



OKLAHOMA HOUSING FINANCE AGENCY
Financial Statements
For the Year Ended September 30, 2002
Together with Auditors' Reports

OKLAHOMA HOUSING FINANCE AGENCY
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Murrell I, Hall I, McIntosh & Co., PLLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees,
Oklahoma Housing Finance Agency
Oklahoma City, Oklahoma:

We have audited the accompanying basic financial statements of Oklahoma Housing Finance Agency, which is a component unit of the State of Oklahoma, as of and for the years ended September 30, 2002 and 2001, as listed in the table of contents. These basic financial statements are the responsibility of the Oklahoma Housing Finance Agency's management. Our responsibility is to express an opinion on these basic financial statements based on our audits.

We conducted our audits 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audits provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the net assets of Oklahoma Housing Finance Agency as of September 30, 2002 and 2001, and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 4 through 7, are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

INDEPENDENT AUDITORS' REPORT

In accordance with *Government Auditing Standards*, we have also issued a report dated January 21, 2003 on our consideration of Oklahoma Housing Finance Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. This report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Murrell, Hall, McIntosh & Co., PLLP
MURRELL, HALL, MCINTOSH & CO., PLLP

Norman, Oklahoma
January 21, 2003

REQUIRED SUPPLEMENTARY INFORMATION

OKLAHOMA HOUSING FINANCE AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS

Management of the Oklahoma Housing Finance Agency (“OHFA” or “Agency”) provides this Management’s Discussion and Analysis of OHFA’s financial statements for readers of the financial statements.

FISCAL YEAR 2002 HIGHLIGHTS

In September 2001, OHFA purchased an office building in Oklahoma City, for approximately \$2.7 million, to house its operations. This was a significant change from prior years in that OHFA had rented space since its inception. Owning its office space has enabled the Agency to provide better service to its constituents and allowed the Agency to occupy space in a more economical manner.

OHFA bond dollars provided low interest rate loans to 1,237 Oklahoma families in fiscal year (“FY”) 2002 compared to 1,014 Oklahoma families in FY 2001. The increase is due to a bond issue that was scheduled for FY 2001 being deferred until FY 2002.

For the first time, OHFA obtained a General Obligation issuer rating of A2 from Moody’s Investors Service in September 2002. This rating reflects OHFA’s satisfactory financial condition, a highly rated mortgage backed security collateralized bond program, as well as capable management.

In FY 2002, the Agency provided 120,130 unit months of Section 8 rental assistance vs. 113,237 unit months of Section 8 rental assistance in FY 2001. This increase is due to the Agency receiving additional funding allocations from the Department of Housing and Urban Development (“HUD”). OHFA’s rental assistance provided the answer for many elderly, single parent, or working families on fixed incomes in need of help with their rent payments.

OHFA was able to allocate just over \$6.4 million in tax credits to developers in FY 2002. This was an increase from roughly \$5.2 million in tax credits the previous year and is primarily due to a national Housing Tax Credit rate increase. Housing Tax Credits are provided to developers as an incentive to build new, affordable complexes or rehabilitate complexes in need of repair.

OHFA is the Section 8 Contract Administrator for project based Section 8 properties located throughout Oklahoma. In FY 2002, OHFA’s Contract Administration duties consisted of 177 properties, totaling 11,620 assisted units. The Agency receives a fee to administer the program and an incentive based administrative fee based on the number of units under contract and the Agency's performance level compared to HUD's acceptable quality levels of administration. Thus far, the Agency has achieved or exceeded the acceptable quality levels set by HUD.

The Agency’s financial performance during fiscal year 2002 exceeded expectations, further contributing to its strong overall financial condition.

OKLAHOMA HOUSING FINANCE AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS

CONDENSED FINANCIAL INFORMATION

Statement of Net Assets

The following table presents a condensed statement of net assets for the Agency as of September 30, 2002 and 2001, and the change from the prior year (in thousands):

	<u>2002</u>	<u>2001</u>	<u>Increase (Decrease)</u>
Current assets	\$9,339	\$17,551	\$(8,212)
Non-current assets			
Restricted	627,218	619,183	8,035
Net capital assets	4,012	3,869	143
Unrestricted	30,458	8,213	22,245
Total assets	\$671,027	\$648,816	\$22,211
Bonds and notes payable	582,009	576,003	6,006
Other liabilities	12,348	11,183	1,165
Total liabilities	\$594,357	\$587,186	\$7,171
Net assets			
Invested in capital assets	4,012	3,869	143
Restricted for single family bonds	42,475	30,333	12,142
Unrestricted	30,183	27,428	2,755
Total net assets	\$76,670	\$61,630	\$15,040

Explanations of significant variances on the condensed statement of net assets follow.

The decrease in current assets of \$8.21 million is primarily due to a decrease in investments with a maturity of less than one year of \$8.74 million. This decrease in current investments is offset by a corresponding increase in long-term investments of \$8.96 million. Due to the low interest rate environment, the Agency has moved the average maturity date of its investments farther out the yield curve in an effort to earn better yields.

The largest portion of the increase in Non-current restricted assets of \$8.04 million is due to the net increase of the fair value of investments of \$9.18 million. Generally, investment securities will increase in value as market interest rates decline. This revenue, recognized for accounting purposes, is unrealized until such time that the investment securities are sold. The Agency has the ability to and typically holds investment securities to maturity. The balance of the change in non-current restricted assets is due to the Agency's new single family loan volume and payments received on prior single family loans.

The increase in non-current assets – unrestricted is primarily due to the \$8.96 million increase in long-term investments discussed above and due to a \$12.58 million increase in program loans receivable. The increase in program loans receivable is primarily due to the Agency warehousing

OKLAHOMA HOUSING FINANCE AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS

loans for a single family bond program via a line of credit pending the availability of bond proceeds.

The increase in bonds and notes payable of \$6.00 million is due to the net effect of new single family bonds and notes payable issued to provide funds for our lending programs, less regular debt service payments and early redemptions.

The largest increase in Net Assets - Restricted for Single Family Bonds of \$12.14 million is due to the net increase in the fair value of investments of \$9.18 million discussed above. The remainder of the increase is due to the excess of revenues over expenses for the Single Family Bond Program operations for fiscal 2002, excluding the net increase in the fair value of investments.

The increase in Net Assets – Undesignated of \$2.75 million is due to the excess of fees and income over expenses of the Agency's programs, exclusive of activity within the Single Family Bond Programs.

Revenues, Expenses, and Changes in Net Assets

The following table presents condensed statements of revenues, expenses, and changes in net assets for the Agency as of September 30, 2002 and 2001, and the change from the prior year (in thousands):

	<u>2002</u>	<u>2001</u>	<u>Increase</u> <u>(Decrease)</u>
Condensed Statements of Revenues, Expenses, and Changes in Net Assets			
Revenues			
Operating revenues			
Investment income			
Investments and program loans	\$ 40,207	\$ 44,522	\$(4,315)
Net increase in fair value of investments	9,177	25,863	(16,686)
Fees and other income	12,100	9,266	2,834
Federal program revenues	<u>106,069</u>	<u>76,720</u>	<u>29,349</u>
Total revenues	<u>\$167,553</u>	<u>\$ 156,371</u>	<u>\$ 11,182</u>
Expenses			
Interest on bonds and notes	35,274	37,550	(2,276)
Other bond program expenses	3,031	3,033	(2)
Salaries, general and administrative	8,140	8,297	(157)
Federal program expenses	<u>106,069</u>	<u>76,720</u>	<u>29,349</u>
Total expenses	<u>\$152,514</u>	<u>\$125,600</u>	<u>\$26,914</u>
Net income	\$ 15,039	\$ 30,771	\$(15,732)
Net assets at the beginning of year	<u>61,631</u>	<u>30,860</u>	<u>30,771</u>
Net assets at the end of year	<u>\$ 76,670</u>	<u>\$ 61,631</u>	<u>\$ 15,039</u>

OKLAHOMA HOUSING FINANCE AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS

Explanations of significant variances on the Condensed Statements of Revenues, Expenses, and Changes in Net Assets follow.

Interest income from investments and program loans declined primarily due to the lower rates received during fiscal 2002 compared to rates received during fiscal 2001. Investment income from the net increase in fair value of investments declined primarily due to the change in investment rates from fiscal 2001 to 2002 as compared to fiscal 2000 to 2001.

Fees and other income, and Federal program revenues and expenses, increased primarily in the Section 8 Contract Administration program. This program started operations in December 2001 with less than one-half of the current units now under contract. Fees, and federal program revenues and expenses for FY 2002 reflect both a complete year of operation and a significant increase in the number of units under contract.

Interest expense on bonds and notes reduced in FY 2002 from FY 2001, even with a slight increase in the total amount of debt outstanding, reflecting the reduced interest rates for new debt in FY 2002 from FY 2001, and redemptions of higher rate debts.

The decrease in net income is primarily due to a lower increase in the fair value of investments discussed above.

The increase in net assets at the end of FY 2002 over FY 2001 is due to the net income provided by the Agency's operations.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a set of basic financial statements. The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Fund Net Assets (on pages 9 and 11) provide information about the activities of the Agency as a whole and present a longer term view of the Agency's finances.

In addition, this report contains a Supplemental Combining Schedule of Net Assets for the Single Family Mortgage Revenue Bond Funds (on pages 26 – 35) as well as a Supplemental Combining Schedule of Revenues, Expenses, and Changes in Fund Net Assets for the Single Family Mortgage Revenue Bond Funds (on pages 36 – 45). These supplemental schedules are presented to provide the reader with information regarding the financial condition of each Single Family Mortgage Revenue Bond issue of the Agency.

The Agency expects to continue its commitment to its mission of providing affordable housing resources while preserving a strong financial position during the coming year.

CONTACTING OHFA'S FINANCIAL MANAGEMENT

This financial report is designed to provide stakeholders in OHFA with a general overview of OHFA's finances and to show OHFA's accountability for the funds that it receives, invests, and expends. If you have questions about this report, or need additional financial information, contact Eldon Overstreet, JD, CPA, OHFA Finance Team Leader at (405) 419-8209; e-mail: eldon.overstreet@ohfa.org; or visit our website at www.ohfa.org.

BASIC FINANCIAL STATEMENTS

OKLAHOMA HOUSING FINANCE AGENCY
Statements of Net Assets

	September 30,	
	2002	2001
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 6,095,869	\$ 5,495,389
Investments	2,537,027	11,281,342
Accounts Receivable	518,850	463,073
Interest Receivable	51,282	97,753
Prepaid Expenses	136,127	214,374
Total Current Assets	\$ 9,339,155	\$ 17,551,931
Noncurrent Assets		
Restricted Assets		
Cash and Cash Equivalents	\$ 20,919,789	\$ 20,370,125
Investments	584,334,881	571,143,665
Accounts Receivable	--	100,365
Interest Receivable	2,962,055	3,175,381
Program Loans Receivable	18,745,837	24,025,678
Deferred Finance Costs	255,764	367,497
Program Loans Receivable	14,095,064	1,515,089
Long-Term Investments	12,053,357	3,088,362
Property and Equipment Net of Accumulated Depreciation of \$1,443,592 and \$1,206,008, respectively	4,011,816	3,869,171
Deferred Finance Costs	4,309,469	3,609,269
Total Noncurrent Assets	\$ 661,688,032	\$ 631,264,602
Total Assets	\$ 671,027,187	\$ 648,816,533
LIABILITIES		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 2,691,041	\$ 1,752,632
Deferred Intergovernmental Revenue	3,008,014	2,940,256
Compensated Absences	569,585	541,359
Interest Payable	3,316,843	3,341,689
Current Maturities of Bonds and Notes Payable	67,721,213	39,831,538
Total Current Liabilities	\$ 77,306,696	\$ 48,407,474
Noncurrent Liabilities		
Bonds and Notes Payable Less Current Maturities	\$ 514,287,861	\$ 536,171,505
Deferred Revenue	209,341	331,904
HOME Funds Payable	2,553,153	2,275,109
Total Noncurrent Liabilities	\$ 517,050,355	\$ 538,778,518
Total Liabilities	\$ 594,357,051	\$ 587,185,992
NET ASSETS		
Invested in Capital Assets	\$ 4,011,816	\$ 3,869,171
Restricted for Single Family Bonds	42,475,276	30,333,517
Unrestricted	30,183,044	27,427,853
Total Net Assets	\$ 76,670,136	\$ 61,630,541

The Accompanying Notes are an Integral Part of the Financial Statements

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OKLAHOMA HOUSING FINANCE AGENCY
Statements of Revenues, Expenses and Changes in Fund Net Assets

	For the Years Ended September 30,	
	2002	2001
Operating Revenues		
Investment Income		
Investments	\$ 37,999,946	\$ 42,536,458
Program Loans	2,207,062	1,985,147
Net Increase in Fair Value of Investments	9,177,337	25,862,581
Fees and Other Income	12,107,924	9,265,596
Total Operating Revenues	\$ 61,492,269	\$ 79,649,782
Operating Expenses		
Interest	\$ 35,273,725	\$ 37,549,945
Mortgage Servicing Fees	2,478,631	2,552,345
Amortization of Deferred Finance Costs	455,801	360,574
Trustees, Issuer and Other Fees	96,318	119,846
Salaries and Related Expenses	5,420,929	5,326,517
Other General and Administrative	2,719,211	2,969,774
Total Operating Expenses	\$ 46,444,615	\$ 48,879,001
Operating Income	\$ 15,047,654	\$ 30,770,781
Nonoperating Revenue (Expenses)		
Federal Program Income	\$ 106,068,448	\$ 76,720,464
Federal Program Expense	(106,068,448)	(76,720,464)
Other	(8,059)	--
Nonoperating Loss	\$ (8,059)	\$ --
Net Income	\$ 15,039,595	\$ 30,770,781
Total Net Assets, Beginning	61,630,541	30,859,760
Total Net Assets, Ending	\$ 76,670,136	\$ 61,630,541

The Accompanying Notes are an Integral Part of the Financial Statements

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OKLAHOMA HOUSING FINANCE AGENCY
Statements of Cash Flows

	For the Years Ended September 30,	
	2002	2001
Cash Flows from Operating Activities		
Receipts from Fees	\$ 2,693,101	\$ 10,031,389
Receipts from Program Loan Payments	16,908,601	31,753,790
Receipts from Housing Trust Fund	500,000	--
Receipts from Other Sources	13,405	--
Payments to Employees	(5,401,121)	(5,242,867)
Payments to Suppliers	(1,733,491)	(704,248)
Payments for Purchases of Program Loans	(12,900,710)	(13,345,085)
Payments for Bond Fees	(1,821,942)	(2,836,600)
Payments for Trustee and Other Fees	(1,111,002)	(1,104,935)
Payments for Other Expenses	(158,417)	(435,444)
	\$ (3,011,576)	\$ 18,116,000
Cash Flows from Capital and Related Financing Activities		
Acquisition of Fixed Assets	\$ (609,934)	\$ (3,441,761)
	\$ (609,934)	\$ (3,441,761)
Cash Flows from Noncapital Financing Activities		
Principal Paid on Notes Payable	\$ (51,146,897)	\$ (10,022,776)
Principal Paid on Bonds Payable	(120,653,797)	(91,995,032)
Interest Paid on Notes Payable	(338,674)	(558,960)
Interest Paid on Bonds Payable	(34,959,896)	(37,818,348)
Payment of Bond Issuance Costs	(1,044,269)	(220,273)
Proceeds from Issuance of Bonds	177,806,725	95,069,839
Receipt of Federal Program Income	105,685,001	77,076,043
Payment of Federal Program Expenses	(105,413,888)	(76,233,868)
	\$ (30,065,695)	\$ (44,703,375)
Cash Flows from Investing Activities		
Purchase of Investments	\$ (295,567,400)	\$ (296,574,913)
Proceeds from Sales and Maturities of Investments	291,332,841	292,449,161
Interest Received on Investments	39,064,638	42,610,973
	\$ 34,830,079	\$ 38,485,221
Net Increase in Cash	\$ 1,142,874	\$ 8,456,085
Cash and Cash Equivalents at Beginning of Year	25,865,514	17,409,429
Cash and Cash Equivalents at End of Year	\$ 27,008,388	\$ 25,865,514
Cash as Reported on Balance Sheet		
Unrestricted	\$ 6,095,869	\$ 5,495,389
Restricted	20,919,789	20,370,125
	\$ 27,015,658	\$ 25,865,514
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	\$ 15,047,654	\$ 30,770,781
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation	448,507	374,128
Interest on Bonds and Notes Payable	35,273,724	37,549,945
Interest from Investments	(38,804,841)	(42,245,036)
Program Loan Repayments	5,600,576	29,014,756
Purchase of Program Loans	(12,900,709)	(13,345,085)
Amortization of Fees and Deferred Finance Costs	455,801	360,574
Net Change in Fair Value of Investments	(9,177,337)	(25,862,581)
Net Change in Other Assets and Liabilities	1,024,248	1,412,827
Net Change in Compensated Absences	28,226	85,691
	\$ (3,004,151)	\$ 18,116,000

The Accompanying Notes are an Integral Part of the Financial Statements

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OKLAHOMA HOUSING FINANCE AGENCY
Notes to Financial Statements

Note 1 -- Authorizing Legislation and Activities

Oklahoma Housing Finance Agency (“OHFA” or “Agency”) is a public trust established pursuant to a Trust Indenture, as amended, which was originally adopted on May 1, 1975. Under the Trust Indenture, OHFA was created for the benefit of the State of Oklahoma (the “State”) pursuant to the Oklahoma Public Trust Act (the “Act”). Pursuant to the Act, the Governor of the State of Oklahoma, on behalf of the State, approved the creation of OHFA and accepted the beneficial interest created thereby on May 1, 1975. The Trust Indenture was last amended as of August 19, 2002, with the approval of the Governor of the State of Oklahoma. The Governor has, pursuant to the Trust Indenture, approved the by-laws of OHFA. The Governor also appoints the five member Board of Trustees.

OHFA is authorized, in the furtherance of public purposes, to issue its mortgage revenue bonds in order to provide funds to promote the development of adequate residential housing and other economic development for the benefit of the State. In no event does the indebtedness constitute a debt, liability, or moral obligation of the State or any political subdivision thereof. OHFA has no taxing power. The Agency receives application, service and issuer fees in connection with its revenue bond programs.

OHFA is included in the State’s financial reporting entity. The State reports the transactions of OHFA in its Comprehensive Annual Financial Report as a major component unit.

In addition to its revenue bond programs, OHFA administers Section 8 Housing Assistance Payments Programs for the U.S. Department of Housing and Urban Development (“HUD”). OHFA receives an administrative fee based on the number of housing units administered under its contracts with HUD plus reimbursement for certain preliminary costs incurred during the implementation phase of units added to OHFA’s contracts with HUD. OHFA administers the HOME (Home Investment Partnerships Program) for HUD. The intent of the HOME Program is to provide decent affordable housing to lower-income households, expand the capacity of nonprofit housing providers, strengthen the ability of state and local governments to provide housing, and leverage private-sector participation. Activities that are eligible under HOME include homeowner rehabilitation, home buyer activities, rental housing and tenant-based rental assistance. OHFA receives reimbursement of eligible costs associated with the administration of the program.

OHFA is the Section 8 Contract Administrator for federal HUD-financed Section 8 properties located throughout Oklahoma. The Agency receives a fee to administer the program and an incentive based administrative fee based on the number of units under contract and the Agency’s performance level compared to HUD’s acceptable quality levels of administration. Also, the agency administers the Department of Treasury’s Low Income Housing Tax Credit (“LIHTC”) program for the State of Oklahoma. The Agency receives application and service fees from developers who participate in the LIHTC program.

OHFA also administers certain other federal and state programs.

OKLAHOMA HOUSING FINANCE AGENCY
Notes to Financial Statements

Note 2 -- Summary of Significant Accounting Policies

Financial Statement Presentation

OHFA accounts for revenues and expenses related to temporary funding of certain single family first mortgage loans within its general fund until the loans are sold in specified increments in connection with certain bond programs, when required, due to the temporary restrictions associated with bond programs. Intergovernmental grants are also accounted for within the Agency's general fund. Pursuant to OHFA's bond obligation resolutions, separate funds are established by each trustee bank to record all transactions relating to OHFA programs financed under each of the resolutions. Within each fund, there is a group of accounts required by the respective resolutions. The single family bond program funds and the general fund have been presented on a combined basis because OHFA is considered a single enterprise fund for financial reporting purposes. All interfund balances and transactions have been eliminated in the financial statements.

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board ("GASB"). The financial statements are prepared in accordance with GASB Statement 34 *Basic Financial Statements – and Management's Discussion for State and Local Governments*, GASB Statement 37 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, and GASB Statement 38 – *Certain Financial Statement Note Disclosure*.

Basis of Accounting

The Agency accounts for its activities within a proprietary fund. The Agency's activities meet the definition of an enterprise fund because it is the intent of the Agency to recover, primarily through user charges, the cost of providing goods or services to the general public.

The proprietary fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the statement of net assets. Proprietary fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. The accrual basis of accounting is utilized by the proprietary fund. Under this basis of accounting, revenues are recognized when earned and expenses are recognized when the liability is incurred.

As required by the GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, OHFA has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless FASB and/or APB pronouncements conflict with or contradict GASB pronouncements.

OKLAHOMA HOUSING FINANCE AGENCY
Notes to Financial Statements

Note 2 -- Summary of Significant Accounting Policies (continued)

Basis of Accounting (continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash and Cash Equivalents

For purposes of the statement of cash flows, OHFA cash equivalents are defined as short-term, highly liquid investments that are readily convertible to cash with an original maturity of three months or less.

Operating Transfers

At the close of a Single Family Bond program, any excess of revenues over expenses in the individual bond program is transferred to the Agency's general fund once all the restrictive covenants of the applicable bond resolution and indenture have been met.

Investments

The Agency's investment policies for the general fund are governed by state statute and the Board of Trustees' "Statement of Investment Policy." Permissible investments include direct obligations of the United States Government and Agencies; mortgage-backed securities guaranteed by Federal Agencies, certificates of deposit of savings and loan associations and bank and trust companies; repurchase agreements; and savings accounts or savings certificates of savings and loan associations, and trust companies. Collateral is required for demand deposits and certificates of deposit for all amounts not covered by Federal Deposit Insurance Corporation insurance. Investments are reported at fair value.

The short-term investments within the Single Family programs are generally restricted by the various bond resolutions as to authorized investments. Most are commonly held in guaranteed investment contracts, money market accounts or mutual funds held by the trustees. These short-term investments are reported at cost which approximates the market values.

As required by GASB Statement No. 31, *Accounting for and Financial Reporting for Certain Investments and External Investment Pools*, U.S. government and agency securities and mortgage-backed securities are reported at fair value as determined by the investment custodians utilizing prices quoted by securities dealers, brokers, investment banks or other services at the valuation date.

Mortgage-backed securities reported by the Single Family Bond programs are pass-through certificates of the Government National Mortgage Association (GNMA) and Federal National Mortgage Association (FNMA) which securitize qualified pools of loans or individual loans under the respective programs. These securities are reported at fair value. Mortgage-backed securities do not have a contractual maturity date, and the Agency may be subject to the risk of prepayment on these mortgage-backed securities.

OKLAHOMA HOUSING FINANCE AGENCY
Notes to Financial Statements

Note 2 -- Summary of Significant Accounting Policies (continued)

Investments (continued)

Without recognition of the current net increase in the fair value of investments, OHFA's net operating income would have been \$5,870,317.

Program Loans Receivable

Program loans receivable primarily consist of loans made or purchased under the Single Family Bond programs. These loans are secured by first mortgages and insured under mortgage pool insurance arrangements. These loans are reported at cost. As a result of the insurance, no allowance for uncollectible loans is recorded.

Property and Equipment

Property and equipment are carried at cost. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets. Maintenance and repairs are expensed as incurred.

Deferred Revenue

Deferred revenue arises when potential revenue does not meet the available criterion for recognition or the resources were received by the Agency before it has a legal claim to the resources. Amounts received under certain intergovernmental grant agreements are recognized only to the extent of allowable expenses. Any amounts received in excess of expenditures incurred are deferred.

Deferred Finance Costs

Deferred finance costs are costs associated with bond funds which are being recovered through future revenues associated with the funds.

Prior Year Amounts

Footnote disclosures for the September 30, 2001 financial statements have not been repeated here. The footnotes for September 30, 2001 are available in the financial statements issued for that year.

Restrictions and Designations of Net Assets

The use of assets of each of the Single Family Bond program funds is restricted by the related bond resolution. Certain amounts in the program funds are considered subject to the restriction that they may be applied to the financing of housing for the respective program purposes or to the retirement of obligations issued for such purposes. The Agency has designated \$8,500,000 of unrestricted net assets to provide funds and reserves to purchase single family loans to be acquired from future issuances under the Single Family Mortgage Revenue Bond programs.

Note 3 -- Cash and Investments

The Agency requires that financial institutions deposit collateral securities to secure the deposits of the Agency in each institution. Current Agency policy, for deposits not held by the Single Family Bond Programs, requires the lesser of the cost or market value of the collateral pledged to be 110% of the deposit value.

OKLAHOMA HOUSING FINANCE AGENCY
Notes to Financial Statements

Note 3 -- Cash and Investments (continued)

Deposits - The Agency's cash deposits at September 30, 2002, are categorized to give an indication of the level of risk assumed by the Agency at year end as follows:

- A. Insured or collateralized with securities held by the Agency or by its agent in the Agency's name.
- B. Collateralized with securities held by the pledging financial institution's trust department or agent in the Agency's name.
- C. Uncollateralized or secured with securities held by the pledging institution's trust department or agent but not in the Agency's name.

Category			Bank Balance	Carrying Value
A	B	C		
\$300,000	\$27,035,573	\$ --	\$27,335,573	\$27,015,658

Investments - The Agency's investments are categorized to give an indication of the level of risk assumed by the Agency at September 30, 2002. The categories are described as follows:

- A. Insured or registered, with securities held by the Agency or its agent in the Agency's name.
- B. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Agency's name.
- C. Uninsured and unregistered, with securities held by the counterparty, or its trust department or agent but not in the Agency's name.

	Category			Fair Value	Cost
	A	B	C		
U.S. Government Agency					
Debt securities	\$ --	\$ 12,051,406	\$ --	\$ 12,051,406	\$ 12,046,457
Mortgage-Backed Securities	--	491,706,312	--	491,706,312	471,003,330
	\$ --	\$503,757,718	\$ --	\$503,757,718	\$483,049,787
Guaranteed Investment Contracts				92,630,520	
Money Market Mutual Funds				2,537,027	
				\$598,925,265	

Investments are reported in the following classifications:

Current	\$ 2,537,027
Noncurrent	
Restricted by bond indentures	584,334,881
Unrestricted	12,053,357
	\$ 598,925,265

The net increase in fair value of investments shown in the financial statements takes into account all changes in fair value that occurred during the year. Fair value for individual investments fluctuate based on changes in the market interest rates available to investors.

Note 4 -- Bonds and Notes Payable

The Single Family Program bonds are generally payable in annual and semiannual installments and are subject to mandatory sinking fund requirements. These bonds are special obligations of the Agency, payable solely from the income and receipts of these indentures. These bonds are secured by mortgage loans and other assets of their respective indentures.

OKLAHOMA HOUSING FINANCE AGENCY
Notes to Financial Statements

Note 4 -- Bonds and Notes Payable (continued)

Bonds and notes payable as of September 30, 2002 and changes for the fiscal year then ended are as follows:

Single Family Revenue Bonds	Issued	Average Interest Rates	Maturity Through	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due in One Year
1987 Series A	5/28/87	8.00%	5/1/2018	\$39,340,000	\$--	\$9,255,000	\$30,085,000	\$8,681,666
1991 A&B	11/1/91	7.35%	11/1/2024	7,682,724	--	1,647,838	6,034,886	1,443,124
1992 A&B	6/1/92	5.715- 6.015%	9/1/2016- 9/1/2025	16,400,000	--	2,215,000	14,185,000	280,000
1993 A&B	12/21/93 2/9/94	7.3%	12/1/2014	1,205,000	--	590,000	615,000	590,000
1994 B	8/30/94	8.92%	9/1/2016	7,410,000	--	2,465,000	4,945,000	--
1994 A-1	9/15/94	5.701%	3/1/2025	7,265,000	--	1,380,000	5,885,000	140,000
1994 A-2 &C-1	11/15/94	6.878% 6.410%	9/1/2026 3/1/2016	8,970,000	--	1,900,000	7,070,000	110,000
1994 C-2 &D-1	2/1/95	6.634% 7.125%	3/1/2016 9/1/2026	7,725,000	--	1,785,000	5,940,000	120,000
1995 A	3/1/95	6.603%	9/1/2026	2,090,000	--	325,000	1,765,000	40,000
1995 B, 1994 D-2	1/1/95 11/28/95	7.069% 6.145%	9/1/2026	13,555,000	--	3,165,000	10,390,000	230,000
1996A	2/1/96	6.772%	9/1/2026	12,545,000	--	2,870,000	9,675,000	200,000
1994D-3	3/28/96	5.880%	9/1/2027	15,190,000	--	3,005,000	12,185,000	165,000
1996B	5/1/96	6.648%	3/1/2028	14,055,000	--	2,640,000	11,415,000	135,000
1996C	11/1/96	6.451%	9/1/2028	16,400,000	--	3,175,000	13,225,000	1,315,000
1997A	3/12/97	6.238%	3/1/2028					
1997B-1, B-2, B-3	10/2/97	5.554% 6.059% 6.75%	9/1/2029 9/1/2018	23,065,000	--	3,100,000	19,965,000	2,311,700
1998A-1 A-2	3/12/98	5.661% 6.40%	9/1/2029 9/1/2019	29,385,000	--	3,690,000	25,695,000	--
1998B-1 B-2 B-3	7/30/98 7/15/98 7/15/98	5.5% 5.705% 6.19%	3/1/2029 3/1/2029 3/1/2029	25,978,137	--	3,657,986	22,320,151	2,398,917
1998D-1 D-2 D-3	10/22/98	5.4% 5.313% 5.15%	3/1/2029 3/1/2030 9/1/2019	32,111,779	--	3,174,150	28,937,629	2,194,331
1999 A-1 A-2 A-3	2/19/99	5.5% 5.385% 6.05%	3/1/2029 3/1/2030 9/1/2020	31,861,986	--	3,331,199	28,530,787	2,766,185
1999 B-1 B-2 B-3	5/27/99	6.222% 5.532% 6.65%	9/1/2026 3/1/2030 9/1/2020	46,978,580	--	4,535,859	42,442,721	4,284,115
1999C	10/28/99	7.1%	9/1/2031	8,084,605	--	1,890,130	6,194,475	1,268,508
1999 D-1 D-2 D-3	10/15/99	6.578% 6.148% 7.02%	9/1/2026 9/1/2030 9/1/2026	33,997,021	--	4,544,355	29,452,666	2,156,570
2000 A-1 A-2 A-3 A-4	3/1/00	6.825% 5.631% 7.62% 4.3%	9/1/2018 9/1/2031 9/1/2027 9/1/2031	28,920,243	--	2,663,287	26,256,956	260,000
2000B	4/1/00	7.6%	9/1/2026	13,633,747	--	6,412,261	7,221,486	3,889,260
2000C-1 C-2 C-3	6/14/00	5.106% 6.517% 7.81%	9/1/2014 9/1/2028 9/1/2028	37,084,382	--	4,795,288	32,289,094	2,873,009
2000 D	10/4/00	6.4%	9/1/2031	21,572,739	--	1,678,472	19,894,267	175,000
2001 Draw down	12/1/00	5.6%	11/30/2002	19,956,000	--	19,956,000	--	--
2001 A-1	4/26/01	4.87%	3/1/2021	53,541,100	--	20,806,972	32,734,128	200,000
2001 B-1 B-2	9/1/01	5.52%	9/1/2032	--	26,705,000	--	26,705,000	5,000
2002 A&B	2/15/02	4.97%	9/1/2034	--	35,781,000	--	35,781,000	175,000
2002C	5/23/02	3.19%	9/1/2033	--	35,000,000	--	35,000,000	140,000

OKLAHOMA HOUSING FINANCE AGENCY
Notes to Financial Statements

Note 4 -- Bonds and Notes Payable (continued)

Single Family Revenue Bonds	Issued	Average Interest Rates	Maturity Through	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due in One Year
2002 Draw down	2/1/02	1.81%	11/28/03	--	17,786,000	--	17,786,000	17,786,000
Subtotal Single Family Revenue Bonds				<u>576,003,043</u>	<u>115,272,000</u>	<u>120,653,797</u>	<u>570,621,246</u>	<u>56,333,385</u>
Note Payable to FHLB	Various	1.46%-2.15%	3/3/2003	--	62,534,725	51,146,897	11,387,828	11,387,828
Total Single Family Revenue Bonds and Notes Payable				<u>576,003,043</u>	<u>177,806,725</u>	<u>171,800,694</u>	<u>582,009,074</u>	<u>67,721,213</u>

Debt service requirements on bonds and notes payable at September 30, 2002, are as follows (expressed in thousands):

	2003	2004	2005	2006	2007	2008-2012	2013-2017	2018-2022	2023-2027	2028 +	Total
Principal and Interest	100,544	52,214	45,727	39,927	34,507	167,240	164,251	166,731	231,374	191,206	1,193,721
Less Interest	<u>32,823</u>	<u>29,659</u>	<u>28,419</u>	<u>27,531</u>	<u>27,154</u>	<u>130,880</u>	<u>119,131</u>	<u>102,576</u>	<u>82,260</u>	<u>31,279</u>	<u>611,712</u>
Total Principal	<u>67,721</u>	<u>22,555</u>	<u>17,308</u>	<u>12,396</u>	<u>7,353</u>	<u>36,360</u>	<u>45,120</u>	<u>64,155</u>	<u>149,114</u>	<u>159,927</u>	<u>582,009</u>

Note 5 – Program Loans Receivable

Program Loans Receivable as of September 30, 2002 consisted of the following:

Single Family Program Funds, 1993 A & B, bearing interest at 8.5-8.95%, maturing December, 2014, AMBAC insured	\$1,265,523
Single Family Program Funds, 1994 B, bearing interest at 10.97%, maturing September, 2016, MBIA insured	7,562,318
Single Family Program Funds, 2001 A, bearing interest averaging 4.87%, maturing March, 2021	9,917,996
Housing Trust Fund, bearing interest at 1%, 1 year term (currently in a one year forbearance), collateralized by mortgages, maturing March, 2003	500,000
Housing Trust Fund, bearing interest at 1%, 2 year term, collateralized by mortgages, maturing June, 2003	500,000
Program loans, bearing interest at 6-7.4%, maturing September, 2026 through February, 2027, guaranteed by mortgage guaranty fund	<u>13,095,064</u>
	<u>\$32,840,901</u>

Reported in the following classifications:

Restricted Loans Receivable	\$ 18,745,837
Program Loans Receivable	<u>14,095,064</u>
	<u>\$ 32,840,901</u>

OKLAHOMA HOUSING FINANCE AGENCY
Notes to Financial Statements

Note 6 -- Retirement Plans

Employees hired prior to July 1, 1997, who elect not to be covered by the Oklahoma Public Employees Retirement Plan (“OPERS Plan”) are covered by the Oklahoma Housing Finance Agency Retirement Plan (“OHFA Plan”). The OHFA Plan is a defined contribution plan. No new employees are allowed to join this plan after June 30, 1997. OHFA’s contribution amount is at the discretion of the Board of Trustees and does not have any limitations. The Board of Trustees has approved a monthly contribution to the OHFA Plan at 10% of the employees’ compensation. Employees begin vesting in the OHFA Plan after two years of service and are fully vested after six years of service.

All employees hired after June 30, 1997 are required to participate in the OPERS Plan. The OPERS Plan is a multi-employer public employee retirement plan, which is a defined benefit pension plan. The benefit provisions of the OPERS Plan are established by state statute. The contribution rates for employees and participating employers are as follows for the period beginning July 1, 1998: employees - 3.0% of the allowable annual compensation for salaries under \$25,000 and 3.5% for salaries above \$25,000, participating employers – 12.5% of the allowable annual compensation for the period beginning July 1, 1998, changed to 10% for the period beginning July 1, 1999. As of July 1, 1998, there is no maximum compensation level for retirement purposes. The OPERS Plan issues separate annual financial reports. Copies of these reports may be obtained from the retirement system.

OHFA’s retirement plan expense under both plans for the year ended September 30, 2002 was \$413,027. The total payroll was \$4,127,898 and total covered payroll was \$4,105,934.

Note 7 -- Capital Assets

As of September 30, 2002, capital assets consisted of the following:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Furniture & Equipment	\$ 1,933,768	\$ 434,345	\$ 218,982	\$ 2,149,131
Building	2,083,778	4,700	10,723	2,077,755
Land	550,000	--	--	550,000
Improvements	507,633	170,889	--	678,522
Total	5,075,179	609,934	229,705	5,455,408
Less accumulated depreciation:				
Furniture & Equipment	\$ 1,206,008	\$ 349,299	\$ 210,923	\$ 1,344,384
Building	--	52,212	--	52,212
Improvements	--	46,996	--	46,996
Total	1,206,008	448,507	210,923	1,443,592
Capital Assets, Net	\$ 3,869,171	\$ 161,427	\$ 18,782	\$ 4,011,816

OKLAHOMA HOUSING FINANCE AGENCY
Notes to Financial Statements

Note 8 -- Risk Management

OHFA is exposed to various risks of loss related to torts; theft of, damage to, and destruction to assets; errors and omissions; injuries to employees; and natural disasters. OHFA pays an annual premium to a private insurance carrier for its tort liability, property loss and general liability insurance coverage. OHFA purchases commercial employee life insurance and pays an annual premium to a private insurance carrier for its employee health insurance coverage. OHFA carries insurance with the State Insurance Fund for other risks of loss, including workers' compensation and employee accident insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

Note 9 -- Conduit Debt

As indicated in Note 1, the Agency has issued multi-family mortgage revenue bonds to promote the development of adequate residential housing and other economic development. The net proceeds of these bonds are used to provide interim and permanent financing for multi-family construction projects, and establish debt-service reserves as required by the various trust indentures. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Neither the Agency, the State of Oklahoma, nor any political subdivision thereof, is obligated in any manner for repayment of the bonds.

As of September 30, 2002, there were 8 series of multi-family bonds outstanding with an aggregate principal amount payable of \$22,869,728.

Note 10 -- Contingencies

Intergovernmental Financial Assistance - OHFA administers various federal and state programs. These programs are subject to audit and adjustments by the awarding agencies and other organizations. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable program. The amount, if any, of expenditures disallowed cannot be determined at this time. OHFA expects such amounts, if any, to be immaterial.

Litigation – OHFA, in the normal course of business, is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, OHFA believes the resolution of these matters will not have a material adverse effect on the financial condition of OHFA.

SUPPLEMENTAL INFORMATION



MURRELL, HALL, MCINTOSH & Co., PLLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON
SUPPLEMENTAL INFORMATION

To the Board of Trustees,
Oklahoma Housing Finance Agency
Oklahoma City, Oklahoma:

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The other supplemental information listed in the table of contents are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Murrell, Hall, Mcintosh & Co., PLLP
MURRELL, HALL, MCINTOSH & CO., PLLP

Norman, Oklahoma
January 21, 2003

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2002

	1987 Series A	1991 Series A & B
ASSETS		
Noncurrent Assets		
Cash and Cash Equivalents	\$ 1,826,180	\$ 194,915
Investments	31,878,465	6,285,265
Accounts Receivable	-	-
Due from(to) Other Funds	-	-
Interest Receivable	199,238	36,961
Program Loans Receivable	-	-
Deferred Issuance, Finance and Other Costs, Net	-	-
Total Assets	\$ 33,903,883	\$ 6,517,141
 LIABILITIES		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ -	\$ -
Interest Payable	200,485	93,997
Current Maturities of Bonds Payable	8,681,666	1,443,124
Total Current Liabilities	\$ 8,882,151	\$ 1,537,121
Noncurrent Liabilities		
Bonds Payable Less Current Maturities	\$ 21,403,334	\$ 4,591,762
Deferred Revenue and Other Deferred Credits	145,983	-
HOME Funds Payable	-	-
Total Noncurrent Liabilities	\$ 21,549,317	\$ 4,591,762
Total Liabilities	\$ 30,431,468	\$ 6,128,883
 NET ASSETS		
Restricted for Single Family Bond Programs	\$ 3,472,415	\$ 388,258

OKLAHOMA HOUSING FINANCE AGENCY
 Single Family Mortgage Revenue Bond Funds
 Supplemental Combining Schedule of Net Assets
 September 30, 2002

Continued

1992 Series A & B	1993 Series A & B	1994 Series B	1994 Series A-1	1994 Series A-2 & C-1
\$ 1,745	\$ 228,225	\$ 666,397	\$ 361,347	\$ 587,217
15,144,897	-	-	6,193,743	7,117,046
-	-	-	-	-
-	-	-	-	-
71,783	9,242	70,076	34,514	39,803
-	1,265,523	7,562,318	-	-
-	8,905	71,606	-	-
<u>\$ 15,218,425</u>	<u>\$ 1,511,895</u>	<u>\$ 8,370,397</u>	<u>\$ 6,589,604</u>	<u>\$ 7,744,066</u>
\$ -	\$ (13,042)	\$ 37,935	\$ 760	\$ 860
69,587	14,965	37,088	32,957	39,928
280,000	590,000	-	140,000	110,000
<u>\$ 349,587</u>	<u>\$ 591,923</u>	<u>\$ 75,023</u>	<u>\$ 173,717</u>	<u>\$ 150,788</u>
\$ 13,905,000	\$ 25,000	\$ 4,945,000	\$ 5,745,000	\$ 6,960,000
-	-	-	29,534	33,824
-	-	-	-	-
<u>\$ 13,905,000</u>	<u>\$ 25,000</u>	<u>\$ 4,945,000</u>	<u>\$ 5,774,534</u>	<u>\$ 6,993,824</u>
<u>\$ 14,254,587</u>	<u>\$ 616,923</u>	<u>\$ 5,020,023</u>	<u>\$ 5,948,251</u>	<u>\$ 7,144,612</u>
<u>\$ 963,838</u>	<u>\$ 894,972</u>	<u>\$ 3,350,374</u>	<u>\$ 641,353</u>	<u>\$ 599,454</u>

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2002

	1994 Series C-2 & D-1	1995 Series A
ASSETS		
Noncurrent Assets		
Cash and Cash Equivalents	\$ 425,699	\$ 105,025
Investments	6,204,371	1,973,179
Accounts Receivable	-	-
Due from(to) Other Funds	-	-
Interest Receivable	35,863	11,024
Program Loans Receivable	-	-
Deferred Issuance, Finance and Other Costs, Net	-	9,523
	<u>\$ 6,665,933</u>	<u>\$ 2,098,751</u>
Liabilities		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 680	\$ 270
Interest Payable	34,282	9,671
Current Maturities of Bonds Payable	120,000	40,000
	<u>\$ 154,962</u>	<u>\$ 49,941</u>
Noncurrent Liabilities		
Bonds Payable Less Current Maturities	\$ 5,820,000	\$ 1,725,000
Deferred Revenue and Other Deferred Credits	-	-
HOME Funds Payable	-	-
	<u>\$ 5,820,000</u>	<u>\$ 1,725,000</u>
Total Liabilities	<u>\$ 5,974,962</u>	<u>\$ 1,774,941</u>
NET ASSETS		
Restricted for Single Family Bond Programs	<u>\$ 690,971</u>	<u>\$ 323,810</u>

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2002

Continued

1995 Series B & 1994 Series D-2	1996 Series A & 1994 Series D-3	1996 Series B	1996 Series C	1997 Series A
\$ 116,959	\$ 270	\$ -	\$ -	\$ 391,746
11,454,662	10,460,028	13,152,361	12,713,608	13,857,449
-	-	-	-	-
-	-	-	-	-
62,291	53,588	72,038	66,166	72,660
-	-	-	-	-
120,490	35,867	22,278	-	-
<u>\$ 11,754,402</u>	<u>\$ 10,549,753</u>	<u>\$ 13,246,677</u>	<u>\$ 12,779,774</u>	<u>\$ 14,321,855</u>
\$ 1,150	\$ 800	\$ 1,675	\$ 2,100	\$ 1,825
58,228	51,002	66,528	60,350	66,846
230,000	200,000	165,000	135,000	1,315,000
<u>\$ 289,378</u>	<u>\$ 251,802</u>	<u>\$ 233,203</u>	<u>\$ 197,450</u>	<u>\$ 1,383,671</u>
\$ 10,160,000	\$ 9,475,000	\$ 12,020,000	\$ 11,280,000	\$ 11,910,000
-	-	-	-	-
-	-	-	398,668	-
<u>\$ 10,160,000</u>	<u>\$ 9,475,000</u>	<u>\$ 12,020,000</u>	<u>\$ 11,678,668</u>	<u>\$ 11,910,000</u>
<u>\$ 10,449,378</u>	<u>\$ 9,726,802</u>	<u>\$ 12,253,203</u>	<u>\$ 11,876,118</u>	<u>\$ 13,293,671</u>
<u><u>\$ 1,305,024</u></u>	<u><u>\$ 822,951</u></u>	<u><u>\$ 993,474</u></u>	<u><u>\$ 903,656</u></u>	<u><u>\$ 1,028,184</u></u>

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2002

	<u>1997 Series B</u>	<u>1998 Series A</u>
ASSETS		
Noncurrent Assets		
Cash and Cash Equivalents	\$ 494,292	\$ 333,034
Investments	20,606,844	26,629,672
Accounts Receivable	-	-
Due from(to) Other Funds	825	-
Interest Receivable	105,678	129,612
Program Loans Receivable	-	-
Deferred Issuance, Finance and Other Costs, Net	-	-
	<u> </u>	<u> </u>
Total Assets	<u>\$ 21,207,639</u>	<u>\$ 27,092,318</u>
 Liabilities		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 3,750	\$ 3,300
Interest Payable	101,245	121,418
Current Maturities of Bonds Payable	<u>2,311,700</u>	<u>-</u>
	<u> </u>	<u> </u>
Total Current Liabilities	<u>\$ 2,416,695</u>	<u>\$ 124,718</u>
 Noncurrent Liabilities		
Bonds Payable Less Current Maturities	\$ 17,653,300	\$ 25,695,000
Deferred Revenue and Other Deferred Credits	-	-
HOME Funds Payable	<u>-</u>	<u>-</u>
	<u> </u>	<u> </u>
Total Noncurrent Liabilities	<u>\$ 17,653,300</u>	<u>\$ 25,695,000</u>
	<u> </u>	<u> </u>
Total Liabilities	<u>\$ 20,069,995</u>	<u>\$ 25,819,718</u>
 NET ASSETS		
Restricted for Single Family Bond Programs	<u>\$ 1,137,644</u>	<u>\$ 1,272,600</u>

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2002

Continued

1998 Series B	1998 Series D	1999 Series A	1999 Series B	1999 Series C
\$ 395,687	\$ 1,903,210	\$ 589,165	\$ 888,219	\$ 337,248
23,651,149	28,895,379	29,285,863	43,842,327	6,312,000
-	-	-	-	-
-	-	-	-	-
116,561	169,213	140,461	218,140	38,464
-	-	-	-	-
-	-	-	-	-
<u>\$ 24,163,397</u>	<u>\$ 30,967,802</u>	<u>\$ 30,015,489</u>	<u>\$ 44,948,686</u>	<u>\$ 6,687,712</u>
\$ 3,700	\$ 4,450	\$ 6,725	\$ 8,200	\$ -
105,413	128,063	130,718	203,805	36,651
2,398,917	2,194,331	2,766,185	4,284,115	1,268,508
<u>\$ 2,508,030</u>	<u>\$ 2,326,844</u>	<u>\$ 2,903,628</u>	<u>\$ 4,496,120</u>	<u>\$ 1,305,159</u>
\$ 19,921,234	\$ 26,743,298	\$ 25,764,602	\$ 38,158,606	\$ 4,925,967
-	-	-	-	-
333,076	377,520	-	349,445	-
<u>\$ 20,254,310</u>	<u>\$ 27,120,818</u>	<u>\$ 25,764,602</u>	<u>\$ 38,508,051</u>	<u>\$ 4,925,967</u>
<u>\$ 22,762,340</u>	<u>\$ 29,447,662</u>	<u>\$ 28,668,230</u>	<u>\$ 43,004,171</u>	<u>\$ 6,231,126</u>
<u><u>\$ 1,401,057</u></u>	<u><u>\$ 1,520,140</u></u>	<u><u>\$ 1,347,259</u></u>	<u><u>\$ 1,944,515</u></u>	<u><u>\$ 456,586</u></u>

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2002

	1999 Series D	2000 Series A
ASSETS		
Noncurrent Assets		
Cash and Cash Equivalents	\$ 663,769	\$ 617,932
Investments	30,672,536	27,793,638
Accounts Receivable	-	-
Due from(to) Other Funds	-	-
Interest Receivable	164,400	151,852
Program Loans Receivable	-	-
Deferred Issuance, Finance and Other Costs, Net	-	-
Total Assets	\$ 31,500,705	\$ 28,563,422
 LIABILITIES		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 5,450	\$ 4,200
Interest Payable	156,831	147,616
Current Maturities of Bonds Payable	2,156,570	260,000
Total Current Liabilities	\$ 2,318,851	\$ 411,816
Noncurrent Liabilities		
Bonds Payable Less Current Maturities	\$ 27,296,096	\$ 25,996,956
Deferred Revenue and Other Deferred Credits	-	-
HOME Funds Payable	197,005	246,069
Total Noncurrent Liabilities	\$ 27,493,101	\$ 26,243,025
Total Liabilities	\$ 29,811,952	\$ 26,654,841
 NET ASSETS		
Restricted for Single Family Bond Programs	\$ 1,688,753	\$ 1,908,581

OKLAHOMA HOUSING FINANCE AGENCY
 Single Family Mortgage Revenue Bond Funds
 Supplemental Combining Schedule of Net Assets
 September 30, 2002

Continued

2000 Series B	2000 Series C	2000 Draw Down Series	2000 Series D
\$ 386,194	\$ 783,357	\$ 1,639	\$ 327,418
7,473,755	33,650,026	-	20,927,822
-	-	-	-
(21,803)	-	-	(2,678)
49,171	190,549	-	112,880
-	-	-	-
-	-	-	-
\$ 7,887,317	\$ 34,623,932	\$ 1,639	\$ 21,365,442
\$ -	\$ 22,694	\$ -	\$ 3,500
45,736	177,540	-	106,136
3,889,260	2,873,009	-	175,000
\$ 3,934,996	\$ 3,073,243	\$ -	\$ 284,636
\$ 3,332,226	\$ 29,416,085	\$ -	\$ 19,719,267
-	-	-	-
-	298,859	-	74,467
\$ 3,332,226	\$ 29,714,944	\$ -	\$ 19,793,734
\$ 7,267,222	\$ 32,788,187	\$ -	\$ 20,078,370
\$ 620,095	\$ 1,835,745	\$ 1,639	\$ 1,287,072

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2002

	2001 Series A	2001 Series B
ASSETS		
Noncurrent Assets		
Cash and Cash Equivalents	\$ 1,546,798	\$ 34,989
Investments	25,365,305	30,341,299
Accounts Receivable	-	-
Due from(to) Other Funds	3,433,779	(2,339,466)
Interest Receivable	125,755	141,859
Program Loans Receivable	9,917,996	-
Deferred Issuance, Finance and Other Costs, Net	(4,810)	-
Total Assets	\$ 40,384,823	\$ 28,178,681
 LIABILITIES		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 16,193	\$ 12,547
Interest Payable	153,348	122,864
Current Maturities of Bonds Payable	200,000	5,000
Total Current Liabilities	\$ 369,541	\$ 140,411
Noncurrent Liabilities		
Bonds Payable Less Current Maturities	\$ 32,534,128	\$ 26,700,000
Deferred Revenue and Other Deferred Credits	-	-
HOME Funds Payable	99,347	116,073
Total Noncurrent Liabilities	\$ 32,633,475	\$ 26,816,073
Total Liabilities	\$ 33,003,016	\$ 26,956,484
 NET ASSETS		
Restricted for Single Family Bond Programs	\$ 7,381,807	\$ 1,222,197

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2002

2002 Series A&B	2002 Series C	2002 Draw Down Series	Total Single Family Bond Programs
\$ 356,513	\$ 11,772	\$ 2,204	\$ 14,579,165
38,357,472	36,308,720	17,786,000	584,334,881
-	-	-	-
(1,604,663)	-	-	(534,006)
171,119	73,374	27,720	2,962,055
-	-	-	18,745,837
(643)	(7,452)	-	255,764
\$ 37,279,798	\$ 36,386,414	\$ 17,815,924	\$ 620,343,696
\$ 58,115	\$ 980,000	\$ -	\$ 1,167,837
172,095	544,188	27,262	3,316,843
175,000	140,000	17,786,000	56,333,385
\$ 405,210	\$ 1,664,188	\$ 17,813,262	\$ 60,818,065
\$ 35,606,000	\$ 34,860,000	\$ -	\$ 514,287,861
-	-	-	209,341
62,624	-	-	2,553,153
\$ 35,668,624	\$ 34,860,000	\$ -	\$ 517,050,355
\$ 36,073,834	\$ 36,524,188	\$ 17,813,262	\$ 577,868,420
\$ 1,205,964	\$ (137,774)	\$ 2,662	\$ 42,475,276

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Revenues, Expenses
and Changes in Fund Net Assets
For the Year Ended September 30, 2002

	1987 Series A	1991 Series A & B
	<u> </u>	<u> </u>
Operating Revenues		
Interest Income		
Investments	\$ 2,897,147	\$ 530,670
Program Loans	-	-
Net Increase in Fair Value of Investments	10,616	18,677
Other	46,716	-
	<u> </u>	<u> </u>
Total Operating Revenues	\$ 2,954,479	\$ 549,347
	<u> </u>	<u> </u>
Operating Expenses		
Interest	\$ 2,731,556	\$ 505,966
Mortgage Servicing Fees	170,333	33,796
Amortization of Deferred Finance Costs	-	-
Trustees, Issuer and Other Fees	39,245	9,585
Other	-	-
	<u> </u>	<u> </u>
Total Operating Expenses	\$ 2,941,134	\$ 549,347
	<u> </u>	<u> </u>
Net Income (Loss) before Operating Transfers	\$ 13,345	\$ -
Operating Transfers In (Out)	-	-
	<u> </u>	<u> </u>
Net Income (Loss)	\$ 13,345	\$ -
Total Net Assets, Beginning	3,459,070	388,258
	<u> </u>	<u> </u>
Total Net Assets, Ending	\$ 3,472,415	\$ 388,258
	<u> </u>	<u> </u>

OKLAHOMA HOUSING FINANCE AGENCY
 Single Family Mortgage Revenue Bond Funds
 Supplemental Combining Schedule of Revenues, Expenses
 and Changes in Fund Net Assets
 For the Year Ended September 30, 2002

Continued

1992 Series A & B	1993 Series A & B	1994 Series B	1994 Series A-1	1994 Series A-2 & C-1
\$ 1,014,514	\$ 5,031	\$ 24,602	\$ 496,577	\$ 587,156
-	132,498	980,507	-	-
462,131	-	-	18,444	377
-	-	-	6,257	10,069
<u>\$ 1,476,645</u>	<u>\$ 137,529</u>	<u>\$ 1,005,109</u>	<u>\$ 521,278</u>	<u>\$ 597,602</u>
\$ 914,408	\$ 63,207	\$ 603,163	\$ 459,240	\$ 561,993
75,645	7,453	42,811	32,888	39,125
-	8,543	35,695	-	-
2,561	5,025	43,967	13,596	15,161
-	5,078	10,591	-	-
<u>\$ 992,614</u>	<u>\$ 89,306</u>	<u>\$ 736,227</u>	<u>\$ 505,724</u>	<u>\$ 616,279</u>
\$ 484,031	\$ 48,223	\$ 268,882	\$ 15,554	\$ (18,677)
-	-	-	-	-
<u>\$ 484,031</u>	<u>\$ 48,223</u>	<u>\$ 268,882</u>	<u>\$ 15,554</u>	<u>\$ (18,677)</u>
479,807	846,749	3,081,492	625,799	618,131
<u>\$ 963,838</u>	<u>\$ 894,972</u>	<u>\$ 3,350,374</u>	<u>\$ 641,353</u>	<u>\$ 599,454</u>

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Revenues, Expenses
and Changes in Fund Net Assets
For the Year Ended September 30, 2002

	1994 Series C-2 & D-1	1995 Series A
Operating Revenues		
Interest Income		
Investments	\$ 534,937	\$ 151,120
Program Loans	-	-
Net Increase in Fair Value of Investments	111,147	(100,045)
Other	-	-
	\$ 646,084	\$ 51,075
Operating Expenses		
Interest	\$ 502,918	\$ 127,742
Mortgage Servicing Fees	34,068	10,011
Amortization of Deferred Finance Costs	-	1,753
Trustees, Issuer and Other Fees	13,822	8,397
Other	-	-
	\$ 550,808	\$ 147,903
Net Income (Loss) before Operating Transfers	\$ 95,276	\$ (96,828)
Operating Transfers In (Out)	-	-
Net Income (Loss)	\$ 95,276	\$ (96,828)
Total Net Assets, Beginning	595,695	420,638
Total Net Assets, Ending	\$ 690,971	\$ 323,810

OKLAHOMA HOUSING FINANCE AGENCY
 Single Family Mortgage Revenue Bond Funds
 Supplemental Combining Schedule of Revenues, Expenses
 and Changes in Fund Net Assets
 For the Year Ended September 30, 2002

Continued

1995 Series B & 1994 Series D-2	1996 Series A & 1994 Series D-3	1996 Series B	1996 Series C	1997 Series A
\$ 960,591	\$ 809,212	\$ 1,075,912	\$ 985,974	\$ 1,081,164
-	-	-	-	-
141,137	117,987	111,947	187,025	271,356
-	1,532	-	-	-
<u>\$ 1,101,728</u>	<u>\$ 928,731</u>	<u>\$ 1,187,859</u>	<u>\$ 1,172,999</u>	<u>\$ 1,352,520</u>
\$ 852,454	\$ 732,612	\$ 947,077	\$ 851,207	\$ 929,126
60,757	54,824	67,119	66,320	71,841
36,704	10,639	5,494	-	-
22,898	16,774	25,372	32,036	27,530
-	-	-	-	16
<u>\$ 972,813</u>	<u>\$ 814,849</u>	<u>\$ 1,045,062</u>	<u>\$ 949,563</u>	<u>\$ 1,028,513</u>
\$ 128,915	\$ 113,882	\$ 142,797	\$ 223,436	\$ 324,007
-	-	-	-	-
<u>\$ 128,915</u>	<u>\$ 113,882</u>	<u>\$ 142,797</u>	<u>\$ 223,436</u>	<u>\$ 324,007</u>
1,176,109	709,069	850,677	680,220	704,177
<u>\$ 1,305,024</u>	<u>\$ 822,951</u>	<u>\$ 993,474</u>	<u>\$ 903,656</u>	<u>\$ 1,028,184</u>

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Revenues, Expenses
and Changes in Fund Net Assets
For the Year Ended September 30, 2002

	1997 Series B	1998 Series A	1998 Series B
	<u> </u>	<u> </u>	<u> </u>
Operating Revenues			
Interest Income			
Investments	\$ 1,544,370	\$ 1,842,070	\$ 1,689,646
Program Loans	-	-	-
Net Increase in Fair Value of Investments	330,857	683,986	547,445
Other	-	-	1,720
	<u> </u>	<u> </u>	<u> </u>
Total Operating Revenues	<u>\$ 1,875,227</u>	<u>\$ 2,526,056</u>	<u>\$ 2,238,811</u>
Operating Expenses			
Interest	\$ 1,362,922	\$ 1,611,109	\$ 1,212,403
Mortgage Servicing Fees	104,803	133,706	119,891
Amortization of Deferred Finance Costs	-	-	-
Trustees, Issuer and Other Fees	54,382	48,948	53,219
Other	16,028	20	23
	<u> </u>	<u> </u>	<u> </u>
Total Operating Expenses	<u>\$ 1,538,135</u>	<u>\$ 1,793,783</u>	<u>\$ 1,385,536</u>
Net Income (Loss) before Operating Transfers	\$ 337,092	\$ 732,273	\$ 853,275
Operating Transfers In (Out)	-	-	-
Net Income (Loss)	\$ 337,092	\$ 732,273	\$ 853,275
Total Net Assets, Beginning	800,552	540,327	547,782
Total Net Assets, Ending	<u>\$ 1,137,644</u>	<u>\$ 1,272,600</u>	<u>\$ 1,401,057</u>

* No supplemental schedule of Net Assets is presented for these funds because there are no balance sheet accounts at September 30, 2002.

OKLAHOMA HOUSING FINANCE AGENCY
 Single Family Mortgage Revenue Bond Funds
 Supplemental Combining Schedule of Revenues, Expenses
 and Changes in Fund Net Assets
 For the Year Ended September 30, 2002

Continued

1998 Series D	1999 Series A	1999 Series B	1999 B Anticipation	1999 Series C
\$ 1,945,739	\$ 2,002,316	\$ 3,070,702	\$ -	\$ 385,869
-	-	-	-	-
1,153,583	963,911	1,055,765	-	29,173
128,861	-	-	-	36,834
<u>\$ 3,228,183</u>	<u>\$ 2,966,227</u>	<u>\$ 4,126,467</u>	<u>\$ -</u>	<u>\$ 451,876</u>
\$ 1,661,594	\$ 1,684,499	\$ 2,642,465	\$ -	\$ 388,827
152,622	148,526	220,405	-	34,847
-	-	-	-	-
62,167	92,250	111,240	-	38,673
-	26	30	19,666	-
<u>\$ 1,876,383</u>	<u>\$ 1,925,301</u>	<u>\$ 2,974,140</u>	<u>\$ 19,666</u>	<u>\$ 462,347</u>
\$ 1,351,800	\$ 1,040,926	\$ 1,152,327	\$ (19,666)	\$ (10,471)
-	-	-	-	-
\$ 1,351,800	\$ 1,040,926	\$ 1,152,327	\$ (19,666)	\$ (10,471)
168,340	306,333	792,188	19,666	467,057
<u>\$ 1,520,140</u>	<u>\$ 1,347,259</u>	<u>\$ 1,944,515</u>	<u>\$ -</u>	<u>\$ 456,586</u>

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OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Revenues, Expenses
and Changes in Fund Net Assets
For the Year Ended September 30, 2002

	1999 Series D	2000 Series A
	<u> </u>	<u> </u>
Operating Revenues		
Interest Income		
Investments	\$ 2,384,840	\$ 2,162,708
Program Loans	-	-
Net Increase in Fair Value of Investments	516,565	301,128
Other	-	-
	<u> </u>	<u> </u>
Total Operating Revenues	\$ 2,901,405	\$ 2,463,836
	<u> </u>	<u> </u>
Operating Expenses		
Interest	\$ 2,094,346	\$ 1,806,508
Mortgage Servicing Fees	156,580	138,916
Amortization of Deferred Finance Costs	-	-
Trustees, Issuer and Other Fees	80,318	67,635
Other	20	14,577
	<u> </u>	<u> </u>
Total Operating Expenses	\$ 2,331,264	\$ 2,027,636
	<u> </u>	<u> </u>
Net Income (Loss) before Operating Transfers	\$ 570,141	\$ 436,200
Operating Transfers In (Out)	-	-
	<u> </u>	<u> </u>
Net Income (Loss)	\$ 570,141	\$ 436,200
Total Net Assets, Beginning	1,118,612	1,472,381
	<u> </u>	<u> </u>
Total Net Assets, Ending	<u>\$ 1,688,753</u>	<u>\$ 1,908,581</u>

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Revenues, Expenses
and Changes in Fund Net Assets
For the Year Ended September 30, 2002

Continued

2000 Series B	2000 Series C	2000 Series D	2000 Draw Down Series	2001 Series A
\$ 839,256	\$ 2,725,093	\$ 1,672,134	\$ -	\$ 2,066,062
-	-	-	-	1,094,057
(172,786)	(135,069)	372,427	-	795,756
-	(10,348)	74,467	-	27,266
<u>\$ 666,470</u>	<u>2,579,676</u>	<u>\$ 2,119,028</u>	<u>\$ -</u>	<u>\$ 3,983,141</u>
\$ 742,988	\$ 2,386,595	\$ 1,395,676	\$ -	\$ 2,388,914
49,026	135,800	102,678	-	165,430
-	-	-	-	-
80,931	98,232	47,038	-	-
-	269	4,300	-	3,316
<u>\$ 872,945</u>	<u>\$ 2,620,896</u>	<u>\$ 1,549,692</u>	<u>\$ -</u>	<u>\$ 2,557,660</u>
\$ (206,475)	\$ (41,220)	\$ 569,336	\$ -	\$ 1,425,481
-	-	-	-	(30,019)
<u>\$ (206,475)</u>	<u>\$ (41,220)</u>	<u>\$ 569,336</u>	<u>\$ -</u>	<u>\$ 1,395,462</u>
<u>826,570</u>	<u>1,876,965</u>	<u>717,736</u>	<u>1,639</u>	<u>5,986,345</u>
<u><u>\$ 620,095</u></u>	<u><u>\$ 1,835,745</u></u>	<u><u>\$ 1,287,072</u></u>	<u><u>\$ 1,639</u></u>	<u><u>\$ 7,381,807</u></u>

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Revenues, Expenses
and Changes in Fund Net Assets
For the Year Ended September 30, 2002

	<u>2001 Draw Down Series</u>	<u>2001 Series B</u>
Operating Revenues		
Interest Income		
Investments	\$ 399,267	\$ 1,286,735
Program Loans	-	-
Net Increase in Fair Value of Investments	-	749,982
Other	-	420,648
	<u>399,267</u>	<u>2,457,365</u>
Total Operating Revenues	<u>\$ 399,267</u>	<u>\$ 2,457,365</u>
Operating Expenses		
Interest	\$ 370,003	\$ 1,186,758
Mortgage Servicing Fees	-	48,410
Amortization of Deferred Finance Costs	-	-
Trustees, Issuer and Other Fees	-	-
Other	84,397	-
	<u>454,400</u>	<u>1,235,168</u>
Total Operating Expenses	<u>\$ 454,400</u>	<u>\$ 1,235,168</u>
Net Income (Loss) before Operating Transfers	\$ (55,133)	\$ 1,222,197
Operating Transfers In (Out)	<u>-</u>	<u>-</u>
Net Income (Loss)	\$ (55,133)	\$ 1,222,197
Total Net Assets, Beginning	<u>55,133</u>	<u>-</u>
Total Net Assets, Ending	<u>\$ -</u>	<u>\$ 1,222,197</u>
	*	

OKLAHOMA HOUSING FINANCE AGENCY
 Single Family Mortgage Revenue Bond Funds
 Supplemental Combining Schedule of Revenues, Expenses
 and Changes in Fund Net Assets
 For the Year Ended September 30, 2002

2002 Series A&B	2002 Series C	2002 Draw Down Series	Total Single Family Bond Programs
\$ 519,847	\$ 180,889	\$ 157,805	\$ 38,029,955
-	-	-	2,207,062
741,715	-	-	9,285,237
687,458	-	(28)	1,431,452
<u>\$ 1,949,020</u>	<u>\$ 180,889</u>	<u>\$ 157,777</u>	<u>\$ 50,953,706</u>
\$ 743,029	\$ 318,661	\$ 155,085	\$ 34,935,051
-	-	-	2,478,631
-	-	-	98,828
-	-	-	1,111,002
27	2	30	158,416
<u>\$ 743,056</u>	<u>\$ 318,663</u>	<u>\$ 155,115</u>	<u>\$ 38,781,928</u>
\$ 1,205,964	\$ (137,774)	\$ 2,662	\$ 12,171,778
-	-	-	(30,019)
<u>\$ 1,205,964</u>	<u>\$ (137,774)</u>	<u>\$ 2,662</u>	<u>\$ 12,141,759</u>
-	-	-	30,333,517
<u><u>\$ 1,205,964</u></u>	<u><u>\$ (137,774)</u></u>	<u><u>\$ 2,662</u></u>	<u><u>\$ 42,475,276</u></u>

OKLAHOMA HOUSING FINANCE AGENCY
Supplemental Combining Statement of Net Assets
September 30, 2002

ASSETS	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
Current Assets				
Cash and Cash Equivalents	\$ --	\$ 6,095,869	\$ --	\$ 6,095,869
Investments	--	2,537,027	--	2,537,027
Accounts Receivable	--	584,928	(66,078)	518,850
Due from Other Funds	--	531,325	(531,325)	--
Prepaid Expenses	--	136,127	--	136,127
Interest Receivable	--	51,282	--	51,282
Total Current Assets	\$ --	\$ 9,936,558	\$ (597,403)	\$ 9,339,155
Noncurrent Assets				
Restricted Assets				
Cash	14,579,165	6,340,624	--	20,919,789
Investments	584,334,881	--	--	584,334,881
Accounts Receivable	--	--	--	--
Interest Receivable	2,962,055	--	--	2,962,055
Program Loans Receivable	18,745,837	--	--	18,745,837
Deferred Issuance, Finance and Other Costs, Net	255,764	--	--	255,764
Program Loans Receivable	--	14,095,064	--	14,095,064
Long-Term Investments	--	12,053,357	--	12,053,357
Property and Equipment, Net	--	4,011,816	--	4,011,816
Deferred Finance Costs, Net	--	4,309,469	--	4,309,469
Total Noncurrent Assets	\$ 620,877,702	\$ 40,810,330	\$ --	\$ 661,688,032
Total Assets	\$ 620,877,702	\$ 50,746,888	\$ (597,403)	\$ 671,027,187
Current Liabilities				
Accounts Payable and Accrued Expenses	\$ 1,167,837	\$ 1,586,601	\$ (63,397)	\$ 2,691,041
Due to Other Funds	534,006	--	(534,006)	--
Deferred Intergovernmental Revenue	--	3,008,014	--	3,008,014
Compensated Absences	--	569,585	--	569,585
Interest Payable	3,316,843	--	--	3,316,843
Current Maturities of Bonds and Notes Payable	56,333,385	11,387,828	--	67,721,213
Total Current Liabilities	\$ 61,352,071	\$ 16,552,028	\$ (597,403)	\$ 77,306,696
Noncurrent Liabilities				
Bonds and Notes Payable Less Current Maturities	\$ 514,287,861	\$ --	\$ --	\$ 514,287,861
Deferred Revenue and Other Deferred Credits	209,341	--	--	209,341
HOME Funds Payable	2,553,153	--	--	2,553,153
Total Liabilities	\$ 517,050,355	\$ --	\$ --	\$ 517,050,355
Net Assets				
Invested in Capital Assets	\$ --	\$ 4,011,816	\$ --	\$ 4,011,816
Restricted for Single Family Bond Programs	42,475,276	--	--	42,475,276
Unrestricted	--	30,183,044	--	30,183,044
Total Net Assets	\$ 42,475,276	\$ 34,194,860	\$ --	\$ 76,670,136

OKLAHOMA HOUSING FINANCE AGENCY
Supplemental Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
September 30, 2002

	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
Operating Revenues				
Interest Income				
Investments	\$ 38,029,955	\$ (30,009)	\$ --	\$ 37,999,946
Program Loans	2,207,062	--	--	2,207,062
Net Increase in Fair Value of Investments	9,285,237	(107,900)	--	9,177,337
Fees and Other Income	1,431,452	11,691,156	(1,014,684)	12,107,924
Total Operating Revenues	\$ 50,953,706	\$ 11,553,247	\$ (1,014,684)	\$ 61,492,269
Operating Expenses				
Interest	\$ 34,935,051	\$ 338,674	\$ --	\$ 35,273,725
Mortgage Servicing Fees	2,478,631	--	--	2,478,631
Amortization of Deferred Finance Costs	98,828	356,973	--	455,801
Trustees, Issuer and Other Fees	1,111,002	--	(1,014,684)	96,318
Salaries and Related Expenses	--	5,420,929	--	5,420,929
Other General and Administrative	158,416	2,560,795	--	2,719,211
Total Operating Expenses	\$ 38,781,928	\$ 8,677,371	\$ (1,014,684)	\$ 46,444,615
Operating Income	\$ 12,171,778	\$ 2,875,876	\$ --	\$ 15,047,654
Nonoperating Revenue (Expenses)				
Federal Program Income	\$ --	\$ 106,068,448	\$ --	\$ 106,068,448
Federal Program Expense	--	(106,068,448)	--	(106,068,448)
Other	--	(8,059)	--	(8,059)
Nonoperating Loss	\$ --	\$ (8,059)	\$ --	\$ (8,059)
Net Income (Loss) before Operating Transfers	\$ 12,171,778	\$ 2,867,817	\$ --	\$ 15,039,595
Operating Transfers In (Out)	(30,019)	30,019	--	--
Net Income	\$ 12,141,759	\$ 2,897,836	\$ --	\$ 15,039,595
Total Net Assets, Beginning	30,333,517	31,297,024	--	61,630,541
Total Net Assets, Ending	\$ 42,475,276	\$ 34,194,860	\$ --	\$ 76,670,136

OKLAHOMA HOUSING FINANCE AGENCY
Supplemental Combining Statement of Cash Flows
For the Year Ended September 30, 2002

	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
Cash Flows from Operating Activities				
Receipts from Fees	\$ 1,409,254	\$ 1,283,847	\$ --	\$ 2,693,101
Receipts from Program Loan Payments	7,486,903	9,421,698	--	16,908,601
Receipts from Housing Trust Fund	--	507,425	--	507,425
Receipts from Other Sources	13,304	101	--	13,405
Payments to Employees	--	(5,401,121)	--	(5,401,121)
Payments to Suppliers	--	(1,733,491)	--	(1,733,491)
Payments for Purchases of Program Loans	--	(12,900,710)	--	(12,900,710)
Payments for Bond Fees	(1,822,097)	--	--	(1,822,097)
Payments for Trustee and Other Fees	(1,111,002)	--	--	(1,111,002)
Payments for Other Expenses	(158,417)	--	--	(158,417)
Net Cash Provided (Used) by Operating Activities	\$ 5,817,945	\$ (8,822,251)	\$ --	\$ (3,004,306)
Cash Flows from Capital and Related Financing Activities				
Acquisition of Fixed Assets	\$ --	\$ (609,934)	\$ --	\$ (609,934)
Net Cash (Used) By Capital and Related Financing Activities	\$ --	\$ (609,934)	\$ --	\$ (609,934)
Cash Flows from Noncapital Financing Activities				
Principal Paid on Notes Payable	\$ --	\$ (51,146,897)	\$ --	\$ (51,146,897)
Principal Paid on Bonds Payable	(120,653,797)	--	--	(120,653,797)
Interest Paid on Notes Payable	--	(338,674)	--	(338,674)
Interest Paid on Bonds Payable	(34,959,896)	--	--	(34,959,896)
Payment of Bond Issuance Costs	12,905	(1,057,174)	--	(1,044,269)
Proceeds from Issuance of Bonds	115,272,000	62,534,725	--	177,806,725
Receipt of Federal Program Income	278,044	105,406,957	--	105,685,001
Payment of Federal Program Expenses	--	(105,413,888)	--	(105,413,888)
Net Cash (Used) By Noncapital Financing Activities	\$ (40,050,744)	\$ 9,985,049	\$ --	\$ (30,065,695)
Cash Flows from Investing Activities				
Purchase of Investments	\$ (272,177,110)	\$ (23,390,290)	\$ --	\$ (295,567,400)
Proceeds from Sales and Maturities of Investments	268,271,131	23,061,710	--	291,332,841
Interest Received on Investments	38,243,281	821,357	--	39,064,638
Net Cash Provided by Investing Activities	\$ 34,337,302	\$ 492,777	\$ --	\$ 34,830,079
Net Increase in Cash	\$ 104,503	\$ 1,045,641	\$ --	\$ 1,150,144
Cash and Cash Equivalents at Beginning of Year	14,474,662	11,390,852	--	25,865,514
Cash and Cash Equivalents at End of Year	<u>\$ 14,579,165</u>	<u>\$ 12,436,493</u>	<u>\$ --</u>	<u>\$ 27,015,658</u>
Cash as Reported on Balance Sheet				
Unrestricted	\$ --	\$ 6,095,869	\$ --	\$ 6,095,869
Restricted	14,579,165	6,340,624	--	20,919,789
	<u>\$ 14,579,165</u>	<u>\$ 12,436,493</u>	<u>\$ --</u>	<u>\$ 27,015,658</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income	\$ 12,171,778	\$ 2,875,876	\$ --	\$ 15,047,654
Adjustments to Reconcile Operating Income to Net Cash Used by Operating Activities				
Depreciation	--	448,507	--	448,507
Interest on Bonds and Notes Payable	34,935,050	338,674	--	35,273,724
Interest from Investments	(38,029,955)	(774,886)	--	(38,804,841)
Program Loan Repayments	5,279,841	320,735	--	5,600,576
Purchase of Program Loans	--	(12,900,709)	--	(12,900,709)
Amortization of Fees and Deferred Finance Costs	98,828	356,973	--	455,801
Net Change in Fair Value of Investments	(9,285,237)	107,900	--	(9,177,337)
Net Change in Other Assets and Liabilities	647,640	376,453	--	1,024,093
Net Change in Compensated Absences	--	28,226	--	28,226
Net Cash Provided by Operating Activities	\$ 5,817,945	\$ (8,822,251)	\$ --	\$ (3,004,306)

The Accompanying Notes are an Integral Part of the Financial Statements