

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. Capitalized terms used on this cover page have the respective meanings ascribed thereto in this Official Statement.



\$99,995,000
ALASKA HOUSING FINANCE CORPORATION
State Capital Project Bonds II
2023 Series A

<i>Dated</i>	Date of delivery.
<i>Due</i>	As shown on inside cover page.
<i>Price</i>	As shown on inside cover page.
<i>Tax Exemption</i>	In the opinion of Bond Counsel, assuming compliance with certain covenants which are designed to meet the requirements of the Code, under existing laws, regulations, rulings and judicial decisions, interest on the Offered Bonds (i) is <i>excludable</i> from gross income for federal income tax purposes and (ii) is <i>not</i> a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. For tax years beginning after December 31, 2022, interest on the Offered Bonds may affect the federal alternative minimum tax imposed on certain corporations. In the opinion of Bond Counsel, interest on the Offered Bonds is free from taxation by the State of Alaska under existing law (<i>except</i> 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). Bond Counsel expresses 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."
<i>Redemption</i>	The Offered Bonds are subject to redemption at par prior to maturity under the circumstances described herein. See "The Offered Bonds — Optional Redemption" and "— Sinking Fund Redemption."
<i>Interest Rates</i>	The Offered Bonds will bear interest at the rates set forth on the inside cover page.
<i>Security</i>	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 <i>except</i> 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.
<i>Interest Payment Dates</i>	Each June 1 and December 1, commencing June 1, 2024.
<i>Denominations</i>	\$5,000 or any integral multiple thereof.
<i>Delivery Date</i>	October 17, 2023.
<i>Bond Counsel</i>	Kutak Rock LLP.
<i>Underwriters' Counsel</i>	Hawkins Delafield & Wood LLP.
<i>Trustee</i>	U.S. Bank Trust Company, National Association.
<i>Financial Advisor</i>	Masterson Advisors LLC.
<i>Book-Entry System</i>	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 Bond Counsel, and to certain other conditions.

Jefferies

Barclays
Raymond James

Morgan Stanley

Ramirez & Co., Inc.
UBS

September 8, 2023

MATURITY SCHEDULE

\$99,995,000 2023 Series A Bonds

\$63,550,000 2023 Series A Serial Bonds

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Priced to Yield</u>	<u>CUSIP[†]</u>
December 1, 2027	\$16,885,000	5.00%	3.24%	011839D46
June 1, 2028	2,085,000	5.00	3.26	011839D53
December 1, 2028	2,135,000	5.00	3.26	011839D61
June 1, 2029	2,190,000	5.00	3.30	011839D79
December 1, 2029	2,245,000	5.00	3.30	011839D87
June 1, 2030	2,300,000	5.00	3.32	011839D95
December 1, 2030	2,360,000	5.00	3.32	011839E29
June 1, 2031	2,415,000	5.00	3.36	011839E37
December 1, 2031	2,475,000	5.00	3.36	011839E45
June 1, 2032	2,540,000	5.00	3.39	011839E52
December 1, 2032	2,605,000	5.00	3.39	011839E60
June 1, 2033	5,765,000	5.00	3.41	011839E78
December 1, 2033	5,905,000	5.00	3.43 ^{††}	011839E86
June 1, 2034	2,805,000	5.00	3.48 ^{††}	011839E94
December 1, 2034	2,875,000	5.00	3.52 ^{††}	011839F28
June 1, 2035	2,945,000	5.00	3.60 ^{††}	011839F36
December 1, 2035	3,020,000	5.00	3.65 ^{††}	011839F44

\$11,225,000 5.00% 2023 Series A Term Bonds due December 1, 2037
Priced to Yield: 3.86%^{††} CUSIP[†] 011839F51

\$6,915,000 5.00% 2023 Series A Term Bonds due December 1, 2038
Priced to Yield: 3.98%^{††} CUSIP[†] 011839F69

\$7,265,000 5.00% 2023 Series A Term Bonds due December 1, 2039
Priced to Yield: 4.04%^{††} CUSIP[†] 011839F77

\$2,995,000 5.00% 2023 Series A Term Bonds due December 1, 2040
Priced to Yield: 4.10%^{††} CUSIP[†] 011839F85

\$8,045,000 5.25% 2023 Series A Term Bonds due December 1, 2041
Priced to Yield: 4.10%^{††} CUSIP[†] 011839F93

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright© 2023 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the Corporation, the Underwriters, the Trustee or their agents or counsel assume responsibility for the accuracy of such numbers.

^{††} Priced to the stated yield to the June 1, 2033 optional redemption date at a redemption price of 100%.

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 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

**\$99,995,000 State Capital Project Bonds II
2023 Series A**

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, 2023 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 Trust Company, National Association, Seattle, Washington, as trustee (the “Trustee”), and a 2023 Series A Supplemental Indenture, dated as of October 1, 2023 (the “2023 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 2023 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 twenty-third Series of Bonds issued under the Indenture. As of May 31, 2023, there were Prior Series Bonds Outstanding in the aggregate principal amount of \$1,143,695,000. The Corporation is permitted to issue additional bonds (including refunding bonds) pursuant to and secured under the Indenture (“Additional Bonds”), subject to certain conditions. See “Summary of Certain Provisions of the Indenture — Issuance and Delivery of Bonds.” The Offered Bonds will be secured on a parity with the Prior Series Bonds and any Additional Bonds.

The proceeds of the Offered Bonds are expected to be used to refund certain Outstanding 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 "The Offered Bonds — Book Entry Only."

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

SOURCES OF PAYMENT AND SECURITY FOR THE BONDS

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

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

APPLICATION OF FUNDS

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

Refunding of Refunded Bonds	\$ 27,250,000.00
Refunding of Refunded Obligations	47,515,000.00
Reimbursement of Governmental Purpose Expenditures	34,676,480.65
Payment of Underwriting Fee	259,221.62
Payment of other Costs of Issuance	<u>200,000.00</u>
TOTAL	\$109,900,702.27

THE OFFERED BONDS

General

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

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

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

Redemption

Optional Redemption

The Offered Bonds maturing on or after December 1, 2033, are subject to redemption at the option of the Corporation at 100% of the principal amount thereof, plus accrued interest, at any time on or after June 1, 2033, in whole or in part, from any source of funds.

Sinking Fund Redemption

The Offered Bonds maturing on December 1, 2037, December 1, 2038, December 1, 2039, December 1, 2040 and December 1, 2041, are subject to mandatory redemption in part from sinking fund payments at 100% of the principal amount thereof, plus accrued interest, on the respective dates and in the respective principal amounts set forth below:

Sinking Fund Payments

Date	Offered Bonds Maturing December 1, 2037	Offered Bonds Maturing December 1, 2038	Offered Bonds Maturing December 1, 2039	Offered Bonds Maturing December 1, 2040	Offered Bonds Maturing December 1, 2041
June 1, 2037	\$5,545,000				
December 1, 2037	5,680,000 [†]				
June 1, 2038		\$3,415,000			
December 1, 2038		3,500,000 [†]			
June 1, 2039			\$3,590,000		
December 1, 2039			3,675,000 [†]		
June 1, 2040				\$1,480,000	
December 1, 2040				1,515,000 [†]	
June 1, 2041					\$3,970,000
December 1, 2041					4,075,000 [†]

[†]Stated Maturity

Any redemption (other than a mandatory redemption from sinking fund payments) of the Offered Bonds will be credited against future sinking fund payments as directed by the Corporation.

Selection of Bonds for Redemption

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

Notice of Redemption

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

The 2023 Series A Supplemental Indenture provides that, notwithstanding anything in the General Indenture to the contrary, any notice of redemption for the 2023 Series A Bonds may state that such redemption is subject to the satisfaction of certain conditions. 2023 Series A Bonds called for redemption shall be redeemed on the Redemption Date upon the satisfaction of such conditions. If such conditions have not been satisfied on or prior to the Redemption Date, the 2023 Series A Bonds, or portions thereof, shall not be redeemed and shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

Book Entry Only

General

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

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

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

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934.

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

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Offered Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Offered Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Indenture. For example, Beneficial Owners of Offered Bonds may wish to ascertain that the

nominee holding the Offered Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

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

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

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

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

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

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

THE CORPORATION

Certain Definitions

"Authority" means the Alaska State Housing Authority.

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

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

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

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

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

“Self-Liquidity Bonds” means, collectively, the Corporation’s State Capital Project Bonds II, 2017 Series B; State Capital Project Bonds II, 2018 Series A; and 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 May 2023 Mortgage and Bond Disclosure Report of the Corporation and the audited financial statements of the Corporation as of and for the year ended June 30, 2022. 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 (there is currently one vacancy among the members appointed by the Governor):

<u>Name</u>	<u>Location</u>
Mr. Brent LeValley Chair	Retired Fairbanks, Alaska
Mr. Jess Hall	Hall Quality Homes Palmer, Alaska
Mr. Allen Hippler	Tagiugmiullu Nunamiullu Housing Authority Anchorage, Alaska
Mr. Adam Crum Commissioner Alaska Department of Revenue	Juneau, Alaska
Ms. Heidi Hedberg Commissioner Alaska Department of Health and Social Services	Juneau, Alaska
Ms. Julie Sande Commissioner Alaska Department of Commerce, Community and Economic Development	Juneau, Alaska

Principal financial officers of the Corporation are as follows:

Bryan 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.

Akis Gialopsos - Deputy Executive Director. Mr. Gialopsos joined the Corporation in January 2023, having previously worked in the Alaska Legislature in various aide positions, including to the Alaska House of Representatives, to the Chief of Staff for the Alaska Senate President and to the Senate Resources Committee. He also served as Deputy Chief of Staff and as Legislative Director in the Office of Governor Mike Dunleavy. Mr. Gialopsos is a graduate of the University of Alaska, Anchorage.

Michael 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.

Derrick Chan - Senior Finance Officer. Mr. Chan joined the Corporation in 2014, and previously served as Financial Analyst II and Planner I. Mr. Chan is a graduate of the University of Oregon with a Bachelor of Business Administration degree and also holds a Master of Business Administration degree with concentrations in Finance and Investments from the Alaska Pacific University.

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 May 31, 2023:

<u>Bond Series</u>	<u>Amount Outstanding</u>	<u>Liquidity Provider (or Self-Liquidity)</u>	<u>Facility Expiration Date</u>
Governmental Purpose Bonds, 2001 Series A and B	\$ 67,240,000	Federal Home Loan Bank - Des Moines	April 22, 2025
Home Mortgage Revenue Bonds, 2002 Series A	27,450,000	Federal Home Loan Bank- Des Moines	April 22, 2025
Home Mortgage Revenue Bonds, 2007 Series A, B and D	205,510,000	Federal Home Loan Bank- Des Moines	December 15, 2025
Home Mortgage Revenue Bonds, 2009 Series A and B	147,580,000	Wells Fargo Bank, N.A.	August 19, 2024
Home Mortgage Revenue Bonds, 2009 Series D	73,780,000	Federal Home Loan Bank- Des Moines	April 22, 2025
State Capital Project Bonds II, 2017 Series B	90,000,000	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 [†]
State Capital Project Bonds II, 2022 Series A	<u>200,000,000</u>	Barclays Bank PLC	June 1, 2027
	<u>\$1,041,560,000</u>		

[†] 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 II. The Corporation issues State Capital Project Bonds II to finance designated capital projects of State agencies and the Corporation, to refund other obligations of the Corporation and 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 II are general obligations of the Corporation.

The following tables set forth certain information as of May 31, 2023, regarding bonds issued under the above-described financing programs and the Bonds issued under the Indenture:

Bonds Issued and Remaining Outstanding by Program

<u>Bond Program</u>	<u>Issued through 5/31/2023</u>	<u>Issued During Eleven Months Ended 5/31/2023</u>	<u>Outstanding as of 5/31/2023</u>
Home Mortgage Revenue Bonds	\$ 1,262,675,000	\$ 0	\$ 454,320,000
State Capital Project Bonds II	2,037,315,000	97,700,000	1,143,695,000
General Mortgage Revenue Bonds II	1,045,960,000	87,965,000	613,900,000
Governmental Purpose Bonds	973,170,000	0	67,240,000
Collateralized Bonds (Veterans Mortgage Program) [†]	792,885,000	0	43,760,000
Other Bonds	<u>14,283,874,122</u>	<u>0</u>	<u>0</u>
Total Bonds	<u>\$20,395,879,122</u>	<u>\$185,665,000</u>	<u>\$2,322,915,000</u>

[†] On July 27, 2023, the Corporation issued its Collateralized Bonds (Veterans Mortgage Program), 2023 First Series in the aggregate principal amount of \$49,900,000.

Summary of Bonds Issued and Remaining Outstanding

	<u>Issued through 5/31/2023</u>	<u>Issued During Eleven Months Ended 5/31/2023</u>	<u>Outstanding as of 5/31/2023</u>
Tax-Exempt Bonds [†]	\$14,893,954,122 ^{††}	\$185,665,000	\$1,708,350,000
Taxable Bonds	<u>5,501,925,000</u>	<u>0</u>	<u>614,565,000</u>
Total Bonds	<u>\$20,395,879,122</u>	<u>\$185,665,000</u>	<u>\$2,322,915,000</u>
Self-Liquidity Bonds ^{†††}	<u>\$440,250,000</u>	<u>\$0</u>	<u>\$320,000,000</u>

[†] On July 27, 2023, the Corporation issued its Collateralized Bonds (Veterans Mortgage Program), 2023 First Series in the aggregate principal amount of \$49,900,000.

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

^{†††} For information only. These amounts are already included in the categories above.

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

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

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

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

Lending Activities

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

In addition to the lending programs described below, the Corporation funded a loan totaling approximately \$145 million (\$50 million on November 20, 2013; \$24 million on July 29, 2016; \$46 million on June 9, 2017; and \$25 million on January 12, 2018) for the construction and rehabilitation of rental housing on two United States Army bases in the State, Fort Wainwright and Fort Greely, bearing interest at a rate of 6.625% per annum and amortizing over a 40-year term maturing April 15, 2058, with a 35-year lockout for prepayment. As of May 31, 2023, the remaining principal balance on this loan was \$139,268,374.

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.

Military Facility Zone Program. The Military Facility Zone Program is available for qualified two-to-four unit properties in Alaska's designated Military Facility Zone through June 30, 2024.

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 May 31, 2023, regarding the mortgage loans financed under the above-described lending programs:

Mortgage Purchases by Program

<u>Loan Program</u>	Original Principal Balance of Mortgage Loans Purchased during FY 2022	Original Principal Balance of Mortgage Loans Purchased during the Eleven Months Ended 5/31/2023
My Home	\$225,206,198	\$ 184,242,045
Rural	77,256,674	44,344,659
First Home Limited	87,735,513	70,839,049
First Home	95,851,929	100,678,948
Multi-Family/Special Needs	32,803,101	22,226,725
Veterans	29,065,321	36,558,902
Other Loan Programs	<u>10,517,344</u>	<u>5,354,630</u>
Total Mortgage Purchases	<u>\$558,436,080</u>	<u>\$464,244,958</u>

Percentage of Original Principal
Balance of Total Mortgage Purchases
during Period Representing
Streamline Refinance Loans

3.5%

0.0%

Mortgage Portfolio Summary

	<u>As of 6/30/2022</u>	<u>As of 5/31/2023</u>
Mortgages	\$2,911,727,537	\$3,110,118,337
Participation Loans	77,037,135	74,363,455
Unconventional Loans/Real Estate Owned	56,417,167	50,563,185
Total Mortgage Portfolio	<u>\$3,045,181,839</u>	<u>\$3,235,044,977</u>

Mortgage Insurance Summary[†]

<u>Type</u>	<u>Outstanding Principal Balance as of 5/31/2023</u>	<u>Percentage of Total Mortgage Loans by Outstanding Principal Balance</u>
Uninsured ^{††}	\$1,820,918,605	56.3%
Private Mortgage Insurance ^{†††}	880,594,813	27.2%
Federally Insured – FHA	197,714,413	6.1%
Federally Insured – RD	116,448,815	3.6%
Federally Insured – VA	148,600,883	4.6%
Federally Insured – HUD 184	70,767,448	2.2%
TOTAL	<u>\$3,235,044,977</u>	<u>100.0%</u>

[†] 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.

<u>PMI Provider</u>	<u>Outstanding Principal Balance as of 5/31/2023</u>	<u>Percentage of Total Mortgage Loans by Outstanding Principal Balance</u>
Radian Guaranty	\$292,208,600	9.0%
United Guaranty	185,617,937	5.7%
Mortgage Guaranty	159,429,056	4.9%
Essent Guaranty	117,820,450	3.7%
Genworth GE	59,769,813	1.9%
CMG Mortgage Insurance	28,576,005	0.9%
National Mortgage Insurance	36,353,543	1.1%
Commonwealth	370,305	0.0%
PMI Mortgage Insurance	449,104	0.0%
TOTAL	<u>\$880,594,813</u>	<u>27.2%</u>

The following table sets forth certain delinquency information (including loans receiving forbearance or in loss mitigation) as of May 31, 2023:

Corporation Mortgage Delinquency and Foreclosure Summary

	<u>As of 6/30/2022</u>	<u>As of 5/31/2023</u>
Delinquent 30 Days	1.60%	1.56%
Delinquent 60 Days	0.70	0.54
Delinquent 90 Days or More	<u>1.35</u>	<u>0.70</u>
Total Mortgage Delinquency	<u>3.65%</u>	<u>2.80%</u>
	Principal Balance of Mortgage Loans Foreclosed during <u>FY 2022</u>	Principal Balance of Mortgage Loans Foreclosed during the Eleven Months <u>Ended 5/31/2023</u>
Total Foreclosures	<u>\$4,652,303</u>	<u>\$3,621,018</u>

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.

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 ended June 30. For additional 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, 2022, included in Appendix A to this Official Statement.

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

Fiscal Year Ended June 30

	2022	2021	2020	2019	2018
Total Assets and Deferred Outflows	\$4,352,496	\$4,502,474	\$4,609,943	\$4,322,532	\$4,101,560
Total Liabilities and Deferred Inflows	2,753,035	2,886,543	3,002,979	2,751,109	2,562,864
Total Net Position	1,599,461	1,615,931	1,606,964	1,571,423	1,538,696
Total Operating Revenues	424,642	306,080	251,076	256,033	246,280
Total Operating Expenses	422,408	296,102	215,535	221,200	212,697
Operating Income (Loss)	2,234	9,978	35,541	34,833	33,583
Contribution to State or State agency	(933)	(1,011)	0	(2,106)	(125)
Change in Net Position	\$1,301	\$8,967	\$35,541	\$32,727	\$33,458

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.

<u>Fiscal Year</u>	<u>Percentage of Adjusted Change in Net Assets</u>
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 June 30, 2022 (in thousands).

	<u>Dividend Due to State</u>	<u>Expenditures</u>	<u>Remaining Commitments</u>
State General Fund Transfers	\$ 799,514	\$ (789,880)	\$ 9,634
State Capital Projects Debt Service	503,292	(494,877)	8,415
State of Alaska Capital Projects	294,915	(252,652)	42,263
Corporation Capital Projects	<u>573,142</u>	<u>(523,127)</u>	<u>50,015</u>
Total	<u>\$2,170,863</u>	<u>\$(2,060,536)</u>	<u>\$110,327</u>

(Includes FY24 Dividend of \$23.4 million, as approved by the Legislature in the 2023 Session)

Corporation Budget Legislation

The Corporation’s fiscal year 2024 operating budget was enacted by the Legislature during the 2023 legislative session. Consistent with the Transfer Plan, the fiscal year 2024 operating budget includes \$23.4 million 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

Opinion of Bond Counsel

In the opinion of Bond Counsel, to be delivered on the date of issuance of the Offered Bonds, assuming compliance with certain covenants which are designed to meet the requirements of the Code, under existing laws, regulations, rulings and judicial decisions, interest on the Offered Bonds (including any original issue discount properly allocable to the owner of an Offered Bond) (i) is *excludable* from gross income for federal income tax purposes and (ii) is *not* a specific preference item for purposes of the alternative minimum tax imposed on individuals. For tax years beginning after December 31, 2022, interest on the Offered Bonds may affect the federal alternative minimum tax imposed on certain corporations.

In the opinion of Bond Counsel, 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 opinion of Bond Counsel assumes the Corporation is in compliance with these covenants. Bond Counsel is not aware of any reason why the Corporation cannot or will not be in compliance with such covenants. *However*, Bond Counsel has 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

Offered Bonds sold at an initial public offering price that is less than the stated amount to be paid at maturity constitute “Discount Bonds.” The difference between the initial public offering prices of any such Discount Bond and the stated amount to be paid at maturity constitutes original issue discount treated as interest which is excluded from gross income for federal income tax purposes to the same extent as interest on such Offered Bond.

The amount of original issue discount which is treated as having accrued with respect to such Discount Bond is added to the cost basis of the owner in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale, redemption or payment at maturity). Amounts received upon disposition of such Discount Bond which are attributable to accrued 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 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 which would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less the amount of any interest payable for such Discount Bond during the accrual period. The tax basis 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 which 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 and with respect to the state and local tax consequences of owning a Discount Bond.

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.

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 Bond Counsel will render an opinion that interest on the Offered Bonds will be *excludable* 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. Bond Counsel expresses no opinion regarding any such consequences. Purchasers of the Offered Bonds, particularly purchasers that are corporations (including S corporations, foreign corporations operating branches in the United States of America, and certain corporations subject to the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022), 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 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.

Backup Withholding

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

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 above 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 Bond Counsel are based upon 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 Bond Counsel has 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, 2023, the financial and operating data concerning the Corporation outlined in the Continuing Disclosure Certificate. In addition, the Corporation will undertake, for the benefit of the registered owners and beneficial owners of the Offered Bonds, to provide to the MSRB, the notices described in the Continuing Disclosure Certificate by the times set forth therein.

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

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

RATINGS OF THE OFFERED BONDS

S&P has assigned the Offered Bonds a rating of “AA+” and Moody’s has assigned the Offered Bonds a rating of “Aa2”. The Corporation has furnished to each rating agency certain information and materials with respect to the Offered Bonds. Generally, rating agencies base

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

FINANCIAL STATEMENTS

The unaudited financial statements of the Corporation as of and for the nine months ended March 31, 2023, 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, 2022, 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, 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 \$109,441,480.65 (equal to the principal amount of the Offered Bonds, plus net original issue premium of \$9,446,480.65). The Underwriters will be paid a fee of \$259,221.62 with respect to the Offered Bonds. The Bond Purchase Agreement with respect to the Offered Bonds provides that the Underwriters will purchase all of such Bonds, if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in such Bond Purchase Agreement, the receipt of certain legal opinions, and certain other conditions. The initial public offering prices and yields of the Offered Bonds may be changed from time to time by the Underwriters. The Underwriters may offer and sell the Offered Bonds to certain dealers (including dealers depositing such Bonds into unit investment trusts, certain of which may be sponsored or managed by an Underwriter) and others at prices lower or yields higher than the public offering prices and yields of the Offered Bonds set forth on the inside cover page.

The following paragraph has been provided by the Underwriters:

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

The following paragraph has been provided by Morgan Stanley & Co. LLC:

Morgan Stanley & Co. LLC, an Underwriter of the Offered Bonds, has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Offered Bonds.

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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A Component Unit of the State of Alaska

**Quarterly Unaudited
Financial Statements**

March 31, 2023

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This publication of Alaska Housing Finance Corporation. For comments or questions:

Website: <https://www.ahfc.us/investors/financials-history> or

E-Mail: aamad-antes@ahfc.us

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

COMBINED – ALL MAJOR PROGRAMS

As of March 31, 2023

(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs
Assets				
Current				
Cash	\$ 24,445	\$ 11,825	\$ 123	\$ 31,186
Investments	566,171	-	241,696	3,336
Lease receivable	-	-	2,536	87
Accrued interest receivable	6,730	-	9,899	112
Inter-fund due (to)/from	(95,878)	66,691	31,870	(2,607)
Mortgage loans, notes and other loans	9,336	33	86,367	1,391
Other assets	3,409	23,609	-	2,029
Intergovernmental receivable	110	4,652	-	569
Total current	514,323	106,810	372,491	36,103
Non current				
Investments	10,000	-	22,000	-
Lease receivable	-	-	12,819	-
Inter-fund due (to)/from	-	1,423	-	-
Mortgage loans, notes and other loans	256,299	972	2,792,497	44,986
Capital assets - non-depreciable	2,483	-	-	14,692
Capital assets - depreciable, net	11,205	83	-	38,850
Other assets	3,554	262	2,208	29
OPEB asset	20,662	-	-	-
Total non current	304,203	2,740	2,829,524	98,557
Total assets	818,526	109,550	3,202,015	134,660
Deferred Outflow Of Resources	6,159	-	77,905	-
Liabilities				
Current				
Bonds payable	-	-	94,715	-
Short term debt	95,463	-	-	-
Accrued interest payable	-	-	28,745	-
Other liabilities	8,471	105,547	711	1,195
Intergovernmental payable	-	-	123	1
Total current	103,934	105,547	124,294	1,196
Non current				
Bonds payable	-	-	2,312,277	-
Other liabilities	1,915	229	-	8
Derivative instrument - interest rate swaps	-	-	51,102	-
Pension liability	28,727	-	-	-
Total non current	30,642	229	2,363,379	8
Total liabilities	134,576	105,776	2,487,673	1,204
Deferred Inflow Of Resources	22,415	-	18,790	77
Net Position				
Net investment in capital assets	13,687	83	-	53,542
Restricted by bond resolutions	-	-	569,336	-
Restricted by contractual or statutory agreements	119,149	16,575	-	80,983
Unrestricted or (deficit)	534,858	(12,884)	204,121	(1,146)
Total net position	\$ 667,694	\$ 3,774	\$ 773,457	\$ 133,379

Total Programs and Funds	Alaska Corporation for Affordable Housing	Total March 31, 2023
\$ 67,579	\$ 9,270	\$ 76,849
811,203	-	811,203
2,623	3,413	6,036
16,741	33	16,774
76	(76)	-
97,127	-	97,127
29,047	74	29,121
5,331	(600)	4,731
1,029,727	12,114	1,041,841
32,000	-	32,000
12,819	-	12,819
1,423	(1,423)	-
3,094,754	13,148	3,107,902
17,175	4,740	21,915
50,138	-	50,138
6,053	1	6,054
20,662	-	20,662
3,235,024	16,466	3,251,490
4,264,751	28,580	4,293,331
84,064	-	84,064
94,715	-	94,715
95,463	-	95,463
28,745	-	28,745
115,924	6	115,930
124	-	124
334,971	6	334,977
2,312,277	-	2,312,277
2,152	244	2,396
51,102	-	51,102
28,727	-	28,727
2,394,258	244	2,394,502
2,729,229	250	2,729,479
41,282	3,353	44,635
67,312	4,741	72,053
569,336	-	569,336
216,707	20,278	236,985
724,949	(42)	724,907
\$ 1,578,304	\$ 24,977	\$ 1,603,281

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

COMBINED – ALL MAJOR PROGRAMS

For the Year Ended March 31, 2023

(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs
Operating Revenues				
Mortgage and loan revenue	\$ 9,442	\$ -	\$ 84,543	\$ 1,086
Investment interest	13,359	5	7,306	391
Net change in the fair value of investments	2,650	-	826	-
Net change of hedge termination	-	-	281	-
Total investment revenue	16,009	5	8,413	391
Grant revenue	-	87,630	-	3,030
Housing rental subsidies	-	-	-	8,897
Rental revenue	7	-	-	8,577
Gain on disposal of capital assets	-	3	-	-
Other revenue	1,098	558	81	14
Total operating revenues	26,556	88,196	93,037	21,995
Operating expenses				
Interest	2,903	-	55,484	-
Mortgage and loan costs	2,704	-	6,960	108
Bond financing expenses	461	-	3,511	-
Provision for loan loss	(154)	29	1,605	65
Operations and administration	15,260	10,938	3,240	12,152
Rental housing operating expenses	-	11	-	11,705
Grant expense	6	93,451	-	-
Total operating expenses	21,180	104,429	70,800	24,030
Operating income (loss)	5,376	(16,233)	22,237	(2,035)
Non-operating expenses and transfers				
Contributions to State of Alaska or State agencies	(5,931)	-	-	-
Interfund receipts (payments) for operations	1,893	13,506	(17,184)	1,750
Change in net position	1,338	(2,727)	5,053	(285)
Net position at beginning of year	666,356	6,501	768,404	133,664
Cumulative effect of accounting change	-	-	-	-
Revised net position at beginning of year	666,356	6,501	768,404	133,664
Net position at end of period	\$ 667,694	\$ 3,774	\$ 773,457	\$ 133,379

See accompanying notes to the financial statements.

Total Programs and Funds	Alaska Corporation for Affordable Housing	Total March 31, 2023
\$ 95,071	\$ 106	\$ 95,177
21,061	3	21,064
3,476	-	3,476
281	-	281
24,818	3	24,821
90,660	13,000	103,660
8,897	-	8,897
8,584	51	8,635
3	-	3
1,751	379	2,130
229,784	13,539	243,323
58,387	-	58,387
9,772	-	9,772
3,972	-	3,972
1,545	11	1,556
41,590	122	41,712
11,716	-	11,716
93,457	13,000	106,457
220,439	13,133	233,572
9,345	406	9,751
(5,931)	-	(5,931)
(35)	35	-
3,379	441	3,820
1,574,925	24,536	1,599,461
-	-	-
1,574,925	24,536	1,599,461
\$ 1,578,304	\$ 24,977	\$ 1,603,281

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

COMBINED – ALL MAJOR PROGRAMS

For the Nine Months Ended March 31, 2023

(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	\$ 4,649	\$ -	\$ 77,803	\$ 997	\$ 83,449
Principal receipts on mortgages and loans	12,619	-	223,166	3,677	239,462
Disbursements to fund mortgages and loans	(416,729)	-	-	-	(416,729)
Receipts (payments) for interfund loan transfers	303,900	-	(293,161)	(10,739)	-
Mortgage and loan proceeds receipts	313,843	-	-	-	313,843
Mortgage and loan proceeds paid to trust funds	(322,862)	-	-	-	(322,862)
Payroll-related disbursements	(19,694)	(4,144)	-	(7,243)	(31,081)
Payments for goods and services	(42,179)	(3,168)	-	(11,696)	(57,043)
Receipts from externally funded programs	-	30,263	-	11,341	41,604
Receipts from Federal HAP subsidies	-	22,195	-	-	22,195
Payments for Federal HAP subsidies	-	(25,467)	-	-	(25,467)
Interfund receipts (payments)	(46,496)	59,987	-	1,222	14,713
Grant payments to other agencies	(6)	(82,914)	-	-	(82,920)
Other operating cash receipts (payments)	3,423	276	(27)	8,002	11,674
Net cash receipts (disbursements)	(209,532)	(2,972)	7,781	(4,439)	(209,162)
Non-capital financing activities					
Proceeds from bond issuance	-	-	197,824	-	197,824
Principal paid on bonds	-	-	(53,207)	-	(53,207)
Payment of bond issuance costs	(100)	-	(1,320)	-	(1,420)
Interest paid on bonds	-	-	(38,617)	-	(38,617)
Proceeds from short-term debt issuance	400,915	-	-	-	400,915
Payment of short term debt	(457,873)	-	-	-	(457,873)
Contributions to State of Alaska or State agencies	(5,931)	-	-	-	(5,931)
Transfers from (to) other funds	97,652	-	(97,652)	-	-
Net cash receipts (disbursements)	34,663	-	7,028	-	41,691
Capital financing activities					
Acquisition of capital assets	-	(30)	-	(1,477)	(1,507)
Proceeds from the disposal of capital assets	3	3	-	-	6
Principal paid on capital notes	-	-	(3,278)	-	(3,278)
Interest paid on capital notes	-	-	(292)	-	(292)
Proceeds from direct financing leases	-	-	3,304	-	3,304
Net cash receipts (disbursements)	3	(27)	(3,570)	(1,477)	(5,071)
Investing activities					
Purchase of investments	(6,136,074)	-	(665,321)	(4,843)	(6,806,238)
Proceeds from maturity of investments	6,292,349	-	645,145	10,802	6,948,296
Interest received from investments	12,238	2	5,607	389	18,236
Net cash receipts (disbursements)	168,513	2	(14,569)	6,348	160,294
Net Increase (decrease) in cash	(6,353)	(2,997)	(26)	432	(8,944)
Cash at beginning of year	30,798	14,822	149	30,754	76,523
Cash at end of period	\$ 24,445	\$ 11,825	\$ 123	\$ 31,186	\$ 67,579

Alaska Corporation for Affordable Housing	Total March 31, 2023
\$ -	\$ 83,449
-	239,462
-	(416,729)
-	-
-	313,843
-	(322,862)
(75)	(31,156)
(47)	(57,090)
-	41,604
-	22,195
-	(25,467)
(14,714)	(1)
-	(82,920)
15,894	27,568
1,058	(208,104)
-	197,824
-	(53,207)
-	(1,420)
-	(38,617)
-	400,915
-	(457,873)
-	(5,931)
-	-
-	41,691
-	(1,507)
-	6
-	(3,278)
-	(292)
-	3,304
-	(1,767)
-	(6,806,238)
-	6,948,296
4	18,240
4	160,298
1,062	(7,882)
8,208	84,731
\$ 9,270	\$ 76,849

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

COMBINED – ALL MAJOR PROGRAMS

For the Nine Months Ended March 31, 2023

(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)	\$ 5,376	\$ (16,233)	\$ 22,237	\$ (2,035)	\$ 9,345
<i>Adjustments:</i>					
Depreciation expense	817	60	-	4,015	4,892
Provision for loan loss	(154)	29	1,605	65	1,545
Net change in the fair value of investments	(2,650)	-	(826)	-	(3,476)
Interfund receipts (payments) for operations	1,893	13,506	(17,184)	1,750	(35)
Interest received from investments	(12,238)	(2)	(5,607)	(389)	(18,236)
Interest paid on bonds and capital notes	-	-	38,909	-	38,909
			-		
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	(19,645)	29	(160,652)	(6,470)	(186,738)
Net increase (decrease) in assets, liabilities, and deferred resources	(182,931)	(361)	129,299	(1,375)	(55,368)
Net operating cash receipts (disbursements)	\$ (209,532)	\$ (2,972)	\$ 7,781	\$ (4,439)	\$ (209,162)
Non-cash activities					
Deferred outflow of resources - derivatives	\$ -	\$ -	\$ 95,792	\$ -	\$ 95,792
Derivative instruments liability	-	-	96,354	-	96,354
Net change of hedge termination	-	-	430	-	430
Deferred outflow debt refunding	-	-	35,308	-	35,308
Total non-cash activities	\$ -	\$ -	\$ 227,884	\$ -	\$ 227,884

See accompanying notes to the financial statements.

Alaska Corporation for Affordable Housing		Total March 31, 2023	
\$	406	\$	9,751
	-		4,892
	11		1,556
	-		(3,476)
	35		-
	(4)		(18,240)
	-		38,909
	(131)		(186,869)
	741		(54,627)
\$	1,058	\$	(208,104)
\$	-	\$	95,792
	-		96,354
	-		430
	-		35,308
\$	-	\$	227,884

NOTE DISCLOSURES INDEX

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FOR THE NINE MONTHS ENDED MARCH 31, 2023

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. 19 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.

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.

Leases

Effective July 1, 2021, the Corporation adopted the new lease accounting guidance published by The Government Accounting Standards Board (GASB) for governments following GASB accounting standards (GASB Lease Rules) issued in June 2017. The Corporation elected to apply the guidance as of July 1, 2021, the beginning of the adoption period. The standard requires the recognition of right-of-use assets and lease liabilities, and Lease Receivable and Deferred Inflow of Resources, for lease contracts with terms greater than 12 months. The Corporation as a Lessee records the Right of Use Assets and Lease Liability, and as a Lessor records Lease Receivable and Deferred Inflow of Resources, measured at present value of future lease payments and receipts respectively, discounted at Corporation's incremental borrowing rate of 5%. Finance lease costs are recognized in two components, interest expense and amortization expense. As payments are received over the term of the lease, lease revenues are recognized in two components, interest revenue on lease receivable and revenue from amortization of deferred inflow of resources. The adoption of GASB 87 effective July 1, 2021, eliminates the disclosure on direct financing lease previously adopted by the Corporation.

Derivative Instruments-Interest Rate Swaps

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

derivatives is recorded as deferred inflows of resources or deferred outflows of resources, and the change in the fair value of the investment derivatives is recorded as investment revenue.

Operating Revenues and Expenses

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

Income Taxes

The Corporation is exempt from federal and state income taxes.

3 CASH AND INVESTMENTS

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

March 31, 2023	
Restricted cash	\$ 61,190
Unrestricted cash	15,659
Carrying amount	76,849
Bank balance	\$ 77,731

Investment Valuation

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

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

Investment Maturities

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

Investment Maturities (In Years)					
	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years	March 31, 2023
Securities of U.S. Government agencies and corporations	\$ 998	\$ 9,914	\$ -	\$ -	\$ 10,912
Commercial paper & medium term notes	459,688	-	-	-	459,688
Corporate Certificates of Deposit	32,254	-	-	-	32,254
Guaranteed Investment Contracts		10,000	12,000		22,000
Money market funds	316,833	-	-	-	316,833
Total not including GeFONSI	\$ 809,773	\$ 19,914	\$ 12,000	\$ -	\$ 841,687
GeFONSI pool					1,516
Total AHFC Investment Portfolio					\$ 843,203

Restricted Investments

A large portion of the Corporation's investments, \$375,736,400, is restricted by bond resolutions, contractual agreements, and statutory agreements, and the remainder, \$467,466,600, 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):

Original Amount	March 31, 2023
Ending unrealized holding gain	\$ 5,898
Beginning unrealized holding gain	2,496
Net change in unrealized holding gain	3,402
Net realized gain (loss)	74
Net increase (decrease) in fair value	\$ 3,476

Deposit and Investment Policies

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

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

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

- Guaranteed investment contracts with a financial institution having outstanding unsecured long-term obligations rated, or an investment agreement rating of, at least "AA" by S&P or "Aa2" by Moody's or "AA" by Fitch, or, if the term is one year or less, at least "A-1" by S&P or "P-1" by Moody's or "F-1" by Fitch;
- Fixed and floating-rate notes and bonds, other than commercial paper, issued by corporate or municipal obligors and rated at least "AA" by S&P or "Aa2" by Moody's or "AA" by Fitch if maturing in excess of one year, or at least "A-1" by S&P or "P-1" by Moody's or "F1" by Fitch if maturing, or with a provision for investor withdrawal or put at par, in one year or less;
- Asset-backed securities, other than asset-backed commercial paper, rated at least "AA+" by S&P or "Aa1" by Moody's or "AA+" by Fitch; and
- Investment pools managed by the State of Alaska, including the General Fund and Other Non-Segregated Investments ("GeFONSI") pool.

Credit Risk

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

The credit quality ratings of the Corporation's investments as of March 31, 2023, as determined by nationally recognized statistical rating organizations, are shown below (in thousands), and do not include investments held by GeFONSI pool.

	Moody's	Fitch	Investment Fair Value
Securities of U.S. Government agencies and Corporations, Commercial paper, medium-term notes, Guaranteed Investment Contracts and Certificates of Deposit:	A1	A+	\$ 748
	Aaa	F1+	497
	A1	NA	1,450
	Aaa	AAA	9,914
	Aa1	AA	10,000
	Aa3	AA+	12,000
	P-1	F1+	131,533
	P-1	F1	48,384
	P-1	F2	11,319
	P-1	NA	193,255
	P-1	WR	20,764
	P-2	F1	84,990
Money market funds:	Aaa-mf	AAAmf	316,833
			<u>\$ 841,687</u>

Concentration Risk

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

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

Investment Holdings Greater than Five Percent of Total Portfolio

The following investment holdings, summarized by issuer, include both investments that are governed by the maximum concentration limits of the Corporation's Fiscal Policies and trusted investments which have no established concentration limits. As of March 31, 2023, 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
Invesco Ltd	\$ 104,836	12.43%
Morgan Stanley	108,329	12.85%
JP Morgan	103,669	12.29%

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 \$77,731,000 bank balance at March 31, 2023, cash deposits in the amount of \$20,000 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 March 31, 2023, in thousands:

Issuer	Investment Fair Value	Modified Duration
Securities of U.S. Government agencies and corporations:		
Federal agency pass through securities	\$ 10,911	2.181
Guaranteed Investment Contracts & Certificate of Deposit	52,254	2.453
Commercial paper & medium-term notes:		
Commercial paper discounts	458,940	0.177
Medium-term notes	748	0.141
Money market funds	316,834	0.000
Portfolio modified duration	<u>\$ 841,687</u>	0.282

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 Annual Comprehensive Financial Report (ACFR) 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 \$1,516,000 as of March 31, 2023.

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

4 INTERFUND RECEIVABLE/PAYABLE

A summary of the interfund receivable/payable balance as of March 31, 2023, is shown below (in thousands):

Due From							
Due To							Total
	Administrative Fund	Grant Programs	Mortgage or Bond Programs	Other Funds or Programs	Alaska Corporation for Affordable Housing		
Administrative Fund	\$ -	\$ 12,415	\$ -	\$ 3,154	\$ 76		\$ 15,645
Grant Programs	79,106	-	-	-	1,423		80,259
Mortgage or Bond Programs	31,870	-	-	-	-		31,870
Other Funds or Programs	547	-	-	-	-		547
Total	<u>\$ 111,523</u>	<u>\$ 12,415</u>	<u>\$ -</u>	<u>\$ 3,154</u>	<u>\$ 1,499</u>		<u>\$ 128,59</u>

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

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

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

5 MORTGAGE LOANS, NOTES AND OTHER LOANS

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

	March 31, 2023
Mortgage loans	\$ 2,787,818
Multifamily loans	394,352
Other notes receivable	63,609
	<u>3,245,779</u>
Less:	
Allowance for losses	<u>(40,750)</u>
Net Mortgages, Notes & Other	<u>\$ 3,205,029</u>

Of the \$3,245,779,000 mortgage loans, notes, and other loans, \$97,127,000 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 \$14,291,000. Included in the allowance for losses is \$1,143,000 for ACAH's notes receivable bringing ACAH's net notes receivable to \$13,148,000.

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

	March 31, 2023
Loans Delinquent 30 days or more	\$ 85,717
Foreclosures during reporting period	3,370
Loans in foreclosure process	7,858
Mortgage-related commitments:	
To purchase mortgage loans	\$ 74,994

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 LEASES

GASB 87

In FY22, the Corporation adopted GASB Statement No. 87, Leases. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

Lease Liability

As of March 31, 2023, Current Lease Liability of \$138,000 and Long term Lease Liability of \$1,320,000, total of \$1,458,000 Lease Liability, and Right-of-Use Asset of \$1,657,000, were recognized by the Corporation. The Corporation as a Lessee records the Right-of-Use Asset and Lease Liability at present value of future lease payments discounted at weighted-average discount rate based on the Corporation's incremental borrowing rate of 5% subject to reexamination on annual basis. The adoption of the new standard did not materially impact the Corporation's Statements of Operations or Statements of Cash Flows.

The Corporation leases certain office facilities and equipment for various terms under long-term, non-cancelable operating lease agreements. The leases expire at various dates through 2041 and provide for renewal options ranging from one year to five years. The Corporation included in the determination of the right-of-use asset and lease liabilities any renewal options when the options are reasonably certain to be exercised. The leases provide for increases in future minimum annual rental payments based on lease agreements subject to certain minimum increases. As of March 31, 2023, the Corporation recognized a total amount of lease assets of \$1,657,000 and its related accumulated amortization of \$255,000.

Remaining obligations associated with these leases are as follows (in thousands):

Date	Interest Due	Principal Due
6/30/2023	\$ 106	\$ 138
6/30/2024	106	110
6/30/2025	73	146
6/30/2026	53	65
6/30/2027	48	66
2028 and thereafter	\$ 391	\$ 1,147

Lease Receivable

The Corporation receives lease payments from leasing certain properties to a local charitable organization in the form of a monthly utility offset payment. The lease term commenced on April 1, 2009 through March 31, 2019. The Corporation opted to renew an additional 10 year period, which terminates this lease in March 2029. As of March 31, 2023, the Corporation recognized a Lease Receivable from this lease of \$95,000 measured at present value of future lease receivable expected to be received during the lease term discounted at 5% incremental borrowing rate.

ACAH receives lease payments from leasing various properties in Anchorage, Wasilla, and Fairbanks in the form of monthly and annual payments. The lease terms expire at various dates through 2078 and provide for renewal options of one year. As of March 31, 2023, ACAH recognized a Lease Receivable of \$3,413,000 measured at the present value of future lease receivable expected to be received during the lease term discounted at the 5% incremental borrowing rate.

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.

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.

As of March 31, 2023, the Corporation recognized valuation of Lease Receivable of \$15,356,000 measured based on discounted future lease at Corporation's incremental borrowing rate of 5%, subject to reexamination on annual basis. The following table lists the components of the Lease Receivable and shows the future minimum payments under the lease for the next five years and thereafter (in thousands):

Future Minimum Payments Due	
Twelve Months Ending March 31,	Parking Garage
2024	\$ 3,304
2025	3,304
2026	3,304
2027	3,304
Thereafter	3,301
Gross payments due	16,517
Less: Unearned revenue	(1,161)
Net Lease Receivable	\$ 15,356

8 CAPITAL ASSETS

Capital assets activity for the nine months ended March 31, 2023, and a summary of balances is shown below (in thousands):

Issuer	June 30, 2022	Additions	Reductions	March 31, 2023
Non-Depreciable Capital Assets:				
Land	\$ 20,742	\$ -	\$ -	\$ 20,742
Construction in progress	63	1,110	-	1,173
Total Non-Depreciable	20,805	1,110	-	21,915
Depreciable Capital Assets:				
Buildings	243,570	-	-	243,570
Computers & Equipment	3,518	143	-	3,661
Vehicles	2,679	398	(41)	3,036
Less: Accumulated depreciation				
Buildings	(190,093)	(4,425)	-	(194,518)
Computers & Equipment	(3,131)	(168)	-	(3,299)
Vehicles	(2,190)	(163)	41	(2,312)
Total Depreciable, Net	54,353	(4,215)	-	50,138
Total Capital Assets, Net	\$ 75,158	\$ (3,105)	\$ -	\$ 72,053

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

Depreciation expense charged by the Corporation was \$4,756,000 for the nine months ended March 31, 2023.

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 \$12,910,000 at March 31, 2023.

In 2017, the State exercised the option to purchase the Atwood Office Building and associated land, identified as Block 79, for \$1. The Atwood Office Building was leased to the State of Alaska as part of the Corporation's State Building Lease Program. 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.

9 DEFERRED OUTFLOWS OF RESOURCES

The Government Accounting Standards Board has defined deferred outflows of resources as the consumption of resources that are applicable to a future period. AHFC's deferred outflows of resources at March 31, 2023, were interest rate swap derivatives of \$51,102,000, deferred debt refunding expense of \$26,803,000, pension deferred outflows of \$3,205,000, and other post employment benefits deferred outflows of \$2,954,000, for a total of \$84,064,000.

10 BONDS PAYABLE

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

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

Bonds outstanding as of March 31, 2023, are shown on the next three pages (in thousands):

	Original Amount	March 31, 2023
Housing Bonds:		
Home Mortgage Revenue Bonds, Tax-Exempt:		
• 2002 Series A; Floating Rate*; 3.80% at March 31, 2023, due 2032-2036	\$ 170,000	\$ 27,450
Unamortized swap termination penalty		(1,039)
• 2007 Series A; Floating Rate*; 3.93% at March 31, 2023, due 2023-2041	75,000	64,395
• 2007 Series B; Floating Rate*; 4.00% at March 31, 2023, due 2023-2041	75,000	64,395
• 2007 Series D; Floating Rate*; 3.90% at March 31, 2023, due 2023-2041	89,370	76,720
• 2009 Series A; Floating Rate*; 3.90% at March 31, 2023, due 2023-2040	80,880	73,790
• 2009 Series B; Floating Rate*; 3.90% at March 31, 2023, due 2023-2040	80,880	73,790
• 2009 Series D; Floating Rate*; 3.90% at March 31, 2023, due 2023-2040	80,870	73,780
Total Home Mortgage Revenue Bonds	652,000	453,281
Collateralized Bonds (Veterans Mortgage Program), Tax-Exempt:		
• 2016 First and Second Series; 1.40% to 2.90%, due 2023-2037	50,000	27,045
• 2019 First and Second Series; 1.90% to 4.00%, due 2023-2048	60,000	16,715
Unamortized premium		518
Total Collateralized Bonds (Veterans Mortgage Program)	110,000	44,278
General Mortgage Revenue Bonds II, Tax-Exempt:		
• 2016 Series A; 1.70%-3.50%, due 2023-2046	100,000	43,530
Unamortized premium		230
• 2018 Series A; 2.30%-4.00%, due 2023-2048	109,260	32,230
Unamortized premium		1,029
• 2018 Series B; 5.00%, due 2031	58,520	28,465
Unamortized premium		3,181
• 2019 Series A; 1.40%-3.75%, due 2023-2044	136,700	90,730
Unamortized premium		1,164
• 2019 Series B; 5.00%, due 2030-2033	24,985	19,985
Unamortized premium		3,568
• 2020 Series A; 0.45%-3.25%, due 2023-2044	135,170	114,990
Unamortized premium		3,314
• 2020 Series B; 2.00%-5.00%, due 2030-2035	74,675	74,675
Unamortized premium		10,579
• 2022 Series A; 0.30%-3.00%, due 2023-2051	39,065	37,600
Unamortized premium		1,091

	Original Amount	March 31, 2023
General Mortgage Revenue Bonds II, Tax-Exempt Bonds (cont.):		
• 2022 Series B; 1.65%-5.00%, due 2030-2036	83,730	83,730
Unamortized premium		14,203
• 2022 Series C; 2.45%-5.75%, due 2023-2052	87,965	87,965
Unamortized premium		2,510
Total General Mortgage Revenue Bonds II, Tax-Exempt	850,070	654,769
Governmental Purpose Bonds, Tax-Exempt:		
• 2001 Series A; Floating Rate*; 3.90% at March 31, 2023, due 2023-2030	76,580	30,260
Unamortized swap termination penalty		(1,954)
• 2001 Series B; Floating Rate*; 3.90% at March 31, 2023, due 2023-2030	93,590	36,980
Total Governmental Purpose Bonds	170,170	65,286
Total Housing Bonds	1,782,240	1,217,614
Non-Housing Bonds:		
State Capital Project Bonds II, Tax-Exempt:		
• 2014 Series A; 4.00% to 5.00%, due 2023-2033	95,115	6,265
Unamortized premium		42
• 2014 Series B; 5.00%, due 2023-2029	29,285	3,170
Unamortized premium		43
• 2014 Series D; 5.00%, due 2023-2029	78,105	15,065
Unamortized premium		309
• 2015 Series A; 4.00% to 5.00%, due 2023-2030	111,535	20,590
Unamortized premium		631
• 2015 Series B; 3.00% to 5.00%, due 2023-2036	93,365	42,120
Unamortized discount		(108)
Unamortized premium		341
• 2015 Series C; 5.00%, due 2023-2035	55,620	9,790
Unamortized premium		330
• 2017 Series A; 4.00% to 5.00%, due 2023-2032	143,955	117,795
Unamortized premium		9,003
• 2017 Series C; 5.00%, due 2024-2032	43,855	43,855
Unamortized premium		3,524
• 2018 Series B; 3.13%-5.00%, due 2023-2038	35,570	30,885
Unamortized discount		(55)
Unamortized premium		2,422
• 2019 Series B; 4.00% to 5.00%, due 2023-2039	60,000	54,185
Unamortized premium		6,852
• 2021 Series A; 3.00% to 5.00%, due 2023-2030	90,420	90,420
Unamortized premium		14,376
• 2022 Series B; 4.00% to 5.00%, due 2023-2037	97,700	94,990
Unamortized discount		(37)
Unamortized premium		8,010
Total State Capital Project Bonds II, Tax-Exempt	\$ 934,525	\$ 574,813

	Original Amount	March 31, 2023
Non-Housing Bonds (cont.):		
State Capital Project Bonds II, Taxable:		
• 2017 Series B; Floating Rate*; 4.93% at March 31, 2023, due 2047	\$ 150,000	\$ 90,000
• 2018 Series A; Floating Rate*; 4.90% at March 31, 2023, due 2031-2043	90,000	90,000
• 2019 Series A; Floating Rate*; 4.85% at March 31, 2023, due 2033-2044	140,000	140,000
• 2020 Series A; 0.80% to 2.18%, due 2023-2033	96,665	94,565
• 2022 Series A; Floating Rate*; 4.85% at March 31, 2023, due 2037-2052	200,000	200,000
Total State Capital Project Bonds II, Taxable	676,665	614,565
Total Non-Housing Bonds	1,611,190	1,189,378
Total Bonds Payable	\$ 3,393,430	\$ 2,406,992

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.

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	\$ 1,660,145	\$ 128,140	\$ -	\$ 1,788,285
Non-Housing	-	-	15,356	15,356
Total	\$ 1,660,145	\$ 128,140	\$ 15,356	\$ 1,803,641

Redemption Provisions

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

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

During the nine months ended March 31, 2023, the Corporation made special redemptions in the amount of \$10,345,000.

Bond Defeasances

There were no new bond defeasances through the first nine months of FY23. A summary of all defeased debt from prior two fiscal years, as of March 31, 2023, follows (in thousands):

	Date Defeased	March 31, 2023
State Capital Project Bonds II, 2014 Series A	October 2020	\$ 35,200
State Capital Project Bonds II, 2014 Series A	June 2021	18,250
State Capital Project Bonds II, 2014 Series B	June 2021	13,860
State Capital Project Bonds II, 2014 Series D	June 2021	39,980
State Capital Project Bonds II, 2015 Series A	June 2021	23,200
State Capital Project Bonds II, 2015 Series B	June 2021	21,495
State Capital Project Bonds II, 2015 Series C	June 2021	31,045
State Capital Project Bonds II, 2015 Series A	December 2021	31,580
State Capital Project Bonds II, 2015 Series B	December 2021	8,450
		<u>\$ 223,060</u>

Debt Service Requirements**

For all bonds in the preceding schedules, excluding any defeased bonds, the Corporation's annual debt service requirements through 2027 and in five year increments thereafter to maturity are shown below (in thousands):

	Housing Bond Debt Service		Non-Housing Bond Debt Service		Total Debt Service		
Twelve Months Ending March 31,	Principal	Interest*	Principal	Interest*	Principal	Interest*	Total
2024	42,495	39,908	61,610	46,381	104,105	86,289	190,394
2025	44,330	38,695	49,805	43,562	94,135	82,257	176,392
2026	45,705	37,377	47,155	41,414	92,860	78,791	171,651
2027	47,310	35,988	49,370	39,179	96,680	75,167	171,847
28-32	364,570	152,157	283,280	160,014	647,850	312,171	960,021
33-37	313,130	80,198	157,315	114,368	470,445	194,566	665,011
38-42	192,660	36,681	178,055	81,100	370,715	117,781	488,496
43-47	55,790	14,737	197,995	48,272	253,785	63,009	316,794
48-52	33,660	4,152	63,965	7,820	97,625	11,972	109,597
	<u>\$1,179,220</u>	<u>\$480,581</u>	<u>\$1,143,695</u>	<u>\$630,548</u>	<u>\$2,322,915</u>	<u>\$1,111,129</u>	<u>\$3,434,044</u>

* Interest requirements have been computed for hedged variable rate bonds using the associated fixed swap rates and for unhedged variable rate bonds using interest rates in effect at March 31, 2023.

** Also see Note 11 – Derivatives.

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.

Conduit Debt

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

A summary of all conduit debt as of March 31, 2023, follows (in thousands):

	Maximum Issue Amount	Balance as of March 31, 2023	Remaining Authority as of March 31, 2023
Revenue Bonds, 2023 (ACAH Fairbanks Project)	\$ 13,000	\$ 2,014	\$ 10,986
Revenue Bonds, 2022 (Willow Pointe Project)	1,490	1,387	103
Revenue Bonds, 2021 (Little Dipper Project)	4,446	4,446	-
Revenue Bonds, 2021 (Spenard East Phase I Project)	7,500	7,499	1
Revenue Bonds, 2021 (Jewel Lake Apartments Project)	19,000	19,000	-
Revenue Bonds, 2020 (Old Mat Phase 1 Project)	3,800	1,445	2,355
Revenue Bonds, 2020 (West 32nd Avenue Project)	3,500	3,312	188
Total	\$ 52,736	\$ 39,103	\$ 13,633

11 DERIVATIVES

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

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

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

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

The Corporation's interest rate swaps require that if the ratings on the associated bonds fall to "BBB+/Baa1", the Corporation would have to post collateral of up to 100 percent of the swap's fair value. As of March 31, 2023, the Corporation had not posted any collateral and was not required to post any collateral.

Hedging Derivatives

The significant terms and credit ratings of the Corporation's hedging derivatives as of March 31, 2023, are shown below:

Related Bond Issue	Effective Date	Fixed Rate Paid	Variable Rate Received	Swap Termination Date	Counterparty Credit Rating ⁶
GP01B ⁰¹	08/02/01	4.1127%	67% of 1M LIBOR ⁴	12/01/30	A+/Aa2
E021A ¹²	10/09/08	2.9800%	70% of 3M LIBOR ⁵	06/01/32	AA-/Aa2
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
SC19A ³	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. Standard & Poor's/Moody's

The change in fair value and ending balance of the hedging derivatives as of March 31, 2023, 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 Value		Change in Fair Value
			March 31, 2023	June 30, 2022	
GP01A	\$ -	\$ -	\$ -	\$ (731)	\$ 731
GP01B	36,980	39,424	(2,444)	(3,707)	1,263
E021A	27,450	27,975	(525)	(1,276)	751
E071A1	123,306	137,407	(14,101)	(18,802)	4,701
E071A2	82,204	91,667	(9,463)	(12,526)	3,063
E091A1	66,408	73,822	(7,414)	(10,009)	2,595
E091A2	66,408	73,761	(7,353)	(9,833)	2,480
E091A3	88,544	98,346	(9,802)	(13,040)	3,236
SC19A ³	140,000	138,703	1,297	(3,522)	4,819
	\$ 631,300	\$ 681,105	\$ (49,905)	\$ (73,446)	\$ 23,641

As of March 31, 2023, 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 Payments	Total Payments
2023	\$ 10,350	\$ 13,003	\$ (850)	\$ 22,503
2024	21,405	25,397	(1,725)	45,077
2025	22,440	24,552	(1,760)	45,232
2026	23,495	23,666	(1,797)	45,364
2027	24,630	22,739	(1,835)	45,534
2028-2032	273,690	81,323	(4,054)	350,959
2033-2037	128,355	39,234	1,057	168,646
2038-2042	126,935	11,613	308	138,856
	\$ 631,300	\$ 241,527	\$ (10,656)	\$ 862,171

Credit Risk

As of March 31, 2023, the Corporation was exposed to credit risk on the State Capital Project Bonds, 2019 Series A to the extent of the swap's fair value of \$1,297,000 due to the value turning positive because of the increase in interest rates. The Corporation was not exposed to a credit risk on the rest of the swaps because these swaps all have negative fair values or fair values equal to the notional amount. 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 five separate counterparties. Approximately 34.4% of the total notional amount of the swaps is held with one counterparty rated "AA-/Aa2". Another 27.0% of the total notional amount of the swaps is held with another counterparty rated "A+/Aa1" and 22.2% 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" and "A+/Aa2", approximating 10.5% and 5.9% 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

The Corporation is exposed to basis risk when the variable payment received on an interest rate swap is based on an index that differs from the index on which the Corporation's variable-rate payment to its bondholders is based. In such instance, the float payment received from the swap counterparty may not fully offset the variable rate paid on the bonds.

As of March 31, 2023, all of the Corporation's interest rate swaps were based on the LIBOR index, while its variable rate bonds were based on SIFMA or some other non-LIBOR index.

The relative ratios among such indices have fluctuated since the Corporation's swap agreements became effective and will continue to do so in response to then-current market conditions.

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.

12 OTHER CURRENT LIABILITIES

Other Current Liabilities as of March 31, 2023, are composed of the accounts and balances as follows (in thousands):

Other Current Liabilities	March 31, 2023
Accounts Payable	\$ 1,325
Accrued Payroll	5,343
Lease Liability	138
Other Miscellaneous Liabilities	805
Service Fees Payables	761
Unearned Grant Revenue	107,558
Total	<u>\$ 115,930</u>

13 LONG TERM LIABILITIES

The activity for the nine months ended March 31, 2023, is summarized in the following schedule (in thousands):

	June 30, 2022	Additions	Reductions	March 31, 2023	Due Within One Year
Total bonds and notes payable	\$ 2,277,492	\$ 197,246	\$ (67,746)	\$ 2,406,992	\$ 94,715
Net Pension liability	28,727	-	-	28,727	-
Compensated absences	3,214	617	(762)	3,069	2,238
Other liabilities	-	153	(153)	-	-
Total long-term liabilities	\$ 2,309,433	\$ 198,016	\$ (68,661)	\$ 2,438,788	\$ 96,953

14 SHORT TERM DEBT

The Corporation has a taxable commercial paper program. Commercial paper is used to refund certain tax-exempt debt until new debt replaces it. Individual maturities range up to 270 days from date of issuance. The maximum aggregate outstanding principal balance authorized by the Corporation's Board of Directors is \$150,000,000. The lowest yield during the nine months ended March 31, 2023, was 1.25% and the highest, 4.72%.

Short term debt activity for the nine months ended March 31, 2023, is summarized in the following schedule (in thousands).

	June 30, 2022	Additions	Reductions	March 31, 2023
Commercial paper	\$ 149,810	\$ 403,953	\$ (457,873)	\$ 95,890
Unamortized discount	(39)	(2,810)	2,422	(427)
Commercial paper, net	\$ 149,771	\$ 401,143	\$ (455,451)	\$ 95,463

15 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. At March 31, 2023, AHFC recognized combined total deferred inflows of \$44,635,000 as follows:

- Pension-related deferred inflows totaled \$11,456,000, representing the difference of actuarial benefit assumptions vs. actual benefit experience (\$127,000) plus the difference of projected vs. actual investment earnings (\$11,329,000) in the State of Alaska's PERS Defined Benefit Retirement Plan.
- Other Post-Employment Benefits ("OPEB")-related deferred inflows totaled \$10,959,000, consisting of the sum of a) the difference of actuarial benefit assumptions vs. actual benefit experience (\$299,000), b) the net effect of changes in actuarial assumptions (\$887,000), c) the difference of projected vs. actual investment earnings (\$9,669,000), and d) changes in proportional contribution levels among participating employers (\$104,000).
- Lease-related deferred inflows totaled \$20,923,000, including one or more leases with local charitable organizations (\$77,000) and/or with the Corporation's affordable housing subsidiary, the Alaska Corporation for Affordable Housing (\$3,353,000), and Pacillo Garage (\$17,493,000).
- Derivatives-related deferred inflows totaled \$1,297,000.

16 TRANSFERS

Transfers for the nine months ended March 31, 2023, 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
Administrative Fund	\$ -	\$ -	\$ 394,111	\$ 10,738	\$ -	\$ 404,849
Grant Programs	13,506	-	-	-	-	13,506
T Mortgage or Bond Programs	376,927	-	-	-	-	376,927
o Other Funds or Programs	12,488	-	-	-	-	12,488
Alaska Corporation for Affordable Housing	35	-	-	-	-	35
Total	\$ 402,956	\$ -	\$ 394,111	\$ 10,738	\$ -	\$ 807,805

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.

17 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. In June 2022, the Corporation entered into a direct-pay letter of credit ("LOC") which guarantees the purchase of unremarketed tenders and the payment of regular debt service with respect to the Corporation's \$200 million State Capital Project Bonds II, 2022 Series A. Also in June 2022, the Corporation entered into a \$200 million standby LOC to further secure to debt issued under the Corporation's State Capital Project Bonds II indenture and its Commercial Paper Notes program.

At March 31, 2023, the Corporation had the following available unused credit lines (in thousands):

	Credit Type	Counterparty Short-Term Ratings		Available Unused Lines of Credit
		S&P	Moody	
2002 Series A Home Mortgage Revenue Bonds	SBPA	A-1+	P-1	\$ 27,450
2007 Series A, B, D Home Mortgage Revenue Bonds	SBPA	A-1+	P-1	205,510
2009 Series A Home Mortgage Revenue Bonds	SBPA	A-1	P-1	73,790
2009 Series B Home Mortgage Revenue Bonds	SBPA	A-1	P-1	73,790
2009 Series D Home Mortgage Revenue Bonds	SBPA	A-1+	P-1	73,780
2001 Series A & B Governmental Purpose Bonds	SBPA	A-1+	P-1	67,240
2022 Series A State Capital Project Bonds II	LOC	A-1	P-1	200,000
State Capital Project Bonds II & Commercial Paper	LOC	A-1	P-1	200,000
Total				\$ 921,560

18 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 \$911,000, but as of March 31, 2023, the balance of negative arbitrage exceeds the prior payments, resulting in \$911,000 due to the Corporation.

19 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 March 31, 2023, (in thousands).

	Dividend Due to State	Expenditures	Remaining Commitments
State General Fund Transfers	\$ 799,514	\$ (789,880)	\$ 9,634
State Capital Projects Debt Service	507,037	(501,122)	5,915
State of Alaska Capital Projects	294,914	(258,582)	36,332
AHFC Capital Projects	592,842	(536,019)	56,823
Total	\$ 2,194,307	\$ (2,085,603)	\$ 108,704

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.

20 HOUSING GRANTS AND SUBSIDIES EXPENSES

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

	March 31, 2023
Beneficiaries and Special Needs Housing	\$ 1,492
Competitive Grants for Public Housing	29
Continuum of Care Homeless Assistance	1,224
COVID-19 American Rescue Plan Act - Homeless Assistance	3,361
COVID-19 American Rescue Plan Act - Homeowner Assistance	33,416
COVID-19 Consolidated Appropriation Act - Rental Assistance	4,676
Domestic Violence	991
Discharge Incentive grant	218
Emergency Housing Vouchers (EHV)	385
Emergency Shelter Grant (ESG)	523
Energy Efficiency Monitoring Research	519
Energy Efficient Weatherization	35
Foster Youth to Independence	71
HOME Investment Partnership	3,052
Homeless Assistance Program (HAP)	5,830
Housing Choice Vouchers	21,740
Housing Choice Voucher - Mainstream	301
Housing Grants - Other Agencies	6
Housing Loan Program	1,173
Housing Opportunities for Persons with AIDS	417
Housing Trust Fund	3,842
Low Income Weatherization Assistance	2,107
Low Income Home Energy Assistance	1,729
Energy Residential Program	20
Neighborhood Stabilization Program	902
Non-Elderly Disabled (NED)	212
Parolees (TBRA)	202
Section 811 Rental Housing Assistance	357
Section 8 Rehabilitation	389
Senior Citizen Housing Development Grant	789
Supplemental Housing Grant	1,454
Veterans Affairs Supportive Housing	1,732
Victims of Human Trafficking	175
Youth (TBRA)	88
Faribanks Affordable Housing Project	13,000
Total Housing Grants and Subsidies Expenses	\$ 106,457

The Corporation transferred \$13,000,000 in Moving to Work (MTW) Demonstration Program reserves to ACAH to assist in funding The Fairbanks Affordable Housing Project, a multifamily housing project.

In addition to grant payments made, the Corporation had advanced grant funds of \$22,913,000 and committed to third parties a sum of \$73,263,000 in grant awards as of March 31, 2023.

21 PENSION AND POST-EMPLOYMENT HEALTHCARE PLANS

Description of Plans

As of March 31, 2023, 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 2023, 22.00% of covered salary is for the pension plan and 0% is for the post-employment healthcare plan.

Under AS39.35.255, the State funds 2.79%, the difference between the actuarial required contribution of 24.79% for fiscal year 2023 and the employer rate of 22.00%.

The Corporation's contributions to the Defined Benefit pension plan for the nine months ended March 31, 2023, totaled \$1,284,000.

Pension Liability:

The pension liability for the nine months ended March 31, 2023, is not available at this time.

For the year ended June 30, 2022, the Corporation reported a liability for its proportionate share of net pension liability of \$28,727,000. This amount reflected State pension support provided to the Corporation of \$3,891,000. The total net pension liability associated with the Corporation was \$32,618,000.

The net pension liability for the June 30, 2021, measurement date, and the total pension liability used to calculate the new pension liability was determined by an actuarial valuation as of June 30, 2020, and rolled forward to June 30, 2021.

Pension Expense:

The pension expense for the nine months ended March 31, 2023, is not available at this time.

For the year ended June 30, 2022, the Corporation recognized pension expense of \$7,579,000 and revenue of \$1,743,000 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 nine months ended March 31, 2023, are not available at this time.

For the year ended June 30, 2022, the Corporation's deferred outflows of resources related to pension expense of \$3,205,000 were due to a change in proportion and difference between employer contributions \$1,232,000 and contributions to the pension plan subsequent to the measurement date of \$1,973,000. The Corporation's deferred inflows of resources related to pension of \$11,456,000 were due to differences between expected and actual experience of \$127,000 and difference between projected and actual investment earnings of \$11,329,000.

Contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending June 30, 2022. 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
2023	\$ 3,309	\$ (2,864)	\$ 445
2024	269	(2,864)	(2,595)
2025	57	(2,864)	(2,807)
2026	(430)	(2,864)	(3,294)
	<u>\$ 3,205</u>	<u>\$ (11,456)</u>	<u>\$ (8,251)</u>

Pension Employer Contributions:

In 2022, the Corporation was credited with the following contributions to the PERS plan:

	Measurement Period Corporation FY21	Measurement Period Corporation FY20
Employer PERS contributions	\$ 2,781,000	\$ 2,572,000

Pension and OPEB Actuarial Assumptions:

The total pension and OPEB Liability for the fiscal year ending June 30, 2022, was determined by an actuarial valuation as of June 30, 2020, rolled forward to the measurement date of June 30, 2021. 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 2013-2017 actual experience.

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 ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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 table:

Asset Class	Long-term Expected Real Rate of Return
Domestic Equity	6.63%
Global Equity (non-U.S.)	5.41%
Aggregate Bonds	0.76%
Opportunistic	4.39%
Real Assets	3.16%
Private Equity	9.29%
Cash Equivalents	0.13%

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.

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	\$ 42,549	\$ 28,727	\$ 17,115

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 2023 are as follows:

	Other Tier IV
Pension Employer Contribution	5.00%
Occupational Death and Disability Benefits (ODD)	0.30%
Retiree Medical	1.10%
Total OPEB	1.40%
Total Contribution Rates	6.40%

Under State law, the Corporation is required to contribute 22% of annual covered salary. For fiscal year 2023, 6.40% of covered salary is split between 5.00% for the pension plan and 1.40% for the post-employment healthcare plan. Then, to offset additional individual post-employment healthcare cost, an annual flat dollar amount of \$2,237.04, representing 3% of total annual covered compensation in the Plan for each full-time employee, and \$1.43 per hour for part-time employees, is deposited in a Health Reimbursement Arrangement ("HRA") Account for each covered employee per AS 39.30.370.

Additionally, if the total amount that the Corporation has contributed for the defined contribution pension and post-employment healthcare plans is less than 22% of covered payroll after the HRA contributions, the Corporation must pay that additional amount. This additional amount is used to reduce the defined benefit plan's unfunded liability. For the nine months ended March 31, 2023, the Corporation paid additional contributions of \$1,235,000. All of the contributions were for the defined benefit pension as of March 31, 2023.

The contributions to the pension plan for the nine months ended March 31, 2023, by the employees totaled \$793,000 and by the Corporation totaled \$496,000.

The contributions to Other Post-Employment Benefits (OPEB) plan by the Corporation for the nine months ended March 31, 2023, totaled \$139,000.

The Corporation contributed \$312,000 to a Health Reimbursement Arrangement for the nine months ended March 31, 2023.

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

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

The Corporation's contributions to the defined benefit post-employment healthcare plan for the nine months ended March 31, 2023, were zero dollars, and for the years ended June 30, 2022, and June 30, 2021, totaled \$569,000 and \$706,000, respectively.

OPEB Employer Contribution Rate:

In 2022, the Corporation was credited with the following contributions to the OPEB plan:

	Measurement Period Corporation FY21	Measurement Period Corporation FY20
Employer contributions DB	\$ 2,781,000	\$ 2,572,000
Employer contributions DC RM	143,000	133,000
Employer contributions DC ODD	35,000	26,000
Nonemployer contributions (on-behalf)	-	-
Total Contributions	\$ 2,959,000	\$ 2,731,000

Changes in Benefit Assumptions Since the Prior Valuation of OPEB:

The actuarial assumptions used in the June 30, 2020, actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013, to June 30, 2017. The assumptions used in the June 30, 2020, actuarial valuation are the same as those used in the June 30, 2019, valuation with the following exceptions:

1. For DC RM and PERS Alaska Retiree Healthcare Trust (ARHT) per capita claims costs were updated to reflect recent experience.
2. For DC RM and PERS ARHT retired member contributions were updated to reflect the 5% decrease from calendar year (CY) 20 to CY 21.
3. For all of the plans the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

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.

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

Key Elements of OPEB formula:

Liability 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 ninety and will receive benefits paid by PERS if they are over age ninety. 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 premium for dependents who are not eligible for Medicare aligns with the member's subsidy. While a member is not Medicare-eligible, premiums are 100% of the estimated cost. Occupational Disability and Death benefit are 40% of salary at date of qualifying event. Medicare exclusion coordination applies to ODD benefits.

OPEB Asset and Liability:

OPEB liabilities for the nine months ended March 31, 2023, are not available at this time.

For the year ended June 30, 2022, the total net OPEB Asset associated with the Corporation was \$20,662,000 and the total net OPEB Liability associated with the Corporation was zero.

For the year ended June 30, 2022, the Corporation reported an asset for its proportionate share of the net OPEB Asset ("NOA") that reflected an increase 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 Asset:	2022
Corporation's proportionate share of NOA – DB	\$ 20,171,000
Corporation's proportionate share of NOA – DC RM	206,000
Corporation's proportionate share of NOA – DC ODD	285,000
Total Net OPEB Asset	\$ 20,662,000

The net OPEB asset was measured as of June 30, 2021, and the total OPEB asset used to calculate the new OPEB asset was determined by an actuarial valuation as of June 30, 2020, and rolled forward to June 30, 2021.

	June 30, 2020 Measurement Date Employer Proportion	June 30, 2021 Measurement Date Employer Proportion	Change
Corporation's proportionate share Net OPEB Asset:			
DB	0.62960%	0.78626%	0.15666%
DC RM	0.74451%	0.76797%	0.02346%
DC ODD	0.60268%	0.64746%	0.04478%

Changes in Benefit Provisions Since the Prior Valuation of OPEB:

For DC RM and DC ODD plans, there were no changes in benefit provisions.

OPEB Expense:

The OPEB expense for the nine months ended March 31, 2023 is not available at this time.

For the year ended June 30, 2022, the Corporation recognized a reduction of OPEB expense of \$6,972,000 and no support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

For the year ended June 30, 2022, 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, 2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 2,852	\$ -
Difference between expected and actual experience	15	(299)
Difference between projected and actual investment earnings	-	(9,669)
Changes in assumptions	64	(887)
Changes in proportion and differences between employer contributions	23	(104)
Total Deferred Outflows and Deferred Inflows	\$ 2,954	\$ (10,959)

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

Year Ended June 30:	Total
2023	\$ (492)
2024	(2,248)
2025	(2,411)
2026	(2,804)
2027	(19)
Thereafter	(31)
	<u>\$ (8,005)</u>

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 Corporation's proportionate share of the net OPEB 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 Liability (asset):	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
DB plan	0.78626	\$ (13,191)	\$ (20,170)	\$ (25,966)
DC RM plan	0.76797	135	(207)	(463)
DC ODD plan	0.64746	(273)	(285)	(295)

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 Liability (asset):	Proportional Share	1% Decrease	Current Discount Rate	1% Increase
DB plan	0.78626	\$ (26,644)	\$ (20,170)	\$ (12,358)
DC RM plan	0.76797	(500)	(207)	195
DC ODD plan	0.64746	n/a	(285)	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#.YMPxY6hKg2x>.

Annual Postemployment Healthcare Cost

The annual postemployment healthcare cost for the nine months ended March 31, 2023 is not available at this time. For the year ended June 30, 2022, the Corporation recognized \$407,000 in DC OPEB costs. These amounts were recognized as expense.

22 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 \$200,000 per employee per year. The Corporation has provided for an estimate of the Incurred but Not Reported ("IBNR") liability in the amount of \$1,702,000 as of March 31, 2023.

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.

23 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. For the Fiscal Year 2023 property deductible increased from \$100,000 to \$250,000, general liability insurance deductible increased from \$400,000 to \$500,000, cyber security coverage increased from \$5 million to \$6 million by the carriers' response to the market conditions. The settlements have not exceeded insurance coverage during the past three years.

REQUIRED SUPPLEMENTARY INFORMATION

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

	2022	2021	2020	2019	2018
The Corporation's proportion of the net pension liability (asset)	0.783070%	0.629770%	0.656900%	0.714740%	0.689820%
The Corporation's proportionate share of the net pension liability (asset)	\$ 28,727	\$ 37,164	\$ 35,960	\$ 35,515	\$ 35,660
State's proportionate share of the net pension liability (asset) associated with the Corporation	\$ 3,891	\$ 15,376	14,276	10,284	13,285
Total	\$ 32,618	\$ 52,540	\$ 50,236	\$ 45,799	\$ 48,945
The Corporation's covered employee payroll	\$ 9,602	\$ 10,681	\$11,680	\$12,583	\$ 13,817
The Corporation's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	299.18%	347.94%	307.88%	282.24%	258.10%
Plan fiduciary net position as a percentage of the total pension liability	76.46%	61.61%	63.42%	65.19%	63.37%
	2017	2016	2015	2014	
The Corporation's proportion of the net pension liability (asset)	0.852380%	0.780600%	0.608214%	0.598696%	
The Corporation's proportionate share of the net pension liability (asset)	\$ 47,645	\$ 37,859	\$ 28,368	\$ 31,440	
State's proportionate share of the net pension liability (asset) associated with the Corporation	6,003	10,856	22,644	26,434	
Total	\$ 53,648	\$ 48,715	\$ 51,012	\$ 57,874	
The Corporation's covered employee payroll	\$ 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	312.39%	232.06%	165.04%	176.48%	
Plan fiduciary net position as a percentage of the total pension liability	59.55%	63.96%	62.37%	56.04%	

Information in this table is presented based on the Plan measurement date. For March 31, 2023, the plan measurement date is June 30, 2022.

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 to the Pension Plan (in thousands):

	2022	2021	2020	2019	2018
Contractually required contributions	\$ 2,474	\$ 2,292	\$ 2,561	\$ 2,727	\$ 2,932
Contributions in relation to the contractually required contributions	2,474	2,292	2,561	2,727	2,932
Contribution deficiency (excess)	-	-	-	-	-
The Corporation's covered employee payroll	8,888	9,602	10,681	11,680	12,583
Contributions as a percentage of covered-employee payroll	27.83%	23.87%	23.98%	23.35%	23.30%
	2017	2016	2015	2014	
Contractually required contributions	\$ 2,679	\$ 2,475	\$ 2,403	\$ 2,128	
Contributions in relation to the contractually required contributions	2,679	2,475	2,403	2,128	
Contribution deficiency (excess)	-	-	-	-	
The Corporation's covered employee payroll	13,817	15,252	16,314	17,189	
Contributions as a percentage of covered-employee payroll	19.39%	16.23%	14.73%	12.38%	

This table reports the Corporation's pension contributions to PERS during fiscal year 2022. These contributions are reported as a deferred outflow of resources on the March 31, 2023 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):

	2022	2021	2020	2019	2018	2017
The Corporation's proportion of the net OPEB liability (asset) for Defined Benefit - Retiree Medical	0.78626%	0.62960%	0.65680%	0.71458%	0.68992%	0.85265%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans - Retiree Medical Plan	0.76797%	0.74451%	0.69949%	0.71095%	0.70310%	0.66252%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans - Occupational Death & Disability Plan	0.64746%	0.60268%	0.55609%	0.71095%	0.70310%	0.66252%
The Corporation's proportionate share of the net OPEB liability (asset)	\$ (20,661)	\$ (2,963)	\$ 1,007	\$ 7,286	\$ 5,765	\$ 9,752
State's proportionate share of the net OPEB liability (asset) associated with the Corporation	(2,642)	(1,183)	388	2,12	2,173	-
Total	<u>\$ (23,303)</u>	<u>\$ (4,146)</u>	<u>\$ 1,395</u>	<u>\$ 9,415</u>	<u>\$ 7,939</u>	<u>\$ 9,752</u>
The Corporation's covered employee payroll	\$ 21,489	\$ 20,850	\$ 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	(96.15%)	(14.21%)	4.82%	35.32%	27.28%	45.09%
Defined Benefit - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	135.54%	106.15%	98.13%	88.12%	89.68%	85.45%
Defined Contribution - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	115.10%	95.23%	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	374.22%	283.80%	297.43%	270.62%	212.97%	245.29%

Information in this table is presented based on the Plan measurement date. For March 31, 2023, the plan measurement date is June 30, 2022.

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.

The Plan is reporting no changes in assumptions 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 to the OPEB Plan (in thousands):

	2022	2021	2020	2019	2018	2017
Contractually required contributions	\$ 1,609	\$ 1,712	\$ 1,520	\$ 1,434	\$ 1,287	\$ 1,689
Contributions in relation to the contractually required contributions	1,609	1,712	1,520	1,434	1,287	1,689
Contribution deficiency (excess)	-	-	-	-	-	-
The Corporation's covered employee payroll	21,489	20,850	20,890	20,775	20,629	21,133
Contributions as a percentage of covered-employee payroll	7.49%	8.21%	7.28%	6.90%	6.24%	7.99%

This table reports the Corporation's OPEB contributions to SOA during fiscal year 2022. These contributions are reported as a deferred outflow of resources on the March 31, 2023 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 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.

Five Year Financial Information

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

	2022	2021	2020	2019	2018
Assets					
Cash	\$ 84,731	\$ 108,769	\$ 73,772	\$ 74,259	\$ 69,609
Investments	981,786	1,033,065	871,387	562,671	596,133
Accrued interest receivable	14,791	14,850	16,183	15,831	14,115
Mortgage loans, notes and other loans	3,018,160	2,995,561	3,256,290	3,342,961	3,132,437
Net investment in direct financing lease	-	20,287	22,468	24,780	27,003
Capital assets, net	75,158	81,177	87,061	94,036	100,472
Other assets	66,358	38,510	21,455	21,255	28,684
Total Assets	4,240,984	4,292,219	4,348,616	4,135,793	3,968,453
Deferred Outflow of Resources	111,512	210,255	261,327	186,739	133,107
Liabilities					
Bonds and notes payable	2,277,492	2,366,206	2,572,813	2,461,125	2,328,487
Short term debt	149,771	130,697	115,366	49,469	53,269
Accrued interest payable	6,013	6,681	7,257	8,388	9,984
Other liabilities	202,682	211,197	70,401	70,059	58,868
Derivative instrument - interest rate swaps	73,728	168,250	234,281	158,349	104,674
Total Liabilities	2,709,686	2,883,031	3,000,118	2,747,390	2,555,282
Deferred Inflow of Resources	43,349	3,512	2,861	3,719	7,582
Total Net Position	\$ 1,599,461	\$ 1,615,931	\$ 1,606,964	\$ 1,571,423	\$ 1,538,696

Operating Revenues

Mortgage and loans revenue	\$ 120,874	\$ 132,258	\$ 147,068	\$ 146,042	\$ 135,055
Investment interest	3,440	5,669	13,031	17,404	6,273
Net change in fair value of investments	820	(2,158)	1,922	(838)	2,967
Net change of hedge termination	875	579	(177)	(278)	760
Total Investment Revenue	5,135	4,090	14,776	16,288	10,000
Externally funded programs	283,006	154,023	76,113	77,143	86,844
Rental	11,280	11,219	11,512	11,926	11,305
Other	4,347	4,490	1,607	4,634	3,076
Total Operating Revenues	424,642	306,080	251,076	256,033	246,280

Operating Expenses

Interest	60,780	70,987	81,137	76,831	71,246
Mortgage and loan costs	11,767	11,342	14,763	12,034	11,452
Operations and administration	48,911	50,360	40,958	44,781	46,127
Financing expenses	4,923	6,033	5,163	6,054	5,027
Provision for loan loss	485	(2,761)	(6,639)	(5,740)	(4,560)
Housing grants and subsidies	276,268	143,129	63,800	72,198	68,314
Rental housing operating expenses	19,274	17,012	16,353	15,042	15,091
Total Operating Expenses	422,408	296,102	215,535	221,200	212,697
Operating Income (Loss)	2,234	9,978	35,541	34,833	33,583

Non-Operating & Special Item

Contribution to State or State agency	(933)	(1,011)	-	(2,106)	(125)
Change in Net Position	\$ 1,301	\$ 8,967	\$ 35,541	\$ 32,727	\$ 33,458

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

COMBINED - ALL FUNDS

As of March 31, 2023

(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds	Combined Governmental Purpose Bonds
Assets					
Current					
Cash	\$ 24,445	\$ -	\$ -	\$ -	\$ -
Investments	566,171	28,066	54,433	5,554	17,636
Lease Receivable	-	-	-	-	-
Accrued interest receivable	6,730	2,098	2,122	189	421
Inter-fund due (to)/from	(95,878)	7,609	6,775	847	2,355
Mortgage loans, notes and other loans	9,336	20,626	21,611	2,112	4,958
Other assets	3,409	-	-	-	-
Intergovernmental receivable	110	-	-	-	-
Total current	514,323	58,399	84,941	8,702	25,370
Non current					
Investments	10,000	10,000	12,000	-	-
Lease Receivable	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	256,299	666,847	698,790	68,291	160,309
Capital assets - non-depreciable	2,483	-	-	-	-
Capital assets - depreciable, net	11,205	-	-	-	-
Other assets	3,554	-	-	-	911
OPEB asset	20,662	-	-	-	-
Total non current	304,203	676,847	710,790	68,291	161,220
Total assets	818,526	735,246	795,731	76,993	186,590
Deferred Outflow Of Resources	6,159	54,126	-	-	2,444
Liabilities					
Current					
Bonds payable	-	14,515	14,900	2,865	7,290
Short term debt	95,463	-	-	-	-
Accrued interest payable	-	4,844	6,623	395	782
Other liabilities	8,471	190	187	16	42
Intergovernmental payable	-	-	-	-	-
Total current	103,934	19,549	21,710	3,276	8,114
Non current					
Bonds payable	-	438,766	639,868	41,413	57,996
Other liabilities	1,915	-	-	-	-
Derivative instrument - interest rate swaps	-	48,658	-	-	2,444
Pension liability	28,727	-	-	-	-
Total non current	30,642	487,424	639,868	41,413	60,440
Total liabilities	134,576	506,973	661,578	44,689	68,554
Deferred Inflow Of Resources	22,415	-	-	-	-
Net Position					
Net investment in capital assets	13,687	-	-	-	-
Restricted by bond resolutions	-	282,399	134,153	32,304	120,480
Restricted by contractual or statutory agreements	119,149	-	-	-	-
Unrestricted or (deficit)	534,858	-	-	-	-
Total net position	\$ 667,694	\$ 282,399	\$ 134,153	\$ 32,304	\$ 120,480

See accompanying notes to the financial statements.

Schedule 1

Combined State Capital Project Bonds	Combined Other Programs	Total March 31, 2023
\$ 123	\$ 52,281	\$ 76,849
136,007	3,336	811,203
2,536	3,500	6,036
5,069	145	16,774
14,284	64,008	-
37,060	1,424	97,127
-	25,712	29,121
-	4,621	4,731
195,079	155,027	1,041,841
-	-	32,000
12,819	-	12,819
-	-	-
1,198,260	59,106	3,107,902
-	19,432	21,915
-	38,933	50,138
1,297	292	6,054
-	-	20,662
1,212,376	117,763	3,251,490
1,407,455	272,790	4,293,331
21,335	-	84,064
55,145	-	94,715
-	-	95,463
16,101	-	28,745
276	106,748	115,930
123	1	124
71,645	106,749	334,977
1,134,234	-	2,312,277
-	481	2,396
-	-	51,102
-	-	28,727
1,134,234	481	2,394,502
1,205,879	107,230	2,729,479
18,790	3,430	44,635
-	58,366	72,053
-	-	569,336
-	117,836	236,985
204,121	(14,072)	724,907
\$ 204,121	\$ 162,130	\$ 1,603,281

ALASKA HOUSING FINANCE CORPORATION

Schedule 2

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION**ADMINISTRATIVE FUND**

As of March 31, 2023

(in thousands of dollars)

	Administrative Fund
Assets	
Current	
Cash	\$ 24,445
Investments	566,171
Lease receivable	-
Accrued interest receivable	6,730
Inter-fund due (to)/from	(95,878)
Mortgage loans, notes and other loans	9,336
Other assets	3,409
Intergovernmental receivable	110
Total current	514,323
Non Current	
Investments	10,000
Lease receivable	-
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	256,299
Capital assets - non-depreciable	2,483
Capital assets - depreciable, net	11,205
Other assets	3,554
OPEB asset	20,662
Total non current	304,203
Total assets	818,526
Deferred Outflow Of Resources	6,159
Liabilities	
Current	
Bonds payable	-
Short term debt	95,463
Accrued interest payable	-
Other liabilities	8,471
Intergovernmental payable	-
Total current	103,934
Non current	
Bonds payable	-
Other liabilities	1,915
Derivative instrument - interest rate swaps	-
Pension liability	28,727
Total non current	30,642
Total liabilities	134,576
Deferred Inflow Of Resources	22,415
Net Position	
Net investment in capital assets	13,687
Restricted by bond resolutions	-
Restricted by contractual or statutory agreements	119,149
Unrestricted or (deficit)	534,858
Total net position	\$ 667,694

See accompanying notes to the financial statements.

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ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION
HOME MORTGAGE REVENUE BONDS

As of March 31, 2023

(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	2,922	2,908	2,327	3,080	4,039
Lease receivable	-	-	-	-	-
Accrued interest receivable	198	208	225	274	269
Inter-fund due (to)/from	976	683	1,095	892	678
Mortgage loans, notes and other loans	1,894	2,084	1,975	2,810	3,313
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total current	5,990	5,883	5,622	7,056	8,299
Non Current					
Investments	-	-	-	-	-
Lease receivable	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	61,242	67,368	63,846	90,856	107,109
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
OPEB asset	-	-	-	-	-
Total non current	61,242	67,368	63,846	90,856	107,109
Total assets	67,232	73,251	69,468	97,912	115,408
Deferred Outflow Of Resources	525	8,315	8,319	9,997	9,041
Liabilities					
Current					
Bonds payable	-	2,095	2,095	2,500	2,610
Short term debt	-	-	-	-	-
Accrued interest payable	222	694	706	819	801
Other liabilities	19	19	20	26	27
Intergovernmental payable	-	-	-	-	-
Total current	241	2,808	2,821	3,345	3,438
Non current					
Bonds payable	26,411	62,300	62,300	74,220	71,180
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	525	7,364	7,368	8,831	8,231
Pension liability	-	-	-	-	-
Total non current	26,936	69,664	69,668	83,051	79,411
Total liabilities	27,177	72,472	72,489	86,396	82,849
Deferred Inflow Of Resources	-	-	-	-	-
Net Position					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	40,580	9,094	5,298	21,513	41,600
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total net position	\$ 40,580	\$ 9,094	\$ 5,298	\$ 21,513	\$ 41,600

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total March 31, 2023
\$ -	\$ -	\$ -
3,427	9,363	28,066
-	-	-
355	569	2,098
792	2,493	7,609
3,671	4,879	20,626
-	-	-
-	-	-
8,245	17,304	58,399
-	10,000	10,000
-	-	-
-	-	-
118,681	157,745	666,847
-	-	-
-	-	-
-	-	-
-	-	-
118,681	167,745	676,847
126,926	185,049	735,246
8,980	8,949	54,126
2,610	2,605	14,515
-	-	-
801	801	4,844
33	46	190
-	-	-
3,444	3,452	19,549
71,180	71,175	438,766
-	-	-
8,170	8,169	48,658
-	-	-
79,350	79,344	487,424
82,794	82,796	506,973
-	-	-
-	-	-
53,112	111,202	282,399
-	-	-
-	-	-
\$ 53,112	\$ 111,202	\$ 282,399

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION
GENERAL MORTGAGE REVENUE BONDS

As of March 31, 2023

(in thousands of dollars)

	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	General Mortgage Revenue Bonds II 2022 A & B
Assets					
Current					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	2,834	3,703	5,600	12,558	10,294
Lease receivable	-	-	-	-	-
Accrued interest receivable	139	218	332	700	504
Inter-fund due (to)/from	640	1,141	1,519	2,041	1,041
Mortgage loans, notes and other loans	1,796	2,010	3,671	6,806	5,207
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total current	5,409	7,072	11,122	22,105	17,046
Non Current					
Investments	-	-	-	12,000	-
Lease receivable	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	58,064	65,005	118,695	220,073	168,361
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
OPEB asset	-	-	-	-	-
Total non current	58,064	65,005	118,695	232,073	168,361
Total assets	63,473	72,077	129,817	254,178	185,407
Deferred Outflow Of Resources	-	-	-	-	-
Liabilities					
Current					
Bonds payable	4,425	1,935	3,030	3,895	825
Short term debt	-	-	-	-	-
Accrued interest payable	367	856	1,084	1,759	1,412
Other liabilities	14	17	32	57	50
Intergovernmental payable	-	-	-	-	-
Total current	4,806	2,808	4,146	5,711	2,287
Non current					
Bonds payable	39,335	62,970	112,416	199,663	135,799
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension liability	-	-	-	-	-
Total non current	39,335	62,970	112,416	199,663	135,799
Total liabilities	44,141	65,778	116,562	205,374	138,086
Deferred Inflow Of Resources	-	-	-	-	-
Net Position					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	19,332	6,299	13,255	48,804	47,321
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total net position	\$ 19,332	\$ 6,299	\$ 13,255	\$ 48,804	\$ 47,321

See accompanying notes to the financial statements.

General Mortgage Revenue Bonds II 2022 C		Total March 31, 2023	
\$	-	\$	-
	19,444		54,433
	-		-
	229		2,122
	393		6,775
	2,121		21,611
	-		-
	-		-
	22,187		84,941
	-		12,000
	-		-
	-		-
	68,592		698,790
	-		-
	-		-
	-		-
	68,592		710,790
	90,779		795,731
	-		-
	790		14,900
	-		-
	1,145		6,623
	17		187
	-		-
	1,952		21,710
	89,685		639,868
	-		-
	-		-
	-		-
	89,685		639,868
	91,637		661,578
	-		-
	-		-
	(858)		134,153
	-		-
	-		-
\$	(858)	\$	134,153

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

Schedule 5

STATEMENT OF NET POSITION
COLLATERALIZED VETERANS MORTGAGE BONDS

As of March 31, 2023

(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total March 31, 2023
Assets			
Current			
Cash	\$ -	\$ -	\$ -
Investments	2,101	3,453	5,554
Lease receivable	-	-	-
Accrued interest receivable	79	110	189
Inter-fund due (to)/from	611	236	847
Mortgage loans, notes and other loans	900	1,212	2,112
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total current	3,691	5,011	8,702
Non Current			
Investments	-	-	-
Lease receivable	-	-	-
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	29,105	39,186	68,291
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	-	-
OPEB asset	-	-	-
Total non current	29,105	39,186	68,291
Total assets	32,796	44,197	76,993
Deferred Outflow Of Resources	-	-	-
Liabilities			
Current			
Bonds payable	2,030	835	2,865
Short term debt	-	-	-
Accrued interest payable	216	179	395
Other liabilities	6	10	16
Intergovernmental payable	-	-	-
Total current	2,252	1,024	3,276
Non current			
Bonds payable	25,015	16,398	41,413
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	-	-	-
Pension liability	-	-	-
Total non current	25,015	16,398	41,413
Total liabilities	27,267	17,422	44,689
Deferred Inflow Of Resources	-	-	-
Net Position			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	5,529	26,775	32,304
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	-	-
Total net position	\$ 5,529	\$ 26,775	\$ 32,304

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**GOVERNMENTAL PURPOSE BONDS**

As of March 31, 2023

(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B
Assets	
Current	
Cash	\$ -
Investments	17,636
Lease receivable	-
Accrued interest receivable	421
Inter-fund due (to)/from	2,355
Mortgage loans, notes and other loans	4,958
Other assets	-
Intergovernmental receivable	-
Total current	25,370
Non Current	
Investments	-
Lease receivable	-
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	160,309
Capital assets - non-depreciable	-
Capital assets - depreciable, net	-
Other assets	911
OPEB asset	-
Total non current	161,220
Total assets	186,590
Deferred Outflow Of Resources	2,444
Liabilities	
Current	
Bonds payable	7,290
Short term debt	-
Accrued interest payable	782
Other liabilities	42
Intergovernmental payable	-
Total current	8,114
Non current	
Bonds payable	57,996
Other liabilities	-
Derivative instrument - interest rate swaps	2,444
Pension liability	-
Total non current	60,440
Total liabilities	68,554
Deferred Inflow Of Resources	-
Net Position	
Net investment in capital assets	-
Restricted by bond resolutions	120,480
Restricted by contractual or statutory agreements	-
Unrestricted or (deficit)	-
Total net position	\$ 120,480

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION
STATE CAPITAL PROJECT BONDS

As of March 31, 2023

(in thousands of dollars)

Schedule 7

	State Capital Project Bonds	State Capital Project Bonds II	Total March 31, 2023
Assets			
Current			
Cash	\$ -	\$ 123	\$ 123
Investments	-	136,007	136,007
Lease receivable	-	2,536	2,536
Accrued interest receivable	-	5,069	5,069
Inter-fund due (to)/from	-	14,284	14,284
Mortgage loans, notes and other loans	-	37,060	37,060
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total current	-	195,079	195,079
Non Current			
Investments	-	-	-
Lease receivable	-	12,819	12,819
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	-	1,198,260	1,198,260
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	1,297	1,297
OPEB asset	-	-	-
Total non current	-	1,212,376	1,212,376
Total assets	-	1,407,455	1,407,455
Deferred Outflow Of Resources	-	21,335	21,335
Liabilities			
Current			
Bonds payable	-	55,145	55,145
Short term debt	-	-	-
Accrued interest payable	-	16,101	16,101
Other liabilities	-	276	276
Intergovernmental payable	-	123	123
Total current	-	71,645	71,645
Non current			
Bonds payable	-	1,134,234	1,134,234
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	-	-	-
Pension liability	-	-	-
Total non current	-	1,134,234	1,134,234
Total liabilities	-	1,205,879	1,205,879
Deferred Inflow Of Resources	-	18,790	18,790
Net Position			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	-	-	-
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	204,121	204,121
Total net position	\$ -	\$ 204,121	\$ 204,121

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
OTHER PROGRAM FUNDS

As of March 31, 2023

(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	\$ 17,790	\$ 13,396	\$ -	\$ -	\$ 31,186
Investments	-	-	944	2,392	3,336
Lease receivable	87	-	-	-	87
Accrued interest receivable	-	-	25	87	112
Inter-fund due (to)/from	(2,226)	(928)	110	437	(2,607)
Mortgage loans, notes and other loans	-	-	373	1,018	1,391
Other assets	1,805	224	-	-	2,029
Intergovernmental receivable	572	(3)	-	-	569
Total current	18,028	12,689	1,452	3,934	36,103
Non Current					
Investments	-	-	-	-	-
Lease receivable	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	-	-	12,065	32,921	44,986
Capital assets - non-depreciable	13,562	1,130	-	-	14,692
Capital assets - depreciable, net	28,687	10,163	-	-	38,850
Other assets	21	8	-	-	29
OPEB asset	-	-	-	-	-
Total non current	42,270	11,301	12,065	32,921	98,557
Total assets	60,298	23,990	13,517	36,855	134,660
Deferred Outflow Of Resources	-	-	-	-	-
Liabilities					
Current					
Bonds payable	-	-	-	-	-
Short term debt	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Other liabilities	944	241	3	7	1,195
Intergovernmental payable	-	1	-	-	1
Total current	944	242	3	7	1,196
Non current					
Bonds payable	-	-	-	-	-
Other liabilities	5	3	-	-	8
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension liability	-	-	-	-	-
Total non current	5	3	-	-	8
Total liabilities	949	245	3	7	1,204
Deferred Inflow Of Resources	77	-	-	-	77
Net Position					
Net investment in capital assets	42,249	11,293	-	-	53,542
Restricted by bond resolutions	-	-	-	-	-
Restricted by contractual or statutory agreements	17,967	12,654	13,514	36,848	80,983
Unrestricted or (deficit)	(944)	(202)	-	-	(1,146)
Total net position	\$ 59,272	\$ 23,745	\$ 13,514	\$ 36,848	\$ 133,379

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total March 31, 2023
\$ 788	\$ 3,774	\$ 167	\$ 7,096	\$ 11,825	\$ 9,270	\$ 52,281
-	-	-	-	-	-	3,336
-	-	-	-	-	3,413	3,500
-	-	-	-	-	33	145
406	(9,122)	(4,372)	79,779	66,691	(76)	64,008
-	-	33	-	33	-	1,424
578	695	4,113	18,223	23,609	74	25,712
1,037	20	3,595	-	4,652	(600)	4,621
2,809	(4,633)	3,536	105,098	106,810	12,114	155,027
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,423	-	1,423	(1,423)	-
-	-	972	-	972	13,148	59,106
-	-	-	-	-	4,740	19,432
-	83	-	-	83	-	38,933
-	262	-	-	262	1	292
-	-	-	-	-	-	-
-	345	2,395	-	2,740	16,466	117,763
2,809	(4,288)	5,931	105,098	109,550	28,580	272,790
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	378	89	105,080	105,547	6	106,748
-	-	-	-	-	-	1
-	378	89	105,080	105,547	6	106,749
-	-	-	-	-	-	-
-	229	-	-	229	244	481
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	229	-	-	229	244	481
-	607	89	105,080	105,776	250	107,230
-	-	-	-	-	3,353	3,430
-	83	-	-	83	4,741	58,366
-	-	-	-	-	-	-
4,307	4,841	7,409	18	16,575	20,278	117,836
(1,498)	(9,819)	(1,567)	-	(12,884)	(42)	(14,072)
\$ 2,809	\$ (4,895)	\$ 5,842	\$ 18	\$ 3,774	\$ 24,977	\$ 162,130

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

COMBINED - ALL FUNDS

For the Year Ended March 31, 2023

(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds	Combined Governmental Purpose Bonds
Operating Revenues					
Mortgage and loan revenue	\$ 9,442	\$ 18,596	\$ 18,055	\$ 1,900	\$ 3,922
Investment interest	13,359	1,084	1,119	117	413
Net change in the fair value of investments	2,650	109	313	53	256
Net change of hedge termination	-	-	-	-	-
Total investment revenue	16,009	1,193	1,432	170	669
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	7	-	-	-	-
Gain on disposal of capital assets	-	-	-	-	-
Other revenue	1,098	-	-	-	81
Total operating revenues	26,556	19,789	19,487	2,070	4,672
Operating expenses					
Interest	2,903	11,907	10,134	839	2,069
Mortgage and loan costs	2,704	1,900	1,845	180	429
Bond financing expenses	461	1,177	803	4	172
Provision for loan loss	(154)	(43)	511	(5)	(149)
Operations and administration	15,260	830	969	68	206
Rental housing operating expenses	-	-	-	-	-
Grant expense	6	-	-	-	-
Total operating expenses	21,180	15,771	14,262	1,086	2,727
Operating income (loss)	5,376	4,018	5,225	984	1,945
Non-operating expenses and transfers					
Contributions to State of Alaska or State agencies	(5,931)	-	-	-	-
Interfund receipts (payments) for operations	1,893	1,192	4,108	1,018	(25,156)
Change in net position	1,338	5,210	9,333	2,002	(23,211)
Net position at beginning of year	666,356	277,189	124,820	30,302	143,691
Cumulative effect of accounting change	-	-	-	-	-
Revised net position at beginning of year	666,356	277,189	124,820	30,302	143,691
Net position at end of period	\$ 667,694	\$ 282,399	\$ 134,153	\$ 32,304	\$ 120,480

See accompanying notes to the financial statements.

Combined State Capital Project Bonds	Combined Other Programs	Total March 31, 2023
\$ 42,070	\$ 1,192	\$ 95,177
4,573	399	21,064
95	-	3,476
281	-	281
4,949	399	24,821
-	103,660	103,660
-	8,897	8,897
-	8,628	8,635
-	3	3
-	951	2,130
47,019	123,730	243,323
30,535	-	58,387
2,606	108	9,772
1,355	-	3,972
1,291	105	1,556
1,167	23,212	41,712
-	11,716	11,716
-	106,451	106,457
36,954	141,592	233,572
10,065	(17,862)	9,751
-	-	(5,931)
1,654	15,291	-
11,719	(2,571)	3,820
192,402	164,701	1,599,461
-	-	-
192,402	164,701	1,599,461
\$ 204,121	\$ 162,130	\$ 1,603,281

ALASKA HOUSING FINANCE CORPORATION

Schedule 10

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**ADMINISTRATIVE FUND**

For the Year Ended March 31, 2023

(in thousands of dollars)

	Administrative Fund
Operating Revenues	
Mortgage and loan revenue	\$ 9,442
Investment interest	13,359
Net change in the fair value of investments	2,650
Net change of hedge termination	-
Total investment revenue	16,009
Grant revenue	-
Housing rental subsidies	-
Rental revenue	7
Gain on disposal of capital assets	-
Other revenue	1,098
Total operating revenues	26,556
Operating expenses	
Interest	2,903
Mortgage and loan costs	2,704
Bond financing expenses	461
Provision for loan loss	(154)
Operations and administration	15,260
Rental housing operating expenses	-
Grant expense	6
Total operating expenses	21,180
Operating income (loss)	5,376
Non-operating expenses and transfers	
Contributions to State of Alaska or State agencies	(5,931)
Interfund receipts (payments) for operations	1,893
Change in net position	1,338
Net position at beginning of year	666,356
Cumulative effect of accounting change	-
Revised net position at beginning of year	666,356
Net Position at End of Period	\$ 667,694

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 REVENUES, EXPENSES, AND CHANGES IN NET POSITION
HOME MORTGAGE REVENUE BONDS

For the Year Ended March 31, 2023

(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	\$ 1,931	\$ 1,944	\$ 1,863	\$ 2,515	\$ 2,809
Investment interest	87	107	86	137	142
Net change in the fair value of investments	-	1	1	2	1
Net change of hedge termination	-	-	-	-	-
Total investment revenue	87	108	87	139	143
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain on disposal of capital assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total operating revenues	2,018	2,052	1,950	2,654	2,952
Operating expenses					
Interest	674	1,700	1,781	1,947	1,935
Mortgage and loan costs	200	198	184	262	290
Bond financing expenses	68	181	171	212	184
Provision for loan loss	(22)	(3)	(10)	2	(3)
Operations and administration	118	88	81	107	117
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total operating expenses	1,038	2,164	2,207	2,530	2,523
Operating income (loss)	980	(112)	(257)	124	429
Non-operating expenses and transfers					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	208	297	140	360	52
Change in net position	1,188	185	(117)	484	481
Net position at beginning of year	39,392	8,909	5,415	21,029	41,119
Cumulative effect of accounting change	-	-	-	-	-
Revised net position at beginning of year	39,392	8,909	5,415	21,029	41,119
Net Position at End of Period	\$ 40,580	\$ 9,094	\$ 5,298	\$ 21,513	\$ 41,600

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total March 31, 2023
\$ 3,121	\$ 4,413	\$ 18,596
153	372	1,084
2	102	109
-	-	-
155	474	1,193
-	-	-
-	-	-
-	-	-
-	-	-
3,276	4,887	19,789
1,935	1,935	11,907
316	450	1,900
184	177	1,177
7	(14)	(43)
128	191	830
-	-	-
-	-	-
2,570	2,739	15,771
706	2,148	4,018
-	-	-
351	(216)	1,192
1,057	1,932	5,210
52,055	109,270	277,189
-	-	-
52,055	109,270	277,189
\$ 53,112	\$ 111,202	\$ 282,399

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
GENERAL MORTGAGE REVENUE BONDS

For the Year Ended March 31, 2023

(in thousands of dollars)

	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	General Mortgage Revenue Bonds II 2022 A & B
Operating Revenues					
Mortgage and loan revenue	\$ 1,539	\$ 2,126	\$ 3,392	\$ 5,501	\$ 4,602
Investment interest	92	116	183	451	265
Net change in the fair value of investments	(1)	(1)	(1)	75	(2)
Net change of hedge termination	-	-	-	-	-
Total investment revenue	91	115	182	526	263
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain on disposal of capital assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total operating revenues	1,630	2,241	3,574	6,027	4,865
Operating expenses					
Interest	790	1,558	2,022	2,668	1,977
Mortgage and loan costs	165	197	336	578	503
Bond financing expenses	3	4	7	13	61
Provision for loan loss	(36)	(61)	(32)	(26)	(48)
Operations and administration	97	114	191	311	194
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total operating expenses	1,019	1,812	2,524	3,544	2,687
Operating income (loss)	611	429	1,050	2,483	2,178
Non-operating expenses and transfers					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	(1,314)	(1,272)	(2,896)	12,170	(3,248)
Change in net position	(703)	(843)	(1,846)	14,653	(1,070)
Net position at beginning of year	20,035	7,142	15,101	34,151	48,391
Cumulative effect of accounting change	-	-	-	-	-
Revised net position at beginning of year	20,035	7,142	15,101	34,151	48,391
Net Position at End of Period	\$ 19,332	\$ 6,299	\$ 13,255	\$ 48,804	\$ 47,321

See accompanying notes to the financial statements.

General Mortgage Revenue Bonds II 2022 C		Total March 31, 2023	
\$	895	\$	18,055
	12		1,119
	243		313
	-		-
	255		1,432
	-		-
	-		-
	-		-
	-		-
	1,150		19,487
	1,119		10,134
	66		1,845
	715		803
	714		511
	62		969
	-		-
	-		-
	2,676		14,262
	(1,526)		5,225
	-		-
	668		4,108
	(858)		9,333
	-		124,820
	-		-
	-		124,820
\$	(858)	\$	134,153

ALASKA HOUSING FINANCE CORPORATION
Schedule 13

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
COLLATERALIZED VETERANS MORTGAGE BONDS

For the Year Ended March 31, 2023

(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total March 31, 2023
Operating Revenues			
Mortgage and loan revenue	\$ 760	\$ 1,140	\$ 1,900
Investment interest	49	68	117
Net change in the fair value of investments	-	53	53
Net change of hedge termination	-	-	-
Total investment revenue	49	121	170
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Gain on disposal of capital assets	-	-	-
Other revenue	-	-	-
Total operating revenues	809	1,261	2,070
Operating expenses			
Interest	491	348	839
Mortgage and loan costs	70	110	180
Bond financing expenses	2	2	4
Provision for loan loss	(24)	19	(5)
Operations and administration	27	41	68
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total operating expenses	566	520	1,086
Operating income (loss)	243	741	984
Non-operating expenses and transfers			
Contributions to State of Alaska or State agencies	-	-	-
Interfund receipts (payments) for operations	32	986	1,018
Change in net position	275	1,727	2,002
Net position at beginning of year	5,254	25,048	30,302
Cumulative effect of accounting change	-	-	-
Revised net position at beginning of year	5,254	25,048	30,302
Net Position at End of Period	\$ 5,529	\$ 26,775	\$ 32,304

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION

Schedule 14

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**GOVERNMENTAL PURPOSE BONDS**

For the Year Ended March 31, 2023

(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B
Operating Revenues	
Mortgage and loan revenue	\$ 3,922
Investment interest	413
Net change in the fair value of investments	256
Net change of hedge termination	-
Total investment revenue	<u>669</u>
Grant revenue	-
Housing rental subsidies	-
Rental revenue	-
Gain on disposal of capital assets	-
Other revenue	81
Total operating revenues	<u>4,672</u>
Operating expenses	
Interest	2,069
Mortgage and loan costs	429
Bond financing expenses	172
Provision for loan loss	(149)
Operations and administration	206
Rental housing operating expenses	-
Grant expense	-
Total operating expenses	<u>2,727</u>
Operating income (loss)	<u>1,945</u>
Non-operating expenses and transfers	
Contributions to State of Alaska or State agencies	-
Interfund receipts (payments) for operations	<u>(25,156)</u>
Change in net position	<u>(23,211)</u>
Net position at beginning of year	143,691
Cumulative effect of accounting change	-
Revised net position at beginning of year	<u>143,691</u>
Net Position at End of Period	<u>\$ 120,480</u>

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
Schedule 15

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
STATE CAPITAL PROJECT BONDS

For the Year Ended March 31, 2023

(in thousands of dollars)

	State Capital Project Bonds	State Capital Project Bonds II	Total March 31, 2023
Operating Revenues			
Mortgage and loan revenue	\$ 15	\$ 42,055	\$ 42,070
Investment interest	-	4,573	4,573
Net change in the fair value of investments	-	95	95
Net change of hedge termination	281	-	281
Total investment revenue	281	4,668	4,949
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Gain on disposal of capital assets	-	-	-
Other revenue	-	-	-
Total operating revenues	296	46,723	47,019
Operating expenses			
Interest	241	30,294	30,535
Mortgage and loan costs	1	2,605	2,606
Bond financing expenses	-	1,355	1,355
Provision for loan loss	(49)	1,340	1,291
Operations and administration	1	1,166	1,167
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total operating expenses	194	36,760	36,954
Operating income (loss)	102	9,963	10,065
Non-operating expenses and transfers			
Contributions to State of Alaska or State agencies	-	-	-
Interfund receipts (payments) for operations	(1,970)	3,624	1,654
Change in net position	(1,868)	13,587	11,719
Net position at beginning of year	1,868	190,534	192,402
Cumulative effect of accounting change	-	-	-
Revised net position at beginning of year	1,868	190,534	192,402
Net Position at End of Period	\$ -	\$ 204,121	\$ 204,121

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 REVENUES, EXPENSES, AND CHANGES IN NET POSITION
OTHER PROGRAM FUNDS

For the Year Ended March 31, 2023

(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	\$ -	\$ -	\$ 176	\$ 910	\$ 1,086
Investment interest	151	129	31	80	391
Net change in the fair value of investments	-	-	-	-	-
Net change of hedge termination	-	-	-	-	-
Total investment revenue	151	129	31	80	391
Grant revenue	3,030	-	-	-	3,030
Housing rental subsidies	7,095	1,802	-	-	8,897
Rental revenue	6,768	1,809	-	-	8,577
Gain on disposal of capital assets	-	-	-	-	-
Other revenue	14	-	-	-	14
Total operating revenues	17,058	3,740	207	990	21,995
Operating expenses					
Interest	-	-	-	-	-
Mortgage and loan costs	-	-	21	87	108
Bond financing expenses	-	-	-	-	-
Provision for loan loss	-	-	18	47	65
Operations and administration	9,674	2,422	15	41	12,152
Rental housing operating expenses	9,395	2,310	-	-	11,705
Grant expense	-	-	-	-	-
Total operating expenses	19,069	4,732	54	175	24,030
Operating income (loss)	(2,011)	(992)	153	815	(2,035)
Non-operating expenses and transfers					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	1,269	691	24	(234)	1,750
Change in net position	(742)	(301)	177	581	(285)
Net position at beginning of year	60,014	24,046	13,337	36,267	133,664
Cumulative effect of accounting change	-	-	-	-	-
Revised net position at beginning of year	60,014	24,046	13,337	36,267	133,664
Net Position at End of Period	\$ 59,272	\$ 23,745	\$ 13,514	\$ 36,848	\$ 133,379

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total March 31, 2023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 106	\$ 1,192
-	1	-	4	5	3	399
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1	-	4	5	3	399
4,176	27,769	11,834	43,851	87,630	13,000	103,660
-	-	-	-	-	-	8,897
-	-	-	-	-	51	8,628
-	3	-	-	3	-	3
-	3	552	3	558	379	951
4,176	27,776	12,386	43,858	88,196	13,539	123,730
-	-	-	-	-	-	-
-	-	-	-	-	-	108
-	-	-	-	-	-	-
-	-	29	-	29	11	105
1,712	4,498	2,330	2,398	10,938	122	23,212
-	11	-	-	11	-	11,716
4,410	26,111	21,478	41,452	93,451	13,000	106,451
6,122	30,620	23,837	43,850	104,429	13,133	141,592
(1,946)	(2,844)	(11,451)	8	(16,233)	406	(17,862)
-	-	-	-	-	-	-
1,927	156	11,427	(4)	13,506	35	15,291
(19)	(2,688)	(24)	4	(2,727)	441	(2,571)
2,828	(2,207)	5,866	14	6,501	24,536	164,701
-	-	-	-	-	-	-
2,828	(2,207)	5,866	14	6,501	24,536	164,701
\$ 2,809	\$ (4,895)	\$ 5,842	\$ 18	\$ 3,774	\$ 24,977	\$ 162,130

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

COMBINED - ALL FUNDS

For the Nine Months Ended March 31, 2023

(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds	Combined Governmental Purpose Bonds
Cash Flows					
Operating activities					
Interest income on mortgages and loans	\$ 4,649	\$ 17,014	\$ 16,434	\$ 1,797	\$ 3,536
Principal receipts on mortgages and loans	12,619	50,369	49,866	6,896	13,980
Disbursements to fund mortgages and loans	(416,729)	-	-	-	-
Receipts (payments) for interfund loan transfers	303,900	(43,712)	(99,674)	(5,331)	(24,995)
Mortgage and loan proceeds receipts	313,843	-	-	-	-
Mortgage and loan proceeds paid to trust funds	(322,862)	-	-	-	-
Payroll-related disbursements	(19,694)	-	-	-	-
Payments for goods and services	(42,179)	-	-	-	-
Receipts from externally funded programs	-	-	-	-	-
Receipts from Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	(46,496)	-	-	-	-
Grant payments to other agencies	(6)	-	-	-	-
Other operating cash receipts (payments)	3,423	-	-	-	-
Net cash receipts (disbursements)	(209,532)	23,671	(33,374)	3,362	(7,479)
Non-capital financing activities					
Proceeds from bond issuance	-	-	90,771	-	-
Principal paid on bonds	-	(8,150)	(16,400)	(2,190)	(3,530)
Payment of bond issuance costs	(100)	-	(767)	-	-
Interest paid on bonds	-	(7,957)	(8,421)	(619)	(1,181)
Proceeds from short-term debt issuance	400,915	-	-	-	-
Payment of short term debt	(457,873)	-	-	-	-
Contributions to State of Alaska or State agencies	(5,931)	-	-	-	-
Transfers from (to) other funds	97,652	9,028	(4,220)	926	-
Net cash receipts (disbursements)	34,663	(7,079)	60,963	(1,883)	(4,711)
Capital financing activities					
Acquisition of capital assets	-	-	-	-	-
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Net cash receipts (disbursements)	3	-	-	-	-
Investing activities					
Purchase of investments	(6,136,074)	(79,596)	(83,001)	(10,887)	(18,326)
Proceeds from maturity of investments	6,292,349	62,072	54,527	9,301	30,120
Interest received from investments	12,238	932	885	107	396
Net cash receipts (disbursements)	168,513	(16,592)	(27,589)	(1,479)	12,190
Net Increase (decrease) in cash	(6,353)	-	-	-	-
Cash at beginning of year	30,798	-	-	-	-
Cash at end of period	\$ 24,445	\$ -	\$ -	\$ -	\$ -

Combined State Capital Project Bonds	Combined Other Programs	Total March 31, 2023
\$ 39,022	\$ 997	\$ 83,449
102,055	3,677	239,462
-	-	(416,729)
(119,449)	(10,739)	-
-	-	313,843
-	-	(322,862)
-	(11,462)	(31,156)
-	(14,911)	(57,090)
-	41,604	41,604
-	22,195	22,195
-	(25,467)	(25,467)
-	46,495	(1)
-	(82,914)	(82,920)
(27)	24,172	27,568
21,601	(6,353)	(208,104)
107,053	-	197,824
(22,937)	-	(53,207)
(553)	-	(1,420)
(20,439)	-	(38,617)
-	-	400,915
-	-	(457,873)
-	-	(5,931)
(103,386)	-	-
(40,262)	-	41,691
-	(1,507)	(1,507)
(3,278)	-	(3,278)
(292)	-	(292)
(266)	(1,504)	(1,767)
(473,511)	(4,843)	(6,806,238)
489,125	10,802	6,948,296
3,287	395	18,240
18,901	6,354	160,298
(26)	(1,503)	(7,882)
149	53,784	84,731
\$ 123	\$ 52,281	\$ 76,849

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

COMBINED - ALL FUNDS

For the Nine Months Ended March 31, 2023

(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds	Combined Governmental Purpose Bonds
Reconciliation					
Operating income (loss) to net cash					
Operating income (loss)	\$ 5,376	\$ 4,018	\$ 5,225	\$ 984	\$ 1,945
<i>Adjustments:</i>					
Depreciation expense	817	-	-	-	-
Provision for loan loss	(154)	(43)	511	(5)	(149)
Net change in the fair value of investments	(2,650)	(109)	(313)	(53)	(256)
Interfund receipts (payments) for operations	1,893	1,192	4,108	1,018	(25,156)
Interest received from investments	(12,238)	(932)	(885)	(107)	(396)
Interest paid on bonds and capital notes	-	7,957	8,421	619	1,181
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	(19,645)	4,356	(50,637)	565	14,789
Net increase (decrease) in assets, liabilities, and deferred resources	(182,931)	7,232	196	341	563
Net operating cash receipts (disbursements)	\$ (209,532)	\$ 23,671	\$ (33,374)	\$ 3,362	\$ (7,479)

See accompanying notes to the financial statements.

Combined State Capital Project Bonds		Combined Other Programs	Total March 31, 2023
\$	10,065	\$ (17,862)	\$ 9,751
	-	4,075	4,892
	1,291	105	1,556
	(95)	-	(3,476)
	1,654	15,291	-
	(3,287)	(395)	(18,240)
	20,731	-	38,909
	(129,725)	(6,572)	(186,869)
	120,967	(995)	(54,627)
\$	21,601	\$ (6,353)	\$ (208,104)

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS**ADMINISTRATIVE FUND**

For the Nine Months Ended March 31, 2023

(in thousands of dollars)

	Administrative Fund
Cash Flows	
Operating activities	
Interest income on mortgages and loans	\$ 4,649
Principal receipts on mortgages and loans	12,619
Disbursements to fund mortgages and loans	(416,729)
Receipts (payments) for interfund loan transfers	303,900
Mortgage and loan proceeds receipts	313,843
Mortgage and loan proceeds paid to trust funds	(322,862)
Payroll-related disbursements	(19,694)
Payments for goods and services	(42,179)
Receipts from externally funded programs	-
Receipts from Federal HAP subsidies	-
Payments for Federal HAP subsidies	-
Interfund receipts (payments)	(46,496)
Grant payments to other agencies	(6)
Other operating cash receipts (payments)	3,423
Net cash receipts (disbursements)	(209,532)
Non-capital financing activities	
Proceeds from bond issuance	-
Principal paid on bonds	-
Payments to defease bonds	-
Payment of bond issuance costs	(100)
Interest paid on bonds	-
Proceeds from short-term debt issuance	400,915
Payment of short term debt	(457,873)
Contributions to State of Alaska or State agencies	(5,931)
Transfers from (to) other funds	97,652
Net cash receipts (disbursements)	34,663
Capital financing activities	
Acquisition of capital assets	-
Principal paid on capital notes	-
Interest paid on capital notes	-
Net cash receipts (disbursements)	3
Investing activities	
Purchase of investments	(6,136,074)
Proceeds from maturity of investments	6,292,349
Interest received from investments	12,238
Net cash receipts (disbursements)	168,513
Net Increase (decrease) in cash	(6,353)
Cash at beginning of year	30,798
Cash at end of period	\$ 24,445

	<u>Administrative Fund</u>
Reconciliation	
Operating income (loss) to net cash	
Operating income (loss)	\$ 5,376
<i>Adjustments:</i>	
Depreciation expense	817
Provision for loan loss	(154)
Net change in the fair value of investments	(2,650)
Interfund receipts (payments) for operations	1,893
Interest received from investments	(12,238)
Interest paid on bonds and capital notes	-
<i>Change in assets, liabilities and deferred resources:</i>	
Net (increase) decrease in mortgages and loans	(19,645)
Net increase (decrease) in assets, liabilities, and deferred resources	(182,931)
Net operating cash receipts (disbursements)	<u>\$ (209,532)</u>

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 Nine Months Ended March 31, 2023

(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	\$ 1,769	\$ 1,771	\$ 1,695	\$ 2,312	\$ 2,553
Principal receipts on mortgages and loans	4,792	5,218	3,022	8,001	7,517
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	(2,758)	(4,386)	(2,597)	(7,674)	(6,400)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-	-	-
Payroll-related disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Receipts from externally funded programs	-	-	-	-	-
Receipts from 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)	3,803	2,603	2,120	2,639	3,670
Non-capital financing activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	(1,160)	(1,010)	(1,010)	(1,200)	(1,255)
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	(380)	(1,140)	(1,210)	(1,287)	(1,313)
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	-	(1)	(2)	(2)
Net cash receipts (disbursements)	(1,539)	(2,150)	(2,221)	(2,489)	(2,570)
Capital financing activities					
Acquisition of capital assets	-	-	-	-	-
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Net cash receipts (disbursements)	-	-	-	-	-
Investing activities					
Purchase of investments	(6,795)	(7,245)	(4,801)	(10,476)	(10,483)
Proceeds from maturity of investments	4,456	6,691	4,823	10,195	9,246
Interest received from investments	75	101	79	131	137
Net cash receipts (disbursements)	(2,264)	(453)	101	(150)	(1,100)
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 March 31, 2023
\$ 2,893	\$ 4,021	\$ 17,014
8,378	13,441	50,369
-	-	-
(8,219)	(11,678)	(43,712)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
3,052	5,784	23,671
-	-	-
(1,255)	(1,260)	(8,150)
-	-	-
(1,313)	(1,314)	(7,957)
-	-	-
-	-	-
-	-	-
(3)	9,035	9,028
(2,571)	6,461	(7,079)
-	-	-
-	-	-
-	-	-
-	-	-
(11,462)	(28,334)	(79,596)
10,833	15,828	62,072
148	261	932
(481)	(12,245)	(16,592)
-	-	-
-	-	-
\$ -	\$ -	\$ -

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS
HOME MORTGAGE REVENUE BONDS

For the Nine Months Ended March 31, 2023

(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)	\$ 980	\$ (112)	\$ (257)	\$ 124	\$ 429
<i>Adjustments:</i>					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(22)	(3)	(10)	2	(3)
Net change in the fair value of investments	-	(1)	(1)	(2)	(1)
Interfund receipts (payments) for operations	208	297	140	360	52
Interest received from investments	(75)	(101)	(79)	(131)	(137)
Interest paid on bonds and capital notes	380	1,140	1,210	1,287	1,313
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	2,213	306	999	(165)	317
Net increase (decrease) in assets, liabilities, and deferred resources	119	1,077	118	1,164	1,700
Net operating cash receipts (disbursements)	\$ 3,803	\$ 2,603	\$ 2,120	\$ 2,639	\$ 3,670

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total March 31, 2023
\$ 706	\$ 2,148	\$ 4,018
-	-	-
7	(14)	(43)
(2)	(102)	(109)
351	(216)	1,192
(148)	(261)	(932)
1,313	1,314	7,957
(668)	1,354	4,356
1,493	1,561	7,232
<u>\$ 3,052</u>	<u>\$ 5,784</u>	<u>\$ 23,671</u>

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS
GENERAL MORTGAGE REVENUE BONDS

For the Nine Months Ended March 31, 2023

(in thousands of dollars)

	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	General Mortgage Revenue Bonds II 2022 A & B
Cash Flows					
Operating activities					
Interest income on mortgages and loans	\$ 1,398	\$ 1,981	\$ 3,109	\$ 5,010	\$ 4,195
Principal receipts on mortgages and loans	5,730	8,006	9,758	15,471	10,569
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	(2,398)	(1,304)	(6,594)	(12,506)	(4,993)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-	-	-
Payroll-related disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Receipts from externally funded programs	-	-	-	-	-
Receipts from 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)	4,730	8,683	6,273	7,975	9,771
Non-capital financing activities					
Proceeds from bond issuance	-	-	-	-	54
Principal paid on bonds	(3,025)	(4,735)	(2,535)	(5,105)	(1,000)
Payment of bond issuance costs	-	-	-	-	(54)
Interest paid on bonds	(582)	(1,358)	(1,660)	(2,694)	(2,127)
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	(2)	(10)	(5)	13,929	(8)
Net cash receipts (disbursements)	(3,609)	(6,103)	(4,200)	6,130	(3,135)
Capital financing activities					
Acquisition of capital assets	-	-	-	-	-
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Net cash receipts (disbursements)	-	-	-	-	-
Investing activities					
Purchase of investments	(7,400)	(10,491)	(13,708)	(35,222)	(15,099)
Proceeds from maturity of investments	6,197	7,808	11,472	20,815	8,235
Interest received from investments	82	103	163	302	228
Net cash receipts (disbursements)	(1,121)	(2,580)	(2,073)	(14,105)	(6,636)
Net Increase (decrease) in cash	-	-	-	-	-
Cash at beginning of year	-	-	-	-	-
Cash at end of period	\$ -	\$ -	\$ -	\$ -	\$ -

General Mortgage Revenue Bonds II 2022 C	Total March 31, 2023
\$ 741	\$ 16,434
332	49,866
-	-
(71,879)	(99,674)
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
<u>(70,806)</u>	<u>(33,374)</u>
90,717	90,771
-	(16,400)
(713)	(767)
-	(8,421)
-	-
-	-
-	-
(18,124)	(4,220)
<u>71,880</u>	<u>60,963</u>
-	-
-	-
-	-
<u>-</u>	<u>-</u>
(1,081)	(83,001)
-	54,527
7	885
<u>(1,074)</u>	<u>(27,589)</u>
-	-
-	-
<u>\$ -</u>	<u>\$ -</u>

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS
GENERAL MORTGAGE REVENUE BONDS

For the Nine Months Ended March 31, 2023

(in thousands of dollars)

	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	General Mortgage Revenue Bonds II 2022 A & B
Reconciliation					
Operating income (loss) to net cash					
Operating income (loss)	\$ 611	\$ 429	\$ 1,050	\$ 2,483	\$ 2,178
<i>Adjustments:</i>					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(36)	(61)	(32)	(26)	(48)
Net change in the fair value of investments	1	1	1	(75)	2
Interfund receipts (payments) for operations	(1,314)	(1,272)	(2,896)	12,170	(3,248)
Interest received from investments	(82)	(103)	(163)	(302)	(228)
Interest paid on bonds and capital notes	582	1,358	1,660	2,694	2,127
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	3,533	6,080	3,186	2,537	4,740
Net increase (decrease) in assets, liabilities, and deferred resources	1,435	2,251	3,467	(11,506)	4,248
Net operating cash receipts (disbursements)	\$ 4,730	\$ 8,683	\$ 6,273	\$ 7,975	\$ 9,771

See accompanying notes to the financial statements.

General Mortgage Revenue Bonds II 2022 C	Total March 31, 2023
\$ (1,526)	\$ 5,225
-	-
714	511
(243)	(313)
668	4,108
(7)	(885)
-	8,421
(70,713)	(50,637)
301	196
<u>\$ (70,806)</u>	<u>\$ (33,374)</u>

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS
COLLATERALIZED VETERANS MORTGAGE BONDS

For the Nine Months Ended March 31, 2023

(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total March 31, 2023
Cash Flows			
Operating activities			
Interest income on mortgages and loans	\$ 705	\$ 1,092	\$ 1,797
Principal receipts on mortgages and loans	3,220	3,676	6,896
Disbursements to fund mortgages and loans	-	-	-
Receipts (payments) for interfund loan transfers	(873)	(4,458)	(5,331)
Mortgage and loan proceeds receipts	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-
Payroll-related disbursements	-	-	-
Payments for goods and services	-	-	-
Receipts from externally funded programs	-	-	-
Receipts from 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)	3,052	310	3,362
Non-capital financing activities			
Proceeds from bond issuance	-	-	-
Principal paid on bonds	(1,005)	(1,185)	(2,190)
Payment of bond issuance costs	-	-	-
Interest paid on bonds	(331)	(288)	(619)
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)	927	926
Net cash receipts (disbursements)	(1,337)	(546)	(1,883)
Capital financing activities			
Acquisition of capital assets	-	-	-
Principal paid on capital notes	-	-	-
Interest paid on capital notes	-	-	-
Net cash receipts (disbursements)	-	-	-
Investing activities			
Purchase of investments	(3,978)	(6,909)	(10,887)
Proceeds from maturity of investments	2,222	7,079	9,301
Interest received from investments	41	66	107
Net cash receipts (disbursements)	(1,715)	236	(1,479)
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 March 31, 2023
Reconciliation			
Operating income (loss) to net cash			
Operating income (loss)	\$ 243	\$ 741	\$ 984
<i>Adjustments:</i>			
Depreciation expense	-	-	-
Provision for loan loss	(24)	19	(5)
Net change in the fair value of investments	-	(53)	(53)
Interfund receipts (payments) for operations	32	986	1,018
Interest received from investments	(41)	(66)	(107)
Interest paid on bonds and capital notes	331	288	619
<i>Change in assets, liabilities and deferred resources:</i>			
Net (increase) decrease in mortgages and loans	2,406	(1,841)	565
Net increase (decrease) in assets, liabilities, and deferred resources	105	236	341
Net operating cash receipts (disbursements)	\$ 3,052	\$ 310	\$ 3,362

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 Nine Months Ended March 31, 2023

(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B
Cash Flows	
Operating activities	
Interest income on mortgages and loans	\$ 3,536
Principal receipts on mortgages and loans	13,980
Disbursements to fund mortgages and loans	-
Receipts (payments) for interfund loan transfers	(24,995)
Mortgage and loan proceeds receipts	-
Mortgage and loan proceeds paid to trust funds	-
Payroll-related disbursements	-
Payments for goods and services	-
Receipts from externally funded programs	-
Receipts from 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)	(7,479)
Non-capital financing activities	
Proceeds from bond issuance	-
Principal paid on bonds	(3,530)
Payment of bond issuance costs	-
Interest paid on bonds	(1,181)
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)	(4,711)
Capital financing activities	
Acquisition of capital assets	-
Principal paid on capital notes	-
Interest paid on capital notes	-
Net cash receipts (disbursements)	-
Investing activities	
Purchase of investments	(18,326)
Proceeds from maturity of investments	30,120
Interest received from investments	396
Net cash receipts (disbursements)	12,190
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)	\$ 1,945
<i>Adjustments:</i>	
Depreciation expense	-
Provision for loan loss	(149)
Net change in the fair value of investments	(256)
Interfund receipts (payments) for operations	(25,156)
Interest received from investments	(396)
Interest paid on bonds and capital notes	1,181
<i>Change in assets, liabilities and deferred resources:</i>	
Net (increase) decrease in mortgages and loans	14,789
Net increase (decrease) in assets, liabilities, and deferred resources	563
Net operating cash receipts (disbursements)	<u>\$ (7,479)</u>

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 Nine Months Ended March 31, 2023

(in thousands of dollars)

	State Capital Project Bonds	State Capital Project Bonds II	Total March 31, 2023
Cash Flows			
Operating activities			
Interest income on mortgages and loans	\$ 24	\$ 38,998	\$ 39,022
Principal receipts on mortgages and loans	51	102,004	102,055
Disbursements to fund mortgages and loans	-	-	-
Receipts (payments) for interfund loan transfers	-	(119,449)	(119,449)
Mortgage and loan proceeds receipts	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-
Payroll-related disbursements	-	-	-
Payments for goods and services	-	-	-
Receipts from externally funded programs	-	-	-
Receipts from Federal HAP subsidies	-	-	-
Payments for Federal HAP subsidies	-	-	-
Interfund receipts (payments)	-	-	-
Grant payments to other agencies	-	-	-
Other operating cash receipts (payments)	-	(27)	(27)
Net cash receipts (disbursements)	75	21,526	21,601
Non-capital financing activities			
Proceeds from bond issuance	-	107,053	107,053
Principal paid on bonds	(247)	(22,690)	(22,937)
Payment of bond issuance costs	-	(553)	(553)
Interest paid on bonds	(21)	(20,418)	(20,439)
Proceeds from short-term debt issuance	-	-	-
Payment of short term debt	-	-	-
Contributions to State of Alaska or State agencies	-	-	-
Transfers from (to) other funds	3,008	(106,394)	(103,386)
Net cash receipts (disbursements)	2,740	(43,002)	(40,262)
Capital financing activities			
Acquisition of capital assets	-	-	-
Principal paid on capital notes	(3,278)	-	(3,278)
Interest paid on capital notes	(292)	-	(292)
Net cash receipts (disbursements)	(3,570)	3,304	(266)
Investing activities			
Purchase of investments	(106)	(473,405)	(473,511)
Proceeds from maturity of investments	861	488,264	489,125
Interest received from investments	-	3,287	3,287
Net cash receipts (disbursements)	755	18,146	18,901
Net Increase (decrease) in cash	-	(26)	(26)
Cash at beginning of year	-	149	149
Cash at end of period	\$ -	\$ 123	\$ 123

ALASKA HOUSING FINANCE CORPORATION

Schedule 23

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS**STATE CAPITAL PROJECT BONDS**

For the Nine Months Ended March 31, 2023

(in thousands of dollars)

	State Capital Project Bonds	State Capital Project Bonds II	Total March 31, 2023
Reconciliation			
Operating income (loss) to net cash			
Operating income (loss)	\$ 102	\$ 9,963	\$ 10,065
<i>Adjustments:</i>			
Depreciation expense	-	-	-
Provision for loan loss	(49)	1,340	1,291
Net change in the fair value of investments	-	(95)	(95)
Interfund receipts (payments) for operations	(1,970)	3,624	1,654
Interest received from investments	-	(3,287)	(3,287)
Interest paid on bonds and capital notes	313	20,418	20,731
<i>Change in assets, liabilities and deferred resources:</i>			
Net (increase) decrease in mortgages and loans	4,853	(134,578)	(129,725)
Net increase (decrease) in assets, liabilities, and deferred resources	(3,174)	124,141	120,967
Net operating cash receipts (disbursements)	\$ 75	\$ 21,526	\$ 21,601

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS
OTHER PROGRAM FUNDS

For the Nine Months Ended March 31, 2023

(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	\$ -	\$ -	\$ 160	\$ 837	\$ 997
Principal receipts on mortgages and loans	-	-	847	2,830	3,677
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	-	(2,726)	(8,013)	(10,739)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-	-	-
Payroll-related disbursements	(5,831)	(1,412)	-	-	(7,243)
Payments for goods and services	(9,573)	(2,123)	-	-	(11,696)
Receipts from externally funded programs	9,455	1,886	-	-	11,341
Receipts from Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	1,031	191	-	-	1,222
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	6,254	1,748	-	-	8,002
Net cash receipts (disbursements)	1,336	290	(1,719)	(4,346)	(4,439)
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	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	-	-	-	-	-
Net cash receipts (disbursements)	-	-	-	-	-
Capital financing activities					
Acquisition of capital assets	(1,477)	-	-	-	(1,477)
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Net cash receipts (disbursements)	(1,477)	-	-	-	(1,477)
Investing activities					
Purchase of investments	-	-	(1,036)	(3,807)	(4,843)
Proceeds from maturity of investments	-	-	2,726	8,076	10,802
Interest received from investments	154	129	29	77	389
Net cash receipts (disbursements)	154	129	1,719	4,346	6,348
Net Increase (decrease) in cash	13	419	-	-	432
Cash at beginning of year	17,777	12,977	-	-	30,754
Cash at end of period	\$ 17,790	\$ 13,396	\$ -	\$ -	\$ 31,186

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total March 31, 2023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 997
-	-	-	-	-	-	3,677
-	-	-	-	-	-	-
-	-	-	-	-	-	(10,739)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(41)	(2,975)	(619)	(509)	(4,144)	(75)	(11,462)
(294)	(550)	(418)	(1,906)	(3,168)	(47)	(14,911)
3,548	5,590	10,589	10,536	30,263	-	41,604
-	22,195	-	-	22,195	-	22,195
-	(25,467)	-	-	(25,467)	-	(25,467)
1,617	292	13,519	44,559	59,987	(14,714)	46,495
(5,022)	(644)	(23,202)	(54,046)	(82,914)	-	(82,914)
-	(22)	295	3	276	15,894	24,172
(192)	(1,581)	164	(1,363)	(2,972)	1,058	(6,353)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(30)	-	-	(30)	-	(1,507)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(27)	-	-	(27)	-	(1,504)
-	-	-	-	-	-	(4,843)
-	-	-	-	-	-	10,802
-	1	-	1	2	4	395
-	1	-	1	2	4	6,354
(192)	(1,607)	164	(1,362)	(2,997)	1,062	(1,503)
980	5,381	3	8,458	14,822	8,208	53,784
\$ 788	\$ 3,774	\$ 167	\$ 7,096	\$ 11,825	\$ 9,270	\$ 52,281

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

OTHER PROGRAM FUNDS

For the Nine Months Ended March 31, 2023

(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)	\$ (2,011)	\$ (992)	\$ 153	\$ 815	\$ (2,035)
<i>Adjustments:</i>					
Depreciation expense	3,126	889	-	-	4,015
Provision for loan loss	-	-	18	47	65
Net change in the fair value of investments	-	-	-	-	-
Interfund receipts (payments) for operations	1,269	691	24	(234)	1,750
Interest received from investments	(154)	(129)	(29)	(77)	(389)
Interest paid on bonds and capital notes	-	-	-	-	-
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	-	-	(1,797)	(4,673)	(6,470)
Net increase (decrease) in assets, liabilities, and deferred resources	(894)	(169)	(88)	(224)	(1,375)
Net operating cash receipts (disbursements)	\$ 1,336	\$ 290	\$ (1,719)	\$ (4,346)	\$ (4,439)

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total March 31, 2023
\$ (1,946)	\$ (2,844)	\$ (11,451)	\$ 8	\$ (16,233)	\$ 406	\$ (17,862)
-	60	-	-	60	-	4,075
-	-	29	-	29	11	105
-	-	-	-	-	-	-
1,927	156	11,427	(4)	13,506	35	15,291
-	(1)	-	(1)	(2)	(4)	(395)
-	-	-	-	-	-	-
-	-	29	-	29	(131)	(6,572)
(173)	1,048	130	(1,366)	(361)	741	(995)
<u>\$ (192)</u>	<u>\$ (1,581)</u>	<u>\$ 164</u>	<u>\$ (1,363)</u>	<u>\$ (2,972)</u>	<u>\$ 1,058</u>	<u>\$ (6,353)</u>

Five Year Financial Information

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

	2022	2021	2020	2019	2018
Assets					
Cash	\$ 84,731	\$ 108,769	\$ 73,772	\$ 74,259	\$ 69,609
Investments	981,786	1,033,065	871,387	562,671	596,133
Accrued interest receivable	14,791	14,850	16,183	15,831	14,115
Mortgage loans, notes and other loans	3,018,160	2,995,561	3,256,290	3,342,961	3,132,437
Net investment in direct financing lease	-	20,287	22,468	24,780	27,003
Capital assets, net	75,158	81,177	87,061	94,036	100,472
Other assets	66,358	38,510	21,455	21,255	28,684
Total Assets	4,240,984	4,292,219	4,348,616	4,135,793	3,968,453
Deferred Outflow of Resources	111,512	210,255	261,327	186,739	133,107
Liabilities					
Bonds and notes payable	2,277,492	2,366,206	2,572,813	2,461,125	2,328,487
Short term debt	149,771	130,697	115,366	49,469	53,269
Accrued interest payable	6,013	6,681	7,257	8,388	9,984
Other liabilities	202,682	211,197	70,401	70,059	58,868
Derivative instrument - interest rate swaps	73,728	168,250	234,281	158,349	104,674
Total Liabilities	2,709,686	2,883,031	3,000,118	2,747,390	2,555,282
Deferred Inflow of Resources	43,349	3,512	2,861	3,719	7,582
Total Net Position	\$1,599,461	\$ 1,615,931	\$1,606,964	\$1,571,423	\$1,538,696
Operating Revenues					
Mortgage and loans revenue	\$ 120,874	\$ 132,258	\$ 147,068	\$ 146,042	\$ 135,055
Investment interest	3,440	5,669	13,031	17,404	6,273
Net change in fair value of investments	820	(2,158)	1,922	(838)	2,967
Net change of hedge termination	875	579	(177)	(278)	760
Total Investment Revenue	5,135	4,090	14,776	16,288	10,000
Externally funded programs	283,006	154,023	76,113	77,143	86,844
Rental	11,280	11,219	11,512	11,926	11,305
Other	4,347	4,490	1,607	4,634	3,076
Total Operating Revenues	424,642	306,080	251,076	256,033	246,280
Operating Expenses					
Interest	60,780	70,987	81,137	76,831	71,246
Mortgage and loan costs	11,767	11,342	14,763	12,034	11,452
Operations and administration	48,911	50,360	40,958	44,781	46,127
Financing expenses	4,923	6,033	5,163	6,054	5,027
Provision for loan loss	485	(2,761)	(6,639)	(5,740)	(4,560)
Housing grants and subsidies	276,268	143,129	63,800	72,198	68,314
Rental housing operating expenses	19,274	17,012	16,353	15,042	15,091
Total Operating Expenses	422,408	296,102	215,535	221,200	212,697
Operating Income (Loss)	2,234	9,978	35,541	34,833	33,583
Non-Operating & Special Item					
Contribution to State or State agency	(933)	(1,011)	-	(2,106)	(125)
Change in Net Position	\$ 1,301	\$ 8,967	\$ 35,541	\$ 32,727	\$ 33,458



A Component Unit of the State of Alaska

Financial Statements
And Independent Auditor's Report

June 30, 2022

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



Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities of each major fund, and the aggregate remaining fund information of the Alaska Housing Finance Corporation (the Corporation), a component unit of the State of Alaska, as of and for the years ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Alaska Housing Finance Corporation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of each major fund, and the aggregate remaining fund information of the Alaska Housing Finance Corporation as of June 30, 2022, 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.

Basis for Opinions

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

Adoption of New Accounting Standard

As discussed in Note 2 and Note 6 to the financial statements, the Corporation has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. Accordingly, a restatement has been made as of July 1, 2021, to restate beginning net position. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, 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.

Supplementary 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 combining statements of net position, combining statements of revenues, expenses, and changes in net position, and combining statements of cash flows are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the five-year comparative information but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated September 30, 2022, 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 effectiveness of the Corporation'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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
September 30, 2022

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MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS

The 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 2022 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, 2022. 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For fiscal year 2022, 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, 2022, the Administrative Fund reported a net position of \$666.3 million, an increase of \$24.9 million from June 30, 2021. The increase in net position is largely due to internal transfers from the Mortgage and Bond Funds, despite an operating loss of \$4.4 million. The Administrative Fund transferred \$1.0 billion to the Mortgage and Bond Funds, whereas \$1.1 billion transferred from the Mortgage and Bond Funds, resulting in a net transfer into the Administrative Fund of \$53.0 million. Transfers for loan purchases totaled \$43.2 million less than in the previous year, and loans were warehoused in the Administrative Fund after the refunding of bonds. Unrestricted net position totaled \$531.0 million, or 79.7% of the total net position in the fund, 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 the Department of Housing and Urban Development (HUD). These programs include the Energy Programs, the Section 8 Voucher Programs, and Other Grants. In fiscal year 2021, the Corporation received Federal grants from the U.S. Treasury Department for rental and mortgage assistance for those impacted by the COVID-19 Pandemic totaling \$225.3 million, with additional funding of \$169.6 million in fiscal year 2022. This had no appreciable effect on net position, as the majority of the funding is used to assist those in need.

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 Home Mortgage Revenue Bonds, General Mortgage Revenue Bonds II, Collateralized Veterans Mortgage Bonds, Governmental Purpose Bonds, State Capital Project Bonds and State Capital Project Bonds II.

As of June 30, 2022, the Mortgage and Bond Funds reported a net position of \$768.4 million, a decrease of \$33.9 million from the previous year. Funds are transferred to the Administrative Fund to fund mortgage purchases, and there was \$43.2 million less transferred to the Administrative Fund in FY2022 for purchases than in FY2021. Loan payoffs decreased by 44.0% during the current fiscal year due to increase of interest rates compared to fiscal year 2021. During fiscal year 2022, the mortgage loan portfolio increased by 1.0% or \$23.3 million from fiscal year 2021. Approximately \$576.0 million, or 75.0%, of the fund's net position is restricted by bond resolutions.

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 fund had an operating loss of \$6.9 million in fiscal year 2022. This exceeded the loss in fiscal year 2021 by \$0.6 million. In fiscal year 2022, the Administrative Fund transferred \$3.0 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, 2022, was \$24.5 million. ACAH had an operating loss of \$0.3 million in fiscal year 2022, and the Administrative Fund

MANAGEMENT'S DISCUSSION AND ANALYSIS

transferred \$0.2 million into ACAH. ACAH's net income (loss) is the product of rental income from both housing and non-housing properties and expenses include rental property expenses and payroll expenses.

FINANCIAL HIGHLIGHTS

- The Corporation had operating income in fiscal year 2022 of \$2.2 million. The decrease from fiscal year 2021 was the result of increased dividend expenditures as well as lower interest rates earned on the mortgage portfolio. The average interest rate on the mortgage portfolio was 4.0%, representing a 4.0% decrease from the fiscal year 2021 average mortgage rate of 4.2%.
- The Corporation's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources as of June 30, 2022, by \$1.6 billion (net position), of which 44.5% was unrestricted.
- During the fiscal year ended June 30, 2022, the investment portfolio earned approximately 0.3% overall, as compared to 0.2% for the fiscal year ended June 30, 2021, reflecting a minimal increase in short-term interest rates.
- The Corporation's mortgage loan portfolio is one of its primary assets. During the fiscal year ended June 30, 2022, the mortgage loan portfolio increased by 0.8%. Loan purchases decreased by \$43.2 million in fiscal year 2022 but exceeded loan payoffs by \$154.5 million.

Bonds outstanding decreased by 4.1%. The Corporation redeemed a total of \$487.2 million in bonds in fiscal year 2022. Of this total, scheduled bond redemptions totaled \$94.9 million and special redemptions totaled \$392.3 million. Redemptions exceeded new bond issuances by over \$164.4 million.

- On January 11, 2022, the Corporation issued its \$122,795,000 General Mortgage Revenue Bonds II, 2022 Series A and B. Net proceeds of the bonds totaled approximately \$140.0 million, including a premium of \$17.2 million. Proceeds were used to redeem certain outstanding obligations of the Corporation, to purchase mortgages, and to pay costs of issuance. The bonds are tax-exempt, general obligations of the Corporation, bearing interest at fixed rates payable each June 1 and December 1, with a final maturity of June 1, 2051.
- On June 1, 2022, the Corporation issued its \$200,000,000 State Capital Project Bonds II, 2022 Series A. Proceeds were used to fully refund the Corporation's \$140,000,000 State Capital Project Bonds II, 2014 Series C, and \$60.0 million of its State Capital Project Bonds II, 2017 Series B. The 2022A bonds are taxable, general obligations of the Corporation, bearing interest at variable rates payable each June 1 and December 1, with a final maturity of June 1, 2052.
- As of June 30, 2022, the weighted average interest rate on the mortgage and bond portfolios was 4.0% and 3.3%, respectively, yielding a net interest margin of 0.7%, a decrease of 34.0% from fiscal year 2021. The decrease was due to rate increases on our unhedged variable rate bonds, but was offset in net income by those same rate increases on our investments.
- The U.S. Department of the Treasury awarded the Corporation funding for rental and mortgage assistance for those affected by the COVID-19 pandemic. The funding came from the Consolidated Appropriations and The American Rescue Plan Acts of 2021. Funding received in fiscal year 2022 totaled \$169.6 million to assist Alaskans struggling to make rent or mortgage payments due to the coronavirus pandemic.
- Governmental Accounting Standards Board (GASB) Statement No. 87 was effective beginning fiscal year 2022. The Statement increases the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported, and enhances the comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model. GASB required the Corporation to report the cumulative effect on prior periods as the result of the application of the application of GASB Statement No. 87. Beginning net position of the Corporation was reduced by \$17.7 million and increased of deferred inflows of \$20.9 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS

CONDENSED STATEMENT OF NET POSITION

The following table presents condensed information about the financial position of the Corporation as of June 30, 2022 and 2021, and changes in balances during the fiscal year ended June 30, 2022 (in thousands):

Condensed Statement of Net Position

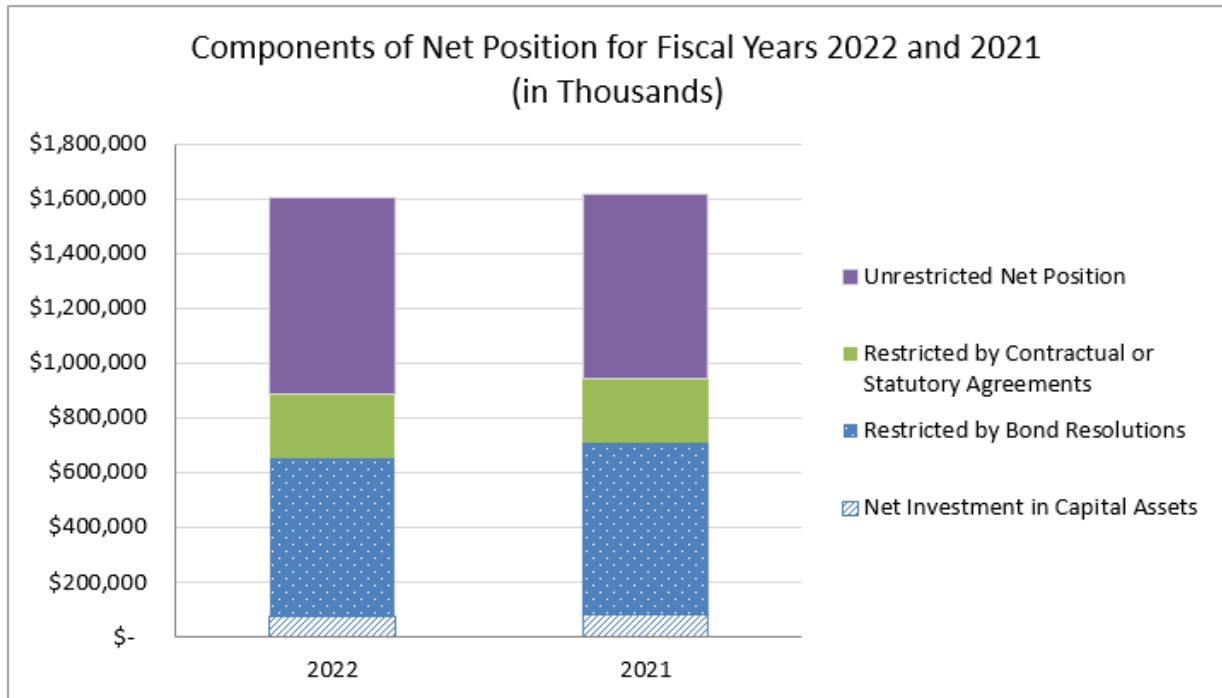
	2022	2021	Increase/(Decrease)	
Cash and investments	\$ 1,066,517	\$ 1,141,834	\$ (75,317)	-6.6%
Mortgage loans, notes and other loans, net	3,032,951	2,995,561	37,390	1.2%
Capital assets, net	75,158	81,177	(6,019)	-7.4%
Other assets	66,358	73,647	(7,289)	-9.9%
Total Assets	4,240,984	4,292,219	(51,235)	-1.2%
Deferred outflow of resources	111,512	210,255	(98,743)	-47.0%
Bonds and notes payable, net	2,277,492	2,366,206	(88,714)	-3.7%
Short term debt	149,771	130,697	19,074	14.6%
Accrued interest payable	6,013	6,681	(668)	-10.0%
Derivatives	73,728	168,250	(94,522)	-56.2%
Pension and OPEB liabilities	28,727	37,216	(8,489)	-22.8%
Other liabilities	173,955	173,981	(26)	0.0%
Total liabilities	2,709,686	2,883,031	(173,345)	-6.0%
Deferred inflow of resources	43,349	3,512	39,837	1134.3%
Total net position	\$ 1,599,461	\$ 1,615,931	\$ (16,470)	-1.0%

The decrease in total assets during fiscal year 2022 is primarily due to a decrease in the investment portfolio. The \$37.4 million increase in mortgage loans and notes from the prior year was mainly due to reduced mortgage payoffs and collections compared to fiscal year 2021. Other assets decreased by \$7.3 million due to reduced grant advances distributed to recipients compared to fiscal year 2021.

Total liabilities decreased by \$173.3 million. The Corporation issued new bonds totaling \$322.8 million, but bond redemptions totaled \$487.2 million. Bond redemptions exceeded new bond issuance by \$164.4 million. Short-term debt (commercial paper) increased by \$19.0 million. Total net pension and other-post employment benefit (OPEB) liability as of June 30, 2022, decreased by \$8.5 million. Finally, the aggregate fair value of the Corporation's interest rate swap derivatives decreased by \$94.5 million. Derivative valuations are based on forward swap rates, which steadily decreased during fiscal year 2021, causing the associated liability to increase accordingly. But in fiscal year 2022, the Federal Reserve reversed direction and began increasing rates due to inflation, which caused the forward swap curve to increase sharply, and thus decreased the fair value of the derivatives.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following chart shows the various components of net position in fiscal years 2022 and 2021:



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, 2022 and 2021, and the variances from the prior fiscal year (in thousands):

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

	2022	2021	Increase/(Decrease)	
Mortgage and loan revenue	\$ 120,874	\$ 132,258	\$ (11,384)	-8.6%
Investment interest income	3,440	5,669	(2,229)	-39.3%
Net change in fair value of investments	1,695	(1,579)	3,274	-207.3%
Externally funded programs	283,006	154,023	128,983	83.7%
Rental and other revenue	15,627	15,709	(82)	-0.5%
Total operating revenue	424,642	306,080	118,562	38.7%
Interest expense	60,780	70,987	(10,207)	-14.4%
Mortgage and loan costs	12,252	8,581	3,671	42.8%
Bond financing expenses	4,923	6,033	(1,110)	-18.4%
Operations and administration	48,911	50,360	(1,449)	-2.9%
Rental housing and grant expenses	295,542	160,141	135,401	84.6%
Total operating expense	422,408	296,102	126,306	42.7%
Operating income(loss)	2,234	9,978	(7,744)	-77.6%
Contributions to the State of Alaska	(933)	(1,011)	78	
Change in net position	\$ 1,301	\$ 8,967	\$ (7,666)	-85.5%

MANAGEMENT'S DISCUSSION AND ANALYSIS

Total operating revenues increased by \$118.6 million during fiscal year 2022 due primarily to increased revenue from federal financial assistance of \$129.0 million. However, mortgage and loan revenue decreased by \$11.4 million.

Total operating expense increased by \$126.3 million due to \$135.4 million increase in rental housing and grant expenses as a result of an increase in non-billable grant expenses in fiscal year 2022 compared to fiscal year 2021. Interest expense decreased by \$10.2 million as a result of a decrease in bond interest expenses.

In fiscal year 2022, the Corporation contributed \$0.9 million to the State of Alaska. See Footnote No. 19 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 \$75.1 million (net of accumulated depreciation), a decrease of 7.4% from fiscal year 2021. Typically, the change in capital assets in any given year is immaterial to the overall operation of the Corporation. However, in addition to depreciation of these assets during fiscal year 2022, the Corporation sold 6 units of combined public housing single homes and land properties, which contributed to the decrease of capital assets overall. The disposal of these capital assets resulted in a realized gain of \$1.1 million.

As of June 30, 2022, the Corporation had \$2.3 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. There has been no change in the Corporation's ratings from previous years.

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

Significant debt activity during the year included the following:

- Issued \$322.8 million in new bonds;
- Redeemed bonds through both scheduled and special redemption provisions of their respective indentures of \$487.2 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 multifamily 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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, 2022

(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
ASSETS					
Current					
Cash	\$ 30,798	\$ 14,822	\$ 149	\$ 30,754	\$ 76,523
Investments	726,500	-	245,990	9,296	981,786
Lease receivable	-	95	2,320	-	2,415
Accrued interest receivable	4,967	-	9,639	115	14,721
Inter-fund due (to)/from	(162,939)	119,390	46,096	(2,583)	(36)
Mortgage loans, notes and other loans	8,900	34	81,547	1,197	91,678
Other assets	2,704	11,253	-	1,433	15,390
Intergovernmental receivable	157	4,548	-	361	5,066
Total Current	611,087	150,142	385,741	40,573	1,187,543
Non Current					
Lease receivable	-	-	15,451	-	15,451
Inter-fund due (to)/from	-	1,423	-	-	1,423
Mortgage loans, notes and other loans	237,090	1,000	2,636,665	38,710	2,913,465
Capital assets - non-depreciable	2,483	-	-	13,582	16,065
Capital assets - depreciable, net	11,800	71	-	42,482	54,353
Other assets	2,693	308	830	54	3,885
OPEB Asset	20,662	-	-	-	20,662
Total Non Current	274,728	2,802	2,652,946	94,828	3,025,304
Total Assets	885,815	152,944	3,038,687	135,401	4,212,847
DEFERRED OUTFLOW OF RESOURCES					
	6,159	-	105,353	-	111,512
LIABILITIES					
Current					
Bonds payable	-	-	86,055	-	86,055
Short term debt	149,771	-	-	-	149,771
Accrued interest payable	-	-	6,013	-	6,013
Other liabilities	22,264	146,192	761	1,197	170,414
Intergovernmental payable	-	-	149	423	572
Total Current	172,035	146,192	92,978	1,620	412,825
Non Current					
Bonds payable	-	-	2,191,437	-	2,191,437
Other liabilities	2,441	251	-	29	2,721
Derivative instrument - interest rate swaps	-	-	73,728	-	73,728
Pension liability	28,727	-	-	-	28,727
Total Non Current	31,168	251	2,265,165	29	2,296,613
Total Liabilities	203,203	146,443	2,358,143	1,649	2,709,438
DEFERRED INFLOW OF RESOURCES					
	22,415	-	17,493	88	39,996
NET POSITION					
Net investment in capital assets	14,283	71	-	56,063	70,417
Restricted by bond resolutions	-	-	576,002	-	576,002
Restricted by contractual or statutory agreements	121,078	15,189	-	78,464	214,731
Unrestricted or (deficit)	530,995	(8,759)	192,402	(863)	713,775
Total Net Position	\$ 666,356	\$ 6,501	\$ 768,404	\$ 133,664	\$ 1,574,925

See accompanying notes to the financial statements.

Alaska Corporation for Affordable Housing	Total June 30, 2022
\$ 8,208	\$ 84,731
-	981,786
3,413	5,828
70	14,791
36	-
-	91,678
75	15,465
-	5,066
11,802	1,199,345
-	15,451
(1,423)	-
13,017	2,926,482
4,740	20,805
-	54,353
1	3,886
-	20,662
16,335	3,041,639
28,137	4,240,984
-	111,512
-	86,055
-	149,771
-	6,013
5	170,419
-	572
5	412,830
-	2,191,437
243	2,964
-	73,728
-	28,727
243	2,296,856
248	2,709,686
3,353	43,349
4,741	75,158
-	576,002
20,067	234,798
(272)	713,503
\$ 24,536	\$ 1,599,461

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

COMBINED – ALL MAJOR PROGRAMS

For the Year Ended June 30, 2022

(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	\$ 9,847	\$ -	\$ 109,516	\$ 1,370	\$ 120,733
Investment interest	1,486	10	1,871	69	3,436
Net change in the fair value of investments	538	-	282	-	820
Net change of hedge termination	-	-	875	-	875
Total Investment Revenue	2,024	10	3,028	69	5,131
Grant revenue	-	268,221	-	2,342	270,563
Housing rental subsidies	-	-	-	12,443	12,443
Rental revenue	9	-	-	11,271	11,280
Gain on Disposal of Capital Assets	-	2	-	1,132	1,134
Other revenue	2,707	530	(225)	22	3,034
Total Operating Revenues	14,587	268,763	112,319	28,649	424,318
OPERATING EXPENSES					
Interest	238	-	60,542	-	60,780
Mortgage and loan costs	2,723	-	8,903	141	11,767
Bond financing expenses	1,135	-	3,788	-	4,923
Provision for loan loss	2,915	52	(2,418)	(75)	474
Operations and administration	12,017	15,282	4,641	16,331	48,271
Rental housing operating expenses	-	95	-	19,178	19,273
Grant expense	-	276,268	-	-	276,268
Total Operating Expenses	19,028	291,697	75,456	35,575	421,756
Operating Income (Loss)	(4,441)	(22,934)	36,863	(6,926)	2,562
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	(933)	-	-	-	(933)
Interfund receipts (payments) for operations	30,267	19,581	(52,971)	2,962	(161)
Change in Net Position	24,893	(3,353)	(16,108)	(3,964)	1,468
Net position at beginning of year	641,463	9,854	802,283	137,628	1,591,228
Cumulative effect of accounting change	-	-	(17,771)	-	(17,771)
Revised net position at beginning of year	641,463	9,854	784,512	137,628	1,573,457
Net Position at End of Period	\$ 666,356	\$ 6,501	\$ 768,404	\$ 133,664	\$ 1,574,925

See accompanying notes to the financial statements.

Alaska Corporation for Affordable Housing	Total June 30, 2022
<u>\$ 141</u>	<u>\$ 120,874</u>
4	3,440
-	820
-	875
<u>4</u>	<u>5,135</u>
-	270,563
-	12,443
-	11,280
-	1,134
179	3,213
<u>324</u>	<u>424,642</u>
-	60,780
-	11,767
-	4,923
11	485
640	48,911
1	19,274
-	276,268
<u>652</u>	<u>422,408</u>
<u>(328)</u>	<u>2,234</u>
-	(933)
161	-
<u>(167)</u>	<u>1,301</u>
24,703	1,615,931
-	(17,771)
<u>24,703</u>	<u>1,598,160</u>
<u>\$ 24,536</u>	<u>\$ 1,599,461</u>

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF FIDUCIARY NET POSITION**CUSTODIAL FUNDS**

As of June 30, 2022

(in thousands of dollars)

	Total June 30, 2022
ASSETS	
Investments	\$ 3,845
Total Assets	<u><u>\$ 3,845</u></u>
LIABILITIES	
Other Liabilities	\$ 3,845
Total Liabilities	<u><u>\$ 3,845</u></u>
NET POSITION	<u><u>\$ -</u></u>

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 FIDUCIARY CHANGES IN NET POSITION**CUSTODIAL FUNDS**

For the Year Ended June 30, 2022

(in thousands of dollars)

	Total June 30, 2022
ADDITIONS	
Receipts	<u>\$ 71,519</u>
Total additions	<u>71,519</u>
DEDUCTIONS	
Disbursements to Grant Programs	<u>71,519</u>
Total deductions	<u>71,519</u>
Change in Net Position	-
Net position at beginning of year	<u>-</u>
Net position at End of Period	<u><u>\$ -</u></u>

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 CASH FLOWS

COMBINED – ALL MAJOR PROGRAMS

For the Year Ended June 30, 2022

(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	\$ 9,201	\$ -	\$ 160,857	\$ 2,133	\$ 172,191
Principal receipts on mortgages and loans	19,191	-	451,628	7,033	477,852
Disbursements to fund mortgages and loans	(551,671)	-	-	-	(551,671)
Receipts (payments) for interfund loan transfers	394,455	-	(394,475)	20	-
Mortgage and loan proceeds receipts	638,268	-	-	-	638,268
Mortgage and loan proceeds paid to trust funds	(651,597)	-	-	-	(651,597)
Payroll-related disbursements	(22,193)	(5,670)	-	(9,647)	(37,510)
Payments for goods and services	(7,092)	(4,903)	-	(15,936)	(27,931)
Receipts from externally funded programs	-	27,119	-	14,296	41,415
Receipts from Federal HAP subsidies	-	31,155	-	-	31,155
Payments for Federal HAP subsidies	-	(33,714)	-	-	(33,714)
Interfund receipts (payments)	(222,152)	222,721	-	(680)	(111)
Grant payments to other agencies	-	(253,721)	-	-	(253,721)
Other operating cash receipts (payments)	188,485	373	39	11,959	200,856
Net Cash Receipts (Disbursements)	(205,105)	(16,640)	218,049	9,178	5,482
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	340,329	-	340,329
Principal paid on bonds	-	-	(366,523)	-	(366,523)
Payment of bond issuance costs	(591)	-	(493)	-	(1,084)
Interest paid on bonds	-	-	(69,082)	-	(69,082)
Proceeds from short-term debt issuance	553,758	-	-	-	553,758
Payment of short term debt	(534,922)	-	-	-	(534,922)
Contributions to State of Alaska or State agencies	(933)	-	-	-	(933)
Transfers from (to) other funds	185,501	-	(185,501)	-	-
Net Cash Receipts (Disbursements)	202,813	-	(281,270)	-	(78,457)
Capital Financing Activities					
Acquisition of capital assets	(1,573)	(384)	-	(174)	(2,131)
Proceeds from the disposal of capital assets	7	2	-	1,240	1,249
Principal paid on capital notes	-	-	(6,347)	-	(6,347)
Interest paid on capital notes	-	-	(821)	-	(821)
Proceeds from direct financing leases	-	-	3,303	-	3,303
Net Cash Receipts (Disbursements)	(1,566)	(382)	(3,865)	1,066	(4,747)
Investing Activities					
Purchase of investments	(4,792,081)	-	(1,399,571)	(10,094)	(6,201,746)
Proceeds from maturity of investments	4,786,994	-	1,466,036	893	6,253,923
Interest received from investments	1,234	10	654	61	1,959
Net Cash Receipts (Disbursements)	(3,853)	10	67,119	(9,140)	54,136
Net Increase (decrease) in cash	(7,711)	(17,012)	33	1,104	(23,586)
Cash at beginning of year	38,508	31,834	116	29,651	100,109
Cash at end of period	\$ 30,797	\$ 14,822	\$ 149	\$ 30,755	\$ 76,523

Alaska Corporation for Affordable Housing	Total June 30, 2022
\$ -	\$ 172,191
-	477,852
-	(551,671)
-	-
-	638,268
-	(651,597)
(140)	(37,650)
(503)	(28,434)
-	41,415
-	31,155
-	(33,714)
111	-
-	(253,721)
76	200,932
(456)	5,026
-	340,329
-	(366,523)
-	(1,084)
-	(69,082)
-	553,758
-	(534,922)
-	(933)
-	-
-	(78,457)
-	(2,131)
-	1,249
-	(6,347)
-	(821)
-	3,303
-	(4,747)
-	(6,201,746)
-	6,253,923
4	1,963
4	54,140
(452)	(24,038)
8,660	108,769
\$ 8,208	\$ 84,731

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, 2022

(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)	\$ (4,441)	\$ (22,934)	\$ 36,863	\$ (6,926)	\$ 2,562
<i>Adjustments:</i>					
Depreciation expense	1,058	40	-	5,393	6,491
Provision for loan loss	2,915	52	(2,418)	(75)	474
Net change in the fair value of investments	(538)	-	(282)	-	(820)
Interfund receipts (payments) for operations	30,267	19,581	(52,971)	2,962	(161)
Interest received from investments	(1,234)	(10)	(654)	(61)	(1,959)
Interest paid on bonds and capital notes	-	-	69,903	-	69,903
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	(48,541)	52	18,518	7,500	(22,471)
Net increase (decrease) in assets, liabilities, and deferred resources	(184,591)	(13,421)	149,090	385	(48,537)
Net Operating Cash Receipts (Disbursements)	\$ (205,105)	\$ (16,640)	\$ 218,049	\$ 9,178	\$ 5,482
Non-Cash Activities					
Deferred outflow of resources - derivatives	\$ -	\$ -	\$ 30,371	\$ -	\$ 30,371
Derivative instruments liability	-	-	30,937	-	30,937
Net change of hedge termination	-	-	(45)	-	(45)
Deferred outflow debt refunding	-	-	16,581	-	16,581
Total Non-Cash Activities	\$ -	\$ -	\$ 77,844	\$ -	\$ 77,844

See accompanying notes to the financial statements.

Alaska Corporation for Affordable Housing	Total June 30, 2022
\$ (328)	\$ 2,234
-	6,491
11	485
-	(820)
161	-
(4)	(1,963)
-	69,903
(128)	(22,599)
(168)	(48,705)
\$ (456)	\$ 5,026
\$ -	\$ 30,371
-	30,937
-	(45)
-	16,581
\$ -	\$ 77,844

NOTE DISCLOSURES INDEX

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FOR THE TWELVE MONTHS ENDED JUNE 30, 2022

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. 19 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.

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.

Leases

Effective July 1, 2021, the Corporation adopted the new lease accounting guidance published by The Government Accounting Standards Board (GASB) for governments following GASB accounting standards (GASB Lease Rules) issued in June 2017. The Corporation elected to apply the guidance as of July 1, 2021, the beginning of the adoption period. The standard requires the recognition of right-of-use assets and lease liabilities, and Lease Receivable and Deferred Inflow of Resources, for lease contracts with terms greater than 12 months. The Corporation as a Lessee records the Right of Use Assets and Lease Liability, and as a Lessor records Lease Receivable and Deferred Inflow of Resources, measured at present value of future lease payments and receipts respectively, discounted at Corporation's incremental borrowing rate of 5%. Finance lease costs are recognized in two components, interest expense and amortization expense. As payments are received over the term of the lease, lease revenues are recognized in two components, interest revenue on lease receivable and revenue from amortization of deferred inflow of resources. The adoption of GASB 87 effective July 1, 2021 eliminates the disclosure on direct financing lease previously adopted by the Corporation.

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.

Custodial Fund

The Corporation received funds from different tribes and regional housing authorities participating in the Corporation's Alaska Housing Rent Relief (AHRR) Program. This collaborative program intends to provide rent and utility relief to renter households diversely affected by the COVID-19 pandemic. The Corporation reported these funds received from outside entities under Custodial Fund.

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, 2022
Restricted cash	\$ 62,751
Unrestricted cash	21,980
Carrying amount	84,731
Bank balance	\$ 84,731

Investment Valuation

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

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

Investment Maturities

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

Investment Maturities (In Years)					
	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years	June 30, 2022
Securities of U.S. Government agencies and corporations	\$ 497	\$ -	\$ -	\$ -	\$ 497
Commercial paper & medium-term notes	709,202	-	-	-	709,201
Corporate Certificates of Deposit	16,950	-	-	-	16,950
Money market funds	253,658	-	-	-	253,658
Total not including GeFONSI	\$ 980,307	\$ -	\$ -	\$ -	\$ 980,306
GeFONSI pool					1,480
Total AHFC Investment Portfolio					\$ 981,786

Restricted Investments

A large portion of the Corporation's investments, \$373,592,000, is restricted by bond resolutions, contractual agreements, and statutory agreements, and the remainder, \$625,966,000, 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 decrease 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):

Original Amount	June 30, 2022
Ending unrealized holding gain	\$ 2,496
Beginning unrealized holding gain	1,458
Net change in unrealized holding gain	1,038
Net realized gain (loss)	(218)
Net increase (decrease) in fair value	\$ 820

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, 2022, as determined by nationally recognized statistical rating organizations, are shown below (in thousands), and do not include investments held by GeFONSI pool.

	Moody's	Fitch	Investment Fair Value
Commercial paper, medium-term notes and Certificates of Deposit:			
	P-1	F1+	\$ 180,717
	P-1	F1	215,555
	P-1	F2	2,000
	P-1	NA	255,403
	P-2	F1	49,986
	P-2	F2	17,988
	P-2	NA	5,000
Money market funds:	Aaa-mf	AAAmf	253,658
			<u>\$ 980,307</u>

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, 2022, 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	\$ 142,666	14.53%
JP Morgan Chase	116,008	11.82%
Royal Bank of Canada	80,860	8.24%

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 \$84,933,000 bank balance at June 30, 2022, there were no uninsured and uncollateralized cash deposits.

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, 2022, in thousands:

Issuer	Investment Fair Value	Modified Duration
Securities of U.S. Government agencies and corporations:		
Federal agency pass through securities	\$ 497	0.703
Certificate of Deposit	16,950	0.297
Commercial paper & medium-term notes:		
Commercial paper discounts	707,907	0.213
Medium-term notes	1,295	0.748
Money market funds	253,658	0.000
Portfolio modified duration	<u>\$ 980,307</u>	0.160

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 \$1,480,000 on June 30, 2022.

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, 2022, is shown below (in thousands):

		Due From					Total
		Administrative Fund	Grant Programs	Mortgage or Bond Programs	Other Funds or Programs	Alaska Corporation for Affordable Housing	
Due To	Administrative Fund	\$ -	\$ 8,198	\$ -	\$ 2,880	\$ (36)	\$ 11,042
	Grant Programs	127,588	-	-	-	1,423	129,011
	Mortgage or Bond Programs	46,096	-	-	-	-	46,096
	Other Funds or Programs	297	-	-	-	-	297
	Total	<u>\$ 173,981</u>	<u>\$ 8,198</u>	<u>\$ -</u>	<u>\$ 2,880</u>	<u>\$ 1,387</u>	<u>\$ 186,446</u>

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, 2022
Mortgage loans	\$ 2,587,337
Multifamily loans	401,427
Other notes receivable	68,630
	<u>3,057,394</u>
Less:	
Allowance for losses	(39,234)
Net Mortgages, Notes & Other	<u>\$ 3,018,160</u>

Of the \$3,057,394,000 mortgage loans, notes, and other loans, \$91,678,000 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 \$14,149,000. Included in the allowance for losses is \$1,132,000 for ACAH's notes receivable bringing ACAH's net notes receivable to \$13,017,000.

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

	June 30, 2022
<u>Loans Delinquent 30 days or more</u>	\$ 108,965
Foreclosures during reporting period	4,652
Loans in foreclosure process	11,297
<u>Mortgage-related commitments:</u>	
To purchase mortgage loans	\$ 174,932

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 LEASES

Restatement

As of July 1, 2021, the Corporation adopted GASB Statement No. 87, Leases. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. As a result of the adoption of the new lease accounting guidance, the Corporation recognized on July 1, 2021, the beginning of the adoption period, cumulative effect adjustment to Net Position of \$17,771,000 to retroactively adopt the provisions of GASB Statement No. 87 as noted in the table below.

	June 30, 2022
Net position at beginning of year	\$ 1,615,931
Cumulative effect of accounting change	(17,771)
Revised net position at beginning of year	<u>\$ 1,598,160</u>

Lease Liability

As of June 30, 2022, Current Lease Liability of \$132,000 and Long term Lease Liability of \$1,419,000, total of \$1,551,000 Lease Liability, and Right-of-Use Asset of \$1,664,000, were recognized by the Corporation. The Corporation as a Lessee records the Right-of-Use Asset and Lease Liability at present value of future lease payments discounted at weighted-average discount rate based on the Corporation's incremental borrowing rate of 5% subject to reexamination on annual basis. The adoption of the new standard did not materially impact the Corporation's Statements of Operations or Statements of Cash Flows.

The Corporation leases certain office facilities and equipment for various terms under long-term, non-cancelable operating lease agreements. The leases expire at various dates through 2041 and provide for renewal options ranging from one year to five years. The Corporation included in the determination of the right-of-use asset and lease liabilities any renewal options when the options are reasonably certain to be exercised. The leases provide for increases in future minimum annual rental payments based on lease agreements subject to certain minimum increases. As of June 30, 2022, the Corporation recognized a total amount of lease assets of \$1,664,000 and its related accumulated amortization of \$121,000.

Remaining obligations associated with these leases are as follows (in thousands):

Date	Interest Paid	Principal Paid
6/30/2023	106	138
6/30/2024	106	110
6/30/2025	73	146
6/30/2026	53	65
6/30/2027	48	66
2028 and thereafter	391	1,147

Lease Receivable

The Corporation receives lease payments from leasing certain properties to a local charitable organization in the form of a monthly utility offset payment. The lease term commenced on April 1, 2009 through March 31, 2019. The Corporation opted to renew an additional 10 year period, which terminates this lease in March 2029. As of June 30, 2022, the Corporation recognized a Lease Receivable from this lease of \$95,000 measured at present value of future lease receivable expected to be received during the lease term discounted at 5% incremental borrowing rate.

ACAH receives lease payments from leasing various properties in Anchorage, Wasilla, and Fairbanks in the form of monthly and annual payments. The lease terms expire at various dates through 2078 and provide for renewal options of one year. As of June 30, 2022, ACAH recognized a Lease Receivable of \$3,413,00 measured at the present value of future lease receivable expected to be received during the lease term discounted at the 5% incremental borrowing rate.

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.

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.

As a result of the adoption of the new lease accounting guidance, the Corporation recognized on July 1, 2021, the beginning of the adoption period, a cumulative effect adjustment to Net Position of \$17,771,000. As of June 30, 2022, the Corporation recognized valuation of Lease Receivable of \$17,771,000 measured based on discounted future lease at Corporation's incremental borrowing rate of 5%, subject to reexamination on annual basis. The following

table lists the components of the Lease Receivable 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
2023	\$ 3,304
2024	3,304
2025	3,304
2026	3,304
2027	3,304
Thereafter	3,301
Gross payments due	19,821
Less: Unearned revenue	(2,050)
Net Lease Receivable	<u>\$ 17,771</u>

8 CAPITAL ASSETS

Capital assets activity for the twelve months ended June 30, 2022, and a summary of balances is shown below (in thousands):

Issuer	June 30, 2021	Additions	Reductions	June 30, 2022
Non-Depreciable Capital Assets:				
Land	\$ 20,859	\$ -	\$ (117)	\$ 20,742
Construction in progress	-	63	-	63
Total Non-Depreciable	20,859	63	(117)	20,805
Depreciable Capital Assets:				
Buildings	243,942	53	(425)	243,570
Computers & Equipment	3,245	273	-	3,518
Vehicles	2,677	78	(76)	2,679
Less: Accumulated depreciation				
Buildings	(184,595)	(5,924)	426	(190,093)
Computers & Equipment	(2,904)	(227)	-	(3,131)
Vehicles	(2,047)	(219)	76	(2,190)
Total Depreciable, Net	60,318	(5,966)	1	54,353
Total Capital Assets, Net	\$ 81,177	\$ (5,903)	\$ (116)	\$ 75,158

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

Depreciation expense charged by the Corporation was \$6,370,000 for the twelve months ended June 30, 2022.

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 \$11,836,000 at June 30, 2022.

In 2017, the State exercised the option to purchase the Atwood Office Building and associated land, identified as Block 79, for \$1. The Atwood Office Building was leased to the State of Alaska as part of the Corporation's State Building Lease Program. 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.

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, 2022, were interest rate swap derivatives of \$73,447,000, deferred debt refunding expense of \$31,906,000, pension deferred outflows of \$3,205,000, and other post employment benefits deferred outflows of \$2,954,000, for a total of \$111,512,000.

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, 2022, are shown on the next three pages (in thousands):

	Original Amount	June 30, 2022
Housing Bonds:		
<i>Home Mortgage Revenue Bonds, Tax-Exempt:</i>		
• 2002 Series A; Floating Rate*; 0.72% at June 30, 2022, due 2032-2036	\$ 170,000	\$ 28,610
Unamortized swap termination penalty		(1,168)
• 2007 Series A; Floating Rate*; 0.91% at June 30, 2022, due 2022-2041	75,000	65,405
• 2007 Series B; Floating Rate*; 0.90% at June 30, 2022, due 2022-2041	75,000	65,405
• 2007 Series D; Floating Rate*; 0.92% at June 30, 2022, due 2022-2041	89,370	77,920
• 2009 Series A; Floating Rate*; 0.92% at June 30, 2022, due 2022-2040	80,880	75,045
• 2009 Series B; Floating Rate*; 0.92% at June 30, 2022, due 2022-2040	80,880	75,045
• 2009 Series D; Floating Rate*; 0.90% at June 30, 2022, due 2022-2040	80,870	75,040
Total Home Mortgage Revenue Bonds	652,000	461,302
<i>Collateralized Bonds (Veterans Mortgage Program), Tax-Exempt:</i>		
• 2016 First and Second Series; 1.35% to 2.90%, due 2022-2037	50,000	28,050
• 2019 First and Second Series; 1.85% to 4.00%, due 2022-2048	60,000	17,900
Unamortized premium		588
Total Collateralized Bonds (Veterans Mortgage Program)	110,000	46,538
<i>General Mortgage Revenue Bonds II, Tax-Exempt:</i>		
• 2016 Series A; 1.55%-3.50%, due 2022-2046	100,000	46,555
Unamortized premium		292
• 2018 Series A; 2.20%-4.00%, due 2022-2048	109,260	36,965
Unamortized premium		1,183
• 2018 Series B; 5.00%, due 2031	58,520	28,465
Unamortized premium		3,457
• 2019 Series A; 1.35%-3.75%, due 2022-2044	136,700	93,265
Unamortized premium		1,328
• 2019 Series B; 5.00%, due 2030-2033	24,985	19,985
Unamortized premium		3,849
• 2020 Series A; 0.40%-3.25%, due 2022-2044	135,170	120,095
Unamortized premium		3,759
• 2020 Series B; 2.00%-5.00%, due 2030-2035	74,675	74,675
Unamortized premium		11,469
• 2022 Series A; 0.20%-3.00%, due 2022-2051	39,065	38,600
Unamortized premium		1,171

	Original Amount	June 30, 2022
General Mortgage Revenue Bonds II, Tax-Exempt (cont.)		
• 2022 Series B; 1.65%-5.00%, due 2030-2036	83,730	83,730
Unamortized premium		15,331
Total General Mortgage Revenue Bonds II, Tax-Exempt	762,105	584,174
Governmental Purpose Bonds, Tax-Exempt:		
• 2001 Series A; Floating Rate*; 0.90% at June 30, 2022, due 2022-2030	76,580	31,850
Unamortized swap termination penalty		(2,254)
• 2001 Series B; Floating Rate*; 0.90% at June 30, 2022, due 2022-2030	93,590	38,920
Total Governmental Purpose Bonds	170,170	68,516
Total Housing Bonds	1,694,275	1,160,530
Non-Housing Bonds:		
State Capital Project Bonds, Tax-Exempt:		
• 2002 Series C; Floating Rate*; 0.72% at June 30, 2022, due 2022	60,250	3,525
Total State Capital Project Bonds, Tax-Exempt	60,250	3,525
State Capital Project Bonds II, Tax-Exempt:		
• 2014 Series A; 4.00% to 5.00%, due 2022-2033	95,115	9,280
Unamortized premium		142
• 2014 Series B; 5.00%, due 2022-2029	29,285	4,175
Unamortized premium		101
• 2014 Series D; 5.00%, due 2022-2029	78,105	18,605
Unamortized premium		599
• 2015 Series A; 4.00% to 5.00%, due 2022-2030	111,535	24,355
Unamortized premium		1,084
• 2015 Series B; 3.00% to 5.00%, due 2022-2036	93,365	44,240
Unamortized discount		(114)
Unamortized premium		582
• 2015 Series C; 5.00%, due 2023-2035	55,620	9,790
Unamortized premium		503
• 2017 Series A; 4.00% to 5.00%, due 2022-2032	143,955	122,090
Unamortized premium		10,664
• 2017 Series C; 5.00%, due 2024-2032	43,855	43,855
Unamortized premium		4,223
• 2018 Series B; 3.125% to 5.00%, due 2022-2038	35,570	31,520
Unamortized discount		(58)
Unamortized premium		2,696
• 2019 Series B; 4.00% to 5.00%, due 2022-2039	60,000	55,205
Unamortized premium		7,581
• 2021 Series A; 3.00% to 5.00%, due 2023-2030	90,420	90,420
Unamortized premium		16,749
Total State Capital Project Bonds II, Tax-Exempt	\$ 836,825	\$ 498,287

	Original Amount	June 30, 2022
Non-Housing Bonds (cont.):		
State Capital Project Bonds II, Taxable:		
• 2017 Series B; Floating Rate*; 1.60% at June 30, 2022, due 2047	\$ 150,000	\$ 90,000
• 2018 Series A; Floating Rate*; 1.65% at June 30, 2022, due 2031-2043	90,000	90,000
• 2019 Series A; Floating Rate*; 1.63% at June 30, 2022, due 2033-2044	140,000	140,000
• 2020 Series A; 0.73% to 2.18%, due 2022-2033	96,665	95,150
• 2022 Series A; Floating Rate*; 1.58% at June 30, 2022, due 2037-2052	200,000	200,000
Total State Capital Project Bonds II, Taxable	676,665	615,150
Total Non-Housing Bonds	1,573,740	1,116,962
Total Bonds Payable	\$ 3,268,015	\$ 2,277,492

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	\$ 1,628,906	\$ 94,550	\$ -	\$ 1,723,456
Non-Housing	-	-	18,049	18,049
Total	\$ 1,628,906	\$ 94,550	\$ 18,049	\$ 1,741,505

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, 2022, the Corporation made special redemptions in the amount of \$392,280,000. All bonds have been legally defeased with sufficient funds placed in escrow as verified by an independent third party.

Bond Defeasances

There was a \$40,030,000 defeasance in fiscal year 2022. A summary of all defeased debt from prior fiscal years, as of June 30, 2022, follows (in thousands):

	Date Defeased	June 30, 2022
State Capital Project Bonds II, 2014 Series A	October 2020	\$ 35,200
State Capital Project Bonds II, 2014 Series A	June 2021	18,250
State Capital Project Bonds II, 2014 Series B	June 2021	13,860
State Capital Project Bonds II, 2014 Series D	June 2021	39,980
State Capital Project Bonds II, 2015 Series A	June 2021	23,200
State Capital Project Bonds II, 2015 Series B	June 2021	21,495
State Capital Project Bonds II, 2015 Series C	June 2021	31,045
State Capital Project Bonds II, 2015 Series A	December 2021	31,580
State Capital Project Bonds II, 2015 Series B	December 2021	8,450
		<u>\$ 223,060</u>

Debt Service Requirements**

For all bonds in the preceding schedules, excluding any defeased bonds, the Corporation's annual debt service requirements through 2027 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			Total Debt Service		
	Principal	Interest*	Total	Principal	Interest*	Total	Principal	Interest*	Total
2023	\$ 38,850	\$ 37,303	\$ 76,153	\$ 47,205	\$ 32,879	\$ 80,084	\$ 86,055	\$ 70,182	\$ 156,237
2024	40,185	36,281	76,466	54,410	30,736	85,146	94,595	67,017	161,612
2025	41,595	35,192	76,787	52,660	28,135	80,795	94,255	63,327	157,582
2026	44,575	34,024	78,599	38,675	25,933	64,608	83,250	59,957	143,207
2027	45,545	32,766	78,311	40,985	24,178	65,163	86,530	56,944	143,474
2028-2032	338,105	140,321	478,426	238,195	86,139	324,334	576,300	226,460	802,760
2033-2037	320,420	70,028	390,448	142,370	46,997	189,367	462,790	117,025	579,815
2038-2042	198,660	27,140	225,800	177,315	30,568	207,883	375,975	57,708	433,683
2043-2047	40,465	5,792	46,257	119,540	16,923	136,463	160,005	22,715	182,720
2048-2052	13,125	723	13,848	160,855	3,827	164,682	173,980	4,550	178,530
	<u>\$1,121,525</u>	<u>\$419,570</u>	<u>\$1,541,095</u>	<u>\$1,072,210</u>	<u>\$326,315</u>	<u>\$1,398,525</u>	<u>\$2,193,735</u>	<u>\$745,885</u>	<u>\$2,939,620</u>

* 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, 2022.

** Also see Note 11 – Derivatives.

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.

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, 2022, follows (in thousands):

	Maximum Issue Amount	Balance as of June 30, 2022	Remaining Authority as of June 30, 2022
Revenue Bonds, 2022 (Willow Pointe Project)	\$ 3,000	\$ 433	\$ 2,567
Revenue Bonds, 2021 (Little Dipper Project)	4,446	4,446	-
Revenue Bonds, 2021 (Spenard East Phase I Project)	7,500	7,499	1
Revenue Bonds, 2021 (Jewel Lake Apartments Project)	19,000	19,000	-
Revenue Bonds, 2020 (Old Mat Phase 1 Project)	3,800	1,445	2,355
Revenue Bonds, 2020 (West 32nd Avenue Project)	3,500	3,312	188
Total	<u>\$ 41,246</u>	<u>\$ 36,135</u>	<u>\$ 5,111</u>

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, 2022, 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, 2022, 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
SC19A	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/I)

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, 2022, 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 Value		Change in Fair Value
			June 30, 2022	June 30, 2021	
GP01A ¹	\$ 31,850	\$ 32,581	\$ (731)	\$ (3,180)	\$ 2,449
GP01B	38,920	42,627	(3,707)	(7,580)	3,873
E021A1 ²	28,610	29,886	(1,276)	(3,908)	2,632
SC02C ³	3,525	3,525	-	(216)	216
E071AB	125,238	144,040	(18,802)	(37,775)	18,973
E071BD	83,492	96,018	(12,526)	(25,301)	12,775
E091A	67,540	77,549	(10,009)	(19,979)	9,970
E091B	67,539	77,372	(9,833)	(19,749)	9,916
E091ABD	90,052	103,092	(13,040)	(26,368)	13,328
SC19A	140,000	143,522	(3,522)	(23,038)	19,516
	\$ 676,766	\$ 750,212	\$ (73,446)	\$ (167,094)	\$ 93,648

As of June 30, 2022, 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 Payments	Total Payments
2023	\$ 27,175	\$ 7,026	\$ 13,178	\$ 47,379
2024	24,750	6,802	12,623	44,175
2025	25,920	6,580	12,102	44,602
2026	27,115	6,349	11,557	45,021
2027	28,395	6,106	10,986	45,487
2028-2032	288,120	20,838	40,525	349,483
2033-2037	128,355	9,126	21,425	158,906
2038-2042	126,936	2,698	6,332	135,966
	\$ 676,766	\$ 65,525	\$ 128,728	\$ 871,019

Credit Risk

As of June 30, 2022, the Corporation was not exposed to credit risk on any of the swaps because the swaps all have negative fair values or fair values equal to the notional amount. 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 nine separate counterparties. Approximately 32.7% of the total notional amount of the swaps is held with one counterparty rated "AA-/Aa2". Another 26.2% of the total notional amount of the swaps is held with another counterparty rated "A+/Aa1" and 20.7% 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 "A-/A2", approximating 10.0%, 5.8%, and 4.7% 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, 2022, SIFMA was 0.91% and 1-month LIBOR was 1.79%, resulting in a SIFMA/LIBOR ratio of 50.93%. The 3-month LIBOR was 2.29%, resulting in a SIFMA/LIBOR ratio of 39.82%. 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.

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, 2022, 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 derivative as of June 30, 2022, 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 Value		Change in Fair Value
			June 30, 2022	June 30, 2021	
SC02B	\$ 14,555	\$ 14,836	\$ (281)	\$ (1,156)	\$ 875

As of June 30, 2022, debt service requirements of the Corporation's investment derivative are displayed in the following schedule (in thousands):

Fiscal Year Ending June 30	SC02B Principal	SC02B Interest	SC02B Swap Payments	Net Payments	Total Payments
2023	\$ -	\$ -	\$ -	367	\$ 367
2024	-	-	-	232	232
2025	-	-	-	47	47
	\$ -	\$ -	\$ -	646	\$ 646

Credit Risk

As of June 30, 2022, the Corporation was not exposed to credit risk on this outstanding swap because the swap had a negative fair value or fair values equal to the notional amount. 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 OTHER CURRENT LIABILITIES

Other Current Liabilities as of June 30, 2022, are composed of the accounts and balances as follows (in thousands):

Other Current Liabilities	June 30, 2022
Accounts Payable	\$ 14,557
Accrued Payroll	5,598
Lease Liability	132
Other Miscellaneous Liabilities	826
Service Fees Payables	811
Unearned Grant Revenue	148,495
Total	\$ 170,419

13 LONG TERM LIABILITIES

The activity for the twelve months ended June 30, 2022, is summarized in the following schedule (in thousands):

	June 30, 2021	Additions	Reductions	June 30, 2022	Due Within One Year
Total bonds and notes payable	\$ 2,366,206	\$ 340,037	\$ (428,751)	\$ 2,277,492	\$ 86,055
Net Pension liability	37,164	-	(8,437)	28,727	-
Net OPEB liability	52	-	(52)	-	-
Compensated absences	5,208	823	(2,817)	3,214	1,910
Other liabilities	-	239	(239)	-	-
Total long-term liabilities	\$ 2,408,630	\$ 341,099	\$ (440,296)	\$ 2,309,433	\$ 87,965

14 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, 2022, was 0.07% and the highest, 1.25%.

Short term debt activity for the twelve months ended June 30, 2022, is summarized in the following schedule (in thousands):

	June 30, 2021	Additions	Reductions	June 30, 2022
Commercial paper	\$ 130,712	\$ 554,020	\$ (534,922)	\$ 149,810
Unamortized discount	(15)	(130)	106	(39)
Commercial paper, net	\$ 130,697	\$ 553,890	\$ (534,816)	\$ 149,771

15 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. At June 30, 2022, AHFC recognized combined total deferred inflows of \$43,349,000 as follows:

- Pension-related deferred inflows totaled \$11,456,000, representing the difference of actuarial benefit assumptions vs. actual benefit experience (\$127,000) plus the difference of projected vs. actual investment earnings (\$11,329,000) in the State of Alaska's PERS Defined Benefit Retirement Plan.
- Other Post-Employment Benefits ("OPEB")-related deferred inflows totaled \$10,959,000, consisting of the sum of a) the difference of actuarial benefit assumptions vs. actual benefit experience (\$300,000), b) the net effect of changes in actuarial assumptions (\$887,000), c) the difference of projected vs. actual investment earnings (\$9,668,000), and d) changes in proportional contribution levels among participating employers (\$104,000).
- Lease-related deferred inflows totaled \$20,934,000, including one or more leases with local charitable organizations (\$88,000) and/or with the Corporation's affordable housing subsidiary, the Alaska Corporation for Affordable Housing (\$3,353,000), and Pacillo Garage (\$17,493,000).

16 TRANSFERS

Transfers for the twelve months ended June 30, 2022, are summarized in the following schedule (in thousands):

	From					Total
	Administrative Fund	Grant Programs	Mortgage or Bond Programs	Other Funds or Programs	Alaska Corporation for Affordable Housing	
Administrative Fund	\$ -	\$ 1,000	\$1,061,942	\$ 37	\$ -	\$1,062,979
Grant Programs	20,581	-	-	-	-	20,581
Mortgage or Bond Programs	1,008,971	-	-	-	-	1,008,971
Other Funds or Programs	2,999	-	-	-	-	2,999
Alaska Corporation for Affordable Housing	161	-	-	-	-	161
Total	\$ 1,032,712	\$ 1,000	\$1,061,942	\$ 37	\$ -	\$2,095,691

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.

17 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 2022 for up to \$200,000,000 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, 2022, the Corporation had the following available unused credit lines (in thousands):

	Credit Type	Counterparty Short-Term Ratings		Available Unused Lines of Credit
		S&P	Moody	
2002 Series A Home Mortgage Revenue Bonds	SBPA	A-1+	P-1	\$ 28,610
2007 Series A, B, D Home Mortgage Revenue Bonds	SBPA	A-1+	P-1	208,730
2009 Series A Home Mortgage Revenue Bonds	SBPA	A-1	P-1	75,045
2009 Series B Home Mortgage Revenue Bonds	SBPA	A-1	P-1	75,045
2009 Series D Home Mortgage Revenue Bonds	SBPA	A-1+	P-1	75,040
2001 Series A & B Governmental Purpose Bonds	SBPA	A-1+	P-1	70,770
2022 State Capital Project Bonds II	LOC	A-1	P-1	200,000
State Capital Project Bonds (I & II) & Commercial Paper	RCA	A-1	P-1	200,000
Total				<u>\$ 933,240</u>

18 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 \$911,000, but rebate liability as of June 30, 2022, was \$81,000, resulting in \$830,000 due to the Corporation.

19 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, 2022, (in thousands).

	Dividend Due to State	Expenditures	Remaining Commitments
State General Fund Transfers	\$ 799,514	\$ (789,880)	\$ 9,634
State Capital Projects Debt Service	503,292	(494,877)	8,415
State of Alaska Capital Projects	294,915	(252,652)	42,263
AHFC Capital Projects	573,142	(523,127)	50,015
Total	<u>\$ 2,170,863</u>	<u>\$ (2,060,536)</u>	<u>\$ 110,327</u>

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.

20 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, 2022
Beneficiaries and Special Needs Housing	\$ 2,051
Competitive Grants for Public Housing	59
Continuum of Care Homeless Assistance	2,016
COVID-19 American Rescue Plan Act - Homeless Assistance	45,991
COVID-19 American Rescue Plan Act - Homeowner Assistance	858
COVID-19 American Rescue Plan Act - Rental Assistance	71,852
COVID-19 Consolidated Appropriation Act - Rental Assistance	88,924
Denali Commission Program	228
Domestic Violence	1,486
Discharge Incentive grant	218
Emergency Housing Vouchers (EHV)	25
Emergency Shelter Grant (ESG)	3,059
Energy Efficiency Monitoring Research	608
Foster Youth to Independence	72
HOME Investment Partnership	2,323
Homeless Assistance Program (HAP)	6,889
Housing Choice Vouchers	29,365
Housing Choice Voucher - Mainstream	404
Housing Loan Program	2,733
Housing Opportunities for Persons with AIDS	383
Housing Trust Fund	2,606
Low Income Weatherization Assistance	3,552
Low Income Home Energy Assistance	2,222
Non-Elderly Disabled (NED)	234
Parolees (TBRA)	346
Section 811 Rental Housing Assistance	264
Section 8 Rehabilitation	504
Senior Citizen Housing Development Grant	2,006
Supplemental Housing Grant	2,532
Veterans Affairs Supportive Housing	2,114
Victims of Human Trafficking	236
Youth (TBRA)	108
Total Housing Grants and Subsidies Expenses	\$ 276,268

In addition to grant payments made, the Corporation had advanced grant funds of \$10,689,000 and committed to third parties a sum of \$110,268,000 in grant awards as of June 30, 2022.

21 PENSION AND POST-EMPLOYMENT HEALTHCARE PLANS

Description of Plans

As of June 30, 2022, 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 2022, 15.54% of covered salary is for the pension plan and 6.46% is for the post-employment healthcare plan.

Under AS39.35.255, the State funds 8.11%, the difference between the actuarial required contribution of 30.11% for fiscal year 2022 and the employer rate of 22.00%.

The Corporation's contributions to the Defined Benefit pension plan for the twelve months ended June 30, 2022, totaled \$1,370,000.

Pension Liability:

For the year ended June 30, 2022, the Corporation reported a liability for its proportionate share of net pension liability of \$28,727,000. This amount reflected State pension support provided to the Corporation of \$3,891,000. The total net pension liability associated with the Corporation was \$32,618,000.

The net pension liability for the June 30, 2021 measurement date, and the total pension liability used to calculate the new pension liability was determined by an actuarial valuation as of June 30, 2020 and rolled forward to June 30, 2021.

Pension Expense:

For the year ended June 30, 2022, the Corporation recognized pension expense of \$7,579,000 and revenue of \$1,743,000 for support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

For the year ended June 30, 2022, the Corporation's deferred outflows of resources related to pension expense of \$3,205,000 were due to a change in proportion and difference between employer contributions \$1,232,000 and contributions to the pension plan subsequent to the measurement date of \$1,973,000. The Corporation's deferred inflows of resources related to pension of \$11,456,000 were due to differences between expected and actual experience of \$127,000 and difference between projected and actual investment earnings of \$11,329,000.

Contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending June 30, 2022. 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
2023	\$ 3,309	\$ (2,864)	\$ 445
2024	269	(2,864)	(2,595)
2025	57	(2,864)	(2,807)
2026	(430)	(2,864)	(3,294)
	<u>\$ 3,205</u>	<u>\$ (11,456)</u>	<u>\$ (8,251)</u>

Pension Employer Contributions:

In 2022, the Corporation was credited with the following contributions to the PERS plan:

	Measurement Period Corporation FY21	Measurement Period Corporation FY20
Employer PERS contributions	\$ 2,781,000	\$ 2,572,000

Pension and OPEB Actuarial Assumptions:

The total pension and OPEB Liability for the fiscal year ending June 30, 2022, was determined by an actuarial valuation as of June 30, 2020, rolled forward to the measurement date of June 30, 2021. 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 2013-2017 actual experience.

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 ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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 table:

Asset Class	Long-term Expected Real Rate of Return
Domestic Equity	6.63%
Global Equity (non-U.S.)	5.41%
Aggregate Bonds	0.76%
Opportunistic	4.39%
Real Assets	3.16%
Private Equity	9.29%
Cash Equivalents	0.13%

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.

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	\$ 42,549	\$ 28,727	\$ 17,115

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 2022 are as follows:

	Other Tier IV
Pension Employer Contribution	5.00%
Occupational Death and Disability Benefits (ODD)	0.31%
Retiree Medical	1.07%
Total OPEB	1.38%
Total Contribution Rates	6.38%

Under State law, the Corporation is required to contribute 22% of annual covered salary. For fiscal year 2022, 6.38% of covered salary is split between 5.00% for the pension plan and 1.38% for the post-employment healthcare plan. Then, to offset additional individual post-employment healthcare cost, an annual flat dollar amount of \$2,168.40, representing 3% of total annual covered compensation in the Plan for each full-time employee, and \$1.39 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, 2022, the Corporation paid additional contributions of \$1,563,000. These contributions equal \$1,104,000 for the defined benefit pension as of June 30, 2022, and \$459,000 for the defined benefit post-employment healthcare plans as of June 30, 2022.

The contributions to the pension plan for the twelve months ended June 30, 2022, by the employees totaled \$1,008,000 and by the Corporation totaled \$603,000.

The contributions to Other Post-Employment Benefits (OPEB) plan by the Corporation for the twelve months ended June 30, 2022, totaled \$165,000.

The Corporation contributed \$407,000 to a Health Reimbursement Arrangement for the twelve months ended June 30, 2022.

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, 2022, totaled \$569,000, and for the years ended June 30, 2021, and June 30, 2020, totaled \$706,000 and \$669,000, respectively.

OPEB Employer Contribution Rate:

In 2022, the Corporation was credited with the following contributions to the OPEB plan:

	Measurement Period Corporation FY21	Measurement Period Corporation FY20
Employer contributions DB	\$ 2,781,000	\$ 2,572,000
Employer contributions DC RM	143,000	133,000
Employer contributions DC ODD	35,000	26,000
Nonemployer contributions (on-behalf)	-	-
Total Contributions	\$ 2,959,000	\$ 2,731,000

Changes in Benefit Assumptions Since the Prior Valuation of OPEB:

The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation with the following exceptions:

1. For DC RM and PERS Alaska Retiree Healthcare Trust (ARHT) per capita claims costs were updated to reflect recent experience.
2. For DC RM and PERS ARHT retired member contributions were updated to reflect the 5% decrease from calendar year (CY) 20 to CY 21.
3. For all of the plans the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

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.

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

Key Elements of OPEB formula:

Liability 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 ninety and will receive benefits paid by PERS if they are over age ninety. 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 premium for dependents who are not eligible for Medicare aligns with the member's subsidy. While a member is not Medicare-eligible, premiums are 100% of the estimated cost. Occupational Disability and Death benefit are 40% of salary at date of qualifying event. Medicare exclusion coordination applies to ODD benefits.

OPEB Asset and Liability:

For the year ended June 30, 2022, the total net OPEB Asset associated with the Corporation was \$20,662,000 and the total net OPEB Liability associated with the Corporation was zero.

For the year ended June 30, 2022, the Corporation reported an asset for its proportionate share of the net OPEB Asset ("NOA") that reflected an increase 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 Asset:	2022
Corporation's proportionate share of NOA – DB	\$ 20,171,000
Corporation's proportionate share of NOA – DC RM	206,000
Corporation's proportionate share of NOA – DC ODD	285,000
Total Net OPEB Asset	\$ 20,662,000

The net OPEB asset was measured as of June 30, 2021, and the total OPEB asset used to calculate the new OPEB asset was determined by an actuarial valuation as of June 30, 2020, and rolled forward to June 30, 2021.

	June 30, 2020 Measurement Date Employer Proportion	June 30, 2021 Measurement Date Employer Proportion	Change
Corporation's proportionate share Net OPEB Asset:			
DB	0.62960%	0.78626%	0.15666%
DC RM	0.74451%	0.76797%	0.02346%
DC ODD	0.60268%	0.64746%	0.04478%

Changes in Benefit Provisions Since Prior Valuation of OPEB:

For DC RM and DC ODD plans, there were no changes in benefit provisions.

OPEB Expense:

For the year ended June 30, 2022, the Corporation recognized a reduction of OPEB expense of \$6,972,000 and no support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

For the year ended June 30, 2022, 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, 2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 2,852	\$ -
Difference between expected and actual experience	15	(299)
Difference between projected and actual investment earnings	-	(9,669)
Changes in assumptions	64	(887)
Changes in proportion and differences between employer contributions	23	(104)
Total Deferred Outflows and Deferred Inflows	\$ 2,954	\$ (10,959)

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

Year Ended June 30:	Total
2023	\$ (492)
2024	(2,248)
2025	(2,411)
2026	(2,804)
2027	(19)
Thereafter	(31)
	\$ (8,005)

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 Corporation's proportionate share of the net OPEB 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 Liability (asset):	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
DB plan	0.78626	\$ (13,191)	\$ (20,170)	\$ (25,966)
DC RM plan	0.76797	135	(207)	(463)
DC ODD plan	0.64746	(273)	(285)	(295)

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 Liability (asset):	Proportional Share	1% Decrease	Current Discount Rate	1% Increase
DB plan	0.78626	\$ (26,644)	\$ (20,170)	\$ (12,358)
DC RM plan	0.76797	(500)	(207)	195
DC ODD plan	0.64746	n/a	(285)	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#.YMPxY6hKg2x>

Annual Postemployment Healthcare Cost

For the year ended June 30, 2022, the Corporation recognized \$407,000 in DC OPEB costs. These amounts were recognized as expense.

22 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 \$200,000 per employee per year. The Corporation has provided for an estimate of the Incurred but Not Reported ("IBNR") liability in the amount of \$1,809,000 as of June 30, 2022.

Litigation

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

Contingent Liabilities

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

Subsequent Events

The Corporation delivered \$97,700,000 State Capital Project Bonds II, 2022 Series B (Social Bonds), on July 7, 2022. The Series B Bonds are tax-exempt general obligations of the Corporation with a final maturity of June 1, 2037. Interest is payable each June 1 and December 1, commencing December 1, 2022, at fixed rates ranging from 4% to 5%. Proceeds of the Bonds will be used to refund certain outstanding obligations of the Corporation and to reimburse the Corporation for governmental purpose expenditures.

On September 14, 2022, the Corporation closed its Revenue Bond, 2022 (Fairbanks Affordable Housing Project), a \$13,000,000 conduit bond issuance to provide funds pursuant to a plan of finance to Fairbanks Affordable Housing, LLC, as Borrower. The Fairbanks Affordable Housing Project is a 58-unit scattered site rental housing development for qualified low-income tenants in the Fairbanks North Star Borough, Alaska. The 2022 Bonds do not constitute an indebtedness of the Corporation or the State of Alaska, but will instead be payable solely by the Borrower.

On September 15, 2022, the Corporation novated an interest rate swap from an existing counterparty to that counterparty's related entity. In conjunction with this novation, the Corporation's "pay fixed" rate decreased from 4.1427% to 4.1127% effective June 1, 2022, and the counterparty's ratings changed from AA/Aa3 to A+/Aa2 (S&P/Moody's). The result of this interest rates change has no material financial impact in our financial statements as of June 30, 2022.

23 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. For the Fiscal Year 2022 the cyber liability coverage was reduced from \$5 million to \$1 million by the carrier's response to market conditions. The settlements have not exceeded insurance coverage during the past three years.

REQUIRED SUPPLEMENTARY INFORMATION

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

	2022	2021	2020	2019	2018
The Corporation's proportion of the net pension liability (asset)	0.783070%	0.629770%	0.656900%	0.714740%	0.689820%
The Corporation's proportionate share of the net pension liability (asset)	\$ 28,727	\$ 37,164	\$ 35,960	\$ 35,515	\$ 35,660
State's proportionate share of the net pension liability (asset) associated with the Corporation	\$ 3,891	\$ 15,376	14,276	10,284	13,285
Total	\$ 32,618	\$ 52,540	\$ 50,236	\$ 45,799	\$ 48,945
The Corporation's covered employee payroll	\$ 9,602	\$ 10,681	\$11,680	\$12,583	\$ 13,817
The Corporation's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	299.18%	347.94%	307.88%	282.24%	258.10%
Plan fiduciary net position as a percentage of the total pension liability	76.46%	61.61%	63.42%	65.19%	63.37%
	2017	2016	2015	2014	
The Corporation's proportion of the net pension liability (asset)	0.852380%	0.780600%	0.608214%	0.598696%	
The Corporation's proportionate share of the net pension liability (asset)	\$ 47,645	\$ 37,859	\$ 28,368	\$ 31,440	
State's proportionate share of the net pension liability (asset) associated with the Corporation	6,003	10,856	22,644	26,434	
Total	\$ 53,648	\$ 48,715	\$ 51,012	\$ 57,874	
The Corporation's covered employee payroll	\$ 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	312.39%	232.06%	165.04%	176.48%	
Plan fiduciary net position as a percentage of the total pension liability	59.55%	63.96%	62.37%	56.04%	

Information in this table is presented based on the Plan measurement date. For June 30, 2022, the plan measurement date is June 30, 2021.

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 to the Pension Plan (in thousands):

	2022	2021	2020	2019	2018
Contractually required contributions	\$ 2,474	\$ 2,292	\$ 2,561	\$ 2,727	\$ 2,932
Contributions in relation to the contractually required contributions	2,474	2,292	2,561	2,727	2,932
Contribution deficiency (excess)	-	-	-	-	-
The Corporation's covered employee payroll	8,888	9,602	10,681	11,680	12,583
Contributions as a percentage of covered-employee payroll	27.83%	23.87%	23.98%	23.35%	23.30%
	2017	2016	2015	2014	
Contractually required contributions	\$ 2,679	\$ 2,475	\$ 2,403	\$ 2,128	
Contributions in relation to the contractually required contributions	2,679	2,475	2,403	2,128	
Contribution deficiency (excess)	-	-	-	-	
The Corporation's covered employee payroll	13,817	15,252	16,314	17,189	
Contributions as a percentage of covered-employee payroll	19.39%	16.23%	14.73%	12.38%	

This table reports the Corporation's pension contributions to PERS during fiscal year 2022. These contributions are reported as a deferred outflow of resources on the June 30, 2022 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):

	2022	2021	2020	2019	2018	2017
The Corporation's proportion of the net OPEB liability (asset) for Defined Benefit - Retiree Medical	0.78626%	0.62960%	0.65680%	0.71458%	0.68992%	0.85265%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans - Retiree Medical Plan	0.76797%	0.74451%	0.69949%	0.71095%	0.70310%	0.66252%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans - Occupational Death & Disability Plan	0.64746%	0.60268%	0.55609%	0.71095%	0.70310%	0.66252%
The Corporation's proportionate share of the net OPEB liability (asset)	\$ (20,662)	\$ (2,963)	\$ 1,007	\$ 7,286	\$ 5,765	\$ 9,752
State's proportionate share of the net OPEB liability (asset) associated with the Corporation	(2,642)	(1,183)	388	2,129	2,173	-
Total	<u>\$ (23,304)</u>	<u>\$ (4,146)</u>	<u>\$ 1,395</u>	<u>\$ 9,415</u>	<u>\$ 7,939</u>	<u>\$ 9,752</u>
The Corporation's covered employee payroll	\$ 21,489	\$ 20,850	\$ 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	(96.15%)	(14.21%)	4.82%	35.32%	27.28%	45.09%
Defined Benefit - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	135.54%	106.15%	98.13%	88.12%	89.68%	85.45%
Defined Contribution - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	115.10%	95.23%	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	374.22%	283.80%	297.43%	270.62%	212.97%	245.29%

Information in this table is presented based on the Plan measurement date. For June 30, 2022, the plan measurement date is June 30, 2021.

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.

The Plan is reporting no changes in assumptions 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 to the OPEB Plan (in thousands):

	2022	2021	2020	2019	2018	2017
Contractually required contributions	\$ 1,609	\$ 1,712	\$ 1,520	\$ 1,434	\$ 1,287	\$ 1,689
Contributions in relation to the contractually required contributions	1,609	1,712	1,520	1,434	1,287	1,689
Contribution deficiency (excess)	-	-	-	-	-	-
The Corporation's covered employee payroll	21,489	20,850	20,890	20,775	20,629	21,133
Contributions as a percentage of covered-employee payroll	7.49%	8.21%	7.28%	6.90%	6.24%	7.99%

This table reports the Corporation's OPEB contributions to SOA during fiscal year 2022. These contributions are reported as a deferred outflow of resources on the June 30, 2022 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 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.

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ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

COMBINED - ALL FUNDS

As of June 30, 2022

(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds	Combined Governmental Purpose Bonds
ASSETS					
Current					
Cash	\$ 30,798	\$ -	\$ -	\$ -	\$ -
Investments	726,500	30,119	31,256	3,917	29,174
Accrued interest receivable	4,967	2,323	2,036	237	489
Inter-fund due (to)/from	(162,939)	10,000	7,543	1,842	1,901
Mortgage loans, notes and other loans	8,900	20,755	20,093	2,129	5,402
Other assets	2,704	-	-	-	-
Intergovernmental receivable	157	-	-	-	-
Total Current	611,087	63,197	60,928	8,125	36,966
Non Current					
Investments	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	237,090	671,074	649,671	68,839	174,654
Capital assets - non-depreciable	2,483	-	-	-	-
Capital assets - depreciable, net	11,800	-	-	-	-
Other assets	2,693	-	-	-	830
OPEB Asset	20,662	-	-	-	-
Total Non Current	274,728	671,074	649,671	68,839	175,484
Total Assets	885,815	734,271	710,599	76,964	212,450
DEFERRED OUTFLOW OF RESOURCES					
	6,159	71,219	-	-	4,438
LIABILITIES					
Current					
Bonds payable	-	14,165	14,710	2,840	7,135
Short term debt	149,771	-	-	-	-
Accrued interest payable	-	1,290	1,404	103	194
Other liabilities	22,264	224	201	21	49
Intergovernmental payable	-	-	-	-	-
Total Current	172,035	15,679	16,315	2,964	7,378
Non Current					
Bonds payable	-	447,136	569,464	43,698	61,381
Other liabilities	2,441	-	-	-	-
Derivative instrument - interest rate swaps	-	65,486	-	-	4,438
Pension liability	28,727	-	-	-	-
Total Non Current	31,168	512,622	569,464	43,698	65,819
Total Liabilities	203,203	528,301	585,779	46,662	73,197
DEFERRED INFLOW OF RESOURCES					
	22,415	-	-	-	-
NET POSITION					
Net investment in capital assets	14,283	-	-	-	-
Restricted by bond resolutions	-	277,189	124,820	30,302	143,691
Restricted by contractual or statutory agreements	121,078	-	-	-	-
Unrestricted or (deficit)	530,995	-	-	-	-
Total Net Position	\$ 666,356	\$ 277,189	\$ 124,820	\$ 30,302	\$ 143,691

See accompanying notes to the financial statements.

Combined State Capital Project Bonds	Combined Other Programs	Total June 30, 2022
\$ 149	\$ 53,784	\$ 84,731
153,844	9,296	984,106
4,554	185	14,791
24,810	116,843	-
33,168	1,231	91,678
-	16,269	18,973
-	4,909	5,066
216,525	202,517	1,199,345
15,451	-	15,451
-	-	-
1,072,427	52,727	2,926,482
-	18,322	20,805
-	42,553	54,353
-	363	3,886
-	-	20,662
1,087,878	113,965	3,041,639
1,304,403	316,482	4,240,984
29,696	-	111,512
47,205	-	86,055
-	-	149,771
3,022	-	6,013
266	147,394	170,419
149	423	572
50,642	147,817	412,830
1,069,758	-	2,191,437
-	523	2,964
3,804	-	73,728
-	-	28,727
1,073,562	523	2,296,856
1,124,204	148,340	2,709,686
17,493	3,441	43,349
-	60,875	75,158
-	-	576,002
-	113,720	234,798
192,402	(9,894)	713,503
\$ 192,402	\$ 164,701	\$ 1,599,461

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION**ADMINISTRATIVE FUND**

As of June 30, 2022

(in thousands of dollars)

Schedule 2

	Administrative Fund
ASSETS	
Current	
Cash	\$ 30,798
Investments	726,500
Accrued interest receivable	4,967
Inter-fund due (to)/from	(162,939)
Mortgage loans, notes and other loans	8,900
Other assets	2,704
Intergovernmental receivable	157
Total Current	611,087
Non Current	
Investments	-
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	237,090
Capital assets - non-depreciable	2,483
Capital assets - depreciable, net	11,800
Other assets	2,693
OPEB Asset	20,662
Total Non Current	274,728
Total Assets	885,815
DEFERRED OUTFLOW OF RESOURCES	6,159
LIABILITIES	
Current	
Bonds payable	-
Short term debt	149,771
Accrued interest payable	-
Other liabilities	22,264
Intergovernmental payable	-
Total Current	172,035
Non Current	
Bonds payable	-
Other liabilities	2,441
Derivative instrument - interest rate swaps	-
Pension liability	28,727
Total Non Current	31,168
Total Liabilities	203,203
DEFERRED INFLOW OF RESOURCES	22,415
NET POSITION	
Net investment in capital assets	14,283
Restricted by bond resolutions	-
Restricted by contractual or statutory agreements	121,078
Unrestricted or (deficit)	530,995
Total Net Position	\$ 666,356

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, 2022

(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	582	2,353	2,349	2,796	2,801
Accrued interest receivable	233	234	246	303	425
Inter-fund due (to)/from	751	1,175	612	1,371	1,608
Mortgage loans, notes and other loans	1,960	2,093	2,005	2,805	3,322
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	3,526	5,855	5,212	7,275	8,156
Non Current					
Investments	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	63,389	67,665	64,815	90,696	107,417
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
OPEB Asset	-	-	-	-	-
Total Non Current	63,389	67,665	64,815	90,696	107,417
Total Assets	66,915	73,520	70,027	97,971	115,573
DEFERRED OUTFLOW OF RESOURCES					
	1,276	10,821	10,820	12,918	11,940
LIABILITIES					
Current					
Bonds payable	-	2,045	2,045	2,440	2,545
Short term debt	-	-	-	-	-
Accrued interest payable	59	185	185	220	214
Other liabilities	23	23	23	30	39
Intergovernmental payable	-	-	-	-	-
Total Current	82	2,253	2,253	2,690	2,798
Non Current					
Bonds payable	27,441	63,360	63,360	75,480	72,500
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	1,276	9,819	9,819	11,690	11,096
Pension liability	-	-	-	-	-
Total Non Current	28,717	73,179	73,179	87,170	83,596
Total Liabilities	28,799	75,432	75,432	89,860	86,394
DEFERRED INFLOW OF RESOURCES					
	-	-	-	-	-
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	39,392	8,909	5,415	21,029	41,119
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total Net Position	\$ 39,392	\$ 8,909	\$ 5,415	\$ 21,029	\$ 41,119

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total June 30, 2022
\$ -	\$ -	\$ -
2,797	16,441	30,119
393	489	2,323
1,632	2,851	10,000
3,651	4,919	20,755
-	-	-
-	-	-
8,473	24,700	63,197
-	-	-
-	-	-
118,033	159,059	671,074
-	-	-
-	-	-
-	-	-
-	-	-
118,033	159,059	671,074
126,506	183,759	734,271
11,765	11,679	71,219
2,545	2,545	14,165
-	-	-
214	213	1,290
37	49	224
-	-	-
2,796	2,807	15,679
72,500	72,495	447,136
-	-	-
10,920	10,866	65,486
-	-	-
83,420	83,361	512,622
86,216	86,168	528,301
-	-	-
-	-	-
52,055	109,270	277,189
-	-	-
-	-	-
\$ 52,055	\$ 109,270	\$ 277,189

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION
GENERAL MORTGAGE REVENUE BONDS

As of June 30, 2022

(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	-	3,050	2,585	6,474	12,194
Accrued interest receivable	-	167	262	403	673
Inter-fund due (to)/from	-	387	1,518	1,415	2,384
Mortgage loans, notes and other loans	-	1,902	2,193	3,767	6,882
Other assets	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Total Current	-	5,506	6,558	12,059	22,133
Non Current					
Investments	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	-	61,491	70,902	121,785	222,534
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
OPEB Asset	-	-	-	-	-
Total Non Current	-	61,491	70,902	121,785	222,534
Total Assets	-	66,997	77,460	133,844	244,667
DEFERRED OUTFLOW OF RESOURCES					
	-	-	-	-	-
LIABILITIES					
Current					
Bonds payable	-	4,380	3,315	2,380	3,825
Short term debt	-	-	-	-	-
Accrued interest payable	-	97	226	277	449
Other liabilities	-	18	22	39	69
Intergovernmental payable	-	-	-	-	-
Total Current	-	4,495	3,563	2,696	4,343
Non Current					
Bonds payable	-	42,467	66,755	116,047	206,173
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension liability	-	-	-	-	-
Total Non Current	-	42,467	66,755	116,047	206,173
Total Liabilities	-	46,962	70,318	118,743	210,516
DEFERRED INFLOW OF RESOURCES					
	-	-	-	-	-
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	-	20,035	7,142	15,101	34,151
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total Net Position	\$ -	\$ 20,035	\$ 7,142	\$ 15,101	\$ 34,151

See accompanying notes to the financial statements.

General Mortgage Revenue Bonds II 2022 A & B		Total June 30, 2022	
\$ -		\$ -	
6,953		31,256	
531		2,036	
1,839		7,543	
5,349		20,093	
-		-	
-		-	
14,672		60,928	
-		-	
-		-	
172,959		649,671	
-		-	
-		-	
-		-	
-		-	
172,959		649,671	
187,631		710,599	
-		-	
810		14,710	
-		-	
355		1,404	
53		201	
-		-	
1,218		16,315	
138,022		569,464	
-		-	
-		-	
-		-	
138,022		569,464	
139,240		585,779	
-		-	
-		-	
48,391		124,820	
-		-	
-		-	
\$ 48,391		\$ 124,820	

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION**COLLATERALIZED VETERANS MORTGAGE BONDS**

As of June 30, 2022

(in thousands of dollars)

Schedule 5

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total June 30, 2022
ASSETS			
Current			
Cash	\$ -	\$ -	\$ -
Investments	346	3,571	3,917
Accrued interest receivable	93	144	237
Inter-fund due (to)/from	517	1,325	1,842
Mortgage loans, notes and other loans	972	1,157	2,129
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total Current	1,928	6,197	8,125
Non Current			
Investments	-	-	-
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	31,439	37,400	68,839
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	-	-
OPEB Asset	-	-	-
Total Non Current	31,439	37,400	68,839
Total Assets	33,367	43,597	76,964
DEFERRED OUTFLOW OF RESOURCES	-	-	-
LIABILITIES			
Current			
Bonds payable	2,015	825	2,840
Short term debt	-	-	-
Accrued interest payable	55	48	103
Other liabilities	8	13	21
Intergovernmental payable	-	-	-
Total Current	2,078	886	2,964
Non Current			
Bonds payable	26,035	17,663	43,698
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	-	-	-
Pension liability	-	-	-
Total Non Current	26,035	17,663	43,698
Total Liabilities	28,113	18,549	46,662
DEFERRED INFLOW OF RESOURCES	-	-	-
NET POSITION			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	5,254	25,048	30,302
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	-	-	-
Total Net Position	\$ 5,254	\$ 25,048	\$ 30,302

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION**GOVERNMENTAL PURPOSE BONDS**

As of June 30, 2022

(in thousands of dollars)

Schedule 6

	Governmental Purpose Bonds 2001 A & B
ASSETS	
Current	
Cash	\$ -
Investments	29,174
Accrued interest receivable	489
Inter-fund due (to)/from	1,901
Mortgage loans, notes and other loans	5,402
Other assets	-
Intergovernmental receivable	-
Total Current	36,966
Non Current	
Investments	-
Inter-fund due (to)/from	-
Mortgage loans, notes and other loans	174,654
Capital assets - non-depreciable	-
Capital assets - depreciable, net	-
Other assets	830
OPEB Asset	-
Total Non Current	175,484
Total Assets	212,450
DEFERRED OUTFLOW OF RESOURCES	4,438
LIABILITIES	
Current	
Bonds payable	7,135
Short term debt	-
Accrued interest payable	194
Other liabilities	49
Intergovernmental payable	-
Total Current	7,378
Non Current	
Bonds payable	61,381
Other liabilities	-
Derivative instrument - interest rate swaps	4,438
Pension liability	-
Total Non Current	65,819
Total Liabilities	73,197
DEFERRED INFLOW OF RESOURCES	-
NET POSITION	
Net investment in capital assets	-
Restricted by bond resolutions	143,691
Restricted by contractual or statutory agreements	-
Unrestricted or (deficit)	-
Total Net Position	\$ 143,691

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, 2022

(in thousands of dollars)

Schedule 7

	State Capital Project Bonds	State Capital Project Bonds II	Total June 30, 2022
ASSETS			
Current			
Cash	\$ -	\$ 149	\$ 149
Investments	755	153,089	153,844
Accrued interest receivable	69	4,485	4,554
Inter-fund due (to)/from	75	24,735	24,810
Mortgage loans, notes and other loans	146	33,022	33,168
Other assets	-	-	-
Intergovernmental receivable	-	-	-
Total Current	1,045	215,480	216,525
Non Current			
Investments	-	15,451	15,451
Inter-fund due (to)/from	-	-	-
Mortgage loans, notes and other loans	4,707	1,067,720	1,072,427
Capital assets - non-depreciable	-	-	-
Capital assets - depreciable, net	-	-	-
Other assets	-	-	-
OPEB Asset	-	-	-
Total Non Current	4,707	1,083,171	1,087,878
Total Assets	5,752	1,298,651	1,304,403
DEFERRED OUTFLOW OF RESOURCES			
	-	29,696	29,696
LIABILITIES			
Current			
Bonds payable	3,525	43,680	47,205
Short term debt	-	-	-
Accrued interest payable	73	2,949	3,022
Other liabilities	5	261	266
Intergovernmental payable	-	149	149
Total Current	3,603	47,039	50,642
Non Current			
Bonds payable	-	1,069,758	1,069,758
Other liabilities	-	-	-
Derivative instrument - interest rate swaps	281	3,523	3,804
Pension liability	-	-	-
Total Non Current	281	1,073,281	1,073,562
Total Liabilities	3,884	1,120,320	1,124,204
DEFERRED INFLOW OF RESOURCES			
	-	17,493	17,493
NET POSITION			
Net investment in capital assets	-	-	-
Restricted by bond resolutions	-	-	-
Restricted by contractual or statutory agreements	-	-	-
Unrestricted or (deficit)	1,868	190,534	192,402
Total Net Position	\$ 1,868	\$ 190,534	\$ 192,402

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**OTHER PROGRAM FUNDS**

As of June 30, 2022

(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	\$ 17,777	\$ 12,977	\$ -	\$ -	\$ 30,754
Investments	-	-	2,634	6,662	9,296
Accrued interest receivable	-	-	23	92	115
Inter-fund due (to)/from	(1,692)	(1,187)	42	254	(2,583)
Mortgage loans, notes and other loans	-	-	319	878	1,197
Other assets	1,338	95	-	-	1,433
Intergovernmental receivable	142	219	-	-	361
Total Current	17,565	12,104	3,018	7,886	40,573
Non Current					
Investments	-	-	-	-	-
Inter-fund due (to)/from	-	-	-	-	-
Mortgage loans, notes and other loans	-	-	10,322	28,388	38,710
Capital assets - non-depreciable	12,452	1,130	-	-	13,582
Capital assets - depreciable, net	31,433	11,049	-	-	42,482
Other assets	42	12	-	-	54
OPEB Asset	-	-	-	-	-
Total Non Current	43,927	12,191	10,322	28,388	94,828
Total Assets	61,492	24,295	13,340	36,274	135,401
DEFERRED OUTFLOW OF RESOURCES					
	-	-	-	-	-
LIABILITIES					
Current					
Bonds payable	-	-	-	-	-
Short term debt	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Other liabilities	946	241	3	7	1,197
Intergovernmental payable	422	1	-	-	423
Total Current	1,368	242	3	7	1,620
Non Current					
Bonds payable	-	-	-	-	-
Other liabilities	22	7	-	-	29
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension liability	-	-	-	-	-
Total Non Current	22	7	-	-	29
Total Liabilities	1,390	249	3	7	1,649
DEFERRED INFLOW OF RESOURCES					
	88	-	-	-	88
NET POSITION					
Net investment in capital assets	43,885	12,178	-	-	56,063
Restricted by bond resolutions	-	-	-	-	-
Restricted by contractual or statutory agreements	16,790	12,070	13,337	36,267	78,464
Unrestricted or (deficit)	(661)	(202)	-	-	(863)
Total Net Position	\$ 60,014	\$ 24,046	\$ 13,337	\$ 36,267	\$ 133,664

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total June 30, 2022
\$ 980	\$ 5,381	\$ 3	\$ 8,458	\$ 14,822	\$ 8,208	\$ 53,784
-	-	-	-	-	-	9,296
-	-	-	-	-	70	185
187	(5,167)	(2,978)	127,348	119,390	36	116,843
-	-	34	-	34	-	1,231
381	661	4,009	6,297	11,348	3,488	16,269
1,280	44	2,501	723	4,548	-	4,909
2,828	919	3,569	142,826	150,142	11,802	202,517
-	-	-	-	-	-	-
-	-	1,423	-	1,423	(1,423)	-
-	-	1,000	-	1,000	13,017	52,727
-	-	-	-	-	4,740	18,322
-	71	-	-	71	-	42,553
-	308	-	-	308	1	363
-	-	-	-	-	-	-
-	379	2,423	-	2,802	16,335	113,965
2,828	1,298	5,992	142,826	152,944	28,137	316,482
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	3,254	126	142,812	146,192	5	147,394
-	-	-	-	-	-	423
-	3,254	126	142,812	146,192	5	147,817
-	-	-	-	-	-	-
-	251	-	-	251	243	523
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	251	-	-	251	243	523
-	3,505	126	142,812	146,443	248	148,340
-	-	-	-	-	3,353	3,441
-	71	-	-	71	4,741	60,875
-	-	-	-	-	-	-
4,306	3,806	7,063	14	15,189	20,067	113,720
(1,478)	(6,084)	(1,197)	-	(8,759)	(272)	(9,894)
\$ 2,828	\$ (2,207)	\$ 5,866	\$ 14	\$ 6,501	\$ 24,536	\$ 164,701

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

COMBINED - ALL FUNDS

For the Year Ended June 30, 2022

(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds	Combined Governmental Purpose Bonds
OPERATING REVENUES					
Mortgage and loan revenue	\$ 9,847	\$ 25,317	\$ 21,838	\$ 2,871	\$ 5,649
Investment interest	1,486	228	151	17	78
Net change in the fair value of investments	538	6	8	1	-
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	2,024	234	159	18	78
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	9	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	2,707	-	-	-	(225)
Total Operating Revenues	14,587	25,551	21,997	2,889	5,502
OPERATING EXPENSES					
Interest	238	17,714	11,273	1,287	3,066
Mortgage and loan costs	2,723	2,573	2,155	266	601
Bond financing expenses	1,135	2,074	822	4	262
Provision for loan loss	2,915	(295)	(1,194)	(128)	(38)
Operations and administration	12,017	1,283	1,283	108	323
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	19,028	23,349	14,339	1,537	4,214
Operating Income (Loss)	(4,441)	2,202	7,658	1,352	1,288
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	(933)	-	-	-	-
Interfund receipts (payments) for operations	30,267	(50,403)	(2,669)	(8,377)	685
Change in Net Position	24,893	(48,201)	4,989	(7,025)	1,973
Net position at beginning of year	641,463	325,390	119,831	37,327	141,718
Cumulative effect of accounting change	-	-	-	-	-
Revised net position at beginning of year	641,463	325,390	119,831	37,327	141,718
Net Position at End of Period	\$ 666,356	\$ 277,189	\$ 124,820	\$ 30,302	\$ 143,691

See accompanying notes to the financial statements.

Combined State Capital Project Bonds	Combined Other Programs	Total June 30, 2022
\$ 53,841	\$ 1,511	\$ 120,874
1,397	83	3,440
267	-	820
875	-	875
2,539	83	5,135
-	270,563	270,563
-	12,443	12,443
-	11,271	11,280
-	1,134	1,134
-	731	3,213
56,380	297,736	424,642
27,202	-	60,780
3,308	141	11,767
626	-	4,923
(763)	(12)	485
1,644	32,253	48,911
-	19,274	19,274
-	276,268	276,268
32,017	327,924	422,408
24,363	(30,188)	2,234
-	-	(933)
7,793	22,704	-
32,156	(7,484)	1,301
178,017	172,185	1,615,931
(17,771)	-	(17,771)
160,246	172,185	1,598,160
\$ 192,402	\$ 164,701	\$ 1,599,461

ALASKA HOUSING FINANCE CORPORATION

Schedule 10

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**ADMINISTRATIVE FUND**

For the Year Ended June 30, 2022

(in thousands of dollars)

	Administrative Fund
OPERATING REVENUES	
Mortgage and loan revenue	\$ 9,847
Investment interest	1,486
Net change in the fair value of investments	538
Net change of hedge termination	-
Total Investment Revenue	<u>2,024</u>
Grant revenue	-
Housing rental subsidies	-
Rental revenue	9
Gain (Loss) on Disposal of Capital Assets	-
Other revenue	2,707
Total Operating Revenues	<u>14,587</u>
OPERATING EXPENSES	
Interest	238
Mortgage and loan costs	2,723
Bond financing expenses	1,135
Provision for loan loss	2,915
Operations and administration	12,017
Rental housing operating expenses	-
Grant expense	-
Total Operating Expenses	<u>19,028</u>
Operating Income (Loss)	<u>(4,441)</u>
NON-OPERATING EXPENSES AND TRANSFERS	
Contributions to State of Alaska or State agencies	(933)
Interfund receipts (payments) for operations	30,267
Change in Net Position	<u>24,893</u>
Net position at beginning of year	641,463
Cumulative effect of accounting change	-
Revised net position at beginning of year	<u>641,463</u>
Net Position at End of Period	<u>\$ 666,356</u>

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 REVENUES, EXPENSES, AND CHANGES IN NET POSITION**HOME MORTGAGE REVENUE BONDS**

For the Year Ended June 30, 2022

(in thousands of dollars)

	Home Mortgage Revenue Bonds 2002 A	Home Mortgage Revenue Bonds 2007 A	Home Mortgage Revenue Bonds 2007 B	Home Mortgage Revenue Bonds 2007 D	Home Mortgage Revenue Bonds 2009 A
OPERATING REVENUES					
Mortgage and loan revenue	\$ 2,879	\$ 2,851	\$ 2,739	\$ 3,632	\$ 4,035
Investment interest	21	27	24	34	38
Net change in the fair value of investments	-	(1)	(1)	(1)	-
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	21	26	23	33	38
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	2,900	2,877	2,762	3,665	4,073
OPERATING EXPENSES					
Interest	1,085	2,511	2,512	2,995	2,871
Mortgage and loan costs	296	297	274	375	409
Bond financing expenses	121	378	319	381	293
Provision for loan loss	(67)	(109)	(107)	(116)	(81)
Operations and administration	196	149	130	176	188
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	1,631	3,226	3,128	3,811	3,680
Operating Income (Loss)	1,269	(349)	(366)	(146)	393
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	(10,803)	(14,063)	(13,726)	(16,509)	(14,091)
Change in Net Position	(9,534)	(14,412)	(14,092)	(16,655)	(13,698)
Net position at beginning of year	48,926	23,321	19,507	37,684	54,817
Cumulative effect of accounting change	-	-	-	-	-
Revised net position at beginning of year	48,926	23,321	19,507	37,684	54,817
Net Position at End of Period	\$ 39,392	\$ 8,909	\$ 5,415	\$ 21,029	\$ 41,119

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total June 30, 2022
\$ 4,373	\$ 4,808	\$ 25,317
41	43	228
(1)	10	6
-	-	-
40	53	234
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
4,413	4,861	25,551
2,871	2,869	17,714
441	481	2,573
284	298	2,074
(69)	254	(295)
200	244	1,283
-	-	-
-	-	-
3,727	4,146	23,349
686	715	2,202
-	-	-
(13,471)	32,260	(50,403)
(12,785)	32,975	(48,201)
64,840	76,295	325,390
-	-	-
64,840	76,295	325,390
\$ 52,055	\$ 109,270	\$ 277,189

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**GENERAL MORTGAGE REVENUE BONDS**

For the Year Ended June 30, 2022

(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	\$ 333	\$ 2,262	\$ 3,891	\$ 4,882	\$ 7,526
Investment interest	-	15	16	31	69
Net change in the fair value of investments	-	1	-	2	3
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	-	16	16	33	72
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total Operating Revenues	333	2,278	3,907	4,915	7,598
OPERATING EXPENSES					
Interest	-	1,177	2,476	2,831	3,527
Mortgage and loan costs	-	241	358	470	768
Bond financing expenses	-	4	6	8	14
Provision for loan loss	(2,530)	(97)	(467)	(133)	232
Operations and administration	6	151	207	291	476
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total Operating Expenses	(2,524)	1,476	2,580	3,467	5,017
Operating Income (Loss)	2,857	802	1,327	1,448	2,581
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	(35,975)	2,238	(22,325)	3,077	568
Change in Net Position	(33,118)	3,040	(20,998)	4,525	3,149
Net position at beginning of year	33,118	16,995	28,140	10,576	31,002
Cumulative effect of accounting change	-	-	-	-	-
Revised net position at beginning of year	33,118	16,995	28,140	10,576	31,002
Net Position at End of Period	\$ -	\$ 20,035	\$ 7,142	\$ 15,101	\$ 34,151

See accompanying notes to the financial statements.

General Mortgage Revenue Bonds II 2022 A & B		Total June 30, 2022	
\$	2,944	\$	21,838
	20		151
	2		8
	-		-
	22		159
	-		-
	-		-
	-		-
	-		-
	-		-
	2,966		21,997
	1,262		11,273
	318		2,155
	790		822
	1,801		(1,194)
	152		1,283
	-		-
	-		-
	4,323		14,339
	(1,357)		7,658
	-		-
	49,748		(2,669)
	48,391		4,989
	-		119,831
	-		-
	-		119,831
\$	48,391	\$	124,820

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

Schedule 13

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**COLLATERALIZED VETERANS MORTGAGE BONDS**

For the Year Ended June 30, 2022

(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total June 30, 2022
OPERATING REVENUES			
Mortgage and loan revenue	\$ 1,434	\$ 1,437	\$ 2,871
Investment interest	9	8	17
Net change in the fair value of investments	-	1	1
Net change of hedge termination	-	-	-
Total Investment Revenue	9	9	18
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-
Other revenue	-	-	-
Total Operating Revenues	1,443	1,446	2,889
OPERATING EXPENSES			
Interest	707	580	1,287
Mortgage and loan costs	131	135	266
Bond financing expenses	2	2	4
Provision for loan loss	(114)	(14)	(128)
Operations and administration	55	53	108
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	781	756	1,537
Operating Income (Loss)	662	690	1,352
NON-OPERATING EXPENSES AND TRANSFERS			
Contributions to State of Alaska or State agencies	-	-	-
Interfund receipts (payments) for operations	(12,418)	4,041	(8,377)
Change in Net Position	(11,756)	4,731	(7,025)
Net position at beginning of year	17,010	20,317	37,327
Cumulative effect of accounting change	-	-	-
Revised net position at beginning of year	17,010	20,317	37,327
Net Position at End of Period	\$ 5,254	\$ 25,048	\$ 30,302

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

Schedule 14

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**GOVERNMENTAL PURPOSE BONDS**

For the Year Ended June 30, 2022

(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B
OPERATING REVENUES	
Mortgage and loan revenue	\$ 5,649
Investment interest	78
Net change in the fair value of investments	-
Net change of hedge termination	-
Total Investment Revenue	78
Grant revenue	-
Housing rental subsidies	-
Rental revenue	-
Gain (Loss) on Disposal of Capital Assets	-
Other revenue	(225)
Total Operating Revenues	5,502
OPERATING EXPENSES	
Interest	3,066
Mortgage and loan costs	601
Bond financing expenses	262
Provision for loan loss	(38)
Operations and administration	323
Rental housing operating expenses	-
Grant expense	-
Total Operating Expenses	4,214
Operating Income (Loss)	1,288
NON-OPERATING EXPENSES AND TRANSFERS	
Contributions to State of Alaska or State agencies	-
Interfund receipts (payments) for operations	685
Change in Net Position	1,973
Net position at beginning of year	141,718
Cumulative effect of accounting change	-
Revised net position at beginning of year	141,718
Net Position at End of Period	\$ 143,691

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION

Schedule 15

(A Component Unit of the State of Alaska)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**STATE CAPITAL PROJECT BONDS**

For the Year Ended June 30, 2022

(in thousands of dollars)

	State Capital Project Bonds	State Capital Project Bonds II	Total June 30, 2022
OPERATING REVENUES			
Mortgage and loan revenue	\$ 468	\$ 53,373	\$ 53,841
Investment interest	3	1,394	1,397
Net change in the fair value of investments	-	267	267
Net change of hedge termination	875	-	875
Total Investment Revenue	878	1,661	2,539
Grant revenue	-	-	-
Housing rental subsidies	-	-	-
Rental revenue	-	-	-
Gain (Loss) on Disposal of Capital Assets	-	-	-
Other revenue	-	-	-
Total Operating Revenues	1,346	55,034	56,380
OPERATING EXPENSES			
Interest	743	26,459	27,202
Mortgage and loan costs	35	3,273	3,308
Bond financing expenses	4	622	626
Provision for loan loss	(92)	(671)	(763)
Operations and administration	42	1,602	1,644
Rental housing operating expenses	-	-	-
Grant expense	-	-	-
Total Operating Expenses	732	31,285	32,017
Operating Income (Loss)	614	23,749	24,363
NON-OPERATING EXPENSES AND TRANSFERS			
Contributions to State of Alaska or State agencies	-	-	-
Interfund receipts (payments) for operations	(5,505)	13,298	7,793
Change in Net Position	(4,891)	37,047	32,156
Net position at beginning of year	6,759	171,258	178,017
Cumulative effect of accounting change	-	(17,771)	(17,771)
Revised net position at beginning of year	6,759	153,487	160,246
Net Position at End of Period	\$ 1,868	\$ 190,534	\$ 192,402

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 REVENUES, EXPENSES, AND CHANGES IN NET POSITION**OTHER PROGRAM FUNDS**

For the Year Ended June 30, 2022

(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	\$ -	\$ -	\$ 211	\$ 1,159	\$ 1,370
Investment interest	25	23	6	15	69
Net change in the fair value of investments	-	-	-	-	-
Net change of hedge termination	-	-	-	-	-
Total Investment Revenue	25	23	6	15	69
Grant revenue	2,086	256	-	-	2,342
Housing rental subsidies	9,973	2,470	-	-	12,443
Rental revenue	8,960	2,311	-	-	11,271
Gain (Loss) on Disposal of Capital Assets	1,132	-	-	-	1,132
Other revenue	22	-	-	-	22
Total Operating Revenues	22,198	5,060	217	1,174	28,649
OPERATING EXPENSES					
Interest	-	-	-	-	-
Mortgage and loan costs	-	-	26	115	141
Bond financing expenses	-	-	-	-	-
Provision for loan loss	-	-	(23)	(52)	(75)
Operations and administration	12,932	3,325	17	57	16,331
Rental housing operating expenses	13,472	5,706	-	-	19,178
Grant expense	-	-	-	-	-
Total Operating Expenses	26,404	9,031	20	120	35,575
Operating Income (Loss)	(4,206)	(3,971)	197	1,054	(6,926)
NON-OPERATING EXPENSES AND TRANSFERS					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	2,281	623	1	57	2,962
Change in Net Position	(1,925)	(3,348)	198	1,111	(3,964)
Net position at beginning of year	61,939	27,394	13,139	35,156	137,628
Cumulative effect of accounting change	-	-	-	-	-
Revised net position at beginning of year	61,939	27,394	13,139	35,156	137,628
Net Position at End of Period	\$ 60,014	\$ 24,046	\$ 13,337	\$ 36,267	\$ 133,664

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total June 30, 2022
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 141	\$ 1,511
-	1	-	9	10	4	83
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1	-	9	10	4	83
6,230	36,988	13,403	211,600	268,221	-	270,563
-	-	-	-	-	-	12,443
-	-	-	-	-	-	11,271
-	2	-	-	2	-	1,134
-	1	514	15	530	179	731
6,230	36,992	13,917	211,624	268,763	324	297,736
-	-	-	-	-	-	-
-	-	-	-	-	-	141
-	-	-	-	-	-	-
-	-	52	-	52	11	(12)
2,283	5,800	3,225	3,974	15,282	640	32,253
63	32	-	-	95	1	19,274
6,382	34,656	27,604	207,626	276,268	-	276,268
8,728	40,488	30,881	211,600	291,697	652	327,924
(2,498)	(3,496)	(16,964)	24	(22,934)	(328)	(30,188)
-	-	-	-	-	-	-
2,498	210	16,888	(15)	19,581	161	22,704
-	(3,286)	(76)	9	(3,353)	(167)	(7,484)
2,828	1,079	5,942	5	9,854	24,703	172,185
-	-	-	-	-	-	-
2,828	1,079	5,942	5	9,854	24,703	172,185
\$ 2,828	\$ (2,207)	\$ 5,866	\$ 14	\$ 6,501	\$ 24,536	\$ 164,701

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, 2022

(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds	Combined Governmental Purpose Bonds
CASH FLOWS					
Operating Activities					
Interest income on mortgages and loans	\$ 9,201	\$ 38,804	\$ 30,301	\$ 4,770	\$ 8,106
Principal receipts on mortgages and loans	19,191	115,209	91,508	15,902	33,077
Disbursements to fund mortgages and loans	(551,671)	-	-	-	-
Receipts (payments) for interfund loan transfers	394,455	(144,609)	(68,233)	(5,121)	(29,882)
Mortgage and loan proceeds receipts	638,268	-	-	-	-
Mortgage and loan proceeds paid to trust funds	(651,597)	-	-	-	-
Payroll-related disbursements	(22,193)	-	-	-	-
Payments for goods and services	(7,092)	-	-	-	-
Receipts from externally funded programs	-	-	-	-	-
Receipts from Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	(222,152)	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	188,485	-	-	-	-
Net Cash Receipts (Disbursements)	(205,105)	9,404	53,576	15,551	11,301
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	140,035	-	-
Principal paid on bonds	-	(15,550)	(77,880)	(13,560)	(6,855)
Payment of bond issuance costs	(591)	-	(199)	-	-
Interest paid on bonds	-	(17,346)	(15,366)	(1,421)	(2,580)
Proceeds from short-term debt issuance	553,758	-	-	-	-
Payment of short term debt	(534,922)	-	-	-	-
Contributions to State of Alaska or State agencies	(933)	-	-	-	-
Transfers from (to) other funds	185,501	(3,959)	(136,428)	(7,740)	-
Net Cash Receipts (Disbursements)	202,813	(36,855)	(89,838)	(22,721)	(9,435)
Capital Financing Activities					
Acquisition of capital assets	(1,573)	-	-	-	-
Proceeds from the disposal of capital assets	7	-	-	-	-
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net Cash Receipts (Disbursements)	(1,566)	-	-	-	-
Investing Activities					
Purchase of investments	(4,792,081)	(303,484)	(249,262)	(34,086)	(102,982)
Proceeds from maturity of investments	4,786,994	330,752	285,393	41,240	101,057
Interest received from investments	1,234	183	131	16	59
Net Cash Receipts (Disbursements)	(3,853)	27,451	36,262	7,170	(1,866)
Net Increase (decrease) in cash	(7,711)	-	-	-	-
Cash at beginning of year	38,508	-	-	-	-
Cash at end of period	\$ 30,797	\$ -	\$ -	\$ -	\$ -

Combined State Capital Project Bonds		Combined Other Programs	Total June 30, 2022
\$	78,876	\$ 2,133	\$ 172,191
	195,932	7,033	477,852
	-	-	(551,671)
	(146,630)	20	-
	-	-	638,268
	-	-	(651,597)
	-	(15,457)	(37,650)
	-	(21,342)	(28,434)
	-	41,415	41,415
	-	31,155	31,155
	-	(33,714)	(33,714)
	-	222,152	-
	-	(253,721)	(253,721)
	39	12,408	200,932
	128,217	(7,918)	5,026
	200,294	-	340,329
	(252,678)	-	(366,523)
	(294)	-	(1,084)
	(32,369)	-	(69,082)
	-	-	553,758
	-	-	(534,922)
	-	-	(933)
	(37,374)	-	-
	(122,421)	-	(78,457)
	-	(558)	(2,131)
	-	1,242	1,249
	(6,347)	-	(6,347)
	(821)	-	(821)
	3,303	-	3,303
	(3,865)	684	(4,747)
	(709,757)	(10,094)	(6,201,746)
	707,594	893	6,253,923
	265	75	1,963
	(1,898)	(9,126)	54,140
	33	(16,360)	(24,038)
	116	70,145	108,769
\$	149	\$ 53,785	\$ 84,731

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, 2022

(in thousands of dollars)

	Administrative Fund	Combined Home Mortgage Revenue Bonds	Combined General Mortgage Revenue Bonds	Combined Collateralized Veterans Mortgage Bonds	Combined Governmental Purpose Bonds
RECONCILIATION					
Operating Income (Loss) to Net Cash					
Operating income (loss)	\$ (4,441)	\$ 2,202	\$ 7,658	\$ 1,352	\$ 1,288
<i>Adjustments:</i>					
Depreciation expense	1,058	-	-	-	-
Provision for loan loss	2,915	(295)	(1,194)	(128)	(38)
Net change in the fair value of investments	(538)	(6)	(8)	(1)	-
Interfund receipts (payments) for operations	30,267	(50,403)	(2,669)	(8,377)	685
Interest received from investments	(1,234)	(183)	(131)	(16)	(59)
Interest paid on bonds and capital notes	-	17,346	15,366	1,421	2,580
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	(48,541)	29,330	(100,978)	12,739	3,785
Net increase (decrease) in assets, liabilities, and deferred resources	(184,591)	11,413	135,532	8,561	3,060
Net Operating Cash Receipts (Disbursements)	\$ (205,105)	\$ 9,404	\$ 53,576	\$ 15,551	\$ 11,301

See accompanying notes to the financial statements.

Combined State Capital Project Bonds		Combined Other Programs	Total June 30, 2022
\$	24,363	\$ (30,188)	\$ 2,234
	-	5,433	6,491
	(763)	(12)	485
	(267)	-	(820)
	7,793	22,704	-
	(265)	(75)	(1,963)
	33,190	-	69,903
	73,642	7,424	(22,599)
	(9,476)	(13,204)	(48,705)
\$	128,217	\$ (7,918)	\$ 5,026

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS**ADMINISTRATIVE FUND**

For the Year Ended June 30, 2022

(in thousands of dollars)

	Administrative Fund
CASH FLOWS	
Operating Activities	
Interest income on mortgages and loans	\$ 9,201
Principal receipts on mortgages and loans	19,191
Disbursements to fund mortgages and loans	(551,671)
Receipts (payments) for interfund loan transfers	394,455
Mortgage and loan proceeds receipts	638,268
Mortgage and loan proceeds paid to trust funds	(651,597)
Payroll-related disbursements	(22,193)
Payments for goods and services	(7,092)
Receipts from externally funded programs	-
Receipts from Federal HAP subsidies	-
Payments for Federal HAP subsidies	-
Interfund receipts (payments)	(222,152)
Grant payments to other agencies	-
Other operating cash receipts (payments)	188,485
Net Cash Receipts (Disbursements)	(205,105)
Non-Capital Financing Activities	
Proceeds from bond issuance	-
Principal paid on bonds	-
Payment of bond issuance costs	(591)
Interest paid on bonds	-
Proceeds from short-term debt issuance	553,758
Payment of short term debt	(534,922)
Contributions to State of Alaska or State agencies	(933)
Transfers from (to) other funds	185,501
Net Cash Receipts (Disbursements)	202,813
Capital Financing Activities	
Acquisition of capital assets	(1,573)
Proceeds from the disposal of capital assets	7
Principal paid on capital notes	-
Interest paid on capital notes	-
Proceeds from direct financing leases	-
Net Cash Receipts (Disbursements)	(1,566)
Investing Activities	
Purchase of investments	(4,792,081)
Proceeds from maturity of investments	4,786,994
Interest received from investments	1,234
Net Cash Receipts (Disbursements)	(3,853)
Net Increase (decrease) in cash	(7,711)
Cash at beginning of year	38,508
Cash at end of period	\$ 30,797

	Administrative Fund
RECONCILIATION	
Operating Income (Loss) to Net Cash	
Operating income (loss)	\$ (4,441)
<i>Adjustments:</i>	
Depreciation expense	1,058
Provision for loan loss	2,915
Net change in the fair value of investments	(538)
Interfund receipts (payments) for operations	30,267
Interest received from investments	(1,234)
Interest paid on bonds and capital notes	-
<i>Change in assets, liabilities and deferred resources:</i>	
Net (increase) decrease in mortgages and loans	(48,541)
Net increase (decrease) in assets, liabilities, and deferred resources	(184,591)
Net Operating Cash Receipts (Disbursements)	\$ (205,105)

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, 2022

(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	\$ 4,756	\$ 3,818	\$ 3,805	\$ 6,028	\$ 5,528
Principal receipts on mortgages and loans	9,063	14,023	11,499	19,152	19,501
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	(9,756)	(16,857)	(15,112)	(23,947)	(24,163)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-	-	-
Payroll-related disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Receipts from externally funded programs	-	-	-	-	-
Receipts from 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)	4,063	984	192	1,233	866
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	(2,080)	(1,945)	(1,945)	(2,320)	(2,420)
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	(892)	(2,469)	(2,471)	(2,944)	(2,857)
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	(5,411)	(927)	(605)	(1,281)	(2,517)
Net Cash Receipts (Disbursements)	(8,383)	(5,341)	(5,021)	(6,545)	(7,794)
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	(28,004)	(34,205)	(32,727)	(46,358)	(46,971)
Proceeds from maturity of investments	32,305	38,541	37,536	51,643	53,869
Interest received from investments	19	21	20	27	30
Net Cash Receipts (Disbursements)	4,320	4,357	4,829	5,312	6,928
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, 2022
\$ 7,748	\$ 7,121	\$ 38,804
18,670	23,301	115,209
-	-	-
(25,656)	(29,118)	(144,609)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
762	1,304	9,404
-	-	-
(2,420)	(2,420)	(15,550)
-	-	-
(2,857)	(2,856)	(17,346)
-	-	-
-	-	-
-	-	-
(2,515)	9,297	(3,959)
(7,792)	4,021	(36,855)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
(50,480)	(64,739)	(303,484)
57,478	59,380	330,752
32	34	183
7,030	(5,325)	27,451
-	-	-
-	-	-
\$ -	\$ -	\$ -

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, 2022

(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)	\$ 1,269	\$ (349)	\$ (366)	\$ (146)	\$ 393
<i>Adjustments:</i>					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(67)	(109)	(107)	(116)	(81)
Net change in the fair value of investments	-	1	1	1	-
Interfund receipts (payments) for operations	(10,803)	(14,063)	(13,726)	(16,509)	(14,091)
Interest received from investments	(19)	(21)	(20)	(27)	(30)
Interest paid on bonds and capital notes	892	2,469	2,471	2,944	2,857
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	6,636	10,742	10,614	11,520	8,053
Net increase (decrease) in assets, liabilities, and deferred resources	6,155	2,314	1,325	3,566	3,765
Net Operating Cash Receipts (Disbursements)	\$ 4,063	\$ 984	\$ 192	\$ 1,233	\$ 866

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total June 30, 2022
\$ 686	\$ 715	\$ 2,202
-	-	-
(69)	254	(295)
1	(10)	(6)
(13,471)	32,260	(50,403)
(32)	(34)	(183)
2,857	2,856	17,346
6,869	(25,104)	29,330
3,921	(9,633)	11,413
\$ 762	\$ 1,304	\$ 9,404

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, 2022

(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	\$ 122	\$ 4,165	\$ 6,139	\$ 7,178	\$ 10,377
Principal receipts on mortgages and loans	877	9,851	20,388	20,232	32,735
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	(1,642)	621	(5,556)	(57,436)
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-	-	-
Payroll-related disbursements	-	-	-	-	-
Payments for goods and services	-	-	-	-	-
Receipts from externally funded programs	-	-	-	-	-
Receipts from 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)	999	12,374	27,148	21,854	(14,324)
Non-Capital Financing Activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	-	(13,155)	(33,515)	(20,880)	(9,865)
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	-	(1,335)	(3,255)	(3,581)	(5,548)
Proceeds from short-term debt issuance	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	(2,645)	2,389	3,443	221	-
Net Cash Receipts (Disbursements)	(2,645)	(12,101)	(33,327)	(24,240)	(15,413)
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	(1,018)	(26,870)	(41,114)	(53,047)	(103,612)
Proceeds from maturity of investments	2,664	26,584	47,279	55,407	133,286
Interest received from investments	-	13	14	26	63
Net Cash Receipts (Disbursements)	1,646	(273)	6,179	2,386	29,737
Net Increase (decrease) in cash	-	-	-	-	-
Cash at beginning of year	-	-	-	-	-
Cash at end of period	\$ -	\$ -	\$ -	\$ -	\$ -

General Mortgage Revenue Bonds II 2022 A & B		Total June 30, 2022	
\$	2,320	\$	30,301
	7,425		91,508
	-		-
	(4,220)		(68,233)
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	5,525		53,576
	140,035		140,035
	(465)		(77,880)
	(199)		(199)
	(1,647)		(15,366)
	-		-
	-		-
	-		-
	(139,836)		(136,428)
	(2,112)		(89,838)
	-		-
	-		-
	-		-
	-		-
	-		-
	-		-
	(23,601)		(249,262)
	20,173		285,393
	15		131
	(3,413)		36,262
	-		-
	-		-
\$	-	\$	-

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, 2022

(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
RECONCILIATION					
Operating Income (Loss) to Net Cash					
Operating income (loss)	\$ 2,857	\$ 802	\$ 1,327	\$ 1,448	\$ 2,581
<i>Adjustments:</i>					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(2,530)	(97)	(467)	(133)	232
Net change in the fair value of investments	-	(1)	-	(2)	(3)
Interfund receipts (payments) for operations	(35,975)	2,238	(22,325)	3,077	568
Interest received from investments	-	(13)	(14)	(26)	(63)
Interest paid on bonds and capital notes	-	1,335	3,255	3,581	5,548
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	31,365	9,596	46,197	13,163	(22,991)
Net increase (decrease) in assets, liabilities, and deferred resources	5,282	(1,486)	(825)	746	(196)
Net Operating Cash Receipts (Disbursements)	\$ 999	\$ 12,374	\$ 27,148	\$ 21,854	\$ (14,324)

See accompanying notes to the financial statements.

General Mortgage Revenue Bonds II 2022 A & B		Total June 30, 2022
\$	(1,357)	\$ 7,658
	-	-
	1,801	(1,194)
	(2)	(8)
	49,748	(2,669)
	(15)	(131)
	1,647	15,366
	(178,308)	(100,978)
	132,011	135,532
\$	5,525	\$ 53,576

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, 2022

(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Total June 30, 2022
CASH FLOWS			
Operating Activities			
Interest income on mortgages and loans	\$ 1,953	\$ 2,817	\$ 4,770
Principal receipts on mortgages and loans	9,020	6,882	15,902
Disbursements to fund mortgages and loans	-	-	-
Receipts (payments) for interfund loan transfers	(4,433)	(688)	(5,121)
Mortgage and loan proceeds receipts	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-
Payroll-related disbursements	-	-	-
Payments for goods and services	-	-	-
Receipts from externally funded programs	-	-	-
Receipts from 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)	6,540	9,011	15,551
Non-Capital Financing Activities			
Proceeds from bond issuance	-	-	-
Principal paid on bonds	(5,980)	(7,580)	(13,560)
Payment of bond issuance costs	-	-	-
Interest paid on bonds	(721)	(700)	(1,421)
Proceeds from short-term debt issuance	-	-	-
Payment of short term debt	-	-	-
Contributions to State of Alaska or State agencies	-	-	-
Transfers from (to) other funds	(5,406)	(2,334)	(7,740)
Net Cash Receipts (Disbursements)	(12,107)	(10,614)	(22,721)
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	(17,856)	(16,230)	(34,086)
Proceeds from maturity of investments	23,414	17,826	41,240
Interest received from investments	9	7	16
Net Cash Receipts (Disbursements)	5,567	1,603	7,170
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, 2022
RECONCILIATION			
Operating Income (Loss) to Net Cash			
Operating income (loss)	\$ 662	\$ 690	\$ 1,352
<i>Adjustments:</i>			
Depreciation expense	-	-	-
Provision for loan loss	(114)	(14)	(128)
Net change in the fair value of investments	-	(1)	(1)
Interfund receipts (payments) for operations	(12,418)	4,041	(8,377)
Interest received from investments	(9)	(7)	(16)
Interest paid on bonds and capital notes	721	700	1,421
<i>Change in assets, liabilities and deferred resources:</i>			
Net (increase) decrease in mortgages and loans	11,334	1,405	12,739
Net increase (decrease) in assets, liabilities, and deferred resources	6,364	2,197	8,561
Net Operating Cash Receipts (Disbursements)	\$ 6,540	\$ 9,011	\$ 15,551

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, 2022

(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B
CASH FLOWS	
Operating Activities	
Interest income on mortgages and loans	\$ 8,106
Principal receipts on mortgages and loans	33,077
Disbursements to fund mortgages and loans	-
Receipts (payments) for interfund loan transfers	(29,882)
Mortgage and loan proceeds receipts	-
Mortgage and loan proceeds paid to trust funds	-
Payroll-related disbursements	-
Payments for goods and services	-
Receipts from externally funded programs	-
Receipts from 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)	11,301
Non-Capital Financing Activities	
Proceeds from bond issuance	-
Principal paid on bonds	(6,855)
Payment of bond issuance costs	-
Interest paid on bonds	(2,580)
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)	(9,435)
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	(102,982)
Proceeds from maturity of investments	101,057
Interest received from investments	59
Net Cash Receipts (Disbursements)	(1,866)
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)	\$ 1,288
<i>Adjustments:</i>	
Depreciation expense	-
Provision for loan loss	(38)
Net change in the fair value of investments	-
Interfund receipts (payments) for operations	685
Interest received from investments	(59)
Interest paid on bonds and capital notes	2,580
<i>Change in assets, liabilities and deferred resources:</i>	
Net (increase) decrease in mortgages and loans	3,785
Net increase (decrease) in assets, liabilities, and deferred resources	3,060
Net Operating Cash Receipts (Disbursements)	\$ 11,301

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, 2022

(in thousands of dollars)

	State Capital Project Bonds	State Capital Project Bonds II	Total June 30, 2022
CASH FLOWS			
Operating Activities			
Interest income on mortgages and loans	\$ 509	\$ 78,367	\$ 78,876
Principal receipts on mortgages and loans	2,523	193,409	195,932
Disbursements to fund mortgages and loans	-	-	-
Receipts (payments) for interfund loan transfers	-	(146,630)	(146,630)
Mortgage and loan proceeds receipts	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-
Payroll-related disbursements	-	-	-
Payments for goods and services	-	-	-
Receipts from externally funded programs	-	-	-
Receipts from Federal HAP subsidies	-	-	-
Payments for Federal HAP subsidies	-	-	-
Interfund receipts (payments)	-	-	-
Grant payments to other agencies	-	-	-
Other operating cash receipts (payments)	-	39	39
Net Cash Receipts (Disbursements)	3,032	125,185	128,217
Non-Capital Financing Activities			
Proceeds from bond issuance	-	200,294	200,294
Principal paid on bonds	(478)	(252,200)	(252,678)
Payment of bond issuance costs	-	(294)	(294)
Interest paid on bonds	(63)	(32,306)	(32,369)
Proceeds from short-term debt issuance	-	-	-
Payment of short term debt	-	-	-
Contributions to State of Alaska or State agencies	-	-	-
Transfers from (to) other funds	1,504	(38,878)	(37,374)
Net Cash Receipts (Disbursements)	963	(123,384)	(122,421)
Capital Financing Activities			
Acquisition of capital assets	-	-	-
Proceeds from the disposal of capital assets	-	-	-
Principal paid on capital notes	(6,347)	-	(6,347)
Interest paid on capital notes	(821)	-	(821)
Proceeds from direct financing leases	-	3,303	3,303
Net Cash Receipts (Disbursements)	(7,168)	3,303	(3,865)
Investing Activities			
Purchase of investments	(4,294)	(705,463)	(709,757)
Proceeds from maturity of investments	7,466	700,128	707,594
Interest received from investments	1	264	265
Net Cash Receipts (Disbursements)	3,173	(5,071)	(1,898)
Net Increase (decrease) in cash	-	33	33
Cash at beginning of year	-	116	116
Cash at end of period	\$ -	\$ 149	\$ 149

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

Schedule 23**STATEMENT OF CASH FLOWS****STATE CAPITAL PROJECT BONDS**

For the Year Ended June 30, 2022

(in thousands of dollars)

	State Capital Project Bonds	State Capital Project Bonds II	Total June 30, 2022
RECONCILIATION			
Operating Income (Loss) to Net Cash			
Operating income (loss)	\$ 614	\$ 23,749	\$ 24,363
<i>Adjustments:</i>			
Depreciation expense	-	-	-
Provision for loan loss	(92)	(671)	(763)
Net change in the fair value of investments	-	(267)	(267)
Interfund receipts (payments) for operations	(5,505)	13,298	7,793
Interest received from investments	(1)	(264)	(265)
Interest paid on bonds and capital notes	884	32,306	33,190
<i>Change in assets, liabilities and deferred resources:</i>			
Net (increase) decrease in mortgages and loans	9,142	64,500	73,642
Net increase (decrease) in assets, liabilities, and deferred resources	(2,010)	(7,466)	(9,476)
Net Operating Cash Receipts (Disbursements)	\$ 3,032	\$ 125,185	\$ 128,217

See accompanying notes to the financial statements.

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, 2022

(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	\$ -	\$ -	\$ 432	\$ 1,701	\$ 2,133
Principal receipts on mortgages and loans	-	-	2,084	4,949	7,033
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	-	20	-	20
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-	-	-
Payroll-related disbursements	(7,833)	(1,814)	-	-	(9,647)
Payments for goods and services	(11,995)	(3,941)	-	-	(15,936)
Receipts from externally funded programs	11,905	2,391	-	-	14,296
Receipts from Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	(272)	(408)	-	-	(680)
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	9,754	2,205	-	-	11,959
Net Cash Receipts (Disbursements)	1,559	(1,567)	2,536	6,650	9,178
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	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	-	-	-	-	-
Net Cash Receipts (Disbursements)	-	-	-	-	-
Capital Financing Activities					
Acquisition of capital assets	(159)	(15)	-	-	(174)
Proceeds from the disposal of capital assets	1,240	-	-	-	1,240
Principal paid on capital notes	-	-	-	-	-
Interest paid on capital notes	-	-	-	-	-
Proceeds from direct financing leases	-	-	-	-	-
Net Cash Receipts (Disbursements)	1,081	(15)	-	-	1,066
Investing Activities					
Purchase of investments	-	-	(3,012)	(7,082)	(10,094)
Proceeds from maturity of investments	-	-	473	420	893
Interest received from investments	26	23	3	9	61
Net Cash Receipts (Disbursements)	26	23	(2,536)	(6,653)	(9,140)
Net Increase (decrease) in cash	2,666	(1,559)	-	(3)	1,104
Cash at beginning of year	15,111	14,537	-	3	29,651
Cash at end of period	\$ 17,777	\$ 12,978	\$ -	\$ -	\$ 30,755

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total June 30, 2022
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,133
-	-	-	-	-	-	7,033
-	-	-	-	-	-	-
-	-	-	-	-	-	20
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(65)	(4,044)	(903)	(658)	(5,670)	(140)	(15,457)
(453)	(507)	(627)	(3,316)	(4,903)	(503)	(21,342)
6,496	5,863	14,760	-	27,119	-	41,415
-	31,155	-	-	31,155	-	31,155
-	(33,714)	-	-	(33,714)	-	(33,714)
664	2,480	14,035	205,542	222,721	111	222,152
(6,641)	(942)	(27,622)	(218,516)	(253,721)	-	(253,721)
-	1	357	15	373	76	12,408
1	292	-	(16,933)	(16,640)	(456)	(7,918)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(384)	-	-	(384)	-	(558)
-	2	-	-	2	-	1,242
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(382)	-	-	(382)	-	684
-	-	-	-	-	-	(10,094)
-	-	-	-	-	-	893
-	1	-	9	10	4	75
-	1	-	9	10	4	(9,126)
1	(89)	-	(16,924)	(17,012)	(452)	(16,360)
979	5,470	3	25,382	31,834	8,660	70,145
\$ 980	\$ 5,381	\$ 3	\$ 8,458	\$ 14,822	\$ 8,208	\$ 53,785

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, 2022

(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)	\$ (4,206)	\$ (3,971)	\$ 197	\$ 1,054	\$ (6,926)
<i>Adjustments:</i>					
Depreciation expense	4,182	1,211	-	-	5,393
Provision for loan loss	-	-	(23)	(52)	(75)
Net change in the fair value of investments	-	-	-	-	-
Interfund receipts (payments) for operations	2,281	623	1	57	2,962
Interest received from investments	(26)	(23)	(3)	(9)	(61)
Interest paid on bonds and capital notes	-	-	-	-	-
<i>Change in assets, liabilities and deferred resources:</i>					
Net (increase) decrease in mortgages and loans	-	-	2,323	5,177	7,500
Net increase (decrease) in assets, liabilities, and deferred resources	(672)	593	41	423	385
Net Operating Cash Receipts (Disbursements)	\$ 1,559	\$ (1,567)	\$ 2,536	\$ 6,650	\$ 9,178

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Grant Programs Subtotal	Alaska Corporation for Affordable Housing	Total June 30, 2022
\$ (2,498)	\$ (3,496)	\$ (16,964)	\$ 24	\$ (22,934)	\$ (328)	\$ (30,188)
-	40	-	-	40	-	5,433
-	-	52	-	52	11	(12)
-	-	-	-	-	-	-
2,498	210	16,888	(15)	19,581	161	22,704
-	(1)	-	(9)	(10)	(4)	(75)
-	-	-	-	-	-	-
-	-	52	-	52	(128)	7,424
1	3,539	(28)	(16,933)	(13,421)	(168)	(13,204)
\$ 1	\$ 292	\$ -	\$ (16,933)	\$ (16,640)	\$ (456)	\$ (7,918)

Five Year Financial Information

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

	2022	2021	2020	2019	2018
Assets					
Cash	\$ 84,731	\$ 108,769	\$ 73,772	\$ 74,259	\$ 69,609
Investments	981,786	1,033,065	871,387	562,671	596,133
Accrued interest receivable	14,791	14,850	16,183	15,831	14,115
Mortgage loans, notes and other loans	3,018,160	2,995,561	3,256,290	3,342,961	3,132,437
Net investment in direct financing lease	-	20,287	22,468	24,780	27,003
Capital assets, net	75,158	81,177	87,061	94,036	100,472
Other assets	66,358	38,510	21,455	21,255	28,684
Total Assets	4,240,984	4,292,219	4,348,616	4,135,793	3,968,453
Deferred Outflow of Resources	111,512	210,255	261,327	186,739	133,107
Liabilities					
Bonds and notes payable	2,277,492	2,366,206	2,572,813	2,461,125	2,328,487
Short term debt	149,771	130,697	115,366	49,469	53,269
Accrued interest payable	6,013	6,681	7,257	8,388	9,984
Other liabilities	202,682	211,197	70,401	70,059	58,868
Derivative instrument - interest rate swaps	73,728	168,250	234,281	158,349	104,674
Total Liabilities	2,709,686	2,883,031	3,000,118	2,747,390	2,555,282
Deferred Inflow of Resources	43,349	3,512	2,861	3,719	7,582
Total Net Position	\$1,599,461	\$ 1,615,931	\$1,606,964	\$1,571,423	\$1,538,696
<u>Operating Revenues</u>					
Mortgage and loans revenue	\$ 120,874	\$ 132,258	\$ 147,068	\$ 146,042	\$ 135,055
Investment interest	3,440	5,669	13,031	17,404	6,273
Net change in fair value of investments	820	(2,158)	1,922	(838)	2,967
Net change of hedge termination	875	579	(177)	(278)	760
Total Investment Revenue	5,135	4,090	14,776	16,288	10,000
Externally funded programs	283,006	154,023	76,113	77,143	86,844
Rental	11,280	11,219	11,512	11,926	11,305
Other	4,347	4,490	1,607	4,634	3,076
Total Operating Revenues	424,642	306,080	251,076	256,033	246,280
<u>Operating Expenses</u>					
Interest	60,780	70,987	81,137	76,831	71,246
Mortgage and loan costs	11,767	11,342	14,763	12,034	11,452
Operations and administration	48,911	50,360	40,958	44,781	46,127
Financing expenses	4,923	6,033	5,163	6,054	5,027
Provision for loan loss	485	(2,761)	(6,639)	(5,740)	(4,560)
Housing grants and subsidies	276,268	143,129	63,800	72,198	68,314
Rental housing operating expenses	19,274	17,012	16,353	15,042	15,091
Total Operating Expenses	422,408	296,102	215,535	221,200	212,697
Operating Income (Loss)	2,234	9,978	35,541	34,833	33,583
<u>Non-Operating & Special Item</u>					
Contribution to State or State agency	(933)	(1,011)	-	(2,106)	(125)
Change in Net Position	\$ 1,301	\$ 8,967	\$ 35,541	\$ 32,727	\$ 33,458

FORM OF OPINION OF BOND COUNSEL

On the date of issuance of the Offered Bonds, Bond Counsel proposes to issue an approving opinion 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 \$99,995,000 aggregate principal amount of State Capital Project Bonds II, 2023 Series A (the “2023 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 2023 Bonds are authorized and issued pursuant to the Act and a resolution of the Corporation adopted August 23, 2023, and are issued pursuant to the Indenture by and between the Corporation and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), dated as of October 1, 2012, and the 2023 Series A Supplemental Indenture by and between the Corporation and the Trustee, dated as of October 1, 2023, executed pursuant to said Indenture (together, the “Indenture”).

The 2023 Bonds mature and are subject to redemption as provided in the Indenture.

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

Applicable federal tax law establishes certain requirements that must be met subsequent to the issuance of the 2023 Bonds in order for interest on the 2023 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 2023 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 2023 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 2023 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 2023 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 2023 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 2023 Bonds (including any original issue discount properly allocable to the owner of a 2023 Bond) is *excludable* from gross income for federal income tax purposes.

7. Interest on the 2023 Bonds is not a specific preference item for purposes of the alternative minimum tax imposed on individuals. For tax years beginning after December 31,

2022, interest on the 2023 Bonds may affect the federal alternative minimum tax imposed on certain corporations. We express no opinion regarding any other consequences affecting the federal income tax liability of a recipient of interest on the 2023 Bonds.

8. Under existing laws, interest on the 2023 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 2023 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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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 \$99,995,000 aggregate principal amount of its State Capital Project Bonds II, 2023 Series A (the “Subject Bonds”). The Subject Bonds are being issued pursuant to an Indenture by and between the Corporation and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), dated as of October 1, 2012 (the “Master Indenture”), and a 2023 Series A Supplemental Indenture, dated as of October 1, 2023, by and between the Corporation and the Trustee (together with the Master Indenture, the “Indenture”). The Corporation covenants and agrees with the registered owners and the beneficial owners of the Subject Bonds as follows:

SECTION 1. Purpose of the Certificate. This Certificate is being executed and delivered by the Corporation for the sole and exclusive benefit of the registered owners and beneficial owners of the Subject Bonds.

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Corporation pursuant to, and as described in, Sections 3 and 4 of this Certificate.

“Disclosure Representative” shall mean the Executive Director/Chief Executive Officer of the Corporation or his or her designee.

“Financial Obligation” shall mean “financial obligation” as such term is defined in the Rule.

“Fiscal Year” shall mean any twelve-month period ending on June 30 or on such other date as the Corporation may designate from time to time.

“Listed Events” shall mean any of the events listed in Section 5 of this Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Certificate.

“Official Statement” shall mean the Corporation’s final Official Statement with respect to the Subject Bonds, dated September 8, 2023.

“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, 2023) which is consistent with the requirements of Section 4 of this Certificate. The Annual Report shall be provided not later than 180 days after the Fiscal Year to which it relates. The Annual Report may be submitted as a single document or as separate documents constituting a package, and may cross-reference other information as provided in Section 4 of this Certificate; provided that the audited financial statements of the Corporation may be submitted separately from the balance of the Annual Report, and later than the date required for the filing of the Annual Report if not available by that date. The Corporation shall, in a timely manner, file notice with the MSRB of any failure to file an Annual Report by the date specified in this Section 3. Such notice shall be in the form attached as Exhibit A to this Certificate, subject to Section 9 of this Certificate.

SECTION 4. Content of Annual Reports. The Corporation’s Annual Report shall include (i) the Corporation’s audited financial statements for the Fiscal Year ended on the previous June 30, prepared in accordance with generally accepted accounting principles established by the Governmental Accounting Standards Board, if available, or unaudited financial statements for such Fiscal Year, (ii) an update of the financial information and operating data contained in the Official Statement under the caption “The Corporation,” (iii) the amount and type of the investments (and cash) in the accounts and subaccounts established in the Indenture, (iv) the outstanding principal balances of each maturity of Subject Bonds and the sinking fund installment amounts as applicable, and (v) financial information and operating data with respect to any other series of Bonds.

If not provided as part of the Annual Report by the date required (as described above under “Provision of Annual Reports”), the Corporation shall provide audited financial statements, when and if available, to the MSRB.

Any or all of the items listed above may be incorporated by specific reference to other documents (i) available to the public on the MSRB Internet Web Site or (ii) filed with the SEC.

SECTION 5. Reporting of Significant Events.

This Section 5 shall govern the giving of notices of the occurrence of any of the following events:

1. Principal and interest payment delinquencies on the Subject Bonds or any other bonds of the Corporation;
2. Non-payment related defaults under the Indenture and any Supplemental Indenture, if material;
3. Unscheduled draws on debt service reserve reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Subject Bonds, or other material events affecting the tax status of the Subject Bonds;
7. Modifications to rights of Subject Bondholders, if material;
8. Subject Bond calls, if material, and tender offers;
9. Defeasances of Subject Bonds;
10. Release, substitution or sale of property securing repayment of the Subject Bonds, if material;
11. Rating changes for the Subject Bonds;
12. Bankruptcy, insolvency, receivership or similar event[†] of the Corporation;
13. The consummation of a merger, consolidation, or acquisition involving the Corporation or the sale of all or substantially all of the assets of the Corporation, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Corporation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Corporation, any of which affect Bondholders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Corporation, any of which reflect financial difficulties.

Upon the occurrence of a Listed Event, the Corporation shall file a notice of such occurrence with the MSRB and the Trustee in a timely manner not in excess of ten (10) business

[†] Note to Paragraph 12: For the purposes of the event identified in Paragraph 12 above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Corporation in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Corporation, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Corporation.

days after the occurrence of such Listed Event. Each notice of a Listed Event hereunder shall indicate that it is a notice of a Listed Event.

SECTION 6. Termination of Reporting Obligation. The Corporation's obligations under this Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Subject Bonds.

SECTION 7. Dissemination Agent. The Corporation may from time to time designate an agent to act on its behalf in providing or filing notices, documents and information as required of the Corporation under this Certificate, and revoke or modify any such designation.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Certificate, the Corporation may amend this Certificate if the following conditions are met:

(a) The amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof or a change in the identity, nature or status of the Corporation or the type of business conducted thereby;

(b) The Certificate, as amended, would have complied with the requirements of the Rule at the time of the issuance of the Subject Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of the beneficial owners of the Subject Bonds as determined either by a party unaffiliated with the Corporation (such as Bond Counsel) or by approving vote of the registered owners of a majority in principal amount of the Subject Bonds pursuant to the terms of the Indenture.

The Corporation shall deliver a copy of any such amendment to the MSRB.

To the extent any amendment to this Certificate results in a change in the type of financial information or operating data provided pursuant to this Certificate, the first annual financial information provided thereafter will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

SECTION 9. Transmission of Information and Notices. Unless otherwise required by law, all notices, documents and information provided to the MSRB shall be provided in an electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 10. Default. *Except* as described in this paragraph, the provisions of this Certificate will create no rights in any other person or entity. The obligation of the Corporation to comply with the provisions of this Certificate are enforceable (i) in the case of enforcement of obligations to provide financial statements, financial information, operating data, and notices, by any beneficial owner of Outstanding Subject Bonds, or by the Trustee on behalf of the registered owners of Outstanding Subject Bonds, or (ii) in the case of challenges to the adequacy of the

financial statements, financial information, and operating data so provided, by the Trustee on behalf of the registered owners of Outstanding Subject Bonds; *provided, however*, that the Trustee shall not be required to take any enforcement action *except* at the direction of the registered owners of not less than 25% in aggregate principal amount of the Subject Bonds at the time Outstanding who shall have provided the Trustee with adequate security and indemnity. A default under this Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Certificate in the event of any failure of the Corporation or the Trustee to comply with this Certificate shall be an action to compel performance.

SECTION 11. Governing Law. This Certificate shall be construed and interpreted in accordance with the laws of the State of Alaska, and any suits and actions arising out of this Certificate shall be instituted in a court of competent jurisdiction in the State, *provided* that, to the extent this Certificate addresses matters of federal securities laws, including the Rule, this Certificate shall be construed in accordance with such federal securities laws and official interpretations thereof.

SECTION 12. Beneficiaries. This Certificate shall inure solely to the benefit of the Corporation, and the registered owners and beneficial owners from time to time of the Subject Bonds, and shall create no rights in any other person or entity.

Date: October 17, 2023

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: \$99,995,000 State Capital Project Bonds II, 2023 Series A

Date of Issuance: October 17, 2023

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: _____



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