Community Development Administration

Maryland Department of Housing and Community Development
Housing Revenue Bonds

ANNUAL REPORT PROVIDED PURSUANT TO SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12

The following financial information is being provided by the Community Development Administration (the "Administration"), a unit of the Division of Development Finance of the Department of Housing and Community Development, a principal department of the State of Maryland (the "Department"). The information included in this disclosure is current as of June 30, 2025 and updates the Annual Report dated October 24, 2024 which was current as of June 30, 2024 for the Administration's Housing Revenue Bond Program. Reference is made to the Administration's official statement with respect to its Housing Revenue Bonds (the "Bonds"), the most recent of which is dated June 25, 2025 for its Housing Revenue Bonds, Series 2025 C and is herein referred to as the "Official Statement", for definitions of terms used herein, additional information about the Administration, the Department and their programs and the annual financial information contained therein.

In addition to the Annual Report provided pursuant to SEC Rule 15c2-12, the Administration currently provides quarterly updates to the annual Electronic Municipal Market Access ("EMMA") filing on a voluntary basis. The policy of voluntarily disseminating information is not a contractual obligation to anyone, and the Issuer may discontinue this practice at any time in its discretion without notice.

Questions concerning this release should be directed to Investor Relations at (301) 429-7897, or cdabonds_mailbox.dhcd@maryland.gov.

Financial Statements of the Administration and the Maryland Housing Fund

The financial statements for the fiscal years ending June 30, 2025 and June 30, 2024 of the Housing Revenue Bonds of the Administration (the "Fund") have been audited by CliftonLarsonAllen LLP, as described in the Independent Auditor's Report of CliftonLarsonAllen LLP, accompanying the financial statements in Appendix A to this report. As indicated in the report of the auditors, such financial statements have been prepared in conformity with accounting principles and the audits conducted in accordance with auditing standards generally accepted in the United States.

The financial statements for the fiscal years ending June 30, 2025 and June 30, 2024 of the Maryland Housing Fund ("MHF") have been audited by CliftonLarsonAllen LLP, as described in the Independent Auditor's Report of CliftonLarsonAllen LLP, accompanying the financial statements in the Appendix E to this report. As indicated in the report of the auditors, such financial statements have been prepared in conformity with accounting principles and the audits conducted in accordance with auditing standards generally accepted in the United States.

MHF is a unit of the Division of Credit Assurance of the Department. MHF does not ensure the Bonds, and the assets of MHF are not available to the Administration or the Trustee to satisfy the obligations to the holders of the Bonds; however, MHF insures certain mortgage loans made from the proceeds of the Bonds and from other sources and is obligated to pay mortgage insurance claims to the extent of its contractual undertakings therefore. Reference is made to Appendix E "Certain Information Relating to the Maryland Housing Fund" and the Official Statement for further information about MHF.

THE PROGRAM

Existing Portfolio

Under the Bond Resolution, as of June 30, 2025, the Administration had outstanding (1) one hundred and one Loans (as defined in the "Bond Resolution") for eighty-three Rental Housing Developments (excluding Group Home Loans) which had a total outstanding principal balance of $596,715,013; and (2) thirty-six Group Home Loans having an outstanding principal balance of $3,597,972.

The following table sets forth as of June 30, 2025 for each county of the State and Baltimore City, the number of Rental Housing Developments, units within such Rental Housing Developments, and, on an aggregate basis, the outstanding principal balance of loans. This table excludes Group Home Loans.

Distribution of Rental Housing Developments as of June 30, 2025

County	Number of Developments	Number of Units	Units as a Percentage of Total	Current Loan Amount	Percent of Current Loan Amount
Allegany County	2	177	2.27%	15,057,766	2.52%
Anne Arundel County	5	692	8.89%	100,973,067	16.93%
Baltimore City	17	1,654	21.26%	97,646,129	16.37%
Baltimore County	4	322	4.14%	31,628,454	5.30%
Calvert County	1	67	0.86%	3,241,451	0.54%
Caroline County	3	193	2.48%	8,218,047	1.38%
Carroll County	1	82	1.05%	3,193,698	0.54%
Cecil County	8	572	7.35%	35,041,962	5.87%
Frederick County	6	540	6.94%	58,173,406	9.75%
Harford County	4	283	3.64%	19,663,596	3.30%
Howard County	5	411	5.28%	33,823,583	5.67%
Kent County	3	141	1.81%	6,115,847	1.02%
Montgomery County	4	415	5.33%	33,011,760	5.53%
Prince George's County	6	1,087	.13.97%	96,088,914	.16.10%
Queen Anne's County	1	54	0.69%	4,529,737	0.76%
Somerset County	1	60	0.77%	1,887,116	0.32%
St. Mary's County	2	208	2.67%	9,728,438	1.63%
Talbot County	2	168	2.16%	4,921,062	0.82%
Washington County	2	104	1.34%	7,767,874	1.30%
Wicomico County	5	453	5.82%	24,495,123	4.10%
Worcester County	1	100	1.28%	1,507,983	0.25%
Totals: (1)	83	7,783	100.00%	$596,715,013	100.00%

1 Amount and percentages may not total exactly due to rounding.

Credit Enhancement of Rental Housing Loans

As of June 30, 2025, the Loans financing rental housing developments ("Rental Housing Loans") were insured or credit enhanced as follows:

Insurer or Guarantor		Number of Loans	Number of Units	Percentage of Total Units Insured	Outstanding Loan Amount (1)	Percent of Outstanding Loan Amount
CASH COLLATERAL	(5)	1	0	0.00%	316,902	0.05%
FNMA		1	123	1.58%	1,643,649	0.28%
GNMA	(7)	6	651	8.36%	34,967,428	5.86%
RISK SHARE	(2)	92	7,009	90.06%	559,444,507	93.75%
UNINSURED	(3)	1	0	0.00%	342,527	0.06%
Totals:	(4)	101	7,783	100.00%	$596,715,013	100.00%

1 The "Outstanding Loan Amount" represents amortized principal balances and bond proceeds disbursed as of June 30, 2025.

2 These Loans are insured under the FHA Risk-Sharing Program. Under the program, upon payments of a claim by FHA, the Administration would be responsible for reimbursement to FHA of 25-50% of the claim, depending on the risk-sharing level (Level I reflects a 50/50 share between FHA and the Administration; Level II reflects a 75/25 share between FHA and the Administration, with FHA assuming 75% and the Administration 25% of the potential loss). The Administration expects to receive a payment from MHF in the amount of any payment made to FHA. For more information on the FHA Risk-Sharing Program please refer to Appendix G. For more information on these Developments please refer to Appendix C.

3 Hickory Ridge was financed, in part, with an uninsured cash flow Loan and with a senior Loan which is insured under the FHA Risk-Sharing Program. The unit count of Hickory Ridge is included in the unit count for the FHA Risk-Sharing Program.

4 Amounts and percentages may not total exactly due to rounding.

5 Loans in this category do not have Credit Enhancement. As consideration for a short term loan from the Administration for The Junction, the Borrower will cause cash collateral to be deposited from time to time into a Collateral Subaccount securing the short term bonds (and other outstanding bonds under the Resolution) issued to fund the short term loan. As of June 30, 2025, the outstanding amount of such short term loan is $316,902. The Junction was also financed, in part, with a senior Loan which is insured under the GNMA Guaranty Program. As such, the unit count of The Junction is included in the unit count for the GNMA Guaranty Program.

6 N/A

7 This category includes the Selborne House development, which was not financed by a Loan or a Series of Bonds but with the proceeds of the Administration's Multifamily Development Bonds (GNMA Collateralized-Selborne House Project), Series 1996A. The Administration previously redeemed the Selborne House Bonds and transferred the related GNMA to the Series 1996A Revenue Account of the Resolution, which is pledged to the holders of the Bonds.

Housing Subsidy Payments for Rental Housing Developments

As of June 30, 2025, the multi-family rental housing developments financed by Rental Housing Loans ("Developments") received federal housing subsidy payments under the USDA Rental Assistance, Section 8, Section 236 and Section 811 programs as follows:

Housing Subsidy Program	Numbers of Developments	Number of Units	Subsidized Units	Percentage of Units Subsidized	Outstanding Loan Amount	Percent of Outstanding Loan Amount
None	39	3,541	0	0.00%	$282,436,325	47.33%
Section 8 (1)	26	2,967	2,050	68.81%	$265,857,953	44.55%
Section 236	1	123	123	4.13%	$1,643,649	0.28%
USDA	14	946	720	24.17%	$34,204,246	5.73%
Section 811	2	137	19	0.64%	$9,162,127	1.54%
Section 8, USDA	1	69	67	2.25%	$3,410,714	0.57%
TOTALS: (2)	83	7,783	2,979	100.00%	$596,715,013	100.00%

1 In general, the subsidies for these Developments have terms that will expire prior to the maturity date of the corresponding Loan; however the terms are generally renewable under the terms of the applicable assistance documents subject to federal appropriations. In addition, several developments have Section 8 contracts covering less than 100% of the units and some of the Section 8 units are project rental assistance contract (PRAC) units.

2 Amounts and percentages may not total exactly due to rounding.

Group Home Loans

In addition to the Rental Housing Loans described above, the Administration acquired or financed Loans with the proceeds of prior Series of Bonds for various group housing facilities for special needs populations, including developmentally disabled individuals ("Group Homes"):

Type of Development	Number of Loans	Number of Units (1)	Type of Credit Enhancement	No. of Loans Credit Enhanced	Percent of Total Units Credit Enhanced	Outstanding Loan Amount As of 06/30/2025
Group Homes	36	123	MHF	36	100.00%	3,597,972

Note:

(1) "Units" refers to number of individuals served.

For more information on delinquencies, see Table C-3

Certain Fund Balances of the Administration

During fiscal year 1997 the Administration adopted the provisions of GASB 31, a new accounting standard adopted by the Government Accounting Standards Board. This statement requires the financial statements of the Administration to reflect investments at fair value. Accordingly, the balances of the General Bond Reserve Fund and the Debt Service Reserve Fund, as reported at June 30, 2025, include investments at fair value. Reference should be made to the Official Statement for an explanation of the uses of each fund.

Debt Service Reserve Fund. As of June 30, 2025, the available balance in the Debt Service Reserve Fund was $18,177,798 of which $12,527,565 was cash equivalents. The fair value of investments was $5,650,233 of which $5,441,873 was the book value of investments and $208,360 was the increase in fair value. The balance on deposit satisfies the Debt Service Reserve Requirement as of June 30, 2025.

General Bond Reserve Fund. As of June 30, 2025, the available balance in the General Bond Reserve Fund was $46,098,970 of which $41,098,970 was cash equivalents. The fair value of investments was $5,000,000 of which $5,000,000 was the book value of investments. The Administration may withdraw funds within the General Bond Reserve Fund, or may pledge such funds to specific obligations, at any time for any purposes under the Act.

On May 19, 1997, the Director of the Administration adopted a determination, approved by the Secretary, stating that it is the policy of the Administration to maintain a total amount of cash, Investment Obligations and loans under the Administration's special housing opportunities program for financing Group Homes (the "Available Balance") in the General Bond Reserve Fund, as of July 1 of each year, of not less than $20,000,000. The Determination also provides that the Administration shall provide Moody's Investors Service with written notice: (i) if, as of July 1 of any year, the Available Balance in the General Bond Reserve Fund falls below $20,000,000, such notice to be given no later than July 31 for unaudited amounts, and no later than December 31, for audited amounts; and (ii) of any event pursuant to which the administration places or causes to be placed any lien or restriction upon all of any part of the funds held in the General Bond Reserve Fund (other than liens established in connection with the payment of principal of or interest on any of the Administration's bonds from the General Bond Reserve Fund).

Description of Loans and Developments Currently Financed or Expected to be Financed with the Proceeds of the Outstanding Series of Bonds

See Appendix C for certain information as of June 30, 2025, contained in Appendix D of the Official Statement.

Stand-Alone Series

The Administration's Housing Revenue Bonds, Series 2017 A and Series 2017 B (collectively, the "Non-Parity Bonds") each were issued on a stand-alone basis under the Bond Resolution pursuant to separate series resolutions (the "Non-Parity Series Resolutions"). The Non-Parity Bonds are not secured by the moneys, funds and accounts under the Bond Resolution pledged to Parity Bonds (as defined in the Bond Resolution). Likewise, the proceeds of Non-Parity Bonds and revenues pledged as security therefore do not constitute security for, or a source of payment of, any other Bonds issued under the Bond Resolution, including other Bonds issued on a stand-alone basis. Instead, each series of Non-Parity Bonds is separately secured solely by the proceeds and revenues pledged as security therefore under the Non-Parity Series Resolution governing such series.

Outstanding Indebtedness of the Administration

See Appendix D for an update, as of July 1, 2025, of certain information contained in Appendix E to the Official Statement.

Appendices

A Housing Revenue Bonds, Audited Financial Statements for the fiscal years ended June 30, 2025 and June 30, 2024.
C Description of Loans and Developments.
D Outstanding Indebtedness of the Administration.
E Certain Information Relating to the Maryland Housing Fund: Audited Financial Statements for the year ended June 30, 2025 and June 30, 2024.
G Certain Information relating to the Maryland Housing Fund Insurance Program.

Date: October 23, 2025

APPENDIX A
COMMUNITY DEVELOPMENT ADMINISTRATION
HOUSING REVENUE BONDS PROGRAM

FINANCIAL STATEMENTS

COMMUNITY DEVELOPMENT ADMINISTRATION
HOUSING REVENUE BONDS

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

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COMMUNITY DEVELOPMENT ADMINISTRATION
HOUSING REVENUE BONDS
YEARS ENDED JUNE 30, 2025 AND 2024

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CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

Office of the Secretary
Department of Housing and Community Development
Lanham, Maryland

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Community Development Administration Housing Revenue Bonds (the Fund) of the Department of Housing and Community Development of the State of Maryland, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund, as of June 30, 2025 and 2024, and the changes in financial position, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

Financial Statement Presentation

As discussed in Note 1, the financial statements present only the financial position, the changes in financial position and cash flows of the Fund and do not purport to, and do not, present fairly the financial position of the Department of Housing and Community Development of the State of Maryland as of June 30, 2025 and 2024, and the changes in its net position and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinion on the financial statements is not modified with respect to this matter.

Responsibilities of Management 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' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Management has elected to omit the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplemental Disclosure of Changes in Fair Value of Investments and Mortgage-Backed Securities, which is the responsibility of management, is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2025, on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Baltimore, Maryland
September 26, 2025

COMMUNITY DEVELOPMENT ADMINISTRATION
HOUSING REVENUE BONDS
STATEMENTS OF NET POSITION
(in thousands)
JUNE 30, 2025 AND 2024

	2025	2024
RESTRICTED ASSETS		
RESTRICTED CURRENT ASSETS		
Cash and Cash Equivalents on Deposit	$ 176,015	$ 144,680
Mortgage-Backed Securities	449	428
Mortgage Loans:		
Multi-Family Construction and Permanent Financing	53,802	4,784
Accrued Interest and Other Receivables	2,802	2,243
Total Restricted Current Assets	233,068	152,135
RESTRICTED LONG-TERM ASSETS		
Investments	7,215	5,723
Mortgage-Backed Securities, Net of Current Portion	34,242	21,906
Mortgage Loans, Net of Current Portion and Allowance:		
Multi-Family Construction and Permanent Financing	511,535	445,891
Accrued Other Receivables, Net of Current Position	312	-
Total Restricted Long-Term Assets	553,304	473,520
Total Restricted Assets	$ 786,372	$ 625,655
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accrued Interest Payable	$ 11,375	$ 8,908
Accounts Payable	250	122
Positive Arbitrage Liability	250	-
Rebate Liability	100	-
Bonds Payable	53,880	22,739
Deposits by Borrowers	13,037	8,211
Total Current Liabilities	78,892	39,980
LONG-TERM LIABILITIES		
Positive Arbitrage Liability, Net of Current Portion	884	-
Rebate Liability, Net of Current Portion	592	310
Bonds Payable, Net of Current Portion	589,689	483,374
Deposits by Borrowers, Net of Current Portion	38,145	32,687
Total Long-Term Liabilities	629,310	516,371
Total Liabilities	708,202	556,351
NET POSITION		
Restricted by Bond Indenture	78,170	69,304
Total Liabilities and Net Position	$ 786,372	$ 625,655

See accompanying Notes to Financial Statements.

COMMUNITY DEVELOPMENT ADMINISTRATION
HOUSING REVENUE BONDS
STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
(in thousands)
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
OPERATING REVENUE		
Interest on Mortgage Loans	$ 22,796	$ 18,526
Interest on Mortgage-Backed Securities	1,343	1,232
Interest Income on Investments, Net of Rebate	5,085	5,359
Decrease in Fair Value of Investments	(69)	(57)
Fee Income	2,096	1,087
Decrease in Provision for Loan Losses	-	23
Other Operating Revenue	2	2
Total Operating Revenue	31,253	26,172
OPERATING EXPENSES		
Interest Expense on Bonds	22,763	18,195
Professional Fees and Other Operating Expenses	690	646
Total Operating Expenses	23,453	18,841
Operating Income	7,800	7,331
NONOPERATING INCOME (EXPENSES)		
Increase (Decrease) in Fair Value of Mortgage-Backed Securities	1,066	(75)
Transfer of Funds, as Permitted by the Resolution	-	(1,000)
CHANGE IN NET POSITION	8,866	6,256
NET POSITION - RESTRICTED AT BEGINNING OF YEAR	69,304	63,048
NET POSITION - RESTRICTED AT END OF YEAR	$ 78,170	$ 69,304

See accompanying Notes to Financial Statements.

COMMUNITY DEVELOPMENT ADMINISTRATION
HOUSING REVENUE BONDS
STATEMENTS OF CASH FLOWS
(in thousands)
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Principal and Interest Received on Mortgage Loans	$ 42,104	$ 44,960
Principal and Interest Received on Mortgage-Backed Securities	1,735	8,175
Deposits by Borrowers Received	22,631	16,969
Deposits by Borrowers Paid	(12,347)	(10,485)
Loan Fees Received	2,096	1,087
Purchase of Mortgage Loans	(134,466)	(62,287)
Purchase of Mortgage-Backed Securities	(11,731)	-
Professional Fees and Other Operating Expenses	(562)	(595)
Other Income Received	2	2
Other Disbursements	-	(1)
Net Cash Used by Operating Activities	(90,538)	(2,175)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Maturities or Sales of Investments, Net of Cash Equivalents	317	3,535
Purchase of Investments, Net of Cash Equivalents	(1,882)	(3,499)
Interest Received on Investments	6,278	5,118
Net Cash Provided by Investing Activities	4,713	5,154
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from the Sale of Bonds	164,195	85,170
Payments on Bond Principal	(26,739)	(42,183)
Interest on Bonds	(20,296)	(16,646)
Transfers Among Funds	-	(1,000)
Net Cash Provided by Noncapital Financing Activities	117,160	25,341
NET INCREASE IN CASH AND CASH EQUIVALENTS ON DEPOSIT	31,335	28,320
Adjustments to Report Cash Equivalents at Fair Value:		
Amortized Investment Discount on Cash Equivalents	-	26
Decrease in Fair Value on Cash Equivalents	-	(1)
ADJUSTED NET INCREASE IN CASH AND CASH EQUIVALENTS ON DEPOSIT	31,335	28,345
CASH AND CASH EQUIVALENTS ON DEPOSIT - BEGINNING OF YEAR	144,680	116,335
CASH AND CASH EQUIVALENTS ON DEPOSIT - END OF YEAR	$ 176,015	$ 144,680

See accompanying Notes to Financial Statements.

COMMUNITY DEVELOPMENT ADMINISTRATION
HOUSING REVENUE BONDS
STATEMENTS OF CASH FLOWS (CONTINUED)
(in thousands)
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES		
Operating Income	$ 7,800	$ 7,331
Adjustments to Reconcile Operating Income to Net Cash Used by Operating Activities:		
Amortization of Investment Premiums/Discounts	4	(58)
Decrease in Provision for Loan Losses	-	(23)
Decrease in Fair Value of Investments	69	57
Interest Received on Investments	(6,278)	(5,118)
Interest on Bonds	20,296	16,646
(Increase) Decrease in Assets:		
Mortgage Loans	(114,662)	(35,689)
Mortgage-Backed Securities	(11,291)	6,909
Accrued Interest and Other Receivables	(871)	(205)
Increase (Decrease) in Liabilities:		
Accrued Interest Payable	2,467	1,549
Accounts Payable	1,262	2
Rebate Liability	382	(60)
Deposits by Borrowers	10,284	6,484
Net Cash Used by Operating Activities	$ (90,538)	$ (2,175)

See accompanying Notes to Financial Statements.

NOTE 1 AUTHORIZING LEGISLATION AND PROGRAM DESCRIPTION

The Community Development Administration (CDA) was created in 1970 by Sections 266 DD-1 to 266 DD-8 of Article 41 (now in Sections 4-101 through 4-255 of the Housing and Community Development Article) of the Annotated Code of Maryland to meet the shortage of adequate, safe, and sanitary housing in the state of Maryland, particularly for persons or families of limited income. CDA is in the Division of Development Finance in the Department of Housing and Community Development (DHCD) of the State of Maryland.

The accompanying financial statements only include CDA's Housing Revenue Bonds (the Fund). CDA's other Funds are not included. The Fund was established to issue bonds to provide funds to finance or refinance loans for various types of housing. As of June 30, 2025 and 2024, Housing Revenue Bonds have primarily financed multi-family projects.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Fund is accounted for as an enterprise fund. Accordingly, the accompanying financial statements have been prepared using the accrual method of accounting and on the basis of accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis of Accounting and Measurement Focus

The basis of accounting for the Fund is determined by measurement focus. The flow of economic resources measurement focus and the accrual basis of accounting are used to account for the Fund. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. All assets and liabilities associated with the operation of the Fund are included on the Statements of Net Position. The Fund is required to follow all statements of the Governmental Accounting Standards Board (GASB).

Generally Accepted Accounting Principles

CDA reports its financial activities by applying Standards of Governmental Accounting and Financial Reporting as promulgated by GASB. Consequently, CDA applies all applicable GASB pronouncements.

In accordance with accounting guidance issued by GASB, net position should be reported as restricted when constraints placed on net position use is either: externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions or enabling legislation. Accordingly, the net position of the Fund is restricted as to its use as the net position is pledged to bondholders.

Since CDA is an enterprise fund included in the state of Maryland's Annual Comprehensive Financial Report, a separate Management's Discussion and Analysis is not included in these financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents on Deposit

Cash equivalents may include money market funds, repurchase agreements, investment agreements and any other investments, primarily obligations of the U.S. Treasury and U.S. government agencies, which have maturities of 90 or less days at the time of purchase. As of June 30, 2025 and 2024, all of the Fund's cash equivalents were invested in a money market mutual fund. Cash equivalents are more fully described in Note 3.

Investments

Investments are principally governmental debt securities or investment agreements collateralized by governmental debt securities. Debt securities are stated at fair value, based on quoted market prices. Investments are classified as current or long-term based on the maturity date or call date. Callable investments are classified as current, if exercise of the call within the next fiscal year is probable. Investments are more fully described in Note 3.

Mortgage-Backed Securities

These guaranteed securities are issued in connection with mortgage loans on multi-family projects. They are stated at fair value, based on quoted market prices. Mortgage-backed securities are more fully described in Note 3.

Mortgage Loans

Mortgage loans are carried at their unpaid principal balances, net of allowance for loan losses. Loan fees are recognized as revenue in the period received. See Notes 4 and 12 for additional information on mortgage loans and mortgage insurance, respectively.

Allowance for Loan Losses

Substantially all of the mortgage loans of the Fund are insured or guaranteed. Less than 1% of the loan portfolio is uninsured and CDA has established an allowance for loan losses on these loans. Management believes the allowance established is adequate based on prior experience and evaluations from DHCD's asset management group. See Notes 4 and 12 for additional information.

Accrued Interest and Other Receivables

Accrued interest and other receivables include interest on loans and investments. On insured multi-family mortgage loans that are in default, CDA continues to accrue interest until receipt of a mortgage insurance claim. See Note 5 for additional information.

Bonds Payable

Bonds payable are carried at their unpaid principal balances. However, in an economic refunding, any costs incurred from the refunding of bonds would be reported as deferred outflows or inflows of resources on the Statements of Net Position. See Notes 6, 7, 8, and 10 for more information.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deposits by Borrowers

This account primarily consists of escrows and reserves held by CDA on behalf of multi-family housing developments. CDA invests these deposits and, for reserves, allows earnings to accrue to the benefit of the mortgagor. Escrows represent amounts held by CDA for mortgage insurance and hazard insurance premiums and real estate taxes, all of which are generally paid annually and which are classified as a current liability. Based on the current year's reserve disbursements, CDA has estimated the current reserve liability. The balance of the reserves is classified as long-term.

Additionally, this account includes other borrower-funded accounts held by CDA. The Negative Arbitrage Account is a subaccount for certain multi-family housing developments established within the revenue fund and utilized during the construction period for payment of all or a portion of interest when due on the bonds issued to finance such developments. The current liability for this account is estimated based on the remaining construction period. The Collateral Account is a subaccount within the bond proceeds fund which consists of amounts delivered on behalf of borrowers as consideration for their loans. The amounts in the subaccount directly secure, and are to be applied to timely payment of principal of and interest on, the bonds issued to finance the associated multi-family housing developments. The current liability for this account is estimated based on the maturity date of the bonds linked to these loans.

See Note 10 for further information on changes in long-term obligations.

Positive Arbitrage Liability

This account consists of excess investments earnings that arose due to actual investment yields earned on various funds and accounts that may be greater than yields permitted to be retained by such funds and accounts under the Internal Revenue Code. For more information, see Note 2 – "Summary of Significant Accounting Policies – Rebate Liability on Investments" and Note 9 – "Rebate Liability". Following the calculation and payment of rebate liability to the IRS, excesses will be returned to the borrowers, as applicable. The current liability for this account is determined by the expected settlement timing. See Note 10 for further information on changes in long-term obligations.

Rebate Liability on Investments

Regulations governing the issuance of tax-exempt debt place limitations on permitted investment yield on borrowed funds. Based on these regulations, CDA is required to periodically rebate excess earning from investments to the United States Treasury. In addition, the liability may also include an estimate of the rebate obligation related to unrealized gains as a result of recording investments at fair value. Rebate liability is more fully described in Note 9.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Mortgage Yield Limitations

All mortgage loans are subject to yield limitations under the Internal Revenue Code (IRC) in order for the associated bonds to maintain their tax-exempt status. At the time of bond issuance and over the term of the bonds, CDA determines and maintains compliance with the permitted mortgage yield on the loans. In certain bond refunding transactions, CDA transfers loans from prior series of bonds to the refunding series. CDA monitors the yield on these transferred loans to ensure that the composite yield over the term of the bonds is within the yield limitations of the IRC. If at any time the composite yields on the transferred loans are out of compliance with the IRC, CDA has certain remedies available to bring the yield into compliance. As of June 30, 2025 and 2024, all mortgage loan yields were in compliance with the IRC.

Interest on Mortgage Loans and Mortgage-Backed Securities

Interest on mortgage loans and mortgage-backed securities is calculated using the effective interest method.

Fee Income

CDA receives multi-family financing fees at loan origination. These fees are recognized as revenue in the period received as fee income.

Administrative Support

In addition to expenses incurred directly by the Fund, CDA receives certain support services from other divisions of DHCD. Support services and the operating expenses of CDA have been allocated to CDA's General Bond Reserve Fund and reported in the financial statements of CDA's Revenue Obligation Funds. The General Bond Reserve Fund records these expenses as invoiced by DHCD for the fiscal year.

The employees of CDA are covered by the Maryland State Retirement and Pension System. See Note 13 for additional information.

Revenue and Expenses

CDA distinguishes operating revenue and expenses from nonoperating items in accordance with accounting guidance issued by GASB. Operating revenue and expenses are identified as those activities that are directly related to financing affordable housing in the state of Maryland. The Fund's activities are considered to be operating except for increases and decreases in the fair value of mortgage-backed securities that are held within the portfolio.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue, expenses, gains, and losses during the reporting period. Actual results could differ from these estimates.

(in thousands)

NOTE 3 CASH, CASH EQUIVALENTS, INVESTMENTS, AND MORTGAGE-BACKED SECURITIES

Bond proceeds and revenues from mortgages, mortgage-backed securities, and investments are invested in authorized investments as defined in the Housing Revenue Bond Resolution (the Resolution) and in CDA's Investment Policy until required for purchasing mortgage-backed securities or originating mortgage loans, funding reserves, paying bond debt service, or redeeming outstanding bonds, and funding program expenses. Authorized investments include State Housing Finance Agency (HFA) Variable Rate Demand Obligations (VRDO), obligations of the U.S. Treasury, U.S. government agencies, repurchase agreements, investment agreements, money market funds, and certificates of deposit.

The following assets, reported at fair value and held by the Fund as of June 30, 2025 and 2024, are evaluated in accordance with GASB accounting guidance for interest rate risk, credit risk, concentration of credit risk and custodial credit risk.

Assets	2025	2024
Cash and Cash Equivalents:		
BlackRock Liquidity FedFund Administration Shares	$ 176,015	$ 144,680
Investments:		
U.S. Treasury Securities	7,215	5,723
Mortgage-Backed Securities:		
GNMA Mortgage-Backed Securities	34,691	22,334
Total	$ 217,921	$ 172,737

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses from rising interest rates, CDA's Investment Policy requires that the maturities of the investment portfolio are scheduled to meet the cash requirements for bond debt service, projected loan originations and ongoing operations.

As of June 30, 2025, the amortized cost, fair value, and maturities for these assets were as follows:

			Maturities (in Years)				
Asset	Amortized Cost	Fair Value	Less Than 1	1-5	6 - 10	11 - 15	More Than 15
BlackRock Liquidity FedFund Administration Shares	$ 176,015	$ 176,015	$ 176,015	$ -	$ -	$ -	$ -
U.S. Treasury Securities	7,008	7,215	-	7,215	-	-	-
GNMA Mortgage-Backed Securities	35,757	34,691	-	-	-	-	34,691
Total	$ 218,780	$ 217,921	$ 176,015	$ 7,215	$ -	$ -	$ 34,691

(in thousands)

NOTE 3 CASH, CASH EQUIVALENTS, INVESTMENTS, AND MORTGAGE-BACKED SECURITIES (CONTINUED)

Interest Rate Risk (continued)

As of June 30, 2024, the amortized cost, fair value, and maturities for these assets were as follows:

			Maturities (in Years)				
Asset	Amortized Cost	Fair Value	Less Than 1	1-5	6 - 10	11 - 15	More Than 15
BlackRock Liquidity FedFund Administration Shares	$ 144,680	$ 144,680	$ 144,680	$ -	$ -	$ -	$ -
U.S. Treasury Securities	5,447	5,723	-	5,723	-	-	-
GNMA Mortgage-Backed Securities	23,677	22,334	-	-	-	-	22,334
Total	$ 173,804	$ 172,737	$ 144,680	$ 5,723	$ -	$ -	$ 22,334

The current portions of Mortgage-Backed Securities classified as current assets on the Statements of Net Position for the years ended June 30, 2025 and 2024 in the amounts of $449 and $428, respectively, represent principal repayments expected to be received within the next twelve months, including both scheduled repayments and anticipated prepayments, and are not reflected in the tables above as current.

The BlackRock Liquidity FedFund Administration Shares invests primarily in cash, U.S. Treasury bills, notes, and other obligations issued or guaranteed as to principal and interest by the U.S. government, its agencies, or instrumentalities, and repurchase agreements secured by such obligations or cash. It is operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended. It can reasonably be expected to have a fair value that will be unaffected by interest rate changes because the interest rates are variable and the principal can be recovered on demand. As noted above, as of June 30, 2025 and 2024, the cost of the money market mutual fund approximated fair value.

Credit Risk and Concentration of Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Neither CDA's Investment Policy nor the Resolution requires investment agreements or deposits to be collateralized. CDA's Investment Policy places no limit on the amount that CDA may invest in any one issuer or counterparty. According to the Resolution and CDA's Investment Policy, securities must be at a rating no lower than the rating on the bonds or, if an investment maintains only a short-term rating, a rating not less than F1/P-1; and financial institutions who are a counterparty to CDA in investment agreements must be rated at least comparable to the existing rating on CDA bonds unless counterparty ratings lower than the bond ratings are permitted and do not affect the ratings on the bonds. In addition, certain investment and repurchase agreements require counterparty ratings no less than the ratings on the bonds. As of June 30, 2025 and 2024, all counterparty ratings were at least equal to the ratings on the Fund's bonds.

(in thousands)

NOTE 3 CASH, CASH EQUIVALENTS, INVESTMENTS, AND MORTGAGE-BACKED SECURITIES (CONTINUED)

Credit Risk and Concentration of Credit Risk (continued)

As of June 30, 2025 and 2024, the ratings on Housing Revenue Bonds were Aa2 by Moody's Investors Service and AA+ by Fitch Ratings. The following tables provide credit quality rating information for the investment portfolio and individual issuers, if they represent 5% or more of total investments in accordance with accounting guidance issued by GASB.

As of June 30, 2025, credit ratings and allocation by type of investments for the following assets were:

Asset	Fair Value	Percentage of Total Investments	Money Market Fund Rating	Securities Credit Rating	Rating Agency
BlackRock Liquidity FedFund Administration Shares	$ 176,015	80.77%	Aaa-mf		Moody's
Government National Mortgage Association (GNMA) Mortgage-Backed Securities	34,691	15.92%		Direct U.S. Obligations	

As of June 30, 2024, credit ratings and allocation by type of investments for the following assets were:

Asset	Fair Value	Percentage of Total Investments	Money Market Fund Rating	Securities Credit Rating	Rating Agency
BlackRock Liquidity FedFund Administration Shares	$ 144,680	83.76%	Aaa-mf		Moody's
Government National Mortgage Association (GNMA) Mortgage-Backed Securities	22,334	12.93%		Direct U.S. Obligations	

Mortgage-Backed Securities

All mortgage-backed securities held by the Fund are guaranteed by the Government National Mortgage Association (GNMA), an instrumentality of the United States Government. GNMA securities are "fully modified pass-through" mortgage-backed securities which require monthly payments by a Federal Housing Administration (FHA) lender, as the issuer of the guaranteed security to CDA. GNMA guarantees timely payment of principal and interest on Guaranteed Securities.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank or counterparty failure, CDA will not be able to recover its deposits or the value of its collateral securities that are in the possession of an outside party. As of June 30, 2025 and 2024, the Fund's investments were not subject to custodial credit risk under accounting guidance issued by GASB. CDA's investments and collateralized securities are held in trust by the trustee or the trustee's agent, kept separate from the assets of the bank and from other trust accounts and are held in CDA's name.

(in thousands)

NOTE 3 CASH, CASH EQUIVALENTS, INVESTMENTS, AND MORTGAGE-BACKED SECURITIES (CONTINUED)

Fair Value Measurements

CDA categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Fund has the following recurring fair value measurements as of June 30, 2025 and 2024:

- U.S. Treasury Securities of $7,215 and $5,723, respectively, are valued using quoted market prices (Level 1).
- GNMA mortgage-backed securities of $34,691 and $22,334, respectively, are valued using the matrix pricing technique (Level 2).

NOTE 4 MORTGAGE LOANS

All multi-family mortgage loans are secured by first liens on the related property and approximately 99% of the outstanding loan amounts are insured or credit enhanced by the Federal Housing Administration (FHA), Maryland Housing Fund (MHF), Federal National Mortgage Association (FNMA), GNMA, or bank letters of credit. As of June 30, 2025 and 2024, interest rates on such loans range from 2.62% to 6.99% with remaining loan terms ranging from less than 1 year to 40 years. For the years ended June 30, 2025 and 2024, an allowance for loan losses in the amount of $9 has been established for uninsured loans.

NOTE 5 ACCRUED INTEREST AND OTHER RECEIVABLES

Accrued interest and other receivables as of June 30, 2025 and 2024 were as follows:

	2025	2024
Accrued Mortgage Loan Interest	$ 2,082	$ 1,638
Accrued Mortgage-Backed Securities Interest	135	87
Accrued Investment Interest	529	514
Accrued Rebate Liability Due From Borrowers	312	-
Negative Arbitrage Due from Mortgagors	56	4
Total	$ 3,114	$ 2,243

NOTE 6 BONDS PAYABLE

The bonds issued by CDA are special obligations of CDA and are payable from the revenue and special funds of the Resolution. These bonds do not constitute debt of and are not guaranteed by the State of Maryland or any other program of the State of Maryland or any political subdivision.

The provisions of the Resolution require or allow for the special redemption of bonds at par through the use of unexpended bond proceeds and excess funds accumulated primarily through prepayment of mortgage loans. All outstanding bonds are subject to optional redemption, in whole or in part at any time, after certain dates, as specified in the respective series resolutions, at a redemption price equal to the principal amount thereof to be redeemed. When bonds are redeemed, whether as a special or optional redemption, CDA writes off a proportionate share of any unamortized original issue premiums, net of any unamortized original issue discounts, as a gain on early retirement of debt in the accompanying Statements of Revenue, Expenses, and Changes in Net Position. If unamortized original issue discounts exceed unamortized original issue premiums, CDA records a loss. The Fund's bonds are tax-exempt and have fixed rates, except Series 2013 E which is a taxable, variable rate issue. The variable rate is set weekly by a remarketing agent so that the market value of the bonds is as close as possible to 100% of the principal amount of the bonds. In no event will these variable rate bonds bear interest at a rate in excess of 12%.

(in thousands)

NOTE 6 BONDS PAYABLE (CONTINUED)

The following is a summary of the bond activity for the year ended June 30, 2025 and bonds payable as of June 30, 2025:

	Issue Dated	Range of Interest Rates	Range of Maturities	Bonds Payable at June 30, 2024	Bond Activity: New Bonds Issued	Bond Activity: Scheduled Maturity Payments	Bond Activity: Bonds Redeemed	Bonds Payable at June 30, 2025
Housing Revenue Bonds								
Series 2013 A	02/28/13	3.10% - 4.00%	2025-2054	$ 9,430	$ -	$ (175)	$ -	$ 9,255
Series 2013 E	11/07/13	Variable Rate	7/1/2045	25,800	-	-	(4,000)	21,800
Series 2013 F	12/12/13	4.125% - 5.00%	2025-2048	5,405	-	(240)	-	5,165
Series 2014 A	02/27/14	4.00% - 5.00%	2025-2055	3,060	-	(100)	-	2,960
Series 2014 B	05/21/14	3.25% - 4.45%	2025-2055	1,145	-	(20)	-	1,125
Series 2014 C	08/21/14	3.15% - 4.05%	2025-2046	1,965	-	(60)	-	1,905
Series 2014 D	12/17/14	2.95% - 4.20%	2025-2056	8,925	-	(150)	-	8,775
Series 2015 A	05/28/15	3.00% - 4.55%	2025-2057	7,260	-	(110)	-	7,150
Series 2015 B	10/07/15	2.80% - 4.50%	2025-2057	41,515	-	(625)	-	40,890
Series 2016 A	12/14/16	3.05% - 4.40%	2025-2058	6,785	-	(100)	-	6,685
Series 2017 A	04/13/17	3.95%	11/1/2058	13,995	-	-	(177)	13,818
Series 2017 B	05/10/17	3.75%	3/1/2059	5,913	-	-	(77)	5,836
Series 2017 C	12/18/17	2.25% - 3.80%	2025-2059	16,960	-	(260)	-	16,700
Series 2018 A	05/31/18	2.75% - 4.25%	2025-2060	23,990	-	(330)	-	23,660
Series 2019 A	01/17/19	2.50% - 4.20%	2025-2061	11,180	-	(150)	-	11,030
Series 2019 B	04/18/19	2.20% - 3.90%	2025-2061	9,620	-	(135)	-	9,485
Series 2019 C	06/27/19	1.80% - 3.65%	2025-2061	14,170	-	(215)	-	13,955
Series 2019 D	08/08/19	1.75% - 3.60%	2025-2061	29,445	-	(440)	-	29,005
Series 2019 E	11/14/19	1.70% - 3.40%	2025-2061	2,660	-	(40)	-	2,620
Series 2020 A	06/30/20	1.15% - 3.10%	2025-2062	10,075	-	(160)	-	9,915
Series 2020 C	07/09/20	1.125% - 3.100%	2025-2062	9,080	-	(140)	-	8,940
Series 2020 D	10/22/20	0.70% - 2.95%	2025-2062	8,415	-	(140)	-	8,275
Series 2020 E	12/17/20	0.70% - 2.70%	2025-2062	21,555	-	(370)	-	21,185
Series 2021 A	06/24/21	0.55% - 2.65%	2025-2063	13,515	-	(230)	-	13,285
Series 2021 B	07/29/21	0.55% - 2.10%	2025-2041	11,240	-	(190)	-	11,050
Series 2021 C	11/18/21	0.70% - 3.05%	2025-2064	32,015	-	(3,490)	-	28,525
Series 2022 A	06/09/22	3.10% - 4.60%	2025-2042	17,895	-	(85)	-	17,810
Series 2022 B	10/18/22	3.35% - 5.25%	2025-2064	3,595	-	(15)	-	3,580
Series 2022 C	12/01/22	3.45% - 5.15%	2025-2042	11,555	-	(2,135)	-	9,420
Series 2023 A	03/15/23	3.15% - 5.00%	2025-2065	17,205	-	(8,785)	-	8,420
Series 2023 B	05/03/23	2.75% - 4.35%	2025-2043	25,575	-	(3,595)	-	21,980
Series 2023 C	07/27/23	3.30% - 4.80%	2025-2065	25,880	-	-	-	25,880
Series 2023 D	09/28/23	3.50% - 5.00%	2026-2066	29,920	-	-	-	29,920
Series 2023 E	12/14/23	3.60% - 4.75%	2026-2043	14,605	-	-	-	14,605
Series 2024 A	03/21/24	3.15% - 4.85%	2026-2066	14,765	-	-	-	14,765
Series 2024 B	07/10/24	3.35% - 4.85%	2026-2068	-	40,890	-	-	40,890
Series 2024 C	07/10/24	3.45%	1/1/2028	-	1,565	-	-	1,565
Series 2024 D	09/17/24	3.10% - 4.75%	2026-2067	-	58,205	-	-	58,205
Series 2024 E	11/14/24	3.125% - 4.750%	2026-2067	-	27,550	-	-	27,550
Series 2025 A	04/23/25	3.15% - 5.00%	2027-2067	-	21,520	-	-	21,520
Series 2025 B	06/11/25	3.60% - 5.25%	2027-2067	-	14,465	-	-	14,465
Total				$ 506,113	$ 164,195	$ (22,485)	$ (4,254)	$ 643,569

(in thousands)

NOTE 6 BONDS PAYABLE (CONTINUED)

The following is a summary of the bond activity for the year ended June 30, 2024 and bonds payable as of June 30, 2024:

	Issue Dated	Range of Interest Rates	Range of Maturities	Bonds Payable at June 30, 2023	Bond Activity New Bonds Issued	Scheduled Maturity Payments	Bonds Redeemed	Bonds Payable at June 30, 2024
Housing Revenue Bonds								
Series 2013 A	02/28/13	2.75% - 4.00%	2024-2054	$ 9,600	$ -	$ (170)	$ -	$ 9,430
Series 2013 E	11/07/13	Variable Rate	7/1/2045	41,795	-	-	(15,995)	25,800
Series 2013 F	12/12/13	3.45% - 5.00%	2024-2048	5,560	-	(155)	-	5,405
Series 2014 A	02/27/14	3.35% - 5.00%	2024-2055	3,120	-	(60)	-	3,060
Series 2014 B	05/21/14	3.125% - 4.45%	2024-2055	1,165	-	(20)	-	1,145
Series 2014 C	08/21/14	3.05% - 4.05%	2024-2046	2,025	-	(60)	-	1,965
Series 2014 D	12/17/14	2.90% - 4.20%	2024-2056	9,070	-	(145)	-	8,925
Series 2015 A	05/28/15	2.85% - 4.55%	2024-2057	7,370	-	(110)	-	7,260
Series 2015 B	10/07/15	2.70% - 4.50%	2024-2057	42,125	-	(610)	-	41,515
Series 2016 A	12/14/16	2.85% - 4.40%	2024-2058	6,885	-	(100)	-	6,785
Series 2017 A	04/13/17	3.95%	11/1/2058	14,165	-	-	(170)	13,995
Series 2017 B	05/10/17	3.75%	3/1/2059	5,986	-	-	(73)	5,913
Series 2017 C	12/18/17	2.10% - 3.80%	2024-2059	17,210	-	(250)	-	16,960
Series 2018 A	05/31/18	2.60% - 4.25%	2024-2060	25,425	-	(520)	(915)	23,990
Series 2019 A	01/17/19	2.30% - 4.20%	2024-2061	11,330	-	(150)	-	11,180
Series 2019 B	04/18/19	2.05% - 3.90%	2024-2061	9,750	-	(130)	-	9,620
Series 2019 C	06/27/19	1.70% - 3.65%	2024-2061	14,380	-	(210)	-	14,170
Series 2019 D	08/08/19	1.60% - 3.60%	2024-2061	29,875	-	(430)	-	29,445
Series 2019 E	11/14/19	1.60% - 3.40%	2024-2061	2,700	-	(40)	-	2,660
Series 2020 A	06/30/20	0.90% - 3.10%	2024-2062	10,235	-	(160)	-	10,075
Series 2020 C	07/09/20	1.00% - 3.10%	2024-2062	9,220	-	(140)	-	9,080
Series 2020 D	10/22/20	0.55% - 2.95%	2024-2062	8,555	-	(140)	-	8,415
Series 2020 E	12/17/20	0.55% - 2.70%	2024-2062	21,925	-	(370)	-	21,555
Series 2021 A	06/24/21	0.40% - 2.65%	2024-2063	13,605	-	(90)	-	13,515
Series 2021 B	07/29/21	0.40% - 2.10%	2024-2041	11,395	-	(155)	-	11,240
Series 2021 C	11/18/21	0.60% - 3.05%	2024-2064	44,585	-	(7,370)	(5,200)	32,015
Series 2022 A	06/09/22	2.95% - 4.60%	2025-2042	23,270	-	(5,375)	-	17,895
Series 2022 B	10/18/22	3.30% - 5.25%	2025-2064	6,465	-	(2,870)	-	3,595
Series 2022 C	12/01/22	3.40% - 5.15%	2025-2042	11,555	-	-	-	11,555
Series 2023 A	03/15/23	3.15% - 5.00%	2024-2065	17,205	-	-	-	17,205
Series 2023 B	05/03/23	2.75% - 4.35%	2025-2043	25,575	-	-	-	25,575
Series 2023 C	07/27/23	3.30% - 4.80%	2025-2065	-	25,880	-	-	25,880
Series 2023 D	09/28/23	3.50% - 5.00%	2026-2066	-	29,920	-	-	29,920
Series 2023 E	12/14/23	3.60% - 4.75%	2026-2043	-	14,605	-	-	14,605
Series 2024 A	03/21/24	3.15% - 4.85%	2026-2066	-	14,765	-	-	14,765
Total				$ 463,126	$ 85,170	$ (19,830)	$ (22,353)	$ 506,113

(in thousands)

NOTE 7 DEBT SERVICE REQUIREMENTS

As of June 30, 2025, the required principal payments for bonds (including mandatory sinking fund payments, mandatory payments, and prepayments from 2017A and 2017B loans) and interest payments for each of the next five years and in five-year increments thereafter, were as follows:

Year Ending June 30,	Interest	Principal
2026	$ 23,884	$ 53,880
2027	22,629	39,657
2028	21,490	12,499
2029	21,168	7,602
2030	20,951	7,676
2031 - 2035	100,952	42,552
2036 - 2040	92,892	51,515
2041 - 2045	74,241	160,731
2046 - 2050	45,774	79,529
2051 - 2055	33,055	67,731
2056 - 2060	18,909	66,882
2061 - 2065	7,547	40,130
2066 - 2068	979	13,185
Total	$ 484,471	$ 643,569

As of June 30, 2024, the required principal payments for bonds (including mandatory sinking fund payments, mandatory payments and prepayments from 2017A and 2017B loans) and interest payments for each of the next five years and in five-year increments thereafter, were as follows:

Year Ending June 30,	Interest	Principal
2025	$ 18,548	$ 22,739
2026	17,935	47,930
2027	16,502	6,097
2028	16,349	6,324
2029	16,180	6,432
2030 - 2034	77,990	34,555
2035 - 2039	71,764	41,910
2040 - 2044	59,618	122,047
2045 - 2049	35,093	73,081
2050 - 2054	23,412	54,973
2055 - 2059	12,178	56,035
2060 - 2064	3,487	29,500
2065 - 2067	283	4,490
Total	$ 369,339	$ 506,113

The interest calculations on outstanding variable rate bonds in the amount of $21,800 and $25,800, respectively, are based on the variable rate in effect on June 30, 2025 and 2024, and are not indicative of the actual interest expense that will be incurred in future years. As rates vary, variable rate bond interest payments will vary.

(in thousands)

NOTE 8 BOND REFUNDINGS

For current refundings of debt in an optional redemption, CDA replaces previously issued bonds for the purpose of lowering debt costs by reducing interest rates or for other purposes such as revising payment schedules or modifying restrictions related to the old debt. This type of transaction is commonly known as an economic refunding. There were no bond refundings for the years ended June 30, 2025 and 2024.

NOTE 9 REBATE LIABILITY

In accordance with the Internal Revenue Code (IRC), the Fund has recorded a rebate liability for excess investment earnings in tax-exempt bond and note issues. The excess investment earnings arise due to actual investment yields earned by the Fund being greater than yields permitted to be retained by the Fund under the IRC. The IRC requires 90% of such excess investment earnings to be remitted to the United States Treasury every five years and in full at the final redemption of the bonds. Interest income on the Statements of Revenue, Expenses, and Changes in Net Position is reduced by CDA's rebate liability share due to excess investment earnings. For the years ended June 30, 2025 and 2024, CDA's share of estimated rebate liability was $380 and $310, respectively. The Borrowers are responsible for a rebate liability amount computed on their share of undrawn bond proceeds held in the Program Fund. For the years ended June 30, 2025 and 2024, the estimated Borrowers' share of rebate liability was $312 and $0, respectively.

	2025	2024
Beginning Rebate Liability:		
CDA's Share	$ 310	$ 370
Multi-Family Borrowers' Share	-	-
Total	310	370
Change in Estimated Liability Due to Excess Earnings (Calculated as of the Interim Computation Period Ending 6/30):		
CDA's Share	70	305
Less Payments to IRS	-	(365)
Multi-Family Borrowers' Share	312	-
Total	382	(60)
Ending Rebate Liability:		
CDA's Share	380	310
Multi-Family Borrowers' Share	312	-
Total	$ 692	$ 310

(in thousands)

NOTE 10 LONG-TERM OBLIGATIONS

Changes in long-term obligations for the years ended June 30, 2025 and 2024 were as follows:

	2025	2024
Rebate Liability:		
Beginning Balance at June 30	$ 310	$ 370
Additions	382	305
Reductions	-	(365)
Ending Balance at June 30	692	310
Less: Due Within One Year	(100)	-
Total Long-Term Rebate Liability	592	310
Positive Arbitrage Liability:		
Beginning Balance at June 30	-	-
Additions	1,134	-
Reductions	-	-
Ending Balance at June 30	1,134	-
Less: Due Within One Year	(250)	-
Total Long-Term Positive Arbitrage Liability	884	-
Bonds Payable:		
Beginning Balance at June 30	506,113	463,126
Additions	164,195	85,170
Reductions	(26,739)	(42,183)
Ending Balance at June 30	643,569	506,113
Less: Due Within One Year	(53,880)	(22,739)
Total Long-Term Bonds Payable	589,689	483,374
Deposits by Borrowers:		
Beginning Balance at June 30	40,898	34,414
Additions	22,631	16,969
Reductions	(12,347)	(10,485)
Ending Balance at June 30	51,182	40,898
Less: Due Within One Year	(13,037)	(8,211)
Total Long-Term Deposits by Borrowers	38,145	32,687
Total Long-Term Liabilities	$ 629,310	$ 516,371

(in thousands)

NOTE 11 INTERFUND ACTIVITY

In accordance with the Resolution, net position in the Fund is restricted and pledged to bondholders. However, restricted assets may be transferred to other Funds, subject to the provisions of the Resolution. Generally, an officer of CDA must authorize such withdrawals and a cash flow analysis must demonstrate that sufficient monies remain in the Resolution to meet the obligations of the Fund in current and future years.

During the years ended June 30, 2025 and 2024, the Fund transferred the following amounts, as permitted, among Funds:

	2025	2024
Excess Revenue Transferred to the General Bond Reserve Fund	$ -	$ (1,000)

NOTE 12 MORTGAGE INSURANCE

Approximately 99% of the Fund's outstanding loan amounts are insured or credit enhanced as described in Note 4.

Multi-family mortgagors pay premiums for mortgage insurance and insurance coverage is 100% of the unpaid principal balance of the loan.

NOTE 13 PENSION AND OTHER POSTRETIREMENT BENEFITS

Eligible employees of CDA and employees of the state of Maryland are covered under the retirement plans of the State Retirement and Pension System of Maryland (the System) and are also entitled to certain healthcare benefits upon retirement. CDA's only obligation for retirement and postemployment benefits is its required annual contribution, which was paid in full by CDA to the state of Maryland prior to year-end. The liability for the employees is recorded by the general fund of the state of Maryland and is not allocated to CDA. The System prepares a separate audited Annual Comprehensive Financial Report which can be obtained from the State Retirement and Pension System of Maryland, 120 East Baltimore Street, Baltimore, Maryland 21202 or by visiting the website at www.sra.maryland.gov.

NOTE 14 SUBSEQUENT EVENTS

Subsequent to the year ended June 30, 2025, CDA issued $48,470 of Series 2025 C Housing Revenue Bonds on July 16, 2025.

Subsequent to the year ended June 30, 2025, Moody's upgraded CDA's Housing Revenue Bonds to Aa1 from Aa2 on September 8, 2025.

COMMUNITY DEVELOPMENT ADMINISTRATION
HOUSING REVENUE BONDS
SUPPLEMENTAL DISCLOSURE OF CHANGES IN FAIR VALUE OF INVESTMENTS AND MORTGAGE-BACKED SECURITIES
(in thousands)
JUNE 30, 2025 AND 2024

In accordance with accounting guidance issued by GASB, CDA reflects investments and mortgage-backed securities at fair value, and the increase or decrease in fair value is included in the Statements of Revenue, Expenses, and Changes in Net Position.

For investments (U.S. Treasury Securities) held by the Fund as of June 30, 2025, the following schedule summarizes annual increases/(decreases) in fair value and the cumulative difference between fair value and amortized cost:

Fiscal Year Ended June 30,	Annual Increases/ (Decreases)	Cumulative Total
1997	$ (352)	$ (352)
1998	832	480
1999	(407)	73
2000	48	121
2001	193	314
2002	157	471
2003	889	1,360
2004	(678)	682
2005	897	1,579
2006	(866)	713
2007	48	761
2008	444	1,205
2009	202	1,407
2010	472	1,879
2011	(280)	1,599
2012	1,283	2,882
2013	(730)	2,152
2014	(27)	2,125
2015	36	2,161
2016	409	2,570
2017	(666)	1,904
2018	(454)	1,450
2019	276	1,726
2020	330	2,056
2021	(493)	1,563
2022	(852)	711
2023	(378)	333
2024	(57)	276
2025	(69)	207

COMMUNITY DEVELOPMENT ADMINISTRATION
HOUSING REVENUE BONDS
SUPPLEMENTAL DISCLOSURE OF CHANGES IN FAIR VALUE OF
INVESTMENTS AND MORTGAGE-BACKED SECURITIES (CONTINUED)
(in thousands)
JUNE 30, 2025 AND 2024

For mortgage-backed securities held by the Fund as of June 30, 2025, the following schedule summarizes annual increases/(decreases) in fair value and the cumulative difference between fair value and cost:

Fiscal Year Ended June 30,	Annual Increases/ (Decreases)	Cumulative Total
2000	$ (3,825)	$ (3,825)
2001	(3,291)	(7,116)
2002	3,340	(3,776)
2003	21,435	17,659
2004	(11,126)	6,533
2005	12,879	19,412
2006	(27,704)	(8,292)
2007	3,661	(4,631)
2008	(5,987)	(10,618)
2009	17,358	6,740
2010	13,103	19,843
2011	(7,348)	12,495
2012	6,303	18,798
2013	(8,491)	10,307
2014	(5,694)	4,613
2015	(1,650)	2,963
2016	2,232	5,195
2017	(2,551)	2,644
2018	(1,920)	724
2019	(705)	19
2020	(33)	(14)
2021	634	620
2022	(723)	(103)
2023	(1,165)	(1,268)
2024	(75)	(1,343)
2025	1,066	(277)

Appendix C
Description of Loans and Developments

Table C-1, Developments Currently Financed with the Proceeds of Prior Series of Bonds:

Multifamily Projects

Name	Footnote	Location	Owner/ Developer	Subsidy	No. of Units (5)	No. of Subsidized Units	Total Subsidy Term (Months)	Credit Enhancement	Original Loan Term (Months)	Remaining Loan Term (Months)	Interest Rate	Original Mortgage Loan Balance Amount	Current Loan Balance as of 06/30/2025	Reserve For Replacements as of 06/30/2025	Occupancy (2)	Inspection Rating (3)	Bond Series
Alcott Place Apt	15, 22	Baltimore City	Alcott Place,LLC	None	51	0	0	RISK SHARE	480	359	4.95%	$1,270,000	$1,138,042	$79,929	92%	Satisfactory	HRB2014B
Brittany Bay	4, 9, 11, 15, 22	Kent County	Brittany Bay TM LLC	USDA	40	40	0	RISK SHARE	480	480	5.23%	$3,000,000	$2,550,272	$0	60%	Pending	HRB2024E
Brittany Bay	4, 9, 11, 15, 22	Kent County	Brittany Bay TM LLC	USDA	0	0	0	RISK SHARE	24	18	3.50%	$1,640,000	$0	$0			HRB2024E
Brookmeadow Apts.	4, 15, 22	Kent County	Brookmeadow Preservation, LP	USDA	67	43	0	RISK SHARE	480	462	3.38%	$2,660,000	$2,611,662	$209,864	95%	Satisfactory	HRB2021C
Brookside Station	4, 15, 22	Harford County	Pax Edwards, LLC	USDA	56	39	0	RISK SHARE	480	387	4.60%	$2,840,000	$2,609,896	$274,327	96%	Satisfactory	HRB2016A
Canton Overlook	15, 21	Baltimore City	Canton Overlook Partnership LLC	None	150	0	0	RISK SHARE	204	192	5.14%	$17,330,000	$17,195,488	$68,325	97%	Satisfactory	HRB2022A
Catoctin View Apts.	6, 7	Frederick County	Catoctin View Homes, LLC	Section 8	76	76	0	GNMA	480	439	3.48%	$10,315,000	$9,883,678	$0	100%	Above Average	HRB2020A
Cherry Hill Senior	15, 22	Baltimore City	Cherry Hill Senior Housing Preservation, LLC	Section 8	81	60	0	RISK SHARE	480	472	5.68%	$3,610,000	$3,593,927	$16,379	92%	Satisfactory	HRB2023A
Chestertown Cove Apts.	4, 15, 22	Kent County	Chestertown Cove Perservation, LP	USDA	34	31	0	RISK SHARE	480	394	4.60%	$1,030,000	$953,913	$346,825	100%	Satisfactory	HRB2016A
Clare Court II	9, 11, 15, 21	Baltimore City	Clare Court II Limited Partnership	Section 8	83	25	0	RISK SHARE	204	204	5.43%	$6,805,000	$0	$0	0%	New Const.	HRB2025A
Clare Court II	9, 11, 15, 21	Baltimore City	Clare Court II Limited Partnership	Section 8	0	0	0	RISK SHARE	24	23	3.525%	$6,835,000	$3,680,179	$0			HRB2025A
Coleman Manor Apartments	6, 7	Baltimore City	Homes for Wallbrook Limited Partner	Section 8	50	49	480	GNMA	480	275	5.41%	$1,126,400	$903,778	$0	80%	Satisfactory	HRB2007A
College Parkway Place	11, 15, 21	Anne Arundel County	RF College Parkway, LLC	Section 8	170	170	0	RISK SHARE	204	204	4.92%	$36,475,000	$36,475,000	$0	0%	New Const.	HRB2024D
Cottages at River House Phase IV	15, 22	Wicomico County	Blackburn Housing IV LP	None	36	0	0	RISK SHARE	480	372	4.60%	$1,990,000	$1,796,955	$82,701	100%	Above Average	HRB2015A
Crestwood Manor 4	11, 15, 21	Frederick County	Crestwood Apts.	None	60	0	0	RISK SHARE	204	198	5.87%	$9,095,000	$9,071,115	$7,545	0%	Above Average	HRB2022C
Eagle Park Vistas	9, 11, 15, 22	Anne Arundel County	Eagle Park Senior LLC	None	72	0	0	RISK SHARE	480	480	5.32%	$6,555,000	$6,555,000	$0	0%	New Const.	HRB2023C
Eagle Park Vistas	9, 11, 15, 22	Anne Arundel County	Eagle Park Senior LLC	None	0	0	0	RISK SHARE	24	2	3.775%	$6,350,000	$6,350,000	$0			HRB2023C
Elk Chase Apts.	9, 11, 15, 21	Cecil County	Elk Chase Preservation LLC	None	126	0	0	RISK SHARE	204	204	5.09%	$7,820,000	$7,820,000	$218,519	0%	Under Const.	HRB2023C
Elk Chase Apts.	9, 11, 15	Cecil County	Elk Chase Preservation LLC	None	0	0	0	RISK SHARE	24	2	3.775%	$4,680,000	$4,680,000	$0			HRB2023C
Elk River Manor	4, 15, 22	Cecil County	New Elk River Manor, LLC	USDA	55	25	0	RISK SHARE	480	402	4.20%	$1,750,000	$1,623,966	$100,174	100%	Above Average	HRB2017C
Essex House Apartments	15, 22	Montgomery County	Essex House,LLC	None	135	0	0	RISK SHARE	480	358	5.20%	$10,855,000	$9,772,812	$240,874	97%	Satisfactory	HRB2013F

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Name	Footnote	Location	Owner/ Developer	Subsidy	No. of Units (5)	No. of Subsidized Units	Total Subsidy Term (Months)	Credit Enhancement	Original Loan Term (Months)	Remaining Loan Term (Months)	Interest Rate	Original Mortgage Loan Balance Amount	Current Loan Balance as of 06/30/2025	Reserve For Replacements as of 06/30/2025	Occupancy (2)	Inspection Rating (3)	Bond Series
Fairbrooke Senior Apts	15, 22	Harford County	MD HA Fairbrooke LLC	Section 8	122	24	0	RISK SHARE	480	364	4.34%	$6,525,000	$5,796,256	$288,825	96%	Above Average	HRB2014D
Fairview Apartments	15, 22	Cecil County	Fairview Preservation, LLC	None	75	0	0	RISK SHARE	480	443	3.32%	$5,540,000	$5,324,468	$74,320	97%	Above Average	HRB2020D
Federalsburg Square	4, 15, 22	Caroline County	Federalsburg Square LLC	USDA	88	70	0	RISK SHARE	480	379	4.50%	$1,975,000	$1,794,585	$90,006	97%	Satisfactory	HRB2015B
Freetown Village	8, 15, 22	Anne Arundel County	Whitaker Homes LP	Section 8	190	153	0	RISK SHARE	480	413	4.65%	$9,930,000	$9,386,138	$530,812	99%	Satisfactory	HRB2018A
Great Mills Court and Joe Baker Village	4, 9, 11, 15, 22	St. Mary's County	Great Baker Preservation, LP	USDA	80	46	0	RISK SHARE	480	480	5.23%	$3,505,000	$3,505,000	$0	0%	Under Const.	HRB2024E
Great Mills Court and Joe Baker Village	4, 9, 11, 15, 22	St. Mary's County	Great Baker Preservation, LP	USDA	0	0	0	RISK SHARE	18	12	3.525%	$3,440,000	$234,508	$0			HRB2024E
Greens at Irvington Mews II	9, 11, 14, 15, 22	Baltimore City	ECD Irvington Mews II Limited Partnership	Section 8	59	31	0	RISK SHARE	480	480	5.18%	$3,575,000	$0	$14,430	0%	New Const.	HRB2024D
Greens at Irvington Mews II	9, 11, 14, 15, 22	Baltimore City	ECD Irvington Mews II Limited Partnership	Section 8	0	0	0	RISK SHARE	21	13	3.475%	$9,455,000	$7,232,798	$0			HRB2024D
Greenside Apts.	4, 15, 22	Washington County	Greenside Acquisition, LLC	USDA	72	72	0	RISK SHARE	480	467	6.08%	$3,360,000	$3,337,874	$35,828	100%	Satisfactory	HRB2022B
Greenside Senior Apts.	4, 9, 11, 15, 22	Washington County	Greenside Senior, LLC	USDA	32	32	0	RISK SHARE	480	480	5.31%	$3,800,000	$3,800,000	$0	0%	Under Const.	HRB2024B
Greenside Senior Apts.	4, 9, 11, 15, 22	Washington County	Greenside Senior, LLC	USDA	0	0	0	RISK SHARE	18	8	3.725%	$630,000	$630,000	$0			HRB2024B
Hamilton Station	15, 22	Frederick County	Hamilton Station LLC	None	80	0	0	RISK SHARE	480	451	3.00%	$13,300,000	$12,868,593	$61,198	96%	Satisfactory	HRB2021A
Hamlet Woods	11, 15, 22	Prince George's County	Hamlet Apartments LLC	None	59	0	0	RISK SHARE	480	480	5.84%	$10,240,000	$1,729,799	$0	0%	New Const.	HRB2025B
Hamlet Woods	11, 15, 22	Prince George's County	Hamlet Apartments LLC	None	0	0	0	RISK SHARE	24	24	3.975%	$3,860,000	$0	$0			HRB2025B
Henrietta Lacks Village III	15, 22	Baltimore County	Lyon Homes III Preservation LLC	Section 8	36	4	0	RISK SHARE	480	443	3.03%	$3,415,000	$3,273,185	$35,673	94%	Satisfactory	HRB2020E
Heritage Homes	8, 9, 11, 15, 22	Anne Arundel County	Heritage Homes, LP	Section 8	182	182	0	RISK SHARE	480	480	5.48%	$12,125,000	$10,621,929	$0	95%	Pending	HRB2023D
Heritage Homes	8, 9, 11, 15, 22	Anne Arundel County	Heritage Homes, LP	Section 8	0	0	0	RISK SHARE	27	7	3.875%	$17,375,000	$17,375,000	$0			HRB2023D
Hickory Ridge Place	15, 22	Howard County	RF Hickory Ridge Limited Partnership	Section 8	108	108	0	RISK SHARE	480	441	3.03%	$20,700,000	$19,791,601	$289,164	100%	Satisfactory	HRB2020E
Hickory Ridge Place II	16, 20	Howard County	RF Hickory Ridge Limited Partnership	None	0	0	0	UNINSURED	480	442	4.00%	$354,661	$342,527	$0			HRB2018A
Hillside Park Apts.	8, 15, 22	Baltimore City	HSP2, LLC	Section 8	94	30	0	RISK SHARE	480	403	4.20%	$4,195,000	$3,897,295	$252,021	99%	Above Average	HRB2017C

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Homes at Gateway Village	15, 22	Wicomico County	Homes at Gateway Village Limited Partnership	None	156	0	0	RISK SHARE	480	464	3.38%	$6,750,000	$6,641,276	$136,796	99%	Satisfactory	HRB2021C
Homes on Quaker Lane	15, 22	Montgomery County	Homes on Quaker Lane Limited Partnership	None	80	0	0	RISK SHARE	480	420	4.55%	$7,610,000	$7,233,364	$129,526	95%	Above Average	HRB2019A
Ivy Hills	15, 22	Harford County	Ivy Hills Partnership, LLC	None	37	0	0	RISK SHARE	480	428	3.80%	$3,140,000	$2,982,444	$71,662	89%	Satisfactory	HRB2019E
JFK Apts.	8, 9, 11, 15, 22	Allegany County	JFK Apartments, LP	Section 8	100	100	0	RISK SHARE	480	480	5.38%	$6,690,000	$3,636,885	$124,158	0%	Under Const.	HRB2024A
JFK Apts.	8, 9, 11, 15, 22	Allegany County	JFK Apartments, LP	Section 8	0	0	0	RISK SHARE	25	11	3.525%	$7,850,000	$7,850,000	$0			HRB2024A
Laurel Grove Acres I	9, 11, 15, 22	Caroline County	Laurel Grove I, LLC	Section 8	37	37	0	RISK SHARE	480	480	5.31%	$1,150,000	$1,150,000	$0	0%	Under Const.	HRB2024B
Laurel Grove Acres I	9, 11, 15, 22	Caroline County	Laurel Grove I, LLC	Section 8	0	0	0	RISK SHARE	24	14	3.725%	$4,700,000	$3,005,309	$0			HRB2024B
Leonard Apartments	4, 15, 22	Wicomico County	Booth Street Limited Partnership	USDA	66	58	0	RISK SHARE	360	231	4.93%	$1,295,000	$1,027,563	$216,198	77%	Satisfactory	HRB2013B
Little Patuxent	9, 11, 15, 21	Anne Arundel County	Little Patuxent Senior, LLC	Section 8	78	18	0	RISK SHARE	204	204	5.33%	$11,800,000	$11,800,000	$0	0%	New Const.	HRB2023E
Little Patuxent	9, 11, 15	Anne Arundel County	Little Patuxent Senior, LLC	Section 8	0	0	0	RISK SHARE	24	7	3.975%	$2,410,000	$2,410,000	$0			HRB2023E
Manhattan Park Apartments - Part A	4, 6, 7, 23	Baltimore City	The Manhattan Park Apts., LP	Section 236	123	123	108	FNMA	360	152	6.46%	$2,520,000	$1,643,649	$0	98%	Satisfactory	HRB2006B
McElderry	15, 22	Baltimore City	1234 McElderry LLC	Section 8	104	50	0	RISK SHARE	480	428	3.95%	$12,500,000	$11,893,751	$113,283	91%	Satisfactory	HRB2019C
Merion Village Senior Apts.	11, 15, 21	Harford County	Merion Village, LLC	None	68	0	0	RISK SHARE	204	204	4.895%	$8,275,000	$8,275,000	$0	0%	New Const.	HRB2023B
Merritt Station II	9, 11, 15, 21	Baltimore County	Merritt Station II, LLC	None	84	0	0	RISK SHARE	204	204	4.895%	$9,440,000	$9,440,000	$0	0%	New Const.	HRB2023B
Merritt Station II	9, 11, 15	Baltimore County	Merritt Station II, LLC	None	0	0	0	RISK SHARE	26	2	3.125%	$3,710,000	$3,710,000	$0			HRB2023B
Mount Jezreel	10, 15, 22	Montgomery County	Mt. Jezreel Senior LLC	None	75	0	0	RISK SHARE	480	399	4.42%	$7,120,000	$6,609,705	$109,875	95%	Satisfactory	HRB2017A
Mulberry Hills Apts. I	4, 15	Talbot County	Mulberry Estates, LLLP	USDA	128	63	0	RISK SHARE	480	341	4.27%	$4,500,000	$3,861,755	$398,142	99%	Satisfactory	HRB2012B
North Street Senior Apartments	15, 22	Cecil County	TCB North Street Senior, LLC	None	53	0	0	RISK SHARE	480	358	5.20%	$1,450,000	$1,305,441	$83,405	98%	Satisfactory	HRB2013F
Orchard Ridge IV	15	Baltimore City	Orchard Ridge Rental IV, LLC	Section 8	64	20	480	RISK SHARE	480	356	5.75%	$4,185,000	$3,805,444	$152,884	97%	Satisfactory	HRB2013D
Park Heights Place	9, 11, 14, 15, 22	Baltimore City	Park Heights Senior 2 Limited Partnership	Section 8	84	76	0	RISK SHARE	480	480	5.18%	$5,375,000	$5,375,000	$2,474	0%	Under Const.	HRB2024D
Park Heights Place	9, 11, 14, 15, 22	Baltimore City	Park Heights Senior 2 Limited Partnership	Section 8	0	0	0	RISK SHARE	18	10	3.475%	$1,880,000	$734,029	$0			HRB2024D

Appendix C
Description of Loans and Developments

Table C-1, Developments Currently Financed with the Proceeds of Prior Series of Bonds:

Multifamily Projects

Name	Footnote	Location	Owner/ Developer	Subsidy	No. of Units (5)	No. of Subsidized Units	Total Subsidy Term (Months)	Credit Enhancement	Original Loan Term (Months)	Remaining Loan Term (Months)	Interest Rate	Original Mortgage Loan Balance Amount	Current Loan Balance as of 06/30/2025	Reserve For Replacements as of 06/30/2025	Occupancy (2)	Inspection Rating (3)	Bond Series
Park View at Colonial Landing -200	15	Howard County	Colonial Development, LLLP	None	100	0	0	RISK SHARE	480	339	4.00%	$4,700,000	$3,985,739	$218,028	97%	Above Average	HRB2012D
Park View at Ellicott City I	15, 22	Howard County	Ellicott LLLP	None	81	0	0	RISK SHARE	480	363	4.34%	$3,535,000	$3,136,021	$146,542	98%	Above Average	HRB2014D
Park View at Laurel II	15, 22	Prince George's County	Laurel II LLLP	None	105	0	0	RISK SHARE	480	355	5.10%	$4,805,000	$4,300,394	$262,460	96%	Satisfactory	HRB2014A
Parkview Manor	15, 22	Prince George's County	MHP Parkview Manor LLC	Section 811	53	11	0	RISK SHARE	480	409	4.65%	$3,130,000	$2,946,863	$90,319	94%	Satisfactory	HRB2018A
Parkview Towers Apts.	15	Montgomery County	MHP Parkview Towers, L.P.	None	125	0	0	RISK SHARE	480	347	4.05%	$10,925,000	$9,395,880	$167,405	90%	Above Average	HRB2013A
Parkway Overlook 4	15, 21	Baltimore City	Parkway Overlook Apts. 4, LLC	None	118	0	0	RISK SHARE	204	176	2.62%	$11,160,000	$10,779,869	$86,980	94%	Satisfactory	HRB2021B
Perry Point	10, 15, 22	Cecil County	HELP Perry Point LP	Section 8	75	75	0	RISK SHARE	480	404	4.23%	$6,265,000	$5,829,847	$184,396	100%	Satisfactory	HRB2017B
Pikeswood Park Apts	15	Baltimore County	Osprey Property Co. LLC	None	140	0	0	RISK SHARE	480	338	4.40%	$9,340,000	$8,012,096	$179,266	95%	Satisfactory	HRB2012A
Poppleton Place Apts Part I	6, 7	Baltimore City	Poppleton Partners, LP	Section 8	123	123	480	GNMA	480	273	5.55%	$4,425,000	$3,557,869	$0	90%	Above Average	HRB2006D
Renaissance Row Apts.	15, 22	Baltimore City	Renaissance Row, LLC	Section 811	84	8	0	RISK SHARE	480	445	3.54%	$6,440,000	$6,215,264	$91,660	89%	Satisfactory	HRB2020C
Richmond Hill Pointe	15, 22	Cecil County	Richmond Hill Redevelopment	None	48	0	0	RISK SHARE	480	350	5.21%	$2,545,000	$2,270,055	$47,806	83%	Satisfactory	HRB2013B
River Bend Court	15, 22	Allegany County	River Bend Court, LP	Section 8	77	77	0	RISK SHARE	480	445	3.54%	$3,700,000	$3,570,881	$75,760	100%	Above Average	HRB2020C
Riverfront Townhomes	15, 22	Baltimore City	RF2, LLC	None	126	0	0	RISK SHARE	480	404	4.20%	$6,175,000	$5,743,261	$582,212	95%	Satisfactory	HRB2017C
Riverside Homes and Mitchell Landing Apts.	9, 11, 15, 22	Wicomico County	Rivermitch, LLC	Section 8	99	75	0	RISK SHARE	480	480	5.23%	$6,710,000	$6,710,000	$0	0%	Under Const.	HRB2024E
Riverside Homes and Mitchell Landing Apts.	9, 11, 15, 22	Wicomico County	Rivermitch, LLC	Section 8	0	0	0	RISK SHARE	24	18	3.50%	$8,815,000	$3,710,324	$0			HRB2024E
Riverwoods at St. Michaels	15, 22	Talbot County	Riverwoods St. Michaels, LLC	None	40	0	0	RISK SHARE	480	352	5.75%	$1,170,000	$1,059,307	$100,570	95%	Above Average	HRB2013D
Ruscombe Gardens Apartments	6, 7	Baltimore City	Evergreen Partners	Section 8	151	150	480	GNMA	420	277	5.39%	$8,882,979	$7,450,246	$0	99%	Satisfactory	HRB2007A
Samuel Chase Apartments	4, 15, 22	Somerset County	Green Street Housing, LLC	USDA	60	57	0	RISK SHARE	360	243	4.35%	$2,390,000	$1,887,116	$496,178	98%	Above Average	HRB2014C
Schumaker Place Apts.	15, 22	Wicomico County	Schumaker Preservation Associates, LLC	None	96	0	0	RISK SHARE	480	423	4.55%	$4,835,000	$4,609,005	$250,691	98%	Satisfactory	HRB2019A
Selborne	6, 7, 13	Howard County	Dorsey-Selborne Limited Partnership	None	72	0	0	GNMA	480	434	6.175%	$1,631,980	$1,440,758	$0	98%	Satisfactory	HRB2013D

Appendix C
Description of Loans and Developments

Table C-1, Developments Currently Financed with the Proceeds of Prior Series of Bonds:

Multifamily Projects

Name	Footnote	Location	Owner/ Developer	Subsidy	No. of Units (5)	No. of Subsidized Units	Total Subsidy Term (Months)	Credit Enhancement	Original Loan Term (Months)	Remaining Loan Term (Months)	Interest Rate	Original Mortgage Loan Balance Amount	Current Loan Balance as of 06/30/2025	Reserve For Replacements as of 06/30/2025	Occupancy (2)	Inspection Rating (3)	Bond Series
Shalom Square	15, 22	Howard County	Shalom Heritage Limited Partnership	Section 8	50	50	0	RISK SHARE	480	406	4.20%	$5,500,000	$5,126,937	$161,433	94%	Satisfactory	HRB2017C
Sharpe Square	15, 22	Frederick County	Sharpe Square Pax Buckeye, LLC	None	86	0	0	RISK SHARE	480	423	4.25%	$10,940,000	$10,392,062	$128,915	98%	Satisfactory	HRB2019B
Slippery Hill Senior	11, 15, 21	Queen Anne's County	Slippery Hill III, LP	None	54	0	0	RISK SHARE	204	202	5.47%	$4,535,000	$4,529,737	$2,703	0%	Pending	HRB2023A
Southern Pines II	15, 22	Calvert County	SP II Apartments, LLC	None	67	0	0	RISK SHARE	480	394	4.60%	$3,500,000	$3,241,451	$144,224	96%	Satisfactory	HRB2016A
Spring Valley Apts	15	St. Mary's County	Spring Valley Workforce Housing	None	128	0	0	RISK SHARE	480	353	5.21%	$6,690,000	$5,988,929	$624,758	98%	Above Average	HRB2013B
Springford Gardens Apts. & School House Apts.	4, 15, 22	Cecil County	Spring School Presversation, LP	USDA Section 8	69	67	0	RISK SHARE	480	424	3.95%	$3,600,000	$3,410,714	$176,193	97%	Above Average	HRB2019C
Sunset Hargraves Apts.	4, 9, 11, 15, 22	Caroline County	Sunset Hargraves TM LLC	USDA	68	68	0	RISK SHARE	480	480	5.59%	$5,210,000	$2,268,153	$0	0%	Under Const.	HRB2025A
Sunset Hargraves Apts.	4, 9, 11, 15, 22	Caroline County	Sunset Hargraves TM LLC	USDA	0	0	0	RISK SHARE	24	23	3.525%	$2,245,000	$0	$0			HRB2025A
The Junction	6, 7, 11	Frederick County	Junction Frederick, LLC	None	179	0	0	GNMA	480	480	5.29%	$30,435,000	$11,731,099	$0	0%	New Const.	HRB2024B
The Junction	11	Frederick County	Junction Frederick, LLC	None	0	0	0	CASH COLLATERAL	29	19	3.825%	$1,565,000	$316,902	$0			HRB2024C
Towns at Woodfield	10, 15, 22	Baltimore County	Dogwood Towns, LLC	None	62	0	0	RISK SHARE	480	400	4.42%	$7,740,000	$7,193,173	$93,925	95%	Satisfactory	HRB2017A
Tremont Place	15, 21	Carroll County	Tremont Acquisition, LLC	None	82	0	0	RISK SHARE	204	183	3.06%	$3,280,000	$3,193,698	$51,376	100%	Above Average	HRB2021C
Victoria Estates	4, 15, 22	Worcester County	Victoria Estates LLC	USDA	100	76	0	RISK SHARE	480	372	4.60%	$1,670,000	$1,507,983	$277,306	100%	Satisfactory	HRB2015A
Villas at Whitehall	15, 22	Cecil County	Whitehall Preservation Associates, LLC	None	71	0	0	RISK SHARE	480	446	3.32%	$2,880,000	$2,777,472	$132,630	99%	Above Average	HRB2020D
Weinberg Manor Apts	15	Baltimore City	Weinberg Manor West, LP	Section 8	109	108	360	RISK SHARE	360	173	6.99%	$3,880,000	$2,806,243	$192,039	100%	Satisfactory	HRB2008D
Windsor Gardens	15, 22	Frederick County	Homes for Frederick LP	Section 8	59	58	0	RISK SHARE	480	372	4.60%	$4,330,000	$3,909,957	$122,143	93%	Satisfactory	HRB2015A
Woodland Springs	15, 22	Prince George's County	Woodland Springs, LP	Section 8	506	121	0	RISK SHARE	480	385	4.50%	$43,290,000	$39,614,468	$675,066	98%	Satisfactory	HRB2015B
Woodlands at Reid Temple	15, 22	Prince George's County	Woodlands at Reid Temple, LP	None	252	0	0	RISK SHARE	480	431	3.90%	$33,750,000	$32,197,720	$416,376	94%	Satisfactory	HRB2019D
Woodyard Station	15, 21	Prince George's County	Woodyard Station 4, LLC	None	112	0	0	RISK SHARE	204	192	3.07%	$15,500,000	$15,299,670	$34,221	97%	Above Average	HRB2021C
Totals: (1)					7,783	2,979						$697,801,020	$596,715,013	$11,069,720			

1 Amounts and percentages may not total exactly due to the rounding.
2 Generally, as of June 30, 2025.
3 The Inspection Rating is based on the most recent rating available to the Administration as of June 30, 2025 and reflects the evaluation by the Department's Asset Management Group of the Development's physical condition, management practices and compliance with regulations and loan documents. The projects rated "Pending" are yet to receive their first inspection, while the projects rated "Under Const." are in the process of being leased up and would not require inspection.
4 Includes original and all renewal terms. Section 236 contract terms are coterminous with applicable Loan term. For the term of the USDA subsidy there is an allocated dollar amount provided to the Project that is designed to assist the tenants with rental payments. Refer to Appendix G for additional information.
5 Figures may include non-revenue manager-occupied units.
6 The interest rate received by the Administration on the related Guaranteed Securities GNMA or FNMA loans is 0.25% less than the interest rate shown in the chart because the GNMA or FNMA Servicer deducts and retains a fee in that amount.
7 For loans enhanced by FNMA or GNMA, the Reserve for Replacement Accounts are held by the lender.
8 Section 8 subsidy for some or all of the units in this Development is being provided under the Rental Assistance Demonstration Program (RAD). See Official Statement, Appendix G - "Federal Housing Section 8 Program".
9 Refer to Table C-3,"Letter of Credit" chart.
10 The Bonds issued to finance this Development are stand-alone, non-parity Bonds under the Bond Resolution secured solely by the trust estate pledged under the applicable series resolution and not from revenues or other amounts pledged to Parity Bonds.
11 These developments are in construction or lease-up, therefore occupancy reports and/or inspection ratings may not be available at this time. These loans may have negative arbitrage backed by a standby letter of credit, please see the Official Statement for additional information.
12 N/A
13 No Series of Bonds financed the Selborne House development. The Selborne House development was financed with the proceeds of the Administration's Multifamily Development Revenue Bonds (GNMA Collateralized-Selborne House Project), Series 1999A. The Administration previously redeemed the Selborne House Bonds and transferred the related GNMA to the Series 1996A Revenue Account of the Resolution, which is pledged to the holders of the Bonds.
14 These developments are expected to enter into a project rental assistance contract ("PRAC") with HUD. Shortly after completion of the Development, the PRAC-assisted units are expected to convert to RAD Section 8 assistance.
15 Insured under the FHA Risk Sharing program. See Official Statement, Appendix G - "MORTGAGE INSURANCE AND GUARANTEE PROGRAMS - FHA RISK SHARING PROGRAM".
16 On December 17, 2020, the Hickory Ridge Apts. II loan was modified from a cash flow loan to an amortizing, subordinate loan with a 40-year term.
17 N/A
18 N/A
19 N/A
20 This loan was originally issued under Housing Revenue Bond 1996 A. In May, 2018, a portion of Housing Revenue Bonds, Series 2018 A proceeds were used to fully refund the Administration’s Housing Revenue Bonds, Series 1996 A. This project was transferred to Housing Revenue Bonds, Series 2018 A.
21 The principal balance of the permanent Loan for this Development is structured to amortize over the Original Loan Term set forth in this table, subject to an early, lump-sum balloon payment. Currently, balloon payment maturity dates for applicable Loans are 17 years from the beginning of the Original Loan Term.
22 These loans are insured under the FHA Risk-Sharing Program, utilizing a 75/25 share structure in which FHA assumes 75% of the potential loss and MHF assumes the remaining 25% share. All other loans designated as holding "RISK SHARE" credit enhancement utilize the 50/50 share structure.
23 The interest rate received by the Administration is 1.04% less than the interest rate in the Note reported in this chart. The servicer retains 1.04% for servicing and credit enhancement fees.
24 N/A

Table C-2 as of June 30, 2025
SUSTAINABILITY BONDS REPORT*

Development Name (New Construction/ Rehabilitation)	Development Location	4% LIHTC Allocated	Anticipated Population Served or Elected % AMI	Environmental Attributes	Bond Proceeds Disbursed ($) as of June 30, 2025	Bond Proceeds Disbursed (%) as of June 30, 2025
Eagle Park Vistas	Hanover, Anne Arundel County, MD 21076	Yes	72 Units / 60% AMI	Energy Star Certification, National Green Building Standards: Bronze Certification, Energy Star windows, appliances, and light fixtures	$12,905,000	100.00%
Elk Chase Apts.	Elkton, Cecil County, MD 21921	Yes	126 Units / All units are expected to be reserved for households at or below 30%, 50% and 60% of area median income.	Energy Star windows, appliances, and light fixtures, Water Sense bathroom faucets and fixtures, targeting 20% improvement in energy savings	$12,500,000	100.00%
Heritage Homes	Glen Burnie, Anne Arundel County, MD 21061 and Odenton, Anne Arundel County, MD 21113	Yes	182 Units / All units are expected to be reserved for households at or below 30%, 50% and 60% of area median income.	Energy Star appliances, and light fixtures, EPA Water Sense faucets and fixtures, high efficiency 19-SEER, mechanical systems	$27,996,929	94.90%
Little Patuxent	Gambrills, Anne Arundel County, MD 21054	Yes	78 Units / All units are expected to be reserved for households at or below 30%, 50%, 60% and 80% of area median income.	National Green Building Standards: Bronze Certification, Energy Star windows, appliances, and light fixtures, EPA Water Sense faucets and fixtures, and high efficiency mechanical systems	$14,210,000	100.00%
JFK Apts.	Cumberland, Allegany County, MD 21502	Yes	100 Units / All units are expected to be reserved for households at or below 30% and 60% of area median income.	National Green Building Standards: Bronze Certification, Energy Star appliances and light fixtures, EPA Water Sense faucets and fixtures, and high efficiency 21-IEER mechanical systems	$11,486,885	79.00%
Greenside Senior Apts.	Maugansville, Washington County, MD 21767	Yes	32 Units / 60% AMI	National Green Building Standards: Bronze Certification, Energy Star appliances and fixtures, EPA Water Sense faucets and fixtures, and high efficiency mechanical systems	$4,430,000	100.00%
Laurel Grove Acres I	Federalsburg, Caroline County, MD 21632	Yes	37 Units / All units are expected to be reserved for households at or below 30%, 60% and 80% of area median income.	Energy Star appliances and light fixtures, EPA Water Sense faucets and fixtures, and high efficiency mechanical systems	$4,155,309	71.03%
The Junction	Frederick, Frederick County, MD 21701	Yes	179 Units / 60% AMI	National Green Building Standards: Bronze Certification, Energy Star windows, appliances and light fixtures, EPA Water Sense faucets and fixtures, and high efficiency 15-SEER mechanical systems	$12,048,001	37.65%
College Parkway Place	Annapolis, Anne Arundel County, MD 21409	Yes	170 Units / All units are expected to be reserved for households at or below 30%, 40%, 50% and 60% of area median income.	Energy Star appliances, and light fixtures, EPA Water Sense faucets and fixtures, and high efficiency mechanical systems	$36,475,000	100.00%
Greens at Irvington Mews II	Baltimore City, MD 21229	Yes	59 Units / All units are expected to be reserved for households at or below 30% and 50% of area median income.	Energy Star appliances, and light fixtures, EPA Water Sense faucets and fixtures, and 15-SEER high efficiency mechanical systems	$7,232,798	55.51%
Park Heights Place	Baltimore City, MD 21215	Yes	84 Units / All units are expected to be reserved for households at or below 30%, 40%, 50% and 60% of area median income.	Energy Star windows, appliances, and light fixtures, EPA Water Sense faucets and fixtures, and high efficiency 15-SEER mechanical systems	$6,109,029	84.20%
Brittany Bay	Rock Hall, Kent County, MD 21661	Yes	40 Units / 60% AMI	National Green Building Standards: Bronze Certification, Energy Star windows, appliances and light fixtures, EPA Water Sense faucets and fixtures, high efficiency mechanical systems	$2,550,272	54.96%
Great Mills Court and Joe Baker Village	Lexington Park, St. Mary's County, MD 20653	Yes	80 Units / All units are expected to be reserved for households at or below 30% and 60% of area median income.	Energy Star windows, appliances, and light fixtures, EPA Water Sense faucets and fixtures, high efficiency 15-SEER mechanical systems	$3,739,508	53.84%
Riverside Homes and Mitchell Landing Apts.	Salisbury, Wicomico County, MD 21801	Yes	99 Units / 60% AMI	Energy Star Certification, National Green Building Standards: Bronze Certification, Energy Star windows, appliances and light fixtures, EPA Water Sense faucets and fixtures, high efficiency 15-SEER mechanical systems	$10,420,324	67.12%
Clare Court II	Baltimore City, MD 21218	Yes	83 Units / All units are expected to be reserved for households at or below 30%, 40%, 50% and 60% of area median income.	National Green Building Standards: Bronze Certification, Energy Star appliances and fixtures, EPA Water Sense faucets and fixtures, and high efficiency mechanical systems	$3,680,179	26.98%
Sunset Hargraves Apts.	Ridgley and Federalsburg, Caroline County, MD 21767	Yes	68 Units / 60% AMI	National Green Building Standards: Bronze Certification, Energy Star appliances and fixtures, EPA Water Sense faucets and fixtures, and high efficiency mechanical systems	$2,268,153	30.42%
Hamlet Woods	Bladensburg, Prince George's County, MD 20710	Yes	59 Units / 60% AMI	Energy Star Certification, Energy Star windows, appliances and light fixtures, EPA Water Sense faucets and fixtures	$1,729,799	12.27%

*Once all related bond proceeds have been disbursed, no further annual updates will be provided.

Table C-3 as of June 30, 2025

HRB Series - Letters of Credit

Negative Arbitrage Letters of Credit

Series	Project	LOC Bank	LOC #	Amount	Expiration
HRB2023B	Merritt Station II	Truist Bank	75001185	$ 395,837	8/1/2025
HRB 2023C	Elk Chase Apartments	TD Bank	20010247	$ 399,246	7/24/2025
HRB 2023C	Eagle Park Vistas	Truist Bank	75001408	$ 406,276	8/1/2025
HRB 2023D	Heritage Homes	Truist Bank	75001740	$ 1,041,346	1/1/2026
HRB 2023E	Little Patuxent	Truist Bank	75000437	$ 588,146	1/1/2026
HRB 2024A	JFK Apartments	First United Bank & Trust	710168-710	$ 414,196	5/1/2026
HRB 2024B	Greenside Senior Apartments	JPMorgan Chase Bank	NUSCGS052899	$ 139,510	2/1/2026
HRB 2024B	Laurel Grove Acres I	JPMorgan Chase Bank	NUSCGS052902	$ 134,661	8/1/2026
HRB 2024D	Park Heights Place	JPMorgan Chase Bank	NUSCGS054304	$ 194,783	4/1/2026
HRB 2024D	Greens at Irvington Mews II	JPMorgan Chase Bank	NUSCGS054303	$ 238,662	7/1/2026
HRB 2024E	Riverside Homes/Mitchell Landing	JPMorgan Chase Bank	NUSCGS054858	$ 404,011	12/1/2026
HRB 2024E	Brittany Bay	First United Bank & Trust	711	$ 151,187	12/1/2026
HRB 2024E	Joe Baker Village/Great Mills Ct Apts	First United Bank & Trust	713	$ 148,233	6/1/2026
HRB 2025A	Sunset Hargraves	First United Bank & Trust	716	$ 287,636	5/1/2027
HRB 2025A	Clare Court	First United Bank & Trust	723	$ 420,112	5/1/2027

Table C-4, Loans and Developments in Default

As of June 30, 2025, there were no Developments or Group Home loans financed by the Housing Revenue Bond indentures in default. Default is defined as failure to make Mortgage Loan payments equivalent to two full monthly payments of principal and interest.

APPENDIX D

OUTSTANDING INDEBTEDNESS OF THE ADMINISTRATION

Outstanding Housing Revenue Bonds

The following table sets forth certain information relating to Bonds issued by the Administration under the Bond Resolution outstanding as of July 1, 2025.

	Year of Issue	Final Maturity	Amount Issued	Amount Outstanding	
Housing Revenue Bonds					
Series 2013 A	2013	7/1/2054	$ 10,925,000	$ 9,165,000	
Series 2013 E	2013	7/1/2045	41,795,000	21,800,000	(2)(4)
Series 2013 F	2013	7/1/2055	16,255,000	5,080,000	
Series 2014 A	2014	1/1/2055	4,805,000	2,925,000	
Series 2014 B	2014	7/1/2055	3,790,000	1,105,000	
Series 2014 C	2014	1/1/2046	3,700,000	1,875,000	
Series 2014 D	2014	1/1/2056	10,060,000	8,700,000	
Series 2015 A	2015	1/1/2057	13,395,000	7,095,000	
Series 2015 B	2015	7/1/2057	48,200,000	40,570,000	
Series 2016 A	2016	7/1/2058	15,730,000	6,630,000	
Series 2017 A	2017	11/1/2058	18,720,000	13,802,879	(8)
Series 2017 B	2017	3/1/2059	12,000,000	5,829,847	(8)
Series 2017 C	2017	7/1/2059	28,755,000	16,570,000	
Series 2018 A	2018	1/1/2060	42,430,000	23,490,000	
Series 2019 A	2019	1/1/2061	14,715,000	10,955,000	
Series 2019 B	2019	1/1/2061	10,040,000	9,415,000	
Series 2019 C	2019	7/1/2061	19,665,000	13,845,000	
Series 2019 D	2019	7/1/2061	30,440,000	28,785,000	
Series 2019 E	2019	7/1/2061	6,020,000	2,600,000	
Series 2020 A	2020	7/1/2062	10,315,000	9,835,000	
Series 2020 C	2020	7/1/2062	19,350,000	8,870,000	
Series 2020 D	2020	7/1/2062	11,485,000	8,205,000	
Series 2020 E	2020	7/1/2062	23,860,000	20,995,000	
Series 2021 A	2021	7/1/2063	13,605,000	13,170,000	
Series 2021 B	2021	1/1/2041	11,395,000	10,955,000	
Series 2021 C	2021	7/1/2064	44,585,000	28,310,000	
Series 2022 A	2022	1/1/2042	23,270,000	17,725,000	
Series 2022 B	2022	7/1/2064	6,465,000	3,565,000	
Series 2022 C	2022	7/1/2042	11,555,000	9,385,000	
Series 2023 A	2023	1/1/2065	17,205,000	8,385,000	
Series 2023 B	2023	7/1/2043	25,575,000	21,980,000	
Series 2023 C	2023	7/1/2065	25,880,000	25,880,000	
Series 2023 D	2023	1/1/2066	29,920,000	29,920,000	
Series 2023 E	2023	7/1/2043	14,605,000	14,605,000	
Series 2024 A	2024	7/1/2066	14,765,000	14,765,000	
Series 2024 B	2024	1/1/2068	40,890,000	40,890,000	
Series 2024 C	2024	1/1/2028	1,565,000	1,565,000	
Series 2024 D	2024	1/1/2067	58,205,000	58,205,000	
Series 2024 E	2024	1/1/2067	27,550,000	27,550,000	
Series 2025 A	2025	7/1/2067	21,520,000	21,520,000	
Series 2025 B	2025	7/1/2067	14,465,000	14,465,000	
Total Housing Revenue Bonds			$ 819,470,000	$ 640,982,726	

Other Outstanding Bonds of the Administration

The following table sets forth certain information relating to Bonds issued by the Administration under its other programs and outstanding as of July 1, 2025.

	Year of Issue	Final Maturity	Amount Issued	Amount Outstanding	
Multi-Family Mortgage Revenue Bonds					
Series 2010 A (New Issue) …………………………..	2010	7/1/2030	$ 8,410,000	$ 2,965,000	
Series 2009 A-1 (Released Program Bonds) …………….	2010	7/1/2051	24,380,000	24,380,000	
Series 2010 B (New Issue) …………………………..	2010	7/1/2045	16,730,000	2,625,000	
Series 2009 A-2 (Released Program Bonds) …………….	2010	7/1/2051	6,610,000	1,880,000	
Series 2009 A-3 (Released Program Bonds) …………….	2010	1/1/2044	5,410,000	4,025,000	(5)
Series 2010 D (New Issue) …………………………..	2010	1/1/2035	6,880,000	3,210,000	
Series 2009 A-4 (Released Program Bonds) …………….	2010	7/1/2051	10,760,000	10,760,000	
Series 2011 A (New Issue) …………………………..	2011	7/1/2026	2,190,000	200,000	
Series 2009 A-5 (Released Program Bonds) …………….	2011	7/1/2051	8,460,000	8,460,000	
Series 2011 B (New Issue) …………………………..	2011	1/1/2028	8,680,000	710,000	
Series 2009 A-6 (Released Program Bonds) …………….	2011	7/1/2051	13,230,000	13,230,000	
Series 2011 C (New Issue) …………………………..	2011	7/1/2051	16,685,000	9,480,000	
Series 2009 A-7 (Released Program Bonds) …………….	2011	7/1/2051	23,190,000	23,190,000	
Total Multi-Family Mortgage Revenue Bonds ....……………………			$ 151,615,000	$ 105,115,000	

	Effective Bond Yield	Year of Issue	Final Maturity	Amount Issued	Amount Outstanding	
Residential Revenue Bonds						
2006 Series G	(2)	2006	9/1/2040	$ 40,000,000	$ 8,230,000	(1)
2006 Series J	(2)	2006	9/1/2040	60,000,000	37,305,000	(1)
2012 Series B	(2)	2012	9/1/2033	45,000,000	44,060,000	(1)(3)
2014 Series C	3.369241%	2014	9/1/2044	47,960,000	9,830,000	(1)
2014 Series D	3.245679%	2014	9/1/2036	23,885,000	575,000	(1)
2014 Series E	3.395849%	2014	9/1/2040	53,205,000	8,165,000	(1)(3)
2014 Series F	(2)	2014	9/1/2044	25,000,000	23,770,000	(3)
2015 Series A	3.379090%	2015	9/1/2045	24,235,000	1,205,000	(1)
2015 Series B	3.565720%	2015	9/1/2041	67,190,000	515,000	(1)(3)
2016 Series A	3.401702%	2016	9/1/2047	325,800,000	144,250,000	(1)(3)
2017 Series A	3.734510%	2017	9/1/2048	263,060,000	80,615,000	(1)(3)
2018 Series A	3.958382%	2018	9/1/2048	239,565,000	23,705,000	(1)
2018 Series B	3.958382%	2018	9/1/2048	40,435,000	12,350,000	(1)
2019 Series A	3.650455%	2019	9/1/2049	140,000,000	36,090,000	(1)
2019 Series B	3.277965%	2019	9/1/2049	210,000,000	113,185,000	(1)
2019 Series C	2.940750%	2019	3/1/2050	319,580,000	205,155,000	(1)
2019 Series D	2.898117%	2019	3/1/2050	27,490,000	9,960,000	(1)(3)
2020 Series A	2.753368%	2020	3/1/2050	130,750,000	91,625,000	(1)
2020 Series D	2.344036%	2020	9/1/2050	160,000,000	116,935,000	(1)
2021 Series A	2.117790%	2021	9/1/2051	197,725,000	154,175,000	(1)
2021 Series B	2.235000%	2021	9/1/2051	170,000,000	136,330,000	(1)
2021 Series C	2.509600%	2021	9/1/2051	221,770,000	200,190,000	(1)
2021 Series D	1.620900%	2021	3/1/2027	30,000,000	12,780,000	(1)(3)
2022 Series A	4.708570%	2022	9/1/2052	111,625,000	100,630,000	(1)
2022 Series B	4.354550%	2022	9/1/2034	37,375,000	31,065,000	(1)(3)
2022 Series C	4.740098%	2022	3/1/2053	98,720,000	85,235,000	(1)(3)
2022 Series D	5.173272%	2022	3/1/2053	100,000,000	92,190,000	(1)
2023 Series A	5.100551%	2023	9/1/2053	60,000,000	56,645,000	(1)
2023 Series B	5.100551%	2023	9/1/2053	90,000,000	81,400,000	(1)(3)
2023 Series C	4.720410%	2023	9/1/2054	115,000,000	111,185,000	(1)
2023 Series D	5.683140%	2023	9/1/2053	185,000,000	174,910,000	(1)(3)
2023 Series E	5.335730%	2023	3/1/2054	75,000,000	72,345,000	(1)
2023 Series F	6.330970%	2023	9/1/2053	325,000,000	314,590,000	(1)(3)

Other Outstanding Bonds of the Administration

	Effective Bond Yield	Year of Issue	Final Maturity	Amount Issued	Amount Outstanding	
Residential Revenue Bonds continued						
2024 Series A	4.930500%	2024	9/1/2055	$ 40,000,000	$ 39,665,000	(1)
2024 Series B	6.052800%	2024	9/1/2054	210,000,000	208,755,000	(1)(3)
2024 Series C	4.891628%	2024	9/1/2055	47,375,000	47,310,000	(1)
2024 Series D	5.614846%	2024	3/1/2055	100,000,000	99,915,000	(1)(3)
2024 Series E	4.871700%	2024	9/1/2055	40,000,000	40,000,000	(1)
2024 Series F	5.801000%	2024	3/1/2055	80,000,000	80,000,000	(1)(3)
2024 Series G	3.927100%	2024	3/1/2055	408,626,774	368,626,774	(9)
2025 Series A	4.644300%	2025	3/1/2056	75,975,000	75,975,000	(1)
2025 Series B	5.768800%	2025	9/1/2055	174,025,000	174,025,000	(1)(3)
2025 Series C	5.031000%	2025	3/1/2056	45,000,000	45,000,000	(1)
2025 Series D	5.918000%	2025	9/1/2055	155,000,000	155,000,000	(1)(3)
Total Residential Revenue Bonds				$ 5,436,371,774	$ 3,925,466,774	

	Year of Issue	Final Maturity	Amount Issued	Amount Outstanding	
Single Family Housing Revenue Bonds					
2013 Series A (Pass-Through Program)........	2013	7/1/2043	$ 55,987,759	$ 9,551,547	(6)
Total Single Family Housing Revenue Bonds			$ 55,987,759	$ 9,551,547	
Local Government Infrastructure Bonds					
2012 Series A-1 (Senior Obligations)	2012	6/1/2032	$ 9,550,000	$ 1,360,000	
2012 Series A-2 (Subordinate Obligations)	2012	6/1/2032	4,420,000	700,000	
2012 Series B-1 (Senior Obligations)	2012	6/1/2032	14,900,000	2,425,000	
2012 Series B-2 (Subordinate Obligations)	2012	6/1/2032	6,855,000	995,000	
2013 Series A-1 (Senior Obligations)	2013	6/1/2043	14,660,000	830,000	
2013 Series A-2 (Subordinate Obligations)	2013	6/1/2043	6,720,000	695,000	
2014 Series A-1 (Senior Obligations)	2014	6/1/2034	27,605,000	4,105,000	
2014 Series A-2 (Subordinate Obligations)	2014	6/1/2034	12,720,000	2,320,000	
2015 Series A-1 (Senior Obligations)	2015	6/1/2045	13,215,000	6,660,000	
2015 Series A-2 (Subordinate Obligations)	2015	6/1/2045	5,650,000	2,850,000	
2016 Series A-1 (Senior Obligations)	2016	6/1/2036	18,020,000	7,705,000	
2016 Series A-2 (Subordinate Obligations)	2016	6/1/2036	7,715,000	3,305,000	
2017 Series A-1 (Senior Obligations)	2017	6/1/2047	27,310,000	16,450,000	
2017 Series A-2 (Subordinate Obligations)	2017	6/1/2047	11,725,000	7,065,000	
2018 Series A-1 (Senior Obligations)	2018	6/1/2048	4,535,000	3,160,000	
2018 Series A-2 (Subordinate Obligations)	2018	6/1/2048	1,925,000	1,340,000	
2019 Series A-1 (Senior Obligations)	2019	6/1/2049	11,340,000	9,860,000	
2019 Series A-2 (Subordinate Obligations)	2019	6/1/2049	4,875,000	4,240,000	
2019 Series B-1 (Senior Obligations)	2019	6/1/2049	11,810,000	9,450,000	
2019 Series B-2 (Subordinate Obligations)	2019	6/1/2049	5,260,000	4,245,000	
2020 Series A-1 (Senior Obligations)	2020	6/1/2049	16,740,000	12,380,000	
2020 Series A-2 (Subordinate Obligations)	2020	6/1/2049	7,470,000	5,600,000	
2021 Series A-1 (Senior Obligations)	2021	6/1/2051	18,980,000	17,050,000	
2021 Series A-2 (Subordinate Obligations)	2021	6/1/2051	8,170,000	7,360,000	
2023 Series A-1 (Senior Obligations)	2023	6/1/2043	15,475,000	14,430,000	
2023 Series A-2 (Subordinate Obligations)	2023	6/1/2043	7,050,000	6,590,000	
2024 Series A-1 (Senior Obligations)	2024	6/1/2054	24,005,000	23,315,000	
2024 Series A-2 (Subordinate Obligations)	2024	6/1/2054	10,750,000	10,425,000	
2025 Series A-1 (Senior Obligations)	2025	6/1/2045	8,085,000	8,085,000	
2025 Series A-2 (Subordinate Obligations)	2025	6/1/2045	3,655,000	3,655,000	
Total Local Government Infrastructure Bonds			$ 341,190,000	$ 198,650,000	

Other Outstanding Bonds of the Administration

				Year of Issue	Final Maturity	Amount Issued	Amount Outstanding	
Multifamily Development Revenue Bonds								
Series	2006	A	(Barclay Greenmount Apartments).......	2006	4/1/2035	$ 4,535,000	$ 2,145,000	
Series	2007	A	(Brunswick House Apartments)..........	2007	10/1/2037	3,000,000	1,720,000	
Series	2007	B	(Park View at Catonsville)................	2007	12/1/2037	5,200,000	4,545,000	(2)
Series	2008	B	(Shakespeare Park Apartments)..........	2008	5/1/2038	7,200,000	7,200,000	(2)
Series	2008	C	(The Residences at Ellicott Gardens).....	2008	12/1/2040	9,105,000	6,175,000	(2)
Series	2008	D	(Crusader Arms Apartments)............	2008	2/1/2041	3,885,000	2,660,000	(2)
Series	2008	E	(MonteVerde Apartments)................	2008	3/1/2041	15,200,000	12,700,000	(2)
Series	2008	G	(Kirkwood House Apartments)..........	2008	12/1/2038	16,000,000	16,000,000	(2)
Series	2012	A	(Park View at Bladensburg).............	2012	12/1/2030	3,500,000	2,435,000	
Series	2013	G	(Glen Manor Apartments)................	2013	1/1/2031	13,640,000	10,600,000	
Series	2014	I	(Marlborough Apartments)...............	2014	12/15/2031	27,590,000	20,180,000	
Series	2015	D	(Cumberland Arms Apartments).........	2015	9/1/2032	6,315,000	3,130,000	
Series	2017	G	(Bolton North).............................	2017	9/15/2034	25,200,000	21,820,000	
Series	2021	C-1	(PV at Ellicott City II).....................	2021	11/1/2038	7,115,000	6,812,670	
Series	2021	D-1	(PV at Furnace Branch)..................	2021	11/1/2038	9,505,000	9,101,114	
Series	2021	E-1	(PV at Snowden River)..................	2021	11/1/2038	7,750,000	7,420,687	
Series	2021	F	(Homes at Oxon Hill)	2021	7/1/2043	24,660,000	24,660,000	
Series	2022	B-1	(Weinberg Place Apartments)............	2022	6/1/2040	18,790,000	18,790,000	
Series	2022	E-1	(Roslyn Rise)..................................	2022	3/1/2043	14,975,000	14,975,000	
Series	2023	B	(Morris H. Blum Senior Apartments)....	2023	3/1/2026	27,950,000	27,950,000	
Series	2023	C	(Park Heights Senior).........................	2023	11/1/2025	24,880,000	24,880,000	
Series	2023	D	(Wakefield Terrace)...........................	2023	1/1/2026	39,565,000	39,565,000	
Series	2024	A	(Greenmount Park Apartments)..........	2024	6/1/2026	26,500,000	26,500,000	
Series	2024	B	(Patuxent Commons)........................	2024	8/1/2026	22,920,000	22,920,000	
Series	2024	C	(Walker Mews).................................	2024	4/1/2042	22,620,000	22,540,000	
Series	2024	D-1	(Villages at Marley Station)..............	2024	2/1/2044	98,810,000	98,810,000	
Series	2024	D-2	(Villages at Marley Station)..............	2024	1/1/2029	79,190,000	79,190,000	
Series	2024	E	(Beacon House Square).....................	2024	7/1/2027	19,455,000	19,455,000	
Series	2025	A	(Ranleagh Court)..............................	2025	3/1/2027	21,440,000	21,440,000	
Series	2025	B	(Essex Co-Op Apartments)...............	2025	5/1/2027	27,995,000	27,995,000	
Series	2025	C-1	(Park Place at Addison Road Metro).....	2025	2/1/2046	27,915,000	27,915,000	
Series	2025	C-2	(Park Place at Addison Road Metro).....	2025	1/1/2029	16,510,000	16,510,000	
Series	2025	D	(Hopkins Village Apartments)............	2025	7/1/2042	26,610,000	26,610,000	
Series	2025	E	(Weinberg House).............................	2025	12/1/2027	16,565,000	16,565,000	
Total Multifamily Development Revenue Bonds						$ 722,090,000	$ 691,914,471	

	Year of Issue	Final Maturity	Amount of Note	Amount Outstanding	
Multifamily Notes					(7)
Victory Crossing - Freddie TEL	2016	6/1/2037	$ 7,675,000	$ 7,087,843	
Riviera Apartments - Freddie TEL	2017	6/1/2034	2,430,000	2,250,369	
Momentum at Shady Grove Metro - Freddie TEL	2018	1/1/2039	12,900,000	12,536,433	
Victory Haven - Freddie TEL	2018	7/1/2037	6,080,000	5,945,499	
J.Van Story Branch Apartments - Freddie TEL	2018	6/1/2039	18,604,000	17,902,481	
Silver Spring Artspace Lofts - Freddie TEL	2019	1/1/2037	8,100,000	7,794,477	
Greenmount and Chase - Freddie TEL	2019	8/1/2036	1,790,000	1,722,146	
Glenarden Hills 2 - Freddie TEL	2019	1/1/2039	5,562,000	5,352,683	
Ox Fibre Apartments - Freddie TEL	2020	4/1/2037	11,030,000	10,607,589	
Windsor and Main - Freddie TEL	2020	5/1/2039	5,500,000	5,302,995	
Hollander Ridge - Freddie TEL	2020	5/1/2040	6,850,000	6,632,749	
Knowles Manor - Freddie TEL	2020	8/1/2040	13,975,000	13,672,607	
Suitland - Freddie TEL	2020	4/1/2041	19,100,000	18,633,801	
Snowden's Ridge Apartments - Freddie TEL	2020	1/1/2038	21,100,000	19,920,486	
Newtowne 20 - Freddie TEL	2020	7/1/2041	9,350,000	9,155,310	

Other Outstanding Bonds of the Administration

	Year of Issue	Final Maturity	Amount of Note	Amount Outstanding	
Multifamily Notes continued					(7)
Rye Street Apartments - Freddie TEL ……………………..	2020	1/1/2042	73,500,000	73,500,000	
Hillbrooke Towers - Freddie TEL………………………..	2021	8/1/2040	6,772,000	6,644,107	
525 Aisquith Apartments - Freddie TEL…………………..	2021	1/1/2042	$ 14,023,000	$ 13,955,628	
420 Aisquith Apartments - Freddie TEL…………………..	2021	6/1/2041	7,525,000	7,483,642	
Hillwood Manor - Freddie TEL…………………..........	2021	7/1/2041	10,300,000	10,217,798	
Sandy Spring Sr. Village - Freddie TEL ….....................	2022	3/1/2039	12,230,000	11,179,910	
Woodland Gardens II - Freddie TEL………………………	2022	10/1/2039	1,085,000	1,077,096	
St. Anne's Senior Apartments - Freddie TEL…………………	2022	11/1/2041	13,550,000	9,743,000	
Frederick Road Senior Apartments - Freddie TEL……………	2022	12/1/2041	16,633,000	16,623,006	
Residences at Springbrook - Freddie TEL……………………	2022	1/1/2040	14,000,000	11,189,663	
Perkins Phase I - Freddie TEL……………………….…......	2022	1/1/2042	20,200,000	20,200,000	
Highlandtown Plaza CO-OP - Freddie TEL…………………	2022	1/1/2042	1,425,000	1,419,218	
Guardian House - Freddie TEL……………………………..	2022	8/1/2042	11,950,000	11,950,000	
Cold Spring Lane - Freddie TEL…………………………..	2022	9/1/2042	14,080,000	13,884,844	
4010 Randolph Road - Freddie TEL………………………….	2022	12/1/2040	41,555,000	41,555,000	
Autumn Woods - Freddie TEL……………………………....	2022	1/1/2041	61,330,000	61,330,000	
Glenarden Hills Phase 3 - Freddie TEL……………………	2022	1/1/2043	21,150,000	21,150,000	
Perkins Phase II B - Freddie TEL…………………………..	2022	7/1/2042	16,350,000	14,179,389	
Residences at Forest Glen 4 - Freddie TEL…………………	2023	2/1/2044	33,790,000	29,232,179	
Charles Landing - Freddie TEL……………………………..	2023	2/1/2040	9,050,000	8,722,472	
Willows At Salisbury - Freddie TEL…………………………	2023	10/1/2040	8,310,000	6,850,491	
Bon Secourts Apartments - Freddie TEL……………………	2023	8/1/2042	10,260,000	10,260,000	
Hill House at Beechfield - Freddie TEL………………………	2023	8/1/2041	28,275,000	28,275,000	
North Frederick Apartments - Freddie TEL…………………	2023	4/1/2043	17,280,000	13,969,297	
Park Montgomery Apartments - Freddie TEL………………	2023	4/1/2043	30,350,000	26,468,508	
Sligo Apartments 4 - Freddie TEL…………………………..	2023	5/1/2041	14,160,000	10,656,468	
Flats at College Park - Freddie TEL…………………………..	2023	12/1/2043	65,500,000	63,767,744	
North Odenton - Freddie TEL…………………………….....	2023	1/1/2042	14,815,000	11,345,771	
Perkins Homes Phase III - Freddie TEL………………………	2023	1/1/2045	32,400,000	31,182,666	
Overlook East - Freddie TEL…………………………..	2024	8/1/2041	15,940,000	14,192,406	
Foxwell Memorial - Freddie TEL…………………………..	2024	5/1/2043	16,530,000	15,154,754	
Residences at Irvington Woods - Freddie TEL………………	2024	6/1/2043	11,500,000	8,822,783	
Guardian House II - Freddie TEL…………………………..	2024	2/1/2025	1,050,000	1,050,000	
Amber Commons - Long Term - Freddie TEL………………	2024	8/1/2040	37,720,000	37,720,000	
Amber Commons - Short Term - Freddie TEL………………	2024	2/1/2027	11,685,000	11,685,000	
Nebel Street Apartment 4 - Freddie TEL……………………	2024	9/1/2045	35,035,000	705,079	
Waverly Winds - Freddie TEL…………………………..	2025	3/1/2045	15,000,000	606,800	
Perkins Homes Phase IVB - Freddie TEL……………………	2025	4/1/2045	25,185,000	2,471,379	
1910 University Senior Housing - Freddie TEL………………	2025	1/1/2045	20,700,000	323,037	
Total Multifamily Notes………………………………………………………………………			$ 962,239,000	$ 825,261,604	
Total Amount of Other Bonds and Notes Outstanding ………………………………………			$ 7,669,493,533	$ 5,755,959,396	
Total Amount of Housing Revenue Bonds Outstanding (10) ....…………			$ 819,470,000	$ 640,982,726	
Total Amount of All Bonds and Notes Outstanding			$ 8,488,963,533	$ 6,396,942,122	

Other Outstanding Bonds of the Administration

(1) Certain prepayments of mortgage loans financed with the proceeds of such series of bonds are to be applied first to the redemption of certain bonds within such series.
(2) These are variable rate bonds that are repriced according to the terms in the respective Official Statement.
(3) These are taxable bonds with redemption provisions pertaining only to these bonds. For a description of the redemption provisions refer to the Official Statement.
(4) These are taxable bonds.
(5) Multi-Family Mortgage Revenue Bonds Series 2009 A-3 are non-parity bonds under this bond resolution. These bonds are special obligations payable solely from the trust estate pledged under the series resolution.
(6) These pass-through bonds are subject to mandatory payment, without premium, on the first day of each month from scheduled principal payments and prepayments. For a description of the principal payment and redemption provisions refer to the Official Statement.
(7) These are Freddie Mac tax-exempt loans (Freddie TEL) with CDA as the governmental lender and Wilmington Trust, National Association, as the fiscal agent.
(8) These bonds are stand-alone non-parity bonds under the Bond Resolution pledged solely from the trust estate pledged under the applicable series resolution and not from revenues or other amounts pledged to parity bonds. These bonds are pass-through bonds and are subject to mandatory payment, without premium, on the first day of each month from scheduled principal payments and prepayments. For a description of the principal payment and redemption provisions refer to the Official Statements for these bonds.

(9) The 2024 Series G Bonds are subject to mandatory tender on the following dates: (i) July 1, 2025 with respect to the 2024 Series G-1 and G-5 Bonds, (ii) November 1, 2025 with respect to the 2024 Series G-2 and G-6 Bonds, (iii) December 1, 2025 with respect to the 2024 Series G-3 and G-7 Bonds, and (iv) February 1, 2026 with respect to the 2024 Series G-4 and G-8 Bonds. The Administration expects to refund each such sub-series of 2024 Series G Bonds on or before its respective mandatory tender date.

(10) See information under caption "Outstanding Housing Revenue Bonds" above.

For updated information on issuances and/or redemptions after July 1, 2025, please refer to the website www.dhcd.maryland.gov, Investors.

APPENDIX E

MARYLAND HOUSING FUND

FINANCIAL STATEMENTS

MARYLAND HOUSING FUND

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

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MARYLAND HOUSING FUND
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INDEPENDENT AUDITORS' REPORT

Office of the Secretary
Department of Housing and Community Development
Lanham, Maryland

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Maryland Housing Fund (MHF) of the Department of Housing and Community Development of the State of Maryland, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of MHF, as of June 30, 2025 and 2024, and the changes in financial position, and, its, cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State of Maryland and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

Financial Statement Presentation

As discussed in Note 2, the financial statements present only the financial position, changes in financial position, and cash flows of MHF and do not purport to, and do not, present fairly the financial position of the Department of Housing and Community Development of the State of Maryland as of June 30, 2025 and 2024, and the changes in its net position and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinion on the financial statements is not modified with respect to this matter.

Change in Accounting Principle

As discussed in Note 12 to the financial statements, there was a change in accounting principle for MHF that resulted in a restatement to beginning net position for the year ended June 30, 2025. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of MHF's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

Required Supplementary Information

Management has elected to omit the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Baltimore, Maryland
September 29, 2025

MARYLAND HOUSING FUND
STATEMENTS OF NET POSITION
JUNE 30, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Unrestricted Current Assets:		
Deposit with State Treasurer:		
Operating Account	$ 3,601,774	$ 7,204,449
Loans and Interest Receivable, Net of Allowance for Loans and Related Losses	-	-
Due from Other Funds	1,150	123,793
Other	1,862,528	87,036
Total Unrestricted Current Assets	5,465,452	7,415,278
Restricted Current Assets:		
Deposit with State Treasurer:		
Reserve Accounts	97,168,267	91,641,694
Total Restricted Current Assets	97,168,267	91,641,694
Total Current Assets	102,633,719	99,056,972
NONCURRENT ASSETS		
Loans and Interest Receivable, Net of Allowance for Loans and Related Losses and Current Portion	-	-
Total Noncurrent Assets	-	-
Total Assets	$ 102,633,719	$ 99,056,972

See accompanying Notes to Financial Statements.

MARYLAND HOUSING FUND
STATEMENTS OF NET POSITION (CONTINUED)
JUNE 30, 2025 AND 2024

LIABILITIES AND NET POSITION	2025	2024
CURRENT LIABILITIES		
Accounts Payable	$ 165,997	$ 431,244
Accrued Compensated Absences	70,566	37,984
Accrued Workers' Compensation	3,000	450
Investment Held for Borrower	-	437,949
Unearned Premiums	565,070	517,548
Unearned Fees	12,426	12,585
Allowance for Unpaid Insurance Losses	54,110	150,159
Total Current Liabilities	871,169	1,587,919
NONCURRENT LIABILITIES		
Accrued Compensated Absences, Net of Current Portion	52,998	124,450
Accrued Workers' Compensation, Net of Current Portion	17,000	2,550
Allowance for Unpaid Insurance Losses, Net of Current Portion	15,096,797	10,474,502
Total Noncurrent Liabilities	15,166,795	10,601,502
Total Liabilities	16,037,964	12,189,421
NET POSITION		
Restricted Net Position:		
Multi-Family Reserve	66,698,739	60,698,739
Single Family Regular Reserve	13,685,775	13,692,636
Revitalization (Pilot) Reserve	2,185,258	2,185,258
Small Business Reserve	5,000,000	9,000,000
General Reserve	2,593,422	2,593,422
Unallocated Reserve	6,998,213	3,270,609
Total Restricted Net Position	97,161,407	91,440,664
Unrestricted Accumulated Deficit	(10,565,652)	(4,573,113)
Total Net Position	86,595,755	86,867,551
Total Liabilities and Net Position	$ 102,633,719	$ 99,056,972

See accompanying Notes to Financial Statements.

MARYLAND HOUSING FUND
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
Net Premiums	$ 905,597	$ 864,980
Interest Income on Reserves	3,727,604	3,962,502
Interest Income on Loans	522,051	526,413
Other Income	1,644,939	1,133,071
Total Operating Revenues	6,800,191	6,486,966
OPERATING EXPENSES		
General and Administrative	2,026,103	1,883,356
Direct Losses on Claims	6,861	200,538
Provision (Benefit) for Insurance and Loan Losses	5,039,023	(1,183,234)
Total Operating Expenses	7,071,987	900,660
CHANGE IN NET POSITION	(271,796)	5,586,306
Net Position - Beginning of Year, As Restated / As Previously Reported	86,921,758	81,335,452
Prior Period Adjustment - Change in Accounting Principle	(54,207)	-
Net Position - Beginning of Year, As Restated	86,867,551	81,335,452
Prior Period Adjustment - Change in Accounting Principle	-	(54,207)
NET POSITION - END OF YEAR, AS RESTATED	$ 86,595,755	$ 86,867,551

See accompanying Notes to Financial Statements.

MARYLAND HOUSING FUND
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Premiums, Net	$ 867,804	$ 767,155
Receipts from Principal and Interest on Loans	8,767	2,485,428
Cash Advances to Receivership	(1,567,534)	-
Payments from Mortgage Escrows	(437,949)	(2,292,196)
Receipts for Mortgage Escrows	-	2,490,957
Receipts from Miscellaneous Fees	1,644,780	1,132,919
Payments for General and Administrative Expenses	(2,312,713)	(1,479,486)
Payments for Claims	(6,861)	(200,538)
Receipts from Interest Earned on Reserves	3,727,604	3,962,502
Net Cash Provided by Operating Activities	1,923,898	6,866,741
NET INCREASE IN CASH	1,923,898	6,866,741
Deposit with State Treasurer, Balance - Beginning of Year	98,846,143	91,979,402
DEPOSIT WITH STATE TREASURER, BALANCE - END OF YEAR	$ 100,770,041	$ 98,846,143
RECONCILIATION OF CHANGE IN OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating (Loss) Income	$ (271,796)	$ 5,586,306
Adjustments to Reconcile Change in Net Position to Net Cash Provided by Operating Activities:		
Effects of Changes in Operating Assets and Liabilities:		
Loans and Interest Receivable	(513,283)	1,959,015
Investments and Other Assets	(437,950)	200,150
Due to (from) DHCD	122,642	(122,220)
Other Receivables	(1,775,491)	-
Accounts Payable and Other Accrued Liabilities	(287,118)	403,870
Allowance for Unpaid Insurance Losses	5,039,531	(1,183,234)
Unearned Premiums	47,522	23,006
Unearned Fees	(159)	(152)
Net Cash Provided by Operating Activities	$ 1,923,898	$ 6,866,741

See accompanying Notes to Financial Statements.

NOTE 1 PROGRAM DESCRIPTION

The Maryland Housing Fund (MHF) was established in 1971 by Section 3-201 through 3-208 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, to encourage the flow of private investment capital into multiple-unit and Single Family housing by insuring qualified lending institutions against losses on mortgage loans. MHF is authorized to insure mortgage loans, including mortgage loans for Multi-Family developments financed by public agencies such as the Community Development Administration (CDA), a governmental unit within the Division of Development Finance of the Department of Housing and Community Development (DHCD) and to provide primary insurance for Single Family mortgage loans. Legislation enacted in 2016 expanded MHF's authority to insure business loans originated by qualified lending institutions. MHF insures against certain monetary losses incurred as a result of nonpayment of principal, interest or other sums agreed to be paid and certain other events of default under the terms of any insured mortgage loan, but does not insure against property losses, including without limitation, title risk, risks of defective construction or casualty, or any other reduction in project value due to insurable risk or force majeure, casualty or title loss. Legislation enacted in 1981 enables MHF to originate mortgage loans to assist in the disposal of property acquired through foreclosure or pursuant to any other payment in settlement of a claim or loss. MHF is a governmental unit within DHCD's Division of Credit Assurance.

MHF maintains six restricted insurance reserves, which are separate from MHF's operating funds. Five of the reserves cover specific categories of insurance; the Multi-Family Reserve, the Single Family Regular Program Reserve, the Revitalization Reserve (formerly known as the PILOT program insurance reserve), the Business Reserve, and the General Reserve. The investment earnings on each of the five specific reserves are credited to a sixth reserve, the Unallocated Reserve. The Unallocated Reserve may be allocated and transferred by the Secretary into each of the reserves, restricted by the Secretary as a reserve to pay claims on all categories of claims, applied by MHF as payment of a claim, or retained in the Unallocated Reserve pending allocation, transfer, or restriction. Investment earnings on each of the six reserves are credited to the Unallocated Reserve. In 2008, legislation was passed pursuant to Senate Bill 983 requiring MHF to transfer from the Unallocated Reserve to DHCD's Homeownership Programs Fund, Rental Housing Programs Fund, and Special Loan Programs Fund all amounts in excess of $10,000,000 at the end of each fiscal year. These transfers can be found in Note 8 of this document.

The MHF statute provides that any moneys of MHF that DHCD creates as an identifiable insurance reserve may be used only in conformance with the terms and conditions creating that reserve. MHF regulations provide that each reserve is maintained to pay claims arising from its respective category of insurance and may not be subject to claims arising from other categories of insurance except for the Unallocated Reserve.

MHF's reserve funds are derived from the net proceeds of five issues of the State of Maryland (State) general obligation bonds aggregating $39,300,000 and $7,500,000 in proceeds derived from State appropriations. In addition, the funds have earned investment income and paid claims. The unrestricted accumulated deficit reflects MHF's operations since inception less interest income. The reserves are held by the Office of the Treasurer of the State, which credits MHF with income on investment of reserves for the benefit of MHF.

NOTE 1 PROGRAM DESCRIPTION (CONTINUED)

The Multi-Family Reserve supports several programs. All existing Multi-Family insurance insures projects financed by CDA's revenue bonds. These programs include:

- Risk-Share Program insures both construction and permanent mortgages financed with CDA bond proceeds with credit enhancement under the Federal Housing Administration (FHA) Risk Sharing Program. As a Level I participant under the FHA Risk-Sharing Program, upon payment of a claim by FHA, CDA is responsible for reimbursing FHA up to 50% of such claim. As a Level II participant under the FHA Risk-Sharing Program, upon payment of a claim by FHA, CDA is responsible for reimbursing FHA up to 25% of such claim. MHF then reimburses CDA for its share of such losses. This is an active multi-family program.

- Special Housing Opportunity Program (SHOP) insures mortgages financed or refinanced for the acquisition, construction or rehabilitation of shared living and related facilities for the special needs population which are owned by and sponsored by nonprofit organizations. This is an active multi-family program.

- MHF Demonstration Program – Effective December 9, 2014, MHF and CDA created a demonstration program (the "MHF Demonstration Program") whereby MHF insures short term loans ("Short Term Loans") financed with proceeds from the sale of short term bonds ("Short Term Bonds") issued under CDA's multi-family Housing Revenue Bond Resolution ("HRB"). The MHF Demonstration Program is an additional cost-effective option extended to borrowers for the provision of credit enhancement for Short Term Loans financed under HRB. Eligibility for the MHF Demonstration Program is limited to projects that: (i) need to use more than 25% of its projected tax credit equity to cash collateralize a letter of credit ("LOC") that otherwise would be delivered to secure Short Term Bonds during construction, and (ii) where the amount of the Short Term Loan (which equals the amount of the cash collateral account that would be required by a LOC provider) is greater than 25% of the projected tax credit equity. No borrower, including all related entities, may have Short Term Loans insured under the MHF Demonstration Program at any one time in excess of $5 million. In addition, 25% of the projected amount of tax credit equity to be generated by a project must be contributed to the project at the closing of the Short Term Loan. MHF's obligations under the MHF Demonstration Program are backed only by MHF's Unallocated Reserve. The aggregate amount of outstanding indebtedness to be insured under the MHF Demonstration Program may not exceed $10 million from MHF's Unallocated Reserve at any given time. There are no loans currently insured under this program.

NOTE 1 PROGRAM DESCRIPTION (CONTINUED)

The Single-Family Regular Reserve insures mortgages funded by private Maryland lending institutions and CDA. These programs include:

- Single-Family Regular Insurance Program consists of mortgages originated prior to 1997. These mortgages may have had primary insurance (MHF is liable for the top 25% of the original mortgage) and/or pool insurance (MHF is liable for the bottom 75% of the original mortgage). Pool insurance coverage was limited to 10% of lendable proceeds for the aggregate of revenue bond issues (stop-loss). Effective August 1, 2010, MHF was released from any obligation to provide the pool insurance on these loans. MHF continues to provide primary insurance on these loans.

- Mortgage Protection Program consists of 30 and 40 year mortgages originated after 2005, funded with CDA bond proceeds with insurance coverage only for the top 35% of the original mortgage and up to six months of mortgage payments (limited to no more than $2,000 per month). These mortgages maintain a fixed rate of interest for the full loan term and allow borrowers to finance a one-time mortgage insurance premium as part of the mortgage, thereby requiring no additional outlay of cash by the borrower at the closing, resulting in a lower monthly mortgage payment. MHF no longer issues new insurance under this program.

The Revitalization (Pilot) Reserve insures mortgages funded through CDA and private Maryland lenders for up to 100% of the mortgage balance.

- The Healthy Neighborhood Program provides credit enhancement to a loan program sponsored by a nonprofit corporation, which is intended to stabilize and strengthen property values in targeted areas in the City of Baltimore. MHF insures less than 3% of the outstanding loan balance under this program.

Small Business Insurance Reserve

- Business Loan Program provides insurance coverage and credit enhancement on loans originated by CDA or other eligible lenders to stimulate the flow of private capital to fund business projects located in publicly designated renewal or redevelopment areas. There are currently no loans insured under this program.

General Reserve

- The General Insurance Reserve provides 35% insurance on certain CDA single-family mortgages as an incentive to refinance or restructure loans for Maryland borrowers with an existing CDA loan. MHF continues to maintain active mortgages but no longer issues new commitments under this program.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Relationship with the State

MHF is one of many programs administered by DHCD and the State. Other State agencies, such as the Department of Budget and Management, support DHCD by providing services for DHCD and thus allocate a portion of their expenses to DHCD. MHF has no direct employees and is entirely supported by staff at DHCD to perform all necessary functions of MHF. Thus, MHF's accompanying financial statements are not indicative of MHF as if it were a stand-alone entity. MHF is included in the enterprise funds of the State.

Generally Accepted Accounting Principles

MHF reports its financial activities by applying Standards of Governmental Accounting and Financial Reporting as promulgated by the Governmental Accounting Standards Board (GASB). Consequently, MHF applies all applicable GASB pronouncements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, and losses during the reporting periods. Actual results could differ from these estimates.

Cash and Cash Equivalents on Deposit

Cash and cash equivalents may include money market funds, repurchase agreements, investment agreements and any other investments, primarily obligations of the U.S. Treasury and U.S. Government Agencies, which have maturities of 90 or less days at the time of purchase.

Loans and Interest Receivable, Net of Allowance for Loans and Related Losses

Loans and interest receivable, net of allowance for loans and related losses, consist of loans made directly by MHF and loans originally made by others and subsequently assigned to MHF under the provisions of the insurance agreements plus interest receivable, net of possible losses. Based on Management's assessment, MHF has reviewed these loans and determined that collection is unlikely given the financial situation of the borrowers. A full allowance has been recorded.

Allowance for Unpaid Insurance Losses

MHF provides for estimated insurance losses under each insurance plan. The allowance for unpaid insurance losses is increased by provisions charged to current operating expenses and reduced by claim payments. The provision for possible insurance losses is based on management's review of insured properties, considering past loss experience, current economic conditions, and other environmental factors which may affect the frequency of claims and the recovery of claim costs. Actual results could differ from those estimates.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

Regular employees of the State of Maryland earn different types of leave that are considered compensated absences. Employees may use or accumulate leave, subject to certain limitations, such as annual leave, sick leave, personal leave and compensatory time. Different usage rules apply to each class of leave, and upon separation from State service, unused leave is forfeited or paid out to the employee according to established criteria; upon retirement, unused sick leave converts to creditable service time and becomes a liability of the State. In June 2022, GASB issued updated guidance, GASB 101, Compensated Absences, which details the requirements for recognizing and measuring the financial liability of various leave types. The State of Maryland adopted this guidance for the fiscal year ending June 30, 2025. The new standard now applies a measurement for leave that is more likely than not going to be used or paid out and requires retroactive application by restating the beginning net positions for the current period.

Restricted Net Position

In accordance with accounting guidance issued by the GASB, net position should be reported as restricted when constraints placed on net position use are either: externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or are imposed by law through constitutional provisions or enabling legislation. Accordingly, all funds and accounts whose purpose is to pay possible future claims are restricted as to their use, as is interest earned on these restricted assets. MHF first applies restricted resources when an expense is incurred for purposes for which those restricted and unrestricted net position is available.

Revenues and Expenses

Operating revenues and expenses generally result from mortgage insurance activities in connection with MHF’s ongoing operations. The principal operating revenue is mortgage insurance premiums. Operating expenses include expenses relating to claims from defaulted loans and general and administrative expenses. The interest earned on reserve accounts is restricted revenue.

Premium Income Recognition

Premium income on all loans is recognized on a straight-line basis over the benefit period covered by the premiums.

General and Administrative

MHF is subject to an allocation of intradepartmental support costs of the DHCD, which are included in general and administrative in the Statements of Revenues and Expenses. Such costs could affect MHF’s financial position or operating results in a manner that differs from those that might have been obtained if MHF was autonomous. MHF records these costs as invoiced by DHCD for the fiscal year. However, the allocation is subject to review and adjustment subsequent to year-end.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncement

During the year, MHF Implemented GASB Statement No, 101, *Compensated Absences*. The statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. Refer to Note 12 for the impact of the implementation.

NOTE 3 CASH AND INVESTMENTS

Deposit with State Treasurer

MHF defines cash and cash equivalents as cash and short-term investments that are held on deposit with the State Treasurer. Cash receipts and disbursements of MHF are made through a cash pool maintained by the State Treasurer. None is uninsured and uncollateralized. MHF has on deposit with the State Treasurer both unrestricted and restricted cash and cash equivalents. MHF reports its operating account as unrestricted. MHF reserve accounts are reported as restricted.

Additional information can be obtained from the State of Maryland Annual Comprehensive Financial Report by visiting the website https://www.marylandtaxes.gov/reports/cafr.php.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. MHF adheres to Maryland State Treasurer's policy for managing its exposure to fair value loss arising from increasing interest rates. The Maryland State Treasurer's investment policy states that to the extent possible, it will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Treasurer's Office will not directly invest in securities maturing more than five years from the date of purchase.

Credit Risk and Concentration of Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. MHF's policy for reducing its exposure to credit risk is to comply with Maryland State Treasurer's policy, which requires that the Treasurer's investments in repurchase agreements be collateralized by U.S. Treasury and agency obligations. In addition, investments may be made directly in U.S. Treasuries or agency obligations.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. MHF's policy for reducing this risk of loss is to comply with the Maryland State Treasurer's policy, which limits the amount of repurchase agreements to be invested with a particular institution to 30% of the portfolio. Otherwise, there is no limit on the amount that may be invested in any one issuer.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank or counterparty failure, MHF will not be able to recover its deposits or the value of its collateral securities that are in the possession of an outside party. Investments and collateralized securities are held in trust by the trustee or the trustee agent, kept separate from the assets of the bank and from other trust accounts and are held in MHF's name.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements

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

The Funds have the following recurring fair value measurements as of June 30, 2025:

- Pooled cash maintained by the State Treasurer of $100,770,041 (Level 1).

The Funds have the following recurring fair value measurements as of June 30, 2024:

- Pooled cash maintained by the State Treasurer of $98,846,143 (Level 1).

NOTE 4 LOANS AND INTEREST RECEIVABLE, NET OF ALLOWANCE FOR LOANS AND RELATED LOSSES

Loans and interest receivable, net of allowance for loans and related losses, consist of loans made directly by MHF and loans originally made by others and subsequently assigned to MHF under the provisions of the insurance agreements plus interest receivable, net of possible losses. Based on Management's assessment, MHF has reviewed these loans and determined that collection is unlikely given the financial situation of the borrowers. A full allowance has been recorded. Mortgage loans, notes receivable, and interest receivable were as follows for the years ended June 30, 2025 and 2024:

	2025	2024
Multi-Family	$ 7,338,881	$ 7,346,226
Single-Family	178,490	178,490
Other	6,660	7,721
Interest Receivable on Loans	12,230,011	11,708,320
Total	19,754,042	19,240,757
Allowance for Possible Losses on Multi-Family Loans	(7,338,881)	(7,346,225)
Allowance for Possible Losses on Single-Family Loans	(178,490)	(178,490)
Allowance for Possible Losses on Other	(6,660)	(7,721)
Allowance for Possible Losses on Interest Receivable	(12,230,011)	(11,708,321)
Total Allowance for Possible Losses	(19,754,042)	(19,240,757)
Loans and Interest Receivable, Net of Allowance for Loans and Related Losses	$ -	$ -

NOTE 4 LOANS AND INTEREST RECEIVABLE, NET OF ALLOWANCE FOR LOANS AND RELATED LOSSES (CONTINUED)

Changes in the allowance for possible losses on loans and interest receivable were as follows for the years ended June 30, 2025 and 2024:

	2025	2024
Balance - Beginning of Year	$ 19,240,757	$ 21,199,772
Increase (Decrease) in Provision	513,285	(1,959,015)
Balance - End of Year	$ 19,754,042	$ 19,240,757

NOTE 5 UNEARNED PREMIUMS

The unearned premiums for the unexpired terms of all policies in force or written as of June 30, 2025 and 2024, and the changes for the years then ended were as follows:

	2025			
	Unearned Premiums at Beginning of Year	Premiums Written	Premiums Earned	Unearned Premiums at End of Year
Multi-Family Programs:				
Construction and Permanent Mortgages	$ 491,454	$ 900,982	$ 844,252	$ 548,184
SHOP Loans	8,059	11,915	12,655	7,319
Total Multi-Family Programs	499,513	912,897	856,907	555,503
Single Family Programs:				
Single Family Regular:				
Primary	18,035	15,761	24,229	9,567
Total - Year Ended June 30, 2025	$ 517,548	$ 928,658	$ 881,136	$ 565,070

	2024			
	Unearned Premiums at Beginning of Year	Premiums Written	Premiums Earned	Unearned Premiums at End of Year
Multi-Family Programs:				
Construction and Permanent Mortgages	$ 455,970	$ 816,811	$ 781,327	$ 491,454
SHOP Loans	9,907	13,710	15,558	8,059
Total Multi-Family Programs	465,877	830,521	796,885	499,513
Single-Family Programs:				
Single-Family Regular:				
Primary	28,665	32,702	43,332	18,035
Total - Year Ended June 30, 2024	$ 494,542	$ 863,223	$ 840,217	$ 517,548

NOTE 6 NONCURRENT OBLIGATIONS

Changes in noncurrent obligations for the years ended June 30, 2025 and 2024 were as follows:

	2025				
	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Compensated Absences*	$ 162,434	$ -	$ (38,870)	$ 123,564	$ 70,566
Workers' Compensation	3,000	17,000	-	20,000	3,000
Investment Held for Borrower	437,949	-	(437,949)	-	-
Allowance for Unpaid Insurance Losses	10,624,661	4,526,246	-	15,150,907	54,110
Total - Year Ended June 30, 2025	$ 11,228,044	$ 4,543,246	$ (476,819)	$ 15,294,471	$ 127,676

	2024				
	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Compensated Absences, as Restated*	$ 86,551	$ 75,883	$ -	$ 162,434	$ 49,551
Workers' Compensation	2,000	1,000	-	3,000	450
Investment Held for Borrower	2,730,145	391,335	(2,683,531)	437,949	437,949
Allowance for Unpaid Insurance Losses	9,848,880	775,781	-	10,624,661	150,159
Total - Year Ended June 30, 2024	$ 12,667,576	$ 1,243,999	$ (2,683,531)	$ 11,228,044	$ 638,109

*The change in the compensated absences liability is presented as a net change.

NOTE 7 ALLOWANCE FOR UNPAID INSURANCE LOSSES

The allowance for unpaid insurance losses is the estimated claims settlement on notices of default that has been received by MHF, as well as loan defaults that have been incurred but have not been reported by the lenders. Although current accounting guidance specifically excludes mortgage guaranty insurance from its guidance relating to the reserves for losses, MHF establishes loss reserves using the general principles contained in the insurance standard.

For insured Multi-Family program properties, MHF establishes loss reserves on a case-by-case basis when insured loans are identified as currently in default based on MHF's expected claim payment, net of estimated recovery. At June 30, 2025, MHF had no Multi-Family loans in default. As a result, MHF provides only limited loss reserves on the Multi-Family portfolio.

NOTE 7 ALLOWANCE FOR UNPAID INSURANCE LOSSES (CONTINUED)

For insured Single Family loans, MHF establishes its loss reserves based on past loss experiences and the current real estate market. MHF also reserves for defaults that have been incurred but have not been reported prior to the close of an accounting period, using estimated claim rates and claim sizes for the estimated number of defaults not reported. For Single Family program properties, insured loans which have gone through foreclosure and MHF has not paid a claim, MHF also reserves for losses based on past loss experiences and the current real estate market.

MHF's reserve process is based upon the assumptions of past experience, including the current real estate market and housing values in the locations where MHF has experienced high claim rates. Therefore, the reserves are necessarily based on estimates and the ultimate liability may vary from such estimates. Management regularly reviews the evaluation of the loss reserves utilizing current information and updates the assumptions in the estimation process accordingly. Any resulting adjustments are reflected in the current period's earnings as either a provision for losses or reduction in losses. Management believes that the allowance for unpaid insurance losses at June 30, 2025 was appropriately established on an aggregate basis and was adequate to cover the ultimate net cost of settling reported and unreported claims.

Changes in allowance for unpaid insurance losses were as follows:

	Multi-Family	Single-Family	Total
Balance - June 30, 2023	$ 9,186,028	$ 662,852	$ 9,848,880
Increase (Decrease) in Provision	983,964	(208,183)	775,781
Balance - June 30, 2024	10,169,992	454,669	10,624,661
Increase (Decrease) in Provision	4,674,434	(148,188)	4,526,246
Balance - June 30, 2025	$ 14,844,426	$ 306,481	$ 15,150,907

NOTE 8 CHANGES IN NET POSITION

Changes in restricted and unrestricted net position were as follows:

	Restricted Net Position							
	Multi-Family Reserve	Single Family Regular Reserve	Revitalization (Pilot) Reserve	Business Reserve	General Reserve	Unallocated Reserve	Unrestricted Accumulated Deficit	Total
Balance - June 30, 2023	$ 53,698,739	$ 13,893,666	$ 2,185,258	$ 9,000,000	$ 2,593,422	$ 6,308,107	$ (6,343,740)	$ 81,335,452
Interest Income Allocated at the Discretion of DHCD Secretary	-	-	-	-	-	3,962,502	(3,962,502)	-
Inter-reserve Transfers	7,000,000	-	-	-	-	(7,000,000)	-	-
Change in Net Position	-	(201,030)	-	-	-	-	5,733,129	5,532,099
Balance - June 30, 2024, as Restated	60,698,739	13,692,636	2,185,258	9,000,000	2,593,422	3,270,609	(4,573,113)	86,867,551
Interest Income Allocated at the Discretion of DHCD Secretary	-	-	-	-	-	3,727,604	(3,727,604)	-
Inter-reserve Transfers	4,000,000	-	-	(4,000,000)	-	-	-	-
Transfers In (Out)	2,000,000						(2,000,000)	
Change in Net Position	-	(6,861)	-	-	-	-	(264,935)	(271,796)
Balance - June 30, 2025	$ 66,698,739	$ 13,685,775	$ 2,185,258	$ 5,000,000	$ 2,593,422	$ 6,998,213	$ (10,565,652)	$ 86,595,755

NOTE 9 COMMITMENTS AND CONTINGENCIES

Multi-Family Mortgages

MHF insured mortgage loans as of June 30, 2025, net of partial claim payments, were as follows:

	Number	Current Balance
CDA Construction and Permanent Mortgages	112	$ 662,393,519
CDA SHOP Loans	88	8,268,714
Total	200	$ 670,662,233

As of June 30, 2025, MHF had commitments of $15,370,455 which had not yet been drawn.

Single-Family Mortgages

All loans insured by MHF are with approved lenders and are collateralized by a first or second lien against the improved property, which must be located in the state of Maryland. The details of insured loans and commitments to insure loans as of June 30, 2025, were as follows:

	Insured Mortgages			
	Number	Original Amount	Current Amount	Contingent Liability
Primary Insurance Coverage				
Single Family Regular				
25% Insured	118	$ 6,585,714	$ 1,253,172	$ 313,293
35% Insured	46	9,105,327	6,826,903	2,389,416
Revitalization (Pilot) Program				
2.5% Insured	146	21,092,943	18,479,959	369,599
General				
35% Insured	7	1,758,337	1,340,399	469,140
Total	317	$ 38,542,321	$ 27,900,433	$ 3,541,448

As of June 30, 2025, MHF had no unfunded commitments under the Revitalization Reserve or Healthy Neighborhood Program.

Effective August 1, 2010, MHF was released from any obligation to provide pool insurance for loans originated prior to 2005.

NOTE 10 PENSION AND OTHER POST-RETIREMENT BENEFITS

Eligible employees of the state of Maryland are covered under the retirement plans of the State Retirement and Pension System of Maryland (the System) and are also entitled to certain healthcare benefits upon retirement. MHF's only obligation for retirement and post-employment benefits is its required annual contribution, which was paid in full by MHF to the state of Maryland prior to year-end. The liability for the employees is recorded by the general fund of the state of Maryland and is not allocated to MHF. The System prepares a separate audited Comprehensive Annual Financial Report which can be obtained from the State Retirement and Pension System of Maryland, 120 East Baltimore Street, Baltimore, Maryland 21202 or by visiting the website at www.sra.maryland.gov.

NOTE 11 RELATED PARTY TRANSACTIONS

MHF engages in certain transactions with related parties, specifically other units within DHCD. Premium and fee income generated from insured loans with CDA represent approximately 99% of the total premium and fee income reported during each of the fiscal years ending June 30, 2025 and 2024. Additionally, MHF pays certain post-foreclosure expenses for both CDA and DHCD's State Funded Loan Program to achieve a cost savings to the Agency as a whole. As these expenses are not expenses related to the operations of MHF, they are recorded on the balance sheet as Due From Other Funds, affecting only cash and receivables. These expenses are subsequently reimbursed to MHF by the responsible unit, and the outstanding receivable is cleared.

NOTE 12 PRIOR PERIOD ADJUSTMENT FOR CHANGE IN ACCOUNTING PRINCIPLE

Effective July 1, 2023, MHF implemented GASB Statement No. 101, *Compensated Absences*. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. As a result of the implementation of this standard, the compensated absences liability as of July 1, 2024 was understated by $54,207. The effect of the implementation of this standard is shown in the table below.

	Compensated Absences	Net Position
June 30, 2024, As Previously Reported	$ 108,227	$ 86,921,758
Change in Accounting Principle	54,207	(54,207)
July 1, 2024, As Restated	$ 162,434	$ 86,867,551

INDEPENDENT
NETWORK MEMBER

APPENDIX G

MORTGAGE INSURANCE AND GUARANTY PROGRAMS

APPENDIX G

MORTGAGE INSURANCE AND GUARANTY PROGRAMS

FHA MORTGAGE INSURANCE PROGRAM,
VA HOME LOAN GUARANTY PROGRAM,
USDA/RD MORTGAGE GUARANTY PROGRAM,
PRIVATE MORTGAGE INSURANCE PROGRAM AND
THE MHF INSURANCE PROGRAM

Introduction

The Administration has prepared the following description of the FHA Mortgage Insurance Program, the VA Home Loan Guaranty Program, the USDA/RD Mortgage Guaranty Program, and private mortgage insurance. This description is only a brief outline and does not purport to summarize or describe all of the provisions of these programs, and the Administration does not warrant or represent the accuracy or completeness of such description. For a more complete description of the terms of this program, reference is made to the provisions of the insurance and guaranty contracts embodied in the regulations of FHA, VA and USDA/RD, respectively, and of the regulations, master insurance contracts and other such applicable information for those programs and for applicable private mortgage insurance. Credit Enhancement for Mortgage Loans made or purchased by the Administration with the proceeds is limited by the Bond Resolutions to insurance under the FHA Mortgage Insurance Program, the VA Home Loan Guaranty Program, the USDA/RD Guarantee Program, and private mortgage insurance (described below). In addition, Mortgage Loans may be insured by the Maryland Housing Fund. See THE MHF INSURANCE PROGRAM below. Moreover, Mortgage Loans with a loan-to-value ratio of 80% or less are not required to have a credit enhancement as described above. If a Mortgage Loan without credit enhancement is supported by secondary financing, then such financing must be acceptable to the Administration. The secondary financing may include, for example, certain grants or loans from governmental or non-profit entities; any loans must be non-amortizing or amortize at an interest rate below the market rate. However, the Bond Resolution does not require that a Mortgage Loan financed in the future be secured by Credit Enhancement. Credit Enhancement of all or a portion of a Mortgage Loan, if any, will be provided in accordance with the provisions therefor set forth in the Series Resolution authorizing a particular Series of Bonds. Credit Enhancement of Mortgage Loans includes (but is not limited to) any credit enhancement, insurance, guaranty, risk-sharing arrangement or any other form of credit support for a Mortgage Loan (or any portion thereof) as provided in any Series Resolution or Supplemental Resolution and it is possible that insurance benefits under other federal, State or private programs in which the Administration may participate could have different terms.

FHA Mortgage Insurance Program

Section 221 and Section 203 of the National Housing Act, as amended (the "Housing Act"), authorize the FHA to insure mortgage loans of up to 40 years for the purchase of one to four family dwelling units, or 30 years if the mortgage is not approved for insurance prior to construction. Section 234 of the Housing Act authorizes the FHA to insure mortgage loans of up to 35 years for the purchase of one-family dwelling units in multi-family condominium projects. The regulations promulgated to implement the Housing Act provide for insurance of mortgage loans for up to 30 years.

Mortgage Loans shall bear interest at a rate agreed upon by the mortgagee and Borrower. Mortgage Loans under any of the foregoing programs must be in conformity with the maximum mortgage loan amount limitations and minimum downpayment requirements specified in the Housing Act and the regulations promulgated thereunder. In addition, the Borrower must establish to the satisfaction of FHA that his or her income is adequate to meet the periodic payments required on the mortgage loan.

FHA permits the fully insured Mortgage Loan amount to include not only the up-front mortgage insurance premium, but, under certain circumstances, certain closing costs and other costs as well. Furthermore, through the FHA Section 203(k) Program, FHA will insure certain loans for up to 110 percent of the expected after-rehabilitation value of the property, plus permitted closing costs.

Under the terms of the foregoing program, the mortgagee, upon a default by the Borrower, is required to take certain actions, and is subject to certain limitations, before the mortgagee is entitled to initiate foreclosure proceedings or to claim insurance benefits. The mortgagee is subject to certain requirements and limitations, including the following: (1) the mortgagee must give notice of default to the Borrower and make reasonable efforts to conduct a face-to-face interview with the Borrower; (2) the mortgagee is required to undertake a pre-foreclosure review to ensure compliance with applicable requirements; and (3) the mortgagee may not commence foreclosure until at least three full monthly installments are in default. In addition, various types of forbearance may be required, including a reduction in mortgage payments, recasting the mortgage to reduce payments, temporary mortgage assistance payments, or pre-foreclosure sale. The mortgage also is subject to reinstatement until completion of foreclosure proceedings. The Housing Act gives discretionary authority to the Secretary of the United States Department of Housing and Urban Development ("HUD") to settle claims for insurance benefits for insured mortgages either in cash or debentures; claim payments currently are being made in cash. HUD debentures bear interest at the rate in effect as of the time of origination of the mortgage loan or when the mortgage loan is endorsed, whichever rate is higher.

Insurance benefits are paid on foreclosure and conveyance of title. The amount of benefits paid by FHA on conveyed properties, except in certain circumstances as described below, is equal to the unpaid principal amount of the mortgage loan plus certain tax, insurance and other payments made by the mortgagee, a percentage of any foreclosure expenses incurred by the mortgagee, which percentage shall be determined in accordance with such terms as HUD shall prescribe, and reasonable expenses incurred by the mortgagee for the preservation, protection and operation of the properties prior to conveyance, as well as interest from date of default at a rate equivalent to the debenture interest rate (which may be less than the interest rate of the insured mortgage loan), less certain amounts received or retained by the mortgagee in respect of the mortgaged property.

When any property to be conveyed to the FHA has been damaged by fire, earthquake, flood or tornado, it is generally required, as a condition to payment of an insurance claim, that such property be repaired by the mortgagee prior to such conveyance.

VA Home Loan Guaranty Program

The Servicemen's Readjustment Act of 1944, as amended, permits a veteran (or in certain instances, the veteran's spouse) to obtain a loan guarantee by the VA covering mortgage financing of the purchase of a one-to-four family dwelling unit at interest rates permitted by the VA. The program has no mortgage loan limits, requires no down payment from the purchaser and permits the guarantee of mortgage loans with terms of up to 30 years and 32 days. VA will guarantee up to 50 percent of a home loan up to $45,000. For loans between $45,000 and $144,000, the minimum guaranty amount is $22,500; and the maximum guaranty is up to 40 percent of the loan, up to $36,000, subject to the amount of entitlement a veteran has available. For loans of more than $144,000 the maximum guaranty is the lesser of 25 percent of the loan or the dollar amount that is equal to 25 percent of the Federal Home Loan Mortgage Corporation conforming loan limitation determined under Section 505(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) for a single-family residence, as adjusted for the year involved. The liability on the guarantee is reduced or increased pro rata with any reduction or increase in the amount of the indebtedness, but in no event will the amount payable on the guarantee exceed the amount of the original guarantee. Notwithstanding the dollar and percentage limitations of the guarantee, a mortgage lender will ordinarily suffer a monetary loss only where the difference between the unsatisfied indebtedness and the proceeds of a foreclosure sale of a mortgaged premises is greater than the original guarantee, as adjusted. The VA may, at its option and without regard to the guarantee, make full payment to a mortgage lender of unsatisfied indebtedness on a mortgage upon its assignment to the VA.

USDA/RD Mortgage Guarantee Program

The Cranston-Gonzalez National Affordable Housing Act of 1990 authorized the establishment of the USDA/RD Guaranteed Rural Housing Loan Program. Households with annual incomes at or below one hundred fifteen percent (115%) of median area income are eligible for these loans, subject to the geographic restrictions described below. Households with annual incomes at or below eighty percent (80%) of the area median income may be eligible for interest assistance, in addition to the loan guarantee. The interest assistance paid monthly by USDA/RD to the loan servicer reduces the borrower's effective interest rate. The amount of interest rate reduction is dependant upon the households' annual income, which is re-certified by the loan servicer annually. No funds currently are available for interest assistance.

The USDA/RD Guaranteed Rural Housing Loan Program is limited to only certain rural areas of the State. Any city, place, town or village with a population not exceeding 20,000, based on the most recent decennial census, will be considered rural.

The USDA/RD guaranty covers the lesser of (a) any loss equal to ninety percent (90%) of the original principal amount of the loan or (b) any loss in full up to thirty-five percent (35%) of the original principal amount of the loan plus any additional loss on the remaining sixty-five (65%) to be shared approximately eighty-five percent (85%) by USDA/RD and approximately fifteen percent (15%) by the mortgagee.

USDA/RD does not accept conveyance of the property, but rather pays the lender's claim upon foreclosure. The claim payment includes certain actual costs incurred by the lender prior to foreclosure, including interest expense, and an allowance for the costs associated with liquidating the property. The claim payment amount is based on the net sales proceeds if the property is sold within six (6) months, or if no sale occurs within six (6) months, the claim payment amount is determined according to a formula based upon an appraisal of the property performed by USDA/RD. The lender's actual disposition costs may be higher than the USDA/RD claim payment.

Private Mortgage Insurance

Each private mortgage insurance policy with respect to a Mortgage Loan must contain provisions substantially as follows: (a) the mortgage insurer must pay a claim, including unpaid principal, accrued interest, the amounts equal to deferred interest in connection with Mortgage Loans with graduated payments schedules, if any, and expenses, within sixty days of presentation of the claim by the Administration; (b) when a claim for the outstanding principal amount, accrued interest and expenses is presented, the mortgage insurer must either (i) pay such claim in full and take title to the mortgaged property and arrange for its sale or (ii) pay the insured percentage of such claim and allow the Administration to retain title to the mortgaged property or (iii) settle a claim for actual losses where such losses are less than the insured percentage of the claim. (See the "Homeowners Protection Act" below for a discussion of federal legislation that affects private mortgage insurance.) *Recent rating agencies' reviews of private mortgage insurers may be indicative of some future inability of these insurers generally* *to fulfill in full their obligations, if and when required upon a mortgage default, to make timely payments on policies. The Administration makes no representation regarding the financial condition of any of the private mortgage insurance companies or their ability to make full and timely payments to the Administration on Mortgage Loans on which losses are incurred.*

Homeowners Protection Act

The Homeowners Protection Act of 1998 (the "Homeowners Protection Act") permits a borrower to cancel private mortgage insurance (for which the borrower pays the premium) on the date on which the principal balance of the mortgage loan is scheduled to reach 80% of the original value of the residence or on the date on which the principal balance actually reaches 80% of the original value of the residence. The original value is the lesser of the sales price or the appraised value at the time the mortgage loan transaction was consummated. In order to effect such cancellation, the borrower must request in writing that the cancellation be initiated, must have a good payment history with respect to the mortgage loan (i.e., no mortgage payment was, during the year beginning two years prior to cancellation, 60 or more days delinquent, and no mortgage payment was, during the year beginning one year prior to cancellation, 30 or more days delinquent), and must satisfy any requirements of the lender for evidence that the value of the residence has not declined below its original value and for certification that the borrower's equity in the residence is not encumbered by a subordinate loan. This Homeowners Protection Act further provides for automatic termination of mortgage insurance on the date on which the principal balance of the mortgage loan is schedule to reach 78% of the original value of the residence, or if the borrower is not then current on his mortgage loan payments, on the date on which the borrower subsequently becomes current on such payments. These termination and cancellation provisions do not apply to mortgage loans characterized as high risk loans. Even if the private mortgage insurance is not canceled or terminated as described above, private mortgage insurance must be terminated on the first day of the month immediately following the date that is the midpoint of the amortization period of the mortgage loan if the mortgagor is then current on his mortgage loan payments. This Homeowners Protection Act also requires that borrowers be provided with certain disclosures and notices regarding termination and cancellation of private mortgage insurance. This Homeowners Protection Act applies to mortgage loans closed on or after July 29, 1999.

This Homeowners Protection Act applies to insurance provided by the Maryland Housing Fund as well as private mortgage insurance described above.

In addition to termination and cancellation rights available to the borrower under the Homeowners Protection Act, the Administration also permits a borrower to request cancellation of private mortgage insurance or insurance through the Maryland Housing Fund for loans made after January 1, 2005, provided that: (1) the loan balance is 75% or less of the current value of the home as established by a new appraisal acceptable to the Administration; (2) none of the borrower's payments were 30 days or more past due within the 12-month period before the mortgage insurance will be cancelled; (3) none of the borrower's payments were 60 days or more past due during the 24-month period before the mortgage insurance will be cancelled; and (4) the loan is between two and five years old. If the loan is more than five years old, the loan balance may be 80% (instead of 75%) or less of the current value of the home as established by a new appraisal acceptable to the Administration; conditions (2) and (3) also apply.

THE MHF INSURANCE PROGRAM

The following describes the mortgage insurance programs administered by the Maryland Housing Fund ("MHF") pursuant to Section 3-201 through 3-208 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended (the "MHF Statute"), and is qualified in its entirety by reference to the MHF Statute and the regulations thereunder (the "MHF Regulations").

MHF was created in 1971 as a special insurance fund of the State of Maryland and is a governmental unit in the Division of Credit Assurance of the Department. MHF is authorized to insure mortgage loans, including mortgage loans for multifamily developments financed by public agencies such as the Administration ("Multifamily loans"), to provide primary insurance for single family mortgage loans ("Single Family loans"), and to provide credit enhancement for loans to businesses ("Business loans"). MHF insures against certain monetary losses incurred as a result of nonpayment of principal, interest or other sums agreed to be paid and certain other events of default under the terms of any insured loan, but does not insure against property losses, including without limitation, title risk, risks of defective construction or casualty, or any other reduction in project value due to insurable risk or force majeure, casualty or title loss.

In early 1997, the Department suspended all insurance activity of MHF (except for pool insurance for certain Single Family loans), partly as a result of concerns expressed by Moody's Investors Service ("Moody's") during the 1996 and 1997 rating review. The Department responded to Moody's concerns and has consulted with Moody's regarding the implementation of certain MHF's insurance programs. MHF continues to service active insured loans originated prior to 1997 and is operating the insurance programs described below.

Multifamily Loan Programs

MHF insures mortgage loans under a group home loan program known as "SHOP" (Special Housing Opportunities Program) that finance or refinance the acquisition, construction or rehabilitation of shared living and related facilities for the special needs population, which are owned by and sponsored by nonprofit organizations. This is an active program with loans funded through the Administration and insured by MHF.

The Administration is a participant in the Federal Housing Administration's ("FHA") Risk-Sharing Program (the "FHA Risk-Sharing Program") for multifamily loans. As a Level I participant under the FHA Risk-Sharing Program, upon payment of a claim by FHA, the Administration would be responsible for reimbursement to FHA of up to 50% of such claim. As a Level II participant, the Administration would be responsible for reimbursement to FHA of up to 25% of such claim. The Administration expects that MHF would reimburse the Administration for its share of such losses, pursuant to a commitment letter issued by MHF to the Administration in connection with each loan. Between 1997 and 2004, the Administration participated in the FHA Risk-Sharing Program only in connection with the refinancing of loans then insured by MHF where the Administration was able to decrease the dollar amount of MHF's insurance exposure with respect to such loans. In 2004, the Department expanded its MHF insurance program for new loans funded through the Administration with credit enhancement under the FHA Risk-Sharing Program.

MHF has also provided mortgage insurance for short term loans made by the Administration pursuant to the Tax Credit Bridge Loan Insurance program. For a project which qualifies for federal low income housing tax credits, MHF provides limited insurance for bridge loans made by the Administration until equity capital contributions are made by the tax credit investor. The Tax Credit Bridge Loan Insurance program is governed by Sections 3-203 and

3-206 of the MHF Statute and COMAR 05.06.02 of the MHF Regulations. There are no loans currently insured under this program.

Effective December 9, 2014, MHF and the Administration created a Demonstration program (the "MHF Demonstration Program") whereby MHF insures short term loans ("Short Term Loans") financed with proceeds from the sale of short-term bonds (the "Short Term Bonds") issued under the Administration's multifamily Housing Revenue Bond Resolution ("HRB"). The MHF Demonstration Program is an additional cost-effective option extended to borrowers for the provision of credit enhancement for Short Term Loans financed under HRB. Eligibility for the MHF Demonstration Program is limited to projects where the project would need to use more than 25% of its projected tax credit equity to cash collateralize a letter of credit ("LOC") that otherwise would be delivered to secure Short Term Bonds during construction, and the amount of the Short Term Loan (which equals the amount of the cash collateral account that would be required by a LOC provider) is greater than 25% of the projected tax credit equity. No borrower, including all related entities, may have Short Term Loans insured under the MHF Demonstration Program at any one time in excess of $5 million. In addition, 25% of the projected amount of tax credit equity to be generated by a project must be contributed to the project at the closing of the Short-Term Loan. MHF's obligations under the MHF Demonstration Program are backed only by MHF's Unallocated Reserve. The aggregate amount of outstanding indebtedness to be insured under the MHF Demonstration Program may not exceed $10 million. There are no loans currently insured under this program.

Single Family Loan Programs

In June 2005, the Department opened a program of MHF to insure 30-year and 40-year amortizing Single Family loans being purchased by the Administration. Because market conditions caused unexpectedly high demand for this insurance, the Department suspended the program as of November 10, 2008.

In June 2006, the Department authorized the expenditure of up to $1 million of the Revitalization Program Insurance Reserve to provide credit enhancement to a loan program that is sponsored by a nonprofit corporation, which is intended to stabilize and strengthen property values in targeted areas of the City of Baltimore. In this agreement, MHF agreed to provide credit enhancement on loans enrolled in the program for a period of up to 10 years from the date the loan is enrolled in the pool. MHF's ability to enroll new loans under that agreement terminated March 31, 2012, and the ten-year coverage of the last loans enrolled in this pool ended on March 28, 2022.

The Department negotiated an agreement dated January 12, 2012, authorizing the expenditure of up to an additional $800,000 of the Revitalization Program Insurance Reserve to provide credit enhancement for a second loan pool. Similar to the first loan pool, the credit enhancement will last for a period of up to ten years after the date the loan is enrolled in the pool; the enrollment period for the second pool ended in January 2020. There are 71 loans in this second pool totaling $9,236,526 in outstanding balances with a remaining contingent liability of $184,730. A new agreement effective January 2, 2020 was negotiated authorizing the expenditure of up to an additional $600,000 of the Revitalization Program Insurance Reserve to provide credit enhancement for a third loan pool. On January 2, 2025, MHF has consented to an extension of the enrollment period and term of the third loan pool by an additional four years to a total period of nine years from the original agreement date; credit enhancement for each loan remains at ten years from the date of enrollment. With this extension, all new loans to be credit enhanced in this third pool must be enrolled by January 2, 2029. There are currently 75 loans enrolled in the third pool totaling $9,243,433 in outstanding balances with a current contingent liability of $182,228.

In 2008, MHF committed $10 million of the Unallocated Reserve to provide credit enhancement for certain single family refinancing loans made by private lenders under the Department's Home Owners' Preserving Equity ("HOPE") initiative. The General Reserve Insurance ("General Reserve") was officially established by regulation in November 2008 to insure a broad range of programs, including the HOPE initiative. There have been no new loans under this program in the past several years that by June 2023, MHF reduced the General Reserve initially set aside to back the insurance obligation in this program to $2,593,422, transferring $6 million of the reduction to Multifamily. As of June 30, 2025, there are only 7 remaining loans insured in this program with outstanding balances totaling $1,340,399.

Business Loan Programs

Legislation was passed effective July 1, 2016, allowing MHF to provide insurance coverage and credit enhancement to loans originated by the Administration or other eligible lenders on business projects that will acquire, operate, construct or rehabilitate businesses located in publicly designated renewal or redevelopment areas. This program is governed by Sections 3-203 and 3-206 of the MHF Statute. A separate Business Insurance Reserve ("Business Reserve") allocated for this program stands at $5,000,000 as of June 30, 2025. There are no loans currently insured under this program.

Additional Information

For fiscal year 2003, the Maryland Department of Legislative Services asked MHF and the Administration whether there were funds available for transfer to the State. After being advised by Moody's that a transfer, in and of itself, would not have an adverse effect on the rating of the Administration's outstanding parity debt, including the bonds, MHF transferred $10 million from the Unallocated Reserve to the State. No transfer occurred in 2004, 2005, 2006, or 2007. Legislation was enacted during the 2008 session (SB 983) requiring another $10 million to be transferred. Beginning in fiscal year 2010, and as codified at Section 3-203(i) of the MHF Statute, any amount in the Unallocated Reserve at the end of any fiscal year that exceeds an amount necessary to provide backing for insurance issued by MHF by more than $10 million, shall be transferred to the Department's revolving housing loan funds. During the fiscal years ending June 30, 2012, 2013, 2014, 2015, 2016 and 2017, MHF transferred $2.1 million, $1.1 million, $0.77 million, $0.88 million, $0.87 million, and $0.94 million, respectively. As the amount in the Unallocated Reserve at end of fiscal years June 30, 2017 through 2019 and June 30, 2021 through 2025 was less than $10 million; no transfer was required in fiscal years 2018, 2019, 2020, and 2022 through 2025. While in fiscal year 2021 MHF transferred $152 thousand based upon the balance outstanding in that reserve as of June 30, 2020. For more information, see "Management's Presentation of the MHF Program" below.

MANAGEMENT'S PRESENTATION OF THE MHF PROGRAM

The following information is management's presentation of the MHF Program.

Financial Statements and Information

The financial statements of MHF for the fiscal year ending June 30, 2025 and June 30, 2024 have been audited by CliftonLarsonAllen LLP. As indicated in the report of the auditors, such financial statements have been prepared in conformity with accounting principles and the audits conducted in accordance with auditing standards generally accepted in the United States. The financial statements of MHF are reported on a consolidated basis combining results of operations for all MHF Programs.

Income and Reserves

MHF's income from insurance premiums is used to pay expenses.

MHF currently maintains six insurance reserves, which are separate from MHF's operating funds. Five of the reserves cover specific categories of insurance: the Multifamily Insurance Reserve, the Single Family Regular Insurance Reserve, the Revitalization Program Insurance Reserve, the Business Reserve and the General Reserve. The investment earnings on each of the five specific reserves are credited to a sixth reserve, the Unallocated Reserve, which may be used to pay claims on all categories of insurance, or may be transferred into any other reserve, or may be restricted for claims under a particular category. The Unallocated Reserve is available for any category of claims or for any other purpose consistent with contractual obligations with the Administration's bondholders. Prior to 2011, MHF had maintained a reserve for the Home and Energy Loan Program. The reserve balance of $500,000 was transferred into the Unallocated Reserve when the last loan insured under the program paid off in fiscal year 2009.

The MHF Statute provides that any moneys of MHF that the Department creates as an identifiable insurance reserve may be used only in conformance with the terms and conditions creating that reserve. MHF Regulations provide that each reserve is maintained to pay claims arising from its respective category of insurance and may not be subject to claims arising from other categories of insurance except for the Unallocated Reserve. All reserves are held by the Office of the Treasurer of the State, which credits MHF with interest income based on the total reserve balance for the benefit of MHF.

MHF does not insure the bonds, and the assets of MHF are not available to the Administration or the Trustee to satisfy obligations to holders of the Bonds. The obligation of MHF is limited to the payment of mortgage insurance claims as described herein. An insurance claim against MHF is payable from and limited to the applicable MHF reserve and does not constitute a general obligation of MHF, the Department, or the State.

Statements of Net Assets Discussion

During the fiscal year ending June 30, 2024, the overall equity increased from $81,335,452 to $86,921,758. The increase of $5,586,306 is primarily attributable to the interest income on fund reserves and net reduction on allowances for loans and insurance losses resulting from the reversal of the allowance on loan losses on account of partial recovery of interest on two Multi-Family loans from the cash proceeds at maturity of the bond securing the loans during the fiscal year 2024. During the fiscal year ending June 30, 2025, the overall equity slightly decreased from $86,921,758 to $86,595,755. The slight decrease of $326,003 is due to an operating loss of $271,796 primarily coming from the additional allowance for insurance losses on newly closed loans and deterioration in risk rating of some risk A accounts to B risk category in Multi-Family portfolio, plus the prior period adjustment of $54,207 due to the implementation of the new accounting standard on the recognition and measurement of compensated absences which resulted to an understatement of the beginning balance of the compensated absences liability, requiring the corresponding adjustment to equity.

The Unrestricted Accumulated Deficit is a part of the overall equity. The Unrestricted Accumulated Deficit, which decreases when claims are paid from the insurance reserves, represents the cumulative net income (loss) of MHF since its inception less any investment income earned on the insurance reserves. When MHF's insurance reserves are greater than its net position, there will be an accumulated deficit in the net position section of the MHF Statement of Net Assets.

In fiscal year 2024, the Unrestricted Accumulated Deficit decreased by $1,824,834 from $6,343,740 to $4,518,906, mainly attributed to the reversal of allowance for loan losses amounting to $2,454,440 corresponding to the cash proceeds of a bond securing two multi-family loans that matured on April 15, 2024, offset by the additional allowance for insurance losses of $775,781 on account of new loans and additional drawdowns on existing loans during the year. In fiscal year 2025, the accumulated deficit increased by $5,992,539 from the June 30, 2024 level mainly due to the operating loss discussed above, coupled with the secretary's determination restricting the $3,727,604 interest income to Insurance Reserves and the additional allocation of $2,000,000 for Multi-Family Reserve.

Discussion of Changes in Net Position

In fiscal year 2024, MHF reported a Change in Net Position of $5,586,306 primarily attributable to the interest income on reserves and the reversal of allowance for loan losses discussed above. In fiscal year 2025, the change in Net Position i.e. a reduction of $271,796 is mainly due to high provisioning for insurance losses discussed in the preceding sections.

As described below in "Single Family Information – Certain Additional Expected Single Family Claims" and in "Multifamily Information – Certain Additional Expected Multifamily Claims," the Administration has notified MHF of defaults under insured mortgages that are expected to result in additional claims to MHF. MHF included provisions for these claims in its allowance for unpaid insurance losses.

Discussion of Operating Cash Account

Selected Activity in MHF's Operating Cash Account

The following table is management's presentation of selected activity in MHF's operating cash account as of June 30, 2025.

	Single Family	Multifamily	Business	Total
Premiums and Fees Collected(1)	$20,065	$2,367,292	$ 0	$2,387,357
Operating Expenses Paid(2)	(1,413,490)	(605,782)	0	(2,019,272)
Premiums Net of Operating Expenses	(1,393,425)	1,761,510	0	368,085
Claims(3)	(105,619)	0	0	(105,619)
Recoveries(4)	5,529	7,344	0	12,873
Net Claim Activity	(100,090)	7,344	0	(92,746)
Other(5)	201,030	(2,079,042)	0	(1,878,012)
Net Cash from Selected Activity	($1,292,485)	($310,188)	$ 0	($1,602,673)

Notes:

(1) Premiums and credit enhancement related fees as collected.

(2) Operating expenses include salaries and benefits, general administrative and intradepartmental expenses.

(3) Claims include principal, interest, and supplemental expenses incurred on claims and carrying costs on acquired properties.

(4) Includes payment receipts on mortgage receivables and collections from the MD Central Collection Unit

(5) Amount includes changes in other assets and liabilities such as accounts receivables, advances, and escrows.

During the fiscal year ending June 30, 2024, the net activity in MHF's operating cash was ($1,331,925) for Single Family and $4,164,065 for Multi-Family. The change in operating cash in Single Family was primarily due to allocated operating expenses exceeding revenues. The change in operating cash in Multi-Family was primarily due to premium and applications fees on new insurance applications exceeding the allocated operating expenses coupled with the receipt of the cash proceeds of a bond security securing Multi-Family loans - one of which matured in January 2024 and the other was accelerated due to default in April 2024.

During the fiscal year ending June 30, 2025, the net activity in MHF's operating cash was ($1,292,485) for Single Family and ($310,188) for Multi-Family. The change in operating cash in Single Family was primarily due to allocated operating expenses exceeding revenues. The change in operating cash in Multi-Family was primarily due to cash advances made to the court-appointed receiver for two properties to address certain life, health and safety issues that were identified by the receiver (*Refer to (27) Renaissance Plaza Deed of Trust Note in the original principal amount of $7,000,000 under Notes to the Multi-Family Claims for additional details*) offset by premium and applications fees collected on new insurance applications.

Liquidity

MHF's primary uses of funds are to pay its operating expenses (direct and indirect) and to satisfy Business, Multifamily and Single Family claims under its insurance policies resulting from loan defaults (payment or physical) by insured borrowers. In general, MHF's insurance policies require MHF to pay claims to lenders, which include the total principal outstanding, interest in arrears (through foreclosure), and other expenses associated with failed real estate loans (e.g., foreclosure costs, negative escrows, etc.). MHF occasionally acquires a loan or property with the payment of a claim. The proceeds of the sale of acquired loans or properties are deducted from the original claims to derive the net loss (or net gain) associated with the defaulted loan claims.

In addition to any proceeds from the sale of assets acquired through the payment of claims, MHF's primary revenue sources result from mortgage insurance premiums paid by borrowers and the investment earnings on insurance reserves. These assets, together with the corpus of the reserves held by MHF, are available to pay insurance claims and related expenses. The available reserves are leveraged against insurance commitments outstanding. Calculations for the leverage ratios are shown in "Discussion of Leverage Ratios" below.

To manage MHF's resources effectively from both a business and liquidity sense, the management of MHF has developed several claim paying strategies. For Multifamily defaulted loans, MHF may pay a debt service claim after a borrower has missed a total of six monthly payments. These claim payments represent any unpaid principal and interest due from the regular scheduled payment. While making these monthly payments, MHF, working with the Administration, attempts to work out the loan in order to minimize its loss. When the final workout of the loan is completed, MHF either pays a partial claim or pays the full claim. A workout may be accomplished through (a) refinancing of the loan after re-underwriting the debt to enable the project to meet debt service from net operating income or (b) payment of claims and resale of the asset to minimize the total size of the claim.

For Single Family defaulted loans, MHF generally requires the lender to foreclose on the loan and secure the property before it pays the claim. This affords MHF the ability to begin marketing the property for resale at the same time it has paid out the cash. MHF attempts to resell Single Family properties in a manner that provides for recoveries as soon as possible while minimizing holding costs. While MHF strives to sell its Real Estate Owned (REO) to homebuyers, its desire to conduct quick turnaround sales does necessitate the selling of a significant portion of the REO to investors and non-profit organizations. Selling to investors generally increases the overall net loss on the claim to MHF.

Discussion of Single Family Regular Insurance Leverage Ratios

MHF operates its Single Family insurance in accordance with an insurance agreement with the Administration dated as of August 1, 2010 (the "2010 Single Family Insurance Agreement"). Claims under the 2010 Single Family Insurance Agreement may be paid from the Single Family Regular Insurance Reserve.

The 2010 Single Family Insurance Agreement amended and restated an insurance agreement dated as of May 14, 1980 (the "1980 Single Family Insurance Agreement") and an insurance agreement dated as of June 20, 2005. Under the 1980 Single Family Insurance Agreement, pool insurance was provided for single family mortgages financed under a bond resolution for which no bonds remain outstanding. As of August 1, 2010, under the 2010 Single Family Insurance Agreement, MHF was released from the obligation to provide pool insurance under the 1980 Single Family Insurance Agreement.

Under the 2010 Single Family Insurance Agreement, MHF has contracted with the Administration that, except as necessary to pay claims or advances on claims, MHF will not permit the ratio of the aggregate dollar amount of the Single Family insurance to assets in the Single Family Regular Insurance Reserve (as may be reduced as described below) to exceed 25 to 1, and that no new insurance payable from the Single Family Regular Insurance

Reserve shall be issued or committed to, if upon such issuance or commitment and subsequent issuance, that ratio would be exceeded.

Due to MHF having never insured loans that were securitized by Fannie Mae, on April 4, 2014 MHF notified Fannie Mae of its intent to cease seeking certification as a Fannie Mae qualified insurer and requested that Fannie Mae remove MHF from its list of eligible mortgage insurance providers. The Administration and MHF have entered into the First Amendment to the 2010 Single Family Insurance Agreement between MHF and the Administration, dated as of April 30, 2014, which eliminates the obligation of MHF to take all actions necessary for the qualification of Single Family Regular Program insurance as mortgage insurance from a qualified insurer within the meaning of Section 3.02(6)(2) of the Fannie Mae Charter Act.

Selected Information about the Single Family Regular Insurance Reserve Ratios

	06/30/23	06/30/24	06/30/25
Single Family Regular Insurance Reserve(1)(2)	$13,893,666	$13,692,636	$13,685,775
Amount Available for Calculation of Ratio of Insurance to Available Reserve(3)	13,893,666	13,692,636	13,685,775
Primary Insurance coverage in force(4)			
Insurance Agreement prior to 2005	814,140	501,967	313,293
Insurance Agreement post 2005	3,052,988	2,750,214	2,389,416
Pool Insurance coverage in force(5)	-	-	-
Ratio of Mortgage Loans to the Regular Reserve	0.28 to 1	0.24 to 1	0.20 to 1

Notes:

(1) The Single Family Program does not include amounts, if any, which have been restricted for possible additional insurance coverage in the Unallocated Reserve. As of June 30, 2025, MHF had committed no additional primary insurance coverage.

(2) Fund balances for MHF reserves are calculated in the same manner as in the financial statements of MHF and include investment income earned and allocated by the Secretary to the Single Family Regular Insurance Reserve.

(3) In order to determine the leverage ratios, if the Unrestricted Accumulated Deficit exceeds the Unallocated Reserve, the Single Family Regular Insurance Reserve or the Multifamily Insurance Reserve may be reduced in a manner determined by MHF to be appropriate. As of June 30, 2025, there was no reduction in the Single Family Regular Insurance Reserve to cover the accumulated deficit.

(4) The primary insurance coverage is 25% of the allowable claim for loans insured prior to 2005 under the Single Family Insurance Agreement ($1,253,172 at June 30, 2025). The primary insurance coverage is 35% of the allowable claim for loans insured under the 2005 Single Family Insurance Agreement ($6,826,903 at June30, 2025).

(5) In 2010, MHF provided pool coverage for certain loans done by the Administration prior to 1997. Effective August 1, 2010 the Administration released MHF from any obligation to provide pool insurance for MHF Pool-Insured Loans.

Discussion of Multifamily Insurance Leverage Ratios

MHF operates its multifamily insurance in accordance with an amended and restated insurance agreement dated February 12, 2006, with the Administration (the "Insurance Agreement").

Under the Insurance Agreement, MHF has contracted with the Administration that, except as necessary to pay claims or advances on claims, MHF will not permit the ratio of Multifamily insurance to assets in the Multifamily Insurance Reserve (as may be reduced as described below) to exceed 10 to 1, and that no new insurance payable from the Multifamily Insurance Reserve shall be issued or committed to if upon such issuance or commitment and subsequent issuance the ratio would exceed 10 to 1. (Under the terms of the Insurance Agreement, loans insured by MHF that are reinsured without contingent liability on the part of MHF are not taken into account in determining MHF's compliance with the maximum 10 to 1 ratio of amounts insured to assets in the Multifamily Insurance Reserve).

Selected Information about the Multifamily Insurance Reserve Ratios

	06/30/23	06/30/24	06/30/25
Total Multifamily Insurance Reserve(1)	$53,698,739	$60,698,739	$66,698,739
Amount Available for Calculation of Ratio of Insurance to Available Reserve(2)	53,698,739	60,698,739	66,698,739
Insurance Outstanding			
Multifamily mortgage insurance in force	$195,494,511	$209,185,247	$262,481,502
Ratio of Insurance to Available Reserve	3.93 to 1	3.74 to 1	3.94 to 1

Notes:

(1) The Multifamily Insurance Reserve does not include amounts, if any, which have been restricted for possible additional insurance coverage in the Unallocated Reserve. As of June 30, 2025, MHF had committed to additional mortgages in the amount of $15,370,455.

(2) In order to determine the leverage ratios, if the Unrestricted Accumulated Deficit exceeds the Unallocated Reserve, the Single Family Regular Insurance Reserve or the Multifamily Insurance Reserve may be reduced in a manner determined by MHF to be appropriate. As of June 30, 2025, there was no reduction in the Multifamily Insurance Reserve to cover the accumulated deficit.

The total amount of the Multifamily Insurance Reserve is available to pay multifamily insurance claims. In addition, to the extent available, MHF could elect to pay all or part of any multifamily claim from the Unallocated Reserve or from operating funds. MHF maintains other reserves that are not available to pay such claims (e.g., the Single Family Regular, Revitalization, and General Reserves).

SINGLE FAMILY INFORMATION

Certain Additional Expected Single Family Claims

Under its Single Family Regular insurance program, MHF is not obligated to pay claims on Single Family insurance until after the insured lender has completed foreclosure, evicted the occupants of the properties (if necessary) and restored the property to a condition satisfactory to MHF. As a result, at any time there are a number of mortgages that have been foreclosed and which are likely to result in payment of claims, but which have not yet reached the point where MHF recognizes them as liabilities in its financial statements. MHF includes its projection of net losses with respect to these potential claims in its financial statements as part of the allowance for Single Family insurance losses. These amounts are potentially payable from other resources of MHF, including operating cash, the Unallocated Reserve and the Single Family Regular Insurance Reserve.

Discussion of Single Family Operations

MHF has taken steps to address the potential Single Family claims. A part of this focus is applying active loss mitigation strategies to Single Family loans to prevent them from going to foreclosure, including forbearance and extended repayment plans. In addition, operational reviews of the loan servicers are ongoing. The reviews are intended to ensure that loss mitigation strategies are being pursued in applicable cases.

MHF is also managing its sales of units acquired through foreclosure or similar action to improve overall returns by employing private sector contractors and real estate brokers to perform repairs, listings and sales of all REO units.

Single Family Claims Experience

The following chart sets forth information about claims on mortgage loans insured under the Single Family Regular Insurance Reserve and the Revitalization Program Insurance Reserve. Prior to 2016, MHF acquired properties upon paying a claim. No properties have been acquired by MHF since fiscal year 2016 as the Administration has elected to keep title to all acquired properties and only request MHF to pay its pro rata claim amount. The data for all reporting periods is subject to adjustment due to additional expenses paid and proceeds received after the close of the reporting periods.

Single Family Claims Experience

	06/30/23	06/30/24	06/30/25
Pro-Rata Claims Paid	($65,995)[1]	$201,030	$105,619
Properties Acquired	-	-	-
Gross Claims Paid	(65,995)	201,030	105,619
Recoveries	(6,101)		(5,529)
Net Claims Paid	($72,096)	$201,030	$100,090

[1] The amount is net of the $11,762 claim in fiscal year 2023 and the reversal of a $77,757 prior year claim due to the denial of the claim submitted.

2010 Single Family Insurance Agreement

The 2010 Single Family Insurance Agreement provides as follows:

(1) MHF will not decrease the amount of funds in the Single Family Regular Insurance Reserve as increased from time to time for any reason except to pay claims and advances against claims

arising under the Program and for expenditures with respect to properties acquired by MHF as a result of payment of such claims.

(2) Except as necessary to pay claims and advances on claims and except for expenditures with respect to properties acquired by MHF as a result of payment of such claims, MHF will not exceed a certain leverage ratio. See "Management's Presentation of the MHF Program – Discussion of Leverage Ratios."

(3) MHF and the Administration agree that MHF is released from any obligation to continue to provide pool insurance for loans originally covered by pool insurance under the 1980 Single Family Insurance Agreement.

Terms of Single Family Insurance Coverage

MHF insures mortgage loans on one-to-four family structures under its Single Family Regular Program, which includes the Primary Insurance Program and the Pool Insurance Program.

Pool Insurance. Effective August 1, 2010, MHF was released from any obligation to provide pool insurance for loans originally covered by pool insurance under the 1980 Single Family Insurance Agreement.

Payment of Claims, MHF pays all claims in cash and may settle under one of four options:

(1) Loan Assignment – MHF takes an assignment of the mortgage and pays the claim (but not including expenses of foreclosure and acquisition of title);

(2) Fixed Percentage Settlement – claim settlement under this option is applicable when MHF provides for payment based on a declared percentage of the outstanding loan amount before foreclosure sale, and MHF, under this method, also waives any interest in the subject property;

(3) Lender Acquisition Settlement – the lender acquires title at foreclosure (or by deed in lieu of foreclosure) and transfers title to MHF, and MHF pays the amount of the claim up to the percentage specified in the insurance policy; and

(4) Third Party Acquisition – when the property is sold to a third party (at foreclosure, by the lender after taking a deed in lieu of foreclosure, or by the borrower after the commencement of foreclosure proceedings), with the approval of MHF, MHF pays the lesser of the percentage specified in the primary policy before crediting net sales proceeds or the full claim after crediting net proceeds of sale.

For claims paid under the Lender Acquisition Settlement method, MHF requires the Administration to take all steps required after default in order to deliver the property to MHF in a condition satisfactory to MHF. These steps may include foreclosure, eviction of the occupants if necessary, and cleaning of the property. As a result, a substantial period may elapse between the time an insured loan goes into default and payment of a claim. MHF Regulations regarding Single Family mortgage insurance do not require MHF to pay interest on a claim from the time an insured lender acquires title to the property, or from the date MHF agrees to take a Loan Assignment or make a Fixed Percentage Settlement, to the time the claim is paid. Claims are paid after the title to the property has been conveyed, which is at least 60 days after foreclosure and could be longer.

MHF will review cases that involve claims of more than nine months of delinquent interest on a case by case basis to ascertain the cause for the delayed claim and determine the amount of interest, if any, in excess of nine months to be paid. Interest will be paid in excess of nine months where circumstances beyond the control of the insured lender caused the delay in making the claim, such as the filing of bankruptcy by the mortgagor.

MULTIFAMILY INFORMATION

Multifamily Insurance in Force and Available Reserves

The following table sets forth information about outstanding insurance on mortgage loans under MHF's Multifamily program as of June 30, 2025. The amounts shown are net of debt service claim payments.

Outstanding Multifamily Insurance

Lender	Units	# Of Loans	Original Insured Principal Amount	Current Balances
CDA permanent financing on large multifamily projects (1)	9,220	112	$277,220,850	$238,842,333
CDA Demonstration Program (2)	-	-	-	-
CDA Special Housing Opportunity Program (SHOP)(3)	291	88	14,078,864	8,268,714
TOTAL	**9,511**	**200**	**$291,299,714**	**$247,111,047**

(1) Loans financed with proceeds of the Administration's Housing Revenue Bonds and the Administration's Multi-Family Residential Revenue Bonds (Insured Mortgage Loans). The loans provided permanent financing for construction and for developments located in 21 counties and the City of Baltimore. The projects (not including SHOP) contain units that are assisted under the Section 8 Program.

(2) On December 9, 2014, CDA and MHF created a new Demonstration Program whereby MHF insures short term loans. By utilizing MHF for this purpose, borrowers may avoid the need to obtain costly letters of credit. No loans are outstanding under this program at June 30, 2025.

(3) Loans financed with proceeds of the Administration's Special Housing Opportunities Program.

Charts detailing the multifamily loans insured by MHF and financed by the Administration may be found in the Administration's filings in accordance with Rule 15c2-12 of the Securities and Exchange Commission with the Electronic Municipal Market Access ("EMMA") for Housing Revenue Bonds and for Multifamily Housing Revenue Bonds (Insured Mortgage Loans).

Certain Additional Expected Multifamily Claims

MHF Regulations provide that after a multifamily mortgage loan insured by MHF has been in default for six months, the Administration or any other public agency that is an insured lender may require that the mortgage loan be assigned to MHF and an insurance claim paid by MHF to the Administration or such public agency. MHF currently has no insured loans in financial default.

Discussion of Multifamily Operations

Portfolio Risk Rating. Since June 1997, the Department has developed and implemented a rating system for the MHF-insured Multifamily portfolio. The Department evaluates each insured project each quarter and assigns the loan a rating of "A," "B," or "C". Factors considered in evaluating projects include the project type, the vacancy level, net operating income and debt service coverage ratio, whether the mortgage is delinquent, the age of the loan and the age of the project, whether there is significant deferred maintenance, adequacy of funds held in reserve for replacements in relation to age and condition of project, rating by the Department in its annual management review, and stability of the market surrounding the property.

"A" Projects are those projects that require no more than standard attention because factors indicate the least prospect of default.

"B" Projects are those projects which are not in default but require more oversight and monitoring and present the possibility for default if existing conditions deteriorate further.

"C" Projects are those projects that are in financial or physical default or otherwise present a strong risk of financial or physical default.

MHF's Risk Rating of the Multifamily Projects as of June 30, 2025

	Outstanding Principal Balances	Percentage of Total Principal	Number of Loans	Number of Projects
"A" Loans:(1)	$409,675,378	61%	75	59
"B" Loans:	254,898,933	38%	35	35
"C" Loans:	6,087,921	1%	2	2
Portfolio Totals:	$670,662,232	100%	112	96

(1) Included in the 'A' Loans, in the "Outstanding Principal Balance" column, is $8,268,714 for 88 group home (SHOP) loans, which are not reflected in the 'Number of Loans' nor 'Number of Projects' columns

Portfolio Management. The Division evaluates each of the loans in the "B" and "C" categories to develop an appropriate plan for mitigating risk of potential default. Strategies may include loan modification, use of additional resources, adjustments to funding of reserves for replacement going forward, payment forbearance, and replacement of management agents.

Multifamily Claims Experience

The following chart describes claims paid by MHF on loans insured under the Multifamily Insurance Reserve as of June 30, 2025.

In the column entitled "Claims Net of Cash Recoveries," the figures show the result as of June 30, 2025. Workouts are in progress. See the individual footnotes below for further information.

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MULTIFAMILY CLAIMS PAID BY MHF

Development/Claim Status	Principal	Interest & Carrying Costs	Total	Recoveries	Claims Net of Cash Recoveries	Date Claim Paid
Closed Claims						
Single Family Mortgage Loans[1]	$ 309,392	$ -	$ 309,392	$ 346,620	$ 37,228	Various
Beethoven Apartments	40,000	-	40,000	40,000	-	
Douglynne Woods & Rhoda's Legacy	566,658	-	566,658	566,658	-	04/1982
Bond Street[2]	543,940	71,711	615,651	408,859	(206,792)	08/1989
Belleview-Manchester[3]	288,333	-	288,333	-	(288,333)	10/1990
Strathdale Manor Apartments[4]	10,700,000	2,376,830	13,076,830	-	(13,076,830)	05/1994
Walker Mill[5]	3,346,441	1,229,080	4,575,521	2,314,817	(2,260,704)	01/1997
Edmondale[6]	457,739	24,206	481,945	-	(481,945)	04/1997
Town Properties[7]	819,111	12,493	831,604	582,989	(248,615)	07/1997
Loch Raven[8]	12,103,623	1,065,472	13,169,095	9,080,444	(4,088,651)	02/1998
Village Home Apartments[9]	954,202	55,182	1,009,384	649,523	(359,861)	12/1998
Regent Apartments[10]	1,227,455	72,446	1,299,901	860,603	(439,298)	01/1999
Maple Avenue[11]	3,053,892	211,540	3,265,432	1,748,397	(1,517,035)	06/1999
Westfield Apartments[12]	4,401,438	390,924	4,792,362	2,910,539	(1,881,823)	11/1999
Westfield Gardens[13]	496,757	1,735	498,492	279,435	(219,057)	11/1999
Apartments at the Greens[14]	6,337,284	21,927	6,359,211	6,010,026	(349,185)	11/1999
Stewarttown[15]	2,543,590	-	2,543,590	2,150,000	(393,590)	12/1999
Telephone Apartments[16]	1,030,275	33,569	1,063,844	773,833	(290,011)	01/2001
Robinwood Townhomes[17]	2,451,741	218,057	2,669,798	2,630,807	(38,991)	11/2001
North Avenue Terraces[18]	1,155,285	48,762	1,204,047	750,000	(454,047)	07/2002
SHOP Loans[19]	772,987	78,925	851,912	725,068	(126,844)	03/2001
Bell Haven Apartments[20]	5,856,640	2,449,128	8,305,768	5,842,157	(2,463,611)	03/1996
Quail Run/Bay Street Properties[21]	1,182,578	37,677	1,220,255	1,186,575	(33,680)	03/2003
Tomall Apartments[22]	152,885	994	153,879	75,000	(78,879)	06/2004
Market Mews[23]	1,700,014	1,565,862	3,265,876	2,168,828	(1,097,048)	12/1985
Eastdale[24]	3,302,667	320,060	3,622,727	3,622,727	-	11/1999
Villages of Laurel[25]	5,036,854	607,133	5,643,987	5,643,987	-	11/1999
Hollins Townhouses[26]	2,445,475	1,073,289	3,518,764	2,052,599	(1,466,165)	10/1990
Lease Purchase[29]	1,534,088	82,619	1,616,707	1,000,277	(616,430)	05/1996
Claims where debt is outstanding						
Renaissance Plaza[27]	$6,907,349	$4,680,554	$11,587,903	$5,071,731	($6,516,168)	02/1991
Mount Pleasant[28]	3,506,595	601,296	4,107,891	4,066,175	(41,716)	02/1996

Notes:

(1) Claims on eight Single Family loans insured under the Multi-Family Reserve before 1980.

(2) Bond Street Deed of Trust Note in the original principal amount of $543,940.

(3) Belleview-Manchester was a Construction Loan under Administration's HELP Program; secured by a second mortgage. First insured lender bought property at the foreclosure sale.

(4) Strathdale Manor Apartments Deed of Trust Note in the original principal amount of $14,285,000. Claim amount paid by MHF included $10,700,000 of original principal on the Note and $145,139 in interest. MHF paid $2,205,204 of operating deficits for the project. The proceeds of a letter of credit in the amount of $3,585,000 provided by Maryland National Bank were used to cover the rest of the original principal portion of the Note. As required by an intercreditor agreement between MHF and Maryland National Bank, MHF filed for foreclosure on August 4, 1994, and after prolonged negotiations with Baltimore City, the project developer, and other developers interested in further renovating the project proved unsuccessful, the property was sold to Baltimore City at foreclosure on April 15, 1997. The property was sold for an amount that was insufficient to provide any recovery to MHF.

(5) Walker Mill Deed of Trust Note in the original principal amount of $4,400,000, as modified by an allonge dated November 5, 1987, reducing the principal amount of the Note to $3,400,000. The Deed of Trust Note was sold and assigned to an unrelated third party purchaser on February 6, 1997.

(6) Edmondale Deed of Trust Note was in the original principal amount of $508,000.

(7) Town Properties Deed of Trust Note in the original principal amount of $884,984. The property was sold to an unrelated third party at foreclosure on August 7, 1997.

(8) Loch Raven Deed of Trust in the original principal amounts, as amended into two, Deed of Trust Notes: of $9,765,000 and $2,785,000, respectively. In return, the Administration accepted a demand note from MHF in the principal amount of $11,782,615, the amount of the outstanding indebtedness net of the non-refundable deposit for the sale of the Deed of Trust Notes bearing interest at 8.25%. The Deed of Trust Notes were sold and assigned to an affiliate of the borrower on February 3, 1998. MHF received net sale proceeds in the amount of $8,900,000, which were combined with additional claim payments totaling $2,890,216 to repay the claim note and accrued interest. The net loss on the transaction was paid from the Unallocated Reserve.

(9) Village Home Apartments Deed of Trust Note in the original principal amount of $986,856, dated September 30, 1993. The property was sold for $640,000. The Administration accepted a claim note from MHF for $1,009,109. MHF paid $318,664 plus $50,720 paid previously as pre-claim payments and $275 per diem interest and then signed over the proceeds to repay the claim note in December 1999.

(10) Regent Apartments Deed of Trust Note in the original principal amount of $1,255,000 dated September 16, 1994. The property was sold for $860,603. The Administration accepted a claim note from MHF for $1,299,265. MHF paid $383,187 plus $55,475 paid previously as pre-claim payments and $636 per diem interest and then signed over the proceeds to repay the claim note in January 1999.

(11) Maple Avenue Deed of Trust Note in the original principal amount of $3,150,000 dated March 12, 1992. The property was sold for $1,700,000 less settlement charges. The Administration accepted a claim note from MHF for $2,953,878. MHF paid $1,288,286 plus $310,294 paid previously as pre-claim payments, $1,259 per diem interest, signed over the proceeds, and, with $10,000 received directly by the Administration, repaid the claim note in June 1999.

(12) Westfield Apartments Deed of Trust Note in the original principal amount of $4,600,000 dated April 12, 1983. The property was sold for $2,910,539. MHF paid a partial claim in the amount of $1,433,520 that includes $390,924 of accrued interest plus $448,303 paid previously as pre-claim payments.

(13) Westfield Gardens Deed of Trust Notes in the original principal amounts of $498,908 and $28,150 dated September 21, 1983. The property was sold for $279,435. MHF paid a partial claim in the amount of $180,318, which included $1,735 of accrued interest, plus $38,739 paid previously as pre-claim payments.

(14) Apartments at the Greens Deed of Trust Notes in the original principal amounts of $6,348,627 and $341,850 dated April 21, 1983. The property was sold for $6,010,026. MHF paid a partial claim in the amount of $302,222, which included $21,927 of accrued interest, plus $46,963 paid previously as pre-claim payments.

[15] Stewarttown Deed of Trust Note in the original principal amount of $3,136,100 dated July 18, 1975. The property was sold for $2,150,000. MHF paid a partial claim payment in the amount of $393,590.

[16] In May 1993, MHF paid a partial claim on a project called Telephone Apartments, in the amount of $291,487 for which a promissory note has been received. On February 8, 2001, MHF sold the Deed of Trust Note. The proceeds of the sale exceeded the claim paid to the Administration by MHF by $1,477. The partial claim of $291,487 will not be repaid. MHF had an allowance for loan loss for the full amount of this note.

[17] Robinwood Townhomes Deed of Trust Note was in the original principal amount of $2,641,750. MHF paid a claim in full in the amount of $2,653,883 on November 9, 2001. MHF foreclosed on this property on November 15, 2001. MHF sold the property for the purchase amount of $2,410,000. The Circuit Court of Baltimore City ratified the sale on January 10, 2002. On June 24, 2002, MHF collected $2,330,331 in net sales proceeds.

[18] In July 2002, MHF issued a claim note to the Administration and accepted assignment of an insured Deed of Trust and Deed of Trust Note in the original principal amount of $1,350,000 that financed a project known as North Avenue Terrace. MHF sold the Deed of Trust Note and received sales proceeds in the amount of $750,000 on July 25, 2002. MHF paid the claim note in full with payment to the Administration in the amount of $1,145,826 on July 30, 2002.

[19] Nine Deed of Trust Notes in the original principal amounts of $833,650 for the various SHOP loans. MHF paid full claim payments on the nine loans in the amounts of $824,224. In March 2001, MHF accepted five loan assignments in the original principal amount of $502,950. MHF paid full claims on the five loans for $491,062 and received full recovery on the first and fourth loans by virtue of third party sales at foreclosure on June 7, 2001. MHF realized losses on the sale of the second and third loans of approximately $27,000 and $22,000, respectively. MHF realized a loss of approximately $40,000 on the fifth loan by virtue of third party purchasing on June 7, 2001. In August 2001, MHF accepted one assignment in the principal amount of $108,000. MHF paid a full claim on the loan for $106,372 and realized full recovery at a third party foreclosure sale on August 16, 2001. In October 2001, MHF accepted another three assignments in the original principal amount of $222,700. MHF paid full claims on the three loans for $226,790 and received full recovery on one loan at the third party foreclosure sale on June 13, 2002. MHF realized losses of approximately $18,000 and $16,000 on the two loans at the third party foreclosure sale on June 13, 2002. The court ratified the foreclosure sales on July 26, 2002.

[20] In June 1996, MHF accepted assignment of a Deed of Trust and Deed of Trust Note, for a project named Belle Haven, in the original amount of $6,186,990. MHF paid a claim in full for the project in the amount of $7,995,330 on June 26, 1996. MHF received partial recovery of this amount upon disposition of the underlying collateral. The property was brought-in by MHF with a bid of $5,100,000 at foreclosure auction held on July 25, 2000. The Circuit Court of Prince George's County ratified the foreclosure sale on January 25, 2001. A contract for the sale of the property was executed on February 7, 2001, and sold on August 30, 2001, in the amount of $5,100,000. MHF received net proceeds from the sale in the amount of $4,844,394 and a Note in the remaining amount of $210,000 payable by February 1, 2004. The purchaser made payments on the MHF Note totaling $232,981, including the final payment in the amount of $130,772, which was received on May 21, 2003.

[21] In March 2003, MHF accepted assignment of an insured Deed of Trust and Deed of Trust Note in the original principal amount of $1,276,037 that financed a project know as Quail Run Apartments (Bay Street Properties). MHF paid the claim note in full on March 13, 2003 with a payment to the Administration in the amount of $1,058,783. The property was sold at foreclosure auction on June 27, 2003 for $1,160,000. Settlement of the transaction occurred on November 5, 2003. On December 2, 2003, the Circuit Court for Worcester County ratified the auditor's report of the transaction. On December 4, 2003, after payment of the auctioneer's commission and advertising expenses, sales proceeds in the amount of $1,174,575 were collected with additional interest received.

[22] On September 19, 1984, the Administration made a loan in the principal amount of $250,000 to Ronald H. Thomas in connection with a project called Tomall Apartments. MHF paid the claim note in full on June 28, 2004 with a payment to the Administration in the amount of $153,879. On June 30, 2004, MHF collected $75,000, which represents a partial recovery. The property was sold to a new owner who plans to rehabilitate the project.

[23] Market Mews Deed of Trust Note is in the original principal amount of $1,700,000. MHF paid all amounts in arrears totaling $151,733. The Administration accepted a promissory note from MHF in the total principal amount of $1,693,568, with interest at the annual rate of 7%, which had a maturity date of December 31, 1995. MHF paid the claim note in full as of February 22, 1995. To date, MHF has paid principal and interest on the claim note and operating deficits in the total amount of $3,265,876. MHF foreclosed on this development in an uncontested foreclosure proceeding held on July 14, 1995. The original collateral for the loan consisted of 31 scattered site units of which all units were sold.

[24] Eastdale Deed of Trust was in the original amount of $3,401,000. The loan was refunded with $2,450,000 in new bond proceeds. MHF made a partial claim payment in the amount of $746,513 and pre-claim payments in the amount of $426,214. MHF received cash of $54,324 and a Cash Flow Note in the amount of $1,118,403, equal to the net claim paid. The MHF Note is secured by a second deed of trust lien on the land

and improvements on which the project is located. To date the project has made net payments on the MHF Note of $490,510. In July 2010, the loan was paid off and MHF received payment in the amount of $627,893.

(25) Villages of Laurel Deed of Trust Note is in the original amount of $5,140,000. The loan was refunded with $3,173,200 in new bond proceeds. MHF made a partial claim payment in the amount of $1,645,098 and pre-claim payments in the amount of $825,689. MHF received cash of $54,023 and a Cash Flow Note in the amount of $2,416,765, equal to the net claim paid. The MHF Note is secured by a second deed of trust lien on the land and improvements on which the project is located. To date the project has made net payments on the MHF Note of $686,059. In March 2011, the loan was paid off and MHF received payment in the amount of $1,730,706.

(26) Hollins Townhouses Deed of Trust Note in the original principal amount of $2,300,000. MHF paid all amounts in arrears totaling $176,025, and the Administration accepted a promissory note from MHF in the total principal amount of $2,427,094, with interest at the annual rate of 7%, which had a maturity date of December 31, 1995. MHF paid the claim note in full as of February 22, 1995. To date, MHF has paid principal and interest on the claim note and operating deficits in full as of February 22, 1995. To date, MHF has paid principal and interest on the claim note and operating deficits in the total amount of $3,518,764. MHF foreclosed on this development in an uncontested foreclosure proceeding held on July 14, 1995. The original collateral for the loan consisted of 48 scattered site units of which the last unit was sold in April 2011.

(27) Renaissance Plaza Deed of Trust Note in the original principal amount of $7,000,000. MHF paid all amounts in arrears totaling $428,052 in February 1991. In connection with the default, MHF also paid additional principal of $6,880,050; interest totaling $1,498,664, and operating deficits in the amount of $2,781,137. The Renaissance Plaza project, which consists of three buildings, was sold pursuant to the orders of a judicial receivership. Closing on the sale of one building (Renaissance Plaza I) occurred on December 30, 1993. MHF received two notes in payment of the purchase price: a first lien mortgage in the amount of $2,722,544 at 6.22% interest, $365,000 of which is an amortizing loan, the balance to be paid out of cash flow, if any from the properties; and a second lien gap note in the amount of $512,404 at 0% interest until maturity. The gap note was paid in full at the closing of financing for rehabilitation of the building on February 18, 1994. The closing of the other two buildings (Renaissance Plaza II) occurred on December 14, 1994. MHF received three notes in payment of the purchase price for the two buildings: a first lien mortgage in the amount of $2,600,000 at 7.4% interest to begin amortizing on January 1, 1997; a second lien mortgage in the amount of $4,450,000 at 8.23% interest to be paid out of cash flow, if any, from the properties; and a third lien gap note in the amount of $500,000 at 0% interest until maturity (April 13, 1995), and a default rate of 7.4% interest. The gap note was paid in full at the closing of financing for rehabilitation of the two buildings on February 14, 1995. The $2,600,000 deed of trust note was sold at par and assigned to the Administration on September 24, 1996, in connection with an issuance of bonds by the Administration.

On January 1, 2024, the $2,722,544 Renaissance Plaza I mortgage note matured with a remaining principal balance of $2,357,544 and minimum principal and interest build up in the amount of $6,147,309.35. MHF ordered an appraisal to determine the final amount due pursuant to the repayment terms of the note. Upon completion of the appraisal and reconciliation process under the mortgage note, the entire balance of the note was immediately due. On February 22, 2024, MHF made separate demand on the owner of Renaissance Plaza I relating to the physical condition at the project, which demands were not timely addressed to MHF's satisfaction. On April 23, 2024, MHF accelerated the outstanding debt on the Renaissance Plaza II properties. In May 2024, Reliable Property Management, Inc. was appointed Receiver by the Circuit Court of Baltimore City to take possession and control of the Renaissance Plaza I and Renaissance Plaza II properties and improvements consisting of the Esplanade, Emersonian and Temple Gardens. In June 2024, $2,454,439.76 in net cash proceeds of a matured Zero-Coupon Bond assigned to MHF as collateral on the mortgage notes was applied to the outstanding interest on the Renaissance Plaza Notes on a pro-rata basis. Since the Receiver has been in place, MHF has funded $1,567,538 to the Receiverships to correct certain life, health and safety issues identified at the property and for other care and preservation expenses to maintain the collateral pending sale.

(28) In February 1996, MHF accepted assignment of a Deed of Trust and Deed of Trust Note in the original principal amount of $3,900,000 for a project called Mount Pleasant. MHF paid a claim for the project in the amount of $4,107,891 on February 15, 1996. The property was sold to new ownership that planned to rehabilitate the project using a combination of new equity funds and State and City of Baltimore financing in combination with proceeds of the Administration's Multi-Family 1995 December Bond Issue in the amount of $2,550,000. New Administration and MHF loan documents were executed in conjunction with a loan closing in July 1996. MHF received a Deed of Trust Note in the amount of $1,087,259 of which $293,770 is an amortizing 0% interest loan, and the balance is a cash flow loan with interest accruing at 2% per annum. MHF received partial recovery of $2,450,000 at the time of closing and $1,066,720 in September 1996. Reserves for construction contingences and various operating expenses, in the amount of $460,305, were funded from the recovery proceeds. In June 1998, a construction reserve held by MHF in the amount of $198,000 and cost certification savings received from the Administration in the amount of $100,513 were applied to reduce the outstanding principal balance of the Deed of Trust note held by MHF.

(29) In May 1996, MHF accepted assignment of a Deed of Trust and Deed of Trust Note in the original amount of $2,000,000, which financed a project known as Lease Purchase. MHF paid a claim for the project in the amount of $1,587,498 on May 15, 1996. MHF received partial recovery of this amount upon disposition of the underlying collateral. MHF accepted a deed of assignment on this project on July 12, 1996. The original collateral for the loan consisted of 40 scattered site units, the last two of which were sold in April 2020.

Actuarial Study

The Insurance Agreement amended in 2006 no longer requires periodic actuarial studies.

Staff

The Director of MHF is appointed by the Secretary of the Department and serves at the pleasure of the Secretary, with such authority as the Secretary determines to delegate to the Director. The Director also serves as the Director of the Division of Credit Assurance of the Department.

Financial operations for MHF have been centralized and are now within the Division of Finance and Administration for the Department.

Certain senior staff members of the Division of Credit Assurance, the Division of Finance and Administration, and MHF are as follows:

Name	**Position**
Joseph A. Pulver	Director, Division of Credit Assurance and MHF
Sergei V. Kuzmenchuk	Chief Financial Officer
Kenneth F. Fick	Director, Division of Finance and Administration
Crystal Quinzani	Deputy Director, Division of Finance and Administration
Eizebel Trojillo	Deputy Director, Division of Finance and Administration

Joseph A. Pulver joined the Division of Credit Assurance as Deputy Director in February 2023. Prior to joining the Division of Credit Assurance, Mr. Pulver worked as an Assistant Attorney General in the Office of the Attorney General of the State of Maryland assigned to the Department of Housing and Community Development and, primarily, the Division of Credit Assurance. Mr. Pulver has 14 years' experience as an attorney representing primarily creditors in financial, banking and real estate workouts, litigation and transactions, including his four years with the Office of the Attorney General, six years as an associate and partner at Shapiro Sher Guinot & Sandler in Baltimore City, MD, and four years an associate at Leitess Friedberg in Owings Mills, MD. Mr. Pulver has a Juris Doctorate (JD) and Masters in Business Administration (MBA) from the University of Baltimore and a Bachelor of Science (BS) degree in General Business from the Robert H. Smith School of Business at the University of Maryland.

Sergei V. Kuzmenchuk joined the Department as its Chief Financial Officer in June of 2015 after serving as Chief Financial Officer at the District of Columbia Housing Finance Agency (the "DCHFA") since October 2008. Prior to joining the DCHFA, he served as the Department's Deputy Director of Finance for the Administration from August 2000 until January 2006, and Director of Finance for the Administration from January 2006 until October of 2008. Prior to his work at the Department and DCHFA, Mr. Kuzmenchuk worked in various financial management and international trade and banking capacities, both domestically and overseas. Mr. Kuzmenchuk earned his Master of Business Administration degree in Accounting in 2002 from the Joseph A. Sellinger, S.J., School of Business and Management, Loyola University, and in 1995 earned a Master of Public Management degree in Public Sector Financial Management from the School of Public Policy, University of Maryland, College Park. In 1993, Mr. Kuzmenchuk received his Bachelor of Arts and Master of Arts degrees in English and French Interpretation from the Minsk State Linguistic University, Minsk, Belarus.

Kenneth F. Fick was appointed Director of the Division of Finance and Administration effective January 10, 2024. Mr. Fick has extensive experience serving in key financial leadership positions at both private and public companies including serving as Vice President of Financial Planning and Analysis ("FP&A") at Citrin Cooperman & Company, LLP; Vice President of FP&A at Berkeley Research Group, LLC; Director in the Strategy & Transformation Services practice at Morgan Franklin Consulting, LLC; Chief Financial Officer of Dreamscape Marketing, LLC; Senior Director of FP&A for Vertis Communications Inc. and Director in the Forensic and Litigation Consulting Practice at FTI Consulting Inc. Mr. Fick holds a Bachelor of Science degree in Accounting from the State University of New York at Buffalo and a Master of Business Administration degree from the College of William and Mary.

Crystal Quinzani is Deputy Director for the Division of Finance and Administration (DFA), a position that she held since May 2022. She also served as the Acting Director of DFA from August 2023 to January 2024. Ms. Quinzani joined the Department in August 2016 as Director of Financial Analysis for DFA and in July 2017 became Director of MHF Finance for DFA. She came to the Department from the State of Florida, where she worked for the Florida Office of Financial Regulation for seven years and was Area Financial Manager for the Division of Banking. Prior to her work with the State of Florida, she spent 16 years working in various capacities in community banks in the Orlando, Florida area. She holds a Bachelor of Arts degree in Finance from the University of Central Florida.

Eizebel Trojillo was appointed Deputy Director of the Division of Finance and Administration (DFA), effective May 2022. Prior to her appointment, Ms. Trojillo served as the Director of Budget Analysis for DFA, a position that she held since November 2019. Before joining the Department, Ms. Trojillo worked overseas with Royal Dutch Shell Philippines for 20 years, with her last position being the Downstream Compliance Manager in charge of Governance, Risk, and Sarbanes-Oxley Act Compliance. Ms. Trojillo holds a Bachelor of Science degree in Accounting from the Assumption College, Makati, Philippines, and is a Certified Public Accountant (Philippines chapter).

Additional Information

For additional information, please contact Investor Relations via phone at (301) 429-7897 or via email at cdabonds_mailbox.DHCD@maryland.gov