, 2020
(in thousands of dollars)

	Mortgage Revenue Bonds 2009 A-1, 2010 A & B	**Mortgage Revenue Bonds 2009 A-2, 2011 A & B**	**Total June 30, 2020**
ASSETS			
Current			
Cash	$ -	$ -	$ -
Investments	-	10,908	10,908
Accrued interest receivable	-	387	387
Inter-fund due (to)/from	-	2,334	2,334
Mortgage loans, notes and other loans	-	3,416	3,416
Net investment in direct financing lease	-	-	-
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total Current	**-**	**17,045**	**17,045**
Non Current			
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	-	110,451	110,451
Net investment in direct financing lease	-	-	-
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	-	-
Total Non Current	**-**	**110,451**	**110,451**
Total Assets	**-**	**127,496**	**127,496**
DEFERRED OUTFLOW OF RESOURCES	**-**	**-**	**-**
LIABILITIES			
Current			
Bonds payable	-	4,935	4,935
Short term debt	-	-	-
Accrued interest payable	-	165	165
Other liabilities	-	37	37
Intergovernmental payable	-	-	-
Total Current	**-**	**5,137**	**5,137**
Non Current			
Bonds payable	-	71,465	71,465
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	-	-	-
Pension & OPEB liability	-	-	-
Total Non Current	**-**	**71,465**	**71,465**
Total Liabilities	**-**	**76,602**	**76,602**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**
NET POSITION			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	-	50,894	50,894
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	-	-
Total Net Position	**$ -**	**$ 50,894**	**$ 50,894**

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 June 30, 2020
(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total June 30, 2020
ASSETS			
Current			
Cash	$ -	$ -	$ -
Investments	11,895	8,666	20,561
Accrued interest receivable	170	205	375
Inter-fund due (to)/from	689	2,347	3,036
Mortgage loans, notes and other loans	1,443	1,695	3,138
Net investment in direct financing lease	-	-	-
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total Current	**14,197**	**12,913**	**27,110**
Non Current			
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	46,647	54,817	101,464
Net investment in direct financing lease	-	-	-
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	-	-
Total Non Current	**46,647**	**54,817**	**101,464**
Total Assets	**60,844**	**67,730**	**128,574**
DEFERRED OUTFLOW OF RESOURCES	**-**	**-**	**-**
LIABILITIES			
Current			-
Bonds payable	1,300	1,035	2,335
Short term debt	-	-	-
Accrued interest payable	96	135	231
Other liabilities	15	18	33
Intergovernmental payable	-	-	-
Total Current	**1,411**	**1,188**	**2,599**
Non Current			
Bonds payable	44,260	48,481	92,741
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	-	-	-
Pension & OPEB liability	-	-	-
Total Non Current	**44,260**	**48,481**	**92,741**
Total Liabilities	**45,671**	**49,669**	**95,340**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**
NET POSITION			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	15,173	18,061	33,234
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	-	-
Total Net Position	**$ 15,173**	**$ 18,061**	**$ 33,234**

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 June 30, 2020
(in thousands of dollars)

	Governmental Purpose Bonds 1997 A	Governmental Purpose Bonds 2001 A & B	Total June 30, 2020
ASSETS			
Current			
Cash	$ -	$ -	$ -
Investments	-	30,986	30,986
Accrued interest receivable	-	524	524
Inter-fund due (to)/from	-	6,658	6,658
Mortgage loans, notes and other loans	-	5,457	5,457
Net investment in direct financing lease	-	-	-
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total Current	**-**	**43,625**	**43,625**
Non Current			
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	-	176,443	176,443
Net investment in direct financing lease	-	-	-
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	729	729
Total Non Current	**-**	**177,172**	**177,172**
Total Assets	**-**	**220,797**	**220,797**
DEFERRED OUTFLOW OF RESOURCES	**-**	**15,101**	**15,101**
LIABILITIES			
Current			
Bonds payable	-	6,600	6,600
Short term debt	-	-	-
Accrued interest payable	-	237	237
Other liabilities	-	47	47
Intergovernmental payable	-	-	-
Total Current	**-**	**6,884**	**6,884**
Non Current			
Bonds payable	-	74,312	74,312
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	-	15,101	15,101
Pension & OPEB liability	-	-	-
Total Non Current	**-**	**89,413**	**89,413**
Total Liabilities	**-**	**96,297**	**96,297**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**
NET POSITION			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	-	139,601	139,601
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	-	-
Total Net Position	**$ -**	**$ 139,601**	**$ 139,601**

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 June 30, 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
ASSETS					
Current					
Cash	$ -	$ -	$ -	$ -	$ -
Investments	3,867	410	2,591	6,203	16,478
Accrued interest receivable	118	37	267	414	1,503
Inter-fund due (to)/from	1,227	43	916	1,513	9,619
Mortgage loans, notes and other loans	550	134	1,201	1,762	10,271
Net investment in direct financing lease	-	-	-	-	-
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	**5,762**	**624**	**4,975**	**9,892**	**37,871**
Non Current					
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	17,782	4,339	38,848	56,966	332,112
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
Total Non Current	**17,782**	**4,339**	**38,848**	**56,966**	**332,112**
Total Assets	**23,544**	**4,963**	**43,823**	**66,858**	**369,983**
DEFERRED OUTFLOW OF RESOURCES	**695**	**-**	**-**	**-**	**35,421**
LIABILITIES					
Current					
Bonds payable	6,540	3,040	5,030	5,810	13,870
Short term debt	-	-	-	-	-
Accrued interest payable	138	13	127	206	1,128
Other liabilities	9	2	11	16	107
Intergovernmental payable	-	-	-	-	-
Total Current	**6,687**	**3,055**	**5,168**	**6,032**	**15,105**
Non Current					
Bonds payable	10,350	10	31,356	51,588	304,254
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	2,429	-	-	-	35,421
Pension & OPEB liability	-	-	-	-	-
Total Non Current	**12,779**	**10**	**31,356**	**51,588**	**339,675**
Total Liabilities	**19,466**	**3,065**	**36,524**	**57,620**	**354,780**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	-	-	-	-	-
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	4,773	1,898	7,299	9,238	50,624
Total Net Position	**$ 4,773**	**$ 1,898**	**$ 7,299**	**$ 9,238**	**$ 50,624**

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 June 30, 2020
$ -	$ 189	$ -	$ -	$ 189
17,193	6,546	1,605	9,639	64,532
1,193	1,717	488	838	6,575
7,216	7,552	4,144	7,455	39,685
7,244	10,923	4,312	6,454	42,851
-	2,180	-	-	2,180
-	-	-	2	2
-	-	-	-	-
32,846	**29,107**	**10,549**	**24,388**	**156,014**
-	-	-	-	-
234,207	353,165	139,411	208,667	1,385,497
-	20,288	-	-	20,288
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
234,207	**373,453**	**139,411**	**208,667**	**1,405,785**
267,053	**402,560**	**149,960**	**233,055**	**1,561,799**
8,933	**5,068**	**-**	**-**	**50,117**
12,845	5,690	1,170	1,895	55,890
-	-	-	-	-
858	764	431	266	3,931
78	64	41	54	382
-	189	-	-	189
13,781	**6,707**	**1,642**	**2,215**	**60,392**
224,049	345,526	126,188	206,840	1,300,161
-	-	-	-	-
-	-	-	-	37,850
-	-	-	-	-
224,049	**345,526**	**126,188**	**206,840**	**1,338,011**
237,830	**352,233**	**127,830**	**209,055**	**1,398,403**
-	**-**	**-**	**-**	**-**
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
38,156	55,395	22,130	24,000	213,513
$ 38,156	**$ 55,395**	**$ 22,130**	**$ 24,000**	**$ 213,513**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
OTHER PROGRAM FUNDS
As of June 30, 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
ASSETS					
Current					
Cash	$ 15,330	$ 13,780	$ -	$ -	$ 29,110
Investments	-	-	293	3,931	4,224
Accrued interest receivable	-	-	20	99	119
Inter-fund due (to)/from	(879)	(447)	99	245	(982)
Mortgage loans, notes and other loans	-	-	376	906	1,282
Net investment in direct financing lease	-	-	-	-	-
Other assets	1,270	107	-	-	1,377
Intergovernmental receivable	2	(3)	-	-	(1)
Total Current	**15,723**	**13,437**	**788**	**5,181**	**35,129**
Non Current					
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	-	-	12,147	29,297	41,444
Net investment in direct financing lease	-	-	-	-	-
Capital assets - non-depreciable	12,506	1,130	-	-	13,636
Capital assets - depreciable, net	39,319	13,463	-	-	52,782
Other assets	-	-	-	-	-
Total Non Current	**51,825**	**14,593**	**12,147**	**29,297**	**107,862**
Total Assets	**67,548**	**28,030**	**12,935**	**34,478**	**142,991**
DEFERRED OUTFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
LIABILITIES					
Current					
Bonds payable	-	-	-	-	-
Short term debt	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Other liabilities	728	206	2	9	945
Intergovernmental payable	457	-	-	-	457
Total Current	**1,185**	**206**	**2**	**9**	**1,402**
Non Current					
Bonds payable	-	-	-	-	-
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension & OPEB liability	-	-	-	-	-
Total Non Current	**-**	**-**	**-**	**-**	**-**
Total Liabilities	**1,185**	**206**	**2**	**9**	**1,402**
DEFERRED INFLOW OF RESOURCES	**-**	**-**	**-**	**-**	**-**
NET POSITION					
Net investment in capital assets	51,825	14,593	-	-	66,418
Restricted by bond resolutions	-	-	-	-	-
Restricted by contractual or statutory agreements	15,130	13,231	12,933	34,469	75,763
Unrestricted or (deficit)	(592)	-	-	-	(592)
Total Net Position	**$ 66,363**	**$ 27,824**	**$ 12,933**	**$ 34,469**	**$ 141,589**

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total June 30, 2020
$ 978	$ 7,254	$ 3	$ 8,235	$ 8,200	$ 45,545
-	-	-	-	-	4,224
-	-	-	-	66	185
635	(3,273)	5,488	2,850	(83)	1,785
-	-	33	33		1,315
-	-	-	-	-	-
260	515	4,487	5,262	121	6,760
954	189	3,964	5,107		5,106
2,827	**4,685**	**13,975**	**21,487**	**8,304**	**64,920**
-	-	1,423	1,423	(1,423)	-
-	-	1,082	1,082	12,761	55,287
-	-	-	-	-	-
-	-	-	-	4,740	18,376
-	50	-	50	-	52,832
-	-	-	-	1	1
-	**50**	**2,505**	**2,555**	**16,079**	**126,496**
2,827	**4,735**	**16,480**	**24,042**	**24,383**	**191,416**
-	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	3,664	10,369	14,033	-	14,978
-	-	-	-	-	457
-	**3,664**	**10,369**	**14,033**	**-**	**15,435**
-	-	-	-	-	-
-	-	-	-	290	290
-	-	-	-	-	-
-	-	-	-	-	-
-	**-**	**-**	**-**	**290**	**290**
-	**3,664**	**10,369**	**14,033**	**290**	**15,725**
-	**-**	**-**	**-**	**-**	**-**
-	50	-	50	4,740	71,208
-	-	-	-	-	-
4,305	2,423	6,777	13,505	19,397	108,665
(1,478)	(1,402)	(666)	(3,546)	(44)	(4,182)
$ 2,827	**$ 1,071**	**$ 6,111**	**$ 10,009**	**$ 24,093**	**$ 175,691**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
COMBINED - ALL FUNDS
For the Year Ended June 30, 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	$ 7,548	$ 31,151	$ 19,772	$ 6,397	$ 4,527
Investment interest	6,339	1,475	760	299	517
Net change in the fair value of investments	1,693	78	55	7	(6)
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	8,032	1,553	815	306	511
Grant revenue	66	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	94	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	(1,806)	-	-	-	-
Other revenue	2,424	-	-	-	-
Total Operating Revenues	**16,358**	**32,704**	**20,587**	**6,703**	**5,038**
OPERATING EXPENSES					
Interest	742	18,451	13,291	3,663	2,986
Mortgage and loan costs	2,557	2,867	3,143	617	397
Bond financing expenses	820	2,179	1,142	18	4
Provision for loan loss	(1,145)	(1,572)	(789)	(1,703)	(22)
Operations and administration	8,973	1,318	897	327	136
Rental housing operating expenses	622	-	-	-	-
Grant expense	5	-	-	-	-
Total Operating Expenses	**12,574**	**23,243**	**17,684**	**2,922**	**3,501**
Operating Income (Loss)	**3,784**	**9,461**	**2,903**	**3,781**	**1,537**
NON-OPERATING EXPENSES AND TRANSFERS					
Interfund receipts (payments) for operations	39,479	1,739	6,936	(12,665)	2,368
Change in Net Position	43,263	11,200	9,839	(8,884)	3,905
Net position at beginning of year	513,652	311,490	104,587	59,778	29,329
Net Position at End of Period	**$ 556,915**	**$ 322,690**	**$ 114,426**	**$ 50,894**	**$ 33,234**

See accompanying notes to the financial statements.

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total June 30, 2020
$ 6,361	$ 69,762	$ 1,550	$ 147,068
575	2,901	165	13,031
(35)	126	4	1,922
-	(177)	-	(177)
540	2,850	169	14,776
-	-	64,845	64,911
-	-	11,202	11,202
-	-	11,418	11,512
-	-	84	(1,722)
179	-	726	3,329
7,080	**72,612**	**89,994**	**251,076**
3,669	38,335	-	81,137
577	4,474	131	14,763
303	697	0	5,163
(519)	(795)	(94)	(6,639)
280	1,862	27,165	40,958
-	-	15,731	16,353
-	-	63,795	63,800
4,310	**44,573**	**106,728**	**215,535**
2,770	**28,039**	**(16,734)**	**35,541**
(15,876)	(38,732)	16,751	-
(13,106)	(10,693)	17	35,541
152,707	224,206	175,674	1,571,423
$ 139,601	**$ 213,513**	**$ 175,691**	**$ 1,606,964**

ALASKA HOUSING FINANCE CORPORATION **Schedule 11**
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
ADMINISTRATIVE FUND
For the Year Ended June 30, 2020
(in thousands of dollars)

	Administrative Fund
OPERATING REVENUES	
Mortgage and loan revenue	$ 7,548
Investment interest	6,339
Net change in the fair value of investments	1,693
Net change of hedge termination	-
Total Investment Revenue	8,032
Grant revenue	66
Housing rental subsidies	-
Rental revenue	94
Gain (Loss) on Disposal of Capital Assets	(1,806)
Other revenue	2,424
Total Operating Revenues	**16,358**
OPERATING EXPENSES	
Interest	742
Mortgage and loan costs	2,557
Bond financing expenses	820
Provision for loan loss	(1,145)
Operations and administration	8,973
Rental housing operating expenses	622
Grant expense	5
Total Operating Expenses	**12,574**
Operating Income (Loss)	**3,784**
NON-OPERATING EXPENSES AND TRANSFERS	
Interfund receipts (payments) for operations	39,479
Change in Net Position	43,263
Net position at beginning of year	513,652
Net Position at End of Period	**$ 556,915**

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 Year Ended June 30, 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	$ 3,580	$ 3,546	$ 3,519	$ 4,738	$ 4,792
Investment interest	154	173	169	212	261
Net change in the fair value of investments	8	8	6	11	12
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	162	181	175	223	273
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	**3,742**	**3,727**	**3,694**	**4,961**	**5,065**
OPERATING EXPENSES					
Interest	1,178	2,638	2,638	3,096	2,968
Mortgage and loan costs	341	346	326	427	430
Bond financing expenses	166	296	296	356	344
Provision for loan loss	(278)	(170)	(156)	(248)	(178)
Operations and administration	207	160	141	191	187
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	**1,614**	**3,270**	**3,245**	**3,822**	**3,751**
Operating Income (Loss)	**2,128**	**457**	**449**	**1,139**	**1,314**
NON-OPERATING EXPENSES AND TRANSFERS					
Interfund receipts (payments) for operations	(5,552)	1,016	973	1,354	1,304
Change in Net Position	(3,424)	1,473	1,422	2,493	2,618
Net position at beginning of year	53,196	21,057	18,135	35,205	52,341
Net Position at End of Period	**$ 49,772**	**$ 22,530**	**$ 19,557**	**$ 37,698**	**$ 54,959**

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total June 30, 2020
$ 5,198	$ 5,778	$ 31,151
254	252	1,475
17	16	78
-	-	-
271	268	1,553
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
5,469	**6,046**	**32,704**
2,968	2,965	18,451
471	526	2,867
344	377	2,179
(213)	(329)	(1,572)
206	226	1,318
-	-	-
-	-	-
3,776	**3,765**	**23,243**
1,693	**2,281**	**9,461**
1,262	1,382	1,739
2,955	3,663	11,200
61,723	69,833	311,490
$ 64,678	**$ 73,496**	**$ 322,690**

ALASKA HOUSING FINANCE CORPORATION **Schedule 13**
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
GENERAL MORTGAGE REVENUE BONDS
For the Year Ended June 30, 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 June 30, 2020
OPERATING REVENUES					
Mortgage and loan revenue	$ 5,146	$ 3,049	$ 7,381	$ 4,196	$ 19,772
Investment interest	174	84	250	252	760
Net change in the fair value of investments	10	5	19	21	55
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	184	89	269	273	815
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	**5,330**	**3,138**	**7,650**	**4,469**	**20,587**
OPERATING EXPENSES					
Interest	3,157	2,028	5,405	2,701	13,291
Mortgage and loan costs	1,758	318	680	387	3,143
Bond financing expenses	5	5	9	1,123	1,142
Provision for loan loss	(2,012)	(69)	(195)	1,487	(789)
Operations and administration	190	165	305	237	897
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	**3,098**	**2,447**	**6,204**	**5,935**	**17,684**
Operating Income (Loss)	**2,232**	**691**	**1,446**	**(1,466)**	**2,903**
NON-OPERATING EXPENSES AND TRANSFERS					
Interfund receipts (payments) for operations	201	302	348	6,085	6,936
Change in Net Position	2,433	993	1,794	4,619	9,839
Net position at beginning of year	79,774	3,886	20,927	-	104,587
Net Position at End of Period	**$ 82,207**	**$ 4,879**	**$ 22,721**	**$ 4,619**	**$ 114,426**

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 Year Ended June 30, 2020

(in thousands of dollars)

	Mortgage Revenue Bonds 2009 A-1, 2010 A & B	Mortgage Revenue Bonds 2009 A-2, 2011 A & B	Total June 30, 2020
OPERATING REVENUES			
Mortgage and loan revenue	$ 1,535	$ 4,862	$ 6,397
Investment interest	74	225	299
Net change in the fair value of investments	(1)	8	7
Net change of hedge termination	-	-	-
Total Investment Revenue	73	233	306
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-
Other revenue	-	-	-
Total Operating Revenues	**1,608**	**5,095**	**6,703**
OPERATING EXPENSES			
Interest	1,332	2,331	3,663
Mortgage and loan costs	143	474	617
Bond financing expenses	6	12	18
Provision for loan loss	(1,106)	(597)	(1,703)
Operations and administration	45	282	327
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	**420**	**2,502**	**2,922**
Operating Income (Loss)	**1,188**	**2,593**	**3,781**
NON-OPERATING EXPENSES AND TRANSFERS			
Contributions to State of Alaska or State agencies	-	-	-
Interfund receipts (payments) for operations	(12,958)	293	(12,665)
Change in Net Position	(11,770)	2,886	(8,884)
Net position at beginning of year	11,770	48,008	59,778
Net Position at End of Period	**$ -**	**$ 50,894**	**$ 50,894**

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 Year Ended June 30, 2020

(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total June 30, 2020
OPERATING REVENUES			
Mortgage and loan revenue	$ 2,124	$ 2,403	$ 4,527
Investment interest	151	366	517
Net change in the fair value of investments	6	(12)	(6)
Net change of hedge termination	-	-	-
Total Investment Revenue	157	354	511
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-
Other revenue	-	-	-
Total Operating Revenues	**2,281**	**2,757**	**5,038**
OPERATING EXPENSES			
Interest	1,160	1,826	2,986
Mortgage and loan costs	187	210	397
Bond financing expenses	2	2	4
Provision for loan loss	(90)	68	(22)
Operations and administration	69	67	136
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	**1,328**	**2,173**	**3,501**
Operating Income (Loss)	**953**	**584**	**1,537**
NON-OPERATING EXPENSES AND TRANSFERS			
Interfund receipts (payments) for operations	(2,434)	4,802	2,368
Change in Net Position	(1,481)	5,386	3,905
Net position at beginning of year	16,654	12,675	29,329
Net Position at End of Period	**$ 15,173**	**$ 18,061**	**$ 33,234**

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 Year Ended June 30, 2020
(in thousands of dollars)

	Governmental Purpose Bonds 1997 A	Governmental Purpose Bonds 2001 A & B	Total June 30, 2020
OPERATING REVENUES			
Mortgage and loan revenue	$ 36	$ 6,325	$ 6,361
Investment interest	-	575	575
Net change in the fair value of investments	-	(35)	(35)
Net change of hedge termination	-	-	-
Total Investment Revenue	-	540	540
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-
Other revenue	(8)	187	179
Total Operating Revenues	**28**	**7,052**	**7,080**
OPERATING EXPENSES			
Interest	-	3,669	3,669
Mortgage and loan costs	-	577	577
Bond financing expenses	11	292	303
Provision for loan loss	-	(519)	(519)
Operations and administration	-	280	280
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	**11**	**4,299**	**4,310**
Operating Income (Loss)	**17**	**2,753**	**2,770**
NON-OPERATING EXPENSES AND TRANSFERS			
Interfund receipts (payments) for operations	(15,599)	(277)	(15,876)
Change in Net Position	(15,582)	2,476	(13,106)
Net position at beginning of year	15,582	137,125	152,707
Net Position at End of Period	**$ -**	**$ 139,601**	**$ 139,601**

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 Year Ended June 30, 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	$ 1,075	$ 304	$ 2,437	$ 3,580	$ 16,490
Investment interest	29	7	51	81	428
Net change in the fair value of investments	1	-	4	9	36
Net change of hedge termination	(177)	-	-	-	-
Total Investment Revenue	(147)	7	55	90	464
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	**928**	**311**	**2,492**	**3,670**	**16,954**
OPERATING EXPENSES					
Interest	742	154	1,181	1,846	11,409
Mortgage and loan costs	84	14	131	177	1,262
Bond financing expenses	10	-	2	3	16
Provision for loan loss	(169)	(96)	(415)	(460)	(821)
Operations and administration	65	16	45	61	547
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	**732**	**88**	**944**	**1,627**	**12,413**
Operating Income (Loss)	**196**	**223**	**1,548**	**2,043**	**4,541**
NON-OPERATING EXPENSES AND TRANSFERS					
Interfund receipts (payments) for operations	(3,828)	(959)	(5,186)	(5,632)	(14,929)
Change in Net Position	(3,632)	(736)	(3,638)	(3,589)	(10,388)
Net position at beginning of year	8,405	2,634	10,937	12,827	61,012
Net Position at End of Period	**$ 4,773**	**$ 1,898**	**$ 7,299**	**$ 9,238**	**$ 50,624**

See accompanying notes to the financial statements.

Schedule 17

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 June 30, 2020
$ 12,527	$ 18,891	$ 5,970	$ 8,488	$ 69,762
380	1,355	159	411	2,901
33	21	5	17	126
-	-	-	-	(177)
413	1,376	164	428	2,850
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
12,940	**20,267**	**6,134**	**8,916**	**72,612**
7,723	8,157	3,059	4,064	38,335
894	770	487	655	4,474
12	118	33	503	697
(486)	(513)	(8)	2,173	(795)
464	284	154	226	1,862
-	-	-	-	-
-	-	-	-	-
8,607	**8,816**	**3,725**	**7,621**	**44,573**
4,333	**11,451**	**2,409**	**1,295**	**28,039**
(9,248)	(21,217)	(438)	22,705	(38,732)
(4,915)	(9,766)	1,971	24,000	(10,693)
43,071	65,161	20,159	-	224,206
$ 38,156	**$ 55,395**	**$ 22,130**	**$ 24,000**	**$ 213,513**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF ACTIVITIES
OTHER PROGRAM FUNDS
For the Year Ended June 30, 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	$ -	$ -	$ 265	$ 1,147	$ 1,412
Investment interest	23	22	25	76	146
Net change in the fair value of investments	-	-	-	4	4
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	23	22	25	80	150
Grant revenue	3,191	-	-	-	3,191
Housing rental subsidies	8,919	2,283	-	-	11,202
Rental revenue	8,794	2,395	-	-	11,189
Gain (Loss) on Disposal of Capital Assets	84	-	-	-	84
Other revenue	2	-	-	-	2
Total Operating Revenues	**21,013**	**4,700**	**290**	**1,227**	**27,230**
OPERATING EXPENSES					
Interest	-	-	-	-	-
Mortgage and loan costs	-	-	26	105	131
Bond financing expenses	-	-	-	-	-
Provision for loan loss	-	-	14	(15)	(1)
Operations and administration	12,470	3,064	13	44	15,591
Rental housing operating expenses	13,162	2,549	-	-	15,711
Grant expense	-	-	-	-	-
Total Operating Expenses	**25,632**	**5,613**	**53**	**134**	**31,432**
Operating Income (Loss)	**(4,619)**	**(913)**	**237**	**1,093**	**(4,202)**
NON-OPERATING EXPENSES AND TRANSFERS					
Interfund receipts (payments) for operations	2,657	637	13	60	3,367
Change in Net Position	(1,962)	(276)	250	1,153	(835)
Net position at beginning of year	68,325	28,100	12,683	33,316	142,424
Net Position at End of Period	**$ 66,363**	**$ 27,824**	**$ 12,933**	**$ 34,469**	**$ 141,589**

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total June 30, 2020
$ -	$ -	$ -	$ -	$ 138	$ 1,550
1	6	-	7	12	165
-	-	-	-	-	4
-	-	-	-	-	-
1	6	-	7	12	169
6,756	41,549	13,349	61,654	-	64,845
-	-	-	-	-	11,202
-	-	-	-	229	11,418
-	-	-	-	-	84
(1)	21	663	683	41	726
6,756	**41,576**	**14,012**	**62,344**	**420**	**89,994**
-	-	-	-	-	-
-	-	-	-	-	131
-	-	-	-	-	-
-	-	37	37	(130)	(94)
2,327	5,678	3,236	11,241	333	27,165
-	17	-	17	3	15,731
6,460	36,048	21,287	63,795	-	63,795
8,787	**41,743**	**24,560**	**75,090**	**206**	**106,728**
(2,031)	**(167)**	**(10,548)**	**(12,746)**	**214**	**(16,734)**
2,178	381	9,161	11,720	1,664	16,751
147	214	(1,387)	(1,026)	1,878	17
2,680	857	7,498	11,035	22,215	175,674
$ 2,827	**$ 1,071**	**$ 6,111**	**$ 10,009**	**$ 24,093**	**$ 175,691**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED - ALL FUNDS
For the Year Ended June 30, 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
CASH FLOWS					
Operating Activities					
Interest income on mortgages and loans	$ 6,577	28,535	$ 18,121	$ 5,871	$ 4,242
Principal receipts on mortgages and loans	9,550	138,468	76,150	24,798	33,470
Disbursements to fund mortgages and loans	(511,119)	-	-	-	-
Receipts (payments) for interfund loan transfers	396,594	(88,374)	(85,705)	(2,296)	(29,823)
Mortgage and loan proceeds receipts	735,191	-	-	-	-
Mortgage and loan proceeds paid to funds	(688,369)	-	-	-	-
Payroll-related disbursements	(21,809)	-	-	-	-
Payments for goods and services	(6,374)	-	-	-	-
Receipts for externally funded programs	-	-	-	-	-
Receipts for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	(7,715)	-	-	-	-
Grant payments to other agencies	(5)	-	-	-	-
Other operating cash receipts (payments)	24,618	-	-	-	-
Net Cash Receipts (Disbursements)	**(62,861)**	**78,629**	**8,566**	**28,373**	**7,889**
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	168,836	-	-
Principal paid on bonds	-	(10,700)	(47,845)	(114,305)	(12,545)
Payment of bond issuance costs	(590)	-	(725)	-	-
Interest paid on bonds	-	(17,922)	(14,054)	(3,921)	(3,488)
Proceeds from short-term debt issuance	656,727	-	-	-	-
Payment of short term debt	(591,571)	-	-	-	-
Transfers from (to) other funds	193,881	(1)	(83,196)	82,887	9,665
Net Cash Receipts (Disbursements)	**258,447**	**(28,623)**	**23,016**	**(35,339)**	**(6,368)**
Capital Financing Activities					
Acquisition of capital assets	(251)	-	-	-	-
Proceeds from the disposal of capital assets	1,359	-	-	-	-
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net Cash Receipts (Disbursements)	**1,108**	**-**	**-**	**-**	**-**
Investing Activities					
Purchase of investments	(3,661,406)	(336,774)	(274,448)	(49,599)	(101,913)
Proceeds from maturity of investments	3,452,171	285,197	242,080	56,234	99,820
Interest received from investments	7,037	1,571	786	331	572
Net Cash Receipts (Disbursements)	**(202,198)**	**(50,006)**	**(31,582)**	**6,966**	**(1,521)**
Net Increase (decrease) in cash	(5,504)	-	-	-	-
Cash at beginning of year	33,542	-	-	-	-
Cash at end of period	**$ 28,038**	**$ -**	**$ -**	**$ -**	**$ -**

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total June 30, 2020
$ 5,812	65,111	$ 1,282	$ 135,551
36,189	224,513	5,478	548,616
-	-	-	(511,119)
(20,209)	(163,574)	(6,613)	-
-	-	-	735,191
-	-	-	(688,369)
-	-	(15,199)	(37,008)
-	-	(15,058)	(21,432)
-	-	47,691	47,691
-	-	36,028	36,028
-	-	(35,211)	(35,211)
-	-	7,715	-
-	-	(30,050)	(30,055)
-	(10)	11,142	35,750
21,792	**126,040**	**7,205**	**215,633**
-	210,920	-	379,756
(20,945)	(42,330)	-	(248,670)
-	(448)	-	(1,763)
(3,157)	(49,435)	-	(91,977)
-	-	-	656,727
-	-	-	(591,571)
(14)	(203,222)	-	-
(24,116)	**(84,515)**	**-**	**102,502**
-	-	(2,180)	(2,431)
-	-	84	1,443
-	(6,020)	-	(6,020)
-	(1,222)	-	(1,222)
-	3,303	-	3,303
-	**(3,939)**	**(2,096)**	**(4,927)**
(163,208)	(554,625)	(6,915)	(5,148,888)
164,918	515,091	6,660	4,822,171
614	1,938	173	13,022
2,324	**(37,596)**	**(82)**	**(313,695)**
-	(10)	5,027	(487)
-	199	40,518	74,259
$ -	**$ 189**	**$ 45,545**	**$ 73,772**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED - ALL FUNDS
For the Year Ended June 30, 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					
Operating Income (Loss) to Net Cash					
Operating income (loss)	$ 3,784	$ 9,461	$ 2,903	$ 3,781	$ 1,537
Adjustments:					
Depreciation expense	1,000	-	-	-	-
Provision for loan loss	(1,145)	(1,572)	(789)	(1,703)	(22)
Net change in the fair value of investments	(1,693)	(78)	(55)	(7)	6
Interfund receipts (payments) for operations	39,479	1,739	6,936	(12,665)	2,368
Interest received from investments	(7,037)	(1,571)	(786)	(331)	(572)
Interest paid on bonds and capital notes	-	17,922	14,054	3,921	3,488
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	40,783	59,441	(88,198)	116,262	2,231
Net increase (decrease) in assets, liabilities, and deferred resources	(138,032)	(6,713)	74,501	(80,885)	(1,147)
Net Operating Cash Receipts (Disbursements)	**$ (62,861)**	**$ 78,629**	**$ 8,566**	**$ 28,373**	**$ 7,889**

See accompanying notes to the financial statements.

Combined Governmental Purpose Bonds	Combined State Capital Project Bonds	Combined Other Programs	Total June 30, 2020
$ 2,770	$ 28,039	$ (16,734)	$ 35,541
-	-	5,333	6,333
(519)	(795)	(94)	(6,639)
35	(126)	(4)	(1,922)
(15,876)	(38,732)	16,751	-
(614)	(1,938)	(173)	(13,022)
3,157	49,435	-	91,977
35,127	(77,630)	(1,345)	86,671
(2,288)	167,787	3,471	16,694
$ 21,792	**$ 126,040**	**$ 7,205**	**$ 215,633**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
ADMINISTRATIVE FUND
For the Year Ended June 30, 2020
(in thousands of dollars)

	Administrative Fund
CASH FLOWS	
Operating Activities	
Interest income on mortgages and loans	$ 6,577
Principal receipts on mortgages and loans	9,550
Disbursements to fund mortgages and loans	(511,119)
Receipts (payments) for interfund loan transfers	396,594
Mortgage and loan proceeds receipts	735,191
Mortgage and loan proceeds paid to funds	(688,369)
Payroll-related disbursements	(21,809)
Payments for goods and services	(6,374)
Receipts for externally funded programs	-
Receipts for Federal HAP subsidies	-
Payments for Federal HAP subsidies	-
Interfund receipts (payments)	(7,715)
Grant payments to other agencies	(5)
Other operating cash receipts (payments)	24,618
Net Cash Receipts (Disbursements)	**(62,861)**
Non-Capital Financing Activities	
Proceeds from bond issuance	-
Principal paid on bonds	-
Payment of bond issuance costs	(590)
Interest paid on bonds	-
Proceeds from short-term debt issuance	656,727
Payment of short term debt	(591,571)
Transfers from (to) other funds	193,881
Net Cash Receipts (Disbursements)	**258,447**
Capital Financing Activities	
Acquisition of capital assets	(251)
Proceeds from the disposal of capital assets	1,359
Principal paid on capital notes	-
Interest paid on capital notes	-
Proceeds from direct financing leases	-
Net Cash Receipts (Disbursements)	**1,108**
Investing Activities	
Purchase of investments	(3,661,406)
Proceeds from maturity of investments	3,452,171
Interest received from investments	7,037
Net Cash Receipts (Disbursements)	**(202,198)**
Net Increase (decrease) in cash	(5,504)
Cash at beginning of year	33,542
Cash at end of period	**$ 28,038**

	Administrative Fund
RECONCILIATION	
Operating Income (Loss) to Net Cash	
Operating income (loss)	$ 3,784
Adjustments:	
Depreciation expense	1,000
Provision for loan loss	(1,145)
Net change in the fair value of investments	(1,693)
Interfund receipts (payments) for operations	39,479
Interest received from investments	(7,037)
Interest paid on bonds and capital notes	-
Change in assets, liabilities and deferred resources:	
Net (increase) decrease in mortgages and loans	40,783
Net increase (decrease) in assets, liabilities, and deferred resources	(138,032)
Net Operating Cash Receipts (Disbursements)	**$ (62,861)**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
HOME MORTGAGE REVENUE BONDS
For the Year Ended June 30, 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					
Operating Activities					
Interest income on mortgages and loans	$ 3,284	$ 3,235	$ 3,228	$ 4,372	$ 4,366
Principal receipts on mortgages and loans	14,303	16,007	16,339	18,910	24,431
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	(7,553)	(8,967)	(10,256)	(11,843)	(17,658)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to funds	-	-	-	-	-
Payroll-related disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Receipts for externally funded programs	-	-	-	-	-
Receipts for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	-	-	-	-	-
Net Cash Receipts (Disbursements)	**10,034**	**10,275**	**9,311**	**11,439**	**11,139**
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	(1,750)	(1,765)	(1,765)	(2,095)	(1,110)
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	(962)	(2,577)	(2,575)	(3,022)	(2,929)
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Transfers from (to) other funds	(5,437)	816	816	972	944
Net Cash Receipts (Disbursements)	**(8,149)**	**(3,526)**	**(3,524)**	**(4,145)**	**(3,095)**
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 Receipts (Disbursements)	**-**	**-**	**-**	**-**	**-**
Investing Activities					
Purchase of investments	(30,907)	(39,668)	(41,075)	(51,792)	(61,743)
Proceeds from maturity of investments	28,855	32,734	35,109	44,272	53,421
Interest received from investments	167	185	179	226	278
Net Cash Receipts (Disbursements)	**(1,885)**	**(6,749)**	**(5,787)**	**(7,294)**	**(8,044)**
Net Increase (decrease) in cash	-	-	-	-	-
Cash at beginning of year	-	-	-	-	-
Cash at end of period	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total June 30, 2020
$ 4,757	$ 5,293	$ 28,535
24,361	24,117	138,468
-	-	-
(16,468)	(15,629)	(88,374)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
12,650	**13,781**	**78,629**
-	-	-
(1,110)	(1,105)	(10,700)
-	-	-
(2,928)	(2,929)	(17,922)
-	-	-
-	-	-
944	944	(1)
(3,094)	**(3,090)**	**(28,623)**
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	**-**	**-**
(56,825)	(54,764)	(336,774)
47,002	43,804	285,197
267	269	1,571
(9,556)	**(10,691)**	**(50,006)**
-	-	-
-	-	-
$ -	**$ -**	**$ -**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
HOME MORTGAGE REVENUE BONDS
For the Year Ended June 30, 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					
Operating Income (Loss) to Net Cash					
Operating income (loss)	$ 2,128	$ 457	$ 449	$ 1,139	$ 1,314
Adjustments:					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(278)	(170)	(156)	(248)	(178)
Net change in the fair value of investments	(8)	(8)	(6)	(11)	(12)
Interfund receipts (payments) for operations	(5,552)	1,016	973	1,354	1,304
Interest received from investments	(167)	(185)	(179)	(226)	(278)
Interest paid on bonds and capital notes	962	2,577	2,575	3,022	2,929
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	8,386	7,461	7,536	8,814	8,828
Net increase (decrease) in assets, liabilities, and deferred resources	4,563	(873)	(1,881)	(2,405)	(2,768)
Net Operating Cash Receipts (Disbursements)	**$ 10,034**	**$ 10,275**	**$ 9,311**	**$ 11,439**	**$ 11,139**

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total June 30, 2020
$ 1,693	$ 2,281	$ 9,461
-	-	-
(213)	(329)	(1,572)
(17)	(16)	(78)
1,262	1,382	1,739
(267)	(269)	(1,571)
2,928	2,929	17,922
9,662	8,754	59,441
(2,398)	(951)	(6,713)
$ 12,650	**$ 13,781**	**$ 78,629**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
GENERAL MORTGAGE REVENUE BONDS
For the Year Ended June 30, 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 June 30, 2020
CASH FLOWS					
Operating Activities					
Interest income on mortgages and loans	$ 4,879	$ 2,737	$ 6,754	$ 3,751	$ 18,121
Principal receipts on mortgages and loans	29,646	7,267	22,854	16,383	76,150
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	(1,004)	(5,485)	(79,216)	(85,705)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to funds	-	-	-	-	-
Payroll-related disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Receipts for externally funded programs	-	-	-	-	-
Receipts for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	-	-	-	-	-
Net Cash Receipts (Disbursements)	**34,525**	**9,000**	**24,123**	**(59,082)**	**8,566**
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	168,836	168,836
Principal paid on bonds	(28,610)	(6,090)	(10,185)	(2,960)	(47,845)
Payment of bond issuance costs	-	-	-	(725)	(725)
Interest paid on bonds	(2,884)	(2,207)	(6,129)	(2,834)	(14,054)
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Transfers from (to) other funds	-	-	-	(83,196)	(83,196)
Net Cash Receipts (Disbursements)	**(31,494)**	**(8,297)**	**(16,314)**	**79,121**	**23,016**
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 Receipts (Disbursements)	**-**	**-**	**-**	**-**	**-**
Investing Activities					
Purchase of investments	(48,408)	(18,343)	(62,697)	(145,000)	(274,448)
Proceeds from maturity of investments	45,189	17,551	54,625	124,715	242,080
Interest received from investments	188	89	263	246	786
Net Cash Receipts (Disbursements)	**(3,031)**	**(703)**	**(7,809)**	**(20,039)**	**(31,582)**
Net Increase (decrease) in cash	-	-	-	-	-
Cash at beginning of year	-	-	-	-	-
Cash at end of period	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

	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 June 30, 2020
RECONCILIATION					
Operating Income (Loss) to Net Cash					
Operating income (loss)	$ 2,232	$ 691	$ 1,446	$ (1,466)	$ 2,903
Adjustments:					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(2,012)	(69)	(195)	1,487	(789)
Net change in the fair value of investments	(10)	(5)	(19)	(21)	(55)
Interfund receipts (payments) for operations	201	302	348	6,085	6,936
Interest received from investments	(188)	(89)	(263)	(246)	(786)
Interest paid on bonds and capital notes	2,884	2,207	6,129	2,834	14,054
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	32,878	6,840	19,341	(147,257)	(88,198)
Net increase (decrease) in assets, liabilities, and deferred resources	(1,460)	(877)	(2,664)	79,502	74,501
Net Operating Cash Receipts (Disbursements)	**$ 34,525**	**$ 9,000**	**$ 24,123**	**$ (59,082)**	**$ 8,566**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
MORTGAGE REVENUE BONDS
For the Year Ended June 30, 2020
(in thousands of dollars)

	Mortgage Revenue Bonds 2009 A-1, 2010 A & B	Mortgage Revenue Bonds 2009 A-2, 2011 A & B	Total June 30, 2020
CASH FLOWS			
Operating Activities			
Interest income on mortgages and loans	$ 1,432	$ 4,439	$ 5,871
Principal receipts on mortgages and loans	4,836	19,962	24,798
Disbursements to fund mortgages and loans	-	-	-
Receipts (payments) for interfund loan transfers	(2,870)	574	(2,296)
Mortgage and loan proceeds receipts	-	-	-
Mortgage and loan proceeds paid to funds	-	-	-
Payroll-related disbursements	-	-	-
Payments for goods and services	-	-	-
Receipts for externally funded programs	-	-	-
Receipts for Federal HAP subsidies	-	-	-
Payments for Federal HAP subsidies	-	-	-
Interfund receipts (payments)	-	-	-
Grant payments to other agencies	-	-	-
Other operating cash receipts (payments)	-	-	-
Net Cash Receipts (Disbursements)	**3,398**	**24,975**	**28,373**
Non-Capital Financing Activities			
Proceeds from bond issuance	-	-	-
Principal paid on bonds	(90,895)	(23,410)	(114,305)
Payment of bond issuance costs	-	-	-
Interest paid on bonds	(1,525)	(2,396)	(3,921)
Proceeds from short-term debt issuance	-	-	-
Payment of short term debt	-	-	-
Transfers from (to) other funds	82,887	-	82,887
Net Cash Receipts (Disbursements)	**(9,533)**	**(25,806)**	**(35,339)**
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 Receipts (Disbursements)	**-**	**-**	**-**
Investing Activities			
Purchase of investments	(6,815)	(42,784)	(49,599)
Proceeds from maturity of investments	12,864	43,370	56,234
Interest received from investments	86	245	331
Net Cash Receipts (Disbursements)	**6,135**	**831**	**6,966**
Net Increase (decrease) in cash	-	-	-
Cash at beginning of year	-	-	-
Cash at end of period	**$ -**	**$ -**	**$ -**

	Mortgage Revenue Bonds 2009 A-1, 2010 A & B	Mortgage Revenue Bonds 2009 A-2, 2011 A & B	Total June 30, 2020
RECONCILIATION			
Operating Income (Loss) to Net Cash			
Operating income (loss)	$ 1,188	$ 2,593	$ 3,781
Adjustments:			
Depreciation expense	-	-	-
Provision for loan loss	(1,106)	(597)	(1,703)
Net change in the fair value of investments	1	(8)	(7)
Interfund receipts (payments) for operations	(12,958)	293	(12,665)
Interest received from investments	(86)	(245)	(331)
Interest paid on bonds and capital notes	1,525	2,396	3,921
Change in assets, liabilities and deferred resources:			
Net (increase) decrease in mortgages and loans	95,434	20,828	116,262
Net increase (decrease) in assets, liabilities, and deferred resources	(80,600)	(285)	(80,885)
Net Operating Cash Receipts (Disbursements)	**$ 3,398**	**$ 24,975**	**$ 28,373**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COLLATERALIZED VETERANS MORTGAGE BONDS
For the Year Ended June 30, 2020
(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total June 30, 2020
CASH FLOWS			
Operating Activities			
Interest income on mortgages and loans	$ 1,986	$ 2,256	$ 4,242
Principal receipts on mortgages and loans	14,137	19,333	33,470
Disbursements to fund mortgages and loans	-	-	-
Receipts (payments) for interfund loan transfers	(6,532)	(23,291)	(29,823)
Mortgage and loan proceeds receipts	-	-	-
Mortgage and loan proceeds paid to funds	-	-	-
Payroll-related disbursements	-	-	-
Payments for goods and services	-	-	-
Receipts for externally funded programs	-	-	-
Receipts for Federal HAP subsidies	-	-	-
Payments for Federal HAP subsidies	-	-	-
Interfund receipts (payments)	-	-	-
Grant payments to other agencies	-	-	-
Other operating cash receipts (payments)	-	-	-
Net Cash Receipts (Disbursements)	**9,591**	**(1,702)**	**7,889**
Non-Capital Financing Activities			
Proceeds from bond issuance	-	-	-
Principal paid on bonds	(1,280)	(11,265)	(12,545)
Payment of bond issuance costs	-	-	-
Interest paid on bonds	(1,161)	(2,327)	(3,488)
Proceeds from short-term debt issuance	-	-	-
Payment of short term debt	-	-	-
Transfers from (to) other funds	(321)	9,986	9,665
Net Cash Receipts (Disbursements)	**(2,762)**	**(3,606)**	**(6,368)**
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 Receipts (Disbursements)	**-**	**-**	**-**
Investing Activities			
Purchase of investments	(36,555)	(65,358)	(101,913)
Proceeds from maturity of investments	29,565	70,255	99,820
Interest received from investments	161	411	572
Net Cash Receipts (Disbursements)	**(6,829)**	**5,308**	**(1,521)**
Net Increase (decrease) in cash	-	-	-
Cash at beginning of year	-	-	-
Cash at end of period	**$ -**	**$ -**	**$ -**

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total June 30, 2020
RECONCILIATION			
Operating Income (Loss) to Net Cash			
Operating income (loss)	$ 953	$ 584	$ 1,537
Adjustments:			
Depreciation expense	-	-	-
Provision for loan loss	(90)	68	(22)
Net change in the fair value of investments	(6)	12	6
Interfund receipts (payments) for operations	(2,434)	4,802	2,368
Interest received from investments	(161)	(411)	(572)
Interest paid on bonds and capital notes	1,161	2,327	3,488
Change in assets, liabilities and deferred resources:			
Net (increase) decrease in mortgages and loans	8,917	(6,686)	2,231
Net increase (decrease) in assets, liabilities, and deferred resources	1,251	(2,398)	(1,147)
Net Operating Cash Receipts (Disbursements)	**$ 9,591**	**$ (1,702)**	**$ 7,889**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
GOVERNMENTAL PURPOSE BONDS
For the Year Ended June 30, 2020
(in thousands of dollars)

	Governmental Purpose Bonds 1997 A	Governmental Purpose Bonds 2001 A & B	Total June 30, 2020
CASH FLOWS			
Operating Activities			
Interest income on mortgages and loans	$ -	$ 5,812	$ 5,812
Principal receipts on mortgages and loans	-	36,189	36,189
Disbursements to fund mortgages and loans	-	-	-
Receipts (payments) for interfund loan transfers	-	(20,209)	(20,209)
Mortgage and loan proceeds receipts	-	-	-
Mortgage and loan proceeds paid to funds	-	-	-
Payroll-related disbursements	-	-	-
Payments for goods and services	-	-	-
Receipts for externally funded programs	-	-	-
Receipts for Federal HAP subsidies	-	-	-
Payments for Federal HAP subsidies	-	-	-
Interfund receipts (payments)	-	-	-
Grant payments to other agencies	-	-	-
Other operating cash receipts (payments)	-	-	-
Net Cash Receipts (Disbursements)	**-**	**21,792**	**21,792**
Non-Capital Financing Activities			
Proceeds from bond issuance	-	-	-
Principal paid on bonds	(14,600)	(6,345)	(20,945)
Payment of bond issuance costs	-	-	-
Interest paid on bonds	(19)	(3,138)	(3,157)
Proceeds from short-term debt issuance	-	-	-
Payment of short term debt	-	-	-
Transfers from (to) other funds	(14)	-	(14)
Net Cash Receipts (Disbursements)	**(14,633)**	**(9,483)**	**(24,116)**
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 Receipts (Disbursements)	**-**	**-**	**-**
Investing Activities			
Purchase of investments	(13)	(163,195)	(163,208)
Proceeds from maturity of investments	14,636	150,282	164,918
Interest received from investments	10	604	614
Net Cash Receipts (Disbursements)	**14,633**	**(12,309)**	**2,324**
Net Increase (decrease) in cash	-	-	-
Cash at beginning of year	-	-	-
Cash at end of period	**$ -**	**$ -**	**$ -**

	Governmental Purpose Bonds 1997 A	Governmental Purpose Bonds 2001 A & B	Total June 30, 2020
RECONCILIATION			
Operating Income (Loss) to Net Cash			
Operating income (loss)	$ 17	$ 2,753	$ 2,770
Adjustments:			
Depreciation expense	-	-	-
Provision for loan loss	-	(519)	(519)
Net change in the fair value of investments	-	35	35
Interfund receipts (payments) for operations	(15,599)	(277)	(15,876)
Interest received from investments	(10)	(604)	(614)
Interest paid on bonds and capital notes	19	3,138	3,157
Change in assets, liabilities and deferred resources:			
Net (increase) decrease in mortgages and loans	15,363	19,764	35,127
Net increase (decrease) in assets, liabilities, and deferred resources	210	(2,498)	(2,288)
Net Operating Cash Receipts (Disbursements)	**$ -**	**$ 21,792**	**$ 21,792**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
STATE CAPITAL PROJECT BONDS
For the Year Ended June 30, 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					
Operating Activities					
Interest income on mortgages and loans	$ 997	$ 286	$ 2,260	$ 3,360	$ 15,294
Principal receipts on mortgages and loans	3,874	444	5,398	17,657	53,972
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	-	-	(6,994)	(31,145)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to funds	-	-	-	-	-
Payroll-related disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Receipts for externally funded programs	-	-	-	-	-
Receipts for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	-	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	-	-	-	-	-
Net Cash Receipts (Disbursements)	**4,871**	**730**	**7,658**	**14,023**	**38,121**
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	(439)	(1,296)	(4,825)	(5,520)	(12,840)
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	(91)	(164)	(1,678)	(2,673)	(14,057)
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Transfers from (to) other funds	2,334	930	-	(930)	(790)
Net Cash Receipts (Disbursements)	**1,804**	**(530)**	**(6,503)**	**(9,123)**	**(27,687)**
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	(1,197)	(25)	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net Cash Receipts (Disbursements)	**(7,023)**	**(219)**	**-**	**-**	**-**
Investing Activities					
Purchase of investments	(10,933)	(1,989)	(11,842)	(24,723)	(105,953)
Proceeds from maturity of investments	11,245	2,000	10,633	19,740	95,085
Interest received from investments	36	8	54	83	434
Net Cash Receipts (Disbursements)	**348**	**19**	**(1,155)**	**(4,900)**	**(10,434)**
Net Increase (decrease) in cash	-	-	-	-	-
Cash at beginning of year	-	-	-	-	-
Cash at 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 June 30, 2020
$ 11,683	$ 18,031	$ 5,519	$ 7,681	$ 65,111
42,343	28,407	21,912	50,506	224,513
-	-	-	-	-
(20,504)	(31,920)	(24,090)	(48,921)	(163,574)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	(10)	-	-	(10)
33,522	**14,508**	**3,341**	**9,266**	**126,040**
-	-	-	210,920	210,920
(11,115)	(4,250)	(1,115)	(930)	(42,330)
-	-	-	(448)	(448)
(10,728)	(11,783)	(3,402)	(4,859)	(49,435)
-	-	-	-	-
-	-	-	-	-
-	(34)	-	(204,732)	(203,222)
(21,843)	**(16,067)**	**(4,517)**	**(49)**	**(84,515)**
-	-	-	-	-
-	-	-	-	-
-	-	-	-	(6,020)
-	-	-	-	(1,222)
-	3,303	-	-	3,303
-	**3,303**	**-**	**-**	**(3,939)**
(103,877)	(88,339)	(38,944)	(168,025)	(554,625)
91,809	86,216	39,958	158,405	515,091
389	369	162	403	1,938
(11,679)	**(1,754)**	**1,176**	**(9,217)**	**(37,596)**
-	(10)	-	-	(10)
-	199	-	-	199
$ -	**$ 189**	**$ -**	**$ -**	**$ 189**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
STATE CAPITAL PROJECT BONDS
For the Year Ended June 30, 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					
Operating Income (Loss) to Net Cash					
Operating income (loss)	$ 196	$ 223	$ 1,548	$ 2,043	$ 4,541
Adjustments:					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(169)	(96)	(415)	(460)	(821)
Net change in the fair value of investments	(1)	-	(4)	(9)	(36)
Interfund receipts (payments) for operations	(3,828)	(959)	(5,186)	(5,632)	(14,929)
Interest received from investments	(36)	(8)	(54)	(83)	(434)
Interest paid on bonds and capital notes	91	164	1,678	2,673	14,057
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	10,809	2,239	10,689	15,638	41,985
Net increase (decrease) in assets, liabilities, and deferred resources	(2,191)	(833)	(598)	(147)	(6,242)
Net Operating Cash Receipts (Disbursements)	**$ 4,871**	**$ 730**	**$ 7,658**	**$ 14,023**	**$ 38,121**

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 June 30, 2020
$ 4,333	$ 11,451	$ 2,409	$ 1,295	$ 28,039
-	-	-	-	-
(486)	(513)	(8)	2,173	(795)
(33)	(21)	(5)	(17)	(126)
(9,248)	(21,217)	(438)	22,705	(38,732)
(389)	(369)	(162)	(403)	(1,938)
10,728	11,783	3,402	4,859	49,435
33,076	22,289	766	(215,121)	(77,630)
(4,459)	(8,895)	(2,623)	193,775	167,787
$ 33,522	**$ 14,508**	**$ 3,341**	**$ 9,266**	**$ 126,040**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
OTHER PROGRAM FUNDS
For the Year Ended June 30, 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					
Operating Activities					
Interest income on mortgages and loans	$ -	$ -	$ 240	$ 1,042	$ 1,282
Principal receipts on mortgages and loans	-	-	623	4,855	5,478
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	-	(2,053)	(4,560)	(6,613)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to funds	-	-	-	-	-
Payroll-related disbursements	(8,079)	(1,650)	-	-	(9,729)
Payments for goods and services	(11,172)	(2,308)	-	-	(13,480)
Receipts for externally funded programs	11,562	2,344	-	-	13,906
Receipts for Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	784	165	-	-	949
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	8,486	2,347	-	-	10,833
Net Cash Receipts (Disbursements)	**1,581**	**898**	**(1,190)**	**1,337**	**2,626**
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	-	-	-	-	-
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Transfers from (to) other funds	-	-	-	-	-
Net Cash Receipts (Disbursements)	**-**	**-**	**-**	**-**	**-**
Capital Financing Activities					
Acquisition of capital assets	(1,001)	(77)	-	-	(1,078)
Proceeds from the disposal of capital assets	84	-	-	-	84
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net Cash Receipts (Disbursements)	**(917)**	**(77)**	**-**	**-**	**(994)**
Investing Activities					
Purchase of investments	-	-	(891)	(6,024)	(6,915)
Proceeds from maturity of investments	-	-	2,053	4,607	6,660
Interest received from investments	23	22	28	81	154
Net Cash Receipts (Disbursements)	**23**	**22**	**1,190**	**(1,336)**	**(101)**
Net Increase (decrease) in cash	687	843	-	1	1,531
Cash at beginning of year	14,643	12,936	-	-	27,579
Cash at end of period	**$ 15,330**	**$ 13,779**	**$ -**	**$ 1**	**$ 29,110**

	Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total June 30, 2020
	$ -	$ -	$ -	$ -	$ -	$ 1,282
	-	-	-	-	-	5,478
	-	-	-	-	-	-
	-	-	-	-	-	(6,613)
	-	-	-	-	-	-
	-	-	-	-	-	-
	(169)	(4,091)	(956)	(5,216)	(254)	(15,199)
	(389)	(302)	(806)	(1,497)	(81)	(15,058)
	6,466	5,569	21,750	33,785	-	47,691
	-	36,028	-	36,028	-	36,028
	-	(35,211)	-	(35,211)	-	(35,211)
	370	1,864	2,710	4,944	1,822	7,715
	(6,277)	(837)	(22,936)	(30,050)	-	(30,050)
	(1)	-	238	237	72	11,142
	-	**3,020**	**-**	**3,020**	**1,559**	**7,205**
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**
	-	(29)	-	(29)	(1,073)	(2,180)
	-	-	-	-	-	84
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	**(29)**	**-**	**(29)**	**(1,073)**	**(2,096)**
	-	-	-	-	-	(6,915)
	-	-	-	-	-	6,660
	1	6	-	7	12	173
	1	**6**	**-**	**7**	**12**	**(82)**
	1	2,997	-	2,998	498	5,027
	977	4,257	3	5,237	7,702	40,518
	$ 978	**$ 7,254**	**$ 3**	**$ 8,235**	**$ 8,200**	**$ 45,545**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
OTHER PROGRAM FUNDS
For the Year Ended June 30, 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					
Operating Income (Loss) to Net Cash					
Operating income (loss)	$ (4,619)	$ (913)	$ 237	$ 1,093	$ (4,202)
Adjustments:					
Depreciation expense	4,118	1,197	-	-	5,315
Provision for loan loss	-	-	14	(15)	(1)
Net change in the fair value of investments	-	-	-	(4)	(4)
Interfund receipts (payments) for operations	2,657	637	13	60	3,367
Interest received from investments	(23)	(22)	(28)	(81)	(154)
Interest paid on bonds and capital notes	-	-	-	-	-
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	-	-	(1,368)	213	(1,155)
Net increase (decrease) in assets, liabilities, and deferred resources	(552)	(1)	(58)	71	(540)
Net Operating Cash Receipts (Disbursements)	**$ 1,581**	**$ 898**	**$ (1,190)**	**$ 1,337**	**$ 2,626**

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total June 30, 2020
$ (2,031)	$ (167)	$ (10,548)	$ (12,746)	$ 214	$ (16,734)
-	18	-	18	-	5,333
-	-	37	37	(130)	(94)
-	-	-	-	-	(4)
2,178	381	9,161	11,720	1,664	16,751
(1)	(6)	-	(7)	(12)	(173)
-	-	-	-	-	-
-	-	36	36	(226)	(1,345)
(146)	2,794	1,314	3,962	49	3,471
$ -	**$ 3,020**	**$ -**	**$ 3,020**	**$ 1,559**	**$ 7,205**

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APPENDIX B

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 $90,420,000 aggregate principal amount of State Capital Project Bonds II, 2021 Series A (the "2021 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 2021 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 2021 Series A Supplemental Indenture by and between the Corporation and the Trustee, dated as of April 1, 2021, executed pursuant to said Indenture (together, the "Indenture").

The 2021 Bonds mature as provided in the Indenture.

Capitalized terms used herein and not defined herein are used as defined in the Indenture.

Applicable Federal tax law establishes certain requirements that must be met subsequent to the issuance of the 2021 Bonds in order for interest on the 2021 Bonds not to be included in gross income for federal income tax purposes, under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). The Corporation has covenanted that it will comply with such requirements and that it will do all things permitted by law and necessary or desirable to ensure that interest on the 2021 Bonds will be, and remain, not included in gross income for federal income tax purposes, under Section 103 of the Code. We have examined the program documentation adopted by the Corporation, which, in our opinion, establishes procedures and covenants under which, if followed, such requirements can be met. In rendering this opinion, we have assumed compliance with, and enforcement of, the provisions of such program procedures and covenants.

As to any facts material to our opinion, we have relied upon, and assumed compliance with, various statements, representations and covenants of officers and other representatives of the Corporation including without limitation those contained in the Indenture, the Corporation's Tax Certificate as to Arbitrage and the Provisions of Sections 103 and 141-150 of the Internal Revenue Code of 1986 as to matters affecting the tax-exempt status of the 2021 Bonds 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 2021 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 2021 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 2021 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. Under existing statutes, regulations, rulings and court decisions, interest on the 2021 Bonds (including any original issue discount properly allocable to the owner of a 2021 Bond) is *excluded* from gross income for federal income tax purposes.

7. Interest on the 2021 Bonds is not a specific preference item for purposes of the alternative minimum tax imposed under the Code. We express no opinion regarding any other

consequences affecting the federal income tax liability of a recipient of interest on the 2021 Bonds.

8. Under existing laws, interest on the 2021 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).

9. Certain requirements and procedures contained or referred to in the Indenture and other relevant documents may be changed and certain actions may be taken, upon the advice or with the opinion of counsel. Except to the extent of our concurrence therewith, we express no opinion as to any 2021 Bond, or the interest thereon, if any change occurs or action is taken upon the advice or approval of other counsel.

Very truly yours,

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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 $90,420,000 aggregate principal amount of its State Capital Project Bonds II, 2021 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 2021 Series A Supplemental Indenture, dated as of April 1, 2021, 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 March 17, 2021.

"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, 2021) 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 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: April 28, 2021

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: $90,420,000 State Capital Project Bonds II, 2021 Series A

Date of Issuance: April 28, 2021

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: ____________________________________

APPENDIX D

SOCIAL BONDS DESIGNATION

Social Bonds Designation

The Corporation is designating the Offered Bonds as "Social Bonds" based on the intended use of proceeds to refund certain bonds of the Corporation (either directly or by refunding obligations of the Corporation which originally refunded such bonds) or to reimburse the Corporation for certain governmental purpose expenditures, which have provided or will provide funding for energy efficiency improvements, government offices, affordable housing, transportation and water/sewer projects. As described below, the Corporation's Social Bonds designation reflects the intended use of proceeds of the Offered Bonds in a manner that is consistent with the four core components described by the International Capital Market Association ("ICMA") in its June 2020 publication, *Social Bond Principles*: *Voluntary Process Guidelines for Issuing Social Bonds*. Social Bonds are aligned with such core components of the Social Bond Principles and finance projects that directly aim to address or mitigate a specific social issue and/or seek to achieve positive social outcomes, especially but not exclusively for a target population(s). For the avoidance of doubt, it is acknowledged that the definition of target population can vary depending on local contexts and that, in some cases, such target population(s) may also be served by addressing the general public. Social Project categories include providing and/or promoting: affordable basic infrastructure, access to essential services, affordable housing, employment generation, food security, or socioeconomic advancement and empowerment.

The expected use of proceeds is one of the four core components of the ICMA's Social Bond Principles. By reference to the ICMA's June 2020 publication "*Green, Social and Sustainability Bonds*: *A High-Level Mapping to the Sustainable Development Goals*," the Corporation has determined that the Corporation's Social Bonds designation reflects the use of the proceeds in a manner that is consistent with "Goal 1: No Poverty," "Goal 3: Good Health and Well Being," "Goal 6: Clean Water and Sanitation," "Goal 7: Affordable and Clean Energy," "Goal 8: Decent Work and Economic Growth," "Goal 9: Industry, Innovation and Infrastructure," "Goal 10: Reduced Inequalities," "Goal 11: Sustainable Cities and Communities" and Goal 12: Responsible Consumption and Production" of the United Nations 17 Sustainable Development Goals (referred to as "UNSDGs" generally and "SDG 1," "SDG 3," "SDG 6," "SDG 7," "SDG 8," "SDG 9," SDG 10," "SDG 11" and "SDG 12" specifically). The UNSDGs were adopted by the United Nations General Assembly in September 2015, as part of its 2030 Agenda for Sustainable Development. According to the United Nations, SDG 1 is focused on ending poverty in all its forms everywhere, SDG 3 is focused on ensuring healthy lives and promoting wellbeing for all ages, SDG 6 is focused on ensuring availability and sustainable management of water and sanitation for all, SDG 7 is focused on ensuring access to affordable, reliable, sustainable and modern energy for all, SDG 8 is focused on sustainable and inclusive growth, SDG 9 is focused on building resilient infrastructure, promoting inclusive and sustainable industrialization and fostering innovation, SDG 10 is focused on the needs of disadvantaged and marginalized populations, SDG 11 is focused on making cities and communities inclusive, safe, resilient and sustainable and SDG 12 is focused on ensuring sustainable consumption and production patterns. The ICMA's "*Green, Social and Sustainability Bonds*: *A High-Level Mapping to the Sustainable Development Goals*" maps SDG 1.4 to ICMA Social Bond Principles "Affordable Housing," "Socioeconomic Advancement and Empowerment" and "Access to Essential Services"; maps SDG 3 to ICMA Social Bond Principles "Access to Essential Services" and "Affordable Basic Infrastructure"; maps SDG 6 to ICMA Social Bond Principle "Affordable Basic Infrastructure"; maps SDG 7 to ICMA Social Bond Principle "Affordable Basic Infrastructure"; maps SDG 8.10 to ICMA Social Bond Principle "Access to Essential Services"; maps SDG 9 to ICMA Social Bond Principles "Access to Essential Services," "Affordable Basic Infrastructure" and "Employment Generation"; maps SDG 10.2 to ICMA Social Bond Principles "Socioeconomic Advancement and Empowerment" and "Access to Essential Services"; maps SDG 11.1 to ICMA Social Bond Principles "Affordable Housing" and "Affordable Basic Infrastructure"; and maps SDG 12 to ICMA's Social Bond Principle "Food Security."

The ICMA Social Bond Principles, updated as of June 2020, include the following four core components: 1. Use of Proceeds; 2. Process for Project Evaluation and Selection; 3. Management of Proceeds; and 4. Reporting. The Corporation's determination of the Social Bonds designation is based, in summary, on the following:

Use of Proceeds. The table below entitled "Allocation of Offered Bond Proceeds to Social Projects" reflects the description of the project, the class of such project (which included energy efficiency improvements, government offices, affordable housing, transportation and water/sewer projects), and the amount of proceeds allocated thereto.

Management of Proceeds. Proceeds of the Offered Bonds will be deposited in segregated accounts under the Indenture and invested in Investment Securities as permitted by the Indenture until disbursed to refund certain bonds of the Corporation (either directly or by refunding obligations of the Corporation which originally refunded such bonds) or to reimburse the Corporation for certain governmental purpose expenditures.

Reporting. As the application of the proceeds of the refunded original bonds and the capital expenditures for which the Corporation will be reimbursed have previously occurred, no further reporting regarding the use of Offered Bond proceeds need be provided.

Designation Does Not Involve Provision of Additional Security or Assumption of Special Risk. The term "Social Bonds" is neither defined in nor related to provisions in the Indenture. The use of such term in this Official Statement and in the Offered Bonds is for identification purposes only and is not intended to provide or imply that an owner of Bonds so designated, including the Offered Bonds, are entitled to any additional security beyond that provided therefor in the Indenture. Such Offered Bonds will be secured on a parity with the Prior Series Bonds and any Additional Bonds issued under the Indenture.

Projects. The following table provides certain information regarding (i) the description of the project, (ii) the class of such project, and (iii) the amount of proceeds allocated thereto.

ALLOCATION OF OFFERED BONDS PROCEEDS

Project Description	Class	Amount of Proceeds
WEATHERIZATION/ENERGY EFFICIENCY PROGRAM	Energy	$ 5,147,966
ROBERT B. ATWOOD STATE OFFICE BUILDING	Government	8,785,000
AFFORDABLE HOUSING DEVELOPMENT	Housing	22,377,402
ANCHORAGE RENTAL ALLOCATION AND DISPERSAL	Housing	580,464
BENEFICIARIES AND SPECIAL NEEDS HOUSING	Housing	1,553,305
DRUG ELIMINATION PROGRAM	Housing	12,823
FACILITIES MAINTENANCE	Housing	1,838,095
FAMILY SELF-SUFFICIENCY	Housing	39,758
FIRE PROTECTION SYSTEMS	Housing	2,452,950
GOVERNMENT HOUSING LOAN PROGRAM	Housing	1,780,455
HOUSING ASSISTANCE PROGRAM - DOMESTIC VIOLENCE	Housing	332,332
HOME INVESTMENT PARTNERSHIPS PROGRAM	Housing	1,233,430
HOMELESS ASSISTANCE PROGRAM	Housing	8,394,330
HOUSING LOAN PROGRAM	Housing	11,650,987
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS	Housing	19,591
MENTAL HEALTH/SPECIAL NEEDS HOUSING	Housing	195,752
PUBLIC HOUSING RENOVATIONS	Housing	4,666,341
SENIOR HOUSING DEVELOPMENT & IMPROVEMENTS	Housing	11,335,707
STATE MATCHING FUNDS - SUPPORTIVE HOUSING	Housing	744,269
STATE MATCHING FUNDS - AVIATION	Transportation	10,810,000
STATE MATCHING FUNDS - HIGHWAY	Transportation	468,854
TRANSPORTATION INFRASTRUCTURE	Transportation	573,936
VILLAGE SAFE WATER/WASTEWATER PROJECTS	Water/Sewer	15,115,768
WATER/WASTEWATER INFRASTRUCTURE	Water/Sewer	780,486
TOTAL		**$110,890,001**

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Alaska Housing
FINANCE CORPORATION

ALASKA HOUSING FINANCE CORPORATION • STATE CAPITAL PROJECT BONDS II, 2021 SERIES A (SOCIAL BONDS)

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