ILLINOIS HOUSING DEVELOPMENT AUTHORITY

(A Component Unit of the State of Illinois)

Financial Statements

June 30, 2020

(With Independent Auditors' Report Thereon)

Performed as Special Assistant
Auditors for the Auditor General,
State of Illinois

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2020

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2020

The Uniform Guidance single audit report will be issued under separate cover.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
AGENCY OFFICIALS
YEAR ENDED JUNE 30, 2020

BOARD OFFICERS

Chairman (07/11/16 – Present)	Mr. King Harris
Vice Chair (10/21/05 – 07/17/20)	Ms. Karen Davis
Vice Chair (03/13/17 – Present)	Ms. Luz Ramirez
Secretary (02/25/13 – Present)	Mr. Salvatore Tornatore
Treasurer (09/14/06 – 10/20/19)	Ms. Mary Kane
Treasurer (10/21/19 – Present)	Mr. Darrell Hubbard
Member (05/18/15 – 01/09/20)	Ms. Alyssa Rapp
Member (10/21/19 – Present)	Ms. Sonia Berg
Member (01/10/20 – Present)	Ms. Aarti Kotak
Member (11/19/19 – Present)	Mr. Tom Morsch

AGENCY OFFICIALS

Executive Director (11/12/19)	Ms. Kristin Faust
Executive Director (8/16/19 – 11/11/19)	Vacant
Executive Director (2/22/16 – 8/15/19)	Ms. Audra Hamernik
Assist. Executive Director/Chief of Staff (4/12/16-3/13/20)	Ms. Debra Olson
Assist. Executive Director/Chief of Staff (3/02/20)	Mr. Herman Brewer
General Counsel	Ms. Maureen G. Ohle
Chief Financial Officer (3/31/20)	Mr. Edward Gin
Chief Financial Officer (Acting) (10/19/19-3/30/20)	Ms. Tracy Grimm
Chief Financial Officer (4/21/14-10/18/19)	Ms. Nandini Natarajan
Controller	Mr. Timothy J. Hicks
Chief Internal Auditor	Mr. Kevin O’Connor

Agency Officials are located at:

111 E. Wacker Drive, Suite 1000
Chicago, Illinois 60601

Summary

The audit of the accompanying financial statements of the Illinois Housing Development Authority (a Component Unit of the State of Illinois) was performed by CliftonLarsonAllen LLP.

Based on their audit, the auditors expressed unmodified opinions on the Authority's basic financial statements.

INDEPENDENT AUDITORS' REPORT

The Honorable Frank J. Mautino
Auditor General of the State of Illinois
and
The Board of Directors
Illinois Housing Development Authority:

Report on the Financial Statements

As Special Assistant Auditors for the Auditor General of the State of Illinois, we have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Illinois Housing Development Authority (the Authority), a component unit of the State of Illinois, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Illinois Housing Development Authority, a component unit of the State of Illinois, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Report on Summarized Comparative Information

Other auditors' previously audited the Authority's June 30, 2019 financial statements and expressed unmodified audit opinions on those audited financial statements in their report dated February 7, 2020. In the other auditors' opinion, the summarized comparative information presented within Note 8 to the financial statements as of June 30, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 16 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information on pages 74 through 81 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Oak Brook, Illinois
December 14, 2020

This Section of the Illinois Housing Development Authority's (the Authority) annual financial report presents management's discussion and analysis of the Authority's financial performance during the fiscal year that ended on June 30, 2020. Please read it in conjunction with the Authority's financial statements, which follow this section.

Financial Highlights

- Net position of the Authority increased $21.4 million, to $1,275.8 million as of June 30, 2020, from a decrease in the Authority's governmental activities ($61.6 million) and an increase in business-type activities ($83.0 million).

- The net position of the Authority's governmental activities decreased to $415.1 million, a $61.6 million decrease from prior year, primarily due to lower federal revenue ($139.7 million), lower state revenues ($11.7 million), lower investment income ($1.3 million), higher provision for estimated losses on program loan receivable ($10.7 million) and higher general and administrative expenses ($0.8 million) offset by lower grants disbursements ($38.5 million).

- The net position of the Authority's business-type activities increased to $860.7 million, a $83.0 million increase from prior year, primarily due to increased investment income ($17.1 million), lower salaries and benefits ($3.3 million), lower financing cost ($2.5 million) and other income ($5.0 million), offset by lower interest earned on program loans ($4.3 million), lower developer fees ($1.2 million), higher interest expense ($1.7 million), higher program grants ($5.3 million), higher other general and administrative expenses ($0.7 million) and higher provision for estimated losses on program loans receivable and mortgage participation certificate program ($1.6 million).

- Authority gross debt issuances during fiscal year 2020 totaled $423.7 million the Authority's debt outstanding (net of discounts and premiums) of $1.5 billion as of June 30, 2020 was $143.1 million above the amount outstanding as of June 30, 2019.

- The Authority issued two (2) new series of fixed rate tax-exempt Revenue Bonds, totaling $250.0 million, to fund its homeownership loan program. The bonds are secured by Government National Mortgage Association (GNMA) certificates, Fannie Mae (FNMA) MBS, and Freddie Mac (FHLMC) MBS.

- The Authority issued one (1) new series of fixed rate tax-exempt Multifamily Revenue Bonds totaling $41.6 million, to finance the acquisition and rehabilitation of an affordable multifamily development.

- The Authority issued one (1) series of fixed rate taxable Multifamily Revenue Bonds totaling $5.75 million, to refund the tax-exempt Multifamily Mortgage Revenue Note, 2017 Series A (Concord at Sheridan), the proceeds of which were used to finance the acquisition, construction and equipping of a 111-unit multifamily rental housing development located in Chicago, Illinois.

- The Authority sold beneficial ownership interest in (1) one loan (Marshall Hotel) for $7.4 million to finance an affordable multifamily development to the Federal Financing Bank (FFB), an arm of the United States Department of the Treasury. The loan is insured under the FHA-HFA Risk Sharing Program.

- Program loan originations for the year totaled $61.1 million and $49.8 million in the Authority's governmental and business-type activities, respectively, compared to fiscal year 2019 loan originations of $46.6 million and $31.7 million, respectively.

- During fiscal year 2020, the Authority has continued to boost home buying in the State, and particularly in four Illinois counties hardest hit by the foreclosure crisis. Using funds provided by the United States Department of the Treasury's Hardest Hit Fund (HHF) program, the Authority disbursed $19.5 million in down payment assistance that helped 2,595 homebuyers buy their first home.

- The Authority continued to offer the ACCESS down payment assistance programs, during the fiscal year, that are available statewide, and come with an affordable, fixed interest rate and up to $10,000 to assist eligible borrowers with their down payment and closing costs for the purchase of a new or existing home. The source of down payment assistance funds, based on program structure and anticipated demand, include the Authority's Administrative Fund and excess revenues held under various Authority Bond Funds.

- The Authority has continued to address foreclosure issues throughout the State and has disbursed $29.1 million in direct mortgage assistance, using funds provided by the United States Department of the Treasury's Hardest Hit Fund Program (HHF). HHF approved 909 households for assistance, helping them avoid foreclosure on their homes. HHF closed the mortgage assistance application portal in April 2019, and consequently disbursed approximately $24.6 million less in direct mortgage assistance in comparison to fiscal year 2019. HHF grant will officially end in early calendar year 2021.

Overview of the Financial Statements

The financial statements consist of three parts – management's discussion and analysis (this section), the basic financial statements, and supplementary information. The basic financial statements include two kinds of statements that present different views of the Authority:

- The first two statements are government-wide financial statements that provide information about the Authority's overall financial position and operations. These statements, which are presented on the accrual basis, consist of the statement of net position and the statement of activities.

- The remaining statements are fund financial statements of the Authority's thirteen governmental funds, for which activities are funded from State appropriation (grants), U.S. Department of Housing & Urban Development (HUD) and U.S. Treasury Programs, and which the Authority follows the modified accrual basis of accounting, and three proprietary funds, which operate similar to business activities and for which the Authority follows the accrual basis of accounting.

- The basic financial statements also include notes to the financial statements that explain some of the information in the government-wide and fund financial statements and provide more detailed data.

The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of these statements. The prior year results referred to throughout this section for comparison purposes are as previously reported.

The government-wide statements report information about the Authority as a whole using accounting methods similar to those used by private sector companies. The statement of net position includes all of the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. Most of the Authority's activities are business-type and are reported in its proprietary funds.

The fund financial statements provide more detailed information about the Authority's most significant funds and not the Authority as a whole. The Authority has two kinds of funds:

- Governmental funds – The Authority has thirteen governmental funds. The Authority is the administrator of these funds, the revenues of which are appropriated annually to the Illinois Department of Revenue except for revenues received directly from HOME and the HHF for the purpose of making housing grants and loans. These fund statements focus on how cash and other financial assets flowing into the funds have been used.

- Proprietary funds – The Authority's primary activities are in its three enterprise funds; which activities are accounted for in a manner similar to businesses operating in the private sector. Funding has primarily arisen through the issuances of bonds, both tax-exempt and taxable, the proceeds of which are primarily used to make various types of loans to finance low and moderate-income housing.

Financial Analysis of the Authority as a Whole

Net Position

The combined net position of the Authority increased by $21.4 million, or 1.7%, from the June 30, 2019 amount. The following table shows a summary of changes from prior year amounts.

Net Position
(In millions of dollars)

	Governmental Activities		Business-Type Activities		Total		Increase/(Decrease)	
	2020	2019	2020	2019	2020	2019	Amount	Percentage
Current assets:								
Cash and investments – unrestricted	$ 147.1	$ 216.5	$ 699.8	$ 494.5	$ 846.9	$ 711.0	$ 135.9	19.1%
Investments - restricted	48.8	-	143.3	234.1	192.1	234.1	(42.0)	(17.9)%
Program loans receivable	18.9	14.3	23.1	38.1	42.0	52.4	(10.4)	(19.8)%
Other current assets	10.2	18.2	12.7	9.7	22.9	27.9	(5.0)	(17.9)%
Total current assets	225.0	249.0	878.9	776.4	1,103.9	1,025.4	78.5	7.7%
Noncurrent assets:								
Investments	-	10.1	70.9	135.8	70.9	145.9	(75.0)	(51.4)%
Investments – restricted	-	-	1,070.5	858.1	1,070.5	858.1	212.4	24.8%
Net program loans receivable	658.7	639.6	426.8	473.7	1,085.5	1,113.3	(27.8)	(2.5)%
Capital assets, net	-	-	27.3	27.0	27.3	27.0	0.3	1.1%
Other assets	-	0.3	91.1	93.5	91.1	93.8	(2.7)	(2.9)%
Total noncurrent assets	658.7	650.0	1,686.6	1,588.1	2,345.3	2,238.1	107.2	4.8%
Total assets	$ 883.7	$ 899.0	$ 2,565.5	$ 2,364.5	$ 3,449.2	$ 3,263.5	$ 185.7	5.7%
Deferred outflow of resources:								
Accumulated decrease in fair value of hedge derivatives	$ -	$ -	$ 9.1	$ 4.9	$ 9.1	$ 4.9	$ 4.2	85.7%
Total deferred outflow of resources	$ -	$ -	$ 9.1	$ 4.9	$ 9.1	$ 4.9	$ 4.2	85.7%
Current liabilities:								
Due to grantees	$ 60.3	$ 63.6	$ -	$ -	$ 60.3	$ 63.6	$ (3.3)	(5.2)%
Due to State of Illinois	100.7	73.0	-	-	100.7	73.0	27.7	37.9%
Bonds and notes payable	-	-	58.8	73.8	58.8	73.8	(15.0)	(20.3)%
Deposits held in escrow	-	-	136.3	147.8	136.3	147.8	(11.5)	(7.8)%
Bank note cash collateral	-		-	6.5	-	6.5	(6.5)	(100.0)%
Other current liabilities	-	1.0	34.3	39.0	34.3	40.0	(5.7)	(14.3)%
Total current liabilities	161.0	137.6	229.4	267.1	390.4	404.7	(14.3)	(3.5)%
Noncurrent liabilities:								
Due to State of Illinois	307.6	284.7	-	-	307.6	284.7	22.9	8.0%
Bonds and notes payable	-	-	1,471.1	1,313.0	1,471.1	1,313.0	158.1	12.0%
Other liabilities	-	-	13.4	10.1	13.4	10.1	3.3	32.7%
Total noncurrent liabilities	307.6	284.7	1,484.5	1,323.1	1,792.1	1,607.8	184.3	11.5%
Total liabilities	$ 468.6	$ 422.3	$ 1,713.9	$ 1,590.2	$ 2,182.5	$ 2,012.5	$ 170.0	8.4%

Net Position
(In millions of dollars)

	Governmental Activities		Business-Type Activities		Total		Increase/(Decrease)	
	2020	2019	2020	2019	2020	2019	Amount	Percentage
Deferred inflow of resources:								
Accumulated decrease in fair value of hedge derivatives	$ -	$ -	$ -	$ 0.1	$ -	$ 0.1	$ (0.1)	(100.0)%
Unamortized gain on bond refunding	-	-	-	0.1	-	0.1	(0.1)	(100.0)%
Unearned revenue	-	-	-	1.3	-	1.3	(1.3)	(100.0)%
Total deferred inflow of resources	$ -	$ -	$ -	$ 1.5	$ -	$ 1.5	$ (1.5)	(100.0)%
Net position:								
Net investment in capital assets	$ -	$ -	$ 6.9	$ 4.8	$ 6.9	$ 4.8	$ 2.1	43.8%
Restricted	415.1	476.7	597.6	528.9	1,012.7	1,005.6	7.1	0.7%
Unrestricted	-	-	256.2	244.0	256.2	244.0	12.2	5.0%
Total net position	$ 415.1	$ 476.7	$ 860.7	$ 777.7	$ 1,275.8	$ 1,254.4	$ 21.4	1.7%

Governmental Activities

Net position of the Authority's governmental activities decreased by $61.6 million, or 12.9%, to $415.1 million, mainly from decrease of grant receipts in the Hardest Hit Fund (HHF) Program, the HOME Program and Nonmajor Governmental Funds, increased grant disbursements for the HOME Program and Nonmajor Government Programs partially offset by decreased grant disbursements in the Hardest Hit Program. There is no net position for two of the Authority's governmental activities recorded on the Authority's financial statements. The net position of the Illinois Affordable Housing Trust Fund (Housing Program) is recorded as due to the State of Illinois. All revenues of the Rental Housing Support Program Fund are ultimately disbursed as grant or administrative expenses, and therefore no net position is recorded on the Authority's financial statements.

Total net program loans receivable (current and noncurrent), increased by $23.7 million, or 3.6%, to $677.6 million, attributable to increases in the Federal HOME Program Fund ($1.1 million), increases in the Illinois Affordable Housing Trust Fund ($23.1 million) offset by decreases in the Non-Major Funds ($0.5 million). Cash and investments decreased by $30.8 million, or 13.6%, attributable to decreases in the HHF Program ($51.9 million), the HOME Program ($1.8 million) and the Nonmajor Governmental Funds ($1.2 million), partially offset by increases in the Illinois Affordable Housing Trust Fund ($20.3 million) and the Rental Housing Support Program Fund ($3.7 million). State statute and federal regulations restrict the use of the governmental funds to program activities.

Due to the State of Illinois (current and noncurrent) increased by $50.6 million. This item reflects a liability for the State of Illinois' interest in the net position of the Affordable Housing Trust Fund as the Authority acts only as the administrator of the Housing Program and accounts for the interest in the net position to be that of the State of Illinois.

Business-type Activities

Net position of the Authority's business-type activities increased by $83.0 million, or 10.7%, to $860.7 million.

Net program loans receivable (current and noncurrent) decreased by $61.9 million, or 12.1%, to $449.9 million from decreases in the Single Family Program Fund ($23.7 million), Mortgage Loan Program Fund ($22.7 million) and Administrative Fund ($15.6 million) due to loan repayments exceeding loan originations. The decrease in program loans receivable in the Single Family Program Fund was due to Illinois whole loans being packaged into GNMA certificates and MBSs.

Cash and investments (current and noncurrent) increased by $262 million, or 15.2%, from increases in the Mortgage Loan Program Fund ($40.4 million), Single Family Program Fund ($231.8) offset by a decrease in the Administrative Fund ($10.0 million).

Total bonds and notes payable (current and noncurrent) increased by $143.1 million, or 10.3%, from increases in the Single Family Program Fund ($159.1 million), offset by a decrease of ($6.3 million) in the Mortgage Loan Program Fund and Administrative Fund ($9.7 million).

Deposits held in escrow decreased by $11.5 million, or 7.8% due to lower required funding levels.

Bank note cash collateral was paid off and thus decreased by $6.5 million during the fiscal year.

Restricted net position of the Authority's business-type activities increased by $68.7 million, or 13.0%, of which $68.6 million were from net increases within the Authority's Mortgage Loan Program Fund and Single Family Program Fund (Bond Funds). The net position of the Authority's Bond Funds is classified as restricted, except for a $4.8 million net position invested in capital assets within the Mortgage Loan Program Fund. The remaining restricted increases in net position were from the FAF program, earnings of which are recorded in the Authority's Administrative Fund.

Statement of Activities

The statement of activities shows the sources of the Authority's changes in net position as they arise through its various programs and functions.

The governmental activities consist of programs recorded in four major governmental funds: the Illinois Affordable Housing Trust Fund, the HOME Program Fund, the Rental Housing Support Program Fund and the Hardest Hit Fund. Other programs are recorded in Nonmajor Governmental Funds and consist of the Foreclosure Prevention Program Fund, the Community Development Block Grant Fund, the American Recovery and Reinvestment Act (ARRA) Fund, the Foreclosure Prevention Graduated Program Fund, the Build Illinois Bond Program Fund, the Neighborhood Stabilization Program Fund, the Abandoned Property Program Fund, the National Housing Trust Fund, and the Section 811 Project Rental Assistance Demonstration Program Fund.

The business-type activities consist of two housing lending programs, the results of which are primarily recorded within the funds comprising the two major bond funds (the Mortgage Loan Program Fund and the Single Family Program Fund).

A condensed summary of changes in net position for the fiscal year ended June 30, 2020 is shown in the following table.

Changes in Net Position
(In millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
Revenue:						
Program revenues:						
Charges for services	$ 5.6	$ 6.9	$ 139.3	$ 124.2	$ 144.9	$ 131.1
Operating/grant/federal revenues	32.9	184.2	59.6	61.2	92.5	245.4
General revenues:						
Investment income	-	-	28.8	26.1	28.8	26.1
Total revenues	38.5	191.1	227.7	211.5	266.2	402.6
Expenses:						
Direct	82.8	110.2	115.2	120.4	198.0	230.6
Administrative	17.3	16.4	29.5	21.3	46.8	37.7
Total expenses	100.1	126.6	144.7	141.7	244.8	268.3
Increase (decrease) in net position	(61.6)	64.5	83.0	69.8	21.4	134.3
Net position at beginning of year	476.7	412.2	777.7	707.9	1,254.4	1,120.1
Net position at end of year	$ 415.1	$ 476.7	$ 860.7	$ 777.7	$ 1,275.8	$ 1,254.4

Governmental Activities

Revenues of the Authority's governmental activities decreased by $152.6 million from the prior year, primarily due to decreases in HOME ($12.4 million), HHF Program Fund ($127.0 million), HTF Program Fund ($0.6 million), Rental Housing Support Program Fund ($0.7 million), and in Nonmajor Governmental Funds ($10.6 million).

Direct expenses of the Authority's governmental activities decreased by $27.4 million from the prior year, primarily due to increases in HOME ($9.1 million) and Nonmajor Governmental Funds ($3.3 million) offset by decreases in the Hardest Hit Fund ($37.5 million). Administrative expenses increased by $0.9 million.

Business-Type Activities

Revenues of the Authority's business-type activities increased by $16.2 million from the prior year from increases in charges for services ($15.1 million) and higher investment income ($2.7 million) offset by lower operating grant/federal revenues ($1.6 million). Charges for services mainly consist of interest income on program loans ($21.6 million), program investment income ($77.1 million), servicing and development fees ($11.9 million), tax credit reservation and monitoring fees ($6.4 million) and other income ($22.0 million). Program investment income is that income earned within the Authority's bond funds, the investments and income of which is restricted to those funds. Such income increased by $2.7 million from the prior year due primarily to increase in investments and in the fair value of investments.

Direct expenses of the Authority's business-type activities, which consist primarily of interest expense ($36.2 million) on Authority debt incurred to fund its various lending programs and the pass-through of federal assistance programs' funds ($59.1 million), increased by $2.9 million from the prior year, due mainly due to higher program grants $5.3 million, interest expense $1.7 million, lower provision for estimated losses on program loans receivable ($2.0 million), Mortgage Loan Program Fund and Single Family Program Fund financing costs ($1.2 million) and loss on derivative transaction ($0.8 million) offset by lower financing costs ($2.5 million), federal assistance programs ($1.6 million), and accrual for estimated losses on mortgage participation certificate programs ($0.4 million).

Program revenues of Multi-Family Mortgage Loan Programs exceeded direct expenses by $29.7 million (see the Statement of Activities). The Authority's business-type activities also generated $28.8 million of unrestricted investment income, which was used primarily to fund and finance single family loans through the use of FNMA MBSs and GNMA certificates, and to partially offset its administrative costs, and thus provided most of the Authority's increase in net position.

Proprietary Fund Results

Net position of the Authority's proprietary funds increased from the June 30, 2019 amount by $83.0 million to $860.7 million. The following table summarizes the revenues, expenses, and changes in fund net position of the Authority's proprietary funds for the fiscal years ended June 30, 2020 and 2019.

Changes in Net Position/Proprietary Funds
(In millions of dollars)

	Administrative Fund		Mortgage Loan Program Fund		Single Family Program Fund	
	2020	2019	2020	2019	2020	2019
Operating revenues:						
Interest Earned on Program Loans	$ 0.8	$ 1.4	$ 13.3	$ 15.6	$ 7.5	$ 9.0
Investment Income	28.8	26.1	6.3	4.4	70.7	58.0
Federal Assistance Programs	0.3	60.6	-	0.1	-	-
Service Rees	59.0	7.2	0.1	-	-	-
Development Rees	8.5	4.6	-	-	-	-
HUD Savings	3.3	0.6	-	-	-	-
Rental Income and Vacancies	0.5	-	-	-	-	-
Tax Credit Reservation and Monitoring Fees	6.4	6.4	-	-	-	-
Other	4.9	5.2	17.1	12.2	0.1	-
Total Operating Revenues	112.5	112.1	36.8	32.3	78.3	67.0
Operating Expenses:						
Interest Expense	0.5	0.9	7.5	9.1	28.1	24.5
Federal Assistance Programs	59.0	60.6	0.1	0.1	-	-
Salaries and Benefits	19.5	22.8	-	-	-	-
Professional Fees	3.1	2.9	-	-	-	-
Other General and Administrative	3.4	2.8	6.1	5.9	0.3	0.2
Financing Costs	0.9	2.3	0.1	0.2	3.2	4.3
Program Grants	10.1	4.8	-	-	-	-
Change in Accrual for Estimated Losses on Mortgage Participation Certificate Program	(0.5)	(0.1)	-	-	-	-
Provision for (Reversal of) Estimated Losses on Program Loans Receivable	1.0	(1.2)	0.3	1.0	0.1	(0.5)
Provision for Estimated Losses on Real Estate Held for Sale	-	-	0.1	0.2	0.9	0.8
Loss of Derivative Transaction	0.8	-	-	-	-	-
Total Operating Expenses	97.8	95.8	14.2	16.5	32.6	29.3
Operating Income (Loss)	14.7	16.3	22.6	15.8	45.7	37.7
Transfers	(2.0)	(2.2)	-	-	2.0	2.2
Change in Net Position	12.7	14.1	22.6	15.8	47.7	39.9
Net Position at Beginning of Year	289.8	275.7	325.9	310.1	162.0	122.1
Net Position at End of Year	$ 302.5	$ 289.8	$ 348.5	$ 325.9	$ 209.7	$ 162.0

Net position of the Administrative Fund increased by $12.7 million, compared to the prior year increase of $14.1 million. Administrative Fund operating income was $14.7 million, a decrease of $1.6 million from the prior year, and net transfers out were $2.0 million compared to $2.2 million in the prior year. The fiscal year 2020 decrease in operating earnings was primarily from decreases in development fees ($1.3 million), higher general and administrative expenses ($0.6 million), higher program grants ($5.3 million), higher provision for estimated losses on program loans receivable ($2.2 million) and loss on derivative transaction ($0.8 million), partially offset by higher investment income ($2.7 million) higher service fees ($1.3 million), lower salaries and benefits ($3.3 million), lower financing costs ($1.4 million), higher reversals on estimated losses on program loans receivable ($0.4 million) and lower interest expense ($0.4 million).

Net position of the Mortgage Loan Program Fund increased by $22.6 million, compared to a prior year increase of $15.8 million. Operating income was higher than the prior year ($6.9 million), mainly due to higher investment income ($1.9 million), higher other revenue ($4.9 million), lower interest expense ($1.6 million), and decreased estimated losses on program loans receivable ($0.7 million), partially offset by lower interest earned on program loans ($2.3 million).

Net position of the Single Family Program Fund increased by $47.7 million, compared to a prior year increase of $39.9 million. Operating income was $8.0 million higher than prior year, primarily due to higher investment income ($12.7 million) and lower financing costs ($1.1 million), offset by an increase in interest expense ($3.6 million), decreased interest earned on program loans ($1.5 million) and an increased provision on estimated losses on program loans receivable ($0.6 million).

Authority Debt

Authority gross debt issuances during fiscal year 2020 totaled $423.7 million with the issuance of Revenue Bonds ($250.0 million), premium on Revenue Bonds ($10.0 million) within the Single Family Program Fund, direct placement of Multifamily Revenue Bonds ($5.8 million), Multifamily Revenue Bonds ($41.5 million) within the Mortgage Loan Program Fund, and Federal Home Loan Bank Advances ($116.4 million) within the Administrative Fund. Debt retirements within the Mortgage Loan Program, Single Family Program, and Administrative Funds were $53.6 million, $100.9 million, and $126.0 million, respectively. Total bonds and notes payable increased $143.1 million. For additional information, see note 8, Bonds and Notes Payable in the Notes to the Financial Statements.

As of July 1, 2019, the Authority's Issuer Credit Ratings were A1 (Stable) by Moody's Investors Service, AA- (Stable) by Standard and Poor's and AA- (Stable) by Fitch Ratings.

The Authority's Issuer Credit Ratings by Moody's Investors Service, Standard and Poor's and Fitch Ratings remain unchanged.

Economic Factors

During the majority of fiscal year 2020, tax-exempt bond rates were favorable for new issuance, which provided the Authority an opportunity to issue fixed rate long-term bonds in the Single Family Program in the amount of $250 million. The Authority correspondingly issued both tax-exempt and taxable fixed rate long-term bonds in support of its Multifamily program in the amount of $41.5 million and $5.8 million, respectively.

During fiscal year 2020, the Authority continued to finance its activity relating to homeownership in the State of Illinois through the sale of mortgage-backed securities to the secondary market. The Authority uses forward commitments to lock in the price of securities related to secondary market sales.

The global outbreak of COVID-19 is affecting national capital markets and negatively impacting the overall economy. The authority has a Continuity of Operations Plan which has allowed it to provide continued execution of its programs with minimal disruption. In response to COVID-19, the Authority is already administering a new program, with federal funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act and maybe asked to administer additional programs in the future in response to the pandemic. Furthermore, the Authority cannot predict the duration of the pandemic and how it may impact the Authority's housing and state revolving fund programs and financial position.

The Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136), signed into law on March 27, 2020, as may be amended from time to time (the "CARES Act"), created, through Section 5001 of the CARES Act, the Coronavirus Relief Fund ("CRF"), which provides $150 billion in direct assistance for domestic governments, including the State of Illinois (the "State"). In connection with the State's receipt of federal CRF, the State established, among other funds, the State Coronavirus Urgent Remediation Emergency Fund ("IL CURE Fund"). The sum of $396,000,000 was appropriated, for fiscal year 2021, from the IL CURE Fund to the Department of Revenue ("DOR") for IHDA to fund affordable housing grants, for the benefit of persons impacted by the COVID -19 public health emergency, for emergency rental assistance, emergency mortgage assistance, and subordinate financing, in the approximate amounts: a) $79,000,000 (Counties in the State with direct CRF allotments); b) $217,000,000 (Statewide); and c) $100,000,000 (disproportionately impacted areas in the State).

At this time, the Authority is not aware of any other facts, decisions, or conditions that are expected to have a significant effect on financial position or results of operations.

Contacting the Authority's Financial Management

This financial report is designed to provide the citizens of Illinois, our constituents and investors with a general overview of the Authority's finances and to demonstrate the Authority's financial accountability over its resources. If you have questions about this report or need additional financial information, contact the Controller at the Illinois Housing Development Authority, 111 E. Wacker Drive, Suite 1000, Chicago, IL 60601, or visit our web site at: www.ihda.org.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
STATEMENT OF NET POSITION
JUNE 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	$ 147,096,515	$ 540,962,141	$ 688,058,656
Investments	-	158,818,678	158,818,678
Investments – Restricted	48,759,815	143,336,030	192,095,845
Investment Income Receivable	-	450,068	450,068
Investment Income Receivable – Restricted	46,806	3,634,447	3,681,253
Program Loans Receivable	18,860,651	23,059,652	41,920,303
Grant Receivable	14,390,241	-	14,390,241
Interest Receivable on Program Loans	301,976	1,586,267	1,888,243
Other	3,433	2,540,464	2,543,897
Internal Balances	(4,502,948)	4,502,948	-
Total Current Assets	224,956,489	878,890,695	1,103,847,184
NONCURRENT ASSETS			
Investments	-	70,905,516	70,905,516
Investments – Restricted	-	1,070,488,962	1,070,488,962
Program Loans Receivable, Net of Current Portion	725,948,340	437,723,709	1,163,672,049
Less: Allowance for Estimated Losses	(67,252,152)	(10,910,640)	(78,162,792)
Net Program Loans Receivable	658,696,188	426,813,069	1,085,509,257
Real Estate Held for Sale	-	915,986	915,986
Less: Allowance for Estimated Losses	-	(375,821)	(375,821)
Net Real Estate Held for Sale	-	540,165	540,165
Due from Fannie Mae	-	85,870,128	85,870,128
Due from Freddie Mac	-	4,307,480	4,307,480
Capital Assets, Net	21,753	27,330,706	27,352,459
Derivative Instrument Asset	-	13,890	13,890
Other	838	387,247	388,085
Total Noncurrent Assets	658,718,779	1,686,657,163	2,345,375,942
Total Assets	883,675,268	2,565,547,858	3,449,223,126
DEFERRED OUTFLOWS OF RESOURCES			
Accumulated Decrease in Fair Value of Hedging Derivatives	-	9,132,010	9,132,010
Total Deferred Outflows of Resources	-	9,132,010	9,132,010

See accompanying Notes to the Financial Statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2020

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
CURRENT LIABILITIES			
Due to Grantees	$ 60,269,798	$ -	$ 60,269,798
Due to State of Illinois	100,697,707	-	100,697,707
Bonds and Notes Payable	-	58,785,719	58,785,719
Accrued Interest Payable	-	11,874,887	11,874,887
Unearned Revenue	-	2,607,985	2,607,985
Deposits Held in Escrow	-	136,363,517	136,363,517
Accrued Liabilities and Other	7,166	19,772,306	19,779,472
Total Current Liabilities	160,974,671	229,404,414	390,379,085
NONCURRENT LIABILITIES			
Due to State of Illinois	307,619,794	-	307,619,794
Bonds and Notes Payable, Net of Current Portion	-	1,471,085,260	1,471,085,260
Unearned Revenue	-	4,279,195	4,279,195
Derivative Instrument Liability	-	9,132,010	9,132,010
Total Noncurrent Liabilities	307,619,794	1,484,496,465	1,792,116,259
Total Liabilities	468,594,465	1,713,900,879	2,182,495,344
DEFERRED INFLOWS OF RESOURCES			
Accumulated Increase in Fair Value of Hedging Derivatives	-	13,890	13,890
Unamortized Gain on Bond Refunding	-	37,162	37,162
Unearned Revenue	-	12,778	12,778
Total Deferred Inflows of Resources	-	63,830	63,830
NET POSITION			
Net Investment in Capital Assets	21,753	6,945,706	6,967,459
Restricted for Bond Resolution Purposes	-	553,477,860	553,477,860
Restricted for Loan and Grant Programs	415,059,050	44,082,747	459,141,797
Unrestricted	-	256,208,846	256,208,846
Total Net Position	$ 415,080,803	$ 860,715,159	$ 1,275,795,962

See accompanying Notes to the Financial Statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services and Interest Income	Operating Grant/Federal Revenues	Capital Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Illinois Affordable Housing Trust Program	$ 8,119,987	$ 540,671	$ 7,579,316	$ -	$ -	$ -	$ -
HOME Program	8,865,268	2,437,468	6,057,148	-	(370,652)	-	(370,652)
Rental Housing Support Program	12,466,200	1,187,587	11,278,613	-	-	-	-
Hardest Hit Fund	52,370,908	895,285	-	-	(51,475,623)	-	(51,475,623)
Other Programs	18,284,675	497,881	7,968,830	-	(9,817,964)	-	(9,817,964)
Total Governmental activities	100,107,038	5,558,892	32,883,907	-	(61,664,239)	-	(61,664,239)
Business-Type Activities:							
Administrative Programs	29,335,017	4,850,765	-	-	-	(24,484,252)	(24,484,252)
Multi-Family Mortgage Loan Programs	19,851,370	49,558,312	-	-	-	29,706,942	29,706,942
Multi-Family Federal Assistance Programs	59,086,028	-	59,106,028	-	-	20,000	20,000
Single-Family Mortgage Loan Programs	35,221,586	78,439,693	-	-	-	43,218,107	43,218,107
Tax Credit Authorization and Monitoring	1,158,499	6,381,178	-	-	-	5,222,679	5,222,679
FAF Lending Program	-	82,918	453,357	-	-	536,275	536,275
Total Business-Type Activities	144,652,500	139,312,866	59,559,385	-	-	54,219,751	54,219,751
Total Authority	$ 244,759,538	$ 144,871,758	$ 92,443,292	$ -	(61,664,239)	54,219,751	(7,444,488)
GENERAL REVENUES							
Unrestricted Investment Income					-	28,752,706	28,752,706
Total General Revenues					-	28,752,706	28,752,706
CHANGE IN NET POSITION					(61,664,239)	82,972,457	21,308,218
Net Position - Beginning of Year					476,745,042	777,742,702	1,254,487,744
NET POSITION - END OF YEAR					$ 415,080,803	$ 860,715,159	$ 1,275,795,962

See accompanying Notes to the Financial Statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2020

	Major Funds					
ASSETS	Illinois Affordable Housing Trust Fund	HOME Program Fund	Rental Housing Support Program Fund	Hardest Hit Fund	Nonmajor Governmental Funds	Total
CURRENT ASSETS						
Cash and Cash Equivalents	$ 79,769,948	$ 10,209,968	$ 12,978,400	$ 14,991,929	$ 29,146,270	$ 147,096,515
Investments - Restricted	-	-	48,759,815	-	-	48,759,815
Investment Income Receivable - Restricted	-	-	46,806	-	-	46,806
Program Loans Receivable	7,783,356	10,836,939	-	20,863	219,493	18,860,651
Grant Receivable	13,003,510	-	1,386,731	-	-	14,390,241
Interest Receivable on Program Loans	129,314	149,989	-	7,911	14,762	301,976
Others	-	3,433	-	-	-	3,433
Due from Other Funds	11,579	-	-	4,438,694	2,131,792	6,582,065
Total Current Assets	100,697,707	21,200,329	63,171,752	19,459,397	31,512,317	236,041,502
NONCURRENT ASSETS						
Investments						-
Program Loans Receivable, Net of Current Portion	338,421,869	289,654,015	-	747,708	97,124,748	725,948,340
Less: Allowance for Estimated Losses	(30,802,075)	(26,747,585)	-	-	(9,702,492)	(67,252,152)
Net Program Loans Receivable	307,619,794	262,906,430	-	747,708	87,422,256	658,696,188
Real Estate Held for Sale	-	-	-	-	-	-
Other	-	-	100	738	-	838
Total Noncurrent Assets	307,619,794	262,906,430	100	748,446	87,422,256	658,697,026
Total Assets	$ 408,317,501	$ 284,106,759	$ 63,171,852	$ 20,207,843	$ 118,934,573	$ 894,738,528
LIABILITIES AND FUND BALANCES						
CURRENT LIABILITIES						
Due to Grantees	$ -	$ -	$ 60,269,798	$ -	$ -	$ 60,269,798
Due to State of Illinois	100,697,707	-	-	-	-	100,697,707
Unearned Revenue	-	149,989	-	7,911	14,763	172,663
Accrued Liabilities and Other	-	-	-	4,620	2,546	7,166
Due to Other Funds	-	537,194	2,902,054	5,475,584	2,170,181	11,085,013
Total Current Liabilities	100,697,707	687,183	63,171,852	5,488,115	2,187,490	172,232,347
NONCURRENT LIABILITIES						
Due to State of Illinois	307,619,794	-	-	-	-	307,619,794
Total Liabilities	408,317,501	687,183	63,171,852	5,488,115	2,187,490	479,852,141
FUND BALANCES						
Restricted	-	283,419,576	-	14,719,728	116,747,083	414,886,387
Total Fund Balances	-	283,419,576	-	14,719,728	116,747,083	414,886,387
Total Liabilities and Fund Balances	$ 408,317,501	$ 284,106,759	$ 63,171,852	$ 20,207,843	$ 118,934,573	$ 894,738,528

Amounts reported for governmental activities in the statement of net position are: different due to:	
Unearned Interest Receivable on Certain Program Loans Receivable	$ 172,663
Capital Assets	21,753
Net Position of Governmental Activities	$ 415,080,803

See accompanying Notes to the Financial Statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2020

	Major Funds					
	Illinois Affordable Housing Trust Fund	HOME Program Fund	Rental Housing Support Program Fund	Hardest Hit Fund	Nonmajor Governmental Funds	Total
REVENUES						
Grant from State of Illinois	$ 7,579,316	$ -	$ 11,278,613	$ -	$ 4,619,829	$ 23,477,758
Federal Funds	-	6,057,148	-	-	3,349,001	9,406,149
Interest and Investment Income	540,671	2,029,208	1,187,587	600,329	498,526	4,856,321
Other Income	-	403,679	-	293,110	-	696,789
Total Revenues	8,119,987	8,490,035	12,466,200	893,439	8,467,356	38,437,017
EXPENDITURES						
General and Administrative	5,545,364	2,691,493	459,713	6,118,131	2,473,638	17,288,339
Grants	2,033,952	-	12,006,487	45,725,461	12,657,428	72,423,328
Financing Costs	-	-	-	491,059	692	491,751
Program Income Transferred to State of Illinois	540,671	-	-	-	-	540,671
Provision for Estimated Losses on Program Loans Receivable	-	6,173,775	-	16,495	3,152,917	9,343,187
Total Expenditures	8,119,987	8,865,268	12,466,200	52,351,146	18,284,675	100,087,276
EXCESS OF REVENUES (UNDER) EXPENDITURES	-	(375,233)	-	(51,457,707)	(9,817,319)	(61,650,259)
NET CHANGE IN FUND BALANCES	-	(375,233)	-	(51,457,707)	(9,817,319)	(61,650,259)
Fund Balances - Beginning of Year	-	283,794,809	-	66,177,435	126,564,402	
FUND BALANCES - END OF YEAR	$ -	$ 283,419,576	$ -	$ 14,719,728	$ 116,747,083	
Amounts reported for governmental activities in the statement of activities are different due to:						
Unearned Interest Receivable on Certain Program Loans Receivable						$ 5,782
Depreciation on Capital Assets						(19,762)
Change in Net Position of Governmental Activities						$ (61,664,239)

See accompanying Notes to the Financial Statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2020

	Major Funds			
	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	Total
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	$ 179,265,774	$ 217,902,384	$ 143,793,983	$ 540,962,141
Investments	158,818,678	-	-	158,818,678
Investments – Restricted	14,994,542	60,213,833	68,127,655	143,336,030
Investment Income Receivable	450,068	-	-	450,068
Investment Income Receivable – Restricted	6,445	264,173	3,363,829	3,634,447
Program Loans Receivable	663,333	11,251,972	11,144,347	23,059,652
Interest Receivable on Program Loans	60,918	904,351	620,998	1,586,267
Other	2,540,464	-	-	2,540,464
Due from Other Funds	14,658,990	10,565,319	6,799,426	32,023,735
Total Current Assets	371,459,212	301,102,032	233,850,238	906,411,482
NONCURRENT ASSETS				
Investments	70,905,516	-	-	70,905,516
Investments – Restricted	12,783,434	44,453,447	1,013,252,081	1,070,488,962
Program Loans Receivable, Net of Current Portion	53,085,852	257,631,804	127,006,053	437,723,709
Less: Allowance for Estimated Losses	(4,458,375)	(4,265,596)	(2,186,669)	(10,910,640)
Net Program Loans Receivable	48,627,477	253,366,208	124,819,384	426,813,069
Real Estate Held for Sale	-	405,618	510,368	915,986
Less: Allowance for Estimated Losses	-	(20,672)	(355,149)	(375,821)
Net Real Estate Held for Sale	-	384,946	155,219	540,165
Due from Fannie Mae	-	85,870,128	-	85,870,128
Due from Freddie Mac	-	4,307,480	-	4,307,480
Capital Assets, Net	2,156,887	25,173,819	-	27,330,706
Derivative Instrument Asset	-	13,890	-	13,890
Other	387,247	-	-	387,247
Total Noncurrent Assets	134,860,561	413,569,918	1,138,226,684	1,686,657,163
Total Assets	506,319,773	714,671,950	1,372,076,922	2,593,068,645
DEFERRED OUTFLOWS OF RESOURCES				
Accumulated Decrease in Fair Value of Hedging Derivatives	-	-	9,132,010	9,132,010
Total Deferred Outflows of Resources	-	-	9,132,010	9,132,010

See accompanying Notes to the Financial Statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
PROPRIETARY FUNDS
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2020

	Major Funds			
	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	Total
LIABILITIES				
CURRENT LIABILITIES				
Bonds and Notes Payable	$ 5,830,170	$ 9,588,870	$ 43,366,679	$ 58,785,719
Accrued Interest Payable	-	2,900,767	8,974,120	11,874,887
Unearned Revenue	2,551,365	56,620	-	2,607,985
Deposits Held in Escrow	136,363,517	-	-	136,363,517
Accrued Liabilities and Other	18,263,668	1,338,133	170,505	19,772,306
Due to Other Funds	23,946,810	3,045,202	528,775	27,520,787
Total Current Liabilities	186,955,530	16,929,592	53,040,079	256,925,201
NONCURRENT LIABILITIES				
Bonds and Notes Payable, Net of Current Portion	12,652,100	349,136,875	1,109,296,285	1,471,085,260
Unearned Revenue	4,250,885	28,310	-	4,279,195
Derivative Instrument Liability	-	-	9,132,010	9,132,010
Total Noncurrent Liabilities	16,902,985	349,165,185	1,118,428,295	1,484,496,465
Total Liabilities	203,858,515	366,094,777	1,171,468,374	1,741,421,666
DEFERRED INFLOWS OF RESOURCES				
Accumulated Increase in Fair Value of Hedging Derivatives	-	13,890	-	13,890
Unamortized Gain on Bond Refunding	-	37,162	-	37,162
Unearned Revenue	12,778	-	-	12,778
Total Deferred Inflows of Resources	12,778	51,052	-	63,830
NET POSITION				
Net Investment in Capital Assets	2,156,887	4,788,819	-	6,945,706
Restricted for Bond Resolution Purposes	-	343,737,302	209,740,558	553,477,860
Restricted for Loan and Grant Programs	44,082,747	-	-	44,082,747
Unrestricted	256,208,846	-	-	256,208,846
Total Net Position	$ 302,448,480	$ 348,526,121	$ 209,740,558	$ 860,715,159

See accompanying Notes to the Financial Statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2020

	Major Funds			
	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	Total
OPERATING REVENUES				
Interest and Other Investment Income	$ 25,668,347	$ 4,246,454	$ 36,552,646	$ 66,467,447
Net Increase in Fair Value of Investments	3,084,359	2,076,035	34,182,425	39,342,819
Total Investment Income	28,752,706	6,322,489	70,735,071	105,810,266
Interest Earned on Program Loans	749,699	13,329,437	7,501,591	21,580,727
State Assistance Programs	344,831	-	-	344,831
Federal Assistance Programs	59,010,896	95,132	-	59,106,028
Service Fees	8,545,590	-	-	8,545,590
Development Fees	3,341,790	-	-	3,341,790
HUD Savings	536,275	-	-	536,275
Tax Credit Reservation and Monitoring Fees	6,381,178	-	-	6,381,178
Other	4,850,765	17,070,576	56,931	21,978,272
Total Operating Revenues	112,513,730	36,817,634	78,293,593	227,624,957
OPERATING EXPENSES				
Interest Expense	534,755	7,527,593	28,149,778	36,212,126
Federal Assistance Programs	58,990,896	95,132	-	59,086,028
Salaries and Benefits	19,496,962	-	-	19,496,962
Professional Fees	3,100,579	-	-	3,100,579
Other General and Administrative	3,369,755	6,074,925	260,979	9,705,659
Financing Costs	951,147	81,411	3,253,522	4,286,080
Program Grants	10,065,652	-	-	10,065,652
Change in Accrual for Estimated Losses on Mortgage Participation Certificate Program	(458,401)	-	-	(458,401)
Provision for Estimated Losses on Program Loans Receivable	951,629	301,710	75,301	1,328,640
Loss on Derivative Transaction	846,665	-	-	846,665
Provision for Estimated Losses on Real Estate Held for Sale	-	81,695	900,815	982,510
Total Operating Expenses	97,849,639	14,162,466	32,640,395	144,652,500
OPERATING INCOME BEFORE TRANSFERS	14,664,091	22,655,168	45,653,198	82,972,457
Transfers in	-	-	2,021,792	2,021,792
Transfers out	(2,021,792)	-	-	(2,021,792)
Total Transfers	(2,021,792)	-	2,021,792	-
CHANGE IN NET POSITION	12,642,299	22,655,168	47,674,990	82,972,457
Net Position - Beginning of Year	289,806,181	325,870,953	162,065,568	777,742,702
NET POSITION - END OF YEAR	$ 302,448,480	$ 348,526,121	$ 209,740,558	$ 860,715,159

See accompanying Notes to the Financial Statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2020

	Major Funds			
	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts for Program Loans, Interest, and Service Fees	$ 17,321,035	$ 69,875,235	$ 35,491,377	$ 122,687,647
Payments for Program Loans	(3,081,965)	(33,463,213)	(3,833,218)	(40,378,396)
Receipts for Federal Assistance Programs	59,010,896	95,132	-	59,106,028
Payments for Federal Assistance Programs	(58,990,896)	(95,132)	-	(59,086,028)
Receipts for Credit Enhancements	-	1,610,853	-	1,610,853
Payments for Program Grants	(10,065,652)	-	-	(10,065,652)
Payments to Suppliers	(13,490,620)	(5,722,923)	(3,742,745)	(22,956,288)
Payments to Employees	(19,496,962)	-	-	(19,496,962)
Receipts for Tax Credit Reservations and Monitoring Fees	6,381,178	-	-	6,381,178
Other Receipts	5,321,357	17,110,456	56,931	22,488,744
Net Cash (Used in) Provided by Operating Activities	(17,091,629)	49,410,408	27,972,345	60,291,124
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interest Paid on Revenue Bonds and Notes	(534,755)	(8,036,391)	(27,245,339)	(35,816,485)
Payment of Bank Notes Cash Collateral	(6,500,000)	-	-	(6,500,000)
Due to / from Other Funds	(2,520,115)	58,903	(131,244)	(2,592,456)
Proceeds from Sale of Bonds and Notes	116,360,000	47,300,000	260,018,488	423,678,488
Principal Paid on Bonds and Notes	(126,019,236)	(53,586,625)	(100,922,661)	(280,528,522)
Transfers In	-	-	2,021,792	2,021,792
Transfers Out	(2,021,792)	-	-	(2,021,792)
Net Cash (Used in) Provided by Noncapital Financing Activities	(21,235,898)	(14,264,113)	133,741,036	98,241,025
CASH FLOWS FROM CAPITAL FINANCING AND RELATED ACTIVITIES				
Acquisition of Capital Assets	(1,108,347)	(967,918)	-	(2,076,265)
Net Cash (Used in) Capital Financing and Related Activities	(1,108,347)	(967,918)	-	(2,076,265)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of Investment Securities	(1,645,153,706)	(563,502,426)	(491,870,777)	(2,700,526,909)
Proceeds from Sales and Maturities of Investment Securities	1,680,983,454	632,545,620	339,775,412	2,653,304,486
Interest Received on Investments	(1,840,761)	2,959,397	35,424,327	36,542,963
Net Cash Provided by (Used in) Investing Activities	33,988,987	72,002,591	(116,671,038)	(10,679,460)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(5,446,887)	106,180,968	45,042,343	145,776,424
Cash and Cash Equivalents - Beginning of Year	184,712,661	111,721,416	98,751,640	395,185,717
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 179,265,774	$ 217,902,384	$ 143,793,983	$ 540,962,141

See accompanying Notes to the Financial Statements.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2020

	Major Funds			
	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES				
Operating Income	$ 14,664,091	$ 22,655,168	$ 45,653,198	$ 82,972,457
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities				
Investment Income	(28,752,706)	(6,322,489)	(70,735,071)	(105,810,266)
Interest Expense	534,755	7,527,593	28,149,778	36,212,126
Depreciation and Amortization	641,728	1,143,325	-	1,785,053
Change in Accrual for Estimated Losses on Mortgage Participation Certificate Program	(458,401)	-	-	(458,401)
Changes in Provision for Estimated Losses on Program Loans Receivable	951,629	301,710	75,301	1,328,640
Changes in Assets and Liabilities:				
Program Loans Receivable	14,664,481	22,039,856	24,870,600	61,574,937
Interest Receivable on Program Loans	89,203	71,147	186,784	347,134
Other Liabilities	(17,257,054)	383,245	(228,245)	(17,102,054)
Other Assets	(2,169,355)	-	-	(2,169,355)
Due from Fannie Mae	-	1,610,273	-	1,610,273
Due from Freddie Mac	-	580	-	580
Total Adjustments	(31,755,720)	26,755,240	(17,680,853)	(22,681,333)
Net Cash (Used in) Provided by Operating Activities	$ (17,091,629)	$ 49,410,408	$ 27,972,345	$ 60,291,124
NONCASH INVESTING CAPITAL AND FINANCING ACTIVITIES				
Transfer of Foreclosed Assets	$ -	$ 602,750	$ 1,277,726	$ 1,880,476
Increase in the Fair Value of Investments	$ 3,084,359	$ 2,076,035	$ 34,182,425	$ 39,342,819

See accompanying Notes to the Financial Statements.

NOTE 1 AUTHORIZING LEGISLATION

The Illinois Housing Development Authority (the Authority) is a body politic and corporate of the State of Illinois (the State) created by the Illinois Housing Development Act, as amended (the Act), for the purposes of assisting in the financing of decent, safe, and sanitary housing for persons and families of low and moderate income in the State and assisting in the financing of residential mortgages in the State. To accomplish its purposes, the Authority is authorized by the Act to make mortgage or other loans to nonprofit corporations and limited profit entities for the acquisition, construction, or rehabilitation of dwelling accommodations and to acquire, and to contract and enter into advance commitments to acquire, residential mortgage loans from lending institutions. The Act also authorizes the Authority to issue its bonds and notes to fulfill corporate purposes, including the financing of mortgage and construction loans, the acquisition of residential mortgage loans and the making of loans for housing related commercial facilities. The Authority has issued various bonds and notes to finance mortgage loans and construction loans, to purchase residential mortgage loans from lending institutions, and to make loans to private lending institutions for making new residential mortgage loans.

The bonds and notes outstanding as of June 30, 2020, as shown on the Authority's financial statements consist of both general and special limited obligations of the Authority (see note 8). The full faith and credit of the Authority are pledged for payment of general obligation bonds and notes. The Authority has the power under the Act to have up to $3.6 billion of general and special limited obligation bonds and notes outstanding, excluding those issued to refund outstanding bonds and notes. At June 30, 2020, amounts outstanding against this limitation were approximately $2.6 billion.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following summarizes the significant accounting policies of the Authority:

A. Reporting Entity

As defined by U.S. generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

(a) Appointment of a voting majority of the component unit's board, and either a) the ability of the primary government to impose its will, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or

(b) Fiscal dependency on the primary government.

For financial reporting purposes, the Authority is a component unit of the State of Illinois. The Authority has one component unit, the IHDA Dispositions LLC (the LLC). The LLC has no activity for fiscal year 2020.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation

Government-Wide Statements – The government-wide statement of net position and statement of activities report the overall financial activity of the Authority. Eliminations have been made to help minimize the double-counting of internal activities of the Authority. These statements distinguish between the governmental and business-type activities of the Authority. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Authority and for each function of the Authority's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements – The fund financial statements provide information about the Authority's funds. Separate statements for each fund category, governmental and proprietary, are presented. The emphasis on fund financial statements is on major and nonmajor governmental and proprietary (enterprise) funds, each displayed in a separate column.

The Authority reports the following major governmental funds:

<u>Illinois Affordable Housing Trust Fund</u>
The Authority is designated administrator of the Illinois Affordable Housing Program (the Housing Program). The program is funded by the Illinois Affordable Housing Trust Fund with funds generated from a portion of the State real estate transfer tax collected by the Illinois Department of Revenue and held within the State Treasury. The funds are appropriated annually to the Illinois Department of Revenue by the General Assembly. In accordance with State statute, the Authority makes grants and low or no interest mortgages or other loans, some with deferred repayment terms, to acquire, construct, rehabilitate, develop, operate, insure, and retain affordable single family and Multi-Family housing for low and very low income households.

As the administrator of the Housing Program, the Authority considers the interest in equity of the Housing Program to be that of the State of Illinois and the Authority records a liability to the State of Illinois for their equity share. Additionally, the Authority records amounts received to administer the Housing Program as grant revenue.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

HOME Program Fund

The Authority is the designated program administrator and the Participating Jurisdiction for the federally funded HOME Investment Partnerships Program (the HOME Program) for the State of Illinois. HOME funds are utilized for a variety of housing activities, according to local housing needs. Eligible uses of funds include tenant-based rental assistance; housing rehabilitation; assistance to homebuyers; and new construction of housing. HOME funding may also be used for site acquisition, site improvements, demolition, relocation, and other necessary and reasonable activities related to the development of non-luxury housing.

Rental Housing Support Program Fund

The Authority is designated administrator of the Rental Housing Support Program (the Support Program). The program is funded by a surcharge for the recording of any real estate-related document. The funds are appropriated to the Illinois Department of Revenue by the General Assembly. The Authority awards funds to local administering agencies, which will contract with local landlords to make rental units affordable to households who earn less than 30% of the area median income.

As the administrator of the Support Program, the Authority initially records amounts received as revenue and a due to grantee liability is recorded. As funds are disbursed from the program, the Authority reduces the liability.

Hardest Hit Fund

The Authority is designated program administrator for the Hardest Hit Fund (HHF) for grants appropriated to the State of Illinois by the United States Department of the Treasury (the Treasury) as authorized by the Emergency Economic Stabilization Act of 2008 (Public Law 110-343), as amended, as the same may be amended from time to time (EESA). The funds are used to help prevent foreclosure and stabilize housing markets through programs that provide interim mortgage payment assistance and principal reduction for distressed homeowners, down payment assistance for homebuyers in targeted areas, and assistance to demolish vacant, blighted structures. The Hardest Hit Program Portal closed April 30, 2019.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

The Authority reports the following major proprietary funds:

Administrative Fund

Development fee and financing fee income related to Multi-Family mortgage loans, income from service fees, and operating expenses of the Authority are accounted for in the Administrative Fund. In addition, the Administrative Fund has provided for supplemental financing of certain developments through residual income loans and below market financing for various developments through the Authority's Housing Partnership Program (see note 5), and its lending program in conjunction with a debt service savings sharing agreement (the FAF Savings Program) with the United States Department of Housing and Urban Development (HUD) (see note 13). The administrative fund also includes Section 8 New Construction, Section 8 Mod Rehab, Land Bank Capacity Program and National Foreclosure Mitigation Counsel.

Mortgage Loan Program Fund

The Mortgage Loan Program Fund accounts for the financing of low- and moderate-income housing developments from the proceeds of Housing Bonds, Multifamily Initiative Bonds, Multifamily Revenue Bonds and Affordable Housing Program Trust Fund Bonds, and for the retirement of such obligations.

The Authority holds first mortgage liens on such developments. Affordable Housing Program Trust Fund Bond accounts include a transfer of funds from the Illinois Affordable Housing Trust Fund.

Single Family Program Fund

The Single Family Program Fund accounts for the proceeds of Homeowner Mortgage Revenue Bonds, Housing Revenue Bonds, Revenue Bonds and Residential Mortgage Revenue Bonds issued to provide funds for the purchase from lending institutions of mortgage loans on owner-occupied, one to four unit dwellings acquired by eligible buyers.

The use of tax-exempt financing to provide eligible borrowers with affordable-rate mortgage loans involves federal restrictions on expenses chargeable to the program. Unless described otherwise in the indenture, any expenses incurred in the program in excess of such maximum amounts are absorbed by the Administrative Fund.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and expenses resulting from exchange and exchange-like transactions are recognized when the exchange takes place, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Authority receives value without directly giving equal value in exchange, include federal and state grant revenue. Revenue from these sources is recognized in the fiscal year in which all eligibility requirements have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Separate fund financial statements are provided for governmental and proprietary funds. Major governmental and proprietary funds are reported as separate columns in the fund financial statements.

The accounting policies and financial reporting practices of the Authority conform to GAAP, as promulgated in the pronouncements of GASB.

D. Fund Balances

In the fund financial statements, governmental funds report fund balances in the following categories:

Nonspendable – This consists of amounts that cannot be spent because they are either a) not in spendable form, or b) legally or contractually required to be maintained intact.

Restricted – This consists of amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or b) imposed by law through constitutional provisions or enabling legislation.

Committed – This consists of amounts constrained by limitations that the Authority imposes upon itself through resolution by its board of directors. The commitment amount will be binding unless removed or amended in the same manner.

Assigned – This consists of net amounts that are constrained by the Authority's intent to be used for specific purposes, but that are neither restricted nor committed.

Unassigned – This consists of residual deficit fund balances.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Fund Balances (Continued)

In instances where restricted, committed, and assigned fund balances are available for use, the Authority's policy is to use restricted resources first, followed by committed resources, then assigned resources, as needed. Currently, all of the Authority's governmental funds fund balances are restricted.

E. Net Position

In the government-wide and proprietary fund financial statements, net position is displayed in the following components:

Net Investment in Capital Assets – This consists of capital assets, net of accumulated depreciation and related debt.

Restricted – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

All net position of the governmental activities column of the government-wide financial statements is restricted with respect to the use of cash, investments and loan amounts that are to be repaid to the Authority. (See note 5 for schedules of aging for the loans made under these programs).

The use of assets of each of the proprietary fund program funds is restricted by the related bond and note resolutions of the Authority. Certain amounts in the above program funds are considered subject to the restriction that they be applied to the financing of housing for the respective program purposes or to the retirement of obligations issued for such purposes; these amounts may include certain investment earnings attributable to the respective fund net position. When both restricted and unrestricted resources are available for use, generally it is the Authority's policy to use restricted resources first, then unrestricted resources when they are needed.

Unrestricted – This consists of net position that does not meet the criteria of the two preceding categories.

Designations of net position represents tentative plans by the Authority for financial resource utilization in a future period as documented in the minutes or budgeting process for a succeeding year. Such plans are subject to change from original authorizations and may never result in expenses.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Net Position (Continued)

A portion of the Authority's Administrative Fund unrestricted net position as of June 30, 2020 is designated as follows:

Homeownership Mortgage Loan Program Provide funds to support Single Family Homeownership in the State of Illinois through second lien position loans and/or grants	$ 70,000,000
Multi-Family Mortgage Loan Program To pay possible losses arising in the Multi-Family Program attributable, but not limited to, delinquencies or defaults on uninsured or unsubsidized loans	25,000,000
Homeownership Mortgage Loan Program To pay possible losses arising in the Homeownership Program attributable, but not limited to, delinquencies or defaults on uninsured or unsubsidized loans	5,000,000
Homeownership Mortgage Loan Program Provide funds to purchase homeownership mortgage loans and/or mortgage-backed securities under the Program which may eventually be purchased with proceeds from future issuances of Authority debt or sold in the secondary market	110,000,000
Multi-Family Mortgage Loan Program Provide funds to finance Multi-Family loans originated under the Program	10,000,000
Provide funds for the Authority's planned technology enhancements	10,000,000
	$ 230,000,000

The designations of the Administrative Fund unrestricted net position may be amended or rescinded by the board members of the Authority.

F. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to use estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, and expenditures during the reporting period. Actual results could differ from the estimates.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Deferred Inflow/Outflow of Resources

A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period and a deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources has a negative impact on net position similar to liabilities but is required to be reported within the statement of net position in a separate section following liabilities. A deferred outflow of resources has a positive effect on net position similar to assets but is required to be reported in the statement of net position in a separate section following assets.

Deferred outflows/inflows of resources include: (i) unamortized losses/gains on bond refundings, which are deferred and amortized over the shorter of the remaining life of the old debt or the life of the new debt, (ii) amounts reported as accumulated decrease/increase in fair value of hedging derivatives, which represent the anticipated future utilization of the net position of interest rate swap agreements deemed to be effective hedging derivatives, and (iii) unearned revenue for fees earned from the buy down of homeowner mortgage interest rates to below market levels and amortized over the forgivable loan period of the down payment assistance provided.

H. Risks and Uncertainties

The Authority invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term. Such changes could materially affect the amounts reported in the financial statements.

The allowances for estimated losses on loans are reported based on certain assumptions pertaining to the Authority's periodic review and evaluation of the loan portfolio, which is subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would-be material to the financial statements.

I. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers all cash, certificates of deposits, time deposits, and short-term repurchase agreements with original maturity dates of three months or less from date of purchase to be cash equivalents.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Investments

Investments of the Authority are reported at fair value. Fair value is determined by reference to public market prices and quotations from a securities pricing service. The Authority records investment transactions based on trade date.

The investment of funds is restricted by various bond and note resolutions of the Authority and the Act, generally, to direct obligations of the United States government; specific bank obligations, certain of which are fully secured as required by the bond and note resolutions; and obligations of other governmental entities that meet defined standards. The type of collateral instruments that secure the demand repurchase agreements held by the Authority is subject to the same restrictions described above. Generally, collateral instruments are held by third-party institutions.

K. Program Loans Receivable

Program loans receivable include mortgage loans receivable, advances receivable, and residual income loans receivable. Mortgage loans receivable include certain amounts of interest and fees that have been charged by the Authority and added to the loan balance. The due dates for advances and residual income loans receivable are dependent upon future events as specified in the related loan or advance agreements.

L. Capital Assets

Capital assets in the Administrative Fund consist of investments in furniture, fixtures, and equipment; computer hardware; computer software; and leasehold improvements and are defined by the Authority as assets with an initial, individual historical cost of $5,000 or more, except for computers, camera and video equipment, which are capitalized at any cost. Depreciation and amortization are on a straight-line basis over a period of five to ten years, depending upon the nature of the asset. Leasehold improvements are amortized over the term of the lease.

The Authority records depreciation against Lakeshore Plaza on a straight-line basis over forty years. At June 30, 2020, the net carrying value of was $25,173,819 which is net of accumulated depreciation of $24,643,945. Depreciation expense for fiscal year 2020 was $1,143,325. Although the Authority does not regularly own and operate properties as part of its normal business operations for the benefit of furthering its affordable housing mission it is within its scope to do so. Since its acquisition Lakeshore Plaza has continued to be owned and operated by the Authority as part of its business operations and therefore is reported as a capital asset of the Mortgage Loan Program Fund. This property is collateral for Housing Bond 2008B. The Authority will continue to evaluate the operation of Lakeshore Plaza and its impact on operations accordingly.

Capital Assets for governmental activities, having a net carrying value of $21,753 at June 30, 2020 are used in the Hardest Hit Fund. Depreciation and amortization for these items is recorded on a straight-line basis over three years and amounted to $19,762 during fiscal year 2020.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Real Estate Held for Sale

Real estate held for sale arises from foreclosures or other mortgage default related actions on properties pledged as collateral on Mortgage Loan Program ($384,946), and Single Family ($155,219). See note 6 for analysis of real estate for sale, net of allowance for estimated losses. Real estate held for sale is recorded at the unpaid principal balance plus accrued interest on the loans as of the date the loans become real estate owned, plus subsequent expenses incurred less any insurance or other loan related payments received. Since several loans covered by pool insurance have reached maximum reimbursements allowable for loss claims and other loans in the portfolio are uninsured, it is anticipated that proceeds arising from the sale of such property and certain insurance proceeds may not fully cover any losses experienced. Therefore, the Authority has established a provision for estimated losses on real estate held for sale based on a periodic review of such conditions which considers factors such as interest costs, holding costs, sales proceeds, mortgage insurance and pool insurance recoveries to estimate losses.

N. Bond Premium/Discount, Issuance Costs and Gain/Loss on Refunding

Premium/discount on bonds is netted with bonds payable and amortized using a method approximating the effective interest method over the life of the bonds. Debt issuance costs are recorded as an expense in the period incurred. Unamortized gains and losses on refunding are reported as deferred inflows and outflows of resources, respectively, and are amortized over the shorter of the life of the old or new debt as a component of interest expense.

O. Operations

Proprietary funds loan origination fee, development fee, and financing fee income are recognized as revenue in the period received. Fees earned on loans, which the Authority does not directly originate, such as loans financed through other financings (see note 8(e)), are recognized as revenue in the Administrative Fund generally at the time of initial closing.

Proprietary funds annual service fees charged by the Authority to loan recipients, which are deposited in the respective program funds or added to program loans receivable, are recognized as revenue in the Administrative Fund through interfund transfers.

Proprietary funds operating expenses include Federal assistance and grant program expenses; general and administrative expenses of the Authority; salaries and benefits; costs and expenses incurred in connection with the amortization, issuance, and sale of certain bonds and notes; fees and expenses of trustees and depository and paying agents; and costs related to analyses, surveys, appraisals, and other matters pertaining to maintenance and evaluation of program loans receivable. Operating costs and expenses are charged to expense as incurred.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Operations (Continued)

Proprietary funds operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund including interest income, service fees, and development fees. Exchange transactions are those in which each party receives and gives up essentially equal values.

A portion of the Authority's operating expenses of administering the Illinois Affordable Housing Trust Fund, HOME Program, Rental Housing Support Program, HHF, and Nonmajor Governmental Funds are recorded within these governmental funds. Similarly, other related special assistance programs and resolutions of various bond programs allow for these program accounts to record a certain level of operating expenses. Expenses in excess of the allowable ceilings set forth in the resolutions are charged to the Administrative Fund.

Direct expenses as shown in the statement of activities include allocations of Administrative Fund expenses of Authority departments directly involved in the production or monitoring activities associated with the programs, as well as certain costs, both internally and externally incurred, associated with these programs. Administrative costs include certain administrative and supportive functions and all overhead expenses.

P. Compensated Absences

The Authority grants vacation and sick leave to all employees and accrues for unused compensated absences. Vacations are allotted on a calendar year basis and are intended to be taken during that year. Unused sick leave allowance is carried forward and accumulated. In the event of termination, employees are paid for all earned but unused vacation time, and one-half of unused accumulated sick leave earned, to a maximum of 30 days. The Authority has no other post-employment benefits (OPEB).

The following is the activity for the compensated absences recorded as accrued liabilities and other and liquidated from the Administrative Fund.

Balance June 30, 2019	Additions	Retirements	Balance June 30, 2020	Due Within One Year
$ 876,389	$ 2,135,950	$ (2,073,875)	$ 938,464	$ 938,464

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Provision for Estimated Losses on Program Loans

The Authority provides for estimated losses on program loans in its proprietary and governmental funds based upon the periodic review and evaluation of the Multi-Family and developer loan portfolios and provides additional amounts, if it deems necessary, for estimated losses for individual loans in the funds. In making such review and evaluation, the Authority considers current economic conditions, occupancy and rental level projections, financial statement analyses, onsite inspections, independent appraisals of certain developments, insurance coverage, and such other factors as it deems necessary. The estimated losses of the single family loan portfolio are based upon a periodic review and evaluation of the whole loan portfolio, including real estate owned properties and considers such factors as delinquencies, interest costs, holding costs, sales proceeds, mortgage insurance and pool insurance recoveries for estimating losses.

R. Income Taxes

The Authority is a component unit of the State of Illinois and is generally exempt from Federal, State, and local income taxes.

NOTE 3 CASH AND INVESTMENTS

The Authority's Financial Management Policy (the Policy) contains the following stated objectives:

- Safety of principal – Preservation and safety of principal is the foremost objective of the Authority's investments. Each investment transaction shall seek to ensure that capital losses within the investment portfolio are avoided, whether they are from securities defaults or erosion of market value.

- Liquidity – The investments portfolio shall remain sufficiently flexible to enable the Authority to meet all operating requirements that may be reasonably anticipated in any fund. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demand.

- Maximum rate of return – The investment portfolio shall be designed with the purpose of regularly exceeding the average return of U.S. Treasury obligations of comparable maturities. The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

A. Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will decrease as a result of an increase in interest rates. The Authority's policy does not limit the maturity of investments as a means of managing its exposure to fair value losses arising from an increasing rate environment.

As of June 30, 2020, the Authority had cash & cash equivalents totaling $688,058,656 which consists of cash of $345,815,234 and cash equivalents held in investments of $342,243,422 as noted below:

	Investment Maturities (in Days)				
Investment	Carrying Amount	Less Than 7	Less Than 30	Less Than 60	Less Than 90
Sweep Accounts-Money Market Fund	$ 342,243,422	$ 342,243,422	$ -	$ -	$ -

Money market funds are collateralized by obligations of the U.S. Government or its agencies, or direct investments of such obligations overnight and funds are available the next day.

As of June 30, 2020, the Authority had the following investments:

		Investment Maturities (in Years)			
Investment	Carrying Amount	Less Than 1	1–5	6–10	More Than 10
Commercial Paper	$ 168,726,944	$ 168,726,944	$ -	$ -	$ -
Federal Home Loan Bank Bonds	40,687,117	17,052,703	23,634,414	-	-
Federal Farm Credit Bank Bonds	27,307,304	24,568,077	2,739,227	-	-
Federal Home Loan Mortgage Corp.	1,859,843	121,987	-	-	1,737,856
Federal National Mortgage Assn. Benchmark Notes	1,790,256	-	-	1,790,256	-
Federal Home Loan Bank Discount Notes	23,164,316	23,164,316	-	-	-
Government National Mortgage Association	660,651,304	-	-	-	660,651,304
Federal National Mortgage Assn.	406,977,587	18,175,636	20,482,229	10,684,878	357,634,844
Freddie Mac (Federal Home Loan)	13,095,569	-	-	-	13,095,569
Municipal Bonds	5,693,352	-	5,593,352	-	100,000
U.S Treasury Bills	44,984,673	44,984,673	-	-	-
U.S. Treasury Strips	6,262,035	-	4,487,886	1,663,375	110,774
U.S. Treasury Bonds	5,443,407	-	5,443,407	-	-
U.S. Treasury Notes	85,665,294	54,120,188	31,545,106	-	-
Total	$ 1,492,309,001	$ 350,914,524	$ 93,925,621	$ 14,138,509	$ 1,033,330,347

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

B. Credit Risk

Credit risk is the risk the Authority will not recover its investments due to the inability of the counterparty to fulfill its obligation. Statutes of the State and resolutions of the Authority authorize the Authority to invest in obligations of the U.S. Government, agencies, and instrumentalities of the U.S. Government, demand repurchase agreements, and other banking arrangements. The Authority may also invest its funds in such investments as may be lawful for fiduciaries in the State. All funds are held outside of the State Treasury in various banks and financial institutions.

The Authority's investments in U.S. Government and Agency Obligations are rated Aaa by Moody's and/or AA+ by Standard & Poor's.

C. Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Authority will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Authority will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The Authority's cash carrying value balance totaled $345,815,234 at June 30, 2020, and the cash bank balance totaled $351,469,969, which was fully insured or collateralized and includes $4.3 million of conduit bank balances. Additionally, the Authority's cash equivalents at June 30, 2020, consisted of sweep accounts, held in the Authority's name, with the funds in these accounts invested in money market funds that invest in U.S. Treasury securities, or were held in accounts that were either FDIC insured or collateralized with U.S. government obligations. The Authority's investments at June 30, 2020 were held in the Authority's name in separate Authority custodial accounts. Collateral is pledged in the Authority's name and consists of U.S. Treasury obligations.

D. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in any one single issuer. The Authority's policy does not limit the amounts the Authority may invest in any one issuer. The Authority is considered to have a concentration of credit risk if its investments in any one single issuer (other than securities explicitly guaranteed by the U.S. government) are greater than 5% of total investments. Investments which comprise more than 5% of the Authority's investments as of June 30, 2020 are as follows:

Investment	Fair Value
Federal Home Loan Bank	$ 65,711,276
Federal National Mortgage Association	$ 408,767,843

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

E. Forward Commitments

The Authority sells forward commitments to deliver Government National Mortgage Association (GNMA) certificates and Fannie Mae (FNMA) mortgage-backed securities (MBS). Commitments are sold as mortgage loan reservations are taken to hedge against market fluctuations prior to loan origination and securitization. The Authority is subject to market value fluctuations in the event that mortgage loans are not originated as expected and the committed securities cannot be delivered. A net increase in fair value of $609,000 on these forward commitments, classified as investment derivative instruments, has been recorded in investment income in the Administrative Fund for the year ended June 30, 2020. In addition, $1,256,683 of forward commitments is recorded on the statement of net position as accrued liabilities and other current liabilities at June 30, 2020.

The Authority is subject to credit risk with respect to counterparties for the forward commitment contracts, summarized below with their credit ratings as of June 30, 2020.

Counterparty	Rating (1)	Number of Contracts	Par Amount
Bank of New York Mellon	AA-/A-1+ (Stable); Aa1(cr)/P-1(cr) (Stable)	16	$ 37,272,290
Bank of Oklahoma	A-/A-2 NEG; A1(cr)/P-1(cr) NEG	13	44,066,426
Citigroup Global Markets	BBB+/A-2 (Stable); A3 / (Stable)	17	42,300,000
Fannie Mae	AA+u/A-1+u (Stable); Aaa /P-1 (Stable)	29	72,248,075
Jefferies LLC	BBB/BBB (NEG); Baa3/Baa3 (Stable)	18	38,049,792
Morgan Stanley	BBB+ (Stable) / A-2 (Stable); A3*+ / P-2*+ (Stable)	13	25,400,000
Piper Jaffray	BBB+ / A-2 (Stable) A3*+ / P-2*+	5	8,100,000
Raymond James & Associates, Inc.	BBB+ (Stable); Baa1 (Stable)	4	18,483,029
Wells Fargo Securities, LLC	A+ / A-1 (Stable); Aa1(cr)/P-1(cr) (Stable)	23	90,575,026
Total Forward Commitments		138	$ 376,494,638

(1) S&P; Moody's

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

F. Fair Value Measurements

GASB Statement No. 72 explains that the government could determine the market price of an asset in one of three ways: 1) actual market transactions for identical or similar items (market approach); 2) the current cost to replace the service capacity of an asset (cost approach); or 3) discounting the current value of future cash flows (income approach). It also establishes a three-tier hierarchy of input quality as follows:

Level 1 – inputs are quoted prices in active markets for identical items;

Level 2 – inputs are all inputs that are directly or indirectly observable, but not on Level 1; and

Level 3 – inputs are all inputs that are unobservable.

The statement directs governments to maximize their use of observable inputs and to minimize the use of unobservable inputs.

Fair value is most frequently applied to investments which GASB Statement No. 72 defines as a security or other asset that (a) a government holds primarily for the purpose of income or profit, and (b) has a present service capacity based solely on its ability to generate cash or to be sold to generate cash.

The Authority categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a description of the valuation methods and assumptions used by the Authority to estimate the fair value of its financial instruments. There have been no changes in the methods and assumptions used at June 30, 2020. The Authority management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Agency securities classified in Level 2 of the fair value hierarchy are valued using prices quoted in active markets for similar securities.

Derivative instruments classified in Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates and foreign exchange rates.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

F. Fair Value Measurements (Continued)

Investments and derivative instruments measured at fair value as of June 30, 2020 are as follows:

		Fair Value Measurements Using		
	At June 30, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable (Level 3)
Investments:				
Commercial Paper	$ 168,726,944	$ -	$ 168,726,944	$ -
Federal Home Loan Bank Bonds	40,687,117	-	40,687,117	-
Federal Farm Credit Bank Bonds	27,307,304	-	27,307,304	-
Federal Home Loan Mortgage Corp.	1,859,843	-	1,859,843	-
Federal National Mortgage Assn. Benchmark Notes	1,790,256	-	1,790,256	-
Federal Home Loan Bank Discount Notes	23,164,316	-	23,164,316	-
Government National Mortgage Association	660,651,304	-	660,651,304	-
Federal National Mortgage Assn.	406,977,587	-	406,977,587	-
Freddie Mac (Federal Home Loan)	13,095,569	-	13,095,569	-
Municipal Bonds	5,693,352	-	5,693,352	-
U.S. Treasury Bills	44,984,673	44,984,673	-	-
U.S. Treasury Strips	6,262,035	6,262,035	-	-
U.S. Treasury Bonds	5,443,407	5,443,407	-	-
U.S. Treasury Notes	85,665,294	85,665,294	-	-
	$ 1,492,309,001	$ 142,355,409	$ 1,349,953,592	$ -
Derivative Instruments:				
Interest Rate Swaps and Caps	$ 13,890	$ -	$ 13,890	$ -
Interest Rate Swap	(9,132,010)	-	(9,132,010)	-
Forward Commitments	(1,256,683)	-	(1,256,683)	-
	$ (10,374,803)	$ -	$ (10,374,803)	$ -

NOTE 4 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Balances

The Authority reports interfund balances among its funds. These balances generally consist of accruals for various revenues or expenses due to a fund, but received or paid to another, and subsidy transfers between funds. These amounts are generally paid or received within the subsequent fiscal year. Interfund accounts receivable (payable) balances at June 30, 2020 consisted of the following:

	Payable from							
	Governmental Funds				Proprietary Funds			
Receivable to	HOME Program Fund	Rental Housing Support Program Fund	Hardest Hit Fund	Nonmajor Governmental Funds	Administrative Fund	Mortgage Loan Program Fund	Single Family Program Fund	Total
Governmental Funds:								
Hardest Hit Fund	$ -	$ -	$ -	$ -	$ 4,438,694	$ -	$ -	$ 4,438,694
Illinois Affordable Housing Housing Trust Fund	-	-	-	-	11,579	-	-	11,579
Nonmajor Governmental Funds	-	-	-	-	2,131,792	-	-	2,131,792
Proprietary Funds:								
Administrative Fund	537,194	2,902,054	5,475,584	2,170,181	-	3,045,202	528,775	14,658,990
Mortgage Loan Program Fund	-	-	-	-	10,565,319	-	-	10,565,319
Single Family Program Fund	-	-	-	-	6,799,426	-	-	6,799,426
	$ 537,194	$ 2,902,054	$ 5,475,584	$ 2,170,181	$ 23,946,810	$ 3,045,202	$ 528,775	$ 38,605,800

The interfund accounts receivable (payable) between the Mortgage Loan Program Fund and the Administrative Fund primarily consist of a fiscal year 2000 operating transfer of $10.4 million to Multi-Family Housing Revenue Bond Accounts made from the Administrative Fund in conjunction with the issuance of the Multi-Family Housing Revenue Bonds, Series 2000A, subsequently refunded with the Multi-Family Housing Bond 2008B, (Lakeshore Plaza Development) and the corresponding transfer of the carrying value of the real estate investment, partially reversed by a $5.4 million fiscal year 2006 transfer to the Administrative Fund. The Authority intends to reverse the remaining amounts of the transfers upon the disposition of Lakeshore Plaza. Other interfund payables from the Administrative Fund to governmental and proprietary funds primarily consist of deposits of loan debt service payments that will be transferred subsequent to the fiscal year end.

Transfers

The Authority records transfers between program funds for various purposes including fund closings, earnings transfers, program subsidies, and advances for the initial financing of the Authority's programs.

NOTE 4 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Transfers (Continued)

Transfers for the year ended June 30, 2020 consisted of the following:

	Transfers Out		
	Proprietary Funds		
Transfers in	Administrative Fund	Single Family Program Fund	Total
Proprietary Funds:			
Single Family Program Fund	$ 2,021,792	$ -	$ 2,021,792
	$ 2,021,792	$ -	$ 2,021,792

Transfers totaling $2,021,792 from the Administrative Fund to the Single Family Program Fund funded costs related to the issuance of Revenue Bonds (RB 2019D - $1,006,913 and RB 2020A - $1,014,879).

NOTE 5 PROGRAM LOANS RECEIVABLE

The following summarizes program loans receivable, net of allowance for estimated losses, activity for the Authority for the year ended June 30, 2020 (in thousands):

	Net Program Loans Receivable June 30, 2019	Loan Disbursements	Loan Repayments	Change in Loan Loss Allowance	Net Program Loans Receivable June 30, 2020
Governmental Funds:					
Illinois Affordable Housing Trust Fund	$ 292,352	$ 31,037	$ (11,722)	$ 3,736	$ 315,403
HOME Program Fund	272,658	10,608	(3,397)	(6,126)	273,743
Hardest Hit Fund	788	-	(19)	-	769
Nonmajor Governmental Funds	88,091	2,957	(253)	(3,153)	87,642
Total Governmental Funds	$ 653,889	$ 44,602	$ (15,391)	$ (5,543)	$ 677,557
Proprietary Funds:					
Administrative Fund	$ 64,907	$ 3,082	$ (17,780)	$ (918)	$ 49,291
Mortgage Loan Program Fund:					
Housing Bonds	191,769	8,955	(50,102)	(783)	149,839
Multifamily Initiative Bonds	40,717	-	(1,012)	10	39,715
Multifamily Revenue Bonds	47,422	24,476	(3,698)	463	68,663
Affordable Housing Program Trust Fund Bonds	7,362	32	(1,000)	8	6,402
Total Mortgage Loan Program Fund	287,270	33,463	(55,812)	(302)	264,619
Single Family Program Fund:					
Homeowner Mortgage Revenue Bonds	159,252	3,833	(27,331)	(79)	135,675
Revenue Bonds	401	-	(117)	4	288
Total Single Family Program Fund	159,653	3,833	(27,448)	(75)	135,963
Total Proprietary Funds	$ 511,830	$ 40,378	$ (101,040)	$ (1,295)	$ 449,873

Loans receivable in the Mortgage Loan Program Fund are secured by first mortgage liens on the related developments. Each development is subject to a regulatory agreement under which the Authority has certain powers relating to rents, profits, occupancy, management, and operations. Monies are required to be deposited in reserve accounts monthly by all mortgagors for real estate tax reserves and by substantially all mortgagors for insurance and replacement reserves. See note 9 regarding these reserves and other deposits held in escrow.

NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

The ability of the mortgagors to make required payments on the mortgage loans receivable depends principally upon the related developments achieving and sustaining sufficient occupancy and rental levels to support such payments. With respect to most developments financed from proceeds of Housing Bonds, the Authority, HUD, and the owners of the developments have entered into agreements whereby HUD will make, under its Section 8 Program, housing assistance payments for the developments. With respect to a portion of loans within its Housing Bond accounts, the Authority has made loans to finance developments entitled to interest reduction payments by HUD under Section 236 of the National Housing Act for all or a portion of the dwelling units in the developments. Such federal subsidies, together with the rents to be paid by the tenants, are estimated by the Authority prior to its issuing an initial mortgage loan commitment, to provide sufficient funds to pay the costs of operation, maintenance, administration, mortgage payments, and Authority fees with respect to each of the developments.

At June 30, 2020, for loans financed under the Mortgage Loan Program Fund, three loans were in arrears in amounts equal to more than three months debt service payments or required deposits to tax and insurance and/or replacement reserves, totaling $524,644 and $804,899, respectively.

For certain past delinquencies, the related developments have not been able to generate net rental income sufficient to pay scheduled debt service and reserve deposits in full. In the opinion of the Authority, these deficiencies of net rental income have arisen for various reasons including (i) the existence of physical defects in the development which have caused operational problems, (ii) higher than anticipated operating expenses of the development, and (iii) depressed rental market conditions in the development's local area.

In certain cases, cash deficiencies of developments, including certain developments as to which the related mortgage loans are not delinquent as to scheduled debt service payments or required reserve deposits, have been funded in part by advances from the owners of the respective developments. However, there generally can be no assurance that the owners will make additional advances for this purpose. For certain mortgage loans, the Authority holds reserve deposits and letters of credit that may be applied toward delinquencies.

The Authority has pursued actions available under the mortgage and regulatory agreements to cure certain delinquencies. With respect to some developments, the need for capital improvements, repairs, marketing campaigns and other expenditures may be indicated. Where necessary and appropriate, the Authority has committed and/or advanced residual income loans from the Administrative Fund or mortgage loan increases from the related program account to finance these expenditures. In certain instances, the Authority has initiated actions to effect necessary changes in the management of the developments. In addition, the Authority has, in some cases, filed suit against the applicable general contractors and/or bonding companies seeking corrections of the development's physical defects and has instituted foreclosure proceedings for certain developments.

NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

The Authority's policy for converting mortgage loans, except for loans financed under the Single Family Mortgage Loan Program, to nonaccrual status is to discontinue the accrual of interest when a loan becomes 90 days past due. In addition, the Authority does not accrue interest income on loans in which payments are to be made from residual receipts of the development. Payments on such loans are recognized only as received. For loans receivable within the Single Family Mortgage Loan Program, the Authority accrues interest income on all loans unless they become real estate owned properties, at which time the accrual is suspended.

The Authority does not accrue interest income on approximately $6.4 million of mortgage loans recorded in the Administrative Fund. Payments made on such loans, which generally are payable from residual receipts, if any, of the affected development funds, are recognized only as received. The annual amount of interest on these loans is approximately $124,000.

The Authority, through its Housing Partnership Program, provides loans to not-for-profit organizations, community groups and cities to finance the rehabilitation of existing housing and for the construction of new housing for low- and moderate-income persons and families. The program's activities are recorded in the Administrative Fund. At June 30, 2020, there is one loan receivable under this program in the amount of $74,338.

Under Section 542 (c) of the Housing and Community Development Act of 1992, HUD is permitted to provide federal credit enhancement through the Federal Housing Administration (FHA) for loans for affordable multifamily developments (FHA-HFA Risk Sharing Program). In June 1994, the Authority entered into a Risk Sharing Agreement (the Agreement) with HUD that permitted the Authority to participate in the FHA-HFA Risk Sharing Program, which has since been converted to a permanent program. Under this program, HUD will insure certain mortgage loans on Multi-Family housing developments (the Risk Sharing Loans) through a system of risk-sharing agreements. HUD has authorized the Authority to make an unlimited amount of loans for such developments. Under the Agreement, the Authority will underwrite the Risk Sharing Loans following its underwriting guidelines. HUD will ensure the Risk Sharing Loans and will bear 10% to 90% of the loss as elected by the Authority, in the event of a foreclosure. The Authority will bear the remainder of the risk. The program's service and insurance fee incomes are recorded in the Administrative Fund.

In fiscal year 2016, the Authority entered into a new financing agreement with the Federal Financing Bank (FFB), an arm of the United States Department of Treasury, for selling beneficial ownership interests in mortgage loans originated by housing finance agencies and insured under the FHA-HFA Risk Sharing Program. The Authority sells beneficial ownership interest in its mortgages under this program to FFB. Beneficial ownership interest in mortgage loans that the Authority sells to the FFB will be evidenced by certificates of participation from the Authority. The monthly mortgage payments from the borrower will be used to repay the interest to the FFB and principal payments will reflect the scheduled mortgage principal payments. Through fiscal year 2020, the Authority sold beneficial ownership interests in loans for fifteen affordable multifamily developments totaling $117.83 million to the FFB.

NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

The Authority, as of June 30, 2020, has outstanding forty-nine Risk Sharing Loans totaling $311,543,011 and elected that HUD assume 10% to 90% of the loss with respect to those loans. Three of these loans totaling $16,448,857 were financed through the issuance of the Authority's Housing Bonds, eight loans totaling $39,981,632 were financed through the issuance of the Authority's Multi-Family Initiative Bonds, nine loans totaling $84,602,480 were financed through the issuance of the Authority's Multifamily Revenue Bonds and two loans totaling $7,277,694 were financed by the Administrative Fund. The remaining twenty-seven-loans totaling $163,232,348 are not included in the Authority's financial statements as the Authority sold 100% participation interests in the loans to outside parties.

At June 30, 2020 for loans financed under the FHA-HFA Risk Sharing Program where the Authority sold 100% participation interests in the loans to outside parties, there were no amounts in arrears equal to more than two months debt service payments or required deposits to tax and insurance and/or replacement reserves.

As of June 30, 2020, for mortgage loans insured with Ambac Assurance Corporation (Ambac Loans) on Multi-Family housing developments under the Authority's Mortgage Participation Certificate Program, the Authority has outstanding three Ambac Loans totaling $5,579,568. These loans are not included in the Authority's financial statements as the Authority sold 100% participation interests in the loans to outside parties. Ambac has guaranteed repayment of principal and interest due on a timely or accelerated basis in accordance with the agreement between the Authority and Ambac. The agreement allows (or provides) the Authority to share its risk with Ambac on the aggregate loan portfolio after the satisfaction of certain requirements and thresholds.

At June 30, 2020, for loans financed under the Mortgage Participation Certificate Program where the Authority sold 100% participation interests in the loans to outside parties, one loan was in arrears in amounts equal to more than three months debt service payments and required deposits to tax and insurance and/or replacement reserves, totaling $6,477 and $284,851, respectively. The loss reserve for loans financed under this program, totaling $1,775,148 as of June 30, 2020, is recorded in accrued liabilities (and other) in the Administrative Fund.

With respect to the mortgage loans funded by the Homeowner Mortgage Revenue Bonds, a substantial majority of all delinquent mortgage loans receivable at June 30, 2020, were covered by pool insurance policies which provide for loss claim reimbursement up to an aggregate limit equal to 3.5% of the aggregate original principal amount of mortgage loans so covered. With respect to these pool insurance policies, some have reached the maximum reimbursements allowable for loss claims and as a result may not fully cover any losses experienced; therefore, the Authority establishes a provision for estimated losses related to such conditions.

NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

The Authority has reviewed each program loan receivable, including those for developments in the construction or rent-up phases, for the purpose of determining ultimate collectability. The Authority believes that the allowances for estimated losses at June 30, 2020 in the accompanying financial statements are adequate to cover estimated losses of the various funds. The following summarizes the changes in the allowance for estimated losses on program loans receivable during the year ended June 30, 2020 (in thousands):

	Allowance for Estimated Losses June 30, 2019	Provision for Estimated Losses	Write-Offs of Uncollectible Losses, Net of Recoveries	Allowance for Estimated Losses June 30, 2020
Governmental Funds:				
Illinois Affordable Housing Trust Fund	$ 34,538	$ (2,305)	$ (1,431)	$ 30,802
HOME Program Fund	20,622	6,174	(48)	26,748
Nonmajor Governmental Funds	6,549	3,153	-	9,702
Total Governmental Funds	$ 61,709	$ 7,022	$ (1,479)	$ 67,252
Proprietary Funds:				
Administrative Fund	$ 3,540	$ 952	$ (34)	$ 4,458
Mortgage Loan Program Fund	3,964	302	-	4,266
Single Family Program Fund	2,111	75	-	2,186
Total Proprietary Funds	$ 9,615	$ 1,329	$ (34)	$ 10,910

The provision for estimated losses for the Illinois Affordable Housing Trust Fund is recorded as a reduction to the amount due to the State of Illinois to reflect the State of Illinois net position interest in the program.

State statute requires that all uncollected receivables due that exceed $1,000 be submitted to the Illinois Attorney General to be certified as uncollectible before the Authority can delete such receivables from its records. As of June 30, 2020, the Authority has no certifications outstanding. Certification requests are anticipated to be filed as loss amounts are determined following the conclusion of foreclosure or other loss mitigation activities. The Authority has established provisions for estimated losses against such loans requested and to be requested for such certifications in amounts equal to the outstanding principal balances of the loans.

NOTE 5 PROGRAM LOANS RECEIVABLE (CONTINUED)

Scheduled receipts of principal on gross program loans receivable in certain government funds and proprietary funds in the five years subsequent to June 30, 2020 and thereafter are as follows (in thousands):

Governmental Funds

	Illinois Affordable Housing Trust Fund	HOME Program Fund	ARRA Fund
2021	$ 7,783	$ 10,837	$ 217
2022	9,569	3,441	212
2023	13,349	11,037	220
2024	10,614	18,980	229
2025	10,642	6,261	238
After 2025	294,248	249,935	73,227
	$ 346,205	$ 300,491	$ 74,343

Proprietary Funds

2021	$ 23,060
2022	14,087
2023	13,821
2024	14,596
2025	16,501
After 2025	378,718
	$ 460,783

Amounts recorded as due from FNMA (Fannie Mae) and the Federal Home Loan Mortgage Corporation (FHLMC/Freddie Mac) in the Mortgage Loan Program Fund represent the disbursed bond proceeds and accrued interest on certain bond issues which are secured by credit enhancements provided by FNMA and FHLMC. Under these obligations, the bond trustee may draw funds directly from FNMA and FHLMC when needed and in amounts sufficient to make timely payments of principal and interest on the bond issues when due and payable.

NOTE 6 REAL ESTATE HELD FOR SALE

An analysis of real estate held for sale, net of allowance for estimated losses as of June 30, 2020 is as follows:

Governmental Funds:

	Hardest Hit Fund
Balance at June 30, 2019	$ 168,156
Transfers of Loans	-
Proceeds Received/Write-Offs	(168,156)
Change in Loan Loss Allowance	-
Balance at June 30, 2020	$ -

Proprietary Funds:

	Mortgage Loan Program Fund	Single Family Program Fund	Total
Balance at June 30, 2019	$ 74,465	$ 1,411,544	$ 1,486,009
Transfers of Loans	602,750	1,277,726	1,880,476
Proceeds Received/Write-Offs	(271,597)	(2,765,011)	(3,036,608)
Change in Loan Loss Allowance	(20,672)	230,960	210,288
Balance at June 30, 2020	$ 384,946	$ 155,219	$ 540,165

NOTE 7 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 for governmental activities was as follows:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Capital Assets being Depreciated				
Furniture and Equipment	$ 153,099	$ -	$ -	$ 153,099
Total Capital Assets being Depreciated	153,099	-	-	153,099
Accumulated Depreciation				
Furniture and Equipment	111,584	19,762	-	131,346
Total Accumulated Depreciation	111,584	19,762	-	131,346
Capital Assets, Net of Depreciation	$ 41,515	$ (19,762)	$ -	$ 21,753

NOTE 7 CAPITAL ASSETS (CONTINUED)

Capital asset activity for the year ended June 30, 2020 for business-type activities was as follows:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Capital Assets being Depreciated				
Administrative Fund				
Furniture and Equipment	$ 5,491,251	$ 1,109,571	$ (1,224)	$ 6,599,598
Mortgage Loan Program Fund				
Real Estate	48,849,846	967,918	-	49,817,764
Total Capital Assets being Depreciated	54,341,097	2,077,489	(1,224)	56,417,362
Total Capital Assets	54,341,097	2,077,489	(1,224)	56,417,362
Accumulated Depreciation				
Administrative Fund				
Furniture and Equipment	3,800,983	642,300	(572)	4,442,711
Mortgage Loan Program Fund				
Real Estate	23,500,620	1,143,325	-	24,643,945
Total Accumulated Depreciation	27,301,603	1,785,625	(572)	29,086,656
Capital Assets, Net of Depreciation	$ 27,039,494	$ 291,864	$ (652)	$ 27,330,706

NOTE 8 BONDS AND NOTES PAYABLE

The following summarizes the debt activity for the Authority's proprietary funds for the year ended June 30, 2020:

	June 30, 2019	Additions	Deductions	June 30, 2020	Amount Due Within One Year
Administrative Fund					
Direct Borrowing					
Direct Bank Notes	$ 11,840,000	$ -	$ (11,840,000)	$ -	$ -
Federal Home Loan Bank Advances	16,301,508	116,360,000	(114,179,238)	18,482,270	5,830,170
Total Administrative Fund	28,141,508	116,360,000	(126,019,238)	18,482,270	5,830,170
Mortgage Loan Program Fund:					
Direct Placement					
Housing Bonds	-	-	-	-	-
Discount on Housing Bonds	-	-	-	-	-
Multifamily Initiative Bonds	133,505,000	-	(2,655,000)	130,850,000	2,680,000
Multifamily Revenue Bonds	-	5,750,000	-	5,750,000	-
Other Debt					
Housing Bonds	178,045,000	-	(47,335,000)	130,710,000	6,175,000
Discount on Housing Bonds	(99,315)	-	99,315	-	-
Multifamily Revenue Bonds	53,561,685	41,550,000	(3,695,940)	91,415,745	733,870
Total Mortgage Loan Program Fund	365,012,370	47,300,000	(53,586,625)	358,725,745	9,588,870
Single Family Program Fund:					
Other Debt					
Homeowner Mortgage Revenue Bonds	372,530,000	-	(43,980,000)	328,550,000	24,325,000
Premium on Homeowner Mortgage Revenue Bonds	6,363,228	-	(1,645,098)	4,718,130	-
Housing Revenue Bonds	95,780,727	-	(15,505,600)	80,275,127	2,134,527
Premium on Housing Revenue Bonds	207,630	-	(73,223)	134,407	-
Discount on Housing Revenue Bonds	(825,525)	-	23,025	(802,500)	-
Revenue Bonds	503,618,263	250,000,000	(37,854,778)	715,763,485	16,907,152
Premium on Revenue Bonds	15,892,816	10,018,488	(1,886,989)	24,024,315	-
Total Single Family Program Fund	993,567,139	260,018,488	(100,922,663)	1,152,662,964	43,366,679
Total Proprietary Funds	$ 1,386,721,017	$ 423,678,488	$ (280,528,526)	$ 1,529,870,979	$ 58,785,719

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

Bonds and notes outstanding are general obligations (G.O.) of the Authority with the exception of Homeowner Mortgage Revenue Bonds, Housing Revenue Bonds, Revenue Bonds, Multi-Family Initiative Bonds and Multifamily Revenue Bonds, which are special limited obligations (S.L.O.) of the Authority. S.L.O. bonds, other than Housing Revenue Bonds, Revenue Bonds, and specific series of Homeowner Mortgage Revenue Bonds are payable from pledged property as defined in their respective general resolutions. Housing Revenue Bonds, Revenue Bonds, and specific series of Homeowner Mortgage Revenue Bonds are payable from pledged mortgage-backed securities. Certain issues of Multi-Family Initiative Bonds are credit enhanced by FNMA and FHLMC. The Authority has also pledged its general obligation to the payment of the Affordable Housing Program Trust Fund Bonds to a limited extent and amounts. Per GASB Statement No. 88 disclosure requirements, the Authority is required to disclose direct borrowings, direct placement of debt, as well as other debt that it may hold. As seen in the table above, the Authority currently holds $18,482,270 in direct borrowings of debt, all within the Administrative fund. The Authority also holds $136,600,000 in direct placements of debt, all within the Mortgage Loan Program fund. The remainder of debt held by the Authority is classified as Other Debt, and is located within the Mortgage Loan Program Fund, $222,125,745, and the Single Family Program Fund, $1,152,662,964, for an Other Debt total of $1,374,788,709.

The Authority has pledged future mortgage loan and mortgage backed security revenues, net of specified operating expenses, to repay outstanding principal $1.35 billion of S.L.O. bonds as noted in the following schedules for the Mortgage Loan Program Fund and Single Family Program Fund. The total principal and interest remaining to be paid on the S.L.O. Bonds is $2.01 billion. For S.L.O. bonds payable from pledged property, interest paid for the current year was $34.1 million, and total related mortgage loan principal and interest received were $31.6 million and $12.6 million, respectively.

Bonds and notes outstanding at June 30, 2020 are as follows. Listed maturity dates are indicated as calendar years. The June 30, 2019 amounts are shown for comparative purposes only.

The Authority's outstanding obligations from direct borrowing relating to business-type activities contain provisions declaring events of default based on nonpayment on monies owed, failure to meet certain conditions under the governing documents, the Authority ceasing to be eligible as a housing associate under the Act and other defined provisions within the applicable agreements. The lenders under each of the agreements have rights of principal acceleration under the governing documents based on aforementioned events of default. Subject to the provisions outlined within the respective agreements, additional remedies and enforcement exist.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

A. Mortgage Loan Program Fund

Bonds outstanding of the Mortgage Loan Program Fund are as follows:

	Maturity Dates	Interest Rate Range%	Debt Class	Amount June 30 2020	Amount June 30 2019
Housing Bonds:					
2008 Series A (1)	2020-2027	variable	G.O.	$ 10,210,000	$ 10,570,000
2008 Series B (1)	2020-2027	variable	G.O.	20,385,000	22,285,000
2008 Series C (1)	2020-2041	variable	G.O.	4,470,000	4,590,000
2013 Series B (Taxable)	2020-2047	1.94-4.79	G.O.	21,385,000	46,650,000
2013 Series C	2020-2048	1.75-4.60	G.O.	-	5,275,000
2013 Series D	2020-2034	2.00-4.95	G.O.	-	3,305,000
2015 Series A-1	2020-2036	1.50-3.85	G.O.	9,665,000	9,945,000
2015 Series A-2 (Taxable)	2020-2029	2.22-4.07	G.O.	1,730,000	3,945,000
2015 Series A-3 (Taxable) (1)	2045	variable	G.O.	22,580,000	22,580,000
2017 Series A-1 (Taxable)	2020-2027	1.75-3.77	G.O.	10,285,000	18,900,000
2017 Series A-2 (Taxable) (1)	2027-2045	variable	G.O.	30,000,000	30,000,000
				130,710,000	178,045,000
Less: Unamortized Discount Thereon				-	(99,315)
Total Housing Bonds				$ 130,710,000	$ 177,945,685

(1) In accordance with the indenture, interest rates on the bonds are determined weekly and are paid monthly at a rate established by the remarketing agents on each rate determination date. The variable rates paid on the subject bonds ranged from 0.15% to 0.20% at June 30, 2020. Pursuant to the liquidity agreements, the bonds are subject for purchase by liquidity providers in the event of a tender by bondholders (Bank Bonds). Subject to other provisions within the liquidity agreements, the Bank Bonds will bear interest at a rate specified within the agreements and continue to be subject for remarketing by remarketing agents. In the event the remarketing agents are unable to remarket the Bank Bonds over a certain period of time, the Bank Bonds are subject to a put whereby the Authority is required to purchase and redeem the Bank Bonds over a period stated within the agreements. The Authority has a take-out agreement with the liquidity providers to convert the bonds to an installment loan payable over a three-to-five-year period. The interest rate that is to be paid during the put periods is LIBOR plus 150 basis points. The current liquidity agreements for 2008 Series A, B, and C expire on April 24, 2024. The current agreements for 2015 Series A-3 and 2017 Series A-2 expire on December 30, 2024 and February 14, 2022, respectively.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

A. Mortgage Loan Program Fund (Continued)

The bonds and Bank Bonds are general obligations of the Authority and the timely payment of principal and interest on the bonds and Bank Bonds are subject to credit enhancement agreements with credit enhancement providers. The Authority has a general obligation to reimburse the liquidity providers and credit enhancement providers for any such payments made.

	Maturity Dates	Interest Rate Range%	Debt Class	Amount June 30 2020	Amount June 30 2019
Multifamily Initiative Bonds:					
Series 2009 B	2020-2051	3.50%	S.L.O.	$ 7,110,000	$ 7,370,000
Series 2009 C	2020–2051	3.01	S.L.O.	17,810,000	18,190,000
Series 2009 D	2020–2041	3.48	S.L.O.	53,580,000	54,490,000
Series 2009 E	2020–2042	2.32	S.L.O.	4,200,000	4,275,000
Series 2009 F	2020–2041	2.32	S.L.O.	5,040,000	5,150,000
Series 2009 G	2020–2041	2.32	S.L.O.	7,570,000	7,720,000
Series 2009 H	2020–2041	2.32	S.L.O.	10,020,000	10,210,000
Series 2009 I	2020–2051	2.32	S.L.O.	8,870,000	9,030,000
Series 2009 J	2020–2043	3.84	S.L.O.	16,650,000	17,070,000
Total Multifamily Initiative Bonds				130,850,000	133,505,000
Multifamily Revenue Bonds:					
2016 Series A (Taxable)	2020-2048	2.63	S.L.O.	13,903,565	17,914,827
2017 Series A	2020-2059	4.05	S.L.O.	25,743,416	25,949,996
2017 Series B	2020-2043	3.21	S.L.O.	10,218,764	10,416,862
2019 Series A	2023-2063	1.50-3.40	S.L.O.	41,550,000	—
2020 Series A	2021-2060	1.45-3.85	S.L.O.	5,750,000	—
Total Multifamily Revenue Bonds				97,165,745	54,281,685
Total Mortgage Loan Program Fund				$ 358,725,745	$ 365,732,370

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

B. Single Family Program Fund

Bonds outstanding of the Single Family Program Fund are as follows:

	Maturity Dates	Interest Rate Range %	Debt Class	Amount June 30 2020	Amount June 30 2019
Homeowner Mortgage Revenue Bonds:					
2001 Series F (Taxable) (1)	2,020	variable	S.L.O.	$ 920,000	$ 2,500,000
2002 Series B (Taxable) (2)	2020-2023	variable	S.L.O.	465,000	645,000
2004 Series C-3 (3)	2025–2034	variable	S.L.O.	10,725,000	11,380,000
2011 Series B	2020–2028	4.00-5.00	S.L.O.	80,000	350,000
2014 Series A	2020-2035	2.00-4.00	S.L.O.	25,090,000	32,275,000
2014 Series A-4	2026-2034	variable	S.L.O	10,675,000	10,675,000
2014 Series A-5	2025-2035	variable	S.L.O	20,000,000	20,000,000
2014 Series B	2025-2039	1.60-4.35	S.L.O	1,730,000	2,115,000
2016 Series A (Taxable)	2020-2034	1.98-4.18	S.L.O	50,245,000	59,445,000
2016 Series B	2020-2046	1.20-3.50	S.L.O	17,535,000	22,635,000
2016 Series C	2022-2046	1.50-3.50	S.L.O	86,405,000	94,305,000
2018 Series A-1	2026-2048	2.95-4.00	S.L.O	56,255,000	65,240,000
2018 Series A-2 (3)	2038	variable	S.L.O	30,000,000	30,000,000
2018 Series A-3	2020-2026	2.10-3.35	S.L.O	18,425,000	20,965,000
				328,550,000	372,530,000
Plus Unamortized Premium Thereon				4,718,130	6,363,228
Total Homeowner Mortgage Revenue Bonds				$ 333,268,130	$ 378,893,228

(1) In accordance with the indenture, interest rates on the bonds are determined and paid monthly based upon an index of one-month LIBOR rate plus 0.573% for 2001 Series F. The variable rates paid on the subject bonds was 0.047% at June 30, 2020. The Authority has entered into pay-fixed, receive variable, interest rate swap agreements in connection with these bonds, the objective of which is to establish a maximum debt service which may be paid over the life of the underlying bonds.

(2) In accordance with the indenture, interest rates on the 2002 Series B bonds are determined and paid semi-annually based upon an index of one-month LIBOR rate plus 0.415%. The variable rates paid on the subject bonds was 0.588 % at June 30, 2020.

(3) In accordance with the indenture, interest rates on the bonds are determined weekly and are paid monthly at a rate established by the remarketing agents on each rate determination date. The variable rates paid on the subject bonds ranged from 0.14% to 0.22% at June 30, 2020. Pursuant to the liquidity agreements, the bonds are subject for purchase by liquidity providers in the event of a tender by bondholders (Bank Bonds). Subject to other provisions within the liquidity agreements, the Bank Bonds will bear interest at a rate specified within the agreements and continue to be subject for remarketing by remarketing agents. In the event the remarketing agents are unable to remarket the Bank Bonds over a certain period of time, the Bank Bonds are subject to a put whereby the Authority is required to purchase and redeem the Bank Bonds over a period stated within the agreements. The Authority has a take-out agreement with the liquidity providers to convert the bonds to an installment loan payable over a three-to-five-year period. The interest rate that is to be paid during the put periods is LIBOR plus 50 basis points for 2004 Series C-3, LIBOR plus 150 basis points for 2014 Series A-4 and 2014 Series A-5, and LIBOR plus 150 basis points for Series 2018 A-2. The liquidity agreement for 2004 Series C-3 expires on July 13, 2020. The liquidity agreements for 2014 Series A-4 and 2014 Series A-5 expire on March 15, 2024 and March 10, 2024, respectively, and the liquidity agreements for 2018 Series A-2 expires on July 11, 2023. The 2004 Series C-3 bonds outstanding balance is reflected as a current liability within the accompanying financial statements.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

B. Single Family Program Fund (Continued)

The Bank Bonds are general obligations of the Authority and the timely payment of principal and interest on some bonds are subject to credit enhancement agreements with credit enhancement providers. The Authority has a general obligation to reimburse the liquidity providers and credit enhancement providers for any such payments made.

	Maturity Dates	Interest Rate Range %	Debt Class	Amount June 30 2020	Amount June 30 2019
Housing Revenue Bonds:					
Series 2011-1A	2020–2041	3.285%	S.L.O.	$ 4,768,764	$ 5,866,355
Series 2011-1B	2020–2041	3.285	S.L.O.	6,017,799	9,129,092
Series 2011-1C	2020–2041	3.285	S.L.O.	7,500,000	7,500,000
Series 2012A (Taxable)	2020–2042	2.625	S.L.O.	14,224,267	17,560,782
Series 2013A	2020–2043	2.450	S.L.O.	31,618,650	36,489,635
Series 2013B (Taxable)	2020–2043	2.750	S.L.O.	8,763,699	10,316,213
Series 2013C	2020–2043	3.875	S.L.O.	7,381,948	8,918,650
				80,275,127	95,780,727
Plus Unamortized Premium Thereon				134,407	207,630
Less: Unamortized Discount Thereon				(802,500)	(825,525)
Total Housing Revenue Bonds				$ 79,607,034	$ 95,162,832

	Maturity Dates	Interest Rate Range %	Debt Class	Amount June 30 2020	Amount June 30 2019
Revenue Bonds:					
2016 Series A	2020-2046	0.95-4.00%	S.L.O.	$ 47,415,000	$ 54,295,000
2017 Series A	2020–2047	3.13	S.L.O.	49,443,485	54,948,263
2017 Series B	2020–2048	1.35-4.00	S.L.O.	105,225,000	114,755,000
2018 Series A	2020–2048	2.05-4.50	S.L.O.	84,160,000	90,370,000
2019 Series A	2020–2049	1.60-4.25	S.L.O.	61,325,000	66,750,000
2019 Series B (1)	2042	variable	S.L.O.	30,000,000	30,000,000
2019 Series C	2020–2049	1.35-4.00	S.L.O.	88,955,000	92,500,000
2019 Series D	2020-2050	1.20-3.75	S.L.O.	124,240,000	—
2020 Series A	2020-2050	0.75-3.75	S.L.O.	125,000,000	—
				715,763,485	503,618,263
Plus unamortized premium thereon				24,024,315	15,892,816
Total Revenue Bonds				739,787,800	519,511,079
Total Single Family Program Fund				$ 1,152,662,964	$ 993,567,139

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

B. Single Family Program Fund (Continued)

(1) In accordance with the indenture, interest rates on the bonds are determined weekly and are paid monthly at a rate established by the remarketing agents on each rate determination date. The variable rates paid on the subject bonds was 0.12% at June 30, 2020. Pursuant to the liquidity agreements, the bonds are subject for purchase by liquidity providers in the event of a tender by bondholders (Bank Bonds). Subject to other provisions within the liquidity agreements, the Bank Bonds will bear interest at a rate specified within the agreements and continue to be subject for remarketing by remarketing agents. In the event the remarketing agents are unable to remarket the Bank Bonds over a certain period of time, the Bank Bonds are subject to a put whereby the Authority is required to purchase and redeem the Bank Bonds over a period stated within the agreements. The Authority has a take-out agreement with the liquidity providers to convert the bonds to an installment loan payable over a three-to-five-year period. The interest rate that is to be paid during the put periods is LIBOR plus 150 basis points for 2019 Series B. The liquidity agreement for 2019 Series B expires on March 7, 2024.

The Bank Bonds are general obligations of the Authority and the timely payment of principal and interest on some bonds are subject to credit enhancement agreements with credit enhancement providers. The Authority has a general obligation to reimburse the liquidity providers and credit enhancement providers for any such payments made.

C. Administrative Fund

Outstanding debt of the Administrative Fund is as follows:

	Maturity Date	Interest Rate (1)	Debt Class	Amount June 30 2020	Amount June 30 2019
Direct Borrowing					
Direct Bank Notes:					
	2020	1.93	Loan	$ -	$ 6,500,000
	2020	0.87	Loan	-	5,340,000
Direct Borrowing					
Federal Home Loan Bank Advances:					
	2020	1.74	Loan	-	1,503,000
	2021	—	Loan	4,000,000	-
	2021	1.89	Loan	1,503,000	1,503,000
	2022	2.03	Loan	1,313,000	1,313,000
	2024	2.35	Loan	1,406,000	1,406,000
	2027	2.37	Loan	1,100,745	1,241,802
	2027	2.70	Loan	9,159,525	9,334,706
				$ 18,482,270	$ 28,141,508

(1) Interest rate on the loan(s) may be fixed or variable, and is determined by type, length, and use of proceeds.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

D. Defeased Debt

The Authority has defeased debt by placing the proceeds of new bonds and other amounts in an irrevocable trust to provide for all future debt service payments of the old bonds. At June 30, 2020, the following outstanding bonds are considered defeased.

Issue	Amount
Multi-Family Housing Bonds, 1981 Series A	$ 18,605,000

E. Other Financings

From time to time the Authority has issued conduit obligations with a claim for repayment solely from payments received with respect to the mortgage loans. The bonds are not general obligations of the Authority, and they are not a debt of the State of Illinois; neither is liable to pay interest and principal on the bonds. Accordingly, the bonds and the related mortgage loans are not included in the Authority's financial statements. The bonds do, however, apply toward the Authority's authorized debt limitation.

As of June 30, 2020, there were eighty-six series of such bonds or notes outstanding, with an aggregate principal amount payable of $1,147,626,343.

F. Assets Restricted for Capital and Debt Service Reserves

Pursuant to the Act and various resolutions of the Authority, certain assets (principally investments) are maintained in capital and debt service reserve funds and may be used only for the payment of principal and interest on certain bonds. The reserve funds must be maintained at an amount at least equal to the following:

Bonds	Requirement
Housing Bonds	The amount established by each series resolution, currently six months of maximum principal and interest payments.
Multifamily Initiative Bonds	The maximum amount of principal and interest due on any interest payment date excluding the final interest payment date.
Multifamily Revenue Bonds	One-half of the maximum amount of principal and interest due for the then-current or any future calendar year.
Homeowner Mortgage Revenue Bonds	The sum of all amounts established by each series resolution, but such amount cannot be less than 2% for the Homeowner Mortgage Revenue Bonds of the sum of (i) the outstanding principal balance of related mortgage loans and (ii) the amount on deposit to the credit of series program accounts of the program fund.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

F. Assets Restricted for Capital and Debt Service Reserves (Continued))

The amounts of such reserves, for measurement purposes against the various bond resolution reserve requirements, are valued at book value or par, or, if purchased at less than par, at their cost to the Authority. At June 30, 2020, these reserve amounts, which were not less than the amounts required, are as follows:

Housing Bonds	$ 6,119,253
Multifamily Initiative Bonds	1,385,399
Multifamily Revenue Bonds	2,705,490
Homeowner Mortgage Revenue Bonds	3,669,259
	$ 13,879,401

G. Debt Service Requirements

Debt service requirements (dollars in millions) through 2025 and in five-year increments thereafter to maturity for the Authority's proprietary funds are as follows:

	Administrative Fund Direct Borrowing		Single Family Program Fund Other Debt	
	Principal	Interest	Principal	Interest
Year Ending June 30:				
2021	$ 5.8	$ 0.4	$ 43.4	$ 32.5
2022	1.7	0.3	35.2	31.8
2023	0.4	0.3	36.5	31.0
2024	1.8	0.3	37.4	30.1
2025	0.4	0.2	38.2	29.2
Five Years Ending June 30:				
2026-2030	8.4	0.5	195.5	130.4
2031-2035	—	—	205.3	103.1
2036-2040	—	—	188.2	77.6
2041-2045	—	—	193.9	47.6
2046-2050	—	—	151.0	13.3
	$ 18.5	$ 2.0	$ 1,124.6	$ 526.6

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

G. Debt Service Requirements (Continued)

	Mortgage Loan					
	Direct Placement of Debt		Other Debt		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
Year Ending June 30:						
2021	$ 2.7	$ 4.3	$ 6.9	$ 4.5	$ 9.6	$ 8.8
2022	2.8	4.2	8.4	4.4	11.2	8.6
2023	3.0	4.1	7.6	4.2	10.6	8.3
2024	3.1	4.0	20.0	4.0	23.1	8.0
2025	3.2	3.9	8.1	3.7	11.3	7.6
Five Years Ending June 30:						
2026-2030	18.7	17.8	44.1	15.7	62.8	33.5
2031-2035	22.2	14.6	29.1	12.3	51.3	26.9
2036-2040	26.4	10.8	22.0	9.4	48.4	20.2
2041-2045	44.4	3.7	40.3	7.2	84.7	10.9
2046-2050	5.8	1.1	11.3	5.3	17.1	6.4
2051-2055	2.9	0.4	10.1	3.6	13.0	4.0
2056-2060	1.4	0.2	10.5	1.5	11.9	1.7
2061-2065	0.0	0.0	3.7	0.2	3.7	0.2
	$ 136.6	$ 69.1	$ 222.1	$ 76.0	$ 358.7	$ 145.1

The Authority's outstanding obligations from direct borrowing relating to business-type activities contain provisions declaring events of default based on nonpayment on monies owed, failure to meet certain conditions under the governing documents, the authority ceasing to be eligible as a housing associate under the Act and other defined provisions within the applicable agreements. The lenders under each of the agreements have rights of principal acceleration under the governing documents based on aforementioned events of default. Subject to the provisions outlined within the respective agreements, additional remedies and enforcement exist.

The Authority has a line of credit for cash advances with the Federal Home Loan Bank of Chicago. The current undrawn portion of the Authority authorized amount is $81,517,729.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

H. Derivative Instruments

The incurring of obligations by the Authority involves a variety of interest rate payments and other risks, for which a variety of financial instruments are available to offset, hedge, or reduce these payments and risks. It is the policy of the Authority to utilize risk management agreements to better manage its assets and liabilities. The Authority may execute risk management agreements if the transaction can be expected to result in at least one of, but not limited to, the following:

a) The achievement of savings over alternative products existing in the capital markets;
b) The management of the Authority's exposure to floating and fixed interest rates;
c) Ability to access the capital markets more rapidly than may be possible with conventional debt instruments;
d) The management of the Authority's exposure to the risk of changes in the legal and regulatory treatment of tax-exempt bonds; and
e) The ability of the Authority to increase income, lower costs, or strengthen the Authority's financial position.

As of June 30, 2020, the Authority has four active swap contracts, and two interest rate caps. Details are shown in the following tables.

	Changes in fair value		Fair value at June 30, 2020		
	Classification	Amount	Classification	Amount	Notional
Business-Type Activities:					
Cash Flow Hedges:					
Pay-Fixed/Receive Variable, Interest Rate Swaps:					
Administrative	Deferred Outflow	$ 494,598	*	$ -	$ -
HMRB	Deferred Outflow	$ (2,232,899)	*	$ (4,601,954)	$ 31,000,000
RB	Deferred Outflow	$ (2,459,777)	*	$ (4,530,056)	$ 30,000,000
Rate Caps					
Housing Bonds	Deferred Outflow	$ 197	**	$ 13,890	$ 15,400,000

* The fair value is classified as derivative instrument liability and a deferred outflow of resources.
** The fair value is classified as derivative instrument asset and a deferred inflow of resources.

The fair value of the interest rate swaps were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

H. Derivative Instruments (Continued)

The fair value of the interest rate swaps and rate caps were estimated by the Authority using data provided by the Authority's swap advisor.

June 30, 2020

Associated Bond Issue	Notional Amounts	Effective Date	Fixed Rate Paid (3)	Variable Rate Received	Fair Values (1)	Termination Date		Counter-Party Credit Rating (2)
Active Swap Contracts:								
Single Family Program Fund:								
HMRB**:								
Series 2001 F	$ 1,000,000	1/23/2002	6.6150	%1 mo. LIBOR+40bp	$ (32,072)	8/1/2020	(4)	A- / A+ / A2
HMRB 2018 A-2	30,000,000	8/1/2018	2.3940	USD-LIBOR BBA*70.00%	(4,569,882)	2/1/2038		AA- / AA / Aa2
RB***:								
RB 2018B	30,000,000	3/7/2019	2.4310	WKLY RESET - SIFMA	(4,530,056)	4/1/2042		A+ / AA- / Aa2
	$ 61,000,000				$ (9,132,010)			
Active Interest Rate Caps:								
Mortgage Loan Program Fund:								
HB****:								
Series 2008 A	$ 10,930,000	1/1/2018	6.0000	NIA	$ 13,808	1/1/2027		A / A+ / A1
Series 2008 C	4,470,000	6/28/2006	4.7500	NIA	82	6/30/2021		A+ / AA / Aa2
	$ 15,400,000				$ 13,890			

** Homeowner Mortgage Revenue Bonds
*** Revenue Bonds
**** Housing Bonds
(1) Includes accrued interest.
(2) S&P/Moody's
(3) Represents rate for swap and cap rate for interest rate caps.
(4) The derivative on this bond has been terminated as of the report date

To protect against the potential of rising interest rates, the Authority has entered into three pay fixed, receive variable, interest rate swap agreements. The objective of these agreements is to achieve a synthetic fixed interest rate on the underlying bonds at a cost anticipated to be less than the amounts paid had the Authority issued fixed rate debt. In addition, the Authority has entered into two interest rate cap agreements, the objective of which is to establish a maximum debt service which may be paid over the life of the underlying bonds.

The terms, fair values, and credit ratings of the outstanding agreements as of June 30, 2020 are shown in the above table. The notional amount of the swap and caps match the principal amount of the associated debt except in the case of Series 2001 F where early redemption of bonds have reduced the outstanding bond amount leaving the notional amount of the interest rate cap at its original scheduled value.

The Authority's swap and cap agreements in most cases contain scheduled reductions to outstanding notional amounts that are expected to approximately follow scheduled or an anticipated reduction in the associated bonds payable category.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

H. Derivative Instruments (Continued)

Because interest rates have declined since the execution of the swap agreements in the Single Family Program Fund, they have negative fair values as of June 30, 2019. The negative fair value may be countered by reductions in total interest payments required under the variable-rate bonds, creating lower synthetic interest rates. Because the coupons on the Authority's variable rate bonds adjust to changing interest rates, the bonds do not have corresponding fair value changes.

As of June 30, 2020, the Authority was not exposed to credit risk for the swaps that had negative fair value. As interest rates change and the fair value becomes positive, the Authority is exposed to credit risk in the amount of the swap's or cap's fair value. The Authority is exposed to credit risk on the caps and swaps with positive fair value. The aggregate fair value of hedging derivative instruments with positive fair value at June 30, 2020 was $13,890. This represents the maximum loss that would be recognized at the reporting date if all counterparties failed to perform as contracted. Fair value is a factor only upon termination.

Basis risk on a swap occurs when the variable payment received is based on an index other than the index on the underlying bonds. The Authority believes its swap agreements has been structured to minimize or eliminate this risk.

The Authority or the counter-party may terminate the swap agreements if the other party fails to perform under the terms of the agreements. If a swap is insured, a termination event occurs if the insurer fails to meet its obligations under the agreement.

The Authority is not exposed to rollover risk on its swap agreements. The Authority is exposed to rollover risk on hedging derivative instruments that are hedges of debt that mature or may be terminated prior to the maturity of the hedged debt. When these hedging derivative instruments terminate, the Authority will be re-exposed to the risks being hedged by the hedging derivative instrument. The Authority is exposed to rollover risk on the caps which have termination dates that occur prior to the final maturity of the related bonds.

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

I. Derivative Instruments (Continued)

As of June 30, 2020, debt service requirements of the Authority's outstanding variable-rate debt and net swap payments, assuming current interest rates remain the same, for their term are as follows:

	Variable-Rate Bonds		Interest Rate	
	Principal	Interest	Swap, Net	Total
Year Ending June 30:				
2021	$ 920,000	$ 80,636	$ 1,397,293	$ 2,397,929
2022	480,000	104,237	1,369,500	1,953,737
2023	490,000	103,380	1,369,500	1,962,880
2024	495,000	102,508	1,369,500	1,967,008
2025	500,000	101,621	1,369,500	1,971,121
	2,885,000	492,382	6,875,293	10,252,675
Five Years Ending June 30:				
2030	9,585,000	468,851	6,847,500	16,901,351
2035	22,765,000	377,444	6,194,161	29,336,605
2040	32,185,000	150,956	2,499,050	34,835,006
2045	8,180,000	13,515	212,034	8,405,549
	72,715,000	1,010,766	15,752,745	89,478,511
Total	$ 75,600,000	$ 1,503,148	$ 22,628,038	$ 99,731,186

As rates vary, variable-rate bond interest payments and net swap payments will vary.

NOTE 9 DEPOSITS HELD IN ESCROW

Deposits from developers, which are held in escrow in the Administrative Fund, may be used when necessary to pay principal and interest payments and fund construction cost overruns, change orders, tax and insurance payments and capital improvements (see note 5). In addition, on certain developments, letters of credit and assignments of syndication proceeds are held by the Authority for similar purposes and to fund potential operating deficits of the related developments; investment income earned on deposited funds is credited to the respective developer's escrow accounts.

NOTE 10 OPERATING LEASES

The Authority leased office facilities at one location 111 E. Wacker Ave. (111 facility) in Chicago, Illinois.

The Authority entered into a ten-year lease at 111 E. Wacker Drive in Chicago, Illinois, which commenced on November 6, 2016. The office lease provides for annual base rent of approximately $1,311,700 for fiscal year 2020, plus approximately $1,022,360 for the Authority's 6.5974% share of ownership taxes and operating expenses, which also are subject to adjustment, based on the actual costs incurred by the lessor. Base rent, ownership taxes and operating expenses totaling $180,692 per month were abated for the first ten months of the lease. Under this lease, total rent expense for fiscal year 2020 was $2,732,117.

The future minimum lease commitments in the five years subsequent to June 30, 2020 and thereafter are as follows:

Year	Amount
2021	$ 2,732,117
2022	2,122,254
2023	1,817,323
2024	1,817,323
2025	1,817,324
2026 and thereafter	2,423,098
Total	$ 12,729,439

NOTE 11 OTHER LIABILITIES

The bonds issued by the Authority after 1980 are subject to a variety of Internal Revenue Service (IRS) regulations that limit the amount of income that may be earned with nonmortgage investments to an amount not greater than the amount that would have been earned had the funds been invested at the yield on the bonds as defined by the IRS. Excess earnings must be rebated annually, or every five years, depending on the date and type of bond issue. It has been determined that there is no estimated rebate liability as of June 30, 2020.

The Authority is a defendant in various legal actions arising from normal business activities. Management believes, after consultation with legal counsel, that the ultimate liability, if any, resulting from these legal actions, will not materially affect the Authority's financial position or results of operations.

In connection with various federal and state grant programs, the Authority is obligated to administer related programs and spend the grant funding in accordance with regulatory restrictions and is subject to audits by the grantor agencies. In the opinion of Authority management, any grant expenditures that may be disallowed by the grantor agency, if any, would not result in a material liability to the Authority.

NOTE 11 OTHER LIABILITIES (CONTINUED)

The Authority carries commercial insurance for directors and officers liability, general liability, employee health, workers' compensation, cyber liability, crime, property, and automobile ownership and usage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Insurance coverage has not changed significantly since the prior year.

NOTE 12 RETIREMENT PLAN

The Authority provides a defined contribution retirement plan for the benefit of its employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Full time employees are eligible to participate in and are fully vested in the plan from the date of employment. All plan assets and investments are administered by a trustee, which maintains an individual account for each participant. The Authority contributes 6% of its employees' salaries and employees, at their option, may contribute up to 100% (within a maximum dollar limit) of their salaries to the plan. In addition, the Authority, under the provisions of the Economic Growth and Tax Relief Act of 2001, permits additional contributions each calendar year for those employees who attain age 50 (or higher) during the calendar year. The plan may be amended or terminated by the Authority at any time and for any reason in the future, but no such action can deprive employees of their vested interests.

The Authority's total payroll in fiscal year 2020 was $23,151,702. The Authority's contributions were calculated using the base salary amount of $22,851,767. The Authority contributed $1,371,106, or 6%, of the base salary amount, in fiscal year 2020. Employee contributions amounted to $1,713,394, in fiscal year 2020, or approximately 7.498% of the base salary amount.

NOTE 13 COMMITMENTS

At June 30, 2020, the Authority had authorized loans and grants totaling $70.0 million for the Illinois Affordable Housing Trust Fund.

Under the HOME Program, $533.2 million and $15.4 million for federal fiscal years 1992 through 2019 and 2020, respectively, have been allocated to the State by HUD, to be administered by the Authority, under the HOME Program provisions of the 1990 National Affordable Housing Act. At June 30, 2020, the Authority had authorized loans totaling $22.4 million for the HOME Program.

In accordance with an agreement (the FAF Agreement) entered into by the Authority and in 1982, annual Section 8 contributions payable to HUD with respect to the developments financed by certain of the Authority's Multi-Family Housing Bonds, would be reduced to the extent of the debt service savings resulting from the early redemption of these bonds. These redemptions were accomplished through subsequent issuance of Multi-Family Housing Bonds.

NOTE 13 COMMITMENTS (CONTINUED)

In November of 2006, the Authority entered into a new agreement (the FAF Refunding Agreement) with HUD at the time of delivery of the Authority's Housing Bonds, 2006 Series G to refund the Multi-Family Housing Bond refunding bonds. Pursuant to federal legislation and a written agreement with the Authority, HUD has agreed to share a portion of such savings (the FAF Savings Program) with the Authority in order to create and maintain affordable housing opportunities for individuals of "very low income" (as such term is defined in the 1937 Housing Act) in the State. These savings, which are to be used solely for the purposes stated above, are recorded as other income of the Administrative Fund. At June 30, 2020, loans receivable under this program were approximately $40.3 million.

On May 17, 2019, the Authority authorized the issuance of Multifamily Revenue Bonds (Refunding Bonds) in an amount not to exceed $9.0 million to refund a tax-exempt Multifamily Housing Revenue Note to be made by Citi Community Capital (2020 Series A Note)(Southbridge Phase 1A 4%), the proceeds of which will be used to finance the acquisition, construction and equipping of a 103-unit multifamily rental housing developments located in Chicago, Illinois. The Authority intends to place the Refunding Bonds with Citibank, N.A. pursuant to a forward bond purchase agreement by and between the Authority and Citibank, with an estimated delivery date of February 1, 2024. Although the Refunding Bonds have not been issued as of June 30, 2020, the 2020 Series A Note was issued in the amount of $8.1 million on January 17, 2020.

On May 17, 2019, the Authority authorized the issuance of Multifamily Revenue Bonds (Refunding Bonds) in an amount not to exceed $7.0 million to refund a taxable construction loan to be made by Citi Community Capital (Taxable Note)(Southbridge Phase 1A 9%), the proceeds of which will be used to finance the acquisition, construction and equipping of a 103-unit multifamily rental housing developments located in Chicago, Illinois. The Authority intends to place the Refunding Bonds with Citibank, N.A. pursuant to a forward bond purchase agreement by and between the Authority and Citibank, with an estimated delivery date of February 1, 2024. Although the Refunding Bonds have not been issued as of June 30, 2020, the Taxable Note was issued in the amount of $6.6 million on January 17, 2020.

On October 18, 2019, the Authority authorized the issuance of Multifamily Revenue Bonds (Refunding Bonds) in an amount not to exceed $13.5 million to refund a tax-exempt Multifamily Housing Revenue Note to be made by Citi Community Capital (2019 Series A Note) (Barwell Manor), the proceeds of which will be used to finance the acquisition, construction and equipping of a 120-units of multifamily rental housing developments located in Waukegan, Illinois. The Authority intends to place the Refunding Bonds with Citibank, N.A. pursuant to a forward bond purchase agreement by and between the Authority and Citibank, with an estimated delivery date of April 1, 2024. Although the Refunding Bonds have not been issued as of June 30, 2020, the 2020 Series A Note was issued in the amount of $12.94 million on March 31, 2020.

NOTE 14 SUBSEQUENT EVENTS

On May 18, 2018, the Authority authorized the issuance of tax-exempt Multifamily Revenue Bonds (Refunding Bonds) in an amount not to exceed $4 million to refund the tax-exempt Multifamily Mortgage Revenue Note, 2019 Series A (Oso Apartments) (2019 Series A Note), the proceeds of which were used to finance the acquisition, construction and equipping of a 48-unit multifamily rental housing developments located in Chicago, Illinois. The Authority placed the Refunding Bonds with Citibank, N.A. pursuant to a forward bond purchase agreement by and between the Authority and Citibank, the Refunding Bonds were issued on July 1, 2020 to refund the 2019 Series A Note issued on August 31, 2018 in an amount of $2.9 million.

On June 15 2018, the Authority authorized the issuance of tax-exempt Multifamily Revenue Bonds (Refunding Bonds) in an amount not to exceed $2.5 million to refund the tax-exempt Multifamily Mortgage Revenue Note, 2019 Series A (Chelsea Senior Commons) (2019 Series A Note), the proceeds were used to finance the acquisition, construction and equipping of a 40-unit multifamily rental housing developments located in Sugar Grove, Illinois. The Authority placed the Refunding Bonds with Citibank, N.A. pursuant to a forward bond purchase agreement by and between the Authority and Citibank, the Refunding Bonds were issued on July 1, 2020 to refund the 2019 Series A Note issued on September 13, 2018, in an amount of $1.65 million.

On June 15, 2018, the Authority authorized the issuance of Multifamily Revenue Bonds (Refunding Bonds) in an amount not to exceed $2.3 million to refund a taxable construction loan to be made by Citi Community Capital (Taxable Note), the proceeds of which will be used to finance the acquisition, construction and equipping of a 62-unit multifamily rental housing developments located in Cary, Illinois. The Authority placed the Refunding Bonds with Citibank, N.A. pursuant to a forward bond purchase agreement by and between the Authority and Citibank, with an estimated delivery date of October 29, 2020. The Refunding Bonds were issued on October 30, 2020, in an amount of $1.7 million.

On October 15, 2020, the Authority issued its Revenue Bonds, 2020 Series B and C, in aggregate principal amount of $120,000,000. Proceeds of the Series 2020B and C Bonds together with other funds of the Authority are expected to be used to: (a) purchase, and/or reimburse the Authority for its prior purchase of, mortgage-backed securities guaranteed as to timely payment of principal and interest by the Government National Mortgage Association, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation (or participation interests in such mortgage backed securities); and (b) pay or reimburse the Authority for certain costs incurred in connection with the issuance of the Series 2020B and C Bonds.

NOTE 14 SUBSEQUENT EVENTS (CONTINUED)

The global outbreak of COVID-19 is affecting national capital markets and negatively impacting the overall economy. The authority has a Continuity of Operations Plan which has allowed it to provide continued execution of its programs with minimal disruption. In response to COVID-19, the Authority is already administering a new program, with federal funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act and maybe asked to administer additional programs in the future in response to the pandemic. Furthermore, the Authority cannot predict the duration of the pandemic and how it may impact the Authority's housing and state revolving fund programs and financial position.

The Coronavirus Aid, Relief, and Economic Security Act (P.L 116-136), signed into law on March 27, 2020, as may be amended from time to time (the "CARES Act"), created, through Section 5001 of the CARES Act, the Coronavirus Relief Fund ("CRF"), which provides $150 billion in direct assistance for domestic governments, including the State of Illinois (the "State"). In connection with the State's receipt of federal CRF, the State established, among other funds, the State Coronavirus Urgent Remediation Emergency Fund ("IL CURE Fund"). The sum of $396,000,000 was appropriated, for fiscal year 2021, from the IL CURE Fund to the Department of Revenue ("DOR") for IHDA to fund affordable housing grants, for the benefit of persons impacted by the COVID -19 public health emergency, for emergency rental assistance, emergency mortgage assistance, and subordinate financing, in the approximate amounts: a) $79,000,000 (Counties in the State with direct CRF allotments); b) $217,000,000 (Statewide); and c) $100,000,000 (disproportionately impacted areas in the State).

At this time, the Authority is not aware of any other facts, decisions, or conditions that are expected to have a significant effect on financial position or results of operations.

SUPPLEMENTARY INFORMATION

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2020
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

ASSETS	Foreclosure Prevention Program Fund	Community Development Block Grant Fund	ARRA Fund	Foreclosure Prevention Graduated Program Fund	Neighborhood Stabilization Program Fund	Build Illinois Bond Program Fund	Abandoned Property Program Fund	National Housing Trust Fund	Section 811 Project Rental Assistance Demonstration Program Fund	Total
CURRENT ASSETS										
Cash and Cash Equivalents	$ 5,401,433	$ -	$ 872,614	$ 1,531,767	$ 93,784	$ 10,139,316	$ 11,086,537	$ 20,819	$ -	$ 29,146,270
Program Loans Receivable	-	-	216,993	-	2,500	-	-	-	-	219,493
Interest Receivable on Program Loans	-	-	14,762	-	-	-	-	-	-	14,762
Due from Other Funds	-	-	-	2,127,393	4,399	-	-	-	-	2,131,792
Total Current Assets	5,401,433	-	1,104,369	3,659,160	100,683	10,139,316	11,086,537	20,819	-	31,512,317
NONCURRENT ASSETS										
Program Loans Receivable, Net of Current Portion	-	6,234,338	74,125,532	-	2,707,691	8,444,171	-	5,613,016	-	97,124,748
Less: Allowance for Estimated Losses	-	(844,689)	(5,274,440)	-	(59,569)	(3,432,151)	-	(91,643)	-	(9,702,492)
Net Program Loans Receivable	-	5,389,649	68,851,092	-	2,648,122	5,012,020	-	5,521,373	-	87,422,256
Total Noncurrent Assets	-	5,389,649	68,851,092	-	2,648,122	5,012,020	-	5,521,373	-	87,422,256
Total Assets	$ 5,401,433	$ 5,389,649	$ 69,955,461	$ 3,659,160	$ 2,748,805	$ 15,151,336	$ 11,086,537	$ 5,542,192	$ -	$ 118,934,573
LIABILITIES AND FUND BALANCES										
CURRENT LIABILITIES										
Unearned Revenue	$ -	$ -	$ 14,763	$ -	$ -	$ -	$ -	$ -	$ -	$ 14,763
Accrued Liabilities and Other	-	-	2,496	-	-	-	-	-	50	2,546
Due to Other Funds	2,140,697	522	2,877	-	-	3,464	1,688	20,821	112	2,170,181
Total Current Liabilities	2,140,697	522	20,136	-	-	3,464	1,688	20,821	162	2,187,490
FUND BALANCES										
Restricted	3,260,736	5,389,127	69,935,325	3,659,160	2,748,805	15,147,872	11,084,849	5,521,371	(162)	116,747,083
Total Fund Balances	3,260,736	5,389,127	69,935,325	3,659,160	2,748,805	15,147,872	11,084,849	5,521,371	(162)	116,747,083
Total Liabilities and Fund Balances	$ 5,401,433	$ 5,389,649	$ 69,955,461	$ 3,659,160	$ 2,748,805	$ 15,151,336	$ 11,086,537	$ 5,542,192	$ -	$ 118,934,573

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2020
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	Foreclosure Prevention Program Fund	Community Development Block Grant Fund	ARRA Fund	Foreclosure Prevention Graduated Program Fund	Neighborhood Stabilization Program Fund	Build Illinois Bond Program Fund	Abandoned Property Program Fund	National Housing Trust Fund	Section 811 Project Rental Assistance Demonstration Program Fund	Total
REVENUES										
Grant from State of Illinois	$ 2,044,717	$ -	$ -	$ 2,320,800	$ -	$ -	$ 254,312	$ -	$ -	$ 4,619,829
Federal Funds	-	-	-	-	-	-	-	2,280,354	1,068,647	3,349,001
Interest and Other Investment Income	-	-	183,319	-	57,406	257,801	-	-	-	498,526
Total Revenues	2,044,717	-	183,319	2,320,800	57,406	257,801	254,312	2,280,354	1,068,647	8,467,356
EXPENDITURES										
General and Administrative	$ 572,349	$ -	$ -	$ 312,706	$ -	$ 56	$ 1,082,420	$ 368,427	$ 137,680	$ 2,473,638
Grants	2,475,026	-	-	4,060,871	8,345	68,776	5,114,813	-	929,597	12,657,428
Financing Costs	-	-	-	-	-	-	-	-	692	692
Provision for (Reversal of) Estimated Losses on Program Loans Receivable	-	(71,838)	936,876	-	16,206	2,254,051	-	17,622	-	3,152,917
Total Expenditures	3,047,375	(71,838)	936,876	4,373,577	24,551	2,322,883	6,197,233	386,049	1,067,969	18,284,675
NET CHANGE IN FUND BALANCES	(1,002,658)	71,838	(753,557)	(2,052,777)	32,855	(2,065,082)	(5,942,921)	1,894,305	678	(9,817,319)
Fund Balances - Beginning of Year	4,263,394	5,317,289	70,688,882	5,711,937	2,715,950	17,212,954	17,027,770	3,627,066	(840)	126,564,402
FUND BALANCES - END OF YEAR	$ 3,260,736	$ 5,389,127	$ 69,935,325	$ 3,659,160	$ 2,748,805	$ 15,147,872	$ 11,084,849	$ 5,521,371	$ (162)	$ 116,747,083

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
MORTGAGE LOAN PROGRAM FUND
COMBINING SCHEDULE OF NET POSITION
JUNE 30, 2020
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	Housing Bonds	Multifamily Initiative Bonds	Multifamily Revenue Bonds	Affordable Housing Program Trust Fund Bonds	Total
ASSETS					
Currents Assets:					
Cash and Cash Equivalents	$ 165,327,290	$ 2,572,168	$ 19,652,936	$ 30,349,990	$ 217,902,384
Investments – Restricted	57,336,486	646,698	2,230,649	-	60,213,833
Investment Income Receivable – Restricted	243,398	7,119	13,656	-	264,173
Program Loans Receivable	9,145,460	1,048,924	778,133	279,455	11,251,972
Interest Receivable on Program Loans	409,568	129,440	352,779	12,564	904,351
Due from Other Funds	10,450,878	50,866	-	63,575	10,565,319
Total Current Assets	242,913,080	4,455,215	23,028,153	30,705,584	301,102,032
Noncurrent Assets:					
Investments – Restricted	29,804,602	718,344	13,930,501	-	44,453,447
Program Loans Receivable, Net of Current Portion	143,662,561	38,932,708	68,844,215	6,192,320	257,631,804
Less: Allowance for Estimated Losses	(2,969,238)	(266,821)	(959,424)	(70,113)	(4,265,596)
Net Program Loans Receivable	140,693,323	38,665,887	67,884,791	6,122,207	253,366,208
Real Estate Held for Sale	21,222	-	-	384,396	405,618
Less: Allowance for Estimated Losses	(20,672)	-	-	-	(20,672)
Net Real Estate Held for Sale	550	-	-	384,396	384,946
Due from Fannie Mae	-	85,870,128	-	-	85,870,128
Due from Freddie Mac	-	4,307,480	-	-	4,307,480
Capital Assets, Net	25,173,819	-	-	-	25,173,819
Derivative Instrument Assets	13,890	-	-	-	13,890
Total Noncurrent Assets	195,686,184	129,561,839	81,815,292	6,506,603	413,569,918
Total Assets	438,599,264	134,017,054	104,843,445	37,212,187	714,671,950
LIABILITIES					
Current Liabilities:					
Bonds and Notes Payable	6,175,000	2,680,000	733,870	-	9,588,870
Accrued Interest Payable	785,562	1,372,372	742,833	-	2,900,767
Unearned Revenue	56,620	-	-	-	56,620
Accrued Liabilities and Other	471,110	-	867,023	-	1,338,133
Due to Other Funds	2,452,961	45,736	391,635	154,870	3,045,202
Total Current Liabilities	9,941,253	4,098,108	2,735,361	154,870	16,929,592
Noncurrent Liabilities:					
Bonds and Notes Payable, Net of Current Portion	124,535,000	128,170,000	96,431,875	-	349,136,875
Unearned Revenue	28,310	-	-	-	28,310
Total Noncurrent Liabilities	124,563,310	128,170,000	96,431,875	-	349,165,185
Total Liabilities	134,504,563	132,268,108	99,167,236	154,870	366,094,777
Deferred Inflows of Resources:					
Accumulated Increase in Fair Value of Hedging Derivatives	13,890	-	-	-	13,890
Unamortized Gain on Bond Refunding	37,162	-	-	-	37,162
Total Deferred Inflows of Resources	51,052	-	-	-	51,052
Net Position:					
Net Investment in Capital Assets	4,788,819	-	-	-	4,788,819
Restricted for Bond Resolution Purposes	299,254,830	1,748,946	5,676,209	37,057,317	343,737,302
Total Net Position	$ 304,043,649	$ 1,748,946	$ 5,676,209	$ 37,057,317	$ 348,526,121

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
MORTGAGE LOAN PROGRAM FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2020
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	Housing Bonds	Multifamily Initiative Bonds	Multifamily Revenue Bonds	Affordable Housing Program Trust Fund Bonds	Total
OPERATING REVENUES					
Interest and Other Investment Income	$ 3,525,801	$ 30,550	$ 296,717	$ 393,386	$ 4,246,454
Net Increase in Fair Value of Investments	1,293,328	178,345	597,483	6,879	2,076,035
Total Investment Income	4,819,129	208,895	894,200	400,265	6,322,489
Interest Earned on Program Loans	8,325,628	1,657,021	3,182,934	163,854	13,329,437
Federal Assistance Programs	95,132	-	-	-	95,132
Other	16,570,791	352,123	-	147,662	17,070,576
Total Operating Revenues	29,810,680	2,218,039	4,077,134	711,781	36,817,634
OPERATING EXPENSES					
Interest Expense	3,685,048	1,439,569	2,402,976	-	7,527,593
Federal Assistance Programs	95,132	-	-	-	95,132
Other General and Administrative	5,964,057	110,868	-	-	6,074,925
Financing Costs	45,536	19,750	16,125	-	81,411
Provision for (Reversal of) Estimated Losses on Program Loans Receivable	783,384	(10,272)	(463,572)	(7,830)	301,710
Provision for Estimated Losses on Real Estate Held for Sale	81,695	-	-	-	81,695
Total Operating Expenses	10,654,852	1,559,915	1,955,529	(7,830)	14,162,466
OPERATING INCOME	19,155,828	658,124	2,121,605	719,611	22,655,168
CHANGE IN NET POSITION	19,155,828	658,124	2,121,605	719,611	22,655,168
Net Position - Beginning of Year	284,887,821	1,090,822	3,554,604	36,337,706	325,870,953
NET POSITION - END OF YEAR	$ 304,043,649	$ 1,748,946	$ 5,676,209	$ 37,057,317	$ 348,526,121

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
MORTGAGE LOAN PROGRAM FUND
COMBINING SCHEDULE OF CASH FLOWS
YEAR ENDED JUNE 30, 2020
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	Housing Bonds	Multifamily Initiative Bonds	Multifamily Revenue Bonds	Affordable Housing Program Trust Fund Bonds	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts for Program Loans, Interest Service Fees	$ 59,608,893	$ 2,673,156	$ 6,783,824	$ 809,362	$ 69,875,235
Payments for Program Loans	(8,955,456)	-	(24,476,221)	(31,536)	(33,463,213)
Receipts for Federal Assistance Programs	95,132	-	-	-	95,132
Payments for Federal Assistance Programs	(95,132)	-	-	-	(95,132)
Receipts for Credit Enhancements	-	1,610,853	-	-	1,610,853
Payments to Suppliers	(5,576,179)	(130,619)	(16,125)	-	(5,722,923)
Other Receipts	16,273,262	-	837,194	-	17,110,456
Net Cash Provided by (Used in) Operating Activities	61,350,520	4,153,390	(16,871,328)	777,826	49,410,408
CASH FLOWS FROM NONCAPITAL FINANCIAL ACTIVITIES					
Interest Paid on Revenue Bonds and Notes	(4,755,545)	(1,467,643)	(1,813,203)	-	(8,036,391)
Due to / from Other Funds	(96,759)	20,352	141,464	(6,154)	58,903
Proceeds from Sales of Bonds and Notes	-	-	47,300,000	-	47,300,000
Principal Paid on Bonds and Notes	(47,235,685)	(2,655,000)	(3,695,940)	-	(53,586,625)
Net Cash (Used in) Provided by Noncapital Financing Activities	(52,087,989)	(4,102,291)	41,932,321	(6,154)	(14,264,113)
CASH FLOWS FROM CAPITAL FINANCING AND RELATED ACTIVITIES					
Acquisition of Capital Assets	(967,918)	-	-	-	(967,918)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of Investment Securities	(341,431,494)	(2,594,199)	(103,285,081)	(116,191,652)	(563,502,426)
Proceeds from Sales and Maturities of Investment Securities	390,482,405	3,937,000	92,519,215	145,607,000	632,545,620
Interest Received on Investments	2,714,647	(5,498)	250,248	-	2,959,397
Net Cash Provided by (Used in) Investing Activities	51,765,558	1,337,303	(10,515,618)	29,415,348	72,002,591
NET INCREASE IN CASH AND CASH EQUIVALENTS	60,060,171	1,388,402	14,545,375	30,187,020	106,180,968
Cash and Cash Equivalents - Beginning of Year	105,267,119	1,183,766	5,107,561	162,970	111,721,416
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 165,327,290	$ 2,572,168	$ 19,652,936	$ 30,349,990	$ 217,902,384
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating Income	$ 19,155,828	$ 658,124	$ 2,121,605	$ 719,611	$ 22,655,168
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:					
Investment Income	(4,819,129)	(208,895)	(894,200)	(400,265)	(6,322,489)
Interest Expense	3,685,048	1,439,569	2,402,976	-	7,527,593
Depreciation and Amortization	1,143,325	-	-	-	1,143,325
Changes in Provision for (Reversal of) Estimated					-
Losses on Program Loans Receivable	783,384	(10,272)	(463,572)	(7,830)	301,710
Changes in Provision for Estimated Losses on Real					-
Estate Held for Sale	-	-	-	-	-
Changes in Assets and Liabilities:					
Program Loans Receivable	41,220,521	1,012,904	(20,776,858)	583,289	22,039,856
Interest Receivable on Program Loans	158,898	3,230	(121,665)	30,684	71,147
Other Liabilities	22,645	(352,123)	860,386	(147,663)	383,245
Due from Fannie Mae	-	1,610,273	-	-	1,610,273
Due from Freddie Mac	-	580	-	-	580
Total Adjustments	42,194,692	3,495,266	(18,992,933)	58,215	26,755,240
Net Cash Provided by (Used in) Operating Activities	$ 61,350,520	$ 4,153,390	$ (16,871,328)	$ 777,826	$ 49,410,408
NONCASH INVESTING CAPITAL AND FINANCING ACTIVITIES					
Transfer of Foreclosed Assets	$ 181,546	$ -	$ -	$ 421,204	$ 602,750
Increase in the Fair Value of Investments	$ 1,293,328	$ 178,345	$ 597,483	$ 6,879	$ 2,076,035

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
SINGLE FAMILY PROGRAM FUND
COMBINING SCHEDULE OF NET POSITION
JUNE 30, 2020
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	Homeowner Mortgage Revenue Bonds	Housing Revenue Bonds	Revenue Bonds	Inter-Account Eliminations	Total
ASSETS					
Current Assets:					
Cash and Cash Equivalents	$ 84,325,292	$ 4,727,614	$ 54,741,077	$ -	$ 143,793,983
Investments – Restricted	32,611,685	1,517,925	33,998,045	-	68,127,655
Investment Income Receivable – Restricted	792,064	258,137	2,313,628	-	3,363,829
Program Loans Receivable	11,080,501	-	63,846	-	11,144,347
Interest Receivable on Program Loans	620,998	-	-	-	620,998
Due from Other Funds	28,370,374	-	5,438,492	(27,009,440)	6,799,426
Total Current Assets	157,800,914	6,503,676	96,555,088	(27,009,440)	233,850,238
Noncurrent Assets:					
Investments – Restricted	182,351,545	90,367,522	740,533,014	-	1,013,252,081
Program Loans Receivable, Net of Current Portion	126,763,746	-	242,307	-	127,006,053
Less: Allowance for estimated losses	(2,168,946)	-	(17,723)	-	(2,186,669)
Net Program Loans Receivable	124,594,800	-	224,584	-	124,819,384
Real Estate Held for Sale	510,368	-	-	-	510,368
Less: Allowance for Estimated Losses	(355,149)	-	-	-	(355,149)
Net Real Estate Held for Sale	155,219	-	-	-	155,219
Total Noncurrent Assets	307,101,564	90,367,522	740,757,598	-	1,138,226,684
Total Assets	464,902,478	96,871,198	837,312,686	(27,009,440)	1,372,076,922
Deferred Outflow of Resources:					
Accumulated Decrease in Fair Value of Hedging Derivatives	4,601,954	-	4,530,056	-	9,132,010
Total Deferred Outflows of Resources	4,601,954	-	4,530,056	-	9,132,010
LIABILITIES					
Current Liabilities:					
Bonds and Notes Payable	24,325,000	2,134,527	16,907,152	-	43,366,679
Accrued Interest Payable	3,526,567	189,651	5,257,902	-	8,974,120
Accrued Liabilities and Other	170,255	250	-	-	170,505
Due to Other Funds	216,947	2,983,994	24,337,274	(27,009,440)	528,775
Total Current Liabilities	28,238,769	5,308,422	46,502,328	(27,009,440)	53,040,079
Noncurrent Liabilities:					
Bonds and Notes Payable, Net of Current Portion	308,943,130	77,472,505	722,880,650	-	1,109,296,285
Derivative Instrument Liability	4,601,954	-	4,530,056	-	9,132,010
Total Noncurrent Liabilities	313,545,084	77,472,505	727,410,706	-	1,118,428,295
Total Liabilities	341,783,853	82,780,927	773,913,034	(27,009,440)	1,171,468,374
NET POSITION					
Restricted for Bond Resolution Purposes	127,720,579	14,090,271	67,929,708	-	209,740,558
Total Net Position	$ 127,720,579	$ 14,090,271	$ 67,929,708	$ -	$ 209,740,558

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
SINGLE FAMILY PROGRAM FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2020
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	Homeowner Mortgage Revenue Bonds	Housing Revenue Bonds	Revenue Bonds	Inter-Account Eliminations	Total
OPERATING REVENUES					
Interest and Other Investment Income	$ 8,545,395	$ 3,306,857	$ 24,700,394	$ -	$ 36,552,646
Net Increase in Fair Value of Investments	4,787,273	3,171,495	26,223,657	-	34,182,425
Total Investment Income	13,332,668	6,478,352	50,924,051	-	70,735,071
Interest Earned on Program Loans	7,501,591	-	-	-	7,501,591
Other	56,931	-	-	-	56,931
Total Operating Revenues	20,891,190	6,478,352	50,924,051	-	78,293,593
OPERATING EXPENSES					
Interest Expense	8,717,336	2,414,379	17,018,063	-	28,149,778
Other General and Administrative	260,979	-	-	-	260,979
Financing Costs	864,067	337,913	2,051,542	-	3,253,522
Provision for (Reversal of) Estimated Losses on Program Loans Receivable	79,750	-	(4,449)	-	75,301
Provision for Estimated Losses on Real Estate Held for Sale	879,227	-	21,588	-	900,815
Total Operating Expenses	10,801,359	2,752,292	19,086,744	-	32,640,395
OPERATING INCOME	10,089,831	3,726,060	31,837,307	-	45,653,198
Transfers In	-	-	2,021,792	-	2,021,792
Total Transfers	-	-	2,021,792	-	2,021,792
CHANGE IN NET POSITION	10,089,831	3,726,060	33,859,099	-	47,674,990
Net Position - Beginning of Year	117,630,748	10,364,211	34,070,609	-	162,065,568
NET POSITION - END OF YEAR	$ 127,720,579	$ 14,090,271	$ 67,929,708	$ -	$ 209,740,558

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF ILLINOIS)
SINGLE FAMILY PROGRAM FUND
COMBINING SCHEDULE OF CASH FLOWS
YEAR ENDED JUNE 30, 2020
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

	Homeowner Mortgage Revenue Bonds	Housing Revenue Bonds	Revenue Bonds	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts for Program Loans, Interest and Service Fees	$ 35,395,473	$ -	$ 95,904	$ 35,491,377
Payments for Loan Program Loans	(3,833,218)	-	-	(3,833,218)
Payments to Suppliers	(1,353,290)	(337,913)	(2,051,542)	(3,742,745)
Other Receipts	56,931	-	-	56,931
Net Cash Provided by (Used in) Operating Activities	30,265,896	(337,913)	(1,955,638)	27,972,345
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interest Paid on Revenue Bonds and Notes	(9,577,006)	(2,451,414)	(15,216,919)	(27,245,339)
Due to / from Other Funds	3,262,298	(499,009)	(2,894,533)	(131,244)
Proceeds from Sale of Revenue Bonds and Notes	-	-	260,018,488	260,018,488
Principal Paid on Revenue Bonds and Notes	(45,625,098)	(15,555,798)	(39,741,765)	(100,922,661)
Transfers In	-	-	2,021,792	2,021,792
Net Cash (Used in) Provided by Noncapital Financing Activities	(51,939,806)	(18,506,221)	204,187,063	133,741,036
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of Investment Securities	(141,061,312)	(3,484,859)	(347,324,606)	(491,870,777)
Proceeds from Sales and Maturities of Investment Securities	175,441,567	19,205,429	145,128,416	339,775,412
Interest Received on Investments	8,062,373	3,347,171	24,014,783	35,424,327
Net Cash Provided by (Used in) Investing Activities	42,442,628	19,067,741	(178,181,407)	(116,671,038)
NET INCREASE IN CASH AND CASH EQUIVALENTS	20,768,718	223,607	24,050,018	45,042,343
Cash and Cash Equivalents - Beginning of Year	63,556,574	4,504,007	30,691,059	98,751,640
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 84,325,292	$ 4,727,614	$ 54,741,077	$ 143,793,983
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating Income	$ 10,089,831	$ 3,726,060	$ 31,837,307	$ 45,653,198
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:				
Investment Income	(13,332,668)	(6,478,352)	(50,924,051)	(70,735,071)
Interest Expense	8,717,336	2,414,379	17,018,063	28,149,778
Changes in Provision for (Reversal of) Estimated Losses on Program Loans Receivable	79,750	-	(4,449)	75,301
Changes in Assets and Liabilities:				
Program Loans Receivable	24,753,108	-	117,492	24,870,600
Interest Receivable on Program Loans	186,784	-	-	186,784
Other Liabilities	(228,245)	-	-	(228,245)
Total Adjustments	20,176,065	(4,063,973)	(33,792,945)	(17,680,853)
Net Cash Provided by (Used in) Operating Activities	$ 30,265,896	$ (337,913)	$ (1,955,638)	$ 27,972,345
NONCASH INVESTING CAPITAL AND FINANCING ACTIVITIES				
Transfer of Foreclosed Assets	$ 1,256,138	$ -	$ 21,588	$ 1,277,726
Increase in the Fair Value of Investments	$ 4,787,273	$ 3,171,495	$ 26,223,657	$ 34,182,425