



**FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION**

**SEPTEMBER 30, 2025 and 2024**

**WITH**

**INDEPENDENT AUDITOR'S REPORTS**



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Oklahoma Housing Finance Agency

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Oklahoma Housing Finance Agency (the Agency, or OHFA), a component unit of the State of Oklahoma, as of and for the years ended September 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Agency as of September 30, 2025 and 2024, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery,

intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Matters**

### *Required Supplemental Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-11, the schedule of OHFA's proportionate share of the net pension (asset) liability on page 40, the schedule of OHFA's pension contributions on page 41, the schedule of OHFA's proportionate share of the net Other Postemployment Employee Benefits (OPEB) liability (asset) on page 42, and the schedule of OHFA's OPEB contributions on page 43 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Supplemental Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The accompanying supplemental information on pages 44 through 54 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The

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

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2026, on our consideration of OHFA'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 effectiveness of OHFA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OHFA's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Hogan Taylor LLP". The signature is fluid and cursive, with "Hogan" and "Taylor" connected by a single stroke, and "LLP" written in a smaller, separate area.

Oklahoma City, Oklahoma  
January 20, 2026

**OKLAHOMA HOUSING FINANCE AGENCY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**(unaudited)**

**September 30, 2025 and 2024**

Oklahoma Housing Finance Agency (the Agency, or 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 OHFA, we offer readers of OHFA's financial statements this narrative overview and analysis of the financial activities for the fiscal years ended September 30, 2025 and 2024. This information is presented to provide additional information regarding the activities of OHFA and to meet the disclosure requirements of Government Accounting Standards Board (GASB) 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 basic financial statements, notes to financial statements, and supplemental information.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This financial report of OHFA consists of three sections: management's discussion and analysis, the basic financial statements, and supplemental information. OHFA's basic financial statements include the following: the Statements of Net Position; the Statements of Revenues, Expenses and Changes in Net Position; the Statements of Cash Flows; and the Notes to the Basic Financial Statements.

The Statements of Net Position answer the question, "How is our financial health at the end of the year?" This statement includes all assets, deferred outflows, liabilities and deferred inflows 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 position presented in this statement is displayed as invested in capital assets, restricted and unrestricted. Assets are restricted when their use is subject to external limits such as bond resolutions, legal agreements or statutes. Assets not included in this category are characterized as unrestricted. Over time, changes in net position may serve as a useful indicator of whether the financial position of OHFA is improving or deteriorating.

The Statements of Revenues, Expenses and Changes in Net Position measure the activities of OHFA's operations over the past year and present the operating income and change in net position. They can be used to determine whether OHFA has successfully recovered all its costs through mortgage and loan interest, investment interest, externally funded programs, and other revenue sources. These statements help 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 Statements 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. These statements report cash receipts, cash payments, and net changes resulting from operating, noncapital financing, capital financing, and investing activities. It provides answers to such questions as "What were the sources of cash?" "How was cash used?" and "What was the change in cash balance during the reporting period?"

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

In addition, this report contains a Supplemental Combining Statement of Net Position for the Single Family Mortgage Revenue Bond Programs as well as a Supplemental Combining Statement of Revenues, Expenses, and Changes in Net Position for the various Single Family Mortgage Revenue Bond Programs. These supplemental schedules are presented to provide the reader with information regarding the financial condition of each Single Family Mortgage Revenue Bond Program of the Agency.

**FINANCIAL HIGHLIGHTS**  
**Year ended September 30, 2025**

- Total assets increased by \$380.3 million.
- Total liabilities increased by \$347.8 million.
- Net position increased by \$30.5 million.
- Made 2,431 single family mortgage loans available to first-time homebuyers compared to 2,160 in 2024.
- Provided 118,776 unit months of Section 8 rental assistance compared to 122,548 in 2024.
- Paid \$83.1 million in rental assistance to benefit Section 8 voucher holders compared to \$76.0 million in 2024.
- Paid \$93.6 million in rental assistance to project-based Section 8 properties compared to \$85.8 million in 2024.
- The Oklahoma Housing Stability Program (OHSP) closed 27 loans for a total award amount of \$64.4 million in FY2025 compared to two loans for a total award of \$3.2 million in FY2024. These are 0% interest loans with two-year maturities.

**FINANCIAL HIGHLIGHTS**  
**Year ended September 30, 2024**

- Total assets increased by \$283.9 million.
- Total liabilities increased by \$57.6 million.
- Net position increased by \$224.7 million.
- Made 2,160 single family mortgage loans available to first-time homebuyers compared to 2,030 in 2023.
- Provided 122,548 unit months of Section 8 rental assistance compared to 120,455 in 2023.
- Paid \$76.0 million in rental assistance to benefit Section 8 voucher holders compared to \$69.1 million in 2023.
- Paid \$85.8 million in rental assistance to project-based Section 8 properties compared to \$81.3 million in 2023.
- Oklahoma Governor approved the \$215.0 million OHSP on January 25, 2024. OHSP is a zero percent interest perpetual loan fund to stimulate production of single family and multi-family housing across Oklahoma. The program closed two loans in FY2024 for a total award amount of \$3.2 million. These are 0% interest loans with two-year maturities.

The Agency has maintained a General Obligation issuer rating of A1 from Moody's Investors Service since June 2006. This rating reflects OHFA's sound financial condition and a bond program collateralized by highly rated mortgage-backed securities (MBS), as well as capable and dedicated management.

The Section 8 Voucher Program provides rental assistance to many elderly people, persons with disabilities, single parents, or working families in need of help with their rent payments.

The Single Family Loan Program provides affordable mortgages with down payment and closing cost assistance to homebuyers through proceeds from mortgage revenue bonds (first-time homebuyers) or selling MBS in the open market via the "To Be Announced" (TBA) Program (no first-time homebuyer requirement). 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 U.S. Department of Housing and Urban Development (HUD), OHFA's 2025 duties consisted of 165 properties, totaling 12,578 assisted units. The Agency receives a fee to administer the program based on the number of units under contract.

In late 2021, OHFA was awarded a contract with the U.S. Department of Treasury to administer the Homeowner Assistance Fund for the State of Oklahoma. The Oklahoma Homeowner Assistance Fund (HAF) is a temporary program made available through the American Rescue Plan Act. HAF provides financial assistance on behalf of homeowners who have experienced significant financial hardship due to COVID-19. Eligible expenses paid with HAF funds included mortgage restatement, principal reduction, delinquent real estate taxes, restoration of homeowner insurance, and delinquent homeowner association dues. The HAF program issued their final awards in FY2025 and is anticipated to complete required reporting activities in FY2026.

Oklahoma House Bill 1031 established the OHSP. The Oklahoma Governor approved OHFA's OHSP in January 2024. This program provides funds for the new construction of single-family homes for purchase and for single-family or multi-family rental housing. It also provides down payment assistance for homebuyers who purchase homes built with OHSP financing.

## CONDENSED FINANCIAL INFORMATION

### Statements of Net Position

The following table presents condensed statements of net position for the Agency as of September 30 (in millions):

<b>Condensed Statements of Net Position</b>			
	2025	2024	2023
<b>Assets</b>			
Current assets			
Unrestricted	\$ 68.1	\$ 57.4	\$ 67.1
Restricted	371.0	351.9	266.4
Noncurrent assets:			
Restricted	928.8	576.6	377.7
Net capital assets	17.1	18.0	18.7
Unrestricted	87.1	87.8	77.9
Total assets	<u>1,472.1</u>	<u>1,091.7</u>	<u>807.8</u>
Deferred outflows	<u>1.4</u>	<u>2.8</u>	<u>4.3</u>
<b>Liabilities</b>			
Current liabilities	91.8	93.2	284.1
Noncurrent liabilities	963.1	613.9	365.4
Total liabilities	<u>1,054.9</u>	<u>707.1</u>	<u>649.5</u>
Deferred inflows	<u>1.1</u>	<u>0.4</u>	<u>0.3</u>
<b>Net Position</b>			
Invested in capital assets	17.1	18.0	18.7
Restricted for single family bond programs	80.8	77.8	48.6
Restricted for Section 8 and Emergency Housing			
Voucher programs	3.2	0.1	0.1
Restricted for Oklahoma Housing Trust Fund	4.2	4.2	4.2
Restricted for Oklahoma Housing Stability Program	185.7	176.5	-
Unrestricted	126.5	110.4	90.7
Total net position	<u>\$ 417.5</u>	<u>\$ 387.0</u>	<u>\$ 162.3</u>

Explanations of significant variances between 2025 and 2024 on the condensed statements of net position follow:

The increase in total assets of \$380.3 million is primarily due 1) an increase in cash and investments related to the Agency issuing four new Single Family Bond series for \$375.0 million during FY 2025 against \$36.2 million in paydowns on bonds outstanding, for a net increase in bonds and notes payable (excluding unamortized premium) of \$338.8 million, 2) a \$0.8 million positive market value adjustment caused by decreases in market interest rates and an increase in the underlying investment base, which causes the value of investments to rise, 3) a \$35.8 million increase in Program Loans (net of allowances), 4) a \$1.5 million increase in interest receivable, 5) offset with a \$0.9 million decrease in capital assets, 6) a \$1.2 million increase in the pension asset and \$0.2 million increase in the OPEB asset.

The increase in total liabilities of \$347.8 million is primarily due to the net effect of five factors: 1) a decrease in unearned revenue of \$0.6 million for OHSP due to funds being expended for program purposes, and 2) a decrease in unearned revenues of \$9.1 million for HAF due to funds being expended for program purposes, and 3) a decrease in the pension liability and arbitrage payable of \$1.8 million (FY2024 pension liability converted to a pension asset in FY2025), and, 4) an increase in HUD related payables of \$1.2 million, and 5) the Agency bonds and interest payable amounts increasing due to net new debt of \$357.8 million (as the result of four new bond issues totaling \$375.0 million, net of paydowns on outstanding bonds).

The increase in net position of \$30.5 million from \$387.0 million in 2024 to \$417.5 million in 2025 is primarily due to an almost \$27.6 million operating profit and a \$2.9 million nonoperating surplus.

Explanations of significant variances between 2024 and 2023 on the condensed statements of net position follow:

The increase in total assets of \$283.9 million is primarily due 1) an increase in cash and investments related to the Agency issuing four new Single Family Bond series for \$270.0 million during FY 2024 against \$27.8 million in paydowns on bonds outstanding, for a net increase in bonds and notes payable (excluding unamortized premium) of \$242.2 million, 2) a \$26.9 million positive market value adjustment caused by significant decreases in market interest rates and an increase in the underlying investment base, which causes the value of investments to rise, 3) a \$13.7 million increase in Program Loans (net of allowances), and 4) a \$1.4 million increase in interest receivable offset with a \$0.6 million decrease in capital assets.

The increase in total liabilities of \$57.6 million is primarily due to the net effect of three factors: 1) a decrease in deferred revenue of \$165.8 million relating to the OHSP that were received (and deferred) in FY2023 and recognized as income in FY2024, and 2) a decrease in deferred revenues of \$29.5 million for HAF due to funds being expended for program purposes, and 3) the Agency bonds payable increasing due to net new debt of \$253.3 million (as the result of four new bond issues totaling \$270.0 million, net of paydowns on outstanding bonds).

The increase in net position of \$224.7 million from \$162.3 million in 2023 to \$387.0 million in 2024 is primarily due to an almost \$60.5 million operating profit and a \$164.2 million nonoperating surplus.

### **Statements of Revenues, Expenses and Changes in Net Position**

The following table presents condensed statements of revenues, expenses and changes in net position for the Agency for the years ended September 30 (in millions):

#### **Condensed Statements of Revenues, Expenses and Changes in Net Position**

	2025	2024	2023
<b>Operating and Nonoperating Revenues</b>			
Investments and program loans	\$ 60.0	\$ 46.6	\$ 18.2
Net increase (decrease) in fair value of investments	0.8	31.6	(11.4)
Realized gain on sale of investments	4.2	5.9	3.9
Fees and other income	23.4	22.2	21.1
Federal and state program income	203.0	369.9	192.1
 Total revenues	 291.4	 476.2	 223.9

	2025	2024	2023
<b>Operating and Nonoperating Expenses</b>			
Interest on bonds and notes	34.2	20.3	9.6
Other bond program expenses	8.5	6.6	4.8
Salaries, general and administrative	18.1	18.9	16.4
Federal and state program expenses	200.1	205.7	192.5
<b>Total expenses</b>	<b>260.9</b>	<b>251.5</b>	<b>223.3</b>
<b>Increase in net position</b>	<b>30.5</b>	<b>224.7</b>	<b>0.6</b>
Net position at beginning of year	387.0	162.3	161.7
<b>Net position at end of year</b>	<b>\$ 417.5</b>	<b>\$ 387.0</b>	<b>\$ 162.3</b>

Explanations of significant fluctuations between 2025 and 2024 in revenues, expenses, and changes in net position follow:

The net increase in the fair value of investments of \$0.8 million for 2025 was due to market interest rates being lower than in the previous year, causing an increase in the value of newer, relatively higher yielding interest rate securities. The market values of fixed interest rate investments typically have an inverse relationship to interest rates.

The realized gain on sale of investments of \$4.2 million in 2025 and \$5.9 million in 2024 is due to the Agency capitalizing on market opportunities to sell newly pooled Single Family Loan Program MBS at a gain on the open market via the TBA Program instead of placing these MBS into a bond issue. Fewer MBS were sold in the market in 2025 than 2024.

Federal and state program revenues decreased by \$166.9 million due primarily to the net effect of a \$7.7 million increase in the Section 8 Contract Administration Program revenues, a \$10.2 million increase in the Section 8 Voucher Program revenues, a \$164.2 decrease in OHSP revenues, a \$19.8 million decrease in HAF revenues, and a \$0.8 million decrease in other federal programs.

Interest expense on bonds and notes payable increased by \$13.9 million in 2025 from 2024. The increase in interest expense is due to bonds and notes payable balances trending upward during 2025 due to four new bond issues totaling \$375.0 million of new debt.

Federal and state program expenses decreased by \$5.6 million due primarily to the net effect of a \$7.7 million increase in the Section 8 Contract Administration Program expenses, a \$7.0 million increase in the Section 8 Voucher Program expenses, a \$19.8 million decrease in HAF expenses, and a \$0.5 decrease in other federal and state programs.

The increase in net position of \$30.5 million from \$387.0 million in 2024 to \$417.5 million in 2025 is primarily due to an almost \$27.6 million operating profit and a \$2.9 million increase in net position due to OHFA receiving \$2.9 million more in nonoperating federal and state program revenues than federal and state program expenses.

Explanations of significant fluctuations between 2024 and 2023 in revenues, expenses, and changes in net position follow:

The net increase in the fair value of investments of \$43.0 million for 2024 was due to market interest rates being lower than in the previous year, causing an increase in the value of older, relatively lower yielding interest rate securities. The market values of fixed interest rate investments typically have an inverse relationship to interest rates.

The realized gain on sale of investments of \$5.9 million in 2024 and \$3.9 million in 2023 is due to the Agency capitalizing on market opportunities to sell newly pooled Single Family Loan Program MBS at a gain on the open market via the TBA Program instead of placing these MBS into a bond issue.

Federal and state program revenues increased by \$177.8 million due primarily to the net effect of a \$4.6 million increase in the Section 8 Contract Administration Program revenues, a \$2.9 million increase in the HOME Investment Partnership Program revenues, a \$6.8 million increase in the Section 8 Voucher Program revenues, \$164.2 million earned revenues for the OHSP, and due to a \$1.4 million decrease in the HAF revenues due to varying availability of federal program funding and activity.

Interest expense on bonds and notes payable increased by \$10.7 million in 2024 from 2023. The increase in interest expense is due to bonds and notes payable balances trending upward during 2024 due to four new bond issues totaling \$270.0 million of new debt.

Federal and state program expenses increased by \$13.2 million due primarily to the net effect of a \$4.6 million increase in the Section 8 Contract Administration Program expenses, a \$2.9 million increase in the HOME Investment Partnership Program expenses, a \$0.2 million increase in the Emergency Housing Voucher (EHV) program expenses, a \$6.9 million increase in the Section 8 Voucher Program expenses and a \$1.4 million decrease in the HAF expenses due to varying availability of federal program funding and activity.

The increase in net position of \$224.7 million from \$162.3 million in 2023 to \$387.0 million in 2024 is primarily due to an almost \$60.5 million operating profit and a \$164.2 million increase in net position due to OHFA receiving \$164.2 million more in nonoperating federal and state program revenues than federal and state program expenses.

## **Capital Assets and Long-Term Debt Administration**

### Capital assets

As of September 30, 2025 and 2024, the Agency had invested \$17.1 million and \$18.0 million, respectively, net of accumulated depreciation, in a broad range of capital assets, including a building and building improvements, land, and furniture and equipment. More detailed information about the capital assets is presented in Note 5 of the notes to the financial statements.

### Long-term debt

As of September 30, 2025, the Agency had \$983.2 million in bonds and notes payable outstanding, which is an increase of 56.9% from last year's amount of \$626.8 million. More detailed information about the bonds and notes payable is presented in Note 7 of the notes 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 should 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. Administrative fees for administering federal programs have stabilized and continue to trend slightly higher. 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 providing 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 to our stakeholders regarding the activities of the Agency. If you have questions about this report, or need additional financial information, contact the OHFA Controller, Mr. Ron Wolf, CPA, at (405) 419-8209; Oklahoma Housing Finance Agency, P.O. Box 26720, Oklahoma City, Oklahoma 73126-0720; e-mail: [ron.wolf@ohfa.org](mailto:ron.wolf@ohfa.org) or visit our website at [www.ohfa.org](http://www.ohfa.org).

## OKLAHOMA HOUSING FINANCE AGENCY

### STATEMENTS OF NET POSITION

**September 30, 2025 and 2024**

	2025	2024
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 65,491,323	\$ 54,885,506
Investments	-	254,661
Accounts receivable (net of an allowance for doubtful accounts of \$1,951,951 and \$1,808,974 for 2025 and 2024, respectively)	178,750	48,339
Accounts receivable - U.S. Department of Housing and Urban Development	1,261,169	1,126,358
Interest receivable	396,344	307,853
Prepaid expenses	783,994	818,374
Restricted assets:		
Cash and cash equivalents	361,829,550	348,743,313
Program loans receivable	4,645,368	-
Interest receivable	4,528,182	3,103,174
Total current assets	439,114,680	409,287,578
Noncurrent assets:		
Investments	67,523,914	71,220,032
Program loans receivable (net of an allowance for bad debts of \$1,762,823 and \$1,423,417 for 2025 and 2024, respectively)	19,555,853	16,603,685
Nondepreciated capital assets	550,000	550,000
Capital assets, net	16,579,736	17,498,142
Restricted assets:		
Investments	885,351,140	562,663,494
Program loans receivable (net of an allowance for bad debts of \$2,546,393 and \$1,339,127 for 2025 and 2024, respectively)	41,584,775	13,422,912
Pension asset	1,217,984	-
OPEB asset	631,907	458,778
Total noncurrent assets	1,032,995,309	682,417,043
Total assets	1,472,109,989	1,091,704,621
Deferred outflows of resources:		
Pension	1,351,888	2,606,649
OPEB	117,536	160,717
Accumulated decrease in fair value of hedging derivatives	6,559	12,700
Total deferred outflows	1,475,983	2,780,066

**OKLAHOMA HOUSING FINANCE AGENCY**

**STATEMENTS OF NET POSITION (continued)**

**September 30, 2025 and 2024**

	2025	2024
<b>Liabilities</b>		
Current liabilities:		
Salaries and related expenses	872,895	791,518
Accounts payable - U.S. Department of Housing and Urban Development	1,570,346	651,942
Accounts payable - Family Self Sufficiency Program	1,271,066	960,691
Accounts payable - other	549,791	645,198
Hedging payable	6,559	12,700
Unearned revenue	62,458,770	71,966,454
Compensated absences	1,133,170	1,099,940
Interest payable	3,850,745	2,362,265
Current maturities of bonds and notes payable	<u>20,094,852</u>	<u>14,737,610</u>
Total current liabilities	91,808,194	93,228,318
Noncurrent liabilities:		
Pension liability	-	1,644,092
Arbitrage payable	-	200,463
Bonds and notes payable, less current maturities	<u>963,122,252</u>	<u>612,031,954</u>
Total noncurrent liabilities	<u>963,122,252</u>	<u>613,876,509</u>
Total liabilities	<u>1,054,930,446</u>	<u>707,104,827</u>
Deferred inflows of resources:		
OPEB	211,808	204,054
Pension	<u>925,996</u>	<u>162,242</u>
Total deferred inflows of resources	<u>1,137,804</u>	<u>366,296</u>
<b>Net Position</b>		
Invested in capital assets	17,129,736	18,048,142
Restricted for Single Family Bond Programs	80,819,916	77,830,801
Restricted for Section 8 and Emergency Housing Voucher Programs	3,168,581	55,747
Restricted for Oklahoma Housing Trust Fund	4,171,442	4,171,442
Restricted for Oklahoma Housing Stability Program	185,689,319	176,495,865
Unrestricted	<u>126,538,728</u>	<u>110,411,567</u>
Total net position	<u>\$ 417,517,722</u>	<u>\$ 387,013,564</u>

**OKLAHOMA HOUSING FINANCE AGENCY**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**Years ended September 30, 2025 and 2024**

	2025	2024
<b>Operating Revenues</b>		
Investment income	\$ 59,913,017	\$ 46,449,992
Program loan income	131,129	109,215
Net increase in fair value of investments	768,753	31,603,808
Realized gain on sale of investments	4,258,061	5,921,837
Fees and other income	<u>23,398,705</u>	<u>22,186,454</u>
Total operating revenues	88,469,665	106,271,306
<b>Operating Expenses</b>		
Interest on bonds and notes payable	34,241,283	20,249,105
Mortgage servicing fees	3,413,681	2,333,143
Trustees and other fees	132,803	288,376
Bad debt	1,693,940	1,466,153
Bond issue costs	3,270,782	2,500,687
Salaries and related expenses	12,871,416	13,625,513
Other general and administrative	<u>5,257,936</u>	<u>5,300,145</u>
Total operating expenses	<u>60,881,841</u>	<u>45,763,122</u>
Operating income	27,587,824	60,508,184
Nonoperating revenue (expense):		
Federal and state program revenue	203,012,736	369,943,295
Federal and state program expense	<u>(200,096,402)</u>	<u>(205,705,880)</u>
Total nonoperating revenue	<u>2,916,334</u>	<u>164,237,415</u>
Increase in net position	30,504,158	224,745,599
Total net position, beginning of year	<u>387,013,564</u>	<u>162,267,965</u>
Total net position, end of year	<u>\$ 417,517,722</u>	<u>\$ 387,013,564</u>

## OKLAHOMA HOUSING FINANCE AGENCY

### STATEMENTS OF CASH FLOWS

**Years ended September 30, 2025 and 2024**

	2025	2024
<b>Cash Flows from Operating Activities</b>		
Receipts from fees	\$ 26,265,711	\$ 20,648,382
Receipts from program loan payments	6,816,724	1,879,445
Receipts used by other sources	(9,390,168)	(195,009,922)
Payments to employees	(12,756,809)	(13,594,259)
Payments to suppliers	(3,281,042)	(3,329,410)
Payments for purchases of program loans	(44,043,354)	(16,911,042)
Payments for bond fees	(3,332,111)	(2,287,767)
Payments for trustee and other fees	<u>(4,646,739)</u>	<u>(89,117)</u>
Net cash used in operating activities	(44,367,788)	(208,693,690)
<b>Cash Flows from Noncapital Financing Activities</b>		
Proceeds from issuance of bonds and notes payable	394,298,800	658,449,268
Principal paid on bonds and notes payable	(37,851,260)	(405,135,265)
Interest paid on bonds and notes payable	(32,752,803)	(19,366,649)
Payment of bond issuance costs	(3,270,782)	(2,500,687)
Receipt of federal and state program revenues	203,012,736	369,943,295
Payment of federal and state program expenses	<u>(200,096,402)</u>	<u>(205,705,880)</u>
Net cash provided by noncapital financing activities	323,340,289	395,684,082
<b>Cash Flows from Capital and Related Financing Activities</b>		
Acquisition of capital assets	(249,810)	(570,407)
<b>Cash Flows from Investing Activities</b>		
Purchase of investments	(854,695,414)	(643,271,329)
Proceeds from sales and maturities of investments	541,265,259	485,830,471
Interest received on investments	<u>58,399,518</u>	<u>45,106,900</u>
Net cash used in investing activities	<u>(255,030,637)</u>	<u>(112,333,958)</u>
Net increase in cash	23,692,054	74,086,027
Cash and cash equivalents, beginning of year	<u>403,628,819</u>	<u>329,542,792</u>
Cash and cash equivalents, end of year	<u>\$ 427,320,873</u>	<u>\$ 403,628,819</u>
<b>Cash and Cash Equivalents as Reported in Statement of Net Position</b>		
Unrestricted	\$ 65,491,323	\$ 54,885,506
Restricted	<u>361,829,550</u>	<u>348,743,313</u>
	<u>\$ 427,320,873</u>	<u>\$ 403,628,819</u>

**OKLAHOMA HOUSING FINANCE AGENCY**

**STATEMENTS OF CASH FLOWS (continued)**

**Years ended September 30, 2025 and 2024**

	2025	2024
<b>Reconciliation of Operating Income to Net Cash Used in Operating Activities</b>		
Operating income	\$ 27,587,824	\$ 60,508,184
Adjustments to reconcile operating income to net cash used in operating activities:		
Depreciation	1,150,392	1,191,918
Bad debt	1,693,940	1,466,153
Interest from investments	(59,913,017)	(46,449,992)
Bond issue costs	3,270,782	2,500,687
Net increase in fair value of investments	(768,753)	(31,603,808)
Realized gain on sale of investments	(4,520,135)	(5,921,837)
Interest on bonds and notes payable	34,241,283	20,249,105
Change in operating assets, liabilities, deferred outflows, and deferred inflows:		
Accounts receivable and HUD receivable	(439,258)	(319,153)
Hedging payable	(6,141)	(19,339)
Prepaid expenses	34,380	(91,265)
Program loans receivable	(37,359,808)	(15,126,736)
OPEB asset	(173,129)	(145,124)
Pension asset	(1,217,984)	-
Accounts payable and accrued expenses	1,295,254	(402,616)
Arbitrage payable	(200,463)	200,463
Unearned revenue	(9,507,684)	(195,069,951)
Pension liability	(1,644,092)	(1,173,008)
Deferred outflows	1,304,083	1,486,481
Deferred inflows	771,508	51,942
Compensated absences	33,230	(25,794)
Net cash used in operating activities	<u><u>\$ (44,367,788)</u></u>	<u><u>\$ (208,693,690)</u></u>

## OKLAHOMA HOUSING FINANCE AGENCY

### NOTES TO FINANCIAL STATEMENTS

September 30, 2025 and 2024

#### **Note 1 – Authorizing Legislation and Activities**

Oklahoma Housing Finance Agency (the Agency, or OHFA) 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, 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 by the third amendment as of August 19, 2002, with the approval of the Governor of the State. 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 Housing Choice Voucher Program.

OHFA is authorized, in the furtherance of public purposes, to issue mortgage revenue bonds through its Single Family Bond Programs (or Single Family Mortgage Revenue Bond Programs) 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, servicing and issuer fees in connection with its bond programs.

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

In addition to its bond programs, OHFA administers Section 8 Housing Assistance Payments Programs for the U.S. Department of Housing and Urban Development (HUD). OHFA receives administrative fees based on the number of housing units administered under its contracts with HUD. OHFA also administers the Home Investment Partnerships Program (HOME) 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, homebuyer 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 determined by the number of units under contract. The Agency also administers the U.S. Department of Treasury's (Treasury) Low Income Housing Tax Credit (LIHTC) Program for the State. The Agency receives application and service fees from developers who participate in the LIHTC Program. Since 2021, the Agency has administered the Treasury's Homeowner Assistance Fund.

Oklahoma House Bill 1031 established the Oklahoma Housing Stability Program (OHSP). The Oklahoma Governor approved OHFA's OHSP plan in January 2024. This program provides funds for the new construction of single-family homes for purchase and for single-family or multi-family rental housing. It also provides down payment assistance for homebuyers who purchase homes built with OHSP financing.

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 related 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 (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The financial statements are prepared in accordance with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, and GASB Statement No. 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 Position. Proprietary fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position. The accrual basis of accounting is utilized by a proprietary fund. Under this basis of accounting, revenues are recognized when earned and expenses are recognized when the liability is incurred.

GASB is the standard-setting body for governmental accounting and financial reporting. GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

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 position, it uses restricted net position first unless unrestricted net position will have to be returned because they were not used.

### Cash and cash equivalents

For purposes of the Statement of Cash Flows, OHFA's cash equivalents are defined as short-term, highly liquid investments that are readily convertible to cash with an original maturity of 90 days or less.

## Investments

The Agency's investment policy for the general fund is 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 (MBS) guaranteed by federal agencies, certificates of deposit, repurchase agreements and savings accounts. Collateral is required for demand deposits and certificates of deposit for all amounts not covered by Federal Deposit Insurance Corporation (FDIC) insurance. Investments are reported at fair value.

The short-term investments within the Single Family Bond 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 their fair 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 MBS 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.

MBS 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. MBS do not have a contractual maturity date, and the Agency may be subject to the risk of prepayment on these MBS.

Without consideration of the net change in the fair value of investments, OHFA's net operating income would have been \$26,819,071 and \$28,904,376 for the years ended September 30, 2025 and 2024, respectively.

## Fair value measurements

The Agency categorizes its assets and liabilities measured at fair value within the hierarchy established by GAAP. Assets and liabilities valued at fair value are categorized based on inputs to valuation techniques as follows:

Level 1 input – Quoted prices for identical assets or liabilities in an active market that an entity has the ability to access.

Level 2 input – Quoted prices for similar assets or liabilities in active markets and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 input – Inputs that are unobservable for the asset or liability which are typically based upon the Agency's own assumptions as there is little, if any, related market activity.

Hierarchy – The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Inputs – If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

## Program loans receivable

Program loans receivable consists of a Workforce Housing Pilot Program loan, Oklahoma Housing Trust Fund loan(s) secured by mortgages, OHSP loans, and down payment and closing cost second mortgages

related to Single Family Program activities. These loans are reported at cost. Based on management's evaluation of program loans receivable, a 10% allowance was deemed necessary on the second mortgages as of September 30, 2025 and 2024.

#### Capital assets

Capital assets, with an initial value of \$250 or more and all furniture, are capitalized and carried at cost. Depreciation and amortization are 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 years ended September 30, 2025 and 2024, were \$1,150,392 and \$1,191,918, respectively, and is included with other general and administrative expense on the Statements of Revenues, Expenses and Changes in Net Position.

#### Unearned revenue

Unearned revenue arises when 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 unearned and recorded as a liability.

The only exception to this accounting policy is the Section 8 Housing Choice Voucher Program. Per HUD guidance, excess budget authority disbursed to a Public Housing Agency that is not utilized to pay Housing Assistance Payment (HAP) becomes part of the net position – restricted for the Section 8 Voucher and Emergency Housing Voucher Programs.

#### Bond issue costs

Bond issue costs are costs associated with issuing bonds and are expensed in the period incurred.

#### Pensions and other postemployment employee benefits

The fiduciary net position of the Oklahoma Public Employees Retirement System (OPERS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes measuring the net pension and OPEB liabilities (assets), deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, pension and OPEB expense, and information about assets, liabilities and additions to/deductions from OPERS fiduciary net position. Benefit payments (including refunds of employee contributions related to pensions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### Restrictions and designations of net position

The use of assets of each of the Single Family Bond Program funds is restricted by the related bond indenture and 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 previously designated \$8,000,000 of unrestricted net position 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 position restricted for the Section 8 Voucher and Emergency Housing Voucher Programs represent funds received from HUD in excess of HAP expenditures. These funds can only be utilized to make HAP payments for the Section 8 Voucher and Emergency Housing Voucher Programs. Net position restricted for Oklahoma Housing Trust Fund and OHSP funds are received from the State of Oklahoma and restricted in their use.

## Reclassifications

Certain reclassifications have been made to the 2024 financial statements to conform with the 2025 presentation. These reclassifications had no impact to the previously reported increase in net position.

## Subsequent events

The Agency has evaluated events for recognition and disclosure that occurred through January 20, 2026, the date the financial statements were available to be issued. New conduit debt and single family mortgage revenue bonds were issued subsequent to year-end, see Note 14.

## **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. The Agency requires that financial institutions pledge securities as collateral to secure the deposits of the Agency in each institution for amounts above the FDIC insurance coverage.

Current Agency policy for deposits not held by the Single Family Bond Programs requires fair value of the collateral pledged to be 110% of the deposit value. As of September 30, 2025 and 2024, the Agency was not exposed to custodial credit risk.

As of September 30, 2025 and 2024, \$155,328,362 and \$129,461,788, respectively, of the total cash consisted primarily of money market accounts 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 deposit custodial credit risk. For presentation on the face of the Statement of Net Position, 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's Board of Trustees, which helps manage its exposure to fair value losses from increasing interest rates. The Board of Trustees has approved OHFA to purchase MBS investments backed by loans made through the Single Family Program with maturities not to exceed 30 years.

The Agency's investments in securities and related maturities as of September 30, are listed below:

	2025					Fair Value Investment	
	Fair Value	Investment Maturity					
		Less than One Year	One to Three Years	Greater Than Three Years			
Agency General Fund:							
GNMA pooled loans	\$ 38,429,838	\$ -	\$ 138	\$ 38,429,700		Level 2	
FNMA pooled loans	13,816,320	-	-	13,816,320		Level 2	
Certificates of deposit	254,375	-	254,375	-		Level 2	
Government bonds	15,023,381	-	15,023,381	-		Level 2	
Total investments in securities	67,523,914	\$ -	\$ 15,277,894	\$ 52,246,020			
Single Family Bond Programs:							
GNMA pooled loans	773,686,521					Level 2	
FNMA pooled loans	111,490,512					Level 2	
Guaranteed investment contracts	174,107					Level 2	
Total investments	\$ 952,875,054						

2024						
Fair Value	Investment Maturity			Fair Value Investment		
	Less than One Year	One to Three Years	Greater Than Three Years			
Agency General Fund:						
GNMA pooled loans	\$ 40,499,014	\$ 2,654	\$ 1,212	\$ 40,495,148	Level 2	
FNMA pooled loans	16,145,796	-	-	16,145,796	Level 2	
Certificates of deposit	509,757	252,007	257,750	-	Level 2	
Government bonds	14,320,126	-	14,320,126	-	Level 2	
Total investments in securities	71,474,693	<u>\$ 254,661</u>	<u>\$ 14,579,088</u>	<u>\$ 56,640,944</u>		
Single Family Bond Programs:						
GNMA pooled loans	494,450,771				Level 2	
FNMA pooled loans	68,212,723				Level 2	
Total investments	<u>\$ 634,138,187</u>					

#### 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. FNMA and GNMA are rated AA+ by Standard & Poor's. FNMA and GNMA are rated Aa1 and Aaa, respectively, by Moody's. Credit ratings are not available for the guaranteed investment contracts.

At September 30, total investments are reported in the Statement of Net Position in the following classifications:

	2025	2024
Current:		
Agency General Fund	\$ -	\$ 254,661
Noncurrent:		
Restricted - Single Family Bond Programs	885,351,140	562,663,494
Agency General Fund	<u>67,523,914</u>	<u>71,220,032</u>
Total noncurrent	<u>952,875,054</u>	<u>633,883,526</u>
Total investments	<u>\$ 952,875,054</u>	<u>\$ 634,138,187</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 amounts for individual investments fluctuate based on changes in the market interest rates available to investors.

### 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 5% or more of the Agency's total investments are indicated by an asterisk (\*) as follows at September 30:

	2025		2024	
	Fair Value	Credit Exposure as a Percentage of Total Investments	Fair Value	Credit Exposure as a Percentage of Total Investments
Agency General Fund:				
GNMA pooled loans	\$ 38,429,838	4.0%	\$ 40,499,014	*
FNMA pooled loans	13,816,320	1.5%	16,145,796	2.5%
Certificates of deposit	254,375	0.0%	509,757	0.1%
Government bonds	15,023,381	1.6%	14,320,126	2.3%
	<b>67,523,914</b>	<b>7.1%</b>	<b>71,474,693</b>	<b>11.3%</b>
Single Family Bond Programs:				
GNMA pooled loans	773,686,521	*	494,450,771	*
FNMA pooled loans	111,490,512	*	68,212,723	*
Guaranteed investment contracts	174,107	0.0%	-	0.0%
	<b>885,351,140</b>	<b>92.9%</b>	<b>562,663,494</b>	<b>88.7%</b>
Total investments	<b>\$ 952,875,054</b>	<b>100.0%</b>	<b>\$ 634,138,187</b>	<b>100.0%</b>

### MBS forward contracts

Beginning in 2013, the Agency entered into forward contracts to hedge the interest rate risk of delivering MBS guaranteed by GNMA and FNMA in the future, before the securities are ready for delivery (referred to as "to-be-announced," or TBA MBS). These securities represent pools of qualified mortgage loans originated by Agency approved lenders. The forward contracts offset the financial impact to the Agency of changes in interest rates between the time the loan reservations are made to originating mortgage lenders and the securitization and sale of such loans as GNMA and FNMA securities. The forward contracts are considered derivative instruments and the fair values were obtained from an external pricing specialist who used acceptable methods and assumptions in accordance with GASB requirements, subject to review and approval by the Agency. A positive fair value represents money due the Agency by the counterparty, while a negative fair value represents money payable by the Agency.

Outstanding forward sales contracts as of September 30, 2025, are as follows:

Forward Contracts to Sell TBA Mortgage-Backed Securities	Notional Amount September 30, 2025	Trade Date	Delivery Date	Coupon Rate	Net Fair Values as Reported in the Statement of Net Position at September 30, 2025
<b>BOK Financial Corp</b>					
GNMA II	\$ 600,000	9/17/2025	10/20/2025	7.00%	\$ 1,500
GNMA II	1,600,000	9/19/2025	12/18/2025	6.50%	3,375
<b>Jefferies LLC</b>					
GNMA II	1,400,000	7/23/2025	10/20/2025	6.50%	(6,563)
GNMA II	1,000,000	7/29/2025	10/20/2025	6.50%	(4,219)
GNMA II	1,200,000	9/25/2025	12/18/2025	6.50%	2,250
GNMA II	1,000,000	9/29/2025	12/18/2025	6.50%	938
<b>Piper Sandler &amp; Co</b>					
GNMA II	1,100,000	8/4/2025	10/20/2025	6.50%	(1,375)
GNMA II	1,200,000	8/13/2025	10/20/2025	6.50%	(375)
GNMA II	1,200,000	8/18/2025	10/20/2025	6.50%	(1,500)
GNMA II	1,000,000	8/21/2025	11/20/2025	6.50%	(1,562)
GNMA II	1,300,000	8/26/2025	11/20/2025	6.50%	1,066
GNMA II	(600,000)	9/16/2025	10/20/2025	6.50%	(563)
GNMA II	<u>1,000,000</u>	<u>9/18/2025</u>	<u>11/20/2025</u>	<u>6.50%</u>	<u>469</u>
	<u><u>\$ 13,000,000</u></u>				
Total deferred outflows of resources accumulated decrease in fair value of hedging derivatives					<u><u>\$ (6,559)</u></u>

Outstanding forward sales contracts as of September 30, 2024, are as follows:

Forward Contracts to Sell TBA Mortgage-Backed Securities	Notional Amount September 30, 2024	Trade Date	Delivery Date	Coupon Rate	Net Fair Values as Reported in the Statement of Net Position at September 30, 2024
<b>BMO Capital Markets Corp</b>					
GNMA II	\$ 1,000,000	09/06/2024	11/20/2024	7.00%	\$ 1,406
GNMA II	1,000,000	09/27/2024	12/19/2024	7.00%	1,328
<b>BNY Mellon Capital Markets LLC</b>					
GNMA II	1,000,000	08/05/2024	10/21/2024	7.00%	(2,617)
GNMA II	2,900,000	09/18/2024	10/21/2024	6.50%	2,719

<b>Forward Contracts to Sell TBA Mortgage-Backed Securities</b>	<b>Notional Amount September 30, 2024</b>	<b>Trade Date</b>	<b>Delivery Date</b>	<b>Coupon Rate</b>	<b>Net Fair Values as Reported in the Statement of Net Position at September 30, 2024</b>
<b>BOK Financial Corp</b>					
GNMA II	1,400,000	07/29/2024	10/21/2024	7.00%	(7,000)
GNMA II	1,200,000	08/14/2024	10/21/2024	7.00%	(750)
GNMA II	1,000,000	08/27/2024	11/20/2024	7.00%	(469)
FNMA	105,000	09/13/2024	10/15/2024	6.50%	189
FNMA	(105,000)	09/18/2024	10/15/2024	6.50%	(278)
GNMA II	600,000	09/18/2024	10/21/2024	6.50%	281
GNMA II	1,000,000	09/23/2024	12/19/2024	7.00%	781
FNMA	100,000	09/24/2024	10/15/2024	6.00%	164
<b>Jefferies LLC</b>					
GNMA II	1,600,000	07/19/2024	10/21/2024	7.00%	(6,313)
GNMA II	1,400,000	07/23/2024	10/21/2024	7.00%	(5,688)
GNMA II	1,100,000	09/18/2024	10/21/2024	7.00%	2,063
<b>Piper Sandler &amp; Co</b>					
GNMA II	1,400,000	07/31/2024	10/21/2024	7.00%	(4,813)
GNMA II	1,400,000	08/20/2024	11/20/2024	7.00%	438
GNMA II	1,000,000	08/22/2024	11/20/2024	7.00%	(587)
GNMA II	1,000,000	08/29/2024	11/20/2024	7.00%	625
GNMA II	1,000,000	09/10/2024	11/20/2024	7.00%	469
GNMA II	1,000,000	09/16/2024	11/20/2024	7.00%	352
GNMA II	<u>3,200,000</u>	09/18/2024	10/21/2024	7.00%	<u>5,000</u>
	<u><u>\$ 25,300,000</u></u>				
Total deferred outflows of resources accumulated decrease in fair value of hedging derivatives					<u><u>\$ (12,700)</u></u>

#### **Note 4 – Program Loans Receivable**

Program loans receivable consists of the following at September 30:

	<b>2025</b>	<b>2024</b>
<b>Current, restricted:</b>		
Agency General Fund, Restricted:		
Oklahoma Housing Trust Fund, Tivoli Homes, LLC, bearing interest at 2.00%, 24-month term, maturing March 2026	\$ 2,502,726	\$ -
Oklahoma Housing Stability Program, Oklahoma Homebuilder Program, bearing interest at 0.00%, 24-month term, maturing August 2026	527,070	-
Oklahoma Housing Stability Program, Oklahoma Increased Housing Program, bearing interest at 0.00%, 24-month term, maturing September 2026	<u>1,615,572</u>	<u>-</u>
<b>Total current, restricted</b>	<b>4,645,368</b>	<b>-</b>

	2025	2024
<b>Noncurrent:</b>		
Agency General Fund:		
Workforce Housing Pilot Program, American Opportunity Partners LLC, bearing interest at 2.00%, ten-year term, maturing August 2029	3,690,441	3,792,936
Second Mortgages (net of allowance for bad debts of \$1,762,823 and \$1,423,417 for 2025 and 2024, respectively)	15,865,412	12,810,749
<b>Total noncurrent</b>	<u>19,555,853</u>	<u>16,603,685</u>
<b>Noncurrent, restricted:</b>		
Agency General Fund, Restricted:		
Oklahoma Housing Trust Fund, Tivoli Homes, LLC, bearing interest at 2.00%, 24-month term, maturing March 2026	-	1,050,000
Oklahoma Housing Stability Program, Oklahoma Homebuilder Program, bearing interest at 0.00%, 24-month term, maturity dates ranging from November 2026 through September 2027	15,156,134	131,768
Oklahoma Housing Stability Program, Oklahoma Increased Housing Program, bearing interest at 0.00%, 24-month term, maturity dates ranging from February 2027 through July 2027	3,511,104	189,000
Single Family Bond Programs, Restricted:		
Single Family Second Mortgages (net of allowance for bad debts of \$2,546,393 and \$1,339,127 for 2025 and 2024, respectively)	22,917,537	12,052,144
<b>Total noncurrent, restricted</b>	<u>41,584,775</u>	<u>13,422,912</u>
Total program loans receivable	<u><u>\$ 65,785,996</u></u>	<u><u>\$ 30,026,597</u></u>

In addition to the loans in the table above, certain loans from the federally appropriated HOME Investment Partnership Program and National Housing Trust Fund Program are carried at below-market interest rates, and repayment is deferred for up to 40 years. These loans are generally in either a second or more subordinate position. Given the nature of these loans and the risk associated with them, at the time of origination, they are fully expensed as part of federal and state program expenses, resulting in a net carrying value of zero. Loans with net carrying values of zero are excluded from the table above, and loans are tracked for affordability by OHFA staff. The balances of these loans for the years ended September 30, 2025 and 2024, were \$26,001,713 and \$18,808,595, respectively.

The Oklahoma Housing Stability Program loans are progress-based construction draws net of any repayments received. As of September 30, 2025, the Agency made program awards of approximately \$147,000,000, of which, \$107,000,000 are unfunded commitments and will be drawn down over the next 24 months.

## **Note 5 – Capital Assets**

Capital assets activity for the year ended September 30, was as follows:

	2025			
	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land	\$ 550,000	\$ -	\$ -	\$ 550,000
Total capital assets not being depreciated	550,000	-	-	550,000

	2025			
	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets being depreciated:				
Furniture and equipment	4,648,016	231,186	(307,292)	4,571,910
Buildings	17,097,458	18,624	-	17,116,082
Improvements	711,147	-	-	711,147
Total capital assets being depreciated	22,456,621	249,810	(307,292)	22,399,139
Less accumulated depreciation:				
Furniture and equipment	(2,800,271)	(673,607)	289,469	(3,184,409)
Building	(1,707,090)	(427,296)	-	(2,134,386)
Improvements	(451,118)	(49,490)	-	(500,608)
Total accumulated depreciation	(4,958,479)	(1,150,393)	289,469	(5,819,403)
Total capital assets being depreciated	17,498,142	(900,583)	(17,823)	16,579,736
Capital assets, net	\$ 18,048,142	\$ (900,583)	\$ (17,823)	\$ 17,129,736
	2024			
	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land	\$ 550,000	\$ -	\$ -	\$ 550,000
Total capital assets not being depreciated	550,000	-	-	550,000
Capital assets being depreciated:				
Furniture and equipment	5,245,329	504,677	(1,101,990)	4,648,016
Buildings	17,046,478	50,980	-	17,097,458
Improvements	696,397	14,750	-	711,147
Total capital assets being depreciated	22,988,204	570,407	(1,101,990)	22,456,621
Less accumulated depreciation:				
Furniture and equipment	(3,166,989)	(722,080)	1,088,798	(2,800,271)
Building	(1,285,513)	(421,577)	-	(1,707,090)
Improvements	(402,857)	(48,261)	-	(451,118)
Total accumulated depreciation	(4,855,359)	(1,191,918)	1,088,798	(4,958,479)
Total capital assets being depreciated	18,132,845	(621,511)	(13,192)	17,498,142
Capital assets, net	\$ 18,682,845	\$ (621,511)	\$ (13,192)	\$ 18,048,142

## Note 6 – Conduit Debt

The Agency has issued multi-family mortgage revenue bonds as a conduit debt issuer 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, nor any political subdivision thereof, is obligated in any manner for repayment of these bonds.

The following series of bonds were outstanding as of September 30:

Development	Number of Units	Issued	Original Principal Amount	Outstanding Balance		Outstanding Balance September 30, 2024
				September 30, 2025	September 30, 2024	
New Page	136	3/18/2016	\$ 21,000,000	\$ 6,706,700	\$ 6,819,542	
Highland Trails	100	4/27/2018	9,000,000	5,111,863	5,219,361	
The Curve	244	12/21/2018	30,000,000	25,000,000	30,000,000	
Stillwater Springs	120	7/24/2019	12,000,000	7,382,880	7,486,531	
North Pointe Apartments	184	12/20/2021	14,620,000	14,362,475	14,554,690	
Country Club Gardens	353	12/29/2021	30,500,000	18,253,944	18,449,523	
Chisholm Springs of Spencer	70	7/13/2022	13,000,000	5,487,924	5,550,737	
Duncan Plaza	105	8/11/2022	8,520,000	8,320,000	8,405,000	
Fairground Flats	216	9/8/2022	33,670,000	31,074,041	33,670,000	
Cornerstone Apartments Yukon	122	9/13/2022	22,885,000	20,410,660	20,465,000	
The Gates of Oklahoma City	120	1/31/2023	17,000,000	9,700,000	17,000,000	
Rising Sun Apartments	224	6/21/2023	27,000,000	27,000,000	27,000,000	
Pioneer Plaza Apartments	191	6/27/2023	25,989,000	7,190,247	25,989,000	
Oak Tree Village	120	10/11/2023	15,500,000	10,760,000	15,460,000	
Portland Place Apartments	180	10/31/2023	21,000,000	21,000,000	21,000,000	
Mohawk Manor	106	12/22/2023	15,050,000	15,050,000	15,050,000	
Seminole Hills	141	12/22/2023	19,900,000	19,900,000	19,900,000	
Bradford Apartments	192	12/22/2023	17,416,000	15,652,928	17,292,432	
Edenwood Apartments	192	12/22/2023	17,525,000	16,523,174	17,395,126	
Chisholm Springs of Oklahoma City	171	2/5/2024	32,000,000	32,000,000	32,000,000	
Alley's End	211	11/6/2024	31,000,000	31,000,000	-	
Lakeshore Pointe	190	12/4/2024	30,000,000	30,000,000	-	
Trinity Trails	145	3/13/2025	15,000,000	15,000,000	-	
Crimson Flats West	40	5/14/2025	4,600,000	4,600,000	-	
New Leaf II	59	6/5/2025	7,915,000	7,915,000	-	
Eastland Apartments	192	6/11/2025	27,000,000	27,000,000	-	
Arcadian Homes	100	7/31/2025	20,000,000	20,000,000	-	
Eagle Landings	264	9/19/2025	60,000,000	60,000,000	-	
			\$ 599,090,000	\$ 512,401,836	\$ 358,706,942	

### Note 7 – Bonds and Notes Payable

The Single Family Bond Programs are generally payable in annual and semiannual installments and are subject to mandatory sinking fund requirements. These bonds are special obligations payable solely from the income and receipts of these indentures. Neither the Agency, the State, nor any political subdivision thereof, is obligated in any manner for the repayment of these bonds, which are secured by MBS and other assets of their respective indentures.

The Agency's line of credit agreement with the Federal Home Loan Bank (FHLBank) has a term of one day with automatic daily renewals subject to FHLBank discretion not to renew. The agreement requires monthly interest payments at a daily rate set based on the FHLBank's cost of funds rate (4.33% and 5.04% at September 30, 2025 and 2024, respectively) and is collateralized by investment securities. As of September 30, 2025 and 2024, there was no outstanding balance. According to the terms of the agreement, the maximum amount of credit available with FHLBank may not exceed the collateral lending value of pledged securities. At September 30, 2025 and 2024, the amount available under this line of credit was \$40,719,384 and \$44,496,273, respectively.

Bonds and notes payable and changes for the fiscal years ended 2025 and 2024, are as follows:

Single Family Bond Program	Issued	Interest Rate Range on Outstanding Amount	Maturity Through	Ending Balance September 30, 2023			Ending Balance September 30, 2024			Ending Balance September 30, 2025			Amount Due in One Year
				Additions	Reductions		Additions	Reductions	Additions	Reductions			
2012 A	12/5/2012	2.89%	5.00%	3/1/2041	\$ 21,560,000	\$ -	\$ 2,290,000	\$ 19,270,000	\$ -	\$ 2,415,000	\$ 16,855,000	\$ 2,535,000	
2013 C&D	10/30/2013	3.35%	3.75%	3/1/2044	10,610,816	-	1,653,441	8,957,375	-	1,088,210	7,869,165	449,852	
2018 A	10/23/2018	2.90%	4.75%	9/1/2048	15,750,000	-	2,560,000	13,190,000	-	1,685,000	11,505,000	640,000	
2019 A	8/29/2019	2.00%	5.00%	9/1/2049	31,715,000	-	4,250,000	27,465,000	-	3,285,000	24,180,000	1,375,000	
2020 A	5/6/2020	1.75%	4.00%	3/1/2050	29,555,000	-	3,290,000	26,265,000	-	2,370,000	23,895,000	850,000	
2020 B	12/10/2020	0.70%	3.25%	9/1/2050	23,135,000	-	3,170,000	19,965,000	-	2,650,000	17,315,000	1,335,000	
2022 A	6/29/2022	2.70%	5.00%	3/1/2052	38,260,000	-	2,785,000	35,475,000	-	3,590,000	31,885,000	1,890,000	
2022 B	12/7/2022	3.55%	6.25%	9/1/2053	49,565,000	-	2,955,000	46,610,000	-	3,255,000	43,355,000	890,000	
2023 A	4/20/2023	2.85%	6.00%	3/1/2054	39,925,000	-	1,475,000	38,450,000	-	2,220,000	36,230,000	675,000	
2023 B	7/11/2023	3.25%	5.75%	9/1/2053	50,000,000	-	1,730,000	48,270,000	-	2,620,000	45,650,000	795,000	
2023 C	9/21/2023	3.50%	6.00%	3/1/2054	50,000,000	-	840,000	49,160,000	-	2,480,000	46,680,000	775,000	
2023 D	12/13/2023	3.70%	6.50%	9/1/2054	-	60,000,000	645,000	59,355,000	-	2,355,000	57,000,000	800,000	
2024 A	2/29/2024	3.15%	6.00%	9/1/2054	-	60,000,000	145,000	59,855,000	-	2,770,000	57,085,000	855,000	
2024 B	6/13/2024	3.45%	6.25%	9/1/2055	-	75,000,000	-	75,000,000	-	2,075,000	72,925,000	1,005,000	
2024 C	8/29/2024	3.15%	6.00%	3/1/2056	-	75,000,000	-	75,000,000	-	920,000	74,080,000	940,000	
2024 D	11/21/2024	3.20%	6.50%	3/1/2056	-	-	-	-	75,000,000	380,000	74,620,000	1,085,000	
2025 A	2/26/2025	3.00%	6.25%	9/1/2056	-	-	-	-	75,000,000	20,000	74,980,000	1,045,000	
2025 B	5/22/2025	3.50%	6.50%	9/1/2056	-	-	-	-	100,000,000	10,000	99,990,000	1,365,000	
2025 C&D	8/27/2025	2.85%	6.50%	3/1/2057	-	-	-	-	125,000,000	-	125,000,000	790,000	
Total Single Family Bond Programs				360,075,816	270,000,000	27,788,441	602,287,375	375,000,000	36,188,210	941,099,165	20,094,852		
Agency line of credit		4.33%	daily	-	376,300,000	376,300,000	-	245,100,000	245,100,000	-	-	-	
Total bonds and notes payable				360,075,816	646,300,000	404,088,441	602,287,375	620,100,000	281,288,210	941,099,165	20,094,852		
Unamortized premium				13,379,745	12,149,268	1,046,824	24,482,189	19,053,700	1,417,950	42,117,939	-		
Total bonds and notes payable including unamortized premium				\$ 373,455,561	\$ 658,449,268	\$ 405,135,265	\$ 626,769,564	\$ 639,153,700	\$ 282,706,160	\$ 983,217,104	\$ 20,094,852		

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

	2026	2027	2028	2029	2030	2031-2035	2036-2040	2041-2045	2046-2050	2051-2055	2056+	Total
2025:												
Principal and interest	\$ 66,091	\$ 67,335	\$ 63,734	\$ 63,679	\$ 63,615	\$ 322,008	\$ 316,742	\$ 306,540	\$ 302,801	\$ 247,444	\$ 9,756	\$ 1,829,745
Less interest	45,996	45,219	44,497	43,884	43,223	203,944	178,632	145,500	101,161	36,159	431	888,646
Total principal	\$ 20,095	\$ 22,116	\$ 19,237	\$ 19,795	\$ 20,392	\$ 118,064	\$ 138,110	\$ 161,040	\$ 201,640	\$ 211,285	\$ 9,325	941,099
Unamortized premium												42,118
												\$ 983,217



## Note 8 – Nonoperating Revenues and Expenses

OHFA administers federal and state programs, the funds of which are restricted in purpose by the granting authority and are considered nonoperating income and expenses. The nonoperating revenues and expenses are shown below for the years ended September 30:

	2025	2024
<b>Federal and state program revenues:</b>		
<b>Federal program revenues:</b>		
Home Investment Partnerships Program	\$ 8,442,859	\$ 9,469,365
HOME - American Rescue Plan	1,368,372	-
Housing Opportunities for Persons with AIDS	548,304	621,954
National Housing Trust Fund	3,689,786	4,411,209
Performance Based Contract Administration Program	93,605,312	85,871,727
Low Income Housing Assistance Program - Section 8		
Moderate Rehabilitation	91,338	108,687
Section 8 Housing Choice Vouchers Program	86,305,899	76,110,938
Section 8 Housing Choice Vouchers Program -		
Emergency Housing Voucher	2,236,114	2,562,391
Homeowner Assistance Fund	6,715,748	26,537,024
Total federal revenues	<u>203,003,732</u>	<u>205,693,295</u>
<b>State program revenues:</b>		
Oklahoma Housing Stability Program	9,004	164,250,000
Total state program revenues	<u>9,004</u>	<u>164,250,000</u>
Total federal and state program revenues	<u><u>\$ 203,012,736</u></u>	<u><u>\$ 369,943,295</u></u>
<b>Federal and state program expenses:</b>		
<b>Federal program expenses:</b>		
Home Investment Partnerships Program	\$ 8,442,859	\$ 9,469,365
HOME - American Rescue Plan	1,368,372	-
Housing Opportunities for Persons with AIDS	548,304	621,954
National Housing Trust Fund	3,689,786	4,411,209
Performance Based Contract Administration Program	93,605,312	85,871,727
Low Income Housing Assistance Program - Section 8		
Moderate Rehabilitation	91,338	108,687
Section 8 Housing Choice Vouchers Program	83,366,220	76,146,868
Section 8 Housing Choice Vouchers Program -		
Emergency Housing Voucher	2,259,459	2,539,046
Homeowner Assistance Fund	6,715,748	26,537,024
Total federal program expenses	<u>200,087,398</u>	<u>205,705,880</u>
<b>State program expenses:</b>		
Oklahoma Housing Stability Program	9,004	-
Total state program revenues	<u>9,004</u>	<u>-</u>
Total federal and state program expenses	<u><u>\$ 200,096,402</u></u>	<u><u>\$ 205,705,880</u></u>
Net federal and state program revenues	<u><u>\$ 2,916,334</u></u>	<u><u>\$ 164,237,415</u></u>

## **Note 9 – Retirement Plans**

Employees hired prior to July 1, 1997, who elect not to be covered by the Oklahoma Public Employees Defined Benefit Pension 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 equaling the required contribution for the OPERS plan. For September 30, 2025 and 2024, retirement expense for the OHFA plan was \$79,910 and \$83,512, respectively.

The contribution to the OHFA Plan was 15.5% of allowable compensation beginning July 1, 2009, and increased to 16.5% of allowable compensation on July 1, 2011. All OHFA employees hired after June 30, 1997, and prior to November 1, 2015, are required to participate in the OPERS Plan.

Employees hired on or after November 1, 2015, are required to participate in the State's mandatory defined contribution plan administered by OPERS (PATHFINDER). Under this plan, members choose a contribution rate which will be matched by OHFA up to 7%. For September 30, 2025 and 2024, retirement expense for the PATHFINDER plan was \$156,527 and \$616,452, respectively.

## **Note 10 – Defined Benefit Pension Plans**

### OPERS Plan description

OHFA participates in the OPERS, a cost-sharing multiple-employer defined benefit pension for many state employees in Oklahoma. It covers substantially all employees of the State except those covered by six other plans sponsored by the State and also covers employees of participating counties and local agencies. The employee and employer contribution rates for each member category are established by the Oklahoma Legislature after recommendation by the OPERS Board of Trustees based on an actuarial calculation which is performed to determine the adequacy of such contribution rates.

All OHFA employees hired on or after July 1, 1997, and prior to November 1, 2015, are covered by OPERS.

### Pension plan fiduciary net position

Detailed information about OPERS fiduciary net position is available in separately issued Comprehensive Annual Financial Reports that include financial statements and required supplemental information. These reports may be obtained on the Internet at [https://www.opers.ok.gov/wp-content/uploads/2024/11/2024\\_ACFR\\_OPERS\\_FINAL.pdf](https://www.opers.ok.gov/wp-content/uploads/2024/11/2024_ACFR_OPERS_FINAL.pdf); P.O. Box 53007, Oklahoma City, OK 73152-3007; and telephone (800) 733-9008.

### Benefits provided

OPERS provides retirement benefits to eligible employees (and their beneficiaries) of many state employees in Oklahoma. Members qualify for full retirement benefits at their specified normal retirement age or, depending upon when they became members, when the sum of the member's age and years of credited service equals 80 or 90. Generally, benefits for state, county, and local agency employees are determined at 2% of the average salary, as defined, multiplied by the number of years of credited service. Members may elect to pay an additional contribution rate to receive benefits using a 2.5% factor for each full year the additional contributions are made.

### Contributions

The contribution rates for each member category of the plan are established by the Oklahoma Legislature after recommendation by the OPERS Board of Trustees based on an actuarial calculation, which is

performed to determine the adequacy of such contribution rates. Each member participates based on their qualifying gross salary earned, excluding overtime. There is no cap on the qualifying gross salary earned, subject to Internal Revenue Service (IRS) limitations on compensation. The following contribution rates were in effect for State, County, and Local Agency Employees: for 2025 and 2024, state agency employers contributed 16.5% on all salary, and state employees contributed 3.5% on all salary.

For the years ended September 30, 2025 and 2024, OHFA contributed approximately \$1,153,000 and \$1,062,000, respectively, to the OPERS Plan.

#### Actuarial methods and assumptions

The total pension (asset) liability for June 30, 2024 and 2023, was determined based on actuarial valuations prepared as of July 1, 2024, using the following actuarial assumptions:

- Price inflation – 2.5%
- Salary increases – 3.25% to 9.25%
- Long-term Rate of Return, net of investment expense, including price inflation – 6.5%
- Municipal Bond Index Rate – Prior Measurement Date 3.66%; Measurement Date 3.9%
- Single Equivalent Interest Rate, net of plan investment expense, including price inflation – Prior Measurement Date 6.5%, Measurement Date 6.5%
- Mortality rates – Pub-2010 Below Media, General Membership Active/Retiree Healthy Mortality Table with base rates projected generationally using Scale MP-2019. Male rates are unadjusted, and female rates are set forward two years.

The actuarial assumptions used in the July 1, 2024, valuation are based on the results of the most recent actuarial experience study, which covered the three-year period ended June 30, 2022. The experience study report is dated April 12, 2023.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2022 experience study, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	34.0%	5.1%
U.S. Small Cap Equity	6.0%	5.0%
Global Equity ex-US	28.0%	8.2%
Core Fixed Income	25.0%	1.9%
Long Term Treasuries	3.5%	2.1%
US TIPS	3.5%	1.8%
Total	<u>100.0%</u>	

#### Discount rate

The discount rate used to measure the total pension liability was 6.5%, net of investment expenses, for 2024 and 2023, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the current

contribution rate as set out in state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determined does not use a municipal bond rate.

Sensitivity of the net pension (asset) liability to changes in the discount rate

The following schedule presents the OHFA portion of the OPERS pension (asset) liability calculated using the discount rate of 6.5% for 2024 and 2023, as well as what OHFA's pension (asset) liability would be if it were calculated using a discount rate that is 1% lower than and 1% greater than the discount rate that was used in measuring the net pension (asset) liability as of June 30, 2024 and 2023, per the respective OPERS schedule of employer allocations and collective pension amounts.

	2024	
	1% Decrease in Discount Rate (5.5%)	1% Increase in Discount Rate (7.5%)
OHFA's proportionate share of the net pension (asset) liability	\$ 3,638,652	\$ (1,217,984) \$ (5,300,082)
		2023
	1% Decrease in Discount Rate (5.5%)	1% Increase in Discount Rate (7.5%)
OHFA's proportionate share of the net pension (asset) liability	\$ 6,350,492	\$ 1,644,092 \$ (2,313,165)

Pension (asset) liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

At September 30, 2025 and 2024, respectively, OHFA reported an (asset) liability of \$(1,217,984) and \$1,644,092 for its proportionate share of the OPERS net pension (asset) liability. For the years ended September 30, 2025 and 2024, OHFA recognized pension expense of \$330,635 and \$1,064,147, respectively.

The net pension (asset) liability was measured as of June 30, 2024 and 2023, and the total pension (asset) liability used to calculate the net pension (asset) liability was determined by actuarial valuations as of those dates. The employer's proportion of the net pension (asset) liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period July 1, 2023 through June 30, 2024, and the period July 1, 2022 through June 30, 2023.

The amount recognized by the Agency as its proportionate share of the net pension (asset) liability and the total portion of the net pension (asset) liability that was associated with the Agency were as follows at September 30:

	2025	2024
Agency's proportion of the net pension (asset) liability	0.37%	0.36%
Agency's proportionate share of the net pension (asset) liability	\$ (1,217,984)	\$ 1,644,092
Agency's covered-employee payroll	\$ 7,342,491	\$ 6,802,715
Agency's proportionate share of the net pension (asset) liability as a percentage of its covered-employee payroll	16.59%	24.17%
Plan fiduciary net position as a percentage of the total pension liability	102.91%	95.91%

At September 30, 2025 and 2024, OHFA reported its proportionate share of the OPERS deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>2025:</b>		
Change in proportionate share	\$ -	\$ (209,504)
Changes in actuarial assumptions	51,546	-
Differences between expected and actual economic experience	128,806	(716,492)
Contributions paid to OPERS subsequent to the measurement date	<u>1,171,536</u>	-
	<u><u>\$ 1,351,888</u></u>	<u><u>\$ (925,996)</u></u>
<b>2024:</b>		
Change in proportionate share	\$ 63,063	\$ (137,337)
Changes in actuarial assumptions	347,319	-
Differences between expected and actual economic experience	45,106	(24,905)
Difference between projected and actual investment earnings	1,366,681	-
Contributions paid to OPERS subsequent to the measurement date	<u>784,480</u>	-
	<u><u>\$ 2,606,649</u></u>	<u><u>\$ (162,242)</u></u>

Deferred outflows of resources of \$1,171,536 and \$784,480 related to pensions as of September 30, 2025 and 2024, respectively, resulting from OHFA contributions subsequent to the measurement dates of June 30, 2024 and 2023, were recognized as an increase in the net pension (asset) or reduction of the net pension liability in the years ended September 30, 2025 and 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension (income) expense as follows:

Year Ended <u>September 30,</u>	Pension (Income) Expense
2026	\$ (497,554)
2027	1,037,473
2028	(804,886)
2029	(483,677)

## **Note 11 – OPEB**

### OPERS OPEB plan description

OHFA participates in the OPERS Health Insurance Subsidy Plan (HISP), a cost-sharing multiple-employer defined benefit public employee health insurance subsidy retirement plan which is administered by OPERS. The HISP is classified as an "other postemployment employee benefit."

### OPEB plan fiduciary net position

Detailed information about OPERS OPEB fiduciary net position is available in separately issued Comprehensive Annual Financial Reports that include financial statements and required supplemental information. These reports may be obtained on the Internet at [https://www.opers.ok.gov/wp-content/uploads/2024/11/2024\\_ACFR\\_OPERS\\_FINAL.pdf](https://www.opers.ok.gov/wp-content/uploads/2024/11/2024_ACFR_OPERS_FINAL.pdf), P.O. Box 53007, Oklahoma City, OK 73152-3007; and telephone (800) 733-9008.

### Benefits provided

HISP provides a health insurance premium subsidy for retirees of OPERS who elect to maintain health insurance with the Office of Management Enterprise Services (OMES) Employees Group Insurance Division (EGID) or other qualified insurance plan provided by the employers. The HISP subsidy is capped at \$105 per month per retiree. This subsidy continues until the retiree terminates health insurance coverage with EGID or other qualified plan, or until death. The subsidy is only for the retiree, not the joint annuitants or beneficiaries.

### Contributions

The contribution rates for each member category of the plan are established by the Oklahoma Legislature after recommendation by the OPERS Board based on actuarial calculation, which is performed to determine the adequacy of such contribution rates. An actuarially determined portion of the total contribution to OPERS is set aside to finance the cost of the benefits of the HISP in accordance with provisions of the Internal Revenue Code.

Each member participates based on their qualifying gross salary earned, excluding overtime. There is no cap on the qualifying gross salary earned, subject to IRS limitations on compensation. Only employers contribute to the HISP. The following contribution rates were in effect for State, County, and Local Agency Employees: for 2025 and 2024, state agency employers contributed 16.5% on all salary toward OPERS and HISP.

For the years ended September 30, 2025 and 2024, OHFA contributed approximately \$59,000 and \$60,000, respectively, to OPERS for the HISP.

### Actuarial methods and assumptions

The total OPEB asset (liability) as of June 30, 2024 and 2023, was determined based on actuarial valuations prepared as of July 1, 2024, using the following actuarial assumptions:

- Price inflation – 2.5%
- Salary increases – 3.25% to 9.25%
- Long-term Rate of Return, net of investment expense, including price inflation – 6.5%
- Municipal Bond Index Rate – Prior Measurement Date 3.66%; Measurement Date 3.9%
- Single Equivalent Interest Rate, net of plan investment expense, including price inflation – Prior Measurement Date 6.5%, Measurement Date 6.5%
- Mortality rates – Pub-2010 Below Media, General Membership Active/Retiree Healthy Mortality Table with base rates projected generationally using Scale MP-2019. Male rates are unadjusted, and female rates are set forward two years.

The actuarial assumptions used in the July 1, 2024 valuations are based on the results of the most recent actuarial experience study, which covered the three-year period ended June 30, 2022. The experience study report is dated April 12, 2023.

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2022 experience study, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	34.0%	5.1%
U.S. Small Cap Equity	6.0%	5.0%
Global Equity ex-US	28.0%	8.2%
Core Fixed Income	25.0%	1.9%
Long Term Treasuries	3.5%	2.1%
US TIPS	<u>3.5%</u>	1.8%
Total		<u>100.0%</u>

### Discount rate

The discount rate used to measure the total OPEB (asset) liability was 6.5% net of investment expenses for 2024 and 2023, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers are made at the current contribution rate as set out in state statute. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB asset or liability. The discount rate determined does not use a municipal bond rate.

### Sensitivity of the net OPEB liability to changes in the discount rate

The following schedule presents the OHFA portion of the OPERS OPEB (asset) liability calculated using the discount rates of 6.5% for 2024 and 2023, as well as what OHFA's OPEB (asset) liability would be if it were calculated using a discount rate that is 1% lower than and 1% greater than the discount rate that was used in measuring the net OPEB (asset) liability as of June 30, 2024 and 2023, per the respective OPERS schedule of employer allocations and collective OPEB amounts.

	2024		
	1% Decrease in Discount Rate (5.5%)	Discount Rate (6.5%)	1% Increase in Discount Rate (7.5%)
OHFA's proportionate share of the net OPEB asset	\$ (510,014)	\$ (631,907)	\$ (735,549)
	2023		
	1% Decrease in Discount Rate (5.5%)	Discount Rate (6.5%)	1% Increase in Discount Rate (7.5%)
OHFA's proportionate share of the net OPEB asset	\$ (336,500)	\$ (458,778)	\$ (562,759)

OPEB (assets) liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB

At September 30, 2025 and 2024, OHFA reported assets of \$631,907 and \$458,778, respectively, for its proportionate share of the OPERS net OPEB (asset) liability. For the years ended September 30, 2025 and 2024, OHFA recognized OPEB (revenue) expense of (\$62,340) and (\$34,257), respectively.

The net OPEB (asset) liability was measured as of June 30, 2024 and 2023, respectively, and the total OPEB (asset) liability used to calculate the net OPEB (asset) or liability was determined by actuarial valuations as of those dates. The employer's proportion of the net OPEB asset or liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period July 1, 2023 through June 30, 2024, and July 1, 2022 through June 30, 2023.

The amount recognized by the Agency as its proportionate share of the net OPEB (asset) liability and the total portion of the net OPEB (asset) liability that was associated with the Agency were as follows at September 30:

	2025	2024
Agency's proportion of the net OPEB liability (asset)	0.37%	0.36%
Agency's proportionate share of the net OPEB liability (asset)	\$ (631,907)	\$ (458,777)
Plan fiduciary net position as a percentage of the total OPEB asset or liability	157.20%	141.38%

At September 30, 2025 and 2024, OHFA reported its proportionate share of the OPERS deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>2025:</b>		
Change in proportionate share	\$ 53	\$ (49,203)
Differences between expected and actual economic experience	-	(162,605)
Changes in actuarial assumptions	18,089	-
Difference between projected and actual investment earnings	39,540	-
Contributions paid to OPERS subsequent to the measurement date	<u>59,854</u>	-
	<u>\$ 117,536</u>	<u>\$ (211,808)</u>
<b>2024:</b>		
Change in proportionate share	\$ 788	\$ (39,762)
Differences between expected and actual economic experience	-	(164,292)
Changes in actuarial assumptions	29,657	-
Difference between projected and actual investment earnings	85,815	-
Contributions paid to OPERS subsequent to the measurement date	<u>44,457</u>	-
	<u>\$ 160,717</u>	<u>\$ (204,054)</u>

Deferred outflows of resources of \$59,854 and \$44,457 related to OPEB as of September 30, 2025 and 2024, respectively, resulting from OHFA contributions subsequent to the measurement dates of June 30, 2024 and 2023, were recognized as a reduction of the net OPEB liability in the year ended September 30, 2024 and 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

Year Ended September 30,	Pension (Income) Expense
2026	\$ (52,933)
2027	(6,159)
2028	(52,714)
2029	(33,148)
2030	(9,172)

## **Note 12 – 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, workers' compensation, and general liability insurance coverage. OHFA purchases commercial employee life insurance and pays an annual premium for its employee health insurance coverage. There has not been any significant reduction in insurance coverage from the prior year. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years. The Agency is not subject to significant risk of loss with respect to the above risks.

## **Note 13 – 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.

## **Note 14 – Subsequent Event**

In November 2025, OHFA issued \$60,000,000 of bonds (Series 2025E) to purchase mortgage-backed securities originated under the Agency's Single Family Mortgage Revenue Bond Program. The bonds have interest rates ranging from 2.85% to 6.25% and maturities ranging from September 2026 to March 2057.

The Agency issued seven conduit debt multi-family bonds subsequent to year-end totaling \$197,397,000.

**REQUIRED SUPPLEMENTAL INFORMATION**

**OKLAHOMA HOUSING FINANCE AGENCY**  
**SCHEDULE OF OHFA'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET) LIABILITY**

**Last Ten Fiscal Years<sup>(1)</sup>**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
OHFA's proportion of the net pension (asset) liability	0.36704182%	0.35934793%	0.33514373%	0.31820207%	0.29991057%	0.30404844%	0.27042901%	0.27571479%	0.24714034%	0.23478392%
OHFA's proportionate share of the net pension (asset) liability	\$ (1,217,984)	\$ 1,644,092	\$ 2,817,100	\$ (4,270,783)	\$ 2,675,690	\$ 404,956	\$ 527,453	\$ 1,490,688	\$ 2,352,317	\$ 844,480
OHFA's covered payroll	\$ 7,342,491	\$ 6,802,715	\$ 6,076,376	\$ 5,641,073	\$ 5,334,545	\$ 5,195,297	\$ 4,547,539	\$ 4,809,522	\$ 4,298,455	\$ 4,374,297
OHFA's proportionate share of the net pension (asset) liability as a percentage of its covered payroll	16.59%	24.17%	46.36%	75.71%	50.16%	7.79%	11.60%	30.99%	54.72%	19.30%
OPERS' fiduciary net position as a percentage of the total pension (asset) liability	102.91%	95.91%	92.24%	112.51%	91.59%	98.63%	97.96%	94.28%	89.50%	96.00%

<sup>(1)</sup> The amounts presented for each fiscal year were determined as of June 30 of the prior year.

**OKLAHOMA HOUSING FINANCE AGENCY**  
**SCHEDULE OF OHFA'S PENSION CONTRIBUTIONS**

**Last Ten Fiscal Years**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 1,152,623	\$ 1,062,250	\$ 947,022	\$ 874,352	\$ 822,509	\$ 800,230	\$ 698,746	\$ 741,664	\$ 709,245	\$ 721,759
Contributions in relation to the contractually required contributions	1,152,623	1,062,250	947,022	874,352	822,509	800,230	698,746	741,664	709,245	721,759
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OHFA's covered payroll	\$ 7,342,491	\$ 6,802,715	\$ 6,076,376	\$ 5,641,073	\$ 5,334,545	\$ 5,195,297	\$ 4,547,539	\$ 4,809,522	\$ 4,298,455	\$ 4,374,297
Contributions as a percentage of covered payroll	15.7%	15.6%	15.6%	15.4%	15.4%	15.4%	15.4%	15.4%	16.5%	16.5%

**OKLAHOMA HOUSING FINANCE AGENCY**  
**SCHEDEULE OF OHFA'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)**

Last Eight Fiscal Years <sup>(1)</sup>	2025	2024	2023	2022	2021	2020	2019	2018
OHFA's proportion of the net OPEB liability (asset)	0.36704182%	0.35934793%	0.33514373%	0.31820207%	0.29991057%	0.30404844%	0.27042901%	0.27571479%
OHFA's proportionate share of the net OPEB liability (asset)	\$ (631,907)	\$ (458,778)	\$ (313,653)	\$ (437,472)	\$ (140,607)	\$ (118,198)	\$ (34,996)	\$ 31,580
OHFA's covered payroll	\$ 7,342,491	\$ 6,802,715	\$ 6,076,376	\$ 5,641,073	\$ 5,334,545	\$ 5,195,297	\$ 4,547,539	\$ 4,809,552
OHFA's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	8.61%	6.74%	5.16%	7.76%	2.64%	2.28%	0.77%	0.66%
OPERS' fiduciary net position as a percentage of the total OPEB asset or liability	157.20%	141.38%	130.01%	142.87%	114.27%	112.11%	103.94%	96.50%

<sup>(1)</sup> The amounts presented for each fiscal year were determined as of June 30 of the prior year.

Only the last eight fiscal years are presented because ten-year data is not readily available.

**OKLAHOMA HOUSING FINANCE AGENCY**  
**SCHEDULE OF OHFA'S OPEB CONTRIBUTIONS**

**Last Eight Fiscal Years**

	2025	2024	2023	2022	2021	2020	2019	2018
Contractually required contribution	\$ 58,888	\$ 60,198	\$ 55,580	\$ 56,425	\$ 57,691	\$ 56,991	\$ 51,598	\$ 51,912
Contributions in relation to the contractually required contributions	<u>58,888</u>	<u>60,198</u>	<u>55,580</u>	<u>56,425</u>	<u>57,691</u>	<u>56,991</u>	<u>51,598</u>	<u>51,912</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OHFA's covered payroll	\$ 7,342,491	\$ 6,802,715	\$ 6,076,376	\$ 5,641,073	\$ 5,334,545	\$ 5,195,297	\$ 4,547,539	\$ 4,809,522
Contributions as a percentage of covered payroll	0.80%	0.88%	0.91%	1.00%	1.08%	1.10%	1.13%	1.08%

Only the last eight fiscal years are presented because ten-year data is not readily available.

**OTHER SUPPLEMENTAL INFORMATION**

**OKLAHOMA HOUSING FINANCE AGENCY**  
**SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAMS**  
**SUPPLEMENTAL COMBINING STATEMENT OF NET POSITION**

**September 30, 2025**

	1994 Master Indenture Accumulation Fund	2009 Series C NIBP Master Indenture	2012 Series A 2009 C-4	2013 Series C & D	2018 Master Indenture Special Program Fund	2018 Series A	2019 Series A	2020 Series A	2020 Series B	2022 Series A
<b>Assets</b>										
Current assets:										
Accounts receivable	\$ -	\$ -	\$ -	\$ -	\$ 12,028	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:										
Cash and cash equivalents	715,630	561,712	340,650	1,228,758	4,330,296	216,397	612,966	648,902	503,997	512,817
Interest receivable	20,896	26,470	43,362	34,576	157,630	58,683	78,833	77,854	39,810	125,756
Total current assets	736,526	588,182	384,012	1,263,334	4,499,954	275,080	691,799	726,756	543,807	638,573
Noncurrent assets:										
Investments	4,106,554	7,680,998	13,939,640	8,980,570	44,673,994	14,669,165	22,352,578	24,305,009	15,010,629	29,729,321
Program loans receivable (net of allowance for doubtful accounts of \$2,546,393)	-	30,548	-	-	127,399	-	-	-	-	748,310
Total noncurrent assets	4,106,554	7,711,546	13,939,640	8,980,570	44,801,393	14,669,165	22,352,578	24,305,009	15,010,629	30,477,631
Total assets	4,843,080	8,299,728	14,323,652	10,243,904	49,301,347	14,944,245	23,044,377	25,031,765	15,554,436	31,116,204
<b>Liabilities</b>										
Current liabilities:										
Accounts payable	-	-	8,047	3,707	-	5,612	9,014	10,174	6,712	11,308
Interest payable	-	-	49,736	23,542	-	38,278	70,025	60,922	29,352	105,086
Current maturities of bonds payable	-	-	2,535,000	449,852	-	640,000	1,375,000	850,000	1,335,000	1,890,000
Total current liabilities	-	-	2,592,783	477,101	-	683,890	1,454,039	921,096	1,371,064	2,006,394
Noncurrent liabilities:										
Bonds payable, less current maturities	-	-	15,272,773	7,419,313	-	11,242,820	24,236,150	23,843,636	16,669,658	30,788,603
Total noncurrent liabilities	-	-	15,272,773	7,419,313	-	11,242,820	24,236,150	23,843,636	16,669,658	30,788,603
Total liabilities	-	-	17,865,556	7,896,414	-	11,926,710	25,690,189	24,764,732	18,040,722	32,794,997
<b>Net Position</b>										
Restricted for single family bond programs	\$ 4,843,080	\$ 8,299,728	\$ (3,541,904)	\$ 2,347,490	\$ 49,301,347	\$ 3,017,535	\$ (2,645,812)	\$ 267,033	\$ (2,486,286)	\$ (1,678,793)

See independent auditor's report.

**OKLAHOMA HOUSING FINANCE AGENCY**  
**SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAMS**  
**SUPPLEMENTAL COMBINING STATEMENT OF NET POSITION (continued)**

**September 30, 2025**

	2022 Series B	2023 Series A	2023 Series B	2023 Series C	2023 Series D	2024 Series A	2024 Series B	2024 Series C	2024 Series D	2025 Series A
<b>Assets</b>										
Current assets:										
Accounts receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:										
Cash and cash equivalents	1,076,889	850,579	1,147,575	1,444,155	1,372,762	1,653,280	919,359	1,169,981	846,443	38,505,661
Interest receivable	211,153	152,653	207,846	219,510	270,472	244,169	325,048	314,912	320,168	417,491
Total current assets	1,288,042	1,003,232	1,355,421	1,663,665	1,643,234	1,897,449	1,244,407	1,484,893	1,166,611	38,923,152
Noncurrent assets:										
Investments	45,376,805	32,086,838	42,441,734	43,209,985	49,978,692	44,017,709	63,009,234	63,207,290	71,543,461	69,123,370
Program loans receivable (net of allowance for doubtful accounts of \$2,546,393)	1,501,132	1,039,233	1,359,102	1,368,817	1,572,423	1,386,298	1,946,735	1,959,539	2,236,013	2,168,946
Total noncurrent assets	46,877,937	33,126,071	43,800,836	44,578,802	51,551,115	45,404,007	64,955,969	65,166,829	73,779,474	71,292,316
Total assets	48,165,979	34,129,303	45,156,257	46,242,467	53,194,349	47,301,456	66,200,376	66,651,722	74,946,085	110,215,468
<b>Liabilities</b>										
Current liabilities:										
Accounts payable	16,980	12,114	15,675	16,031	18,358	16,387	22,905	24,235	27,820	\$ -
Interest payable	189,448	146,131	183,644	197,201	258,013	232,500	309,955	310,082	316,146	306,705
Current maturities of bonds payable	890,000	675,000	795,000	775,000	800,000	855,000	1,005,000	940,000	1,085,000	1,045,000
Total current liabilities	1,096,428	833,245	994,319	988,232	1,076,371	1,103,887	1,337,860	1,274,317	1,428,966	1,351,705
Noncurrent liabilities:										
Bonds payable, less current maturities	43,573,889	37,389,607	46,519,805	47,578,225	58,521,143	58,783,623	75,072,460	76,873,412	77,488,629	77,560,185
Total noncurrent liabilities	43,573,889	37,389,607	46,519,805	47,578,225	58,521,143	58,783,623	75,072,460	76,873,412	77,488,629	77,560,185
Total liabilities	44,670,317	38,222,852	47,514,124	48,566,457	59,597,514	59,887,510	76,410,320	78,147,729	78,917,595	78,911,890
<b>Net Position</b>										
Restricted for single family bond programs	\$ 3,495,662	\$ (4,093,549)	\$ (2,357,867)	\$ (2,323,990)	\$ (6,403,165)	\$ (12,586,054)	\$ (10,209,944)	\$ (11,496,007)	\$ (3,971,510)	\$ 31,303,578

**OKLAHOMA HOUSING FINANCE AGENCY**  
**SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAMS**  
**SUPPLEMENTAL COMBINING STATEMENT OF NET POSITION (continued)**

**September 30, 2025**

	2025 Series B	2025 Series CD	Total Single Family Bond Programs
<b>Assets</b>			
Current assets:			
Accounts receivable	\$ -	\$ -	\$ 12,028
Restricted assets:			
Cash and cash equivalents	41,036,690	55,597,582	155,293,081
Interest receivable	568,216	612,674	4,528,182
Total current assets	41,604,906	56,210,256	159,833,291
Noncurrent assets:			
Investments	101,928,216	73,979,348	885,351,140
Program loans receivable (net of allowance for doubtful accounts of \$2,546,393)	3,198,893	2,274,149	22,917,537
Total noncurrent assets	105,127,109	76,253,497	908,268,677
Total assets	146,732,015	132,463,753	1,068,101,968
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	- -	- -	225,079
Interest payable	443,496	569,607	3,839,869
Current maturities of bonds payable	1,365,000	790,000	20,094,852
Total current liabilities	1,808,496	1,359,607	24,159,800
Noncurrent liabilities:			
Bonds payable, less current maturities	103,276,196	131,012,125	963,122,252
Total noncurrent liabilities	103,276,196	131,012,125	963,122,252
Total liabilities	105,084,692	132,371,732	987,282,052
<b>Net Position</b>			
Restricted for single family bond programs	<u>\$ 41,647,323</u>	<u>\$ 92,021</u>	<u>\$ 80,819,916</u>

See independent auditor's report.

**OKLAHOMA HOUSING FINANCE AGENCY**  
**SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAMS**  
**SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**Year ended September 30, 2025**

	1994 Master Indenture Accumulation Fund	2009 Series C NIBP Master Indenture	2012 Series A 2009 C-4	2013 Series C & D	2018 Master Indenture Special Program Fund	2018 Series A	2019 Series A	2020 Series A	2020 Series B	2022 Series A
<b>Operating Revenues</b>										
Investment income	\$ 301,274	\$ 337,985	\$ 641,341	\$ 490,381	\$ 2,088,279	\$ 769,881	\$ 1,040,408	\$ 1,013,681	\$ 541,748	\$ 1,740,803
Net decrease in fair value of investments	(17,665)	(11,943)	(259,670)	(114,311)	(287,566)	(139,685)	(351,355)	(389,295)	(85,740)	(189,071)
Other income	-	-	-	-	1,203	-	-	-	-	5,392
Total operating revenues	283,609	326,042	381,671	376,070	1,801,916	630,196	689,053	624,386	456,008	1,557,124
<b>Operating Expenses</b>										
Interest on bonds payable	-	-	541,128	300,150	-	439,771	733,106	694,259	278,146	1,259,473
Mortgage servicing fees	22,825	44,326	79,178	50,395	254,172	76,206	123,622	138,703	91,699	155,996
Trustees, issuer and other fees	1,200	-	112,165	52,846	-	77,938	125,768	140,626	93,283	158,463
Bad debt	-	-	-	-	-	-	-	-	-	-
Bond issue costs	-	-	-	-	-	-	-	-	-	-
Other general and administrative	-	1,165	-	-	-	-	-	-	-	-
Total operating expenses	24,025	45,491	732,471	403,391	254,172	593,915	982,496	973,588	463,128	1,573,932
Operating income (loss) before transfers	259,584	280,551	(350,800)	(27,321)	1,547,744	36,281	(293,443)	(349,202)	(7,120)	(16,808)
Equity transfers in (out)	(1,101,183)	(705,074)	1,044,651	(109,578)	(6,528,837)	559,516	1,351,100	339,384	1,148,931	458,538
Operating transfers in (out)	-	-	(3,954)	-	-	-	-	-	-	-
Increase (decrease) in net position	(841,599)	(424,523)	689,897	(136,899)	(4,981,093)	595,797	1,057,657	(9,818)	1,141,811	441,730
Total net position, beginning of year	5,684,679	8,724,251	(4,231,801)	2,484,389	54,282,440	2,421,738	(3,703,469)	276,851	(3,628,097)	(2,120,523)
<b>Total net position, end of year</b>	<b>\$ 4,843,080</b>	<b>\$ 8,299,728</b>	<b>\$ (3,541,904)</b>	<b>\$ 2,347,490</b>	<b>\$ 49,301,347</b>	<b>\$ 3,017,535</b>	<b>\$ (2,645,812)</b>	<b>\$ 267,033</b>	<b>\$ (2,486,286)</b>	<b>\$ (1,678,793)</b>

See independent auditor's report.

**OKLAHOMA HOUSING FINANCE AGENCY**

**SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAMS**

**SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)**

**Year ended September 30, 2025**

	2022 Series B	2023 Series A	2023 Series B	2023 Series C	2023 Series D	2024 Series A	2024 Series B	2024 Series C	2024 Series D	2025 Series A
<b>Operating Revenues</b>										
Investment income	\$ 2,863,149	\$ 2,072,240	\$ 2,756,292	\$ 2,943,788	\$ 3,579,188	\$ 3,327,374	\$ 4,632,800	\$ 5,163,118	\$ 3,740,933	\$ 2,925,073
Net increase (decrease) in fair value of investments	(55,841)	39,206	126,699	52,022	141,067	(112,713)	(96,828)	648,632	655,934	110,989
Other income	6,070	30,450	48,146	37,135	58,664	39,005	-	-	-	-
Total operating revenues	2,813,378	2,141,896	2,931,137	3,032,945	3,778,919	3,253,666	4,535,972	5,811,750	4,396,867	3,036,062
<b>Operating Expenses</b>										
Interest on bonds payable	2,311,859	1,719,243	2,198,147	2,365,218	3,092,948	2,750,225	3,692,596	3,728,470	3,259,849	2,197,726
Mortgage servicing fees	231,428	162,846	210,192	217,335	246,825	218,844	299,592	265,295	225,173	152,344
Trustees, issuer and other fees	235,196	166,865	215,044	221,652	252,296	132,847	184,776	33,540	43,275	13,004
Bad debt	-	2,890	-	-	-	5,243	17,709	124,459	248,446	240,994
Bond issue costs	-	-	-	-	-	-	-	-	677,183	675,183
Other general and administrative	-	-	-	-	-	-	-	-	-	-
Total operating expenses	2,778,483	2,051,844	2,623,383	2,804,205	3,592,069	3,107,159	4,194,673	4,151,764	4,453,926	3,279,251
Operating income (loss) before transfers	34,895	90,052	307,754	228,740	186,850	146,507	341,299	1,659,986	(57,059)	(243,189)
Equity transfers in (out)	(18,578)	399,402	1,268,571	585,339	536,424	(15,096,188)	(27,112,436)	(27,173,874)	(3,914,451)	31,546,767
Operating transfers in (out)	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in net position	16,317	489,454	1,576,325	814,079	723,274	(14,949,681)	(26,771,137)	(25,513,888)	(3,971,510)	31,303,578
Total net position, beginning of year	3,479,345	(4,583,003)	(3,934,192)	(3,138,069)	(7,126,439)	2,363,627	16,561,193	14,017,881	-	-
<b>Total net position, end of year</b>	<b>\$ 3,495,662</b>	<b>\$ (4,093,549)</b>	<b>\$ (2,357,867)</b>	<b>\$ (2,323,990)</b>	<b>\$ (6,403,165)</b>	<b>\$ (12,586,054)</b>	<b>\$ (10,209,944)</b>	<b>\$ (11,496,007)</b>	<b>\$ (3,971,510)</b>	<b>\$ 31,303,578</b>

See independent auditor's report.

**OKLAHOMA HOUSING FINANCE AGENCY**  
**SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAMS**  
**SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)**

**Year ended September 30, 2025**

	2025 Series B	2025 Series CD	Total Single Family Bond Programs
<b>Operating Revenues</b>			
Investment income	\$ 2,394,647	\$ 577,686	\$ 45,942,069
Net increase (decrease) in fair value of investments	(19,988)	1,443,168	1,086,046
Other income	-	-	<u>226,065</u>
Total operating revenues	<u>2,374,659</u>	<u>2,020,854</u>	<u>47,254,180</u>
<b>Operating Expenses</b>			
Interest on bonds payable	1,906,748	569,607	34,038,669
Mortgage servicing fees	130,639	16,046	3,413,681
Trustees, issuer and other fees	13,187	14,986	2,288,957
Bad debt	355,433	252,683	1,247,857
Bond issue costs	842,905	1,075,511	3,270,782
Other general and administrative	-	-	<u>1,165</u>
Total operating expenses	<u>3,248,912</u>	<u>1,928,833</u>	<u>44,261,111</u>
Operating income (loss) before transfers	(874,253)	92,021	2,993,069
Equity transfers in (out)	42,521,576	-	-
Operating transfers in (out)	-	-	<u>(3,954)</u>
Increase in net position	41,647,323	92,021	2,989,115
Total net position, beginning of year	<u>-</u>	<u>-</u>	<u>77,830,801</u>
<b>Total net position, end of year</b>	<b><u>\$ 41,647,323</u></b>	<b><u>\$ 92,021</u></b>	<b><u>\$ 80,819,916</u></b>

See independent auditor's report.

**OKLAHOMA HOUSING FINANCE AGENCY**  
**SUPPLEMENTAL COMBINING STATEMENT OF NET POSITION**  
**September 30, 2025**

	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
<b>Assets</b>				
Current assets:				
Cash and cash equivalents for doubtful accounts of \$1,951,951)	\$ 12,028	\$ 65,491,323 403,829	\$ - (237,107)	\$ 65,491,323 178,750
Accounts receivable - U.S. Department of Housing and Urban Development	-	1,261,169	-	1,261,169
Interest receivable	-	396,344	-	396,344
Prepaid expenses	-	783,994	-	783,994
Restricted assets:				
Cash and cash equivalents	155,293,081	206,536,469	-	361,829,550
Program loan receivables	-	4,645,368	-	4,645,368
Interest receivable	4,528,182	-	-	4,528,182
Total current assets	159,833,291	279,518,496	(237,107)	439,114,680
Noncurrent assets:				
Investments	-	67,523,914	-	67,523,914
Program loans receivable (net of an allowance for bad debts of \$1,762,823)	-	19,555,853	-	19,555,853
Nondepreciated capital assets	-	550,000	-	550,000
Capital assets, net	-	16,579,736	-	16,579,736
Restricted assets:				
Investments	885,351,140	-	-	885,351,140
Program loans receivable (net of an allowance for bad debts of \$2,546,393)	22,917,537	18,667,238	-	41,584,775
Pension asset	-	1,217,984	-	1,217,984
OPEB asset	-	631,907	-	631,907
Total noncurrent assets	908,268,677	124,726,632	-	1,032,995,309
Total assets	1,068,101,968	404,245,128	(237,107)	1,472,109,989
Deferred outflows of resources:				
Pension	-	1,351,888	-	1,351,888
OPEB	-	117,536	-	117,536
Accumulated decrease in fair value of hedging derivatives	-	6,559	-	6,559
Total deferred outflows of resources	-	1,475,983	-	1,475,983

**OKLAHOMA HOUSING FINANCE AGENCY**  
**SUPPLEMENTAL COMBINING STATEMENT OF NET POSITION (continued)**

**September 30, 2025**

	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
<b>Liabilities</b>				
Current liabilities:				
Salaries and related expenses	-	872,895	-	872,895
Accounts Payable - U.S. Department of Housing and Urban Development	-	1,570,346	-	1,570,346
Accounts payable - Family Self Sufficiency Program	-	1,271,066	-	1,271,066
Accounts payable - other	225,079	561,819	(237,107)	549,791
Hedging payable	-	6,559	-	6,559
Unearned revenue	-	62,458,770	-	62,458,770
Compensated absences	-	1,133,170	-	1,133,170
Interest payable	3,839,869	10,876	-	3,850,745
Current maturities of bonds and notes payable	20,094,852	-	-	20,094,852
Total current liabilities	24,159,800	67,885,501	(237,107)	91,808,194
Noncurrent liabilities:				
Bonds and notes payable, less current maturities	963,122,252	-	-	963,122,252
Total noncurrent liabilities	963,122,252	-	-	963,122,252
Total liabilities	987,282,052	67,885,501	(237,107)	1,054,930,446
 Deferred inflows of resources:				
OPEB	-	211,808	-	211,808
Pension	-	925,996	-	925,996
Total deferred inflows of resources	-	1,137,804	-	1,137,804
 <b>Net Position</b>				
Invested in capital assets	-	17,129,736	-	17,129,736
Restricted for Single Family Bond Programs	80,819,916	-	-	80,819,916
Restricted for Section 8 and Emergency Housing Voucher Programs	-	3,168,581	-	3,168,581
Restricted for Oklahoma Housing Trust Fund	-	4,171,442	-	4,171,442
Restricted for Oklahoma Housing Stability Program	-	185,689,319	-	185,689,319
Unrestricted	-	126,538,728	-	126,538,728
Total net position	\$ 80,819,916	\$ 336,697,806	\$ -	\$ 417,517,722

**OKLAHOMA HOUSING FINANCE AGENCY**  
**SUPPLEMENTAL COMBINING STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN NET POSITION**

**Year ended September 30, 2025**

	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
<b>Operating Revenues</b>				
Investment income	\$ 45,942,069	\$ 13,970,948	\$ -	\$ 59,913,017
Program loan income	-	131,129	-	131,129
Net increase in fair value of investments	1,086,046	(317,293)	-	768,753
Realized gain on sale of investments	-	4,258,061	-	4,258,061
Fees and other income	226,065	25,328,794	(2,156,154)	23,398,705
 Total operating revenues	 47,254,180	 43,371,639	 (2,156,154)	 88,469,665
<b>Operating Expenses</b>				
Interest on bonds and notes payable	34,038,669	202,614	-	34,241,283
Mortgage servicing fees	3,413,681	-	-	3,413,681
Trustees, issuer and other fees	2,288,957	-	(2,156,154)	132,803
Bad debt	1,247,857	446,083	-	1,693,940
Bond issue costs	3,270,782	-	-	3,270,782
Salaries and related expenses	-	12,871,416	-	12,871,416
Other general and administrative	1,165	5,256,771	-	5,257,936
 Total operating expenses	 44,261,111	 18,776,884	 (2,156,154)	 60,881,841
 Operating income	 2,993,069	 24,594,755	 -	 27,587,824
 Nonoperating revenues (expenses):				
Federal and state program income	-	203,012,736	-	203,012,736
Federal and state program expenses	-	(200,096,402)	-	(200,096,402)
 Total nonoperating income	 -	 2,916,334	 -	 2,916,334
 Income before transfers	 2,993,069	 27,511,089	 -	 30,504,158
 Transfers	 (3,954)	 3,954	 -	 -
 Increase in net position	 2,989,115	 27,515,043	 -	 30,504,158
 Total net position, beginning of year	 77,830,801	 309,182,763	 -	 387,013,564
 Total net position, end of year	 \$ 80,819,916	 \$ 336,697,806	 \$ -	 \$ 417,517,722

**OKLAHOMA HOUSING FINANCE AGENCY**  
**SUPPLEMENTAL COMBINING STATEMENT OF CASH FLOWS**  
**Year ended September 30, 2025**

	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
<b>Cash Flows from Operating Activities</b>				
Receipts from fees	\$ 226,065	\$ 23,883,492	\$ 2,156,154	\$ 26,265,711
Receipts from program loan payments	422,849	18,927,925	(12,534,050)	6,816,724
Receipts used by other sources	-	(9,390,168)	-	(9,390,168)
Payments to employees	-	(12,756,809)	-	(12,756,809)
Payments to suppliers	-	(3,281,042)	-	(3,281,042)
Payment for purchases of program loans	(12,534,050)	(44,043,354)	12,534,050	(44,043,354)
Payments for bond fees	(3,332,111)	-	-	(3,332,111)
Payments for trustee and other fees	(2,490,585)	-	(2,156,154)	(4,646,739)
Net cash used in operating activities	(17,707,832)	(26,659,956)	-	(44,367,788)
<b>Cash Flows from Noncapital Financing Activities</b>				
Proceeds from issuance of bonds and notes payable	394,053,700	245,100,000	-	639,153,700
Principal paid on bonds and notes payable	(37,606,160)	(245,100,000)	-	(282,706,160)
Interest paid on bonds and notes payable	(32,534,131)	(218,672)	-	(32,752,803)
Payment of bond issuance costs	(3,270,782)	-	-	(3,270,782)
Receipt of federal and state program revenue	-	203,012,736	-	203,012,736
Payment of federal and state program expenses	-	(200,096,402)	-	(200,096,402)
Transfers	(3,954)	3,954	-	-
Net cash provided by noncapital financing activities	320,638,673	2,701,616	-	323,340,289
<b>Cash Flows from Capital and Related Financing Activities</b>				
Acquisition of capital assets	-	(249,810)	-	(249,810)
<b>Cash Flows from Investing Activities</b>				
Purchase of investments	(363,753,258)	(490,942,156)	-	(854,695,414)
Proceeds from sales and maturities of investments	42,151,658	499,113,601	-	541,265,259
Interest received on investments	44,517,061	13,882,457	-	58,399,518
Net cash provided by (used in) investing activities	(277,084,539)	22,053,902	-	(255,030,637)
Net increase (decrease) in cash	25,846,302	(2,154,248)	-	23,692,054
Cash and cash equivalents, beginning of year	129,446,779	274,182,040	-	403,628,819
Cash and cash equivalents, end of year	\$ 155,293,081	\$ 272,027,792	\$	\$ 427,320,873
<b>Cash and Cash Equivalents as Reported in Statement of Net Position</b>				
Unrestricted	\$ -	\$ 65,491,323	\$ -	\$ 65,491,323
Restricted	155,293,081	206,536,469	-	361,829,550
	\$ 155,293,081	\$ 272,027,792	\$	\$ 427,320,873

## OKLAHOMA HOUSING FINANCE AGENCY

### SUPPLEMENTAL COMBINING STATEMENT OF CASH FLOWS (continued)

**Year ended September 30, 2025**

	Single Family Bond Programs	Agency General Fund	Eliminations	Combined Totals
<b>Reconciliation of Operating Income to Net Cash Used in Operating Activities</b>				
Operating income				
Adjustments to reconcile operating income to net cash used in operating activities:				
Depreciation	-	1,150,392	-	1,150,392
Bad debt	1,247,857	446,083	-	1,693,940
Interest from investments	(45,942,069)	(13,970,948)	-	(59,913,017)
Bond issue costs	3,270,782	-	-	3,270,782
Net increase in fair value of investments	(1,086,046)	317,293	-	(768,753)
Realized gain on sale of investments	-	(4,520,135)	-	(4,520,135)
Interest on bonds and notes payable	34,038,669	202,614	-	34,241,283
Change in operating assets, liabilities, deferred outflows, and deferred inflows:				
Accounts receivable and HUD receivable	2,049	(441,307)	-	(439,258)
Hedging payable	-	(6,141)	-	(6,141)
Prepaid expenses	-	34,380	-	34,380
Program loans receivable	(12,113,250)	(25,246,558)	-	(37,359,808)
OPEB asset	-	(173,129)	-	(173,129)
Pension asset	-	(1,217,984)	-	(1,217,984)
Accounts payable and accrued expenses	81,570	1,213,684	-	1,295,254
Arbitrage payable	(200,463)	-	-	(200,463)
Unearned revenue	-	(9,507,684)	-	(9,507,684)
Pension liability	-	(1,644,092)	-	(1,644,092)
Deferred outflows	-	1,304,083	-	1,304,083
Deferred inflows	-	771,508	-	771,508
Compensated absences	-	33,230	-	33,230
Net cash used in operating activities	<u><u>\$ (17,707,832)</u></u>	<u><u>\$ (26,659,956)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (44,367,788)</u></u>

**OTHER REPORT**



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees  
Oklahoma Housing Finance Agency

We have audited, in accordance with the 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, the financial statements of Oklahoma Housing Finance Agency (the Agency), as of and for the year ended September 30, 2025, and the related notes to the financial statements, and have issued our report thereon dated January 20, 2026.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Hogan Taylor LLP". The signature is fluid and cursive, with "Hogan" and "Taylor" connected by a single stroke, and "LLP" written in a smaller, separate area.

Oklahoma City, Oklahoma

January 20, 2026