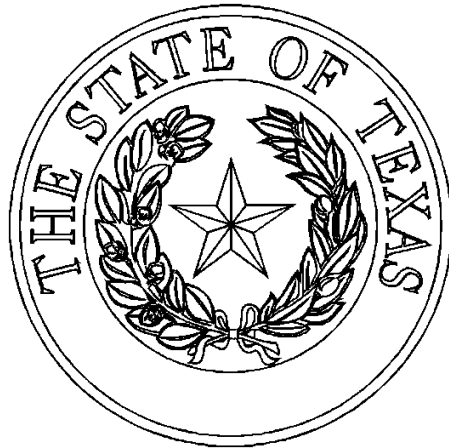


**TEXAS DEPARTMENT OF HOUSING
AND COMMUNITY AFFAIRS**

Revenue Bond Program Enterprise Fund

**Basic Financial Statements
for the Year Ended August 31, 2014**

(With Independent Auditor's Report)



**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

Basic Financial Statements for the Year Ended August 31, 2014

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Independent Auditor's Report

Department of Housing and Community Affairs Board of Directors
Mr. J. Paul Oxeer, P.E., Chair
Dr. Juan Sanchez Muñoz, Vice Chair
Mr. T. Tolbert Chisum
Ms. Leslie Bingham Escareño
Mr. Tom H. Gann
Mr. J. B. Goodwin

Report on the Financial Statements

We have audited the accompanying financial statements of the Revenue Bond Program Enterprise Fund (Program) of the Department of Housing and Community Affairs (Department), as of and for the year ended August 31, 2014, and the related notes to the financial statements, which collectively comprise the Program's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Program of the Department, as of August 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matters

Fund Financial Statements

As discussed in Note 1, the financial statements present only the Program, an enterprise fund of the Department and of State of Texas, and do not purport to, and do not, present fairly the financial position of the State of Texas or the Department as of August 31, 2014, the changes in its financial position, or, where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Program's financial statements. The supplementary bond schedules and supplemental schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

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

The supplemental schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2014, of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.



John Keel, CRA
State Auditor

December 19, 2014

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS –
REVENUE BOND PROGRAM ENTERPRISE FUND**

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

This section of the Texas Department of Housing and Community Affairs - Revenue Bond Program (“Bond Program”) annual financial report presents management’s discussion and analysis of the financial performance of the Bond Program of the Texas Department of Housing and Community Affairs (“Department”) during the fiscal year that ended on August 31, 2014. Please read it in conjunction with the Department’s Bond Program financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Bond Program’s net position increased by \$28.9 million. This was primarily because of the \$3.8 million positive change in fair value of investments, an increase of \$6 million in fees related to the Taxable Mortgage Program (“TMP”), a positive \$12.8 million difference between interest income and interest expense, and a restatement of beginning net position of \$4.3 million as explained below.
- The Bond Program had an Operating Income of \$29.2 million, an increase of \$57.4 million from the prior year. The change in operating income was a result of the following factors. Interest and investment income decreased \$15.0 million due to declining investment balances; the net change in fair value of investments increased from a negative change of \$43.6 million in fiscal year 2013 to a positive change of \$3.8 million in fiscal year 2014, or \$47.4 million; other operating revenue increased \$3.1 million primarily related to fees collected related to the Taxable Mortgage Program; and bond interest expense decreased \$18.0 million due to lower bonds outstanding and lower interest rates related to variable rate debt.
- The Bond Program’s debt outstanding of \$1.7 billion as of August 31, 2014, decreased \$219.9 million. Debt issuances and debt retirements totaled \$43.1 million and \$262.2 million, respectively. Loan originations for the year totaled \$55.5 million in the Bond Program.
- In accordance with Governmental Accounting Standards Board Statement (GASB) No. 53, *Accounting and Financial Reporting for Derivative Instruments*, the Department identified its derivative instruments, measured their effectiveness, and reported the derivative instruments at fair value. The Department’s interest rate swaps, which were primarily used to hedge changes in interest rates, are considered to be derivative instruments under GASB 53. GASB 53 requires the fair value of a derivative to be reported at the end of the fiscal year in the balance sheet. As of August 31, 2014, the Department’s five interest rate swaps had a total notional amount of \$217.0 million and a negative \$22.4 million fair value which was recorded in the deferred outflow of resources account and as a derivative swap liability.
- In accordance with Governmental Accounting Standards Board Statement (GASB) No. 65, *Items Previously Reported as Assets and Liabilities*, the Department identified and reclassified certain balance sheet items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources and recognized certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflow of resources (revenue). The implementation of GASB 65 resulted in a reclassification of beginning net position of \$4.3 million from the recognition of deferred issuance costs as expenses and deferred commitments as revenues.

FINANCIAL STATEMENTS

The financial statements provide information about the Bond Program's funds. The Bond Program has only one type of fund, the proprietary fund, which is as follows:

- **Proprietary Fund** - The Bond Program's activities in its proprietary fund are accounted for in a manner similar to businesses operating in the private sector. Funding has primarily arisen through the issuances of taxable and tax-exempt bonds whose proceeds are used primarily to fund various types of loans to finance low- and moderate-income housing. The net position of these funds represents accumulated earnings since their inception and is generally restricted for program purposes or debt service.

FINANCIAL ANALYSIS OF THE REVENUE BOND PROGRAM

Bond Program - Condensed Statement of Net Position				
	2014	2013	Increase (Decrease)	
			Amount	Percentage
ASSETS:				
Current Assets:				
Cash and investments	\$ 130,067,960	\$ 107,566,046	\$ 22,501,914	20.92 %
Loans and Contracts	10,974,577	12,221,178	(1,246,601)	(10.20)%
Interest receivable	12,031,065	11,511,196	519,869	4.52 %
Other Current Assets	425,269	356,147	69,122	19.41 %
Non-Current Assets:				
Investments	826,977,158	1,005,554,656	(178,577,498)	(17.76)%
Loans and Contracts	1,050,058,287	1,054,175,156	(4,116,869)	(0.39)%
Other Non-Current Assets	74,905	5,737,498	(5,662,593)	(98.69)%
Total assets	<u>2,030,609,221</u>	<u>2,197,121,877</u>	<u>(166,512,656)</u>	<u>(7.58)%</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>22,441,099</u>	<u>25,144,123</u>	<u>(2,703,024)</u>	<u>(10.75)%</u>
LIABILITIES:				
Current Liabilities				
Bonds payable	21,806,680	24,849,568	(3,042,888)	(12.25)%
Interest payable	19,262,560	21,848,815	(2,586,255)	(11.84)%
Other current liabilities	690,519	11,004,049	(10,313,530)	(93.72)%
Non-Current Liabilities				
Bonds payable	1,674,310,169	1,891,171,055	(216,860,886)	(11.47)%
Derivative Hedging Instrument	22,441,099	25,144,123	(2,703,024)	(10.75)%
Other non-current liabilities	104,746,634	67,375,914	37,370,720	55.47 %
Total liabilities	<u>1,843,257,661</u>	<u>2,041,393,524</u>	<u>(198,135,863)</u>	<u>(9.71)%</u>
DEFERRED INFLOWS OF RESOURCES	<u>_____</u>	<u>_____</u>	<u>_____</u>	
NET POSITION:				
Restricted for Bonds	198,730,752	169,151,068	29,579,684	17.49 %
Unrestricted	<u>11,061,907</u>	<u>11,721,408</u>	<u>(659,501)</u>	<u>(5.63)%</u>
Total Net Position	<u>\$ 209,792,659</u>	<u>\$ 180,872,476</u>	<u>\$ 28,920,183</u>	<u>15.99 %</u>

The Net Position of the Bond Program increased \$28.9 million, or 16%, to \$209.8 million. The restricted net position of the Bond Program increased \$29.6 million, or 17.5%. The increase can be primarily attributed to the positive change in fair value of investments and a positive difference between interest earnings and interest expense. The unrestricted net position decreased \$656.5 thousand, or 5.6%, to \$11.1 million. The unrestricted net position is composed of \$6.5 million related to the Operating Fund and \$6.9 million related to the Taxable Mortgage Program offset by a negative net position related to Multifamily of \$2.2 million.

Cash and investments (current and non-current) decreased \$156.1 million, or 14%, to \$957.0 million, primarily due to the sale of investments and decreasing investment balances as debt is being retired.

The Bond Program's loans and contracts (current and non-current) decreased \$5.4 million, or .5%, to \$1.1 billion, due primarily as a result of loans issued and paid off related to the Department's Multi-family Bond Program. Total bonds payable (current and non-current) decreased \$219.9 million, or 11.5%, due to the Department's monthly retirement of existing debt primarily due to consumer refinancing and paying off of original loans and sale of pledged assets within the RMRB indenture with the retirement of the associated debt offset by the issuance of \$43.1 million in multifamily bonds.

In accordance with Governmental Accounting Standards Board Statement (GASB) No. 53, *Accounting and Financial Reporting for Derivative Instruments*, the Department reported its derivative instruments at fair value on the balance sheet. The Department's five interest rate swaps are considered to be derivative instruments per GASB No. 53. The negative \$22.4 million fair value of the swaps decreased by \$2.7 million and is reported as deferred outflow of resources and a derivative hedging instrument classified as a liability.

A comparison between 2014 and 2013 for the Statement of Revenues, Expenses, and Changes in Fund Net Position is as follows:

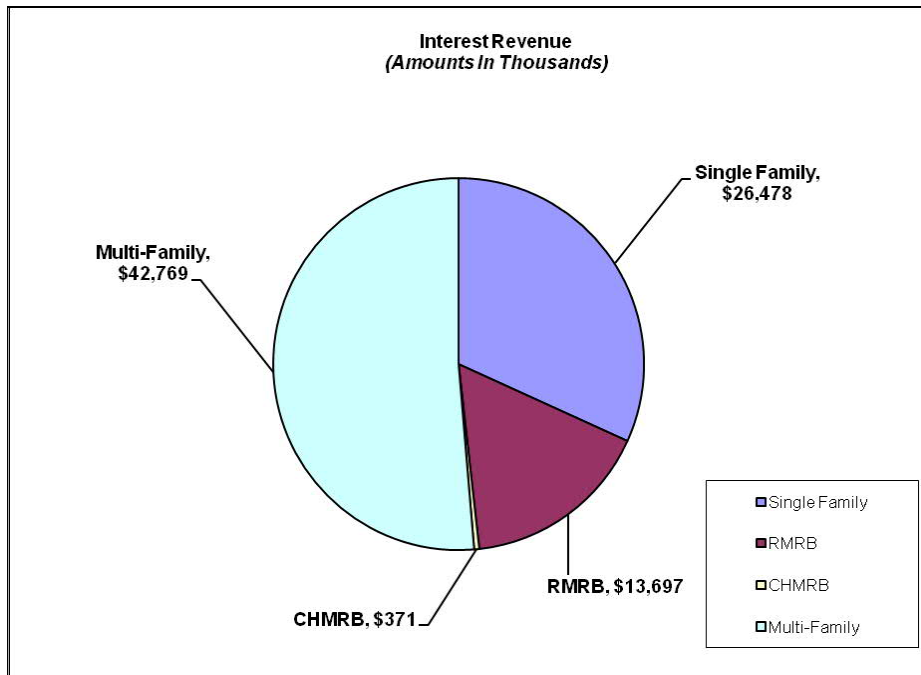
Bond Program - Statement of Revenues, Expenses, and Changes in Fund Net Position				
			Increase (Decrease)	
	2014	2013	Amount	Percentage
OPERATING REVENUES:				
Interest and investment income	\$ 83,648,421	\$ 98,653,386	\$ (15,004,965)	(15.21)%
Net change in fair value of Investments	3,783,495	(43,623,321)	47,406,816	(108.67)%
Other operating revenues	<u>18,289,161</u>	<u>15,163,557</u>	<u>3,125,604</u>	20.61 %
Total operating revenues	<u>105,721,077</u>	<u>70,193,622</u>	<u>35,527,455</u>	50.61 %
OPERATING EXPENSES:				
Professional fees and services	2,576,948	2,870,266	(293,318)	(10.22)%
Depreciation expense		2,189,089	(2,189,089)	(100.00)%
Interest	70,876,933	88,877,460	(18,000,527)	(20.25)%
Bad debt expense	363,510	545,738	(182,228)	(33.39)%
Down payment assistance	1,239,349	1,587,960	(348,611)	(21.95)%
Other operating expenses	<u>1,504,324</u>	<u>2,336,116</u>	<u>(831,792)</u>	(35.61)%
Total operating expenses	<u>76,561,064</u>	<u>98,406,629</u>	<u>(21,845,565)</u>	(22.20)%
OPERATING INCOME (LOSS)	29,160,013	(28,213,007)	57,373,020	(203.36)%
TRANSFERS	<u>(4,504,499)</u>	<u>(3,987,119)</u>	<u>(517,380)</u>	(12.98)%
CHANGE IN NET POSITION	24,655,514	(32,200,126)	56,855,640	(176.57)%
BEGINNING NET POSITION	180,872,476	213,072,602	(32,200,126)	(15.11)%
RESTATEMENTS	<u>4,264,669</u>		<u>4,264,669</u>	
BEGINNING NET ASSETS—As restated	<u>185,137,145</u>	<u>213,072,602</u>	<u>(27,935,457)</u>	(13.11)%
ENDING NET POSITION	<u>\$ 209,792,659</u>	<u>\$ 180,872,476</u>	<u>\$ 28,920,183</u>	15.99 %

Earnings within the Bond Program's various bond indentures were \$105.7 million, of which \$87.3 million is classified as restricted and \$18.4 million as unrestricted.

Restricted earnings are composed of \$83.3 million in interest and investment income and \$3.9 million net increase in fair value of investments. Interest and investment income is restricted per bond covenants for debt service and the net increase in fair value in investments is a combination of both unrealized and realized gains.

Unrestricted earnings are composed of \$333.1 thousand in interest and investment income, \$105.7 thousand net decrease in fair value of investments, and \$18.2 million in other operating revenue.

The graph below illustrates the composition of interest and investment income for the various bond indentures that make up the Bond Program:



Interest earned on program loans decreased by \$2.5 million, or 5.6%, due primarily to a decrease of \$2.4 million, or 5.3%, within the Bond Program’s Multi-Family Program, due to lower loan amounts outstanding throughout the year as a result of loan payoffs and lower interest rates.

Investment income decreased \$12.3 million, or 23.3%, and reflected lower investment yields due to declining investment balances. The decrease was primarily due to a decrease of \$8.4 million in the Single Family Revenue Bond Program and a \$3.1 million decrease in the RMRB Revenue Bond Program.

Expenses of the Bond Program consist primarily of interest expense and professional fees and services. Interest expense was \$70.9 million, which decreased \$18.0 million, or 20.3%, on the Bond Program’s debt incurred to fund its various lending programs. Professional fees and services was \$2.6 million which decreased \$293.3 thousand or 10.2% associated with costs incurred to evaluate and administer funds within the various bond indentures.

The changes in net assets by bond indenture for the Bond Program for fiscal years 2014 and 2013 are as follows:

Changes in Net Position by Bond Program, Year Ended August 31, (Amounts in Thousands)				
Fund	2014	2013	Increase (Decrease)	
			Amount	Percentage
Single Family	\$ 100,010	\$ 87,761	\$ 12,249	14.0 %
RMRB	91,668	74,490	17,178	23.1 %
CHMRB	1,753	1,800	(47)	(2.6)%
Taxable Mortgage Program	10,966	10,347	619	6.0 %
Multifamily	(2,171)	(2,001)	(170)	8.5 %
General funds	<u>7,566</u>	<u>8,476</u>	<u>(910)</u>	(10.7)%
Total	<u><u>\$ 209,792</u></u>	<u><u>\$180,873</u></u>	<u><u>\$ 28,919</u></u>	16.0 %

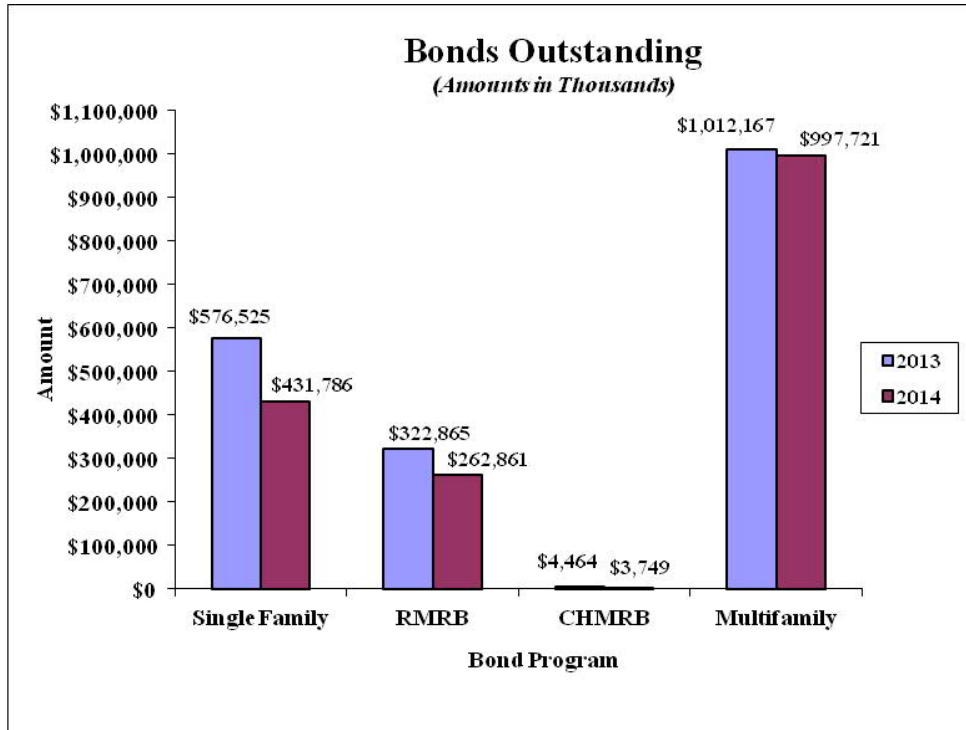
The Net Position of the Single Family Bond Program increased by \$12.2 million, or 14%, primarily due to a positive \$4.9 million restatement of net position due to the implementation of GASB 65, a positive difference of \$8.8 million between interest income and bond interest expense offset by approximately \$948.5 thousand in professional fees and a negative change in fair value of investments of \$95.5 thousand.

The Net Position of the RMRB Program increased by \$17.2 million, or 23.1%, primarily due to a negative \$1.1 million restatement of net position due to the implementation of GASB 65, a positive difference of \$4 million between interest income and bond interest expense, and a positive change in fair value of investments of \$4.0 million and \$10.9 million transferred from the Taxable Mortgage Program to fund down payment assistance loans.

BOND PROGRAM DEBT

The Bond Program's new debt issuances during fiscal year 2014 totaled \$43.1 million related to the Multifamily Bond Program. The Bond Program also had \$262.2 million in debt retirements during the year primarily due to consumer refinancing and paying off of original loans. The net result was a decrease in bonds payable of \$219.9 million to \$1.7 billion of which \$21.8 million is due within one year. For additional information, see Note 4, Bonds Payable, and supplementary bond schedules.

The following graph will illustrate a comparison of bonds outstanding between fiscal year 2014 and 2013 per bond program:



REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Texas Department of Housing and Community Affairs’ Bond Program Enterprise Fund operations for all parties interested in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Texas Department of Housing and Community Affairs, Chief Financial Officer, P.O. Box 13941, Austin, Texas, 78711-3941.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM ENTERPRISE FUND**

STATEMENT OF NET POSITION

As of August 31, 2014

ASSETS

Current Assets:

Cash and Cash Equivalents (Note 2)

Cash in Bank	\$ 263
Cash Equivalents	10,266,414

Restricted Assets:

Cash and Cash Equivalents (Note 2)

Cash in Bank	18,929,204
Cash Equivalents	100,748,788

Short-term Investments (Note 2)

	123,291
--	---------

Loans and Contracts	10,958,062
---------------------	------------

Interest Receivable	12,023,626
---------------------	------------

Receivable:

Interest Receivable	7,439
---------------------	-------

Accounts Receivable	245,606
---------------------	---------

Loans and Contracts	16,515
---------------------	--------

Other Current Assets	<u>179,663</u>
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Total Current Assets	<u>153,498,871</u>
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Non-Current Assets :

Investments (Note 2)	2,774,806
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Loans and Contracts	25,194
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Restricted Assets:

Investments (Note 2)	824,202,352
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Loans and Contracts	1,050,033,093
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Other Non-current Assets	
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Real Estate Owned, net	<u>74,905</u>
------------------------	---------------

Total Non-Current Assets	<u>1,877,110,350</u>
--------------------------	----------------------

Total Assets	\$ 2,030,609,221
---------------------	-------------------------

DEFERRED OUTFLOWS OF RESOURCES

Accumulated decrease in fair value of hedging derivatives (Note 5)	<u>22,441,099</u>
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Total Deferred Outflows of Resources	\$ 22,441,099
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LIABILITIES

Current Liabilities

Payables:

Accounts Payable	\$ 463,260
------------------	------------

Accrued Bond Interest Payable	19,262,560
-------------------------------	------------

Revenue Bonds Payable (Notes 3 & 4)	21,806,680
-------------------------------------	------------

Other Current Liabilities	<u>227,259</u>
---------------------------	----------------

Total Current Liabilities	<u>41,759,759</u>
---------------------------	-------------------

Non-Current Liabilities

Revenue Bonds Payable (Note 3 & 4)	1,674,310,169
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Derivative Hedging Instrument	22,441,099
-------------------------------	------------

Other Non-Current Liabilities (Note 3)	<u>104,746,634</u>
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Total Non-Current Liabilities	<u>1,801,497,902</u>
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Total Liabilities	\$ 1,843,257,661
--------------------------	-------------------------

DEFERRED INFLOWS OF RESOURCES

Total Deferred Inflows of Resources	<u>\$</u>
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NET POSITION

Restricted for Bonds	198,730,752
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Unrestricted	<u>11,061,907</u>
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Total Net Position	\$ 209,792,659
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**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM ENTERPRISE FUND**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

For the fiscal year ended August 31, 2014

OPERATING REVENUES

Interest and Investment Income	\$ 83,648,421
Net Increase (Decrease) in Fair Value	3,783,495
Other Operating Revenues	<u>18,289,161</u>
Total Operating Revenues	<u>105,721,077</u>

OPERATING EXPENSES

Professional Fees and Services	2,576,948
Printing and Reproduction	58,874
Interest	70,876,933
Bad Debt Expense	363,510
Down Payment Assistance	1,239,349
Other Operating Expenses	<u>1,445,450</u>
Total Operating Expenses	<u>76,561,064</u>

Operating Income	<u>29,160,013</u>
------------------	-------------------

**OTHER REVENUES, EXPENSES, GAINS,
LOSSES AND TRANSFERS**

Transfers Out	<u>(4,504,499)</u>
Total Other Revenues, Expenses, Gains, Losses and Transfers	<u>(4,504,499)</u>

CHANGE IN NET POSITION	24,655,514
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Net Position, September 1, 2013	180,872,476
Restatement (Note 9)	<u>4,264,669</u>
Net Position, September 1, 2013, as Restated	185,137,145

NET POSITION, AUGUST 31, 2014	<u>\$ 209,792,659</u>
--------------------------------------	-----------------------

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM ENTERPRISE FUND**

STATEMENT OF CASH FLOWS

For the fiscal year ended August 31, 2014

CASH FLOWS FROM OPERATING ACTIVITIES

Proceeds from Loan Programs	\$ 103,611,486
Proceeds from Other Revenues	63,088,285
Payments to Suppliers for Goods/Services	(14,554,938)
Payments for Loans Provided	<u>(55,461,328)</u>

Net Cash Provided By Operating Activities 96,683,505

**CASH FLOWS FROM NONCAPITAL
FINANCING ACTIVITIES**

Proceeds from Debt Issuance	43,100,000
Payments for Transfer to Other Funds	(4,504,500)
Payments of Principal on Debt Issuance	(262,083,735)
Payments of Interest	(75,764,455)
Payments for Other Cost of Debt	<u>(406,537)</u>

Net Cash (Used for) Noncapital Financing Activities (299,659,227)

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Sales of Investments	275,077,272
Proceeds from Interest/Invest. Income	42,408,556
Payments to Acquire Investments	<u>(92,131,483)</u>

Net Cash Provided By Investing Activities 225,354,345

Net Increase in Cash and Cash Equivalents 22,378,623

Cash and Cash Equivalents, September 1, 2013 107,566,046

Cash and Cash Equivalents, August 31, 2014 \$ 129,944,669

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM ENTERPRISE FUND**

STATEMENT OF CASH FLOWS (Continued)

For the fiscal year ended August 31, 2014

**RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED BY OPERATING ACTIVITIES**

Operating Income	\$ 29,160,013
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Provision for Uncollectibles	363,510
Operating Income and Cash Flow Categories Classification Differences	32,251,975
Changes in Assets and Liabilities:	
(Increase) in Receivables	(35,918)
(Increase) in Accrued Interest Receivable	(519,869)
Decrease in Loans / Contracts	5,363,470
Decrease in Property Owned	58,211
Decrease in Acquisition Costs	5,604,382
(Increase) in Other Assets	(33,204)
Increase in Payables	100,460
(Decrease) in Unearned Revenues	(10,449,329)
(Decrease) in Accrued Interest Payable	(2,586,255)
Increase in Other Liabilities	<u>37,406,059</u>
 Total Adjustments	 <u>67,523,492</u>
 Net Cash Provided by Operating Activities	 <u>\$ 96,683,505</u>

NON CASH TRANSACTIONS

Increase in Fair Value of Investments for 2014 was \$2,424,376

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Statement — The Texas Department of Housing and Community Affairs (the “Department”), was created effective September 1, 1991, by an act of the 72nd Texas Legislature, pursuant to Senate Bill 546 (codified as Article 4413 (501), Texas Revised Civil Statutes) (the “Department Act”), passed by the Texas Legislature on May 24, 1991, and signed by the Governor of the State of Texas. Effective September 1, 1991, the Department was established to assist local governments in helping residents overcome financial, social, and environmental problems; to address low- to moderate-income housing needs; to contribute to the preservation and redevelopment of neighborhoods and communities; to assist the Governor and the Legislature in coordinating federal and state programs affecting local governments; and to continually inform the State and the public about the needs of local government. The Department was created by merging two former agencies: the Texas Housing Agency and the Texas Department of Community Affairs.

The accompanying financial statements represent the financial status of the Revenue Bond Program Enterprise Fund (the “Bond Program”), which is included in the enterprise fund of the Department, and are not intended to present the financial position of the Department or its results of operations or cash flows. The Department is governed by a Board composed of seven members, all of whom are appointed by the Governor with advice and consent of the Senate. The Board then appoints the Executive Director with the approval of the Governor. The Department is authorized to issue tax-exempt or taxable bonds, notes, or other obligations to finance or refinance multifamily housing developments and single-family residential housing. Bonds and notes of the Department do not constitute a debt of the State or any political subdivision thereof. The Department Act specifically provides for the assumption by the Department of the outstanding indebtedness of the former agencies. The Department is required to continue to carry out all covenants with respect to any bonds outstanding, including the payments of any bonds from the sources provided in the proceedings authorizing such bonds. For financial reporting purposes, the Department is an agency of the State and is included in its reporting entity.

The Bond Program operates several bond programs under separate trust indentures, as follows:

Single-Family Bond Program (“Single-Family”) — These bonds are limited obligations of the Department. Bond proceeds were used to originate below-market rate loans for eligible low- and moderate-income residents who were purchasing a residence. These bonds were issued pursuant to a Single-Family Mortgage Revenue Bond Trust Indenture, dated October 1, 1980, and indentures supplemental thereto, and are secured on an equal and ratable basis by the trust estate established by such trust indentures.

Residential Mortgage Revenue Bond Program (“RMRB”) — Thirty-four series (six of which have been refunded) of these bonds have been issued pursuant to the RMRB master indenture and thirty-one separate Series Supplements, and are secured on an equal and ratable basis by the trust estates established by such trust indentures. Proceeds from the 1987 A Bonds were used to purchase single-family loans, while proceeds from the remaining RMRB bond issues were used to purchase pass-through certificates created through the origination of single-family loans.

Collateralized Home Mortgage Revenue Bond Program (“CHMRB”) — The Department issued eleven series of bonds pursuant to the CHMRB Trust Indenture with six separate supplements for each series. The bonds are secured on an equal and ratable basis. Proceeds from the bonds are being used to purchase pass-through certificates created through the funding of loans made to finance the purchase by eligible borrowers of new and existing single-family residences in the state.

Taxable Mortgage Program (“TMP”) — The TMP program was created to provide loans to low to moderate income homebuyers as a tool to fund the First Time Homebuyer Program. It facilitates the trading of mortgage backed securities (“MBS”). The program will be paid for from revenues generated by the packaging and sale of the associated mortgage backed securities.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Cont'd

Multifamily Housing Revenue Bond Programs ("Multifamily") — These bonds were issued pursuant to separate trust indentures and are secured by individual trust estates, which are not on an equal and ratable basis with each other. The bonds are limited obligations of the Department and are payable solely from the payments received from the assets and guarantors, which secure the individual trust indentures. Under these programs, the proceeds were either provided to nonprofit and for-profit developers of multifamily properties to construct or rehabilitate rental housing or used to refund other multifamily bonds issued for the same purposes.

Significant Accounting Policies — the significant accounting policies of the Bond Program are as follows:

Fund Accounting — The Bond Program's financial statements have been prepared on the basis of the proprietary fund concept as set forth by the Governmental Accounting Standards Board ("GASB"). The proprietary fund concept provides that financial activities operated similarly to private business enterprises and financed through fees and charges assessed primarily to users of the services are presented as a proprietary fund. Proprietary funds are accounted for on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when the liability is incurred. The Bond Program has elected not to apply Financial Accounting Standards Board pronouncements issued after November 30, 1989, as allowed by GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*.

Investments — The Bond Program follows the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. GASB Statement No. 31 requires certain types of investments to be reported at fair value on the Statement of Net Position. The Bond Program utilizes established quoted market prices for determining the fair value of its debt securities in reserve funds. The Bond Program's portfolio of mortgage-backed securities consists of pools of mortgage loans exchanged for mortgage-backed securities or mortgage pass-through certificates. Fair value of the Bond Program's securitized mortgage loans (GNMA/FNMA) has been estimated by each bond issue's trustee using a pricing service.

The Bond Program has reported all investment securities at fair value as of August 31, 2014, with the exception of certain money market investments, and nonparticipating interest-earning investment contracts, which are reported at amortized cost (historical cost adjusted for amortization of premiums and accretion of discounts), provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors (see Note 2).

In accordance with GASB Statement No. 31, changes in the fair value of investments and any realized gains/losses on the sale of investments are reported in the Statement of Revenues, Expenses, and Changes in Fund Net Position as net increase (decrease) in fair value of investments.

Loans and Contracts — Loans and contracts are carried at the unpaid principal balance outstanding less the allowance for estimated loan losses. Interest on loans is credited to income as earned. Loans are generally placed on nonaccrual status when the Department becomes aware that the borrower has entered bankruptcy proceedings or when the loans are 90 days past due as to either principal or interest or when payment in full of principal and interest is not expected.

Real Estate Owned — Properties acquired through foreclosure are carried at the unpaid principal balance on the related property plus accrued interest and reimbursable expenses through the date of foreclosure, less any sales proceeds, reimbursements received from mortgage insurers, and an allowance for estimated losses on such properties. After foreclosure, foreclosed assets are carried at lower of cost or fair value minus selling costs. Interest on real estate owned is credited to income as earned based on a calculation of interest recoverable in accordance with the Department's agreements with its mortgage insurers.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Cont'd

Allowance for Estimated Losses on Loans and Foreclosed Properties — The allowance for estimated losses on loans is available for future charge offs on single-family and multifamily loans.

All losses are charged to the allowance when the loss actually occurs or when a determination is made that a loss is likely to occur. Periodically, management estimates the likely level of future losses to determine whether the allowances for estimated losses are adequate to absorb anticipated losses in the existing loan and real estate owned portfolios. Based on these estimates, a provision for estimated losses on loans and real estate owned is made to the allowances in order to adjust the allowances to levels estimated to be adequate to absorb reasonably foreseeable losses.

While management uses available information to recognize losses in the loan and real estate owned portfolios, future adjustments may be necessary based on changes in economic conditions. However, it is the judgment of management that the allowances are currently adequate to absorb reasonably foreseeable losses in the existing loan and real estate owned portfolios.

Deferred Outflows of Resources/Derivative Hedging Instrument—The Department identified its derivative instruments and measured their effectiveness in accordance with Governmental Accounting Standards Board Statement (GASB) No. 53, *Accounting and Financial Reporting for Derivative Instruments*. The Department contracted a service provider to measure its derivative effectiveness using the regression analysis method. Since the derivative instruments were deemed to be effective, the Department deferred the changes in fair value for these derivatives and reported them as a deferred outflows of resources.

Operating and Nonoperating Revenues and Expenses — The Department distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the Bond Program. The principal operating revenues of the Bond Program are related to interest derived from investments, interest on mortgage loans and bond related administrative fees. Operating expenses are primarily related to interest expense on bonds and general administrative expenses. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Discounts and Premiums on Debt — Discounts and premiums on debt are recognized using the interest method over the life of the bonds or collateralized mortgage obligations to which they relate. Prepayments on the bonds result in the proportionate amortization during the current year of the remaining balance of discounts and premiums on debt.

General and Administrative Expenses — Certain General and Administrative expenses are accounted for in the Department's Administrative Program and are not reflected in the Operating Fund section of the Bond Program.

Restricted Net Position — Certain Net Position of the Bond Program are restricted for various purposes of the bond trust indentures. When both restricted and unrestricted resources are available for use, restricted resources are used first, then unrestricted resources are used as they are needed.

Cash Flows — For purposes of reporting cash flows, cash and cash equivalents consist of cash and short-term investments with a maturity at the date of purchase of three months or less, which are highly liquid and are readily exchanged for cash at amounts equal to their stated value.

Interfund Transactions — The Bond Program has transactions between and with other funds of the Department. Quasi-external transactions are charges for services rendered by one fund to another, and they are accounted for as revenue or expense. All other interfund transactions are reported as transfers.

Loss on Early Extinguishment of Debt — Any loss on extinguishment of debt prior to its stated maturity is recorded as a component of interest expense in the period the debt is retired.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Cont'd

Estimates — In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the Statement of Net Position and the reported revenues and expenses for the period. Actual results could differ significantly from those estimates. Management judgments and accounting estimates are made in the evaluation of the allowance for estimated losses on loans and real estate owned.

New Accounting Pronouncements – For 2014, the Department implemented Governmental Accounting Standards Board Statement (GASB) No. 65, *Items Previously Reported as Assets and Liabilities*, the Department identified and reclassified certain balance sheet items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources and recognized certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenue). The implementation of GASB 65 resulted in a reclassification of beginning net position of \$4.3 million from the recognition of deferred issuance costs as expenses and deferred commitments as revenues.

NOTE 2: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS

The Department is authorized by statute to make investments following the "prudent person rule" and based upon provisions within the master bond indentures and its Investment Policy adopted by the Board in accordance with the Public Funds Investment Act. There were no significant violations of legal provisions during the period.

Deposits of Cash in Bank

In accordance with bond trust indentures and depository agreements, all cash is to be fully collateralized, with the collateral held by a third party in the name of the Department. At August 31, 2014, the Department's cash and deposits were fully collateralized by securities with a trustee in the Department's name. As of August 31, 2014, the carrying amount of deposits was \$18,929,467.

Current Assets Cash in Bank	
Texas Treasury Safekeeping Trust	\$ 263
Current Assets Restricted Cash in Bank	
Texas Treasury Safekeeping Trust	\$ 147,599
Demand Deposits	18,781,605
Cash in Bank	\$ 18,929,467

Investments

The types of investments in which the Department may invest are restricted by the provisions of the master bond indentures and the Department's Investment Policy adopted by its Board. The indentures allow for investments in direct obligations of or guaranteed by the U.S. Government; obligations, debentures, notes or other evidences of indebtedness issued or guaranteed by agencies or intermediaries of the U.S. Government; obligations issued by public agencies or municipalities; obligations and general obligations of or guaranteed by the state; demand deposits, interest-bearing time deposits or certificates of deposit; repurchase agreements in U.S. Government securities; direct or general obligations of any state within the territorial U.S.; investment agreements with any bank or financial institution; and guaranteed investment contracts. Certain trust indentures restrict the Department from investing in certain of the aforementioned investments.

The Department holds \$65,694,879 in overnight repurchase agreements maturing on the following business day, September 2, 2014, at a rate of .03%.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 2: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS Cont'd

At August 31, 2014, the fair value of investments (including both short-term and long-term) are shown below.

Business Type Activities	Carrying Value	Fair Value
U.S. Government Agency Obligations	\$ 734,027,169	\$ 798,102,830
Repurchase Agreements (TTSTC)	65,694,879	65,694,879
Fixed Income Money Markets	45,320,323	45,320,323
Misc (Investment Agreements/GICs)	28,997,619	28,997,619
Total	\$ 874,039,990	\$ 938,115,651

Credit Risk

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Preservation and safety of principal is the foremost objective of the investment program. According to the Department's investment policy, investments should be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Credit risk is mitigated by:

- Limiting investments to the safest types of securities.
- Pre-qualifying the financial institution, broker/dealers, intermediaries, and advisors with which the Department will do business.
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

As of August 31, 2014, the Department's credit quality distribution for securities with credit risk exposure was as follows.

Standard & Poor's

Investment Type	Not Rated	AAA	AA+	A
U.S. Government Agency Obligations			\$ 86,350,207	
Repurchase Agreements (TTSTC)	\$ 65,694,879			
Misc (Investment Agreements/GICs)	\$ 28,997,619			

Investment Type	Not Rated	AAA-M	AA-M	A-M
Fixed Income Money Market		\$ 45,320,323		

A total of \$711,752,623 was not subject to credit risk disclosure due to their explicit guarantee by the U.S. Government which is composed of U.S. Government Agency obligations issued by the Government National Mortgage Association.

Concentration of credit risk is the risk of loss attributable to the magnitude of investment in a single issuer. As of August 31, 2014, the Department's concentration of credit risk is as follows.

Issuer	Carrying Value	% of Total Portfolio
Greenwich	\$ 65,694,879	7.00%

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 2: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS Cont'd

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of any investment. The longer the maturity of an investment will result in greater sensitivity of its fair value to changes in the market interest rates. The Department's investment policy allows for the mitigation of interest rate risk by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- Investing operating funds primarily in shorter-term securities.

Information about the sensitivity of the fair values of the Department's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Department's investments by maturity:

Remaining Maturity (in months)

Business Type Activities	Fair Value	12 months or less	13 to 24 months	25 to 60 months	More than 60 months
U.S. Government Agency Obligations	\$ 798,102,830	\$ 123,291	\$ 146,303	\$ 1,557,978	\$ 796,275,258
Repurchase Agreements (TTSTC)	65,694,879	65,694,879			
Fixed Income Money Markets	45,320,323	45,320,323			
Misc (Investment Agreements/GICs)	28,997,619				28,997,619
Total	\$ 938,115,651	\$ 111,138,493	\$ 146,303	\$ 1,557,978	\$ 825,272,877

Highly Sensitive Investments

Mortgage backed securities-These securities are subject to early payment in a period of declining interest rates. These prepayments result in a reduction of expected total cash flows affecting the fair value of these securities and make the fair value of these securities highly sensitive to the changes in interest rates. The Department does not make it a common practice to sell these investments. However, in recent years the Department has sold some of these investments at a premium and used the realized gain to fund Down Payment Assistance loans in connection with the Single Family, First-Time Homebuyer Program. Any fluctuation in fair value generates an unrealized gain or loss. As of August 31, 2014, the Department holds \$798,102,830 in mortgage backed securities.

NOTE 3: SUMMARY OF LONG TERM LIABILITIES

Changes in Long-Term Liabilities

During the year ended August 31, 2014, the following changes occurred in liabilities.

Business-Type Activities	Balance 09/01/2013	Additions	Reductions	Balance 08/31/2014	Amounts Due Within One Year
Revenue Bonds Payable	\$ 1,916,020,623	\$ 43,100,000	\$ 263,003,774	\$ 1,696,116,849	\$ 21,806,680
Total Business- Type Activities	\$ 1,916,020,623	\$ 43,100,000	\$ 263,003,774	\$ 1,696,116,849	\$ 21,806,680

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 3: SUMMARY OF LONG TERM LIABILITIES Cont'd

Revenue Bonds Payable

The Department issues bonds to assist in financing the purchase of homes by or the construction of rental housing for families with very low to moderate incomes. Loan payments provide the revenues for debt service payments. (See Note 4 for more information.) The \$263,003,774 in reductions is inclusive of \$833,772 in amortization of bond premium/discount and the recognition of deferred gain/loss on refunding per GASB 65.

Other Non-current Liabilities

Other non-current liabilities in the Enterprise Fund totaling \$104,746,634 account for funds due to Developers as a result of Multifamily bond proceeds which have corresponding investment balances adjusted to market value. These proceeds are conduit debt issued on behalf of the Developer for the purpose of Multifamily developments and are held by the trustee. Due to the various variables related to the balance, the current portion cannot be reasonably estimated.

NOTE 4: BONDED INDEBTEDNESS

The Department has 118 bond series outstanding at August 31, 2014. All series are revenue bonds backed by the pledged revenue sources and restricted funds specified in the bond resolutions. Each series is designed to be self-supporting with no repayment nor obligation from the State's General Revenue. The Department issues bonds to assist in financing the purchase of homes by or the construction of rental housing for families with very low to moderate incomes. Loan payments provide the revenues for debt service payments. (Detailed supplemental bond information is disclosed in Schedules 3, 4, 5, 6 and 7.) Proceeds from the issuance of bonds under the Single Family indenture prior to 1987 and Residential Mortgage Revenue Bonds (RMRB) Series 1987A Programs were used to acquire loans. Proceeds from Collateralized Home Mortgage Revenue Bond (CHMRB) and the remaining Single Family and RMRB programs were used to acquire pass-through certificates (GNMA, FNMA, FHLMC) backed by mortgage loans. Proceeds from the remaining Multifamily bond issues were used to finance mortgage loans.

Interest on bonds and collateralized mortgage obligations is payable periodically.

The Single Family, RMRB and CHMRB bonds are collateralized by the revenues and assets pledged under the trust indentures, primarily Single Family mortgage loans, mortgage-backed securities and investments. The Multifamily bonds are collateralized by varying methods, including, but not limited to, the mortgage loans on the applicable housing developments, certificates of deposit, letters of credit, guarantees provided by third parties and collateralized mortgage obligations issued by federally chartered, privately owned corporations.

The trust indentures contain positive and negative covenants. Events of default include the following: failure to make timely payment of both principal and interest on any outstanding bond; failure to make timely payment of any other monies required to be paid to the Trustee; and non-performance or non-observance of any other covenants, agreements or conditions contained in the indentures. Management believes they are in compliance with the covenants of the indentures.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 4: BONDED INDEBTEDNESS Cont'd

Bond contractual maturities (principal only) at August 31, 2014, are as follows (in thousands):

Description	2015	2016	2017	2018	2019	2020 to 2024	2025 to 2029
Single-family	\$ 6,500	\$ 8,150	\$ 8,910	\$ 13,425	\$ 8,380	\$ 48,345	\$ 77,155
RMRB	5,625	5,700	5,935	6,305	6,245	35,650	43,555
CHMRB						3,700	
Multifamily	<u>9,423</u>	<u>8,933</u>	<u>29,843</u>	<u>10,353</u>	<u>11,010</u>	<u>80,949</u>	<u>126,226</u>
Total	<u>\$ 21,548</u>	<u>\$ 22,783</u>	<u>\$ 44,688</u>	<u>\$ 30,083</u>	<u>\$ 25,635</u>	<u>\$ 168,644</u>	<u>\$ 246,936</u>

Description	2030 to 2034	2035 to 2039	2040 to 2044	2045 to 2049	2050 to 2054	2055 to 2059	Total
Single-family	\$ 121,940	\$ 133,330	\$ 3,755	\$	\$	\$	\$ 429,890
RMRB	52,185	71,385	28,190				260,775
CHMRB							3,700
Multifamily	<u>135,397</u>	<u>283,900</u>	<u>228,951</u>	<u>64,765</u>	<u>8,147</u>		<u>997,897</u>
Total	<u>\$ 309,522</u>	<u>\$ 488,615</u>	<u>\$ 260,896</u>	<u>\$ 64,765</u>	<u>\$ 8,147</u>	<u>\$</u>	<u>\$ 1,692,262</u>

Actual maturities will differ from contractual maturities since the Department has the right to call or prepay obligations with or without call or prepayment penalties as the related loans and mortgage backed securities mature or prepay.

The interest payment requirements at August 31, 2014, are as follows (in thousands):

Description	2015	2016	2017	2018	2019	2020 to 2024	2025 to 2029
Single-family	\$ 9,061	\$ 8,827	\$ 8,599	\$ 8,359	\$ 8,118	\$ 37,331	\$ 30,736
RMRB	9,435	9,295	9,132	8,941	8,722	39,500	30,666
CHMRB	245	269	245	269	245	1,246	
Multifamily	<u>42,383</u>	<u>40,986</u>	<u>40,395</u>	<u>39,747</u>	<u>39,109</u>	<u>183,802</u>	<u>153,752</u>
Total	<u>\$ 61,124</u>	<u>\$ 59,377</u>	<u>\$ 58,371</u>	<u>\$ 57,316</u>	<u>\$ 56,194</u>	<u>\$261,879</u>	<u>\$ 215,154</u>

Description	2030 to 2034	2035 to 2039	2040 to 2044	2045 to 2049	2050 to 2054	2055 to 2059	Total
Single-family	\$ 22,601	\$ 8,604	\$ 97	\$	\$	\$	\$ 142,333
RMRB	20,508	10,672	961				147,832
CHMRB							2,519
Multifamily	<u>119,210</u>	<u>78,577</u>	<u>32,314</u>	<u>7,337</u>	<u>1,459</u>		<u>779,071</u>
Total	<u>\$162,319</u>	<u>\$ 97,853</u>	<u>\$ 33,372</u>	<u>\$ 7,337</u>	<u>\$ 1,459</u>	<u>\$</u>	<u>\$ 1,071,755</u>

Interest requirements on variable rate debt are calculated using the interest rate in effect at August 31, 2014. Interest rates on variable rate debt reset on a weekly basis by the remarketing agent.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 4: BONDED INDEBTEDNESS Cont'd

Changes in Bonds Payable

Description	Bonds Outstanding 09/01/13	Bonds Issued	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding 08/31/14	Amounts Due Within One Year
Single Family	\$ 574,100,000	\$	\$ 6,685,000	\$ 137,525,000	\$ 429,890,000	\$ 6,634,683
RMRB	320,480,000		5,830,000	53,875,000	260,775,000	5,752,923
CHMRB	4,400,000			700,000	3,700,000	4,945
Multifamily	1,012,352,740	43,100,000	8,413,651	49,141,351	997,897,738	9,414,129
Total Principal	<u>\$ 1,911,332,740</u>	<u>\$ 43,100,000</u>	<u>\$ 20,928,651</u>	<u>\$ 241,241,351</u>	<u>\$ 1,692,262,738</u>	<u>\$ 21,806,680</u>
Unamortized Premium	6,005,956				4,030,074	
Unamortized (Discount)	(185,307)				(175,963)	
Unamortized Refunding (Loss)	(1,132,766)					
Total	<u>\$ 1,916,020,623</u>				<u>\$ 1,696,116,849</u>	

Demand Bonds

The Department currently holds seven single family bond series in the amount \$237,255,000 in variable rate demand bonds. The proceeds of these bonds were used to refund outstanding bonds or provide funds for the primary purpose of purchasing mortgaged-backed securities which are pools of first time homebuyer loans. These bond series have the following terms.

Demand Bonds - Standby Purchase Agreements					
Single Family Bond Series	Remarketing Agent	Liquidity Provider	Commitment Fee Rate	Outstanding Variable Rate Demand Bonds as of 8/31/14	Liquidity Facility Expiration Date
2004A Jr. Lien	JP Morgan	Comptroller of Public Accounts	0.12%	\$ 3,855,000	1/31/2015
2004B	JP Morgan	Comptroller of Public Accounts	0.12%	53,000,000	1/31/2015
2004D	Piper Jaffray	Comptroller of Public Accounts	0.12%	35,000,000	1/31/2015
2005A	JP Morgan	Comptroller of Public Accounts	0.12%	45,070,000	1/31/2015
2005C	JP Morgan	Comptroller of Public Accounts	0.12%	3,430,000	1/31/2015
2006H	JP Morgan	Comptroller of Public Accounts	0.12%	36,000,000	1/31/2015
2007A	JP Morgan	Comptroller of Public Accounts	0.12%	60,900,000	1/31/2015
Total Demand Bonds				<u>\$ 237,255,000</u>	

These bonds are subject to purchase on the demand of the holder at a price equal to principal plus accrued interest with proper notice and delivery to the corresponding remarketing agent. If the remarketing agent is unable to remarket any bonds, the liquidity facility will purchase the bonds (bank bonds). The liquidity agreement is subject to renewal yearly on an ongoing basis. The Department shall use its best effort to cause the bonds to be purchased from the liquidity facility as soon as possible. The purchased bonds are not subject to term out provisions. For fiscal year 2014, the Trustee did not draw from the liquidity provider, Comptroller of Public Accounts, related to the Department's demand bonds.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 4: BONDED INDEBTEDNESS Cont'd

Federal Arbitrage Regulations

In accordance with Federal law, the Agency is required to rebate to the Internal Revenue Service (“IRS”) the excess of the amount derived from investing the bond proceeds over the amount that would have been earned if those investments had a rate equal to the yield on the bond issue. As of August 31, 2014, the Bond Program had liabilities to the IRS totaling \$39,448 reported in the Statement of Net Position as Other Current Liabilities. Any increase in this liability account has been recorded as a decrease to interest income.

Pledged and Other Sources

GASB Statement No. 48 requires the following disclosures for "specific revenues that have been formally committed to directly collateralize or secure debt of the Department." The following table summarizes by indenture, pledged and other sources and related expenditures for the Department’s revenue bonds. A detail schedule of each bond issue is included in Schedule 6.

Pledged and Other Sources and Related Expenditures for FY 2014								
Description of Issue	Net Available for Debt Service			Debt Service		Pledged Revenue for Future Debt Service	Terms of Commitment Year Ending August 31,	Percentage of Revenue Pledged
	Total Pledged and Other Sources	Operating Expenses/ Expenditures and Capital		Principal	Interest			
		Outlay						
Total Single Family Bonds	\$ 161,950,393	\$ 684,920	\$ 6,685,000	\$ 19,037,471	\$ 572,224,228	2040	100%	
Total Residential Mtg Revenue Bonds	65,444,142	288,714	5,830,000	10,345,712	408,608,482	2041	100%	
Total 1992 CHMRB	1,070,982	64		287,310	6,219,307	2024	100%	
Total Multifamily Bonds	91,910,637		8,413,651	42,766,443	1,776,965,657	2054	100%	
Total	\$ 320,376,154	\$ 973,698	\$ 20,928,651	\$ 72,436,936	\$ 2,764,017,674			

NOTE 5: DERIVATIVE INSTRUMENTS

VARIABLE TO FIXED INTEREST RATE SWAP

OBJECTIVE

In order to hedge against increases in interest rates on variable rate demand bond issues, the Department has entered into five interest rate swap agreements with the objective of reducing the interest rate risk of certain variable rate demand bonds. The variable rate demand bonds were issued at a lower total interest cost than attainable through traditional fixed rate bond structures. The Department has entered into interest rate swap agreements with various rated counterparties. Under the terms of the agreements, the Department makes periodic fixed interest rate payments in exchange for receiving variable rate payments that are expected to be comparable to the rates payable on the variable rate demand bonds. The swap notional amounts amortize in accordance with the scheduled and/or anticipated reductions in the related variable rate demand bond liability. The Department is potentially exposed to loss in the event of nonperformance by the counterparties under the swap agreements. Termination of the swap agreements may result in the Department making or receiving termination payments. Each swap agreement includes optional early termination provisions granting the Department the right, but not an obligation, to terminate the interest rate swaps at par without a termination payment after an effective date.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 5: DERIVATIVE INSTRUMENTS Cont'd

SUMMARY

The fair value balances and notional amounts of derivative instruments outstanding as of August 31, 2014, classified by type, and the changes in fair value of such derivative instruments for the year ended as reported in the 2014 financial statements are as follows.

Business Type Activities		Changes in Fair Value		Fair Value at August 31, 2014		
Cash Flow Hedges	Bond Issue	Classification	Amount	Classification	Amount	Notional
Pay-fixed, receive-variable interest rate swap	2004B	Deferred outflow of resources	\$ 31,120	Debt	\$ (3,895,463)	\$ 40,000,000
Pay-fixed, receive-variable interest rate swap	2004D	Deferred outflow of resources	481,112	Debt	(2,106,210)	35,000,000
Pay-fixed, receive-variable interest rate swap	2005A	Deferred outflow of resources	391,623	Debt	(6,595,678)	45,070,000
Pay-fixed, receive-variable interest rate swap	2006H	Deferred outflow of resources	953,715	Debt	(1,764,453)	36,000,000
Pay-fixed, receive-variable interest rate swap	2007A	Deferred outflow of resources	845,452	Debt	(8,079,295)	60,900,000
			<u>\$ 2,703,022</u>		<u>\$ (22,441,099)</u>	<u>\$ 216,970,000</u>

TERMS AND FAIR VALUE

The terms, including the fair value of the outstanding swaps as of August 31, 2014 are as follows. The notional amounts of the swaps match the principal amount of the associated debt.

Counterparty	Notional Amount	Fair Value	Effective Date	Fixed Rate	Variable Rate	Swap Termination Date
Bank of New York Mellon	\$ 40,000,000	\$ (3,895,463)	9/1/2004	3.67%	65.5% of LIBOR + .20%	9/1/34 (a)
Goldman Sachs Bank USA	35,000,000	(2,106,210)	1/1/2005	3.08%	Lesser of (the greater of 65% of LIBOR and 56% of LIBOR + .45%) and LIBOR	3/1/35 (b)
JP Morgan Chase Bank	45,070,000	(6,595,678)	8/1/2005	4.01%	Less of (the greater of 65% of LIBOR and 56% of LIBOR + .45%) and LIBOR	9/1/36 (c)
Bank of New York Mellon	36,000,000	(1,764,453)	11/15/2006	3.86%	63% of LIBOR +.30%	9/1/25 (d)
JP Morgan Chase Bank	60,900,000	(8,079,295)	6/5/2007	4.01%	Less of (the greater of (a) 65% of LIBOR and (b) 56% of LIBOR + .45%) and LIBOR	9/1/38 (c)
Total	\$ 216,970,000	\$ (22,441,099)				

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 5: DERIVATIVE INSTRUMENTS Cont'd

- a. Swap Agreement has an optional early par termination date of September 1, 2015 and every March and September thereafter. The Swap Agreement has 100% optional par termination rights on or after September 1, 2021.
- b. Swap Agreement has an optional early par termination date of March 1, 2015 and every March and September thereafter. The Swap Agreement has 100% optional par termination rights on or after September 1, 2021.
- c. Swap Agreement is subject to mandatory early termination date each March 1 and September 1 from mortgage loan repayments.
- d. The Swap Agreement has 100% optional par termination rights on or after March 1, 2016 and every March and September thereafter. The maximum notional amount subject to early termination is current notional amount per the amortization schedule.

CREDIT RISK

As of August 31, 2014, the Department is not exposed to credit risk on any of its outstanding swaps because the swaps currently have a negative fair value indicating an obligation for the Department to pay the counterparty as opposed to receive payments should the Department exercise its optional right to terminate. If interest rates change and the fair value of the swaps become positive, the department would be exposed to credit risk on those swaps. The swap agreements contain varying collateral agreements. The 2004B swap contains swap termination insurance policies with Assured Guaranty Municipal Corp. (formerly known as Financial Security Assurance Inc.) to mitigate a portion of any termination payment due by the Department. The credit ratings for the counterparties are as follows.

Counterparty	Standard & Poor's	Moody's
Bank of New York Mellon	AA-/Stable	Aa2/Stable
Goldman Sachs Bank USA*	A/Neg	A2/Stable
JP Morgan Chase Bank	A+/Stable	Aa3/Stable

*Guaranteed by Goldman Sachs Group, Inc.

BASIS RISK

The Department's variable-rate bond coupon payments are related to the Securities Industry and Financial Markets Association (SIFMA) rate. The swap agreements designate a function of LIBOR as the rate for payments received on these swaps. The Department will be exposed to basis risk should LIBOR and SIFMA rates converge. The swap agreements provide an option to terminate as stated in the Terms and Fair Value table on previous page.

ROLLOVER RISK

Rollover risk is the risk that arises when a derivative associated with a government's variable-rate debt does not extend all the way to the maturity date of the associated debt, thereby creating a gap in the protection otherwise afforded by the derivative. The Department is not exposed to rollover risk on swap agreements because the variable rate debt has been structured to decline with the swap notional balances. The counterparties in the swap agreements have limited rights to terminate the swap. They can terminate only if the Department were to be downgraded below investment grade or default on any swap payments. The swap providers cannot unilaterally terminate any of the swaps subjecting the Department to rollover risk.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 5: DERIVATIVE INSTRUMENTS Cont'd

The Department has retained par optional termination rights which are listed below. The par optional termination rights are intended to keep the notional amount in line with bonds outstanding to the extent the Department receives prepayments.

Associated Debt Issuance	Debt Maturity Date	Swap Termination Date
2004B Single Family	September 2034	Optional early par termination rights beginning September 2015, with 100% par termination rights in September 2021
2004D Single Family	March 2035	Optional early par termination rights beginning March 2015, with 100% par termination rights in September 2021
2005A Single Family	September 2036	Mandatory par termination each March 1 and September 1 from mortgage loan repayments
2006H Single Family	September 2037	100% par termination on or after March 2016
2007A Single Family	September 2038	Mandatory par termination each March 1 and September 1 from mortgage loan repayments

SWAP PAYMENTS AND ASSOCIATED DEBT

Using rates as of August 31, 2014, debt service requirements of the Department's outstanding variable-rate debt and net swap payments are as follows. As rates vary, variable-rate debt bond interest payments and new swap payments will vary. The Department's swap agreements contain scheduled reductions to outstanding notional amounts that are expected to follow scheduled reductions in the associated bonds outstanding.

Fiscal Year Ending August 31	Variable-Rate Bonds		Interest Rate Swaps, Net	Total
	Principal	Interest		
2015	\$ 2,020,000	\$ 172,838	\$ 7,918,867	\$ 10,111,705
2016	3,435,000	150,357	7,840,016	11,425,373
2017	4,010,000	146,978	7,720,782	11,877,760
2018	4,205,000	144,371	7,588,882	11,938,253
2019	4,410,000	141,285	7,450,593	12,001,878
2020-2024	25,470,000	655,039	34,932,749	61,057,788
2025-2029	47,385,000	549,293	30,063,748	77,998,041
2030-2034	87,360,000	318,362	17,420,706	105,099,068
2035-2039	51,675,000	59,107	3,457,400	55,191,507
	\$ 229,970,000	\$ 2,337,630	\$ 124,393,743	\$ 356,701,373

Netting Arrangements—The Department's swap agreements allow for netting arrangements. On each payment date, September 1 and March 1, the party with the lesser obligation will be automatically satisfied and discharged and, the obligation of the party with the greater obligation will become the excess of the larger aggregate amount over the smaller aggregate amount. As of August 31, 2014, the Department has an aggregate liability related to the interest rate swaps in the amount of \$3,843,048 payable September 1, 2014.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 6: CONTINUANCE SUBJECT TO REVIEW

Under the Texas Sunset Act, the Department will be abolished effective September 1, 2025 unless continued in existence as provided by the Act. If abolished, the Department may continue until September 1, 2026 to close out its operations.

NOTE 7: CONTINGENCIES AND COMMITMENTS

The Department is a defendant in two legal actions known as Inclusive Communities Project, Inc. vs. Texas Department of Housing and Community Affairs (“TDHCA”), *et al* and Galveston Open Government Project vs. TDHCA, *et al*. In the first action, the Plaintiffs were awarded \$1.87 million in attorney’s fees and injunctive relief but no monetary damages. The U.S. Fifth Circuit Court of Appeals (“Fifth Circuit”) has reversed the trial court on several issues, including the attorney’s fees, and remanded the matter to the district court judge for further action. TDHCA filed a writ of certiorari with the United States Supreme Court. The writ has been granted and oral arguments will probably occur in early 2015. The trial judge has stayed any additional proceedings in his court until the Supreme Court rules on the matter. Because the Department is contesting the plaintiff’s request, management cannot estimate the amount of its liability for the plaintiff’s attorneys’ fees. In the second action, the Plaintiff is asking for injunctive relief and attorneys fees. The federal district court judge dismissed TDHCA from the lawsuit. GOPP has appealed that and other issues to the Fifth Circuit. The Department is waiting for a briefing order that would clarify whether the dismissal of the lawsuit stands.

DERIVATIVE INSTRUMENTS

All of the Department’s derivative instruments include provisions that require posting collateral in the event its credit rating falls below a specified level as issued by Moody’s Investor Service and Standard & Poor’s. If the Department fails to post eligible collateral, the derivative instrument may be terminated by the counterparty. The table below lists the triggering event and the collateral exposure for each instrument.

Series	Collateral Posting Exposure at Current Credit Rating	Credit Rating Downgrade Threshold	MTM Threshold
2004B ⁽¹⁾	None	A3/A- or below for AGM and TDHCA	After downgrade of AGM and TDHCA or counterparty, collateral exposure with no threshold
2004D	Yes, if MTM exceeds (\$7.5M)	A3/A- or below	After downgrade, collateral exposure with no threshold
2005A	None	A2/A	After downgrade to A2/A, collateral exposure if MTM exceeds (\$7.5M); after downgrade to A3/A or below, collateral exposure with no threshold
2006H	None	Baa1/BBB+ or below	After downgrade, collateral exposure with no threshold
2007A	None	A2/A	After downgrade to A2/A, collateral exposure if MTM exceeds (\$7.5M); after downgrade to A3/A or below, collateral exposure with no threshold

(1) AGM Swap Insurance in effect. Collateral posting only required if AGM is downgraded to A3/A- or below AND TDHCA is downgraded to A3/A- or below.

As of August 31, 2014 the Department’s credit rating related to the Single Family Indenture was AA+ issued by Standard & Poor’s and Aa1 by Moody’s, therefore no collateral was posted. The Department’s aggregate fair value of all hedging derivative instruments with these collateral provisions is \$22,441,099. If the collateral posting requirements had been triggered at August 31, 2014, the Department would have been required to post eligible collateral equal to the aggregate fair value of the derivative instruments.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 7: CONTINGENCIES AND COMMITMENTS (Cont'd)

TAXABLE MORTGAGE PROGRAM

On July 26, 2012, the Department approved the Taxable Mortgage Program (“TMP”). The TMP market facilitates the forward trading of Mortgage Backed Securities (“MBSs”) issued by Ginnie Mae. In a TMP trade, the seller and buyer agree to the type of security, coupon, face value, price and settlement date at the time of trade but do not specify the actual pools to be traded. The securities are “to be announced” two business days prior to the trade settlement date. The TMP program was created to provide loans to low to moderate income homebuyers as a tool to fund the First Time Homebuyer Program in order to take advantage of this opportunity. The program is paid for from revenues generated by the packaging and sale of the TMP MBSs. An escrow agreement was negotiated and established to limit the recourse to the servicer, who delivers the MBSs to the purchaser who acquires the MBSs backed by the mortgage loans. The amount of the escrow is \$4 million, which is funded from the Department’s general funds. The TMP program commenced on October 1, 2012.

NOTE 8: RISK MANAGEMENT

The Department is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. It is the Department’s policy to periodically assess the proper combination of commercial insurance and retention of risk to cover losses to which it may be exposed. The Department assumes substantially all risks associated with the performance of its duties. Currently there is no purchase of commercial insurance, nor is the Department involved in any risk pools with other government entities. The Department carries Public Official Liabilities Insurance coverage in the amount of \$10,000,000; automobile liability insurance in the amount of \$1,000,000, errors and omissions insurance of \$300,000 related to loan servicing for others, \$350,000 Public Employee Fidelity Bond and Commercial Property, Equipment Breakdown Insurance for the Alpine Retirement Center in the amount of \$224,515.

The Department’s liabilities are reported when it is both probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Liabilities are reevaluated periodically to consider current settlements, frequency of claims, past experience and economic factors. There have been no significant reductions in insurance coverage in the past year and losses did not exceed funding arrangements during the past three years. The department did not incur any claims in fiscal year 2014.

NOTE 9: AJUSTMENT TO NET POSITION

During fiscal year 2014, a certain accounting change and adjustment was made that required the restatement of net position/fund balance. The restatement is presented below.

	Enterprise Fund
Net Position, September 1, 2013	\$ 249,204,879
Restatement	4,264,669
Net Position, Sept. 1, 2013, as Restated	\$ 253,469,548

The restatement of \$4,264,669 in the Enterprise Fund is due to the implementation of GASB Statement No. 65, Items Previously Reported as Assets and Liabilities (GASB 65). Pursuant to the requirements in GASB 65, a restatement was required to properly expense cost of issuance related to debt and recognize commitment fees that were previously deferred.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 10: SEGMENT INFORMATION FOR ENTERPRISE FUND

The Segment information below is for the Department's direct debt associated with the issuance of Single Family bonds only and does not include the Multifamily bonds where the Department is only a conduit issuer. Therefore, this note represents less than what is reported in the Enterprise Fund as a whole. Each grouping consists of separate indentures that have one or more bonds outstanding with the revenue stream and assets exclusively pledged in support of that debt. Bonds are issued for the primary purpose of providing funds for the purchase of mortgage-backed securities which represent securitized loans financing single family housing. Each indenture imposes the requirement of separate accounting of the revenues, expenses, gains, losses, assets, and liabilities.

CONDENSED STATEMENT OF NET POSITION			
	Single Family Program Funds	Residential Mortgage Revenue Bond Funds	Collateralized Home Mortgage Revenue Funds
Restricted Assets:			
Current Assets	\$ 42,886,462	\$ 16,247,512	\$ 164,473
Non-Current Assets	<u>497,731,084</u>	<u>339,935,097</u>	<u>5,345,036</u>
Total Assets	<u>540,617,546</u>	<u>356,182,609</u>	<u>5,509,509</u>
Deferred Outflows of Resources:	<u>22,441,099</u>		
Liabilities:			
Current Liabilities	15,455,642	7,406,633	12,638
Non-Current Liabilities	<u>447,592,551</u>	<u>257,107,862</u>	<u>3,743,703</u>
Total Liabilities	<u>463,048,193</u>	<u>264,514,495</u>	<u>3,756,341</u>
Deferred Inflows of Resources:			
Net Position:			
Restricted Net Position	<u>\$ 100,010,452</u>	<u>\$ 91,668,114</u>	<u>\$ 1,753,168</u>
Net Position:	<u><u>\$ 100,010,452</u></u>	<u><u>\$ 91,668,114</u></u>	<u><u>\$ 1,753,168</u></u>

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended August 31, 2014

NOTE 10: SEGMENT INFORMATION FOR ENTERPRISE FUND Cont'd

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION			
	Single Family Program Funds	Residential Mortgage Revenue Bond Funds	Collateralized Home Mortgage Revenue Funds
Operating Revenues:			
Interest and Investment Income	\$ 26,477,908	\$ 13,697,178	\$ 370,982
Net Increase (Decrease) in Fair Value	(95,461)	3,984,022	(275,632)
Other Operating Revenues	106,062	1	
Operating Expenses	<u>(19,099,743)</u>	<u>(10,358,127)</u>	<u>(272,338)</u>
Operating Income (Loss)	7,388,766	7,323,074	(176,988)
Nonoperating Revenues (Expenses):			
Transfers In (Out)	<u>(78,579)</u>	<u>10,903,779</u>	
Changes in Net Position	<u>7,310,187</u>	<u>18,226,853</u>	<u>(176,988)</u>
Net Position, September 1, 2013	87,760,537	74,489,550	1,799,853
Restatements	<u>4,939,728</u>	<u>(1,048,289)</u>	<u>130,303</u>
Net Position, September 1, 2013, as restated	<u>92,700,265</u>	<u>73,441,261</u>	<u>1,930,156</u>
Net Position, August 31, 2014	<u>\$ 100,010,452</u>	<u>\$ 91,668,114</u>	<u>\$ 1,753,168</u>

CONDENSED STATEMENT OF CASH FLOWS			
	Single Family Program Funds	Residential Mortgage Revenue Bond Funds	Collateralized Home Mortgage Revenue Funds
Net Cash Provided (Used) By:			
Operating Activities	\$ 759,596	\$ (10,847,883)	\$ (309)
Noncapital Financing Activities	(166,740,521)	(61,191,376)	(1,005,400)
Investing Activities	<u>155,757,899</u>	<u>63,964,786</u>	<u>1,107,956</u>
Net Increase (Decrease)	(10,223,026)	(8,074,473)	102,247
Beginning Cash and Cash Equivalents	<u>49,969,386</u>	<u>23,059,832</u>	<u>35,312</u>
Ending Cash and Cash Equivalents	<u>\$ 39,746,360</u>	<u>\$ 14,985,359</u>	<u>\$ 137,559</u>

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM ENTERPRISE FUND**

SCHEDULE 1

**SUPPLEMENTAL SCHEDULE — STATEMENT OF NET POSITION INFORMATION
BY INDIVIDUAL ACTIVITY (UNAUDITED)
AS OF AUGUST 31, 2014**

	Single-Family Program	RMRB Program	CHMRB Program	Taxable Mortgage Program	Multifamily Program	Operating Fund	Total
ASSETS							
CURRENT ASSETS:							
Cash and cash equivalents:							
Cash in bank	\$	\$	\$	\$	\$	\$ 263	\$ 263
Cash equivalents				3,878,960		6,387,454	10,266,414
Restricted assets:							
Cash and cash equivalents:							
Cash in bank	144,031	5,737			18,779,436		18,929,204
Cash equivalents	39,602,330	14,979,622	137,559	363,464	45,320,323	345,490	100,748,788
Short-term investments				123,291			123,291
Loans and contracts	1,325,076	209,514			9,423,472		10,958,062
Interest receivable	1,779,215	1,043,937	26,914	13,470	9,156,327	3,763	12,023,626
Receivable:							
Interest receivable				7,234		205	7,439
Accounts receivable						245,606	245,606
Loans and Contracts						16,515	16,515
Other current assets	35,810	8,702		119,529		15,622	179,663
Total current assets	42,886,462	16,247,512	164,473	4,505,948	82,679,558	7,014,918	153,498,871
NONCURRENT ASSETS:							
Investments				2,737,443		37,363	2,774,806
Loans and Contracts						25,194	25,194
Restricted assets:							
Investments	477,996,087	297,861,196	5,345,036	3,722,653	38,550,493	726,887	824,202,352
Loans, contracts, and notes receivable	19,660,890	42,073,901			988,298,302		1,050,033,093
Other noncurrent assets:							
Real estate owned — net	74,107					798	74,905
Total noncurrent assets	497,731,084	339,935,097	5,345,036	6,460,096	1,026,848,795	790,242	1,877,110,350
TOTAL ASSETS	\$ 540,617,546	\$ 356,182,609	\$ 5,509,509	\$ 10,966,044	\$ 1,109,528,353	\$ 7,805,160	\$ 2,030,609,221
DEFERRED OUTFLOWS OF RESOURCES							
Accumulated decrease in fair value hedging derivatives							
	22,441,099						22,441,099
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 22,441,099	\$	\$	\$	\$	\$	\$ 22,441,099
LIABILITIES							
CURRENT LIABILITIES:							
Payables:							
Accounts payable	\$ 252,212	\$ 75,638	\$	\$ 205	\$	\$ 135,205	\$ 463,260
Accrued bond interest payable	8,422,003	1,578,066	7,693		9,254,798		19,262,560
Revenue bonds payable	6,634,683	5,752,923	4,945		9,414,129		21,806,680
Other current liabilities	146,744	6				80,509	227,259
Total current liabilities	15,455,642	7,406,633	12,638	205	18,668,927	215,714	41,759,759
NONCURRENT LIABILITIES:							
Revenue bonds payable	425,150,958	257,107,862	3,743,703		988,307,646		1,674,310,169
Derivative Hedging Instrument	22,441,099						22,441,099
Other noncurrent liabilities	494				104,723,169	22,971	104,746,634
Total noncurrent liabilities	447,592,551	257,107,862	3,743,703		1,093,030,815	22,971	1,801,497,902
TOTAL LIABILITIES	\$ 463,048,193	\$ 264,514,495	\$ 3,756,341	\$ 205	\$ 1,111,699,742	\$ 238,685	\$ 1,843,257,661
DEFERRED INFLOWS OF RESOURCES							
TOTAL DEFERRED INFLOWS OF RESOURCES	\$	\$	\$	\$	\$	\$	\$
NET POSITION							
RESTRICTED FOR BONDS	100,010,452	91,668,114	1,753,168	4,222,878	(2,171,389)	1,076,140	198,730,752
UNRESTRICTED				6,742,961		6,490,335	11,061,907
TOTAL NET POSITION	\$ 100,010,452	\$ 91,668,114	\$ 1,753,168	\$ 10,965,839	\$ (2,171,389)	\$ 7,566,475	\$ 209,792,659

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
REVENUE BOND PROGRAM ENTERPRISE FUND**

SCHEDULE 2

**SUPPLEMENTAL SCHEDULE — STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION INFORMATION BY INDIVIDUAL ACTIVITY (UNAUDITED)
FOR THE YEAR ENDED AUGUST 31, 2014**

	Single-Family Program	RMRB Program	CHMRB Program	Taxable Mortgage Program	Multifamily Program	Operating Fund	Total
OPERATING REVENUES:							
Interest and investment income	\$ 26,477,908	\$ 13,697,178	\$ 370,982	\$ 198,402	\$ 42,769,284	\$ 134,667	\$ 83,648,421
Net increase (decrease) in fair value	(95,461)	3,984,022	(275,632)	276,283		(105,717)	3,783,495
Other operating revenues	<u>106,062</u>	<u>1</u>		<u>15,309,994</u>		<u>2,873,104</u>	<u>18,289,161</u>
Total operating revenues	<u>26,488,509</u>	<u>17,681,201</u>	<u>95,350</u>	<u>15,784,679</u>	<u>42,769,284</u>	<u>2,902,054</u>	<u>105,721,077</u>
OPERATING EXPENSES:							
Professional fees and services	948,500	124,000	1,500			1,502,948	2,576,948
Printing and reproduction						58,874	58,874
Interest	17,720,246	9,702,090	272,275		43,182,322		70,876,933
Bad debt expense	162,047	198,115				3,348	363,510
Down Payment Assistance	6,563	209,481				1,023,305	1,239,349
Other operating expenses	<u>262,387</u>	<u>124,441</u>	<u>(1,437)</u>	<u>891,188</u>		<u>168,871</u>	<u>1,445,450</u>
Total operating expenses	<u>19,099,743</u>	<u>10,358,127</u>	<u>272,338</u>	<u>891,188</u>	<u>43,182,322</u>	<u>2,757,346</u>	<u>76,561,064</u>
Operating Income (Loss)	7,388,766	7,323,074	(176,988)	14,893,491	(413,038)	144,708	29,160,013
OTHER REVENUES, EXPENSES, GAINS, LOSSES, AND TRANSFERS							
Transfers in (out)	<u>(78,579)</u>	<u>10,903,779</u>		<u>(14,275,151)</u>		<u>(1,054,548)</u>	<u>(4,504,499)</u>
CHANGE IN NET POSITION	7,310,187	18,226,853	(176,988)	618,340	(413,038)	(909,840)	24,655,514
NET POSITION —							
September 1, 2013	87,760,537	74,489,550	1,799,853	10,347,499	(2,001,278)	8,476,315	180,872,476
Restatement	<u>4,939,728</u>	<u>(1,048,289)</u>	<u>130,303</u>		<u>242,927</u>		<u>4,264,669</u>
September 1, 2013, as Restated	92,700,265	73,441,261	1,930,156	10,347,499	(1,758,351)	8,476,315	185,137,145
NET POSITION —							
August 31, 2014	<u>\$ 100,010,452</u>	<u>\$ 91,668,114</u>	<u>\$ 1,753,168</u>	<u>\$ 10,965,839</u>	<u>\$ (2,171,389)</u>	<u>\$ 7,566,475</u>	<u>\$ 209,792,659</u>

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND

SCHEDULE 3

Supplementary Bond Schedules
MISCELLANEOUS BOND INFORMATION
For the fiscal year ended August 31, 2014

Description of Issue	Bonds Issued To Date	Range Of Interest Rates	Scheduled Mat.		
			First Year	Final Maturity Date	First Call Date
2004 Single Family Series A	\$ 123,610,000	2.00% 4.70%	2006	09/01/2035	03/01/2013
2004 Single Family Series B	53,000,000	VAR - Weekly	2015	09/01/2034	03/01/2015 (e)
2004 Single Family Series A (Jr. Lien)	4,140,000	VAR - Weekly	2036	09/01/2036	09/01/2036 (e)
2004 Single Family Series C	41,245,000	4.30% 4.80%	2019	03/01/2036	09/01/2014
2004 Single Family Series D	35,000,000	VAR - Weekly	2035	03/01/2035	(f)
2004 Single Family Series E	10,825,000	2.45% 4.30%	2006	03/01/2019	09/01/2014
2005 Single Family Series A	100,000,000	VAR - Weekly	2007	09/01/2036	03/01/2006
2005 Single Family Series B	25,495,000	4.38% 4.38%	2006	09/01/2026	03/01/2006
2005 Single Family Series C	8,970,000	VAR - Weekly	2017	09/01/2017	03/01/2006
2005 Single Family Series D	3,730,000	5.00% 5.00%	2025	09/01/2035	03/01/2006
2006 Single Family Series A	59,555,000	5.00% 5.00%	2008	09/01/2037	09/01/2006
2006 Single Family Series B	70,485,000	5.00% 5.00%	2008	09/01/2034	09/02/2006
2006 Single Family Series C	105,410,000	5.13% 5.13%	2008	09/01/2037	09/03/2006
2006 Single Family Series D	29,685,000	4.50% 4.50%	2018	09/01/2028	09/04/2006
2006 Single Family Series E	17,295,000	4.06% 4.06%	2007	09/01/2017	09/05/2006
2006 Single Family Series F	81,195,000	4.65% 5.75%	2008	03/01/2038	03/01/2016
2006 Single Family Series G	15,000,000	3.75% 4.60%	2012	09/01/2019	03/01/2016
2006 Single Family Series H	36,000,000	VAR - Weekly	2016	09/01/2037	03/01/2016
2007 Single Family Series A	143,005,000	VAR - Weekly	2008	09/01/2038	03/01/2008 (e)
2007 Single Family Series B	157,060,000	3.90% 5.63%	2008	09/01/2039	03/01/2008
2013 Single Family Series A	42,500,000	2.80% 2.80%	2013	03/01/2036	09/01/2020
2009 RMRB Series A	80,000,000	5.13% 5.13%	2011	07/01/2039	01/01/2019
2009 RMRB Series B	22,605,000	4.72% 4.72%	2010	07/01/2022	01/01/2019
2009 RMRB Series C-1	89,030,000	0.70% 3.57%	2029	07/01/2041	04/01/2011
2009 RMRB Series C-2	60,080,000	0.60% 2.48%	2034	07/01/2041	11/01/2011
2011 RMRB Series A	60,000,000	0.70% 5.05%	2012	07/01/2029	01/01/2021
2011 RMRB Series B	87,955,000	0.30% 4.45%	2012	01/01/2034	01/01/2021
1992 Coll Home Mtg Rev Bonds, Series C	72,700,000	3.48% 10.27%	2024	07/01/2024	05/04/1995
TOTAL SINGLE FAMILY & RMRB BONDS	\$ 1,635,575,000				
1996 MF Series A/B (Brighton's Mark Development)	\$ 10,174,000	6.13% 6.13%	2026	04/01/2026	01/01/2003
1998 MF Series A (Pebble Brook Apartments Project)	10,900,000	4.95% 5.60%	2001	12/01/2030	06/01/2001
1998 MF Series A-C (Residence at the Oaks Projects)	8,200,000	5.98% 7.18%	2001	11/01/2030	05/01/2001
1998 MF Series A/B (Greens of Hickory Trail Apartments)	13,500,000	5.20% 6.03%	2001	09/01/2030	09/01/2008
1999 MF Series A-C (Mayfield Apartments)	11,445,000	5.70% 7.25%	2001	05/01/2031	05/01/2002
2000 MF Series A (Timber Point Apartments)	8,100,000	VAR - Weekly	2003	09/01/2032	07/01/2000 (a)
2000 MF Series A/B (Oaks at Hampton Apartments)	10,060,000	7.20% 9.00%	2002	03/01/2040	03/01/2017 (a)
2000 MF Series A (Deerwood Apartments)	6,435,000	5.25% 6.40%	2003	12/01/2032	06/01/2010
2000 MF Series A (Creek Point Apartments)	7,200,000	VAR - Weekly	2004	10/01/2032	07/01/2000 (a)
2000 MF Series A/B (Parks at Westmoreland Apartments)	9,990,000	7.20% 9.00%	2002	07/01/2040	07/01/2017 (a)
2000 MF Series A-C (Highland Meadow Village Apartments)	13,500,000	6.75% 8.00%	2004	11/01/2033	05/01/2019
2000 MF Series A/B (Greenbridge at Buckingham Apartments)	20,085,000	7.40% 10.00%	2003	10/01/2040	03/01/2014
2000 MF Series A-C (Collingham Park Apartments)	13,500,000	6.72% 7.72%	2004	11/01/2033	05/01/2019
2000 MF Series A/B (Williams Run Apartments)	12,850,000	7.65% 9.25%	2002	11/01/2040	01/01/2011
2001 MF Series A (Bluffview Apartments)	10,700,000	7.65% 7.65%	2003	05/01/2041	05/01/2018
2001 MF Series A (Knollwood Apartments)	13,750,000	7.65% 7.65%	2003	05/01/2041	05/01/2018
2001 MF Series A (Skyway Villas Apartments)	13,250,000	6.00% 6.50%	2005	12/01/2034	12/01/2011
2001 MF Series A/B (Meridian Apartments)	14,310,000	5.45% 6.85%	2004	12/01/2034	12/01/2011
2001 MF Series A/B (Wildwood Apartments)	14,365,000	5.45% 6.75%	2004	12/01/2034	12/01/2011
2001 MF Series A-C (Fallbrook Apartments)	14,700,000	6.06% 6.78%	2005	12/01/2034	01/01/2012
2001 MF Series A (Oak Hollow Apartments)	8,625,000	7.00% 7.90%	2003	12/01/2041	11/01/2018
2001 MF Series A/B (Hillside Apartments)	12,900,000	7.00% 9.25%	2003	12/01/2041	11/01/2018
2002 MF Series A (Park Meadows Apartments)	4,600,000	6.53% 6.53%	2004	06/01/2034	05/01/2012
2002 MF Series A (Clarkridge Villas Apartments)	14,600,000	7.00% 7.00%	2004	09/01/2042	08/01/2019
2002 MF Series A (Hickory Trace Apartments)	11,920,000	7.00% 7.00%	2004	11/01/2042	12/01/2019
2002 MF Series A (Green Crest Apartments)	12,500,000	7.00% 7.00%	2004	11/01/2042	11/01/2019
2002 MF Series A/B (Ironwood Crossing)	16,970,000	5.50% 8.75%	2005	11/01/2042	10/01/2027
2003 MF Series A/B (Reading Road)	12,200,000	VAR-Weekly	2007	07/01/2036	01/01/2004 (a)
2003 MF Series A/B (North Vista Apartments)	14,000,000	4.10% 5.41%	2006	06/01/2036	06/01/2013
2003 MF Series A/B (West Virginia Apartments)	9,450,000	4.15% 5.41%	2006	06/01/2036	06/01/2013
2003 MF Series A/B (Primrose Houston School)	16,900,000	5.50% 8.00%	2006	07/01/2036	07/01/2003 (a)

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND

Supplementary Bond Schedules
MISCELLANEOUS BOND INFORMATION (Continued)
For the fiscal year ended August 31, 2014

Description of Issue	Bonds Issued To Date	Range Of Interest Rates		Scheduled Mat.			
				First Year	Final Maturity Date	First Call Date	
2003 MF Series A/B (Timber Oaks Apartments)	\$ 13,200,000	6.75%	8.75%	2005	11/01/2038	06/01/2020	
2003 MF Series A/B (Ash Creek Apartments)	16,375,000	5.60%	15.00%	2006	04/01/2036	10/01/2003	(a)
2003 MF Series A/B (Peninsula Apartments)	12,400,000	4.25%	5.30%	2007	10/01/2024	10/01/2013	
2003 MF Series A/B (Arlington Villas)	17,100,000	6.75%	8.00%	2007	12/01/2036	01/01/2007	(a)
2003 MF Series A/B (Parkview Townhomes)	16,600,000	6.00%	8.50%	2006	04/01/2041	12/01/2020	
2003 MF Series A (NHP Foundation-Asmara Proj Refunding)	31,500,000	VAR - Weekly		2007	07/01/2033	07/01/2007	(a)
2004 MF Series A/B (Timber Ridge II Apartments)	7,500,000	5.75%	8.00%	2007	08/01/2036	03/01/2007	(a)
2004 MF Series A/B (Century Park Townhomes)	13,000,000	5.75%	5.75%	2007	06/01/2037	05/01/2007	(a)
2004 MF Series A/B (Providence at Veterans Memorial)	16,300,000	6.60%	8.50%	2006	01/01/2041	03/01/2006	(a)
2004 MF Series A (Providence at Rush Creek II)	10,000,000	5.38%	6.70%	2006	01/01/2044	03/01/2021	
2004 MF Series A (Humble Parkway Townhomes)	11,700,000	6.60%	6.60%	2007	01/01/2041	07/01/2021	
2004 MF Series A (Chisholm Trail Apartments)	12,000,000	VAR - Weekly (b)		2006	04/15/2037	10/15/2006	(a)
2004 MF Series A (Evergreen at Plano Parkway)	14,750,000	5.25%	6.55%	2007	05/01/2044	06/01/2021	
2004 MF Series A (Montgomery Pines Apartments)	12,300,000	VAR - Weekly		2006	06/15/2037	12/15/2006	(a)
2004 MF Series A (Bristol Apartments)	12,625,000	VAR - Weekly		2007	06/15/2037	06/15/2007	(a)
2004 MF Series A (Pinnacle Apartments)	14,500,000	VAR - Weekly (c)		2007	06/15/2037	09/01/2007	(a)
2004 MF Series A (Tranquility Bay Apartments)	14,350,000	6.50%	6.50%	2007	06/01/2044	06/01/2021	(d)
2004 MF Series A (Churchill at Pinnacle Park)	10,750,000	5.25%	6.55%	2007	07/01/2044	09/01/2021	(d)
2004 MF Series A (Providence at Village Fair)	14,100,000	5.00%	6.50%	2007	12/01/2044	12/01/2021	
2005 MF Series A (Homes at Pecan Grove)	14,030,000	5.00%	6.50%	2007	01/01/2045	01/01/2022	
2005 MF Series A (Providence at Prairie Oaks)	11,050,000	4.75%	6.50%	2007	01/01/2045	01/01/2022	
2005 MF Series A (Port Royal Homes)	12,200,000	5.00%	6.50%	2007	02/01/2045	02/01/2022	
2005 MF Series A (Mission Del Rio Homes)	11,490,000	5.00%	6.50%	2007	02/01/2045	02/01/2022	
2005 MF Series A (Atascocita Pines Apartments)	11,900,000	VAR - Weekly (c)		2007	04/15/2038	(e)	
2005 MF Series A (Tower Ridge Apartments)	15,000,000	VAR - Weekly (b)		2009	04/01/2038	(e)	
2005 MF Series A (Prairie Ranch Apartments)	12,200,000	4.85%	4.85%	2007	06/20/2045	12/20/2015	
2005 MF Series A (St Augustine Estate Apartments)	7,650,000	VAR - Weekly		2009	09/15/2038	n/a	
2005 MF Series A (Park Manor Senior Community)	10,400,000	5.00%	6.40%	2008	07/01/2045	09/01/2022	
2005 MF Series A (Providence at Mockingbird Apartments)	14,360,000	6.40%	6.40%	2007	08/01/2040	08/01/2022	
2005 MF Series A (Plaza at Chase Oaks Apartments)	14,250,000	5.05%	5.05%	2007	08/01/2035	(g)	
2005 MF Series A (Coral Hills Apartments)	5,320,000	5.05%	5.05%	2009	08/01/2026	08/01/2015	
2006 MF Series A (Harris Branch Apartments)	15,000,000	VAR - Weekly		2009	03/15/2039	(i)	
2006 MF Series A (Bella Vista Apartments)	6,800,000	6.15%	6.15%	2008	04/01/2046	04/01/2016	
2006 MF Series A (Village Park Apartments)	13,660,000	4.75%	5.13%	2009	12/1/2026	06/01/2021	
2006 MF Series A (Oakmoor Apartments)	14,635,000	5.50%	6.00%	2008	03/01/2046	03/01/2023	
2006 MF Series A (The Residences at Sunset Pointe)	15,000,000	VAR - Weekly		2039	07/15/2039	(h)	
2006 MF Series A (Hillcrest Apartments)	12,435,000	5.25%	5.25%	2009	04/01/2027	04/01/2021	
2006 MF Series A (Pleasant Village)	6,000,000	6.00%	6.00%	2008	03/01/2023	(j)	
2006 MF Series A (Grove Village)	6,180,000	6.00%	6.00%	2008	02/28/2023	(j)	
2006 MF Series A (Red Hills Villas)	5,015,000	VAR - Weekly		2036	09/15/2036	(i)	
2006 MF Series A (Champion Crossing Apartments)	5,125,000	VAR - Weekly		2036	09/15/2036	(i)	
2006 MF Series A (Stonehaven Apartments)	11,300,000	5.80%	5.80%	2008	10/01/2026	(g)	
2006 MF Series A (Meadowlands Apartments)	13,500,000	6.00%	6.00%	2009	09/01/2046	09/01/2023	
2006 MF Series A (East Tex Pines)	13,500,000	4.95%	4.95%	2010	10/01/2046	(k)	
2006 MF Series A (Villas at Henderson)	7,200,000	VAR - Weekly		2010	11/01/2023	(l)	
2006 MF Series A (Aspen Park)	9,800,000	5.00%	5.00%	2010	07/01/2027	07/01/2021	
2006 MF Series A (Idlewilde)	14,250,000	VAR - Weekly		2010	06/15/2040	(i)	
2007 MF Series A (Lancaster)	14,250,000	VAR - Weekly		2010	07/15/2040	(j)	
2007 MF Series A (Park Place at Loyola)	15,000,000	5.80%	5.80%	2010	02/01/2047	03/01/2024	
2007 MF Series A (Terrace at Cibolo)	8,000,000	VAR - Weekly		2010	05/01/2040	(l)	
2007 MF Series A (Santora Villas)	13,072,000	5.80%	5.80%	2010	05/01/2047	06/01/2024	
2007 MF Series A (Villas at Mesquite Creek)	16,860,000	5.00%	5.81%	2010	01/20/2047	01/20/2017	
2007 MF Series A (Summit Point)	11,700,000	4.80%	5.25%	2009	06/20/2047	06/20/2017	
2007 MF Series A (Costa Rialto)	12,385,000	5.35%	5.35%	2010	07/01/2047	08/01/2025	
2007 MF Series A (Windshire)	14,000,000	VAR - Weekly		2010	01/15/2041	(i)	
2007 MF Series A (Residences at Onion Creek)	15,000,000	VAR - Weekly		2011	12/15/2040	(i)	
2008 MF Series A (West Oaks Apartments)	13,125,000	VAR - Weekly		2011	07/01/2041	(m)	
2008 MF Series A (Costa Ibiza Apartments)	13,900,000	VAR - Weekly		2011	08/01/2041	(e)	
2008 MF Series A (Addison Park Apartments)	14,000,000	VAR - Weekly		2008	01/01/2044	(m)	
2008 MF Series A (Alta Cullen Apartments Refunding)	14,000,000	VAR - Weekly		2011	03/01/2045	(m)	
2009 MF Series A (Costa Mariposa Apartments)	13,690,000	VAR - Weekly		2012	05/01/2042	(m)	

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

**Supplementary Bond Schedules
MISCELLANEOUS BOND INFORMATION (Continued)**
For the fiscal year ended August 31, 2014

Description of Issue	Bonds Issued To Date	Range Of Interest Rates	Scheduled Mat.		First Call Date
			First Year	Final Maturity Date	
2009 MF Series A (Woodmont Apartments)	\$ 15,000,000	VAR - Weekly	2012	06/01/2042	(m)
2013 MF Series A (Waters at Willow Run Apartments)	14,500,000	0.35% 0.35%	2014	10/01/2016	10/01/2014
2014 MF Series A (Decatur-Angle Apartments)	23,000,000	5.75% 5.75%	2016	01/01/2054	09/01/2016
2014 MF Series A (Northcrest Apartments)	2,900,000	0.35% 0.35%	2015	06/01/2017	07/01/2015
2014 MF Series A (Pine Haven Apartments)	2,700,000	0.35% 0.35%	2015	06/01/2017	07/01/2015
TOTAL MULTIFAMILY BONDS	\$ 1,199,061,000				
TOTAL BONDS ISSUED	\$ 2,834,636,000				

FOOTNOTES:

- (a) The taxable bonds shall be subject to redemption prior to maturity in whole or any part on any interest payment date after the completion date from the proceeds of an optional prepayment of the loan by the borrower.
- (b) Variable rate not to exceed the maximum rate permitted by applicable law.
- (c) Variable rate could change to fixed rate provided the conversion option is exercised.
- (d) The bonds are subject to redemption, in whole, at the option of the Issuer acting at the direction of the Holders of a majority of the outstanding principal amount of the Bonds.
- (e) The Bonds shall be subject to redemption prior to maturity, after giving the required notice, as follows: During the variable interest rate period the bonds shall be subject to optional redemption by the Department, in whole or in part on any business day, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest, if any, to the redemption date.
- (f) The Series bonds are subject to redemption prior to maturity, after giving notice as provided in the Trust Indenture, as follows: During a daily interest rate period or weekly interest rate period for the Series bonds, the bonds shall be subject to optional redemption by the Department, in whole or in part on any business day, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest, if any, to the redemption date.
- (g) The bonds are subject to redemption at the option of the Issuer, at the direction of the Borrower, in whole or in part on the first day of any month, in the event and to the extent the trustee receives funds from the Borrower representing an optional prepayment of the principal of the note, at a redemption price equal to the principal thereof, plus accrued interest to the redemption date plus any premium remitted therewith as required by the note.
- (h) Bonds are subject to redemption if and to the extent the Borrower is entitled to make, or is required to make, a prepayment pursuant to the loan agreement.
- (i) The Bonds are subject to optional redemption in whole or in part upon optional prepayment of the Loan by the Borrower.
- (j) The Bonds are subject to optional redemption at the direction of the Borrower on any interest payment date, in whole or in part, at the redemption price (as calculated by the sole bondholder) calculated in accordance with the Exhibit H in the bond documents plus accrued and unpaid interest, redemption if any, to the date. Optional redemptions may be made only in denominations of \$100,000 plus integral multiples of \$5,000 or for the entire amount of the bonds outstanding.
- (k) The Bonds shall be subject to redemption prior to maturity in whole but not in part on any Bond Payment Date on or after fifteen years from Conversion Date, from the proceeds of an optional prepayment of the Loan by the Borrower at a redemption price equal to the principal amount plus accrued and unpaid interest to the date fixed for redemption.
- (l) The Bonds may be redeemed by the Trustee at the option of the Issuer, but only upon the written request of the Borrower pursuant of the Loan Agreement, and with the prior written consent of the Bank, in whole or in part, at a redemption price equal to the principal amount, without premium, plus accrued interest to the date of redemptions.
- (m) With the prior Written consent of the Credit Facility Provider, the Bonds are subject to optional redemption, in whole or in part, upon optional prepayments on the Bond Mortgage Loan in accordance with the prepayment restrictions set forth in the Bond Mortgage Note and Financing Agreement.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

SCHEDULE 4

**Supplementary Bond Schedules
CHANGES IN BOND INDEBTEDNESS**

For the fiscal year ended August 31, 2014

Description of Issue	Bonds Outstanding 09/01/13	Bonds Issued and Accretions	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding 8/31/14	Amounts Due Within One Year
2004 Single Family Series A	\$ 29,585,000	\$	\$ 1,110,000	\$ 28,475,000	\$	\$
2004 Single Family Series B	53,000,000				53,000,000	895,000
2004 Single Family Series A (Jr. Lien)	3,855,000				3,855,000	
2004 Single Family Series C	5,100,000			5,100,000		
2004 Single Family Series D	35,000,000				35,000,000	1,125,000
2004 Single Family Series E	445,000		150,000	295,000		
2005 Single Family Series A	57,500,000			12,430,000	45,070,000	
2005 Single Family Series B	6,425,000		300,000	3,390,000	2,735,000	185,000
2005 Single Family Series C	3,825,000			395,000	3,430,000	
2005 Single Family Series D	2,835,000			1,540,000	1,295,000	
2006 Single Family Series A	26,520,000		340,000	6,460,000	19,720,000	297,459
2006 Single Family Series B	28,865,000		820,000	6,970,000	21,075,000	713,074
2006 Single Family Series C	45,100,000		870,000	10,950,000	33,280,000	826,419
2006 Single Family Series D	9,510,000			1,825,000	7,685,000	
2006 Single Family Series E	8,410,000		1,545,000		6,865,000	1,605,000
2006 Single Family Series F	19,985,000		60,000	14,825,000	5,100,000	6,522
2006 Single Family Series G	2,625,000		390,000	1,530,000	705,000	185,000
2006 Single Family Series H	36,000,000				36,000,000	
2007 Single Family Series A	78,700,000			17,800,000	60,900,000	
2007 Single Family Series B	79,150,000		1,100,000		59,750,000	796,210
2013 Single Family Series A	41,665,000			7,240,000	34,425,000	
2009 RMRB Series A	40,800,000		370,000	6,155,000	34,275,000	377,617
2009 RMRB Series B	12,850,000		1,005,000	1,265,000	10,580,000	1,005,000
2009 RMRB Series C-1	79,370,000			16,995,000	62,375,000	
2009 RMRB Series C-2	57,450,000			7,930,000	49,520,000	
2011 RMRB Series A	49,285,000		1,895,000	10,415,000	36,975,000	1,807,546
2011 RMRB Series B	80,725,000		2,560,000	11,115,000	67,050,000	2,562,761
1992 Coll Home Mtg Rev Bonds, Series C	4,400,000			700,000	3,700,000	4,945
Total Single Family Bonds	\$ 898,980,000	\$	\$ 12,515,000	\$ 192,100,000	\$ 694,365,000	\$ 12,392,551
1996 MF Series A/B (Brighton's Mark Development)	\$ 8,075,000	\$	\$	\$	\$ 8,075,000	\$
1998 MF Series A (Pebble Brook Apartments Project)	8,525,000		135,000	8,390,000		
1998 MF Series A-C (Residence at the Oaks Projects)	6,358,000		288,000		6,070,000	295,000
1998 MF Series A/B (Greens of Hickory Trail Apartments)	10,630,000		170,000	10,460,000		
1999 MF Series A-C (Mayfield Apartments)	8,951,000		294,000		8,657,000	312,000
2000 MF Series A (Timber Point Apartments)	6,870,000			200,000	6,670,000	
2000 MF Series A/B (Oaks at Hampton Apartments)	9,197,100		119,538		9,077,562	128,436
2000 MF Series A (Deerwood Apartments)	5,420,000		135,000		5,285,000	145,000
2000 MF Series A (Creek Point Apartments)	5,860,000			200,000	5,660,000	
2000 MF Series A/B (Parks at Westmoreland Apartments)	9,161,938		116,097		9,045,841	124,738
2000 MF Series A-C (Highland Meadow Village Apts)	7,697,000		182,000		7,515,000	194,000
2000 MF Series A/B (Greenbridge at Buckingham Apts)	19,474,075				19,474,075	1,051,858
2000 MF Series A-C (Collingham Park Apartments)	11,546,000		291,000		11,255,000	308,000
2000 MF Series A/B (Williams Run Apartments)	12,122,024		477,643		11,644,381	153,407
2001 MF Series A (Bluffview Apartments)	10,055,087		93,493		9,961,594	100,851
2001 MF Series A (Knollwood Apartments)	12,921,256		120,142		12,801,114	129,598
2001 MF Series A (Skyway Villas Apartments)	6,760,000		160,000		6,600,000	170,000
2001 MF Series A/B (Meridian Apartments)	8,170,000		94,000		8,076,000	96,000
2001 MF Series A/B (Wildwood Apartments)	6,313,000		72,000		6,241,000	81,000
2001 MF Series A-C (Fallbrook Apartments)	12,778,000		302,000		12,476,000	320,000
2001 MF Series A (Oak Hollow Apartments)	6,093,591		60,681		6,032,910	65,068
2001 MF Series A/B (Hillside Apartments)	12,278,089		68,336		12,209,753	73,276
2002 MF Series A (Park Meadows Apartments)	3,895,000		90,000		3,805,000	95,000
2002 MF Series A (Clarkridge Villas Apartments)	13,207,535		123,133		13,084,402	132,034
2002 MF Series A (Hickory Trace Apartments)	10,922,189		101,161		10,821,028	108,473
2002 MF Series A (Green Crest Apartments)	10,874,638		98,713		10,775,925	82,314
2002 MF Series A/B (Ironwood Crossing)	16,302,364		123,321		16,179,043	138,449
2003 MF Series A/B (Reading Road)	10,920,000		30,000	200,000	10,690,000	40,000
2003 MF Series A/B (North Vista Apartments)	11,570,000		260,000		11,310,000	275,000
2003 MF Series A/B (West Virginia Apartments)	8,355,000		190,000		8,165,000	195,000
2003 MF Series A/B (Primrose Houston School)	15,966,837		128,120		15,838,717	138,921
2003 MF Series A/B (Timber Oaks Apartments)	12,669,090		95,166		12,573,924	99,786
2003 MF Series A/B (Ash Creek Apartments)	15,688,235		129,237		15,558,998	140,101
2003 MF Series A/B (Peninsula Apartments)	11,000,000		210,000	15,000	10,775,000	210,000
2003 MF Series A/B (Arlington Villas)	16,503,842		120,219		16,383,623	130,262
2003 MF Series A/B (Parkview Townhomes)	13,398,423		105,483		13,292,940	110,604
2003 MF Series A (NHP Foundation-Asmara Proj Refunding)	18,675,000			475,000	18,200,000	(9,343)
2004 MF Series A/B (Timber Ridge II Apartments)	6,422,306		51,881		6,370,425	55,616
2004 MF Series A/B (Century Park Townhomes)	11,500,000		230,000		11,270,000	245,000
2004 MF Series A/B (Providence at Veterans Memorial)	6,808,108		54,391		6,753,717	57,032
2004 MF Series A (Providence at Rush Creek II)	8,471,064		72,996		8,398,068	78,039
2004 MF Series A (Humble Parkway Townhomes)	10,905,000		145,000		10,760,000	155,000
2004 MF Series A (Chisholm Trail Apartments)	11,000,000			200,000	10,800,000	
2004 MF Series A (Evergreen at Plano Parkway)	14,171,079		117,861		14,053,218	125,816
2004 MF Series A (Montgomery Pines Apartments)	11,500,000			200,000	11,300,000	

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

**Supplementary Bond Schedules
CHANGES IN BOND INDEBTEDNESS (Continued)**

For the fiscal year ended August 31, 2014

Description of Issue	Bonds Outstanding 09/01/13	Bonds Issued and Accretions	Bonds Matured or Retired	Bonds Refunded or Extinguished	Bonds Outstanding 8/31/2014	Amounts Due Within One Year
2004 MF Series A (Bristol Apartments)	\$ 11,700,000	\$	\$	\$ 100,000	\$ 11,600,000	\$
2004 MF Series A (Pinnacle Apartments)	13,665,000			200,000	13,465,000	
2004 MF Series A (Tranquility Bay Apartments)	13,653,986		81,973	13,572,013		
2004 MF Series A (Churchill at Pinnacle Park)	9,617,398		99,345		9,518,053	106,051
2004 MF Series A (Providence at Village Fair)	13,483,789		117,609		13,366,180	125,486
2005 MF Series A (Homes at Pecan Grove)	13,445,385		99,248	229,160	13,116,977	77,999
2005 MF Series A (Providence at Prairie Oaks)	10,574,501		83,804		10,490,697	105,684
2005 MF Series A (Port Royal Homes)	11,683,154		100,668		11,582,486	107,408
2005 MF Series A (Mission Del Rio Homes)	11,033,514		91,030	2,009,731	8,932,753	53,118
2005 MF Series A (Atascocita Pines Apartments)	11,190,000			100,000	11,090,000	
2005 MF Series A (Tower Ridge Apartments)	15,000,000				15,000,000	
2005 MF Series A (Prairie Ranch Apartments)	11,410,000		150,000		11,260,000	160,000
2005 MF Series A (St Augustine Estate Apartments)	6,180,000			100,000	6,080,000	
2005 MF Series A (Park Manor Senior Community)	10,400,000				10,400,000	
2005 MF Series A (Providence at Mockingbird Apts)	10,924,900		83,412		10,841,488	88,030
2005 MF Series A (Plaza at Chase Oaks Apartments)	12,845,088		280,964		12,564,124	295,486
2005 MF Series A (Coral Hills Apartments)	4,665,000		40,000	50,000	4,575,000	90,000
2006 MF Series A (Harris Branch Apartments)	13,990,000			200,000	13,790,000	
2006 MF Series A (Bella Vista Apartments)	6,545,000		55,000		6,490,000	60,000
2006 MF Series A (Village Park Apartments)	9,940,000		175,000		9,765,000	185,000
2006 MF Series A (Oakmoor Apartments)	14,006,670		119,903		13,886,767	127,299
2006 MF Series A (The Residences at Sunset Pointe)	15,000,000				15,000,000	
2006 MF Series A (Hillcrest Apartments)	10,530,000		170,000		10,360,000	185,000
2006 MF Series A (Pleasant Village)	5,583,009		55,798	183,288	5,343,923	183,635
2006 MF Series A (Grove Village)	5,750,500		57,472	229,504	5,463,524	189,144
2006 MF Series A (Red Hills Villas)	4,715,000				4,715,000	
2006 MF Series A (Champion Crossing Apartments)	4,675,000			100,000	4,575,000	
2006 MF Series A (Stonehaven Apartments)	9,957,670		25,015	9,932,655		
2006 MF Series A (Meadowlands Apartments)	12,064,971		98,150		11,966,821	104,203
2006 MF Series A (East Tex Pines)	13,220,000		110,000		13,110,000	110,000
2006 MF Series A (Villas at Henderson)	6,825,000			105,000	6,720,000	
2006 MF Series A (Aspen Park)	9,345,000		110,000		9,235,000	120,000
2006 MF Series A (Idlewilde)	13,725,000			235,000	13,490,000	
2007 MF Series A (Lancaster)	13,710,000			230,000	13,480,000	
2007 MF Series A (Park Place at Loyola)	14,065,478		97,465		13,968,013	103,271
2007 MF Series A (Terrace at Cibolo)	5,000,000			100,000	4,900,000	
2007 MF Series A (Santora Villas)	11,944,992		86,422		11,858,570	91,570
2007 MF Series A (Villas at Mesquite Creek)	16,155,000		185,000		15,970,000	195,000
2007 MF Series A (Summit Point)	9,170,000		100,000		9,070,000	110,000
2007 MF Series A (Costa Rialto)	10,470,864		84,761		10,386,103	89,409
2007 MF Series A (Windshire)	13,600,000			100,000	13,500,000	
2007 MF Series A (Residences at Onion Creek)	15,000,000				15,000,000	
2008 MF Series A (West Oaks Apartments)	12,525,000			200,000	12,325,000	
2008 MF Series A (Costa Ibiza Apartments)	13,320,000			100,000	13,220,000	
2008 MF Series A (Addison Park Apartments)	13,205,000			200,000	13,005,000	
2008 MF Series A (Alta Cullen Apartments Refunding)	12,400,000			200,000	12,200,000	
2009 MF Series A (Costa Mariposa Apartments)	13,580,000			110,000	13,470,000	
2009 MF Series A (Woodmont Apartments)	14,880,000			215,000	14,665,000	
2013 MF Series A (Waters @ Willow Run)		14,500,000			14,500,000	
2014 MF Series A (Decatur Angle Apartments)		23,000,000			23,000,000	
2014 MF Series A (Northcrest Apartments)		2,900,000			2,900,000	
2014 MF Series A (Pine Haven Apartments)		2,700,000			2,700,000	
Total Multifamily Bonds	\$ 1,012,352,740	\$ 43,100,000	\$ 8,413,651	\$ 49,141,351	\$ 997,897,738	\$ 9,414,129
	\$ 1,911,332,740	\$ 43,100,000	\$ 20,928,651	\$ 241,241,351	\$ 1,692,262,738	\$ 21,806,680

FOOTNOTES:

(a) Bonds Outstanding balance at 8/31/14 does not include unamortized premium or discounts.

Bonds Outstanding per schedule	\$ 1,692,262,738
Unamortized (Discount)/Premium:	
Single Family	1,895,641
RMRB	2,085,785
CHMRB	48,648
Multi-Family	(175,963)
Bonds Outstanding	\$ 1,696,116,849

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND

SCHEDULE 5

Supplementary Bond Schedules
DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)
August 31, 2014

DESCRIPTION		2015	2016	2017	2018	2019
2004 Single Family, Series A (Junior Lien)	Principal					
2004 Single Family, Series A (Junior Lien)	Interest	4,997	5,023	5,000	5,011	5,011
2004 Single Family, Series B	Principal	895,000	1,840,000	1,905,000	1,980,000	2,060,000
2004 Single Family, Series B	Interest	43,083	41,417	39,746	38,299	36,699
2004 Single Family, Series D	Principal	1,125,000	1,185,000	1,245,000	1,315,000	1,385,000
2004 Single Family, Series D	Interest	26,896	23,563	22,618	21,786	20,853
2005 Single Family, Series A	Principal					
2005 Single Family, Series A	Interest	32,920	27,104	26,980	27,042	27,042
2005 Single Family, Series B	Principal	185,000	200,000	220,000	220,000	220,000
2005 Single Family, Series B	Interest	129,720	121,488	111,520	100,960	90,400
2005 Single Family, Series C	Principal				3,430,000	
2005 Single Family, Series C	Interest	4,114	4,125	4,107	2,075	
2005 Single Family, Series D	Principal					
2005 Single Family, Series D	Interest	64,750	64,750	64,750	64,750	64,750
2006 Single Family, Series A	Principal	285,000	295,000	320,000	310,000	330,000
2006 Single Family, Series A	Interest	982,375	968,125	953,000	937,125	921,500
2006 Single Family, Series B	Principal	695,000	710,000	735,000	785,000	810,000
2006 Single Family, Series B	Interest	1,045,000	1,010,125	974,500	937,125	897,250
2006 Single Family, Series C	Principal	745,000	790,000	835,000	880,000	925,000
2006 Single Family, Series C	Interest	1,696,247	1,657,425	1,616,425	1,573,119	1,527,378
2006 Single Family, Series D	Principal				255,000	520,000
2006 Single Family, Series D	Interest	366,561	366,561	366,561	366,561	348,711
2006 Single Family, Series E	Principal	1,605,000	1,675,000	1,755,000	1,830,000	
2006 Single Family, Series E	Interest	260,476	191,579	118,253	40,259	
2006 Single Family, Series F	Principal	5,000	10,000	10,000	10,000	10,000
2006 Single Family, Series F	Interest	250,765	250,334	249,759	249,184	248,609
2006 Single Family, Series G	Principal	185,000	150,000	115,000	120,000	120,000
2006 Single Family, Series G	Interest	29,577	21,408	15,700	10,350	4,830
2006 Single Family, Series H	Principal		410,000	860,000	910,000	965,000
2006 Single Family, Series H	Interest	25,457	21,649	21,179	20,704	20,151
2007 Single Family, Series A	Principal					
2007 Single Family, Series A	Interest	44,482	36,624	36,456	36,540	36,540
2007 Single Family, Series B	Principal	775,000	885,000	910,000	1,380,000	1,035,000
2007 Single Family, Series B	Interest	3,089,860	3,051,672	3,008,954	2,964,165	2,904,027
2013 Single Family, Series A	Principal					
2013 Single Family, Series A	Interest	963,900	963,900	963,900	963,900	963,900
TOTAL SINGLE FAMILY BONDS		15,561,180	16,976,872	17,509,408	21,783,955	16,497,651
2009 Residential Mtg Revenue Bonds, Series A	Principal	360,000	360,000	355,000	350,000	350,000
2009 Residential Mtg Revenue Bonds, Series A	Interest	1,781,965	1,770,603	1,757,935	1,744,453	1,730,715
2009 Residential Mtg Revenue Bonds, Series B	Principal	1,005,000	1,005,000	1,080,000	1,330,000	1,085,000
2009 Residential Mtg Revenue Bonds, Series B	Interest	516,665	468,425	421,033	366,463	305,078
2009 Residential Mtg Revenue Bonds, Series C-1	Principal					
2009 Residential Mtg Revenue Bonds, Series C-1	Interest	1,793,281	1,793,281	1,793,281	1,793,281	1,793,281
2009 Residential Mtg Revenue Bonds, Series C-2	Principal					
2009 Residential Mtg Revenue Bonds, Series C-2	Interest	1,228,096	1,228,096	1,228,096	1,228,096	1,228,096
2011 Residential Mtg Revenue Bonds, Series A	Principal	1,770,000	1,810,000	1,905,000	1,985,000	2,085,000
2011 Residential Mtg Revenue Bonds, Series A	Interest	1,627,141	1,582,530	1,528,895	1,466,382	1,393,004
2011 Residential Mtg Revenue Bonds, Series B	Principal	2,490,000	2,525,000	2,595,000	2,640,000	2,725,000
2011 Residential Mtg Revenue Bonds, Series B	Interest	2,488,013	2,451,818	2,402,525	2,342,593	2,272,073
TOTAL RESIDENTIAL MTG REVENUE BONDS		15,060,161	14,994,753	15,066,765	15,246,268	14,967,247

Supplementary Bond Schedules
DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST) Continued
August 31, 2014

2020-24	2025-29	2030-34	2035-39	2040-44	2045-49	2050-54	TOTAL REQUIRED
			3,855,000				3,855,000
25,068	25,045	25,056	12,557				112,768
11,530,000	13,955,000	16,955,000	1,880,000				53,000,000
157,316	106,905	45,955	759				510,179
8,160,000	8,030,000	10,165,000	2,390,000				35,000,000
88,443	59,514	28,763	1,265				293,701
	8,260,000	23,320,000	13,490,000				45,070,000
135,272	131,400	80,120	12,322				500,202
1,285,000	405,000						2,735,000
278,236	19,844						852,168
							3,430,000
							14,421
	840,000	350,000	105,000				1,295,000
323,750	235,750	74,375	5,244				962,869
2,030,000	2,680,000	4,350,000	9,120,000				19,720,000
4,322,000	3,757,375	2,980,000	961,496				16,782,996
4,585,000	5,860,000	6,545,000	350,000				21,075,000
3,844,125	2,560,750	940,750	8,749				12,218,374
5,415,000	6,995,000	8,950,000	7,745,000				33,280,000
6,866,733	5,296,689	3,297,426	815,002				24,346,444
2,790,000	4,120,000						7,685,000
1,369,340	629,185						3,813,480
							6,865,000
							610,567
805,000	1,110,000	1,455,000	1,685,000				5,100,000
1,161,328	933,443	625,292	206,035				4,174,749
15,000							705,000
346							82,211
5,780,000	7,725,000	10,335,000	9,015,000				36,000,000
91,224	71,328	44,851	10,942				327,485
	9,415,000	26,585,000	24,900,000				60,900,000
182,784	180,145	118,674	33,818				706,063
5,950,000	7,760,000	12,930,000	24,370,000	3,755,000			59,750,000
13,665,848	11,909,112	9,520,536	4,608,292	97,285			54,819,751
			34,425,000				34,425,000
4,819,500	4,819,500	4,819,500	1,927,800				21,205,800
85,676,313	107,890,985	144,541,298	141,934,281	3,852,285			572,224,228
2,715,000	8,230,000	8,100,000	13,455,000				34,275,000
8,500,491	7,012,319	4,807,488	2,555,735				31,661,704
5,075,000							10,580,000
465,938							2,543,602
	1,025,000	21,980,000	27,960,000	11,410,000			62,375,000
8,966,405	8,966,405	7,459,044	3,929,405	378,857			38,666,521
		2,770,000	29,970,000	16,780,000			49,520,000
6,140,480	6,140,480	6,139,240	4,187,108	582,306			29,330,094
12,405,000	15,015,000						36,975,000
5,487,938	2,026,444						15,112,334
15,455,000	19,285,000	19,335,000					67,050,000
9,939,223	6,520,542	2,102,440					30,519,227
75,150,475	74,221,190	72,693,212	82,057,248	29,151,163			408,608,482

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND

SCHEDULE 5

Supplementary Bond Schedules
DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)
August 31, 2014

DESCRIPTION		2015	2016	2017	2018	2019
1992 Coll Home Mtg Rev Bonds, Series C	Principal					
1992 Coll Home Mtg Rev Bonds, Series C	Interest	244,797	269,276	244,797	269,276	244,797
TOTAL COLL HOME MTG REV BONDS		244,797	269,276	244,797	269,276	244,797
1996 MF Series A/B (Brighton's Mark)	Principal					
1996 MF Series A/B (Brighton's Mark)	Interest	494,998	494,998	494,998	494,998	494,998
1998 MF Series A-C (Residence Oaks)	Principal	295,000.00	304,000.00	312,000.00	321,000.00	329,000.00
1998 MF Series A-C (Residence Oaks)	Interest	165,518	157,301	148,850	140,166	131,262
1999 MF Series A-C (Mayfield)	Principal	312,000	329,000	349,000	369,000	391,000
1999 MF Series A-C (Mayfield)	Interest	489,060	471,048	452,010	429,866	410,486
2000 MF Series A (Creek Point Apts)	Principal					
2000 MF Series A (Creek Point Apts)	Interest	4,506	4,533	4,523	4,528	4,528
2000 MF Series A (Deerwood Apts)	Principal	145,000.00	155,000.00	170,000.00	180,000.00	190,000.00
2000 MF Series A (Deerwood Apts)	Interest	334,833	325,540	315,618	304,750	293,253
2000 MF Series A/B (Oaks at Hampton)	Principal	128,436	137,994	148,265	159,298	171,152
2000 MF Series A/B (Oaks at Hampton)	Interest	649,399	639,841	629,570	618,536	606,681
2000 MF Series A (Timber Point Apts)	Principal					
2000 MF Series A (Timber Point Apts)	Interest	5,310	5,342	5,330	5,336	5,336
2000 MF Series A/B (Greenbridge)	Principal	1,051,858	213,555	229,906	247,508	266,457
2000 MF Series A/B (Greenbridge)	Interest	1,293,396	1,356,097	1,339,747	1,322,145	1,303,195
2000 MF Series A/B (Parks @ Westmoreland)	Principal	124,738	134,023	143,995	154,715	166,227
2000 MF Series A/B (Parks @ Westmoreland)	Interest	647,237	637,954	627,979	617,262	605,748
2000 MF Series A/B (Williams Run)	Principal	153,407	155,422	167,738	181,029	195,374
2000 MF Series A/B (Williams Run)	Interest	885,096	873,685	861,369	848,078	833,733
2000 MF Series A-C (Collingham Park)	Principal	308,000	327,000	348,000	370,000	392,000
2000 MF Series A-C (Collingham Park)	Interest	751,229	730,229	707,918	684,163	658,930
2000 MF Series A-C (Highland Meadow Apts)	Principal	194,000	207,000	221,000	237,000	253,000
2000 MF Series A-C (Highland Meadow Apts)	Interest	504,024	490,726	476,517	461,330	445,062
2001 MF Series A (Bluffview Senior Apts)	Principal	100,851	108,788	117,350	126,586	136,549
2001 MF Series A (Bluffview Senior Apts)	Interest	753,617	745,680	737,117	727,882	717,919
2001 MF Series A (Knollwood Villas Apts)	Principal	129,598	139,798	150,801	162,669	175,472
2001 MF Series A (Knollwood Villas Apts)	Interest	968,432	958,232	947,229	935,361	922,558
2001 MF Series A (Oak Hollow Apts.)	Principal	65,068	69,771	74,815	80,224	86,023
2001 MF Series A (Oak Hollow Apts.)	Interest	420,243	415,539	410,495	405,086	399,287
2001 MF Series A (Skyway Villas)	Principal	170,000	180,000	195,000	205,000	215,000
2001 MF Series A (Skyway Villas)	Interest	367,924	358,369	348,257	337,290	325,777
2001 MF Series A/B (Hillside Apts.)	Principal	73,276	78,573	84,253	90,344	96,875
2001 MF Series A/B (Hillside Apts.)	Interest	852,362	847,065	841,385	835,294	828,763
2001 MF Series A/B (Meridian Apts.)	Principal	96,000	105,000	108,000	119,000	123,000
2001 MF Series A/B (Meridian Apts.)	Interest	481,920	475,980	469,530	462,775	455,565
2001 MF Series A/B (Wildwood Apts.)	Principal	81,000	84,000	89,000	96,000	100,000
2001 MF Series A/B (Wildwood Apts.)	Interest	372,300	367,290	362,200	356,580	350,790
2001 MF Series A-C (Fallbrook Apts.)	Principal	320,000	339,000	360,000	383,000	406,000
2001 MF Series A-C (Fallbrook Apts.)	Interest	751,289	731,594	710,717	688,568	665,024
2002 MF Series A (Clarkridge Villas Apts)	Principal	132,034	141,579	151,814	162,788	174,556
2002 MF Series A (Clarkridge Villas Apts)	Interest	911,726	902,181	891,946	880,972	869,204
2002 MF Series A (Green Crest Apts)	Principal	82,314	86,957	91,863	97,044	102,518
2002 MF Series A (Green Crest Apts)	Interest	590,621	585,978	581,073	575,891	570,417
2002 MF Series A (Hickory Trace Apts)	Principal	108,473	116,315	124,723	133,740	143,408
2002 MF Series A (Hickory Trace Apts)	Interest	754,034	746,193	737,784	728,768	719,100
2002 MF Series A (Park Meadows Apts)	Principal	95,000	105,000	105,000	120,000	125,000
2002 MF Series A (Park Meadows Apts)	Interest	246,997	240,631	233,611	226,591	218,592
2002 MF Series A/B (Ironwood Crossing)	Principal	138,449	149,198	160,780	173,262	186,713
2002 MF Series A/B (Ironwood Crossing)	Interest	728,733	717,985	706,402	693,921	680,470

Supplementary Bond Schedules
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August 31, 2014

2020-24	2025-29	2030-34	2035-39	2040-44	2045-49	2050-54	TOTAL REQUIRED
3,700,000							3,700,000
1,246,364							2,519,307
4,946,364							6,219,307
	8,075,000						8,075,000
2,474,990	989,990						5,939,970
1,787,000	2,048,000	674,000					6,070,000
513,896	251,762	18,724					1,527,479
2,323,000	3,084,000	1,500,000					8,657,000
1,685,919	931,354	108,352					4,978,095
		5,660,000					5,660,000
22,645	22,635	14,344					82,242
1,185,000	1,680,000	1,580,000					5,285,000
1,261,768	816,800	209,118					3,861,680
1,066,892	1,527,560	2,187,145	3,131,522	419,298			9,077,562
2,822,286	2,361,616	1,702,035	757,653	9,679			10,797,296
		6,670,000					6,670,000
26,686	26,674	16,467					96,481
1,671,383	2,416,972	3,495,160	5,054,320	4,826,956			19,474,075
6,176,879	5,431,290	4,353,102	2,793,944	358,604			25,728,399
1,036,180	1,483,590	2,124,191	3,040,383	637,799			9,045,841
2,823,696	2,376,283	1,735,687	818,777	21,762			10,912,385
1,235,133	1,808,442	2,647,858	3,876,904	1,223,074			11,644,381
3,910,403	3,337,095	2,497,677	1,268,631	63,304			15,379,071
2,368,000	3,234,000	3,908,000					11,255,000
2,857,545	1,939,090	682,147					9,011,251
1,557,000	2,170,000	2,676,000					7,515,000
1,938,908	1,326,040	471,589					6,114,196
861,896	1,258,829	1,838,561	2,685,281	2,726,903			9,961,594
3,410,442	3,013,511	2,433,776	1,587,054	287,983			14,414,981
1,107,578	1,617,653	2,362,637	3,450,711	3,504,197			12,801,114
4,382,570	3,872,496	3,127,514	2,039,441	370,071			18,523,904
532,887	755,433	1,070,922	1,518,168	1,779,599			6,032,910
1,893,663	1,671,117	1,355,630	908,386	220,907			8,100,353
1,290,000	1,735,000	2,340,000	270,000				6,600,000
1,431,982	1,016,730	455,821	7,605				4,649,755
600,111	850,734	1,206,021	1,709,686	7,419,880			12,209,753
4,028,080	3,777,456	3,422,167	2,918,502	1,133,354			19,484,428
788,000	1,065,000	5,662,000	10,000				8,076,000
2,148,615	1,871,425	281,420	175				6,647,405
606,000	5,180,000		5,000				6,241,000
1,652,280	1,397,015	1,500	100				4,860,055
2,437,000	3,285,000	4,427,000	519,000				12,476,000
2,918,254	2,070,460	927,907	15,724				9,479,537
1,081,324	1,532,912	2,173,095	3,080,635	4,453,665			13,084,402
4,137,475	3,685,885	3,045,702	2,138,163	707,301			18,170,555
606,141	797,501	1,049,276	7,862,311				10,775,925
2,758,536	2,567,176	2,315,402	939,451				11,484,545
888,841	1,259,374	1,785,318	2,530,913	3,729,924			10,821,029
3,424,118	3,053,005	2,527,057	1,781,465	615,498			15,087,022
760,000	1,050,000	1,445,000					3,805,000
957,788	669,162	271,648					3,065,020
1,144,143	1,422,078	1,762,504	11,041,916				16,179,043
3,200,111	2,913,834	2,573,410	1,859,387				14,074,253

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND

SCHEDULE 5

Supplementary Bond Schedules
DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)
August 31, 2014

DESCRIPTION		2015	2016	2017	2018	2019
2003 MF Series A/B (Ash Creek Apts)	Principal	140,101	151,881	164,649	178,399	191,406
2003 MF Series A/B (Ash Creek Apts)	Interest	1,029,693	1,018,024	1,005,412	991,916	979,262
2003 MF Series A/B (North Vista Apts)	Principal	275,000	290,000	310,000	325,000	340,000
2003 MF Series A/B (North Vista Apts)	Interest	571,340	557,104	542,108	526,227	509,440
2003 MF Series A/B (Peninsula Apts)	Principal	210,000	235,000	250,000	265,000	295,000
2003 MF Series A/B (Peninsula Apts)	Interest	567,066	556,639	544,178	530,795	516,485
2003 MF Series A/B (Primrose Houston School)	Principal	138,921	150,631	163,327	177,095	192,023
2003 MF Series A/B (Primrose Houston School)	Interest	1,037,078	1,025,541	1,013,032	999,469	984,762
2003 MF Series A/B (Reading Road)	Principal	40,000	40,000	40,000	40,000	50,000
2003 MF Series A/B (Reading Road)	Interest	123,139	120,348	117,634	114,941	112,072
2003 MF Series A/B (Timber Oaks Apts)	Principal	99,786	104,630	109,710	115,036	120,621
2003 MF Series A/B (Timber Oaks Apts)	Interest	878,251	869,327	859,970	850,158	839,870
2003 MF Series A/B (West Virginia Apts)	Principal	195,000	205,000	215,000	235,000	245,000
2003 MF Series A/B (West Virginia Apts)	Interest	412,413	402,374	391,835	380,661	368,581
2004 MF Series A (Bristol)	Principal					
2004 MF Series A (Bristol)	Interest	8,184	8,128	8,112	8,120	8,120
2004 MF Series A (Chisholm Trail)	Principal					
2004 MF Series A (Chisholm Trail)	Interest	7,619	7,568	7,552	7,560	7,560
2004 MF Series A (Churchill @ Pinnacle)	Principal	106,051	113,209	120,851	129,009	137,717
2004 MF Series A (Churchill @ Pinnacle)	Interest	620,286	613,127	605,485	597,327	588,619
2004 MF Series A (Evergreen @ Plano)	Principal	125,816	134,309	143,376	153,054	163,385
2004 MF Series A (Evergreen @ Plano)	Interest	916,754	908,261	899,195	889,516	879,185
2004 MF Series A (Humble Park)	Principal	155,000	165,000	180,000	190,000	205,000
2004 MF Series A (Humble Park)	Interest	707,685	697,290	686,070	674,025	661,320
2004 MF Series A (Montgomery Pines)	Principal					
2004 MF Series A (Montgomery Pines)	Interest	7,972	7,918	7,902	7,910	7,910
2004 MF Series A (Pinnacle)	Principal					
2004 MF Series A (Pinnacle)	Interest	8,153	8,087	8,071	8,079	8,079
2004 MF Series A (Rush Creek)	Principal	78,039	83,432	89,196	95,360	101,949
2004 MF Series A (Rush Creek)	Interest	560,303	554,911	549,146	542,983	536,394
2004 MF Series A/B (Century Park)	Principal	245,000	255,000	275,000	290,000	305,000
2004 MF Series A/B (Century Park)	Interest	604,244	590,902	576,885	561,775	546,003
2004 MF Series A/B (Timber Ridge)	Principal	55,616	59,619	63,909	68,509	73,439
2004 MF Series A/B (Timber Ridge)	Interest	428,307	424,430	420,275	415,821	411,045
2004 MF Series A/B (Veterans Memorial)	Principal	57,032	59,801	62,704	65,748	68,940
2004 MF Series A/B (Veterans Memorial)	Interest	444,035	440,188	436,154	431,924	427,489
2003 MF Series A/B (Parkview Twnhms)	Principal	110,604	115,973	121,603	127,507	133,697
2003 MF Series A/B (Parkview Twnhms)	Interest	874,017	866,556	858,733	850,530	841,929
2003 MF Series A/B (Arlington Villas)	Principal	130,262	141,142	152,933	165,710	179,553
2003 MF Series A/B (Arlington Villas)	Interest	1,118,483	1,107,669	1,095,952	1,083,255	1,069,498
2003 MF Series A (NHP-Asmara) Refunding	Principal					
2003 MF Series A (NHP-Asmara) Refunding	Interest	7,435	7,288	7,272	7,280	7,280
2004 MF Series A (Village Fair)	Principal	125,486	133,890	142,857	152,424	162,632
2004 MF Series A (Village Fair)	Interest	865,108	856,704	847,737	838,169	827,961
2005 MF Series A (Pecan Grove)	Principal	77,999	83,223	88,796	94,743	101,088
2005 MF Series A (Pecan Grove)	Interest	850,307	845,083	839,510	833,563	827,218
2005 MF Series A (Prairie Oaks)	Principal	105,684	104,364	111,353	118,810	126,768
2005 MF Series A (Prairie Oaks)	Interest	735,289	671,954	664,965	657,507	649,550
2005 MF Series A (Port Royal)	Principal	107,408	114,604	122,279	130,468	139,206
2005 MF Series A (Port Royal)	Interest	749,700	742,506	734,831	726,642	717,904
2005 MF Series A (Del Rio)	Principal	53,118	56,675	60,471	64,521	68,842
2005 MF Series A (Del Rio)	Interest	579,065	575,507	571,712	567,662	563,341

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DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST) Continued
August 31, 2014

2020-24	2025-29	2030-34	2035-39	2040-44	2045-49	2050-54	TOTAL REQUIRED
1,176,125	1,645,890	2,303,289	9,607,258				15,558,998
4,681,763	4,221,755	3,578,014	1,007,796				18,513,635
2,010,000	2,635,000	3,450,000	1,675,000				11,310,000
2,263,598	1,684,996	927,279	107,730				7,689,822
1,755,000	7,765,000						10,775,000
2,322,197	205,771						5,243,131
1,192,077	1,660,063	2,311,600	9,852,980				15,838,717
4,700,653	4,242,601	3,604,799	1,162,849				18,770,784
285,000	400,000	565,000	9,230,000				10,690,000
507,211	394,303	235,850	36,141				1,761,639
696,840	427,302	-	10,900,000				12,573,925
4,026,683	3,729,276	3,678,750	3,126,938				18,859,223
1,450,000	1,905,000	2,500,000	1,215,000				8,165,000
1,639,364	1,220,982	671,003	78,270				5,565,483
			11,600,000				11,600,000
40,608	40,592	40,600	23,002				185,466
			10,800,000				10,800,000
37,808	37,792	37,800	20,153				171,412
841,235	1,166,170	1,616,616	2,241,050	3,046,145			9,518,053
2,790,447	2,465,513	2,015,068	1,390,635	525,010			12,211,517
998,025	1,383,522	1,917,922	2,658,738	6,375,072			14,053,219
4,214,828	3,829,330	3,294,930	2,554,114	1,480,766			19,866,879
1,245,000	1,730,000	2,375,000	3,290,000	1,225,000			10,760,000
3,082,200	2,602,050	1,942,380	1,030,095	82,170			12,165,285
			11,300,000				11,300,000
39,558	39,542	39,550	22,408				180,670
			13,465,000				13,465,000
40,403	40,387	40,395	22,886				184,540
625,660	873,822	1,220,410	1,704,473	3,525,727			8,398,068
2,566,053	2,317,891	1,971,299	1,487,239	759,222			11,845,441
1,815,000	2,430,000	3,230,000	2,425,000				11,270,000
2,458,835	1,899,190	1,153,072	234,285				8,625,191
454,503	643,366	910,684	4,040,780				6,370,425
1,970,672	1,787,776	1,528,885	516,299				7,903,510
398,274	504,806	639,832	810,973	4,085,606			6,753,716
2,063,007	1,914,986	1,727,370	1,489,571	335,462			9,710,186
772,384	978,980	1,240,838	1,572,738	8,118,617			13,292,941
4,065,281	3,778,219	3,414,375	2,953,210	795,997			19,298,847
1,143,628	1,628,386	2,296,993	10,545,016				16,383,623
5,104,114	4,629,270	3,975,195	1,559,377				20,742,813
		18,200,000					18,200,000
36,408	36,392	28,501					137,856
991,880	1,371,588	1,896,657	2,622,731	3,626,756	2,139,278		13,366,179
3,961,088	3,581,381	3,056,311	2,330,237	1,326,209	44,036		18,534,941
616,528	852,545	1,178,916	10,023,139				13,116,977
4,025,001	3,788,982	3,462,614	2,115,918				17,588,196
773,137	1,069,106	1,478,378	2,044,328	2,826,929	1,731,840		10,490,697
3,108,444	2,812,471	2,403,198	1,837,249	1,054,646	43,891		14,639,164
848,997	1,174,010	1,623,444	2,244,929	3,104,320	1,972,821		11,582,486
3,436,546	3,111,533	2,662,099	2,040,618	1,181,221	59,149		16,162,749
419,860	580,589	802,850	6,825,827				8,932,753
2,741,053	2,580,322	2,358,063	1,474,033				12,010,758

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
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SCHEDULE 5

**Supplementary Bond Schedules
DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)
August 31, 2014**

DESCRIPTION		2015	2016	2017	2018	2019
2005 MF Series A (Atascocita Pines)	Principal					
2005 MF Series A (Atascocita Pines)	Interest	7,824	7,771	7,755	7,763	7,763
2005 MF Series A (Tower Ridge)	Principal					
2005 MF Series A (Tower Ridge)	Interest	12,000	12,013	11,987	12,000	12,000
2005 MF Series A (Prairie Ranch)	Principal	160,000	165,000	175,000	180,000	190,000
2005 MF Series A (Prairie Ranch)	Interest	544,170	536,289	528,165	519,677	510,826
2005 MF Series A (St Augustine)	Principal					
2005 MF Series A (St Augustine)	Interest	4,289	4,260	4,252	4,256	4,256
2005 MF Series A (Park Manor)	Principal					
2005 MF Series A (Park Manor)	Interest	665,600	665,600	665,600	665,600	665,600
2005 MF Series A (Mockingbird)	Principal	88,030	92,903	98,045	103,473	109,201
2005 MF Series A (Mockingbird)	Interest	583,284	578,411	573,268	567,841	562,113
2005 MF Series A (Chase Oaks)	Principal	295,486	310,759	326,820	343,712	361,477
2005 MF Series A (Chase Oaks)	Interest	627,711	612,439	596,377	579,485	561,720
2005 MF Series A (Coral Hills)	Principal	90,000	100,000	100,000	100,000	110,000
2005 MF Series A (Coral Hills)	Interest	229,902	225,230	220,180	215,130	209,954
2006 MF Series A (Harris Branch)	Principal					
2006 MF Series A (Harris Branch)	Interest	9,653	9,663	9,643	9,653	9,653
2006 MF Series A (Bella Vista)	Principal	60,000	65,000	70,000	70,000	80,000
2006 MF Series A (Bella Vista)	Interest	399,135	395,445	391,447	387,142	382,837
2006 MF Series A (Village Park)	Principal	185,000	195,000	205,000	220,000	235,000
2006 MF Series A (Village Park)	Interest	492,506	483,600	474,219	464,244	453,675
2006 MF Series A (Oakmoor)	Principal	127,299	135,150	143,486	152,336	161,731
2006 MF Series A (Oakmoor)	Interest	829,744	821,892	813,556	804,706	795,310
2006 MF Series A (Sunset Pointe)	Principal					
2006 MF Series A (Sunset Pointe)	Interest	12,000	12,013	11,987	12,000	12,000
2006 MF Series A (Hillcrest)	Principal	185,000	195,000	210,000	225,000	230,000
2006 MF Series A (Hillcrest)	Interest	541,538	531,694	521,194	510,038	498,094
2006 MF Series A (Pleasant Village)	Principal	183,635	112,693	120,648	128,195	136,215
2006 MF Series A (Pleasant Village)	Interest	760,015	311,667	303,743	296,196	288,176
2006 MF Series A (Grove Village)	Principal	189,143	116,074	124,267	132,041	140,301
2006 MF Series A (Grove Village)	Interest	777,846	318,534	310,379	302,605	294,345
2006 MF Series A (Red Hills Villas)	Principal					
2006 MF Series A (Red Hills Villas)	Interest	4,716	4,720	4,710	4,716	4,716
2006 MF Series A (Champion Crossing)	Principal			100,000	100,000	100,000
2006 MF Series A (Champion Crossing)	Interest	4,576	4,580	4,479	4,384	4,284
2006 MF Series A (Meadowlands)	Principal	104,203	110,631	117,454	124,698	132,389
2006 MF Series A (Meadowlands)	Interest	715,176	708,748	701,925	694,681	686,990
2006 MF Series A (East Tex Pines)	Principal	110,000	125,000	125,000	135,000	145,000
2006 MF Series A (East Tex Pines)	Interest	757,190	750,375	743,125	735,585	727,465
2006 MF Series A (Villas at Henderson)	Principal					
2006 MF Series A (Villas at Henderson)	Interest	5,411	5,382	5,370	5,376	5,376
2006 MF Series A (Aspen Park Apts)	Principal	120,000	125,000	135,000	140,000	150,000
2006 MF Series A (Aspen Park Apts)	Interest	460,250	454,250	447,875	441,000	433,875
2006 MF Series A (Idlewilde Apts)	Principal					
2006 MF Series A (Idlewilde Apts)	Interest	9,517	9,453	9,433	9,443	9,443
2007 MF Series A (Lancaster Apts)	Principal					
2007 MF Series A (Lancaster Apts)	Interest	9,510	9,446	9,426	9,436	9,436
2007 MF Series A (Park Place)	Principal	103,271.00	109,423.00	115,941.00	122,847.00	130,165.00
2007 MF Series A (Park Place)	Interest	807,429	801,278	794,760	787,853	780,536
2007 MF Series A (Terrace at Cibolo)	Principal					
2007 MF Series A (Terrace at Cibolo)	Interest	3,481	3,434	3,426	3,430	3,430
2007 MF Series A (Santora Villas)	Principal	91,570.00	97,025.00	102,804.00	108,928.00	115,416.00
2007 MF Series A (Santora Villas)	Interest	685,389	679,935	674,155	668,031	661,543

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August 31, 2014

2020-24	2025-29	2030-34	2035-39	2040-44	2045-49	2050-54	TOTAL REQUIRED
			11,090,000				11,090,000
38,823	38,807	38,815	28,458				183,779
			15,000,000				15,000,000
60,013	59,987	60,000	43,528				283,528
1,135,000	1,470,000	1,840,000	2,325,000	2,945,000	675,000		11,260,000
2,401,719	2,090,714	1,695,560	1,199,041	570,239	24,613		10,621,013
			6,080,000				6,080,000
21,284	21,276	21,280	17,384				102,537
					10,400,000		10,400,000
3,328,000	3,328,000	3,328,000	3,328,000	3,328,000	610,135		20,578,135
643,656	842,655	1,103,180	1,444,252	6,316,093			10,841,488
2,712,912	2,513,911	2,253,384	1,912,310	332,771			12,590,205
2,107,708	2,711,689	3,488,744	2,617,729				12,564,124
2,508,277	1,904,298	1,127,246	113,627				8,631,180
665,000	3,410,000						4,575,000
957,858	332,164						2,390,418
			13,790,000				13,790,000
48,275	48,255	48,265	44,218				237,278
465,000	630,000	860,000	1,165,000	1,585,000	1,440,000		6,490,000
1,836,388	1,674,029	1,453,859	1,154,354	747,223	153,756		8,975,615
1,390,000	7,335,000						9,765,000
2,082,277	897,002						5,347,523
971,174	1,309,966	1,766,950	2,383,351	3,214,784	3,520,540		13,886,767
3,814,035	3,475,239	3,018,255	2,401,854	1,570,424	279,778		18,624,793
			15,000,000				15,000,000
60,013	59,987	60,000	58,980				298,980
1,420,000	7,895,000						10,360,000
2,288,082	1,174,292						6,064,932
4,662,537							5,343,923
959,108							2,918,905
4,761,698							5,463,524
978,307							2,982,016
200,000	800,000	1,100,000	2,615,000				4,715,000
23,298	20,539	15,569	4,554				87,538
500,000	800,000	1,100,000	1,875,000				4,575,000
19,923	16,840	11,868	3,011				73,945
794,979	1,072,308	1,446,383	1,950,955	2,631,544	3,481,278		11,966,822
3,301,914	3,024,585	2,650,512	2,145,940	1,465,349	355,840		16,451,660
855,000	1,130,000	1,500,000	1,985,000	2,635,000	4,365,000		13,110,000
3,497,545	3,212,040	2,833,010	2,331,165	1,665,325	522,726		17,775,551
6,720,000							6,720,000
22,653							49,568
895,000	7,670,000						9,235,000
2,045,875	1,109,623						5,392,748
				13,490,000			13,490,000
47,225	47,205	47,215	47,215	7,880			244,029
				13,480,000			13,480,000
47,190	47,170	47,180	47,180	8,646			244,620
776,784	1,037,391	1,385,431	1,850,235	2,470,977	5,865,547		13,968,012
3,776,716	3,516,110	3,168,068	2,703,262	2,082,518	745,886		19,964,416
				4,900,000			4,900,000
17,154	17,146	17,150	17,150	2,573			88,374
688,772	919,852	1,228,457	1,640,596	2,191,007	4,674,143		11,858,570
3,196,026	2,964,946	2,656,340	2,244,196	1,693,786	632,372		16,756,719

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND

SCHEDULE 5

Supplementary Bond Schedules
DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST)
August 31, 2014

DESCRIPTION		2015	2016	2017	2018	2019
2007 MF Series A (Villas @ Mesquite Creek)	Principal	195,000	210,000	220,000	235,000	245,000
2007 MF Series A (Villas @ Mesquite Creek)	Interest	803,597	791,977	779,631	766,704	752,946
2007 MF Series A (Summit Point)	Principal	110,000	110,000	110,000	115,000	130,000
2007 MF Series A (Summit Point)	Interest	467,618	462,338	457,058	451,778	445,953
2007 MF Series A (Costa Rialto)	Principal	89,409	94,312	99,483	104,938	110,691
2007 MF Series A (Costa Rialto)	Interest	553,487	548,585	543,414	537,959	532,205
2007 MF Series A (Windshire)	Principal					
2007 MF Series A (Windshire)	Interest	9,524	9,460	9,440	9,450	9,450
2007 MF Series A (Residences @ Onion Creek)	Principal					
2007 MF Series A (Residences @ Onion Creek)	Interest	12,000	12,013	11,987	12,000	12,000
2008 MF Series A (Addison Park)	Principal					
2008 MF Series A (Addison Park)	Interest	10,425	10,416	10,392	10,404	10,404
2008 MF Series A (Costa Ibiza)	Principal					
2008 MF Series A (Costa Ibiza)	Interest	6,632	6,618	6,602	6,610	6,610
2008 MF Series A (West Oaks)	Principal					
2008 MF Series A (West Oaks)	Interest	7,530	7,403	7,387	7,395	7,395
2009 MF Series A (Costa Mariposa Apartments)	Principal					
2009 MF Series A (Costa Mariposa Apartments)	Interest	6,757	6,743	6,727	6,735	6,735
2009 MF Series A (Woodmont Apartments)	Principal					
2009 MF Series A (Woodmont Apartments)	Interest	7,357	7,341	7,324	7,332	7,332
2008 MF Series A (Alta Cullen Apartments)	Principal					
2008 MF Series A (Alta Cullen Apartments)	Interest	8,560	8,550	8,530	8,540	8,540
2013 MF Series A (Waters @ Willow Run)	Principal			14,500,000.00		
2013 MF Series A (Waters @ Willow Run)	Interest	50,750	50,750	25,375		
2014 MF Series A (Decatur Angle Apartments)	Principal			152,311.00	161,464.00	171,167.00
2014 MF Series A (Decatur Angle Apartments)	Interest	1,322,500	1,322,500	1,318,528	1,309,532	1,299,995
2014 MF Series A (Northcrest Apartments)	Principal			2,900,000.00		
2014 MF Series A (Northcrest Apartments)	Interest	10,150	10,150	9,304		
2014 MF Series A (Pine Haven Apartments)	Principal			2,700,000.00		
2014 MF Series A (Pine Haven Apartments)	Interest	9,450	9,450	8,663		
TOTAL MULTI-FAMILY BONDS		51,806,400	49,919,187	70,237,277	50,099,894	50,118,879
Total		82,672,538	82,160,088	103,058,247	87,399,393	81,828,574
Less Interest		61,124,067	59,376,762	58,370,671	57,316,161	56,193,231
Total Principal		\$ 21,548,471	\$ 22,783,326	\$ 44,687,576	\$ 30,083,232	\$ 25,635,343

Supplementary Bond Schedules
DEBT SERVICE REQUIREMENTS (PRINCIPAL & INTEREST) Continued
August 31, 2014

2020-24	2025-29	2030-34	2035-39	2040-44	2045-49	2050-54	TOTAL REQUIRED
1,440,000	1,845,000	2,360,000	3,025,000	3,865,000	2,330,000		15,970,000
3,561,500	3,157,500	2,641,875	1,980,000	1,133,250	177,500		16,546,480
740,000	965,000	1,270,000	1,675,000	2,205,000	1,640,000		9,070,000
2,125,390	1,916,311	1,635,819	1,261,052	761,383	153,694		10,138,394
651,434	850,718	1,110,968	1,450,831	1,894,665	3,928,653		10,386,102
2,563,045	2,363,758	2,103,509	1,763,642	1,319,808	512,513		13,341,925
				13,500,000			13,500,000
47,260	47,240	47,250	47,250	13,413			249,737
				15,000,000			15,000,000
60,013	59,987	60,000	60,000	16,012			316,012
				13,005,000			13,005,000
52,032	52,008	52,020	52,020	45,978			306,099
				13,220,000			13,220,000
33,058	33,042	33,050	33,050	13,220			178,492
				12,325,000			12,325,000
36,983	36,967	36,975	36,975	14,162			199,172
				13,470,000			13,470,000
33,683	33,667	33,675	33,675	18,507			186,904
				14,665,000			14,665,000
36,670	36,653	36,661	36,661	20,777			204,108
					12,200,000		12,200,000
42,710	42,690	42,700	42,700	42,710	4,951		261,181
							14,500,000
							126,875
1,023,060	1,369,693	1,833,775	2,455,096	3,286,932	4,400,615	8,145,887	23,000,000
6,335,605	5,994,895	5,538,749	4,928,050	4,110,430	3,015,787	1,459,301	37,955,872
							2,900,000
							29,604
							2,700,000
							27,563
264,751,661	279,978,582	254,606,460	362,475,768	261,265,019	72,101,342	9,605,188	1,776,965,657
430,524,813	462,090,757	471,840,970	586,467,297	294,268,467	72,101,342	9,605,188	2,764,017,674
261,880,349	215,154,262	162,318,965	97,852,542	33,371,998	7,336,627	1,459,301	1,071,754,936
\$ 168,644,464	\$ 246,936,495	\$ 309,522,005	\$ 488,614,755	\$ 260,896,469	\$ 64,764,715	\$ 8,145,887	\$ 1,692,262,738

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND

SCHEDULE 6

Supplementary Bond Schedules
ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE
For the Fiscal Year Ended August 31, 2014

Description of Issue	Pledged and Other Sources and Related Expenditures for FY 2014			
	Net Available for Debt Service		Debt Service	
	Total Pledged and Other Sources	Operating Expenses/Expenditures and Capital Outlay	Principal	Interest
2004 Single Family Series A	\$ 28,475,000	\$	\$ 1,110,000	\$ 141,629
2004 Single Family Series A (Jr. Lien)	34	30		5,244
2004 Single Family Series B	2,698,426	143,094		1,629,466
2004 Single Family Series C	5,100,000			48,560
2004 Single Family Series D	1,695,522	108,193		1,142,652
2004 Single Family Series E	295,000		150,000	2,688
2005 Single Family Series A	14,640,329	110,790		1,903,815
2005 Single Family Series B	3,572,652	10,787	300,000	150,312
2005 Single Family Series C	622,081	13,411		4,745
2005 Single Family Series D	1,623,921	4,956		72,375
2006 Single Family Series A	7,719,078	5,338	340,000	1,119,750
2006 Single Family Series B	8,343,539	5,823	820,000	1,202,833
2006 Single Family Series C	13,124,771	9,220	870,000	1,941,329
2006 Single Family Series D	2,340,077	2,184		397,452
2006 Single Family Series E	400,616	1,698	1,545,000	293,780
2006 Single Family Series F	15,165,588	11,486	60,000	544,157
2006 Single Family Series G	1,586,765	1,914	390,000	60,807
2006 Single Family Series H	2,440,884	82,316		1,270,366
2007 Single Family Series A	21,101,159	146,931		2,572,384
2007 Single Family Series B	22,031,694	14,756	1,100,000	3,490,290
2013 Single Family Series A	8,973,257	11,993		1,042,837
Total Single Family Bonds	\$ 161,950,393	\$ 684,920	\$ 6,685,000	\$ 19,037,471
2009 RMRB Series A	\$ 8,251,953	\$ 187,539	\$ 370,000	\$ 1,962,833
2009 RMRB Series B	1,927,196	59,223	1,005,000	581,037
2009 RMRB Series C-1	19,826,852	15,249		1,988,781
2011 RMRB Series A	12,093,681	8,956	1,895,000	1,839,146
2009 RMRB Series C-2	9,735,773	7,454		1,303,074
2011 RMRB Series B	13,608,687	10,293	2,560,000	2,670,841
Total Residential Mtg Revenue Bonds	\$ 65,444,142	\$ 288,714	\$ 5,830,000	\$ 10,345,712
1992 CHMRB Series C	\$ 1,070,982	\$ 64	\$	\$ 287,310
Total 1992 CHMRB	\$ 1,070,982	\$ 64	\$	\$ 287,310
1996 MF Series A/B (Brighton's Mark Development)	\$ 501,873	\$	\$	\$ 501,873
1998 MF Series A (Pebble Brook Apartments Project)	8,540,989		135,000	157,474
1998 MF Series A-C (Residence at the Oaks Projects)	170,864		288,000	170,864
1998 MF Series A/B (Greens of Hickory Trail Apartments)	10,542,210		170,000	82,209
1999 MF Series A-C (Mayfield Apartments)	500,489		294,000	500,489
2000 MF Series A (Creek Point Apartments)	205,784			5,781
2000 MF Series A (Deerwood Apartments)	341,369		135,000	341,369
2000 MF Series A (Timber Point Apartments)	205,671			5,674
2000 MF Series A/B (Greenbridge at Buckingham Apartments)	1,441,082			1,441,082
2000 MF Series A/B (Oaks at Hampton Apartments)	657,581		119,538	657,581
2000 MF Series A/B (Parks at Westmoreland Apartments)	655,181		116,097	655,181
2000 MF Series A/B (Williams Run Apartments)	908,308		477,643	908,308
2000 MF Series A-C (Collingham Park Apartments)	764,534		291,000	764,534
2000 MF Series A-C (Highland Meadow Village Apartments)	512,415		182,000	512,415
2001 MF Series A (Bluffview Apartments)	760,382		93,493	760,382
2001 MF Series A (Knollwood Apartments)	977,127		120,142	977,127
2001 MF Series A (Oak Hollow Apartments)	424,275		60,681	424,275
2001 MF Series A (Skyway Villas Apartments)	374,565		160,000	374,565
2001 MF Series A/B (Hillside Apartments)	856,903		68,336	856,903
2001 MF Series A/B (Meridian Apartments)	487,195		94,000	487,195
2001 MF Series A/B (Wildwood Apartments)	376,440		72,000	376,440
2001 MF Series A-C (Fallbrook Apartments)	765,257		302,000	765,257
2002 MF Series A (Clarkridge Villas Apartments)	919,908		123,133	919,908
2002 MF Series A (Park Meadows Apartments)	251,405		90,000	251,405
2002 MF Series A (Green Crest Apartments)	730,510		98,713	730,510
2002 MF Series A (Hickory Trace Apartments)	760,758		101,161	760,758
2002 MF Series A/B (Ironwood Crossing)	1,088,239		123,321	1,088,239

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

SCHEDULE 6

**Supplementary Bond Schedules
ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE Continued**
For the Fiscal Year Ended August 31, 2014

Description of Issue	Pledged and Other Sources and Related Expenditures for FY 2014			
	Net Available for Debt Service		Debt Service	
	Total Pledged and Other Sources	Operating Expenses/Expenditures and Capital Outlay	Principal	Interest
2003 MF Series A (NHP Foundation-Asmara Project) Refunding	\$ 495,172	\$	\$	\$ 10,834
2003 MF Series A/B (Reading Road)	326,306		30,000	126,308
2003 MF Series A/B (Arlington Villas)	1,127,662		120,219	1,127,662
2003 MF Series A/B (Ash Creek Apartments)	1,039,528		129,237	1,039,528
2003 MF Series A/B (North Vista Apartments)	580,907		260,000	580,907
2003 MF Series A/B (Parkview Townhomes)	880,552		105,483	880,552
2003 MF Series A/B (Peninsula Apartments)	588,295		210,000	573,295
2003 MF Series A/B (Primrose Houston School)	1,046,864		128,120	1,046,864
2003 MF Series A/B (Timber Oaks Apartments)	886,068		95,166	886,068
2003 MF Series A/B (West Virginia Apartments)	419,446		190,000	419,446
2004 MF Series A (Bristol Apartments)	109,871			9,871
2004 MF Series A (Chisholm Trail Apartments)	209,203			9,203
2004 MF Series A (Churchill at Pinnacle Park)	626,450		99,345	626,450
2004 MF Series A (Evergreen at Plano Parkway)	924,066		117,861	924,066
2004 MF Series A (Humble Parkway Townhomes)	715,825		145,000	715,825
2004 MF Series A (Montgomery Pines Apartments)	209,627			9,627
2004 MF Series A (Pinnacle Apartments)	210,110			10,110
2004 MF Series A (Providence at Rush Creek II)	564,939		72,996	564,939
2004 MF Series A (Tranquility Bay Apartments)	14,127,390		81,973	555,379
2004 MF Series A (Providence at Village Fair)	872,346		117,609	872,346
2004 MF Series A/B (Century Park Townhomes)	613,599		230,000	613,599
2004 MF Series A/B (Timber Ridge II Apartments)	431,629		51,881	431,629
2004 MF Series A/B (Providence at Veterans Memorial)	447,405		54,391	447,405
2005 MF Series A (Atascocita Pines Apartments)	109,427			9,427
2005 MF Series A (Mission Del Rio Homes)	2,593,774		91,030	584,042
2005 MF Series A (Park Manor Senior Community)	665,600			665,600
2005 MF Series A (Homes at Pecan Grove)	1,085,618		99,248	856,458
2005 MF Series A (Plaza at Chase Oaks Apartments)	641,051		280,964	641,051
2005 MF Series A (Port Royal Homes)	755,896		100,668	755,896
2005 MF Series A (Providence at Prairie Oaks)	684,147		83,804	684,147
2005 MF Series A (Prairie Ranch Apartments)	550,131		150,000	550,131
2005 MF Series A (Providence at Mockingbird Apartments)	587,525		83,412	587,525
2005 MF Series A (St Augustine Estate Apartments)	105,179			5,179
2005 MF Series A (Tower Ridge Apartments)	15,956			15,962
2006 MF Series A (Aspen Park)	464,958		110,000	464,958
2006 MF Series A (Bella Vista Apartments)	401,108		55,000	401,108
2006 MF Series A (Champion Crossing Apartments)	105,372			5,372
2005 MF Series A (Coral Hills Apartments)	284,068		40,000	234,068
2006 MF Series A (East Tex Pines)	760,912		110,000	760,912
2006 MF Series A (Grove Village)	564,427		57,472	334,924
2006 MF Series A (Harris Branch Apartments)	210,369			10,370
2006 MF Series A (Hillcrest Apartments)	546,875		170,000	546,875
2006 MF Series A (Idlewilde)	246,516			11,516
2006 MF Series A (Meadowlands Apartments)	720,738		98,150	720,738
2006 MF Series A (Oakmoor Apartments)	836,539		119,903	836,539
2006 MF Series A (Pleasant Village)	510,657		55,798	327,369
2006 MF Series A (Red Hills Villas)	5,463			5,463
2006 MF Series A (Stonehaven Apartments)	10,025,531		25,015	92,876
2006 MF Series A (The Residences at Sunset Pointe)	15,962			15,962
2006 MF Series A (Village Park Apartments)	498,916		175,000	498,916
2006 MF Series A (Villas at Henderson)	110,901			5,901
2007 MF Series A (Villas at Mesquite Creek)	813,267		185,000	813,267
2007 MF Series A (Costa Rialto)	557,755		84,761	557,755
2007 MF Series A (Lancaster)	241,507			11,507
2007 MF Series A (Park Place at Loyola)	812,763		97,465	812,763
2007 MF Series A (Santora Villas)	690,118		86,422	690,118
2007 MF Series A (Summit Point)	471,591		100,000	471,591
2007 MF Series A (Terrace at Cibolo)	104,386			4,386

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND

SCHEDULE 6

Supplementary Bond Schedules
ANALYSIS OF FUNDS AVAILABLE FOR DEBT SERVICE Continued
For the Fiscal Year Ended August 31, 2014

Description of Issue	Pledged and Other Sources and Related Expenditures for FY 2014			
	Net Available for Debt Service		Debt Service	
	Total Pledged and Other Sources	Operating Expenses/Expenditures and Capital Outlay	Principal	Interest
2007 MF Series A (Windshire)	\$ 111,463	\$	\$	\$ 11,463
2007 MF Series A (Residences at Onion Creek)	15,962			15,962
2008 MF Series A (West Oaks Apartments)	209,262			9,262
2008 MF Series A (Costa Ibiza Apartments)	107,957			7,957
2008 MF Series A (Addison Park Apartments)	213,987			13,987
2008 MF Series A (Alta Cullen Apartments Refunding)	209,830			9,830
2009 MF Series A (Costa Mariposa Apartments)	118,095			8,095
2009 MF Series A (Woodmont Apartments)	223,839			8,839
2013 MF Series A (Waters at Willow Run)	47,508			47,508
2014 MF Series A (Decatur Angle Apartments)	679,618			679,618
2014 MF Series A (Northcrest Apartments)	1,833			1,833
2014 MF Series A (Pine Haven Apartments)	1,706			1,706
Total Multifamily Bonds	\$ 91,910,637	\$	\$ 8,413,651	\$ 42,766,443
Total	\$ 320,376,154	\$ 973,698	\$ 20,928,651	\$ 72,436,936

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS -
REVENUE BOND PROGRAM ENTERPRISE FUND**

SCHEDULE 7

Supplementary Bond Schedules

EARLY EXTINGUISHMENT AND REFUNDING

For the fiscal year ended August 31, 2014

Description of Issue	Category	Amount Extinguished or Refunded	For Refunding Only		
			Refunding Issue Par Value	Cash Flow Increase (Decrease)	Economic Gain/ (Loss)
Business-Type Activities					
2004 Single Family Series A	Early Extinguishment	\$ 28,475,000	\$	\$	\$
2004 Single Family Series C	Early Extinguishment	5,100,000			
2004 Single Family Series E	Early Extinguishment	295,000			
2005 Single Family Series A	Early Extinguishment	12,430,000			
2005 Single Family Series B	Early Extinguishment	3,390,000			
2005 Single Family Series C	Early Extinguishment	395,000			
2005 Single Family Series D	Early Extinguishment	1,540,000			
2006 Single Family Series A	Early Extinguishment	6,460,000			
2006 Single Family Series B	Early Extinguishment	6,970,000			
2006 Single Family Series C	Early Extinguishment	10,950,000			
2006 Single Family Series D	Early Extinguishment	1,825,000			
2006 Single Family Series F	Early Extinguishment	14,825,000			
2006 Single Family Series G	Early Extinguishment	1,530,000			
2007 Single Family Series A	Early Extinguishment	17,800,000			
2007 Single Family Series B	Early Extinguishment	18,300,000			
2013 Single Family Series A	Early Extinguishment	7,240,000			
2009 RMRB Series A	Early Extinguishment	6,155,000			
2009 RMRB Series B	Early Extinguishment	1,265,000			
2009 RMRB Series C-1	Early Extinguishment	16,995,000			
2011 RMRB Series A	Early Extinguishment	10,415,000			
2009 RMRB Series C-2	Early Extinguishment	7,930,000			
2011 RMRB Series B	Early Extinguishment	11,115,000			
1992 Coll Home Mtg Rev Bonds, Series C	Early Extinguishment	700,000			
1998 MF Series A (Pebble Brook Aparments Project)	Early Extinguishment	8,390,000			
1998 MF Series A/B (Greens of Hickory Trail Apartments)	Early Extinguishment	10,460,000			
2000 MF Series A (Timber Point Apartments)	Early Extinguishment	200,000			
2000 MF Series A (Creek Point Apartments)	Early Extinguishment	200,000			
2003 MF Series A/B (Reading Road)	Early Extinguishment	200,000			
2003 MF Series A/B (Peninsula Apartments)	Early Extinguishment	15,000			
2003 MF Series (NHP Foundation-Asmara Proj Refunding)	Early Extinguishment	475,000			
2004 MF Series A (Chisholm Trail Apartments)	Early Extinguishment	200,000			
2004 MF Series A (Montgomery Pines Apartments)	Early Extinguishment	200,000			
2004 MF Series A (Bristol Apartments)	Early Extinguishment	100,000			
2004 MF Series A (Pinnacle Apartments)	Early Extinguishment	200,000			
2004 MF Series A (Tranquility Bay Apartments)	Early Extinguishment	13,572,013			
2005 MF Series A (Homes at Pecan Grove)	Early Extinguishment	229,160			
2005 MF Series A (Mission Del Rio Homes)	Early Extinguishment	2,009,731			
2005 MF Series A (Atascocita Pines Apartments)	Early Extinguishment	100,000			
2005 MF Series A (St Augustine Estate Apartments)	Early Extinguishment	100,000			
2005 MF Series A (Coral Hills Apartments)	Early Extinguishment	50,000			
2006 MF Series A (Harris Branch Apartments)	Early Extinguishment	200,000			
2006 MF Series A (Pleasant Village)	Early Extinguishment	183,288			
2006 MF Series A (Grove Village)	Early Extinguishment	229,504			
2006 MF Series A (Champion Crossing Apartments)	Early Extinguishment	100,000			
2006 MF Series A (Stonehaven Apartments)	Early Extinguishment	9,932,655			
2006 MF Series A (Villas at Henderson)	Early Extinguishment	105,000			
2006 MF Series A (Idlewilde)	Early Extinguishment	235,000			
2007 MF Series A (Lancaster)	Early Extinguishment	230,000			
2007 MF Series A (Terraces at Cibolo)	Early Extinguishment	100,000			
2007 MF Series A (Windshire)	Early Extinguishment	100,000			
2008 MF Series A (West Oaks Apartments)	Early Extinguishment	200,000			
2008 MF Series A (Costa Ibiza Apartments)	Early Extinguishment	100,000			
2008 MF Series A (Addison Park Apartments)	Early Extinguishment	200,000			
2008 MF Series A (Alta Cullen Apartments Refunding)	Early Extinguishment	200,000			
2009 MF Series A (Costa Mariposa Apartments)	Early Extinguishment	110,000			
2009 MF Series A (Woodmont Apartments)	Early Extinguishment	215,000			
Total Business-Type Activities		<u>\$ 241,241,351</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>