



Massachusetts Housing Finance Agency
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September 18, 2026

Michael D. Hurley, Senate Clerk
Office of the Clerk of the Senate
24 Beacon St - Room 335
State House
Boston, MA 02133

Timothy Carroll, House Clerk
Office of the Clerk of the House
24 Beacon St - Room 145
State House
Boston, MA 02133

Re: Massachusetts Housing Finance Agency FY26 Annual Report

Dear Mr. Hurley and Mr. Carroll,

Pursuant to M.G.L.A. 23A App. § 1-14, please find enclosed the FY26 Annual Report for the Massachusetts Housing Finance Agency.

In addition, please note the above referenced annual report is available online at the General Court of the Commonwealth of Massachusetts' website accessible at <https://malegislature.gov/Reports> and at MassHousing's website accessible at <https://masshousing.com/financials>.

Sincerely,



Sandra Bakaysa

Sandra J. Bakaysa
Comptroller
O: 617.854.1152 Email: sbakaysa@masshousing.com

Message from the Chair and Chief Executive Officer

We are pleased to present MassHousing's Annual Financial Report for Fiscal Year 2026 (July 1, 2025 – June 30, 2026). This report highlights MassHousing's strong financial position and our ongoing leadership in confronting the Commonwealth's housing challenges.

MassHousing helps people have affordable places to live. In the past fiscal year, MassHousing provided a total of \$1.45 billion in affordable housing financing which directly benefited more than 4,500 households throughout the Commonwealth.

Our multifamily business financed over 3,000 units with \$896 million in funding. Our homeownership business provided \$556.5 million to help over 1,500 people buy a home.

To meet the Commonwealth's housing needs, we need to tackle the housing crisis in as many ways as possible. With new programs for homebuyers, homeowners, renters and developers, MassHousing is focused on expanding housing access through responsible innovation.

This year we launched a new ADU loan program designed to help homeowners add an additional unit to their properties. Whether it's a senior looking to downsize and age in place, a single homeowner looking for an income stream, or a young family starting out – accessory dwelling units offer creative solutions to meet individual needs.

With an investment of \$25 million from the Healey-Driscoll Administration, MassHousing also expanded its downpayment assistance program to help middle-income borrowers purchase a home this spring. In just 65 days, more than 1,000 first-time homebuyers took advantage of the opportunity to boost their buying power through a \$25,000 interest-free downpayment assistance loan.

In partnership with the Executive Office of Housing and Livable Communities, MassHousing recently launched the Massachusetts Homeownership Tax Credit. This is a new program to increase homeownership opportunities for moderate-income homebuyers by supporting the development of new, affordable homeownership units in the Commonwealth. Created under the Affordable Homes Act and administered by MassHousing, the program provides up to \$10 million in tax credits per year for five years through calendar year 2029.

In January, the Massachusetts Community Climate Bank (MCCB) at MassHousing announced funding for two deep energy retrofit projects in existing affordable rental housing that incorporate energy efficiency, electrification, clean energy and climate resilience. Through this demonstration loan program, MCCB is accelerating investments in affordable rental homes and collecting crucial data that will help scale up lending for deep energy retrofits. Across both

homeownership and rental lending, MCCB-funded projects are achieving modeled energy savings above 50 percent.

The Agency's impact extends beyond the walls of a home or rental development. Healthy, safe and vibrant communities are what truly make a building a home. Through its Housing Stability team, MassHousing invested over \$4.2 million to help support residents in communities across the Commonwealth. These funds include grants for the creation and preservation of affordable sober housing, resident engagement and leadership initiatives, creative placemaking grants, rent reporting for credit services, youth employment, and eviction prevention. In FY26, the Tenancy Preservation Program (TPP), provided direct services to 850 households with a disability, behavioral health disorder, or other complex health condition. These funds help prevent homelessness. MassHousing increased its investment in TPP in FY26 from \$650,000 to over \$2.3 million to sustain the Commonwealth's commitment to preserving tenancies for households with disabilities.

We rounded out the year with notable recognition from Moody's Ratings. In light of the Agency's growth in profitability and overall financial acumen, Moody's gave MassHousing its first upgrade in more than a decade. This is not only a testament to the financial, operational, and leadership strength of MassHousing—but it will also help the Agency expand access to housing by attracting new investors and lowering the rate it can offer to borrowers. We are excited to explore future opportunities to confront the Commonwealth's housing challenges to improve the lives of its people.

The dedicated professionals at MassHousing are truly committed to this mission. We are grateful for them and the collaboration of many others who help us serve the people of Massachusetts, including the Healey-Driscoll Administration, the legislature, developers, property owners, property managers, home mortgage lenders, financial advisors and bond counsels, auditors, housing advocates and others.

Thank you for reading this report and for your support of MassHousing.



Jeanne Pinado
Jeanne Pinado
Chair



Chrystal Kornegay
Chrystal Kornegay,
Chief Executive Officer

MASSACHUSETTS HOUSING FINANCE AGENCY
FINANCIAL STATEMENTS, REQUIRED SUPPLEMENTARY INFORMATION,
SCHEDULES AND SUPPLEMENTAL SCHEDULES
JUNE 30, 2026 AND 2025

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Report of Independent Auditors

To the Management and Board of Directors of the Massachusetts Housing Finance Agency

Opinions

We have audited the accompanying financial statements of the business-type activities and fiduciary fund information of the Massachusetts Housing Finance Agency and its affiliates (“MassHousing”), as of and for the years ended June 30, 2026 and 2025, including the related notes, which collectively comprise MassHousing’s basic financial statements as listed in the table of contents. In our opinion, based on our audits and the reports of other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary fund information of MassHousing as of June 30, 2026 and 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Massachusetts Housing Finance Agency OPEB Trust as of and for the years ended December 31, 2025 and 2024, which represent 18 percent and 17 percent of the assets of the fiduciary fund information, respectively, and 20 percent and 18 percent of additions to the fiduciary fund information for the years then ended. We also did not audit the financial statements of the Massachusetts Housing Finance Agency Employees’ Retirement System as of and for the years ended December 31, 2025 and 2024, which represent 82 percent and 83 percent of the assets of the fiduciary fund information, respectively, and 80 percent and 82 percent of additions of the fiduciary fund information for the years then ended. The financial statements of the Massachusetts Housing Finance Agency OPEB Trust and the Massachusetts Housing Finance Agency Employees’ Retirement System were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Massachusetts Housing Finance Agency OPEB Trust and the Massachusetts Housing Finance Agency Employees’ Retirement System, which as discussed in Note B are the two fiduciary activities making up the total fiduciary fund information, is based solely on the reports of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about MassHousing’s ability to continue as a

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going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with US GAAS, we:

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

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

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 through 21 and the schedules of changes in the Agency's net pension liability/ (asset) and related ratios and of Agency contributions for the Massachusetts Housing Finance Agency Employees' Retirement System Plan, and the schedules of changes in the Agency's net OPEB liability/(asset) and related ratios and of Agency contributions for the Massachusetts Housing Finance Agency OPEB Trust on pages 102 through 105 be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise MassHousing's basic financial statements. The supplemental schedule 1 - mortgage / construction loan obligations and commitments as of June 30, 2026 and supplemental schedule 2 - combining statements of net position, of revenues, expenses and changes in net position and of cash flows by program as of and for the years ended June 30, 2026 and 2025, on pages 106 through 126 (collectively, the "supplemental information"), are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining information is not intended to present, and we do not express an opinion on, the financial position, changes in financial position and cash flows of the individual programs. The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Message from the Chair and Chief Executive Officer, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

PricewaterhouseCoopers LLP

Boston, Massachusetts
September 18, 2026

Massachusetts Housing Finance Agency

Annual Financial Report

June 30, 2026

Prepared by the

Office of the Financial Director

Rachel C. Madden, Financial Director

Sandra J. Bakaysa, Comptroller

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Overview of the Annual Financial Report

This annual financial report of the Massachusetts Housing Finance Agency (MassHousing or Agency) consists of six sections: (1) management's discussion and analysis; (2) audited financial statements (the financial statements); (3) notes to the financial statements; (4) schedules; (5) required supplemental schedules; and (6) supplemental schedules.

The management's discussion and analysis, financial statements, notes to the financial statements, schedules, required supplemental schedules and supplemental schedules were all prepared in conformity with the accounting principles generally accepted in the United States of America (GAAP) using the accounting standards promulgated by the Governmental Accounting Standards Board (GASB).

Background

MassHousing is a body politic and corporate and a public instrumentality of The Commonwealth of Massachusetts (the Commonwealth) established by Chapter 708 of the Acts of 1966, as amended (the Act), to increase the supply of residential housing in the Commonwealth for occupancy by persons and families of low and moderate income.

MassHousing is empowered by the Act, among other things, to issue bonds and notes to finance owner-occupied, residential housing for persons and families of low and moderate income and to make mortgage loans to sponsors of rental housing projects containing two or more dwelling units having promise of supplying well-planned, well-designed apartment units for low-income persons or families in locations where there is a need for such housing. Pursuant to the Act, MassHousing has the power to issue bonds and notes to finance construction and permanent mortgage loans, to utilize various lending programs to finance mortgage loans including the Housing Finance Agency Risk Sharing Program administered by the U.S. Department of Housing and Urban Development (HUD), Federal National Mortgage Association (FNMA) mortgage-backed securities (MBS), Government National Mortgage Association (GNMA) MBS, Federal Home Loan Mortgage Corporation (FHLMC) programs, Federal Home Loan Bank (FHLB) programs and Federal Financing Bank (FFB) programs and to enter into agreements and perform other functions in furtherance of its public purposes.

The Massachusetts Legislature has authorized MassHousing to issue bonds and notes up to an aggregate outstanding combined single debt limit of \$10.8 billion for both multifamily and single-family purposes. The Agency's bonds and notes do not constitute obligations of the Commonwealth or any political subdivision thereof.

Financial Markets

MassHousing relies on its ability to gain orderly access to financial markets so it can meet its mission of providing and sustaining affordable housing and improving the lives of people in the Commonwealth. MassHousing meets its mission by: (1) issuing bonds and notes in order to fund its various programs, (2) utilizing government and government sponsored-enterprise lending programs to sustain affordable housing and (3) investing a certain portion of its funds in the community to improve living conditions. MassHousing utilizes financial products such as (1) derivatives to be able to issue long-term debt at reasonable, synthetically fixed interest rates, as well as (2) mortgage-backed security forward contracts (MBS Forward Contracts) to securitize and service its qualified first mortgage loans originated by MassHousing-approved lenders into forward contracts to sell MBS to investors before the securities are ready for delivery.

Management's Discussion and Analysis

The following is an unaudited narrative overview of MassHousing's financial position and the results of its operations for the fiscal years ended June 30, 2026 (FY 2026) and June 30, 2025 (FY 2025), with selected comparative information for the fiscal year ended June 30, 2024 (FY 2024). Readers are encouraged to consider the information presented in this discussion and analysis in conjunction with the information presented in the audited financial statements, notes to the financial statements, schedules, unaudited required supplemental schedules, and supplemental schedules, all of which follow this narrative overview.

This discussion and analysis is designed to (1) assist the reader in focusing on significant financial matters and activities of the Agency and (2) identify and discuss significant changes in the Agency's financial position and results of its operations during the indicated fiscal years. The primary accounting policies followed by the Agency are presented in Note B to the financial statements.

Changes to the Financial Statements required by GASB Statement No. 103

The Agency adopted GASB Statement No. 103, "Financial Reporting Model Improvements" (GASB 103) in FY 2026, for all periods presented. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The presentation of the Statements of Revenues, Expenses, and Changes in Net Position was reclassified into the operating, noncapital subsidies, and nonoperating categories as prescribed by GASB 103. In addition, the management's discussion and analysis section of the Annual Report was updated to more clearly identify significant capital asset and long-term financing activities.

GASB 103 had no effect on MassHousing's net position or changes in net position for any of the periods presented.

The Financial Statements

- The Statement of Net Position provides information about the Agency's financial condition at the end of the fiscal year by indicating the nature and amounts of its investments in resources (assets), its deferred outflows of resources, its obligations to outside creditors (liabilities), its deferred inflows of resources, and its resulting net position at the date of the statement of net position. Net position represents total assets, plus deferred outflows of resources, less total liabilities, less

deferred inflows of resources. The organization of the statement of net position separates assets and liabilities into their current and noncurrent components.

- The Statement of Revenues, Expenses, and Changes in Net Position provides information about the Agency's revenues and expenses for the fiscal year in order to measure the results of the Agency's operations over the fiscal year. The Agency's revenues and expenses are classified as either operating or nonoperating.
- The Statement of Cash Flows provides information about the net change in the Agency's cash and cash equivalents for the fiscal year resulting from four principal types of activities: operating activities, non-capital financing activities, capital financing activities and investing activities. Cash collections (receipts) and payments (disbursements) are presented in this statement to arrive at the net increase or decrease in cash and cash equivalents for the fiscal years.
- The Statements of Fiduciary Net Position provide information about the Agency's two fiduciary activities: (1) the Massachusetts Housing Finance Agency Other Post-Employment Benefits (OPEB) Trust, (2) the Massachusetts Housing Finance Agency Employees' Retirement System at the end of their respective fiscal periods.
- The Statements of Changes in Fiduciary Net Position provides information about the additions and deductions of the Agency's two fiduciary activities: (1) the Massachusetts Housing Finance OPEB Trust and (2) the Massachusetts Housing Finance Agency Employees' Retirement System in order to measure the results of the fiduciary activities' operations at the end of their respective fiscal periods.

The Notes to Financial Statements

- The Notes to Financial Statements provide information that is useful to the reader in understanding the Agency's financial statements. Descriptions of the Agency's programs and its accounting methods and policies are contained in Notes A and B of the financial statements.
- The notes include details of the Agency's investments and contractual obligations as well as future commitments and contingencies.
- The notes also include information regarding events or developments that did have or could have a material impact upon the Agency's financial condition, results of operations, changes in net position and cash flows.

Schedules, Required Supplementary Schedules, and Supplemental Schedules

- The audited Schedules 1, 2, and 3 provide detailed information on the Agency's: bonds and notes payable; and MBS Forward Contracts. These schedules provide information in addition to what is included in Notes H and K.
- Required Supplementary Information represents information required by GASB, which supplements the basic financial statements and notes. It is presented in conformity with GAAP using the accounting standards promulgated by GASB. These schedules provide additional information about the Agency's pension plan, which administers the investments of, and provides funding for benefits under the terms of the Agency's pension plan for retirees, and the OPEB Trust, which administers the investments of, and provides funding for benefits under the terms of, the

Agency's healthcare plan for retirees. Required Supplemental Schedules 1, 2, 3, and 4 are unaudited.

- Supplemental Schedule 1, which provides detailed information on the Agency's loan receivables and loan commitments, is presented to facilitate additional analysis of the information included herein and is not part of the basic financial statements. This schedule provides information in addition to what is included in Note D.
- In addition to the Agency's basic financial statements, presented on a combined basis, financial statements that provide details of each separate bond resolution and the Working Capital Fund (WCF) and Affiliates (as defined in Note A) are presented in Supplemental Schedule 2 for both FY 2026 and FY 2025, in accordance with the financial reporting requirements of the various bond resolutions. These detailed financial statements include eliminating entries.

Summarized Financial Information – Statement of Net Position (in thousands)

The table below presents summarized comparative statements of net position at June 30:

	Change from FY 2025			Change from FY 2024			
	6/30/2026	\$	%	6/30/2025	\$	%	6/30/2024
Assets - Working Capital Fund and Affiliates (WCF)							
Cash, cash equivalents, investments	\$ 829,809	\$ (38,665)	-4.5%	\$ 868,474	\$ 221,028	34.1%	\$ 647,446
Loans receivable (net)	753,777	112,333	17.5%	641,444	(49,413)	-7.2%	690,857
Derivative instruments	-	-		-	(6)	-100.0%	6
Escrowed Funds	709,024	41,542	6.2%	667,482	(35,971)	-5.1%	703,453
Other assets	204,587	11,673	6.1%	192,914	16,824	9.6%	176,090
Total Assets – WCF and Affiliates	\$ 2,497,197	\$ 126,883	5.4%	\$ 2,370,314	\$ 152,462	6.9%	\$ 2,217,852
Total Deferred Outflow of Resources - WCF and Affiliates	\$ 9,097	\$ (8,846)	-49.3%	\$ 17,943	\$ 6,148	52.1%	\$ 11,795
Total Assets and Deferred Outflow of Resources – WCF and Affiliates	\$ 2,506,294	\$ 118,037	4.9%	\$ 2,388,257	\$ 158,610	7.1%	\$ 2,229,647
Assets - Bond Programs							
Cash, cash equivalents, investments	\$ 2,062,886	\$ 326,620	18.8%	\$ 1,736,266	\$ 134	0.0%	\$ 1,736,132
Loans receivable (net)	4,384,016	444,567	11.3%	3,939,449	407,050	11.5%	3,532,399
Derivative instruments	2,684	210	8.5%	2,474	(986)	-28.5%	3,460
Other assets	57,456	26,279	84.3%	31,177	1,980	6.8%	29,197
Total Assets – Bond Programs	\$ 6,507,042	\$ 797,676	14.0%	\$ 5,709,366	\$ 408,178	7.7%	\$ 5,301,188
Total Deferred Outflow of Resources - Bond Programs	\$ 497	\$ (110)	-18.1%	\$ 607	\$ 607		\$ -
Total Assets and Deferred Outflow of Resources – Bond Programs	\$ 6,507,539	\$ 797,566	14.0%	\$ 5,709,973	\$ 408,785	7.7%	\$ 5,301,188
Total Assets and Deferred Outflow of Resources	\$ 9,013,833	\$ 915,603	11.3%	\$ 8,098,230	\$ 567,395	7.5%	\$ 7,530,835
Liabilities - WCF and Affiliates							
Debt (net)	\$ 56,363	\$ (28,500)	-33.6%	\$ 84,863	\$ (76,200)	-47.3%	\$ 161,063
Derivative instruments	-	(5)	-100.0%	5	5		-
Escrowed funds payable	709,024	41,542	6.2%	667,482	(35,971)	-5.1%	703,453
Other liabilities	114,834	(10,450)	-8.3%	125,284	61,588	96.7%	63,696
Total Liabilities – WCF and Affiliates	\$ 880,221	\$ 2,587	0.3%	\$ 877,634	\$ (50,578)	-5.4%	\$ 928,212
Total Deferred Inflow of Resources - WCF and Affiliates	\$ 16,823	\$ 5,199	44.7%	\$ 11,624	\$ (6,947)	-37.4%	\$ 18,571
Total Liabilities and Deferred Inflow of Resources – WCF and Affiliates	\$ 897,044	\$ 7,786	0.9%	\$ 889,258	\$ (57,525)	-6.1%	\$ 946,783
Liabilities – Bond Programs							
Debt (net)	\$ 5,770,256	\$ 679,686	13.4%	\$ 5,090,570	\$ 438,623	9.4%	\$ 4,651,947
Derivative instruments	515	(1,566)	-75.3%	2,081	2,081		-
Other liabilities	107,442	79,202	280.5%	28,240	(76,408)	-73.0%	104,648
Total Liabilities – Bond Programs	\$ 5,878,213	\$ 757,322	14.8%	\$ 5,120,891	\$ 364,296	7.7%	\$ 4,756,595
Total Deferred Inflow of Resources - Bond Programs	\$ 6,240	\$ 2,107	51.0%	\$ 4,133	\$ (477)	-10.3%	\$ 4,610
Total Liabilities and Deferred Inflow of Resources – Bond Programs	\$ 5,884,453	\$ 759,429	14.8%	\$ 5,125,024	\$ 363,819	7.6%	\$ 4,761,205
Total Liabilities and Deferred Inflow of Resources	\$ 6,781,497	\$ 767,215	12.8%	\$ 6,014,282	\$ 306,294	5.4%	\$ 5,707,988
Net Position – WCF and Affiliates							
Restricted by contractual or statutory agreements	\$ 561,820	\$ (88,397)	-13.6%	\$ 650,217	\$ 70,196	12.1%	\$ 580,021
Unrestricted	1,047,430	198,648	23.4%	848,782	145,939	20.8%	702,843
Total Net Position – WCF and Affiliates	\$ 1,609,250	\$ 110,251	7.4%	\$ 1,498,999	\$ 216,135	16.8%	\$ 1,282,864
Net Position – Bond Programs							
Restricted by bond resolutions	\$ 623,934	\$ 38,052	6.5%	\$ 585,882	\$ 44,493	8.2%	\$ 541,389
Unrestricted	(848)	85	-9.1%	(933)	473	-33.6%	(1,406)
Total Net Position – Bond Programs	\$ 623,086	\$ 38,137	6.5%	\$ 584,949	\$ 44,966	8.3%	\$ 539,983
Total Net Position							
Restricted by bond resolutions	\$ 623,934	\$ 38,052	6.5%	\$ 585,882	\$ 44,493	8.2%	\$ 541,389
Restricted by contractual or statutory agreements	561,820	(88,397)	-13.6%	650,217	70,196	12.1%	580,021
Unrestricted	1,046,582	198,733	23.4%	847,849	146,412	20.9%	701,437
Total Net Position	\$ 2,232,336	\$ 148,388	7.1%	\$ 2,083,948	\$ 261,101	14.3%	\$ 1,822,847

Due to rounding, numbers presented in the table of summarized financial information may not sum precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Discussion of Changes in Statements of Net Position

Reference is made to the comparative statements of net position at June 30, 2026, 2025 and 2024 and the year-over-year increases and decreases presented on the prior page and the consolidated Statements of Net Position and Supplemental Schedule 2, Combining Statements of Net Position.

Assets

Cash and Cash Equivalents

Cash and Cash Equivalents (in thousands)

	2026	2025	2024
Balance at June 30	\$ 1,116,506	\$ 1,007,402	\$ 1,017,761
\$ increase/(decrease) from prior period	109,104	(10,359)	
% increase/(decrease) from prior period	11%	-1%	

The increase in Cash and Cash Equivalents in FY 2026 was primarily due to the collections on loans, the issuance of bonds, and the receipt of proceeds from investment redemptions, partially offset by the purchase of new loans, the purchase of investments, and the redemption of bonds. The overall decrease in Cash and Cash Equivalents in FY 2025 was primarily due to the purchase of new loans, the purchase of investments, and the redemption of bonds, partially offset by the receipt of proceeds from investment redemptions, the collections on loans, the issuance of bonds, and the receipt of grants for which the related disbursements will be made in a future period.

Investments

Investments (in thousands)

	2026	2025	2024
Balance at June 30	\$ 1,776,189	\$ 1,597,338	\$ 1,365,817
\$ increase from prior period	178,851	231,521	
% increase from prior period	11%	17%	

The increase in Investments in FY 2026 and FY 2025 was primarily the result of the purchase of investments in the Single-Family Housing Revenue Bond (SFHRB) Program, the Housing Bond (HB) Program, and the WCF, partially offset by the redemption of investments in the same programs.

At June 30, 2026, 2025 and 2024, MBS with a fair value totaling approximately \$741 million, \$614 million and \$438 million, respectively, were held as investments in the WCF and Affiliates, the SFHRB Program and the Residential Mortgage Revenue Bond (RMRB) Program. At June 30, 2026, 2025, and 2024, the aggregate fair value of these investments was lower than their cost basis by approximately \$22 million, \$30 million, and \$42 million, respectively. These amounts were recorded to reflect the current value that is the result of a changing interest rate environment. In addition, certain MBS held in the WCF and Affiliates are pledged as security for the FHLB of Boston's "Helping to House New England" program loans. MBS are recorded as investments and are not expected to be sold prior to maturity. Because the Agency expects to hold these MBS to maturity, it does not expect to realize gains or losses from these investments; therefore only interest income is expected.

Loan Portfolios

Loan Portfolios

(in thousands)	2026	2025	2024
Balance at June 30	\$ 5,137,793	\$ 4,580,893	\$ 4,223,256
\$ increase from prior period	556,900	357,637	
% increase from prior period	12%	8%	

The net increase in the mortgage loan portfolios in FY 2026 was primarily the result of multifamily and single-family loan production and a decrease in the allowance for uncollectible accounts for multifamily loans, partially offset by loan collections. The net increase in the mortgage loan portfolios in FY 2025 was primarily the result of multifamily and single-family loan production, partially offset by loan collections and an increase in the allowance for uncollectible accounts for multifamily loans.

The following are key highlights of comparative loan related activities for the years ended June 30, 2026, 2025 and 2024:

Multifamily Loans

Multifamily Loans, net

(in thousands)	2026	2025	2024
Balance at June 30	\$ 3,275,200	\$ 2,973,490	\$ 2,874,785
\$ increase from prior period	301,710	98,705	
% increase from prior period	10%	3%	

The increase in the multifamily mortgage loan portfolio in FY 2026 was primarily the result of a combination of new lending activity and a decrease in the multifamily allowance for uncollectible accounts, partially offset by loan payoffs. The increase in the multifamily mortgage loan portfolio in FY 2025 was primarily the result of a combination of new lending activity, partially offset by loan payoffs and an increase in the multifamily allowance for uncollectible accounts.

Multifamily Loan Originations ¹

(in thousands)

Years ended June 30

	2026	2025	2024
Loans retained in Bond Resolutions or WCF	\$ 651,418	\$ 258,084	\$ 353,894
Loans securitized as MBS and sold to Investors ²	87,152	-	272,956
Loans sold to FFB ²	-	-	21,500
	\$ 738,570	\$ 258,084	\$ 648,350

¹ This table does not include originations for which neither the bonds nor the mortgage loans securing those bonds are in the Agency's financial statements. For more details see *Conduit Debt* disclosure in Note H - Bond and Note Indebtedness.

² The Agency retains the servicing rights on these loans and receives servicing fees, but the loans are not reflected on the Combined Statements of Net Position.

Mortgage loans and other receivable balances are reported net of allowances for uncollectible accounts. The evaluation of the multifamily loan portfolio takes into consideration the entire loan portfolio, primarily utilizing an impairment assessment model that employs the most recent or readily available net operating income data along with capitalization rates, property location, costs to sell, capital needs assessments and other data in assessing potential impairment to establish a

reserve that complies with GAAP, and therefore presents loans at their estimated net realizable value. In certain instances, independent appraisals and other pertinent data, such as loan repayment status or physical property status, is obtained to assist management's decision in determining the estimated fair value of the property which serves as collateral on the loan.

Multifamily Loan Loss Reserve

(in thousands)	2026	2025	2024
Balance at June 30	\$ 297,692	\$ 319,279	\$ 312,018
Multifamily loan balance, gross	3,572,892	3,292,769	3,186,803
Reserve/Loan percentage	8.33%	9.70%	9.79%
\$ reserve increase/(decrease) from prior period	(21,587)	7,261	
% reserve increase/(decrease) from prior period	-7%	2%	

The decrease in the multifamily allowance in FY 2026 primarily reflects improved credit conditions across the multifamily portfolio. The increase in the multifamily allowance in FY 2025 was mainly due to an increase in new subordinate debt on projects for which the current expectations are not supportive of full collection.

Single-Family Loans

Single-Family Loans, net

(in thousands)	2026	2025	2024
Balance at June 30	\$ 1,862,593	\$ 1,607,403	\$ 1,348,471
\$ increase from prior period	255,190	258,932	
% increase from prior period	16%	19%	

The increase in single-family loans in FY 2026 was primarily the result of an increase in loans purchased by the SFHRB Program, partially offset by loan payoffs and an increase in the single-family allowance for uncollectible accounts. The increase in single-family loans in FY 2025 was primarily the result of an increase in loans purchased by the SFHRB Program and a decrease in the single-family allowance for uncollectible accounts, partially offset by loan payoffs.

Single-family mortgage loans are reported net of allowances for uncollectible accounts. The evaluation of the single-family loan portfolio takes into consideration the frequency and severity of delinquencies in the portfolio, as well as related insurance coverage and risk shares.

Single-Family Loan Loss Reserve

(in thousands)	2026	2025	2024
Balance at June 30	\$ 6,283	\$ 4,935	\$ 5,319
Single-family loan balance, gross	1,868,839	1,612,493	1,354,059
Reserve/Loan percentage	0.34%	0.31%	0.39%
\$ reserve increase/(decrease) from prior period	1,348	(384)	
% reserve increase/(decrease) from prior period	27%	-7%	

The increase in the single-family loan reserve in FY 2026 was primarily due to an overall increase in the number of delinquencies and claim frequency. The decrease in the single-family loan reserve in FY 2025 was primarily due to a reduction in claim frequency and severity assumptions compared to those employed during the pandemic, as well as a reassessment of factors applied to the Down Payment Assistance (DPA) loans, offset by an overall increase in the number of delinquencies.

During each of the last three fiscal years, Home Ownership purchased single-family loans from participating lenders and originated single-family loans sourced through mortgage brokers. As part of efforts to carry out its mission to provide financing for affordable housing in Massachusetts, MassHousing developed a wholesale lending channel to expand its reach across the state with a particular focus on increasing its lending within Massachusetts Gateway Cities and to underserved communities. Loan purchases and originated loans are initially funded through the WCF. The WCF serves as a temporary funding source for Home Ownership lending activity, pending subsequent sale of the loans, or loans wrapped by MBS, either to outside investors or to one or more of MassHousing's bond programs. The table below summarizes the WCF activity for each of the years ended June 30, 2026, 2025 and 2024, including the purchases and origination of loans and the sales of the loans, or loans wrapped by MBS, to: FNMA, the SFHRB Program, the WCF, FHLMC, and other loan sales. There have been no sales of loans wrapped by MBS to the RMRB Program during these periods. MassHousing has retained the servicing rights for all loans sold or loans wrapped by MBS to FNMA, the SFHRB Program, the RMRB Program, FHLMC and others.

**Home Ownership Loan purchases, originations, sales and transfers
(in thousands)**

Years ended June 30	2026	2025	2024
Loans available for sale beginning balance	\$ 18,715	\$ 85,550	\$ 26,052
Loan purchases	542,537	635,728	419,914
Loan originations	13,870	17,697	8,731
MBS backed by loans or loans sold to FNMA	(18,087)	(23,227)	(13,053)
MBS backed by loans or loans sold to SFHRB Program	(453,513)	(595,016)	(220,828)
MBS backed by loans or loans sold to FHLMC	(11,312)	(93,751)	(124,595)
MBS backed by loans retained in the WCF	-	-	(7,303)
DPA and other loan sales retained in the WCF	(1,733)	(7,447)	(2,477)
Principal receipts	(797)	(819)	(891)
Loans available for sale ending balance	\$ 89,680	\$ 18,715	\$ 85,550

Home Ownership Servicing Portfolio

MassHousing's Mortgage Service Center (MSC), which was established in 1996 within Home Ownership, services the Home Ownership loan portfolio. This portfolio includes MassHousing's loans on the Statement of Net Position, as well as loans that are serviced for other entities. As of June 30, 2026, 2025 and 2024, the MSC serviced a portfolio with a principal balance of approximately \$4.6 billion, \$4.3 billion, and \$4.0 billion, respectively, for each of the three years, as detailed more fully in the table below:

**Home Ownership Servicing Portfolio
(in thousands)**

Years ended June 30	2026	2025	2024
Beginning Balance	\$ 4,342,598	\$ 3,955,906	\$ 3,747,773
New loans, including loans in which the servicing rights were purchased	564,054	659,707	431,145
Loans Paid in Full	(214,090)	(157,718)	(113,873)
Amortization and Curtailments	(121,542)	(111,924)	(106,906)
Foreclosures, Write-offs and Adjustments	(5,738)	(3,373)	(2,233)
Ending Balance	\$ 4,565,282	\$ 4,342,598	\$ 3,955,906

As of June 30, 2026, 2025 and 2024, the Agency's Home Ownership Program had payment arrearages on first mortgage loans of 30 days or more on 983 loans (5.12% of the loans in the home ownership servicing portfolio), 853 loans (4.58% of the loans in the home ownership servicing portfolio), and 817 loans (4.66% of the loans in the home ownership servicing portfolio), respectively. The outstanding mortgage loan balances for these loans at June 30, 2026, 2025 and 2024 totaled \$217.5 million (4.98% of the outstanding principal balance of the loans in home ownership servicing portfolio), \$180.6 million (4.32% of the outstanding principal balance of the loans in home ownership servicing portfolio), and \$165.5 million (4.32% of the outstanding principal balance of the loans in home ownership servicing portfolio), respectively.

Other Assets

Other Assets (in thousands)	2026	2025	2024
Balance at June 30	\$ 198,195	\$ 197,088	\$ 177,064
\$ increase from prior period	1,107	20,024	
% increase from prior period	1%	11%	

The Other Assets balance was consistent in FY 2026. The increase in Other Assets in FY 2025 was primarily due to an increase in the right of use asset for the Agency's office lease as a result of a lease amendment and extension, partially offset by a decrease in accounts receivable.

Liabilities

Debt Payable

MassHousing's total debt payable, which includes bonds, notes and other debt obligations, comprised approximately 86%, 86% and 85% of total liabilities at June 30, 2026, 2025 and 2024, respectively. All bonds and notes are either special obligations or general obligations of MassHousing. All bonds and notes that are special obligations of MassHousing are payable solely from and secured solely by a pledge of certain Revenues and Funds established under the specific resolution. All bonds that are general obligations of MassHousing are in the General Rental Development Bond (GRDB) Program and all notes that are general obligations of MassHousing are in the WCF and are secured by the full faith and credit of MassHousing and are payable out of any of its moneys or revenues, subject to lawful expenditures and to the provisions of any other resolutions or agreements now or hereafter pledging particular moneys or revenues to particular notes, bonds or other obligations of MassHousing. Funds generated from the sales of bonds and notes are primarily used to fund or purchase mortgages or MBS. Principal and interest payments received from such loans and MBS are used to fund the debt service (principal and interest payments) due on MassHousing's bonds and notes.

Total Debt (in thousands)	2026	2025	2024
Balance at June 30	\$ 5,826,619	\$ 5,175,433	\$ 4,813,010
\$ increase from prior period	651,186	362,423	
% increase from prior period	13%	8%	

The increase in total debt payable in FY 2026 and FY 2025 was mainly due to the issuance of bonds in the HB and SFHRB Programs, partially offset by the redemption of bonds in the HB and SFHRB

Programs, and note repayments in the Direct Purchase Construction Loan Notes (DPCLN) Program.

Bond and Note Activity

MassHousing issued and/or remarketed approximately \$1.2 billion, \$761 million and \$936 million of bond and note debt in FY 2026, FY 2025 and FY 2024, respectively, to fund multifamily and single-family loans. This activity is detailed more fully in the table below:

Debt Issuances and Remarketings (in thousands)

Years ended June 30	2026		2025		2024	
	<u>Total</u>	<u>Number of Series</u>	<u>Total</u>	<u>Number of Series</u>	<u>Total</u>	<u>Number of Series</u>
Program						
WCF DPCLN	\$ -	-	\$ 40,000	1	\$ -	-
GRDB	-	-	-	-	22,375	1
HB	586,045	9	183,515	3	541,205	7
SFHRB and Notes	573,360	11	537,405	11	372,675	11
Total Debt Issuances and Remarketings	\$ 1,159,405	20	\$ 760,920	15	\$ 936,255	19

Other Liabilities

Other Liabilities (in thousands)

	2026	2025	2024
Balance at June 30	\$ 179,310	\$ 128,938	\$ 149,939
\$ increase/(decrease) from prior period	50,372	(21,001)	
% increase/(decrease) from prior period	39%	-14%	

The increase in Other Liabilities in FY 2026 was primarily due to an increase in the liability for temporary in-transit investment purchases. The decrease in Other Liabilities in FY 2025 was primarily due to a decrease in the liability for temporary in-transit investment purchases, partially offset by an increase in the lease liability for the Agency's office lease as a result of a lease amendment and extension.

Total Net Position

Changes in Net Position

Total Net Position (in thousands)

	2026	2025	2024
Balance at June 30	\$ 2,232,336	\$ 2,083,948	\$ 1,822,847
\$ increase from prior period	148,388	261,101	
% increase from prior period	7%	14%	

Restricted net position is the portion of net position on which constraints have been placed that are either (1) externally imposed by creditors, grantors, laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation. These are presented as restricted net position on the combined Statements of Net Position. MassHousing management designates a portion of unrestricted net position balances for specific purposes that further MassHousing's mission. MassHousing Board members (Members) may also choose to remove or modify such designations at any time.

WCF and Affiliates

Total WCF Net Position (in thousands)

	2026	2025	2024
Balance at June 30	\$ 1,609,250	\$ 1,498,999	\$ 1,282,864
\$ increase from prior period	110,251	216,135	
% increase from prior period	7%	17%	

The increase in total net position of the WCF and Affiliates in FY 2026 was primarily the result of three factors: operating income of \$50.1 million, noncapital subsidies of \$34.2 million, and other nonoperating net revenues of \$26.0 million. The increase in total net position of the WCF and Affiliates in FY 2025 was primarily the result of three factors: operating income of \$25.2 million, noncapital subsidies of \$160.5 million, and other nonoperating net revenues of \$30.4 million.

WCF Net Position Restricted by Contractual or Statutory Agreements (in thousands)

	2026	2025	2024
Balance at June 30	\$ 561,820	\$ 650,217	\$ 580,021
\$ increase/(decrease) from prior period	(88,397)	70,196	
% increase/(decrease) from prior period	-14%	12%	

The following table presents the restricted net position on which constraints have been externally imposed by creditors, grantors and laws or regulations on the WCF at June 30, 2026, 2025 and 2024, respectively, and the amount of those restrictions (in thousands).

<u>WCF and Affiliates Restricted Net Position</u>	<u>2026</u>	<u>2025</u>	<u>2024</u>
Minimum net position covenants	\$ 150,000	\$ 150,000	\$ 200,000
MassHousing Mortgage Insurance Funds (MIF)	149,487	142,914	132,016
CommonWealth Builder Program ³	53,705	79,694	10,412
Equitable Developers Fund ³	40,113	49,299	48,412
Momentum Fund ³	37,797	31,000	-
Massachusetts Community Climate Bank Fund (MCCB) ³	32,615	49,688	50,826
Work Force Housing ³	24,290	58,114	58,948
Capital Magnet Funds ³	23,734	33,447	26,465
FHLB of Boston Collateral (Helping to House New England)	20,874	22,520	24,093
Neighborhood Stabilization Program ³	20,342	22,677	18,361
Gateway Housing Rehabilitation Program ³	5,074	4,954	2,744
Single family co-insurance	-	3,796	3,796
Other Grant Programs ³	3,595	1,516	1,561
Restricted by Note Resolutions	194	598	2,387
Total WCF and Affiliates Restricted Net Position	\$ 561,820	\$ 650,217	\$ 580,021

³ The cash and grants receivable for these grant programs are included in Restricted Assets while the remaining net assets are included in Designated Assets.

WCF Unrestricted Net Position (in thousands)

	2026	2025	2024
Balance at June 30	\$ 1,047,430	\$ 848,782	\$ 702,843
\$ increase from prior period	198,648	145,939	
% increase from prior period	23%	21%	

The following table presents the WCF's unrestricted net position at June 30, 2026, 2025 and 2024, respectively, which has been designated by vote of MassHousing Members for specified purposes that further the Agency's mission, and the amount of those designations (in thousands):

<u>WCF and Affiliates Unrestricted Designations Net Position</u>	<u>2026</u>	<u>2025</u>	<u>2024</u>
Opportunity Fund (including loans receivable)	\$ 414,739	\$ 350,698	\$ 309,995
Funding for loan purchases, advances and unrestricted net position requirements	363,703	338,499	347,469
Grant Programs & Mission-Related Net Assets ⁴	169,522	61,469	-
Lease Commitments	84,766	84,687	26,668
MassHousing Down Payment Assistance	7,956	6,876	-
Funding of the Tenancy Preservation Program	2,845	2,845	726
Equity of Affiliates Center for Community Recovery Innovations (CCRI) and Property Acquisition and Disposition Corporation	2,222	1,881	2,064
Funding of the CCRI	700	700	700
Other various housing stability programs	502	652	365
Funding for the Summer Youth Employment Program	475	475	856
Funding of the Construction Security Fund	-	-	14,000
Total WCF and Affiliates Unrestricted Designations of Net Position	\$ 1,047,430	\$ 848,782	\$ 702,843

⁴ The cash and grants receivable for these grant programs are included in Restricted Assets while the remaining net assets are included in Designated Assets.

Bond-Funded Programs

Total Bond Program Restricted Net Position

(in thousands)	2026	2025	2024
Balance at June 30	\$ 623,934	\$ 585,882	\$ 541,389
\$ increase from prior period	38,052	44,493	
% increase from prior period	6%	8%	

The RMRB had a net position deficit of \$848 thousand and \$933 thousand at June 30, 2026 and 2025, respectively, which is not included in the Bond Program Net Position above but is reflected as a reduction of unrestricted net position on the Statement of Net Position.

The increase in the net position of the bond-funded programs for FY 2026 was primarily the result of three factors: operating income of \$182.7 million, partially offset by interfund transfers of \$10.4 million and other net nonoperating expenses of \$134.2 million. The increase in the net position of the bond-funded programs for FY 2025 was primarily the result of three factors: operating income of \$171.8 million, partially offset by interfund transfers of \$17.6 million and other nonoperating net expenses of \$109.2 million.

Capital Asset and Long Term-Financing Activities

Significant capital asset and long-term financing activity includes the execution of the new lease, as discussed in "Other Assets" above. Refer also to Note I and J in the notes to the financial statements. The Agency's long term-financing activities also include the activity in the bond programs, as discussed above.

Summarized Financial Information – Statement of Revenues, Expenses, and Changes in Net Position (in thousands)

The tables below represent summarized comparative statements of revenues, expenses, and changes in net position for the fiscal years ended June 30:

	Change from FY 2025			Change from FY 2024			
	Fiscal 2026	\$	%	Fiscal 2025	\$	%	Fiscal 2024
Operating Revenues – WCF and Affiliates							
Interest income on loans	\$ 22,699	\$ (2,898)	-11.3%	\$ 25,597	\$ 4,368	20.6%	\$ 21,229
Fee income	86,116	5,535	6.9%	80,581	(1,120)	-1.4%	81,701
Other income	6,951	(4,579)	-39.7%	11,530	(1,790)	-13.4%	13,320
Total Operating Revenues - WCF and Affiliates	\$ 115,766	\$ (1,942)	-1.6%	\$ 117,708	\$ 1,458	1.3%	\$ 116,250
Operating Revenues – Bond Programs							
Interest income on loans	\$ 195,532	\$ 21,414	12.3%	\$ 174,118	\$ 23,864	15.9%	\$ 150,254
Fee income	1,009	294	41.1%	715	(1,226)	-63.2%	1,941
Other income	904	13	1.5%	891	325	57.4%	566
Total Operating Revenues - Bond Programs	\$ 197,445	\$ 21,721	12.4%	\$ 175,724	\$ 22,963	15.0%	\$ 152,761
Total Operating Revenues	\$ 313,211	\$ 19,779	6.7%	\$ 293,432	\$ 24,421	9.1%	\$ 269,011
Operating Expenses – WCF and Affiliates							
Administrative expenses	\$ 97,940	\$ 8,001	8.9%	\$ 89,939	\$ 13,855	18.2%	\$ 76,084
Other expenses	825	97	13.3%	728	181	33.1%	547
Operating Expenses - WCF and Affiliates	\$ 98,765	\$ 8,098	8.9%	\$ 90,667	\$ 14,036	18.3%	\$ 76,631
Operating Expenses – Bond Programs							
Administrative expenses	\$ 772	\$ (551)	-41.6%	\$ 1,323	\$ 895	209.1%	\$ 428
Other expenses (other expense recoveries)	396	211	114.1%	185	200	1333.3%	(15)
Operating Expenses - Bond Programs	\$ 1,168	\$ (340)	-22.5%	\$ 1,508	\$ 1,095	265.1%	\$ 413
Provision for (reduction to provision for) loan loss reserves	\$ (19,495)	\$ (23,737)	-559.6%	\$ 4,242	\$ (20,232)	-82.7%	\$ 24,474
Total Operating Expenses	\$ 80,438	\$ (15,979)	-16.6%	\$ 96,417	\$ (5,101)	-5.0%	\$ 101,518
Operating Income	\$ 232,773	\$ 35,758	18.1%	\$ 197,015	\$ 29,522	17.6%	\$ 167,493

Due to rounding, numbers presented in the table of summarized financial information may not sum precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Summarized Financial Information (Continued) – Statement of Revenues, Expenses, and Changes in Net Position (in thousands)

	Fiscal 2026	Change from FY 2025		Fiscal 2025	Change from FY 2024		Fiscal 2024
		\$	%		\$	%	
Noncapital subsidies - WCF and Affiliates							
Grant income	\$ 85,635	\$ (113,183)	-56.9%	\$ 198,818	\$ (12,010)	-5.7%	\$ 210,828
Grant expenses	(61,835)	(5,935)	10.6%	(55,900)	5,921	-9.6%	(61,821)
Total noncapital subsidies - WCF and Affiliates	\$ 23,800	\$ (119,118)	-83.3%	\$ 142,918	\$ (6,089)	-4.1%	\$ 149,007
Total operating income and noncapital subsidies	\$ 256,573	\$ (83,360)	-24.5%	\$ 339,933	\$ 23,433	7.4%	\$ 316,500
Other nonoperating revenues (expenses) – WCF and Affiliates							
Investment earnings							
Interest income on investments	\$ 30,173	\$ 1,143	3.9%	\$ 29,030	\$ 1,824	6.7%	\$ 27,206
Net increase (decrease) in fair value of investments	(1,062)	(8,541)	-114.2%	7,479	(3,269)	-30.4%	10,748
Nonoperating other income (expenses)	7	(27)	-79.4%	34	10	41.7%	24
Interest on bonds and notes, net of discount/premium	(2,797)	2,989	-51.7%	(5,786)	1,209	-17.3%	(6,995)
Financing costs	(302)	65	-17.7%	(367)	(233)	173.9%	(134)
Total other nonoperating revenues (expenses) – WCF and Affiliates	\$ 26,019	\$ (4,371)	-14.4%	\$ 30,390	\$ (459)	-1.5%	\$ 30,849
Other nonoperating revenues (expenses) – Bond Programs							
Investment earnings							
Interest income on investments	\$ 82,080	\$ 4,677	6.0%	\$ 77,403	\$ 7,697	11.0%	\$ 69,706
Net increase (decrease) in fair value of investments	7,166	(2,160)	-23.2%	9,326	12,392	404.2%	(3,066)
Interest on bonds and notes, net of discount/premium	(210,366)	(24,407)	13.1%	(185,959)	(31,972)	20.8%	(153,987)
Financing costs	(12,531)	(2,963)	31.0%	(9,568)	981	-9.3%	(10,549)
Nonoperating other expenses	(553)	(129)	30.4%	(424)	(207)	95.4%	(217)
Total other nonoperating revenues (expenses) – Bond Programs	\$ (134,204)	\$ (24,982)	22.9%	\$ (109,222)	\$ (11,109)	11.3%	\$ (98,113)
Total other nonoperating revenues (expenses)	\$ (108,185)	\$ (29,353)	37.2%	\$ (78,832)	\$ (11,568)	17.2%	\$ (67,264)
Increase in fund net position	\$ 148,388	\$ (112,713)	-43.2%	\$ 261,101	\$ 11,865	4.8%	\$ 249,236
Net position at the beginning of the fiscal year	\$ 2,083,948	\$ 261,101	14.3%	\$ 1,822,847	\$ 249,236	15.8%	\$ 1,573,611
Net position at the end of the fiscal year	\$ 2,232,336	\$ 148,388	7.1%	\$ 2,083,948	\$ 261,101	14.3%	\$ 1,822,847

Due to rounding, numbers presented in the table of summarized financial information may not sum precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Discussion of Changes in Net Position

Reference is made to the Statements of Revenues, Expenses, and Changes in Net Position for FY 2026, FY 2025, and FY 2024, and the year-over-year increases and decreases presented on the prior pages. Changes in net position are the result of several major items that positively or negatively affected Net Position as described below:

Operating Revenues

Interest Income on Loans

Interest Income on Loans for FY 2026, as compared to FY 2025, increased primarily due to the increase in the Loans Receivable in the multifamily and single-family programs. Interest Income on Loans for FY 2025, as compared to FY 2024, increased primarily due to the increase in the Loans Receivable in the single-family program and an increase in interest rates on newer loans, which increases the overall portfolio rate.

Fee Income

Fee Income includes fees received from loan originations, securitization premiums, loan servicing fees, insurance premiums, and Section 8 administrative fees received from HUD, including administrative fees that are paid by HUD to MassHousing in consideration for serving as HUD's contract administrator with respect to the Performance-Based Contract Administration (PBCA) program contract.

Fee Income for FY 2026, as compared to FY 2025, increased primarily due to increases in financing fees and administrative fees, partially offset by a decrease in premiums received. Fee Income for FY 2025, as compared to FY 2024, decreased slightly primarily due to decreases in premiums received on multifamily secondary marketing sales, financing fees, and administrative fees received on certain programs, partially offset by increases in Section 8 administrative fees.

As noted above, MassHousing receives fee income in consideration for serving as HUD's contract administrator with respect to the project-based Section 8 subsidy program in the Commonwealth. Starting in 2011, HUD sought to achieve cost savings in the PBCA program and initiated the first of several processes for re-bidding PBCA administration in multiple states. Each such process has been withdrawn or overturned following legal challenges. The Annual Contributions Contract (ACC) relative to the PBCA program has been extended several times with the previous extension ending on July 31, 2026. On July 7, 2026, HUD gave notice of its election to extend the ACC, subject to the availability of sufficient appropriations, for the second additional extension term, which began on August 1, 2026, and will end on January 31, 2027.

Other Income

Other Income primarily includes insurance claim receipts on foreclosed properties, reinsurance receipts received by MIF on insurance claims paid, recoveries on multifamily loans previously charged off, fees for administering certain contracts and various other operating income items. Other income for FY 2026, as compared to FY 2025, decreased, primarily due to a decrease in fees received for administering certain contracts. Other income for FY 2025, as compared to FY 2024, decreased slightly, primarily due to a decrease in the recovery of previously written off loans.

Operating Expenses

Administrative Expenses

Administrative Expenses for FY 2026, as compared to FY 2025, increased primarily due to an increase in lease interest expense as more fully described in Note J, servicing rights amortization, and mortgage origination expenses, partially offset by decreases in MIF single premium fundings and other post employment benefits (OPEB) expenses. Administrative Expenses for FY 2025, as compared to FY 2024, increased primarily due to an increase in payroll and payroll-related expenses, pension expenses, servicing rights amortization, and mortgage origination expenses, partially offset by a decrease in rent expense, as more fully described in Note J, and a decrease in OPEB expenses.

Provision for Loan Loss Reserves

The Provision for Loan Loss Reserves for FY 2026, as compared to FY 2025, decreased primarily due to improved credit conditions across the multifamily portfolio. The Provision for Loan Loss Reserves for FY 2025, as compared to FY 2024, decreased primarily due to a decrease in new reserves on subordinate loans and an overall improving performance on first mortgages and existing subordinate loans.

Noncapital Subsidies

Net Grant Activity

In accordance with MassHousing's grant policy, MassHousing recognizes Grant Income based on the satisfaction of timing and eligibility requirements as required in the relevant accounting standards. Outgoing awards are made in the form of repayable or forgivable loans or grants, per the individual grant program guidelines. Grant awards are expensed as they meet the eligibility requirements. Repayable and forgivable loans are included in Loans Receivable and are reported net of allowance, as described more fully in Note B, Summary of Significant Accounting Policies. Grant income may be recognized in a different accounting period than the grant expense. As a result, grant expenses may exceed grant income in some years.

The following table presents grant receipts recorded as Grant Income, net of grant disbursements recorded as Grant Expense (which excludes funds used for loans), for FY 2026, FY 2025 and FY 2024 (in thousands):

Net Grant Activity (Income and Expenses)			
Years ended June 30	2026	2025	2024
Home Ownership DPA Financing Assistance	\$ 25,000	\$ -	\$ -
Massachusetts Residential Production Momentum Fund (Momentum Fund)	7,310	29,730	-
Home Ownership Financing Assistance (HOFA)	5,000	-	-
American Rescue Plan Act (ARPA) - Workforce Housing (WFH)	667	17,077	58,948
Equitable Developers Fund (EDF)	(362)	(604)	48,100
Massachusetts Community Climate Bank Fund (MCCB)	(3,329)	(2,497)	48,706
CommonWealth Builder Program (CWB)	(12,442)	83,759	(11,549)
Capital Magnet Funds (CMF)	-	8,550	11,400
Homeowner Assistance Fund Program (HAF)	-	-	(9,439)
Other Grant Activity	1,957	6,903	2,841
Net Grant Activity	\$ 23,800	\$ 142,918	\$ 149,007

Net grant activity for FY 2026, as compared to FY 2025, decreased as a result of a decrease in grant income, and an increase in grant expenditures as grant programs progressed further into their life cycle. Net grant activity for FY 2025, as compared to FY 2024, increased as a result of an increase in grant income as new programs were introduced, and fewer grant expenditures pending full implementation of new grant requirements.

Other Nonoperating Revenues (Expenses)

Investment Earnings

Investment Earnings consist of interest income and increases or decreases in the fair value of investments. Investment Earnings for FY 2026 decreased, as compared to FY 2025, primarily due to decreases in the Fair Market Value of Investments gain and investment discount amortization, partially offset by an increase in the Interest Income on investments as a result of an increase in the total investment balance. Investment Earnings for FY 2025 increased, as compared to FY 2024, primarily due to an increase in Interest Income on Investments as a result of rising interest rates, an increase in the total investment balance, and an increase in the Fair Market Value of Investments gain.

Interest Expense on Bonds and Notes, net of premium/discount

Interest Expense on Bonds and Notes, net of premium/discount, for FY 2026 and FY 2025, as compared to the corresponding prior fiscal years, increased due to the issuance of new bonds in excess of the redemption of bonds, an increase in interest rates on variable rate bonds and an increase in the fixed rates the Agency was able to obtain in the current market.

Legislative Developments

From time to time, bills may be introduced in the Commonwealth's legislature that could affect government operations generally or seek to impose financial and other obligations on MassHousing, including requiring the transfer of funds or assets from MassHousing to the Commonwealth or other Commonwealth agencies. Furthermore, measures and legislation may be considered by the federal government, or the Commonwealth legislature, which measures could affect MassHousing's programs. While some of these measures may benefit the programs, no assurance can be given that the programs will not be adversely affected by such measures. In addition, the United States Congress or the Commonwealth legislature could enact legislation that would adversely affect the timing and amount of MassHousing's recoveries from mortgage loans and thereby adversely affect the availability of amounts for the payment of debt service on obligations. MassHousing cannot predict whether any such legislation will be enacted or, if it were enacted, what effect it would have on the revenues received by MassHousing from mortgage loans. There can be no assurance that any such legislation will not be enacted or that such legislation, if enacted, will not have an adverse impact on the operations of MassHousing, its financial condition, or any of its contractual obligations.

On August 6, 2024, the Governor of the Commonwealth signed into law The Affordable Homes Act, Chapter 150 of the Acts of 2024 (the Act). The Act authorizes over \$5.1 billion in capital funding for a wide range of housing policies and programs, including over \$1.3 billion in housing programs that MassHousing administers, or may administer in the future. Actual capital funding available for the various programs is determined by the Commonwealth in its Capital Investment Plan. The Act also increased the aggregate principal amount of bonds and notes that MassHousing may have outstanding at any given time from \$4.9 billion to \$10.8 billion.

COMBINED STATEMENTS OF NET POSITION

June 30, 2026 and 2025

In thousands

	June 30, 2026	June 30, 2025
Assets		
Current assets		
Cash and cash equivalents (Note C)	\$ 1,116,506	\$ 1,007,402
Investments (Note C)	526,928	417,967
Interest and fees receivable on construction and mortgage loans, net (Note D)	17,027	17,745
Current portion of loans receivable, net (Note D)	414,062	194,329
Other assets (Note F)	56,388	52,952
Total current assets	2,130,911	1,690,395
Noncurrent assets		
Investments (Note C)	1,249,261	1,179,371
Noncurrent portion of loans receivable, net (Notes D & E)	4,723,731	4,386,564
Escrowed funds (Note G)	732,263	668,223
Hedging derivative instruments (Note K)	6,240	4,133
Other derivative instruments (Note K)	2,684	2,474
Net OPEB asset (Note O)	9,243	4,384
Net Pension asset (Note O)	8,099	-
Other assets (Note F)	141,807	144,136
Total noncurrent assets	6,873,328	6,389,285
Total assets	9,004,239	8,079,680
Deferred outflow of resources		
Pension and OPEB (Note O)	9,097	17,938
Hedging derivative instruments (Note K)	497	612
Total deferred outflow of resources	9,594	18,550
Total assets and deferred outflow of resources	\$ 9,013,833	\$ 8,098,230
Liabilities		
Current liabilities		
Current portion of long term debt, net (Note H)	\$ 166,059	\$ 236,039
Obligation line of credit (Note H)	-	15,000
Accrued interest payable	19,727	18,025
Other liabilities (Note F)	73,102	18,371
Hedging derivative instruments (Note K)	-	5
Total current liabilities	258,888	287,440
Noncurrent liabilities		
Noncurrent portion of long term debt, net (Note H)	5,644,197	4,908,031
Long term-loan (Note H)	16,363	16,363
Net Pension liability (Note O)	-	5,820
Other liabilities (Note F)	106,208	110,567
Escrowed funds payable (Note G)	732,263	668,223
Hedging derivative instruments (Note K)	497	607
Other derivative instruments (Note K)	18	1,474
Total noncurrent liabilities	6,499,546	5,711,085
Total liabilities	6,758,434	5,998,525
Deferred inflow of resources		
Pension and OPEB (Note O)	16,234	10,875
Hedging derivative instruments (Note K)	6,240	4,133
Sublease (Note J)	589	749
Total deferred inflow of resources	23,063	15,757
Total liabilities and deferred inflow of resources	6,781,497	6,014,282
Commitments and contingencies (Note Q)		
Net position (Notes A & M)		
Restricted by bond resolutions	623,934	585,882
Restricted by contractual or statutory agreements	561,820	650,217
Unrestricted	1,046,582	847,849
Total net position	\$ 2,232,336	\$ 2,083,948

**COMBINED STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION**

For the years ended: June 30, 2026 and 2025

In thousands	Fiscal Year Ended	
	June 30, 2026	June 30, 2025
Operating revenues		
Interest income on loans (Notes B & D)	\$ 218,231	\$ 199,715
Fee income (Note B)	87,125	81,296
Other income (Note B)	7,855	12,421
Total operating revenues	313,211	293,432
Operating expenses		
Administrative expenses	98,712	91,262
Other expenses (Note B)	1,221	913
Total operating expenses, before provision for (reduction to provision for) loan loss reserves	99,933	92,175
Provision for (reduction to provision for) loan loss reserves		
Provision for (reduction to provision for) loan loss reserves (Notes B & D)	(19,495)	4,242
Total provision for (reduction to provision for) loan loss reserves	(19,495)	4,242
Total operating expenses	80,438	96,417
Operating income	232,773	197,015
Noncapital subsidies		
Grant income (Note B)	85,635	198,818
Grant expenses (Note B)	(61,835)	(55,900)
Total noncapital subsidies	23,800	142,918
Total operating income and noncapital subsidies	256,573	339,933
Other nonoperating revenues (expenses)		
Investment earnings (Notes B & C)		
Interest income on investments	112,253	106,433
Net increase (decrease) in fair value of investments	6,104	16,805
Nonoperating other income (Note B)	1	1
Interest on bonds and notes, net of discount/premium (Notes B & H)	(213,163)	(191,745)
Financing costs	(12,833)	(9,935)
Nonoperating other expenses (Note B)	(547)	(391)
Total other nonoperating revenues (expenses)	(108,185)	(78,832)
Increase in fund net position	148,388	261,101
Net position at the beginning of the year	2,083,948	1,822,847
Net position at the end of the year	\$ 2,232,336	\$ 2,083,948

COMBINED STATEMENTS OF CASH FLOWS

For the years ended: June 30, 2026 and 2025

In thousands	Fiscal Year Ended	
	June 30, 2026	June 30, 2025
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash flows from operating activities:		
Collections on mortgage loans, construction loan repayments and loan sales	\$ 1,163,066	\$ 1,223,359
Loan advances to borrowers	(1,513,335)	(1,401,276)
Interest collections on construction loans	16,059	14,717
Fees collected	86,988	81,493
Cash payments to employees for services	(50,952)	(46,602)
Cash payments to other suppliers of goods and services	(37,761)	(37,967)
Grants received	92,125	228,818
Grants disbursed	(48,406)	(57,038)
Other receipts (disbursements)	(7,038)	10,675
Net cash provided by (used for) operating activities	(299,254)	16,179
Cash flows from noncapital financing activities:		
Sale of bonds and notes and draw down on line of credit	1,136,577	778,987
Bond issuance / redemption costs	(15,043)	(8,758)
Retirement of bonds and notes and pay down on line of credit	(478,806)	(410,428)
Interest on bonds and notes	(219,978)	(195,741)
Nonoperating other expenses	(384)	(4,245)
Net cash provided by non-capital financing activities	422,366	159,815
Cash flows from capital financing activities:		
Lease Payments	(5,004)	(4,927)
Sub-Lease Receipts	168	574
Net cash (used for) capital financing activities	(4,836)	(4,353)
Cash flows from investing activities:		
Purchase of investments	(984,914)	(1,318,395)
Proceeds from sales of investments	871,496	1,039,558
Investment earnings	104,246	96,837
Net cash (used for) investing activities	(9,172)	(182,000)
Net increase (decrease) in cash and cash equivalents	109,104	(10,359)
Cash and cash equivalents at the beginning of the year	1,007,402	1,017,761
Cash and cash equivalents at end of the year	\$ 1,116,506	\$ 1,007,402

COMBINED STATEMENTS OF CASH FLOWS (continued)

For the years ended: June 30, 2026 and 2025

In thousands	Fiscal Year Ended	
	June 30, 2026	June 30, 2025
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating income	\$ 232,773	\$ 197,015
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:		
Depreciation and amortization	9,164	9,361
Provision for (reduction to provision for) loan loss reserves	(19,495)	4,242
Recognition of fee income	(2,123)	(2,511)
Grant income	89,023	228,818
Grant expenses	(48,157)	(57,038)
Changes in assets and liabilities		
Increase in loans receivable	(550,398)	(360,805)
Decrease (increase) in interest and fees receivable on loans	719	(2,371)
Increase in other operating assets and other operating receivables	(83,273)	(22,958)
Increase in operating accounts payable and other operating liabilities	72,513	22,426
Total adjustments	(532,027)	(180,836)
Net cash provided by (used for) operating activities	\$ (299,254)	\$ 16,179

STATEMENTS OF FIDUCIARY NET POSITION

In thousands	Massachusetts Housing Finance Agency OPEB Trust		Massachusetts Housing Finance Agency Employees' Retirement System		Total Fiduciary Funds	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Assets						
Cash and cash equivalents	\$ 624	\$ 400	\$ 6,942	\$ 7,772	\$ 7,566	\$ 8,172
Investments	61,079	53,647	275,502	250,046	336,581	303,693
Other assets	39	44	1,150	4,380	1,189	4,424
Total assets	61,742	54,091	283,594	262,198	345,336	316,289
Liabilities						
Accounts Payable	988	891	467	4,081	1,455	4,972
Due to MassHousing	-	-	242	221	242	221
Total liabilities	988	891	709	4,302	1,697	5,193
Fiduciary net position						
Restricted for postemployment benefits	60,754	53,200	282,885	257,896	343,639	311,096
Total fiduciary net position	\$ 60,754	\$ 53,200	\$ 282,885	\$ 257,896	\$ 343,639	\$ 311,096

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

In thousands	Massachusetts Housing Finance Agency OPEB Trust		Massachusetts Housing Finance Agency Employees' Retirement System		Total Fiduciary Funds	
	Fiscal Year Ended December 31, 2025	December 31, 2024	Fiscal Year Ended December 31, 2025	December 31, 2024	Fiscal Year Ended December 31, 2025	December 31, 2024
Additions						
Contributions						
Employer contributions	\$ 1,344	\$ 1,419	\$ 4,999	\$ 4,784	\$ 6,343	\$ 6,203
Plan members contributions	-	-	5,180	4,517	5,180	4,517
Reimbursements and transfers from other systems	-	-	849	1,127	849	1,127
Total contributions	1,344	1,419	11,028	10,428	12,372	11,847
Net investment earnings:						
Interest and dividend income	415	399	4,737	4,438	5,152	4,837
Net increase in fair value	8,011	4,903	24,770	16,124	32,781	21,027
Less: investment expense	(163)	(165)	(1,692)	(1,541)	(1,855)	(1,706)
Total net investment earnings	8,263	5,137	27,815	19,021	36,078	24,158
Total additions	9,607	6,556	38,843	29,449	48,450	36,005
Deductions						
Benefits and refunds	1,994	1,822	12,972	12,312	14,966	14,134
Reimbursements and transfers to other systems	-	-	322	326	322	326
Administrative expenses	59	43	560	529	619	572
Total deductions	2,053	1,865	13,854	13,167	15,907	15,032
Net increase in fiduciary net position	7,554	4,691	24,989	16,282	32,543	20,973
Fiduciary net position restricted for postemployment benefits						
Fiduciary net position restricted for postemployment benefits at the beginning of the fiscal year	53,200	48,509	257,896	241,614	311,096	290,123
Fiduciary net position restricted for postemployment benefits at the end of the fiscal year	\$ 60,754	\$ 53,200	\$ 282,885	\$ 257,896	\$ 343,639	\$ 311,096

Note A. Authorizing Legislation, Programs and Affiliates of the Massachusetts Housing Finance Agency (MassHousing or the Agency) and Recent Events

MassHousing is a self-supporting, independent authority created by Chapter 708 of the Acts of 1966 of the Commonwealth of Massachusetts (Commonwealth), as amended (the Act). The Agency's statutory mission is to finance affordable home mortgage loans for low- and moderate- income homebuyers and to finance the construction and preservation of affordable rental housing in the Commonwealth. MassHousing does not use taxpayer dollars to support its operations. Generally, MassHousing funds its loan programs through the sale of bonds and notes to investors and through participation in government entity and Government Sponsored Enterprise (GSE) Programs.

MassHousing commenced operations in December 1968. The Act was amended in 1982 to place the then existing Massachusetts Home Mortgage Finance Agency under the direction of the Agency's Members and Executive Director.

MassHousing is authorized to make or purchase loans to increase the supply of both multifamily, residential rental housing and owner-occupied, single-family housing in the Commonwealth. The Massachusetts Legislature has authorized MassHousing to issue bonds and notes up to an aggregate outstanding debt limit of \$10.8 billion for financing both multifamily and single-family loans. Bonds and notes issued by the Agency are not obligations of the Commonwealth or any political subdivision thereof.

Working Capital Fund (WCF) and Affiliates

A potential component unit of a primary government must meet several conditions in order for it to qualify as a "component unit" as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, "The Reporting Entity" (GASB 14) (as amended by GASB Statement No. 61).

The Agency's affiliates set forth below are: (1) blended component units of MassHousing or (2) units that are part of the primary government, MassHousing.

Listed below is a summary of MassHousing's major programs and affiliates:

(1) Working Capital Fund (WCF) and Affiliates

The WCF is MassHousing's general operating fund. The WCF derives its revenues primarily from interest, grant receipts, and fee income. Expenses include payroll, rent, grant disbursements, and other related administrative expenses. The Agency's affiliates are listed below. Summarized Financial Information of the WCF and Affiliates is presented in Note N, "Summarized Financial Information of the WCF and Affiliates".

MassHousing Mortgage Insurance Fund (MIF)

MIF does not have a separate legal standing from MassHousing, thus it is not a component unit as defined by GASB 14, as amended. MIF is part of MassHousing and is included in MassHousing's financial statements as a part of the Agency. MIF was established within the WCF to provide an additional source of primary mortgage insurance for certain borrowers. MIF is the primary insurer for single-family loans serviced by MassHousing and is also an insurer approved by the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA). MIF and its operations are more fully described in Note Q; "Commitments and Contingencies."

Summarized financial information is presented in Note N, “Summarized Financial Information of the WCF and Affiliates.” MIF is included in a separate account within the WCF, and its net position is included in Restricted Net Position on the combining Statements of Net Position.

Massachusetts Housing Finance Agency Property Acquisition and Disposition Corporation (PADCO)

PADCO is an incorporated 501(c)(3) entity that has separate legal standing from MassHousing. The Agency’s Members and Chief Executive Officer comprise PADCO’s Board of Directors and President, respectively, and Agency staff serve as officers. PADCO is a component unit of MassHousing, as defined by GASB 14, and its financial data is blended with the Agency’s financial statements. PADCO’s purpose is to take title, hold, manage and sell properties with respect to both the Agency’s homeownership and rental portfolio, including collateral held as a result of defaults, foreclosures, settlements or restructuring. When necessary, PADCO may establish separate limited liability companies to acquire, own, manage and sell properties acquired through foreclosure, settlement or restructuring of the related homeownership or multifamily loans. One such PADCO subsidiary, PADCO Realty Holding I LLC, currently exists. Reference is made to Note B “Summary of Significant Accounting Policies” for PADCO’s significant accounting policies. Summarized financial information is presented in Note N. PADCO’s net position is included in Unrestricted (Designated) Net Position on the combining Statements of Net Position.

Center for Community Recovery Innovations, Inc. (CCRI)

CCRI is an incorporated 501(c)(3) entity that has separate legal standing from MassHousing. The Agency’s Members and Chief Executive Officer comprise CCRI’s Board of Directors and President, respectively, and Agency staff serve as officers. CCRI is a component unit of MassHousing, as defined by GASB 14, and its financial data is blended with the Agency’s financial statements. MassHousing formed CCRI to study and develop creative strategies for dealing with issues of drug and alcohol addiction in housing communities. CCRI has been funded with contributions from MassHousing since fiscal year 1995. Summarized financial information is presented in Note N. Reference is also made to Notes M “Net Position” and Q “Commitments and Contingencies” for current and future MassHousing commitments to CCRI. CCRI’s net position is included in Unrestricted (Designated) Net Position on the combining Statements of Net Position.

(2) Multifamily Bond Programs

MassHousing issues bonds to finance multifamily rental housing under several separate bond resolutions. Each general and series specific bond resolution requires that certain funds and accounts be established and maintained for that respective bond program. The following multifamily development bond programs were active in the fiscal years ended June 30, 2026 (FY 2026) and June 30, 2025 (FY 2025).

(a) General Rental Development Bond Program

The General Rental Development Bond (GRDB) Program was established to provide permanent financing for several multifamily residential developments, each of which may be secured on a series-by-series basis.

(b) Multi-Family Housing Bond Program

The Multi-Family Housing Bond (MFHB) Program was established to provide permanent financing for certain multifamily residential developments selected by MassHousing. In October 2009, the U.S. Department of the Treasury (the Treasury), the Federal Housing Finance Agency, FNMA and FHLMC (and collectively with FNMA, the GSEs), announced availability of the Federal New Issue Bond Program (the Federal NIBP), under authority of the Housing and Economic Recovery Act of 2008.

Pursuant to the Federal NIBP, the GSEs purchased bonds from housing finance agencies and packaged them into GSE guaranteed securities for delivery to and purchase by the Treasury. The housing finance agency bonds are issued to finance multifamily residential mortgage loans.

(c) Housing Bond Program

The Housing Bond (HB) Program was established to provide financing for various loans and loan participations for multifamily residential and single-family properties as well as for the refunding of existing bond programs and for other housing financing purposes. Currently the HB Program does not hold any single-family loans.

(3) Single-Family Housing Bond Programs

MassHousing has issued bonds to finance the purchase of mortgage-backed securities or loans made to single-family borrowers from participating lenders and brokers under two separate general resolutions. Each general and series specific bond resolution requires that certain funds and accounts be established and maintained for that respective bond program. The following is a description of the Single-Family Housing Revenue Bond (SFHRB) Program and the Residential Mortgage Revenue Bond (RMRB) Program, which were active in FY 2026 and FY 2025.

(a) Single-Family Housing Revenue Bond Program

The SFHRB Program was established to finance the purchase of single-family loans and Mortgage-Backed Securities (MBS) that are backed by single-family loans from participating lenders and brokers at competitive lending rates to finance the purchase of single-family loans in targeted areas. The program supports mortgage loans to first-time homebuyers, as well as refinancing existing performing loans to responsible borrowers.

(b) Residential Mortgage Revenue Bond Program

The RMRB Program was established in September 2012 to finance mortgage loans under the Home Ownership Program exclusively through the purchase of Fannie Mae MBS that are backed by single-family mortgage loans.

Note B. Summary of Significant Accounting Policies**Basis of Presentation**

MassHousing's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The financial statements include all MassHousing's programs and affiliates described in Note A "Authorizing Legislation, Programs and Affiliates of the Agency and Recent Events". All interprogram and interfund transactions and balances have been eliminated and are

summarized in Note L “Interfund Receivable (Payable) and Interfund Transfers”. Detailed financial information for each individual bond program is presented in accompanying Supplemental Schedule 2 to the financial statements.

Basis of Accounting

MassHousing accounts for and reports its activities by applying Standards of Governmental Accounting and Financial Reporting, as promulgated by GASB. The statements are prepared utilizing the economic resources measurement focus and the accrual basis of accounting, wherein revenues are recognized when earned and expenses when incurred.

Operating revenues and expenses are presented in accordance with GASB 103. Refer to the “Recently Adopted Accounting Standards” section of this note for further discussion below.

Nonoperating revenues and expenses for the Agency consist of investment earnings, interest on bonds and notes, net of discount/premium, financing costs and subsidy income/expense (i.e. grant income/expense). Operating revenues and expenses are revenues and expenses other than nonoperating revenues and expenses. MassHousing’s principal operating revenues consist primarily of mortgage loan interest, as well as fee income. Operating expenses represent the cost of providing the services and primarily include administrative expenses, employee costs, and a provision for uncollectible amounts.

Fiduciary Statements

The Statements of Fiduciary Net Position provide information about the Agency’s two fiduciary activities: (1) the Massachusetts Housing Finance Agency Other Post-Employment Benefits (OPEB) Trust and, (2) the Massachusetts Housing Finance Agency Employees’ Retirement System at the end of their respective fiscal periods.

The Statements of Changes in Fiduciary Net Position provide information about the additions and deductions of the Agency’s two fiduciary activities, as noted above, in order to measure the results of the fiduciary activities operations at the end of their respective fiscal periods.

The fiduciary activities and their results are not presented within the Agency’s financial statements.

However, the Agency does record its net pension/OPEB liability/asset obligation and deferred outflows and inflows related to pension and OPEB on the Statements of Net Position, pension and OPEB expenses on the Statements of Revenues, Expenses, and Changes in Net Position, as described in Note O, “Employee Benefit Plans”.

PADCO Accounting Policies

Properties acquired by PADCO are carried at the lower of cost or market. The related mortgage loans receivable would be included in Other Assets on the Statements of Net Position of either the applicable bond programs or the WCF, with an offset to Other Liabilities on the WCF’s Statements of Net Position and would be eliminated in the Statements of Net Position. Rent and other revenues from properties owned by PADCO would be included in Other Income. Expenses of operating the properties would be included in Other Expenses. There were no properties owned by PADCO in FY 2026 and FY 2025.

Use of Estimates

The preparation of financial statements in conformity with GAAP at times requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates are based on management's best knowledge of current events, historical experience, actions that MassHousing may undertake in the future, and on various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Significant estimates, when used, are more fully described in the applicable following notes.

Cash, Cash Equivalents, Investments and Investment Earnings

Cash includes cash on hand and amounts on deposit in checking and savings accounts. Cash equivalents include investments with maturities of three months or less at the date of purchase, including repurchase agreements, U.S. Treasury, and various other investments such as money-market mutual fund shares.

U.S. Government Guaranteed Obligations and Negotiable Bank Deposit Obligations with maturities of one year or less but more than three months to maturity at the time of purchase are treated as investments and carried at amortized cost which approximates fair market value. Investments in Guaranteed Investment Contracts (GICs) and Commercial Paper are carried at amortized cost.

Certain investments are carried at their fair values at the date of the Statements of Net Position. These investments are typically long-term, with more than one year to maturity at the time of purchase. MassHousing uses quoted market prices, where available, to determine the fair value of long-term investments at the close of each reporting period. For non-trading long-term investments, MassHousing uses composite quotes set by a third party and evaluated by management. The change in the fair value of investments from one period to the next is a separately stated component of investment income and is presented in the Statements of Revenues, Expenses, and Changes in Net Position as a change in fair value of investments.

Investments of individual bond programs are those permitted by the various MassHousing general and series specific bond resolutions. Certain bond resolutions include reserve fund requirements; investments in such reserve funds are generally not available for the funding of mortgage loans.

Interest income is accrued as earned and is presented in the Statements of Revenues, Expenses, and Changes in Net Position net of any applicable arbitrage rebate owed to or received from the U.S. Treasury.

Mortgage Loans

Multifamily and single-family mortgage loans are primarily recorded at cost, or in certain instances such as a significant refinancing, at the negotiated face value of the first or subordinated note, net of an allowance for uncollectible loans, which approximates net realizable value.

Troubled Debt Restructuring

A troubled debt restructuring occurs when a creditor, for economic or legal reasons related to the borrower's financial condition, grants a concession (i.e., loan modification) to the borrower experiencing financial difficulties that it would not otherwise consider. The purpose of the concession is to assist the borrower in a difficult situation, while also increasing the probability that the creditor will receive payment on the loan and reducing credit risk. In some instances, loan modifications are mandated by certain federal regulations. The Agency engages in troubled debt restructuring activities by affording modifications to the terms and interest rates of certain mortgage loans.

Allowance for Uncollectible Loans

The allowance for uncollectible loans is a valuation allowance that reflects an estimate on loan losses related to the Agency's multifamily and single-family loan portfolios. The allowance for uncollectible loans is based upon separate evaluations of the multifamily and single-family loan portfolios.

The evaluation of the multifamily loan portfolio takes into consideration the entire loan portfolio primarily utilizing an impairment assessment model. MassHousing's model and estimation process provides a materially consistent methodology of assessment for all projects and takes a more standardized approach to its assessment of loan impairment. The model employs recent or readily available net operating income data along with capitalization rates, property location, costs to sell, capital needs assessments and other data in assessing potential impairment to establish a reserve that complies with GAAP, and therefore presents loans at their estimated net realizable value. In certain instances, independent appraisals and other pertinent data, such as loan repayment status or physical property status is obtained to assist management's decision in determining the estimated fair value of the property, which serves as collateral on the loan.

Evaluation of the single-family loan portfolio takes into consideration such factors as historical recovery rates of delinquencies, property value trends and insurance coverage. Based upon MassHousing's periodic review of the loan portfolios, an allowance for uncollectible loans is established when deemed necessary.

Derivative Instruments

The fair values of both hedging derivatives and other derivatives, if any, are presented on the Statements of Net Position, either as a derivative liability (negative fair value) or as a derivative asset (positive fair value). The change in the total fair value of derivatives that are determined to be effective hedges (and, therefore, hedging derivatives) is recorded as a deferred inflow or outflow of resources on the Agency's Statements of Net Position. If a derivative was determined to be an ineffective hedge, it would be classified as an other derivative, and the change in the total fair value would be presented as part of nonoperating other income. The Agency currently has two types of derivatives outstanding: interest rate swaps and MBS forward contracts. The interest rate swaps are a mix of effective hedges, which are presented as hedging derivative instruments on the Statements of Net Position, and ineffective hedges, which are presented as other derivative instruments on the Statements of Net Position. MBS forward contracts are effective hedges and are presented as hedging derivative instruments on the Statements of Net Position. Reference is made to Note K "Derivative Instruments" for further details of these derivatives.

Escrow Funds

The Agency holds escrow funds consisting of deposits that are invested principally in money-market mutual fund shares, which are held in segregated cash accounts. Escrow accounts are recorded on the Statements of Net Position as Escrow funds (assets) with an equal amount recorded as Escrow funds payable (liability). The accounts described above are required to be held by the Agency through its mission as a Mortgage Lender and Servicer. As a policy and practice, the Agency holds funds for the benefit of its borrowers, investors and others.

Reference is made to Note G “Escrowed Funds” for further information.

Other Assets, including Capital Assets

Other Assets, Current on the Statements of Net Position include accounts receivable - various, investment income receivable, and prepaid expenses.

Other Assets, Noncurrent on the Statements of Net Position include capital assets, as described below, mortgage reinsurance premiums, and prepaid expenses, all net of accumulated depreciation or amortization, where applicable. Also included in Other Assets, Noncurrent, are participation interests in certain loans made by the Commonwealth’s Affordable Housing Trust Fund. Discounts recorded by the Agency upon its purchases of the participation interests are being accreted over the life of each participation interest.

Reference is made to Note F “Other Assets and Other Liabilities” for further information.

Capital Assets

The Agency’s capital assets consist of other real estate owned, net of allowance, the lease right of use asset, single-family servicing rights and excess servicing rights, furniture and equipment, leasehold improvements, computers, and intangible software. The Agency capitalizes assets that have a useful life of one year or more in accordance with its capitalization policy. Depreciation and amortization are recorded on a straight-line basis over a period of five to seven years, depending upon the nature of the asset. Right to use assets are amortized over the term of the lease or the subscription period. Single-family servicing rights purchased by the Agency are capitalized and amortized over the expected life of the related cash flows. Excess mortgage servicing rights for mortgage loans pooled into MBS under the terms of which the stated servicing fee rate differs from a current (normal) servicing are capitalized and amortized over the expected life of the related cash flows.

Reference is made to Note I “Capital Assets” for further information.

Other Liabilities

Other Liabilities, Current on the Statements of Net Position include accounts payable, the current portion of unearned premium income, the current portion of the lease liability and accrued expenses.

Other Liabilities, Noncurrent on the Statements of Net Position include the noncurrent portion of the lease liability, the noncurrent portion of unearned premium and fee income and the noncurrent portion of unearned interest income, and various other obligations.

Reference is made to Note F for further information.

Bond Issuance Costs, Discounts and Premiums in Long-Term Debt

The costs of issuing bonds (other than bond discount and premium) are recognized as an expense in the period incurred as financing costs. Bond discounts and premiums are amortized utilizing the effective interest method. The amortization is reflected as a component of interest expense. The amortization period used for each new bond issue is equal to the average life of the bond series, which is estimated at 10 years.

Arbitrage

The Tax Reform Act of 1986 placed restrictions on the investment of the proceeds of tax-exempt bonds. Specifically, investment earnings which are above arbitrage bond yields are required to be remitted back to the United States Department of the Treasury, in accordance with Regulations (generally within 60 days of every fifth bond year). The Agency has various tax-exempt bonds outstanding and computes an arbitrage rebate on a periodic basis. The Agency prepares an annual rebate calculation for purposes of determining (and recording) any contingent liability. At June 30, 2026 and 2025, the Arbitrage Rebate was \$6.3 million and \$8.8 million, respectively, and is included in Other Liabilities on the Statement of Net Position. MassHousing paid \$48 thousand in arbitrage rebates in FY 2026. There were no arbitrage rebates received or paid in FY 2025.

Interest and Fee Revenues on Mortgage Loans**Interest on Loans**

Interest on loans is accrued as earned. When borrowers on multifamily and single-family loans are more than 90 days delinquent in their scheduled loan payments, the loans are considered to be non-performing. At that point, any existing interest and fee revenue accruals are fully allowed against, and no further accruals are recorded until such time as the loans either have been restored to performing status or have been restructured. Interest on loans is included in operating revenues on the Agency's Statements of Revenues, Expenses, and Changes in Net Position.

Fee Income

Fee income is accrued as earned and includes administrative fees received from developments financed by MassHousing, Section 8 administrative fees received from U.S. Department of Housing and Urban Development (HUD) and MIF premiums earned, net of reinsurance premiums incurred. Fees collected in connection with the origination and closing of new multifamily loans, net of related direct costs, are recognized as revenue in the period earned. Fees collected in connection with the restructuring of troubled multifamily loans are initially reflected as a prepaid fee on the WCF's Statement of Net Position and are not recognized as fee income until the loans are no longer considered to be troubled, have been foreclosed, or have been paid off. In connection with a recapitalization program, MassHousing receives distributions of excess residual receipts and excess replacement reserves from certain Section 8 subsidized developments, which are included in the fee income of the WCF. Multifamily fee income in the WCF includes loan origination, loan servicing and securitization profits from the utilization of government and government sponsored enterprise lending programs used by MassHousing to sustain affordable housing. Fee income is included in operating revenues on the Agency's Statements of Revenues, Expenses, and Changes in Net Position.

WCF fee income also includes premiums collected and is reduced by discounts paid from the sale of MBS.

Grant Income and Grant Expense

Grant income is recorded depending on the terms of the related grant agreement. Most grants are pass-through grants and are recorded as revenue when all eligibility and time restriction requirements are met.

Grant Expenses are recognized when eligibility requirements are met for the related grant projects. Certain programs allow for the disbursement of funds in the form of a repayable or a forgivable loan, which are not included in grant expenses. Grant income may be recognized in a different accounting period than the grant expense. As a result, grant expenses may exceed grant income in some years.

Grant income and grant expenses are included in noncapital subsidies on the Agency's Statements of Revenues, Expenses, and Changes in Net Position.

Other Income and Other Expenses (Operating and Nonoperating)

Other income and expenses are accrued as earned or incurred. Other income primarily includes insurance claim receipts on foreclosed properties, reinsurance receipts received by MIF on insurance claims paid, recoveries on multifamily loans, fees for administering certain contracts and various other operating income items. Other expenses primarily include MIF insurance claims paid and various miscellaneous expense items. Other nonoperating expenses primarily include consulting and management fees for bond issuances and losses on property dispositions.

Interprogram and Interfund Balances and Eliminations

The WCF engaged in interfund transactions with several of the bond programs. These transactions, and resulting year-end interfund balances, have been eliminated in the accompanying financial statements. Further details of these transactions and year-end balances are included in Note L. Interfund transfers are included in noncapital subsidies on the Agency's Statements of Revenues, Expenses, and Changes in Net Position.

Net Position

Net Position is reported as restricted when constraints placed on the use of the net position have been either: (1) externally imposed by creditors, grantors or laws and regulations of governments or (2) imposed by law through constitutional provisions or enabling legislation. Unrestricted net position that MassHousing Members have designated to be used for specific purposes are presented and identified as "designated" unrestricted net position. Further details are included in Note M. Such designated net position is considered to be specifically directed to be used for certain activities that are consistent with MassHousing's mission. MassHousing anticipates that it will continue to designate unrestricted net position for specific purposes in furtherance of its affordable housing mission.

Recently Adopted Accounting Standards

In April 2024, GASB issued Statement No. 103, "Financial Reporting Model Improvements" (GASB 103). The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The Agency adopted GASB 103 for FY 2026. The presentation of the

Statements of Revenues, Expenses, and Changes in Net Position was categorized into the operating, noncapital subsidies, and nonoperating categories as prescribed by GASB 103. In addition, the management's discussion and analysis section of the Annual Report was updated to more clearly identify significant capital asset and long-term financing activities.

GASB 103 was applied retroactively, as required, to all periods presented herein and had no effect on MassHousing's net position or changes in net position for any of the periods presented.

In September 2024, GASB issued Statement No. 104, "Disclosure of Certain Capital Assets" (GASB 104). The objective of this Statement is to provide the users of the financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The Agency adopted GASB 104 for FY 2026. See Note I "Capital Assets".

Recently Issued Accounting Standards

In December 2025, GASB issued Statement No. 105, "Subsequent Events" (GASB 105). The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026. The Agency is currently assessing the impact of GASB 105.

Note C. Investments, Cash and Cash Equivalents

MassHousing's Investment Policy is designed to ensure the prudent management of the Agency's funds and the availability of operating and capital funds when required, while earning a competitive return on the funds within the policy framework. The primary objectives of investment activity, in order of priority, are safety of principal, liquidity, and investment yield.

Under MassHousing's approved Investment Policy, as revised April 13, 2021, authorized investments include:

- (1) U.S. Treasury/U.S. Government Guaranteed Obligations
- (2) Federal Agency or GSE obligations
- (3) Agency or GSE MBS
- (4) U.S. Instrumentalities (Supranationals) - U.S. dollar denominated debt obligations of a multilateral organization of governments for which the United States government is a participant, shareholder, and/or voting member with minimum ratings of AAA/Aaa (or the equivalent) or A-1/P-1 (or the equivalent) by any one rating agency.
- (5) Municipal Bonds - Minimum ratings of A-/A3 (or the equivalent) or SP-1/MIG 1 (or the equivalent) by any one rating agency.

- (6) Corporates and Other Debt Obligations - Minimum ratings of A-/A3 (or the equivalent) or A-1/P-1 (or the equivalent) by any one rating agency.
- (7) Commercial Paper - Minimum ratings of A-1/P-1 (or the equivalent) by any one rating agency.
- (8) Asset-Backed Securities - Minimum ratings of AAA/Aaa (or the equivalent) or A-1+/P-1 (or the equivalent) by any one rating agency.
- (9) Bankers' Acceptances - Minimum ratings of A-1/P-1 (or the equivalent) by any one rating agency.
- (10) Negotiable Bank Deposit Obligations - Minimum ratings of A-/A3 (or the equivalent) or A-1/P-1 (or the equivalent) by any one rating agency.
- (11) Collateralized Bank Deposits
- (12) Insured Bank Deposits
- (13) Money Market Funds - Maintain the highest rating at the time of investment from Standard & Poor's or Moody's, or the equivalent from a nationally recognized statistical rating organization.
- (14) Participation units of the Massachusetts Municipal Depository Trust (MMDT)
- (15) Repurchase agreements - The counterparty maintains a short-term credit rating of at least A-1/P-1 (or the equivalent) by any one rating agency and has been in operation for at least five years.
- (16) Investment agreements or guaranteed investment contracts (GIC) Minimum ratings of at least AA-/Aa3 (or the equivalent) from any one rating agency. Short-term investment agreements with durations of less than three years may be entered into with companies that have a short-term rating of at least SP-1/VMIG1/F1 (or the equivalent) from any one rating agency.
- (17) Any other investments expressly permitted by Commonwealth statute and authorized by MassHousing.

The MMDT is an external investment pool not subject to U.S. Securities and Exchange Commission registration but regulated by the Treasurer of the Commonwealth. MMDT's manager seeks to maintain a net asset value at \$1.00 per share.

Funds held in accounts established and governed by the Agency's bond resolutions or other security agreements are subject to the investment requirements as set forth by such agreements, which are generally more conservative than the investment provisions in the Agency's Investment Policy Statement.

Investments and Cash Equivalents

At June 30, 2026 and 2025, MassHousing had the following investments and cash equivalents by type and by maturities with credit ratings when available (in thousands):

Investment Maturities (In Years)						
June 30, 2026	Total Cost, Amortized	Less	1-5	6-10	More	Creditor Rating Range
	Cost or					
	Fair Value	Than 1			Than 10	
Investments						
GSE MBS and Obligations	\$ 844,492	\$ 31,605	\$ 128,649	\$ 3,625	\$ 680,613	AA+
Cash Equivalents	861,575	861,575	-	-	-	N/A to AAA
U.S. Treasuries	690,070	454,595	235,475	-	-	A-1+ to AA+
Corporate Obligations	160,049	22,965	135,140	1,944	-	NR to AAA
Asset-Backed Securities	63,864	49	62,379	1,436	-	NR to AAA
Commercial Paper	14,714	14,714	-	-	-	A-1 to A-1+
Negotiable Bank Debt Obligations	3,000	3,000	-	-	-	A-1
Total Investments	\$ 2,637,764	\$ 1,388,503	\$ 561,643	\$ 7,005	\$ 680,613	

Investment Maturities (In Years)						
June 30, 2025	Total Cost, Amortized	Less	1-5	6-10	More	Creditor Rating Range
	Cost or					
	Fair Value	Than 1			Than 10	
Investments						
GSE MBS and Obligations	\$ 892,926	\$ 95,049	\$ 232,560	\$ 3,551	\$ 561,766	AA+
Cash Equivalents	731,784	731,784	-	-	-	N/A to AAA
U.S. Treasuries	510,994	293,833	217,161	-	-	A-1+ to AA+
Corporate Obligations	123,030	15,429	107,601	-	-	AAA to BBB+
Asset-Backed Securities	56,732	-	53,434	3,298	-	NR to AAA
Commercial Paper	7,821	7,821	-	-	-	A-1 to A-1+
Government Guaranteed Obligations	3,774	3,774	-	-	-	AAA to AA-
Negotiable Bank Debt Obligations	1,999	1,999	-	-	-	A-1
GICs	62	62	-	-	-	N/A
Total Investments	\$ 2,329,122	\$ 1,149,751	\$ 610,756	\$ 6,849	\$ 561,766	

The Agency's accounting and valuation policies for investments, cash and cash equivalents are presented in Note B.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Under MassHousing's Investment Policy, the investment portfolio is structured so that the maturities of the securities are scheduled to meet the timing of cash requirements for ongoing operations in order to minimize interest rate risk. The Agency thereby avoids the need to sell securities on the open market prior to their maturities. MassHousing also minimizes its interest rate risk by investing operating funds primarily in money-market funds and/or in the MMDT.

Credit Risk and Custodial Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, MassHousing will not be able to recover the value of its investment or collateral securities held by an outside party. MassHousing mitigates credit risk and custodial credit risk by limiting investments to the types of securities permitted by MassHousing's approved Investment Policy and by investing with institutions which meet specified criteria such as, but not limited to, minimum levels of capital and surplus and specified minimum ratings provided by recognized rating agencies. The Agency also actively monitors the credit quality for the issuers of securities in its investment portfolio. In the event the credit ratings of an issuer were to fall below the minimum acceptable credit ratings requirements, the Agency will consider its maintenance of the position, or whether liquidation is appropriate.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. MassHousing diversifies its investment portfolio to minimize the impact of potential losses from one type of security or individual issuer, excluding U.S. Treasury securities, Federally Guaranteed Obligations, GSE securities, and the MMDT. MassHousing seeks to limit investment concentration to no more than 15% with any single counterparty. This limit may be exceeded under appropriate circumstances that mitigate risk, which may include, but are not limited to, the term of the investment, the amount and nature of the investment, the rating of the counterparty, or the collateral pledged by the counterparty. As of June 30, 2026, MassHousing was not exposed to concentration of credit risk.

Cash Deposits

MassHousing's cash deposits per the bank were approximately \$233.0 million and \$281.4 million at June 30, 2026 and 2025, respectively. Of those amounts, \$4.9 million and \$6.0 million, respectively, were fully insured by the Federal Deposit Insurance Corporation or collateralized with securities held by the pledging financial institution, its trust department or its agent. Such securities were not held in MassHousing's name. Deposits totaling \$228.1 million and \$275.4 million, respectively, were not insured or collateralized.

Cash balances reflected on the Statements of Net Position were approximately \$254.9 million and \$275.6 million at June 30, 2026 and 2025, respectively. The difference between the bank balances and the carrying amounts represents deposits in-transit, net of outstanding checks and other transactions not recorded by the bank until after year-end.

Restricted Cash, Cash Equivalents and Investments

Included in Cash, Cash Equivalents and Investments above, for the fiscal years ended June 30, 2026 and 2025, the following balances were restricted as to use (in thousands):

	June 30, 2026	June 30, 2025
WCF and Affiliates		
Restricted Cash, Cash Equivalents and Investments	\$ 418,168	\$ 472,722
Bond Programs		
Restricted Cash Equivalents	\$ 625,844	\$ 480,256
Restricted Investments	1,413,772	1,253,113
Total Bond Program Restricted Cash Equivalents and Investments	<u>\$ 2,039,616</u>	<u>\$ 1,733,369</u>
Total Restricted Cash, Cash Equivalents and Investments	<u>\$ 2,457,784</u>	<u>\$ 2,206,091</u>

Fair Value of Investments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market or, if none exists, the most advantageous market, for the specific asset or liability at the measurement date (exit price). The fair value hierarchy established by GAAP prioritizes the inputs to valuation techniques used to measure fair value are as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1 that are observable for the asset and liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable.

MassHousing has the following recurring fair value measurements as of June 30, 2026 and June 30, 2025:

- U.S. Treasuries purchased with an initial maturity of more than one year are valued using quoted market prices for identical instruments (Level 1 inputs)
- U.S. Treasuries purchased with an initial maturity of one year or less are recorded at amortized cost, which approximates fair value
- GSE MBS are valued using quoted market prices for similar instruments (Level 2 inputs)
- GSE Obligations with an initial maturity of more than one year are valued using quoted market prices for similar instruments (Level 2 inputs)
- GSE Obligations with an initial maturity of one year or less are recorded at amortized cost, which approximates fair value
- Government Guaranteed Obligations purchased with an initial maturity of more than one year are valued using quoted market prices for similar instruments (Level 2 inputs)
- Government Guaranteed Obligations purchased with an initial maturity of one year or less are recorded at amortized cost, which approximates fair value

- MBS Forward Contracts are valued using quoted market prices (Level 1 inputs)
- Negotiable Bank Debt Obligations with an initial maturity of more than one year are valued using quoted market prices for similar instruments (Level 2 inputs)
- Negotiable Bank Debt Obligations with an initial maturity of one year or less are recorded at amortized cost, which approximates fair value
- Corporate Obligations are valued using quoted market prices for similar instruments (Level 2 inputs)
- Commercial Paper is valued using amortized cost, which approximates fair value
- Asset-Backed Securities are valued using quoted market prices for similar instruments (Level 2 inputs)
- Interest Rate Swaps are valued using the zero-coupon valuation technique (Level 2 inputs)

MassHousing has the following Investment and Derivative Instruments, which are measured at fair value, as of June 30, 2026 and 2025:

Investment and Derivative Instruments Measured at Fair Value- Asset /(Liability)

(in thousands)

		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
June 30, 2026	Total Fair Value 06/30/26			
Investments by fair value level				
Debt securities				
GSE MBS and Obligations	\$ 844,492	\$ -	\$ 844,492	\$ -
U.S. Treasuries	508,301	508,301	-	-
Corporate Obligations	160,049	-	160,049	-
Asset-Backed Securities	63,864	-	63,864	-
Total Debt Securities	\$ 1,576,706	\$ 508,301	\$ 1,068,405	\$ -
Derivative instruments				
Interest Rate Swaps	\$ 8,409	\$ -	\$ 8,409	\$ -
Total Derivative Instruments	\$ 8,409	\$ -	\$ 8,409	\$ -

Investment and Derivative Instruments Measured at Fair Value- Asset /(Liability)

(in thousands)

June 30, 2025	Total Fair Value 06/30/25	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Debt securities				
GSE MBS and Obligations	\$ 892,926	\$ -	\$ 892,926	\$ -
U.S. Treasuries	373,428	373,428	-	-
Corporate Obligations	123,030	-	123,030	-
Asset-Backed Securities	56,732	-	56,732	-
Government Guaranteed Obligations	3,774	-	3,774	-
Negotiable Bank Debt Obligations	1,999	-	1,999	-
Total Debt Securities	\$ 1,451,889	\$ 373,428	\$ 1,078,461	\$ -
Derivative instruments				
Interest Rate Swaps	\$ 4,526	\$ -	\$ 4,526	\$ -
MBS Forward Contracts	(5)	(5)	-	-
Total Derivative Instruments	\$ 4,521	\$ (5)	\$ 4,526	\$ -

The fair value tables above exclude \$199.5 million and \$145.4 million of investments recorded at amortized cost, which approximates fair value, as of June 30, 2026 and 2025, respectively.

Note D. Mortgage Loans Receivable and Allowances for Uncollectible Loans

Mortgage loans receivable are reported net of allowances for uncollectible loans.

6/30/2026 (in thousands)	Mortgage Obligation	Unamortized Prem./Disc. Loans	Loan Loss Reserve	Total
WCF - Multifamily	\$ 856,979	\$ -	\$ (255,555)	\$ 601,424
GRDB Program	151,468	-	(430)	151,038
MFHB Program	105,025	-	(950)	104,075
HB Program	2,459,420	-	(40,757)	2,418,663
Subtotal Multifamily	\$ 3,572,892	\$ -	\$ (297,692)	\$ 3,275,200
WCF - Single-family	\$ 152,799	\$ 37	\$ (483)	\$ 152,353
SFHRB Program	1,716,040	-	(5,800)	1,710,240
Subtotal Single-family	\$ 1,868,839	\$ 37	\$ (6,283)	\$ 1,862,593
Totals	\$ 5,441,731	\$ 37	\$ (303,975)	\$ 5,137,793

6/30/2025 (in thousands)	Mortgage Obligation	Unamortized Prem./Disc. Loans	Loan Loss Reserve	Total
WCF - Multifamily	\$ 857,765	\$ -	\$ (289,035)	\$ 568,730
GRDB Program	154,344	-	(806)	153,538
MFHB Program	119,883	-	(950)	118,933
HB Program	2,160,777	-	(28,488)	2,132,289
Subtotal Multifamily	\$ 3,292,769	\$ -	\$ (319,279)	\$ 2,973,490
WCF - Single-family	\$ 73,268	\$ (155)	\$ (399)	\$ 72,714
SFHRB Program	1,539,225	-	(4,536)	1,534,689
Subtotal Single-family	\$ 1,612,493	\$ (155)	\$ (4,935)	\$ 1,607,403
Totals	\$ 4,905,262	\$ (155)	\$ (324,214)	\$ 4,580,893

The Agency also reviews its off-balance sheet loans with risk share for potential loss exposure. As of June 30, 2026, the Agency recorded no loss reserve on its off-balance sheet loans. As of June 30, 2025, the Agency has recorded a loss reserve on off-balance sheet loans of \$411 thousand, and is included in Other Liabilities, noncurrent on the Statements of Net Position. Loans with risk-sharing agreements are described more fully in Note Q.

Note E. Mortgage Loan Delinquencies

Single-Family Loans

As of June 30, 2026 and 2025, the Agency's single-family loans had payment arrearages on mortgage loans of 30 days or more on 647 loans (5.10% of the single-family loans) and 500 loans (4.39% of the single-family loans), respectively. The outstanding mortgage loan balances (OMLB) for these loans at June 30, 2026 and 2025 totaled \$97.2 million or 5.23% of the total OMLB, and \$67.6 million or 4.21% of the total OMLB, respectively.

Multifamily Loans

There was one delinquent development included in the multifamily loan portfolio at both June 30, 2026 and 2025. The total principal balance included in loans receivable for these developments at June 30, 2026 and 2025 was \$38.8 million for both years, respectively. No multifamily loans were foreclosed in either FY 2026 or FY 2025.

Note F. Other Assets and Other Liabilities

At June 30, 2026 and 2025, MassHousing had the following current and noncurrent other assets (in thousands):

	June 30,	
	2026	2025
Right of use asset ^{1,2}	\$ 81,600	\$ 84,235
Accounts receivable - various ³	39,328	41,846
Single-family Service Rights and Excess Servicing Rights ²	34,814	35,252
Investments in Affordable Housing Trust Fund (AHTF) participation rights	18,022	17,472
Interest receivable on investments	11,654	9,962
Deposit at loan-servicer	4,381	-
Unamortized Reinsurance Premium - Mortgage Insurance Fund	3,509	4,469
Other Real Estate Owned, net of allowance ²	3,442	2,016
Fixed assets, net of accumulated depreciation ²	765	1,016
Sublease Receivable ¹	655	820
Investment in Cooperative Agreement	25	-
Total Other Assets	\$ 198,195	\$ 197,088

¹ See Note J, "Leases".

² See Note I, "Capital Assets".

³ Accounts Receivable - various includes a grant receivable for \$28 million and \$31 million, respectively, at June 30, 2026 and 2025.

At June 30, 2026 and 2025, MassHousing had the following current and noncurrent other liabilities (in thousands):

	June 30,	
	2026	2025
Lease Liability (see Note J)	\$ 84,766	\$ 84,687
Liability for in-transit Investment	56,776	1,400
Liabilities - various	15,701	18,610
Accounts Payable	13,831	14,476
Unearned Premium Income	6,920	8,703
Allowance for MIF Claims	1,316	1,062
Total Other Liabilities	\$ 179,310	\$ 128,938

Note G. Escrowed Funds

Escrowed Funds primarily represent: (a) deposits received from mortgage loan borrowers to cover taxes, insurance, repair and replacement costs and other specific purpose reserves

required by the Agency or the Investor, where the Agency serves as loan servicer, and (b) debt service collections received where the Agency is acting as a loan servicer and loan provider. In addition, the Agency processes funds through escrow accounts relative to its role as subsidy and grant administrator for various federal and state programs. Deposits are invested principally in money-market mutual fund shares which are held in segregated cash accounts. The accounts described above are required to be held by the Agency through its mission as a Mortgage Lender and Servicer. As a policy and practice, the Agency holds funds for the benefit of its borrowers, investors and others.

Note H. Bond and Note Indebtedness

MassHousing issues bond and note indebtedness under various resolutions for the following purposes: (1) to provide permanent financing for qualified housing developments; (2) to provide financing for housing developments during their construction; (3) to provide financing for the purchase of mortgage loans on owner-occupied residential properties; and (4) for other related purposes.

The Massachusetts Legislature has authorized MassHousing to issue bonds and notes, up to an aggregate outstanding debt limit of \$10.8 billion at both June 30, 2026 and 2025, for financing both multifamily and single-family loans. As of June 30, 2026 and 2025, MassHousing had bonds and notes outstanding of \$5.8 billion and \$5.1 billion, respectively, leaving a legal margin of \$5.0 billion and \$5.7 billion, respectively.

Summaries of MassHousing's bond and note indebtedness activity for FY 2026 and FY 2025 are as follows (in thousands):

2026	Beginning Balance	New Issues	Retirements	Ending Balance	Current Maturities ⁴
Bonds (all programs)	\$ 5,061,433	\$ 1,159,405	\$ 483,696	\$ 5,737,142	\$ 166,059
Notes: WCF	53,500	-	13,500	40,000	-
Totals	\$ 5,114,933	\$ 1,159,405	\$ 497,196	\$ 5,777,142	\$ 166,059
Unamortized Bond/Note Discount/Premium				33,114	
Bonds and Notes Payable, Net				\$ 5,810,256	
2025	Beginning Balance	New Issues	Retirements	Ending Balance	Current Maturities ⁴
Bonds (all programs)	\$ 4,619,741	\$ 720,920	\$ 279,228	\$ 5,061,433	\$ 222,539
Notes: WCF	94,700	40,000	81,200	53,500	13,500
Totals	\$ 4,714,441	\$ 760,920	\$ 360,428	\$ 5,114,933	\$ 236,039
Unamortized Bond/Note Discount/Premium				29,137	
Bonds and Notes Payable, Net				\$ 5,144,070	

⁴ Current Maturities refers to Current Principal Maturities of long-term debt due and payable within the next twelve months.

Future principal and interest payments on bonds and notes for the years subsequent to June 30, 2026 through their final maturities are presented in the Fixed Rate Bonds and Notes and the Variable Rate Bonds tables below. Interest rates and other information relating to bond and note indebtedness of individual programs are presented in the accompanying

Schedule 1 (Bonds Payable) and Schedule 2 (Notes and Other Indebtedness) to the financial statements.

Bonds in each series that mature 10 or more years after the date of issuance are generally redeemable at the option of MassHousing on prescribed redemption dates at prices ranging from 100% to 103% of the outstanding principal balance.

In most cases, MassHousing obtains first (and in some cases second) mortgage liens on the real property of such housing developments and on residential properties. Liens on multifamily developments and residential properties permanently financed by Agency bonds and notes are assignable by MassHousing as additional collateral for its bonds and notes. Similar liens on multifamily developments, for which interim financing is outstanding, provide collateral to MassHousing in the event of default by the borrowers.

Fixed Rate Bonds and Notes – Bonds are issued in the form of both serial bonds and term bonds. Term bonds and notes require the establishment of a sinking fund in the year preceding any scheduled mandatory redemption. Debt service requirements of the Agency's outstanding fixed rate debt at June 30, 2026 are as follows (in thousands):

Fixed Rate Bonds and Notes						
Fiscal Year	Underwritten	Underwritten	Private	Private		
Ending June 30	Principal	Interest	Placement	Placement		
			Principal	Interest	Total	
FY27	\$ 161,505	\$ 204,881	\$ 1,865	\$ 7,958	\$ 376,209	
FY28	254,480	197,694	41,925	6,245	500,344	
FY29	322,810	189,393	2,020	5,766	519,989	
FY30	367,620	175,846	2,095	5,695	551,256	
FY31	117,457	166,038	2,190	5,621	291,306	
FY32 - FY36	578,963	765,812	18,010	26,645	1,389,430	
FY37 - FY41	649,105	640,712	28,500	22,668	1,340,985	
FY42 - FY46	693,410	499,042	38,285	17,201	1,247,938	
FY47 - FY51	690,480	343,989	46,995	10,114	1,091,578	
FY52 - FY56	603,039	184,443	17,530	3,639	808,651	
FY57 - FY61	264,905	86,427	14,805	1,339	367,476	
FY62 - FY66	193,075	35,558	2,420	79	231,132	
FY67 - FY71	45,155	3,139	-	-	48,294	
Totals	\$ 4,942,004	\$ 3,492,974	\$ 216,640	\$ 112,970	\$ 8,764,588	

Variable Rate Bonds

Listed in the table below are the outstanding Variable Rate Bonds as of June 30, 2026 and 2025, including Remarketing Agents and Liquidity Providers, if applicable (in thousands):

Variable Rate Bonds						
Issue Name	Maturity Date	Bonds Outstanding June 30, 2026	Remarketing Agent	Remarketing Expiration Date	Liquidity Provider	Liquidity Expiration Date
GRDB Variable Rate Housing Bond (VRHB) 2015A	01/01/2034	\$ 27,535	Raymond James	01/31/2034	Bank of America	01/31/2034
GRDB 2018 Mill Road	11/01/2048	21,575	RBC Capital Markets, LLC	11/01/2028	Royal Bank of Canada	11/01/2028
HB Series 2003F	12/01/2037	195	Merrill Lynch	12/01/2037	n/a	n/a
HB Series 2009B	01/01/2044	10,008	Merrill Lynch	01/01/2044	T.D. Bank	10/27/2028
HB Series 2013F	12/01/2038	18,745	Raymond James	12/01/2038	T.D. Bank	10/27/2028
HB Series 2018B	06/01/2058	25,000	n/a	n/a	n/a	n/a
HB Series 2023E	12/01/2063	62,955	TD Securities (USA) LLC	11/29/2028	T.D. Bank	11/29/2028
HB Series 2025A	12/01/2064	62,660	Jefferies LLC	n/a	Sumitomo Mitsui Banking Corporation, acting through its New York	09/10/2030
HB Series 2026B	12/01/2065	71,435	BofA Securities, Inc.	n/a	Bank of America, N.A.	06/24/2031
SFHRB Series 196	12/01/2048	15,000	TD Securities (USA) LLC	05/08/2029	T.D. Bank	05/08/2029
SFHRB Series 200	12/01/2048	15,000	TD Securities (USA) LLC	05/08/2029	T.D. Bank	05/08/2029
SFHRB Series 204	12/01/2048	10,000	TD Securities (USA) LLC	05/08/2029	T.D. Bank	05/08/2029
SFHRB Series 208	06/01/2049	15,000	TD Securities (USA) LLC	05/08/2029	T.D. Bank	05/08/2029
SFHRB Series 212	12/01/2049	15,000	Morgan Stanley & Co LLC	n/a	n/a	n/a
SFHRB Series 216	12/01/2050	25,000	Morgan Stanley & Co LLC	n/a	n/a	n/a
SFHRB Series 229	06/01/2052	63,390	Barclays Capital Inc.	n/a	Barclays Bank PLC	03/13/2029
SFHRB Series 244	12/01/2055	60,000	RBC Capital Markets, LLC	03/25/2030	Royal Bank of Canada	03/25/2030
SFHRB Series 248	12/01/2055	50,000	RBC Capital Markets, LLC	n/a	State Street Bank and Trust Company	09/01/2028
SFHRB Series 251	12/01/2055	50,000	Jefferies LLC	n/a	State Street Bank and Trust Company	12/01/2028
Total		\$ 618,498				

Variable Rate Bonds						
Issue Name	Maturity Date	Bonds Outstanding June 30, 2025	Remarketing Agent	Remarketing Expiration Date	Liquidity Provider	Liquidity Expiration Date
GRDB Variable Rate Housing Bond (VRHB) 2015A	01/01/2034	\$ 28,255	Raymond James	01/31/2034	Bank of America	01/31/2034
GRDB 2018 Mill Road	11/01/2048	21,910	RBC Capital Markets, LLC	11/01/2028	Royal Bank of Canada	11/01/2028
HB Series 2003F	12/01/2037	215	Merrill Lynch	12/01/2037	n/a	n/a
HB Series 2009B	01/01/2044	10,208	Merrill Lynch	01/01/2044	T.D. Bank	10/27/2028
HB Series 2013F	12/01/2038	19,710	Raymond James	12/01/2038	T.D. Bank	10/27/2028
HB Series 2016I	12/01/2056	25,000	n/a	n/a	n/a	n/a
HB Series 2018B	06/01/2058	25,000	n/a	n/a	n/a	n/a
HB Series 2023E	12/01/2063	75,595	TD Securities (USA) LLC	11/29/2028	T.D. Bank	11/29/2028
SFHRB Series 196	12/01/2048	15,000	TD Securities (USA) LLC	05/08/2029	T.D. Bank	05/08/2029
SFHRB Series 200	12/01/2048	15,000	TD Securities (USA) LLC	05/08/2029	T.D. Bank	05/08/2029
SFHRB Series 204	12/01/2048	10,000	TD Securities (USA) LLC	05/08/2029	T.D. Bank	05/08/2029
SFHRB Series 208	06/01/2049	15,000	TD Securities (USA) LLC	05/08/2029	T.D. Bank	05/08/2029
SFHRB Series 212	12/01/2049	15,000	Morgan Stanley & Co LLC	n/a	n/a	n/a
SFHRB Series 216	12/01/2050	25,000	Morgan Stanley & Co LLC	n/a	n/a	n/a
SFHRB Series 229	06/01/2052	63,390	UBS Financial Services, Inc.	03/13/2026	UBS AG, acting through its Stamford branch	03/13/2026
SFHRB Series 244	12/01/2055	60,000	RBC Capital Markets, LLC	03/25/2030	Royal Bank of Canada	03/25/2030
Total		\$ 424,283				

Using interest rates at June 30, 2026, debt service requirements of the Agency's outstanding variable rate debt and net interest rate swap payments at June 30, 2026 are as follows (in thousands):

Fiscal Year Ending June 30	Variable Rate Bonds					
	Underwritten Principal	Underwritten Interest	Private Placement	Private Placement	Interest rate Swaps Net	Total ⁵
			Principal	Interest		
FY27	\$ 1,775	\$ 20,079	\$ 350	\$ 1,494	\$ 849	\$ 24,547
FY28	1,915	20,242	370	1,214	850	24,591
FY29	2,215	20,117	390	940	770	24,432
FY30	2,595	20,120	410	957	701	24,783
FY31	2,995	19,878	435	962	685	24,955
FY32 - FY36	52,199	96,462	2,560	5,070	2,977	159,268
FY37 - FY41	50,505	88,573	3,360	5,649	1,781	149,868
FY42 - FY46	106,264	75,744	4,540	6,537	613	193,698
FY47 - FY51	147,209	52,601	18,335	8,971	91	227,207
FY52 - FY56	116,522	27,367	10,875	2,062	29	156,855
FY57 - FY61	48,839	12,403	4,950	232	-	66,424
FY62 - FY66	38,890	2,949	-	-	-	41,839
Totals	\$ 571,923	\$ 456,535	\$ 46,575	\$ 34,088	\$ 9,346	\$ 1,118,467

⁵ The variable rate bonds included in the above table include \$81.0 million of the unhedged portion of series: HB Series 2023E- \$28.0 million, HB Series 2026B- \$21.4 million, SFHRB Series 196- \$3.7 million, SFHRB Series 200- \$3.8 million, SFHRB Series 208- \$3.8 million, SFHRB Series 229- \$18.5 million, and SFHRB Series 244- \$1.8 million and \$128.1 million of the entirely unhedged: GRDB Series 2015A- \$27.5 million, GRDB 2018 Mill Road- \$21.6 million, HB Series 2003F- \$.2 million, HB Series 2009B- \$10.0 million, HB Series 2013F- \$18.8 million, SFHRB Series 204- \$10 million, SFHRB Series 212- \$15 million, and SFHRB Series 216- \$25 million.

Reference is made to Note K for a description of the interest rate swaps and caps that are outstanding on several variable rate bonds at year end. The total amounts of such hedged variable rate bonds outstanding at June 30, 2026 and 2025 were as follows (in thousands):

	June 30, 2026	June 30, 2025
HB Program	\$ 172,660	\$ 85,000
SFHRB Program	236,760	148,780
Total	\$ 409,420	\$ 233,780

The total amounts of such unhedged, or partially unhedged, variable rate bonds outstanding at June 30, 2026 and 2025 were as follows (in thousands):

<u>Basis</u>	June 30, 2026	June 30, 2025
Weekly rate set by the underwriter/remarketing agent, determined by current market conditions	\$ 141,570	\$ 122,795
Maximum rate of 9.0%	40,000	40,000
Weekly rate set by the remarketing agent, determined by current market conditions, but not exceeding Variable Rate Ceiling of 15% per annum	10,008	10,208
SIFMA plus 33 bps	10,000	10,000
70% of SOFR plus .08014 (FB)	7,500	7,500
Total	\$ 209,078	\$ 190,503

Certain bond series are subject to maximum interest rates as defined by their related series' resolutions. Some variable rate bonds are supported by stand-by bond purchase liquidity facilities with banks, which require that the applicable bank purchase any bonds that are tendered for purchase, but which cannot be successfully remarketed. Unless and until the bonds can be remarketed, MassHousing would be required to pay to the bank interest on such bonds at an alternate rate. MassHousing also would be required to amortize the principal of such bonds on an accelerated schedule.

Debt Issuance

The following tables summarize new debt issues for FY 2026 and FY 2025 (in thousands):

FY 2026

<u>Issue Name</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Original Principal</u>		<u>New Debt</u> ⁶	<u>Refunded Debt</u> ⁷	<u>Conduit</u> ⁸
			<u>Amount</u>				
HB Series 2025 A (var, taxable)	9/11/2025	12/1/2064	\$ 62,660	\$	62,660	\$ -	\$ -
HB Series 2025 B (taxable)	9/11/2025	12/1/2029	40,960		40,960	-	-
HB Series 2025 C 1	12/10/2025	12/1/2068	88,750		88,750	-	-
HB Series 2025 C 2	12/10/2025	12/1/2068	20,095		20,095	-	-
HB Series 2025 C 3	12/10/2025	6/1/2030	174,185		174,185	-	-
HB Series 2025 D	12/10/2025	6/1/2043	25,000		-	25,000	-
HB Series 2026 A 1	6/25/2026	6/1/2069	85,315		85,315	-	-
HB Series 2026 A 2	6/25/2026	6/1/2031	17,645		17,645	-	-
HB Series 2026 B (var, taxable)	6/25/2026	12/1/2065	71,435		71,435	-	-
Total HB Issues			\$ 586,045	\$	561,045	\$ 25,000	\$ -
SFHRB Series 245	9/4/2025	12/1/2027	\$ 4,110	\$	-	\$ 4,110	\$ -
SFHRB Series 246	9/4/2025	12/1/2055	60,780		39,733	21,047	-
SFHRB Series 247 (taxable)	9/4/2025	12/1/2055	78,640		78,640	-	-
SFHRB Series 248 (var, taxable)	9/4/2025	12/1/2055	50,000		50,000	-	-
SFHRB Series 249	12/17/2025	12/1/2055	62,385		62,385	-	-
SFHRB Series 250 (taxable)	12/17/2025	6/1/2038	34,305		34,305	-	-
SFHRB Series 251 (var, taxable)	12/17/2025	12/1/2055	50,000		50,000	-	-
SFHRB Series 229 Remarketing	3/6/2026	6/1/2052	63,390		-	63,390	-
SFHRB Series 252	5/28/2026	6/1/2029	6,115		-	6,115	-
SFHRB Series 253	5/28/2026	12/1/2056	135,840		100,000	35,840	-
SFHRB Series 254 (taxable)	5/28/2026	12/1/2037	27,795		27,795	-	-
Total SFHRB Issues			\$ 573,360	\$	442,858	\$ 130,502	\$ -
Multifamily Conduit Revenue Bonds, 55 Hudson Rental Issue, Series 2025A	8/29/2025	8/14/2048	\$ 8,420	\$	-	\$ -	\$ 8,420
Multifamily Conduit Revenue Bonds, 55 Hudson Rental Issue, Series 2025B	8/29/2025	3/1/2029	22,575		-	-	22,575
Multifamily Conduit Revenue Bond, Appleton Mill Issue, Series 2025	10/24/2025	3/28/2027	2,000		-	-	2,000
Multifamily Conduit Revenue Bond, 775 Huntington Issue, Series 2025A	12/5/2025	10/31/2048	10,050		-	-	10,050
Multifamily Conduit Revenue Bond, 775 Huntington Issue, Series 2025B	12/5/2025	5/1/2029	19,400		-	-	19,400
Multifamily Conduit Revenue Bond, Northern Heights Issue, Series 2025	12/18/2025	12/18/2027	17,000		-	-	17,000
Multifamily Conduit Revenue Bond, 24 Webster Issue, Series 2025A	12/19/2025	6/18/2048	6,500		-	-	6,500
Multifamily Conduit Revenue Bond, 24 Webster Issue, Series 2025B	12/19/2025	12/18/2028	11,285		-	-	11,285
Multifamily Conduit Revenue Bonds, 900 Morrissey Issue, Series 2026	3/13/2026	10/23/2027	1,310		-	-	1,310
Multifamily Conduit Revenue Bonds, Columbia Crossing Issue, Series 2026A	3/31/2026	3/15/2049	6,000		-	-	6,000
Multifamily Conduit Revenue Bonds, Columbia Crossing Issue, Series 2026B	3/31/2026	3/31/2029	19,400		-	-	19,400
Multifamily Conduit Revenue Bonds, Cambridge Blanchard I Issue, Series 2026A	5/22/2026	4/30/2049	3,600		-	-	3,600
Multifamily Conduit Revenue Bonds, Cambridge Blanchard I Issue, Series 2026B	5/22/2026	8/1/2029	8,960		-	-	8,960
Total Conduit Issues			\$ 136,500	\$	-	\$ -	\$136,500
Total			\$ 1,295,905	\$	1,003,903	\$ 155,502	\$136,500

⁶ Funds used to finance new mortgage loans

⁷ Funds used to refund, remarket and/or replace outstanding bonds.

⁸ Funds used to finance mortgage loans for which neither the bonds nor the mortgage loans securing those bonds are in the Agency's financial statements. Each of such bond issues are separately secured from any other obligations issued by the Agency.

FY 2025						
<u>Issue Name</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Original Principal Amount</u>	<u>New Debt</u> ⁶	<u>Refunded Debt</u> ⁷	<u>Conduit</u> ⁸
Direct Purchase Construction Loan Notes (DPCLN), Issue 4 Blk 2024A (taxable)	8/13/2024	8/13/2027	\$ 40,000	\$ 40,000	\$ -	\$ -
Total Direct Purchase CLN Issues			\$ 40,000	\$ 40,000	\$ -	\$ -
HB 2024 Series B 1	12/3/2024	12/1/2067	\$ 41,815	\$ 41,815	\$ -	\$ -
HB Series 2024 B 2	12/3/2024	6/1/2067	24,600	24,600	-	-
HB Series 2024 B 3	12/3/2024	12/1/2029	117,100	117,100	-	-
Total HB Issues			\$ 183,515	\$ 183,515	\$ -	\$ -
SFHRB Series 236	9/17/2024	12/1/2027	\$ 3,240	\$ -	\$ 3,240	\$ -
SFHRB Series 237	9/17/2024	12/1/2054	20,940	5,000	15,940	-
SFHRB Series 238 (taxable)	9/17/2024	12/1/2054	124,085	124,085	-	-
SFHRB Series 239	12/18/2024	12/1/2049	5,535	5,535	-	-
SFHRB Series 240 (taxable)	12/18/2024	12/1/2054	143,605	143,605	-	-
SFHRB Series 241	3/26/2025	6/1/2028	7,035	-	7,035	-
SFHRB Series 242	3/26/2025	12/1/2055	67,965	50,267	17,698	-
SFHRB Series 243 (taxable)	3/26/2025	12/1/2045	65,000	65,000	-	-
SFHRB Series 244 (taxable)	3/26/2025	12/1/2055	60,000	60,000	-	-
SFHRB Series 216 Remarketing	5/29/2025	12/1/2050	25,000	-	25,000	-
SFHRB Series 212 Remarketing	6/2/2025	12/1/2049	15,000	-	15,000	-
Total SFHRB Issues			\$ 537,405	\$ 453,492	\$ 83,913	\$ -
Multifamily Conduit Revenue Bonds, Lincoln Square 4% Issue 2024A	8/23/2024	8/1/2047	\$ 1,050	\$ -	\$ -	\$ 1,050
Multifamily Conduit Revenue Bonds, Lincoln Square 4% Issue 2024B	8/23/2024	8/1/2027	27,350	-	-	27,350
Multifamily Conduit Revenue Bonds, 900 Morrissey Issue, Series 2024	10/23/2024	10/23/2027	24,400	-	-	24,400
Multifamily Conduit Revenue Bonds, Cheney Homes Issue, Series 2024A	10/30/2024	7/1/2047	6,900	-	-	6,900
Multifamily Conduit Revenue Bonds, Cheney Homes Issue, 2024B	10/30/2024	4/30/2028	11,100	-	-	11,100
Multifamily Conduit Revenue Bonds, West Newton Armory Issue, Series 2025A	5/28/2025	2/28/2045	4,800	-	-	4,800
Multifamily Conduit Revenue Bonds, West Newton Armory Issue, Series 2025B	5/28/2025	3/1/2028	10,450	-	-	10,450
Total Conduit Issues			\$ 86,050	\$ -	\$ -	\$ 86,050
Total			\$ 846,970	\$ 677,007	\$ 83,913	\$ 86,050

⁶ Funds used to finance new mortgage loans

⁷ Funds used to refund, remarket and/or replace outstanding bonds.

⁸ Funds used to finance mortgage loans for which neither the bonds nor the mortgage loans securing those bonds are in the Agency's financial statements. Each of such bond issues are separately secured from any other obligations issued by the Agency.

Bond Refundings

The unamortized premium/discount amounts on Bond Refundings are amortized in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. These gains and losses are included in Other Nonoperating Revenues (Expenses) in the Agency's Statements of Revenues, Expenses, and Changes in Net Position.

See Schedules 1 and 2 for additional required disclosures related to bond and note indebtedness.

Lines of Credit

On August 2, 2024, MassHousing amended its existing revolving loan agreement with Bank of America, N.A. for a line of credit to provide funding for the Agency's warehouse of single-family loans in the WCF. The amendment extended the maturity date to August

4, 2026. The maximum credit line of the revolving loan agreement was \$150 million at June 30, 2026. At June 30, 2026, the line of credit had no balance. At June 30, 2025, the balance of the line of credit was \$15 million.

On August 2, 2024, MassHousing amended its existing revolving note purchase agreement with Bank of America, N.A. to purchase the Agency's direct purchase construction loan notes. The amendment extended the commitment expiration date to August 4, 2026. The maximum available commitment of purchased notes was \$125 million at June 30, 2026. At June 30, 2026 and 2025, the revolving note purchase agreement outstanding balance was \$40 million, and was recorded as Direct Purchase Note Issue 4, Block 2024A as more fully described in Schedule 2 "Notes and Other Indebtedness".

On January 16, 2026, MassHousing amended its existing revolving note purchase agreement with U.S. Bank National Association to purchase bond anticipation notes in the HB program. The amendment extended the commitment expiration date to July 19, 2027. The maximum available commitment to purchase bond anticipation notes was \$100 million at June 30, 2026 and 2025. At June 30, 2026 and 2025, no bond anticipation notes were outstanding.

Helping to House New England Financing

In December 2016, MassHousing entered into an *Agreement for Advances, Collateral Pledge, and Security Agreement* (Agreement) with the Federal Home Loan Bank (FHLB) of Boston's Helping to House New England Program, of which the Agency has posted certain investments as collateral as required under the program. The Agency is utilizing the program to provide funding for some of the Agency's multifamily loans. Each advance has a term of 10 years and a 0% interest rate. The Agreement contains several provisions which would result in default, including, but not limited to, failure to pay the debt, bankruptcy and material breach of any representation or warranty. At both June 30, 2026 and 2025, \$16.4 million, with maturity dates of December 21, 2026 for \$9.2 million and December 6, 2028 for \$7.2 million, had been advanced and was outstanding. At June 30, 2026 and 2025, MBS with a fair value of \$20.9 million and \$22.5 million, respectively, was held in the WCF as collateral for the program.

Conduit Debt

MassHousing has issued bonds under its GRDB Resolution to finance certain mortgage loans for private-sector developers to assist in the acquisition and construction of multifamily housing. The properties financed are pledged as collateral, and the bonds are payable solely from payments received from the private-sector developers on the underlying mortgages. No additional or voluntary commitments were made beyond the limited commitment to the maintenance of the tax-exempt status of the conduit debt obligations by the Agency for any of those bonds. At June 30, 2026 and 2025, the bonds have an original principal amount payable of \$449.0 million and \$325.7 million, respectively.

The issues of such conduit bonds, outstanding as of June 30, 2026 and 2025, are listed in the tables below (in thousands):

June 30, 2026			Original
Issue Name	Issue Date	Maturity Date	Principal Amount
Conduit Revenue Bonds (Kenmore Abbey Development), 2012 Series B	6/21/2012	6/1/2030	\$ 42,700
Multifamily Conduit Revenue Bonds, Olmsted Green Issue, Series 2018B	11/30/2018	11/30/2037	18,470
Multifamily Tax-Exempt Mortgage-Backed Bonds (M-TEBS) (Chestnut Park Project), Series 2018A	12/13/2018	1/1/2039	32,900
Multi-Family Mortgage Revenue Note (Millers River Apartments), Series 2018	12/28/2018	7/1/2053	52,000
Multifamily Conduit Revenue Bonds (Arthur O'Shea House Issue), Series 2019B	7/31/2019	7/31/2038	5,276
Multifamily Conduit Revenue Bonds (Arthur O'Shea House Issue), Series 2019C	7/31/2019	7/31/2038	1,694
Multifamily Tax-Exempt Mortgage-backed Bonds (M-TEMS) (Colonial Village Project), Series 2019 (FN)	12/19/2019	1/1/2037	8,250
Multifamily Conduit Revenue Bonds, (Michael E. Haynes Arms Issue), Series 2020B	1/16/2020	1/3/2040	6,765
Multifamily Conduit Revenue Bonds, (Morse Apartments Issue), Series 2020B	7/30/2020	7/30/2039	6,161
Multifamily Conduit Revenue Bonds, (Morse Apartments Issue), Series 2020C	7/30/2020	7/30/2039	1,839
Multifamily Conduit Revenue Bonds, (1599 Columbus Avenue Issue), Series 2022B	8/29/2022	11/30/2045	8,210
Multifamily Conduit Revenue Bonds, (Michael E. Haynes Arms Issue), Series	11/21/2022	1/3/2040	1,000
Multifamily Conduit Revenue Bonds, (Jaycee Place Issue), Series 2023	5/23/2023	5/1/2063	13,985
Multifamily Conduit Revenue Bonds, Appleton Mill Issue, Series 2023	9/28/2023	3/28/2027	27,161
Multifamily Conduit Revenue Bonds, Lincoln Square, 4% Issue, 2024A	8/23/2024	8/1/2047	1,050
Multifamily Conduit Revenue Bonds, Lincoln Square, 4% Issue, 2024B	8/23/2024	8/1/2027	27,350
Multifamily Conduit Revenue Bonds, 900 Morrissey Issue, Series 2024	10/23/2024	10/23/2027	24,400
Multifamily Conduit Revenue Bonds, Cheney Homes Issue, Series 2024A	10/30/2024	7/1/2047	6,900
Multifamily Conduit Revenue Bonds, Cheney Homes Issue, Series 2024B	10/30/2024	4/30/2028	11,100
Multifamily Conduit Revenue Bonds, West Newton Armory Issue, Series 2025A	5/28/2025	2/28/2048	4,800
Multifamily Conduit Revenue Bonds, West Newton Armory Issue, Series 2025B	5/28/2025	3/1/2028	10,450
Multifamily Conduit Revenue Bonds, 55 Hudson Rental Issue, Series 2025A	8/29/2025	8/14/2048	8,420
Multifamily Conduit Revenue Bonds, 55 Hudson Rental Issue, Series 2025B	8/29/2025	3/1/2029	22,575
Multifamily Conduit Revenue Bonds, Appleton Mill Issue, Series 2025	10/24/2025	3/28/2027	2,000
Multifamily Conduit Revenue Bonds, 775 Huntington Issue, Series 2025A	12/5/2025	10/31/2048	10,050
Multifamily Conduit Revenue Bonds, 775 Huntington Issue, Series 2025B	12/5/2025	5/1/2029	19,400
Multifamily Conduit Revenue Bonds, Northern Heights Issue, Series 2025	12/18/2025	12/18/2027	17,000
Multifamily Conduit Revenue Bonds, 24 Webster Issue, Series 2025A	12/19/2025	6/18/2048	6,500
Multifamily Conduit Revenue Bonds, 24 Webster Issue, Series 2025B	12/19/2025	12/18/2028	11,285
Multifamily Conduit Revenue Bonds, 900 Morrissey Issue, Series 2026	3/13/2026	10/23/2027	1,310
Multifamily Conduit Revenue Bonds, Columbia Crossing Issue, Series 2026A	3/31/2026	3/15/2049	6,000
Multifamily Conduit Revenue Bonds, Columbia Crossing Issue, Series 2026B	3/31/2026	3/31/2029	19,400
Multifamily Conduit Revenue Bonds, Cambridge Blanchard 1 Issue, Series 2026A	5/22/2026	4/30/2049	3,600
Multifamily Conduit Revenue Bonds, Cambridge Blanchard 1 Issue, Series 2026B	5/22/2026	8/1/2029	8,960
Total Conduit Bonds			<u>\$ 448,961</u>

June 30, 2025			Original
Issue Name	Issue Date	Maturity Date	Principal Amount
Conduit Revenue Bonds (Kenmore Abbey Development), 2012 Series B	6/21/2012	6/1/2030	\$ 42,700
Multifamily Conduit Revenue Bonds, Olmsted Green Issue, Series 2018B	11/30/2018	11/30/2037	18,470
Multifamily Tax-Exempt Mortgage-Backed Bonds (M-TEBS) (Chestnut Park Project), Series 2018A	12/13/2018	1/1/2039	32,900
Multi-Family Mortgage Revenue Note (Millers River Apartments), Series 2018	12/28/2018	7/1/2053	52,000
Multifamily Conduit Revenue Bonds (Arthur O'Shea House Issue), Series 2019B	7/31/2019	7/31/2038	5,276
Multifamily Conduit Revenue Bonds (Arthur O'Shea House Issue), Series 2019C	7/31/2019	7/31/2038	1,694
Multifamily Tax-Exempt Mortgage-backed Bonds (M-TEMS) (Colonial Village Project), Series 2019 (FN)	12/19/2019	1/1/2037	8,250
Multifamily Conduit Revenue Bonds, (Michael E. Haynes Arms Issue), Series 2020B	1/16/2020	1/3/2040	6,765
Multifamily Conduit Revenue Bonds, (Morse Apartments Issue), Series 2020B	7/30/2020	7/30/2039	6,161
Multifamily Conduit Revenue Bonds, (Morse Apartments Issue), Series 2020C	7/30/2020	7/30/2039	1,839
Multifamily Conduit Revenue Bonds, (1599 Columbus Avenue Issue), Series 2022A	8/29/2022	12/1/2025	13,200
Multifamily Conduit Revenue Bonds, (1599 Columbus Avenue Issue), Series 2022B	8/29/2022	11/30/2045	8,210
Multifamily Conduit Revenue Bonds, (Michael E. Haynes Arms Issue), Series 2022B	11/21/2022	1/3/2040	1,000
Multifamily Conduit Revenue Bonds, (Jaycee Place Issue), Series 2023	5/23/2023	5/1/2063	13,985
Multifamily Conduit Revenue Bonds, Appleton Mill Issue, Series 2023	9/28/2023	3/28/2027	27,161
Multifamily Conduit Revenue Bonds, Lincoln Square, 4% Issue, 2024A	8/23/2024	8/1/2047	1,050
Multifamily Conduit Revenue Bonds, Lincoln Square, 4% Issue, 2024B	8/23/2024	8/1/2027	27,350
Multifamily Conduit Revenue Bonds, 900 Morrissey Issue, Series 2024	10/23/2024	10/23/2027	24,400
Multifamily Conduit Revenue Bonds, Cheney Homes Issue, Series 2024A	10/30/2024	7/1/2047	6,900
Multifamily Conduit Revenue Bonds, Cheney Homes Issue, Series 2024B	10/30/2024	4/30/2028	11,100
Multifamily Conduit Revenue Bonds, West Newton Armory Issue, Series 2025A	5/28/2025	2/28/2048	4,800
Multifamily Conduit Revenue Bonds, West Newton Armory Issue, Series 2025B	5/28/2025	3/1/2028	10,450
Total Conduit Bonds			<u>\$ 325,661</u>

For the Conduit Bonds, updated information with respect to the bonds and related mortgage loans is available in accordance with the provisions of the applicable Loan, Security and Trust Agreement and the Disbursing Agreement relating to such bonds.

Note I. Capital Assets

Capital asset activity for FY 2026 and FY 2025, was as follows (in thousands):

	Beginning Balance July 1, 2025	Increases	Decreases	Ending Balance June 30, 2026
Capital assets not being depreciated or amortized				
Other Real Estate Owned, net of allowance	\$ 2,016	\$ 2,834	\$ (1,408)	\$ 3,442
Total capital assets not being depreciated or amortized	2,016	2,834	(1,408)	3,442
Capital assets being depreciated or amortized				
Office building lease right of use asset	84,673	-	-	84,673
Single-family Service Rights and Excess Servicing Rights	48,741	5,612	-	54,353
Furniture and equipment	4,054	-	(315)	3,739
Leasehold improvements	2,615	-	(63)	2,552
Computers	1,911	-	(1,911)	-
Intangible software	1,586	-	-	1,586
Total capital assets being depreciated or amortized	143,580	5,612	(2,289)	146,903
Less: accumulated depreciation or amortization				
Office building lease right of use asset	(438)	(2,635)	-	(3,073)
Single-family Service Rights and Excess Servicing Rights	(13,489)	(6,050)	-	(19,539)
Furniture and equipment	(4,026)	(28)	315	(3,739)
Leasehold improvements	(1,628)	(208)	49	(1,787)
Computers	(1,911)	-	1,911	-
Intangible software	(1,586)	-	-	(1,586)
Total accumulated depreciation and amortization	(23,078)	(8,921)	2,275	(29,724)
Capital assets, net	\$ 122,518	\$ (475)	\$ (1,422)	\$ 120,621

	Beginning Balance July 1, 2024	Increases	Decreases	Ending Balance June 30, 2025
Capital assets not being depreciated or amortized				
Other Real Estate Owned, net of allowance	\$ 900	\$ 2,417	\$ (1,301)	\$ 2,016
Total capital assets not being depreciated or amortized	900	2,417	(1,301)	2,016
Capital assets being depreciated or amortized				
Office building lease right of use asset	42,343	42,330	-	84,673
Single-family Service Rights and Excess Servicing Rights	110,652	7,096	(69,007)	48,741
Furniture and equipment	4,054	-	-	4,054
Leasehold improvements	2,615	-	-	2,615
Computers	1,911	-	-	1,911
Intangible software	1,586	-	-	1,586
Total capital assets being depreciated or amortized	163,161	49,426	(69,007)	143,580
Less: accumulated depreciation or amortization				
Office building lease right of use asset	(17,521)	(4,089)	21,172	(438)
Single-family Service Rights and Excess Servicing Rights	(76,653)	(5,843)	69,007	(13,489)
Furniture and equipment	(3,940)	(86)	-	(4,026)
Leasehold improvements	(1,420)	(208)	-	(1,628)
Computers	(1,911)	-	-	(1,911)
Intangible software	(1,586)	-	-	(1,586)
Total accumulated depreciation and amortization	(103,031)	(10,226)	90,179	(23,078)
Capital assets, net	\$ 61,030	\$ 41,617	\$ 19,871	\$ 122,518

Depreciation and amortization expense for FY 2026 and FY 2025, was \$8.9 million and \$10.2 million, respectively.

Note J. Leases

The following is a summary of lease assets and liabilities as of June 30, 2026 and 2025:

Lease Balances (in thousands)

As of June 30	2026	2025
Current Assets:		
Sublease Receivable	\$ 171	\$ 165
Noncurrent Assets:		
Right of Use Asset, net	81,600	84,235
Sublease Receivable	484	655
Total Lease Assets	\$ 82,255	\$ 85,055
Current Liabilities:		
Lease Liability	\$ (42)	\$ (79)
Noncurrent Liabilities:		
Lease Liability	84,808	84,766
Total Lease Liabilities	\$ 84,766	\$ 84,687

On May 22, 2025, MassHousing entered into the sixth amendment to its office lease of approximately 106,382 rentable square feet with OBS REIT, LLC commencing on this date and extending the lease term to July 31, 2046 from March 31, 2030. This lease amendment provides MassHousing the option to terminate the lease space of approximately 4,174 rentable square feet on the fifth floor of the building upon not less than twelve months written notice, effective on the date provided in such notice, but not later than March 31, 2030.

MassHousing also leases office equipment and other items under several non-cancellable leases with terms in excess of one year.

The following is a summary of office lease principal and interest requirements to maturity, presented separately, for the Lease Liability for each of the five subsequent fiscal years and the remaining lease term in five-year increments:

Building Lease

(in thousands)

As of June 30, 2026

FY Ending June 30th	Remaining Payments	Interest Expense	Liability Reduction
FY 2027	\$ 5,046	\$ 5,088	\$ (42)
FY 2028	5,118	5,088	30
FY 2029	5,128	5,086	42
FY 2030	5,827	5,078	749
FY 2031	7,251	4,978	2,273
FY 2032-2036	38,313	22,371	15,942
FY 2037-2041	42,426	16,159	26,267
FY 2042-2046	45,890	6,385	39,505
Total	<u>\$ 154,999</u>	<u>\$ 70,233</u>	<u>\$ 84,766</u>

Sublease Commitments

MassHousing had entered into two sublease agreements for a portion of its leased space. Under the first sublease the monthly payments began on December 1, 2018 and terminate on March 31, 2030. The second sublease was terminated early, effective March 31, 2025, and the related sublease receivable was relieved.

The following is a summary of sublease income recognized in FY 2026 and FY 2025:

Building Sublease

(in thousands)

For the fiscal year ended June 30,

2026

2025

Principal Reduction	\$ 151	\$ 462
Interest Income	17	112
Total Payments Collected	<u>\$ 168</u>	<u>\$ 574</u>

Note K. Derivative Instruments

Derivative instruments are financial arrangements, often complex, used to manage specific risks or to make investments. By entering into these arrangements, organizations receive and/or make payments based on market prices or rates without actually entering into the related financial transactions. Derivative instruments associated with changing financial prices and rates result in changing cash flows and fair values that can be used as effective risk management or investment tools.

At both June 30, 2026 and 2025, MassHousing had two types of derivative instruments outstanding: interest rate swaps and MBS Forward Contracts.

Interest Rate Swaps

Master Swap Policy (MS Policy) – MassHousing’s MS Policy sets guidelines for the use and management of variable rate debt and the use of various derivative financial products such as swaps, caps, floors, collars and options. The MS Policy governs the following: the appropriate usage of swaps and caps; acceptable swap and cap strategies; the procedure for entering into swaps and caps; standards for selection of swap and cap counterparties (including credit standards, diversification of exposure and collateral requirements); internal management of obligations and exposure; and the selection and procurement of swaps and caps.

The MS Policy permits MassHousing to enter into swaps and caps with qualified counterparties in connection with the issuance of debt obligations to reduce the amount and duration of rate, spread or similar risk and in connection with managing MassHousing’s assets. The MS Policy states that no swap or cap may be entered into prior to notification of appropriate bond rating agencies. The MS Policy contains guidelines for limiting concentration of exposure to single counterparties and limiting overall derivative counterparty exposure in relation to MassHousing’s net position.

Synthetic Fixed Rate Bonds – In connection with the issuance of certain variable rate bonds, MassHousing has entered into several separate pay-fixed, receive-variable interest rate hedging transactions (interest rate swap). The interest rate swap counterparties are obligated to make periodic variable rate interest payments to MassHousing based on the notional amounts of the swaps at the then prevailing rates, and MassHousing is obligated to make interest payments to the counterparties at the fixed rates on the notional amounts specified in the interest rate swap agreements. Generally, only the net difference between the two interest payments is actually exchanged with the counterparty. MassHousing is also responsible for making periodic interest payments to the variable rate bondholders. MassHousing’s objective in entering into interest rate swap agreements is to effectively fix its interest payment obligations with respect to the variable rate bonds at a rate lower than possible if fixed rate bonds had been issued. MassHousing would be exposed to a variable rate under the following conditions: if the counterparties default; and if the swap agreements are terminated. Termination of an interest rate swap agreement may also result in MassHousing either having to make or receive a termination payment.

Swap Effectiveness - An independent pricing service assesses the effectiveness of its interest rate swaps for each reporting period. An actual synthetic rate is computed using data regarding (1) the fixed payments made to and the variable payments received from the swap counterparty as well as (2) the variable interest payments to the bondholders. If the

actual synthetic rate is within the range of the fixed rate of the swap, the actual synthetic rate is deemed to be substantially fixed and the swap classified as an effective derivative instrument (hedge). If the actual synthetic rate is outside of the range, further testing is performed to determine if the swap is deemed to be an ineffective derivative instrument (other derivative instrument).

Basis of Valuing Interest Rate Swaps – The interest rate swap fair values reflected on the Statement of Net Position were obtained from an independent pricing service, which used acceptable methods and assumptions in compliance with the disclosure requirements of GASB pronouncements, subject to review and approval by MassHousing. The pricing service uses modeling systems to determine the values shown in this report. Unless stated otherwise, the values presented are mid-market levels and do not include accrued interest. The values are calculated based on the zero-coupon method. The zero-coupon method determines future net settlement payments assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. Future payments are then discounted using the spot rates implied by the yield curve as of the pricing date. Termination Option values are derived using the Black-Scholes model, considering variables such as interest rates, duration and implied volatility.

A positive fair value of an interest rate swap (an asset) implies that if the interest rate swap were terminated at midmarket pricing on the valuation date, MassHousing would be owed a payment from the interest rate swap provider. Conversely, a negative fair value of an interest rate swap (a liability) implies that MassHousing would owe a payment to the interest rate swap provider if the interest rate swap were terminated at midmarket pricing on the valuation date.

Terms, fair values, and credit ratings – The terms, including fair values and counterparty credit ratings, of the outstanding interest rate swaps at both June 30, 2026 and 2025 are provided below. The credit ratings were issued by S&P and Moody's, respectively. The notional value of each interest rate swap and the principal amount of the associated debt generally declines over time.

June 30, 2026

Swap - Derivative Instruments (in thousands)

Change in Fair								
Values from								
Associated Bond Series (Counterparty)	Derivative Type	Notional		Swap	Fixed	Variable		6/30/25
		Amount	Effective	Termination	Rate	Rate	Fair Values	[increase/
		6/30/26	Date	Date	Paid	Received	6/30/26	(decrease)]
HB 2018B (2)	Hedge	\$ 25,000	6/19/2018	6/1/2053	3.845%	(70 % * SOFR) +.08014% + 1.05% (a and c)	\$ 2,309	\$ 241
HB 2023E (5)	Other	35,000	3/1/2024	12/1/2033	4.448%	SOFR + .10% (a)	1	712
HB 2025A (1)	Hedge	62,660	9/11/2025	6/1/2039	3.804%	SOFR + .10% (a)	1,494	1,494
HB 2026B (6)	Hedge	50,000	6/25/2026	12/1/2045	4.434%	SOFR + .10% (a)	(497)	(497)
SFHRB Series 196 (3)	Other	11,250	6/19/2018	12/1/2048	2.573%	(70% * SOFR) + .08014% (a and c)	747	71
SFHRB Series 200 (4)	Other	11,250	11/1/2018	12/1/2048	2.732%	(70% * SOFR) + .08014% (a and c)	769	135
SFHRB Series 208 (4)	Other	11,250	5/9/2019	6/1/2049	2.350%	SIFMA (b and d)	1,168	4
SFHRB Series 229 (1)	Other	44,845	3/14/2023	6/1/2032	4.027%	SOFR + .10% (a)	(19)	744
SFHRB Series 244 (6)	Hedge	58,165	3/26/2025	12/1/2034	3.819%	SOFR + .10% (a)	395	1,002
SFHRB Series 248 (4)	Hedge	50,000	9/4/2025	12/1/2039	4.356%	SOFR + .10% (a)	993	993
SFHRB Series 251 (5)	Hedge	50,000	12/17/2025	6/1/2040	3.657%	SOFR + .10% (a)	1,049	1,049
		\$ 409,420					\$ 8,409	\$ 5,948

(a) Secured Overnight Financing Rate (SOFR) (3.68% at June 30, 2026)

(b) USD Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index (2.67% at June 30, 2026)

(c) Previous LIBOR-based instruments converted to SOFR plus the specified Adjustment Spread via the ISDA Fallback Protocol

(d) SIFMA until December 1, 2028, then (70% * SOFR) + .08014%

Counterparty	Counterparty Credit Rating	Notional		Percentage of	
		Amount 6/30/26	Amount	Notional Amount	Fair Values 6/30/26
(1) Bank of America, N.A.	A+/Aa2	\$ 107,505	26.26%	\$	1,475
(2) Barclays Bank PLC	A+/A1	25,000	6.10%		2,309
(3) Citibank, N.A.	A+/Aa3	11,250	2.75%		747
(4) Royal Bank of Canada	AA-/Aa1	72,500	17.71%		2,930
(5) Wells Fargo	A+/Aa2	85,000	20.76%		1,050
(6) Bank of New York Mellon	AA-/Aa2	108,165	26.42%		(102)
		\$ 409,420	100.00%	\$	8,409

June 30, 2025

Swap - Derivative Instruments (in thousands)

Associated Bond Series (Counterparty)	Derivative Type	Notional Amount 6/30/25	Effective Date	Swap Termination Date	Fixed Rate Paid	Variable Rate Received	Fair Values 6/30/25	Change in Fair Values from 6/30/24 [increase/ (decrease)]	
HB Series 2016I (2)	Hedge	\$ 25,000	6/1/2023	12/1/2041	3.655%	(70% * SOFR) + 1.315% (a)	\$ 2,065	\$	(406)
HB 2018B (2)	Hedge	25,000	6/19/2018	6/1/2053	3.845%	(70% * SOFR) + .08014% + 1.05% (a and c)	2,068		(71)
HB 2023E (5)	Other	35,000	3/1/2024	12/1/2033	4.448%	SOFR + .10% (a)	(711)		(833)
SFHRB Series 196 (3)	Other	11,250	6/19/2018	12/1/2048	2.573%	(70% * SOFR) + .08014% (a and c)	676		(155)
SFHRB Series 200 (4)	Other	11,250	11/1/2018	12/1/2048	2.732%	(70% * SOFR) + .08014% (a and c)	634		(118)
SFHRB Series 208 (4)	Other	11,250	5/9/2019	6/1/2049	2.350%	SIFMA (b and d)	1,164		(102)
SFHRB Series 229 (1)	Other	55,030	3/14/2023	6/1/2032	4.027%	SOFR + .10% (a)	(763)		(1,252)
SFHRB Series 244 (6)	Hedge	60,000	3/26/2025	12/1/2034	3.819%	SOFR + .10% (a)	(607)		(607)
		<u>\$ 233,780</u>					<u>\$ 4,526</u>	<u>\$</u>	<u>(3,544)</u>

(a) Secured Overnight Financing Rate (SOFR) (4.45% at June 30, 2025)

(b) USD Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index (1.92% at June 30, 2025)

(c) Previous LIBOR-based instruments converted to SOFR plus the specified Adjustment Spread via the ISDA Fallback Protocol

(d) SIFMA until December 1, 2028, then (70% * SOFR) + .08014%

Counterparty	Counterparty Credit Rating	Notional Amount 6/30/25	Percentage of		Fair Values 6/30/25
			Notional Amount		
(1) Bank of America, N.A.	A+/Aa2	\$ 55,030	23.54%		\$ (763)
(2) Barclays Bank PLC	A+/A1	50,000	21.39%		4,133
(3) Citibank, N.A.	A+/Aa3	11,250	4.81%		676
(4) Royal Bank of Canada	AA-/Aa1	22,500	9.62%		1,798
(5) Wells Fargo	A+/Aa2	35,000	14.97%		(711)
(6) Bank of New York Mellon	AA-/Aa2	60,000	25.67%		(607)
		<u>\$ 233,780</u>	<u>100.00%</u>		<u>\$ 4,526</u>

Due to partial or full terminations of swap agreements, the changes in fair values in the tables above may not accurately depict actual market changes.

Swap Terminations

On November 5, 2025, MassHousing optionally terminated and cash-settled an interest rate swap agreement with Barclays Bank PLC related to its variable rate HB 2016I bonds, which were redeemed on December 10, 2025. In full consideration for the termination of the original transaction the Agency received \$1.7 million from the swap counterparty.

Swap Agreements

On August 13, 2025, MassHousing entered into a swap agreement with a notional amount of \$50 million, effective September 4, 2025, as part of the financing of the SFHRB Series 248 bonds. The purpose of the swap agreement is to hedge an interest rate for the variable rate bonds. The swap counterparty is obligated to pay MassHousing semi-annually based on an amount equal to 100% of the SOFR provided by the Federal Reserve Bank of New York plus 10 basis points, compounded daily, on the amortized notional amount of the contract. MassHousing is obligated to pay the counterparty semi-annually a stipulated annualized fixed rate of 4.3555% on the amortized notional amount of the contract.

On September 4, 2025, MassHousing entered into a swap agreement with a notional amount of \$62.7 million, effective September 11, 2025, as part of the financing of the HB Series 2025A bonds. The purpose of the swap agreement is to hedge an interest rate for the variable rate bonds. The swap counterparty is obligated to pay MassHousing monthly based

on an amount equal to 100% of the SOFR provided by the Federal Reserve Bank of New York plus 10 basis points, compounded daily, on the amortized notional amount of the contract. MassHousing is obligated to pay the counterparty monthly a stipulated annualized fixed rate of 3.804% on the amortized notional amount of the contract.

On December 2, 2025, MassHousing entered into a swap agreement with a notional amount of \$50 million, effective December 17, 2025, as part of the financing of the SFHRB Series 251 bonds. The purpose of the swap agreement is to hedge an interest rate for the variable rate bonds. The swap counterparty is obligated to pay MassHousing semi-annually based on an amount equal to 100% of the SOFR provided by the Federal Reserve Bank of New York plus 10 basis points, compounded daily, on the amortized notional amount of the contract. MassHousing is obligated to pay the counterparty semi-annually a stipulated annualized fixed rate of 3.657% on the amortized notional amount of the contract.

On June 12, 2026, MassHousing entered into a swap agreement with a notional amount of \$50 million, effective June 25, 2026, as part of the financing of the HB Series 2026B bonds. The purpose of the swap agreement is to hedge an interest rate for the variable rate bonds. The swap counterparty is obligated to pay MassHousing monthly based on an amount equal to 100% of the SOFR provided by the Federal Reserve Bank of New York plus 10 basis points, compounded daily, on the amortized notional amount of the contract. MassHousing is obligated to pay the counterparty monthly a stipulated annualized fixed rate of 4.434% on the amortized notional amount of the contract.

Interest Rate Swap payments and associated debt – As interest rates vary, variable-rate bond interest payments and net interest rate swap payments vary. Certain of the Agency's interest rate swap agreements contain scheduled reductions in the notional amounts that are expected to approximately follow the scheduled or anticipated reductions in the principal balances of the associated bonds payable. See Note H, "Bond and Note Indebtedness," for projected net interest rate swap payments.

Current Collateral Agreements – The outstanding interest rate swap agreements contain varying collateral requirements with the counterparties to mitigate the potential for credit risk. When these requirements are not met, collateral is posted with the counterparty. These requirements were met at June 30, 2026 and 2025, and as a result, the Agency did not have any collateral on deposit with any of its swap counterparties.

MBS Forward Contracts

MassHousing's Home Ownership division utilizes both a whole loan purchase program and a program financed through the sale of MBS guaranteed by a Government Agency or GSEs as to timely payment of principal and interest. These MBS represent pools of qualified first mortgage loans originated by MassHousing-approved lenders and MassHousing, sourced through mortgage brokers. Under this program, MassHousing periodically enters into forward contracts to sell MBS to investors before the securities are ready for delivery (referred to as MBS Forward Contracts). MassHousing enters into MBS Forward Contracts to hedge the interest rate risk for loan commitments made to originating mortgage lenders. MBS Forward Contracts are derivative instruments due to one or more of the following factors that are not determined at the time MassHousing and the investor enter into the transaction: settlement factors; the reference rates or interest rates the MBS will bear; and notional amounts in the form of the principal amount of the future MBS. In addition, payment to MassHousing by the investor is not required until the investor receives

the MBS, enabling the investor to take a position on interest rates without making a payment. Finally, the MBS Forward Contracts may be “net settled” because MassHousing is not obligated to deliver or purchase an asset (the MBS) to settle the MBS Forward Contract.

MBS Forward Contracts are included on the Statement of Net Position as deferred outflows of resources if the fair value is negative and as deferred inflows of resources if the fair value is positive. Pursuant to the terms of the counterparty forward contract with Fannie Mae, when the aggregate negative value of the forward contracts exceeds \$3 million, the Agency is required to post collateral. The minimum transfer amount is \$50 thousand. Collateral is not returned until the aggregate negative value becomes positive. At June 30, 2026 and 2025, the Agency did not have any collateral on deposit with Fannie Mae.

Terms, fair values, and credit ratings – A summary of the MBS Forward Contracts outstanding at June 30, 2026 and 2025, are provided below. The terms, including fair values and counterparty credit ratings, of the MBS Forward Contracts at June 30, 2026 and 2025, are provided in Schedule 3. The credit rating was issued by Moody’s. The fair values presented below and in Schedule 3 at June 30, 2026 and 2025 were obtained from an external pricing service, which used acceptable methods and assumptions in compliance with GASB disclosure requirements, subject to review and approval by MassHousing.

MBS Forward Contracts at June 30, 2026 (dollars in thousands)

	Notional Amount	Coupon Rate	Fair Value at June 30, 2026	Counterparty Credit Rating
MBS Forward Contracts	June 30, 2026	Range		
FHLMC	\$ 3,000	5.5 to 6.0%	\$ -	Aa1
Total	\$ 3,000		\$ -	

MBS Forward Contracts at June 30, 2025 (dollars in thousands)

	Notional Amount	Coupon Rate	Fair Value at June 30, 2025	Counterparty Credit Rating
MBS Forward Contracts	June 30, 2025	Rate		
FNMA	\$ 500	5.50%	\$ (5)	Aa1
Total	\$ 500		\$ (5)	

See Schedule 3 for additional required disclosures related to MBS forward contracts.

Derivative Instrument Risk

Credit risk – Credit risk is the risk that a counterparty will not fulfill its settlement obligations. The fair values of the interest rate swaps at June 30, 2026 and 2025 represent MassHousing’s credit exposure to the various counterparties with which the swaps were executed. Swap terms often expose MassHousing to credit risk for those swaps with positive fair values. The term “positive fair value” implies that the swap provider would owe a payment to MassHousing if the swap were terminated at a midmarket price on the valuation date. The term “negative fair value” implies that MassHousing would owe a

payment to the swap provider if the swap were terminated at a midmarket price on the valuation date. At June 30, 2026, the Agency was exposed to credit risk as nine separate agreements had a positive value for an aggregate exposure amount of \$8.9 million. Credit risk is mitigated due to the relatively high credit strength of the counterparties, which were rated A+ or better by S&P Global Ratings and A1 or better by Moodys.

MBS Forward Contract terms often expose MassHousing to credit risk. On June 30, 2026, the Agency was exposed to credit risk on its outstanding MBS Forward Contracts as two of the MBS Forward Contracts had positive fair values. The counterparty was rated Aa1 by Moody's on June 30, 2026.

Basis risk – Basis risk is the risk that arises when the variable rate received on a derivative instrument is less than the variable rate paid on the related hedged item. The Agency experiences some form of basis risk each time it enters into an interest rate hedging agreement, in which the interest rate doesn't exactly match the interest rate that is tied to the underlying variable rate bond.

In some cases, the basis risk the Agency experiences is due to computational differences of the Secured Overnight Financing Rate (SOFR). As of June 30, 2026, the Agency has variable rate bonds outstanding which can be reset based on an Average SOFR Rate; however, they are hedged with a Compounded SOFR interest rate.

In other cases, the basis risk occurs because the Agency is using a derivative index (either SOFR or USD Securities Industry and Financial Markets (SIFMA) Municipal Swap Index to hedge bonds not tied to any particular interest rate but resets independently at market-clearing rates set by a remarketing agent. For tax-exempt bonds, the Agency will either utilize the SIFMA index or a formula of SOFR chosen to approximate the interest rates on the bonds. Based on market conditions, the relationship between taxable and tax-exempt rates may vary. In addition, even when the swap counterparty payment is based on a tax-exempt index (SIFMA) and the underlying bonds are tax-exempt, or the swap counterparty payment is based on a taxable index (SOFR) and the underlying bonds are taxable, the Agency's variable rate bonds may reset differently from the market indices.

All of the derivatives held by MassHousing at June 30, 2026 have some minimal basis risk.

On June 30, 2026, the Agency was not exposed to significant basis risk on its MBS Forward Contracts.

Market-access risk – MassHousing would be exposed to market-access risk if a termination event occurred and the Agency was unable to obtain replacement interest rate swaps, caps or forwards because the market had suffered a loss of liquidity or had collapsed. The Agency utilizes these agreements knowing that the risk of failure exists, although that risk is generally thought to be remote. The Agency may consider redeeming the underlying bonds or remarketing bonds to fixed rates as possible alternative solutions to a lack of swaps or caps.

Termination risk – The interest rate swap contract MassHousing uses is the International Swaps and Derivatives Association Master Agreement, which includes provisions for standard termination events. Either MassHousing or the counterparty may terminate any interest rate swap if the other party fails to perform under the terms of the contract.

MassHousing has the option to terminate certain of the interest rate swap agreements at par, in whole or in part as permitted under each agreement, beginning on the dates shown in the table “Swap and Associated Debt Maturities and Par Termination Options” below and continuing periodically thereafter. If a termination event occurs due to reasons other than MassHousing exercising its standard termination option, MassHousing would be liable to the counterparty for a settlement amount to be established using the “Second Method and Market Quotation” determination. Under these terms, if the interest rate swap has a negative fair value at the time of termination, MassHousing would be liable to the counterparty for a payment equal to the interest rate swap’s fair value; if the interest rate swap has a positive value, the counterparty would be liable for a payment to MassHousing.

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the interest rate swaps. The Agency is not exposed to significant interest rate risk on its pay-fixed, receive variable interest rate swaps. For SIFMA and SOFR rate swap contracts, as those variable rates change, the variable rate on the associated bonds moves in approximately the same direction, thereby resulting in a relatively stable net payment on the bonds.

The Agency is not exposed to interest rate risk on its MBS Forward Contracts.

Rollover risk – MassHousing is exposed to rollover risk on interest rate swaps that mature prior to the maturity of the associated debt. When these interest rate swaps terminate, the risk is that MassHousing will not realize the synthetic rate offered by the interest rate swaps on the underlying debt issues. All outstanding interest rate swaps, the maturity dates of each swap and its associated debt, and the first date on which MassHousing may exercise a par termination option, are shown below. MassHousing is exposed to rollover risk on each swap whose maturity date precedes the maturity date of its associated debt.

Swap and Associated Debt Maturities and Par Termination Options - June 30, 2026

<u>Associated Debt Issuance</u>	<u>Debt Maturity Dates</u>	<u>Swap Maturity Dates</u>	<u>Par Termination Option First Exercise</u>
HB 2018B	6/1/2058	6/1/2053	6/1/2027
HB 2023E	12/1/2063	12/1/2033	12/1/2028
HB 2025A	12/1/2064	6/1/2039	12/1/2033
HB 2026B	12/1/2065	12/1/2045	12/1/2035
SFHRB Series 196	12/1/2048	12/1/2048	6/1/2027
SFHRB Series 200	12/1/2048	12/1/2048	12/1/2028
SFHRB Series 208	6/1/2049	6/1/2049	12/1/2028
SFHRB Series 229	6/1/2052	6/1/2032	None
SFHRB Series 244	12/1/2055	12/1/2034	None
SFHRB Series 248	12/1/2055	12/1/2039	6/1/2033
SFHRB Series 251	12/1/2055	6/1/2040	6/1/2033

Note L. Interfund Receivable (Payable) Balances and Interfund Transfers

For cash flow purposes in meeting the liquidity requirements of various affiliated entities and bond programs, the WCF may provide or receive cash or other resources which are recorded on the Statements of Net Position as an interfund account receivable or (payable). Interfund transfers of net position may be made from time to time among the WCF and

bond programs as provided by the requirements of the various bond resolutions and their related indentures. The Agency may make interfund transfers to the extent that such transfers are not required to meet the Agency's debt obligations and if such transfers are not in violation of the terms of bond resolutions or indentures. These transfers are made for the following purposes: to make initial contributions to new bond series and/or to cover any debt service shortfalls of the new bond series; to receive from the bond programs amounts no longer restricted by bond resolution requirements; and in order to facilitate tax compliance.

The following tables provide the interfund receivable (payable) balances at June 30, 2026 and 2025 and the interfund transfers for FY 2026 and FY 2025 (in thousands):

Interfund Receivable (Payable) Balances at June 30, 2026

	WCF & Affiliates	GRDB Program	MFHB Program	HB Program	SFHRB Program	RMRB Program	Totals
WCF & Affiliates	\$ -	\$ (15)	\$ (5)	\$ (186)	\$ (705)	\$ (3)	\$ (914)
GRDB Program	15	-	-	-	-	-	15
MFHB Program	5	-	-	-	-	-	5
HB Program	186	-	-	-	-	-	186
SFHRB Program	705	-	-	-	-	-	705
RMRB Program	3	-	-	-	-	-	3
Totals	\$ 914	\$ (15)	\$ (5)	\$ (186)	\$ (705)	\$ (3)	\$ -

Interfund Receivable (Payable) Balances at June 30, 2025

	Interfund Receivable (Payable) Balances at June 30, 2018					
	WCF & Affiliates	GRDB Program	MFHB Program	SFHRB Program	RMRB Program	Totals
WCF & Affiliates	\$ -	\$ (15)	\$ (6)	\$ (257)	\$ (3)	\$ (281)
GRDB Program	15	-	-	-	-	15
MFHB Program	6	-	-	-	-	6
SFHRB Program	257	-	-	-	-	257
RMRB Program	3	-	-	-	-	3
Totals	\$ 281	\$ (15)	\$ (6)	\$ (257)	\$ (3)	\$ -

Interfund Transfers for Fiscal Year 2026

	WCF & Affiliates	GRDB Program	MFHB Program	HB Program	SFHRB Program	RMRB Program	Totals
WCF & Affiliates	\$ -	\$ (1,126)	\$ (1,389)	\$ (15,000)	\$ 6,431	\$ (29)	\$ (11,113)
GRDB Program	1,126	-	-	-	-	-	1,126
MFHB Program	1,389	-	-	-	-	-	1,389
HB Program	15,000	-	-	-	-	-	15,000
SFHRB Program	(6,431)	-	-	-	-	-	(6,431)
RMRB Program	29	-	-	-	-	-	29
Totals	\$ 11,113	\$ (1,126)	\$ (1,389)	\$ (15,000)	\$ 6,431	\$ (29)	\$ -

Interfund Transfers for Fiscal Year 2025						
	WCF & Affiliates	GRDB Program	MFHB Program	HB Program	RMRB Program	Totals
WCF & Affiliates	\$ -	\$ (1,032)	\$ (2,226)	\$ (15,000)	\$ (33)	\$ (18,291)
GRDB Program	1,032	-	-	-	-	1,032
MFHB Program	2,226	-	-	-	-	2,226
HB Program	15,000	-	-	-	-	15,000
RMRB Program	33	-	-	-	-	33
Totals	\$ 18,291	\$ (1,032)	\$ (2,226)	\$ (15,000)	\$ (33)	\$ -

Note M. Net Position**(1) Restricted by Contractual or Statutory Agreements**

In accordance with the accounting policy outlined in Note B, all funds and accounts established by the various MassHousing bond resolutions are restricted as to their use. Portions of the net position of the WCF and Affiliates are restricted by contract or externally imposed requirements.

Restricted net position at June 30, 2026 and 2025 consists of the following (in thousands):

	June 30, 2026	June 30, 2025
Minimum net position covenants	\$ 150,000	\$ 150,000
MassHousing Mortgage Insurance Funds (MIF)	149,487	142,914
CommonWealth Builder Program ⁹	53,705	79,694
Equitable Developers Fund ⁹	40,113	49,299
Momentum Fund ⁹	37,797	31,000
Massachusetts Community Climate Bank Fund (MCCB) ⁹	32,615	49,688
Work Force Housing ⁹	24,290	58,114
Capital Magnet Funds ⁹	23,734	33,447
FHLB of Boston Collateral (Helping to House New England)	20,874	22,520
Neighborhood Stabilization Program ⁹	20,342	22,677
Gateway Housing Rehabilitation Program ⁹	5,074	4,954
Single family co-insurance	-	3,796
Other Grant Programs ⁹	3,595	1,516
Restricted by Note Resolutions	194	598
WCF and Affiliates Restricted Net Position	561,820	650,217
Restricted by Bond Resolutions	623,934	585,882
Total Restricted Net Position	\$ 1,185,754	\$ 1,236,099

⁹ The cash and grants receivable for these grant programs are included in Restricted Assets while the remaining net assets are included in Designated Assets.

(2) Designated Unrestricted Net Position

In accordance with the accounting policy outlined in Note B, MassHousing has adopted, at its discretion, certain designations of the unrestricted net position in the WCF and Affiliates.

Designated unrestricted net position at June 30, 2026 and 2025 consist of the following (in thousands):

	June 30, 2026	June 30, 2025
Opportunity Fund	\$ 414,739	\$ 350,698
Funding for loan purchases and advances and unrestricted net position requirements	362,855	337,566
Grant Programs & Mission-Related Net Assets ¹⁰	169,522	61,469
Lease Commitments	84,766	84,687
MassHousing Down Payment Assistance	7,956	6,876
Funding of the Tenancy Preservation Program	2,845	2,845
Equity of Affiliates (CCRI and PADCO)	2,222	1,881
Funding of the CCRI	700	700
Other various housing stability programs	502	652
Funding for the Summer Youth Employment Program	475	475
Total Designations	\$ 1,046,582	\$ 847,849

¹⁰ The cash and grants receivable for these grant programs are included in Restricted Assets while the remaining net assets are included in Designated Assets.

Note N. Summarized Financial Information of the Working Capital Fund and Affiliates

Included in the financial statements of the WCF and Affiliates are the blended component units PADCO and CCRI, and MIF, the assets of which are restricted under an Escrow Agreement. The condensed Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, and Statements of Cash Flows are presented below for fiscal years 2026 and 2025 (in thousands):

STATEMENTS OF NET POSITION at June 30, 2026

	WCF (excluding MIF)	MIF	PADCO	CCRI	Eliminating Entries	Combined Totals
Current assets, excluding interfund account receivable (payable)	\$ 730,559	\$ 40,033	\$ -	\$ 2,270	\$ (146)	\$ 772,716
Interfund accounts receivable (payable)	1,427	(465)	-	(48)	-	914
Capital assets	117,556	-	-	-	-	117,556
Other long-term assets, excluding capital assets	1,486,412	119,599	-	-	-	1,606,011
Total assets	\$ 2,335,954	\$ 159,167	\$ -	\$ 2,222	\$ (146)	\$2,497,197
Deferred outflow of resources	9,097	-	-	-	-	9,097
Total assets and deferred outflow of resources	\$ 2,345,051	\$ 159,167	\$ -	\$ 2,222	\$ (146)	\$2,506,294
Current liabilities	\$ 11,562	\$ 3,558	\$ -	\$ -	\$ (146)	\$ 14,974
Noncurrent liabilities	859,125	6,122	-	-	-	865,247
Total liabilities	\$ 870,687	\$ 9,680	\$ -	\$ -	\$ (146)	\$ 880,221
Deferred inflow of resources	16,823	-	-	-	-	16,823
Total liabilities and deferred inflow of resources	\$ 887,510	\$ 9,680	\$ -	\$ -	\$ (146)	\$ 897,044
Net position						
Restricted	\$ 412,333	\$ 149,487	\$ -	\$ -	\$ -	\$ 561,820
Unrestricted	1,045,208	-	-	2,222	-	1,047,430
Total net position	\$ 1,457,541	\$ 149,487	\$ -	\$ 2,222	\$ -	\$1,609,250

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**For the fiscal year ended June 30, 2026**

	WCF (excluding MIF)	MIF	PADCO	CCRI	Eliminating Entries	Combined Totals
Operating revenues						
Interest income on loans	\$ 22,699	\$ -	\$ -	\$ -	\$ -	\$ 22,699
Fee income	80,545	5,571	-	-	-	86,116
Other income	6,885	386	-	700	(1,020)	6,951
Total operating revenues	\$ 110,129	\$ 5,957	\$ -	\$ 700	\$ (1,020)	\$ 115,766
Operating expenses						
Depreciation and amortization	\$ 8,935	\$ -	\$ -	\$ -	\$ -	8,935
Other operating expenses, including provision for (reduction to provision for) loan loss reserves	53,115	4,717	-	-	(320)	57,512
Total operating expenses	\$ 62,050	\$ 4,717	\$ -	\$ -	\$ (320)	\$ 66,447
Operating income	\$ 48,079	\$ 1,240	\$ -	\$ 700	\$ (700)	\$ 49,319
Noncapital subsidies						
Grant income	\$ 88,625	\$ -	\$ -	\$ -	(2,990)	\$ 85,635
Grant expenses	(65,072)	-	-	(453)	3,690	(61,835)
Interfund transfers	11,113	-	-	-	-	11,113
Total noncapital subsidies	\$ 34,666	\$ -	\$ -	\$ (453)	\$ 700	\$ 34,913
Total operating income and noncapital subsidies	\$ 82,745	\$ 1,240	\$ -	\$ 247	\$ -	\$ 84,232
Other nonoperating revenues (expenses)						
Investment earnings	\$ 23,685	\$ 5,332	\$ -	\$ 94	\$ -	\$ 29,111
Interest on bonds and notes, net of discount/premium	(2,797)	-	-	-	-	(2,797)
Financing costs	(302)	-	-	-	-	(302)
Nonoperating other income and other expenses	6	1	-	-	-	7
Total other nonoperating revenues (expenses)	\$ 20,592	\$ 5,333	\$ -	\$ 94	\$ -	\$ 26,019
Increase in fund net position	\$ 103,337	\$ 6,573	\$ -	\$ 341	\$ -	\$ 110,251
Net position at the beginning of the year	1,354,204	142,914	-	1,881	-	1,498,999
Net position at the end of the year	\$ 1,457,541	\$ 149,487	\$ -	\$ 2,222	\$ -	\$ 1,609,250

STATEMENTS OF CASH FLOWS**For the fiscal year ended June 30, 2026**

	WCF (excluding MIF)	MIF	PADCO	CCRI	Eliminating Entries	Combined Totals
Net cash provided (used) by:						
Operating activities	\$ (153,278)	\$ 641	\$ -	\$ 295	\$ -	\$ (152,342)
Noncapital financing activities	91,032	1	-	-	-	91,033
Capital financing activities	(4,836)	-	-	-	-	(4,836)
Investing activities	12,916	(3,722)	-	94	-	9,288
Net increase in cash and cash equivalents	\$ (54,166)	\$ (3,080)	\$ -	\$ 389	\$ -	\$ (56,857)
Cash and cash equivalents at the beginning of the year	509,206	13,162	-	1,881	-	524,249
Cash and cash equivalents at end of the year	\$ 455,040	\$ 10,082	\$ -	\$ 2,270	\$ -	\$ 467,392

STATEMENTS OF NET POSITION at June 30, 2025

	WCF (excluding MIF)	MIF	PADCO	CCRI	Eliminating Entries	Combined Totals
Current assets, excluding interfund account receivable (payable)	\$ 653,660	\$ 33,223	\$ -	\$ 1,881	\$ (1,280)	\$ 687,484
Interfund accounts receivable (payable)	794	(513)	-	-	-	281
Capital assets	120,629	-	-	-	-	120,629
Other long-term assets, excluding capital assets	1,440,553	121,367	-	-	-	1,561,920
Total assets	\$ 2,215,636	\$ 154,077	\$ -	\$ 1,881	\$ (1,280)	\$ 2,370,314
Deferred outflow of resources	17,943	-	-	-	-	17,943
Total assets and deferred outflow of resources	\$ 2,233,579	\$ 154,077	\$ -	\$ 1,881	\$ (1,280)	\$ 2,388,257
Current liabilities	\$ 43,979	\$ 3,475	\$ -	\$ -	\$ (1,280)	\$ 46,174
Noncurrent liabilities	823,772	7,688	-	-	-	831,460
Total liabilities	\$ 867,751	\$ 11,163	\$ -	\$ -	\$ (1,280)	\$ 877,634
Deferred inflow of resources	11,624	-	-	-	-	11,624
Total liabilities and deferred inflow of resources	\$ 879,375	\$ 11,163	\$ -	\$ -	\$ (1,280)	\$ 889,258
Net position						
Restricted	\$ 503,507	\$ 146,710	\$ -	\$ -	\$ -	\$ 650,217
Unrestricted	850,697	(3,796)	-	1,881	-	848,782
Total net position	\$ 1,354,204	\$ 142,914	\$ -	\$ 1,881	\$ -	\$ 1,498,999

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**For the fiscal year ended June 30, 2025**

	WCF (excluding MIF)		MIF	PADCO	CCRI	Eliminating Entries	Combined Totals
Operating revenues							
Interest income on loans	\$	25,597	\$ -	\$ -	\$ -	\$ -	\$ 25,597
Fee income		76,930	5,630	-	-	(1,979)	80,581
Other income		11,411	407	-	700	(988)	11,530
Total operating revenues	\$	113,938	\$ 6,037	\$ -	\$ 700	\$ (2,967)	\$ 117,708
Operating expenses							
Depreciation and amortization	\$	10,226	\$ -	\$ -	\$ -	\$ -	10,226
Other operating expenses, including provision for (reduction to provision for) loan loss reserves		81,223	3,990	-	-	(2,267)	82,946
Total operating expenses	\$	91,449	\$ 3,990	\$ -	\$ -	\$ (2,267)	\$ 93,172
Operating income	\$	22,489	\$ 2,047	\$ -	\$ 700	\$ (700)	\$ 24,536
Noncapital subsidies							
Grant income	\$	198,818	\$ -	\$ -	\$ -	\$ -	\$ 198,818
Grant expenses		(55,604)	-	-	(996)	700	(55,900)
Interfund transfers		18,291	-	-	-	-	18,291
Total noncapital subsidies	\$	161,505	\$ -	\$ -	\$ (996)	\$ 700	\$ 161,209
Total operating income and noncapital subsidies	\$	183,994	\$ 2,047	\$ -	\$ (296)	\$ -	\$ 185,745
Other nonoperating revenues (expenses)							
Investment earnings	\$	27,546	\$ 8,850	\$ -	\$ 113	\$ -	\$ 36,509
Interest on bonds and notes, net of discount/premium		(5,786)	-	-	-	-	(5,786)
Financing costs		(367)	-	-	-	-	(367)
Nonoperating other income and other expenses		33	1	-	-	-	34
Total other nonoperating revenues (expenses)	\$	21,426	\$ 8,851	\$ -	\$ 113	\$ -	\$ 30,390
Increase in fund net position	\$	205,420	\$ 10,898	\$ -	\$ (183)	\$ -	\$ 216,135
Net position at the beginning of the year		1,148,784	132,016	-	2,064	-	1,282,864
Net position at the end of the year	\$	1,354,204	\$ 142,914	\$ -	\$ 1,881	\$ -	\$ 1,498,999

STATEMENTS OF CASH FLOWS**For the fiscal year ended June 30, 2025**

	WCF (excluding				Eliminating	Combined
	MIF)	MIF	PADCO	CCRI	Entries	Totals
Net cash provided (used) by:						
Operating activities	\$ 209,514	\$ 1,538	\$ -	\$ (296)	\$ -	\$ 210,756
Noncapital financing activities	(23,154)	1	-	-	-	(23,153)
Capital financing activities	(4,353)	-	-	-	-	(4,353)
Investing activities	7,600	9,880	-	113	-	17,593
Net increase in cash and cash equivalents	\$ 189,607	\$ 11,419	\$ -	\$ (183)	\$ -	\$ 200,843
Cash and cash equivalents at the beginning of the year	319,599	1,743	-	2,064	-	323,406
Cash and cash equivalents at end of the year	\$ 509,206	\$ 13,162	\$ -	\$ 1,881	\$ -	\$ 524,249

Note O. Employee Benefit Plans**Defined Benefit Pension Plan**

Plan Description – The Agency’s defined benefit pension plan, The Massachusetts Housing Finance Agency Employees’ Retirement System (MHFAERS) is a single-employer contributory defined benefit pension plan that covers all employees of MassHousing who elected to join on July 1, 1974 and all regular full-time and certain part-time employees employed subsequent to that date. The Plan came into existence on July 1, 1974, pursuant to the Massachusetts Legislative Acts of 1973. The Plan is a member of the Commonwealth’s Public Employee Retirement Systems, which is overseen by the Public Employee Retirement Administration Commission. An independent retirement board administers the Plan and is bound by Chapter 32 of the Massachusetts General Laws (Chapter 32), which establishes benefits, contribution requirements, and an accounting and funding structure for all participating systems with certain provisions subject to retirement board amendment.

The MHFAERS is a component unit of MassHousing whose financial statements are not combined for financial reporting purposes but are reported as separate standalone financial statements in accordance with GASB Statement No. 68, “Accounting and Financial Reporting for Pensions.” However, the Agency presents the results of the pension activities in its fiduciary financial statements, in accordance with GASB Statement No. 84, “Fiduciary Activities.”

A copy of the MHFAERS standalone financial statements can be obtained at www.masshousingretirement.com.

The MHFAERS financial statements for both calendar years 2025 and 2024 were audited by a different firm than the auditor of the Agency.

Benefits Provided – The MHFAERS provides retirement, disability and death benefits to participants and their beneficiaries. Benefits vest after ten years of a participant’s service at MassHousing alone or in combination with service at certain other Massachusetts public employers. Participants are always vested in their individual contributions. An employee

who leaves Agency service may withdraw his or her contributions, plus any accumulated interest. Benefit provisions and all other requirements are established by statute. Retirement eligibility is based upon the following conditions:

- Entered state service before April 2, 2012 and have 20 years of full-time creditable service at any age, or
- Entered state service before April 2, 2012 and attain the age of 55 with ten years of creditable service, or
- Entered state service on or after April 2, 2012 and attain the age of 60 with ten years of creditable service.

Benefit amounts are calculated based upon a formula, which includes the participant's age at retirement, average annual salary, and years of creditable service. The amount of retirement allowance depends upon the following:

- age, as of last birthday
- length of creditable service
- highest 36 consecutive months of regular compensation for members hired before April 2, 2012, or highest 5 consecutive years of regular compensation for members hired on or after April 2, 2012.
- Compensation basis limited for calendar year 2024 to \$220,800 for members hired after January 1, 2011

On April 12, 2022, the MHFAERS Members voted to increase the maximum base of which its retirees can receive a cost-of-living allowance (COLA), which was approved by the MassHousing Members on July 12, 2022, as follows:

- Effective July 1, 2022, 3% on the first \$16,000 (increased from \$15,000)
- Effective July 1, 2023, 3% on the first \$17,000 (increased from \$16,000)
- Effective July 1, 2024, 3% on the first \$18,000 (increased from \$17,000)

On December 13, 2022, the MHFAERS Members voted to increase the COLA to 5% on the first \$16,000 of annual benefits, retroactively effective July 1, 2022 to June 30, 2023, which was approved by the MassHousing Members on January 10, 2023.

On May 13, 2025, the MHFAERS Members voted to increase the maximum base of which its retirees can receive a COLA, which was approved by the MassHousing Members on June 10, 2025, as follows:

- Effective July 1, 2025, 3% on the first \$20,000 (increased from \$18,000)
- Effective July 1, 2026, 3% on the first \$21,000 (increased from \$20,000)

Employees covered by benefit terms – At December 31, 2025, the following employees were covered by the benefit terms:

Active Members	356
Retirees and Beneficiaries Currently Receiving Benefits	236
Inactive Members	63
Total	<u>655</u>

Contributions – Active members (current employees covered by the Plan) are required to contribute between 5% and 9% of their annual salaries (members hired after 1978 contribute an additional 2% of pay over \$30,000) to the Plan, depending on their initial employment date in a Commonwealth’s Public Employee Retirement Systems plan in accordance with Chapter 32. MassHousing is required to contribute the remaining amounts necessary to fund the Plan, using the actuarial basis specified by statute. The contributions to the pension plan from the Agency were \$5.0 million for FY 2026 and \$4.8 million for FY 2025.

Net Pension Liability/(Asset)

The Agency’s net pension liability/(asset) was measured as of December 31, 2025 and December 31, 2024. The total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of January 1, 2025 for the December 31, 2025 and December 31, 2024 measurement dates.

Actuarial Assumptions – The total pension liability in the most recent period was determined using the following actuarial assumptions:

Inflation	2.7%
Salary Increases	5.25 % grading down to 3.75% after 10 years of service.
Investment rate of return	6.75 %, including inflation, net of pension plan investment expense

Mortality rates for the actuarial valuation as of January 1, 2025 were based on the Pri.-2012 White Collar Mortality Table, sex-distinct, projected generationally using scale MP-2021. During employment, the healthy employee mortality table is used; post-employment, the healthy annuitant table is used.

Mortality for disabled retirees follows the table as non-disabled retirees, set forward two years. Death is assumed to be due to the same cause as disability 40% of the time.

The actuarial assumptions for mortality, retirement, and withdrawal used in the January 1, 2025 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2019, dated September 12, 2022.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) over the next 20 years are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Geometric Average)</u>
US Equity	20.0%	5.2%
Private Equity	17.0%	7.3%
Investment Grade Bonds	16.0%	2.1%
TIPS	10.0%	1.9%
Real Estate	8.0%	5.5%
Core Infrastructure	8.0%	5.1%
Developed Market Equity (non US)	6.0%	5.1%
High Yield Bonds	6.0%	3.8%
Emerging Market Equity	5.0%	5.2%
Emerging Markets Bonds	4.0%	3.6%
Long Government Bonds	0.0%	2.3%
Total	<u>100.0%</u>	

Discount rate - The discount rate used to measure the total pension liability for the financial statements was 6.75% for both FY 2026 and FY 2025. The discount rate is based on the long-term rate of return including the effect of inflation. It is based on a combination of expected rates of return on the mix of current and expected investments over a long-term period. These expectations are based on current market conditions, historical experience and future expectations. It assumes a rebalancing of assets on an ongoing basis as well as a constant monitoring of asset allocation and manager performance. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and contributions from the Agency will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The components of the net pension liability/(asset) are detailed below (in thousands):

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Beginning Balance at 12/31/23	\$ 239,963	\$ 241,614	\$ (1,651)
Changes for 2024:			
Service Cost	4,525	-	4,525
Interest	16,712	-	16,712
Change in benefit terms	1,935	-	1,935
Differences between expected and actual experience	5,402	-	5,402
Change in assumptions	6,690	-	6,690
Contributions - employer	-	4,784	(4,784)
Contributions - employee	-	4,517	(4,517)
Net Investment Income	-	19,021	(19,021)
Benefit payments, including refunds of employee contributions	(11,511)	(11,511)	-
Administrative expenses	-	(529)	529
Net Changes	23,753	16,282	7,471
Balance at 12/31/24	\$ 263,716	\$ 257,896	\$ 5,820
Changes for 2025:			
Service Cost	5,747	-	5,747
Interest	17,768	-	17,768
Change in benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Change in assumptions	-	-	-
Contributions - employer	-	4,999	(4,999)
Contributions - employee	-	5,180	(5,180)
Net Investment Income	-	27,815	(27,815)
Benefit payments, including refunds of employee contributions	(12,445)	(12,445)	-
Administrative expenses	-	(560)	560
Net Changes	11,070	24,989	(13,919)
Balance at 12/31/25	\$ 274,786	\$ 282,885	\$ (8,099)

Sensitivity of the Agency's net pension liability/(asset) to changes in the discount rate

The following presents the Agency's net pension asset as of December 31, 2025 calculated using the discount rate of 6.75%, as well as what the Agency's net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate (in thousands):

	1% Decrease to Rate (5.75%)	Current Discount Rate (6.75%)	1% Increase to Rate (7.75%)
Net pension liability/(asset) 12/31/25	\$ 22,652	\$ (8,099)	\$ (34,183)

The following presents the Agency's net pension liability as of December 31, 2024 calculated using the discount rate of 6.75%, as well as what the Agency's net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate (in thousands):

	1% Decrease to Rate (5.75%)	Current Discount Rate (6.75%)	1% Increase to Rate (7.75%)
Net pension liability/(asset) 12/31/24	\$ 35,858	\$ 5,820	\$ (19,670)

Pension Liabilities/(Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2026, the Agency reported a net pension asset of \$8.1 million. The net pension asset was measured as of December 31, 2025, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2025. The Agency's net pension asset was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employees, actuarially determined.

At June 30, 2025, the Agency reported a net pension liability of \$5.8 million. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025. The Agency's net pension liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employees, actuarially determined.

For FY 2026 and FY 2025, the Agency recognized pension expense of \$3.6 million and \$4.1 million, respectively, both of which are included in administrative expenses.

At June 30, 2026 and June 30, 2025, the Agency reported deferred outflows and inflows of resources related to pensions from the following sources (in thousands):

Fiscal 2026	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,865	\$ -
Change in assumptions	4,460	1,761
Net difference between projected and actual earnings on pension plan investments	-	4,977
Total	\$ 8,325	\$ 6,738

Fiscal 2025	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,911	\$ 77
Change in assumptions	6,033	2,740
Net difference between projected and actual earnings on pension plan investments	5,968	-
Total	\$ 16,912	\$ 2,817

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension (expense)/expense recovery, as follows (in thousands):

Year ended December 31:

2026	\$ 5,149
2027	(2,951)
2028	(526)
2029	(85)
2030	-
Thereafter	-

The next actuarial valuation is required as of January 1, 2027.

Deferred Compensation and Defined Contribution Plans

Plan Description – MassHousing maintains a contributory deferred compensation plan, the MassHousing Deferred Compensation Plan, for all full-time and part-time employees working at least 18 ³/₄ hours per week, created in accordance with IRC Section 457(b). All employees may contribute up to 100% of their gross compensation, subject to Internal Revenue Service limitations. MassHousing's match is maintained in a separate defined contribution plan in accordance with IRC Section 401(a) and vests at the rate of 25% per year over four years.

Beginning on January 1, 2018, MassHousing's match program includes the following features:

- Employees vested in the MassHousing pension plan (10+ years), receive a 25% match of each dollar of their bi-weekly contribution to the deferred compensation plan. The match is capped at contributions up to 6% of bi-weekly salary.
- Employees not vested in the MassHousing pension plan (less than 10 years) receive a 50% match of each dollar of their bi-weekly contribution, beginning with the first full calendar year of service, contributed to the deferred compensation plan. The match is capped at contributions up to 6% of bi-weekly salary.
- For employees with four or more years of service, all matching dollars from MassHousing are vested automatically. For employees with less than four years of

service, matching dollars from MassHousing vest over time at 25% increments, based on length of service.

Participant contributions and investment income are held in a trust for the exclusive benefit of participants and their beneficiaries. Participants may choose from among a range of fixed income and equity investment funds. Contributions, and earnings thereon, excluding Roth contributions, are not taxable to participants until they are withdrawn. Total participant contributions for both FY 2026 and FY 2025 were approximately \$3.0 million. Total matching contributions for FY 2026 and FY 2025 were approximately \$634 thousand and \$558 thousand, respectively.

Postretirement Healthcare Benefit Plan

Plan Description – Continuation of health and life insurance after retirement is covered by the Commonwealth’s retirement law. MassHousing administers a single-employer contributory defined benefit healthcare plan for retirees, which is open to all regular full-time and certain regular part-time employees. The substantive plan provided \$5,000 of life insurance coverage to all eligible retirees and their beneficiaries through June 30, 2025. The coverage increased to \$10,000 as of July 1, 2025, as approved by the 2025 Massachusetts State Budget. Benefit provisions and all other requirements are established by Massachusetts statutes. Benefits vest after ten years of an employee’s service either at MassHousing alone or in combination with service at certain other Massachusetts public employers. A committee comprised of key Agency staff members, one member designated by the Agency’s Board and one member designated by the Agency’s Chief Executive Officer, administers the Massachusetts Housing Finance Agency OPEB Trust (the Trust), an irrevocable trust dedicated solely to administering the investments of, and providing the benefits under the terms of, the substantive plan (the plan understood by the Agency and the plan participants).

The Trust is a fiduciary activity of MassHousing whose financial statements are not combined for financial reporting purposes but are reported as separate standalone financial statements in accordance with GASB Statement No.74, Financial Reporting for Postemployment Benefit Plans Other than Pension Plans. However, the Agency presents the results of the Trust activities in its fiduciary financial statements, in accordance with GASB Statement No. 84, “Fiduciary Activities.”

A copy of the Trust’s standalone financial statements can be obtained at www.masshousing.com.

Employees covered by benefit terms – At December 31, 2025, the following employees were covered by the benefit terms:

Active plan members	356
Retired, Disabled, Survivors and Beneficiaries receiving benefits	215
Inactive plan members entitled to but not yet receiving benefit payments	28
Total	<u>599</u>

Contributions – MassHousing is required to contribute approximately 80% of the basic cost of group health insurance for employees (and, in some cases, dependents) who retire after January 31, 2010, 85% for those who retired after July 1, 1994 and before February 1, 2010 and 90% for employees who retired prior to July 2, 1994. The remaining cost is withheld from the retiree's or beneficiary's monthly pension benefit, is remitted directly to the Commonwealth's Group Insurance Commission, and is not reflected on the Trust's financial statements.

The Employer Contribution includes an implicit subsidy resulting from a uniform healthcare insurance premium rate being applied to both active and retired participants.

Cash contributions to the Trust from the Agency were \$1.1 million in FY 2026 and \$1.0 million in FY 2025. Employees are not required to contribute to the OPEB Plan.

Net OPEB Asset

The Agency's net OPEB asset was measured as of December 31, 2025 and December 31, 2024, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of January 1, 2025 for the December 31, 2025 and December 31, 2024 measurement dates.

Actuarial Assumptions - The total OPEB liability in the most recent period was determined using the following actuarial assumptions:

Salary Increases	3.5% average, including inflation, including new entrants at 3.0% per year
Investment rate of return	7.00%, including inflation, net of OPEB plan investment expense
Healthcare cost trend rate	7.27% to 17.06% initial, graded down to 5% in 2034

Mortality rates for the actuarial valuation as of January 1, 2025 were based on the Pri.H-2012 Private Retirement Headcount-Weighted White Collar Mortality Tables, sex distinct, a) for actives – for Employees projected generationally using scale MP-2021, b.) for retirees – for Healthy Annuitants projected generationally using scale MP-2021, c) for Disabled – for Healthy Annuitants projected generationally using scale MP-2021 set forward two years, and d) for Survivors – for Contingent Survivors projected generationally using scale MP-2021.

The long-term expected rate of return on the Trust's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) over the next 20 years are developed for each major asset class. These ranges are combined to produce the long-term

expected rate of return (20-year real return estimate) by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long Term Expected Real Rate			
	Target Allocation	Target Ranges	Actual Allocation	of Return (Geometric Average)
US Equity	30%	25% to 35%	32%	5.2%
Developed Market Equity (non- US)	16%	11% to 21%	18%	5.1%
Investment Grade Bonds	15%	10% to 20%	14%	2.1%
Long- term Government Bonds	7%	2% to 12%	6%	2.3%
TIPS	7%	2% to 12%	6%	1.9%
Private Equity	6%	0% to 11%	4%	7.3%
Emerging Market Equity	5%	0% to 10%	6%	5.2%
Real Estate	5%	0% to 10%	4%	5.5%
Infrastructure (Core Private)	5%	0% to 10%	5%	5.1%
High Yield Bonds	4%	1% to 9%	4%	3.8%
Cash & Cash Equivalents	0%	< 5%	1%	0.0%
	<u>100%</u>		<u>100%</u>	

Discount rate - The discount rate used to measure the total OPEB liability was 7.00% for FY 2026 and FY 2025. The discount rate is based on the long-term rate of return including the effect of inflation. It is based on a combination of expected rates of return on the mix of current and expected investments over a long-term period. These expectations are based on current market conditions, historical experience and future expectations. It assumes a rebalancing of assets on an ongoing basis as well as a constant monitoring of asset allocation and manager performance. The projection of cash flows used to determine the discount rate assumed that MassHousing contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the Trust's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Trust's investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate used to determine the FY 2026 and FY 2025 contributions was 7.00%, which was the rate used on the January 1, 2025 Actuarial Valuation.

The components of the net OPEB asset are detailed below (in thousands):

Changes in the Net OPEB Asset

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Asset
Balance at 12/31/23	\$ 44,500	\$ 48,509	\$ (4,009)
Changes for the year:			
Service Cost	971	-	971
Interest	3,119	-	3,119
Differences between expected and actual experience	1,196	-	1,196
Change in assumptions	852	-	852
Contributions - employer	-	1,419	(1,419)
Net Investment Income	-	5,137	(5,137)
Benefit payments	(1,822)	(1,822)	-
Administrative expenses	-	(43)	43
Net Changes	4,316	4,691	(375)
Balance at 12/31/24	\$ 48,816	\$ 53,200	\$ (4,384)
Changes for the year:			
Service Cost	1,251	-	1,251
Interest	3,435	-	3,435
Differences between expected and actual experience	3	-	3
Change in assumptions	-	-	-
Contributions - employer	-	1,344	(1,344)
Net Investment Income	-	8,263	(8,263)
Benefit payments	(1,994)	(1,994)	-
Administrative expenses	-	(59)	59
Net Changes	2,695	7,554	(4,859)
Balance at 12/31/25	\$ 51,511	\$ 60,754	\$ (9,243)

Sensitivity of the Agency's net OPEB asset to changes in the discount rate

The following presents the Agency's net OPEB asset at December 31, 2025, calculated using the discount rate of 7.00%, as well as what the Agency's net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate (in thousands):

	1% Decrease to (6.00%)	Discount Rate (7.00%)	1% Increase to (8.00%)
Net OPEB (asset) 12/31/25	\$ (2,367)	\$ (9,243)	\$ (14,893)

The following presents the Agency's net OPEB asset at December 31, 2024, calculated using the discount rate of 7.00%, as well as what the Agency's net OPEB liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate (in thousands):

	<u>1% Decrease to (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase to (8.00%)</u>
Net OPEB liability/(asset) 12/31/24	\$ 2,228	\$ (4,384)	\$ (9,816)

Sensitivity of the net OPEB asset to changes in healthcare cost trend rates.

The following presents the Agency's net OPEB asset at December 31, 2025, calculated using the healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates (in thousands):

	<u>1% decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% increase</u>
Net OPEB (asset) 12/31/25	\$ (15,723)	\$ (9,243)	\$ (1,193)

The following presents the Agency's net OPEB liability/(asset) at December 31, 2024, calculated using the healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates (in thousands):

	<u>1% decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% increase</u>
Net OPEB liability/(asset) 12/31/24	\$ (10,187)	\$ (4,384)	\$ 2,796

OPEB Assets, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2026, the Agency reported a \$9.2 million net OPEB asset. The net OPEB asset was measured as of December 31, 2025, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of January 1, 2025. The Agency's net OPEB asset was based on a projection of the Agency's long-term share of the cost of health insurance, actuarially determined.

At June 30, 2025, the Agency reported a \$4.4 million net OPEB asset. The net OPEB asset was measured as of December 31, 2024, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of January 1, 2025. The Agency's net OPEB asset was based on a projection of the Agency's long-term share of the cost of health insurance, actuarially determined.

The Agency recognized OPEB expense recoveries of \$1.8 million and \$1.2 million in FY 2026 and FY 2025, respectively, which are included in administrative expenses. At June 30, 2026 and 2025, the Agency reported deferred outflows and inflows of resources related to OPEB from the following sources (in thousands):

Fiscal 2026	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 773	\$ 2,888
Change in assumptions	-	2,185
Net difference between projected and actual earnings on OPEB plan investments	-	4,424
Total	\$ 773	\$ 9,497

Fiscal 2025	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 983	\$ 4,659
Change in assumptions	-	3,399
Net difference between projected and actual earnings on OPEB plan investments	43	-
Total	\$ 1,026	\$ 8,058

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands):

Year ended December 31:		
2026	\$	(2,900)
2027		(3,985)
2028		(1,057)
2029		(782)
2030		-
Thereafter		-

The next actuarial valuation is required as of January 1, 2027.

Participant (Retiree) Contributions to the Health Insurance Cost – The retirees’ share of the cost of the health insurance is withheld from the retiree’s or beneficiary’s monthly pension benefit, is remitted directly to the Commonwealth’s Group Insurance Commission, and is not reflected on the Trust’s financial statements.

Note P. Grant Programs

The Agency receives grant awards from various state and federal agencies in support of its existing programs and programs implemented as a result of the specific grant, as further described below.

Existing Programs – multiyear**WorkForce Housing Fund (WFH Fund)**

The WFH Fund supports housing with rents affordable to individuals and families with incomes generally between 60% and 120% of Area Median Income (AMI), provides up to \$100,000 of subsidy per workforce housing unit, leverages strategic opportunities to use state-owned land, complements (but does not replace) traditional MassHousing development financing, and ensures workforce housing units are deed restricted as affordable.

The WFH initiative program supports the production of workforce housing projects and ensure the units' long-term availability to eligible residents. Funding is provided to developers to create new workforce housing units through new construction, rehabilitation, and adaptive re-use. Funding is provided in the form of subordinate long-term loans to pay the costs of acquisition, construction, and/or rehabilitation of eligible projects.

Beginning in 2020, the WFH program has \$235.2 million that has been committed to this program to be administered by the Agency. As of June 30, 2026, MassHousing has allocated \$130 million of working capital funds into the Opportunity Fund for this program, received \$104.2 million in grants from the Massachusetts Development Finance Agency and federal government's ARPA program, disbursed \$173.5 million, and has a balance of \$61.5 million, including interest earned and loan repayments, for future disbursements under this program.

CommonWealth Builder Program (CWB Program)

The CWB Program is funded with grant funds from the Massachusetts Development Finance Agency, EOHLA (Commonwealth – Economic Development Fund, Affordable Homes Act, etc) and the federal government's ARPA program. The purpose of this program is to support the production of for-sale, below market, housing to expand homeownership opportunities for first-time home buyers and socially disadvantaged individuals, including individuals in communities disproportionately impacted by the COVID-19 pandemic. The Agency, in its capacity as administrator, distributes state and federal financial assistance to developers for the production of new workforce homeownership units for first-time homebuyers, including new construction and adaptive reuse of home ownership projects.

Funding is provided to developers in the form of grants and forgivable loans to facilitate the production of affordable homeownership units.

Since 2020, the CWB Fund has \$320.0 million that has been committed to this program to be administered by the Agency. As of June 30, 2026, the Agency had received \$283.0 million to be used for assistance (\$27.6 million in FY 2026), disbursed \$194.5 million

under this program, and has a balance of \$82.5 million (inclusive of the balance in the Opportunity Fund), including interest earned, for future disbursements.

Capital Magnet Funds

Since FY 2020, the Agency has been awarded \$41.1 million of Capital Magnet Funds from the federal government's Community Development Financial Institutions Fund to provide down payment assistance loans to income-eligible, first-time homebuyers and to provide subordinate loans to multifamily developments. As of June 30, 2026, the Agency had received \$39.0 million to be used for assistance, had disbursed \$16.0 million under this program, and has a balance of \$23.7 million, including interest earned, for future disbursements. Funding will be provided to first-time home buyers and developers in the form of loans.

Neighborhood Stabilization Program (NSP)

On April 12, 2022, the Agency entered into a contract with the EOHLC with an aggregate maximum obligation of approximately \$35.7 million. Under this contract, the Agency will provide services related to the NSP, a program for revitalization of neighborhoods and communities with blighted or substandard conditions throughout the Commonwealth. As of June 30, 2026, the Agency had received \$27.5 million to be used for assistance, disbursed \$9.2 million for this program, and has a balance of \$20.3 million, including interest earned, for future disbursements.

Sober Homes Fire Sprinklers System Program

On November 1, 2022, the Agency entered into a contract with the EOHLC with an aggregate maximum obligation of \$4.0 million. The program is funded by appropriated state funds from Chapter 102 of the Acts of 2021. The Agency, in its capacity as a "Contractor," will distribute financial assistance to certified sober homes for fire sprinklers installed in accordance with the local and state building and fire codes. As of June 30, 2026 the Agency had received \$3.8 million to be used for assistance, disbursed \$2.8 million under this program, and has a balance of \$1.1 million, including interest earned, for future disbursements.

Gateway Housing Rehabilitation Program

On February 23, 2023, the Agency entered into a contract with the EOHLC with an aggregate maximum obligation of \$12.3 million. The program is funded by appropriated state funds from Chapter 99 of the Acts of 2018. The Agency, in its capacity as a "Contractor," will distribute grants to assist in the revitalization of neighborhoods and communities with properties in blighted or substandard conditions in Gateway and like communities throughout the Commonwealth. As of June 30, 2026, the Agency had received \$7.0 million to be used for assistance, disbursed \$2.3 million, and has a balance of \$5.1 million, including interest earned, for future disbursements.

Massachusetts Community Climate Bank Fund (MCCB)

On August 8, 2023, MassHousing entered into a contract with the Commonwealth's Executive Office for Administration and Finance to administer the MCCB, the nation's first green bank dedicated to affordable housing. This initiative was seeded with \$50 million in state funds from the Department of Environmental Protection and is designed to maximize investment in the reduction of greenhouse gas emissions from the building sector. One of the MCCB's primary goals is to attract private sector capital and federal funds available under the Inflation Reduction Act to finance building retrofits aligned with the state's long-term climate objectives and new construction of decarbonized buildings.

The bank will focus on the affordable housing market, where residents bear a disproportionate burden in energy costs and climate impacts, to promote an equitable energy transition and to meet the needs of environmental justice populations. Over time, the bank will diversify investments to include other decarbonization measures that benefit communities. As of June 30, 2026, the Agency had received \$50 million for administration and assistance, disbursed \$24.2 million under this program, and has a balance of \$32.6 million, including interest earned and loan repayments, for future disbursements.

Tenancy Preservation Program (TPP)

On October 26, 2023, the Agency entered into a contract with the EOHLC with an aggregate maximum obligation of \$4.2 million to administer the TPP, effective July 1, 2023. The program is funded by appropriated state funds from the General Appropriations Act. The Agency, in its capacity as a “Contractor”, will function as a neutral party to landlord and tenant disputes, providing clinical consultation services to Massachusetts Housing Courts and landlords and short-term, intensive case management and stabilization services to tenants. The TPP serves residents with disabilities, including aging-related impairments and medical conditions that substantially limit one or more major life functions. The program’s primary goal is to preserve tenancies by addressing the underlying issues related to the lease violation by connecting the tenant to community-based services. As of June 30, 2026, the Agency had received \$4.2 million to be used for assistance and had disbursed all \$4.2 million available under this program.

Equitable Developers Fund (EDF)

Effective February 1, 2024, the Agency entered into a contract with the EOHLC with an aggregate maximum obligation of \$50 million to administer the EDF in its capacity as a “Contractor”. The EDF was authorized pursuant to the state appropriation of Chapter 268 of the Acts of 2022, which authorizes a reserve to be administered for the purpose of providing financial assistance in support of the construction, rehabilitation, or redevelopment of real estate projects located in certain economically challenged regions and undertaken by sponsors and developers that qualify as socially and economically disadvantaged. On February 14, 2024, MassHousing and the Massachusetts Housing Investment Corporation (MHIC) entered into a memorandum of understanding, in which MHIC will administer the EDF in its capacity as a “Subcontractor”. MHIC will lead the day-to-day operations of the fund, including developing the fund’s financial products, evaluating and underwriting developer applications, and servicing loans. MassHousing will have sole authority to approve loans or other awards of financial assistance and will authorize assistance to developers for technical assistance in building organizational capacity and understanding the state’s affordable housing development opportunities and financing sources. MassHousing and MHIC will collaborate on outreach to prospective borrowers. As of June 30, 2026, the Agency had received \$48.1 million to be used for assistance, had disbursed \$11.0 million under this program, and has a balance of \$40.1 million, including interest earned and loan repayments, for future disbursements.

Massachusetts Residential Production Momentum Fund (Momentum Fund)

On June 27, 2025, the Agency entered into a contract with EOHLC with an aggregate maximum obligation of \$50 million to administer the Momentum Fund, effective July 1, 2024. The Momentum Fund was authorized pursuant to the state appropriation of Section 2B of Chapter 150 of the Acts of 2024, which authorizes the fund to be capitalized for the purpose of accelerating the development of mixed-income and workforce multifamily housing production projects by providing financial assistance in the form of innovative, low-cost, and flexible capital funding, which may be in the form of debt, equity, or other

instruments, depending on the individual underwriting needs of a project. As of June 30, 2026, the Agency had received \$37.7 million to be used for assistance and has a balance of \$37.8 million, including interest and fees earned, for future disbursements.

Home Ownership Financing Assistance Grant

On April 29, 2026, the Agency entered into a contract with EOHLC with an aggregate maximum obligation of \$10 million. The funds were authorized pursuant to the state appropriation of Section 2, line item 7004-0072, of Chapter 150 of the Acts of 2024, which authorizes MassHousing as the recipient of these funds to be expended for down payment assistance programs, mortgage insurance programs and mortgage interest subsidy programs that the Agency administers. The Agency used these funds to finance the issuance costs and mortgage costs of bond issuances, which allows the Agency to further its financing goals as they relate to its Home Ownership DPA programs. As of June 30, 2026, the Agency had received \$5 million to be used for assistance, had disbursed \$3.6 million, and has a balance of \$1.4 million, including interest earned, for future disbursements.

Home Ownership Down-Payment Assistance (DPA) Financing Assistance Grant

On June 2, 2026, the Agency entered into a contract with EOHLC with an aggregate maximum obligation of \$25 million. The funds were authorized pursuant to the state appropriation of Section 2, line item 7004-0072, of Chapter 150 of the Acts of 2024, which authorizes MassHousing as the recipient of these funds to be expended for down payment assistance programs, mortgage insurance programs and mortgage interest subsidy programs that the Agency administers. The Agency expects to use these funds to finance the issuance costs and mortgage costs of future bond issuances, which will allow the Agency to further its financing goals as they relate to its Home Ownership DPA programs. As of June 30, 2026, the Agency had a receivable of \$25.0 million for this program.

Note Q. Commitments and Contingencies**MassHousing Mortgage Insurance Fund (MIF)**

MassHousing established MIF within the WCF to provide an additional source of primary mortgage insurance for certain borrowers. For both June 30, 2026 and 2025, approximately \$50 million of the MIF net position served as the minimum required capital for insurance coverage relating to insured loans. Reinsurance agreements with unrelated insurers (described below) provide additional resources for the settlement of claims. A reserve for claims totaling \$1.3 million and \$1.1 million at June 30, 2026 and 2025, respectively, is included in WCF's other liabilities.

In addition to providing traditional mortgage insurance coverage, MIF also provides, under its MIPlus[®] program, additional mortgage payment protection on new loans insured on or after July 1, 2004. The MIPlus[®] program pays the borrower's monthly mortgage principal and interest requirements, up to defined cap, for up to six months in the event that the borrower becomes an "enrolled unemployed," as defined by the Commonwealth's unemployment compensation program. MIPlus[®] payments are made directly to the borrower's mortgage loan servicer and are designed to keep the mortgage loan current, avoiding foreclosure, loan loss and mortgage insurance claims.

The following table summarizes the MIF claims activity during FY 2026 and FY 2025 (claims paid in thousands):

	FY 2026		FY 2025	
	<u>Claims</u>	<u>MI Plus Claims</u>	<u>Claims</u>	<u>MI Plus Claims</u>
Claims Paid	\$ 471	\$ 477	\$ 453	\$ 480
Number of Claims	13	375	11	373

MassHousing, on behalf of the MIF, has entered into reinsurance agreements with Mortgage Guaranty Insurance Company (MGIC), United Guaranty Residential Insurance Corporation (UG), Enact Mortgage Insurance Corporation (EMIC), and Gallagher Re Inc., acting as a broker for Aspen American Insurance Company, Essent Reinsurance Ltd., Everest Reinsurance Company, Insurance Company of the West, Lancashire Insurance Company Limited, Markel Bermuda Limited, Markel Global Reinsurance Company, Partner Reinsurance Europe SE (Zurich Branch), Partner Reinsurance Company of the U.S., Renaissance Reinsurance Limited and Ryan Re Underwriting Managers, LLC o/b/o Nationwide Mutual Insurance Company. These agreements provide reinsurance of MassHousing's Home Ownership loans and, in certain cases, other conventional mortgage loans purchased by MassHousing, loans which were made to persons and families of low- and moderate-income and which were originated by other mortgage lenders on Massachusetts one-to-four-unit, owner-occupied residential dwellings, as well as other bank portfolio loans held by Massachusetts banks. Effective January 1, 2024, MassHousing, on behalf of MIF, renewed its reinsurance contract (contract) with Gallagher Re, acting as broker for the agreements with subscribing reinsurers, through December 31, 2025. Effective December 31, 2025, MassHousing, on behalf of MIF, extended its contract with Gallagher Re through December 31, 2026. Effective January 1, 2026, MassHousing, on behalf of MIF, further extended its contract with Gallagher Re through December 31, 2028.

Under each reinsurance agreement, the MIF retains a 10% share of the insurance coverage written on any reinsured loan; the reinsurer provides reinsurance for the remaining 90% of the coverage. In addition to MIF's 10% share, MIF receives a ceding commission ranging from 20% to 37% of the reinsurance premiums paid under the MGIC, UG, EMIC, and Gallagher Re agreements. The net benefits to MIF under the agreements range from 26.3% to 43.3% of the premiums for the assumption of 10% of the mortgage risk. Under certain circumstances, MIF may be due additional commissions contingent upon reinsurer operational results.

The following table summarizes the MIF reinsurance balances and insurance in force at June 30, 2026 and 2025 (in thousands):

	<u>June 30, 2026</u>	<u>June 30, 2025</u>
Gallagher RE	\$ 2,069,996	\$ 2,055,169
EMIC	17,822	21,975
MGIC	3,269	4,428
UG	<u>2,093</u>	<u>2,765</u>
Reinsurers 90% share of reinsurance coverage	2,093,180	2,084,337
MIF 10% share of reinsurance coverage	232,576	231,593
MIF 100% share of insurance coverage	<u>525,757</u>	<u>490,609</u>
Total loans with reinsurance	<u>\$ 2,851,513</u>	<u>\$ 2,806,539</u>

Center for Community Recovery Innovations, Inc. (CCRI)

CCRI has been funded with contributions from MassHousing since fiscal year 1995. In both FY 2026 and FY 2025, MassHousing contributed \$700 thousand, and has committed to fund \$700 thousand in fiscal year 2027.

Opportunity Fund

On March 8, 2016, MassHousing Members voted to create a segregated revolving fund, named the Opportunity Fund, within the Agency's WCF for programs and initiatives that increase housing opportunities and otherwise support the Agency's mission, subject to all applicable requirements of the Agency's enabling act. Agency contributions and Work Force Production funds contributed to the Opportunity Fund are reported as designated unrestricted net position of the WCF and are included in the financial statements of the WCF and Affiliates. As of June 30, 2026, the Opportunity Fund has received \$320.9 million from the WCF operating fund and \$233.4 million from external grants to date.

The funds in the Opportunity Fund as of June 30, 2026 are committed as follows (in thousands):

Opportunity Fund - as of June 30, 2026 (in thousands)	Original Funding	Funds Disbursed to date	Fund Balance	Commitments Outstanding	Remaining Funds Available
Multifamily Operations					
CommonWealth Builder Grants ¹¹	\$ 60,000	\$ (31,175)	\$ 28,825	\$ (5,511)	\$ 23,314
31 Elm Street Investment in Cooperative Agreement/Loan ¹¹	21,000	(21,000)	-	-	-
Workforce Housing Loans and ARPA WFH ¹¹	236,982	(175,509)	61,473	(44,709)	16,764
13A Portfolio Preservation Loans/Grants	42,896	(37,280)	5,616	-	5,616
Capital Magnet Funds - MF Subordinate Debt ¹¹	39,522	(15,787)	23,735	(17,464)	6,271
AHTF/CHSI Participation Interest Loans	9,353	(9,353)	-	-	-
2Life Communities Grant	1,500	(1,500)	-	-	-
BILD Forge Loans	50,120	(2,968)	47,152	(19,186)	27,966
NOAH Preservation Strategy	20,000	-	20,000	-	20,000
Home Ownership Operations					
HomeOwnership Initiatives ¹¹	40,999	(22,543)	18,456	-	18,456
General					
Senior Housing Research Studies Grants	228	(228)	-	-	-
Planning for Housing Production Program Grants	3,000	(2,291)	709	-	709
Housing Navigator Massachusetts Grants	1,000	(1,000)	-	-	-
Office Conversion Initiative	1,000	(70)	930	-	930
Unallocated Funds	68,501	(5,550)	62,951	(734)	62,217
Totals	\$ 596,101	\$ (326,254)	\$ 269,847	\$ (87,604)	\$ 182,243

¹¹ Includes a component of funding from external grants.

MassHousing Members also voted to transfer previously committed non-cash assets in the Working Capital Fund from the Priority Development Fund (PDF) program and Agency funds invested in Affordable Housing Trust Fund (AHTF) assets, with any payments received from such assets to remain in the Opportunity Fund. MassHousing created the PDF program in 2004 to help increase the production of rental housing in Massachusetts. MassHousing has been administering the AHTF since 2001.

Multifamily Loan Commitments

At June 30, 2026, MassHousing had commitments to provide approximately \$233.9 million for undisbursed portions of existing and new permanent and construction mortgage loans.

Momentum Fund

In relation to the Momentum Fund, as discussed above in Note P as of June 30, 2026, MassHousing had unfunded commitments for one Momentum Fund transaction, in the amount of \$5.0 million.

Risk-Sharing Program

MassHousing serves as an approved lender under the Housing Finance Agency Risk-Sharing Program for Insured Affordable Multi Family Project Loans (Risk-Sharing Program), authorized by Section 542(c) of the Housing and Community Development Act of 1992, which is administered by HUD. Under the Risk-Sharing Program, MassHousing acts as the servicer for these loans, and bears a percentage of risk loss ranging from 10-50% of each loan with the balance of risk loss borne by HUD in the event of a claim. As of June 30, 2026, MassHousing has 306 loans with an unpaid principal balance of \$3.2 billion, which is subject to a maximum loss exposure up to \$1.6 billion. MassHousing utilizes strict underwriting standards to minimize exposure to risk loss. Following default on a risk-share loan, MassHousing may obtain an initial claim payment from HUD of 100% of the loan's unpaid principal balance and accrued interest (subject to certain adjustments). After a period during which MassHousing works toward curing the default, foreclosure or resale of the related project, losses (if any) are calculated and apportioned between MassHousing and HUD according to the applicable risk-sharing percentage for the loan, and MassHousing reimburses HUD (with interest on the initial claim payment) for its share of the loss, with such reimbursement to be made by debentures maturing over a period of five years (unless extended by HUD). In addition to using this program to insure mortgage loans pledged to secure bonds, MassHousing from time to time has sold 100% participation interests in mortgage loans secured under this program. In these cases, MassHousing is the original mortgagee and holds legal title to certain mortgage loans insured under this program for which 100% beneficial ownership has been transferred to participant owners. Since the inception of the Risk-Sharing Program, the Agency has collected on two partial claims, totaling approximately \$5 million.

MassHousing had risk sharing agreements with four independent insurers whereby MassHousing co-insured single-family primary mortgage loans. As of June 30, 2026, all loans under these agreements have been paid off and no contingent liability remains.

Note R. Events Subsequent to June 30, 2026

MassHousing has performed an evaluation of subsequent events and transactions from June 30, 2026 through September 18, 2026, the date the financial statements were issued.

The following table summarizes the unscheduled debt redemption activity subsequent to June 30, 2026 (in thousands):

<u>Bond Program</u>	<u>Series</u>	<u>Redemption Date</u>	<u>Amount</u>
GRDB	2014B	7/15/2026	47
GRDB	2014B	8/15/2026	47
GRDB	2014B	9/15/2026	47
GRDB	2015A	8/1/2026	125
HB	2011A	9/1/2026	205
HB	2017A	9/1/2026	7,155
HB	2019B-1	9/1/2026	870
HB	2022D-3	9/1/2026	12,235
HB	2023E	9/1/2026	7,420
HB	2024A-3	9/1/2026	20,095
Total unscheduled debt redemptions subsequent to June 30, 2026			<u>\$ 48,246</u>

The following table details new bonds and notes issued subsequent to June 30, 2026 (in thousands):

<u>Issue Name</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Original</u>	<u>New Debt</u> ¹²	<u>Refunded Debt</u> ¹³
			<u>Principal Amount</u>		
SFHRB Series 255	9/15/2026	6/1/2028	\$ 4,960	\$ -	\$ 4,960
SFHRB Series 256	9/15/2026	6/1/2045	117,520	100,000	17,520
SFHRB Series 257 (taxable)	9/15/2026	12/1/2056	123,075	123,075	-
SFHRB Series 258 (var, taxable)	9/15/2026	12/1/2056	150,000	150,000	-
Total SFHRB Issues			\$395,555	\$ 373,075	\$ 22,480
			\$395,555	\$ 373,075	\$ 22,480

¹² Funds used to finance new mortgage loans

¹³ Funds used to refund and/or replace outstanding bonds.

Executed Loan Commitments

Through September 18, 2026, the Agency executed new mortgage, bridge loan, and grant commitments totaling \$105.3 million for multifamily developments.

Line of Credit Amendments

On August 3, 2026, MassHousing amended its existing revolving loan agreement with Bank of America, N.A. for a line of credit to provide funding for the Agency's warehouse of single-family loans in the WCF. The amendment extended the maturity date to August 4, 2028. On August 21, 2026, MassHousing further amended the revolving loan agreement to increase the maximum credit line from \$150 million to \$200 million.

On August 3, 2026, MassHousing amended its existing revolving note purchase agreement with Bank of America, N.A. to purchase the Agency's direct purchase construction loan notes. The maximum available commitment of purchased notes was reduced from \$125 million to \$100 million. The amendment extended the commitment expiration date to August 4, 2028.

Swap Agreements

On August 31, 2026, MassHousing entered into a swap agreement with a notional amount of \$70 million, effective September 15, 2026, as part of the financing of the SFHRB Series 258 bonds. The purpose of the swap agreement is to hedge an interest rate for the variable rate bonds. The swap counterparty is obligated to pay MassHousing semi-annually based on an amount equal to 100% of the SOFR provided by the Federal Reserve Bank of New York plus 10 basis points, compounded daily, on the amortized notional amount of the contract. MassHousing is obligated to pay the counterparty semi-annually a stipulated annualized fixed rate of 5.103% on the amortized notional amount of the contract.

On September 1, 2026, MassHousing entered into a swap agreement with a notional amount of \$50 million, effective September 15, 2026, as part of the financing of the SFHRB Series 258 bonds. The purpose of the swap agreement is to hedge an interest rate for the variable rate bonds. The swap counterparty is obligated to pay MassHousing semi-annually based on an amount equal to 100% of the SOFR provided by the Federal Reserve Bank of

New York plus 10 basis points, compounded daily, on the amortized notional amount of the contract. MassHousing is obligated to pay the counterparty semi-annually a stipulated annualized fixed rate of 4.4785% on the amortized notional amount of the contract.

Note S. Litigation

MassHousing is involved in certain litigation and disputes incidental to its operations. Because it is generally difficult to predict the outcome of lawsuits, MassHousing cannot give any assurance as to the outcome of such litigation. Based upon the information it presently possesses, however, it is management's judgment that such litigation will not have a material adverse impact upon the financial condition of MassHousing.

Massachusetts Housing Finance Agency
SCHEDULE 1: BONDS PAYABLE

Note H: Bond and Note Indebtedness, continued

June 30, 2026

						In thousands of dollars					
	Final	Next Scheduled	Interest %	Rate Range	Debt	Outstanding	Issued and	Retired or	Outstanding	Unamortized	Adjusted
	Maturity	Principal Payment								Bond/Note	
	Date	Date	From	To	Type	June 30, 2025	Compounded	Exchanged	June 30, 2026	Discount/Premium	Totals
General Rental Development Bond Program											
2005 Series A/W	01/01/2026		4.5000	4.5000	Underwritten	\$ 55	\$ -	\$ 55	\$ -	\$ -	-
2012 Issue One	06/01/2053	12/01/2026	3.8750	4.6250	Underwritten	11,565	-	185	11,380	-	11,380
2012 Series A	06/01/2053	12/01/2026	4.0000	4.0000	Private Placement	57,615	-	1,030	56,585	-	56,585
2014 Series B	04/15/2054	04/15/2054	4.5000	4.5000	Underwritten	34,788	-	554	34,234	-	34,234
VRHB 2015A (var)	01/01/2034	01/01/2034	1.2800	3.6500	Underwritten	28,255	-	720	27,535	-	27,535
2018 Mill Road (var)	11/01/2048	11/01/2026	1.2500	3.6500	Private Placement	21,910	-	335	21,575	-	21,575
Sub-total						\$ 154,188	\$ -	\$ 2,879	\$ 151,309	\$ -	\$ 151,309
Multi-Family Housing Bond Program											
2009 Series A, Subseries 1	12/01/2051		3.0100	3.0100	Private Placement	\$ 2,670	\$ -	\$ 2,670	\$ -	\$ -	-
2009 Series A, Subseries 2	12/01/2051	06/01/2033	3.5500	3.5500	Private Placement	50,170	-	8,330	41,840	-	41,840
2009 Series A, Subseries 3	12/01/2051	06/01/2035	2.5800	2.5800	Private Placement	22,660	-	-	22,660	-	22,660
2009 Series A, Subseries 4	12/01/2051	12/01/2026	2.3200	2.3200	Private Placement	12,960	-	310	12,650	-	12,650
2011 Series A	12/01/2032	12/01/2026	4.3750	4.8750	Underwritten	8,905	-	1,685	7,220	-	7,220
2011 Series B	06/01/2035	12/01/2026	3.9500	5.1250	Underwritten	7,765	-	3,305	4,460	-	4,460
Sub-total						\$ 105,130	\$ -	\$ 16,300	\$ 88,830	\$ -	\$ 88,830
Housing Bond Program											
2003 Series F (var)	12/01/2037	12/01/2026	1.2000	3.6000	Underwritten	\$ 215	\$ -	\$ 20	\$ 195	\$ -	\$ 195
2003 Series H	06/01/2043	12/01/2026	5.0000	5.1250	Underwritten	1,195	-	40	1,155	-	1,155
2009 Series B (var)	01/01/2044	07/01/2026	3.7700	4.3700	Underwritten	10,208	-	200	10,008	-	10,008
2009 Series C	12/01/2049		4.8500	5.3500	Underwritten	1,270	-	1,270	-	-	-
2011 Series A	12/01/2041	12/01/2026	5.1000	5.3000	Underwritten	9,915	-	400	9,515	-	9,515
2012 Series A	12/01/2031	12/01/2026	3.2500	3.5000	Underwritten	13,735	-	1,925	11,810	-	11,810
2012 Series B	06/01/2053	12/01/2026	3.2500	4.0200	Underwritten	15,600	-	330	15,270	-	15,270
2012 Series E	12/01/2054	12/01/2026	2.8750	3.7500	Underwritten	19,510	-	685	18,825	-	18,825
2012 Series F	06/01/2043	12/01/2026	2.8750	3.5000	Underwritten	480	-	15	465	-	465
2013 Series B	06/01/2056	12/01/2026	4.0000	4.5000	Underwritten	103,855	-	1,665	102,190	-	102,190
2013 Series C	12/01/2049	12/01/2026	4.7000	5.3500	Underwritten	7,920	-	135	7,785	-	7,785
2013 Series E	12/01/2047	12/01/2026	4.2000	5.2500	Underwritten	8,250	-	115	8,135	-	8,135
2013 Series F (var)	12/01/2038	12/01/2026	1.2500	3.7000	Underwritten	19,710	-	965	18,745	-	18,745
2014 Series A	12/01/2055	12/01/2026	3.2500	4.6000	Underwritten	15,740	-	410	15,330	-	15,330
2014 Series B	12/01/2047	12/01/2026	3.6000	4.7000	Underwritten	8,635	-	405	8,230	-	8,230
2014 Series C	12/01/2045	12/01/2026	4.1080	5.0000	Underwritten	875	-	120	755	-	755
2014 Series D	12/01/2054	12/01/2026	3.0000	4.2500	Underwritten	25,865	-	520	25,345	-	25,345
2015 Series A	12/01/2048	12/01/2026	3.4000	4.5000	Underwritten	13,875	-	385	13,490	-	13,490
2015 Series B	12/01/2053	12/01/2026	3.6900	4.6140	Underwritten	14,935	-	1,040	13,895	-	13,895
2015 Series C	06/01/2055	12/01/2026	3.0500	4.2500	Underwritten	18,605	-	330	18,275	-	18,275
2015 Series D	12/01/2045	12/01/2026	3.1250	4.3000	Underwritten	32,580	-	745	31,835	-	31,835
2015 Series E	12/01/2045	12/01/2026	2.9500	4.2000	Underwritten	23,035	-	750	22,285	-	22,285
2015 Series G	12/01/2050	12/01/2026	2.8000	4.1000	Underwritten	43,685	-	1,055	42,630	-	42,630
2015 Series H	12/01/2050	12/01/2026	2.8000	4.1000	Underwritten	17,660	-	430	17,230	-	17,230
2016 Series A	12/01/2055	12/01/2026	2.6000	4.1000	Underwritten	22,505	-	360	22,145	-	22,145
2016 Series B	12/01/2048	12/01/2026	2.9500	4.2500	Underwritten	5,105	-	185	4,920	-	4,920
2016 Series C	12/01/2055	12/01/2026	3.6250	5.0000	Underwritten	16,025	-	360	15,665	-	15,665
2016 Series D	12/01/2048	12/01/2027	2.9000	3.4500	Underwritten	48,530	-	-	48,530	-	48,530
2016 Series E	12/01/2027	12/01/2026	3.0000	3.2000	Underwritten	3,445	-	1,530	1,915	-	1,915
2016 Series F	06/01/2057	12/01/2026	2.1500	3.6250	Underwritten	65,265	-	1,440	63,825	-	63,825
2016 Series G	12/01/2058	12/01/2026	3.8500	3.8500	Private Placement	9,200	-	130	9,070	-	9,070
2016 Series H	12/01/2046	12/01/2026	3.2000	4.4000	Underwritten	44,095	-	1,320	42,775	-	42,775
2016 Series I (var)	12/01/2056		4.1306	4.3595	Private Placement	25,000	-	25,000	-	-	-
2017 Series A	12/01/2049	12/01/2026	3.2000	4.5500	Underwritten	30,170	-	765	29,405	-	29,405
2017 Series B	12/01/2028	12/01/2026	3.5500	3.8500	Underwritten	685	-	180	505	-	505
2017 Series C	12/01/2052	12/01/2026	2.4000	4.0500	Underwritten	38,730	-	820	37,910	-	37,910
2017 Series D	06/01/2059	12/01/2026	2.4500	4.0000	Underwritten	100,305	-	1,265	99,040	-	99,040
2018 Series A	06/01/2046	12/01/2026	2.7500	3.8500	Underwritten	23,795	-	795	23,000	-	23,000
2018 Series B (var)	06/01/2058	06/01/2046	3.6486	4.1743	Private Placement	25,000	-	-	25,000	-	25,000
2018 Series C	06/01/2040	12/01/2026	3.7920	4.7210	Underwritten	29,710	-	1,405	28,305	-	28,305
2018 Series D	12/01/2058	12/01/2026	2.7000	4.4500	Underwritten	48,230	-	735	47,495	-	47,495
2019 Series A	06/01/2061	12/01/2026	1.8500	3.6250	Underwritten	67,810	-	830	66,980	-	66,980
2019 Series B, Subseries 1	12/01/2056	12/01/2026	1.7500	3.3000	Underwritten	56,515	-	10,805	45,710	-	45,710
2019 Series B, Subseries 3	12/01/2059	12/01/2056	3.3000	3.3000	Private Placement	8,340	-	-	8,340	-	8,340
2019 Series C, Subseries 1	06/01/2062	12/01/2026	1.6250	3.3500	Underwritten	89,810	-	1,080	88,730	-	88,730
2019 Series D	06/01/2061	12/01/2026	2.5300	3.8400	Underwritten	13,260	-	170	13,090	(21)	13,069
2020 Series A, Subseries 1	06/01/2060	12/01/2026	1.2500	3.1000	Underwritten	90,425	-	1,660	88,765	137	88,902
2020 Series A, Subseries 2	06/01/2052	12/01/2026	1.2500	3.0000	Underwritten	10,165	-	280	9,885	23	9,908
2020 Series B	12/01/2040	12/01/2026	1.8000	3.3500	Underwritten	2,910	-	155	2,755	-	2,755
2020 Series C, Subseries 1	12/01/2062	12/01/2026	0.9000	2.9000	Underwritten	28,675	-	355	28,320	-	28,320
2020 Series C, Subseries 3	06/01/2063	12/01/2026	2.6000	2.6000	Private Placement	25,805	-	310	25,495	-	25,495
2020 Series D, Subseries 1	06/01/2063	12/01/2026	0.7000	2.8000	Underwritten	61,650	-	1,050	60,600	-	60,600
2020 Series E	12/01/2050	12/01/2026	1.3270	3.2650	Underwritten	38,685	-	1,770	36,915	-	36,915
2021 Series A, Subseries 1	12/01/2063	12/01/2026	0.6000	2.7000	Underwritten	49,840	-	575	49,265	-	49,265
2021 Series B, Subseries 1	12/01/2063	12/01/2026	0.7000	3.1000	Underwritten	76,570	-	1,260	75,310	-	75,310
2022 Series A, Subseries 1	12/01/2064	12/01/2026	2.3500	4.4000	Underwritten	23,595	-	200	23,395	-	23,395
2022 Series A, Subseries 2	06/01/2026		2.6500	2.6500	Underwritten	13,670	-	13,670	-	-	-
2022 Series B	12/01/2034	12/01/2026	2.3500	3.7500	Underwritten	1,900	-	200	1,700	-	1,700

						In thousands of dollars					
	Final	Next Scheduled	Interest %	Rate Range	Debt	Outstanding	Issued and	Retired or	Outstanding	Unamortized	Adjusted
	Maturity	Principal Payment								Bond/Note	
	Date	Date	From	To	Type	June 30, 2025	Compounded	Exchanged	June 30, 2026	Discount/Premium	Totals
2022 Series C, Subseries 1	06/01/2066	12/01/2026	3.3500	5.2500	Underwritten	\$ 65,465	\$ -	\$ 3,375	\$ 62,090	\$ (172)	\$ 61,918
2022 Series C, Subseries 2	06/01/2066	12/01/2026	5.1110	5.1110	Underwritten	53,425	-	-	53,425	-	53,425
2022 Series C, Subseries 3	06/01/2026		4.0000	4.0000	Underwritten	73,610	-	73,610	-	-	-
2022 Series D, Subseries 1	06/01/2065	12/01/2026	3.0500	5.1000	Underwritten	21,055	-	1,920	19,135	-	19,135
2022 Series D, Subseries 2	06/01/2066	12/01/2026	4.9000	4.9000	Underwritten	26,645	-	70	26,575	-	26,575
2022 Series D, Subseries 3	06/01/2027	12/01/2026	3.3000	3.3500	Underwritten	51,070	-	4,835	46,235	-	46,235
2023 Series A, Subseries 1	12/01/2065	12/01/2026	2.7500	4.8500	Underwritten	46,645	-	5,475	41,170	-	41,170
2023 Series A, Subseries 2	12/01/2065	12/01/2026	4.5000	4.5000	Underwritten	30,060	-	120	29,940	-	29,940
2023 Series A, Subseries 3	12/01/2027	12/01/2027	2.9500	3.0500	Underwritten	82,590	-	19,255	63,335	-	63,335
2023 Series B	12/01/2025		4.6100	4.6100	Underwritten	22,940	-	22,940	-	-	-
2023 Series C, Subseries 1	12/01/2066	12/01/2026	3.6250	5.3750	Underwritten	50,505	-	-	50,505	-	50,505
2023 Series C, Subseries 2	12/01/2028	12/01/2027	4.0000	4.0500	Underwritten	124,755	-	13,105	111,650	-	111,650
2023 Series E (var)	12/01/2063	12/01/2034	3.6700	4.3500	Underwritten	75,595	-	12,640	62,955	-	62,955
2024 Series A, Subseries 1	12/01/2067	06/01/2027	3.5000	5.0000	Underwritten	90,385	-	-	90,385	-	90,385
2024 Series A, Subseries 2	12/01/2067	12/01/2027	4.8370	4.8370	Underwritten	35,415	-	-	35,415	-	35,415
2024 Series A, Subseries 3	06/01/2029	12/01/2026	3.6000	3.7500	Underwritten	162,350	-	-	162,350	-	162,350
2024 Series B, Subseries 1	12/01/2067	06/01/2028	3.2500	4.7500	Underwritten	41,815	-	-	41,815	-	41,815
2024 Series B, Subseries 2	06/01/2067	06/01/2028	4.6210	4.6210	Underwritten	24,600	-	-	24,600	-	24,600
2024 Series B, Subseries 3	12/01/2029	12/01/2027	3.4000	3.5500	Underwritten	117,100	-	-	117,100	-	117,100
2025 Series A (var, taxable)	12/01/2064	06/01/2041	3.7200	4.3500	Underwritten	-	62,660	-	62,660	-	62,660
2025 Series B (taxable)	12/01/2029	12/01/2029	4.0510	4.0510	Underwritten	-	40,960	-	40,960	-	40,960
2025 Series C, Subseries 1	12/01/2068	12/01/2043	4.5000	5.0000	Underwritten	-	88,750	-	88,750	-	88,750
2025 Series C, Subseries 2	12/01/2068	06/01/2028	4.8500	4.8500	Underwritten	-	20,095	-	20,095	-	20,095
2025 Series C, Subseries 3	06/01/2030	12/01/2029	3.1000	3.1500	Underwritten	-	174,185	-	174,185	-	174,185
2025 Series D	06/01/2043	12/01/2026	2.7500	4.4000	Underwritten	-	25,000	505	24,495	-	24,495
2026 Series A, Subseries 1	06/01/2069	06/01/2029	2.8500	5.0500	Underwritten	-	85,315	-	85,315	30	85,345
2026 Series A, Subseries 2	06/01/2031	12/01/2029	2.9000	3.0500	Underwritten	-	17,645	-	17,645	-	17,645
2026 Series B (var, taxable)	12/01/2065	12/01/2026	3.7200	3.7200	Underwritten	-	71,435	-	71,435	-	71,435
Sub-total						\$ 2,818,798	\$ 586,045	\$ 242,465	\$ 3,162,378	\$ (3)	\$ 3,162,375
Single Family Housing Revenue Bond Program											
Series 163	12/01/2033	06/01/2029	4.0000	4.0000	Underwritten	\$ 10,135	\$ -	\$ 1,985	\$ 8,150	\$ -	\$ 8,150
Series 165	12/01/2043	06/01/2039	4.0000	4.0000	Underwritten	3,585	-	710	2,875	-	2,875
Series 166	12/01/2026	12/01/2026	3.7910	3.7910	Underwritten	4,445	-	2,920	1,525	-	1,525
Series 168	12/01/2026	12/01/2026	3.7500	3.7500	Underwritten	2,915	-	1,375	1,540	-	1,540
Series 173	12/01/2026	12/01/2026	3.0000	3.1000	Underwritten	1,590	-	670	920	-	920
Series 174	12/01/2025		3.4000	3.4000	Underwritten	795	-	795	-	-	-
Series 175	12/01/2040	06/01/2039	4.0000	4.0000	Underwritten	4,215	-	935	3,280	-	3,280
Series 176	12/01/2025		3.0000	3.0000	Underwritten	1,430	-	1,430	-	-	-
Series 178	12/01/2033	06/01/2031	3.5000	3.7000	Underwritten	6,080	-	4,070	2,010	-	2,010
Series 179	12/01/2025		2.9000	2.9000	Underwritten	1,830	-	1,830	-	-	-
Series 181	12/01/2044		4.0000	4.0000	Underwritten	950	-	950	-	-	-
Series 182	12/01/2028	12/01/2026	2.9000	3.3000	Underwritten	7,130	-	2,065	5,065	-	5,065
Series 183	12/01/2046	06/01/2031	2.8000	3.5000	Underwritten	6,850	-	1,480	5,370	55	5,425
Series 184	06/01/2027	12/01/2026	2.4500	2.6250	Underwritten	2,155	-	1,275	880	-	880
Series 185	12/01/2026	12/01/2026	3.0500	3.1500	Underwritten	2,255	-	1,810	445	-	445
Series 186	06/01/2039		4.0000	4.0000	Underwritten	2,395	-	2,395	-	-	-
Series 187	12/01/2037	06/01/2033	3.5500	3.5500	Underwritten	6,755	-	-	6,755	-	6,755
Series 188	06/01/2043		4.0000	4.0000	Underwritten	6,825	-	6,825	-	-	-
Series 190	12/01/2048	06/01/2041	3.6500	4.0000	Underwritten	7,775	-	4,330	3,445	326	3,771
Series 191	12/01/2028	12/01/2026	2.8000	3.1500	Underwritten	5,965	-	1,790	4,175	-	4,175
Series 193	12/01/2029	12/01/2026	3.5500	3.9500	Underwritten	3,255	-	850	2,405	-	2,405
Series 195	12/01/2048	12/01/2026	2.7000	4.0000	Underwritten	5,360	-	3,750	1,610	183	1,793
Series 196 (var)	12/01/2048	06/01/2030	1.2700	3.7000	Underwritten	15,000	-	-	15,000	-	15,000
Series 197	06/01/2030	06/01/2027	3.6500	4.0500	Underwritten	3,895	-	505	3,390	-	3,390
Series 198	12/01/2034	12/01/2026	3.0000	3.8500	Underwritten	6,020	-	65	5,955	-	5,955
Series 199	12/01/2048	12/01/2037	4.0000	4.0000	Underwritten	5,505	-	4,095	1,410	206	1,616
Series 200 (var)	12/01/2048	12/01/2034	1.2700	3.7000	Underwritten	15,000	-	-	15,000	-	15,000
Series 201	12/01/2030	06/01/2029	4.1500	4.3000	Underwritten	1,945	-	-	1,945	-	1,945
Series 202	06/01/2034	06/01/2031	4.0500	4.0500	Underwritten	2,615	-	-	2,615	-	2,615
Series 203	12/01/2048	12/01/2026	4.5000	4.5000	Underwritten	4,005	-	2,580	1,425	238	1,663
Series 204 (var)	12/01/2048	06/01/2038	1.2700	3.7000	Underwritten	10,000	-	-	10,000	-	10,000
Series 205	06/01/2035	12/01/2026	3.0500	3.8000	Underwritten	7,000	-	1,250	5,750	-	5,750
Series 206	12/01/2036	12/01/2026	2.6000	3.4500	Underwritten	5,190	-	55	5,135	-	5,135
Series 207	06/01/2049	06/01/2037	4.0000	4.0000	Underwritten	7,870	-	4,270	3,600	460	4,060
Series 208 (var)	06/01/2049	06/01/2037	1.2700	3.7000	Underwritten	15,000	-	-	15,000	-	15,000
Series 209	06/01/2034	12/01/2026	2.2000	3.0000	Underwritten	10,520	-	1,250	9,270	-	9,270
Series 210	12/01/2036	12/01/2026	1.9000	3.0000	Underwritten	6,530	-	-	6,530	-	6,530
Series 211	12/01/2049	12/01/2036	2.6000	3.5000	Underwritten	9,880	-	3,060	6,820	546	7,366
Series 212 (var)	12/01/2049	12/01/2037	3.9000	3.9000	Underwritten	15,000	-	-	15,000	-	15,000
Series 214	12/01/2049	12/01/2026	2.0500	5.0000	Underwritten	49,805	-	4,870	44,935	1,596	46,531
Series 215	12/01/2050	12/01/2026	1.6500	4.0000	Underwritten	24,740	-	5,135	19,605	856	20,461
Series 216 (var)	12/01/2050	06/01/2033	3.9000	3.9000	Underwritten	25,000	-	-	25,000	-	25,000
Series 218	12/01/2050	12/01/2026	1.6000	5.0000	Underwritten	51,290	-	4,070	47,220	1,867	49,087
Series 220	12/01/2050	12/01/2026	1.3500	5.0000	Underwritten	84,760	-	7,010	77,750	3,461	81,211
Series 221	12/01/2050	12/01/2026	1.4000	5.0000	Underwritten	59,050	-	4,655	54,395	2,518	56,913
Series 222	06/01/2051	12/01/2026	1.4500	5.0000	Underwritten	75,980	-	6,455	69,525	3,560	73,085
Series 223	06/01/2047	12/01/2026	1.3750	5.0000	Underwritten	58,710	-	5,705	53,005	2,395	55,400
Series 224	06/01/2050	12/01/2026	2.9000	5.0000	Underwritten	52,555	-	7,295	45,260	817	46,077

						In thousands of dollars					
	Final	Next Scheduled	Interest % Rate Range		Debt	Outstanding	Issued and	Retired or	Outstanding	Unamortized	Adjusted
	Maturity	Principal Payment	From	To	Type	June 30, 2025	Compounded	Exchanged	June 30, 2026	Bond/Note Discount/Premium	Totals
	Date	Date									
Series 225	12/01/2052	12/01/2026	3.4500	5.5000	Underwritten	\$ 73,385	\$ -	\$ 7,105	\$ 66,280	\$ 792	\$ 67,072
Series 226	12/01/2052	12/01/2026	4.8020	5.9160	Underwritten	188,730	-	17,180	171,550	-	171,550
Series 227	12/01/2053	12/01/2026	3.1000	4.9500	Underwritten	94,425	-	955	93,470	-	93,470
Series 228	06/01/2042	12/01/2026	4.9300	5.6230	Underwritten	56,405	-	2,700	53,705	-	53,705
Series 229 (var, taxable)	06/01/2052	06/01/2042	3.7200	4.4000	Underwritten	63,390	63,390	63,390	63,390	-	63,390
Series 230	06/01/2026		4.3500	4.4500	Underwritten	1,885	-	1,885	-	-	-
Series 231	12/01/2053	12/01/2026	3.8500	5.3500	Underwritten	90,180	-	675	89,505	-	89,505
Series 232	12/01/2052	12/01/2026	5.8020	6.5000	Underwritten	64,150	-	4,715	59,435	106	59,541
Series 233	12/01/2027	12/01/2026	3.9000	3.9500	Underwritten	2,485	-	775	1,710	-	1,710
Series 234	12/01/2054	12/01/2026	3.3500	4.7500	Underwritten	72,795	-	455	72,340	-	72,340
Series 235	12/01/2054	12/01/2027	4.9550	6.2500	Underwritten	48,365	-	2,025	46,340	206	46,546
Series 236	12/01/2027	12/01/2026	3.5000	3.6000	Underwritten	3,240	-	975	2,265	-	2,265
Series 237	12/01/2054	06/01/2028	2.9000	4.5500	Underwritten	20,100	-	200	19,900	-	19,900
Series 238	12/01/2054	12/01/2027	3.9890	6.0000	Underwritten	124,085	-	3,230	120,855	1,490	122,345
Series 239	12/01/2049	06/01/2045	4.6000	4.6000	Underwritten	5,535	-	-	5,535	-	5,535
Series 240	12/01/2054	12/01/2026	4.6150	6.2500	Underwritten	143,205	-	3,750	139,455	1,177	140,632
Series 241	06/01/2028	12/01/2026	3.3500	3.6000	Underwritten	7,035	-	2,400	4,635	-	4,635
Series 242	12/01/2055	06/01/2035	3.7500	4.8000	Underwritten	67,965	-	-	67,965	-	67,965
Series 243	12/01/2045	06/01/2028	4.2630	5.7570	Underwritten	65,000	-	-	65,000	-	65,000
Series 244 (var, taxable)	12/01/2055	06/01/2046	3.7200	4.3500	Underwritten	60,000	-	-	60,000	-	60,000
Series 245	12/01/2027	12/01/2026	3.1500	3.3000	Underwritten	-	4,110	1,190	2,920	-	2,920
Series 246	12/01/2055	06/01/2028	2.9000	5.1000	Underwritten	-	60,780	-	60,780	-	60,780
Series 247 (taxable)	12/01/2055	12/01/2027	3.9830	6.2500	Underwritten	-	78,640	-	78,640	1,653	80,293
Series 248 (var, taxable)	12/01/2055	06/01/2041	3.7200	4.3500	Underwritten	-	50,000	-	50,000	-	50,000
Series 249	12/01/2055	06/01/2038	4.1000	6.2500	Underwritten	-	62,385	-	62,385	3,174	65,559
Series 250 (taxable)	06/01/2038	12/01/2026	3.9570	5.1860	Underwritten	-	34,305	-	34,305	-	34,305
Series 251 (var, taxable)	12/01/2055	06/01/2039	3.7200	4.0000	Underwritten	-	50,000	-	50,000	-	50,000
Series 252	06/01/2029	12/01/2026	3.0500	3.3000	Underwritten	-	6,115	-	6,115	-	6,115
Series 253	12/01/2056	12/01/2037	3.9000	6.2500	Underwritten	-	135,840	-	135,840	5,213	141,053
Series 254 (taxable)	12/01/2037	06/01/2029	4.4340	5.2830	Underwritten	-	27,795	-	27,795	222	28,017
Sub-total						\$ 1,969,915	\$ 573,360	\$ 220,170	\$ 2,323,105	\$ 33,117	\$ 2,356,222
Residential Mortgage Revenue Bond Program											
2012 Series A	10/01/2042	10/01/2042	3.0270	3.0270	Underwritten	\$ 7,351	\$ -	\$ 1,075	\$ 6,276	\$ -	\$ 6,276
2012 Series B	12/01/2042	12/01/2042	2.5270	2.5270	Underwritten	6,051	-	807	5,244	-	5,244
Sub-total						\$ 13,402	\$ -	\$ 1,882	\$ 11,520	\$ -	\$ 11,520
Grand Total						\$ 5,061,433	\$ 1,159,405	\$ 483,696	\$ 5,737,142	\$ 33,114	\$ 5,770,256

SCHEDULE 2: NOTES AND OTHER INDEBTEDNESS

In thousands of dollars																
Scheduled Redemption	Interest % Rate Range			Debt Type	Outstanding		Issued and		Retired	Outstanding		Unamortized Bond/Note		Adjusted Totals		
	Date	From	To		June 30, 2025	Compounded	June 30, 2026	Discount/Premium								
Direct Purchase (DP) Construction Loan Notes																
DP NOTE IS 4, BLK 2024A	08/13/2027	5.1500	5.1500	Direct Purchase	\$	40,000	\$	-	\$	-	\$	40,000	\$	-	\$	40,000
DP NOTE IS 5, BLK 2022A		5.7800	5.7800	Direct Purchase		13,500		-		13,500		-		-		-
Sub-total					\$	53,500	\$	-	\$	13,500	\$	40,000	\$	-	\$	40,000
Grand Total					\$	53,500	\$	-	\$	13,500	\$	40,000	\$	-	\$	40,000

**SCHEDULE 3: Mortgage Backed Securities (MBS) Forward Contracts -
Hedging Derivative Instruments**

In thousands of dollars

Forward Contracts to sell To Be Announced (TBA) MBS	Notional Amount	Trade Date	Delivery Date	Coupon Rate	Fair Value	Counterparty Credit Rating
June 30, 2026						
FHLMC TBA AUGUST 2026	\$ 1,000	6/5/2026	8/13/2026	5.50%	\$ (5)	Aa1
FHLMC TBA SEPTEMBER 2026	500	6/18/2026	9/14/2026	5.50%	-	Aa1
FHLMC TBA AUGUST 2026	1,000	6/29/2026	8/13/2026	5.50%	3	Aa1
FHLMC TBA AUGUST 2026	500	6/29/2026	8/13/2026	6.00%	2	Aa1
Total June 30, 2026	\$ 3,000				\$ -	
June 30, 2025						
FNMA TBA AUGUST 2025	\$ 500	6/16/2025	8/13/2025	5.50%	\$ (5)	Aa1
Total June 30, 2025	\$ 500				\$ (5)	

Required Supplemental Schedule 1
Unaudited

Massachusetts Housing Finance Agency Employees' Retirement System Plan
Schedules of Required Supplementary Information
Schedule of changes in the Agency's Net Pension Liability/(Asset) and related ratios
(Dollar amounts in thousands)
June 30, 2026

MassHousing Fiscal Year	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total Pension Liability										
Service Cost	\$ 5,747	\$ 4,525	\$ 4,351	\$ 4,103	\$ 4,015	\$ 3,861	\$ 3,700	\$ 3,566	\$ 3,437	\$ 3,247
Interest	17,768	16,712	16,044	15,553	15,295	14,608	13,583	12,908	11,895	11,623
Changes in Benefit Terms	-	1,935	-	2,531	-	-	1,592	-	-	-
Differences between expected and actual experience	-	5,402	-	848	(387)	-	3,848	-	(3,670)	-
Changes of assumptions	-	6,690	-	(5,675)	2,291	-	5,878	-	8,772	-
Benefit payments, including refunds of employee contributions	(12,445)	(11,511)	(10,572)	(10,593)	(9,576)	(8,732)	(8,029)	(7,182)	(6,920)	(5,958)
Net change in total pension liability	11,070	23,753	9,823	6,767	11,638	9,737	20,572	9,292	13,514	8,912
Total pension liability - beginning	263,716	239,963	230,140	223,373	211,735	201,998	181,426	172,134	158,620	149,708
Total pension liability - ending (a)	<u>\$ 274,786</u>	<u>\$ 263,716</u>	<u>\$ 239,963</u>	<u>\$ 230,140</u>	<u>\$ 223,373</u>	<u>\$ 211,735</u>	<u>\$ 201,998</u>	<u>\$ 181,426</u>	<u>\$ 172,134</u>	<u>\$ 158,620</u>
Plan fiduciary net position										
Contributions - employer	\$ 4,999	\$ 4,784	\$ 4,727	\$ 1,087	\$ 13,273	\$ 10,081	\$ 10,031	\$ 6,527	\$ 6,491	\$ 6,093
Contributions - employee	5,180	4,517	4,074	3,747	3,591	3,527	3,449	3,483	3,552	3,274
Net Investment Income	27,815	19,021	24,104	(24,048)	33,100	26,999	27,731	(5,544)	18,139	11,087
Benefit payments, including refunds of employee contributions	(12,445)	(11,511)	(10,572)	(10,593)	(9,576)	(8,732)	(8,029)	(7,182)	(6,920)	(5,958)
Administrative expenses	(560)	(529)	(508)	(455)	(555)	(489)	(468)	(446)	(378)	(380)
Net change in plan fiduciary net position	24,989	16,282	21,825	(30,262)	39,833	31,386	32,714	(3,162)	20,884	14,116
Plan fiduciary net position - beginning	257,896	241,614	219,789	250,051	210,218	178,832	146,118	149,280	128,396	114,280
Plan fiduciary net position - ending (b)	<u>\$ 282,885</u>	<u>\$ 257,896</u>	<u>\$ 241,614</u>	<u>\$ 219,789</u>	<u>\$ 250,051</u>	<u>\$ 210,218</u>	<u>\$ 178,832</u>	<u>\$ 146,118</u>	<u>\$ 149,280</u>	<u>\$ 128,396</u>
Net Pension Liability/(Asset)- ending (a)-(b)	<u>\$ (8,099)</u>	<u>\$ 5,820</u>	<u>\$ (1,651)</u>	<u>\$ 10,351</u>	<u>\$ (26,678)</u>	<u>\$ 1,517</u>	<u>\$ 23,166</u>	<u>\$ 35,308</u>	<u>\$ 22,854</u>	<u>\$ 30,224</u>
Plan fiduciary net position as a percentage of total pension liability	102.9%	97.8%	100.7%	95.5%	111.9%	99.3%	88.5%	80.5%	86.7%	80.9%
Covered Payroll (calendar year timing)	\$ 46,927	\$ 45,041	\$ 38,407	\$ 36,887	\$ 35,372	\$ 35,737	\$ 34,362	\$ 34,506	\$ 33,250	\$ 33,641
Net Pension Liability/(Asset) as a percentage of covered payroll	-17.3%	12.9%	-4.3%	28.1%	-75.4%	4.2%	67.4%	102.3%	68.7%	89.8%

Required Supplemental Schedule 2
Unaudited

Massachusetts Housing Finance Agency Employees' Retirement System Plan
Schedule of Agency Contributions
(Dollar amounts in thousands)
June 30, 2026

MassHousing Fiscal Year	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarial Determined Contribution	\$ 4,999	\$ 4,784	\$ 4,727	\$ 1,087	\$ 1,030	\$ 10,081	\$ 10,031	\$ 6,527	\$ 6,491	\$ 6,093
Contributions made	4,999	4,784	4,727	1,087	1,030	22,323	10,031	6,527	6,491	6,093
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (12,242)	\$ -	\$ -	\$ -	\$ -
Covered Payroll (fiscal year timing)	\$ 47,881	\$ 45,984	\$ 39,180	\$ 37,647	\$ 36,082	\$ 36,447	\$ 35,050	\$ 35,154	\$ 33,878	\$ 34,264
Contribution as a percentage of covered payroll	10.4%	10.4%	12.1%	2.9%	2.9%	61.2%	28.6%	18.6%	19.2%	17.8%

Notes to Schedule

Methods and assumption used to determine contribution rates for 2026 and 2025:

Actuarial cost method	Entry age, normal
Amortization method	Level payment, closed
Remaining amortization period	Plan is fully funded as of June 30, 2021
Asset valuation method	Fair value adjusted by accounts receivable and accounts payable
Inflation	2.7 percent
Salary Increases	5.25 percent grading down to 3.75 percent after 10 years of service
Investment rate of return	6.75 percent, net of pension plan investment expenses (7.00% previously)
Mortality	The Pri.-2012 White Collar Mortality Table projected using MP-2021 (sex-distinct). During employment, the healthy employee mortality table is used. Post-employment, the healthy annuitant table is used. The prior valuation used MP-2016 projection. Mortality for disabled retirees follows the same table as nondisabled retirees, set forward two years. Death is assumed to be due to the same cause as the disability 40% of the time.
Most Recent Measurement Date	December 31, 2025
Valuation Date	January 1, 2025
Changes in benefit terms	A 3% COLA on the first \$18,000 of retirement income is assumed to be granted in 2024, increasing to \$20,000 in 2025 and \$21,000 in 2026.

Required Supplemental Schedule 3
Unaudited

Massachusetts Housing Finance Agency OPEB Trust
Schedules of Required Supplementary Information
Schedule of changes in the Agency's Net OPEB Liability/(Asset) and related ratios ⁽¹⁾
(Dollar amounts in thousands)
June 30, 2026

MassHousing Fiscal Year	2026	2025	2024	2023 ⁽²⁾	2022	2021 ⁽³⁾	2020	2019	2018
Total OPEB Liability									
Service Cost	\$ 1,251	\$ 971	\$ 943	\$ 535	\$ 1,039	\$ 767	\$ 1,137	\$ 1,294	\$ 1,430
Interest	3,435	3,119	2,971	1,897	3,588	3,046	4,232	3,925	3,670
Changes in Benefit Terms	-	852	-	-	-	-	-	-	-
Differences between expected and actual experience	3	1,196	(78)	(7,448)	-	(10,923)	(534)	(326)	-
Changes of assumptions	-	-	-	(5,875)	-	(745)	(1,044)	929	-
Benefit payments	(1,994)	(1,822)	(1,687)	(836)	(1,542)	(1,517)	(1,327)	(1,531)	(1,175)
Net change in total OPEB liability	2,695	4,316	2,149	(11,727)	3,085	(9,372)	2,464	4,291	3,925
Total OPEB liability - beginning	48,816	44,500	42,351	54,078	50,993	60,365	57,901	53,610	49,685
Total OPEB liability - ending (a)	\$ 51,511	\$ 48,816	\$ 44,500	\$ 42,351	\$ 54,078	\$ 50,993	\$ 60,365	\$ 57,901	\$ 53,610
Plan fiduciary net position									
Contributions - employer (including implicit subsidy)	\$ 1,344	\$ 1,419	\$ 2,017	\$ 817	\$ 1,535	\$ 3,597	\$ 3,421	\$ 3,459	\$ 3,115
Net Investment Income	8,263	5,137	6,190	22	(7,829)	10,260	1,195	1,970	1,614
Benefit payments	(1,994)	(1,822)	(1,687)	(836)	(1,542)	(1,517)	(1,327)	(1,531)	(1,175)
Administrative expenses	(59)	(43)	(54)	(37)	(35)	(43)	(27)	(40)	(31)
Net change in plan fiduciary net position	7,554	4,691	6,466	(34)	(7,871)	12,297	3,262	3,858	3,523
Plan fiduciary net position - beginning	53,200	48,509	42,043	42,077	49,948	37,651	34,389	30,531	27,008
Plan fiduciary net position - ending (b)	\$ 60,754	\$ 53,200	\$ 48,509	\$ 42,043	\$ 42,077	\$ 49,948	\$ 37,651	\$ 34,389	\$ 30,531
Net OPEB Liability/(Asset) - ending (a)-(b)	\$ (9,243)	\$ (4,384)	\$ (4,009)	\$ 308	\$ 12,001	\$ 1,045	\$ 22,714	\$ 23,512	\$ 23,079
Plan fiduciary net position as a percentage of total OPEB Liability	117.9%	109.0%	109.0%	99.3%	77.8%	98.0%	62.4%	59.4%	57.0%
Covered Payroll	\$ 48,348	\$ 45,041	\$ 39,077	\$ 36,887	\$ 35,139	\$ 34,116	\$ 33,592	\$ 32,614	\$ 34,715
Net OPEB Liability/(Asset) as a percentage of covered payroll	-19.1%	-9.7%	-10.3%	0.8%	34.2%	3.1%	67.6%	72.1%	66.5%

(1) GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"(GASB 75) requires data to be presented for each of the 10 previous fiscal years. GASB 75 became effective in FY 2018, therefore that is the earliest fiscal year presented.

(2) Data represents the six-month period, July 1, 2022 through December 31, 2022.

(3) In FY 2021, the Agency identified an error in the FY 2019 and FY 2020 actuarial calculation of the Net OPEB Liability, which resulted in changes in the Schedule of Changes in the Agency's Net OPEB Liability and related ratios. Due to the overall impact to the Agency's financial statements, the cumulative effect is reflected in the FY 2021 reporting period.

Required Supplemental Schedule 4
Unaudited

Massachusetts Housing Finance Agency OPEB Trust
Schedule of Agency Contributions ⁽¹⁾
(Dollar amounts in thousands)
June 30, 2026

MassHousing Fiscal Year	2026	2025	2024	2023	2022	2021	2020	2019	2018
Actuarial Determined Contribution	\$ 1,344	\$ 1,419	\$ 2,017	\$ 1,635	\$ 1,535	\$ 3,597	\$ 3,421	\$ 3,459	\$ 3,115
Contributions in relation to the Actuarially Determined Contribution	1,344	1,419	2,017	1,635	1,535	3,597	3,421	3,459	3,115
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 48,348	\$ 45,041	\$ 39,077	\$ 36,887	\$ 35,139	\$ 34,116	\$ 33,592	\$ 32,614	\$ 34,715
Contribution as a percentage of covered payroll	2.8%	3.2%	5.2%	4.4%	4.4%	10.5%	10.2%	10.6%	9.0%

Notes to Schedule

Actuarially Determined Contributions consist of:

	2026	2025	2024	2023	2022	2021	2020	2019	2018
Cash Contribution	\$ 1,032	\$ 1,137	\$ 1,734	\$ 1,341	\$ 1,282	\$ 3,300	\$ 3,160	\$ 2,897	\$ 2,901
Implicit Subsidy	312	282	283	294	253	297	261	562	214
Actuarial Determined Contribution	\$ 1,344	\$ 1,419	\$ 2,017	\$ 1,635	\$ 1,535	\$ 3,597	\$ 3,421	\$ 3,459	\$ 3,115

Methods and assumption used to determine contribution rates for 2025 and 2024:

Actuarial cost method:	Entry Age Normal cost method
Amortization method:	Amortization of changes due to actuarial gains and losses, assumption changes, and plan provision changes over a reasonable and consistent period, not to exceed 20 years with annual increases of up to 3%. Initial Unfunded Liability as of January 1, 2025, of \$0. Fresh start of amortization bases upon full funding.
Asset valuation method:	Smoothed Actuarial Value of Assets (AVA) recognizing realized and unrealized investment gains and losses gradually over 4 years subject to a 20% corridor. Initial AVA as of January 1, 2025, will be equal to the market value of assets.
Salary Increases:	3.50% overall payroll increase rate, including new entrants at 3.00% per year
Healthcare cost trend rates:	7.27% to 17.06% initial graded down to 5% in 2034
Investment rate of return:	7.00 percent, net of OPEB plan investment expense
Retirement Age:	Based on Tier classification, gender and hire dates
Mortality:	Pri H-2012 Private Retirement Headcount-Weighted White Collar Mortality Tables, sex-distinct projected using generational mortality and scale MP-2021
Surplus Policy:	Actuarial Value of Assets exceeding accrued liabilities by more than 10% may be used to reduce contributions.

(1) GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"(GASB 75) requires data to be presented for each of the 10 previous fiscal years. GASB 75 became effective in FY 2018, therefore that is the earliest fiscal year presented.

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

			In thousands			
Project Name	Interest Rate	Maturity Date	Mortgage Obligation	Advances	Balance of Commitment	Notes
				Construction/ Mortgage Loans		
Working Capital Fund and Affiliates						
10 @ 8TH STREET APARTMENTS	0.0000	06/01/2066	\$ 300	-	-	
11 LONG POINT ROAD, LAKEVILLE (ARC)	5.5500	01/01/2029	30	-	-	
117 UNION STREET NEW BEDFORD	0.0000	11/01/2065	1,300	-	-	
1199 HIXVILLE ROAD, NORTH DARTMOUTH(ARC)	5.3500	08/01/2026	2	-	-	
120 CENTRE COURT	0.0000	11/01/2038	310	-	-	
120 CENTRE COURT	0.0000	11/01/2042	500	-	-	
140 CLARENDON	0.0000	05/01/2064	500	-	-	
144 MARKET STREET LYNN	0.0000	03/01/2028	2,177	- \$	5,897	
1463 DORCHESTER AVE	2.0000	09/01/2039	2,500	-	-	
1463 DORCHESTER AVE	4.5500	09/01/2039	5,417	-	-	
181 CHESTNUT	0.0000	03/01/2061	650	-	-	
181 CHESTNUT	3.6700	03/01/2061	4,579	-	-	
191 TALBOT	1.0000	04/01/2037	1,400	-	-	
191 TALBOT	4.0200	04/01/2037	2,600	-	-	
2 PIERCE LANE, MIDDLEBORO (ARC)	5.3500	07/01/2026	1	-	-	
201 CANAL APARTMENTS	3.6300	04/01/2063	19,471	-	-	
201 CANAL APARTMENTS	0.0000	04/01/2063	4,980	-	-	
2101 WASHINGTON STREET	3.7500	06/01/2059	3,694	-	-	
2147 WASHINGTON	0.0000	01/01/2066	2,300	-	-	
225 CENTRE STREET	0.0000	08/01/2054	5,600	-	-	
246-248 NORWELL STREET	0.0000	06/01/2059	600	-	-	
246-248 NORWELL STREET	0.0000	07/09/2059	741	-	-	
25 SIXTH STREET RENTAL	0.0000	07/01/2065	2,393	-	-	
250 CENTRE STREET	0.0000	07/01/2064	2,000	-	-	
272 CROSS STREET MALDEN	0.0000	12/01/2026	1,185	-	96	
28 AUSTIN STREET	0.0000	04/01/2060	1,300	-	-	
3 FLINTLOCK LANE, LAKEVILLE (ARC)	5.5500	12/01/2026	6	-	-	
31 ELM STREET	0.0000	07/01/2062	20,980	-	-	
31 ELM STREET	0.0000	07/01/2062	(5)	-	-	
31 TUFTS STREET	7.2600	08/01/2064	198	-	-	
31 TUFTS STREET	0.0000	08/01/2064	1,279	-	-	
35 VILLAGE HILL ROAD	0.0000	01/01/2062	1,367	-	-	
35 VILLAGE HILL ROAD	3.7900	01/01/2037	1,371	-	-	
37 UNION STREET	2.0000	01/01/2064	1,700	-	-	
38 WINFIELD ST., EAST FREETOWN (ARC)	5.3500	08/01/2026	2	-	-	
401 STATE ROAD	7.1200	06/01/2068	-	-	1,430	
440 BROADWAY	0.0000	01/01/2027	7,846	-	872	
571 REVERE STREET	0.0000	04/01/2062	1,900	-	-	
706 HUNTINGTON AVENUE	0.0000	11/01/2049	305	-	-	
98 ESSEX	1.5000	04/01/2055	860	-	-	
98 ESSEX	0.0000	04/01/2055	600	-	-	
A.O. FLATS AT FOREST HILLS	5.0000	06/01/2060	8,100	-	-	
ACADEMY HILL SCHOOL	3.0200	04/30/2058	198	-	-	
ACADEMY HILL SCHOOL	3.7500	04/30/2058	1,372	-	-	
ADMIRAL'S TOWER	0.0000	07/01/2044	459	-	-	
AEI GROUP HOMES-BRAINTREE	5.3500	08/01/2026	3	-	-	
AEI GROUP HOMES-CENTERVILLE	5.3500	07/01/2026	1	-	-	
AEI GROUP HOMES-KINGSTON	5.5500	02/01/2027	11	-	-	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	In thousands			Notes
			Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	
AEI GROUP HOMES-MARSHFIELD	5.5500	05/01/2028	\$ 30	-	-	
AMES PRIVILEGE - (AMES II)	2.6000	10/01/2054	118	-	-	
AMHERST COMMUNITY HOMES	0.0000	08/01/2027	8,550	-	\$ 950	
APPLETON MILLS REDEV PHASE 1B	3.5000	04/01/2052	148	-	-	
ARLINGTON PARK	4.0000	02/01/2037	631	-	-	
ARLINGTON POINT II (VAN BRODIE 9%)	0.0000	12/18/2060	1,900	-	-	
BARSTOW VILLAGE	0.0100	07/01/2053	877	-	-	
BARTLETT STATION BUILDING A 4%	3.0000	11/01/2063	900	-	-	
BEDFORD VILLAGE	2.0000	07/01/2060	4,500	-	-	
BERGEN CIRCLE	3.8700	10/01/2063	12,924	-	-	
BERGEN CIRCLE	0.0000	10/01/2063	7,945	-	-	
BET SHALOM I	0.0000	08/01/2046	318	-	-	
BOSTON COMMUNITIES	1.6667	07/11/2028	262	-	569	
BOSTON COMMUNITIES	1.6667	07/11/2028	1	-	-	
BRANDY HILL	0.0000	04/01/2034	510	-	-	
BRIAN J HONAN	6.7000	01/01/2068	-	-	5,416	
BRIAN J HONAN	0.0000	01/01/2068	5,845	-	-	
BRIAN J HONAN	5.6900	01/01/2028	-	-	3,400	
BROADWAY 250	2.7900	09/01/2040	8,414	-	-	
BROCKTON ENTERPRISE CTR PHASE 2 RESID 4%	0.0000	01/01/2064	1,200	-	-	
BROOKS SCHOOL BOSTON	4.0600	10/30/2074	5,529	-	-	
BROWN-KAPLAN TOWNHOMES	0.0000	08/25/2049	22	-	-	
BURBANK GARDENS	2.5900	07/01/2059	4,618	-	-	
BURBANK GARDENS ACQUISITION	0.0000	07/01/2059	452	-	-	
CABLE GARDENS	4.5000	01/01/2036	7,500	-	8,161	
CASSELMAN HOUSE	0.0000	05/01/2044	155	-	-	
CENTRAL ANNEX	0.0000	06/01/2031	255	-	-	
CENTRAL GRAMMAR	0.0000	04/01/2053	695	-	-	
CHAPMAN HOUSE	2.0000	04/10/2064	1,502	-	-	
CHATHAM WEST I	0.0000	06/01/2058	4,500	-	-	
CHATHAM WEST II	0.0000	06/01/2027	1,667	-	-	
CHERITON HEIGHTS SENIOR HOUSING	0.0000	11/22/2053	1,000	-	-	
CITY SQUARE ELDERLY HOUSING	0.0000	02/01/2046	535	-	-	
CLARENDON HILL BUILDING E	0.0000	01/01/2066	4,583	-	-	
COBBET HILL	2.2600	12/23/2066	1,000	-	-	
COLONIAL VILLAGE RENEWAL - CONDUIT	0.0000	12/01/2059	945	-	-	
CORNERSTONE	0.0000	02/01/2028	6,555	-	3,445	
COTE VILLAGE 4%	0.0000	10/01/2062	2,400	-	-	
COUNCIL TOWER - CC DEFEASED NOTE	0.0000	01/01/2046	800	-	-	
COVENANT HOUSE I & II (A)	0.5698	07/01/2045	783	-	-	
CURTAIN LOFTS	0.0000	11/01/2052	783	-	-	
CURTIS APARTMENTS PHASE II	0.0000	02/01/2069	2,250	-	750	
DVM CONSULTING CORP	1.6667	07/10/2028	366	-	434	
DVM CONSULTING CORP	1.6667	07/10/2028	1	-	-	
ELIAS BROOKING APARTMENTS	4.5600	01/01/2063	1,093	-	-	
ELIAS BROOKING APARTMENTS	0.0000	01/01/2063	700	-	-	
FABRICA LOFTS	0.0000	08/01/2064	2,100	-	-	
FARNSWORTH HOUSE	0.0000	10/01/2046	330	-	-	
FINCH CAMBRIDGE	0.0000	11/01/2060	3,596	-	-	
FITCHBURG ARTS COMMUNITY	0.0000	05/01/2076	2,700	-	-	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	In thousands			Notes
			Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	
FITCHBURG ARTS COMMUNITY	6.8600	05/01/2066	\$ 2,749	-	-	
FRANKLIN HILL REVITAL PHASE 2A	6.0000	05/01/2059	1,350	-	-	
FRANKLIN HILL REVITAL PHASE 2B	0.1000	12/31/2059	1,000	-	-	
FRANKLIN SCHOOL	5.2500	12/31/2049	3,433	-	-	
GARDNER TERRACE II/HEBRONVILLE MILL	0.0000	03/01/2076	15,906	-	-	
GATEWAY RESIDENCES ON WASHINGTON	0.0000	10/01/2058	1,600	-	-	
GLEN MEADOW APARTMENTS	0.0000	05/01/2057	1,750	-	-	
GRACE APARTMENTS	3.3100	01/01/2065	4,913	-	-	
GREENWAY APARTMENTS	3.8500	06/01/2053	1,000	-	-	
HABITAT FOR HUMANITY - BOSTON, INC	0.0000		311	-	-	
HAMPTON COURT	3.1200	06/20/2064	17,891	-	-	
HANOVER HOUSE	0.0000	12/18/2029	922	-	-	
HANOVER WOODS	1.8900	08/01/2066	7,029	-	-	
HAYNES HOUSE	3.3100	07/01/2061	2,700	-	-	
HAYWARD LANDING	2.5700	11/04/2065	18,753	-	-	
HERITAGE APARTMENTS - BOSTON	0.0000	05/01/2041	1,000	-	-	
HERITAGE COMMON - LAWRENCE	0.7000	06/01/2050	8,166	-	-	
HERITAGE COMMON - LAWRENCE	0.0000	06/16/2051	1,500	-	-	
HEYWOOD WAKEFIELD VILLAGE	4.7900	12/31/2041	12,828	-	-	
HIGH MEADOWS TOWNHOMES (CNL BLFS III)	2.5000	09/01/2059	700	-	-	
HIGHLAND APARTMENTS	3.0400	05/01/2056	5,896	-	-	
HILLCREST ACRES	0.0000	10/01/2064	3,700	-	-	
HILLSIDE VILLAGE	0.0000	07/01/2059	600	-	-	
HOLMES BEVERLY APARTMENTS	0.0000	11/01/2058	1,600	-	-	
HOUGHTON VILLAGE	0.0000	06/01/2058	1,545	-	-	
HOUGHTON VILLAGE	2.7000	06/01/2058	6,548	-	-	
INDEPENDENCE MANOR II	0.0000	07/01/2047	210	-	-	
INDIGO BLOCK APARTMENTS	0.0000	07/01/2062	3,434	-	-	
J.J. CARROLL HOUSE	0.0000	07/01/2064	3,600	-	-	
KENNEDY BUILDING APARTMENTS	0.0000	01/01/2064	1,250	-	-	
KENT STREET	6.0100	09/01/2056	5,290	-	-	
KING JAMES COURT	0.0000	04/01/2043	365	-	-	
KUEHN'S WAY APARTMENTS	0.0000	05/01/2053	1,785	-	-	
KUEHN'S WAY APARTMENTS	3.6700	05/01/2053	1,976	-	-	
LAKESIDE PHASE II	0.0000	03/01/2028	1,054	-	\$ 2,439	
LANDFALL COMMUNITY ASSOCIATES II	0.0000	01/01/2060	134	-	-	
LATIN ACADEMY	0.0000	06/01/2050	602	-	-	
LEYDEN WOODS APARTMENTS	3.8500	10/01/2037	1,457	-	-	
LINCOLN WOODS	0.0000	08/01/2057	291	-	-	
LINCOLN WOODS	2.7400	07/01/2057	1,200	-	-	
LINWOOD MILL	0.0100	07/01/2053	1,000	-	-	
LOFT 27	3.0000	07/01/2040	2,932	-	-	
LOWER MILLS APARTMENTS	0.0000	05/01/2041	1,000	-	-	
MADISON MELNEA CASS APARTMENTS	2.8800	03/01/2060	1,900	-	-	
MANSFIELD MEADOWS	4.0940	04/30/2072	9,988	-	-	
MAPLE RIDGE PHASE I	0.0000	06/01/2052	2,000	-	-	
MARINER'S HILL	0.8990	05/15/2064	324	-	-	
MASHPEE VILLAGE	7.0000	06/01/2056	1,500	-	-	
MATTAPAN STATION 4%	2.0000	04/01/2063	3,000	-	-	
MATTAPAN STATION 9%	3.8800	10/01/2063	2,269	-	-	
MERRIMACK VALLEY APARTMENTS	0.0000	08/01/2044	211	-	-	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	In thousands			Notes
			Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	
MICHAEL E. HAYNES ARMS - CONDUIT	0.0000	03/01/2039	\$ 1,600	-	-	
MIDDLEBURY ARMS	3.3200	09/30/2055	3,986	-	-	
MILDRED HAILEY 1A	3.0000	02/01/2066	2,400	-	-	
MILDRED HAILEY 1A	0.0000	02/01/2066	380	-	-	
MILDRED HAILEY 1B	3.0000	02/01/2066	3,000	-	-	
MILDRED HAILEY 1B	0.0000	02/01/2066	1,000	-	-	
MILL FALLS APARTMENTS - METHUEN	4.5300	02/01/2057	2,830	-	-	
MILL POND APARTMENTS - LITTLETON	0.0000	05/01/2047	235	-	-	
MILL VALLEY ESTATES - AMHERST	2.5500	11/18/2060	10,840	-	-	
MOA CEDAC EDF	0.0000	12/10/2030	5,000	-	-	
MORAN SQUARE REDEVELOPMENT	0.0000	02/01/2059	2,400	-	-	
MORTON STATION VILLAGE	0.0000	12/01/2064	400	-	-	
MUSEUM SQUARE	2.7200	07/24/2065	15,164	-	-	
NEW CODMAN SQUARE APARTMENTS	2.6400	01/01/2054	840	-	-	
NEW PORT ANTONIO APARTMENTS	5.7200	06/27/2027	39,122	-	-	
NEWCASTLE SARANAC	0.0000	07/01/2062	2,250	-	-	
NEWTON GARDENS	0.0000	10/01/2065	5,000	-	-	
NORTH COMMONS AT VILLAGE HILL	0.0000	12/01/2062	1,400	-	-	
OAK WOODS	0.0000	12/01/2053	678	-	-	
OLD COLONY PHASE FIVE	6.7400	02/01/2066	318	-	-	
OLD COLONY PHASE FOUR	6.7400	02/01/2066	51	-	-	
OLMSTED GREEN MIXED-INCOME RENTAL	1.0000	05/01/2061	4,000	-	-	
ORCHARD HILL OXFORD	4.1500	07/01/2027	3,206	-	-	
OXFORD HOUSE AT QUEENEY SQUARE	2.7200	01/01/2050	4,411	-	-	
PAC 10 LOFTS	3.4400	01/01/2024	-	\$ 16,058	\$ 1,942	
PAC 10 LOFTS	0.0000	04/01/2063	5,000	-	-	
PARKWAY 1208	1.0000	07/01/2064	1,489	-	-	
PELHAM I APARTMENTS	5.0860	12/01/2064	4,522	-	-	
PERLMAN HOUSE	2.5000	03/01/2041	542	-	-	
PERLMAN HOUSE	0.0000	03/01/2041	491	-	-	
PETER SANBORN PLACE	0.0000	08/01/2043	280	-	-	
PHARE	0.0000	06/01/2066	1,000	-	-	
PILOT GROVE HILL	0.0000	12/01/2049	208	-	-	
PINE CREST	0.0000	01/01/2044	187	-	-	
PITTS PORTFOLIO	2.9900	04/01/2061	1,700	-	-	
PLANTATION TOWER	6.0000	04/01/2047	3,921	-	-	
PLEASANT PLAZA	3.0247	01/01/2065	11,162	-	-	
POND SIDE AT LITTLETON	2.1190	02/28/2071	13,844	-	-	
PRESERVE NORTH RESIDENCES	0.0000	01/01/2062	4,000	-	-	
PROVIDENCE HOUSE ASSISTED LIVING	6.3500	01/01/2045	7,058	-	-	
PULASKI HEIGHTS (A)	0.0000	09/01/2045	153	-	-	
RESIDENCES AT BRIGHTON MARINE	0.0000	11/01/2060	5,000	-	-	
RESIDENCES AT CANAL BLUFFS	5.2500	06/01/2051	1,850	-	-	
RESIDENCES AT FAIRMOUNT STATION	0.0000	09/01/2049	300	-	-	
RINDGE TOWER APARTMENTS	2.6100	07/01/2058	1,506	-	-	
RIVER PLACE TOWERS - LOWELL	3.2100	09/01/2029	28,998	-	-	
RIVERBOAT VILLAGE	5.0100	12/01/2033	4,614	-	7,617	
RIVERVIEW MEADOWS - RAYNHAM	2.1800	03/16/2065	4,968	-	-	
ROGERS HALL	6.3310	05/01/2044	253	-	-	
ROSEWOOD WAY	0.0000	10/01/2065	1,500	-	-	
ROSLINDALE HOUSE - CC DEFEASED NOTE	0.0000	06/01/2045	314	-	-	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	In thousands			Notes
			Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	
ROXBURY CORNERS	0.0000	01/01/2050	\$ 794	-	-	
S.S.C.R.II-BRIDGewater	5.5500	03/01/2027	10	-	-	
S.S.C.R.II-MATTAPOISETT	5.5500	10/01/2026	4	-	-	
S.S.C.R.II-STOUGHTON	5.5500	03/01/2027	9	-	-	
SCHOOL HOUSE KENILWORTH	1.0000	06/01/2049	1,000	-	-	
SHAWME HEIGHTS APARTMENTS	0.0000	05/01/2045	183	-	-	
SHILLMAN HOUSE	0.0000	12/17/2051	972	-	-	
SHILLMAN HOUSE	0.0000	11/01/2051	2,604	-	-	
SHIPS WATCH	2.1200	03/31/2071	6,821	-	-	
SIMON C. FIREMAN COMMUNITY	0.0000	03/01/2044	559	-	-	
SINGLE FAMILY CAPITAL MAGNET FUND LOANS	0.0000		2,816	-	-	
SINGLE FAMILY ENERGY SAVER HOME LOANS	0.5000 to 2.0000		6,802	-	-	
SINGLE FAMILY GATEWAY CITY LOANS	1.0000 to 2.0000		7,280	-	-	
SINGLE FAMILY HOME IMPROVEMENT LOANS	5.0000		2,642	-	-	
SINGLE FAMILY LONG TERM ASSETS	0.0000 to 7.3750		26,016	-	-	
SINGLE FAMILY MASS ADVANTAGE LOANS	0.0000		938	-	-	
SINGLE FAMILY MODIFICATION LOANS	0.0000		497	-	-	
SINGLE FAMILY MORTGAGE (WAREHOUSE) LOANS	0.0000 to 7.1250		89,680	-	-	
SINGLE FAMILY VETERANS ASSISTANCE LOANS	0.0000 to 2.0000		387	-	-	
SINGLE FAMILY WORK FORCE ADVANTAGE LOANS	0.0000 to 1.0000		15,432	-	-	
SITKOWSKI SCHOOL APARTMENTS	2.0000	07/01/2056	1,645	-	\$ 361	
SKYVIEW DOWNTOWN	0.0000	12/01/2058	4,885	-	-	
SOUTH END TENANTS HOUSES II	6.1900	12/01/2045	3,632	-	-	
SOUTH HOLYOKE HOMES PHASE II	0.0000	12/01/2026	5,850	-	650	
SQUIRRELWOOD	0.0000	01/01/2062	1,000	-	-	
ST BOTOLPH APARTMENTS	0.0000	03/01/2068	630	-	-	
ST LOUIS SCHOOL CONDOMINIUMS	0.0000	12/01/2026	4,500	-	500	
ST MARY'S PLAZA	0.0000	03/01/2044	393	-	-	
STATION POINTE APARTMENTS I	1.8340	12/31/2070	7,969	-	-	
STATION POINTE APARTMENTS II	1.8340	12/31/2070	10,566	-	-	
STONE MILL	0.0000	01/01/2065	900	-	-	
STONY BROOK COURT	0.0000	12/31/2030	138	-	-	
STRATTON HILL	0.0000	08/01/2059	2,045	-	-	
SUFFOLK PLACE LOWELL	0.0000	03/04/2027	8,117	-	902	
SUSAN S BAILIS ASSISTED LIVING	1.0000	12/31/2057	1,464	-	83	
SWIFTS LANDING FAMILY	0.0000	01/01/2066	1,250	-	-	
SYCAMORE ON MAIN	0.0000	08/01/2062	1,800	-	-	
TEMPLE LANDING	0.0000	02/01/2043	1,260	-	-	
THE CENTRAL BUILDING	0.0000	03/01/2060	1,400	-	-	
THE COMMONS AT BOSTON RD * VARIABLE RATE	0.0000	11/30/2038	22	-	-	
THE COOLIDGE	4.4600	06/30/2051	750	-	-	
THE MEETING HOUSE	2.9800	09/01/2031	9,350	-	-	
THE MEETING HOUSE	0.0000	09/01/2061	2,100	-	-	
THE POINTE AT HILLS FARM 4%	0.0000	06/01/2066	600	-	-	
THE POINTE AT HILLS FARM 9%	0.0000	06/01/2066	2,202	-	-	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	In thousands			Notes
			Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	
THE POINTE AT HILLS FARM 9%	7.6600	06/01/2066	\$ 7,220	-	-	
THE QUINN RESIDENCES	0.0000	12/01/2026	4,950	-	\$ 550	
THE SETTLEMENT	7.1600	05/01/2013	2,200	-	-	
THE VILLAGE AT BROOKLINE	6.0100	09/01/2056	10,897	-	-	
THE WATSON	1.0000	12/01/2059	7,000	-	-	
TOWN BROOK HOUSE	0.0000	05/01/2045	480	-	-	
TREEHOUSE AT EASTHAMPTON MEADOW	0.0000	01/01/2068	5,387	-	-	
TRIBUNE APARTMENTS	0.0000	06/01/2033	170	-	-	
TRINITY TERRACE	3.5000	01/31/2035	762	-	-	
TWO CHESTNUT PLACE WORCESTER	0.0000	12/01/2026	6,750	-	750	
UNION BLOCK	0.0000	02/01/2066	1,200	-	-	
VAN NESS TERRACE	3.1200	06/24/2064	8,123	-	-	
VILLAGE AT NAUSET GREEN	0.0000	09/01/2060	1,500	-	-	
VOKE LOFTS	0.0000	01/01/2055	695	-	-	
VOKE LOFTS	3.4000	01/01/2055	180	-	-	
WAKEFIELD PLACE	8.2500	12/31/2034	21,043	-	21,169	
WALDEN SQUARE APARTMENTS	4.5500	09/01/2058	5,408	-	-	
WALKER SCHOOL	2.9600	08/01/2062	710	-	-	
WARREN HALL	5.9000	06/01/2028	-	\$ 2,544	4,156	
WARREN HOUSE	3.5000	04/01/2027	2,992	-	-	
WHITNEY CARRIAGE PARK	3.5021	11/01/2069	626	-	-	
WHITNEY CARRIAGE PARK	0.0000	11/01/2069	5,550	-	-	
WHITNEY CARRIAGE PARK	2.2100	11/01/2069	18,827	-	-	
WHITTIER AT CABOT 4%	2.0000	01/01/2061	800	-	-	
WHITTIER AT CABOT 9%	2.0000	02/01/2061	700	-	-	
WHITTIER AT CABOT 9%	5.8400	02/01/2061	265	-	-	
WHITTIER PHASE 3 - 4%	7.1900	08/01/2066	1,495	-	-	
WHITTIER PHASE 3 - 4%	0.0000	08/01/2066	3,633	-	-	
WHITTIER PHASE TWO	2.0000	06/01/2063	700	-	-	
WOODLAND COVE PHASE I	0.0000	02/01/2066	1,400	-	-	
WOODLAND COVE PHASE III	4.8800	04/01/2066	3,395	-	-	
WOODLAND COVE PHASE III	0.0000	04/01/2066	3,000	-	-	
WORCESTER COURTHOUSE	0.0000	01/01/2062	1,000	-	-	
WORCESTER COURTHOUSE	2.8900	01/01/2062	3,100	-	-	
Sub-Total			\$ 991,176	\$ 18,602	\$ 72,539	
General Rental Development Bond Program						
Adopted April 13, 2004						
113 SPENCER	7.1500	05/01/2050	\$ 1,737	-	-	
BARSTOW VILLAGE	5.5000	06/01/2053	1,065	-	-	
BLACKSTONE	4.5000	07/01/2053	26,948	-	-	
CURTAIN LOFTS	7.2500	11/01/2052	993	-	-	
FRANKLIN SQUARE HOUSE	4.5000	09/01/2053	29,466	-	-	
GREENWAY APARTMENTS	6.7200	06/01/2053	1,077	-	-	
LINWOOD MILL	6.1800	07/01/2053	887	-	-	
MACHADO HOUSE AT PETER'S GROVE	5.3000	07/01/2053	5,655	-	-	
MAPLE RIDGE PHASE II	6.5000	02/01/2053	1,067	-	-	
MILL ROAD APARTMENTS * VARIABLE RATE	0.0000	11/01/2033	21,515	-	-	
OCEAN SHORES AT MARSHFIELD	7.2500	07/01/2052	1,806	-	-	
OLIVER LOFTS	7.2500	03/01/2052	1,252	-	-	
PRINCETON AT WESTFORD * VARIABLE RATE	0.0000	01/01/2034	27,535	-	-	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	In thousands			Notes
			Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	
REGENCY TOWERS I	1.0000	04/01/2040	\$ 430	-	-	
RITA HALL	5.2500	11/01/2053	5,680	-	-	
ROCK HARBOR VILLAGE	5.3000	05/01/2053	5,689	-	-	
SCHOOL HOUSE KENILWORTH	8.0000	06/01/2049	1,117	-	-	
TECUMSEH MILL	5.2500	02/01/2054	6,196	-	-	
TEMPLE LANDING	6.5000	02/01/2043	1,625	-	-	
TRI-TOWN LANDING APARTMENTS	6.7000	12/01/2051	1,269	-	-	
VICTORY GARDENS PLAZA	5.0700	04/01/2054	7,232	-	-	
VILLAGE AT HOSPITAL HILL II	6.8300	03/01/2050	1,227	-	-	
Sub-Total			\$ 151,468			
Multi-Family Housing Bond Program						
Adopted November 10, 2009						
225 CENTRE STREET	3.6000	01/01/2055	\$ 13,425	-	-	
225 CENTRE STREET	5.5000	01/01/2055	669	-	-	
CENTRAL GRAMMAR	5.2500	04/01/2053	2,489	-	-	
CHARLESVIEW RESIDENCES	4.8000	10/01/2054	40,057	-	-	
CHERITON GROVE	5.0700	05/01/2053	4,332	-	-	
HERITAGE APARTMENTS - BOSTON	4.6100	02/01/2053	16,762	-	-	
INMAN/CAST 2 APARTMENTS	4.5000	07/01/2052	11,583	-	-	
KENSINGTON COURT AT LAKEVILLE	0.0000	08/01/2050	2,243	-	-	
LOWER MILLS APARTMENTS	4.7500	08/01/2052	7,527	-	-	
REGENCY TOWERS I	0.0000	04/01/2040	950	-	-	
TRI-TOWN LANDING APARTMENTS	0.0000	12/01/2051	1,317	-	-	
WESTMINSTER VILLAGE	4.5000	10/01/2051	3,671	-	-	
Sub-Total			\$ 105,025			
Housing Bond Program						
Adopted February 19, 2003						
10 @ 8TH STREET APARTMENTS	4.9600	06/01/2027	-	\$ 14,200	-	
10 @ 8TH STREET APARTMENTS	5.5300	06/01/2066	\$ 2,200	-	-	
113 SPENCER	0.0000	05/01/2050	1,000	-	-	
117 UNION STREET NEW BEDFORD	6.7200	11/01/2065	1,057	-	-	
140 CLARENDON	3.9900	05/01/2064	36,402	-	-	
140 CLARENDON	5.9400	05/01/2064	6,931	-	-	
2147 WASHINGTON	5.3200	01/01/2066	9,970	-	-	
25 SIXTH STREET RENTAL	6.3600	07/01/2065	7,859	-	-	
250 CENTRE STREET	3.8700	07/01/2064	21,620	-	-	
250 CENTRE STREET	5.5800	07/01/2064	493	-	-	
250 CENTRE STREET	6.9000	07/01/2064	792	-	-	
31 TUFTS STREET	5.8200	08/01/2064	2,805	-	-	
37 UNION STREET	4.2500	01/01/2064	2,695	-	-	
571 REVERE STREET	4.4900	04/01/2062	5,775	-	-	
808 MEMORIAL DRIVE	3.8300	07/01/2063	59,493	-	-	
A.O. FLATS AT FOREST HILLS	4.1200	06/01/2060	12,317	-	-	
ACADEMY HILL SCHOOL	3.0200	04/30/2058	865	-	-	
ACADEMY HOMES I	5.8500	07/01/2040	4,716	-	-	
ADAMS TEMPLETON	3.8700	12/01/2057	11,280	-	-	
AMES PRIVILEGE - (AMES II)	3.5000	10/01/2054	1,206	-	-	
AMORY STREET RESIDENCES	3.0000	07/01/2045	845	-	-	
AMY LOWELL HOUSE	5.9000	07/28/2039	6,150	-	-	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	In thousands			Notes
			Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	
ANDERSON PARK	3.8700	08/01/2058	\$ 19,893	-	-	
APPLETON MILLS REDEV PHASE 1A	0.0100	07/01/2051	1,640	-	-	
APPLETON MILLS REDEV PHASE 1A	6.3000	04/01/2052	1,280	-	-	
ARLINGTON POINT II (VAN BRODIE 9%)	5.4900	07/01/2060	1,190	-	-	
ASHER'S PATH	0.0000	11/01/2048	411	-	-	
ASHER'S PATH	6.9100	11/01/2048	633	-	-	
AUBURN COURT	3.5300	06/01/2048	11,904	-	-	
BACK OF THE HILL	5.4000	10/01/2048	5,929	-	-	
BANCROFT DIXWELL APARTMENTS	3.5000	11/01/2064	16,240	-	-	
BARTLETT STATION BUILDING A 4%	3.3700	11/01/2043	3,107	-	-	
BARTLETT STATION BUILDING A 9%	4.3000	01/01/2044	6,735	-	-	
BEACHMONT APARTMENTS	6.5000	05/01/2049	1,812	-	-	
BEACON HOUSE	5.5000	06/18/2054	1,240	-	-	
BEDFORD VILLAGE	4.7400	07/01/2060	7,800	-	-	
BERKSHIRE PEAK	3.4700	04/01/2058	3,714	-	-	
BEVERLY VILLAGE	6.0000	07/01/2065	7,533	-	-	
BINNALL HOUSE - CC DEFEASED NOTE	0.4381	04/01/2043	349	-	-	
BLUE MOUNTAIN APARTMENTS (BUILDING)	3.8900	07/01/2063	50,569	-	\$ 56	
BLUE MOUNTAIN APARTMENTS (LAND)	3.9000	09/01/2062	12,099	-	-	
BRANDY HILL	3.9000	10/01/2058	9,979	-	-	
BRISTON ARMS	4.6400	03/01/2057	32,229	-	-	
BROCKTON ENTERPRISE CTR PHASE 2 RESID 4%	3.9500	01/01/2064	3,790	-	-	
BROCKTON ENTERPRISE CTR PHASE 2 RESID 9%	4.5800	01/01/2064	4,274	-	-	
BROWN FAMILY HOUSE	4.3700	07/01/2061	5,235	-	-	
BROWN SCHOOL RESIDENCES	6.9500	08/01/2048	1,884	-	-	
BUNKER HILL BUILDING M	5.2400	10/01/2045	40,250	-	-	
BUNKER HILL BUILDING M	5.7100	10/01/2045	1,593	-	-	
BURBANK GARDENS	4.4200	07/01/2059	3,520	-	-	
CAMDEN APARTMENTS	4.9200	01/01/2061	5,607	-	-	
CANTERBURY TOWER	7.8700	04/01/2053	7,297	-	-	
CAPITOL SQUARE	7.5000	11/01/2045	954	-	-	
CASA MARIA	5.5000	12/01/2048	3,591	-	-	
CASAS BORINQUEN	3.4400	11/01/2027	-	\$ 15,780	-	
CASAS BORINQUEN	5.6400	11/01/2067	704	-	5,636	
CENTRAL ANNEX	5.2500	07/01/2055	4,845	-	-	
CHAUNCEY HOUSE	5.0500	07/01/2057	8,398	-	-	
CHERITON HEIGHTS SENIOR HOUSING	6.0000	08/01/2053	1,307	-	-	
CLARENDON HILL BUILDING E	3.9900	01/01/2066	2,500	-	-	
CLARENDON HILL BUILDING E	5.9800	01/01/2066	22,333	-	-	
CLEAVES DIMOCK-BRAGDON APARTMENTS	4.0000	03/01/2057	8,972	-	-	
CLIPPERSHIP APARTMENTS	5.0700	12/01/2061	6,343	-	-	
COBBET HILL	4.2900	12/01/2058	6,967	-	-	
COHEN RESIDENCES	4.4200	02/01/2060	26,499	-	-	
COLUMBIA UPHAMS APARTMENTS	5.3400	04/01/2066	300	-	-	
COLUMBIA UPHAMS APARTMENTS	5.4300	04/01/2066	3,870	-	-	
CONANT VILLAGE	0.0000	05/01/2057	768	-	-	
CONWAY COURT	4.1500	11/01/2053	1,858	-	-	
COTE VILLAGE 4%	3.8500	10/01/2062	7,994	-	-	
COUNTING HOUSE LOFTS	3.5000	12/01/2045	1,822	-	-	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	In thousands			Notes
			Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	
CROMWELL COURT	5.3600	01/01/2052	\$ 5,070	-	-	
CURTIS APARTMENTS PHASE II	5.0600	01/02/2029	-	\$ 375	\$ 51,375	
CURTIS APARTMENTS PHASE II	6.2400	02/01/2069	-	-	20,095	
DANIEL F BURNS APARTMENTS	4.0400	01/01/2063	42,113	-	-	
DAVENPORT COMMONS	4.9200	08/01/2031	11,340	-	-	
DOM POLSKI	5.4000	12/01/2048	2,017	-	-	
ESPERANZA TRUST (A)	3.8600	06/01/2061	23,789	-	1,461	
FABRICA LOFTS	4.1700	08/01/2064	2,257	-	-	
FINCH CAMBRIDGE	4.7900	11/01/2060	8,428	-	-	
FOREST PARK APARTMENTS	3.5000	03/01/2041	705	-	-	
FOUNDERS COURT APARTMENTS	3.6000	10/01/2057	1,678	-	-	
FRANKLIN HIGHLANDS	4.5500	12/01/2026	563	-	-	
FRANKLIN HILL REVITAL PHASE 2A	7.0000	10/01/2050	1,723	-	-	
FRANKLIN HILL REVITAL PHASE 2B	6.0000	10/01/2050	1,013	-	-	
GARDNER TERRACE I - MAKEPEACE APTS	6.9700	01/01/2066	8,585	-	-	
GARDNER TERRACE I - MAKEPEACE APTS	7.4100	07/01/2026	-	120	-	
GARDNER TERRACE II/HEBRONVILLE MILL	0.0000	03/01/2076	215	-	15,555	
GARDNER TERRACE II/HEBRONVILLE MILL	5.0600	12/01/2028	-	-	38,600	
GARDNER TERRACE II/HEBRONVILLE MILL	6.2400	12/01/2068	2,818	-	2,256	
GATEWAY RESIDENCES ON WASHINGTON	4.1000	10/01/2058	9,183	-	-	
GEORGETOWNE HOMES ONE	4.5200	05/01/2056	64,252	-	-	
GEORGETOWNE HOMES TWO	4.5200	05/01/2056	39,475	-	-	
GOLDA MEIR HOUSE EXPANSION	3.5000	08/01/2063	7,823	-	-	
GOLDA MEIR HOUSE II	3.9000	04/01/2059	34,553	-	-	
GOLDMAN RESIDENCES	0.3737	11/01/2042	522	-	-	
GRANITE LENA PARK APARTMENTS	3.8500	04/01/2062	15,525	-	-	
HADLEY BUILDING APARTMENTS	0.0000	01/31/2048	2,199	-	-	
HALEY HOUSE	6.2500	05/01/2029	157	-	601	
HAMILTON WADE DOUGLAS (A)	3.5000	01/01/2057	4,971	-	-	
HAMILTON WADE DOUGLAS (A)	4.1000	01/01/2057	11,524	-	-	
HARBORVIEW TOWERS - NEW BEDFORD	4.2000	07/01/2052	5,521	-	-	
HAYNES HOUSE	4.9200	07/01/2061	8,599	-	-	
HIGH ROCK HOMES	0.0000	05/01/2050	1,500	-	-	
HIGH ROCK HOMES	5.6500	05/01/2050	2,235	-	-	
HILLCREST ACRES	5.0700	10/01/2064	6,941	-	-	
HISTORIC SOUTH END APARTMENTS	5.2500	06/01/2055	2,043	-	-	
HOLYOKE FARMS	3.9000	01/01/2061	12,017	-	-	
INDIGO BLOCK APARTMENTS	4.0000	07/01/2062	8,169	-	-	
ISLAND CREEK VLGE NORTH- AGE RESTRICTED	4.5000	05/01/2058	3,378	-	-	
J.J. CARROLL HOUSE	4.0800	07/01/2064	32,044	-	-	
JACLEN TOWER	4.1500	11/01/2053	7,904	-	-	
JAS CONSOLIDATED APARTMENTS	4.6700	01/01/2060	9,454	-	-	
KENNEDY BUILDING APARTMENTS	4.7600	01/01/2059	1,597	-	-	
KENSINGTON COURT AT LAKEVILLE	7.3100	08/01/2050	3,700	-	-	
KING PINE	4.9200	07/01/2060	9,261	-	-	
KING'S LANDING	5.0000	06/01/2054	3,766	-	-	
KURLAT HOUSE	3.9000	01/01/2049	48,210	-	-	
LANDFALL COMMUNITY ASSOCIATES II	4.5700	01/01/2060	5,411	-	-	
LBB HOUSING	3.4000	01/01/2054	3,274	-	-	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	In thousands			Notes
			Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	
LEBANESE COMMUNITY HOUSING FOR ELDERLY	5.7500	10/01/2049	\$ 2,287	-	-	
LEISURE TOWERS	5.2500	07/01/2054	15,930	-	-	
LENOX 2 APARTMENTS	4.1700	12/01/2063	38,239	-	-	
LENOX 2 APARTMENTS	7.0700	12/01/2063	1,976	-	-	
LENOX APARTMENTS	3.6700	11/01/2062	26,368	-	-	
LEYDEN WOODS APARTMENTS	3.8500	10/01/2057	23,365	-	\$ 6,888	
LINCOLN WOODS	3.7500	08/01/2057	11,177	-	-	
LIONHEAD APARTMENTS	4.5400	12/27/2055	6,287	-	-	
LOFT 27	0.0000	07/01/2048	1,734	-	-	
LORING TOWERS	5.4000	01/01/2050	8,022	-	-	
LORING TOWERS	6.4200	09/01/2068	39,929	-	-	
LOUIS BARETT RESIDENCE	4.6000	03/01/2057	14,121	-	-	
MADISON MELNEA CASS APARTMENTS	4.4200	03/01/2060	10,419	-	-	
MADISON PARK III	4.0900	01/01/2058	18,910	-	-	
MAJESTIC APARTMENTS	3.1500	04/01/2061	2,385	-	-	
MAPLE RIDGE PHASE I	7.0000	06/01/2052	3,554	-	-	
MARY COLBERT APARTMENTS	5.5000	07/01/2055	2,916	-	-	
MASHPEE VILLAGE	4.9000	05/01/2056	3,670	-	-	
MASS MILLS III	4.5000	04/01/2048	2,955	-	-	
MATHESON APARTMENTS II LLC	3.7600	08/01/2061	5,658	-	-	
MATTAPAN HEIGHTS II	2.0000	02/01/2046	2,000	-	-	
MATTAPAN HEIGHTS II	3.5000	02/01/2046	870	-	-	
MATTAPAN HEIGHTS III	5.3300	03/01/2048	2,430	-	-	
MATTAPAN STATION 4%	3.9700	04/01/2063	14,594	-	-	
MAVERICK LANDING PHASE I	3.5000	11/01/2035	1,407	-	-	
MAVERICK LANDING PHASE II	3.5000	11/01/2035	791	-	-	
MAVERICK LANDING PHASE III	3.5000	01/01/2037	1,138	-	-	
MAVERICK LANDING PHASE IV	3.5000	06/01/2037	1,034	-	-	
MCO COTTAGE RENTALS	6.5500	05/01/2035	8,152	-	-	
METROPOLITAN RENTAL	7.9000	06/01/2045	10,069	-	-	
MIDDLEBURY ARMS	5.2500	09/01/2055	1,163	-	-	
MILDRED HAILEY 1A	6.1900	02/01/2066	14,006	-	-	
MILDRED HAILEY 1A	6.7200	02/01/2027	-	\$ 36,751	-	
MILDRED HAILEY 1B	6.1900	02/01/2066	15,981	-	-	
MILDRED HAILEY 1B	6.7200	02/01/2027	-	26,581	-	
MILL POND APARTMENTS - TAUNTON	7.8700	04/01/2053	2,986	-	-	
MISSION MAIN	5.9900	06/01/2066	60,617	-	-	
MISSION PARK	7.0500	02/01/2040	31,923	-	8,502	
MORAN SQUARE REDEVELOPMENT	4.0600	02/01/2059	2,808	-	-	
MORGAN WOODS	5.5500	01/01/2048	3,836	-	-	
MORTON STATION VILLAGE	4.9500	12/01/2064	2,725	-	-	
NEW CODMAN SQUARE APARTMENTS	5.5000	01/01/2054	966	-	-	
NEW GIRLS LATIN ACADEMY	6.9600	07/01/2038	814	-	-	
NEWCASTLE SARANAC	3.8300	07/01/2062	16,814	-	-	
NOR-AL	5.2500	01/01/2034	1,292	-	-	
NOR-AL	5.2500	01/01/2055	5,271	-	-	
NORTH 116 FLATS	3.7100	04/01/2029	40,515	-	-	
NORTH COMMONS AT VILLAGE HILL	3.7700	12/01/2062	2,976	-	-	
NORTH VILLAGE AT WEBSTER	4.6500	01/01/2056	4,908	-	-	
OAK TERRACE	4.2900	06/01/2058	11,422	-	-	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	In thousands			Notes
			Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	
OCEAN SHORES - LYNN	6.8500	06/01/2048	\$ 16,216	-	-	
OLD COLONY PHASE FIVE	5.9900	02/01/2066	25,938	-	-	
OLD COLONY PHASE FOUR	5.9900	02/01/2066	27,374	-	-	
OLD COLONY PHASE SIX	4.3800	04/01/2027	-	\$ 17,949	-	
OLD COLONY PHASE SIX	6.1200	04/01/2067	22,354	-	-	
OLD COLONY PHASE THREE A 4%	4.2500	03/01/2062	14,249	-	-	
OLD COLONY PHASE THREE B 4%	3.8200	07/01/2063	18,560	-	-	
OLD COLONY PHASE THREE C	3.6700	01/01/2063	6,931	-	-	
ORCHARD HILL OXFORD	6.6800	07/01/2027	114	-	-	
PAC 10 LOFTS	4.6700	04/01/2063	17,768	-	-	
PALMER GREEN ESTATES	3.2500	07/01/2036	2,385	-	-	
PALMER GREEN ESTATES	3.3200	05/01/2058	10,230	-	\$ 2,009	
PARKWAY 1208	5.8400	07/01/2064	8,052	-	-	
PEQUOT HIGHLANDS	4.1400	05/01/2059	37,970	-	3,057	
PHARE	4.9800	12/01/2026	-	15,445	-	
PHARE	5.5500	06/01/2066	2,805	-	-	
PITTS PORTFOLIO	4.5400	04/01/2061	24,662	-	-	
POWDERMILL VILLAGE	1.5500	08/01/2062	528	-	-	
POWDERMILL VILLAGE	3.8200	08/01/2062	13,898	-	-	
POWER TOWN	3.7500	11/01/2056	6,068	-	-	
PRESERVE NORTH RESIDENCES	4.1000	01/01/2062	26,946	-	-	
PROSPECT ESTATES	7.5600	07/01/2065	648	-	-	
QUINCY HEIGHTS	2.2900	06/01/2041	11,280	-	-	
QUINCY TOWER	4.2900	01/01/2059	19,237	-	-	
REGENCY TOWERS I	0.0000	04/01/2040	5,151	-	-	
RESIDENCES AT BRIGHTON MARINE	4.5700	11/01/2060	9,253	-	-	
RESIDENCES AT CANAL BLUFFS	3.5000	06/01/2051	684	-	-	
RINDGE COMMONS	4.1700	10/01/2064	393	-	-	
RINDGE COMMONS	5.2200	10/01/2064	2,986	-	-	
RINDGE TOWER APARTMENTS	4.2500	07/01/2058	19,211	-	-	
RIVER PLACE TOWERS - LOWELL	4.1250	04/01/2055	1,390	-	-	
RIVERSIDE TOWERS - MEDFORD	7.0200	04/01/2056	13,097	-	-	
ROSEWOOD WAY	6.4000	10/01/2065	3,713	-	-	
SC HAMILTON APARTMENTS	4.1000	10/01/2061	6,265	-	-	
SCHOOL STREET APARTMENTS	7.8700	04/01/2053	5,806	-	-	
SHILLMAN HOUSE	6.5000	11/01/2051	11,137	-	-	
SITKOWSKI SCHOOL APARTMENTS	5.0000	07/01/2056	1,574	-	-	
SMITH HOUSE	3.7500	12/01/2058	12,156	-	-	
SOUTH END APARTMENTS	6.7600	06/01/2043	3,247	-	-	
SOUTH END TENANTS HOUSES II	6.1900	12/01/2045	9,821	-	-	
SPRING GATE	7.2500	07/01/2056	5,055	-	-	
SQUIRRELWOOD	4.2900	01/01/2062	7,824	-	-	
ST MATHIEUS SCHOOL CC LOAN	4.0000	06/01/2053	162	-	-	
ST STEPHEN'S TOWER	3.6000	01/01/2034	13,846	-	-	
STONE MILL	6.3600	01/01/2065	4,563	-	-	
STRATTON HILL	4.5600	06/01/2059	9,173	-	-	
SUMMER HILL GLEN	4.1500	04/01/2053	1,024	-	-	
SUSAN S BAILIS ASSISTED LIVING	6.5000	07/01/2043	1,650	-	-	
SWIFTS LANDING FAMILY	6.6400	01/01/2066	5,349	-	-	
SWIFTS LANDING SENIOR	5.6400	12/01/2065	3,105	-	-	
SYCAMORE ON MAIN	4.7500	08/01/2062	2,832	-	-	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	In thousands			Notes
			Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	
THE APARTMENTS AT BOOTT MILLS	3.0000	10/01/2058	\$ 2,325	-	-	
THE AURORA	4.9200	10/01/2026	-	\$ 5,786	-	
THE AURORA	5.3400	12/01/2065	1,594	-	-	
THE CARRUTH	5.8500	10/01/2048	4,597	-	-	
THE CHARLESTOWN	2.2500	05/01/2064	1,256	-	-	
THE CHARLESTOWN	4.6700	05/01/2064	2,843	-	-	
THE CLOSE BUILDING	4.6900	03/01/2060	8,726	-	-	
THE COMMONS AT BOSTON RD * VARIABLE RATE	2.7500	11/30/2038	11,261	-	-	
THE COMMONS AT DRUM HILL * VARIABLE RATE	2.7500	08/31/2038	7,259	-	-	
THE COOLIDGE	4.4600	08/01/2049	3,095	-	-	
THE COOLIDGE	5.3000	07/01/2050	3,276	-	-	
THE FAIRWAYS AT LEBARON HILLS	7.0000	02/01/2051	350	-	-	
THE KENZI AT BARTLETT STATION	3.9200	10/01/2064	5,108	-	-	
THE KENZI AT BARTLETT STATION	5.5800	10/01/2064	445	-	-	
THE KENZI AT BARTLETT STATION	7.4000	10/01/2064	645	-	-	
THE MOORINGS AT SQUANTUM GARDENS I	0.1000	02/01/2056	1,202	-	-	
THE POINTE AT HILLS FARM 4%	4.9200	12/01/2026	-	7,986	-	
THE POINTE AT HILLS FARM 4%	5.6100	06/01/2066	3,170	-	-	
THE WATSON	4.1500	12/01/2059	27,245	-	-	
TOWN BROOK HOUSE	2.9700	10/01/2060	26,662	-	-	
TRIBUNE APARTMENTS	4.2900	05/01/2058	3,954	-	-	
TRINITY TERRACE	3.5000	01/31/2035	272	-	-	
UE APARTMENTS	5.5000	01/01/2053	3,803	-	-	
UNION BLOCK	6.4000	02/01/2066	1,732	-	-	
VAN DER HEYDEN	5.7100	08/01/2065	3,431	-	-	
VILLAGE AT HOSPITAL HILL II	4.0000	01/20/2050	1,300	-	-	
VOKE LOFTS	3.4000	01/01/2055	1,798	-	-	
WARREN HALL	4.8400	06/01/2028	-	-	\$ 4,000	
WARREN HALL	6.3700	06/01/2068	3,666	-	1,317	
WASHINGTON PARK APARTMENTS	3.4000	01/01/2055	2,759	-	-	
WATER WORKS II	5.4900	09/01/2066	3,300	-	-	
WATER WORKS II	6.5800	09/01/2066	700	-	-	
WATER WORKS II	7.4200	09/01/2026	-	1,700	-	
WATERWAY APARTMENTS	5.0000	02/01/2052	4,738	-	-	
WAVERLEY WOODS	0.0000	07/01/2049	1,750	-	-	
WAVERLEY WOODS	6.9800	07/01/2049	1,491	-	-	
WEEKS SCHOOL APARTMENTS	6.7200	06/01/2047	933	-	-	
WELLINGTON COMMUNITY	4.5700	01/01/2060	15,328	-	-	
WEST NEWTON RUTLAND APARTMENTS	4.9200	03/01/2062	7,466	-	-	
WHITTIER AT CABOT 4%	4.6200	01/01/2061	11,701	-	-	
WHITTIER PHASE 3 - 4%	5.6800	08/01/2066	28,641	-	-	
WHITTIER PHASE 3 - 4%	6.9800	01/01/2027	-	34,000	-	
WHITTIER PHASE TWO	3.9800	06/01/2063	15,406	-	-	
WILKINS GLEN	4.1500	11/01/2053	951	-	-	
WOODLAND COVE PHASE I	4.6200	02/01/2066	8,276	-	-	
WOODS AT WAREHAM	5.5000	07/01/2054	677	-	-	
WORCESTER COURTHOUSE	3.8800	01/01/2062	1,893	-	-	
WORCESTER COURTHOUSE	4.6000	01/01/2062	11,680	-	-	
WORCESTER LOOMWORKS PHASE I	4.9000	01/01/2056	1,216	-	-	

SUPPLEMENTAL SCHEDULE 1: MORTGAGE / CONSTRUCTION LOAN OBLIGATIONS AND COMMITMENTS

Project Name	Interest Rate	Maturity Date	In thousands			Notes
			Mortgage Obligation	Advances Construction/ Mortgage Loans	Balance of Commitment	
WORCESTER LOOMWORKS PHASE II	6.0000	01/01/2056	\$ 982	-	-	
Sub-Total			\$ 2,282,747	\$ 176,673	\$ 161,408	
Single Family Housing Revenue Bond Program						
Adopted September 12, 1985						
Home Improvement Loans	0.0000 to 3.0000		\$ 104,502			
Single Family Mortgages Receivable	2.3750 to 8.4500		1,611,538			
Sub-total			\$ 1,716,040			
Total			\$ 5,246,456	\$ 195,275	\$ 233,947	

(a) This balance includes Single Family mortgages funded by the Agency's Working Capital Fund and held for pending subsequent sale of loans, or loans wrapped by MBS, either to outside investors or to one or more of the Agency's bond programs.

Supplemental Schedule 2
Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF NET POSITION
June 30, 2026

In thousands	Working Capital Fund and Affiliates	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	June 30, 2026
Assets								
Current assets								
Cash and cash equivalents	\$ 467,392	\$ 5,430	\$ 20,223	\$ 502,280	\$ 121,170	\$ 11		\$ 1,116,506
Investments	80,488			375,628	70,248	564		526,928
Interest and fees receivable on construction and mortgage loans, net	1,313	431	413	8,650	6,220			17,027
Current portion of loans receivable, net	177,263	2,971	1,880	194,392	37,556			414,062
Interfund accounts receivable (payable)	914	(15)	(5)	(186)	(705)	(3)		
Other assets	46,406	15	54	5,755	4,271	33	\$ (146)	56,388
Total current assets	773,776	8,832	22,565	1,086,519	238,760	605	(146)	2,130,911
Noncurrent assets								
Investments	281,929			275,560	681,670	10,102		1,249,261
Noncurrent portion of loans receivable, net	576,514	148,067	102,195	2,224,271	1,672,684			4,723,731
Escrowed funds	709,024	146		23,093				732,263
Hedging derivative instruments				3,803	2,437			6,240
Other derivative instruments				1	2,683			2,684
Net OPEB asset	9,243							9,243
Net Pension asset	8,099							8,099
Other assets	138,758	5			3,044			141,807
Total noncurrent assets	1,723,567	148,218	102,195	2,526,728	2,362,518	10,102		6,873,328
Total assets	2,497,343	157,050	124,760	3,613,247	2,601,278	10,707	(146)	9,004,239
Deferred outflow of resources								
Pension and OPEB	9,097							9,097
Hedging derivative instruments				497				497
Total deferred outflow of resources	9,097			497				9,594
Total assets and deferred outflow of resources	\$ 2,506,440	\$ 157,050	\$ 124,760	\$ 3,613,744	\$ 2,601,278	\$ 10,707	\$ (146)	\$ 9,013,833
Liabilities								
Current liabilities								
Current portion of long term debt, net		\$ 1,620	\$ 1,805	\$ 105,145	\$ 56,925	\$ 564		\$ 166,059
Accrued interest payable	\$ 172	399	242	9,998	8,889	27		19,727
Other liabilities	14,948	154		57,922	216	8	\$ (146)	73,102
Hedging derivative instruments								
Total current liabilities	15,120	2,173	2,047	173,065	66,030	599	(146)	258,888
Noncurrent liabilities								
Noncurrent portion of long term debt, net	40,000	149,689	87,025	3,057,230	2,299,297	10,956		5,644,197
Long term-loan	16,363							16,363
Other liabilities	99,860			6,326	22			106,208
Escrowed funds payable	709,024	146		23,093				732,263
Hedging derivative instruments				497				497
Other derivative instruments					18			18
Total noncurrent liabilities	865,247	149,835	87,025	3,087,146	2,299,337	10,956		6,499,546
Total liabilities	880,367	152,008	89,072	3,260,211	2,365,367	11,555	(146)	6,758,434
Deferred inflow of resources								
Pension and OPEB	16,234							16,234
Hedging derivative instruments				3,803	2,437			6,240
Sublease	589							589
Total deferred inflow of resources	16,823			3,803	2,437			23,063
Total liabilities and deferred inflow of resources	897,190	152,008	89,072	3,264,014	2,367,804	11,555	(146)	6,781,497
Commitments and contingencies								
Net position								
Restricted by bond resolutions		5,042	35,688	349,730	233,474			623,934
Restricted by contractual or statutory agreements	561,820							561,820
Unrestricted	1,047,430					(848)		1,046,582
Total net position	\$ 1,609,250	\$ 5,042	\$ 35,688	\$ 349,730	\$ 233,474	\$ (848)	\$ -	\$ 2,232,336

Supplemental Schedule 2

Massachusetts Housing Finance Agency and Affiliates

**COMBINING STATEMENTS OF REVENUES,
EXPENSES, AND CHANGES IN NET POSITION**

For the fiscal year ended:
June 30, 2026

In thousands	Working Capital Fund and Affiliates	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	For the fiscal year ended June 30, 2026
Operating revenues								
Interest income on loans	\$ 22,699	\$ 6,403	\$ 4,866	\$ 103,102	\$ 81,161			\$ 218,231
Fee income	86,116	130	344	1,335	(800)			87,125
Other income	7,971			585	319		\$ (1,020)	7,855
Total operating revenues	116,786	6,533	5,210	105,022	80,680		(1,020)	313,211
Operating expenses								
Administrative expenses	97,940				772			98,712
Other expenses (other expense recoveries)	1,145				396		(320)	1,221
Total operating expenses, before provision for (reduction to provision for) loan loss reserves	99,085				1,168		(320)	99,933
Provision for (reduction to provision for) loan loss reserves								
Provision for (reduction to provision for) loan loss reserves	(32,318)	(376)		12,269	930			(19,495)
Total provision for (reduction to provision for) loan loss reserves	(32,318)	(376)		12,269	930			(19,495)
Total operating expenses	66,767	(376)		12,269	2,098		(320)	80,438
Operating income (loss)	50,019	6,909	5,210	92,753	78,582		(700)	232,773
Noncapital subsidies								
Grant income	88,625						(2,990)	85,635
Grant expenses	(65,525)						3,690	(61,835)
Interfund transfers	11,113	(1,126)	(1,389)	(15,000)	6,431	\$ (29)		
Total noncapital subsidies	34,213	(1,126)	(1,389)	(15,000)	6,431	(29)	700	23,800
Total operating income (loss) and noncapital subsidies	84,232	5,783	3,821	77,753	85,013	(29)		256,573
Other nonoperating revenues (expenses)								
Investment earnings								
Interest income on investments	30,173	231	953	44,661	35,839	396		112,253
Net increase (decrease) in fair value of investments	(1,062)			(1,552)	8,632	86		6,104
Nonoperating other income	1							1
Interest on bonds and notes, net of discount/premium	(2,797)	(5,571)	(3,373)	(110,576)	(90,497)	(349)		(213,163)
Financing costs	(302)	(14)	(9)	(6,213)	(6,276)	(19)		(12,833)
Nonoperating other expenses	6			(346)	(207)			(547)
Total other nonoperating revenues (expenses)	26,019	(5,354)	(2,429)	(74,026)	(52,509)	114		(108,185)
Increase in fund net position	110,251	429	1,392	3,727	32,504	85		148,388
Net position at the beginning of the year	1,498,999	4,613	34,296	346,003	200,970	(933)		2,083,948
Net position at the end of the year	\$ 1,609,250	\$ 5,042	\$ 35,688	\$ 349,730	\$ 233,474	\$ (848)	\$ -	\$ 2,232,336

Supplemental Schedule 2
Massachusetts Housing Finance Agency and Affiliates

COMBINING STATEMENTS OF CASH FLOWS

For the fiscal year ended:
June 30, 2026

In thousands	Working Capital Fund and Affiliates	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	For the fiscal year ended June 30, 2026
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS								
Cash flows from operating activities:								
Collections on mortgage loans, construction loan repayments and loan sales	\$ 642,726	\$ 9,293	\$ 19,785	\$ 292,067	\$ 199,515		\$ (320)	\$ 1,163,066
Loan advances to borrowers	(828,943)			(388,985)	(295,407)			(1,513,335)
Interest collections on construction loans	848			15,211				16,059
Fees collected	85,173	130	345	1,340				86,988
Cash payments to employees for services	(50,952)							(50,952)
Cash payments to other suppliers of goods and services	(36,989)				(772)			(37,761)
Grants received	92,125							92,125
Grants disbursed	(51,959)						3,553	(48,406)
Other receipts (disbursements)	(4,371)	(85)		699	(48)		(3,233)	(7,038)
Net cash provided by (used for) operating activities	(152,342)	9,338	20,130	(79,668)	(96,712)			(299,254)
Cash flows from noncapital financing activities:								
Sale of bonds and notes and draw down on line of credit	30,000			586,075	520,502			1,136,577
Bond issuance / redemption costs	(1,012)	(7)	(11)	(5,642)	(8,352)	\$ (19)		(15,043)
Retirement of bonds and notes and pay down on line of credit	(58,500)	(2,879)	(16,300)	(242,465)	(156,780)	(1,882)		(478,806)
Interest on bonds and notes	(2,988)	(5,574)	(3,425)	(111,742)	(95,896)	(353)		(219,978)
Nonoperating other expenses	7			(330)	(61)			(384)
Fund transfers	123,526	(1,126)	(1,389)	(127,412)	6,432	(31)		
Net cash provided by (used for) noncapital financing activities	91,033	(9,586)	(21,125)	98,484	265,845	(2,285)		422,366
Cash flows from capital financing activities:								
Lease Payments	(5,004)							(5,004)
Sub-Lease Receipts	168							168
Net cash (used for) capital financing activities	(4,836)							(4,836)
Cash flows from investing activities:								
Purchase of investments	(197,843)			(564,749)	(222,322)			(984,914)
Proceeds from sales of investments	177,904	62		595,728	95,920	1,882		871,496
Investment earnings	29,227	234	964	40,022	33,398	401		104,246
Net cash provided by (used for) investing activities	9,288	296	964	71,001	(93,004)	2,283		(9,172)
Net increase (decrease) in cash and cash equivalents	(56,857)	48	(31)	89,817	76,129	(2)		109,104
Cash and cash equivalents at the beginning of the year	524,249	5,382	20,254	412,463	45,041	13		1,007,402
Cash and cash equivalents at end of the year	\$ 467,392	\$ 5,430	\$ 20,223	\$ 502,280	\$ 121,170	\$ 11	\$ -	\$ 1,116,506

COMBINING STATEMENTS OF CASH FLOWS
(continued)

For the fiscal year ended:
June 30, 2026

In thousands	Working Capital Fund and Affiliates	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	For the fiscal year ended June 30, 2026
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES								
Operating income (loss)	\$ 50,019	\$ 6,909	\$ 5,210	\$ 92,753	\$ 78,582	\$ -	\$ (700)	\$ 232,773
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:								
Depreciation and amortization	9,164							9,164
Provision for (reduction to provision for) loss reserves on loans, net	(32,318)	(376)		12,269	930			(19,495)
Recognition of fee income	(2,123)							(2,123)
Grant income	89,023							89,023
Grant expenses	(48,857)					700		(48,157)
Changes in assets and liabilities:								
Decrease (increase) in loans receivable	(206,596)	2,876	14,859	(186,231)	(175,306)			(550,398)
Decrease (increase) in interest and fees receivable on loans	142	7	61	1,427	(918)			719
Decrease (increase) in interfund operating balances	86	(86)						
Decrease (increase) in other operating assets and other operating receivables	(60,913)	(47)		(22,451)		138		(83,273)
Increase (decrease) in operating accounts payable and other operating liabilities	50,031	55		22,565		(138)		72,513
Total adjustments	(202,361)	2,429	14,920	(172,421)	(175,294)	-	700	(532,027)
Net cash provided by (used for) operating activities	\$ (152,342)	\$ 9,338	\$ 20,130	\$ (79,668)	\$ (96,712)	\$ -	\$ -	\$ (299,254)

Supplemental Schedule 2
Massachusetts Housing Finance Agency and Affiliates
COMBINING STATEMENTS OF NET POSITION

June 30, 2025

In thousands	Working Capital Fund and Affiliates	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	June 30, 2025
Assets								
Current assets								
Cash and cash equivalents	\$ 524,249	\$ 5,382	\$ 20,254	\$ 412,463	\$ 45,041	\$ 13		\$ 1,007,402
Investments	70,151	62		288,784	58,361	609		417,967
Interest and fees receivable on construction and mortgage loans, net	1,455	438	473	10,077	5,302			17,745
Current portion of loans receivable, net	47,097	2,876	2,049	109,082	33,225			194,329
Interfund accounts receivable (payable)	281	(15)	(6)		(257)	(3)		
Other assets	45,812	24	67	5,171	3,120	38	\$ (1,280)	52,952
Total current assets	689,045	8,767	22,837	825,577	144,792	657	(1,280)	1,690,395
Noncurrent assets								
Investments	274,074			335,465	557,979	11,853		1,179,371
Noncurrent portion of loans receivable, net	594,347	150,662	116,884	2,023,206	1,501,465			4,386,564
Escrowed funds	667,482	99		642				668,223
Hedging derivative instruments				4,133				4,133
Other derivative instruments					2,474			2,474
Net OPEB asset	4,384							4,384
Other assets	142,262	5			1,869			144,136
Total noncurrent assets	1,682,549	150,766	116,884	2,363,446	2,063,787	11,853		6,389,285
Total assets	2,371,594	159,533	139,721	3,189,023	2,208,579	12,510	(1,280)	8,079,680
Deferred outflow of resources								
Pension and OPEB	17,938							17,938
Hedging derivative instruments	5				607			612
Total deferred outflow of resources	17,943				607			18,550
Total assets and deferred outflow of resources	\$ 2,389,537	\$ 159,533	\$ 139,721	\$ 3,189,023	\$ 2,209,186	\$ 12,510	\$ (1,280)	\$ 8,098,230
Liabilities								
Current liabilities								
Current portion of long term debt, net	\$ 13,500	\$ 1,720	\$ 1,735	\$ 164,505	\$ 53,970	\$ 609		\$ 236,039
Obligation line of credit	15,000							15,000
Accrued interest payable	363	403	295	9,199	7,734	31		18,025
Other liabilities	18,586	230		629	196	10	\$ (1,280)	18,371
Hedging derivative instruments	5							5
Total current liabilities	47,454	2,353	2,030	174,333	61,900	650	(1,280)	287,440
Noncurrent liabilities								
Noncurrent portion of long term debt, net	40,000	152,468	103,395	2,654,489	1,944,886	12,793		4,908,031
Long term-loan	16,363							16,363
Net Pension liability	5,820							5,820
Other liabilities	101,795			8,712	60			110,567
Escrowed funds payable	667,482	99		642				668,223
Hedging derivative instruments					607			607
Other derivative instruments				711	763			1,474
Total noncurrent liabilities	831,460	152,567	103,395	2,664,554	1,946,316	12,793		5,711,085
Total liabilities	878,914	154,920	105,425	2,838,887	2,008,216	13,443	(1,280)	5,998,525
Deferred inflow of resources								
Pension and OPEB	10,875							10,875
Hedging derivative instruments				4,133				4,133
Sublease	749							749
Total deferred inflow of resources	11,624			4,133				15,757
Total liabilities and deferred inflow of resources	890,538	154,920	105,425	2,843,020	2,008,216	13,443	(1,280)	6,014,282
Commitments and contingencies								
Net position								
Restricted by bond resolutions		4,613	34,296	346,003	200,970			585,882
Restricted by contractual or statutory agreements	650,217							650,217
Unrestricted	848,782					(933)		847,849
Total net position	\$ 1,498,999	\$ 4,613	\$ 34,296	\$ 346,003	\$ 200,970	\$ (933)	\$ -	\$ 2,083,948

COMBINING STATEMENTS OF REVENUES,
EXPENSES, AND CHANGES IN NET POSITION

For the fiscal year ended:
June 30, 2025

In thousands	Working Capital Fund and Affiliates	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	For the fiscal year ended June 30, 2025
Operating revenues								
Interest income on loans	\$ 25,597	\$ 6,817	\$ 5,374	\$ 95,934	\$ 65,993		\$	\$ 199,715
Fee income	82,560	132	344	1,353	(1,114)		(1,979)	81,296
Other income	12,518			574	317		(988)	12,421
Total operating revenues	120,675	6,949	5,718	97,861	65,196		(2,967)	293,432
Operating expenses								
Administrative expenses	91,918			373	950		(1,979)	91,262
Other expenses (other expense recoveries)	1,016				185		(288)	913
Total operating expenses, before provision for (reduction to provision for) loan loss reserves	92,934			373	1,135		(2,267)	92,175
Provision for (reduction to provision for) loan loss reserves								
Provision for (reduction to provision for) loan loss reserves	2,505	(77)		2,106	(292)			4,242
Total provision for (reduction to provision for) loan loss reserves	2,505	(77)		2,106	(292)			4,242
Total operating expenses	95,439	(77)		2,479	843		(2,267)	96,417
Operating income (loss)	25,236	7,026	5,718	95,382	64,353		(700)	197,015
Noncapital subsidies								
Grant income	198,818							198,818
Grant expenses	(56,600)						700	(55,900)
Interfund transfers	18,291	(1,032)	(2,226)	(15,000)		\$ (33)		
Total noncapital subsidies	160,509	(1,032)	(2,226)	(15,000)		(33)	700	142,918
Total operating income (loss) and noncapital subsidies	185,745	5,994	3,492	80,382	64,353	(33)		339,933
Other nonoperating revenues (expenses)								
Investment earnings								
Interest income on investments	29,030	270	911	\$ 47,500	28,282	440		106,433
Net increase (decrease) in fair value of investments	7,479			(163)	9,015	474		16,805
Nonoperating other income	1							1
Interest on bonds and notes, net of discount/premium	(5,786)	(5,948)	(3,578)	(105,382)	(70,662)	(389)		(191,745)
Financing costs	(367)	(15)	(9)	(3,382)	(6,143)	(19)		(9,935)
Nonoperating other expenses	33			(18)	(406)			(391)
Total other nonoperating revenue (expenses)	30,390	(5,693)	(2,676)	(61,445)	(39,914)	506		(78,832)
Increase in fund net position	216,135	301	816	18,937	24,439	473		261,101
Net position at the beginning of the year	1,282,864	4,312	33,480	327,066	176,531	(1,406)		1,822,847
Net position at the end of the year	\$ 1,498,999	\$ 4,613	\$ 34,296	\$ 346,003	\$ 200,970	\$ (933)	\$ -	\$ 2,083,948

COMBINING STATEMENTS OF CASH FLOWS

For the fiscal year ended:
June 30, 2025

In thousands	Working Capital Fund and Affiliates	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	For the fiscal year ended June 30, 2025
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS								
Cash flows from operating activities:								
Collections on mortgage loans, construction loan repayments and loan sales	\$ 779,678	\$ 9,557	\$ 7,339	\$ 273,974	\$ 152,811			\$ 1,223,359
Loan advances to borrowers	(748,319)			(240,805)	(412,152)			(1,401,276)
Interest collections on construction loans	1,276			13,441				14,717
Fees collected	81,627	132	343	1,370			\$ (1,979)	81,493
Cash payments to employees for services	(46,602)							(46,602)
Cash payments to other suppliers of goods and services	(38,684)			(311)	(951)		1,979	(37,967)
Grants received	228,818							228,818
Grants disbursed	(57,738)						700	(57,038)
Other receipts (disbursements)	10,700	(7)		682			(700)	10,675
Net cash provided by (used for) operating activities	210,756	9,682	7,682	48,351	(260,292)			16,179
Cash flows from noncapital financing activities:								
Sale of bonds and notes and draw down on line of credit	55,000			183,515	540,472			778,987
Bond issuance / redemption costs	(221)	(7)	(10)	(3,448)	(5,072)			(8,758)
Retirement of bonds and notes and pay down on line of credit	(131,200)	(2,698)	(1,645)	(142,005)	(131,635)	\$ (1,245)		(410,428)
Interest on bonds and notes	(6,213)	(5,998)	(3,583)	(104,675)	(74,880)	(392)		(195,741)
Nonoperating other expenses	34				(4,260)	(19)		(4,245)
Fund transfers	59,447	(1,032)	(2,226)	(56,152)		(37)		
Net cash provided by (used for) noncapital financing activities	(23,153)	(9,735)	(7,464)	(122,765)	324,625	(1,693)		159,815
Cash flows from capital financing activities:								
Lease Payments	(4,927)							(4,927)
Sub-Lease Receipts	574							574
Net cash (used for) capital financing activities	(4,353)							(4,353)
Cash flows from investing activities:								
Purchase of investments	(184,230)			(845,794)	(288,371)			(1,318,395)
Proceeds from sales of investments	173,623			748,011	116,679	1,245		1,039,558
Investment earnings	28,200	274	924	41,004	25,991	444		96,837
Net cash provided by (used for) investing activities	17,593	274	924	(56,779)	(145,701)	1,689		(182,000)
Net increase (decrease) in cash and cash equivalents	200,843	221	1,142	(131,193)	(81,368)	(4)		(10,359)
Cash and cash equivalents at the beginning of the year	323,406	5,161	19,112	543,656	126,409	17		1,017,761
Cash and cash equivalents at end of the year	\$ 524,249	\$ 5,382	\$ 20,254	\$ 412,463	\$ 45,041	\$ 13	\$ -	\$ 1,007,402

COMBINING STATEMENTS OF CASH FLOWS
(continued)

For the fiscal year ended:
June 30, 2025

In thousands	Working Capital Fund and Affiliates	General Rental Development Bond Program	Multi-Family Housing Bond Program	Housing Bond Program	Single Family Housing Revenue Bond Program	Residential Mortgage Revenue Bond Program	Eliminations	For the fiscal year ended June 30, 2025
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES								
Operating income (loss)	\$ 25,236	\$ 7,026	\$ 5,718	\$ 95,382	\$ 64,353	\$ -	\$ (700)	\$ 197,015
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:								
Depreciation and amortization	9,361							9,361
Provision for (reduction to provision for) loss reserves on loans, net	2,505	(77)		2,106	(292)			4,242
Recognition of fee income	(2,511)							(2,511)
Grant Income	228,818							228,818
Grant expenses	(57,738)					700		(57,038)
Changes in assets and liabilities:								
Decrease (increase) in loans receivable	5,700	2,725	1,957	(47,897)	(323,290)			(360,805)
Decrease (increase) in interest and fees receivable on loans	88	7	7	(1,410)	(1,063)			(2,371)
Decrease (increase) in interfund operating balances	(54)	(8)		62				
Decrease (increase) in other operating assets and other operating receivables	(26,064)	(55)		1,891		1,270		(22,958)
Increase (decrease) in operating accounts payable and other operating liabilities	25,415	64		(1,783)		(1,270)		22,426
Total adjustments	185,520	2,656	1,964	(47,031)	(324,645)		700	(180,836)
Net cash provided by (used for) operating activities	\$ 210,756	\$ 9,682	\$ 7,682	\$ 48,351	\$ (260,292)	\$ -	\$ -	\$ 16,179