Alaska Housing

FINANCE CORPORATION

A Component Unit of the State of Alaska

Quarterly Unaudited Financial Statements

September 30, 2025

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This publication of Alaska Housing Finance Corporation. For comments or questions:
Website: https://www.ahfc.us/investors/financials-histori or
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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 September 30, 2025
(in thousands of dollars)

	Administrative Fund	Grant Programs	Mortgage and Bond Funds	Other Funds and Programs	Total Programs and Funds
Assets					
Current					
Cash	$ 21,334	$ 9,410	$ 51	$ 31,073	$ 61,868
Investments	371,097	-	211,834	4,752	587,683
Lease receivable	-	-	2,796	61	2,857
Accrued interest receivable	2,015	-	13,892	133	16,040
Inter-fund due (to)/from, net	(36,026)	(1,652)	39,904	(2,126)	100
Mortgage loans, notes and other loans, net	8,844	34	109,767	1,468	120,113
Other assets	2,814	13,486	-	1,047	17,347
Intergovernmental receivable	78	11,051	-	2,250	13,379
Total current	**370,156**	**32,329**	**378,244**	**38,658**	**819,387**
Non current					
Investments	32,997	-	23,531	-	56,528
Lease receivable	-	-	7,362	-	7,362
Inter-fund due (to)/from, net	-	1,423	-	-	1,423
Mortgage loans, notes and other loans, net	257,652	935	3,549,131	47,461	3,855,179
Capital assets - non-depreciable	2,430	1,832	-	15,085	19,347
Capital assets - depreciable, net	9,089	6,077	-	37,560	52,726
Other assets	2,199	245	2,262	20	4,726
OPEB asset	14,472	-	-	-	14,472
Total non current	**318,839**	**10,512**	**3,582,286**	**100,126**	**4,011,763**
Total assets	**688,995**	**42,841**	**3,960,530**	**138,784**	**4,831,150**
Deferred Outflow Of Resources	**5,977**	**-**	**42,967**	**-**	**48,944**
Liabilities					
Current					
Bonds payable	-	-	96,130	-	96,130
Short term debt	37,486	-	-	-	37,486
Accrued interest payable	-	-	37,193	-	37,193
Other liabilities	13,161	23,412	854	1,151	38,578
Intergovernmental payable	-	-	46	-	46
Total current	**50,647**	**23,412**	**134,223**	**1,151**	**209,433**
Non current					
Bonds payable	-	-	2,921,205	-	2,921,205
Other liabilities	1,567	236	576	17	2,396
Derivative instrument - interest rate swaps	-	-	30,295	-	30,295
Pension liability	33,945	-	-	-	33,945
Total non current	**35,512**	**236**	**2,952,076**	**17**	**2,987,841**
Total liabilities	**86,159**	**23,648**	**3,086,299**	**1,168**	**3,197,274**
Deferred Inflow Of Resources	**438**	**-**	**8,320**	**49**	**8,807**
Net Position					
Net investment in capital assets	11,519	7,909	-	52,645	72,073
Restricted by bond resolutions	-	-	664,369	-	664,369
Restricted by contractual or statutory agreements	203,628	55,521	-	87,222	346,371
Unrestricted or (deficit)	393,228	(44,237)	244,509	(2,300)	591,200
Total net position	**$ 608,375**	**$ 19,193**	**$ 908,878**	**$ 137,567**	**$ 1,674,013**

See accompanying notes to the financial statements.

Exhibit A

Alaska Corporation for Affordable Housing	Total September 30, 2025
$ 6,456	$ 68,324
-	587,683
3,264	6,121
1,417	17,457
(100)	-
-	120,113
4,498	21,845
-	13,379
15,535	**834,922**
-	56,528
-	7,362
(1,423)	-
23,194	3,878,373
4,740	24,087
-	52,726
1	4,727
-	14,472
26,512	**4,038,275**
42,047	**4,873,197**
-	**48,944**
-	96,130
-	37,486
-	37,193
814	39,392
-	46
814	**210,247**
-	2,921,205
188	2,584
-	30,295
-	33,945
188	**2,988,029**
1,002	**3,198,276**
3,043	**11,850**
4,740	76,813
-	664,369
33,295	379,666
(33)	591,167
$ 38,002	**$ 1,712,015**

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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
COMBINED – ALL MAJOR PROGRAMS
For the Year Ended September 30, 2025
(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	$ 3,765	$ -	$ 43,566	$ 427	$ 47,758
Investment interest	3,196	109	2,027	185	5,517
Net change in the fair value of investments	566	-	1,139	-	1,705
Total investment revenue	3,762	109	3,166	185	7,222
Grant revenue	-	38,924	-	1,741	40,665
Housing rental subsidies	-	-	-	3,436	3,436
Rental revenue	3	-	-	3,248	3,251
Gain (loss) on disposal of capital assets	-	-	-	-	-
Other revenue	742	65	-	2	809
Total operating revenues	**8,272**	**39,098**	**46,732**	**9,039**	**103,141**
Operating expenses					
Interest	427	-	24,823	-	25,250
Mortgage and loan costs	910	-	2,824	35	3,769
Bond financing expenses	77	-	2,309	-	2,386
Provision for loan loss	137	6	872	(16)	999
Operations and administration	5,570	3,993	1,868	4,794	16,225
Rental housing operating expenses	-	62	-	2,898	2,960
Grant expense	-	38,782	-	-	38,782
Total operating expenses	**7,121**	**42,843**	**32,696**	**7,711**	**90,371**
Operating income (loss)	**1,151**	**(3,745)**	**14,036**	**1,328**	**12,770**
Non-operating expenses and transfers					
Contributions to State of Alaska or State agencies	(15)	-	-	-	(15)
Interfund receipts (payments) for operations	114,798	4,561	(119,863)	468	(36)
Change in net position	115,934	816	(105,827)	1,796	12,719
Net position at beginning of year	492,441	18,377	1,014,705	135,771	1,661,294
Net position at end of period	**$ 608,375**	**$ 19,193**	**$ 908,878**	**$ 137,567**	**$ 1,674,013**

See accompanying notes to the financial statements.

Alaska Corporation for Affordable Housing	Total September 30, 2025
$ 155	$ 47,913
55	5,572
-	1,705
55	7,277
-	40,665
-	3,436
17	3,268
-	-
12	821
239	**103,380**
-	25,250
-	3,769
-	2,386
78	1,077
129	16,354
-	2,960
-	38,782
207	**90,578**
32	**12,802**
-	(15)
36	-
68	12,787
37,934	1,699,228
$ 38,002	**$ 1,712,015**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED – ALL MAJOR PROGRAMS
For the Three Months Ended September 30, 2025
(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	$ 3,159	$ -	$ 39,490	$ 393	$ 43,042
Principal receipts on mortgages and loans	6,164	-	84,393	1,255	91,812
Disbursements to fund mortgages and loans	(195,207)	-	-	-	(195,207)
Receipts (payments) for interfund loan transfers	171,973	-	(171,973)	-	-
Mortgage and loan proceeds receipts	139,389	-	-	-	139,389
Mortgage and loan proceeds paid to trust funds	(135,299)	-	-	-	(135,299)
Payroll-related disbursements	(7,897)	(2,012)	-	(2,781)	(12,690)
Payments for goods and services	(1,586)	(705)	-	(2,594)	(4,885)
Receipts from externally funded programs	-	11,066	-	4,952	16,018
Receipts from Federal HAP subsidies	-	10,579	-	-	10,579
Payments for Federal HAP subsidies	-	(11,673)	-	-	(11,673)
Interfund receipts (payments)	(13,663)	15,541	-	(1,860)	18
Grant payments to other agencies	-	(28,363)	-	-	(28,363)
Other operating cash receipts (payments)	(5,910)	65	(150)	2,945	(3,050)
Net cash receipts (disbursements)	**(38,877)**	**(5,502)**	**(48,240)**	**2,310**	**(90,309)**
Non-capital financing activities					
Proceeds from bond issuance	-	-	244,436	-	244,436
Principal paid on bonds	-	-	(25,655)	-	(25,655)
Payment of bond issuance costs	-	-	(1,388)	-	(1,388)
Interest paid on bonds	-	-	(83)	-	(83)
Payment of short term debt	(90,434)	-	-	-	(90,434)
Contributions to State of Alaska or State agencies	(15)	-	-	-	(15)
Transfers from (to) other funds	122,528	-	(122,528)	-	-
Net cash receipts (disbursements)	**32,079**	**-**	**94,782**	**-**	**126,861**
Capital financing activities					
Acquisition of capital assets	-	-	-	(1,676)	(1,676)
Net cash receipts (disbursements)	**-**	**-**	**-**	**(1,676)**	**(1,676)**
Investing activities					
Purchase of investments	(1,198,777)	-	(210,231)	(1,690)	(1,410,698)
Proceeds from maturity of investments	1,205,688	-	161,957	-	1,367,645
Interest received from investments	2,912	109	1,587	181	4,789
Net cash receipts (disbursements)	**9,823**	**109**	**(46,687)**	**(1,509)**	**(38,264)**
Net Increase (decrease) in cash	3,025	(5,393)	(145)	(875)	(3,388)
Cash at beginning of year	18,309	14,803	196	31,948	65,256
Cash at end of period	**$ 21,334**	**$ 9,410**	**$ 51**	**$ 31,073**	**$ 61,868**

Exhibit C

Alaska Corporation for Affordable Housing	Total September 30, 2025
$ -	$ 43,042
-	91,812
-	(195,207)
-	-
-	139,389
-	(135,299)
(89)	(12,779)
(36)	(4,921)
-	16,018
-	10,579
-	(11,673)
(18)	-
-	(28,363)
43	(3,007)
(100)	**(90,409)**
-	244,436
-	(25,655)
-	(1,388)
-	(83)
-	(90,434)
-	(15)
-	-
-	**126,861**
-	(1,676)
-	**(1,676)**
-	(1,410,698)
-	1,367,645
57	4,846
57	**(38,207)**
(43)	(3,431)
6,499	71,755
$ 6,456	**$ 68,324**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED – ALL MAJOR PROGRAMS
For the Three Months Ended September 30, 2025
(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)	$ 1,151	$ (3,745)	$ 14,036	$ 1,328	$ 12,770
Adjustments:					
Depreciation expense	229	110	-	1,312	1,651
Provision for loan loss	137	6	872	(16)	999
Net change in the fair value of investments	(566)	-	(1,139)	-	(1,705)
Interfund receipts (payments) for operations	114,798	4,561	(119,863)	468	(36)
Interest received from investments	(2,912)	(109)	(1,587)	(181)	(4,789)
Interest paid on bonds and capital notes	-	-	83	-	83
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	(15,131)	6	(86,412)	1,564	(99,973)
Net increase (decrease) in assets, liabilities,			-		
and deferred resources	(136,583)	(6,331)	145,770	(2,165)	691
Net operating cash receipts (disbursements)	**$ (38,877)**	**$ (5,502)**	**$ (48,240)**	**$ 2,310**	**$ (90,309)**
Non-cash activities					
Deferred outflow of resources - derivatives	$ -	$ -	$ (67)	$ -	$ (67)
Derivative instruments liability	-	-	67	-	67
Net change of hedge termination	-	-	67	-	67
Deferred outflow debt refunding	-	-	536	-	536
Total non-cash activities	**$ -**	**$ -**	**$ 603**	**$ -**	**$ 603**

See accompanying notes to the financial statements.

Alaska Corporation for Affordable Housing	Total September 30, 2025
$ 32	$ 12,802
-	1,651
78	1,077
-	(1,705)
36	-
(57)	(4,846)
-	83
(144)	(100,117)
(45)	646
$ (100)	**$ (90,409)**
$ -	$ (67)
-	67
-	67
-	536
$ -	**$ 603**

NOTE DISCLOSURES INDEX

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

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"), Agriculture ("USDA"), Veterans Affairs "(VA"), Treasury ("DOT"), 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
- 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
- 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/acah
- Alaska Sustainable Energy Corporation ("ASEC") incorporated on November 5, 2024, pursuant to House Bill No. 273 of the 2024 Legislature. https://www.ahfc.us/about-us/subsidiaries/asec

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 to, nor financially integrated with AHFC. There is no financial accountability for the other affiliates by AHFC. They are not component units of AHFC, hence they are not included in these financial statements. NTSC, AHCC and ASEC are component units of the State.

Neither AHFC nor the State is liable for any debt issued by NTSC, AHCC and ASEC. They are government instrumentalities of, but have a legal existence separate and apart from, the State. The State is additionally not liable for any debt issued by ACAH.

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 Programs and Funds 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, but owned by AHFC; as well as, 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 AHFC's 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 asset, 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.

Compensated Absences
The Corporation provides paid leave for jury duty, active military service and personal reasons. Paid active military leave is limited to five days. Personal leave accrues at a rate based on the employee's years of service. Employees of the Corporation may not accumulate more than 1,000 hours of personal leave at the end of each twelve-month period for use in the following twelve-month period. The Corporation does not recognize a liability for court leave or active military leave because it is paid when it occurs. The Corporation recognizes a compensated absences liability for accrued personal leave that has not been settled as of the measurement date. Additions to the liability include the total of accrued personal leave calculated at the pay rate of employees as of the measurement date, and the Corporation's portion of federal and state payroll taxes. Reductions of the liability include the total of personal leave used for time off, paid in cash or settled through contribution to a 457 Deferred Compensation Account.

Leases
The Corporation recognizes Right of Use Assets, Lease Liabilities, Lease Receivables 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 the present value of future lease payments and receipts, respectively, discounted at the 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.

Derivative Instruments-Interest Rate Swaps
Subject to certain restrictions, the Corporation's Fiscal Policies allow it to enter into derivative financial instruments called interest rate swap agreements, or swaps. The Corporation enters into swaps with various counterparties to achieve a lower overall cost of funds for certain bond issuances. Under these agreements, the Corporation pays a fixed interest rate to a counterparty in exchange for a variable interest rate payment from that counterparty, or vice versa. All swaps are presented at fair value, with the change in fair value of hedgeable derivatives being recorded as deferred inflows of resources or deferred outflows of resources, and the change in fair value of investment derivatives being recorded as investment revenue.

Operating Revenues and Expenses
The Corporation is authorized to issue bonds to finance the purchase of mortgage loans made to borrowers and to fund other lawful activities of the Corporation. Operating revenues are primarily derived from interest income on mortgage loans and investments. 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):

	September 30, 2025
Restricted cash	$ 55,141
Unrestricted cash	13,183
Carrying amount	$ 68,324
Bank balance	$ 53,858

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

	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years	September 30, 2025
Securities of U.S. Government agencies and corporations	$ 3,001	$ 32,997	$ -	$ -	$ 35,998
Commercial paper & medium-term notes	209,839	-	-	-	209,839
Corporate certificates of deposit	35,951	-	-	-	35,951
Guaranteed investment contracts	-	10,000	13,531		23,531
Money market funds	304,253	-	-	-	304,253
Total not including GeFONSI	$ 553,044	$ 42,997	$ 13,531	$ -	$ 609,572
GeFONSI pool					34,639
Total AHFC investment portfolio					$ 644,211

Restricted Investments
A large portion of the Corporation's investments, $421,040,000, is restricted by bond resolutions, contractual agreements and statutory agreements. The remainder, $223,171,000, is unrestricted.

Realized Gains and Losses
The calculation of realized gains and losses is independent of the calculation of the net increase in the fair value of investments. Realized gains and losses on investments that had been held in more than one fiscal year and sold in the current period may have been recognized as an increase or decrease in the fair value of investments reported in the prior year. The net increase in the fair value of investments in the table below includes 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	September 30, 2025
Ending unrealized holding gain	$ 6,011
Beginning unrealized holding gain	5,137
Net change in unrealized holding gain	874
Net realized gain (loss)	831
Net increase (decrease) in fair value	$ 1,705

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 future projected funding need.

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 September 30, 2025, as determined by nationally recognized statistical rating organizations, are shown below (in thousands), and do not include investments held by GeFONSI pool.

	S&P	Moody's	Investment Fair Value
Securities of U.S. Government agencies & corporations, commercial paper ("CP"), medium-term notes, guaranteed investment contracts ("GIC") & certificates of deposit ("CD"):	A-1+	P-1	$ 46,315
	AA+	P-1	1,000
	AA+	Aa1	32,998
	AA+	Aa3	13,531
	A-1	P-1	115,309
	A+	A2	10,000
	A-1	NA	24,961
	A-2	P-1	13,462
	NA	P-1	47,743
Money market funds ("MMF"):	AAAm	Aaa-mf	304,253
			$ 609,572

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 September 30, 2025, 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	Investment Category
Morgan Stanley	$ 211,307	32.80%	MMF
Invesco Ltd.	78,110	12.12%	MMF
	$ 289,417		

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 $53,858,000 bank balance as of September 30, 2025, cash deposits in the amount of $16,000 was 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 September 30, 2025, in thousands:

Issuer	Investment Fair Value	Modified Duration
Securities of U.S. Government agencies and corporations:		
Federal agency pass through securities	$ 35,998	1.014
Certificate of deposit	35,951	0.452
Commercial paper & medium-term notes:		
Commercial paper discounts	206,445	0.129
Medium-term notes	3,394	0.413
Guaranteed investment contracts	23,531	4.325
Money market funds	304,253	0.000
Portfolio modified duration	$ 609,572	0.283

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 $34,639,000 as of September 30, 2025.

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 September 30, 2025, is shown below (in thousands):

Due To	Due From: Administrative Fund	Grant Programs	Mortgage or Bond Programs	Other Funds or Programs	Alaska Corporation for Affordable Housing	Total
Administrative fund	$ -	$ 6,691	$ -	$ 2,833	$ 100	$ 9,624
Grant programs	5,039	-	-	-	1,423	6,462
Mortgage or bond programs	39,904	-	-	-	-	39,904
Other funds or programs	707	-	-	-	-	707
Total	$ 45,650	$ 6,691	$ -	$ 2,833	$ 1,523	$ 56,697

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 as of September 30, 2025, is shown below (in thousands):

	September 30, 2025
Mortgage loans	$ 3,617,843
Multifamily loans	361,548
Other notes receivable	78,319
	4,057,710
Less: allowance for losses	(59,224)
Net mortgages, notes & other loans	$ 3,998,486

Of the $4,057,710,000 mortgage loans, notes, and other loans, $120,113,000 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 $35,683,000. Included in the allowance for losses is $12,489,000 for ACAH's notes receivable, bringing ACAH's net notes receivable to $23,194,000.

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

	September 30, 2025
Loans delinquent 30 days or more	$ 95,395
Foreclosures during reporting period	864
Loans in foreclosure process	8,510
Mortgage-related commitments:	
To purchase mortgage loans	$ 118,479

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

Lease Liability and Asset

As of September 30, 2025, the Corporation recognized a total $1,333,000 Lease Liability, consisting of $90,000 Current Lease Liability and $1,243,000 Long term Lease Liability. Also recognized are $1,784,000 Right-of-Use Asset and related accumulated amortization of $560,000. The Corporation, as a Lessee, records the Right-of-Use Asset and Lease Liability at the present value of future lease payments, discounted at a weighted-average discount rate based on the Corporation's incremental borrowing rate of 5%, subject to annual reassessment.

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 ten 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.

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

Date	Interest Due	Principal Due
6/30/2026	$ 63	$ 89
6/30/2027	59	91
6/30/2028	55	96
6/30/2029	49	92
6/30/2030	45	71
2031 and thereafter	$ 241	$ 894

Lease Receivable
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 September 30, 2025, the Corporation recognized a Lease Receivable valued at $10,158,000, measured based on the discounted future lease payments at the Corporation's incremental borrowing rate of 5% subject to annual reassessment. The following table details the components of the Lease Receivable and shows the future minimum payments under the lease for the next three years (in thousands):

Future Minimum Payments Due Twelve Months Ending September 30,	Total
2026	$ 3,304
2027	3,304
2028	3,302
Gross payments due	9,910
Plus: interest amortization adjustments	248
Net lease receivable – Pacillo parking garage	$ 10,158

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, and ended June 30, 2019. The Corporation opted to renew for an additional 10-year period, which terminates this lease in March 2029. As of September 30, 2025, the Corporation recognized a Lease Receivable of $61,000 from this lease, measured at the present value of the expected future lease payments to be received during the lease term, discounted at a 5% incremental borrowing rate subject to annual reassessment.

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 September 30, 2025, ACAH recognized a Lease Receivable of $3,264,000 measured at the present value of future lease receivable expected to be received during the lease term, discounted at the 5% incremental borrowing rate.

As of September 30, 2025, AHFC recognized a combined total Lease Receivable as follows (in thousands):

Lease Receivable	September 30, 2025
Pacillo parking garage	$ 10,158
ACAH properties	3,264
Leases to charitable organizations	61
Total lease receivable	$ 13,483

8 CAPITAL ASSETS

Capital assets activity for the three months ended September 30, 2025, and a summary of balances is shown below (in thousands):

Issuer	July 1, 2025	Additions	Reductions	September 30, 2025
Non-Depreciable Capital Assets:				
Land	$ 22,411	$ -	$ -	$ 22,411
Construction in progress	-	1,676	-	1,676
Total non-depreciable	22,411	1,676	-	24,087
Depreciable Capital Assets:				
Buildings	259,405	-	-	259,405
Computers & equipment	4,319	-	-	4,319
Vehicles	4,013	70	-	4,083
Less: accumulated depreciation				
Buildings	(206,740)	(1,487)	-	(208,227)
Computers & equipment	(3,899)	(71)	-	(3,970)
Vehicles	(2,791)	(93)	-	(2,884)
Total depreciable, net	54,307	(1,581)	-	52,726
Total Capital Assets, Net	$ 76,718	$ 95	$ -	$ 76,813

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

Depreciation expense charged by the Corporation was $1,651,000 for the three months ended September 30, 2025.

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 $7,875,000 as of September 30, 2025.

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, with a net book value of zero 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. As of September 30, 2025, AHFC recognized a combined total deferred outflows of $48,944,000 as follows:

- Interest rate swap derivatives of $30,296,000.
- Deferred debt refunding expense of $12,671,000.
- Pension deferred outflows of $2,485,000.
- Other post-employment benefits deferred outflows of $3,492,000

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 September 30, 2025, are as follows (in thousands):

	Original Amount	September 30, 2025
Housing Bonds:		
Home Mortgage Revenue Bonds, Tax-Exempt:		
● 2002 Series A; floating rate*; 3.55% at September 30, 2025, due 2032-2036	$ 170,000	$ 21,255
Unamortized swap termination penalty		(587)
● 2007 Series A; floating rate*; 2.89% at September 30, 2025, due 2025-2041	75,000	58,960
● 2007 Series B; floating rate*; 2.85% at September 30, 2025, due 2025-2041	75,000	58,960
● 2007 Series D; floating rate*; 2.84% at September 30, 2025, due 2025-2041	89,370	70,230
● 2009 Series A; floating rate*; 2.89% at September 30, 2025, due 2025-2040	80,880	67,020
● 2009 Series B; floating rate*; 2.85% at September 30, 2025, due 2025-2040	80,880	67,020
● 2009 Series D; floating rate*; 2.84% at September 30, 2025, due 2025-2040	80,870	67,010
Total Home Mortgage Revenue Bonds, Tax Exempt	652,000	409,868
Collateralized Bonds (Veterans Mortgage Program), Tax-Exempt:		
● 2016 First and Second Series; 1.85% to 2.90%, due 2025-2037	50,000	21,880
● 2019 First and Second Series; 2.20% to 4.00%, due 2025-2048	60,000	9,940
Unamortized premium		189
● 2023 First Series; 3.15% to 4.65%, due 2027-2052	49,900	49,900
● 2024 First Series; 3.25% to 4.65%, due 2027-2053	75,000	75,000
Unamortized discount		(416)
● 2025 First Series; 2.50% to 5.00%, due 2026-2054	100,000	100,000
Total Collateralized Bonds (Veterans Mortgage Program), Tax Exempt	334,900	256,493
General Mortgage Revenue Bonds II, Tax-Exempt:		
● 2016 Series A; 2.05%-3.50%, due 2025-2046	100,000	28,420
Unamortized premium		10
● 2018 Series A; 2.75%-4.00%, due 2025-2048	109,260	16,745
Unamortized premium		461
● 2018 Series B; 5.00%, due 2031	58,520	28,465
Unamortized premium		2,263
● 2019 Series A; 1.63%-3.75%, due 2025-2044	136,700	76,115
Unamortized premium		595
● 2019 Series B; 5.00%, due 2030-2033	24,985	19,985
Unamortized premium		2,632
● 2020 Series A; 0.95%-3.25%, due 2025-2044	135,170	90,920
Unamortized premium		1,753
● 2020 Series B; 2.00%-5.00%, due 2030-2035	74,675	74,675
Unamortized premium		7,609
● 2022 Series A; 0.70%-3.00%, due 2025-2051	39,065	30,630
Unamortized premium		650
● 2022 Series B; 1.65%-5.00%, due 2030-2036	83,730	83,730
Unamortized premium		10,441
● 2022 Series C; 2.95%-5.75%, due 2025-2052	87,965	79,920
Unamortized premium		1,890

	Original Amount	September 30, 2025
***General Mortgage Revenue Bonds II, Tax-Exempt* (cont.):**		
● 2024 Series A; 3.20%-6.00%, due 2025-2054	75,000	73,050
Unamortized premium		1,684
● 2024 Series B; 3.63%-5.00%, due 2031-2036	48,120	48,120
Unamortized premium		3,083
● 2025 Series A; 2.95%-6.00%, due 2025-2054	110,000	110,000
Unamortized premium		2.303
Total General Mortgage Revenue Bonds II, Tax-Exempt	1,083,190	796,149
General Mortgage Revenue Bonds II, Taxable:		
● 2024 Series C; 4.81%-6.25%, due 2025-2053	120,000	116,105
Unamortized premium		958
Total General Mortgage Revenue Bonds II, Taxable	120,000	117,063
Governmental Purpose Bonds, Tax-Exempt:		
● 2001 Series A; floating rate*; 2.84% at September 30, 2025, due 2025-2030	76,580	21,815
Unamortized swap termination penalty		(954)
● 2001 Series B; floating rate*; 2.84% at September 30, 2025, due 2025-2030	93,590	26,650
Total Governmental Purpose Bonds, Tax Exempt	170,170	47,511
Total Housing Bonds	2,360,260	1,627,084
Non-Housing Bonds:		
State Capital Project Bonds II, Tax-Exempt:		
● 2015 Series C; 5.00%**	55,620	-
● 2017 Series A; 4.00% to 5.00%, due 2025-2032	143,955	94,590
Unamortized premium		4,571
● 2017 Series C; 5.00%, due 2025-2032	43,855	32,450
Unamortized premium		1,432
● 2018 Series B; 3.13% to 5.00%, due 2025-2038	35,570	27,440
Unamortized discount		(39)
Unamortized premium		1,638
● 2019 Series B; 4.00% to 5.00%, due 2025-2039	60,000	48,690
Unamortized premium		4,707
● 2021 Series A; 4.00% to 5.00%, due 2025-2030	90,420	79,345
Unamortized premium		6,810
● 2022 Series B; 4.00% to 5.00%, due 2025-2037	97,700	82,280
Unamortized discount		(31)
Unamortized premium		4,735
● 2023 Series A; 5.00%-5.25%, due 2027-2041	99,995	99,995
Unamortized premium		7,312
● 2024 Series A; 5.00%, due 2027-2039	127,100	127,100
Unamortized premium		13,641
● 2025 Series A; 5.00%, due 2027-2033	133,000	133,000
Unamortized premium		10,820
Total State Capital Project Bonds II, Tax-Exempt	887,215	780,486

	Original Amount	September 30, 2025
Non-Housing Bonds (cont.):		
State Capital Project Bonds II, Taxable:		
● 2017 Series B; floating rate*; 4.11% at September 30, 2025, due 2047	150,000	90,000
● 2018 Series A; floating rate*; 4.12% at September 30, 2025, due 2031-2043	90,000	90,000
● 2019 Series A; floating rate*; 4.14% at September 30, 2025, due 2033-2044	140,000	140,000
● 2020 Series A; 1.19% to 2.18%, due 2025-2033	96,665	89,765
● 2022 Series A; floating rate*; 4.15% at September 30, 2025, due 2037-2052	200,000	200,000
Total State Capital Project Bonds II, Taxable	676,665	609,765
Total Non-Housing Bonds	1,563,880	1,390,251
Total Bonds Payable	$ 3,924,140	$ 3,017,335

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.

** The State Capital Project Bonds II, 2015 Series C were defeased in a prior period. They will be redeemed on December 1, 2025.

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	$ 2,127,319	$ 169,016	$ -	$ 2,296,335
Non-housing	-	-	10,158	10,158
Total	$ 2,127,319	$ 169,016	$ 10,158	$ 2,306,493

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 three months ended September 30, 2025, the Corporation made special redemptions in the amount of $25,655,000.

Bond Defeasances
There were no new bond defeasances during the three months ending September 30, 2025. A summary of defeased debt that will be redeemed on the first optional redemption date, as of September 30, 2025, is as follows (in thousands):

	Month Defeased	September 30, 2025
State Capital Project Bonds II, 2015 Series C	June 2021	31,045
		$ 31,045

Debt Service Requirements*
For all bonds in the preceding schedules, excluding any defeased bonds, the Corporation's annual debt service requirements through 2030, and in five year increments thereafter to maturity, follows (in thousands):

Twelve Months Ending September 30,	Housing Bond Debt Service Principal***	Housing Bond Debt Service Interest**	Non-Housing Bond Debt Service Principal***	Non-Housing Bond Debt Service Interest**	Total Debt Service Principal***	Total Debt Service Interest**	Total Debt Service Total
2026	$ 50,705	$ 61,561	$ 45,425	$ 56,978	$ 96,130	$ 118,539	$ 214,669
2027	54,370	61,498	55,075	55,435	109,445	116,933	226,378
2028	53,850	59,835	104,130	51,673	157,980	111,508	269,488
2029	55,065	58,093	81,405	47,329	136,470	105,422	241,892
2030	63,450	56,308	79,500	45,296	142,950	101,604	244,554
31-35	527,545	224,192	367,120	180,666	894,665	404,858	1,299,523
36-40	318,530	146,755	240,270	116,410	558,800	263,165	821,965
41-45	177,385	94,571	173,745	62,592	351,130	157,163	508,293
46-50	159,940	59,128	159,115	24,880	319,055	84,008	403,063
51-55	131,680	15,845	28,870	1,598	160,550	17,443	177,993
	$ 1,592,520	$ 837,786	$ 1,334,655	$ 642,857	$ 2,927,175	$ 1,480,643	$ 4,407,818

* Also see Note 11 – Derivatives.

** 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 September 30, 2025.

*** Excludes unamortized premiums and discounts.

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; a failure to pay interest when due; and a continued failure to comply with, or default in the performance or observance of, certain other 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 September 30, 2025, follows (in thousands):

	Balance
Revenue Bonds, 2025 (ACAH Valdez)	$ 2,904
Revenue Bonds, 2025 (Ketchikan PSH)	823
Revenue Bonds, 2024 (Chenana)	7,450
Revenue Bonds, 2021 (Little Dipper Project)	4,264
Total	$ 15,441

11 DERIVATIVES

The Corporation entered into certain derivatives contracts to reduce its overall cost of 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 September 30, 2025, 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 September 30, 2025, are shown below:

Related Bond Issue	Effective Date	Fixed Rate Paid	Variable Rate Received	Swap Termination Date	Counterparty Credit Rating[1]
GP01B[2]	08/02/01	4.1127%	67% of 1M Fallback Rate (SOFR)[3]	12/01/30	A+/Aa2
E021A[4]	10/09/08	2.9800%	70% of 3M Fallback Rate (SOFR)[3]	06/01/32	AA-/Aa2
E071AB[4]	05/31/07	3.7345%	70% of 3M Fallback Rate (SOFR)[3]	12/01/41	AA-/Aa2
E071BD[4]	05/31/07	3.7200%	70% of 3M Fallback Rate (SOFR)[3]	12/01/41	AA-/Aa2
E091A[4]	05/28/09	3.7610%	70% of 3M Fallback Rate (SOFR)[3]	12/01/40	A+/Aa2
E091B[4]	05/28/09	3.7610%	70% of 3M Fallback Rate (SOFR)[3]	12/01/40	AA-/Aa2
E091ABD[4]	05/28/09	3.7400%	70% of 3M Fallback Rate (SOFR)[3]	12/01/40	AA-/Aa2
SC19A[5]	06/01/19	3.2220%	100% of 1M Fallback Rate (SOFR)[3]	12/01/29	A/Aa3

1. Standard & Poor's/Moody's
2. Governmental Purpose Bonds
3. SOFR-Secured Overnight Finance Rate
4. Home Mortgage Revenue Bonds
5. State Capital Project Bonds II

The change in fair value and ending balance of the hedging derivatives as of September 30, 2025, 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 September 30, 2025	Fair Value June 30, 2025	Change in Fair Value
GP01B	$ 26,650	$ 27,892	$ (1,242)	$ (1,314)	$ 72
E021A	21,255	21,562	(307)	(292)	(15)
E071AB	112,890	121,307	(8,417)	(8,391)	(26)
E071BD	75,260	80,835	(5,575)	(5,539)	(36)
E091A	60,315	64,761	(4,446)	(4,434)	(12)
E091B	60,315	64,761	(4,446)	(4,434)	(12)
E091ABD	80,420	86,282	(5,862)	(5,825)	(37)
SC19A	140,000	138,649	1,351	1,701	(350)
	$ 577,105	$ 606,049	$ (28,944)	$ (28,528)	$ (416)

As of September 30, 2025, 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 September 30,	VRDO Principal	VRDO Interest	Swap Net Payments	Total Payments
2026	$ 23,495	$ 18,347	$ 502	$ 42,344
2027	24,630	17,650	372	42,652
2028	25,820	16,949	234	43,003
2029	27,045	16,138	91	43,274
2030	168,345	12,419	800	181,564
2031-2035	125,655	35,860	6,362	167,877
2036-2040	148,840	16,898	3,024	168,762
2041-2045	33,275	825	146	34,246
	$ 577,105	$ 135,086	$ 11,531	$ 723,722

Credit Risk
As of September 30, 2025, the Corporation was exposed to credit risk on its State Capital Project Bonds II 2019 Series A, to the extent of the associated swap's positive fair value of $1,351,000. The Corporation was not exposed to credit risk on its remaining swap agreements because these swaps all have negative fair values.

The Corporation's swap agreements require full collateralization of the fair value amount of a swap should the swap counterparty's rating fall to "BBB+/Baa1".

The Corporation currently has swap agreements with five separate counterparties. Approximately 60.7% of the total notional amount of the swaps is held with two counterparties rated "AA-/Aa2". Another 24.3.0% of the total notional amount of the swaps is held with another counterparty rated "A/Aa3". The remaining swaps are held by two counterparties rated "A+/Aa2", approximating 15.1% 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 underlying indices such as SOFR or SIFMA change, the Corporation's net payment on its swaps will also change accordingly.

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 September 30, 2025, the Corporation's interest rate swaps were based on the SOFR index, while its variable rate bonds were based on SOFR or SIFMA indexes.

The relative ratios among such indices have fluctuated since the Corporation's swap agreements became effective and will continue to do so as market conditions change.

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 September 30, 2025, are composed of the accounts and balances as follows (in thousands):

Other Current Liabilities	September 30, 2025
Accounts payable	$ 5,845
Accrued payroll	7,040
Lease liability	90
Other miscellaneous liabilities	947
Service fees payables	907
Unearned grant revenue	24,563
Total	$ 39,392

13 LONG TERM LIABILITIES

Activity for the three months ended September 30, 2025, is summarized in the following schedule (in thousands):

	July 1, 2025	Additions	Reductions	September 30, 2025	Due Within One Year
Total bonds and notes payable	$ 2,802,648	$ 244,374	$ (29,687)	$ 3,017,335	$ 96,130
Compensated absences	3,571	967	(937)	3,601	3,024
Lease liability	1,333	-	-	1,333	90
Other liabilities	189	65	(66)	188	-
Total long-term liabilities	$ 2,807,741	$ 245,406	$ (30,690)	$ 3,022,457	$ 99,244

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 three months ended September 30, 2025, was 4.30%, and the highest was 4.35%.

Short term debt activity for the three months ended September 30, 2025, is summarized in the following schedule (in thousands):

	July 1, 2025	Additions	Reductions	September 30, 2025
Commercial paper	$ 128,187	$ -	$ (90,434)	$ 37,753
Unamortized discount	(694)	109	318	(267)
Commercial paper, net	$ 127,493	$ 109	$ (90,116)	$ 37,486

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. As of September 30, 2025, AHFC recognized a combined total deferred inflows of $11,850,000 as follows:

- Other Post-Employment Benefits ("OPEB") related deferred inflows totaled $438,000, consisting of the sum of a) the difference of actuarial benefit assumptions vs. actual benefit experience in the amount of $142,000 b) the net effect of changes in actuarial assumptions in the amount of $266,000 and c) changes in proportional contribution levels among participating employers totaling $30,000.

- Lease-related deferred inflows totaled $10,061,000, consisting of one or more leases with local charitable organizations totaling $49,000, with the Corporation's affordable housing subsidiary, the Alaska Corporation for Affordable Housing, totaling $3,043,000, and the Pacillo Parking Garage lease in the amount of $6,969,000.
- Derivatives-related deferred inflows totaled $1,351,000.

16 TRANSFERS

Transfers for the three months ended September 30, 2025, are summarized in the following schedule (in thousands):

To \ From	Administrative Fund	Grant Programs	Mortgage or Bond Programs	Other Funds or Programs	Alaska Corporation for Affordable Housing	Total
Administrative fund	$ -	$ 14	$ 294,500	$ 1	$ -	$ 294,515
Grant programs	4,575	-	-	-	-	4,575
Mortgage or bond programs	174,637	-	-	-	-	174,637
Other funds or programs	469	-	-	-	-	469
Alaska Corporation for Affordable Housing	36	-	-	-	-	36
Total	$ 179,717	$ 14	$ 294,500	$ 1	$ -	$ 474,232

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. Additionally, the Corporation entered into a direct-pay letter of credit ("D-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. The Corporation also has a $180 million standby LOC ("S-LOC") and $140 million S-LOC to secure debt issued under the State Capital Project Bonds II indenture and the Corporation's Commercial Paper Notes program.

As of September 30, 2025, the Corporation had the following available unused credit lines (in thousands):

	Credit	Counterparty Short-Term Ratings		Available Unused
	Type	S&P	Moody's	Lines of Credit
Home Mortgage Revenue Bonds, 2002 Series A	SBPA	A-1+	P-1	$ 21,255
Home Mortgage Revenue Bonds, 2007 Series A, B, D	SBPA	A-1+	P-1	188,150
Home Mortgage Revenue Bonds, 2009 Series A	SBPA	A-1+	P-1	67,020
Home Mortgage Revenue Bonds, 2009 Series B	SBPA	A-1+	P-1	67,020
Home Mortgage Revenue Bonds, 2009 Series D	SBPA	A-1+	P-1	67,010
Governmental Purpose Bonds, 2001 Series A & B	SBPA	A-1+	P-1	48,465
State Capital Project Bonds II, 2022 Series A	D-LOC	A-1	P-1	200,000
State Capital Project Bonds II & commercial paper	S-LOC	A-1	P-1	180,000
State Capital Project Bonds II & commercial paper	S-LOC	A-1+	P-1	140,000
Total				$ 978,920

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. As of September 30, 2025, no rebate payments were due to the Internal Revenue Service, but the Corporation accrued the following rebate-related liabilities net of receivable:

Bond Issue	September 30, 2025
Collateralized Bonds (Veterans Mortgage Program), 2023 First Series	$ 16,000
General Mortgage Revenue Bonds II, 2022 Series AB	431,000
General Mortgage Revenue Bonds II, 2022 Series C	70,000
General Mortgage Revenue Bonds II, 2024 Series ABC	57,000
General Mortgage Revenue Bonds II, 2025 Series A	2,000
Total liabilities	576,000
Less receivable: Governmental Purpose Bonds, 2001 Series AB	(911,000)
Net total	$ (335,000)

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 September 30, 2025 (in thousands):

	Dividend Due to State	Expenditures	Remaining Commitments
State general fund transfers	$ 799,514	$ (788,948)	$ 10,566
State capital projects debt service	520,197	(514,512)	5,685
State of Alaska capital projects	294,915	(270,628)	24,287
AHFC capital projects	723,607	(583,221)	140,386
Total	$ 2,338,233	$ (2,157,309)	$ 180,924

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):

	September 30, 2025
Beneficiaries and Special Needs Housing	$ 279
Continuum of Care Homeless Assistance	301
COVID-19 American Rescue Plan Act - Homeless Assistance	18,792
COVID-19 American Rescue Plan Act	271
Domestic Violence	565
Discharge Incentive grant - Operating	113
Emergency Housing Vouchers (EHV)	375
Emergency Shelter Grant (ESG)	57
Energy Efficiency Monitoring Research	7
Energy Efficient Weatherization	524
Energy Residential Program	4
Foster Youth to Independence	33

HOME Investment Partnership	(42)
Homeless Assistance Program (HAP)	467
Housing Choice Vouchers	9,936
Housing Choice Voucher - Mainstream	187
Housing Grants Individuals	210
Housing Loan Program	3,170
Housing Opportunities for Persons with AIDS	20
Housing Trust Fund	(226)
Low Income Weatherization Assistance	150
Low Income Home Energy Assistance	94
Non-Elderly Disabled (NED)	97
Parolees (TBRA)	(1)
Re-entry Housing & Support	44
Returning Home	103
Section 811 Rental Housing Assistance	145
Section 8 Rehabilitation	157
Senior Citizen Housing Development Grant	272
Statewide Housing Development	500
Supplemental Housing Grant	1,392
Veterans Affairs Supportive Housing	739
Victims of Human Trafficking	36
Youth (TBRA)	11
Total Housing Grants and Subsidies Expenses	$ 38,782

A sum of $13,000,000, from the Corporation's Moving to Work ("MTW") Demonstration Program reserves in HUD, was transferred to ACAH to assist in funding the Fairbanks Affordable Housing Project, a multifamily housing project. ACAH advanced these funds to Fairbanks Affordable Housing, LLC in the form of a loan agreement, payable on earliest date or September 1, 2079. Interest and principal are payable at the interest rate of 3.14% annually.

A sum of $8,000,000, from the Corporation's MTW Demonstration Program reserves in HUD, was transferred to ACAH to assist in funding the Valdez Affordable Housing Project, a multifamily housing project. ACAH advanced $7,192,000 of the funds to Valdez Affordable Housing, LLC in the form of a loan agreement, payable on earliest date or December 31, 2065. Interest and principal are payable at the interest rate at .55% annually.

In addition to grant payments made, the Corporation advanced grant funds of $12,786,000, and committed to third parties a sum of $55,084,000 in grant awards as of September 30, 2025.

21 PENSION AND POST-EMPLOYMENT HEALTHCARE PLANS

Description of Plans

As of September 30, 2025, 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 2026, 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 6.33%, the difference between the actuarial required contribution of 28.33% for fiscal year 2026 and the employer rate of 22.00%.

The Corporation's contributions to the Defined Benefit pension plan for the three months ended September 30, 2025, totaled $456,000.

Pension Liability:
The pension liability for the three months ended September 30, 2025 is not available at this time.

For the year ended June 30, 2025, the Corporation reported a liability for its proportionate share of net pension liability of $33,945,000. This amount reflected State pension support provided to the Corporation of $12,692,000. The total net pension liability associated with the Corporation was $46,637,000.

The net pension liability for the June 30, 2024 measurement date, and the total pension liability used to calculate the new pension liability was determined by an actuarial valuation as of June 30, 2023, and rolled forward to June 30, 2024.

	June 30, 2023 Measurement Date Employer Proportion	**June 30, 2024 Measurement Date Employer Proportion**	**Change**
Corporation's proportionate share of the net pension liability	0.61892%	0.65883%	(0.03991%)

Pension Expense:
The pension expense for the three months ended September 30, 2025 is not available at this time.

For the year ended June 30, 2025, the Corporation recognized pension expense of $5,116,000 and revenue of $1,079,000 for support provided by the State.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:
The deferred outflow of resources and deferred inflow of resources for the three months ended September 30, 2025 are not available at this time.

For the year ended June 30, 2025, the Corporation's deferred outflows of resources related to pension expense of $2,485,000 were due to the difference between projected and actual investment earnings of $326,000, and contributions to the pension plan subsequent to the measurement date of $2,159,000. The Corporation's deferred inflows of resources related to pension is zero.

Contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending June 30, 2026. 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
2026	$ 1,249	$ -	$ 1,249
2027	1,693	-	1,693
2028	(250)	-	(250)
2029	(207)	-	(207)
	$ 2,485	$ -	$ 2,485

Pension Employer Contributions:
In 2025, the Corporation was credited with the following contributions to the PERS plan:

	Measurement Period Corporation FY24	Measurement Period Corporation FY23
Employer PERS contributions	$ 3,689,000	$ 3,550,000

Pension and OPEB Actuarial Assumptions:
The total pension and OPEB Liability for the fiscal year ending June 30, 2025, was determined by an actuarial valuation as of June 30, 2023, rolled forward to the measurement date of June 30, 2024. 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 2.85%. The investment rate of return was calculated at 7.25%, net of pension and OPEB plan investment expenses, based on an average inflation rate of 2.50% and a real return of 4.75%.

Mortality rates were based on the Pub-2010 General Employee table, amount-weighted, and projected with MP-2021 general improvement. Deaths are assumed to result from occupational causes 35% of the time.

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 plan 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 2.39%, for each major asset class included in the OPEB plan's target asset allocation are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
Broad domestic equity	5.48%
Global equity (non-U.S.)	7.14%
Global equity	5.79%
Aggregate bonds	2.10%
Real assets	4.63%
Private equity	8.84%
Cash equivalents	0.77%

Pension Discount rate:
The discount rate used to measure the total pension liability was 7.25%. 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 7.25% and what it would be if the discount was 1% lower (6.25%) or 1% higher (8.25%), (in thousands).

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Corporation's proportionate share of the net pension liability	$ 45,218	$ 33,945	$ 24,405

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 fiscal year 2026 are as follows:

	Other Tier IV
Pension employer contribution	5.00%
Occupational death and disability benefits (ODD)	0.24%
Retiree medical	0.86%
Total OPEB	1.10%
Total contribution rates	6.10%

Under State law, the Corporation is required to contribute 22% of annual covered salary. For fiscal year 2026, 6.10% of covered salary is split between 5.00% for the pension plan and 1.10% for the post-employment healthcare plan. Then, to offset additional individual post-employment healthcare cost, an annual flat dollar amount of $2,467.92, representing 3% of total annual covered compensation in the Plan for each full-time employee, and $1.58 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 three months ended September 30, 2025, the Corporation paid additional contributions of $653,000. All of the contributions were for the defined benefit pension as of September 30, 2025.

The contributions to the pension plan for the three months ended September 30, 2025, by the employees totaled $402,000 and by the Corporation totaled $251,000.

The contributions to Other Post-Employment Benefits ("OPEB") plan by the Corporation for the three months ended September 30, 2025, totaled $55,000.

The Corporation contributed $148,000 to a Health Reimbursement Arrangement for three months ended September 30, 2025.

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 did not contribute to the defined benefit post-employment healthcare plan for the three months ended September 30, 2025, and for the year ended June 30, 2025.

OPEB Employer Contribution Rate:
In 2025, the Corporation was credited with the following contributions to the OPEB plan:

	Measurement Period Corporation FY24	Measurement Period Corporation FY23
Employer contributions DB	$ 90,000	$ 44,000
Employer contributions DC RM	135,000	150,000
Employer contributions DC ODD	42,000	41,000
Total contributions	$ 267,000	$ 235,000

Changes in Benefit Assumptions Since the Prior Valuation of OPEB:
The actuarial assumptions used in the June 30, 2023 actuarial valuation were rolled forward to the June 30, 2024 measurement date. The actuarial assumptions used in the June 30, 2022 actuarial valuation, were based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021. The assumptions used in the June 30, 2023 actuarial valuation are the same as those used in the June 30, 2022 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 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 following table 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)
FY24	6.70%	5.50%	7.20%
FY25	6.40%	5.40%	6.90%
FY26	6.20%	5.40%	6.65%
FY27	6.05%	5.35%	6.35%
FY28	5.85%	5.35%	6.10%
FY29	5.65%	5.30%	5.80%
FY30	5.45%	5.30%	5.55%
FY31-FY38	5.30%	5.30%	5.30%
FY39	5.25%	5.25%	5.25%
FY40	5.20%	5.20%	5.20%
FY41	5.10%	5.10%	5.10%
FY42	5.05%	5.05%	5.05%
FY43	4.95%	4.95%	4.95%
FY44	4.90%	4.90%	4.90%
FY45	4.80%	4.80%	4.80%
FY46	4.75%	4.75%	4.75%

FY47	4.70%	4.70%	4.70%
FY48	4.60%	4.60%	4.60%
FY49	4.55%	4.55%	4.55%
FY50+	4.50%	4.50%	4.50%

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 post-employment 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 afterJune 30, 1996, (Tier 3)) must pay the full monthly premium if they are under age sixty and will receive benefits paid by PERS if they are over age sixty. Tier 3 Members with between five and ten years of credited service must pay the full monthly premium regardless of their age. Tier 2 and Tier 3 members with less than five years of credited service are not eligible for post-employment healthcare benefits. Tier 2 members, who are receiving a conditional benefit and are age eligible, are eligible for post-employment healthcare benefits. Employees and their surviving spouses with thirty years of membership service 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.

Starting in 2022, prior authorization will be required for certain special medications for all participants, while certain preventive benefits for pre-Medicare participants will now be covered by the plan.

Of those benefit recipients who are eligible for the COLA, 65% 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:
The total net OPEB asset and total net liability for the three months ended September 30, 2025, are not available at this time.

For the year ended June 30, 2025, the total net OPEB Asset associated with the Corporation was $14,472,000 and the total net OPEB Liability associated with the Corporation was zero.

For the year ended June 30, 2025, 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:	**2025**
Corporation's proportionate share of NOA – DB	$ 13,657,000
Corporation's proportionate share of NOA – DC RM	395,000
Corporation's proportionate share of NOA – DC ODD	420,000
Total net OPEB asset	$ 14,472,000

The net OPEB asset was measured as of June 30, 2024, and the total OPEB asset used to calculate the new OPEB asset was determined by an actuarial valuation as of June 30, 2023, and rolled forward to June 30, 2024.

Corporation's Proportionate Share of the Net OPEB Asset:	**June 30, 2023 Measurement Date Employer Proportion**	**June 30, 2024 Measurement Date Employer Proportion**	**Change**
DB	0.65731%	0.62019%	(0.03711%)
DC RM	0.80048%	0.84646%	0.04598%
DC ODD	0.66985%	0.70295%	0.03310%

Changes in Benefit Provisions Since Prior Valuation of OPEB:
There have been no changes in PERS DCR benefit provisions valued since the prior valuation.

OPEB Expense:
For the year ended June 30, 2025, the Corporation recognized an increase of OPEB expense of $1,410,000 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, 2025, 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, 2025	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Contributions subsequent to the measurement date	$ 2,601	$ -
Difference between expected and actual experience	17	(142)
Difference between projected and actual investment earnings	374	-
Changes in assumptions	341	(266)
Changes in proportion and differences between employer contributions	159	(30)
Total deferred outflows and deferred inflows	$ 3,492	$ (438)

Deferred outflows of resources related to OPEB resulting from contributions of $2,601,000 reported subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. 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**
2026	$ 2,268
2027	1,363
2028	(302)
2029	(242)
2030	(36)
Thereafter	3
	$ 3,054

OPEB Discount rate:
The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate 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 asset to changes in the discount rate:
The following presents the Corporations proportionate share of the net OPEB asset using the discount rate of 7.25% and what it would be if the discount was 1-percentage-point (6.25%) lower or 1-percentage-point higher (8.25%), (in thousands).

Corporation's Proportionate Share of the Net OPEB Liability (Asset):	Proportional Share	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
DB plan	0.62019%	$ (8,648)	$ (13,657)	$ (17,873)
DC RM plan	0.84646%	$ 68	$ (395)	$ (748)
DC ODD plan	0.70295%	$ (394)	$ (420)	$ (440)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate:
The following presents the Corporation's net OPEB asset 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 Trend Rate	1% Increase
DB plan	0.62019%	$ (18,354)	$ (13,657)	$ (8,078)
DC RM plan	0.84646%	$ (795)	$ (395)	$ 143
DC ODD plan	0.70295%	n/a	$ (420)	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 Post-employment Healthcare Cost:
The annual postemployment healthcare cost for the three months ended September 30, 2025, is not available at this time.

For the year ended June 30, 2025, the Corporation recognized $525,000 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 provided an estimate of the incurred but not reported (IBNR) liability based on historic trends. Changes in the balances for the claims liabilities for the prior and current fiscal years are as follows (in thousands):

	June 30, 2025	September 30, 2025
Claims liabilities, beginning balance	$ 2,468	$ 2,253
Incurred claims	10,714	3,499
Claims payments	(10,929)	(3,349)
Claims liabilities, ending balance	$ 2,253	$ 2,403

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. Cyber security coverage increased from $5 million to $8 million by the carrier's response to the market conditions. 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):

	2025	2024	2023	2022	2021
The Corporation's proportion of the net pension liability (asset)	0.618920%	0.658830%	0.692310%	0.783070%	0.629770%
The Corporation's proportionate share of the net pension liability (asset)	$ 33,945	$ 34,162	$ 35,286	$ 28,727	$ 37,164
State's proportionate share of the net pension liability (asset) associated with the Corporation	12,692	11,386	9,767	3,891	15,376
Total	$ 46,637	$ 45,548	$ 45,053	$ 32,618	$ 52,540
The Corporation's covered employee payroll	$ 7,217	$ 7,948	$ 8,888	$ 9,602	$ 10,681
The Corporation's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	470.35%	429.83%	397.02%	299.18%	347.94%
Plan fiduciary net position as a percentage of the total pension liability	67.81%	68.23%	67.97%	76.46%	61.61%

	2020	2019	2018	2017	2016
The Corporation's proportion of the net pension liability (asset)	0.656900%	0.714740%	0.689820%	0.852380%	0.780600%
The Corporation's proportionate share of the net pension liability (asset)	$ 35,960	$ 35,515	$ 35,660	$ 47,645	$ 37,859
State's proportionate share of the net pension liability (asset) associated with the Corporation	14,276	10,284	13,285	6,003	10,856
Total	$ 50,236	$ 45,799	$ 48,945	$ 53,648	$ 48,715
The Corporation's covered employee payroll	$ 11,680	$ 12,583	$ 13,817	$ 15,252	$ 16,314
The Corporation's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	307.88%	282.24%	258.10%	312.39%	232.06%
Plan fiduciary net position as a percentage of the total pension liability	63.42%	65.19%	63.37%	59.55%	63.96%

Information in this table is presented based on the Plan measurement date. For June 30, 2025, the plan measurement date is June 30, 2024.

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.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Contributions to the Pension Plan (in thousands):

	2025	2024	2023	2022	2021
Contractually required contributions	$ 3,377	$ 3,518	$ 3,448	$ 2,474	$ 2,292
Contributions in relation to the contractually required contributions	3,377	3,518	3,448	2,474	2,292
Contribution deficiency (excess)	-	-	-	-	-
The Corporation's covered employee payroll	7,333	7,217	7,948	8,888	9,602
Contributions as a percentage of covered-employee payroll	46.05%	48.75%	43.38%	27.83%	23.87%

	2020	2019	2018	2017	2016
Contractually required contributions	$ 2,561	$ 2,727	$ 2,932	$ 2,679	$ 2,475
Contributions in relation to the contractually required contributions	2,561	2,727	2,932	2,679	2,475
Contribution deficiency (excess)	-	-	-	-	-
The Corporation's covered employee payroll	10,681	11,680	12,583	13,817	15,252
Contributions as a percentage of covered-employee payroll	23.98%	23.35%	23.30%	19.39%	16.23%

This table reports the Corporation's pension contributions to PERS during fiscal year 2025. These contributions are reported as a deferred outflow of resources on the June 30, 2025, basic financial statements.

This pension table presents 10 years of information.

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.

REQUIRED SUPPLEMENTARY INFORMATION

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

	2025	2024	2023	2022	2021
The Corporation's proportion of the net OPEB liability (asset) for Defined Benefit - Retiree Medical	0.62019%	0.65731%	0.68763%	0.78626%	0.62960%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans - Retiree Medical Plan	0.84645%	0.80048%	0.79810%	0.76797%	0.74451%
The Corporation's proportion of the net OPEB liability (asset) for Defined Contribution Pension Plans - Occupational Death & Disability Plan	0.70295%	0.66985%	0.67357%	0.64746%	0.60268%
The Corporation's proportionate share of the net OPEB liability (asset)	$ (14,472)	$ (15,848)	$ (14,102)	$ (20,661)	$ (2,963)
State's proportionate share of the net OPEB liability (asset) associated with the Corporation	(5,075)	(5,091)	(3,868)	(2,642)	(1,183)
Total	$ (19,547)	$ (20,939)	$ (17,970)	$ (23,303)	$ (4,146)
The Corporation's covered employee payroll	$ 22,738	$ 21,649	$ 21,489	$ 20,850	$ 20,890
The Corporation's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	(63.65%)	(73.20%)	(65.62%)	(99.09%)	(14.18%)
Defined Benefit - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	130.59%	133.96%	128.51%	135.54%	106.15%
Defined Contribution - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	119.87%	124.29%	120.08%	115.10%	95.23%
Defined Contribution - Occupational Death & Disability Plan fiduciary net position as a percentage of the total OPEB liability	346.81%	349.24%	348.80 %	374.22%	283.80%

Information in this table is presented based on the Plan measurement date. For June 30, 2025, the plan measurement date is June 30, 2024.

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.

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

	2020	2019	2018	2017
The Corporation's proportion of the net OPEB liability (asset) for Defined Benefit - Retiree Medical	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	0.69949%	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	0.55609%	0.71095%	0.70310%	0.66252%
The Corporation's proportionate share of the net OPEB liability (asset)	$ 1,007	$ 7,286	$ 5,765	$ 9,752
State's proportionate share of the net OPEB liability (asset) associated with the Corporation	388	2,129	2,173	-
Total	$ 1,395	$ 9,415	$ 7,938	$ 9,752
The Corporation's covered employee payroll	$ 20,775	$ 20,629	$ 21,133	$ 21,629
The Corporation's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	4.85%	35.32%	27.28%	45.09%
Defined Benefit - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	98.13%	88.12%	89.68%	85.45%
Defined Contribution - Retiree Medical Plan fiduciary net position as a percentage of the total OPEB liability	83.17%	88.71%	93.98%	86.82%
Defined Contribution - Occupational Death & Disability Plan fiduciary net position as a percentage of the total OPEB liability	297.43%	270.62%	212.97%	245.29%

Information in this table is presented based on the Plan measurement date. For June 30, 2025, the plan measurement date is June 30, 2024.

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.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Corporation's Contributions to the OPEB Plan (in thousands):

	2025	2024	2023	2022	2021
Contractually required contributions	$ 716	$ 678	$ 623	$ 1,609	$ 1,712
Contributions in relation to the contractually required contributions	716	678	623	1,609	1,712
Contribution deficiency (excess)	-	-	-	-	-
The Corporation's covered employee payroll	25,171	22,738	21,649	21,489	20,850
Contributions as a percentage of covered-employee payroll	2.85%	2.98%	2.88%	7.49%	8.21%

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

This table reports the Corporation's OPEB contributions to SOA during fiscal year 2025. These contributions are reported as a deferred outflow of resources on the June 30, 2025, 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.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
COMBINED - ALL FUNDS
As of September 30, 2025
(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	$ 21,334	$ -	$ -	$ 5	$ -
Investments	371,097	57,382	58,009	8,481	21,123
Lease receivable	-	-	-	-	-
Accrued interest receivable	2,015	1,999	3,892	1,354	350
Inter-fund due (to)/from, net	(36,026)	6,831	11,444	2,870	2,097
Mortgage loans, notes and other loans, net	8,844	17,393	31,853	9,441	4,494
Other assets	2,814	-	-	-	-
Intergovernmental receivable, net	78	-	-	-	-
Total current	**370,156**	**83,605**	**105,198**	**22,151**	**28,064**
Non current					
Investments	32,997	10,000	13,531	-	-
Lease receivable	-	-	-	-	-
Inter-fund due (to)/from, net	-	-	-	-	-
Mortgage loans, notes and other loans, net	257,652	562,366	1,029,914	305,270	145,313
Capital assets - non-depreciable	2,430	-	-	-	-
Capital assets - depreciable, net	9,089	-	-	-	-
Other assets	2,199	-	-	-	911
OPEB asset	14,472	-	-	-	-
Total non current	**318,839**	**572,366**	**1,043,445**	**305,270**	**146,224**
Total assets	**688,995**	**655,971**	**1,148,643**	**327,421**	**174,288**
Deferred Outflow Of Resources	**5,977**	**33,642**	**-**	**-**	**1,242**
Liabilities					
Current					
Bonds payable	-	16,415	22,225	4,025	8,040
Short term debt	37,486	-	-	-	-
Accrued interest payable	-	3,915	11,916	2,045	483
Other liabilities	13,161	158	261	71	34
Intergovernmental payable	-	-	-	-	-
Total current	**50,647**	**20,488**	**34,402**	**6,141**	**8,557**
Non current					
Bonds payable	-	393,453	890,987	252,468	39,471
Other liabilities	1,567	-	560	16	-
Derivative instrument - interest rate swaps	-	29,053	-	-	1,242
Pension liability	33,945	-	-	-	-
Total non current	**35,512**	**422,506**	**891,547**	**252,484**	**40,713**
Total liabilities	**86,159**	**442,994**	**925,949**	**258,625**	**49,270**
Deferred Inflow Of Resources	**438**	**-**	**-**	**-**	**-**
Net Position					
Net investment in capital assets	11,519	-	-	-	-
Restricted by bond resolutions	-	246,619	222,694	68,796	126,260
Restricted by contractual or statutory agreements	203,628	-	-	-	-
Unrestricted or (deficit)	393,228	-	-	-	-
Total net position	**$ 608,375**	**$ 246,619**	**$ 222,694**	**$ 68,796**	**$ 126,260**

See accompanying notes to the financial statements.

Combined State Capital Project Bonds	Combined Other Programs	Total September 30, 2025
$ 46	$ 46,939	$ 68,324
66,839	4,752	587,683
2,796	3,325	6,121
6,297	1,550	17,457
16,662	(3,878)	-
46,586	1,502	120,113
-	19,031	21,845
-	13,301	13,379
139,226	**86,522**	**834,922**
-	-	56,528
7,362	-	7,362
-	-	-
1,506,268	71,590	3,878,373
-	21,657	24,087
-	43,637	52,726
1,351	266	4,727
-	-	14,472
1,514,981	**137,150**	**4,038,275**
1,654,207	**223,672**	**4,873,197**
8,083	**-**	**48,944**
45,425	-	96,130
-	-	37,486
18,834	-	37,193
330	25,377	39,392
46	-	46
64,635	**25,377**	**210,247**
1,344,826	-	2,921,205
-	441	2,584
-	-	30,295
-	-	33,945
1,344,826	**441**	**2,988,029**
1,409,461	**25,818**	**3,198,276**
8,320	**3,092**	**11,850**
-	65,294	76,813
-	-	664,369
-	176,038	379,666
244,509	(46,570)	591,167
$ 244,509	**$ 194,762**	**$ 1,712,015**

ALASKA HOUSING FINANCE CORPORATION **Schedule 2**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
ADMINISTRATIVE FUND
As of September 30, 2025
(in thousands of dollars)

	Administrative Fund	Total September 30, 2025
Assets		
Current		
Cash	$ 21,334	$ 21,334
Investments	371,097	371,097
Lease receivable	-	-
Accrued interest receivable	2,015	2,015
Inter-fund due (to)/from, net	(36,026)	(36,026)
Mortgage loans, notes and other loans, net	8,844	8,844
Other assets	2,814	2,814
Intergovernmental receivable, net	78	78
Total current	**370,156**	**370,156**
Non current		
Investments	32,997	32,997
Lease receivable	-	-
Inter-fund due (to)/from, net	-	-
Mortgage loans, notes and other loans, net	257,652	257,652
Capital assets - non-depreciable	2,430	2,430
Capital assets - depreciable, net	9,089	9,089
Other assets	2,199	2,199
OPEB asset	14,472	14,472
Total non current	**318,839**	**318,839**
Total assets	**688,995**	**688,995**
Deferred Outflow Of Resources	**5,977**	**5,977**
Liabilities		
Current		
Bonds payable	-	-
Short term debt	37,486	37,486
Accrued interest payable	-	-
Other liabilities	13,161	13,161
Intergovernmental payable	-	-
Total current	**50,647**	**50,647**
Non current		
Bonds payable	-	-
Other liabilities	1,567	1,567
Derivative instrument - interest rate swaps	-	-
Pension liability	33,945	33,945
Total non current	**35,512**	**35,512**
Total liabilities	**86,159**	**86,159**
Deferred Inflow Of Resources	**438**	**438**
Net Position		
Net investment in capital assets	11,519	11,519
Restricted by bond resolutions	-	-
Restricted by contractual or statutory agreements	203,628	203,628
Unrestricted or (deficit)	393,228	393,228
Total net position	**$ 608,375**	**$ 608,375**

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 September 30, 2025
(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	7,323	5,215	4,624	6,093	9,141
Lease receivable	-	-	-	-	-
Accrued interest receivable	217	203	178	253	296
Inter-fund due (to)/from, net	994	633	771	605	954
Mortgage loans, notes and other loans, net	1,691	1,663	1,615	2,357	2,871
Other assets	-	-	-	-	-
Intergovernmental receivable, net	-	-	-	-	-
Total current	**10,225**	**7,714**	**7,188**	**9,308**	**13,262**
Non current					
Investments	-	-	-	-	-
Lease receivable	-	-	-	-	-
Inter-fund due (to)/from, net	-	-	-	-	-
Mortgage loans, notes and other loans, net	54,685	53,778	52,215	76,199	92,826
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
OPEB asset	-	-	-	-	-
Total non current	**54,685**	**53,778**	**52,215**	**76,199**	**92,826**
Total assets	**64,910**	**61,492**	**59,403**	**85,507**	**106,088**
Deferred Outflow Of Resources	**307**	**5,180**	**5,177**	**6,162**	**5,631**
Liabilities					
Current					
Bonds payable	-	2,370	2,370	2,825	2,950
Short term debt	-	-	-	-	-
Accrued interest payable	182	561	566	668	643
Other liabilities	16	17	14	22	25
Intergovernmental payable	-	-	-	-	-
Total current	**198**	**2,948**	**2,950**	**3,515**	**3,618**
Non current					
Bonds payable	20,668	56,590	56,590	67,405	64,070
Other liabilities	-	-	-	-	-
Derivative instrument - interest rate swaps	307	4,396	4,394	5,202	4,935
Pension liability	-	-	-	-	-
Total non current	**20,975**	**60,986**	**60,984**	**72,607**	**69,005**
Total liabilities	**21,173**	**63,934**	**63,934**	**76,122**	**72,623**
Deferred Inflow Of Resources	**-**	**-**	**-**	**-**	**-**
Net Position					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	44,044	2,738	646	15,547	39,096
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total net position	**$ 44,044**	**$ 2,738**	**$ 646**	**$ 15,547**	**$ 39,096**

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total September 30, 2025
$ -	$ -	$ -
9,262	15,724	57,382
-	-	-
322	530	1,999
742	2,132	6,831
3,080	4,116	17,393
-	-	-
-	-	
13,406	**22,502**	**83,605**
-	10,000	10,000
-	-	-
-	-	-
99,572	133,091	562,366
-	-	-
-	-	-
-	-	-
-	-	-
99,572	**143,091**	**572,366**
112,978	**165,593**	**655,971**
5,631	**5,554**	**33,642**
2,950	2,950	16,415
-	-	-
649	646	3,915
26	38	158
-	-	-
3,625	**3,634**	**20,488**
64,070	64,060	393,453
-	-	-
4,935	4,884	29,053
-	-	-
69,005	**68,944**	**422,506**
72,630	**72,578**	**442,994**
-	**-**	**-**
-	-	-
45,979	98,569	246,619
-	-	-
-	-	-
$ 45,979	**$ 98,569**	**$ 246,619**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
GENERAL MORTGAGE REVENUE BONDS
As of September 30, 2025
(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	2,608	5,169	5,675	19,039	6,435
Lease receivable	-	-	-	-	-
Accrued interest receivable	122	372	374	563	449
Inter-fund due (to)/from, net	703	1,476	1,140	1,904	2,012
Mortgage loans, notes and other loans, net	1,449	2,672	3,312	6,171	5,072
Other assets	-	-	-	-	-
Intergovernmental receivable, net	-	-	-	-	-
Total current	**4,882**	**9,689**	**10,501**	**27,677**	**13,968**
Non current					
Investments	-	-	-	13,531	-
Lease receivable	-	-	-	-	-
Inter-fund due (to)/from, net	-	-	-	-	-
Mortgage loans, notes and other loans, net	46,857	86,396	107,077	199,542	163,997
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
OPEB asset	-	-	-	-	-
Total non current	**46,857**	**86,396**	**107,077**	**213,073**	**163,997**
Total assets	**51,739**	**96,085**	**117,578**	**240,750**	**177,965**
Deferred Outflow Of Resources	**-**	**-**	**-**	**-**	**-**
Liabilities					
Current					
Bonds payable	4,660	3,195	4,045	4,260	895
Short term debt	-	-	-	-	-
Accrued interest payable	253	675	966	1,585	1,360
Other liabilities	12	23	28	50	43
Intergovernmental payable	-	-	-	-	-
Total current	**4,925**	**3,893**	**5,039**	**5,895**	**2,298**
Non current					
Bonds payable	23,770	44,739	95,282	170,696	124,556
Other liabilities	-	-	-	-	431
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension liability	-	-	-	-	-
Total non current	**23,770**	**44,739**	**95,282**	**170,696**	**124,987**
Total liabilities	**28,695**	**48,632**	**100,321**	**176,591**	**127,285**
Deferred Inflow Of Resources	**-**	**-**	**-**	**-**	**-**
Net Position					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	23,044	47,453	17,257	64,159	50,680
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total net position	**$ 23,044**	**$ 47,453**	**$ 17,257**	**$ 64,159**	**$ 50,680**

See accompanying notes to the financial statements.

General Mortgage Revenue Bonds II 2022 C	General Mortgage Revenue Bonds II 2024 A,B & C	General Mortgage Revenue Bonds II 2025 A	Total September 30, 2025
$ -	$ -	$ -	$ -
3,566	12,187	3,330	58,009
-	-	-	-
343	1,172	497	3,892
557	2,725	927	11,444
2,367	7,521	3,289	31,853
-	-	-	-
-	-	-	-
6,833	**23,605**	**8,043**	**105,198**
-	-	-	13,531
-	-	-	-
-	-	-	-
76,541	243,167	106,337	1,029,914
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
76,541	**243,167**	**106,337**	**1,043,445**
83,374	**266,772**	**114,380**	**1,148,643**
-	**-**	**-**	**-**
1,430	2,345	1,395	22,225
-	-	-	-
1,266	4,147	1,664	11,916
23	60	22	261
-	-	-	-
2,719	**6,552**	**3,081**	**34,402**
80,380	240,656	110,908	890,987
70	57	2	560
-	-	-	-
-	-	-	-
80,450	**240,713**	**110,910**	**891,547**
83,169	**247,265**	**113,991**	**925,949**
-	**-**	**-**	**-**
-	-	-	-
205	19,507	389	222,694
-	-	-	-
-	-	-	-
$ 205	**$ 19,507**	**$ 389**	**$ 222,694**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
COLLATERALIZED VETERANS MORTGAGE BONDS
As of September 30, 2025
(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Collateralized Bonds, 2023 1st Series	Collateralized Bonds, 2024 1st Series	Collateralized Bonds, 2025 1st Series
Assets					
Current					
Cash	$ -	$ 5	$ -	$ -	$ -
Investments	1,065	6,119	564	731	2
Lease receivable	-	-	-	-	-
Accrued interest receivable	67	275	224	312	476
Inter-fund due (to)/from, net	180	423	928	677	662
Mortgage loans, notes and other loans, net	814	1,946	1,462	2,254	2,965
Other assets	-	-	-	-	-
Intergovernmental receivable, net	-	-	-	-	-
Total current	**2,126**	**8,768**	**3,178**	**3,974**	**4,105**
Non current					
Investments	-	-	-	-	-
Lease receivable	-	-	-	-	-
Inter-fund due (to)/from, net	-	-	-	-	-
Mortgage loans, notes and other loans, net	26,332	62,911	47,276	72,877	95,874
Capital assets - non-depreciable	-	-	-	-	-
Capital assets - depreciable, net	-	-	-	-	-
Other assets	-	-	-	-	-
OPEB asset	-	-	-	-	-
Total non current	**26,332**	**62,911**	**47,276**	**72,877**	**95,874**
Total assets	**28,458**	**71,679**	**50,454**	**76,851**	**99,979**
Deferred Outflow Of Resources	**-**	**-**	**-**	**-**	**-**
Liabilities					
Current					
Bonds payable	2,175	890	-	-	960
Short term debt	-	-	-	-	-
Accrued interest payable	185	103	706	1,051	-
Other liabilities	5	17	12	14	23
Intergovernmental payable	-	-	-	-	-
Total current	**2,365**	**1,010**	**718**	**1,065**	**983**
Non current					
Bonds payable	19,705	9,239	49,900	74,584	99,040
Other liabilities	-	-	16	-	-
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension liability	-	-	-	-	-
Total non current	**19,705**	**9,239**	**49,916**	**74,584**	**99,040**
Total liabilities	**22,070**	**10,249**	**50,634**	**75,649**	**100,023**
Deferred Inflow Of Resources	**-**	**-**	**-**	**-**	**-**
Net Position					
Net investment in capital assets	-	-	-	-	-
Restricted by bond resolutions	6,388	61,430	(180)	1,202	(44)
Restricted by contractual or statutory agreements	-	-	-	-	-
Unrestricted or (deficit)	-	-	-	-	-
Total net position	**$ 6,388**	**$ 61,430**	**$ (180)**	**$ 1,202**	**$ (44)**

See accompanying notes to the financial statements.

Total September 30, 2025
$ 5
8,481
-
1,354
2,870
9,441
-
-
22,151
-
-
-
305,270
-
-
-
-
305,270
327,421
-
4,025
-
2,045
71
-
6,141
252,468
16
-
-
252,484
258,625
-
-
68,796
-
-
$ 68,796

ALASKA HOUSING FINANCE CORPORATION **Schedule 6**

(A Component Unit of the State of Alaska)

STATEMENT OF NET POSITION

GOVERNMENTAL PURPOSE BONDS

As of September 30, 2025

(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B	Total September 30, 2025
Assets		
Current		
Cash	$ -	$ -
Investments	21,123	21,123
Lease receivable	-	-
Accrued interest receivable	350	350
Inter-fund due (to)/from, net	2,097	2,097
Mortgage loans, notes and other loans, net	4,494	4,494
Other assets	-	-
Intergovernmental receivable, net	-	-
Total current	**28,064**	**28,064**
Non current		
Investments	-	-
Lease receivable	-	-
Inter-fund due (to)/from, net	-	-
Mortgage loans, notes and other loans, net	145,313	145,313
Capital assets - non-depreciable	-	-
Capital assets - depreciable, net	-	-
Other assets	911	911
OPEB asset	-	-
Total non current	**146,224**	**146,224**
Total assets	**174,288**	**174,288**
Deferred Outflow Of Resources	**1,242**	**1,242**
Liabilities		
Current		
Bonds payable	8,040	8,040
Short term debt	-	-
Accrued interest payable	483	483
Other liabilities	34	34
Intergovernmental payable	-	-
Total current	**8,557**	**8,557**
Non current		
Bonds payable	39,471	39,471
Other liabilities	-	-
Derivative instrument - interest rate swaps	1,242	1,242
Pension liability	-	-
Total non current	**40,713**	**40,713**
Total liabilities	**49,270**	**49,270**
Deferred Inflow Of Resources	**-**	**-**
Net Position		
Net investment in capital assets	-	-
Restricted by bond resolutions	126,260	126,260
Restricted by contractual or statutory agreements	-	-
Unrestricted or (deficit)	-	-
Total net position	**$ 126,260**	**$ 126,260**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION **Schedule 7**
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
STATE CAPITAL PROJECT BONDS
As of September 30, 2025
(in thousands of dollars)

	State Capital Project Bonds II	Total September 30, 2025
Assets		
Current		
Cash	$ 46	$ 46
Investments	66,839	66,839
Lease receivable	2,796	2,796
Accrued interest receivable	6,297	6,297
Inter-fund due (to)/from, net	16,662	16,662
Mortgage loans, notes and other loans, net	46,586	46,586
Other assets	-	-
Intergovernmental receivable, net	-	-
Total current	**139,226**	**139,226**
Non current		
Investments	-	-
Lease receivable	7,362	7,362
Inter-fund due (to)/from, net	-	-
Mortgage loans, notes and other loans, net	1,506,268	1,506,268
Capital assets - non-depreciable	-	-
Capital assets - depreciable, net	-	-
Other assets	1,351	1,351
OPEB asset	-	-
Total non current	**1,514,981**	**1,514,981**
Total assets	**1,654,207**	**1,654,207**
Deferred Outflow Of Resources	**8,083**	**8,083**
Liabilities		
Current		
Bonds payable	45,425	45,425
Short term debt	-	-
Accrued interest payable	18,834	18,834
Other liabilities	330	330
Intergovernmental payable	46	46
Total current	**64,635**	**64,635**
Non current		
Bonds payable	1,344,826	1,344,826
Other liabilities	-	-
Derivative instrument - interest rate swaps	-	-
Pension liability	-	-
Total non current	**1,344,826**	**1,344,826**
Total liabilities	**1,409,461**	**1,409,461**
Deferred Inflow Of Resources	**8,320**	**8,320**
Net Position		
Net investment in capital assets	-	-
Restricted by bond resolutions	-	-
Restricted by contractual or statutory agreements	-	-
Unrestricted or (deficit)	244,509	244,509
Total net position	**$ 244,509**	**$ 244,509**

See accompanying notes to the financial statements.

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF NET POSITION
OTHER PROGRAM FUNDS
As of September 30, 2025
(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	$ 16,202	$ 14,871	$ -	$ -	$ 31,073
Investments	-	-	743	4,009	4,752
Lease receivable	61	-	-	-	61
Accrued interest receivable	-	-	20	113	133
Inter-fund due (to)/from, net	(1,246)	(1,587)	57	650	(2,126)
Mortgage loans, notes and other loans, net	-	-	398	1,070	1,468
Other assets	1,023	24	-	-	1,047
Intergovernmental receivable, net	2,247	3	-	-	2,250
Total current	**18,287**	**13,311**	**1,218**	**5,842**	**38,658**
Non current					
Investments	-	-	-	-	-
Lease receivable	-	-	-	-	-
Inter-fund due (to)/from, net	-	-	-	-	-
Mortgage loans, notes and other loans, net	-	-	12,868	34,593	47,461
Capital assets - non-depreciable	13,585	1,500	-	-	15,085
Capital assets - depreciable, net	28,437	9,123	-	-	37,560
Other assets	19	1	-	-	20
OPEB asset	-	-	-	-	-
Total non current	**42,041**	**10,624**	**12,868**	**34,593**	**100,126**
Total assets	**60,328**	**23,935**	**14,086**	**40,435**	**138,784**
Deferred Outflow Of Resources	**-**	**-**	**-**	**-**	**-**
Liabilities					
Current					
Bonds payable	-	-	-	-	-
Short term debt	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Other liabilities	921	220	2	8	1,151
Intergovernmental payable	-	-	-	-	-
Total current	**921**	**220**	**2**	**8**	**1,151**
Non current					
Bonds payable	-	-	-	-	-
Other liabilities	17	-	-	-	17
Derivative instrument - interest rate swaps	-	-	-	-	-
Pension liability	-	-	-	-	-
Total non current	**17**	**-**	**-**	**-**	**17**
Total liabilities	**938**	**220**	**2**	**8**	**1,168**
Deferred Inflow Of Resources	**49**	**-**	**-**	**-**	**49**
Net Position					
Net investment in capital assets	42,022	10,623	-	-	52,645
Restricted by bond resolutions	-	-	-	-	-
Restricted by contractual or statutory agreements	18,364	14,347	14,084	40,427	87,222
Unrestricted or (deficit)	(1,045)	(1,255)	-	-	(2,300)
Total net position	**$ 59,341**	**$ 23,715**	**$ 14,084**	**$ 40,427**	**$ 137,567**

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 September 30, 2025
$ 472	$ 1,727	$ -	$ 7,211	$ 9,410	$ 6,456	$ 46,939
-	-	-	-	-	-	4,752
-	-	-	-	-	3,264	3,325
-	-	-	-	-	1,417	1,550
(112)	(958)	(10,071)	9,489	(1,652)	(100)	(3,878)
-	-	34	-	34	-	1,502
994	701	4,970	6,821	13,486	4,498	19,031
1,319	1,718	8,014	-	11,051	-	13,301
2,673	**3,188**	**2,947**	**23,521**	**32,329**	**15,535**	**86,522**
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,423	-	1,423	(1,423)	-
-	-	935	-	935	23,194	71,590
-	1,832	-	-	1,832	4,740	21,657
-	6,077	-	-	6,077	-	43,637
-	245	-	-	245	1	266
-	-	-	-	-	-	-
-	**8,154**	**2,358**	**-**	**10,512**	**26,512**	**137,150**
2,673	**11,342**	**5,305**	**23,521**	**42,841**	**42,047**	**223,672**
-	**-**	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	238	369	22,805	23,412	814	25,377
-	-	-	-	-	-	-
-	**238**	**369**	**22,805**	**23,412**	**814**	**25,377**
-	-	-	-	-	-	-
-	236	-	-	236	188	441
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	**236**	**-**	**-**	**236**	**188**	**441**
-	**474**	**369**	**22,805**	**23,648**	**1,002**	**25,818**
-	**-**	**-**	**-**	**-**	**3,043**	**3,092**
-	7,909	-	-	7,909	4,740	65,294
-	-	-	-	-	-	-
4,827	12,598	9,968	28,128	55,521	33,295	176,038
(2,154)	(9,639)	(5,032)	(27,412)	(44,237)	(33)	(46,570)
$ 2,673	**$ 10,868**	**$ 4,936**	**$ 716**	**$ 19,193**	**$ 38,002**	**$ 194,762**

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 September 30, 2025

(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	$ 3,765	$ 5,904	$ 12,431	$ 3,598	$ 1,098
Investment interest	3,196	674	636	170	98
Net change in the fair value of investments	566	64	141	87	131
Total investment revenue	3,762	738	777	257	229
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	3	-	-	-	-
Gain (loss) on disposal of capital assets	-	-	-	-	-
Other revenue	742	-	-	-	-
Total operating revenues	**8,272**	**6,642**	**13,208**	**3,855**	**1,327**
Operating expenses					
Interest	427	3,045	7,848	1,537	401
Mortgage and loan costs	910	535	875	200	115
Bond financing expenses	77	389	53	1,049	44
Provision for loan loss	137	(150)	(236)	1,042	(43)
Operations and administration	5,570	361	638	109	86
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total operating expenses	**7,121**	**4,180**	**9,178**	**3,937**	**603**
Operating income (loss)	**1,151**	**2,462**	**4,030**	**(82)**	**724**
Non-operating expenses and transfers					
Contributions to State of Alaska or State agencies	(15)	-	-	-	-
Interfund receipts (payments) for operations	114,798	746	826	(4,045)	89
Change in net position	115,934	3,208	4,856	(4,127)	813
Net position at beginning of year	492,441	243,411	217,838	72,923	125,447
Net position at end of period	**$ 608,375**	**$ 246,619**	**$ 222,694**	**$ 68,796**	**$ 126,260**

See accompanying notes to the financial statements.

Combined State Capital Project Bonds	Combined Other Programs	Total September 30, 2025
$ 20,535	$ 582	$ 47,913
449	349	5,572
716	-	1,705
1,165	349	7,277
-	40,665	40,665
-	3,436	3,436
-	3,265	3,268
-	-	0
-	79	821
21,700	**48,376**	**103,380**
11,992	-	25,250
1,099	35	3,769
774	-	2,386
259	68	1,077
674	8,916	16,354
-	2,960	2,960
-	38,782	38,782
14,798	**50,761**	**90,578**
6,902	**(2,385)**	**12,802**
-	-	(15)
(117,479)	5,065	-
(110,577)	2,680	12,787
355,086	192,082	1,699,228
$ 244,509	**$ 194,762**	**$ 1,712,015**

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 September 30, 2025

(in thousands of dollars)

	Administrative Fund	Total September 30, 2025
Operating Revenues		
Mortgage and loan revenue	$ 3,765	$ 3,765
Investment interest	3,196	3,196
Net change in the fair value of investments	566	566
Total investment revenue	3,762	3,762
Grant revenue	-	-
Housing rental subsidies	-	-
Rental revenue	3	3
Gain (loss) on disposal of capital assets	-	-
Other revenue	742	742
Total operating revenues	**8,272**	**8,272**
Operating expenses		
Interest	427	427
Mortgage and loan costs	910	910
Bond financing expenses	77	77
Provision for loan loss	137	137
Operations and administration	5,570	5,570
Rental housing operating expenses	-	-
Grant expense	-	-
Total operating expenses	**7,121**	**7,121**
Operating income (loss)	**1,151**	**1,151**
Non-operating expenses and transfers		
Contributions to State of Alaska or State agencies	(15)	(15)
Interfund receipts (payments) for operations	114,798	114,798
Change in net position	115,934	115,934
Net position at beginning of year	492,441	492,441
Net position at end of period	**$ 608,375**	**$ 608,375**

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 September 30, 2025
(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	$ 675	$ 574	$ 560	$ 775	$ 913
Investment interest	70	52	44	55	87
Net change in the fair value of investments	8	3	4	4	8
Total investment revenue	78	55	48	59	95
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (loss) on disposal of capital assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total operating revenues	**753**	**629**	**608**	**834**	**1,008**
Operating expenses					
Interest	156	438	442	522	494
Mortgage and loan costs	59	52	49	74	85
Bond financing expenses	19	47	53	56	73
Provision for loan loss	(19)	(10)	(18)	(17)	(25)
Operations and administration	51	37	36	45	53
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total operating expenses	**266**	**564**	**562**	**680**	**680**
Operating income (loss)	**487**	**65**	**46**	**154**	**328**
Non-operating expenses and transfers					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	70	84	87	101	124
Change in net position	557	149	133	255	452
Net position at beginning of year	43,487	2,589	513	15,292	38,644
Net position at end of period	**$ 44,044**	**$ 2,738**	**$ 646**	**$ 15,547**	**$ 39,096**

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total September 30, 2025
$ 984	$ 1,423	$ 5,904
86	280	674
10	27	64
96	307	738
-	-	-
-	-	
-	-	-
-	-	-
-	-	-
1,080	**1,730**	**6,642**
499	494	3,045
88	128	535
69	72	389
(17)	(44)	(150)
53	86	361
-	-	-
-	-	-
692	**736**	**4,180**
388	**994**	**2,462**
-	-	-
122	158	746
510	1,152	3,208
45,469	97,417	243,411
$ 45,979	**$ 98,569**	**$ 246,619**

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 September 30, 2025
(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	$ 396	$ 1,250	$ 1,051	$ 1,738	$ 1,451
Investment interest	25	54	56	260	59
Net change in the fair value of investments	-	1	1	134	1
Total investment revenue	25	55	57	394	60
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (loss) on disposal of capital assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total operating revenues	**421**	**1,305**	**1,108**	**2,132**	**1,511**
Operating expenses					
Interest	189	408	619	860	634
Mortgage and loan costs	43	81	95	168	144
Bond financing expenses	1	1	2	5	22
Provision for loan loss	(16)	(21)	(22)	(47)	(46)
Operations and administration	40	61	85	140	88
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total operating expenses	**257**	**530**	**779**	**1,126**	**842**
Operating income (loss)	**164**	**775**	**329**	**1,006**	**669**
Non-operating expenses and transfers					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	42	61	244	145	91
Change in net position	206	836	573	1,151	760
Net position at beginning of year	22,838	46,617	16,684	63,008	49,920
Net position at end of period	**$ 23,044**	**$ 47,453**	**$ 17,257**	**$ 64,159**	**$ 50,680**

See accompanying notes to the financial statements.

General Mortgage Revenue Bonds II 2022 C	General Mortgage Revenue Bonds II 2024 A,B & C	General Mortgage Revenue Bonds II 2025 A	Total September 30, 2025
$ 981	$ 3,888	$ 1,676	$ 12,431
33	116	33	636
1	2	1	141
34	118	34	777
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,015	**4,006**	**1,710**	**13,208**
930	2,981	1,227	7,848
66	202	76	875
(4)	15	11	53
(16)	(59)	(9)	(236)
55	115	54	638
-	-	-	-
-	-	-	-
1,031	**3,254**	**1,359**	**9,178**
(16)	**752**	**351**	**4,030**
-	-	-	-
56	124	63	826
40	876	414	4,856
165	18,631	(25)	217,838
$ 205	**$ 19,507**	**$ 389**	**$ 222,694**

ALASKA HOUSING FINANCE CORPORATION

(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 September 30, 2025

(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Collateralized Bonds, 2023 1st Series	Collateralized Bonds, 2024 1st Series	Collateralized Bonds, 2025 1st Series
Operating Revenues					
Mortgage and loan revenue	$ 208	$ 762	$ 597	$ 1,031	$ 1,000
Investment interest	21	58	46	41	4
Net change in the fair value of investments	2	57	10	18	-
Total investment revenue	23	115	56	59	4
Grant revenue	-	-	-	-	-
Housing rental subsidies	-	-	-	-	-
Rental revenue	-	-	-	-	-
Gain (loss) on disposal of capital assets	-	-	-	-	-
Other revenue	-	-	-	-	-
Total operating revenues	**231**	**877**	**653**	**1,090**	**1,004**
Operating expenses					
Interest	139	74	529	795	-
Mortgage and loan costs	18	53	33	47	49
Bond financing expenses	1	1	(1)	2	1,046
Provision for loan loss	1	(18)	23	38	998
Operations and administration	12	30	15	21	31
Rental housing operating expenses	-	-	-	-	-
Grant expense	-	-	-	-	-
Total operating expenses	**171**	**140**	**599**	**903**	**2,124**
Operating income (loss)	**60**	**737**	**54**	**187**	**(1,120)**
Non-operating expenses and transfers					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	13	(5,172)	16	22	1,076
Change in net position	73	(4,435)	70	209	(44)
Net position at beginning of year	6,315	65,865	(250)	993	-
Net position at end of period	**$ 6,388**	**$ 61,430**	**$ (180)**	**$ 1,202**	**$ (44)**

See accompanying notes to the financial statements.

	Total September 30, 2025
$	3,598
	170
	87
	257
	-
	-
	-
	-
	-
	3,855
	1,537
	200
	1,049
	1,042
	109
	-
	-
	3,937
	(82)
	-
	(4,045)
	(4,127)
	72,923
$	**68,796**

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 September 30, 2025

(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B	Total September 30, 2025
Operating Revenues		
Mortgage and loan revenue	$ 1,098	$ 1,098
Investment interest	98	98
Net change in the fair value of investments	131	131
Total investment revenue	229	229
Grant revenue	-	-
Housing rental subsidies	-	-
Rental revenue	-	-
Gain (loss) on disposal of capital assets	-	-
Other revenue	-	-
Total operating revenues	**1,327**	**1,327**
Operating expenses		
Interest	401	401
Mortgage and loan costs	115	115
Bond financing expenses	44	44
Provision for loan loss	(43)	(43)
Operations and administration	86	86
Rental housing operating expenses	-	-
Grant expense	-	-
Total operating expenses	**603**	**603**
Operating income (loss)	**724**	**724**
Non-operating expenses and transfers		
Contributions to State of Alaska or State agencies	-	-
Interfund receipts (payments) for operations	89	89
Change in net position	813	813
Net position at beginning of year	125,447	125,447
Net position at end of period	**$ 126,260**	**$ 126,260**

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 September 30, 2025

(in thousands of dollars)

	State Capital Project Bonds II	**Total September 30, 2025**
Operating Revenues		
Mortgage and loan revenue	$ 20,535	$ 20,535
Investment interest	449	449
Net change in the fair value of investments	716	716
Total investment revenue	1,165	1,165
Grant revenue	-	-
Housing rental subsidies	-	-
Rental revenue	-	-
Gain (loss) on disposal of capital assets	-	-
Other revenue	-	-
Total operating revenues	**21,700**	**21,700**
Operating expenses		
Interest	11,992	11,992
Mortgage and loan costs	1,099	1,099
Bond financing expenses	774	774
Provision for loan loss	259	259
Operations and administration	674	674
Rental housing operating expenses	-	-
Grant expense	-	-
Total operating expenses	**14,798**	**14,798**
Operating income (loss)	**6,902**	**6,902**
Non-operating expenses and transfers		
Contributions to State of Alaska or State agencies	-	-
Interfund receipts (payments) for operations	(117,479)	(117,479)
Change in net position	(110,577)	(110,577)
Net position at beginning of year	355,086	355,086
Net position at end of period	**$ 244,509**	**$ 244,509**

See accompanying notes to the financial statements.

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 September 30, 2025
(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	$ -	$ -	$ 55	$ 372	$ 427
Investment interest	69	68	8	40	185
Net change in the fair value of investments	-	-	-	-	-
Total investment revenue	69	68	8	40	185
Grant revenue	1,741	-	-	-	1,741
Housing rental subsidies	2,796	640	-	-	3,436
Rental revenue	2,633	615	-	-	3,248
Gain (loss) on disposal of capital assets	-	-	-	-	-
Other revenue	1	1	-	-	2
Total operating revenues	**7,240**	**1,324**	**63**	**412**	**9,039**
Operating expenses					
Interest	-	-	-	-	-
Mortgage and loan costs	-	-	7	28	35
Bond financing expenses	-	-	-	-	-
Provision for loan loss	-	-	(1)	(15)	(16)
Operations and administration	3,893	876	6	19	4,794
Rental housing operating expenses	2,396	502	-	-	2,898
Grant expense	-	-	-	-	-
Total operating expenses	**6,289**	**1,378**	**12**	**32**	**7,711**
Operating income (loss)	**951**	**(54)**	**51**	**380**	**1,328**
Non-operating expenses and transfers					
Contributions to State of Alaska or State agencies	-	-	-	-	-
Interfund receipts (payments) for operations	60	383	7	18	468
Change in net position	1,011	329	58	398	1,796
Net position at beginning of year	58,330	23,386	14,026	40,029	135,771
Net position at end of period	**$ 59,341**	**$ 23,715**	**$ 14,084**	**$ 40,427**	**$ 137,567**

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 September 30, 2025
$ -	$ -	$ -	$ -	$ -	$ 155	$ 582
4	21	-	84	109	55	349
-	-	-	-	-	-	-
4	21	-	84	109	55	349
1,084	14,813	3,741	19,286	38,924	-	40,665
-	-	-	-	-	-	3,436
-	-	-	-	-	17	3,265
-	-	-	-	-	-	-
-	3	62	-	65	12	79
1,088	**14,837**	**3,803**	**19,370**	**39,098**	**239**	**48,376**
-	-	-	-	-	-	-
-	-	-	-	-	-	35
-	-	-	-	-	-	-
-	-	6	-	6	78	68
747	2,090	932	224	3,993	129	8,916
-	62	-	-	62	-	2,960
990	12,202	6,528	19,062	38,782	-	38,782
1,737	**14,354**	**7,466**	**19,286**	**42,843**	**207**	**50,761**
(649)	**483**	**(3,663)**	**84**	**(3,745)**	**32**	**(2,385)**
-	-	-	-	-	-	-
868	(11)	3,704	-	4,561	36	5,065
219	472	41	84	816	68	2,680
2,454	10,396	4,895	632	18,377	37,934	192,082
$ 2,673	**$ 10,868**	**$ 4,936**	**$ 716**	**$ 19,193**	**$ 38,002**	**$ 194,762**

ALASKA HOUSING FINANCE CORPORATION

(A Component Unit of the State of Alaska)

STATEMENT OF CASH FLOWS

COMBINED - ALL FUNDS

For the Three Months Ended September 30, 2025

(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	$ 3,159	$ 5,388	$ 11,633	$ 2,446	$ 985
Principal receipts on mortgages and loans	6,164	15,713	22,565	7,163	3,852
Disbursements to fund mortgages and loans	(195,207)	-	-	-	-
Receipts (payments) for interfund loan transfers	171,973	184	405	(111,585)	-
Mortgage and loan proceeds receipts	139,389	-	-	-	-
Mortgage and loan proceeds paid to trust funds	(135,299)	-	-	-	-
Payroll-related disbursements	(7,897)	-	-	-	-
Payments for goods and services	(1,586)	-	-	-	-
Receipts from externally funded programs	-	-	-	-	-
Receipts from Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	(13,663)	-	-	-	-
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	(5,910)	-	-	-	-
Net cash receipts (disbursements)	**(38,877)**	**21,285**	**34,603**	**(101,976)**	**4,837**
Non-capital financing activities					
Proceeds from bond issuance	-	-	9	100,050	-
Principal paid on bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	(9)	(1,046)	-
Interest paid on bonds	-	-	-	-	-
Payment of short term debt	(90,434)	-	-	-	-
Contributions to State of Alaska or State agencies	(15)	-	-	-	-
Transfers from (to) other funds	122,528	-	-	(4,205)	-
Net cash receipts (disbursements)	**32,079**	**-**	**-**	**94,799**	**-**
Capital financing activities					
Acquisition of capital assets	-	-	-	-	-
Net cash receipts (disbursements)	**-**	**-**	**-**	**-**	**-**
Investing activities					
Purchase of investments	(1,198,777)	(42,988)	(35,064)	(16,498)	(6,362)
Proceeds from maturity of investments	1,205,688	21,200	-	23,554	1,450
Interest received from investments	2,912	503	461	126	75
Net cash receipts (disbursements)	**9,823**	**(21,285)**	**(34,603)**	**7,182**	**(4,837)**
Net Increase (decrease) in cash	3,025	-	-	5	-
Cash at beginning of year	18,309	-	-	-	-
Cash at end of period	**$ 21,334**	**$ -**	**$ -**	**$ 5**	**$ -**

Combined State Capital Project Bonds	Combined Other Programs	Total September 30, 2025
$ 19,038	$ 393	$ 43,042
35,100	1,255	91,812
-	-	(195,207)
(60,977)	-	-
-	-	139,389
-	-	(135,299)
-	(4,882)	(12,779)
-	(3,335)	(4,921)
-	16,018	16,018
-	10,579	10,579
-	(11,673)	(11,673)
-	13,663	-
-	(28,363)	(28,363)
(150)	3,053	(3,007)
(6,989)	**(3,292)**	**(90,409)**
144,377	-	244,436
(25,655)	-	(25,655)
(333)	-	(1,388)
(83)	-	(83)
-	-	(90,434)
-	-	(15)
(118,323)	-	-
(17)	**-**	**126,861**
-	(1,676)	(1,676)
-	**(1,676)**	**(1,676)**
(109,319)	(1,690)	(1,410,698)
115,753	-	1,367,645
422	347	4,846
6,856	**(1,343)**	**(38,207)**
(150)	(6,311)	(3,431)
196	53,250	71,755
$ 46	**$ 46,939**	**$ 68,324**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COMBINED - ALL FUNDS
For the Three Months Ended September 30, 2025
(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)	$ 1,151	$ 2,462	$ 4,030	$ (82)	$ 724
Adjustments:					
Depreciation expense	229	-	-	-	-
Provision for loan loss	137	(150)	(236)	1,042	(43)
Net change in the fair value of investments	(566)	(64)	(141)	(87)	(131)
Interfund receipts (payments) for operations	114,798	746	826	(4,045)	89
Interest received from investments	(2,912)	(503)	(461)	(126)	(75)
Interest paid on bonds and capital notes	-	-	-	-	-
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	(15,131)	14,768	24,617	(103,245)	4,274
Net increase (decrease) in assets, liabilities,			-	-	
and deferred resources	(136,583)	4,026	5,968	4,567	(1)
Net operating cash receipts (disbursements)	**$ (38,877)**	**$ 21,285**	**$ 34,603**	**$ (101,976)**	**$ 4,837**

See accompanying notes to the financial statements.

Combined State Capital Project Bonds	Combined Other Programs	Total September 30, 2025
$ 6,902	$ (2,385)	$ 12,802
-	1,422	1,651
259	68	1,077
(716)	-	(1,705)
(117,479)	5,065	-
(422)	(347)	(4,846)
83	-	83
(26,826)	1,426	(100,117)
131,210	(8,541)	646
$ (6,989)	**$ (3,292)**	**$ (90,409)**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
ADMINISTRATIVE FUND
For the Three Months Ended September 30, 2025
(in thousands of dollars)

	Administrative Fund	Total September 30, 2025
Cash Flows		
Operating activities		
Interest income on mortgages and loans	$ 3,159	$ 3,159
Principal receipts on mortgages and loans	6,164	6,164
Disbursements to fund mortgages and loans	(195,207)	(195,207)
Receipts (payments) for interfund loan transfers	171,973	171,973
Mortgage and loan proceeds receipts	139,389	139,389
Mortgage and loan proceeds paid to trust funds	(135,299)	(135,299)
Payroll-related disbursements	(7,897)	(7,897)
Payments for goods and services	(1,586)	(1,586)
Receipts from externally funded programs	-	-
Receipts from Federal HAP subsidies	-	-
Payments for Federal HAP subsidies	-	-
Interfund receipts (payments)	(13,663)	(13,663)
Grant payments to other agencies	-	-
Other operating cash receipts (payments)	(5,910)	(5,910)
Net cash receipts (disbursements)	**(38,877)**	**(38,877)**
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	(90,434)	(90,434)
Contributions to State of Alaska or State agencies	(15)	(15)
Transfers from (to) other funds	122,528	122,528
Net cash receipts (disbursements)	**32,079**	**32,079**
Capital financing activities		
Acquisition of capital assets	-	-
Proceeds from the disposal of capital assets	-	-
Proceeds from direct financing leases	-	-
Net cash receipts (disbursements)	**-**	**-**
Investing activities		
Purchase of investments	(1,198,777)	(1,198,777)
Proceeds from maturity of investments	1,205,688	1,205,688
Interest received from investments	2,912	2,912
Net cash receipts (disbursements)	**9,823**	**9,823**
Net Increase (decrease) in cash	3,025	3,025
Cash at beginning of year	18,309	18,309
Cash at end of period	**$ 21,334**	**$ 21,334**

		Administrative Fund		Total September 30, 2025
Reconciliation				
Operating income (loss) to net cash				
Operating income (loss)	$	1,151	$	1,151
Adjustments:				
Depreciation expense		229		229
Provision for loan loss		137		137
Net change in the fair value of investments		(566)		(566)
Interfund receipts (payments) for operations		114,798		114,798
Interest received from investments		(2,912)		(2,912)
Interest paid on bonds and capital notes		-		-
				-
Change in assets, liabilities and deferred resources:				-
Net (increase) decrease in mortgages and loans		(15,131)		(15,131)
Net increase (decrease) in assets, liabilities,				-
and deferred resources		(136,583)		(136,583)
Net operating cash receipts (disbursements)	**$**	**(38,877)**	**$**	**(38,877)**

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 Three Months Ended September 30, 2025
(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	$ 593	$ 523	$ 517	$ 699	$ 825
Principal receipts on mortgages and loans	1,494	1,438	1,556	2,112	2,966
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	-	53	-	-
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)	**2,087**	**1,961**	**2,126**	**2,811**	**3,791**
Non-capital financing activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	-	-	-	-	-
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	-	-	-	-	-
Net cash receipts (disbursements)	**-**	**-**	**-**	**-**	**-**
Investing activities					
Purchase of investments	(5,437)	(3,103)	(3,658)	(4,554)	(6,758)
Proceeds from maturity of investments	3,300	1,100	1,500	1,700	2,900
Interest received from investments	50	42	32	43	67
Net cash receipts (disbursements)	**(2,087)**	**(1,961)**	**(2,126)**	**(2,811)**	**(3,791)**
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 September 30, 2025
$ 934	$ 1,297	$ 5,388
2,502	3,645	15,713
-	-	-
-	131	184
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
3,436	**5,073**	**21,285**
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	**-**	**-**
-	-	-
-	**-**	**-**
(7,402)	(12,076)	(42,988)
3,900	6,800	21,200
66	203	503
(3,436)	**(5,073)**	**(21,285)**
-	-	-
-	-	-
$ -	**$ -**	**$ -**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
HOME MORTGAGE REVENUE BONDS
For the Three Months Ended September 30, 2025
(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)	$ 487	$ 65	$ 46	$ 154	$ 328
Adjustments:					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(19)	(10)	(18)	(17)	(25)
Net change in the fair value of investments	(8)	(3)	(4)	(4)	(8)
Interfund receipts (payments) for operations	70	84	87	101	124
Interest received from investments	(50)	(42)	(32)	(43)	(67)
Interest paid on bonds and capital notes	-	-	-	-	-
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	1,872	1,026	1,735	1,706	2,442
Net increase (decrease) in assets, liabilities, and deferred resources	(265)	841	312	914	997
Net operating cash receipts (disbursements)	**$ 2,087**	**$ 1,961**	**$ 2,126**	**$ 2,811**	**$ 3,791**

See accompanying notes to the financial statements.

Home Mortgage Revenue Bonds 2009 B	Home Mortgage Revenue Bonds 2009 D	Total September 30, 2025
$ 388	$ 994	$ 2,462
-	-	-
(17)	(44)	(150)
(10)	(27)	(64)
122	158	746
(66)	(203)	(503)
-	-	-
1,661	4,326	14,768
1,358	(131)	4,026
$ 3,436	**$ 5,073**	**$ 21,285**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
GENERAL MORTGAGE REVENUE BONDS
For the Three Months Ended September 30, 2025
(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	$ 361	$ 1,175	$ 949	$ 1,586	$ 1,330
Principal receipts on mortgages and loans	1,520	1,669	2,808	5,037	3,742
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	-	-	-	127
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)	**1,881**	**2,844**	**3,757**	**6,623**	**5,199**
Non-capital financing activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	-	-	-	-	-
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	-	-	-	-	-
Net cash receipts (disbursements)	**-**	**-**	**-**	**-**	**-**
Investing activities					
Purchase of investments	(1,900)	(2,894)	(3,813)	(6,739)	(5,259)
Proceeds from maturity of investments	-	-	-	-	-
Interest received from investments	19	50	56	116	60
Net cash receipts (disbursements)	**(1,881)**	**(2,844)**	**(3,757)**	**(6,623)**	**(5,199)**
Net Increase (decrease) in cash	-	-	-	-	-
Cash at beginning of year	-	-	-	-	-
Cash at end of period	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

General Mortgage Revenue Bonds II 2022 C	General Mortgage Revenue Bonds II 2024 A,B & C	General Mortgage Revenue Bonds II 2025 A	Total September 30, 2025
$ 946	$ 3,690	$ 1,596	$ 11,633
1,588	5,262	939	22,565
-	-	-	-
-	278	-	405
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,534	**9,230**	**2,535**	**34,603**
-	-	9	9
-	-	-	-
-	-	(9)	(9)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	**-**	**-**	**-**
-	-	-	-
-	**-**	**-**	**-**
(2,559)	(9,337)	(2,563)	(35,064)
-	-	-	-
25	107	28	461
(2,534)	**(9,230)**	**(2,535)**	**(34,603)**
-	-	-	-
-	-	-	-
$ -	**$ -**	**$ -**	**$ -**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
GENERAL MORTGAGE REVENUE BONDS
For the Three Months Ended September 30, 2025
(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)	$ 164	$ 775	$ 329	$ 1,006	$ 669
Adjustments:					
Depreciation expense	-	-	-	-	-
Provision for loan loss	(16)	(21)	(22)	(47)	(46)
Net change in the fair value of investments	-	(1)	(1)	(134)	(1)
Interfund receipts (payments) for operations	42	61	244	145	91
Interest received from investments	(19)	(50)	(56)	(116)	(60)
Interest paid on bonds and capital notes	-	-	-	-	-
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	1,582	2,052	2,183	4,646	(934)
Net increase (decrease) in assets, liabilities, and deferred resources	128	28	1,080	1,123	5,480
Net operating cash receipts (disbursements)	**$ 1,881**	**$ 2,844**	**$ 3,757**	**$ 6,623**	**$ 5,199**

See accompanying notes to the financial statements.

General Mortgage Revenue Bonds II 2022 C	General Mortgage Revenue Bonds II 2024 A,B & C	General Mortgage Revenue Bonds II 2025 A	Total September 30, 2025
$ (16)	$ 752	$ 351	$ 4,030
-	-	-	-
(16)	(59)	(9)	(236)
(1)	(2)	(1)	(141)
56	124	63	826
(25)	(107)	(28)	(461)
-	-	-	-
7,210	6,983	895	24,617
			-
(4,674)	1,539	1,264	5,968
$ 2,534	**$ 9,230**	**$ 2,535**	**$ 34,603**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COLLATERALIZED VETERANS MORTGAGE BONDS
For the Three Months Ended September 30, 2025
(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Collateralized Bonds, 2023 1st Series	Collateralized Bonds, 2024 1st Series	Collateralized Bonds, 2025 1st Series
Cash Flows					
Operating activities					
Interest income on mortgages and loans	$ 195	$ 728	$ 538	$ 985	$ -
Principal receipts on mortgages and loans	1,229	2,302	2,219	1,413	-
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	(1,371)	-	(5,069)	(5,147)	(99,998)
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)	**53**	**3,030**	**(2,312)**	**(2,749)**	**(99,998)**
Non-capital financing activities					
Proceeds from bond issuance	-	-	-	-	100,050
Principal paid on bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	(1,046)
Interest paid on bonds	-	-	-	-	-
Payment of short term debt	-	-	-	-	-
Contributions to State of Alaska or State agencies	-	-	-	-	-
Transfers from (to) other funds	-	(5,201)	-	-	996
Net cash receipts (disbursements)	**-**	**(5,201)**	**-**	**-**	**100,000**
Capital financing activities					
Acquisition of capital assets	-	-	-	-	-
Net cash receipts (disbursements)	**-**	**-**	**-**	**-**	**-**
Investing activities					
Purchase of investments	(1,639)	(6,739)	(3,789)	(4,329)	(2)
Proceeds from maturity of investments	1,571	8,866	6,070	7,047	-
Interest received from investments	15	49	31	31	-
Net cash receipts (disbursements)	**(53)**	**2,176**	**2,312**	**2,749**	**(2)**
Net Increase (decrease) in cash	-	5	-	-	-
Cash at beginning of year	-	-	-	-	-
Cash at end of period	**$ -**	**$ 5**	**$ -**	**$ -**	**$ -**

Total September 30, 2025
$ 2,446
7,163
-
(111,585)
-
-
-
-
-
-
-
-
-
-
(101,976)
100,050
-
(1,046)
-
-
-
(4,205)
94,799
-
-
(16,498)
23,554
126
7,182
5
-
$ 5

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
COLLATERALIZED VETERANS MORTGAGE BONDS
For the Three Months Ended September 30, 2025
(in thousands of dollars)

	Collateralized Bonds, 2016 1st & 2nd Series	Collateralized Bonds, 2019 1st & 2nd Series	Collateralized Bonds, 2023 1st Series	Collateralized Bonds, 2024 1st Series	Collateralized Bonds, 2025 1st Series
Reconciliation					
Operating income (loss) to net cash					
Operating income (loss)	$ 60	$ 737	$ 54	$ 187	$ (1,120)
Adjustments:					
Depreciation expense	-	-	-	-	-
Provision for loan loss	1	(18)	23	38	998
Net change in the fair value of investments	(2)	(57)	(10)	(18)	-
Interfund receipts (payments) for operations	13	(5,172)	16	22	1,076
Interest received from investments	(15)	(49)	(31)	(31)	-
Interest paid on bonds and capital notes	-	-	-	-	-
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	(139)	1,757	(2,232)	(3,792)	(98,839)
Net increase (decrease) in assets, liabilities, and deferred resources	135	5,832	(132)	845	(2,113)
Net operating cash receipts (disbursements)	**$ 53**	**$ 3,030**	**$ (2,312)**	**$ (2,749)**	**$ (99,998)**

See accompanying notes to the financial statements.

	Total September 30, 2025
$	(82)
	-
	1,042
	(87)
	(4,045)
	(126)
	-
	(103,245)
	4,567
$	**(101,976)**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
GOVERNMENTAL PURPOSE BONDS
For the Three Months Ended September 30, 2025
(in thousands of dollars)

	Governmental Purpose Bonds 2001 A & B	Total September 30, 2025
Cash Flows		
Operating activities		
Interest income on mortgages and loans	$ 985	$ 985
Principal receipts on mortgages and loans	3,852	3,852
Disbursements to fund mortgages and loans	-	-
Receipts (payments) for interfund loan transfers	-	-
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)	**4,837**	**4,837**
Non-capital financing activities		
Proceeds from bond issuance	-	-
Principal paid on bonds	-	-
Payment of bond issuance costs	-	-
Interest paid on bonds	-	-
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	-	-
Net cash receipts (disbursements)	**-**	**-**
Investing activities		
Purchase of investments	(6,362)	(6,362)
Proceeds from maturity of investments	1,450	1,450
Interest received from investments	75	75
Net cash receipts (disbursements)	**(4,837)**	**(4,837)**
Net Increase (decrease) in cash	-	-
Cash at beginning of year	-	-
Cash at end of period	**$ -**	**$ -**

	Governmental Purpose Bonds 2001 A & B	Total September 30, 2025
Reconciliation		
Operating income (loss) to net cash		
Operating income (loss)	$ 724	$ 724
Adjustments:		
Depreciation expense	-	-
Provision for loan loss	(43)	(43)
Net change in the fair value of investments	(131)	(131)
Interfund receipts (payments) for operations	89	89
Interest received from investments	(75)	(75)
Interest paid on bonds and capital notes	-	-
		-
Change in assets, liabilities and deferred resources:		-
Net (increase) decrease in mortgages and loans	4,274	4,274
Net increase (decrease) in assets, liabilities,		-
and deferred resources	(1)	(1)
Net operating cash receipts (disbursements)	**$ 4,837**	**$ 4,837**

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 Three Months Ended September 30, 2025
(in thousands of dollars)

	State Capital Project Bonds II	Total September 30, 2025
Cash Flows		
Operating activities		
Interest income on mortgages and loans	$ 19,038	$ 19,038
Principal receipts on mortgages and loans	35,100	35,100
Disbursements to fund mortgages and loans	-	-
Receipts (payments) for interfund loan transfers	(60,977)	(60,977)
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)	(150)	(150)
Net cash receipts (disbursements)	**(6,989)**	**(6,989)**
Non-capital financing activities		
Proceeds from bond issuance	144,377	144,377
Principal paid on bonds	(25,655)	(25,655)
Payment of bond issuance costs	(333)	(333)
Interest paid on bonds	(83)	(83)
Payment of short term debt	-	-
Contributions to State of Alaska or State agencies	-	-
Transfers from (to) other funds	(118,323)	(118,323)
Net cash receipts (disbursements)	**(17)**	**(17)**
Capital financing activities		
Acquisition of capital assets	-	-
Net cash receipts (disbursements)	**-**	**-**
Investing activities		
Purchase of investments	(109,319)	(109,319)
Proceeds from maturity of investments	115,753	115,753
Interest received from investments	422	422
Net cash receipts (disbursements)	**6,856**	**6,856**
Net Increase (decrease) in cash	(150)	(150)
Cash at beginning of year	196	196
Cash at end of period	**$ 46**	**$ 46**

	State Capital Project Bonds II	Total September 30, 2025
Reconciliation		
Operating income (loss) to net cash		
Operating income (loss)	$ 6,902	$ 6,902
Adjustments:		
Depreciation expense	-	-
Provision for loan loss	259	259
Net change in the fair value of investments	(716)	(716)
Interfund receipts (payments) for operations	(117,479)	(117,479)
Interest received from investments	(422)	(422)
Interest paid on bonds and capital notes	83	83
Change in assets, liabilities and deferred resources:		
Net (increase) decrease in mortgages and loans	(26,826)	(26,826)
Net increase (decrease) in assets, liabilities, and deferred resources	131,210	131,210
Net operating cash receipts (disbursements)	**$ (6,989)**	**$ (6,989)**

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 Three Months Ended September 30, 2025
(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	$ -	$ -	$ 48	$ 345	$ 393
Principal receipts on mortgages and loans	-	-	148	1,107	1,255
Disbursements to fund mortgages and loans	-	-	-	-	-
Receipts (payments) for interfund loan transfers	-	-	-	-	-
Mortgage and loan proceeds receipts	-	-	-	-	-
Mortgage and loan proceeds paid to trust funds	-	-	-	-	-
Payroll-related disbursements	(2,221)	(560)	-	-	(2,781)
Payments for goods and services	(2,259)	(335)	-	-	(2,594)
Receipts from externally funded programs	4,249	703	-	-	4,952
Receipts from Federal HAP subsidies	-	-	-	-	-
Payments for Federal HAP subsidies	-	-	-	-	-
Interfund receipts (payments)	(1,755)	(105)	-	-	(1,860)
Grant payments to other agencies	-	-	-	-	-
Other operating cash receipts (payments)	2,416	529	-	-	2,945
Net cash receipts (disbursements)	**430**	**232**	**196**	**1,452**	**2,310**
Non-capital financing activities					
Proceeds from bond issuance	-	-	-	-	-
Principal paid on bonds	-	-	-	-	-
Payment of bond issuance costs	-	-	-	-	-
Interest paid on bonds	-	-	-	-	-
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	(1,306)	(370)	-	-	(1,676)
Net cash receipts (disbursements)	**(1,306)**	**(370)**	**-**	**-**	**(1,676)**
Investing activities					
Purchase of investments	-	-	(203)	(1,487)	(1,690)
Proceeds from maturity of investments	-	-	-	-	-
Interest received from investments	71	68	7	35	181
Net cash receipts (disbursements)	**71**	**68**	**(196)**	**(1,452)**	**(1,509)**
Net Increase (decrease) in cash	(805)	(70)	-	-	(875)
Cash at beginning of year	17,007	14,941	-	-	31,948
Cash at end of period	**$ 16,202**	**$ 14,871**	**$ -**	**$ -**	**$ 31,073**

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Other Funds or Programs Subtotal	Alaska Corporation for Affordable Housing	Total September 30, 2025
$ -	$ -	$ -	$ -	$ -	$ -	$ 393
-	-	-	-	-	-	1,255
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(160)	(1,584)	(268)	-	(2,012)	(89)	(4,882)
(177)	(234)	(81)	(213)	(705)	(36)	(3,335)
2,132	4,094	4,840	-	11,066	-	16,018
-	10,579	-	-	10,579	-	10,579
-	(11,673)	-	-	(11,673)	-	(11,673)
(505)	(2,023)	3,685	14,384	15,541	(18)	13,663
(1,563)	(529)	(8,238)	(18,033)	(28,363)	-	(28,363)
-	3	62	-	65	43	3,053
(273)	**(1,367)**	**-**	**(3,862)**	**(5,502)**	**(100)**	**(3,292)**
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-	(1,676)
-	**-**	**-**	**-**	**-**	**-**	**(1,676)**
-	-	-	-	-	-	(1,690)
-	-	-	-	-	-	-
4	21	-	84	109	57	347
4	**21**	**-**	**84**	**109**	**57**	**(1,343)**
(269)	(1,346)	-	(3,778)	(5,393)	(43)	(6,311)
741	3,073	-	10,989	14,803	6,499	53,250
$ 472	**$ 1,727**	**$ -**	**$ 7,211**	**$ 9,410**	**$ 6,456**	**$ 46,939**

ALASKA HOUSING FINANCE CORPORATION
(A Component Unit of the State of Alaska)
STATEMENT OF CASH FLOWS
OTHER PROGRAM FUNDS
For the Three Months Ended September 30, 2025
(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)	$ 951	$ (54)	$ 51	$ 380	$ 1,328
Adjustments:					
Depreciation expense	999	313	-	-	1,312
Provision for loan loss	-	-	(1)	(15)	(16)
Net change in the fair value of investments	-	-	-	-	-
Interfund receipts (payments) for operations	60	383	7	18	468
Interest received from investments	(71)	(68)	(7)	(35)	(181)
Interest paid on bonds and capital notes	-	-	-	-	-
Change in assets, liabilities and deferred resources:					
Net (increase) decrease in mortgages and loans	-	-	110	1,454	1,564
Net increase (decrease) in assets, liabilities, and deferred resources	(1,509)	(342)	36	(350)	(2,165)
Net operating cash receipts (disbursements)	**$ 430**	**$ 232**	**$ 196**	**$ 1,452**	**$ 2,310**

See accompanying notes to the financial statements.

Energy Programs	Section 8 Voucher Programs	Other Grants	COVID-19 Grants	Other Funds or Programs Subtotal	Alaska Corporation for Affordable Housing	Total September 30, 2025
$ (649)	$ 483	$ (3,663)	$ 84	$ (3,745)	$ 32	$ (2,385)
-	110	-	-	110	-	1,422
-	-	6	-	6	78	68
-	-	-	-	-	-	-
868	(11)	3,704	-	4,561	36	5,065
(4)	(21)	-	(84)	(109)	(57)	(347)
-	-	-	-	-	-	-
-	-	6	-	6	(144)	1,426
(488)	(1,928)	(53)	(3,862)	(6,331)	(45)	(8,541)
$ (273)	**$ (1,367)**	**$ -**	**$ (3,862)**	**$ (5,502)**	**$ (100)**	**$ (3,292)**

Other Financial Information

Entity-wide amounts for fiscal years ending June 30 are presented below for informational purposes (in thousands):

	2025	2024	2023	2022	2021
Assets					
Cash	$ 71,755	$ 88,608	$ 80,205	$ 84,731	$ 108,769
Investments	599,256	634,502	784,796	981,786	1,033,065
Accrued interest receivable	16,273	15,104	16,664	14,791	14,850
Mortgage loans, notes and other loans	3,897,110	3,569,388	3,229,243	3,018,160	2,995,561
Net investment in direct financing lease	-	-	-	-	20,287
Capital assets, net	76,718	68,894	71,542	75,158	81,177
Other assets	73,331	87,040	70,344	66,358	38,510
Total Assets	4,734,443	4,463,536	4,252,794	4,240,984	4,292,219
Deferred Outflow of Resources	49,413	52,628	71,553	111,512	210,255
Liabilities					
Bonds and notes payable	2,802,648	2,618,772	2,347,283	2,277,492	2,366,206
Short term debt	127,493	45,938	128,476	149,771	131,697
Accrued interest payable	8,954	12,297	7,339	6,013	6,681
Other liabilities	103,104	138,634	150,617	202,682	211,197
Derivative instrument - interest rate swaps	30,229	27,057	39,013	73,728	168,250
Total Liabilities	3,072,428	2,842,698	2,672,728	2,709,686	2,883,031
Deferred Inflow of Resources	12,200	20,630	23,369	43,349	3,512
Total Net Position	$ 1,699,228	$ 1,652,836	$ 1,628,250	$ 1,599,461	$ 1,615,931
Operating Revenues					
Mortgage and loans revenue	$ 177,021	$ 147,583	$ 127,895	$ 120,874	$ 132,258
Investment interest	33,314	43,959	35,962	3,440	5,669
Net change in fair value of investments	2,953	282	3,158	820	(2,158)
Net change of hedge termination	-	-	281	875	579
Total Investment Revenue	36,267	44,241	39,401	5,135	4,090
Externally funded programs	157,013	105,067	156,657	283,006	154,023
Rental	12,267	12,307	11,509	11,280	11,219
Other	8,472	3,021	3,165	4,347	4,490
Total Operating Revenues	391,040	312,219	338,627	424,642	306,080
Operating Expenses					
Interest	99,980	91,885	79,853	60,780	70,987
Mortgage and loan costs	14,992	13,814	12,501	11,767	11,342
Operations and administration	66,059	53,648	47,774	48,911	50,360
Financing expenses	5,721	6,206	4,834	4,923	6,033
Provision for loan loss	10,113	7,317	1,640	485	(2,761)
Housing grants and subsidies	127,681	90,592	138,014	276,268	143,129
Rental housing operating expenses	16,778	18,506	17,175	19,274	17,012
Total Operating Expenses	341,324	281,968	301,791	422,408	296,102
Operating Income (Loss)	49,716	30,251	36,836	2,234	9,978
Non-Operating & Special Item					
Contribution to State or State agency	(3,324)	(5,665)	(8,047)	(933)	(1,011)
Change in Net Position	$ 46,392	$ 24,586	$ 28,789	$ 1,301	$ 8,967