



OKLAHOMA HOUSING FINANCE AGENCY  
Financial Statements  
For the Year Ended September 30, 2005  
Together with Auditors' Reports

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OKLAHOMA HOUSING FINANCE AGENCY  
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## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying basic financial statements of the Oklahoma Housing Finance Agency, a component unit of the State of Oklahoma, as of and for the years ended September 30, 2005 and 2004, as listed in the table of contents. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets of the Oklahoma Housing Finance Agency, as of September 30, 2005 and 2004, 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.

In accordance with Government Auditing Standards, we have also issued our report dated January 13, 2006, on our consideration of the Oklahoma Housing Finance Agency'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

## INDEPENDENT AUDITORS' REPORT

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 accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

*Manell, Hall, McIntosh & Co., P.C.*

Norman, Oklahoma  
January 13, 2006

## **REQUIRED SUPPLEMENTARY INFORMATION**

Oklahoma Housing Finance Agency  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**(unaudited)**  
September 30, 2005

As management of Oklahoma Housing Finance Agency ("OHFA" or "Agency"), we offer readers of OHFA's financial statements this narrative overview and analysis of the financial activities for the fiscal years ended September 30, 2005 and 2004. This information is being presented to provide additional information regarding the activities of OHFA and to meet the disclosure requirements of Government Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This analysis should be read in conjunction with the financial statements, notes to financial statements, and supplemental information.

## **OVERVIEW**

OHFA was created in 1975 to provide funds to promote the development of adequate residential housing and other economic development to families of Oklahoma with low and moderate incomes. OHFA is a self-supporting public trust and follows enterprise fund accounting.

## **FINANCIAL HIGHLIGHTS**

### **Year Ended September 30, 2005**

- Total assets increased by \$1.2 million
- Net assets decreased by \$4.2 million
- Made 1,323 single family mortgage loans available to first time homebuyers compared to 1,508 in FY 2004
- Provided 109,699 unit months of Section 8 rental assistance compared to 109,616 in FY 2004
- Paid \$44.7 million in rental assistance to benefit Section 8 voucher holders compared to \$42.8 million in 2004
- Allocated \$6.4 million in tax credits to developers compared to \$5.9 million in FY 2004
- Paid \$53.0 million in rental assistance to project based Section 8 properties compared to \$49.4 million in FY 2004

### **Year Ended September 30, 2004**

- Total assets decreased by \$46.3 million
- Net assets increased by \$.9 million
- Made 1,508 single family mortgage loans available to first time homebuyers compared to 1,309 in FY 2003
- Provided 109,616 unit months of Section 8 rental assistance compared to 123,011 in FY 2003
- Paid \$42.8 million in rental assistance to benefit Section 8 voucher holders compared to \$43.9 million in FY 2003
- Allocated \$5.9 million in tax credits to developers compared to \$7.8 million in FY 2003
- Paid \$49.4 million in rental assistance to project based Section 8 properties compared to \$45.6 million in FY 2003

A General Obligation issuer rating of A2 from Moody's Investors Service has been maintained by the Agency since September 2002. This rating reflects OHFA's sound financial condition, a bond program collateralized by highly rated mortgage backed securities, as well as capable and dedicated management.

The Section 8 program provides rental assistance to many elderly, single parent, or working families in need of help with their rent payments.

The Single Family bond program makes affordable home loans available to first time homebuyers through proceeds from mortgage revenue bonds.

Housing Tax Credits are provided to developers as an incentive to build new, affordable complexes or rehabilitate complexes in need of repair.

As Section 8 Contract Administrator for project based Section 8 properties located throughout Oklahoma for HUD, OHFA's duties consisted of 182 properties, totaling 12,251 assisted units, compared to FY 2004 duties of 177 properties, totaling 11,620 assisted units. The Agency receives a fee to administer the program based on the number of units under contract and an incentive fee based on 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.

## CONDENSED FINANCIAL INFORMATION

### Statement of Net Assets

The following table presents condensed statement of net assets for the Agency as of September 30, 2005 and 2004, and the change from the prior year (in millions):

#### Condensed Statement of Net Assets

	<u>2005</u>	<u>2004</u>	<u>Increase (Decrease)</u>
<b>Assets</b>			
Current assets	\$5.3	\$7.5	\$(2.2)
Non-current assets			
Restricted	560.3	562.0	(1.7)
Net capital assets	4.0	3.8	0.2
Unrestricted	12.3	7.4	4.9
<b>Total assets</b>	<u>\$581.9</u>	<u>\$580.7</u>	<u>\$1.2</u>
<b>Liabilities</b>			
Current liabilities	31.2	60.6	(29.4)
Non-current Liabilities	477.8	443.0	34.8
<b>Total liabilities</b>	<u>\$509.0</u>	<u>\$503.6</u>	<u>\$5.4</u>
<b>Net assets</b>			
Invested in capital assets	4.0	3.8	0.2
Restricted for single family bonds	47.6	54.5	(6.9)
Undesignated	21.3	18.8	2.5
<b>Total net assets</b>	<u>\$72.9</u>	<u>\$77.1</u>	<u>\$(4.2)</u>



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

Virtually all of the decrease in current liabilities of \$29.4 million is due to a decrease in current maturities of bonds and notes payable due to the timing of bond payments structured into the various single family bond issues. This decrease in current maturities of bonds and notes payable conversely causes the majority of the \$34.8 million increase in non-current liabilities.

### 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, 2005 and 2004, and the change from the prior year (in millions):

#### Condensed Statements of Revenues, Expenses, and Changes in Net Assets

	<u>2005</u>	<u>2004</u>	<u>Increase (Decrease)</u>
<b>Revenues</b>			
Operating revenues			
Interest income			
Investments and program loans	\$ 31.1	\$ 30.8	\$ .3
Net decrease in fair value of investments	(7.6)	(3.0)	(4.6)
Fees and other income	10.0	12.0	(2.0)
Federal program income	<u>114.3</u>	<u>109.7</u>	<u>4.6</u>
<b>Total revenues</b>	\$ <u>147.8</u>	\$ <u>149.5</u>	\$ <u>(1.7)</u>
<b>Expenses</b>			
Interest on bonds and notes	25.7	26.5	(.8)
Other bond program expenses	2.9	3.3	(.4)
Salaries, general and administrative	9.1	9.1	--
Federal program expenses	<u>114.3</u>	<u>109.7</u>	<u>4.6</u>
<b>Total expenses</b>	\$ <u>152.0</u>	\$ <u>148.6</u>	\$ <u>3.4</u>
<b>Net income</b>	(4.2)	.9	(5.1)
Net assets at the beginning of year	<u>77.1</u>	<u>76.2</u>	<u>.9</u>
Net assets at the end of year	\$ <u>72.9</u>	\$ <u>77.1</u>	\$ <u>(4.2)</u>

Explanations of significant fluctuations in revenues, expenses, and changes in net assets follow.

The net decrease in the fair value of investments of \$7.6 million is almost entirely due to mortgage backed securities in the Single Family Bond program declining in value as interest rates increased.

Fees and other income decreased by \$2.0 million primarily due to a decrease in other income within the Single Family Bond issues.

Federal program revenues and expenses increased primarily by \$4.6 million due to \$3.6 and \$2.0 million in additional revenues and expenditures in the Section 8 Contract Administration program and the Section 8 Housing Choice Voucher programs, respectively. These increases are due to an increase in program funding from the U.S. Department of Housing and Urban Development.

Interest expense on bonds and notes reduced in FY 2005 from FY 2004. This decrease reflects the reduced interest rates for new debt in FY 2005, and redemptions of higher rate debts.

The decrease in net income of \$5.2 million is primarily due to a \$4.6 million increase in the net decrease in fair value of investments in FY 2005 over FY 2004. As interest rates increase, the value of Agency investments decreases. FY 2005 was a year of rising interest rates.

The decrease in net assets at the end of FY 2005 over FY 2004 is due to the net loss for FY 2005. This net loss is primarily attributed to the net decrease in fair value of investments discussed above.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a set of basic financial statements. The Statements of Net Assets and the Statements 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 27 – 37) 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 39 – 50). 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 discussion and analysis is to provide additional information regarding the activities of the Agency. If you have questions about this report, or need additional financial information, contact the OHFA Finance Team Leader, Eldon Overstreet, JD, CPA, at (405) 419-8209; Oklahoma Housing Finance Agency, P.O. Box 26720, Oklahoma City, OK 73126-0720; e-mail: [eldon.overstreet@ohfa.org](mailto:eldon.overstreet@ohfa.org); or visit our website at [www.ohfa.org](http://www.ohfa.org).

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## **BASIC FINANCIAL STATEMENTS**

OKLAHOMA HOUSING FINANCE AGENCY  
Statements of Net Assets

	September 30,	
	2005	2004
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents	\$ 3,390,229	\$ 5,483,724
Investments	759,399	1,282,265
Accounts Receivable	765,540	469,630
Interest Receivable	188,617	86,993
Prepaid Expenses	193,424	188,731
	<hr/>	<hr/>
Total Current Assets	\$ 5,297,209	\$ 7,511,343
	<hr/>	<hr/>
Noncurrent Assets		
Restricted Assets		
Cash and Cash Equivalents	\$ 22,054,202	\$ 26,689,174
Investments	521,903,079	516,738,945
Accounts Receivable	--	13,222
Interest Receivable	2,454,775	2,329,819
Program Loans Receivable	9,986,892	12,002,549
Deferred Finance Costs	3,955,017	4,190,352
Program Loans Receivable	--	913,906
Long-Term Investments	12,280,686	6,500,000
Property and Equipment Net of Accumulated Depreciation of \$2,322,821 and \$2,029,846 respectively	 3,963,547	 3,796,243
	<hr/>	<hr/>
Total Noncurrent Assets	\$ 576,598,198	\$ 573,174,210
	<hr/>	<hr/>
Total Assets	\$ 581,895,407	\$ 580,685,553
	<hr/>	<hr/>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 4,957,622	\$ 3,817,593
Deferred Intergovernmental Revenue	1,746,921	2,287,911
Compensated Absences	700,161	635,634
Interest Payable	3,020,497	3,103,157
Current Maturities of Bonds and Notes Payable	20,781,113	50,747,690
	<hr/>	<hr/>
Total Current Liabilities	\$ 31,206,314	\$ 60,591,985
	<hr/>	<hr/>
Noncurrent Liabilities		
Bonds and Notes Payable Less Current Maturities	\$ 475,159,999	\$ 440,271,964
Deferred Revenue	53,886	96,512
HOME Funds Payable	2,620,353	2,620,353
	<hr/>	<hr/>
Total Noncurrent Liabilities	\$ 477,834,238	\$ 442,988,829
	<hr/>	<hr/>
Total Liabilities	\$ 509,040,552	\$ 503,580,814
	<hr/>	<hr/>
<b>NET ASSETS</b>		
Invested in Capital Assets	\$ 3,963,547	\$ 3,796,243
Restricted for Single Family Bonds	47,577,682	54,542,273
Unrestricted	21,313,626	18,766,223
	<hr/>	<hr/>
Total Net Assets	\$ 72,854,855	\$ 77,104,739
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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,	
	2005	2004
Operating Revenues		
Investment Income		
Investments	\$ 30,008,367	\$ 29,665,186
Program Loans	1,076,752	1,106,319
Net (Decrease) Increase in Fair Value of Investments	(7,568,741)	(3,007,187)
Fees and Other Income	9,986,388	11,975,774
Total Operating Revenues	<u>\$ 33,502,766</u>	<u>\$ 39,740,092</u>
Operating Expenses		
Interest	\$ 25,742,275	\$ 26,497,069
Mortgage Servicing Fees	2,137,165	2,065,461
Amortization of Deferred Finance Costs	600,931	1,063,057
Trustees, Issuer and Other Fees	115,207	137,747
Salaries and Related Expenses	6,394,184	6,100,093
Other General and Administrative	2,751,964	2,954,678
Total Operating Expenses	<u>\$ 37,741,726</u>	<u>\$ 38,818,105</u>
Operating Income (Loss)	<u>\$ (4,238,960)</u>	<u>\$ 921,987</u>
Nonoperating Revenue (Expenses)		
Federal Program Income	\$ 114,341,296	\$ 109,727,093
Federal Program Expense	(114,341,296)	(109,727,093)
Other	(10,924)	(2,534)
Nonoperating Loss	<u>\$ (10,924)</u>	<u>\$ (2,534)</u>
Net Income (Loss)	\$ (4,249,884)	\$ 919,453
Total Net Assets, Beginning	<u>77,104,739</u>	<u>76,185,286</u>
Total Net Assets, Ending	<u>\$ 72,854,855</u>	<u>\$ 77,104,739</u>

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,	
	2005	2004
Cash Flows from Operating Activities		
Receipts from Fees	\$ 9,799,718	\$ 11,883,496
Receipts from Program Loan Payments	6,839,675	5,234,819
Receipts from Housing Trust Fund	530,740	853,880
Receipts from Other Sources	(8,710)	9,779
Payments to Employees	(6,332,089)	(6,063,629)
Payments to Suppliers	(3,398,266)	(2,646,125)
Payments for Purchases of Program Loans	(2,711,770)	(1,664,847)
Payments for Bond Fees	(864,635)	(2,572,382)
Payments for Trustee and Other Fees	(966,386)	(1,108,034)
Payments for Other Expenses	(186,322)	(19,599)
Net Cash Provided by Operating Activities	\$ 2,701,955	\$ 3,907,358
Cash Flows from Capital and Related Financing Activities		
Acquisition of Fixed Assets	\$ (653,126)	\$ (384,175)
Net Cash (Used) By Capital and Related Financing Activities	\$ (653,126)	\$ (384,175)
Cash Flows from Noncapital Financing Activities		
Principal Paid on Bonds Payable	\$ (283,703,262)	\$ (186,189,737)
Interest Paid on Bonds Payable	(25,824,936)	(26,328,117)
Payment of Bond Issuance Costs	(365,596)	(1,183,969)
Proceeds from Issuance of Bonds	288,624,721	140,037,915
Receipt of Federal Program Income	113,861,039	109,815,120
Payment of Federal Program Expenses	(113,532,268)	(110,282,827)
Net Cash (Used) By Noncapital Financing Activities	\$ (20,940,302)	\$ (74,131,615)
Cash Flows from Investing Activities		
Purchase of Investments	\$ (473,073,420)	\$ (584,120,949)
Proceeds from Sales and Maturities of Investments	455,071,847	614,646,739
Interest Received on Investments	30,164,579	29,854,018
Net Cash Provided by Investing Activities	\$ 12,163,006	\$ 60,379,808
Net Increase (Decrease) in Cash	\$ (6,728,467)	\$ (10,228,624)
Cash and Cash Equivalents at Beginning of Year	32,172,898	42,401,522
Cash and Cash Equivalents at End of Year	\$ 25,444,431	\$ 32,172,898
Cash as Reported on Balance Sheet		
Unrestricted	\$ 3,390,229	\$ 5,483,724
Restricted	22,054,202	26,689,174
	\$ 25,444,431	\$ 32,172,898
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	\$ (4,238,960)	\$ 921,987
Adjustments to Reconcile Operating Income to		
Net Cash Provided (Used) by Operating Activities		
Depreciation	474,843	451,310
Interest on Bonds and Notes Payable	25,742,276	26,497,070
Interest from Investments	(30,391,160)	(29,830,377)
Program Loan Repayments	5,641,333	4,083,103
Purchase of Program Loans	(2,711,770)	(1,664,847)
Amortization of Fees and Deferred Finance Costs	600,931	1,063,057
Net Change in Fair Value of Investments	7,579,619	3,007,187
Net Change in Other Assets and Liabilities	(59,686)	(658,451)
Net Change in Compensated Absences	64,529	37,319
Net Cash Provided (Used) by Operating Activities	\$ 2,701,955	\$ 3,907,358

The Accompanying Notes are an Integral Part of the Financial Statements

## 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 and the resident board member representing the Section 8 program.

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 type. 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 or money market accounts collateralized by government securities. 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 decrease in the fair value of investments, OHFA's net operating income would have been \$3,276,178.

##### **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, 2004 financial statements have not been repeated here. The footnotes for September 30, 2004 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 \$8,000,000 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

**Deposit Custodial Credit Risk** – Custodial credit risk is the risk that in the event of a bank failure, the Agency's deposits may not be returned to it. The Agency requires that financial institutions pledge collateral securities to secure the deposits of the Agency in each institution.

OKLAHOMA HOUSING FINANCE AGENCY  
Notes to Financial Statements

Note 3 – Cash and Investments (continued)

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. As of September 30, 2005, the Agency's bank balance of \$11,021,430 was exposed to credit risk as follows:

Uninsured, but collateral held by financial institution in the Agency's name	\$10,406,051
--	--------------

As of September 30, 2005, \$15,201,799 of the cash within the single family bond funds consists mainly of money market mutual funds held at trustee banks. These funds are classified as investments for the purposes of GASB Statement 40 disclosure requirements and therefore are not subject to custodial credit risk. For presentation on the face of the statements of net assets, these funds are classified as cash equivalents.

Investment Custodial Credit Risk – For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the Agency's \$16,714,901 investments in securities are held by the investment's counterparty, in the name of the Agency. Investments in securities with Bank of Oklahoma are rated BBB+ by Standard & Poor's. The remaining securities with FHLB, Fannie Mae, and Freddie Mac, are all rated AAA by Moody's.

Investment Interest Rate Risk – The agency limits investments to those having maturities of no more than 36 months, unless specifically authorized by the agency board of trustees, which helps manage its exposure to fair value losses from increasing interest rates. The agency's investments in securities and related maturities are listed below:

	Market Value	Investment Maturity (In Years)	
		Less than one Year	One to Three Years
Bank of Oklahoma	\$ 8,934,215	\$ -	\$ 8,934,215
Federal Home Loan Bank	3,483,942	2,486,132	997,810
Fannie Mae (Federal National Mortgage Association)	3,298,324	3,298,324	-
Freddie Mac (Federal Home Loan Mortgage Corporation)	998,420	-	998,420
Total Investments in Securities	\$ 16,714,901	\$ 5,784,456	\$ 10,930,445
Money Market Mutual Funds	15,961,197		
Government National Mortgage Association Pooled Loans	407,054,782		
Federal National Mortgage Association Pooled Loans	31,771,869		
Guaranteed Investment Contracts	71,270,783		
Total Investments	\$ 542,773,532		
Reconciliation to Statement of Net Assets:			
Market Value Adjustment	7,371,431		
Less: Single Family Bond Money Market Mutual Funds	(15,201,799)		
Total Investments on Statement of Net Assets	<u>\$ 534,943,164</u>		

# OKLAHOMA HOUSING FINANCE AGENCY

## Notes to Financial Statements

### Note 3 -- Cash and Investments (continued)

Concentration of Investment Credit Risk – The Agency places no limit on the amount the agency can invest in any one issuer. Investments in one issuer that account for five percent or more of the agency's total investments are indicated by an asterisk (\*) below.

	Market Value	Credit Exposure as a Percentage of Total Investments
<b>Agency Portion:</b>		
Certificates of Deposit	\$ 4,500,000	0.8%
Money Market Mutual Funds	759,398	0.1%
Federal Home Loan Bank	3,483,942	0.6%
Fannie Mae (Federal National Mortgage Association)	3,298,324	0.6%
Freddie Mac (Federal Home Loan Mortgage Corporation)	998,420	0.2%
	<u>\$ 13,040,084</u>	<u>2.4%</u>
<b>Single Family Bond Portion:</b>		
Certificates of Deposit	\$ 4,434,215	0.8%
Money Market Mutual Funds	\$ 15,201,799	2.8%
Government National Mortgage Association Pooled Loans	407,054,782 *	75.0%
Federal National Mortgage Association Pooled Loans	31,771,869 *	5.9%
Guaranteed Investment Contracts	71,270,783 *	13.1%
	<u>\$ 529,733,448</u>	<u>97.6%</u>
 Total Investments	 \$ 542,773,532	 <u>100%</u>
 Reconciliation to Statement of Net Assets:		
Market Value Adjustment	7,371,431	
Less: Single Family Bond Money Market Mutual Funds	(15,201,799)	
Total Investments on Statement of Net Assets	<u>\$ 534,943,164</u>	

Total investments are reported in the Statement of Net Assets in the following classifications:

Current	\$ 759,399
Noncurrent	
Restricted by Bond Indentures	521,903,079
Unrestricted	<u>12,280,686</u>
	<u>\$ 534,943,164</u>

The net change 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, 2005, 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 A	5/28/87	8.00%	5/1/2018	\$14,295,000	\$ --	\$ 3,210,000	\$11,085,000	\$3,099,996
1991 A&B	11/1/91	7.35%						
			11/1/2024	3,222,481	--	483,551	2,738,930	483,551
1994 B	8/30/94	8.92%	9/1/2016	1,285,000	--	1,225,000	60,000	--
1994 A-1	9/15/94	5.701%	3/1/2025	2,385,000	--	2,385,000	--	--
1994 A-2 &C-1	11/15/94	6.878% 6.410%	9/1/2026 3/1/2016	2,855,000	--	2,855,000	--	--
1994 C-2 &D-1	2/1/95	6.634% 7.125%	3/1/2016 9/1/2026	1,845,000	--	1,845,000	--	--
1995 A	3/1/95	6.603%	9/1/2026	660,000	--	660,000	--	--
1995 B, 1994 D-2	1/1/95 11/28/95	7.069% 6.145%						
			9/1/2026	4,310,000	--	1,355,000	2,955,000	60,000
1996A 1994D-3	2/1/96 3/28/96	6.772% 5.880%						
			9/1/2026	4,065,000	--	1,420,000	2,645,000	50,000
1996B	5/1/96	6.648%	9/1/2027	5,105,000	--	1,730,000	3,375,000	60,000
1996C	11/1/96	6.451%	3/1/2028	5,110,000	--	1,510,000	3,600,000	75,000
1997A	3/12/97	6.238%	9/1/2028	5,635,000	--	2,120,000	3,515,000	75,000
1997B-1, B-2, B-3		5.554% 6.059% 6.75%	3/1/2028 9/1/2029 9/1/2018					
	10/2/97			8,435,000	--	2,895,000	5,540,000	25,000
1998A-1 A-2		5.661% 6.40%	9/1/2029 9/1/2019					
	3/12/98			13,075,000	--	3,940,000	9,135,000	--
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					
				10,231,435	75,985	3,004,577	7,302,843	140,000
1998D-1 D-2 D-3		5.4% 5.313% 5.15%	3/1/2029 3/1/2030 9/1/2019					
	10/22/98			15,643,981	136,236	4,642,557	11,137,660	305,000
1999 A-1 A-2 A-3		5.5% 5.385% 6.05%	3/1/2029 3/1/2030 9/1/2020					
	2/19/99			14,562,802	82,813	3,443,859	11,201,756	215,000
1999 B-1 B-2 B-3		6.222% 5.532% 6.65%	9/1/2026 3/1/2030 9/1/2020					
	5/27/99			20,418,752	83,052	5,576,283	14,925,521	230,000
1999C	10/28/99	7.1%	9/1/2031	1,472,123	--	619,566	852,557	619,566
1999 D-1 D-2 D-3		6.578% 6.148% 7.02%	9/1/2026 9/1/2030 9/1/2026					
	10/15/99			13,529,700	54,303	4,201,138	9,382,865	135,000
2000 A-1 A-2 A-3 A-4		6.825% 5.631% 7.62% 4.3%	9/1/2018 9/1/2031 9/1/2027 9/1/2031					
	3/1/00			9,922,241	37,093	3,567,249	6,392,085	105,000
2000B	4/1/00	7.6%	9/1/2026	2,068,548	--	846,603	1,221,945	--
2000C-1 C-2 C-3		5.106% 6.517% 7.81%	9/1/2014 9/1/2028 9/1/2028					
	6/14/00			14,653,519	39,479	4,785,658	9,907,340	140,000
2000 D	10/4/00	6.4%	9/1/2031	9,497,188	26,620	3,327,109	6,196,699	80,000
2001 A-1	4/26/01	4.87%	3/1/2021	17,640,969	171,210	7,319,269	10,492,910	120,000
2001 B-1 B-2								
	9/1/01	5.52%	9/1/2032	18,585,000	--	4,555,000	14,030,000	185,000
2002 A&B	2/15/02	4.97%	9/1/2034	17,980,000	--	4,385,000	13,595,000	115,000
2002C	5/23/02	3.19%	9/1/2033	28,145,000	--	6,630,000	21,515,000	205,000
2003 A	1/31/03	3.91%	9/1/2034	27,940,000	--	4,470,000	23,470,000	230,000
2003 B	5/30/03	3.85%	9/1/2028	46,445,000	--	6,035,000	40,410,000	360,000
2003 C	8/22/03	5.45%	9/1/2034	33,775,000	--	4,055,000	29,720,000	265,000
2004 Draw Down								
	8/1/03	1.11%	8/31/05	36,225,915	144,359,928	180,585,843	--	--
2004 A	4/20/04	4.44%	3/1/2035	35,000,000	--	2,440,000	32,560,000	300,000
2004 B	7/8/04	5.43%	3/1/2035	45,000,000	--	1,485,000	43,515,000	360,000



# OKLAHOMA HOUSING FINANCE AGENCY

## Notes to Financial Statements

### Note 4 -- Bonds and Notes Payable (continued)

2005 Draw Down	8/1/05	3.14%	8/1/2007	--	12,013,000	--	12,013,000	12,013,000
2005 A	1/21/05	3.70%	9/1/2035	--	35,000,000	--	35,000,000	335,000
2005 B	6/15/05	3.93%	3/1/2036	--	51,450,000	--	51,450,000	185,000
2005 C	7/7/05	3.82%	9/1/2036	--	45,095,000	95,000	45,000,000	210,000
Single Family Revenue Bonds				<u>\$ 491,019,654</u>	<u>\$ 288,624,721</u>	<u>\$ 283,703,262</u>	<u>\$ 495,941,112</u>	<u>\$ 20,781,113</u>

Debt service requirements on bonds and notes payable at September 30, 2005, are as follows (expressed in thousands):

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011- 2015</u>	<u>2016- 2020</u>	<u>2021- 2025</u>	<u>2026 +</u>	<u>Total</u>
Principal and Interest	46,200	34,612	33,802	32,130	30,754	138,734	138,472	145,079	470,812	1,070,595
Less Interest	<u>25,419</u>	<u>25,785</u>	<u>25,163</u>	<u>24,847</u>	<u>25,196</u>	<u>112,048</u>	<u>106,937</u>	<u>102,469</u>	<u>126,790</u>	<u>574,654</u>
Total Principal	<u>20,781</u>	<u>8,827</u>	<u>8,639</u>	<u>7,283</u>	<u>5,558</u>	<u>26,686</u>	<u>31,535</u>	<u>42,610</u>	<u>344,022</u>	<u>495,941</u>

### Note 5 – Program Loans Receivable

Program Loans Receivable as of September 30, 2005 consisted of the following:

Single Family Program Funds, 1993 A & B, bearing interest at 8.5-8.95%, maturing December, 2014, AMBAC insured	\$ 467,487
Single Family Program Funds, 1994 B, bearing interest at 10.97%, maturing September, 2016, MBIA insured	3,952,580
Single Family Program Funds, 2001 A, bearing interest averaging 4.87%, maturing March, 2021	3,867,659
Housing Trust Fund, bearing interest at 5%, loan to be repaid out of 75% of cash flow from the property, no set term or maturity	200,000
Housing Trust Fund, bearing interest at 3.9%, 219-month term, collateralized by mortgages, maturing September, 2023	298,732
Housing Trust Fund, bearing interest at 1%, 3-year term, collateralized by mortgages, maturing December, 2005	32,500
Housing Trust Fund, bearing interest at 1%, 3-year term, collateralized by mortgages, maturing December 2005	300,000
Housing Trust Fund, bearing interest at 1%, 2-year term, collateralized by mortgages, maturing December 2005	117,510
Housing Trust Fund, bearing interest at 1%, 18-month term, collateralized by mortgages, maturing December 2005	46,333
Housing Trust Fund, bearing interest at 1%, 2-year term, collateralized by mortgages, maturing June, 2007	83,310
Housing Trust Fund, bearing interest at 1%, 18-month term, collateralized by mortgages, maturing February, 2007	155,525

# OKLAHOMA HOUSING FINANCE AGENCY

## Notes to Financial Statements

### Note 5 – Program Loans Receivable (continued)

Housing Trust Fund, bearing interest at 1%, 18-month term, collateralized by mortgages, maturing February, 2007	261,840
Program loans, bearing interest at 6-7.4%, maturing September 2026 through February, 2027, guaranteed by mortgage guaranty fund	<u>203,416</u>
	<u>\$9,986,892</u>

Reported in the following classifications:

Restricted Loans Receivable	\$ 9,783,476
Program Loans Receivable	<u>203,416</u>
	<u>\$ 9,986,892</u>

### 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 – 10% of the allowable annual compensation for the period beginning July 1, 1999, changed to 11.5% for the period beginning July 1, 2005. This percentage will increase by 1% annually beginning July 1, 2006, and each year thereafter, through June 30, 2011, when it reaches a maximum rate of 16.5%. 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, 2005 was \$488,238. The total payroll was \$4,735,764 and total covered payroll was \$4,708,139.

# OKLAHOMA HOUSING FINANCE AGENCY

## Notes to Financial Statements

### Note 7 -- Capital Assets

As of September 30, 2005, capital assets consisted of the following:

	Beginning Balance	Additions	Retirements	Ending Balance
Furniture & Equipment	\$ 2,335,615	\$ 312,634	\$ (192,850)	\$ 2,455,399
Building	2,073,055	336,244	-	2,409,299
Land	550,000	-	-	550,000
Improvements	867,419	4,250	-	871,670
Total	<u>\$ 5,826,089</u>	<u>\$ 653,127</u>	<u>\$ (192,850)</u>	<u>\$ 6,286,368</u>
Less accumulated depreciation:				
Furniture & Equipment	\$ (1,682,274)	\$ (327,844)	\$ 181,871	\$ (1,828,247)
Building	(155,864)	(59,490)	-	(215,354)
Improvements	(191,708)	(87,511)	-	(279,219)
Total	<u>\$ (2,029,846)</u>	<u>\$ (474,845)</u>	<u>\$ 181,871</u>	<u>\$ (2,322,821)</u>
Capital Assets, Net	<u><u>\$ 3,796,243</u></u>	<u><u>\$ 178,282</u></u>	<u><u>\$ (10,979)</u></u>	<u><u>\$ 3,963,547</u></u>

### 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, 2005, there were 7 series of multi-family bonds outstanding with an aggregate principal amount payable of \$28,147,140. Subsequent to year-end, 4 series of these bonds totaling \$14,670,000 were paid off by refinancing the debt with another lender.

## OKLAHOMA HOUSING FINANCE AGENCY

### Notes to Financial Statements

#### 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.

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## **SUPPLEMENTARY INFORMATION**



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 opinions on the financial statements that collectively comprise the Oklahoma Housing Finance Agency's basic financial statements. The accompanying supplementary information on the Single Family Mortgage Revenue Bond Funds is presented for purpose of additional analysis and is not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit 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., P.C.*

Norman, Oklahoma  
January 13, 2006

OKLAHOMA HOUSING FINANCE AGENCY  
Single Family Mortgage Revenue Bond Funds  
Supplemental Combining Schedule of Net Assets  
September 30, 2005

	1987 Series A	1991 Series A & B
<b>ASSETS</b>		
Noncurrent Assets		
Cash and Cash Equivalents	\$ 1,141,638	\$ 146,372
Investments	11,630,676	2,788,950
Accounts Receivable	-	-
Due from(to) Other Funds	-	-
Interest Receivable	76,033	16,415
Program Loans Receivable	-	-
Deferred Issuance, Finance and Other Costs, Net	-	-
	<hr/>	<hr/>
Total Assets	\$ 12,848,347	\$ 2,951,737
	<hr/>	<hr/>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 879	\$ 271
Interest Payable	73,872	16,776
Current Maturities of Bonds Payable	3,099,996	483,551
	<hr/>	<hr/>
Total Current Liabilities	\$ 3,174,747	\$ 500,598
	<hr/>	<hr/>
Noncurrent Liabilities		
Bonds Payable Less Current Maturities	\$ 7,985,004	\$ 2,255,378
Deferred Revenue and Other Deferred Credits	53,886	-
HOME Funds Payable	-	-
	<hr/>	<hr/>
Total Noncurrent Liabilities	\$ 8,038,890	\$ 2,255,378
	<hr/>	<hr/>
Total Liabilities	\$ 11,213,637	\$ 2,755,976
	<hr/>	<hr/>
<b>NET ASSETS</b>		
Restricted for Single Family Bond Programs	\$ 1,634,710	\$ 195,761
	<hr/>	<hr/>



OKLAHOMA HOUSING FINANCE AGENCY  
Single Family Mortgage Revenue Bond Funds  
Supplemental Combining Schedule of Net Assets  
September 30, 2005

Continued

1993 Series A & B	1994 Series B	1995 Series B & 1994 Series D-2	1996 Series A & 1994 Series D-3	1996 Series B
\$ 557,746	\$ 363,017	\$ 16,976	\$ 96,938	\$ -
-	-	3,789,021	3,042,490	3,987,155
-	-	-	-	-
-	-	-	-	-
4,808	37,107	20,382	16,195	21,766
467,487	3,952,580			
-	869	34,268	9,805	6,170
<u>\$ 1,030,041</u>	<u>\$ 4,353,573</u>	<u>\$ 3,860,647</u>	<u>\$ 3,165,428</u>	<u>\$ 4,015,091</u>
\$ 56	\$ 54,237	\$ 323	\$ 173	\$ 318
-	450	16,425	14,000	17,712
-	-	60,000	50,000	60,000
<u>\$ 56</u>	<u>\$ 54,687</u>	<u>\$ 76,748</u>	<u>\$ 64,173</u>	<u>\$ 78,030</u>
\$ -	\$ 60,000	\$ 2,895,000	\$ 2,595,000	\$ 3,315,000
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ 60,000</u>	<u>\$ 2,895,000</u>	<u>\$ 2,595,000</u>	<u>\$ 3,315,000</u>
<u>\$ 56</u>	<u>\$ 114,687</u>	<u>\$ 2,971,748</u>	<u>\$ 2,659,173</u>	<u>\$ 3,393,030</u>
<u>\$ 1,029,985</u>	<u>\$ 4,238,886</u>	<u>\$ 888,899</u>	<u>\$ 506,255</u>	<u>\$ 622,061</u>

OKLAHOMA HOUSING FINANCE AGENCY  
Single Family Mortgage Revenue Bond Funds  
Supplemental Combining Schedule of Net Assets  
September 30, 2005

	1996 Series C	1997 Series A
<b>ASSETS</b>		
Noncurrent Assets		
Cash and Cash Equivalents	\$ -	\$ 105,435
Investments	4,537,597	4,151,659
Accounts Receivable	-	-
Due from(to) Other Funds	-	-
Interest Receivable	23,915	21,673
Program Loans Receivable	-	-
Deferred Issuance, Finance and Other Costs, Net	-	-
	<hr/>	<hr/>
Total Assets	\$ 4,561,512	\$ 4,278,767
	<hr/>	<hr/>
<b>Liabilities</b>		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 388	\$ 323
Interest Payable	18,431	17,615
Current Maturities of Bonds Payable	75,000	75,000
	<hr/>	<hr/>
Total Current Liabilities	\$ 93,819	\$ 92,938
	<hr/>	<hr/>
Noncurrent Liabilities		
Bonds Payable Less Current Maturities	\$ 3,525,000	\$ 3,440,000
Deferred Revenue and Other Deferred Credits	-	-
HOME Funds Payable	398,668	-
	<hr/>	<hr/>
Total Noncurrent Liabilities	\$ 3,923,668	\$ 3,440,000
	<hr/>	<hr/>
Total Liabilities	\$ 4,017,487	\$ 3,532,938
	<hr/>	<hr/>
<b>NET ASSETS</b>		
Restricted for Single Family Bond Programs	\$ 544,025	\$ 745,829
	<hr/>	<hr/>

OKLAHOMA HOUSING FINANCE AGENCY  
Single Family Mortgage Revenue Bond Funds  
Supplemental Combining Schedule of Net Assets  
September 30, 2005

Continued

1997 Series B	1998 Series A	1998 Series B	1998 Series D	1999 Series A
\$ 328,294	\$ 367,308	\$ 301,657	\$ 533,588	\$ 325,730
5,873,218	9,518,263	8,350,241	12,007,042	11,773,025
-	-	-	-	-
-	-	-	-	-
29,975	46,428	41,866	58,007	57,622
-	-	-	-	-
-	-	763	47,694	118,162
<u>\$ 6,231,487</u>	<u>\$ 9,931,999</u>	<u>\$ 8,694,527</u>	<u>\$ 12,646,331</u>	<u>\$ 12,274,539</u>
\$ 622	\$ 747	\$ 1,020	\$ 1,230	\$ 2,201
28,066	42,882	35,285	49,626	51,760
25,000	-	140,000	305,000	215,000
<u>\$ 53,688</u>	<u>\$ 43,629</u>	<u>\$ 176,305</u>	<u>\$ 355,856</u>	<u>\$ 268,961</u>
\$ 5,515,000	\$ 9,135,000	\$ 7,162,843	\$ 10,832,660	\$ 10,986,756
-	-	-	-	-
-	-	333,076	377,520	-
<u>\$ 5,515,000</u>	<u>\$ 9,135,000</u>	<u>\$ 7,495,919</u>	<u>\$ 11,210,180</u>	<u>\$ 10,986,756</u>
<u>\$ 5,568,688</u>	<u>\$ 9,178,629</u>	<u>\$ 7,672,224</u>	<u>\$ 11,566,036</u>	<u>\$ 11,255,717</u>
<u>\$ 662,799</u>	<u>\$ 753,370</u>	<u>\$ 1,022,303</u>	<u>\$ 1,080,295</u>	<u>\$ 1,018,822</u>

OKLAHOMA HOUSING FINANCE AGENCY  
Single Family Mortgage Revenue Bond Funds  
Supplemental Combining Schedule of Net Assets  
September 30, 2005

	1999 Series B	1999 Series C
<b>ASSETS</b>		
Noncurrent Assets		
Cash and Cash Equivalents	\$ 871,212	\$ 7,010
Investments	15,471,735	935,505
Accounts Receivable	-	-
Due from(to) Other Funds	-	-
Interest Receivable	78,517	5,680
Program Loans Receivable	-	-
Deferred Issuance, Finance and Other Costs, Net	61,021	28,994
Total Assets	<u>\$ 16,482,485</u>	<u>\$ 977,189</u>
 <b>Liabilities</b>		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 2,120	\$ 431
Interest Payable	72,799	5,044
Current Maturities of Bonds Payable	230,000	619,566
Total Current Liabilities	<u>\$ 304,919</u>	<u>\$ 625,041</u>
Noncurrent Liabilities		
Bonds Payable Less Current Maturities	\$ 14,695,521	\$ 232,991
Deferred Revenue and Other Deferred Credits		-
HOME Funds Payable	349,445	-
Total Noncurrent Liabilities	<u>\$ 15,044,966</u>	<u>\$ 232,991</u>
Total Liabilities	<u>\$ 15,349,885</u>	<u>\$ 858,032</u>
 <b>NET ASSETS</b>		
Restricted for Single Family Bond Programs	<u>\$ 1,132,600</u>	<u>\$ 119,157</u>

OKLAHOMA HOUSING FINANCE AGENCY  
Single Family Mortgage Revenue Bond Funds  
Supplemental Combining Schedule of Net Assets  
September 30, 2005

Continued

1999 Series D	2000 Series A	2000 Series B	2000 Series C	2000 Series D
\$ 403,951 9,991,303	\$ 374,000 7,330,692	\$ 61,715 1,277,608	\$ 416,523 11,074,671	\$ 175,202 6,749,729
	-	-	-	-
	-	-	-	-
54,077	40,700	8,995	62,737	36,635
-	-	-	-	-
16,035	50,186	53,792	162,671	61,169
<u>\$ 10,465,366</u>	<u>\$ 7,795,578</u>	<u>\$ 1,402,110</u>	<u>\$ 11,716,602</u>	<u>\$ 7,022,735</u>
\$ 1,111 50,385 135,000	\$ 504 35,730 105,000	\$ 743 7,739 -	\$ 1,611 56,526 140,000	\$ 577 33,310 80,000
<u>\$ 186,496</u>	<u>\$ 141,234</u>	<u>\$ 8,482</u>	<u>\$ 198,137</u>	<u>\$ 113,887</u>
\$ 9,247,865 -	\$ 6,287,085 -	\$ 1,221,945 -	\$ 9,767,340 -	\$ 6,116,699 -
197,005	246,069	-	298,859	74,467
<u>\$ 9,444,870</u>	<u>\$ 6,533,154</u>	<u>\$ 1,221,945</u>	<u>\$ 10,066,199</u>	<u>\$ 6,191,166</u>
<u>\$ 9,631,366</u>	<u>\$ 6,674,388</u>	<u>\$ 1,230,427</u>	<u>\$ 10,264,336</u>	<u>\$ 6,305,053</u>
<u>\$ 834,000</u>	<u>\$ 1,121,190</u>	<u>\$ 171,683</u>	<u>\$ 1,452,266</u>	<u>\$ 717,682</u>

OKLAHOMA HOUSING FINANCE AGENCY  
Single Family Mortgage Revenue Bond Funds  
Supplemental Combining Schedule of Net Assets  
September 30, 2005

	2001 Series A	2001 Series B
<b>ASSETS</b>		
Noncurrent Assets		
Cash and Cash Equivalents	\$ 720,076	\$ 20,319
Investments	12,590,408	15,735,967
Accounts Receivable	-	-
Due from(to) Other Funds	998,206	43,124
Interest Receivable	63,429	73,682
Program Loans Receivable	3,867,659	-
Deferred Issuance, Finance and Other Costs, Net	-	153,771
	<u>\$ 18,239,778</u>	<u>\$ 16,026,863</u>
Total Assets		
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 3,283	\$ 3,165
Interest Payable	51,586	62,343
Current Maturities of Bonds Payable	120,000	185,000
	<u>\$ 174,869</u>	<u>\$ 250,508</u>
Total Current Liabilities		
Noncurrent Liabilities		
Bonds Payable Less Current Maturities	\$ 10,372,912	\$ 13,845,000
Deferred Revenue and Other Deferred Credits	-	-
HOME Funds Payable	99,347	116,073
	<u>\$ 10,472,259</u>	<u>\$ 13,961,073</u>
Total Noncurrent Liabilities		
Total Liabilities	<u>\$ 10,647,128</u>	<u>\$ 14,211,581</u>
<b>NET ASSETS</b>		
Restricted for Single Family Bond Programs	<u>\$ 7,592,650</u>	<u>\$ 1,815,282</u>

OKLAHOMA HOUSING FINANCE AGENCY  
Single Family Mortgage Revenue Bond Funds  
Supplemental Combining Schedule of Net Assets  
September 30, 2005

Continued

2002 Series A & B	2002 Series C	2003 Series A	2003 Series B	2003 Series C
\$ 444,832	\$ 791,108	\$ 654,856	\$ 1,013,980	\$ 937,601
14,943,778	21,485,750	26,420,126	39,489,321	29,666,682
-	-	-	-	-
(1,041,330)	-	-	-	-
72,682	108,066	119,778	171,739	139,505
-	-	-	-	-
165,046	417,584	95,354	44,534	35,108
<u>\$ 14,585,008</u>	<u>\$ 22,802,508</u>	<u>\$ 27,290,114</u>	<u>\$ 40,719,574</u>	<u>\$ 30,778,896</u>
\$ 3,830	\$ 3,813	\$ 7,962	\$ 8,491	\$ 4,100
56,820	104,517	103,185	130,611	135,908
115,000	205,000	230,000	360,000	265,000
<u>\$ 175,650</u>	<u>\$ 313,330</u>	<u>\$ 341,147</u>	<u>\$ 499,102</u>	<u>\$ 405,008</u>
\$ 13,480,000	\$ 21,310,000	\$ 23,240,000	\$ 40,050,000	\$ 29,455,000
-	-	-	-	-
100,277	29,547	-	-	-
<u>\$ 13,580,277</u>	<u>\$ 21,339,547</u>	<u>\$ 23,240,000</u>	<u>\$ 40,050,000</u>	<u>\$ 29,455,000</u>
<u>\$ 13,755,927</u>	<u>\$ 21,652,877</u>	<u>\$ 23,581,147</u>	<u>\$ 40,549,102</u>	<u>\$ 29,860,008</u>
<u>\$ 829,081</u>	<u>\$ 1,149,631</u>	<u>\$ 3,708,967</u>	<u>\$ 170,472</u>	<u>\$ 918,888</u>

OKLAHOMA HOUSING FINANCE AGENCY  
Single Family Mortgage Revenue Bond Funds  
Supplemental Combining Schedule of Net Assets  
September 30, 2005

	2004 Drawdown Series	2004 Series A
<b>ASSETS</b>		
Noncurrent Assets		
Cash and Cash Equivalents	\$ 52,037	\$ 830,227
Investments	-	31,930,973
Accounts Receivable	-	-
Due from(to) Other Funds	-	-
Interest Receivable	140	137,572
Program Loans Receivable	-	-
Deferred Issuance, Finance and Other Costs, Net	-	297,585
Total Assets	<u>\$ 52,177</u>	<u>\$ 33,196,357</u>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 13,406	\$ 4,750
Interest Payable	-	109,050
Current Maturities of Bonds Payable	-	300,000
Total Current Liabilities	<u>\$ 13,406</u>	<u>\$ 413,800</u>
Noncurrent Liabilities		
Bonds Payable Less Current Maturities	\$ -	\$ 32,260,000
Deferred Revenue and Other Deferred Credits	-	-
HOME Funds Payable	-	-
Total Noncurrent Liabilities	<u>\$ -</u>	<u>\$ 32,260,000</u>
Total Liabilities	<u>\$ 13,406</u>	<u>\$ 32,673,800</u>
<b>NET ASSETS</b>		
Restricted for Single Family Bond Programs	<u>\$ 38,771</u>	<u>\$ 522,557</u>



OKLAHOMA HOUSING FINANCE AGENCY  
Single Family Mortgage Revenue Bond Funds  
Supplemental Combining Schedule of Net Assets  
September 30, 2005

Continued

2004 Series B	2005 Drawdown Series	2005 Series A	2005 Series B	2005 Series C
\$ 580,757	\$ 14,736	\$ 722,514	\$ 1,143,479	\$ 55,143
44,440,025	12,013,000	35,445,209	51,986,215	47,040,830
-	-	-	-	-
-	-	-	-	-
209,625	10,051	159,471	252,982	174,804
-	-	-	-	-
177,452	93,500	619,450	305,128	898,906
<u>\$ 45,407,859</u>	<u>\$ 12,131,287</u>	<u>\$ 36,946,644</u>	<u>\$ 53,687,804</u>	<u>\$ 48,169,683</u>
\$ 4,650	\$ 9,586	\$ 303,700	\$ 406,479	\$ 1,755,622
197,604	-	572,453	390,216	461,771
360,000	12,013,000	335,000	185,000	210,000
<u>\$ 562,254</u>	<u>\$ 12,022,586</u>	<u>\$ 1,211,153</u>	<u>\$ 981,695</u>	<u>\$ 2,427,393</u>
\$ 43,155,000	\$ -	\$ 34,665,000	\$ 51,265,000	\$ 44,790,000
-	-	-	-	-
-	-	-	-	-
<u>\$ 43,155,000</u>	<u>\$ -</u>	<u>\$ 34,665,000</u>	<u>\$ 51,265,000</u>	<u>\$ 44,790,000</u>
<u>\$ 43,717,254</u>	<u>\$ 12,022,586</u>	<u>\$ 35,876,153</u>	<u>\$ 52,246,695</u>	<u>\$ 47,217,393</u>
<u>\$ 1,690,605</u>	<u>\$ 108,701</u>	<u>\$ 1,070,491</u>	<u>\$ 1,441,109</u>	<u>\$ 952,290</u>

OKLAHOMA HOUSING FINANCE AGENCY  
Single Family Mortgage Revenue Bond Funds  
Supplemental Combining Schedule of Net Assets  
September 30, 2005

	Accumulation Bond Fund	Total Single Family Bond Programs
<b>ASSETS</b>		
Noncurrent Assets		
Cash and Cash Equivalents	\$ 639,678	\$ 15,215,655
Investments	4,434,215	521,903,079
Accounts Receivable	-	-
Due from(to) Other Funds	-	-
Interest Receivable	1,716	2,454,775
Program Loans Receivable	-	8,287,726
Deferred Issuance, Finance and Other Costs, Net	-	3,955,017
Total Assets	<u>\$ 5,075,609</u>	<u>\$ 551,816,252</u>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ -	\$ 2,602,722
Interest Payable	-	3,020,497
Current Maturities of Bonds Payable	-	20,781,113
Total Current Liabilities	<u>\$ -</u>	<u>\$ 26,404,332</u>
Noncurrent Liabilities		
Bonds Payable Less Current Maturities	\$ -	\$ 475,159,999
Deferred Revenue and Other Deferred Credits	-	53,886
HOME Funds Payable	-	2,620,353
Total Noncurrent Liabilities	<u>\$ -</u>	<u>\$ 477,834,238</u>
Total Liabilities	<u>\$ -</u>	<u>\$ 504,238,570</u>
<b>NET ASSETS</b>		
Restricted for Single Family Bond Programs	<u>\$ 5,075,609</u>	<u>\$ 47,577,682</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, 2005

	1987 Series A	1991 Series A & B
Operating Revenues		
Interest Income		
Investments	\$ 1,059,245	\$ 234,500
Program Loans	-	-
Net Increase (Decrease) in Fair Value of Investments	(505,292)	(85,726)
Other Income	15,024	-
	<u>568,977</u>	<u>-</u>
Total Operating Revenues	\$ 568,977	\$ 148,774
Operating Expenses		
Interest	\$ 989,635	\$ 221,637
Mortgage Servicing Fees	60,600	14,793
Amortization of Deferred Finance Costs	-	-
Trustees, Issuer and Other Fees	13,900	4,132
Other	-	-
	<u>1,064,135</u>	<u>240,562</u>
Total Operating Expenses	\$ 1,064,135	\$ 240,562
Net Income (Loss) before Operating Transfers	\$ (495,158)	\$ (91,788)
Operating Transfers In (Out)	<u>-</u>	<u>-</u>
Net Income (Loss)	\$ (495,158)	\$ (91,788)
Total Net Assets, Beginning	<u>2,129,868</u>	<u>287,549</u>
Total Net Assets, Ending	<u>\$ 1,634,710</u>	<u>\$ 195,761</u>

\* No supplemental schedule of Net Assets  
is presented for these funds  
because there are no balance sheet accounts at  
September 30, 2005.

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, 2005

Continued

1993 Series A & B	1994 Series B	1994 Series A-1	1994 Series A-2 & C-1	1994 Series C-2 & D-1
\$ 11,392	\$ 9,044	\$ 104,402	\$ 109,898	\$ 80,765
82,060	463,008	-	-	-
-	-	-	-	-
-	-	13,162	-	-
\$ 93,452	\$ 472,052	\$ 117,564	\$ 109,898	\$ 80,765
\$ -	\$ 66,000	\$ 99,293	\$ 115,833	\$ 76,183
2,681	22,257	8,482	8,927	6,338
-	17,738	-	-	-
5,820	24,715	3,930	3,907	3,570
28,749	224	35,626	43,500	28,200
\$ 37,250	\$ 130,934	\$ 147,331	\$ 172,167	\$ 114,291
\$ 56,202	\$ 341,118	\$ (29,767)	\$ (62,269)	\$ (33,526)
-	-	-	-	(84,726)
\$ 56,202	\$ 341,118	\$ (29,767)	\$ (62,269)	\$ (118,252)
973,783	3,897,768	29,767	62,269	118,252
\$ 1,029,985	\$ 4,238,886	\$ -	\$ -	\$ -
		*	*	*

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, 2005

	1995 Series A	1995 Series B & 1994 Series D-2
Operating Revenues		
Interest Income		
Investments	\$ 32,853	\$ 314,919
Program Loans	-	-
Net Increase (Decrease) in Fair Value of Investments	-	(136,294)
Other Income	-	-
	<hr/>	<hr/>
Total Operating Revenues	\$ 32,853	\$ 178,625
	<hr/>	<hr/>
Operating Expenses		
Interest	\$ 28,128	\$ 251,798
Mortgage Servicing Fees	2,641	20,330
Amortization of Deferred Finance Costs	-	15,714
Trustees, Issuer and Other Fees	3,044	11,117
Other	10,400	-
	<hr/>	<hr/>
Total Operating Expenses	\$ 44,213	\$ 298,959
	<hr/>	<hr/>
Net Income (Loss) before Operating Transfers	\$ (11,360)	\$ (120,334)
Operating Transfers In (Out)	<hr/> -	<hr/> -
Net Income (Loss)	\$ (11,360)	\$ (120,334)
Total Net Assets, Beginning	<hr/> 11,360	<hr/> 1,009,233
Total Net Assets, Ending	<hr/> \$ - <hr/>	<hr/> \$ 888,899 <hr/>

\*

\* No supplemental schedule of Net Assets  
is presented for these funds  
because there are no balance sheet accounts at  
September 30, 2005.

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, 2005

Continued

1996 Series A & 1994 Series D-3	1996 Series B	1996 Series C	1997 Series A	1997 Series B
\$ 254,669	\$ 352,486	\$ 363,656	\$ 344,776	\$ 486,027
-	-	-	-	-
(119,935)	(140,111)	(250,257)	(163,093)	(228,025)
-	-	-	-	-
<u>\$ 134,734</u>	<u>\$ 212,375</u>	<u>\$ 113,399</u>	<u>\$ 181,683</u>	<u>\$ 258,002</u>
\$ 218,984	\$ 285,747	\$ 281,645	\$ 270,890	\$ 414,478
17,378	20,001	22,826	23,745	34,032
5,265	3,163	-	-	-
8,878	7,216	10,652	9,443	16,389
-	-	-	-	-
<u>\$ 250,505</u>	<u>\$ 316,127</u>	<u>\$ 315,123</u>	<u>\$ 304,078</u>	<u>\$ 464,899</u>
\$ (115,771)	\$ (103,752)	\$ (201,724)	\$ (122,395)	\$ (206,897)
-	-	-	-	-
<u>\$ (115,771)</u>	<u>\$ (103,752)</u>	<u>\$ (201,724)</u>	<u>\$ (122,395)</u>	<u>\$ (206,897)</u>
622,026	725,813	745,749	868,224	869,696
<u>\$ 506,255</u>	<u>\$ 622,061</u>	<u>\$ 544,025</u>	<u>\$ 745,829</u>	<u>\$ 662,799</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, 2005

	1998 Series A	1998 Series B
Operating Revenues		
Interest Income		
Investments	\$ 713,470	\$ 631,569
Program Loans	-	-
Net Increase (Decrease) in Fair Value of Investments	(286,462)	(240,010)
Other Income	-	-
Total Operating Revenues	<u>\$ 427,008</u>	<u>\$ 391,559</u>
Operating Expenses		
Interest	\$ 609,252	\$ 502,363
Mortgage Servicing Fees	53,138	46,360
Amortization of Deferred Finance Costs	-	-
Trustees, Issuer and Other Fees	17,757	19,899
Other	-	-
Total Operating Expenses	<u>\$ 680,147</u>	<u>\$ 568,622</u>
Net Income (Loss) before Operating Transfers	\$ (253,139)	\$ (177,063)
Operating Transfers In (Out)	-	-
Net Income (Loss)	\$ (253,139)	\$ (177,063)
Total Net Assets, Beginning	<u>1,006,509</u>	<u>1,199,366</u>
Total Net Assets, Ending	<u><u>\$ 753,370</u></u>	<u><u>\$ 1,022,303</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, 2005

Continued

1998 Series D	1999 Series A	1999 Series B	1999 Series C	1999 Series D
\$ 871,493	\$ 843,445	\$ 1,187,442	\$ 96,462	\$ 833,240
-	-	-	-	-
(275,587)	(279,423)	(454,088)	(65,295)	(392,179)
-	-	-	-	-
\$ 595,906	\$ 564,022	\$ 733,354	\$ 31,167	\$ 441,061
\$ 715,230	\$ 706,233	\$ 1,016,077	\$ 83,703	\$ 728,021
68,823	63,475	87,018	5,952	55,737
19,298	35,454	22,459	21,070	7,087
25,562	38,497	39,857	9,570	25,580
-	-	-	-	-
\$ 828,913	\$ 843,659	\$ 1,165,411	\$ 120,295	\$ 816,425
\$ (233,007)	\$ (279,637)	\$ (432,057)	\$ (89,128)	\$ (375,364)
-	-	-	-	-
\$ (233,007)	\$ (279,637)	\$ (432,057)	\$ (89,128)	\$ (375,364)
1,313,302	1,298,459	1,564,657	208,285	1,209,364
\$ 1,080,295	\$ 1,018,822	\$ 1,132,600	\$ 119,157	\$ 834,000

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, 2005

	2000 Series A	2000 Series B
Operating Revenues		
Interest Income		
Investments	\$ 621,173	\$ 146,769
Program Loans	-	-
Net Increase (Decrease) in Fair Value of Investments	(326,112)	(106,292)
Other Income	-	-
	<u>295,061</u>	<u>40,477</u>
Total Operating Revenues	\$	\$
Operating Expenses		
Interest	\$ 517,892	\$ 128,121
Mortgage Servicing Fees	40,657	8,358
Amortization of Deferred Finance Costs	27,716	37,270
Trustees, Issuer and Other Fees	16,732	15,482
Other	-	-
	<u>602,997</u>	<u>189,231</u>
Total Operating Expenses	\$	\$
Net Income (Loss) before Operating Transfers	\$ (307,936)	\$ (148,754)
Operating Transfers In (Out)	-	-
Net Income (Loss)	\$ (307,936)	\$ (148,754)
Total Net Assets, Beginning	<u>1,429,126</u>	<u>320,437</u>
Total Net Assets, Ending	<u>\$ 1,121,190</u>	<u>\$ 171,683</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, 2005

Continued

2000 Series C	2000 Series D	2001 Series A	2001 Series B	2002 Series A & B
\$ 985,053	\$ 562,505	\$ 880,441	\$ 1,063,357	\$ 1,102,566
-	-	443,152	88,532	-
(470,576)	(269,711)	(262,790)	(342,814)	(323,606)
-	-	-	-	-
\$ 514,477	\$ 292,794	\$ 1,060,803	\$ 809,075	\$ 778,960
\$ 845,506	\$ 485,469	\$ 821,188	\$ 804,642	\$ 915,140
63,368	36,910	84,449	91,665	83,217
77,928	32,580	-	49,923	53,235
32,708	15,859	46,865	43,912	56,054
-	45,568	4,933	-	-
\$ 1,019,510	\$ 616,386	\$ 957,435	\$ 990,142	\$ 1,107,646
\$ (505,033)	\$ (323,592)	\$ 103,368	\$ (181,067)	\$ (328,686)
-	-	-	-	-
\$ (505,033)	\$ (323,592)	\$ 103,368	\$ (181,067)	\$ (328,686)
1,957,299	1,041,274	7,489,282	1,996,349	\$ 1,157,767
\$ 1,452,266	\$ 717,682	\$ 7,592,650	\$ 1,815,282	\$ 829,081

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, 2005

	2002 Series C	2003 Series A
Operating Revenues		
Interest Income		
Investments	\$ 1,579,909	\$ 1,703,221
Program Loans	-	-
Net Increase (Decrease) in Fair Value of Investments	(570,970)	(296,727)
Other Income	-	2,976
	<hr/>	<hr/>
Total Operating Revenues	\$ 1,008,939	\$ 1,409,470
	<hr/>	<hr/>
Operating Expenses		
Interest	\$ 1,411,779	\$ 1,351,676
Mortgage Servicing Fees	107,394	141,053
Amortization of Deferred Finance Costs	128,681	18,160
Trustees, Issuer and Other Fees	64,427	109,626
Other	-	-
	<hr/>	<hr/>
Total Operating Expenses	\$ 1,712,281	\$ 1,620,515
	<hr/>	<hr/>
Net Income (Loss) before Operating Transfers	\$ (703,342)	\$ (211,045)
Operating Transfers In (Out)	-	-
	<hr/>	<hr/>
Net Income (Loss)	\$ (703,342)	\$ (211,045)
Total Net Assets, Beginning	<hr/> 1,852,973	<hr/> 3,920,012
Total Net Assets, Ending	<hr/> <hr/> \$ 1,149,631	<hr/> <hr/> \$ 3,708,967

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, 2005

Continued

2003 Series B	2003 Series C	2004 Draw Down Series	2004 Series A	2004 Series B
\$ 2,421,195	\$ 1,989,376	\$ 1,140,721	\$ 1,922,576	\$ 2,637,868
-	-	-	-	-
(339,079)	(448,836)	-	(213,626)	79,589
-	-	-	-	-
<u>\$ 2,082,116</u>	<u>\$ 1,540,540</u>	<u>\$ 1,140,721</u>	<u>\$ 1,708,950</u>	<u>\$ 2,717,457</u>
\$ 1,930,860	\$ 1,754,108	\$ 1,114,969	\$ 1,562,985	\$ 2,429,987
212,349	157,614	-	169,312	211,543
-	4,790	-	17,345	6,055
123,286	50,959	6,464	39,845	40,732
-	-	-	-	-
<u>\$ 2,266,495</u>	<u>\$ 1,967,471</u>	<u>\$ 1,121,433</u>	<u>\$ 1,789,487</u>	<u>\$ 2,688,317</u>
\$ (184,379)	\$ (426,931)	\$ 19,288	\$ (80,537)	\$ 29,140
-	-	-	-	(678,008)
<u>\$ (184,379)</u>	<u>\$ (426,931)</u>	<u>\$ 19,288</u>	<u>\$ (80,537)</u>	<u>\$ (648,868)</u>
354,851	1,345,819	19,483	603,094	2,339,473
<u>\$ 170,472</u>	<u>\$ 918,888</u>	<u>\$ 38,771</u>	<u>\$ 522,557</u>	<u>\$ 1,690,605</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, 2005

	2005 Drawdown Series	2005 Series A
Operating Revenues		
Interest Income		
Investments	\$ 43,123	\$ 1,005,975
Program Loans	-	-
Net Increase (Decrease) in Fair Value of Investments	-	176,299
Other Income	-	-
	<u>\$ 43,123</u>	<u>\$ 1,182,274</u>
Total Operating Revenues		
Operating Expenses		
Interest	\$ 27,922	\$ 1,029,374
Mortgage Servicing Fees	-	58,033
Amortization of Deferred Finance Costs	-	-
Trustees, Issuer and Other Fees	-	-
Other	-	-
	<u>\$ 27,922</u>	<u>\$ 1,087,407</u>
Total Operating Expenses		
Net Income (Loss) before Operating Transfers	\$ 15,201	\$ 94,867
Operating Transfers In (Out)	-	-
Net Income (Loss)	\$ 15,201	\$ 94,867
Total Net Assets, Beginning	<u>93,500</u>	<u>975,624</u>
Total Net Assets, Ending	<u>\$ 108,701</u>	<u>\$ 1,070,491</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, 2005

<u>2005 Series B</u>	<u>2005 Series C</u>	<u>Accumulation Bond Fund</u>	<u>Total Single Family Bond Programs</u>
\$ 787,852	\$ 159,120	\$ 198,224	\$ 29,886,777
-	-	-	1,076,752
(250,145)	34,582	-	(7,552,591)
-	-	-	31,162
<u>\$ 537,707</u>	<u>\$ 193,702</u>	<u>\$ 198,224</u>	<u>\$ 23,442,100</u>
\$ 742,756	\$ 186,771	\$ -	\$ 25,742,275
25,709	-	-	2,137,165
-	-	-	600,931
-	-	-	966,386
-	-	-	197,200
<u>\$ 768,465</u>	<u>\$ 186,771</u>	<u>\$ -</u>	<u>\$ 29,643,957</u>
\$ (230,758)	\$ 6,931	\$ 198,224	\$ (6,201,857)
-	-	-	(762,734)
<u>\$ (230,758)</u>	<u>\$ 6,931</u>	<u>\$ 198,224</u>	<u>\$ (6,964,591)</u>
<u>1,671,867</u>	<u>945,359</u>	<u>4,877,385</u>	<u>54,542,273</u>
<u><u>\$ 1,441,109</u></u>	<u><u>\$ 952,290</u></u>	<u><u>\$ 5,075,609</u></u>	<u><u>\$ 47,577,682</u></u>

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OKLAHOMA HOUSING FINANCE AGENCY  
Supplemental Combining Statement of Net Assets  
September 30, 2005

ASSETS	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
Current Assets				
Cash and Cash Equivalents	\$ --	\$ 3,390,229	\$ --	\$ 3,390,229
Investments	--	759,399	--	759,399
Accounts Receivable	--	826,654	(61,114)	765,540
Prepaid Expenses	--	193,424	--	193,424
Interest Receivable	--	188,617	--	188,617
Total Current Assets	<u>\$ --</u>	<u>\$ 5,358,323</u>	<u>\$ (61,114)</u>	<u>\$ 5,297,209</u>
Noncurrent Assets				
Restricted Assets				
Cash	\$ 15,215,655	\$ 6,838,547	\$ --	\$ 22,054,202
Investments	521,903,079	--	--	521,903,079
Interest Receivable	2,454,775	--	--	2,454,775
Program Loans Receivable	8,287,726	1,699,166	--	9,986,892
Deferred Issuance, Finance and Other Costs, Net	3,955,017	--	--	3,955,017
Long-Term Investments	--	12,280,686	--	12,280,686
Property and Equipment, Net	--	3,963,547	--	3,963,547
Total Noncurrent Assets	<u>\$ 551,816,252</u>	<u>\$ 24,781,946</u>	<u>\$ --</u>	<u>\$ 576,598,198</u>
Total Assets	<u>\$ 551,816,252</u>	<u>\$ 30,140,269</u>	<u>\$ (61,114)</u>	<u>\$ 581,895,407</u>
Current Liabilities				
Accounts Payable and Accrued Expenses	\$ 2,602,722	\$ 2,416,014	\$ (61,114)	\$ 4,957,622
Deferred Intergovernmental Revenue	--	1,746,921	--	1,746,921
Compensated Absences	--	700,161	--	700,161
Interest Payable	3,020,497	--	--	3,020,497
Current Maturities of Bonds and Notes Payable	20,781,113	--	--	20,781,113
Total Current Liabilities	<u>\$ 26,404,332</u>	<u>\$ 4,863,096</u>	<u>\$ (61,114)</u>	<u>\$ 31,206,314</u>
Noncurrent Liabilities				
Bonds and Notes Payable Less Current Maturities	\$ 475,159,999	\$ --	\$ --	\$ 475,159,999
Deferred Revenue and Other Deferred Credits	53,886	--	--	53,886
HOME Funds Payable	2,620,353	--	--	2,620,353
	<u>\$ 477,834,238</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 477,834,238</u>
Total Liabilities	<u>\$ 504,238,570</u>	<u>\$ 4,863,096</u>	<u>\$ (61,114)</u>	<u>\$ 509,040,552</u>
Net Assets				
Invested in Capital Assets	\$ --	\$ 3,963,547	\$ --	\$ 3,963,547
Restricted for Single Family Bond Programs	47,577,682	--	--	47,577,682
Unrestricted	--	21,313,626	--	21,313,626
Total Net Assets	<u>\$ 47,577,682</u>	<u>\$ 25,277,173</u>	<u>\$ --</u>	<u>\$ 72,854,855</u>

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OKLAHOMA HOUSING FINANCE AGENCY  
Supplemental Combining Statement of Revenues, Expenses and Changes in Fund Net Assets  
September 30, 2005

	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
Operating Revenues				
Interest Income				
Investments	\$ 29,886,777	\$ 121,590	\$ --	\$ 30,008,367
Program Loans	1,076,752	--	--	1,076,752
Net Decrease in Fair Value of Investments	(7,552,591)	(16,150)	--	(7,568,741)
Fees and Other Income (Expense)	31,162	10,806,405	(851,179)	9,986,388
Total Operating Revenues	\$ 23,442,100	\$ 10,911,845	\$ (851,179)	\$ 33,502,766
Operating Expenses				
Interest	\$ 25,742,275	\$ --	\$ --	\$ 25,742,275
Mortgage Servicing Fees	2,137,165	--	--	2,137,165
Amortization of Deferred Finance Costs	600,931	--	--	600,931
Trustees, Issuer and Other Fees	966,386	--	(851,179)	115,207
Salaries and Related Expenses	--	6,394,184	--	6,394,184
Other General and Administrative	197,200	2,554,764	--	2,751,964
Total Operating Expenses	\$ 29,643,957	\$ 8,948,948	\$ (851,179)	\$ 37,741,726
Net Income (Loss) before Operating Transfers	\$ (6,201,857)	\$ 1,962,897	\$ --	\$ (4,238,960)
Operating Transfers In (Out)	(762,734)	762,734	--	--
Operating Income (Loss)	\$ (6,964,591)	\$ 2,725,631	\$ --	\$ (4,238,960)
Nonoperating Revenue (Expenses)				
Federal Program Income	\$ --	\$ 114,341,296	\$ --	\$ 114,341,296
Federal Program Expense	--	(114,341,296)	--	(114,341,296)
Other	--	(10,924)	--	(10,924)
Nonoperating Loss	\$ --	\$ (10,924)	\$ --	\$ (10,924)
Net Income (Loss)	\$ (6,964,591)	\$ 2,714,707	\$ --	\$ (4,249,884)
Total Net Assets, Beginning	54,542,273	22,562,466	--	77,104,739
Total Net Assets, Ending	\$ 47,577,682	\$ 25,277,173	\$ -	\$ 72,854,855

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OKLAHOMA HOUSING FINANCE AGENCY  
Supplemental Combining Statement of Cash Flows  
For the Year Ended September 30, 2005

	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
Cash Flows from Operating Activities				
Receipts from Fees	\$ 1,758	\$ 9,797,960	\$ --	\$ 9,799,718
Receipts from Program Loan Payments	3,502,825	3,336,850	--	6,839,675
Receipts from Housing Trust Fund	--	530,740	--	530,740
Receipts (Payments) from (to) Other Sources	(762,734)	754,024	--	(8,710)
Payments to Employees	--	(6,332,089)	--	(6,332,089)
Payments to Suppliers	--	(3,398,266)	--	(3,398,266)
Payments for Purchases of Program Loans	--	(2,711,770)	--	(2,711,770)
Payments for Bond Fees	(864,635)	--	--	(864,635)
Payments for Trustee and Other Fees	(966,386)	--	--	(966,386)
Payments for Other Expenses	(186,322)	--	--	(186,322)
Net Cash Provided by Operating Activities	\$ 724,506	\$ 1,977,449	\$ --	\$ 2,701,955
Cash Flows from Capital and Related Financing Activities				
Acquisition of Fixed Assets	\$ --	\$ (653,126)	\$ --	\$ (653,126)
Net Cash (Used) By Capital and Related Financing Activities	\$ --	\$ (653,126)	\$ --	\$ (653,126)
Cash Flows from Noncapital Financing Activities				
Principal Paid on Bonds Payable	\$ (283,703,262)	\$ --	\$ --	\$ (283,703,262)
Interest Paid on Bonds Payable	(25,824,936)	--	--	(25,824,936)
Payment of Bond Issuance Costs	(365,596)	--	--	(365,596)
Proceeds from Issuance of Bonds	288,624,721	--	--	288,624,721
Receipt of Federal Program Income	--	113,861,039	--	113,861,039
Payment of Federal Program Expenses	--	(113,532,268)	--	(113,532,268)
Net Cash (Used) By Noncapital Financing Activities	\$ (21,269,073)	\$ 328,771	\$ --	\$ (20,940,302)
Cash Flows from Investing Activities				
Purchase of Investments	\$ (456,906,425)	\$ (16,166,995)	\$ --	\$ (473,073,420)
Proceeds from Sales and Maturities of Investments	444,178,822	10,893,025	--	455,071,847
Interest Received on Investments	29,761,821	402,758	--	30,164,579
Net Cash Provided by Investing Activities	\$ 17,034,218	\$ (4,871,212)	\$ --	\$ 12,163,006
Net Decrease in Cash	\$ (3,510,349)	\$ (3,218,118)	\$ --	\$ (6,728,467)
Cash and Cash Equivalents at Beginning of Year	18,726,004	13,446,894	--	32,172,898
Cash and Cash Equivalents at End of Year	\$ 15,215,655	\$ 10,228,776	\$ --	\$ 25,444,431
Cash as Reported on Balance Sheet				
Unrestricted	\$ --	\$ 3,390,229	\$ --	\$ 3,390,229
Restricted	15,215,655	6,838,547	--	22,054,202
	\$ 15,215,655	\$ 10,228,776	\$ --	\$ 25,444,431
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income	\$ (6,201,857)	\$ 1,962,897	\$ --	\$ (4,238,960)
Adjustments to Reconcile Operating Income to Net Cash Used by Operating Activities				
Depreciation	--	474,843	--	474,843
Interest on Bonds and Notes Payable	25,742,276	--	--	25,742,276
Interest from Investments	(29,886,777)	(504,383)	--	(30,391,160)
Program Loan Repayments	2,426,073	3,215,260	--	5,641,333
Purchase of Program Loans	--	(2,711,770)	--	(2,711,770)
Amortization of Fees and Deferred Finance Costs	600,931	--	--	600,931
Net Change in Fair Value of Investments	7,563,469	16,150	--	7,579,619
Net Change in Other Assets and Liabilities	480,391	(540,077)	--	(59,686)
Net Change in Compensated Absences	--	64,529	--	64,529
Net Cash Provided by Operating Activities	\$ 724,506	\$ 1,977,449	\$ --	\$ 2,701,955