FINANCIAL STATEMENTS
SEPTEMBER 30, 2009 AND 2008

OKLAHOMA HOUSING FINANCE AGENCY

OKLAHOMA HOUSING FINANCE AGENCY

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CPAs & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S 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, 2009 and 2008, 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 audit 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, 2009 and 2008, 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 May 17, 2010, 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 audits.

INDEPENDENT AUDITOR'S REPORT

The Management's Discussion and Analysis on pages 3 through 9 is not a required part of the basic financial statements but is 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.

Eide Bailly LLP

Norman, Oklahoma
May 17, 2010

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

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, 2009 and 2008. This information is 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 OF THE FINANCIAL STATEMENTS

This financial report of the Oklahoma Housing Finance Agency ("OHFA") consists of three sections: management's discussion and analysis, the basic financial statements, and supplemental information. OHFA's basic financial statements include: the Statement of Net Assets; the Statement of Revenues, Expenses and Changes in Net Assets; the Statement of Cash Flows; and the Notes to the Financial Statements.

The Statement of Net Assets answers the question, "How is our financial health at the end of the year?" This statement includes all assets and liabilities of OHFA, both financial and capital, short term and long term, using the accrual basis of accounting and economic resources measurement focus, which is similar to the accounting used by most private-sector companies. The resulting net assets presented in this statement are displayed as restricted and unrestricted. Assets are restricted when their use is subject to external limits such as bond resolutions, legal agreements or statues. Assets not included in this category are characterized as unrestricted. Over time, changes in net assets may serve as a useful indicator of whether the financial position of OHFA is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Assets measures the activities of OHFA's operations over the past year and presents the operating income (loss) and change in net assets. It can be used to determine whether OHFA has successfully recovered all of its costs through mortgage and loan interest, investment interest, externally funded programs, and other revenue sources. This statement helps answer the question, "Is OHFA as a whole better off or worse off as a result of this year's activities?"

The primary purpose of the Statement of Cash Flows is to provide information about the sources and uses of OHFA's cash and the components of the change in cash balance during the reporting period. This statement reports cash receipts, cash payments, and net changes resulting from operating, non-capital financing, capital financing, and investing activities. It provides answers to such questions as "Where did cash come from?", "What was cash used for?", and "What was the change in cash balance during the reporting period?"

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

In addition, this report contains a Supplemental Combining Schedule of Net Assets for the Single Family Mortgage Revenue Bond Funds as well as a Supplemental Combining Schedule of Revenues, Expenses, and Changes in Fund Net Assets for the Single Family Mortgage Revenue Bond Funds. 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.

FINANCIAL HIGHLIGHTS

Year Ended September 30, 2009

- Total assets decreased by $66.8 million
- Net assets increased by $28.5 million
- Made 912 single family mortgage loans available to first time homebuyers compared to 977 in FY 2008
- Provided 122,328 unit months of Section 8 rental assistance compared to 116,277 in FY 2008
- Paid $48.6 million in rental assistance to benefit Section 8 voucher holders compared to $44.7 million in 2008
- Allocated $8.5 million in tax credits to developers versus $7.6 million in FY 2008
- Paid $61.6 million in rental assistance to project based Section 8 properties compared to $59.2 million in FY 2008

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 the Department of Housing and Urban Development ("HUD"), OHFA's duties consisted of 200 contracts, totaling 13,284 assisted units, compared to FY 2008 duties of 203 contracts, totaling 13,306 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, 2009, 2008, and 2007 (in millions):

Condensed Statement of Net Assets

	2009	2008	2007
Assets			
Current assets	$20.4	$12.4	$11.4
Non-current assets			
Restricted	744.5	816.0	751.9
Net capital assets	3.6	3.5	3.7
Unrestricted	11.1	14.5	10.5
Total assets	$779.6	$846.4	$777.5
Liabilities			
Current liabilites	20.5	76.7	43.1
Non-current Liabilities	629.1	668.2	652.8
Total liabilities	$649.6	$744.9	$695.9
Net assets			
Invested in capital assets	3.6	3.6	3.7
Restricted for single family bonds	83.6	54.1	41.5
Restricted for Section 8 Voucher	7.7	12.0	8.2
Unrestricted	35.1	31.8	28.2
Total net assets	$ 130.0	$101.5	$81.6

Explanations of significant variances between 2009 and 2008 on the condensed statement of net assets follow:

> The decrease from in restricted non-current assets and non-current liabilities of $71.5 million and $39.1 million respectively is due to bond program loan pools and their related debt being added to the portfolio at a slower rate than older loans are paying down. In addition, three older bond programs were liquidated during the current year.
>
> The decrease in current liabilities of $56.2 million is primarily due to a decrease in current maturities of bonds and notes payable of $55.8 million due to the timing of scheduled payments under various bond issues.

The increase in net assets restricted for single family bonds of $29.5 million is due to a $29.5 million net income in the Single Family Bond Programs. The Single Family Bond Programs had a net income of $.3 million excluding the $29.2 million net increase in the fair value of investments.

The decrease in Net Assets Restricted for the Section 8 Voucher Program of $4.3 million is due to expending more on rental assistance payments than program receipts revenues in the current year. This is due to a HUD change in 2006 that requires agencies to report receipts from HUD in excess of program expenditures as income and to report assistance payment in excess of program receipts as expense in the current year. These items flow to net assets instead of as a payable or receivable with HUD. These funds are only available to pay Housing Assistance Payments under the Voucher program. The Agency has $7.7 million of funds restricted for the Section 8 Voucher program as of September 30, 2009.

The increase in net assets unrestricted of $3.3 million is due to $3.3 million in net operating income for the Agency (excluding Single Family Bond Programs).

Explanations of significant variances between 2008 and 2007 on the condensed statement of net assets follow.

The increase in restricted non-current assets and non-current liabilities of $64.1 and $15.4 million respectively is due to bond program loan pools and their related debt being added to the portfolio at a faster rate than older loans are paying down.

The increase in current liabilities of $33.6 million is primarily due to an increase in current maturities of bonds and notes payable of $34.1 million due to the scheduled timing of payments under various bond issues.

The increase in net assets restricted for single family bonds of $12.6 million is due to a $12.6 million net income in the Single Family Bond Programs. The Single Family Bond Programs had a net income of $2.8 million excluding the $9.8 million net increase in the fair value of investments.

The increase in Net Assets Restricted for the Section 8 Voucher Program of $3.8 million is due to a HUD change in 2006 that requires agencies to report receipts from HUD in excess of program expenditures as income which flows to fund balance instead of as a liability payable back to HUD. These funds are only available to pay Housing Assistance Payments under the Voucher program.

The increase in net assets unrestricted of $3.7 million is due to $3.7 million in net operating income for the Agency (excluding 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, 2009, 2008, and 2007 (in millions):

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

Revenues	2009	2008	2007
Operating revenues			
Interest income			
Investments and program loans	$ 42.4	$ 46.1	$ 43.2
Net increase in fair value of investments	29.3	9.8	0.6
Fees and other income	11.6	11.6	10.6
Federal program income	116.8	118.7	126.2
Total revenues	$ 200.1	$ 186.2	$ 180.6
Expenses			
Interest on bonds and notes	$ 35.6	$ 37.4	$ 34.0
Other bond program expenses	3.6	3.7	3.6
Salaries, general and administrative	11.1	10.2	9.8
Federal program expenses	121.3	115.1	124.9
Total expenses	$ 171.6	$ 166.4	$ 172.3
Net income	$ 28.5	$ 19.8	$ 8.3
Net assets at the beginning of year	101.5	81.7	73.4
Net assets at the end of year	$ 130.0	$ 101.5	$ 81.7

Explanations of significant fluctuations between 2009 and 2008 in revenues, expenses, and changes in net assets follow. Certain reclassifications have been made for disclosure and comparison purposes with the current year.

The net decrease in interest income from investments and program loans of $3.7 million is due to the Agency having investments and program loan balances of $73.2 million higher at fiscal yearend 2008 than at fiscal yearend 2009 due to bond program loan pools and their related debt being added to the portfolio at a slower rate than older loans are paying down. In addition, three older bond programs were liquidated during the current year.

The net increase in the fair value of investments of $29.3 million is due to mortgage backed securities in the Single Family Bond program increasing in value as interest rates decreased.

Fees and other income remained steady at $11.6 million between the two periods.

Federal program revenues decreased by $1.9 million, primarily due to the net effect of a $2.4 million increase in the Section 8 Contract Administration program and a decrease of $4.2 million in the Section 8 Voucher program.

Interest expense on bonds and notes payable decreased by $1.8 million in FY 2009 from FY 2008. This decrease is primarily due to $96.0 million less bonds payable at September 30, 2009 over the prior year end due to principal payments in excess of new borrowings for lending to first time homebuyers.

The increase in net income of $8.7 million is primarily due the net effect of the increase in fair value of investments of $19.5 million between FY 2009 and FY 2008 and federal programs activity contributing positively to net income by $3.6 million in FY 2008, while in FY 2009, this same measure was a drag on net income by $4.4 million (a swing of negative $8 million.) The increase in net assets of $28.5 million at the end of FY 2009 is due to the net income for FY 2009.

Explanations of significant fluctuations between 2008 and 2007 in revenues, expenses, and changes in net assets follow.

The net increase in interest income from investments and program loans of $2.9 million is due to the Agency having investments and program loan balances of $48.6 million higher at fiscal year end 2008 than at fiscal year end 2007 due to new bond program loan pools and their related debt being added to the portfolio at a faster rate than older loans are paying down.

The net increase in the fair value of investments of $9.2 million is due to mortgage backed securities in the Single Family Bond program increasing in value as interest rates decreased.

Fees and other income primarily increased by $1.0 million primarily due higher per unit monthly administrative fees in the Section 8 Voucher program resulting in $.7 million higher fees.

Federal program revenues decreased by $7.5 million, primarily due to the net effect of a $4.0 million decrease in the Section 8 Contract Administration program, a $6.1 million decrease in the HOME program, and an increase in of $2.7 million in the Section 8 Voucher program.

Interest expense on bonds and notes payable increased by $3.4 million in FY 2008 from FY 2007. This increase is primarily due to an additional $48.6 million of bonds payable at September 30, 2008 over the prior year end due to making additional funds available for lending to first time homebuyers in excess of prior bonds payable principal reductions.

The increase in net income of $11.5 million is primarily due the net effect of the increase in fair value of investments of $9.1 million between FY 2008 and FY 2007.

The increase in net assets of $19.8 million at the end of FY 2008 is due to the net income for FY 2008.

Capital Assets and Long-Term Debt Administration

Capital Assets

By the end of 2009, the Agency had invested $3.5 million in a broad range of capital assets, including buildings and building improvements, land and furniture and equipment. This amount represents a net decrease (including additions and deductions) of approximately $1,300.

Long-term Debt

At year-end the Agency had $638.3 million in total bonds and debt outstanding in the Single Family Bond programs. This is a decrease of 13 percent from last year's amount of $734.3 million. (More detailed information about the bonds and notes payable is presented in Note 5 to the financial statements.)

ECONOMIC FACTORS AND OTHER FINANCIAL INFORMATION

OHFA's main sources of revenues include mortgage loan activity, investment interest income, and externally funded grants. Market interest rates have an effect on both the mortgage program and investment income revenues. If interest rates rise, mortgage and investment income should increase as new loans are originated and new investments are purchased at higher rates. If interest rates fall, mortgage and investment income will decrease as new loans are originated and new investments are purchased at the lower rates. Any decrease in interest rates could also cause an increase in prepayments on higher rate mortgages.

Large federal deficits or changes in programs or funding levels could have a negative impact on externally funded program revenues.

The Agency expects to continue its commitment to its mission of helping to place people in homes while preserving a strong financial position during the coming year.

CONTACTING OHFA's FINANCIAL MANAGEMENT

This discussion and analysis is to provide additional information to our stakeholders 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; or visit our website at www.ohfa.org

OKLAHOMA HOUSING FINANCE AGENCY
Statements of Net Assets
September 30, 2009 and 2008

	2009	2008
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 15,504,547	$ 11,121,537
Investments	3,429,845	-
Accounts Receivable	10,929	137,572
Accounts Receivable- U.S. Dept of Housing and Urban Development	1,036,729	768,207
Interest Receivable	147,250	128,891
Prepaid Expenses	250,321	222,340
Total Current Assets	$ 20,379,621	$ 12,378,547
Noncurrent Assets		
Restricted Assets		
Cash and Cash Equivalents	$ 31,446,407	$ 35,571,730
Investments	697,941,903	765,467,361
Interest Receivable	3,060,160	3,443,367
Program Loans Receivable	4,588,562	6,937,248
Deferred Finance Costs	7,457,615	4,614,689
Long-Term Investments	11,159,284	14,457,951
Nondepreciated Capital Assets	550,000	550,000
Depreciated Capital Assets, net of Depreciation	2,986,404	2,987,686
Total Noncurrent Assets	$ 759,190,335	$ 834,030,032
Total Assets	$ 779,569,956	$ 846,408,579
LIABILITIES		
Current Liabilities		
Salaries and Related Expenses	$ 239,239	$ 157,771
Accounts Payable- Vendors and Contractors	136,127	181,293
Accounts Payable- U.S. Dept of Housing and Urban Development	352,295	153,498
Accounts Payable- Family Self Sufficiency Program	332,998	383,217
Accounts Payable- Homebuyers Assistance	1,692,541	2,052,446
Accounts Payable- Other	267,656	223,931
Deferred Intergovernmental Revenue	403,036	438,809
Compensated Absences	912,582	854,886
Interest Payable	2,770,621	3,084,596
Current Maturities of Bonds and Notes Payable	13,369,495	69,165,994
Total Current Liabilities	$ 20,476,590	$ 76,696,441
Noncurrent Liabilities		
Bonds and Notes Payable Less Current Maturities	$ 624,978,956	$ 665,155,717
Unamortized Bond Issue Costs	770,974	503,387
Deferred Revenue	2,065,126	1,250,126
HOME Funds Payable	1,314,083	1,314,083
Total Noncurrent Liabilities	$ 629,129,139	$ 668,223,313
Total Liabilities	$ 649,605,729	$ 744,919,754
NET ASSETS		
Invested in Capital Assets	$ 3,536,404	$ 3,537,686
Restricted for Single Family Bonds (Expendable)	83,636,981	54,070,371
Restricted for Section 8 Voucher Program (Expendable)	7,663,197	12,025,130
Unrestricted	35,127,645	31,855,638
Total Net Assets	$ 129,964,227	$ 101,488,825

The Accompanying Notes are an Integral Part of the Financial Statements

OKLAHOMA HOUSING FINANCE AGENCY
Statements of Revenues, Expenses and Changes in Fund Net Assets
For the Years Ended September 30, 2009 and 2008

	2009	2008
Operating Revenues		
Investment Income		
Investments	$ 41,878,100	$ 45,526,661
Program Loans	455,998	647,878
Net Increase in Fair Value of Investments	29,292,263	9,757,361
Fees and Other Income	11,596,439	11,579,119
Total Operating Revenues	$ 83,222,800	$ 67,511,019
Operating Expenses		
Interest	$ 35,642,427	$ 37,408,253
Mortgage Servicing Fees	2,976,165	3,071,611
Amortization of Deferred Finance Costs	414,578	421,906
Trustees, Issuer and Other Fees	138,554	127,995
Salaries and Related Expenses	8,132,672	7,480,002
Arbitrage Payment	52,449	59,727
Loss on Sale of Equipment	1,239	-
Other General and Administrative	2,960,099	2,679,036
Total Operating Expenses	$ 50,318,183	$ 51,248,530
Operating Income	$ 32,904,617	$ 16,262,489
Nonoperating Revenue (Expenses)		
Federal Program Income	$ 116,837,874	$ 118,727,392
Federal Program Expense	(121,267,089)	(115,148,662)
Other	--	(6,278)
Nonoperating Income (Loss)	$ (4,429,215)	$ 3,572,452
Net Income	$ 28,475,402	$ 19,834,941
Total Net Assets, Beginning	101,488,825	81,653,884
Total Net Assets, Ending	$ 129,964,227	$ 101,488,825

OKLAHOMA HOUSING FINANCE AGENCY
Statements of Cash Flows
For the Years Ended September 30, 2009 and 2008

	2009	2008
Cash Flows from Operating Activities		
Receipts from Fees	$ 13,819,725	$ 14,806,665
Receipts from Program Loan Payments	3,809,178	3,155,517
Receipts from Other Sources	(1,055,304)	678,306
Payments to Employees	(8,075,373)	(7,462,707)
Payments to Suppliers	(1,175,363)	(2,257,401)
Payments for Purchases of Program Loans	(1,193,980)	(860,705)
Payments for Bond Fees	(3,392,954)	(3,465,096)
Payments for Trustee and Other Fees	(1,428,121)	(1,314,538)
Payments for Other Expenses	(147,378)	(296,762)
Net Cash Provided by Operating Activities	$ 1,160,430	$ 2,983,279
Cash Flows from Capital and Related Financing Activities		
Acquisition of Capital Assets	$ (444,590)	$ (261,619)
Proceeds from Sale of Equipment	1,189	-
Net Cash (Used) By Capital and Related Financing Activities	$ (443,401)	$ (261,619)
Cash Flows from Noncapital Financing Activities		
Principal Paid on Bonds Payable	$ (159,678,260)	$ (94,428,265)
Interest Paid on Bonds Payable	(35,956,402)	(37,258,278)
Payment of Bond Issuance Costs	(2,989,917)	(1,821,632)
Proceeds from Issuance of Bonds	63,705,000	143,013,000
Receipt of Federal Program Income	116,569,352	118,579,813
Payment of Federal Program Expenses	(121,038,607)	(115,154,940)
Net Cash Provided (Used) By Noncapital Financing Activities	$ (139,388,834)	$ 12,929,698
Cash Flows from Investing Activities		
Purchase of Investments	$ (258,122,235)	$ (364,564,857)
Proceeds from Sales and Maturities of Investments	354,808,777	304,067,006
Interest Received on Investments	42,242,950	45,465,357
Net Cash Provided (Used) by Investing Activities	$ 138,929,492	$ (15,032,494)
Net Increase in Cash	$ 257,687	$ 618,864
Cash and Cash Equivalents at Beginning of Year	46,693,267	46,074,403
Cash and Cash Equivalents at End of Year	$ 46,950,954	$ 46,693,267
Cash and Cash Equivalents as Reported on Balance Sheet		
Unrestricted	$ 15,504,547	$ 11,121,537
Restricted	31,446,407	35,571,730
	$ 46,950,954	$ 46,693,267

The Accompanying Notes are an Integral Part of the Financial Statements

OKLAHOMA HOUSING FINANCE AGENCY
Statements of Cash Flows
For the Years Ended September 30, 2009 and 2008

	2009	2008
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	$ 32,904,617	$ 16,262,489
Adjustments to Reconcile Operating Income to		
Net Cash Provided (Used) by Operating Activities		
Depreciation	443,444	438,906
Amortization of Fees and Deferred Finance Costs	414,578	421,906
Net Change in Fair Value of Investments	(29,292,263)	(9,757,361)
Loss on Sale of Equipment	1,239	6,334
Interest on Bonds and Notes Payable	35,642,427	37,408,254
Interest from Investments	(41,878,100)	(45,526,661)
Change in:		
Program Loans Receivable	2,348,686	1,859,014
Compensated Absences	57,696	24,468
Accounts Receivable	2,599	1,866,754
Prepaid Expenses	(27,981)	1,142
Accounts Payable	608,344	7,620
Deferred Revenue	(64,856)	(29,586)
Net Cash Provided by Operating Activities	$ 1,160,430	$ 2,983,279

The Accompanying Notes are an Integral Part of the 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.

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 Disclosures.*

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 and does not apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or after November 30, 1989.

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.

When the Agency incurs an expense for which it may use either restricted or unrestricted net assets, it uses restricted net assets first unless unrestricted net assets will have to be returned because they were not used.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 twelve months or less.

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.

Without recognition of the current net increase in the fair value of investments, OHFA's 2009 and 2008 net operating income would have been $3,612,354 and $6,505,128.

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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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, which range from 1 to 40 years. Maintenance and repairs are expensed as incurred. Total depreciation expense for the year ended September 30, 2009 and 2008 was $443,444 and $438,906, respectively, and is included with other general and administrative expense on the Statement of Activities.

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.

The lone exception to this revenue deferral accounting policy is the Section 8 Housing Choice Voucher Program. Per HUD, guidance issued in Public and Indian Housing Notice, PIH 2006-3, excess budget authority disbursed to a Public Housing Agency that is not utilized to pay Housing Assistance Payments (“HAP”) will become part of the fund balance account. Accordingly, OHFA records payments received from HUD in excess of HAP expenditures as federal program revenues which flow to net assets restricted to Section 8.

Deferred Finance Costs

Deferred finance costs are costs associated with bond funds which are being recovered through future revenues associated with the funds and are amortized over the life of the loan.

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.

Net assets restricted for Section 8 Voucher Program represent funds received from HUD in excess of HAP expenditures which are classified as fund balance per Public and Indian Housing Notice 2006-3. These funds can only be utilized to make HAP payments for the Section 8 Voucher program.

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.

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, 2009 and 2008, the Agency was not exposed to custodial credit risk.

As of September 30, 2009 and 2008, $31,324,316 and $27,571,944 of the total cash consisted mainly of money market mutual funds held at trustee banks. These funds are classified as investments for the purposes of GASB Statement No. 40 *Deposit and Investment Risk Disclosures* 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 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 as of September 30 are listed below:

	September 30, 2009		
		Investment Maturity (In Years)	
	Market Value	Less than one Year	One to Three Years
Federal Home Loan Bank	$ 3,291,391	$ -	$ 3,291,391
Fannie Mae (Federal National Mortgage Association)	1,764,283	1,020,000	744,283
Freddie Mac (Federal Home Loan Mortgage Corporation)	1,124,092	-	1,124,092
Bond Debentures	1,868,144	679,766	1,188,378
Certificates of Deposit	6,541,219	1,730,079	4,811,140
Total Investments in Securities	$ 14,589,129	$ 3,429,845	$ 11,159,284
Government National Mortgage Association Pooled Loans	501,425,170		
Federal National Mortgage Association Pooled Loans	139,307,597		
Guaranteed Investment Contracts	57,209,136		
Total Investments	$ 712,531,032		

NOTE 3 - CASH AND INVESTMENTS (continued)

	September 30, 2008		
		Investment Maturity (In Years)	
	Market Value	Less than one Year	One to Three Years
Federal Home Loan Bank	$ 3,375,543	$ 749,295	$ 2,626,248
Fannie Mae (Federal National Mortgage Association)	4,010,168	-	4,010,168
Freddie Mac (Federal Home Loan Mortgage Corporation)	7,072,240	-	7,072,240
Total Investments in Securities	$ 14,457,951	$ 749,295	$ 13,708,656
Government National Mortgage Association Pooled Loans	484,552,828		
Federal National Mortgage Association Pooled Loans	152,623,657		
Guaranteed Investment Contracts	128,290,876		
Total Investments	$ 779,925,312		

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 investments in securities are held by the investment's counterparty in the name of the Agency. Securities held with FHLB, Fannie Mae, and Freddie Mac, are all rated AAA by Standard & Poor's. Credit ratings were not available for the bond debentures held by the Agency. The investments held by the Single Family Bond programs are not considered securities and are therefore not subject to custodial credit risk.

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

	September 30, 2009	September 30, 2008
Noncurrent		
Restricted by Bond Indentures	$697,941,903	$ 765,467,361
Unrestricted	14,589,129	14,457,951
	$712,531,032	$ 779,925,312

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 amounts for individual investments fluctuate based on changes in the market interest rates available to investors.

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 type of issuer. Investments by issuer that account for five percent or more of the agency's total investments are indicated by an asterisk (*) below.

	September 20, 2009			September 20, 2008		
	Market Value		Credit Exposure as a Percentage of Total Investments	Market Value		Credit Exposure as a Percentage of Total Investments
Agency Portion:						
Federal Home Loan Bank	3,291,391		0.5%	3,375,543		0.4%
Fannie Mae (Federal National Mortgage Association)	1,764,283		0.2%	4,010,168		0.5%
Freddie Mac (Federal Home Loan Mortgage Corporation)	1,124,092		0.1%	7,072,240		0.9%
Bond Debentures	1,868,144		0.3%	-		0.0%
Certificates of Deposit	6,541,219		0.9%	-		0.0%
	$ 14,589,129		2.0%	$ 14,457,951		1.8%
Single Family Bond Portion:						
Government National Mortgage Association Pooled Loans	501,425,170	*	70.4%	484,552,828	*	62.1%
Federal National Mortgage Association Pooled Loans	139,307,597	*	19.6%	152,623,657	*	19.6%
Depfa Bank, Guaranteed Investment Contracts	-		0.0%	42,796,135	*	5.5%
Royal Bank of Canada, Guaranteed Investment Contracts	-		0.0%	56,627,000	*	7.3%
Other Guaranteed Investment Contracts	57,209,136	*	8.0%	28,867,741		3.7%
	$ 697,941,903		98.0%	$ 765,467,361		98.2%
Total Investments	$ 712,531,032		100%	$ 779,925,312		100%

NOTE 4 – 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. 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, 2009 and 2008, there were 2 series of multi-family bonds outstanding with an aggregate principal amount payable of $9,668,087 and $11,265,569.

NOTE 5 – 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. The Agency, the State of Oklahoma, nor any political subdivision thereof, is obligated in any manner for the repayment of the bonds. These bonds are secured by mortgage loans and other assets of their respective indentures.

Bonds and notes payable and changes for the fiscal year then ended are as follows:

Single Family Revenue Bonds	Issued	Average Interest Rates	Maturity Through	Beginning Balance 9/30/2007	Additions	Reductions	Ending Balance 9/30/2008	Additions	Reductions	Ending Balance 9/30/2009	Amount Due in One Year
1987 A	5/28/1987	8.00%	5/1/2018	$ 7,585,000	$ --	$ 1,595,000	5,990,000	$ --	$1,740,000	4,250,000	1,445,004
1991 A&B	11/1/1991	7.35%	11/1/2024	1,757,522	--	307,114	1,450,408	--	307,525	1,142,883	243,990
1997A	3/12/1997	6.24%	9/1/2028	1,905,000	--	410,000	1,495,000	--	520,000	975,000	30,000
1997B-1,		5.55%	3/1/2028								
B-2,		6.06%	9/1/2029								
B-3	10/2/1997	6.75%	9/1/2018	3,355,000	--	570,000	2,785,000	--	535,000	2,250,000	35,000
1998A-1		5.66%	9/1/2029								
A-2	3/12/1998	6.40%	9/1/2019	5,965,000	--	965,000	5,000,000	--	5,000,000	--	--
1998B-1	7/30/1998	5.50%	3/1/2029								
B-2	7/15/1998	5.71%	3/1/2029								
B-3	7/15/1998	6.19%	3/1/2029	4,557,048	--	1,077,974	3,479,074	--	3,479,074	--	--
1998D-1		5.40%	3/1/2029								
D-2		5.31%	3/1/2030								
D-3	10/22/1998	5.15%	9/1/2019	7,210,946	--	1,320,612	5,890,334	--	1,029,185	4,861,149	205,000
1999 A-1		5.50%	3/1/2029								
A-2		5.39%	3/1/2030								
A-3	2/19/1999	6.05%	9/1/2020	7,687,550	--	1,062,338	6,625,212	--	947,017	5,678,195	195,000
1999 B-1		6.22%	9/1/2026								
B-2		5.53%	3/1/2030								
B-3	5/27/1999	6.65%	9/1/2020	8,600,902	--	1,830,962	6,769,940	--	1,636,477	5,133,463	180,000
1999C	10/28/1999	7.10%	9/1/2031	394,524	--	63,073	331,451	--	51,181	280,270	130,501
1999 D-1		6.58%	9/1/2026								
D-2		6.15%	9/1/2030								
D-3	10/15/1999	7.02%	9/1/2026	6,048,016	--	1,249,188	4,798,828	--	962,667	3,836,161	120,000
2000 A-1		6.83%	9/1/2018								
A-2		5.63%	9/1/2031								
A-3		7.62%	9/1/2027								
A-4	3/1/2000	4.30%	9/1/2031	3,402,905	--	892,790	2,510,115	--	707,025	1,803,090	90,000
2000B	4/1/2000	7.60%	9/1/2026	840,353	--	248,204	592,149	--	51,996	540,153	60,000
2000C-1		5.11%	9/1/2014								
C-2		6.52%	9/1/2028								
C-3	6/14/2000	7.81%	9/1/2028	5,733,325	--	1,131,113	4,602,212	--	820,451	3,781,761	80,000

NOTE 5 – BONDS AND NOTES PAYABLE (continued)

Single Family Revenue Bonds	Issued	Average Interest Rates	Maturity Through	Beginning Balance 9/30/2007	Additions	Reductions	Ending Balance 9/30/2008	Additions	Reductions	Ending Balance 9/30/2009	Amount Due in One Year
2000 D	10/4/2000	6.40%	9/1/2031	4,010,286	--	1,001,125	3,009,161	--	677,835	2,331,326	170,000
2001 A-1	4/26/2001	4.87%	3/1/2021	3,972,599	--	1,766,772	2,205,827	--	2,205,827	--	--
2001 B-1 B-2	9/1/2001	5.52%	9/1/2032	8,925,000	--	1,535,000	7,390,000	--	1,140,000	6,250,000	185,000
2002 A&B	2/15/2002	4.97%	9/1/2034	8,960,000	--	2,225,000	6,735,000	--	1,780,000	4,955,000	105,000
2002C	5/23/2002	3.19%	9/1/2033	14,080,000	--	2,270,000	11,810,000	--	1,860,000	9,950,000	210,000
2003 A	1/31/2003	3.91%	9/1/2034	16,620,000	--	3,485,000	13,135,000	--	2,950,000	10,185,000	220,000
2003 B	5/30/2003	3.85%	9/1/2028	30,505,000	--	5,765,000	24,740,000	--	3,500,000	21,240,000	575,000
2003 C	8/22/2003	5.45%	9/1/2034	21,530,000	--	3,790,000	17,740,000	--	3,055,000	14,685,000	310,000
2004 A	4/20/2004	4.44%	3/1/2035	24,920,000	--	5,595,000	19,325,000	--	3,620,000	15,705,000	345,000
2004 B	7/8/2004	5.43%	3/1/2035	34,100,000	--	5,295,000	28,805,000	--	5,035,000	23,770,000	450,000
2005 A	1/21/2005	3.70%	9/1/2035	29,885,000	--	5,295,000	24,590,000	--	3,805,000	20,785,000	410,000
2005 B	6/15/2005	3.93%	3/1/2036	43,890,000	--	8,265,000	35,625,000	--	5,130,000	30,495,000	540,000
2005 C	7/7/2005	3.82%	9/1/2036	40,530,000	--	6,770,000	33,760,000	--	4,115,000	29,645,000	565,000
2005D	10/7/2005	4.14%	9/1/2036	18,945,000	--	2,475,000	16,470,000		1,555,000	14,915,000	275,000
2006A	1/12/2006	4.23%	3/1/2037	42,145,000	--	5,380,000	36,765,000		6,760,000	30,005,000	545,000
2006B	3/22/2006	4.22%	9/1/2037	42,915,000	--	4,700,000	38,215,000		6,745,000	31,470,000	570,000
2006C	5/18/2006	4.48%	9/1/2037	43,735,000	--	4,080,000	39,655,000		6,205,000	33,450,000	540,000
2006 D	10/1/2006	4.16%	3/1/2037	42,180,000	--	3,800,000	38,380,000	--	5,270,000	33,110,000	550,000
2007 Draw Down	9/29/2007	4.42%	9/1/2010	19,121,000	37,506,000	--	56,627,000	--	56,627,000	--	--
2007 A	2/1/2007	5.16%	3/1/2038	52,225,000	--	3,910,000	48,315,000	--	4,565,000	43,750,000	595,000
2007 B	5/1/2007	4.94%	9/1/2038	40,000,000	--	1,855,000	38,145,000	--	3,755,000	34,390,000	520,000
2007 C	7/1/2007	5.60%	9/1/2038	37,500,000	--	1,435,000	36,065,000	--	5,980,000	30,085,000	450,000
2007 D	10/1/2007	5.35%	3/1/2039	--	40,000,000	505,000	39,495,000	--	4,200,000	35,295,000	510,000
2008 A	7/9/2008	4.84%	3/1/2039	--	25,507,000	507,000	25,000,000	--	885,000	24,115,000	625,000
2008 B	9/30/2008	3.84%	3/1/2039	--	40,000,000	--	40,000,000	--	470,000	39,530,000	565,000
2009 A	5/2/2009	3.25%	9/2/2033	--	--	--	--	30,905,000	--	30,905,000	440,000
2009 B	9/2/2009	3.32%	9/2/2040	--	--	--	--	32,800,000	--	32,800,000	285,000
Single Family Revenue Bonds				$ 685,736,976	$ 143,013,000	$ 94,428,265	$ 734,321,711	$ 63,705,000	$ 159,678,260	$ 638,348,451	$ 13,369,495

Debt requirements on bonds and notes payable at September 30, 2009, as follows (in millions):

	2010	2011	2012	2013	2014	2015-2019	2020-2024	2025-2029	2030+	Total
Principal and Interest	$ 46,701	$ 48,111	$ 48,285	$ 47,001	$ 46,407	$ 230,606	$ 227,343	$ 221,781	$ 279,478	$ 1,195,713
Less Interest	33,332	32,622	31,855	31,111	30,372	141,881	117,582	84,154	54,456	557,365
Total Principal	$ 13,369	$ 15,489	$ 16,430	$ 15,890	$ 16,035	$ 88,725	$ 109,761	$ 137,627	$ 225,022	$ 638,348

NOTE 6 – PROGRAM LOANS RECEIVABLE

Program Loans Receivable consisted of the following:

	For the Year Ended September 30, 2009	For the Year Ended September 30, 2008
Single Family Program Funds, Special Securities (1993 A & B), bearing interest at 8.5-8.95%, maturing December, 2014, AMBAC insured	$ 100,724	$ 167,655
GNMA & FNMA Loans, guaranteed by mortgage, bearing interest at 6-7.4%, maturing March 2027	107,267	-
Single Family Program Funds, Accum Fund (1994 B), bearing interest at 10.97% maturing September 2016 MBIA insured	1,651,771	2,022,738
Single Family Program Funds, 2001A, bearing interest averaging 4.87% maturing March 2021	584,121	1,240,828
Housing Trust Fund, Chickasha Housing - Part 1, bearing interest at 5%, loan to be repaid out of 75% of cash flow from the property, no set term or maturity date	195,510	195,510
Housing Trust Fund, Chickasha Housing - Part 2, Bearing interest at 3.9%, 219-month term, collateralized by mortgages, maturing September 2023	275,730	281,828
Housing Trust Fund, Wyndam-Nornam, bearing interest at 1%, 18-month term, collateralized by mortgages maturing March 2010	500,000	500,000
Housing Trust Fund, Central Urban Development, Inc., bearing interest at 1%, 3-year term, collateralized by mortgages, maturing July 2007. Borrower will buy out the loan once financing is obtained. OHFA has sent demand letter. **	117,864	117,864
Housing Trust Fund, Northeast OK CAA, Inc., bearing interest at 1%, 18-month term, collateralized by mortgages, maturing May 2009	46,963	-
Housing Trust Fund, City of Miami, bearing interest at 1%, 18-month term, collateralized by mortgages, maturing December 2009	172,020	120,679
Housing Trust Fund, Tri-County Indian Nations, bearing interest at 1%, 18-month term, collateralized by mortgages, maturing March 2010	179,600	-
Housing Trust Fund, Central Oklahoma Habitat for Humanity, bearing interest at 1%, 18-month term, collateralized by mortgages, maturing April 2010	300,000	-
Housing Trust Fund, Neighborhood Housing Services, bearing interest at 1%, 18-month term, collateralized by mortgages, maturing June 2010	153,694	-
Housing Trust Fund, Delta Community Action Foundation, bearing interest at 1%, 24-month term, collateralized by mortgages, maturing June 2010	203,298	-
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%, 18-month term, collateralized by mortgages, maturing May 2009	-	93,925
Housing Trust Fund, bearing interest at 1%, 18-month term, collateralized by mortgages, maturing December 2009	-	64,336
Program loans, bearing interested at 6-7.4%, maturing September 2026 through February 2027, guaranteed by mortgage guaranty fund	-	2,099,385
	$ 4,588,562	$ 6,937,248

** Past Due - In Litigation

NOTE 7 – 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 approved a monthly contribution to the OHFA Plan of 14.5% of salary for the period beginning July 1, 2008 and increased to 15.5% of salary beginning July 1, 2009.

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: employees -- 3.5% of all allowable compensation; employers -- 14.5% of allowable annual compensation for the period beginning July 1, 2008 and increasing to 15.5% of allowable annual compensation beginning July 1, 2009.

The percentage for employer contributions for both plans increased by 1% annually beginning July 1, 2008 and each year thereafter, through June 30, 2011, when it reaches a maximum rate of 16.5%. 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 required contributions under the plan for 2009, 2008, and 2007 were $858,270, $710,406, and $652,600, respectively and were equal to the required contributions under both plans for each respective year.

NOTE 8 – CAPITAL ASSETS

As of September 30, 2009, capital assets consisted of the following:

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land	$ 550,000	$ -	$ -	$ 550,000
Capital Assets being depreciated:				
Furniture and equipment	$ 2,271,078	$ 442,057	$ (157,922)	$ 2,555,213
Building	2,409,299	-	-	2,409,299
Improvements	1,179,182	2,533	-	1,181,715
Total capital assets being depreciated	$ 5,859,559	$ 444,590	$ (157,922)	$ 6,146,227
Less accumulated depreciation:				
Furniture and equipment	$ (1,873,364)	$ (264,614)	$ 155,494	$ (1,982,484)
Building	(395,707)	(60,232)	-	(455,939)
Improvements	(602,802)	(118,598)	-	(721,400)
Total accumulated depreciation	$ (2,871,873)	$ (443,444)	$ 155,494	$ (3,159,823)
Total capital assets being depreciated	$ 2,987,686	$ 1,146	$ (2,428)	$ 2,986,404
Capital Assets, Net	$ 3,537,686	$ 1,146	$ (2,428)	$ 3,536,404

NOTE 8 – CAPITAL ASSETS (continued)

As of September 30, 2008, capital assets consisted of the following:

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land	$ 550,000	$ -	$ -	$ 550,000
Capital Assets being depreciated:				
Furniture and equipment	$ 2,748,094	$ 182,497	$ (659,513)	$ 2,271,078
Building	2,409,299	-	-	2,409,299
Improvements	1,100,060	79,122	-	1,179,182
Total capital assets being depreciated	$ 6,257,453	$ 261,619	$ (659,513)	$ 5,859,559
Less accumulated depreciation:				
Furniture and equipment	$ (2,262,267)	$ (264,276)	$ 653,179	$ (1,873,364)
Building	(335,475)	(60,232)	-	(395,707)
Improvements	(488,404)	(114,398)	-	(602,802)
Total accumulated depreciation	$ (3,086,146)	$ (438,906)	$ 653,179	$ (2,871,873)
Total capital assets being depreciated	$ 3,171,307	$ (177,287)	$ (6,334)	$ 2,987,686
Capital Assets, Net	$ 3,721,307	$ (177,287)	$ (6,334)	$ 3,537,686

NOTE 9 – 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 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.

SUPPLEMENTARY INFORMATION

EideBailly
CPAs & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

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

Our report on our audit of the basic financial statements of Oklahoma Housing Finance Agency for September 30, 2009, appears on page 1. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary information on the Single Family Mortgage Revenue Bond Funds and the combining statements are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such 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.

Eide Bailly LLP

Norman, Oklahoma
May 17, 2010

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2009

	1987 Series A	1991 Series A & B	1997 Series A	1997 Series B	1998 Series D	1999 Series A
ASSETS						
Noncurrent Assets						
Cash and Cash Equivalents	$ 153,688	$ 122,352	$ 34,239	$ 209,768	$ 125,435	$ 173,233
Investments	5,524,842	1,144,537	1,836,273	2,848,394	6,208,866	6,739,450
Deferred Issuance, Finance and Other Costs, Net	-	-	-	-	-	41,425
Interest Receivable	34,048	6,420	9,036	14,058	28,117	31,274
Total Assets	$ 5,712,578	$ 1,273,309	$ 1,879,548	$ 3,072,220	$ 6,362,418	$ 6,985,382
LIABILITIES						
Current Liabilities						
Accounts Payable and Accrued Expenses	$ 388	$ 104	$ 177	$ 464	$ 811	$ 1,405
Interest Payable	28,323	7,000	4,926	10,651	21,060	24,781
Current Maturities of Bonds Payable	1,445,004	243,990	30,000	35,000	205,000	195,000
Total Current Liabilities	$ 1,473,715	$ 251,094	$ 35,103	$ 46,115	$ 226,871	$ 221,186
Noncurrent Liabilities						
Bonds Payable Less Current Maturities	$ 2,804,996	$ 898,893	$ 945,000	$ 2,215,000	$ 4,656,149	$ 5,483,195
Deferred Revenue and Other Deferred Credits	25,126	-	-	-	-	-
Total Noncurrent Liabilities	$ 2,830,122	$ 898,893	$ 945,000	$ 2,215,000	$ 4,656,149	$ 5,483,195
Total Liabilities	$ 4,303,837	$ 1,149,987	$ 980,103	$ 2,261,115	$ 4,883,020	$ 5,704,381
NET ASSETS						
Restricted for Single Family Bond Programs	$ 1,408,741	$ 123,322	$ 899,445	$ 811,105	$ 1,479,398	$ 1,281,001

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2009

	1999 Series B	1999 Series C	1999 Series D	2000 Series A	2000 Series B	2000 Series C	2000 Series D
ASSETS							
Noncurrent Assets							
Cash and Cash Equivalents	$ 109,452	$ 2,395	$ 177,052	$ 65,251	$ 4,723	$ 195,525	$ 141,256
Investments	6,769,620	345,761	4,550,309	3,259,278	625,175	5,363,406	3,014,621
Interest Receivable	32,219	20,042	23,141	16,675	3,831	28,434	15,499
Deferred Issuance, Finance and Other Costs, Net	-	-	4,535	9,910	16,249	49,157	18,218
Total Assets	$ 6,911,291	$ 368,198	$ 4,755,037	$ 3,351,114	$ 649,978	$ 5,636,522	$ 3,189,594
Liabilities							
Current Liabilities							
Accounts Payable and Accrued Expenses	$ 1,084	$ 156	$ 732	$ 381	$ 317	$ 957	$ 413
Interest Payable	23,133	1,658	20,716	10,319	3,405	21,026	12,228
Current Maturities of Bonds Payable	180,000	130,501	120,000	90,000	60,000	80,000	170,000
Total Current Liabilities	$ 204,217	$ 132,315	$ 141,448	$ 100,700	$ 63,722	$ 101,983	$ 182,641
Noncurrent Liabilities							
Bonds Payable Less Current Maturities	$ 4,953,463	$ 149,769	$ 3,716,161	$ 1,713,090	$ 480,153	$ 3,701,761	$ 2,161,326
HOME Funds Payable	349,445	-	-	246,069	-	298,858	74,467
Total Noncurrent Liabilities	$ 5,302,908	$ 149,769	$ 3,716,161	$ 1,959,159	$ 480,153	$ 4,000,619	$ 2,235,793
Total Liabilities	$ 5,507,125	$ 282,084	$ 3,857,609	$ 2,059,859	$ 543,875	$ 4,102,602	$ 2,418,434
NET ASSETS							
Restricted for Single Family Bond Programs	$ 1,404,166	$ 86,114	$ 897,428	$ 1,291,255	$ 106,103	$ 1,533,920	$ 771,160

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2009

	2001 Series A	2001 Series B	2002 Series A & B	2002 Series C	2003 Series A	2003 Series B	2003 Series C	2004 Series A
ASSETS								
Noncurrent Assets								
Cash and Cash Equivalents	$ 442,266	$ 7,622	$ 366,335	$ 310,292	$ 295,028	$ 319,152	$ 325,273	$ 560,123
Investments	-	9,569,394	6,007,938	10,515,687	14,537,533	22,640,349	15,676,868	16,603,999
Due from(to) Other Funds	1,388,090	(953,333)	(434,757)	-	-	-	-	-
Interest Receivable	51	42,574	27,611	49,760	61,440	90,950	69,814	66,939
Program Loans Receivable	584,121	-	-	-	-	-	-	-
Deferred Issuance, Finance and Other Costs, Net	-	61,080	56,646	192,648	40,835	18,280	16,740	123,394
Total Assets	$ 2,414,528	$ 8,727,337	$ 6,023,773	$ 11,068,387	$ 14,934,836	$ 23,068,731	$ 16,088,695	$ 17,354,455
Liabilities								
Current Liabilities								
Accounts Payable and Accrued Expenses	$ 157	$ 1,427	$ 1,462	$ 2,070	$ 3,928	$ 4,542	$ 1,937	$ 2,305
Interest Payable	-	27,635	20,460	49,740	44,795	70,040	68,342	63,767
Current Maturities of Bonds Payable	-	185,000	105,000	210,000	220,000	575,000	310,000	345,000
Total Current Liabilities	$ 157	$ 214,062	$ 126,922	$ 261,810	$ 268,723	$ 649,582	$ 380,279	$ 411,072
Noncurrent Liabilities								
Bonds Payable Less Current Maturities	$ -	$ 6,065,000	$ 4,850,000	$ 9,740,000	$ 9,965,000	$ 20,665,000	$ 14,375,000	$ 15,360,000
HOME Funds Payable	99,347	116,073	100,277	29,547	-	-	-	-
Total Noncurrent Liabilities	$ 99,347	$ 6,181,073	$ 4,950,277	$ 9,769,547	$ 9,965,000	$ 20,665,000	$ 14,375,000	$ 15,360,000
Total Liabilities	$ 99,504	$ 6,395,135	$ 5,077,199	$ 10,031,357	$ 10,233,723	$ 21,314,582	$ 14,755,279	$ 15,771,072
NET ASSETS								
Restricted for Single Family Bond Programs	$ 2,315,024	$ 2,332,202	$ 946,574	$ 1,037,030	$ 4,701,113	$ 1,754,149	$ 1,333,416	$ 1,583,383

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2009

	2004 Series B	2005 Series A	2005 Series B	2005 Series C	2005 Series D	2006 Series A	2006 Series B
ASSETS							
Noncurrent Assets							
Cash and Cash Equivalents	$ 475,859	$ 320,479	$ 1,158,125	$ 1,112,078	$ 518,479	$ 590,014	$ 670,068
Investments	25,720,797	22,184,629	32,246,573	30,830,504	15,526,569	31,823,139	34,165,970
Interest Receivable	115,542	94,374	135,324	130,419	65,759	138,336	150,154
Deferred Issuance, Finance and Other Costs, Net	63,660	-	-	-	-	-	-
Total Noncurrent Assets	$ 26,375,858	$ 22,599,482	$ 33,540,022	$ 32,073,001	$ 16,110,807	$ 32,551,489	$ 34,986,192
Total Assets	$ 26,375,858	$ 22,599,482	$ 33,540,022	$ 32,073,001	$ 16,110,807	$ 32,551,489	$ 34,986,192
LIABILTIES							
Current Liabilities							
Accounts Payable and Accrued Expenses	$ 2,501	$ 2,223	$ 3,882	$ 3,617	$ 776	$ 3,122	$ 7,590
Interest Payable	112,161	88,535	125,668	124,153	64,674	133,492	136,471
Current Maturities of Bonds Payable	450,000	410,000	540,000	565,000	275,000	545,000	570,000
Total Current Liabilities	$ 564,662	$ 500,758	$ 669,550	$ 692,770	$ 340,450	$ 681,614	$ 714,061
Noncurrent Liabilities							
Bonds Payable Less Current Maturities	$ 23,320,000	$ 20,375,000	$ 29,955,000	$ 29,080,000	$ 14,640,000	$ 29,460,000	$ 30,900,000
Total Noncurrent Liabilities	$ 23,320,000	$ 20,375,000	$ 29,955,000	$ 29,080,000	$ 14,640,000	$ 29,460,000	$ 30,900,000
Total Liabilities	$ 23,884,662	$ 20,875,758	$ 30,624,550	$ 29,772,770	$ 14,980,450	$ 30,141,614	$ 31,614,061
NET ASSETS							
Restricted for Single Family Bond Programs	$ 2,491,196	$ 1,723,724	$ 2,915,472	$ 2,300,231	$ 1,130,357	$ 2,409,875	$ 3,372,131

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2009

	2006 Series C	2006 Series D	2007 Series A	2007 Series B	2007 Series C	2007 Series D	2008 Series A
ASSETS							
Noncurrent Assets							
Cash and Cash Equivalents	$ 776,772	$ 844,758	$ 985,351	$ 713,085	$ 559,928	$ 658,907	$ 429,136
Investments	35,731,684	34,638,856	46,025,004	36,094,646	31,752,386	37,148,516	25,883,354
Interest Receivable	162,925	168,667	205,232	163,677	153,144	172,953	147,434
Deferred Issuance, Finance and Other Costs, Net	-	57,620	214,498	208,312	355,529	376,415	680,855
Total Assets	$ 36,671,381	$ 35,709,901	$ 47,430,085	$ 37,179,720	$ 32,820,987	$ 38,356,791	$ 27,140,779
LIABILITIES							
Current Liabilities							
Accounts Payable and Accrued Expenses	$ 4,964	$ 4,656	$ 20,319	$ 5,885	$ 7,757	$ 16,896	$ 3,753
Interest Payable	152,331	144,348	188,118	142,621	143,834	159,895	117,359
Current Maturities of Bonds Payable	540,000	550,000	595,000	520,000	450,000	510,000	625,000
Total Current Liabilities	$ 697,295	$ 699,004	$ 803,437	$ 668,506	$ 601,591	$ 686,791	$ 746,112
Noncurrent Liabilities							
Bonds Payable Less Current Maturities	$ 32,910,000	$ 32,560,000	$ 43,155,000	$ 33,870,000	$ 29,635,000	$ 34,785,000	$ 23,490,000
Unamortized Bond Issue Costs	-	-	-	531	145,752	312,251	113,538
Deferred Revenue and Other Deferred Credits	-	-	130,000	170,000	200,000	125,000	100,000
Total Noncurrent Liabilities	$ 32,910,000	$ 32,560,000	$ 43,285,000	$ 34,040,531	$ 29,980,752	$ 35,222,251	$ 23,703,538
Total Liabilities	$ 33,607,295	$ 33,259,004	$ 44,088,437	$ 34,709,037	$ 30,582,343	$ 35,909,042	$ 24,449,650
NET ASSETS							
Restricted for Single Family Bond Programs	$ 3,064,086	$ 2,450,897	$ 3,341,648	$ 2,470,683	$ 2,238,644	$ 2,447,749	$ 2,691,129

OKLAHOMA HOUSING FINANCE AGENCY
Single Family Mortgage Revenue Bond Funds
Supplemental Combining Schedule of Net Assets
September 30, 2009

	2008 Series B	2009 Series A	2009 Series B	Accumulation Bond Fund	Total Single Family Bond Programs
ASSETS					
Noncurrent Assets					
Cash and Cash Equivalents	$ 534,225	$ 114,228	$ 13,830	$ 5,485,310	$ 20,101,092
Investments	42,219,880	31,612,091	33,697,954	6,857,051	697,941,903
Interest Receivable	201,800	127,630	18,186	36,671	3,060,160
Program Loans Receivable	-	-	-	1,651,772	2,235,893
Deferred Issuance, Finance and Other Costs, Net	1,182,078	1,562,531	2,107,000	-	7,457,615
Total Noncurrent Assets	$ 44,137,983	$ 33,416,480	$ 35,836,970	$ 14,030,804	$ 730,796,663
Total Assets	$ 44,137,983	$ 33,416,480	$ 35,836,970	$ 14,030,804	$ 730,796,663
LIABILITIES					
Current Liabilities					
Accounts Payable and Accrued Expenses	$ 6,632	$ 421,853	$ 1,247,954	$ 100,830	$ 1,890,427
Interest Payable	179,790	105,374	117,792	-	2,770,621
Current Maturities of Bonds Payable	565,000	440,000	285,000	-	13,369,495
Total Current Liabilities	$ 751,422	$ 967,227	$ 1,650,746	$ 100,830	$ 18,030,543
Noncurrent Liabilities					
Bonds Payable Less Current Maturities	$ 38,965,000	$ 30,465,000	$ 32,515,000	$ -	$ 624,978,956
Unamortized Bond Issue Costs	176,048	9,023	13,831	-	770,974
Deferred Revenue and Other Deferred Credits	495,000	170,000	650,000	-	2,065,126
HOME Funds Payable	-	-	-	-	1,314,083
Total Noncurrent Liabilities	$ 39,636,048	$ 30,644,023	$ 33,178,831	$ -	$ 629,129,139
Total Liabilities	$ 40,387,470	$ 31,611,250	$ 34,829,577	$ 100,830	$ 647,159,682
NET ASSETS					
Restricted for Single Family Bond Programs	$ 3,750,513	$ 1,805,230	$ 1,007,393	$ 13,929,974	$ 83,636,981

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, 2009

	1987 Series A	1991 Series A & B	1993 Series A & B	1994 Series B	1997 Series A	1997 Series B
Operating Revenues						
Interest Income						
Investments	$ 476,454	$ 97,516	$ 4,209	$ 72	$ 127,495	$ 207,514
Program Loans	-	-	5,084	66,894	-	-
Net Increase (Decrease) in Fair Value of Investments	(49,563)	3,604	-	-	59,516	108,433
Other Income	5,000	-	-	-	-	-
Total Operating Revenues	$ 431,891	$ 101,120	$ 9,293	$ 66,966	$ 187,011	$ 315,947
Operating Expenses						
Interest	$ 409,234	$ 106,081	$ -	$ -	$ 75,365	$ 148,402
Mortgage Servicing Fees	27,817	6,253	390	4,863	9,308	15,255
Trustees, Issuer and Other Fees	6,359	1,721	2,577	3,885	5,239	8,982
Other	-	-	252	-	-	-
Total OperatingExpenses	$ 443,410	$ 114,055	$ 3,219	$ 8,748	$ 89,912	$ 172,639
Net Income (Loss) before Operating Transfers	$ (11,519)	$ (12,935)	$ 6,074	$ 58,218	$ 97,099	$ 143,308
Equity Transfers for Closed Programs	-	-	(1,178,319)	-	-	-
Operating Transfers Out	-	-	-	(2,048,047)	-	-
Net Income (Loss)	$ (11,519)	$ (12,935)	$ (1,172,245)	$ (1,989,829)	$ 97,099	$ 143,308
Total Net Assets, Beginning	1,420,260	136,257	1,172,245	1,989,829	802,346	667,797
Total Net Assets, Ending	$ 1,408,741	$ 123,322	$ - *	$ - *	$ 899,445	$ 811,105

* No supplemental schedule of Net Assets is presented for these funds because there are no balance sheet accounts at September 30, 2009.

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, 2009

	1998 Series A	1998 Series B	1998 Series D	1999 Series A	1999 Series B	1999 Series C
Operating Revenues						
Interest Income						
Investments	$ 272,071	$ 211,887	$ 391,322	$ 452,532	$ 464,513	$ 46,166
Net Increase (Decrease) in Fair Value of Investments	(100,891)	(89,172)	284,926	284,956	288,385	8,241
Other Income	157,764	100,337	-	-	-	-
Total Operating Revenues	$ 328,944	$ 223,052	$ 676,248	$ 737,488	$ 752,898	$ 54,407
Operating Expenses						
Interest	$ 230,659	$ 154,297	$ 281,953	$ 335,792	$ 325,016	$ 22,477
Mortgage Servicing Fees	22,039	17,166	31,351	33,931	33,998	1,715
Amortization of Deferred Finance Costs	-	-	14,924	6,910	17,760	7,233
Trustees, Issuer and Other Fees	16,604	13,330	13,826	22,410	17,809	5,005
Other	-	26,827	-	-	-	-
Total OperatingExpenses	$ 269,302	$ 211,620	$ 342,054	$ 399,043	$ 394,583	$ 36,430
Net Income before Operating Transfers	$ 59,642	$ 11,432	$ 334,194	$ 338,445	$ 358,315	$ 17,977
Operating Transfers Out	(838,750)	(1,094,604)	-	-	-	-
Net Income (Loss)	$ (779,108)	$ (1,083,172)	$ 334,194	$ 338,445	$ 358,315	$ 17,977
Total Net Assets, Beginning	779,108	1,083,172	1,145,204	942,556	1,045,851	68,137
Total Net Assets, Ending	$ - *	$ - *	$ 1,479,398	$ 1,281,001	$ 1,404,166	$ 86,114

* No supplemental schedule of Net Assets
is presented for these funds
because there are no balance sheet accounts at
September 30, 2009.

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, 2009

	1999 Series D	2000 Series A	2000 Series B	2000 Series C	2000 Series D	2001 Series A	2001 Series B
Operating Revenues							
Interest Income							
Investments	$ 348,282	$ 237,680	$ 49,189	$ 409,861	$ 231,169	$ 206,019	$ 587,289
Program Loans	-	-	-	-	-	91,057	-
Net Increase (Decrease) in Fair Value of Investments	153,604	110,145	21,309	129,623	94,519	(112,583)	405,079
Total Operating Revenues	$ 501,886	$ 347,825	$ 70,498	$ 539,484	$ 325,688	$ 184,493	$ 992,368
Operating Expenses							
Interest	$ 287,447	$ 146,158	$ 41,624	$ 283,102	$ 183,070	$ 54,552	$ 370,607
Mortgage Servicing Fees	23,652	15,893	2,769	26,274	15,701	24,704	45,942
Amortization of Deferred Finance Costs	1,138	3,886	1,564	10,664	5,298	1,656	11,141
Trustees, Issuer and Other Fees	12,977	8,073	7,099	16,105	8,509	12,815	22,282
Other	-	-	-	-	-	1,608	-
Total OperatingExpenses	$ 325,214	$ 174,010	$ 53,056	$ 336,145	$ 212,578	$ 95,335	$ 449,972
Net Income before Operating Transfers	$ 176,672	$ 173,815	$ 17,442	$ 203,339	$ 113,110	$ 89,158	$ 542,396
Operating Transfers Out	-	-	-	-	-	(6,498,275)	-
Net Income (Loss)	$ 176,672	$ 173,815	$ 17,442	$ 203,339	$ 113,110	$ (6,409,117)	$ 542,396
Total Net Assets, Beginning	720,756	1,117,440	88,661	1,330,581	658,050	8,724,141	1,789,806
Total Net Assets, Ending	$ 897,428	$ 1,291,255	$ 106,103	$ 1,533,920	$ 771,160	$ 2,315,024	$ 2,332,202

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, 2009

	2002 Series A & B	2002 Series C	2003 Series A	2003 Series B	2003 Series C	2004 Series A	2004 Series B
Operating Revenues							
Interest Income							
Investments	$ 413,192	$ 728,463	$ 914,857	$ 1,322,570	$ 1,039,703	$ 966,481	$ 1,711,147
Net Increase (Decrease) in Fair Value of Investments	265,704	409,605	732,832	1,229,275	699,865	971,522	1,125,693
Total Operating Revenues	$ 678,896	$ 1,138,068	$ 1,647,689	$ 2,551,845	$ 1,739,568	$ 1,938,003	$ 2,836,840
Operating Expenses							
Interest	$ 343,545	$ 658,758	$ 642,778	$ 1,070,972	$ 940,508	$ 852,815	$ 1,524,884
Mortgage Servicing Fees	33,065	54,075	76,367	115,375	80,757	88,351	134,470
Amortization of Deferred Finance Costs	20,349	36,012	11,828	3,013	3,483	26,035	11,801
Trustees, Issuer and Other Fees	23,080	31,739	57,403	66,480	29,881	34,921	38,577
Total OperatingExpenses	$ 420,039	$ 780,584	$ 788,376	$ 1,255,840	$ 1,054,629	$ 1,002,122	$ 1,709,732
Net Income before Operating Transfers	$ 258,857	$ 357,484	$ 859,313	$ 1,296,005	$ 684,939	$ 935,881	$ 1,127,108
Operating Transfers Out	-	-	-	-	-	(17,641)	(24,791)
Net Income	$ 258,857	$ 357,484	$ 859,313	$ 1,296,005	$ 684,939	$ 918,240	$ 1,102,317
Total Net Assets, Beginning	687,717	679,546	3,841,800	458,144	648,477	665,143	1,388,879
Total Net Assets, Ending	$ 946,574	$ 1,037,030	$ 4,701,113	$ 1,754,149	$ 1,333,416	$ 1,583,383	$ 2,491,196

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, 2009

	2005 Series A	2005 Series B	2005 Series C	2005 Series D	2006 Series A	2006 Series B	2006 Series C
Operating Revenues							
Interest Income							
Investments	$ 1,374,496	$ 2,033,596	$ 1,842,344	$ 935,342	$ 2,019,990	$ 2,224,129	$ 2,407,798
Net Increase (Decrease) in Fair Value of Investments	1,094,736	1,604,713	1,609,568	753,950	1,472,712	1,507,888	1,452,412
Total Operating Revenues	$ 2,469,232	$ 3,638,309	$ 3,451,912	$ 1,689,292	$ 3,492,702	$ 3,732,017	$ 3,860,210
Operating Expenses							
Interest	$ 1,189,774	$ 1,690,880	$ 1,629,114	$ 823,581	$ 1,779,970	$ 1,872,519	$ 2,069,714
Mortgage Servicing Fees	115,257	170,105	161,443	79,446	169,571	167,747	185,691
Trustees, Issuer and Other Fees	34,229	58,836	54,973	13,795	48,212	110,725	74,600
Total Operating Expenses	$ 1,339,260	$ 1,919,821	$ 1,845,530	$ 916,822	$ 1,997,753	$ 2,150,991	$ 2,330,005
Net Income before Operating Transfers	$ 1,129,972	$ 1,718,488	$ 1,606,382	$ 772,470	$ 1,494,949	$ 1,581,026	$ 1,530,205
Operating Transfers Out	(19,603)	(45,919)	(25,094)	(11,374)	(39,516)	(21,814)	(22,362)
Net Income	$ 1,110,369	$ 1,672,569	$ 1,581,288	$ 761,096	$ 1,455,433	$ 1,559,212	$ 1,507,843
Total Net Assets, Beginning	613,355	1,242,903	718,943	369,261	954,442	1,812,919	1,556,243
Total Net Assets, Ending	$ 1,723,724	$ 2,915,472	$ 2,300,231	$ 1,130,357	$ 2,409,875	$ 3,372,131	$ 3,064,086

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, 2009

	2006 Series D	2007 Draw Down Series	2007 Series A	2007 Series B	2007 Series C	2007 Series D
Operating Revenues						
Interest Income						
Investments	$ 2,257,847	$ 379,662	$ 2,702,231	$ 2,325,102	$ 2,229,968	$ 2,442,737
Net Increase (Decrease) in Fair Value of Investments	1,467,353	-	2,008,081	1,495,109	1,142,540	1,434,007
Total Operating Revenues	$ 3,725,200	$ 379,662	$ 4,710,312	$ 3,820,211	$ 3,372,508	$ 3,876,744
Operating Expenses						
Interest	$ 1,928,340	$ 472,532	$ 2,420,776	$ 1,976,888	$ 1,931,168	$ 2,072,072
Mortgage Servicing Fees	177,195	-	29,168	180,739	165,848	185,354
Amortization of Deferred Finance Costs	6,447	-	20,745	33,982	83,251	50,470
Trustees, Issuer and Other Fees	70,176	-	200,882	78,653	71,438	80,118
Arbitrage Payment	-	52,449	-	-	-	-
Other	-	-	710	-	-	-
Total OperatingExpenses	$ 2,182,158	$ 524,981	$ 2,672,281	$ 2,270,262	$ 2,251,705	$ 2,388,014
Net Income (Loss) before Operating Transfers	$ 1,543,042	$ (145,319)	$ 2,038,031	$ 1,549,949	$ 1,120,803	$ 1,488,730
Operating Transfers Out	(44,088)	(9,929)	(37,534)	(201,613)	(239,318)	(112,753)
Net Income (Loss)	$ 1,498,954	$ (155,248)	$ 2,000,497	$ 1,348,336	$ 881,485	$ 1,375,977
Total Net Assets, Beginning	951,943	155,248	1,341,151	1,122,347	1,357,159	1,071,772
Total Net Assets, Ending	$ 2,450,897	$ - *	$ 3,341,648	$ 2,470,683	$ 2,238,644	$ 2,447,749

* No supplemental schedule of Net Assets
is presented for these funds
because there are no balance sheet accounts
September 30, 2009.

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, 2009

	2008 Series A	2008 Series B	2009 Series A	2009 Series B	Accumulation Bond Fund	Total Single Family Bond Programs
Operating Revenues						
Interest Income						
Investments	$ 1,784,151	$ 2,069,674	$ 299,611	$ 18,186	$ 195,056	$ 41,459,573
Program Loans	-	-	-	-	103,477	266,512
Net Increase (Decrease) in Fair Value of Investments	1,309,992	2,328,100	1,069,054	-	428,725	29,213,567
Other Income	-	-	-	-	151,419	414,520
Total Operating Revenues	$ 3,094,143	$ 4,397,774	$ 1,368,665	$ 18,186	$ 878,677	$ 71,354,172
Operating Expenses						
Interest	$ 1,664,411	$ 2,003,497	$ 509,302	$ 117,793	$ -	$ 35,642,427
Mortgage Servicing Fees	113,223	124,804	9,093	-	-	2,976,165
Amortization of Deferred Finance Costs	24,988	-	-	-	-	414,578
Trustees, Issuer and Other Fees	32,101	6,630	-	-	5,065	1,428,121
Arbitrage Payment	-	-	-	-	-	52,449
Other	-	-	-	-	66,132	95,529
Total OperatingExpenses	$ 1,834,723	$ 2,134,931	$ 518,395	$ 117,793	$ 71,197	$ 40,609,269
Net Income (Loss) before Operating Transfers	$ 1,259,420	$ 2,262,843	$ 850,270	$ (99,607)	$ 807,480	$ 30,744,903
Equity Transfer In (Out)	-	-			26	(1,178,293)
Operating Transfers In	318,612	197,511	954,960	1,107,000	8,774,942	-
Net Income	$ 1,578,032	$ 2,460,354	$ 1,805,230	$ 1,007,393	$ 9,582,448	$ 29,566,610
Total Net Assets, Beginning	1,113,097	1,290,159	-	-	4,347,526	54,070,371
Total Net Assets, Ending	$ 2,691,129	$ 3,750,513	$ 1,805,230	$ 1,007,393	$ 13,929,974	$ 83,636,981

OKLAHOMA HOUSING FINANCE AGENCY
Supplemental Combining Statement of Net Assets
September 30, 2009

	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
ASSETS				
Current Assets				
Cash and Cash Equivalents	$ -	$ 15,504,547	$ -	$ 15,504,547
Investments	-	3,429,845	-	3,429,845
Accounts Receivable	-	109,589	(98,660)	10,929
Accounts Receivable- U.S. Dept of Housing and Urban Development	-	1,036,729		1,036,729
Prepaid Expenses	-	250,321	-	250,321
Interest Receivable	-	147,250	-	147,250
Total Current Assets	$ -	$ 20,478,281	$ (98,660)	$ 20,379,621
Noncurrent Assets				
Restricted Assets				
Cash and Cash Equivalents	$ 20,101,092	$ 11,345,315	$ -	$ 31,446,407
Investments	697,941,903	-	-	697,941,903
Interest Receivable	3,060,160	-	-	3,060,160
Program Loans Receivable	2,235,893	2,352,669	-	4,588,562
Deferred Issuance, Finance and Other Costs, Net	7,457,615	-	-	7,457,615
Long-Term Investments	-	11,159,284	-	11,159,284
Nondepreciated Capital Assets	-	550,000	-	550,000
Depreciated Capital Assets, net of Depreciation	-	2,986,404	-	2,986,404
Total Noncurrent Assets	$ 730,796,663	$ 28,393,672	$ -	$ 759,190,335
Total Assets	$ 730,796,663	$ 48,871,953	$ (98,660)	$ 779,569,956
Current Liabilities				
Salaries and Related Expenses	$ -	$ 239,239	$ -	$ 239,239
Accounts Payable- Vendors and Contractors	-	136,127	-	136,127
Accounts Payable- U.S. Dept of Housing and Urban Development	-	352,295	-	352,295
Accounts Payable- Family Self Sufficiency Program	-	332,998	-	332,998
Accounts Payable- Homebuyers Assistance	1,692,541	-	-	1,692,541
Accounts Payable- Other	197,886	168,430	(98,660)	267,656
Deferred Intergovernmental Revenue	-	403,036	-	403,036
Compensated Absences	-	912,582	-	912,582
Interest Payable	2,770,621	-	-	2,770,621
Current Maturities of Bonds and Notes Payable	13,369,495	-	-	13,369,495
Total Current Liabilities	$ 18,030,543	$ 2,544,707	$ (98,660)	$ 20,476,590
Noncurrent Liabilities				
Bonds and Notes Payable Less Current Maturities	$ 624,978,956	$ -	$ -	$ 624,978,956
Unamortized Bond Issue Costs	770,974	-	-	770,974
Deferred Revenue and Other Deferred Credits	2,065,126	-	-	2,065,126
HOME Funds Payable	1,314,083	-	-	1,314,083
Total Noncurrent Liabilities	$ 629,129,139	$ -	$ -	$ 629,129,139
Total Liabilities	$ 647,159,682	$ 2,544,707	$ (98,660)	$ 649,605,729
Net Assets				
Invested in Capital Assets	$ -	$ 3,536,404	$ -	$ 3,536,404
Restricted for Single Family Bond Programs (Expendable)	83,636,981	-	-	83,636,981
Restricted for Section 8 Voucher Program (Expendable)	-	7,663,197	-	7,663,197
Unrestricted	-	35,127,645	-	35,127,645
Total Net Assets	$ 83,636,981	$ 46,327,246	$ -	$ 129,964,227

OKLAHOMA HOUSING FINANCE AGENCY
Supplemental Combining Statement of Revenues, Expenses And Changes in Fund Net Assets
For the Year Ended September 30, 2009

	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
Operating Revenues				
Interest Income				
Investments	$ 41,459,573	$ 418,527	$ -	$ 41,878,100
Program Loans	266,512	189,486	-	455,998
Net Increase (Decrease) in Fair Value of Investments	29,213,567	78,696	-	29,292,263
Fees and Other Income (Expense)	414,520	12,471,486	(1,289,567)	11,596,439
Total Operating Revenues	$ 71,354,172	$ 13,158,195	$ (1,289,567)	$ 83,222,800
Operating Expenses				
Interest	$ 35,642,427	$ -	$ -	$ 35,642,427
Mortgage Servicing Fees	2,976,165	-	-	2,976,165
Amortization of Deferred Finance Costs	414,578	-	-	414,578
Trustees, Issuer and Other Fees	1,428,121	-	(1,289,567)	138,554
Salaries and Related Expenses	-	8,132,672	-	8,132,672
Arbitrage Payment	52,449	-	-	52,449
Loss on Sale of Equipment	-	1,239	-	1,239
Other General and Administrative	95,529	2,864,570	-	2,960,099
Total Operating Expenses	$ 40,609,269	$ 10,998,481	$ (1,289,567)	$ 50,318,183
Net Income before Operating Transfers	$ 30,744,903	$ 2,159,714	$ -	$ 32,904,617
Equity Transfers in (Out)	(1,178,293)	1,178,293	-	-
Operating Income	$ 29,566,610	$ 3,338,007	$ -	$ 32,904,617
Nonoperating Revenue (Expenses)				
Federal Program Income	$ -	$ 116,837,874	$ -	$ 116,837,874
Federal Program Expense	-	(121,267,089)	-	(121,267,089)
Nonoperating Income	$ -	$ (4,429,215)	$ -	$ (4,429,215)
Net Income	$ 29,566,610	$ (1,091,208)	$ -	$ 28,475,402
Total Net Assets, Beginning	54,070,371	47,418,454	-	101,488,825
Total Net Assets, Ending	$ 83,636,981	$ 46,327,246	$ -	$ 129,964,227

OKLAHOMA HOUSING FINANCE AGENCY
Supplemental Combining Statement of Cash Flows
For the Year Ended September 30, 2009

	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
Cash Flows from Operating Activities				
Receipts from Fees	$ 1,339,276	$ 12,480,449	$ -	$ 13,819,725
Receipts from Program Loan Payments	1,461,840	2,347,338	-	3,809,178
Receipts (Payments) from (to) Other Sources	(1,173,944)	118,640	-	(1,055,304)
Payments to Employees	-	(8,075,373)	-	(8,075,373)
Payments to Suppliers	-	(1,175,363)	-	(1,175,363)
Payments for Purchases of Program Loans	-	(1,193,980)	-	(1,193,980)
Payments for Bond Fees	(3,392,954)	-	-	(3,392,954)
Payments for Trustee and Other Fees	(1,428,121)	-	-	(1,428,121)
Payments for Other Expenses	(147,378)	-	-	(147,378)
Net Cash Provided (Used) by Operating Activities	$ (3,341,281)	$ 4,501,711	$ -	$ 1,160,430
Cash Flows from Capital and Related Financing Activities				
Acquisition of Capital Assets	$ -	$ (444,590)	$ -	$ (444,590)
Proceeds from Sale of Equipment	-	1,189	-	1,189
Net Cash Used By Capital and Related Financing Activities	$ -	$ (443,401)	$ -	$ (443,401)
Cash Flows from Noncapital Financing Activities				
Principal Paid on Bonds Payable	$ (159,678,260)	$ --	$ --	$ (159,678,260)
Interest Paid on Bonds Payable	(35,956,402)	--	--	(35,956,402)
Payment of Bond Issuance Costs	(2,989,917)	--	--	(2,989,917)
Proceeds from Issuance of Bonds	63,705,000	--	--	63,705,000
Receipt of Federal Program Income	--	116,569,352	--	116,569,352
Payment of Federal Program Expenses	--	(121,038,607)	--	(121,038,607)
Net Cash Used By Noncapital Financing Activities	$ (134,919,579)	$ (4,469,255)	$ --	$ (139,388,834)
Cash Flows from Investing Activities				
Purchase of Investments	$ (243,216,665)	$ (14,905,570)	$ --	$ (258,122,235)
Proceeds from Sales and Maturities of Investments	339,955,689	14,853,088	--	354,808,777
Interest Received on Investments	41,842,781	400,169	--	42,242,950
Net Cash Provided by Investing Activities	$ 138,581,805	$ 347,687	$ --	$ 138,929,492
Net Increase (Decrease) in Cash	$ 320,945	$ (63,258)	$ --	$ 257,687
Cash and Cash Equivalents at Beginning of Year	19,780,147	26,913,120	--	46,693,267
Cash and Cash Equivalents at End of Year	$ 20,101,092	$ 26,849,862	$ --	$ 46,950,954
Cash as Reported on Balance Sheet				
Unrestricted	$ --	$ 15,504,547	$ --	$ 15,504,547
Restricted	20,101,092	11,345,315	--	31,446,407
	$ 20,101,092	$ 26,849,862	$ --	$ 46,950,954

OKLAHOMA HOUSING FINANCE AGENCY
Supplemental Combining Statement of Cash Flows
For the Year Ended September 30, 2009

	Single Family Bond	Agency General Fund	Eliminations	Combined Totals
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating Income	$ 29,566,610	$ 3,338,007	$ --	$ 32,904,617
Adjustments to Reconcile Operating Income to				
Net Cash Provided (Used) by Operating Activities				
Depreciation	--	443,444	--	443,444
Amortization of Fees and Deferred Finance Costs	414,578	--	--	414,578
Net Change in Fair Value of Investments	(29,213,567)	(78,696)	--	(29,292,263)
Loss on Sale of Equipment	--	1,239	--	1,239
Interest on Bonds and Notes Payable	35,642,427	--	--	35,642,427
Interest from Investments	(41,459,573)	(418,527)	--	(41,878,100)
Change in:				
Program Loans	1,195,328	1,153,358	--	2,348,686
Compensated Absences	--	57,696	--	57,696
Accounts Receivable	--	2,599	--	2,599
Prepaid Expenses	--	(27,981)	--	(27,981)
Accounts Payable	512,916	95,428	--	608,344
Deferred Revenue	--	(64,856)	--	(64,856)
Net Cash Provided (Used) by Operating Activities	$ (3,341,281)	$ 4,501,711	$ --	$ 1,160,430