

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

FINANCIAL STATEMENTS
with
INDEPENDENT AUDITORS' REPORT THEREON

JUNE 30, 2009

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	3-4
MANAGEMENT'S DISCUSSION AND ANALYSIS	5-9
FINANCIAL STATEMENTS:	
Balance Sheet	10-11
Statement of Revenues, Expenses, and Changes in Net Assets	12
Statement of Cash Flows	13-14
NOTES TO THE FINANCIAL STATEMENTS	15-47
SUPPLEMENTAL INFORMATION:	
Combining Balance Sheet	49-50
Combining Statement of Revenues, Expenses, and Changes in Net Assets	51-52
Combining Statement of Cash Flows	53-56
Single-Family Mortgage Purchase Funds:	
Balance Sheet	58-62
Statement of Revenues, Expenses, and Changes in Net Assets	64-68
Multi-Family Mortgage Purchase Funds:	
Balance Sheet	70-76
Statement of Revenues, Expenses, and Changes in Net Assets	78-84



PINNOCK, ROBBINS, POSEY & RICHINS

Certified Public Accountants • A Professional Corporation

Ronald D. Robbins, CPA
David T. Posey, CPA
Roger O. Richins, CPA
James R. Beaudoin, PFS, CFP, CPA
Wade K. Watkins, CPA

INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Utah Housing Corporation

We have audited the accompanying balance sheet of Utah Housing Corporation (the Corporation), a component unit of the State of Utah, as of June 30, 2009, and the related statements of revenues, expenses, and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Utah Housing Corporation as of June 30, 2009, and the changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 23, 2009 on our consideration of Utah Housing Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 5 through 9 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Corporation taken as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Pinnock, Robbins, Posey & Richins

September 23, 2009

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2009

This section of the Utah Housing Corporation's (the Corporation) annual financial report presents management's discussion and analysis of the Corporation's financial performance during the fiscal year ended June 30, 2009. It is intended to be read in conjunction with the Corporation's financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS

The financial highlights of the Corporation as of June 30, 2009 compared with prior year balances are as follows:

- Total assets decreased \$49.3 million (-2.4%)
- Cash and cash equivalents increased \$16.9 million (26.3%)
- Noncurrent investments decreased \$46.1 million (-9.3%)
- Single-family mortgage loans decreased \$50.0 million (-4.9%)
- Multi-family mortgage loans increased \$14.3 million (7.1%)
- Interest on cash and investments decreased \$7.8 million (-25.6%)
- Interest on loans increased \$5.5 million (8.0%)
- Current maturities on bonds payable increased \$12.4 million (10.1%)
- Bonds payable decreased \$64.7 million (-3.7%)
- Operating revenues increased \$0.9 million (0.9%)
- Operating expenses increased \$11.0 million (11.6%)
- Operating income before fair value adjustments decreased \$12.7 million (-111.9%)
- Total net assets increased \$3.2 million (1.4%)

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of three parts: Management's Discussion and Analysis; the Financial Statements, including Notes to the Financial Statements; and Supplemental Information. The Corporation is an independent public corporation, is self-supporting, and follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short and long-term financial information about the activities and operations of the Corporation. These statements are presented in a manner similar to a private business, such as mortgage banking, mortgage servicing, real estate development, commercial lending, construction management, and private consulting. Summary information is presented for separate mortgage revenue bond programs in the Supplemental Information. More detailed information is not presented in this report, however separate accounts are maintained for each activity to control and manage those designated financial transactions.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Year Ended June 30, 2009

FINANCIAL ANALYSIS OF THE CORPORATION

The following table summarizes the changes in net assets between June 30, 2009 and 2008 (in thousands):

	2009	2008	Change	
			Amount	Percentage
Current assets	\$ 262,560	\$ 238,149	\$ 24,411	10.3 %
Noncurrent assets:				
Loans receivable	37,398	35,908	1,490	4.1
Capital assets, net	6,398	6,632	(234)	(3.5)
Other assets	5,277	5,857	(580)	(9.9)
Restricted assets:				
Cash and cash equivalents	26,518	19,138	7,380	38.6
Investments	448,295	494,463	(46,168)	(9.3)
Loans receivable	1,185,671	1,220,527	(34,856)	(2.9)
Deferred bond financing costs	11,510	12,338	(828)	(6.7)
Other assets	1,538	1,421	117	8.2
TOTAL ASSETS	\$ 1,985,165	\$ 2,034,433	\$ (49,268)	(2.4) %
Current liabilities	\$ 192,686	\$ 175,771	\$ 16,915	9.6 %
Bonds payable, net of current portion	1,550,239	1,627,378	(77,139)	(4.7)
Deferred revenue	8,210	-	8,210	
Other liabilities	636	1,075	(439)	(40.8)
TOTAL LIABILITIES	\$ 1,751,771	\$ 1,804,224	\$ (52,453)	(2.9) %
Invested in capital assets, net of related debt	\$ 3,709	\$ 3,459	\$ 250	7.2 %
Restricted	173,931	170,652	3,279	1.9
Unrestricted	55,754	56,098	(344)	(0.6)
TOTAL NET ASSETS	\$ 233,394	\$ 230,209	\$ 3,185	1.4 %

The following table summarizes the changes in operating income before fair value adjustments between the years ended June 30, 2009 and 2008 (in thousands):

	2009	2008	Change	
			Amount	Percentage
REVENUES:				
Interest on loans receivable	\$ 74,970	\$ 69,448	\$ 5,522	8.0 %
Interest on investments	22,534	30,308	(7,774)	(25.6)
Other revenues	6,960	6,425	535	8.3
TOTAL REVENUES	\$ 104,464	\$ 106,181	\$ (1,717)	(1.6) %

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Year Ended June 30, 2009

FINANCIAL ANALYSIS OF THE CORPORATION (CONTINUED)

	<u>2009</u>	<u>2008</u>	<u>Change</u>	
			<u>Amount</u>	<u>Percentage</u>
EXPENSES:				
Interest expense	\$ 89,174	\$ 79,120	\$ 10,054	12.7 %
Salaries and benefits	4,920	4,464	456	10.2
General operating expenses	3,821	3,066	755	24.6
Loan servicing fees	3,582	3,283	299	9.1
Deferred cost amortization	4,057	4,461	(404)	(9.1)
Other	264	409	(145)	(35.5)
TOTAL EXPENSES	<u>\$ 105,818</u>	<u>\$ 94,803</u>	<u>\$ 11,015</u>	11.6 %
OPERATING INCOME BEFORE				
FAIR VALUE ADJUSTMENTS	<u>\$ (1,354)</u>	<u>\$ 11,378</u>	<u>\$ (12,732)</u>	(111.9) %

OTHER FINANCIAL ANALYSIS

For the year ended June 30, 2009, the Corporation's operating income of \$3.0 million is 40 percent of the five year operating income average. A detailed analysis of the Corporation's current operations reveals that before the fair value adjustment, the Corporation actually experiences a \$1.2 million loss. This loss represents a decrease of \$12.6 million or -110.7 percent over the prior year's operations.

The decrease was caused by the disruption of the financial markets during the fiscal year. The Corporation's interest revenue on investments was reduced \$7.8 million mainly due to a lower interest rate environment. Short-term money market interest rates can be documented at 4.4% at the beginning of fiscal year 2008, which have steadily decreased to .25 percent at the end of fiscal year 2009. This 4.15 percent drop in short-term interest rates is the cause of much of the change in the Corporation's interest revenues.

The Corporation's interest expense on bonds increased \$10.1 million or 12.7 percent. The increase was caused mainly by the increased interest paid on variable rate bonds, including bank bonds, versus the receipt of swap payments from pay-fixed, receive-variable interest rate swaps. In a healthy financial market environment, interest paid on variable rate bonds closely follows the receipt of revenues from the index-based swaps. However, during the past twelve months the distressed financial markets have exacerbated the Corporation's remarketing rates. See the debt administration section for more details.

The Corporation did increase its interest revenues on loans by \$5.5 million due to a higher loan balance for most of the fiscal year. The Corporation's portfolio of federally insured mortgage loans and large cash equivalent balance represents its financial strengths. The aggregate of these major components account for the \$12.7 million decrease in operating income before fair value adjustments.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Year Ended June 30, 2009

OTHER FINANCIAL ANALYSIS (CONTINUED)

The following two key ratios used by rating agencies to evaluate the industry reaffirm that the Corporation remains financially strong.

The Corporation's *Adjusted Debt to Equity Ratio* (defined as total liabilities divided by the total net assets less prepaid expenses) is 7.9 times. This ratio is interpreted as having \$7.90 of debt for every dollar of equity. The Corporation's ratio is lower than the prior year's 8.3, as the Corporation continues to redeem debt even though no new debt has been issued. The Corporation's ratio has trended downward from a high of 18.3 times at the beginning of fiscal year 1993 as the Corporation's net assets have continued to grow.

The Corporation's *Net Interest Spread Ratio* (defined as total interest revenues less interest expense divided by total interest revenues) is 8.5 percent. This ratio is down from 20.7 percent in the prior fiscal year. It is a reflection of the distress of the financial markets the Corporation must operate in. It is important to highlight that this ratio indicates that the Corporation's major bond programs, taken as a whole, continue to earn a small spread, even though it has been reduced from previous years.

The fiscal year operating budget of \$5,342,800 was adequate to fund operations.

DEBT ADMINISTRATION

At June 30, 2009, the Corporation had total bonded debt outstanding of \$1,685,845,000, a decrease of \$64,718,000 or 3.7 percent during the fiscal year, as shown in the table below. More detailed information about the Corporation's debt is presented in Note 8 to the financial statements.

The Corporation sells variable rate bonds to meet the demands of its overall funding strategy. The variable rate bonds are subject to tender by the bondholders upon surrender to the remarketing agent. In the event the remarketing agent is unable to remarket these bonds, the variable rate bonds will be, subject to certain conditions, purchased by a liquidity facility provider. Such purchase by the provider requires the Corporation to pay an increased, predetermined interest rate on the bonds.

The Corporation had a total of \$773,190,000 weekly adjusted variable rate bonds associated with various single-family programs. As of June 30, 2009, nearly 36 percent or \$276,000,000 of these bonds had been tendered by bondholders and purchased by the liquidity facility providers, becoming bank bonds. The bondholders only tendered in bonds that were backed by liquidity facility providers who lost their strong short-term ratings. Once new liquidity facility providers with strong short-term ratings can be found, the Corporation's AAA rated variable rate bonds will be remarketed back into the market. However, current financial market conditions have made it very difficult to find new liquidity providers willing to take on new business.

Subsequent to June 30, 2009, the Corporation has been successful in finding a new liquidity facility. On July 15, 2009, \$156,410,000 of the Corporation's bank bonds were remarketed back into the market, reducing the percentage of variable rate bonds held as bank bonds from 36 percent to 15 percent. It is anticipated that the remainder of the bank bonds will be back in the market before the calendar year end.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
Year Ended June 30, 2009

DEBT ADMINISTRATION (CONTINUED)

The Corporation sold these variable rate bonds to decrease the mortgage rate and increase the volume of funding available to purchase qualified homes under the Corporation's low to moderate-income programs. Pay-fixed, receive-variable interest rate swap contracts are used to mitigate the inherent risk associated with these variable rate bonds.

These swap agreements have notional amounts that amortize in accordance with the scheduled and or anticipated reduction in the related bond liability. During the year ended June 30, 2009, the Corporation replaced all of its non-performing interest rate swaps with new financially strong counterparties. The Corporation is still potentially exposed to loss in the event of non-performance by the counter-party under the agreements or from early termination of the swap agreements. However, the Corporation does not anticipate such non-performance and expects to hold the swap agreements to the stated termination dates. Additional detailed information about the Corporation's swap contracts is presented in Note 9 to the financial statements.

The following table summarizes the changes in debt between fiscal years 2009 and 2008 (in thousands):

	<u>2009</u>	<u>2008</u>	Percentage Increase (Decrease)
Taxable bonds payable	\$ 294,851	\$ 336,373	(12.3) %
Subordinate bonds payable	145,525	174,160	(16.4)
All other bonds payable	<u>1,245,469</u>	<u>1,240,030</u>	0.4
TOTAL BONDS PAYABLE	<u>\$ 1,685,845</u>	<u>\$ 1,750,563</u>	(3.7) %

All bonds issued by the Corporation, except general obligation bonds, are special obligations of the Corporation and are payable solely from the designated revenues and assets derived from the proceeds of the bonds, and are not legal obligations of the State of Utah or any other political subdivision thereof.

CONTACTING THE CORPORATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide the citizens of Utah, our constituents and investors with a general overview of the Corporation's finances and to demonstrate the Corporation's financial accountability over its resources. If you have questions about this report or need additional financial information, contact the Chief Financial Officer at Utah Housing Corporation, 2479 Lake Park Blvd., West Valley City, Utah 84120, call (801) 902-8200 or visit our website at: www.utahhousingcorp.org.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

BALANCE SHEET
JUNE 30, 2009
(In Thousands)

ASSETS

CURRENT ASSETS:

Cash and cash equivalents (note 2(i), 3, 10, and 13)	\$ 54,854
Investments (notes 2(j) and 3)	830
Current maturities of loans receivable (note 4)	504
Interest receivable	258
Other current assets	1,128
Restricted assets:	
Investments (notes 2(j), 3, and 6)	171,808
Current maturities of loans receivable (note 4)	26,765
Interest receivable	6,226
Other current assets	187
TOTAL CURRENT ASSETS	<u>262,560</u>

NONCURRENT ASSETS:

Loans receivable (note 4)	37,398
Capital assets, net (note 5)	6,398
Other assets	5,277
Restricted assets:	
Cash and cash equivalents	26,518
Investments (notes 2(j), 3, and 6)	448,295
Loans receivable (note 4)	1,185,671
Deferred bond financing costs	11,510
Other assets	1,538
TOTAL NONCURRENT ASSETS	<u>1,722,605</u>
TOTAL ASSETS	<u>\$ 1,985,165</u>

See accompanying notes to the financial statements.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

BALANCE SHEET (CONTINUED)
JUNE 30, 2009
(In Thousands)

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Interest payable	\$ 43,551
Current maturities of bonds payable (note 8)	135,606
Other current liabilities	<u>13,529</u>
TOTAL CURRENT LIABILITIES	<u>192,686</u>

NONCURRENT LIABILITIES

Bonds payable (notes 8, 9, and 18)	1,550,239
Deferred revenue	8,210
Other liabilities (note 8)	<u>636</u>
TOTAL NONCURRENT LIABILITIES	<u>1,559,085</u>
TOTAL LIABILITIES	<u>1,751,771</u>

NET ASSETS:

Invested in capital assets, net of related debt	3,709
Restricted	173,931
Unrestricted (note 14)	<u>55,754</u>
TOTAL NET ASSETS	<u>233,394</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,985,165</u>

See accompanying notes to the financial statements.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2009
(In Thousands)

OPERATING REVENUES:	
Interest on loans receivable	\$ 74,970
Interest on cash and investments (note 13 and 15)	22,534
Other revenues (note 16)	6,960
Net increase in the fair value of investments (note 2(j))	<u>4,402</u>
TOTAL OPERATING REVENUES	<u>108,866</u>
OPERATING EXPENSES:	
Interest	89,174
Salaries and benefits (note 13)	4,920
General operating expense (note 13)	3,821
Loan servicing fees (note 16)	3,582
Deferred cost amortization	4,057
Net recoveries of loan losses (note 2(d))	(31)
Depreciation of capital assets	<u>295</u>
TOTAL OPERATING EXPENSES	<u>105,818</u>
OPERATING INCOME	<u>3,048</u>
NONOPERATING REVENUE (EXPENSES):	
Grant revenue (note 18)	10,000
Grant expenses	<u>(9,863)</u>
NET NONOPERATING REVENUE	<u>137</u>
CHANGE IN NET ASSETS	3,185
NET ASSETS AT BEGINNING OF YEAR	<u>230,209</u>
NET ASSETS AT END OF YEAR	<u>\$ 233,394</u>

See accompanying notes to the financial statements.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2009
(In Thousands)

Cash flows from operating activities:	
Cash received from interest on loans receivable	\$ 74,815
Cash received from maturities of loans receivable	210,279
Cash received from other revenues	15,157
Purchase of loans receivable	(181,708)
Cash payments for servicing fees	(3,582)
Cash payments for general operating expenses	(1,475)
Cash payments to employees for salaries and benefits	<u>(4,961)</u>
Net cash provided by operating activities	<u>108,525</u>
Cash flows from non-capital financing activities:	
Proceeds from sale of bonds payable	115,475
Principal paid on bonds payable	(179,709)
Interest paid on bonds payable	(83,191)
Proceeds from interest rate swap agreements	4,064
Payments made on interest rate swap agreements	(11,211)
Payments of deferred assets	(2,649)
Proceeds from grant	10,000
Payments to grantees	<u>(9,863)</u>
Net cash (used in) non-capital financing activities	<u>(157,084)</u>
Cash flows from capital and related financing activities:	
Purchases of capital assets	(61)
Principal paid on capital debt	(484)
Interest paid on capital debt	<u>(114)</u>
Net cash (used in) capital and related financing activities	<u>(659)</u>
Cash flows from investing activities:	
Purchase of investments	(382,553)
Proceeds from sales and maturities of investments	425,904
Interest and dividends on investments	<u>22,788</u>
Net cash provided by investing activities	<u>66,139</u>
Net increase in cash and cash equivalents	16,921
Cash and cash equivalents, beginning of year	<u>64,451</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 81,372</u>

See accompanying notes to the financial statements.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2009
(In Thousands)

Reconciliation of operating income to net cash provided by operating activities:

Operating income	<u>\$ 3,048</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Adjustments for operating activities:	
Amortization of deferred liabilities	(13)
Depreciation	295
Changes in assets and liabilities:	
Decrease in receivables	28,385
(Increase) in other assets	(374)
Increase in accounts payable	<u>10,889</u>
Adjustments for operating activities	<u>39,182</u>
Adjustments for non-operating activities:	
Interest on cash and investments	(22,534)
Net increase in the fair value of investments	(4,402)
Interest on bonds payable	89,174
Deferred bond financing cost amortization	<u>4,057</u>
Adjustments for non-operating activities	<u>66,295</u>
Total adjustments	<u>105,477</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 108,525</u>

See accompanying notes to the financial statements.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2009

1. AUTHORIZING LEGISLATION

Utah Housing Corporation (the Corporation) was previously known as Utah Housing Finance Agency. The Corporation was created in 1975 by the Utah Legislature under the provisions of Part 9, Chapter 4, Title 9 of the Utah Code, Annotated 1953, as amended (the Act). The Act empowers the Corporation, among other things, to issue bonds and other obligations, and to purchase mortgage loans in furtherance of its purpose of providing safe and sanitary housing for persons of limited income residing in the State of Utah. The principal amount of bonds and other obligations outstanding is not limited by the Act.

The enabling legislation, along with bond indentures and bond resolutions adopted by the Corporation, contains specific provisions pertaining to (a) the use of the proceeds from the sale of notes and bonds, (b) the application of pledged receipts and recoveries of principal from mortgages, and (c) the creation of certain funds along with the accounting policies of such funds.

The Corporation has no taxing authority. Bonds and obligations issued by the Corporation do not constitute a debt of the State of Utah or any political subdivision thereof.

The Corporation is a component unit of the State of Utah and its financial statements are included in the general purpose financial statements of the State of Utah.

The Corporation has divided its operations into specific fund groups, as follows:

a. Operating Funds

These funds are used to account generally for the operating expenses of the Corporation and the resources to maintain the Corporation's general obligation rating. Revenues to operate the Corporation are provided from investment income within the operating fund and transfers of available cash from the other funds. See Note 14 regarding certain designations.

b. Single-Family Mortgage Purchase Funds

These funds are established under the Single-Family Mortgage Revenue Bond Resolutions adopted at various dates. They account for proceeds from the sale of the Single-Family Mortgage Revenue Bonds, the debt service requirements of the bond indebtedness, and the mortgage loans on eligible single-family housing being financed from bond proceeds. Mortgage loans are insured by private mortgage insurance or the Federal Housing Administration, or guaranteed by the Veterans Administration.

The Corporation exercises its authority, granted by the Internal Revenue Code, to issue tax-exempt mortgage revenue bonds (MRB's) to provide funds for the purchase of mortgage loans to be made to finance the acquisition of single-family residences in the State of Utah by households of low and moderate-income.

The Corporation has also issued various mortgage revenue bonds that are taxable.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. AUTHORIZING LEGISLATION (CONTINUED)

b. Single-Family Mortgage Purchase Funds (continued)

Resolutions for the 1983 Residential Mortgage Bonds Series A issues provided that funds remaining after February 1, 2010 might be used to forgive the remaining balance of the related mortgage loans. Mortgage loans receivable for this issue totaled \$118,000 at June 30, 2009.

c. Multi-Family Mortgage Purchase Funds

These funds are established under the Multi-Family Mortgage Purchase Bond Resolutions adopted at various dates. They account for the proceeds from the sale of the Multi-Family Mortgage Purchase Bonds, the debt service requirements of the bond indebtedness, and the mortgage loans on eligible multi-family housing being financed from bond proceeds.

d. Housing Development Funds

This fund is used to account for funds to assist in financing difficult-to-develop housing. Those activities include the acquisition, development, financing of new construction or rehabilitation of transitional housing, permanently affordable rental housing for very low income households, and others with special housing needs. In addition, these funds are used to make construction and long-term loans for affordable housing developments throughout Utah. These funds are also used to assist very low income first time homebuyers with down payment and closing costs and other forms of financial assistance.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

The accounting and reporting policies of the Corporation conform with generally accepted accounting principles and follow the accrual basis of accounting. Financial activities of the Corporation are recorded in funds established under various bond resolutions. The administrative and operational activities, including the operating expenses of various programs, are recorded in the General Operating Fund and are not allocated to the various funds, except for fiduciary and other miscellaneous expenditures.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 20, the Corporation applies all Financial Accounting Standards Board Statements and Interpretations issued on or before November 30, 1989, except for those that conflict with or contradict GASB pronouncements.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Loan Commitment Fees

Loan commitment fees and certain direct loan commitment costs are being deferred and amortized over the life of the loan as an adjustment of yield using the bonds outstanding method, which is not materially different than the interest method. The unamortized balance of net loan commitment fees is included in loans receivable.

c. Deferred Bond Financing Costs

Costs of issuing bonds are capitalized in the respective bond funds and amortized over the term of the bonds using the bonds outstanding method or are expensed upon early redemption of the bonds. During the fiscal year ended June 30, 2009, \$936,000 of bond financing costs was capitalized. Included in bond financing amortization, the Corporation recognized \$892,000 of expense due to early redemption of certain bonds.

d. Allowance for Possible Losses on Loans and Real Estate Acquired Through Foreclosure

The Corporation provides for losses when a specific need for an allowance is identified in the various funds or groups of funds. The provision for loan losses charged or credited to expense is the amount necessary, in management's judgment to maintain the allowance at a level it believes sufficient to cover losses in collection of loans. Estimates of future losses involve the exercise of management's judgment and assumptions with respect to future conditions. The principal factors considered by management in determining the adequacy of the allowance are the growth and composition of the loan portfolio, historical loss experience, economic conditions, the value, and adequacy of collateral, and the current level of the allowance. At June 30, 2009, an allowance of \$950,000 has been recorded in the Single-Family Mortgage Purchase Funds. Net losses closed to the reserve account during the year totaled \$25,000 and net recoveries of loan losses of \$31,000 are included in the Statement of Revenues, Expenses, and Changes in Net Assets.

e. Pay Fixed, Receive Variable Interest Rate Swaps

The Corporation enters into various interest rate swap contracts as part of its overall funding strategy. The objective of these financial instruments is to increase the volume of funding available to purchase qualified homes under the Corporation's low to moderate-income programs. The Corporation's ability to keep its Single-Family program active without lags in funding is critical to its success. The federally imposed volume cap on tax-exempt bond issuances is inadequate to provide the resources currently demanded by these programs. To meet these demands and increase its funding capabilities, the Corporation sells variable rate bonds. Pay fixed, receive variable interest rate swap contracts allow the Corporation to manage the inherent interest rate risk associated with variable rate debt. (See Note 9)

f. Transfers

The Corporation may make transfers among the various funds to meet the cash flow requirements of the individual programs or to account for equity and working capital contributions. The Corporation may transfer to the Operating Funds any commitment fees received that are not needed in the various program funds. The Corporation may also contribute amounts from the Operating Funds to provide assistance on certain bond issues.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g. Accrued Interest Receivable

Interest on loans and investments is recognized as earned.

h. Capital Assets

Capital assets are carried at cost. Office equipment, furniture, and fixtures are depreciated using the straight-line method over their estimated useful lives of 3 to 7 years. The building is depreciated using the straight-line method over an estimated useful life of 40 years.

i. Cash and Cash Equivalents

Cash and cash equivalents consist principally of cash deposits, repurchase agreements, and investments in the Utah State Public Treasurer's Investment Fund.

j. Investments

Investments are presented at fair value. The fair value of investments is based on published market prices and quotations from major investment brokers at current exchange rates, as available. Many factors are considered in arriving at that value.

k. Mortgage Loan Servicing

Mortgage loan servicing fees paid to the general operating fund are based on a stipulated percentage of the outstanding loan principal balances being serviced and are included in other revenues. Costs associated with the acquisition of loan servicing rights through the purchase of servicing contracts or bulk loan purchases from external mortgage servicers are deferred and amortized over the estimated lives of loans being serviced.

l. Use of Estimates

The preparation of these financial statements required the use of estimates and assumptions by management in determining the entity's assets, liabilities, revenues, and expenses. Actual results could differ materially from these estimates and assumptions.

m. New Accounting Standards

In June 2008, the Governmental Accounting Standards Board (GASB) issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, which provides guidance on the recognition, measurement, and disclosure of derivative instruments entered into by state and local governments. Statement No. 53 generally requires governments to measure derivative financial instruments at fair value in their accrual-based proprietary fund financial statements. Changes in the fair value of a hedging derivative (such as the Corporation's pay-fixed, receive-variable interest rate swap contracts) are reported as either deferred inflows or deferred outflows in the balance sheet as long as the hedge is deemed effective. The Statement is effective for financial statements for reporting periods beginning after June 15, 2009. Management is currently evaluating the effect of this pronouncement on the Corporation's financial statements.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. CASH AND INVESTMENTS

Cash and investments at June 30, 2009 are summarized as follows (in thousands):

	<u>Single- Family</u>	<u>Multi- Family</u>	<u>Operating</u>	<u>Housing Development</u>	<u>Total</u>
Cash and cash equivalents	\$ 42,652	\$ 1,199	\$ 23,578	\$ 13,943	\$ 81,372
Investments	<u>493,486</u>	<u>126,421</u>	<u>969</u>	<u>57</u>	<u>620,933</u>
Total	<u>\$ 536,138</u>	<u>\$ 127,620</u>	<u>\$ 24,547</u>	<u>\$ 14,000</u>	<u>\$ 702,305</u>

a. Cash Deposits (in thousands)

<u>Bank Balances</u>	<u>Book Balances</u>	<u>Fund</u>
\$ 9,559	\$ 9,559	Single-Family
72	72	Multi-Family
4,148	2,939	Operating
<u>6</u>	<u>6</u>	Housing Development
<u>\$ 13,785</u>	<u>\$ 12,576</u>	

Custodial Credit Risk is the risk that in the event of a bank failure, the Corporation's deposits may not be returned to them. In the opinion of management, all of the bank balance was insured at June 30, 2009. The Corporation does not have a formal deposit policy for custodial credit risk.

b. Investments

As of June 30, 2009, the Corporation had the following investments and maturities (in thousands):

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>
Money market mutual funds	\$ 258,940	\$ 258,940	\$ -	\$ -	\$ -
Negotiable certificates of deposit	1,105	1,050	55	-	-
Repurchase agreements	2,693	2,693	-	-	-
Guaranteed investment contracts	165,804	114,993	16,023	3,732	31,056
U.S. Agencies	191,118	-	1	2	191,115
State municipal bonds	3,966	-	-	-	3,966
Utah State Public Treasurer's Investment Fund	<u>66,103</u>	<u>66,103</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL	<u>\$ 689,729</u>	<u>\$ 443,779</u>	<u>\$ 16,079</u>	<u>\$ 3,734</u>	<u>\$ 226,137</u>

Interest Rate Risk: The Corporation's policy for investment maturities is determined by various bond indentures and bond resolutions adopted by the Corporation. Excess cash is invested in the Utah State Public Treasurer's Investment Fund.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. CASH AND INVESTMENTS (CONTINUED)

b. Investments (continued)

Custodial Credit Risk: Custodial credit risk for investments is the risk that, in the event of failure of the counter party, the Corporation will not be able to recover the value of the investment in the possession of an outside party. The Corporation does not have a formal policy for custodial credit risk.

The Corporation's investments were held in the Corporation's name by their custodian except \$2,693,000 of repurchase agreements where the underlying securities were uninsured and held by the investment's counterparty, not in the name of the Corporation.

Credit Risk: Investments for each bond issue are those permitted by the various bond indentures and bond resolutions adopted by the Corporation. The investment activities are not subject to state statutes. As of June 30, 2009, the Corporation's investments in money market mutual funds, bonds of U.S. agencies and investments in state municipal bonds are rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The underlying investments of the Corporation's repurchase agreements are invested in the U.S. Government Money Fund that is unrated. The Corporation's investments in negotiable certificates of deposit are uninsured and unrated.

Concentration of Credit Risk: The Corporation places no limit on the amount the Corporation may invest in any one issuer. More than five percent of the Corporation's investments are in the Federal National Mortgage Association, Royal Bank of Canada Guaranteed Investment Contracts, and CDC Guaranteed Investment Contracts. These investments are 14.33%, 9.55%, and 5.50%, respectively, of the Corporation's total investments.

4. LOANS RECEIVABLE

As of June 30, 2009 loans receivable consisted of the following (in thousands):

	<u>Current</u> <u>Maturities</u>	<u>Long-Term</u> <u>Portion</u>	<u>Total</u>
Single-Family Mortgage Purchase Funds (net of allowance for losses of \$950)	\$ 16,244	\$ 961,261	\$ 977,505
Multi-Family Mortgage Purchase Funds	2,393	214,100	216,493
Operating Funds	504	37,398	37,902
Housing Development Funds	8,128	10,353	18,481
Unamortized Loan Discount, Commitments, and deferred costs Single-Family Mortgage Purchase Funds	-	(43)	(43)
Total	<u>\$ 27,269</u>	<u>\$ 1,223,069</u>	<u>\$ 1,250,338</u>

The weighted average mortgage rates for the Single-Family Mortgage Purchase Funds, Multi-Family Mortgage Purchase Funds, Operating Funds, and Housing Development Funds were 5.8%, 5.2%, 6.6% and 3.3%, respectively, as of June 30, 2009.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. LOANS RECEIVABLE (CONTINUED)

The Corporation issues bonds and applies the proceeds from the bonds to purchase qualified loans originated from certified lenders. The receipt of payments from these loans is restricted principally for the purpose of paying the related bond principal and interest.

The Corporation has \$2,686,000 in real estate owned at June 30, 2009, which is included in the Single-Family Mortgage Purchase Funds loans receivable.

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows (in thousands):

	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>
Capital assets, not being depreciated:				
Land	\$ 1,472	\$ -	\$ -	\$ 1,472
Total capital assets, not being depreciated	1,472	-	-	1,472
Capital assets, being depreciated:				
Buildings and improvements	5,064	-	-	5,064
Furniture and fixtures	265	19	-	284
Equipment	1,298	39	(27)	1,310
Vehicles	98	3	-	101
Total capital assets being depreciated	<u>6,725</u>	<u>61</u>	<u>(27)</u>	<u>6,759</u>
Less accumulated depreciation for:				
Buildings and improvements	(454)	(114)	-	(568)
Furniture and fixtures	(136)	(38)	-	(174)
Equipment	(877)	(142)	27	(992)
Vehicles	(98)	(1)	-	(99)
Total accumulated depreciation	<u>(1,565)</u>	<u>(295)</u>	<u>27</u>	<u>(1,833)</u>
Total capital assets, being depreciated, net	<u>5,160</u>	<u>(234)</u>	<u>-</u>	<u>4,926</u>
CAPITAL ASSETS, NET	<u>\$ 6,632</u>	<u>\$ (234)</u>	<u>\$ -</u>	<u>\$ 6,398</u>

6. BOND RESERVE FUNDS

Substantially all cash and investments in the Single-Family and Multi-Family Mortgage Purchase Funds are held by trustees and are restricted as to use as required by the various bond resolutions. Such restricted assets are included in funds and accounts within the program funds as established by the bond resolutions. Such funds typically include, among others, bond proceed funds, revenue funds, recovery of principal funds, debt service funds, redemption funds, and asset accumulation funds.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. BOND RESERVE FUNDS (CONTINUED)

In addition to the funds referred to above, the resolutions provide for a debt service reserve fund and in some cases a mortgage reserve fund. The reserve requirements are defined in the bond documents based on maximum annual debt service requirements or some percentage of bonds outstanding for the debt service reserve fund and some percentage of mortgages outstanding for the mortgage reserve fund. As of June 30, 2009, these reserve requirements and the resulting restriction of cash and investments were as follows (in thousands):

	<u>Debt Service Reserve Funds</u>	<u>Mortgage Reserve Funds</u>
Single-Family Mortgage Purchase Funds	<u>\$ 122,355</u>	<u>\$ —</u>
Multi-Family Mortgage Purchase Funds	<u>\$ 1,532</u>	<u>\$ 80</u>

7. REVOLVING CREDIT NOTES

The Corporation has three Revolving Credit Notes with two Utah industrial banks. The first note, in the amount of \$5,000,000, matures on October 30, 2010. At June 30, 2009, the outstanding balance on this Revolving Credit Note was \$2,098,000. The Revolving Credit Note bears interest at a calculated LIBOR rate advance or base rate advance. The Revolving Credit Note balance consists of two separate loans. The first loan is dated June 26, 2008 for \$450,000 with an interest rate of 1.31% at June 30, 2009. The second loan is dated November 24, 2009 for \$1,648,000 with an interest rate of 2.17% at June 30, 2009. These two loans are due during the year ended June 30, 2010.

The second Revolving Credit Note, in the amount of \$3,000,000, matures on March 24, 2011. At June 30, 2009, the outstanding balance on this Revolving Credit Note was \$1,400,000. The Revolving Credit Note bears interest at a calculated LIBOR rate advance with a minimum rate of 5.25%. The Revolving Credit Note balance consists of two separate loans. The first loan is dated March 26, 2009 for \$900,000 with an interest rate of 6.25% at June 30, 2009. The second loan is dated April 1, 2009 for \$500,000 with an interest rate of 6.25% at June 30, 2009. These two loans are due during the year ended June 30, 2010.

The third Revolving Credit Note, in the amount of \$2,000,000, matures on March 24, 2011 and has no outstanding balance as of June 30, 2009.

Total interest expense incurred on line-of-credit debt for the year ended June 30, 2009 was \$51,000.

8. LONG-TERM DEBT

Single-Family Mortgage Purchase Bonds:

Bonds payable in each series or issue generally consist of both serial and term bonds maturing at annual or semi-annual intervals. Bonds payable consisted of the following at June 30, 2009 (in thousands):

1994 Issue A, 3.60% to 5.70%, maturing on July 1, 2014, 2025 and 2026	\$ 525
--	--------

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

1995 Issue E, 4.45% to 6.20%, maturing on July 1, 2012 and 2016 and on January 1, 2018, 2027 and 2028	\$ 120
1996 Series R, 3.94% to 6.15%, maturing on July 1, 2013, 2015 and 2016	2,500
1996 Series B, 6.10% to 7.54%, maturing on July 1, 2013, 2015, 2025 and 2027 and on January 1, 2021	590
1996 Series C, 5.75% to 7.70%, maturing on July 1, 2009, 2014, 2015 and 2025 and on January 1, 2028	380
1996 Series D, 5.55% to 7.80%, maturing on July 1, 2009, 2014, 2015 and 2025 and on January 1, 2028	660
1996 Series E, 4.95% to 6.20%, maturing on July 1, 2009, 2014, 2016, 2026 and 2027	100
1997 Series A, 3.85% to 6.25%, maturing on July 1, 2009, 2014, 2025, 2026 and 2027	55
1997 Series C, 4.35% to 7.08%, maturing in annual installments through July 1, 2009 and on July 1, 2015, 2016, 2017, 2022 and 2028 and on January 1, 2016	240
1997 Series D, 4.15% to 6.95%, maturing in annual installments through July 1, 2010 and on July 1, 2015 and 2016 and on January 1, 2021 and 2029	405
1997 Series E, 4.15% to 6.83%, maturing on July 1, 2010, 2015 and 2016 and on January 1, 2019, 2024 and 2029	970
1997 Series F, 4.00% to 6.65%, maturing on July 1, 2010, 2015, 2016, 2028 and January 1, 2024 and 2029	675
1997 Series G, 4.00% to 6.46%, maturing on July 1, 2010, 2015, 2016, 2027 and 2028 and on January 1, 2024 and 2029	870
1998 Series A, 4.10% to 6.11%, maturing in annual installments through July 1, 2009, and on July 1, 2011, 2016, 2022, 2028 and 2029	1,545
1998 Series B, 4.15% to 6.34%, maturing in annual installments through July 1, 2009, and on July 1, 2011, 2014 and 2016 and on January 1, 2019, 2024, 2028 and 2029	1,165
1998 Series C, 4.20% to 6.47% payable in annual installments through July 1, 2011, and on July 1, 2016, 2018, 2028 and 2029 and on January 1, 2028	1,495

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

1998 Series D, 4.00% to 6.20% payable in annual installments through July 1, 2010, and on July 1, 2012, 2018, 2020, 2028 and 2029 and on January 1, 2030	\$ 1,665
1998 Issue E, 4.55% to 5.45%, maturing in annual installments through July 1, 2010 and on July 1, 2012, 2018, 2020 and 2029 and on January 1, 2030	975
1998 Issue F, 3.65% to 5.10%, maturing in annual installments through July 1, 2010 and on July 1, 2018, 2028 and 2029 and on January 1, 2030	3,695
1998 Series G, 3.50% to 5.22% maturing in annual installments through July 1, 2009 and on July 1, 2012, 2018, 2020, 2028 and 2030	2,750
1999 Series A, 3.35% to 5.92%, maturing in annual installments through July 1, 2009 and on July 1, 2012, 2018, 2020, 2028 and 2030	1,140
1999 Series B, 4.00% to 6.37%, maturing in annual installments through July 1, 2010 and on July 1, 2012, 2018, 2020, 2028 and 2030	1,760
1999 Series C, 4.35% to 7.12%, maturing in annual installments through July 1, 2011 and on July 1, 2013, 2019, 2021 and 2029 and on January 1, 2031	1,190
1999 Issue D, 4.55% to 7.24%, maturing in annual installments through July 1, 2011 and on July 1, 2013, 2019, 2020, 2021, 2029 and 2030 and on January 1, 2031	360
1999 Series E, 4.35% to 7.25%, maturing in annual installments through July 1, 2011 and on July 1, 2013, 2019, 2021, 2027 and 2029 and on January 1, 2031	610
1999 Series F, 4.40% to 7.52%, maturing in annual installments through July 1, 2011 and on July 1, 2013, 2019, 2021, 2027 and 2029 and on January 1, 2031	205
2000 Issue A, 4.85% to 7.36%, maturing in annual installments through July 1, 2010 and on July 1, 2014, 2022, 2030 and 2031 and on January 1, 2020	515
2000 Issue B, 6.00% to 7.26%, maturing on July 1, 2010, 2022, 2030 and 2031 and on January 1, 2020	250
2000 Series C, Fixed Rate Bonds, 6.25% to 6.35%, maturing on July 1, 2014 and 2022	1,190
2000 Series C, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2031	10,975

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

2000 Series D, Fixed Rate Bonds, 6.05% to 7.20%, maturing on July 1, 2010, 2014 and 2026	\$ 1,385
2000 Series D, Variable Rate Bonds, interest adjusted weekly, maturing July 1, 2031	10,375
2000 Series E, Fixed Rate Bonds, 6.00% to 7.28% maturing on July 1, 2010 and on January 1, 2015 and 2027	1,560
2000 Series E, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2031 and on January 1, 2032	10,110
2000 Series F, Fixed Rate Bonds, 4.60% to 6.125% maturing in annual installments through July 1, 2010 and on January 1, 2015 and 2027	1,660
2000 Series F, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2030 and 2031	10,710
2000 Series G, Fixed Rate Bonds, 4.45% to 5.875%, maturing in annual installments through July 1, 2010 and on July 1, 2015 and 2027	2,295
2000 Series G, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2030 and 2032	10,485
2001 Series A, Fixed Rate Bonds, 3.75% to 5.65%, maturing in annual installments through July 1, 2011 and on July 1, 2015 and 2027	2,470
2001 Series A, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2032	11,245
2001 Series B, Fixed Rate Bonds, 5.625% to 5.75%, maturing on July 2016 and 2019	2,445
2001 Series B, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2032	11,035
2001 Series C, Fixed Rate Bond, 5.50% to 5.65% maturing on January 1, 2018 and 2021	2,785
2001 Series C, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2017 and on January 1, 2033	10,885
2001 Series D, Fixed Rate Bonds, 5.30% to 5.50% maturing on January 1, 2018 and 2021	2,780

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

2001 Series D, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2033	\$ 9,650
2001 Series E, Fixed Rate Bonds, 5.20% to 5.50% maturing on January 1, 2018 and 2023	2,335
2001 Series E, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2033	8,940
2001 Series F, Fixed Rate Bonds, 4.95% to 5.30% maturing on July 1, 2018 and 2023	2,825
2001 Series F, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2033	10,650
2002 Series A, Fixed Rate Bonds, 5.30% to 5.60% maturing on July 1, 2018 and 2023	2,800
2002 Series A, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2033	8,250
2002 Series B, Fixed Rate Bonds, 5.50% to 5.60% maturing on July 1, 2018 and 2023	3,345
2002 Series B, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2033	11,420
2002 Series C, Fixed Rate Bonds, 2.55% to 5.25% maturing in annual installments through July 1, 2010 and on July 1, 2018 and 2023	3,240
2002 Series C, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2033	9,095
2002 Series D, Fixed Rate Bonds, 2.20% to 5.35% maturing in annual installments through July 1, 2010 and on July 1, 2018 and 2023	3,260
2002 Series D, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2033	10,265
2002 Series E, Fixed Rate Bonds, 1.90% to 4.95%, maturing in annual installments through July 1, 2011 and on July 1, 2012 and January 1, 2019	2,695
2002 Series E, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2034	6,045
2002 Series F, Fixed Rate Bonds, 3.50% and 4.625%, maturing on July 1, 2012 and on January 1, 2019	2,415

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

2002 Series F, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2034	\$ 8,700
2002 Series G, Fixed Rate Bonds, 1.75% to 4.875%, maturing in annual installments through July 1, 2012 and on January 1, 2019	4,775
2002 Series G, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2034	11,655
2003 Series A, Fixed Rate Bonds, 1.50% to 5.125%, maturing in annual installments through July 1, 2013 and on July 1, 2024	4,710
2003 Series A, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2034	10,810
2003 Series B, Fixed Rate Bonds, 1.60% to 4.95%, maturing in annual installments through July 1, 2013 and on July 1, 2024 and 2031	6,370
2003 Series B, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2034	11,420
2003 Series C, Fixed Rate Bonds, 1.875% to 5.00%, maturing in annual installments through July 1, 2013 and on July 1, 2025 and 2031	5,885
2003 Series C, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2034	9,260
2003 Series D, Fixed Rate Bonds, 1.70% to 4.60%, maturing in annual installments through July 1, 2014 and on July 1, 2023, 2024, 2033, and on January 1, 2034 and July 1, 2034	10,040
2003 Series E, Fixed Rate Bonds, 1.55% to 5.60%, maturing in annual installments through July 1, 2013 and on July 1, 2025 and 2031	6,145
2003 Series E, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2034	9,650
2003 Series F, Fixed Rate Bonds, 1.95% to 5.30%, maturing in annual installments through July 1, 2013 and on July 1, 2023, 2025, 2031, 2033 and 2034	3,570
2003 Series F, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2034	6,775
2003 Series G, Fixed Rate Bonds, 1.85% to 5.15%, maturing in annual installments through July 1, 2013 and on July 1, 2023, January 1, 2026, 2032 and 2035	4,455

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

2003 Series G, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2035	\$ 6,775
2004 Series A, Fixed Rate Bonds, 2.00% to 4.90%, maturing in annual installments through July 1, 2014 and on July 1, 2024, 2026, 2032, 2034 and 2035	6,560
2004 Series A, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2035	6,310
2004 Series B, Fixed Rate Bonds, 2.15% to 5.10%, maturing in annual installments through July 1, 2012 and on July 1, 2014 and 2026	2,765
2004 Series B, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2035	10,495
2004 Series C, Fixed Rate Bonds, 2.70% to 5.35%, maturing in annual installments through July 1, 2014 and on July 1, 2026	2,780
2004 Series C, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2035	10,720
2004 Series D, Fixed Rate Bonds, 2.75% to 5.25% maturing in annual installments through July 1, 2014 and on July 1, 2026	2,970
2004 Series D, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2035	10,895
2004 Series E, Fixed Rate Bonds, 2.50% to 5.13% maturing in annual installments through July 1, 2014 and on January 1, 2027	2,985
2004 Series E, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2036	13,635
2004 Series F, Fixed Rate Bonds, 2.45% to 5.05% maturing in annual installments through July 1, 2014 and on January 1, 2027	3,565
2004 Series F, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2036	16,350
2004 Series G, Fixed Rate Bonds, 2.30% to 4.90% maturing in annual installments through July 1, 2014 and on January 1, 2027	3,625
2004 Series G, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2036	16,460
2004 Series H, Fixed Rate Bonds, 2.30% to 4.75% maturing in annual installments through July 1, 2014 and on January 1, 2027	3,745

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

2004 Series H, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2036	\$ 16,475
2004 Series I, Fixed Rate Bonds, 2.95% to 4.90% maturing in annual installments through July 1, 2014, on January 1, 2015 and on July 1, 2023 and 2027	2,890
2004 Series I, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2036	13,630
2005 Series A, Fixed Rate Bonds, 2.90% to 4.70% maturing in annual installments through July 1, 2015 and on July 1, 2022 and 2027	2,500
2005 Series A, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2036	14,260
2005 Series B, Fixed Rate Bonds, 3.30% to 4.75% maturing in annual installments through July 1, 2015 and on July 1, 2022 and 2027	2,610
2005 Series B, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2036	14,330
2005 Series C, Fixed Rate Bonds, 3.45% to 4.90% maturing in annual installments through July 1, 2015 and on July 1, 2022 and 2027	3,035
2005 Series C, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2036	17,200
2005 Series D, Fixed Rate Bonds, 2.95% to 4.75% maturing in annual installments through July 1, 2015 and on July 1, 2022 and 2027	3,475
2005 Series D, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2036	17,145
2005 Series E, Fixed Rate Bonds, 3.25% to 4.60% maturing in annual installments through July 1, 2015 and on January 1, 2023 and 2028	3,130
2005 Series E, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2037	17,000
2005 Series F, Fixed Rate Bonds, 3.50% to 4.78% maturing in annual installments through July 1, 2015 and on January 1, 2023 and 2028	3,485

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

2005 Series F, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2028 and January 1, 2037	\$ 17,000
2005 Series G, Fixed Rate Bonds, 3.50% to 4.80% maturing in annual installments through July 1, 2015 and on January 1, 2023 and 2028	3,470
2005 Series G, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2028 and January 1, 2037	17,000
2005 Series H, Fixed Rate Bonds, 3.75% to 5.00% maturing in annual installments through July 1, 2015 and on January 1, 2023 and 2028	3,520
2005 Series H, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2027 and January 1, 2037	16,985
2006 Series A, Fixed Rate Bonds, 3.75% to 5.00% maturing in annual installments through July 1, 2016 and on July 1, 2023, 2028 and 2037	4,935
2006 Series A, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2034 and July 1, 2037	15,000
2006 Series B, Fixed Rate Bonds, 4.00% to 5.98% maturing in annual installments through July 1, 2016 and on July 1, 2026, 2027, 2031 and 2037	10,935
2006 Series B, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2037	11,965
2006 Series C, Fixed Rate Bonds, 4.00% to 6.45% maturing in annual installments through July 1, 2016 and on January 1, 2028, 2032, and on July 1, 2032 and 2038	7,765
2006 Series C, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2038	11,990
2006 Series D, Fixed Rate Bonds, 4.00% to 6.41% maturing in annual installments through July 1, 2016 and on January 1, 2028 and 2032, and on July 1, 2034	11,450
2006 Series D, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2038	13,905
2006 Series E, Fixed Rate Bonds, 4.00% to 6.41% maturing in annual installments through July 1, 2016 and on January 1, 2028, 2032 and 2035	13,245

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

2006 Series E, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2038	\$ 13,180
2006 Series F, Fixed Rate Bonds, 4.00% to 6.32% maturing in annual installments through July 1, 2016 and on January 1, 2028, 2032 and 2035	18,280
2006 Series F, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2038	13,130
2006 Series G, Fixed Rate Bonds, 3.90% to 5.92% maturing in annual installments from July 1, 2009 through July 1, 2016 and on July 1, 2028, 2032 and 2034	13,455
2006 Series G, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2038	12,000
2006 Series H, Fixed Rate Bonds, 3.95% to 5.95% maturing in annual installments from July 1, 2009 through July 1, 2016 and on July 1, 2026, 2028, 2032, 2034 and 2038	19,020
2006 Series H, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2038	9,000
2007 Series A, Fixed Rate Bonds, 3.85% to 5.88% maturing in annual installments from July 1, 2009 through July 1, 2017 and on July 1, 2027, 2034 and 2035	16,015
2007 Series A, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2038	12,000
2007 Series B, Fixed Rate Bonds, 4.85% to 6.01% maturing on July 1, 2017, 2027, 2034, 2035 and 2038	15,725
2007 Series B, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2038	11,975
2007 Series C, Fixed Rate Bonds, 4.85% to 5.95% maturing on July 1, 2017, 2027, 2035, January 1, 2036 and July 1, 2038	20,070
2007 Series C, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2038	13,275
2007 Series D, Fixed Rate Bonds, 5.15% to 6.39% maturing on July 1, 2017, January 1, 2028 and 2036, July 1, 2036, and on January 1, 2039	21,170
2007 Series D, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2039	10,465

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

2007 Series E, Fixed Rate Bonds, 5.20% to 5.35% maturing on July 1, 2017 and on January 1, 2028, 2036 and 2039	\$ 25,130
2007 Series E, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2039	8,750
2007 Series F, Fixed Rate Bonds, 4.80% to 6.44% maturing on July 1, 2017 and on January 1, 2028, 2035, 2036 and 2039	20,790
2007 Series F, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2039	14,000
2007 Series G, Fixed Rate Bonds, 4.85% to 6.16% maturing on July 1, 2017, January 1, 2028, July 1, 2034 and on January 1, 2036 and 2039	19,120
2007 Series G, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2039	13,990
2007 Series H, Fixed Rate Bonds, 4.64% to 5.84% maturing on July 1, 2017, January 1, 2028, July 1, 2034 and on January 1, 2036 and 2039	18,555
2007 Series H, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2039	13,985
2007 Series 2, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2039	11,560
2008 Series A, Fixed Rate Bonds, 4.26% to 5.45% maturing on January 1, 2018 and on July 1, 2028, 2035, 2036 and 2039	18,515
2008 Series A, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2039	16,450
2008 Series B, Fixed Rate Bonds, 4.33% to 5.90% maturing on January 1, 2018 and on July 1, 2028, 2036 and 2039	22,030
2008 Series B, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2039	12,950
2008 Series C, Fixed Rate Bonds, 4.85% to 5.75% maturing on January 1, 2018 and on July 1, 2028 and 2036	9,930
2008 Series C, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2038 and on July 1, 2039	25,055

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

2008 Series D, Fixed Rate Bonds, 4.79% to 5.625% maturing on January 1, 2018 and on July 1, 2028 and 2036	\$ 9,915
2008 Series D, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2038 and on July 1, 2039	25,055
2008 Series E, Fixed Rate Bonds, 4.35% to 6.1% maturing in annual installments from July 1, 2013 through July 1, 2018 and on July 1, 2028, January 1, 2029, July 1, 2032, 2034 and on January 1, 2040	21,000
2008 Series E, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2040	14,000
2008 Series 2, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2039	17,515
2009 Series 1 and 2, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2035 and 2040	<u>37,960</u>
Total Single-Family Mortgage Purchase Bonds	<u>\$ 1,349,230</u>

All of the above described bonds are subject to early redemption after various dates at prices ranging from par to 105% of par.

Interest on the above bonds is payable semi-annually. Single-Family refunding variable issues pay interest monthly.

Of the bonds described in the bonds payable listing, \$225,200,000 is not excluded from gross income for federal income tax purposes and is therefore taxable. There are also \$145,525,000 of subordinate bonds, all of which carry the Corporation's general obligation rating.

In the case that the variable rate bonds cannot be remarketed, the Corporation has entered into various irrevocable Standby Bond Purchase Agreements (Liquidity Facility) with Bayerische Landesbank Girozentrale acting through its New York Branch at an original commitment amount of \$300,000,000; West Deuschelandesbank Girozentrale acting through its New York Branch at an original commitment amount of \$200,000,000; DEPFA BANK plc acting through its New York Branch at an original commitment amount of \$300,000,000; Lehman Brothers Commercial Bank, a Utah chartered industrial bank, at an original commitment amount of \$60,000,000; the Federal Home Loan Bank of Seattle at an original commitment amount of \$100,000,000; Wells Fargo Bank, N.A. at an original commitment amount of \$100,000,000; and BNP Paribas, acting through its New York Branch at an original commitment amount of \$100,000,000. These agreements provide that these institutions will provide funds to purchase the variable rate bonds that have been tendered and not remarketed. These liquidity providers receive a fee ranging from 12.5 to 95 basis points of the outstanding amount of the variable rate bonds paid on a quarterly basis. As of June 30, 2009, none of the original commitments listed above were available for replacement of existing liquidity facilities or to issue new variable rate bonds. Subsequent to June 30, 2009, the Corporation has entered into an additional Standby Bond Purchase Agreement with Barclays Capital PLC at a commitment amount of \$156,000,000.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

Annual sinking fund payments are generally required for all bonds during years with no annual maturities. The assets of each group of funds listed above are pledged for the payment of principal and interest on the bonds issued and to be issued by the respective programs.

Scheduled amounts of future debt service requirements, for the Single-Family Bond issues including principal maturities and sinking fund requirements for the years subsequent to June 30, 2009 are as follows (in thousands):

<u>Year Ending June 30,</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total</u>
2010	\$ 131,975	\$ 58,192	\$ 190,167
2011	23,300	57,471	80,771
2012	22,580	56,385	78,965
2013	23,090	55,307	78,397
2014	24,225	54,162	78,387
2014-2019	140,060	251,230	391,290
2020-2024	174,015	213,095	387,110
2025-2029	245,025	163,902	408,927
2030-2034	332,720	94,092	426,812
2035-2039	225,620	24,193	249,813
2040-2044	6,620	152	6,772
	<u>\$ 1,349,230</u>	<u>\$ 1,028,181</u>	<u>\$ 2,377,411</u>

See Note 9 for debt service requirements for the Corporation's variable-rate debt and net swap payments.

Multi-Family Mortgage Purchase Bonds:

Bonds payable in each series or issue generally consist of both serial and term bonds maturing at annual or semi-annual intervals. Bonds payable consisted of the following at June 30, 2009 (in thousands):

Issue 1996 A, Issue 1996 B, and Issue 1996 C, Vine Villas Apartment Project, 4.21% and 5.76%, maturing in monthly installments through January 1, 2028	\$ 3,801
1997 Series A and 1997 Series B, 6.875% and 9.00%, maturing on July 1, 2027	7,970
1998 Series, Heather Estates Project, 4.20% to 5.50%, maturing in annual installments through January 1, 2010 and on January 1, 2018 and 2029	6,845

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

1998 Series, Aspen Villas Apartments Project, 4.00% to 5.45%, maturing in annual installments through 2010 and on January 1, 2015, 2020 and 2028	\$ 5,040
1998 Series B, Mayflower Harbor at Pilgrims Landing Apartments Project, at 5.40% to and until July 1, 2016 (the reset date) and on and after the reset date at the reset rate	9,134
1999 Series A and 1999 Series B, The Ridge at Jordan Landing Apartments Project, 5.90% to 8.00%, maturing on January 1, 2010 and 2031 and on July 1, 2021 and 2037	12,930
Series 1999, Country Oaks Apartments Project, 5.60% to 6.00%, maturing on January 20, 2011 and on July 20, 2031 and 2041	3,015
1999 Series A and 1999 Series B, Bay Harbour at Slate Canyon Apartments Project, 6.30%, maturing on July 1, 2031	3,207
2000 Series A, Holiday Village Apartments, 7.58% interest, maturing on January 1, 2032	3,288
2000 Series A, Shaleh Meadows Apartments Projects, 4.90% to 6.02% maturing in annual installments through July 1, 2010 and on July 1, 2033	6,190
Series 2000, Tooele Gateway Project, 6.10% to 6.32% maturing in monthly installments through June 1, 2033	3,017
Issue 2001, Candlestick Apartments Project, Variable Rate Demand Bonds, interest adjusted weekly, maturing on February 15, 2036	6,400
Series 2001, Kings Row Apartment Project, 6.55% to 7.95% maturing on July 1, 2016, 2025 and 2033	6,985
Series 2001, Mill Creek II Project, 6.00% maturing in monthly installments through October 15, 2019	1,657
Series 2001A, Haven Pointe Project, 5.45% to 7.25% maturing on January 20, 2026 and on July 20, 2032 and 2043	10,670
Series 2001A, Holly Stonehedge I, Village Square II, 5.40% to 6.25% maturing on July 20, 2018, 2025 and on January 20, 2037	6,385
Series 2002A, The Bluffs Apartment Project, 5.60% to 6.21% maturing on July 20, 2018, 2030 and on January 20, 2044	11,260

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

Series 2002A, Bountiful Retreat Project, 4.78% to 6.00% maturing on July 20, 2022 and 2043	\$ 4,420
Series 2002A, Canyon View Apartments Project, 4.87% to 5.35%, maturing on July 20, 2014 and 2044	3,935
Series 2003A, Sunset Ridge Apartments Project, 5.20% to 6.10%, maturing on July 20, 2028 and 2035 and January 20, 2045	15,020
Series 2003A, Coppergate Apartments Project, 5.15% to 5.90%, maturing on January 20, 2027, July 20, 2035 and January 20, 2045	13,665
Series 2003, Layton Pointe Apartments Project, 6.50%, maturing on June 1, 2035	3,610
Series 2004A and Series 2004B, Tanglewood Apartment Project, Variable Rate Bonds, interest adjusted weekly, maturing on January 1, 2017 and July 1, 2035	9,400
Series 2004A, Foxboro Terrace Apartments Project, 4.30% to 5.15%, maturing on January 20, 2017, July 20, 2024 and 2034, and on January 20, 2046	9,760
Series 2004A and 2004A-T, Laurelwood Apartments Project, 5.05% to 5.26%, maturing on July 20, 2018, 2024, 2034 and 2042	4,370
Series 2004, Diamond Fork Project, 6.90%, maturing in monthly installments through January 1, 2046	3,251
Series 2004, Rose Cove Project, 6.60%, maturing in monthly installments through January 1, 2046	6,581
Series 2004, Cedar Pointe Project, 5.30% maturing on January 1, 2032	7,770
Series 2005, Park Gate Apartment Project, 4.15% to 5.10% maturing on July 20, 2013, 2025, 2035 and 2046	5,600
Series 2005A and Series 2005B, Riverview Apartment Project, Variable Rate Bonds, interest adjusted weekly, maturing on July 1, 2016 and 2023	5,630
Series 2005A, Springwood Apartments Project, Variable Rate Bonds, interest adjusted weekly, maturing on September 15, 2035	8,485

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

Series 2005A, Boyer Hill Military Housing Project Taxable Revenue Bonds, 5.392% to 5.442%, maturing on July 1, 2050	\$ 41,000
Series 2005A and Series 2005B, Towne Gate Apartments Project, 5.44% to 7.00%, maturing on April 1, 2021 and November 1, 2023	18,171
Series 2006A-1 and Series 2006A-2, Liberty Commons Apartment Project, 5.59% to 7.22%, maturing on November 1, 2023 and January 1, 2041	17,411
Series 2007, The Pointe Apartments Project, Variable Rate Bonds, interest adjusted weekly, maturing on August 1, 2024	11,100
Series 2008A, Series 2008B, Todd Hollow Apartments at Deer Mountain Project, 5.30% to 6.25%, maturing on June 1, 2043	11,953
Series 2009A, Timbergate Apartments Project, Variable Rate Bonds, interest adjusted weekly, maturing on April 1, 2042	<u>25,000</u>
Total Multi-Family Purchase Bonds	<u>\$ 333,926</u>

All of the above described bonds are subject to early redemption after various dates at prices ranging from par to 105% of par.

Interest on the above bonds generally is payable semi-annually, except some of these issues pay monthly.

All of the \$333,926,000 of multi-family purchase bonds is conduit debt obligations. The Corporation is not obligated in any manner for repayment of the conduit debt.

Of the bonds described in the bonds payable listing \$69,651,000 is not excluded from gross income for federal income tax purposes and is therefore taxable.

Annual sinking fund payments are generally required for all bonds during years with no annual maturities. The assets of each group of funds listed above are pledged for the payment of principal and interest on the bonds issued and to be issued by the respective programs.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

Scheduled amounts of future debt service requirements, for the multi-family bond issues including principal maturities and sinking fund requirements for the years subsequent to June 30, 2009 are as follows (in thousands):

<u>Year Ending June 30,</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total</u>
2010	\$ 3,132	\$ 15,753	\$ 18,885
2011	3,455	15,596	19,051
2012	3,897	15,383	19,280
2013	4,182	15,144	19,326
2014	4,459	14,891	19,350
2014-2019	27,278	70,023	97,301
2020-2024	41,458	60,560	102,018
2025-2029	61,533	46,954	108,487
2030-2034	44,628	33,601	78,229
2035-2039	57,965	21,532	79,497
2040-2044	63,563	10,408	73,971
2045-2049	14,805	2,798	17,603
2050-2054	3,571	194	3,765
	<u>\$ 333,926</u>	<u>\$ 322,837</u>	<u>\$ 656,763</u>

General Revenue Office Building Bonds:

The Corporation issued revenue office building bonds in the amount of \$4,545,000 to finance the construction of a new office building. The bonds bear interest at 2.2% to 4.1% and are due in semi-annual installments. As of June 30, 2009, the bonds outstanding totaled \$2,689,000.

Scheduled amounts of future debt service requirements for the general revenue office building bonds, including principal maturities for the years subsequent to June 30, 2009 are as follows (in thousands):

<u>Year Ending June 30,</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Total</u>
2010	\$ 499	\$ 98	\$ 597
2011	517	80	597
2012	536	61	597
2013	557	40	597
2014	580	18	598
	<u>\$ 2,689</u>	<u>\$ 297</u>	<u>\$ 2,986</u>

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. LONG-TERM DEBT (CONTINUED)

Changes in Long-Term Liabilities:

Long-term debt activity for the year ended June 30, 2009 was as follows (in thousands):

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
BONDS PAYABLE:					
Single-family mortgage purchase bonds	\$1,434,010	\$ 90,475	\$ (175,255)	\$1,349,230	\$ 131,975
Multi-family mortgage purchase bonds	313,380	25,000	(4,454)	333,926	3,132
General revenue office building bonds	<u>3,173</u>	<u>-</u>	<u>(484)</u>	<u>2,689</u>	<u>499</u>
Total bonds payable	1,750,563	115,475	(180,193)	1,685,845	135,606
Federal home loan bank advance	261	-	(261)	-	-
Performance bonds payable	206	-	(145)	61	61
Arbitrage payable (Note 15)	<u>844</u>	<u>242</u>	<u>(114)</u>	<u>972</u>	<u>336</u>
TOTAL LONG-TERM DEBT	<u><u>\$1,751,874</u></u>	<u><u>\$ 115,717</u></u>	<u><u>\$ (180,713)</u></u>	<u><u>\$1,686,878</u></u>	<u><u>\$ 136,003</u></u>

Total interest expense incurred on long-term debt for the year ended June 30, 2009 was \$89,174,000, of which none was capitalized.

9. INTEREST RATE SWAPS

Objective of the swaps: The Corporation has entered into synthetic fixed rate structures (variable rate debt combined with interest rate swaps) to provide a lower cost of fixed rated financing versus issuing fixed rate bonds. In order to protect against the potential of rising interest rates on its variable rate debt, the Corporation has entered into 76 separate pay-fixed, receive-variable interest rate swaps as of June 30, 2009. Based on the assumption that the payments on the variable rate debt will be substantially offset by the receipts on the interest rate swaps, the net cost associated with the synthetic fixed rate structure over the life of the bonds will be less than what the Corporation would have paid had it issued fixed-rate debt.

Terms, fair values, and credit risk: The terms, including the fair values of the outstanding swaps as of June 30, 2009, are shown below (in thousands). The notional amounts of the swaps matched the principal amounts of the associated debt at the time of issuance. Except as discussed under rollover risk, the Corporation's swap agreements contain scheduled reductions to outstanding notional amounts that are expected to approximately follow scheduled or anticipated reductions in the associated "bonds payable" category.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. INTEREST RATE SWAPS (CONTINUED)

Interest Rate Swap Agreements:

Associated Single-Family Bond Issue	Outstanding Notional Amount	Effective Date	Fixed Rate Paid by the Corporation	Variable Rate Received from Counterparty	Fair Values	Swap Termination Date
2000C	\$ 10,000	November 20, 2008	5.610%	SIFMA plus .27%	\$ (1,694)	July 1, 2022
2000C	980	November 20, 2008	7.760%	LIBOR plus .15%	(20)	July 1, 2010
2000D	8,135	November 20, 2008	5.370%	SIFMA plus .27%	(1,390)	July 1, 2022
2000D	2,880	November 20, 2008	7.470%	LIBOR plus .15%	(340)	January 1, 2016
2000E	8,750	November 20, 2008	5.380%	SIFMA plus .27%	(1,421)	July 1, 2022
2000E	2,405	November 20, 2008	7.300%	LIBOR plus .15%	(289)	January 1, 2016
2000F	6,900	November 20, 2008	5.340%	SIFMA plus .27%	(1,225)	January 1, 2023
2000F	3,890	November 20, 2008	7.150%	LIBOR plus .15%	(609)	January 1, 2019
2000G	5,990	November 20, 2008	5.070%	SIFMA plus .27%	(985)	January 1, 2023
2000G	4,880	November 20, 2008	6.530%	LIBOR plus .15%	(671)	January 1, 2020
2001A	10,615	November 20, 2008	4.910%	SIFMA plus .27%	(1,302)	July 1, 2023
2001B	11,035	November 20, 2008	4.860%	SIFMA plus .27%	(1,273)	July 1, 2023
2001C	10,885	November 20, 2008	4.910%	SIFMA plus .27%	(1,311)	January 1, 2024
2001D	10,000	November 20, 2008	4.840%	SIFMA plus .27%	(1,351)	January 1, 2024
2001E	9,000	November 18, 2008	4.770%	SIFMA plus .27%	(1,276)	January 1, 2024
2001E	425	November 18, 2008	4.970%	LIBOR plus .15%	(17)	July 1, 2012
2001F	10,000	November 18, 2008	4.580%	SIFMA plus .27%	(1,254)	January 1, 2026
2001F	650	November 18, 2008	4.640%	LIBOR plus .15%	(13)	January 1, 2011
2002A	9,970	November 20, 2008	5.030%	SIFMA plus .27%	(1,543)	January 1, 2024
2002B	11,420	November 20, 2008	4.980%	SIFMA plus .27%	(1,530)	January 1, 2025
2002C	9,095	November 20, 2008	4.860%	SIFMA plus .27%	(1,468)	January 1, 2025
2002D	6,990	November 20, 2008	4.795%	SIFMA plus .27%	(1,173)	July 1, 2025
2002D	3,275	November 20, 2008	5.148%	LIBOR plus .15%	(248)	January 1, 2019
2002E	5,835	November 20, 2008	4.930%	SIFMA plus .27%	(809)	January 1, 2026
2002F	8,280	November 20, 2008	4.310%	SIFMA plus .27%	(732)	January 1, 2026
2002G	11,655	November 20, 2008	4.220%	SIFMA plus .27%	(1,076)	July 1, 2026
2003A	10,810	November 20, 2008	4.200%	SIFMA plus .27%	(951)	July 1, 2026
2003B	11,420	November 18, 2008	3.939%	SIFMA plus .27%	(502)	July 1, 2025
2003C	9,260	November 18, 2008	4.300%	SIFMA plus .27%	(636)	January 1, 2027
2003E	9,650	November 18, 2008	4.990%	SIFMA plus .27%	(1,157)	January 1, 2027
2003F	6,775	November 18, 2008	4.620%	SIFMA plus .27%	(594)	July 1, 2022
2003G	6,775	November 18, 2008	4.520%	SIFMA plus .27%	(555)	July 1, 2022
2004A	6,310	November 18, 2008	4.340%	SIFMA plus .27%	(428)	July 1, 2021
2004B	8,950	November 19, 2008	4.391%	SIFMA plus .27%	(998)	July 1, 2027
2004C	10,720	November 19, 2008	4.524%	SIFMA plus .27%	(1,323)	January 1, 2028
2004D	10,895	November 19, 2008	4.480%	SIFMA plus .27%	(1,307)	January 1, 2028
2004E	13,635	November 19, 2008	4.370%	SIFMA plus .27%	(1,344)	January 1, 2028
2004F	16,350	November 19, 2008	4.263%	SIFMA plus .27%	(1,493)	January 1, 2028
2004G	16,560	November 19, 2008	4.163%	SIFMA plus .27%	(1,385)	January 1, 2028
2004H	16,560	November 19, 2008	3.920%	SIFMA plus .27%	(1,117)	January 1, 2028
2004I	13,830	November 19, 2008	4.370%	SIFMA plus .27%	(1,020)	July 1, 2028
2005A	14,400	November 19, 2008	4.215%	SIFMA plus .27%	(927)	July 1, 2028
2005B	14,400	November 19, 2008	4.295%	SIFMA plus .27%	(1,014)	July 1, 2028
2005C	17,280	November 19, 2008	4.360%	SIFMA plus .27%	(1,300)	July 1, 2028
2005D	17,280	November 19, 2008	4.010%	SIFMA plus .27%	(959)	July 1, 2028
2005E	17,000	November 19, 2008	3.970%	SIFMA plus .27%	(949)	July 1, 2028

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. INTEREST RATE SWAPS (CONTINUED)

Interest Rate Swap Agreements (continued):

Associated Single-Family Bond Issue	Outstanding Notional Amount	Effective Date	Fixed Rate Paid by the Corporation	Variable Rate Received from Counterparty	Fair Values	Swap Termination Date
2005F	\$ 14,160	November 19, 2008	4.165%	SIFMA plus .27%	\$ (1,167)	July 1, 2028
2005F	2,840	November 19, 2008	4.755%	LIBOR plus .15%	(180)	July 1, 2012
2005G	14,065	November 19, 2008	4.230%	SIFMA plus .27%	(1,231)	January 1, 2029
2005G	2,935	November 19, 2008	4.795%	LIBOR plus .15%	(260)	January 1, 2013
2005H	14,455	November 19, 2008	4.424%	SIFMA plus .27%	(1,419)	January 1, 2029
2005H	2,530	November 19, 2008	5.036%	LIBOR plus .15%	(198)	January 1, 2013
2006A	7,475	November 19, 2008	4.130%	SIFMA plus .27%	(779)	January 1, 2026
2006A	7,525	November 19, 2008	5.060%	LIBOR plus .15%	(698)	July 1, 2020
2006B	11,965	November 19, 2008	4.240%	SIFMA plus .27%	(1,022)	January 1, 2023
2006C	11,990	November 19, 2008	4.620%	SIFMA plus .27%	(1,166)	July 1, 2025
2006D	13,895	November 19, 2008	4.490%	SIFMA plus .27%	(1,457)	July 1, 2029
2006E	13,180	November 19, 2008	4.520%	SIFMA plus .27%	(1,747)	July 1, 2029
2006F	13,180	November 19, 2008	4.251%	SIFMA plus .27%	(1,704)	July 1, 2029
2006G	12,000	November 19, 2008	4.125%	SIFMA plus .27%	(1,369)	January 1, 2030
2006H	9,000	November 19, 2008	3.910%	SIFMA plus .11%	(908)	July 1, 2026
2007A	12,000	November 19, 2008	3.883%	SIFMA plus .11%	(1,232)	July 1, 2030
2007B	12,000	November 19, 2008	3.950%	SIFMA plus .11%	(1,193)	July 1, 2026
2007C	13,300	November 19, 2008	3.930%	SIFMA plus .11%	(1,383)	July 1, 2028
2007D	10,500	November 19, 2008	4.253%	SIFMA plus .11%	(1,452)	July 1, 2026
2007E	8,750	November 19, 2008	4.149%	SIFMA plus .11%	(1,087)	January 1, 2026
2007F	14,000	November 19, 2008	3.910%	SIFMA plus .11%	(1,313)	January 1, 2026
2007G	14,000	November 19, 2008	4.058%	SIFMA plus .11%	(942)	January 1, 2026
2007H	14,000	November 19, 2008	3.913%	SIFMA plus .11%	(777)	January 1, 2026
2008A	16,450	November 19, 2008	373.000%	SIFMA plus .11%	(602)	July 1, 2028
2008B	12,950	November 19, 2008	3.879%	SIFMA plus .08%	(660)	July 1, 2028
2008C	12,250	November 19, 2008	3.713%	SIFMA plus .08%	(279)	July 1, 2032
2008C	12,805	November 19, 2008	5.301%	LIBOR plus .01%	(486)	January 1, 2038
2008D	12,250	November 19, 2008	4.000%	SIFMA plus .08%	(662)	July 1, 2032
2008D	12,805	November 19, 2008	5.545%	LIBOR plus .01%	(830)	January 1, 2038
2008E	<u>14,000</u>	October 7, 2008	3.299%	SIFMA	<u>(632)</u>	July 1, 2023
	<u>\$ 776,055</u>				<u>\$ (73,814)</u>	

Fair values: The fair values of swaps are a function of market interest rates and the remaining term on the swap contracts. The fair values of the swap contracts were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps.

Credit risk: During the year ended June 30, 2009, the Corporation replaced all of its 75 interest rate swaps with a notional amount of \$781,765,000 due to a credit event affecting its counterparties. Two new counterparties have provided the Corporation with replacement swaps in the same notional amount, with the same maturity dates and at the same fixed payer rates as the original swap agreements. In connection with the swap replacements, a net premium of \$8,903,000 was received.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. INTEREST RATE SWAPS (CONTINUED)

This premium is represented in the financial statements as deferred revenue and is being amortized over the life of the swap agreements. The ability to acquire replacement swaps demonstrates a strong mitigating factor associated with credit and fair value risks.

Basis risk: The Corporation's tax-exempt variable-rate bond coupon payments have historically been substantially the same as the SIFMA rate. Its taxable variable-rate bond coupon payments have historically been substantially the same as the LIBOR rate. As the interest rate swaps pay a variable rate based on the SIFMA rate (tax-exempt debt) or the LIBOR rate (taxable debt), the Corporation therefore has limited exposure to basis risk except as disclosed below under the cross-over risk.

Cross-over risk: Forty-nine of the Corporation's SIFMA-based swaps are exposed to additional basis risk if the LIBOR rate is 3.5% or greater and in some cases 4.0% or greater. When the LIBOR rate is greater than 3.5% or 4.0%, the provider will pay the Corporation 68% of the LIBOR rate, rather than the SIFMA rate. Historically, on average, 68% of the LIBOR rate has been substantially the same as the Corporation's tax-exempt variable-rate bond coupon payments. However, this relationship has been subject to more basis risk than the relationship between SIFMA and the Corporation's tax-exempt variable-rate bond payments.

Termination risk: The Corporation or the counterparty may terminate any of the swaps if the other party fails to perform under the terms of the contract. In addition, the Corporation has the option to terminate at any time at market rates (i.e., fair value adjusted for the counterparty's transaction costs).

Rollover risk: The Corporation is exposed to rollover risk on swaps that mature or may be terminated prior to the maturity of the associated debt. When these swaps terminate, or in the case of the termination option, the Corporation will not realize the synthetic rate offered by the swaps on the underlying debt issues. The following debt is exposed to rollover risk:

Associated Debt Issuance	Debt Maturity Date	Swap Termination Date
UHCSFMB2000C2	July 1, 2031	July 1, 2010
UHCSFMB2000C1	July 1, 2031	July 1, 2022
UHCSFMB2000D2	July 1, 2031	January 1, 2016
UHCSFMB2000D1	July 1, 2031	July 1, 2022
UHCSFMB2000E2	January 1, 2032	January 1, 2016
UHCSFMB2000E1	July 1, 2031	July 1, 2022
UHCSFMB2000F3	January 1, 2030	January 1, 2019
UHCSFMB2000F2	January 1, 2032	January 1, 2023
UHCSFMB2000G3	July 1, 2032	January 1, 2020
UHCSFMB2000G2	July 1, 2030	January 1, 2023
UHCSFMB2001A2	July 1, 2032	July 1, 2023
UHCSFMB2001B	July 1, 2032	July 1, 2023
UHCSFMB2001C1	January 1, 2033	January 1, 2024
UHCSFMB2001D1	January 1, 2033	January 1, 2024
UHCSFMB2001E2	January 1, 2033	July 1, 2012
UHCSFMB2001E1	January 1, 2033	January 1, 2024

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. INTEREST RATE SWAPS (CONTINUED)

Associated Debt Issuance	Debt Maturity Date	Swap Termination Date
UHCSFMB2001F2	July 1, 2033	January 1, 2011
UHCSFMB2001F1	July 1, 2033	January 1, 2026
UHCSFMB2002A1	July 1, 2033	January 1, 2024
UHCSFMB2002B	July 1, 2033	January 1, 2025
UHCSFMB2002C2	July 1, 2033	January 1, 2025
UHCSFMB2002D3	July 1, 2033	January 1, 2019
UHCSFMB2002D2	January 1, 2033	July 1, 2025
UHCSFMB2002E2	January 1, 2034	January 1, 2026
UHCSFMB2002F	January 1, 2034	January 1, 2026
UHCSFMB2002G	January 1, 2034	July 1, 2026
UHCSFMB2003A	January 1, 2034	July 1, 2026
UHCSFMB2003B	July 1, 2034	July 1, 2025
UHCSFMB2003C	July 1, 2034	January 1, 2027
UHCSFMB2003E	July 1, 2034	January 1, 2027
UHCSFMB2003F	July 1, 2034	July 1, 2022
UHCSFMB2003G	January 1, 2035	July 1, 2022
UHCSFMB2004A	July 1, 2035	July 1, 2021
UHCSFMB2004B	July 1, 2035	July 1, 2027
UHCSFMB2004C	July 1, 2035	January 1, 2028
UHCSFMB2004D	July 1, 2035	January 1, 2028
UHCSFMB2004E	January 1, 2036	January 1, 2028
UHCSFMB2004F	January 1, 2036	January 1, 2028
UHCSFMB2004G	January 1, 2036	January 1, 2028
UHCSFMB2004H	January 1, 2036	January 1, 2028
UHCSFMB2004I	July 1, 2036	July 1, 2028
UHCSFMB2005A	July 1, 2036	July 1, 2028
UHCSFMB2005B	July 1, 2036	July 1, 2028
UHCSFMB2005C	July 1, 2036	July 1, 2028
UHCSFMB2005D	July 1, 2036	July 1, 2028
UHCSFMB2005E	January 1, 2037	July 1, 2028
UHCSFMB2005F	July 1, 2028	July 1, 2028
UHCSFMB2005F	January 1, 2037	July 1, 2012
UHCSFMB2005G	July 1, 2028	January 1, 2029
UHCSFMB2005G	January 1, 2037	January 1, 2013
UHCSFMB2005H	July 1, 2027	January 1, 2029
UHCSFMB2005H	January 1, 2037	January 1, 2013
UHCSFMB2006A	January 1, 2034	July 1, 2020
UHCSFMB2006A	July 1, 2037	January 1, 2026
UHCSFMB2006B	July 1, 2037	January 1, 2023
UHCSFMB2006C	January 1, 2038	July 1, 2025

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. INTEREST RATE SWAPS (CONTINUED)

Associated Debt Issuance	Debt Maturity Date	Swap Termination Date
UHCSFMB2006D	January 1, 2038	July 1, 2029
UHCSFMB2006E	January 1, 2038	July 1, 2029
UHCSFMB2006F	January 1, 2038	July 1, 2029
UHCSFMB2006G	July 1, 2038	January 1, 2030
UHCSFMB2006H	July 1, 2038	July 1, 2026
UHCSFMB2007A	July 1, 2038	July 1, 2030
UHCSFMB2007B	July 1, 2038	July 1, 2026
UHCSFMB2007C	July 1, 2038	July 1, 2028
UHCSFMB2007D	January 1, 2039	July 1, 2026
UHCSFMB2007E	January 1, 2039	January 1, 2026
UHCSFMB2007F	January 1, 2039	January 1, 2026
UHCSFMB2007G	January 1, 2039	January 1, 2026
UHCSFMB2007H	January 1, 2039	January 1, 2026
UHCSFMB2008A	July 1, 2039	July 1, 2028
UHCSFMB2008B	July 1, 2039	July 1, 2028
UHCSFMB2008C1	July 1, 2039	July 1, 2032
UHCSFMB2008C2	January 1, 2038	January 1, 2038
UHCSFMB2008D1	July 1, 2039	July 1, 2032
UHCSFMB2008D2	January 1, 2038	January 1, 2038
UHCSFMB2008E	January 1, 2040	July 1, 2023

Swap payments and associated debt: Using rates as of June 30, 2009, debt service requirements of the Corporation's outstanding variable-rate debt and net swap payments are as follows (in thousands). As rates vary, variable-rate bond interest payments and net swap payments/(receipts) will vary.

Fiscal Year Ending June 30,	<u>Variable-Rate Bonds</u>			Interest Rate Swaps, Net	Total
	Principal	Interest			
2010	\$ 15,485	\$ 17,197	\$ 31,296	\$ 63,978	
2011	1,775	16,839	31,276	49,890	
2012	1,525	16,797	31,191	49,513	
2013	1,675	16,761	31,115	49,551	
2014	2,445	16,721	31,023	50,189	
2015-2019	40,490	82,131	151,894	274,515	
2020-2024	100,145	74,445	136,763	311,353	
2025-2029	168,000	60,693	110,027	338,720	
2030-2034	252,495	37,501	64,946	354,942	
2035-2039	183,460	11,148	17,368	211,976	
2040-2044	5,695	122	101	5,918	
	<u>\$ 773,190</u>	<u>\$ 350,355</u>	<u>\$ 637,000</u>	<u>\$ 1,760,545</u>	

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. COMMITMENTS

As of June 30, 2009, the Corporation is committed to purchase mortgages under the warehouse loans and the Single-Family Mortgage Purchase Funds in the amount of \$11,474,000. These mortgage commitments will be funded through cash and cash equivalents.

11. RETIREMENT PLANS

Plan Description: Utah Housing Corporation contributes to the State and School Contributory Retirement System and State and School Noncontributory Retirement System cost sharing multiple employer defined benefit pension plans administered by the Utah Retirement Systems (Systems). Utah Retirement Systems provide refunds, retirement benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries in accordance with the retirement statutes.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the State and School Contributory Retirement System and State and School Noncontributory Retirement System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, Utah 84102 or by calling 1-800- 365-8772.

Funding Policy: Plan members in the State and School Contributory Retirement System are required to contribute 6.00% of their annual covered salary (all or part may be paid by the employer for the employee) and Utah Housing Corporation is required to contribute 9.73% of their annual covered salary. In the State and School Noncontributory Retirement System, Utah Housing Corporation is required to contribute 14.22% of their annual covered salary. The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

Utah Housing Corporation contributions to the State and School Contributory Retirement System for the year ending June 30, 2009, 2008, and 2007 were \$70,000, \$76,000, and \$78,000 respectively and for the Noncontributory Retirement System the contributions for June 30, 2009, 2008, and 2007 were \$402,000, \$351,000, and \$314,000 respectively. The contributions were equal to the required contributions for each year.

The Corporation's full-time employees also participate in a 401(k) plan administered by the System. The Corporation's contributions to the plan for the years ending June 30, 2009, 2008, and 2007 were \$43,000, \$37,000, and \$33,000, respectively.

12. DIVERSITY OF CREDIT RISK

The Corporation purchases mortgage loans secured by residences located throughout the State of Utah. Loans are diversified geographically in approximate proportion to population dispersion.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12. DIVERSITY OF CREDIT RISK (CONTINUED)

Guidelines affecting diversity of risk have been established by Corporation management, mortgage insurers, and bond rating agencies in order to minimize losses in the event that certain projects, geographic areas, or industrial sectors within the state may be adversely affected by natural or economic disaster.

13. RELATED PARTY TRANSACTIONS

At June 30, 2009, the Corporation had invested \$66,103,000 in an investment pool maintained by the Utah State Treasurer and had earned interest income for the year then ended of \$1,202,000. During the year ended June 30, 2009, the Corporation recorded expenses of \$1,266,000 in the General Operating Fund for retirement plan and health insurance expenses paid to the State of Utah or agencies thereof.

Utah Housing Corporation also participates in a Limited Liability Corporation (LLC) in which it is a 1% owner. Loans made to this LLC totaling \$111,000 are outstanding at June 30, 2009 with interest income earned of \$3,000 for the year relating to these loans.

The Act prohibits any member or employee of the Corporation from participating in any action by the Corporation authorizing a transaction to which the member or employee of the Corporation has or will have a direct or indirect interest unless it is disclosed in a public meeting.

14. OPERATING FUNDS NET ASSETS DESIGNATIONS

The Corporation's board and management have designated the unrestricted net assets of the Operating Funds for the following purposes at June 30, 2009 (in thousands):

Future Operating Expenses	\$ 12,141
First Home Plus Assistance	12,000
Swap Liquidity Reserve	10,000
Debt Service Shortfall and Maintenance of Bond Ratings	<u>21,613</u>
Total	<u>\$ 55,754</u>

These designations are reviewed annually by the Corporation's board and management as to amount and purpose.

15. ARBITRAGE REBATES

Under the Internal Revenue Code, arbitrage earnings on certain bond issues may be subject to rebate. At June 30, 2009, the accumulated accrual for estimated arbitrage rebates payable was \$972,000. An expense for the year ended June 30, 2009 of \$242,000 was included with interest income on cash and investments on the statement of revenues, expenses, and changes in net assets.

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. MORTGAGE LOAN SERVICING

The Corporation's mortgage servicing department serviced a total of 15,294 loans with unpaid principal balances of \$1,164,969,000 as of June 30, 2009. Escrow cash balances for these loans were \$6,154,000 at June 30, 2009. These escrow balances are not included in the accompanying financial statements.

During the year ended June 30, 2009 the Corporation purchased and capitalized loan servicing rights of \$1,709,000 for \$201,086,000 of loans.

Mortgage loan servicing fees paid to the General Operating Fund amounted to \$4,083,000 for the year ended June 30, 2009 and are included in other revenues.

17. LOANS SOLD WITH RECOURSE

During the year ended June 30, 2009 the Corporation sold no mortgage loans with full recourse to any financial institution. As of June 30, 2009, the unpaid principal balance on loans sold in prior years with recourse was \$8,598,000.

18. FEDERAL GRANTS

During the year ended June 30, 2009, the Corporation administered the Home Run Grant, a mortgage assistance program that granted \$6,000 to qualifying homebuyers. Federal funds under the American Recovery and Reinvestment Act were used to provide \$10,000,000 for this program. Revenue and expenses related to this program are included in the nonoperating section of the statement of revenues, expenses, and changes in net assets.

Subsequent to June 30, 2009, the Corporation commenced the Home Run 2 Grant, a mortgage assistance program that grants \$4,000 to qualifying homebuyers. Federal funds under the American Recovery and Reinvestment Act were used to provide \$8,000,000 for this program.

19. SUBSEQUENT EVENTS

Subsequent to June 30, 2009, the Corporation issued \$83,955,000 Single Family Mortgage Class I Refunding Bonds, 2009 Series A Variable Bonds, interest at a variable rate adjusted weekly maturing on July 1, 2038 and \$5,680,000 Single Family Mortgage Class I Refunding Bonds, 2009 Series A Fixed Rate Bonds maturing in annual installments from July 1, 2010 through July 1, 2019 with interest rates of 1.40% to 4.45%. The Corporation also issued \$72,455,000 Single Family Mortgage Class I Refunding Bonds, 2009 Series B Variable Bonds, interest at a variable rate adjusted weekly maturing on January 1, 2039 and \$2,005,000 Single Family Mortgage Class I Refunding Bonds, 2009 Series B Fixed Rate Bonds maturing in annual installments from July 1, 2010 through July 1, 2019 with interest rates of 1.40% to 4.45%.

SUPPLEMENTAL INFORMATION

COMBINING FINANCIAL STATEMENTS

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

COMBINING BALANCE SHEET
JUNE 30, 2009
(In Thousands)

	Operating Funds		
	General Operating Fund	General Obligation Fund	Single-Family Mortgage Purchase Funds
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 2,530	\$ 18,104	\$ 33,093
Investments	-	830	-
Current maturities of loans receivable	-	504	-
Interest receivable	-	258	-
Other current assets	1,128	-	-
Restricted assets:			
Investments	-	139	162,535
Current maturities of loans receivable	-	-	16,244
Interest receivable	-	1	5,479
Other current assets	-	-	180
TOTAL CURRENT ASSETS	3,658	19,836	217,531
NONCURRENT ASSETS:			
Loans receivable	-	37,398	-
Capital assets, net	6,398	-	-
Other assets	5,277	-	-
Restricted assets:			
Cash and cash equivalents	-	2,944	9,559
Investments	-	-	330,951
Loans receivable	-	-	961,218
Deferred bond financing costs	-	-	11,510
Other assets	-	-	-
TOTAL NONCURRENT ASSETS	11,675	40,342	1,313,238
TOTAL ASSETS	\$ 15,333	\$ 60,178	\$ 1,530,769
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Interest payable	\$ 51	\$ -	\$ 37,489
Current maturities of bonds payable	499	-	131,975
Other current liabilities	4,373	-	2,344
TOTAL CURRENT LIABILITIES	4,923	-	171,808
NONCURRENT LIABILITIES			
Bonds payable	2,190	-	1,217,255
Deferred revenue	-	-	8,210
Other liabilities	-	-	636
Interfund payable (receivable)	2,476	6,459	(8,935)
TOTAL NONCURRENT LIABILITIES	4,666	6,459	1,217,166
TOTAL LIABILITIES	9,589	6,459	1,388,974
NET ASSETS:			
Invested in capital assets, net of related debt	3,709	-	-
Restricted	-	-	141,795
Unrestricted	2,035	53,719	-
TOTAL NET ASSETS	5,744	53,719	141,795
TOTAL LIABILITIES AND NET ASSETS	\$ 15,333	\$ 60,178	\$ 1,530,769

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2009
(In Thousands)

	Multi-Family Mortgage Purchase Funds	Housing Development Funds	Total
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 1,127	\$ -	\$ 54,854
Investments	-	-	830
Current maturities of loans receivable	-	-	504
Interest receivable	-	-	258
Other current assets	-	-	1,128
Restricted assets:			
Investments	9,134	-	171,808
Current maturities of loans receivable	2,393	8,128	26,765
Interest receivable	471	275	6,226
Other current assets	-	7	187
TOTAL CURRENT ASSETS	13,125	8,410	262,560
NONCURRENT ASSETS:			
Loans receivable	-	-	37,398
Capital assets, net	-	-	6,398
Other assets	-	-	5,277
Restricted assets:			
Cash and cash equivalents	72	13,943	26,518
Investments	117,287	57	448,295
Loans receivable	214,100	10,353	1,185,671
Deferred bond financing costs	-	-	11,510
Other assets	-	1,538	1,538
TOTAL NONCURRENT ASSETS	331,459	25,891	1,722,605
TOTAL ASSETS	\$ 344,584	\$ 34,301	\$ 1,985,165
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Interest payable	\$ 6,002	\$ 9	\$ 43,551
Current maturities of bonds payable	3,132	-	135,606
Other current liabilities	2,756	4,056	13,529
TOTAL CURRENT LIABILITIES	11,890	4,065	192,686
NONCURRENT LIABILITIES			
Bonds payable	330,794	-	1,550,239
Deferred revenue	-	-	8,210
Other liabilities	-	-	636
Interfund payable (receivable)	-	-	-
TOTAL NONCURRENT LIABILITIES	330,794	-	1,559,085
TOTAL LIABILITIES	342,684	4,065	1,751,771
NET ASSETS:			
Invested in capital assets, net of related debt	-	-	3,709
Restricted	1,900	30,236	173,931
Unrestricted	-	-	55,754
TOTAL NET ASSETS	1,900	30,236	233,394
TOTAL LIABILITIES AND NET ASSETS	\$ 344,584	\$ 34,301	\$ 1,985,165

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2009
(In Thousands)

	<u>Operating Funds</u>		
	General Operating Fund	General Obligation Fund	Single-Family Mortgage Purchase Funds
OPERATING REVENUES:			
Interest on loans receivable	\$ -	\$ 2,895	\$ 60,617
Interest on cash and investments	121	559	16,604
Other revenues	6,692	-	-
Net increase (decrease) in the fair value of investments	-	-	4,402
	<u>6,813</u>	<u>3,454</u>	<u>81,623</u>
TOTAL OPERATING REVENUES			
OPERATING EXPENSES:			
Interest	106	-	72,990
Salaries and benefits	4,920	-	-
General operating expense	2,238	-	1,310
Loan servicing fees	-	116	3,452
Deferred cost amortization	2,289	-	1,762
Net provision for (recoveries of) loan losses	-	10	(41)
Depreciation of capital assets	295	-	-
	<u>9,848</u>	<u>126</u>	<u>79,473</u>
TOTAL OPERATING EXPENSES			
OPERATING INCOME (LOSS)	<u>(3,035)</u>	<u>3,328</u>	<u>2,150</u>
NONOPERATING REVENUE (EXPENSES):			
Grant revenue	10,000	-	-
Grant expenses	<u>(9,863)</u>	<u>-</u>	<u>-</u>
NET NONOPERATING REVENUE	<u>137</u>	<u>-</u>	<u>-</u>
INCOME (LOSS) BEFORE TRANSFERS	(2,898)	3,328	2,150
TRANSFERS IN (OUT)	<u>3,299</u>	<u>(3,823)</u>	<u>524</u>
CHANGE IN NET ASSETS	401	(495)	2,674
NET ASSETS AT BEGINNING OF YEAR	<u>5,343</u>	<u>54,214</u>	<u>139,121</u>
NET ASSETS AT END OF YEAR	<u>\$ 5,744</u>	<u>\$ 53,719</u>	<u>\$ 141,795</u>

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS (CONTINUED)**
YEAR ENDED JUNE 30, 2009
(In Thousands)

	Multi-Family Mortgage Purchase Funds	Housing Development Funds	Total
	<u> </u>	<u> </u>	<u> </u>
OPERATING REVENUES:			
Interest on loans receivable	\$ 10,948	\$ 510	\$ 74,970
Interest on cash and investments	5,248	2	22,534
Other revenues	-	268	6,960
Net increase (decrease) in the fair value of investments	<u>-</u>	<u>-</u>	<u>4,402</u>
TOTAL OPERATING REVENUES	<u>16,196</u>	<u>780</u>	<u>108,866</u>
OPERATING EXPENSES:			
Interest	16,007	71	89,174
Salaries and benefits	-	-	4,920
General operating expense	83	190	3,821
Loan servicing fees	14	-	3,582
Deferred cost amortization	6	-	4,057
Net provision for (recoveries of) loan losses	-	-	(31)
Depreciation of capital assets	<u>-</u>	<u>-</u>	<u>295</u>
TOTAL OPERATING EXPENSES	<u>16,110</u>	<u>261</u>	<u>105,818</u>
OPERATING INCOME (LOSS)	<u>86</u>	<u>519</u>	<u>3,048</u>
NONOPERATING REVENUE (EXPENSES):			
Grant revenue	-	-	10,000
Grant expenses	<u>-</u>	<u>-</u>	<u>(9,863)</u>
NET NONOPERATING REVENUE	<u>-</u>	<u>-</u>	<u>137</u>
INCOME (LOSS) BEFORE TRANSFERS	86	519	3,185
TRANSFERS IN (OUT)	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET ASSETS	86	519	3,185
NET ASSETS AT BEGINNING OF YEAR	<u>1,814</u>	<u>29,717</u>	<u>230,209</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,900</u>	<u>\$ 30,236</u>	<u>\$ 233,394</u>

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2009
(In Thousands)

	Operating Funds		Single-Family Mortgage Purchase Funds
	General Operating Fund	General Obligation Fund	
Cash flows from operating activities:			
Cash received from interest on loans receivable	\$ -	\$ 2,637	\$ 60,779
Cash received from maturities of loans receivable	-	5,910	201,287
Cash received from other revenues	6,692	-	8,197
Purchase of loans receivable	-	(10,653)	(148,063)
Cash payments for servicing fees	-	(116)	(3,452)
Cash payments for general operating expenses	(1,257)	-	(1,303)
Cash payments to employees for salaries and benefits	(4,961)	-	-
Net cash provided by (used in) operating activities	474	(2,222)	117,445
Cash flows from non-capital financing activities:			
Proceeds from sale of bonds payable	-	-	90,475
Principal paid on bonds payable	-	-	(175,255)
Interest paid on bonds payable	-	-	(66,994)
Proceeds from interest rate swap agreements	-	-	4,064
Payments made on interest rate swap agreements	-	-	(11,211)
Payments of deferred assets	(1,709)	-	(940)
Proceeds from grant	10,000	-	-
Payments to grantees	(9,863)	-	-
Transfers	3,299	(3,823)	524
Interfund payable/(receivables)	339	12,508	(12,847)
Net cash provided by (used in) non-capital financing activities	2,066	8,685	(172,184)
Cash flows from capital and related financing activities:			
Purchases of capital assets	(61)	-	-
Principal paid on capital debt	(484)	-	-
Interest paid on capital debt	(114)	-	-
Net cash (used in) capital and related financing activities	(659)	-	-
Cash flows from investing activities:			
Purchase of investments	-	(545)	(344,903)
Proceeds from sales and maturities of investments	-	-	393,960
Interest and dividends on investments	121	559	16,811
Net cash provided by investing activities	121	14	65,868

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2009
(In Thousands)

	Multi-Family Mortgage Purchase Funds	Housing Development Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Cash flows from operating activities:			
Cash received from interest on loans receivable	\$ 10,954	\$ 445	\$ 74,815
Cash received from maturities of loans receivable	1,151	1,931	210,279
Cash received from other revenues	-	268	15,157
Purchase of loans receivable	(15,452)	(7,540)	(181,708)
Cash payments for servicing fees	(14)	-	(3,582)
Cash payments for general operating expenses	(85)	1,170	(1,475)
Cash payments to employees for salaries and benefits	-	-	(4,961)
Net cash provided by (used in) operating activities	<u>(3,446)</u>	<u>(3,726)</u>	<u>108,525</u>
Cash flows from non-capital financing activities:			
Proceeds from sale of bonds payable	25,000	-	115,475
Principal paid on bonds payable	(4,454)	-	(179,709)
Interest paid on bonds payable	(16,122)	(75)	(83,191)
Proceeds from interest rate swap agreements	-	-	4,064
Payments made on interest rate swap agreements	-	-	(11,211)
Payments of deferred assets	-	-	(2,649)
Proceeds from grant	-	-	10,000
Payments to grantees	-	-	(9,863)
Transfers	-	-	-
Interfund payable/(receivables)	-	-	-
Net cash provided by (used in) non-capital financing activities	<u>4,424</u>	<u>(75)</u>	<u>(157,084)</u>
Cash flows from capital and related financing activities:			
Purchases of capital assets	-	-	(61)
Principal paid on capital debt	-	-	(484)
Interest paid on capital debt	-	-	(114)
Net cash (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(659)</u>
Cash flows from investing activities:			
Purchase of investments	(37,105)	-	(382,553)
Proceeds from sales and maturities of investments	31,942	2	425,904
Interest and dividends on investments	5,295	2	22,788
Net cash provided by investing activities	<u>132</u>	<u>4</u>	<u>66,139</u>

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2009
(In Thousands)

	Operating Funds		
	General Operating Fund	General Obligation Fund	Single-Family Mortgage Purchase Funds
Net increase (decrease) in cash and cash equivalents	\$ 2,002	\$ 6,477	\$ 11,129
Cash and cash equivalents, beginning of year	528	14,571	31,523
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 2,530	\$ 21,048	\$ 42,652
 Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ (3,035)	\$ 3,328	\$ 2,150
Adjustments to reconcile operating income to net cash provided by operating activities:			
Adjustments for operating activities:			
Amortization of deferred liabilities	-	-	(13)
Depreciation	295	-	-
Changes in assets and liabilities:			
(Increase) decrease in receivables	-	(4,991)	53,345
(Increase) decrease in other assets	(443)	-	(13)
Increase in accounts payable	1,383	-	8,230
Adjustments for operating activities	1,235	(4,991)	61,549
Adjustments for non-operating activities:			
Interest on cash and investments	(121)	(559)	(16,604)
Net increase in the fair value of investments	-	-	(4,402)
Interest on bonds payable	106	-	72,990
Deferred bond financing cost amortization	2,289	-	1,762
Adjustments for non-operating activities	2,274	(559)	53,746
Total adjustments	3,509	(5,550)	115,295
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 474	\$ (2,222)	\$ 117,445

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2009
(In Thousands)

	<u>Multi-Family Mortgage Purchase Funds</u>	<u>Housing Development Fund</u>	<u>Total</u>
Net increase (decrease) in cash and cash equivalents	\$ 1,110	\$ (3,797)	\$ 16,921
Cash and cash equivalents, beginning of year	<u>89</u>	<u>17,740</u>	<u>64,451</u>
 CASH AND CASH EQUIVALENTS, END OF YEAR	 <u>\$ 1,199</u>	 <u>\$ 13,943</u>	 <u>\$ 81,372</u>
 Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	<u>\$ 86</u>	<u>\$ 519</u>	<u>\$ 3,048</u>
Adjustments to reconcile operating income to net cash provided by operating activities:			
Adjustments for operating activities:			
Amortization of deferred liabilities	-	-	(13)
Depreciation	-	-	295
Changes in assets and liabilities:			
(Increase) decrease in receivables	(14,295)	(5,674)	28,385
(Increase) decrease in other assets	(2)	84	(374)
Increase in accounts payable	<u>-</u>	<u>1,276</u>	<u>10,889</u>
Adjustments for operating activities	<u>(14,297)</u>	<u>(4,314)</u>	<u>39,182</u>
 Adjustments for non-operating activities:			
Interest on cash and investments	(5,248)	(2)	(22,534)
Net increase in the fair value of investments	-	-	(4,402)
Interest on bonds payable	16,007	71	89,174
Deferred bond financing cost amortization	<u>6</u>	<u>-</u>	<u>4,057</u>
Adjustments for non-operating activities	<u>10,765</u>	<u>69</u>	<u>66,295</u>
 Total adjustments	 <u>(3,532)</u>	 <u>(4,245)</u>	 <u>105,477</u>
 NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	 <u>\$ (3,446)</u>	 <u>\$ (3,726)</u>	 <u>\$ 108,525</u>

SUPPLEMENTAL INFORMATION

SINGLE-FAMILY MORTGAGE PURCHASE FUNDS

BALANCE SHEET

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE-FAMILY MORTGAGE PURCHASE FUNDS
BALANCE SHEET

June 30, 2009
(In Thousands)

	Single Family Mortgage Loans	94A Issue	95E Issue	1996 Indenture Series	96E Issue	97A Issue
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	\$ 33,093	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Investments	-	150	124	2,935	103	57
Current maturities of loans receivable	748	81	37	507	33	27
Interest receivable	279	11	5	115	7	5
Other current assets	2	4	1	6	1	1
TOTAL CURRENT ASSETS	34,122	246	167	3,563	144	90
NONCURRENT ASSETS:						
Restricted assets:						
Cash and cash equivalents	11	125	122	1,697	1	261
Investments	49,076	(81)	(42)	93	33	-
Loans receivable	11,076	1,779	993	17,264	1,100	908
Deferred bond financing costs	-	2	-	71	-	-
TOTAL NONCURRENT ASSETS	60,163	1,825	1,073	19,125	1,134	1,169
TOTAL ASSETS	\$ 94,285	\$ 2,071	\$ 1,240	\$ 22,688	\$ 1,278	\$ 1,259
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Interest payable	\$ -	\$ 15	\$ 4	\$ 335	\$ 3	\$ 2
Current maturities of bonds payable	-	135	120	2,600	100	55
Other current liabilities	20	-	-	-	-	-
TOTAL CURRENT LIABILITIES	20	150	124	2,935	103	57
NONCURRENT LIABILITIES:						
Bonds payable	-	390	-	8,895	-	-
Deferred revenue	-	-	-	-	-	-
Other liabilities	7	-	14	74	9	9
Interfund payable (receivable)	-	-	-	-	-	-
TOTAL NONCURRENT LIABILITIES	7	390	14	8,969	9	9
TOTAL LIABILITIES	27	540	138	11,904	112	66
NET ASSETS:						
Restricted net assets	94,258	1,531	1,102	10,784	1,166	1,193
TOTAL LIABILITIES AND NET ASSETS	\$ 94,285	\$ 2,071	\$ 1,240	\$ 22,688	\$ 1,278	\$ 1,259

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE-FAMILY MORTGAGE PURCHASE FUNDS
BALANCE SHEET

(continued)
June 30, 2009
(In Thousands)

	98D Issue	98E Issue	98F Issue	98G Issue	99A Issue	99B Issue
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Investments	120	286	463	686	225	652
Current maturities of loans receivable	60	39	116	86	48	48
Interest receivable	12	7	23	16	9	9
Other current assets	1	-	-	-	1	-
TOTAL CURRENT ASSETS	193	332	602	788	283	709
NONCURRENT ASSETS:						
Restricted assets:						
Cash and cash equivalents	3	207	6	5	3	12
Investments	363	(63)	276	221	427	366
Loans receivable	2,081	1,487	4,153	3,123	1,754	1,792
Deferred bond financing costs	13	5	31	17	8	12
TOTAL NONCURRENT ASSETS	2,460	1,636	4,466	3,366	2,192	2,182
TOTAL ASSETS	\$ 2,653	\$ 1,968	\$ 5,068	\$ 4,154	\$ 2,475	\$ 2,891
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Interest payable	\$ 45	\$ 26	\$ 93	\$ 71	\$ 30	\$ 47
Current maturities of bonds payable	75	260	370	615	195	605
Other current liabilities	-	-	-	-	-	-
TOTAL CURRENT LIABILITIES	120	286	463	686	225	652
NONCURRENT LIABILITIES:						
Bonds payable	1,590	715	3,325	2,135	945	1,155
Deferred revenue						
Other liabilities	2	3	-	11	-	20
Interfund payable (receivable)	-	-	-	-	-	-
TOTAL NONCURRENT LIABILITIES	1,592	718	3,325	2,146	945	1,175
TOTAL LIABILITIES	1,712	1,004	3,788	2,832	1,170	1,827
NET ASSETS:						
Restricted net assets	941	964	1,280	1,322	1,305	1,064
TOTAL LIABILITIES AND NET ASSETS	\$ 2,653	\$ 1,968	\$ 5,068	\$ 4,154	\$ 2,475	\$ 2,891

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE-FAMILY MORTGAGE PURCHASE FUNDS
BALANCE SHEET

(continued)
June 30, 2009
(In Thousands)

	99C Issue	99D Issue	99E Issue	99F Issue	00A Issue	00B Issue
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Investments	234	150	123	32	42	93
Current maturities of loans receivable	41	18	28	12	14	5
Interest receivable	8	4	10	3	8	1
Other current assets	1	-	1	1	1	-
TOTAL CURRENT ASSETS	284	172	162	48	65	99
NONCURRENT ASSETS:						
Restricted assets:						
Cash and cash equivalents	290	2	2	-	2	-
Investments	(137)	112	46	227	152	95
Loans receivable	1,612	809	1,211	518	648	219
Deferred bond financing costs	9	2	5	3	4	1
TOTAL NONCURRENT ASSETS	1,774	925	1,264	748	806	315
TOTAL ASSETS	\$ 2,058	\$ 1,097	\$ 1,426	\$ 796	\$ 871	\$ 414
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Interest payable	\$ 34	\$ 10	\$ 18	\$ 7	\$ 17	\$ 8
Current maturities of bonds payable	200	140	105	25	25	85
Other current liabilities	-	-	-	-	-	-
TOTAL CURRENT LIABILITIES	234	150	123	32	42	93
NONCURRENT LIABILITIES:						
Bonds payable	990	220	505	180	490	165
Deferred revenue						
Other liabilities	-	36	55	-	28	-
Interfund payable (receivable)	-	-	-	-	-	-
TOTAL NONCURRENT LIABILITIES	990	256	560	180	518	165
TOTAL LIABILITIES	1,224	406	683	212	560	258
NET ASSETS:						
Restricted net assets	834	691	743	584	311	156
TOTAL LIABILITIES AND NET ASSETS	\$ 2,058	\$ 1,097	\$ 1,426	\$ 796	\$ 871	\$ 414

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE-FAMILY MORTGAGE PURCHASE FUNDS
BALANCE SHEET

(continued)
June 30, 2009
(In Thousands)

	2000 Indenture Series	2001 Indenture Series	2007 Indenture Series	07V 2 Issue	08V 2 Issue
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:					
Investments	62,781	5,773	20,440	11,565	17,541
Current maturities of loans receivable	9,113	1,007	4,176	-	-
Interest receivable	2,948	258	1,720	9	12
Other current assets	113	11	29	2	4
TOTAL CURRENT ASSETS	74,955	7,049	26,365	11,576	17,557
NONCURRENT ASSETS:					
Restricted assets:					
Cash and cash equivalents	5,566	435	800	9	-
Investments	201,061	14,552	64,073	81	(28)
Loans receivable	535,932	46,900	325,859	-	-
Deferred bond financing costs	6,559	430	4,257	-	34
TOTAL NONCURRENT ASSETS	749,118	62,317	394,989	90	6
TOTAL ASSETS	\$ 824,073	\$ 69,366	\$ 421,354	\$ 11,666	\$ 17,563
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES:					
Interest payable	\$ 24,090	\$ 1,503	\$ 11,100	\$ 5	\$ 26
Current maturities of bonds payable	45,620	4,270	9,340	11,560	17,515
Other current liabilities	1,687	120	517	-	-
TOTAL CURRENT LIABILITIES	71,397	5,893	20,957	11,565	17,541
NONCURRENT LIABILITIES:					
Bonds payable	742,935	60,060	392,560	-	-
Deferred revenue	6,192	1,656	362	-	-
Other liabilities	237	131	-	-	-
Interfund payable (receivable)	(6,743)	(1,810)	(382)	-	-
TOTAL NONCURRENT LIABILITIES	742,621	60,037	392,540	-	-
TOTAL LIABILITIES	814,018	65,930	413,497	11,565	17,541
NET ASSETS:					
Restricted net assets	10,055	3,436	7,857	101	22
TOTAL LIABILITIES AND NET ASSETS	\$ 824,073	\$ 69,366	\$ 421,354	\$ 11,666	\$ 17,563

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE-FAMILY MORTGAGE PURCHASE FUNDS
BALANCE SHEET

(continued)
June 30, 2009
(In Thousands)

	<u>09V 1&2</u> <u>Issue</u>	<u>Total</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ -	\$ 33,093
Restricted assets:		
Investments	37,960	162,535
Current maturities of loans receivable	-	16,244
Interest receivable	-	5,479
Other current assets	-	180
TOTAL CURRENT ASSETS	<u>37,960</u>	<u>217,531</u>
NONCURRENT ASSETS:		
Restricted assets:		
Cash and cash equivalents	-	9,559
Investments	48	330,951
Loans receivable	-	961,218
Deferred bond financing costs	47	11,510
TOTAL NONCURRENT ASSETS	<u>95</u>	<u>1,313,238</u>
TOTAL ASSETS	<u>\$ 38,055</u>	<u>\$ 1,530,769</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Interest payable	\$ -	\$ 37,489
Current maturities of bonds payable	37,960	131,975
Other current liabilities	-	2,344
TOTAL CURRENT LIABILITIES	<u>37,960</u>	<u>171,808</u>
NONCURRENT LIABILITIES:		
Bonds payable	-	1,217,255
Deferred revenue	-	8,210
Other liabilities	-	636
Interfund payable (receivable)	-	(8,935)
TOTAL NONCURRENT LIABILITIES	<u>-</u>	<u>1,217,166</u>
TOTAL LIABILITIES	<u>37,960</u>	<u>1,388,974</u>
NET ASSETS:		
Restricted net assets	<u>95</u>	<u>141,795</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 38,055</u>	<u>\$ 1,530,769</u>

SUPPLEMENTAL INFORMATION

SINGLE-FAMILY MORTGAGE PURCHASE FUNDS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE FAMILY MORTGAGE PURCHASE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2009
(In Thousands)

	Single Family Mortgage Loans	94A Issue	95E Issue	1996 Indenture Series	96E Issue	97A Issue
OPERATING REVENUES:						
Interest on loans receivable	\$ 1,013	\$ 123	\$ 76	\$ 1,378	\$ 82	\$ 84
Interest on cash and investments	3,616	6	2	136	3	4
Net increase (decrease) in the fair value of investments	48	-	-	-	-	-
TOTAL OPERATING REVENUES	4,677	129	78	1,514	85	88
OPERATING EXPENSES:						
Interest	301	34	11	740	11	7
General operating expense	936	1	1	13	1	1
Loan servicing fees	51	7	4	68	4	4
Deferred cost amortization		2	2	51	2	2
Net Provision for (recoveries of) loan losses		-	-	(21)	-	(1)
TOTAL OPERATING EXPENSES	1,288	44	18	851	18	13
INCOME (LOSS) BEFORE TRANSFERS	3,389	85	60	663	67	75
TRANSFERS IN (OUT)	(8,718)	-	-	-	-	-
CHANGE IN NET ASSETS	(5,329)	85	60	663	67	75
NET ASSETS AT BEGINNING OF YEAR	99,587	1,446	1,042	10,121	1,099	1,118
NET ASSETS AT END OF YEAR	\$ 94,258	\$ 1,531	\$ 1,102	\$ 10,784	\$ 1,166	\$ 1,193

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE FAMILY MORTGAGE PURCHASE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
(continued)

YEAR ENDED JUNE 30, 2009
(In Thousands)

	98D Issue	98E Issue	98F Issue	98G Issue	99A Issue	99B Issue
OPERATING REVENUES:						
Interest on loans receivable	\$ 155	\$ 116	\$ 275	\$ 235	\$ 138	\$ 157
Interest on cash and investments	12	33	31	35	20	14
Net increase (decrease) in the fair value of investments	-	-	-	-	-	-
TOTAL OPERATING REVENUES	167	149	306	270	158	171
OPERATING EXPENSES:						
Interest	95	60	198	166	74	98
General operating expense	1	2	1	1	1	2
Loan servicing fees	3	6	16	13	8	9
Deferred cost amortization	8	5	10	15	6	9
Net Provision for (recoveries of) loan losses	-	(1)	(1)	(1)	-	(1)
TOTAL OPERATING EXPENSES	107	72	224	194	89	117
INCOME (LOSS) BEFORE TRANSFERS	60	77	82	76	69	54
TRANSFERS IN (OUT)	-	-	-	-	-	-
CHANGE IN NET ASSETS	60	77	82	76	69	54
NET ASSETS AT BEGINNING OF YEAR	881	887	1,198	1,246	1,236	1,010
NET ASSETS AT END OF YEAR	\$ 941	\$ 964	\$ 1,280	\$ 1,322	\$ 1,305	\$ 1,064

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE FAMILY MORTGAGE PURCHASE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
(continued)

YEAR ENDED JUNE 30, 2009
(In Thousands)

	99C Issue	99D Issue	99E Issue	99F Issue	00A Issue	00B Issue
OPERATING REVENUES:						
Interest on loans receivable	\$ 131	\$ 69	\$ 90	\$ 52	\$ 58	\$ 27
Interest on cash and investments	13	(1)	4	4	(2)	4
Net increase (decrease) in the fair value of investments	-	-	-	-	-	-
TOTAL OPERATING REVENUES	144	68	94	56	56	31
OPERATING EXPENSES:						
Interest	77	23	41	14	36	16
General operating expense	2	1	1	1	2	1
Loan servicing fees	7	3	4	2	3	1
Deferred cost amortization	6	2	3	1	1	1
Net Provision for (recoveries of) loan losses	-	-	2	-	-	-
TOTAL OPERATING EXPENSES	92	29	51	18	42	19
INCOME (LOSS) BEFORE TRANSFERS	52	39	43	38	14	12
TRANSFERS IN (OUT)	-	-	-	-	-	-
CHANGE IN NET ASSETS	52	39	43	38	14	12
NET ASSETS AT BEGINNING OF YEAR	782	652	700	546	297	144
NET ASSETS AT END OF YEAR	\$ 834	\$ 691	\$ 743	\$ 584	\$ 311	\$ 156

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE FAMILY MORTGAGE PURCHASE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
(continued)

YEAR ENDED JUNE 30, 2009
(In Thousands)

	2000 Indenture Series	2001 Indenture Series	2007 Parity Series	07V 2 Issue	08V 2 Issue
OPERATING REVENUES:					
Interest on loans receivable	\$ 34,019	\$ 3,101	\$ 19,238	\$ -	\$ -
Interest on cash and investments	8,566	988	2,840	245	31
Net increase (decrease) in the fair value of investments	3,030	80	1,244	-	-
TOTAL OPERATING REVENUES	45,615	4,169	23,322	245	31
OPERATING EXPENSES:					
Interest	45,791	3,247	21,657	211	82
General operating expense	259	22	50	6	4
Loan servicing fees	1,999	164	1,076	-	-
Deferred cost amortization	1,182	76	308	36	34
Net Provision for (recoveries of) loan losses	(66)	13	36	-	-
TOTAL OPERATING EXPENSES	49,165	3,522	23,127	253	120
INCOME (LOSS) BEFORE TRANSFERS	(3,550)	647	195	(8)	(89)
TRANSFERS IN (OUT)	1,037	1	7,998	-	111
CHANGE IN NET ASSETS	(2,513)	648	8,193	(8)	22
NET ASSETS AT BEGINNING OF YEAR	12,568	2,788	(336)	109	-
NET ASSETS AT END OF YEAR	\$ 10,055	\$ 3,436	\$ 7,857	\$ 101	\$ 22

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

SINGLE FAMILY MORTGAGE PURCHASE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
(continued)

YEAR ENDED JUNE 30, 2009
(In Thousands)

	09V 1&2 <u>Issue</u>	<u>Total</u>
OPERATING REVENUES:		
Interest on loans receivable	\$ -	\$ 60,617
Interest on cash and investments	-	16,604
Net increase (decrease) in the fair value of investments	-	4,402
	<u>-</u>	<u>81,623</u>
TOTAL OPERATING REVENUES		
OPERATING EXPENSES:		
Interest	-	72,990
General operating expense	-	1,310
Loan servicing fees	-	3,452
Deferred cost amortization	-	1,762
Net Provision for (recoveries of) loan losses	-	(41)
	<u>-</u>	<u>79,473</u>
TOTAL OPERATING EXPENSES		
INCOME (LOSS) BEFORE TRANSFERS	-	2,150
TRANSFERS IN (OUT)	<u>95</u>	<u>524</u>
CHANGE IN NET ASSETS	95	2,674
NET ASSETS AT BEGINNING OF YEAR	<u>-</u>	<u>139,121</u>
NET ASSETS AT END OF YEAR	<u>\$ 95</u>	<u>\$ 141,795</u>

SUPPLEMENTAL INFORMATION

MULTI-FAMILY MORTGAGE PURCHASE FUNDS

BALANCE SHEET

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
BALANCE SHEET

June 30, 2009
(In Thousands)

	96A Series	96 Issue A,B,C Vine Villas	98 Series Heather Estates	97 Series A & B RHA Community Services	98 Series Aspen Villas	98 Series B Mayflower Apartments
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	\$ 1,127	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Investments	50	-	384	489	310	462
Current maturities of loans receivable	90	48	195	215	175	215
Interest receivable	3	-	-	-	1	1
TOTAL CURRENT ASSETS	1,270	48	579	704	486	678
NONCURRENT ASSETS:						
Restricted assets:						
Cash and cash equivalents	-	-	-	-	-	-
Investments	126	-	8	1,255	18	272
Loans receivable	504	3,753	6,445	6,285	4,671	8,431
TOTAL NONCURRENT ASSETS	630	3,753	6,453	7,540	4,689	8,703
TOTAL ASSETS	\$ 1,900	\$ 3,801	\$ 7,032	\$ 8,244	\$ 5,175	\$ 9,381
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Interest payable	\$ -	\$ -	\$ 187	\$ 274	\$ 135	\$ 247
Current maturities of bonds payable	-	52	195	215	175	215
Other current liabilities	-	-	-	-	-	-
TOTAL CURRENT LIABILITIES	-	52	382	489	310	462
NONCURRENT LIABILITIES:						
Bonds payable	-	3,749	6,650	7,755	4,865	8,919
TOTAL NONCURRENT LIABILITIES	-	3,749	6,650	7,755	4,865	8,919
TOTAL LIABILITIES	-	3,801	7,032	8,244	5,175	9,381
NET ASSETS:						
Restricted net assets	1,900	-	-	-	-	-
TOTAL LIABILITIES AND NET ASSETS	\$ 1,900	\$ 3,801	\$ 7,032	\$ 8,244	\$ 5,175	\$ 9,381

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
BALANCE SHEET
(continued)

June 30, 2009
(In Thousands)

	99 Series A&B The Ridge at Jordan Landing	99 Series A&B Bay Harbour at Slate Canyon	99 Series A,B&C Todd Hollow	99 Series Country Oaks	00 Series A&B The Riverview Apartments	00 Series A Holiday Village
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Investments	559	169	174	120	58	182
Current maturities of loans receivable	145	68	120	-	55	59
Interest receivable	35	1	-	15	-	-
TOTAL CURRENT ASSETS	739	238	294	135	113	241
NONCURRENT ASSETS:						
Restricted assets:						
Cash and cash equivalents	-	-	-	-	-	-
Investments	760	172	43	3,089	(11)	82
Loans receivable	11,845	2,898	11,670	-	5,531	3,088
TOTAL NONCURRENT ASSETS	12,605	3,070	11,713	3,089	5,520	3,170
TOTAL ASSETS	\$ 13,344	\$ 3,308	\$ 12,007	\$ 3,224	\$ 5,633	\$ 3,411
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Interest payable	\$ 414	\$ 101	\$ 54	\$ 90	\$ 3	\$ 123
Current maturities of bonds payable	145	68	120	30	55	59
Other current liabilities	-	-	-	119	-	-
TOTAL CURRENT LIABILITIES	559	169	174	239	58	182
NONCURRENT LIABILITIES:						
Bonds payable	12,785	3,139	11,833	2,985	5,575	3,229
TOTAL NONCURRENT LIABILITIES	12,785	3,139	11,833	2,985	5,575	3,229
TOTAL LIABILITIES	13,344	3,308	12,007	3,224	5,633	3,411
NET ASSETS:						
Restricted net assets	-	-	-	-	-	-
TOTAL LIABILITIES AND NET ASSETS	\$ 13,344	\$ 3,308	\$ 12,007	\$ 3,224	\$ 5,633	\$ 3,411

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
BALANCE SHEET

(continued)

June 30, 2009
(In Thousands)

	00 Series A Shaleh Meadows	00 Series Tooele Gateway	01 Issue Candlestick	01 Series Kings Row	01 Series Diamond Fork	01 Series Rose Cove
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Investments	281	68	-	346	37	80
Current maturities of loans receivable	95	52	-	110	18	44
Interest receivable	-	-	-	-	-	-
TOTAL CURRENT ASSETS	376	120	-	456	55	124
NONCURRENT ASSETS:						
Restricted assets:						
Cash and cash equivalents	-	-	-	-	25	47
Investments	79	(65)	-	4	11	10
Loans receivable	5,921	2,978	6,400	6,761	3,178	6,436
TOTAL NONCURRENT ASSETS	6,000	2,913	6,400	6,765	3,214	6,493
TOTAL ASSETS	\$ 6,376	\$ 3,033	\$ 6,400	\$ 7,221	\$ 3,269	\$ 6,617
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Interest payable	\$ 186	\$ 16	\$ -	\$ 236	\$ 19	\$ 36
Current maturities of bonds payable	95	52	-	110	18	44
Other current liabilities	-	-	-	-	-	-
TOTAL CURRENT LIABILITIES	281	68	-	346	37	80
NONCURRENT LIABILITIES:						
Bonds payable	6,095	2,965	6,400	6,875	3,232	6,537
TOTAL NONCURRENT LIABILITIES	6,095	2,965	6,400	6,875	3,232	6,537
TOTAL LIABILITIES	6,376	3,033	6,400	7,221	3,269	6,617
NET ASSETS:						
Restricted net assets	-	-	-	-	-	-
TOTAL LIABILITIES AND NET ASSETS	\$ 6,376	\$ 3,033	\$ 6,400	\$ 7,221	\$ 3,269	\$ 6,617

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
BALANCE SHEET
(continued)

June 30, 2009
(In Thousands)

	01 Series A Haven Pointe	01 Series Mill Creek II Project	01 Series A Holly Stonehedge I	02 Series A The Bluffs Apartments	02 Series A Bountiful Ridge	02 Series A Canyon View
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Investments	416	53	269	423	173	145
Current maturities of loans receivable	-	36	-	-	-	-
Interest receivable	52	-	30	54	22	16
	-	-	-	-	-	-
TOTAL CURRENT ASSETS	468	89	299	477	195	161
NONCURRENT ASSETS:						
Restricted assets:						
Cash and cash equivalents	-	-	-	-	-	-
Investments	10,808	(52)	6,465	11,501	4,790	3,996
Loans receivable	-	1,637	-	-	-	-
	-	-	-	-	-	-
TOTAL NONCURRENT ASSETS	10,808	1,585	6,465	11,501	4,790	3,996
TOTAL ASSETS	\$ 11,276	\$ 1,674	\$ 6,764	\$ 11,978	\$ 4,985	\$ 4,157
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Interest payable	\$ 321	\$ 17	\$ 179	\$ 323	\$ 133	\$ 105
Current maturities of bonds payable	95	36	90	100	40	40
Other current liabilities	285	-	200	395	432	117
	-	-	-	-	-	-
TOTAL CURRENT LIABILITIES	701	53	469	818	605	262
NONCURRENT LIABILITIES:						
Bonds payable	10,575	1,621	6,295	11,160	4,380	3,895
	-	-	-	-	-	-
TOTAL NONCURRENT LIABILITIES	10,575	1,621	6,295	11,160	4,380	3,895
TOTAL LIABILITIES	11,276	1,674	6,764	11,978	4,985	4,157
NET ASSETS:						
Restricted net assets	-	-	-	-	-	-
	-	-	-	-	-	-
TOTAL LIABILITIES AND NET ASSETS	\$ 11,276	\$ 1,674	\$ 6,764	\$ 11,978	\$ 4,985	\$ 4,157

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
BALANCE SHEET
(continued)

June 30, 2009
(In Thousands)

	03 Series A Sunset Ridge	03 Series A Coppergate Apartments	03 Series A Layton Pointe	04 Series A Tanglewood Apartments	04 Series A Laurlewood Apartments	04 Series A Foxboro Terrace
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Investments	539	489	80	3	163	330
Current maturities of loans receivable	-	-	60	-	-	-
Interest receivable	69	61	-	-	20	46
TOTAL CURRENT ASSETS	608	550	140	3	183	376
NONCURRENT ASSETS:						
Restricted assets:						
Cash and cash equivalents	-	-	-	-	-	-
Investments	15,356	13,795	(48)	565	4,397	9,837
Loans receivable	-	-	3,538	8,835	-	-
TOTAL NONCURRENT ASSETS	15,356	13,795	3,490	9,400	4,397	9,837
TOTAL ASSETS	\$ 15,964	\$ 14,345	\$ 3,630	\$ 9,403	\$ 4,580	\$ 10,213
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Interest payable	\$ 414	\$ 369	\$ 20	\$ 3	\$ 113	\$ 245
Current maturities of bonds payable	125	120	60	-	50	85
Other current liabilities	530	311	-	-	97	208
TOTAL CURRENT LIABILITIES	1,069	800	80	3	260	538
NONCURRENT LIABILITIES:						
Bonds payable	14,895	13,545	3,550	9,400	4,320	9,675
TOTAL NONCURRENT LIABILITIES	14,895	13,545	3,550	9,400	4,320	9,675
TOTAL LIABILITIES	15,964	14,345	3,630	9,403	4,580	10,213
NET ASSETS:						
Restricted net assets	-	-	-	-	-	-
TOTAL LIABILITIES AND NET ASSETS	\$ 15,964	\$ 14,345	\$ 3,630	\$ 9,403	\$ 4,580	\$ 10,213

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
BALANCE SHEET

(continued)

June 30, 2009
(In Thousands)

	05 Series A Park Gate	05 Series A Cedar Point	05 Series A Springwood Apartments	05 Series A Military Housing	05 Series A Towne Gate Apartments	Liberty Commons
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted assets:						
Investments	190	386	3	1,104	324	228
Current maturities of loans receivable	-	180	-	-	236	142
Interest receivable	23	-	-	5	-	-
TOTAL CURRENT ASSETS	213	566	3	1,109	560	370
NONCURRENT ASSETS:						
Restricted assets:						
Cash and cash equivalents	-	-	-	-	-	-
Investments	5,589	(47)	1	8,846	(215)	(142)
Loans receivable	-	7,457	8,484	32,149	17,914	17,270
TOTAL NONCURRENT ASSETS	5,589	7,410	8,485	40,995	17,699	17,128
TOTAL ASSETS	\$ 5,802	\$ 7,976	\$ 8,488	\$ 42,104	\$ 18,259	\$ 17,498
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Interest payable	\$ 140	\$ 206	\$ 3	\$ 1,104	\$ 88	\$ 86
Current maturities of bonds payable	50	180	-	-	236	142
Other current liabilities	62	-	-	-	-	-
TOTAL CURRENT LIABILITIES	252	386	3	1,104	324	228
NONCURRENT LIABILITIES:						
Bonds payable	5,550	7,590	8,485	41,000	17,935	17,270
TOTAL NONCURRENT LIABILITIES	5,550	7,590	8,485	41,000	17,935	17,270
TOTAL LIABILITIES	5,802	7,976	8,488	42,104	18,259	17,498
NET ASSETS:						
Restricted net assets	-	-	-	-	-	-
TOTAL LIABILITIES AND NET ASSETS	\$ 5,802	\$ 7,976	\$ 8,488	\$ 42,104	\$ 18,259	\$ 17,498

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
BALANCE SHEET

(continued)

June 30, 2009
(In Thousands)

	The Pointe Apartments	Timbergate Apartments	Total
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ -	\$ -	\$ 1,127
Restricted assets:			
Investments	40	7	9,134
Current maturities of loans receivable	35	-	2,393
Interest receivable	-	17	471
	75	24	13,125
TOTAL CURRENT ASSETS			
NONCURRENT ASSETS:			
Restricted assets:			
Cash and cash equivalents	-	-	72
Investments	(40)	16,032	117,287
Loans receivable	11,070	8,951	214,100
	11,030	24,983	331,459
TOTAL NONCURRENT ASSETS			
	\$ 11,105	\$ 25,007	\$ 344,584
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Interest payable	\$ 5	\$ 7	\$ 6,002
Current maturities of bonds payable	35	-	3,132
Other current liabilities	-	-	2,756
	40	7	11,890
TOTAL CURRENT LIABILITIES			
NONCURRENT LIABILITIES:			
Bonds payable	11,065	25,000	330,794
	11,065	25,000	330,794
TOTAL NONCURRENT LIABILITIES			
	11,105	25,007	342,684
TOTAL LIABILITIES			
NET ASSETS:			
Restricted net assets	-	-	1,900
	-	-	1,900
TOTAL LIABILITIES AND NET ASSETS	\$ 11,105	\$ 25,007	\$ 344,584

SUPPLEMENTAL INFORMATION

MULTI-FAMILY MORTGAGE PURCHASE FUNDS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2009
(In Thousands)

	96A Series	96 Issue A, B & C Vine Villas	98 Series Heather Estates	97 Series A & B RHA Community Services	98 Series Aspen Villas	98 Series B Mayflower Apartments
OPERATING REVENUES:						
Interest on loans receivable	\$ 99	\$ 162	\$ 383	\$ 518	\$ 278	\$ 495
Interest on cash and investments	41	-	2	30	1	3
TOTAL OPERATING REVENUES	140	162	385	548	279	498
OPERATING EXPENSES:						
Interest	44	162	380	548	275	496
General operating expense	2	-	5	-	4	2
Loan servicing fees	2	-	-	-	-	-
Deferred cost amortization	6	-	-	-	-	-
TOTAL OPERATING EXPENSES	54	162	385	548	279	498
INCOME BEFORE TRANSFERS	86	-	-	-	-	-
TRANSFERS IN (OUT)	-	-	-	-	-	-
CHANGE IN NET ASSETS	86	-	-	-	-	-
NET ASSETS AT BEGINNING OF YEAR	1,814	-	-	-	-	-
NET ASSETS AT END OF YEAR	\$ 1,900	\$ -	\$ -	\$ -	\$ -	\$ -

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
(continued)

YEAR ENDED JUNE 30, 2009
(In Thousands)

	99 Series A&B					
	The Ridge at Jordon Landing	99 Series A&B Bay Harbour at Slate Canyon	99 Series A,B&C Todd Hollow	99 Series Country Oaks	00 Series A&B The Riverview Apartments	00 Series A Holiday Village
OPERATING REVENUES:						
Interest on loans receivable	\$ 764	\$ 204	\$ 685	\$ -	\$ 98	\$ 247
Interest on cash and investments	71	1	1	181	1	1
TOTAL OPERATING REVENUES	835	205	686	181	99	248
OPERATING EXPENSES:						
Interest	831	203	686	180	99	248
General operating expense	4	2	-	1	-	-
Loan servicing fees	-	-	-	-	-	-
Deferred cost amortization	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	835	205	686	181	99	248
INCOME BEFORE TRANSFERS	-	-	-	-	-	-
TRANSFERS IN (OUT)	-	-	-	-	-	-
CHANGE IN NET ASSETS	-	-	-	-	-	-
NET ASSETS AT BEGINNING OF YEAR	-	-	-	-	-	-
NET ASSETS AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
(continued)

YEAR ENDED JUNE 30, 2009
(In Thousands)

	00 Series A Shaleh Meadows	00 Series Tooele Gateway	01 Issue Candlestick	01 Series Kings Row	01 Series Diamond Fork	01 Series Rose Cove
OPERATING REVENUES:						
Interest on loans receivable	\$ 370	\$ 259	\$ 96	\$ 474	\$ 234	\$ 445
Interest on cash and investments	1	7	-	1	-	-
TOTAL OPERATING REVENUES	371	266	96	475	234	445
OPERATING EXPENSES:						
Interest	371	252	94	475	226	437
General operating expense	-	14	2	-	2	2
Loan servicing fees	-	-	-	-	6	6
Deferred cost amortization	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	371	266	96	475	234	445
INCOME BEFORE TRANSFERS	-	-	-	-	-	-
TRANSFERS IN (OUT)	-	-	-	-	-	-
CHANGE IN NET ASSETS	-	-	-	-	-	-
NET ASSETS AT BEGINNING OF YEAR	-	-	-	-	-	-
NET ASSETS AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
(continued)

YEAR ENDED JUNE 30, 2009
(In Thousands)

	01 Series Haven Pointe	01 Series Mill Creek II Project	01 Series A Holly Stonehedge I	02 Series A The Bluffs Apartments	02 Series A Bountiful Ridge	02 Series A Canyon View
OPERATING REVENUES:						
Interest on loans receivable	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -
Interest on cash and investments	645	-	360	649	268	212
TOTAL OPERATING REVENUES	645	100	360	649	268	212
OPERATING EXPENSES:						
Interest	643	100	360	646	265	209
General operating expense	2	-	-	3	3	3
Loan servicing fees	-	-	-	-	-	-
Deferred cost amortization	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	645	100	360	649	268	212
INCOME BEFORE TRANSFERS	-	-	-	-	-	-
TRANSFERS IN (OUT)	-	-	-	-	-	-
CHANGE IN NET ASSETS	-	-	-	-	-	-
NET ASSETS AT BEGINNING OF YEAR	-	-	-	-	-	-
NET ASSETS AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
(continued)

YEAR ENDED JUNE 30, 2009
(In Thousands)

	03 Series A Sunset Ridge	03 Series A Coppergate Apartments	03 Series A Layton Pointe	04 Series A Tanglewood Apartments	04 Series A Laurelwood Apartments	04 Series A Foxboro Terrace
OPERATING REVENUES:						
Interest on loans receivable	\$ -	\$ -	\$ 257	\$ 180	\$ -	\$ -
Interest on cash and investments	834	739	-	1	228	496
TOTAL OPERATING REVENUES	834	739	257	181	228	496
OPERATING EXPENSES:						
Interest	829	739	255	166	225	491
General operating expense	5	-	2	15	3	5
Loan servicing fees	-	-	-	-	-	-
Deferred cost amortization	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	834	739	257	181	228	496
INCOME BEFORE TRANSFERS	-	-	-	-	-	-
TRANSFERS IN (OUT)	-	-	-	-	-	-
CHANGE IN NET ASSETS	-	-	-	-	-	-
NET ASSETS AT BEGINNING OF YEAR	-	-	-	-	-	-
NET ASSETS AT END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
(continued)

YEAR ENDED JUNE 30, 2009
(In Thousands)

	05 Series A Park Gate Apartments	05 Series A Cedar Point	05 Series A Springwood Apartments	05 Series A Military Housing	05 Series A Towne Gate Apartments	Liberty Commons
OPERATING REVENUES:						
Interest on loans receivable	\$ -	\$ 416	\$ 138	\$ 1,947	\$ 1,065	\$ 1,034
Interest on cash and investments	280	1	-	193	-	-
TOTAL OPERATING REVENUES	280	417	138	2,140	1,065	1,034
OPERATING EXPENSES:						
Interest	280	416	137	2,140	1,065	1,034
General operating expense	-	1	1	-	-	-
Loan servicing fees	-	-	-	-	-	-
Deferred cost amortization	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	280	417	138	2,140	1,065	1,034
INCOME BEFORE TRANSFERS	-	-	-	-	-	-
TRANSFERS IN (OUT)	-	-	-	-	-	-
CHANGE IN NET ASSETS	-	-	-	-	-	-
NET ASSETS AT BEGINNING OF YEAR	-	-	-	-	-	-
NET ASSETS AT END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

UTAH HOUSING CORPORATION
(A Component Unit of the State of Utah)

MULTI-FAMILY MORTGAGE PURCHASE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
(continued)

YEAR ENDED JUNE 30, 2009
(In Thousands)

	<u>The Pointe Apartments</u>	<u>Timbergate Apartments</u>	<u>Total</u>
OPERATING REVENUES:			
Interest on loans receivable	\$ -	\$ -	\$ 10,948
Interest on cash and investments	-	-	5,248
	<hr/>	<hr/>	<hr/>
TOTAL OPERATING REVENUES	-	-	16,196
OPERATING EXPENSES:			
Interest	-	-	16,007
General operating expense	-	-	83
Loan servicing fees	-	-	14
Deferred cost amortization	-	-	6
	<hr/>	<hr/>	<hr/>
TOTAL OPERATING EXPENSES	-	-	16,110
INCOME BEFORE TRANSFERS	-	-	86
	<hr/>	<hr/>	<hr/>
TRANSFERS IN (OUT)	-	-	-
	<hr/>	<hr/>	<hr/>
CHANGE IN NET ASSETS	-	-	86
NET ASSETS AT BEGINNING OF YEAR	-	-	1,814
	<hr/>	<hr/>	<hr/>
NET ASSETS AT END OF YEAR	\$ -	\$ -	\$ 1,900
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>