

Financial Section



OFFICE OF THE
SECRETARY OF STATE
Bill Bradbury
Secretary of State



AUDITS DIVISION
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Auditing for a Better Oregon

The Honorable John Kitzhaber, M.D.
Governor of Oregon
254 State Capitol
Salem, Oregon 97310-4047

Bob Repine, Director
Oregon Housing and Community Services Department
PO Box 14508
Salem, Oregon 97309-0409

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

We have audited the enterprise fund financial statements of the state of Oregon, Housing and Community Services Department, as of and for the year ended June 30, 2001, and have issued our report thereon dated November 19, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

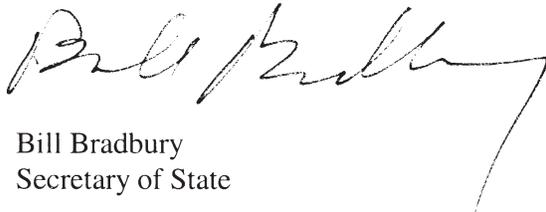
In planning and performing our audit, we considered the department's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the

-1-

internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we considered to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the department in a separate letter.

This report is intended solely for the information and use of the Oregon Housing and Community Services Department's management, the governor of the state of Oregon, and the Oregon Legislative Assembly and is not intended to be and should not be used by anyone other than those specified parties.

OREGON AUDITS DIVISION

A handwritten signature in black ink, appearing to read "Bill Bradbury", with a long, sweeping tail extending downwards and to the right.

Bill Bradbury
Secretary of State

November 19, 2001

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INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the enterprise fund of the state of Oregon, Housing and Community Services Department, as of and for the years ended June 30, 2001 and 2000. These financial statements are the responsibility of the department's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

As discussed in Note 1, the financial statements present only the department's enterprise fund and are not intended to present fairly the financial position of the state of Oregon and the results of its operations and cash flows of its proprietary fund types and nonexpendable trust funds in conformity with accounting principles generally accepted in the United States of America.

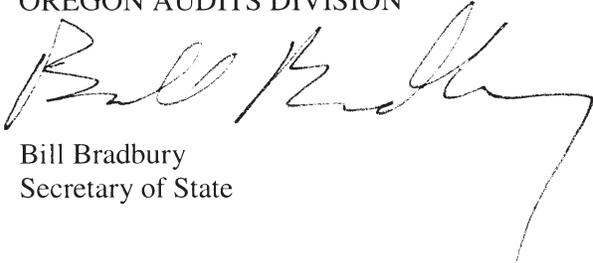
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the enterprise fund of the state of Oregon Housing and Community Services Department as of June 30, 2001 and 2000, and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the enterprise fund financial statements taken as a whole. The combining enterprise fund financial statements are presented for purposes of additional analysis and are not a required part of the enterprise fund financial statements. Such information has been subjected to the auditing procedures applied in the audit of the enterprise fund financial statements and, in our opinion, is fairly stated in all material respects in relation to the enterprise fund financial statements taken as a whole.

The other data in this report, designated as the statistical section and supplementary information in the table of contents, is presented for the purpose of additional analysis and is not a required part of the enterprise fund financial statements. This information has not been subjected to the auditing procedures applied in the audits of the enterprise fund financial statements and, accordingly, we do not express an opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2001, on our consideration of the enterprise fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and trust indentures. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

OREGON AUDITS DIVISION



Bill Bradbury
Secretary of State

November 19, 2001

COMBINED BALANCE SHEET

Proprietary Fund Type
June 30, 2001 and 2000

	ENTERPRISE FUNDS TOTALS	
	2001	2000
Assets		
Cash and Cash Equivalents	\$ 76,287,017	\$ 54,146,367
Securities Lending Cash Collateral	2,869,061	4,503,500
Investments	507,259,928	542,800,226
Accrued Interest Receivable	12,629,505	10,340,765
Accounts Receivable	541,662	14,210
Interfund Receivable	181,654	404,260
Prepaid Expenses	87,822	111,313
Loans Receivable (Net)	1,020,746,791	902,954,349
Acquired Property	896,175	333,700
Deferred Charges	13,948,807	13,436,006
Fixed Assets (Net)	247,503	435,222
Advances to Other Funds	50,000	75,000
Total Assets	\$ 1,635,745,925	\$ 1,529,554,918
Liabilities and Fund Equity		
Liabilities:		
Accounts Payable	\$ 860,169	\$ 952,434
Vacation Payable	285,583	273,943
Interfund Payable	172,631	302,493
Deferred Income	50,458	49,986
Trust Funds Payable	-	1,430,749
Obligations Under Securities Lending	2,869,061	4,503,500
Accrued Interest Payable	36,494,019	32,378,541
Matured Bonds and Interest Payable	412,016	534,798
Bonds Payable	1,433,272,943	1,349,889,751
Loans Payable	748,606	75,000
Arbitrage Rebate Liability	6,890,579	3,460,617
Total Liabilities	1,482,056,065	1,393,851,812
Fund Equity:		
Contributed Capital	906,154	906,154
Retained Earnings	152,783,706	134,796,952
Total Fund Equity	153,689,860	135,703,106
Total Liabilities and Fund Equity	\$ 1,635,745,925	\$ 1,529,554,918

The accompanying notes are an integral part of the financial statements.

COMBINED STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN RETAINED EARNINGS

Proprietary Fund Type

For the Years Ended June 30, 2001 and 2000

	ENTERPRISE FUNDS TOTALS	
	2001	2000
Operating Revenues:		
Interest on Loans	\$ 67,714,244	\$ 59,712,811
Investment Income	37,090,750	29,165,409
Transfer/Commitment Fees	2,158,957	3,137,948
Administrative Fees	892,201	839,522
Low Income Housing Tax Credit Fees	791,355	582,379
Mortgage Credit Certificate Fees	125	150
Gain on Sale of Foreclosed Property	29,757	61,394
Gain on Disposition of Fixed Assets	38,965	-
Miscellaneous Revenue	435,025	213,103
Total Operating Revenues	109,151,379	93,712,716
Operating Expenses:		
Interest on Bonds	76,622,684	68,769,372
Mortgage Service Fees	2,517,472	2,132,604
Foreclosure Costs	38,904	43,269
Bad Debt Expense	186,208	53,208
Amortization of Deferred Bond Issuance Costs	1,615,378	1,575,026
Real Estate Owned Expenses	1,060	750
Interest on Loans	36,213	29,377
Loss on Disposition of Fixed Assets	-	6,507
Other Related Program Expenses	2,151,756	1,107,002
Administrative Costs:		
Personal Services	5,089,114	4,764,953
Services and Supplies	3,200,059	3,077,230
Depreciation/Amortization	348,529	515,674
Total Operating Expenses	91,807,377	82,074,972
Operating Income (Loss)	17,344,002	11,637,744
Operating Transfers-In (Out):		
Operating Transfers-In	14,797,344	18,228,794
Operating Transfers-Out	(13,784,087)	(18,228,787)
Total Operating Transfers-In (Out)	1,013,257	7
Net Income (Loss) Before Extraordinary Items	18,357,259	11,637,751
Extraordinary Loss from Bond Call	(370,505)	(884,379)
Net Income (Loss)	17,986,754	10,753,372
Retained Earnings - Beginning	134,796,952	124,043,580
Retained Earnings - Ending	\$ 152,783,706	\$ 134,796,952

The accompanying notes are an integral part of the financial statements.

COMBINED STATEMENT OF CASH FLOWS
 Proprietary Fund Type
 For the Years Ended June 30, 2001 and 2000

	ENTERPRISE FUNDS TOTALS	
	2001	2000
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ 17,344,002	\$ 11,637,744
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	348,529	515,674
Amortization of Deferred Bond Issue Costs	1,615,378	1,575,026
Interest Income on Cash and Investments	(37,090,750)	(29,165,409)
Interest Expense on Securities Lending	278,322	389,209
Interest Expense on Bonds	76,622,684	68,769,372
Interest Expense on Loans	36,213	29,377
(Gain)/Loss on Disposition of Fixed Assets	(38,965)	6,507
(Increase)/Decrease in Assets:		
Loan Interest Receivable	(1,993,486)	(208,180)
Accounts Receivable	(524,775)	470,595
Interfund Receivable	222,606	(229,059)
Prepaid Expenses	23,491	(79,702)
Loans Receivable (Net)	(117,792,442)	(159,611,195)
Acquired Property	(562,475)	514,804
Increase/(Decrease) in Liabilities:		
Accounts Payable	69,992	(398,710)
Vacation Payable	11,640	11,170
Interfund Payable	(129,862)	178,723
Deferred Income	472	10,998
Trust Funds Payable	(1,430,749)	1,032,747
Matured Bonds and Interest Payable	(122,782)	(167,960)
Total Adjustments	(80,456,959)	(116,356,013)
Net Cash Provided (Used) in Operating Activities	(63,112,957)	(104,718,269)

Continued

The accompanying notes are an integral part of the financial statements.

Continued from previous page

	ENTERPRISE FUNDS TOTALS	
	2001	2000
Net Cash Provided (Used) in Operating Activities	(63,112,957)	(104,718,269)
Cash Flows from Noncapital Financing Activities:		
Proceeds from Bond Sales	329,821,756	405,125,945
Principal Payments on Bonds	(246,490,000)	(293,050,000)
Interest Payments on Bonds	(72,468,108)	(66,165,550)
Loan Proceeds	898,606	512,500
Principal Payments on Loans	(225,000)	(706,000)
Interest Payments on Loans	(24,377)	(30,779)
Operating Transfers-In	14,797,344	18,228,794
Operating Transfers-Out	(13,784,087)	(18,228,787)
Advances to Other Funds Repaid	25,000	-
Bond Issue Costs	(2,678,873)	(3,358,653)
Bond Call Costs	(15,013)	(92,928)
Interest Paid on Securities Lending	(278,322)	(389,209)
Net Cash Provided (Used) in Noncapital Financing Activities	9,578,926	41,845,333
Cash Flows from Capital and Related Financing Activities:		
Acquisition of Capital Assets	(88,548)	(20,536)
Proceeds from Sale of Capital Assets	150	-
Net Cash Provided (Used) in Capital and Related Financing Activities	(88,398)	(20,536)
Cash Flows from Investing Activities:		
Purchase of Investments	(929,205,810)	(1,094,274,682)
Proceeds from Sales and Maturities of Investments	977,971,806	1,108,154,793
Interest on Cash and Investments	26,718,761	25,165,923
Investment Income on Securities Lending	278,322	389,209
Net Cash Provided (Used) in Investing Activities	75,763,079	39,435,243
Net Increase (Decrease) in Cash and Cash Equivalents	22,140,650	(23,458,229)
Cash and Cash Equivalents Balance - Beginning	54,146,367	77,604,596
Cash and Cash Equivalents Balance - Ending	\$ 76,287,017	\$ 54,146,367
Noncash Investing, Capital, and Financing Activities:		
Foreclosed Property	\$ 1,765,303	\$ 791,815
Fixed Assets Traded for Other Fixed Assets	38,815	-
Total Noncash Investing, Capital, and Financing Activities:	\$ 1,804,118	\$ 791,815

NOTES TO THE FINANCIAL STATEMENTS
PROPRIETARY FUND TYPE - ENTERPRISE FUNDS
JUNE 30, 2001

The accompanying financial statements of the Oregon Housing and Community Services Department (OHCS D) have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB), the Financial Accounting Standards Board (FASB), and the American Institute of Certified Public Accountants. Under GASB Statement No. 20, OHCS D does not apply FASB pronouncements issued after November 30, 1989, for proprietary activities, unless GASB amends its pronouncements to specifically adopt FASB pronouncements issued after that date.

NOTE 1
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

OHCS D is a part of the State of Oregon reporting entity. OHCS D currently operates under the provisions of Sections 456.515 to 456.725 of the Oregon Revised Statutes.

Through sales of bonds, OHCS D finances home ownership and multi-family units for elderly, disabled, and lower to moderate-income persons. OHCS D has issued \$2,651,924,183 in revenue bonds for the Single-Family Mortgage Program, \$19,065,000 in revenue bonds for the Loans to Lenders Program, \$185,135,000 in revenue bonds for the Assisted or Insured Multi-Unit Program, and \$96,650,000 in revenue bonds for Multifamily Housing Revenue Bonds. OHCS D has issued \$442,030,000 in State of Oregon general obligation bonds for the Elderly and Disabled Housing Program. State of Oregon general obligation bonds are authorized by Oregon Constitution Article XI-I(2).

The combined financial statements and notes include only the bonded debt financial activity of OHCS D. OHCS D operates other programs which have no impact on the bond related activity of OHCS D. The financial activity for these non-bond related programs is presented as supplementary information following the statistical section.

B. Basis of Presentation - Fund Accounting

OHCS D programs and accounts are organized by "funds," each of which is a separate accounting entity. Each major program utilizes a separate set of self-balancing accounts to record the assets, liabilities, retained earnings, revenues, and expenses of their activities. All bond programs are classified in the proprietary fund type. The proprietary fund type contains two types of funds: Enterprise Funds and Internal Service Funds. All bond programs of OHCS D are accounted for in the Enterprise Funds.

Proprietary Fund

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises. OHCS D utilizes two enterprise funds which are differentiated primarily by the type of bond financing employed to support their respective programs:

- (1) The Housing Finance Fund accounts for programs that are supported by revenue bond financing, including the Assisted or Insured Multi-Unit, Multifamily Housing, and Single-Family Mortgage Programs. General and administrative costs of these programs are accounted for in the Housing Finance Account. The Combined Program Account is maintained to act as a reserve against possible deficiencies that may arise in the payment of debt service or related expenses of the Assisted or Insured Multi-Unit and Single-Family Mortgage Programs.

- (2) The Elderly and Disabled Housing Program accounts for activities, including applicable administrative costs, that are primarily financed by general obligation bonds of the State of Oregon.

NOTE 1
SUMMARY OF
SIGNIFICANT
ACCOUNTING
POLICIES
(continued)

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

All proprietary fund types are accounted for using the flow of economic resources measurement focus and are maintained on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time related liabilities are incurred. All assets and liabilities associated with the operations of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings. Proprietary fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

D. Budgets

The Oregon Legislature approves budgets for a biennial period. Operating expenses are subject to limitation and bond related expenses are subject to administrative limitation. Both types of limitation lapse at the end of the biennium. Budgets are adopted on a basis which differs from generally accepted accounting principles and financial reporting standards in the treatment of bond proceeds and loan purchases. For budgetary purposes, these transactions are treated on a cash basis and other operating revenues and expenses are on an accrual basis.

E. Cash Equivalents

For purposes of the Statement of Cash Flows, all OHCS D moneys held in the State Treasury Oregon Short Term Fund and moneys held in money market funds are considered to be cash equivalents. All short term U.S. Treasury and U.S. Agency securities and repurchase agreements are considered to be investments.

F. Investments

OHCS D's investments are stated at fair value. Investment fair value is determined using quoted market prices. Securities lending cash collateral reinvested by the State Treasury Oregon Short Term Fund in short-term debt investments with remaining maturities of up to ninety days on June 30, 2001 is reported at amortized cost.

G. Receivables

Receivables are shown net of an allowance for uncollectible accounts. Receivables included are amounts due that represent revenues earned or accrued in the current period. Types included in this classification relate to interest, mortgage loans receivable, and other miscellaneous receivables.

H. Short-term Interfund Receivable/Payable

During the course of operations, many transactions occur between individual funds for various reasons. These receivables and payables are classified as "Interfund Receivable" and "Interfund Payable" on the balance sheet.

I. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond June 30, 2001, are recorded as prepaid items.

J. Acquired Property

Acquired properties resulting from mortgage foreclosures are stated at the lower of cost or fair market value. Cost is defined as the outstanding balance of the mortgage loan, plus major repairs, less any mortgage insurance payments received. Costs relating to the acquisition of such properties are charged to expense as they are incurred.

NOTE 1
SUMMARY OF
SIGNIFICANT
ACCOUNTING
POLICIES
(continued)

K. Fixed Assets

Fixed assets are reported at historical cost or estimated historical cost if the original cost is not determinable. Donated fixed assets are reported at their estimated fair market value at the time received. Fixed assets costing less than \$5,000 or having a useful life of less than two years are not capitalized.

Depreciation or amortization of fixed assets is charged as an expense against operations over the estimated useful life using the straight-line method of depreciation. The estimated useful life of all fixed assets is three years.

L. Deferred Charges

Bond issuance costs, including underwriters' discounts, are reflected as deferred charges and amortized over the term of the related bond issue using the bonds-outstanding method of amortization.

M. Restricted Assets and Retained Earnings

The use of all cash, cash equivalents, and investments of the Enterprise Fund are generally restricted as to purpose and use by the Bond Declarations and Indentures of Trust. The bond program funds are restricted for acquisition of loans, payment of debt service, and payment of operating costs. Individual reserve accounts have been established to meet certain requirements and the balances of these accounts as of June 30, 2001 were sufficient to meet all legal requirements.

N. Compensated Absences

Employees accrue vacation leave at various accrual rates and may generally be paid for up to a maximum of 250 hours of accrued vacation leave at termination. Accumulated vacation leave is recorded as an expense and a liability of those funds as the benefits accrue to the employees. No liability is recorded for nonvesting, accumulated sick pay benefits.

O. Bond Discounts, Premiums, and Interest Accretion

Bond discount or premium arising from the sale of serial or term bonds is charged or credited to interest expense over the life of the related bond issue using the bonds-outstanding method of amortization.

The capital appreciation bonds and deep discount bonds increase in value based on the initial yield to maturity as set forth in Accreted Value Tables in the bond issue's Official Statement. This increase in value is reflected as an increased liability in bonds payable on the Combined Balance Sheet and as interest expense on the Combined Statement of Revenues, Expenses, and Changes in Retained Earnings.

P. Comparative Data and Reclassifications

Comparative total data for the prior year is presented in selected sections of this report in order to provide an understanding of the changes in OHCS D's financial position and operations. Certain prior amounts have been reclassified so that they conform with the current presentation. Additional information about the prior year can be found in OHCS D's Annual Financial Report for the year ended June 30, 2000.

NOTE 2

CASH AND CASH EQUIVALENTS, INVESTMENTS, AND SECURITIES LENDING

Deposits: At June 30, 2001, the book balance of cash and cash equivalents was \$76,287,017. The bank balance was \$77,684,640 of which \$71,820,297 was held in demand accounts with the State Treasurer and amounts invested in the Oregon Short Term Fund. State Treasurer demand deposit accounts and time certificates of deposit investments of the Short Term Fund held in state banks are insured or collateralized in excess of FDIC coverage for a minimum of 25 percent in accordance with State statute. Money market accounts held by the Bond Trustees as agents totaled \$5,484,088. Cash with Fiscal Agent was \$380,255, of which \$327,208 was held by the bond trustees and \$53,047 held by Bank of New York. The funds held by the trustees are collateralized with securities held by their Trust Departments, but not in the State's name. The funds held by Bank of New York are backed by the faith and credit of Bank of New York, and are neither insured nor collateralized.

Securities in the Short Term Fund are held by the Treasury's agent in the name of the State of Oregon. They consist of 67 percent in government securities and 33 percent in time certificates of deposit, bankers acceptances, and other short-term commercial paper. Earnings on the Short Term Fund are allocated based on daily account balances.

Cash	\$ 71,686,554
Cash with Fiscal Agent	380,255
Money Market Accounts held by Bond Trustees	4,220,208
Total Cash and Cash Equivalents	\$ 76,287,017

Investments: The Bond Indentures authorize OHCS D to invest in direct obligations of, or obligations guaranteed by, the United States of America; bonds, debentures, notes, participation certifications, or other similar obligations issued by specified Federal Agencies; specified Public Housing Bonds; direct and general obligations of or obligations guaranteed by the State; investment agreements, secured or unsecured, with any institution whose debt securities are rated at least equal to the then existing rating on the bonds by the rating agencies; and deposits in interest-bearing time or demand deposits, or certificates of deposit secured by obligations described above. These are permissible investments under State statute. The Elderly and Disabled Housing Program Indenture also permits other investments for the State of Oregon under this statute.

Investments at year-end included \$27,083,370 held by the State Treasurer in U.S. Treasury securities. Investments with the State Treasurer are held with the State Treasurer's agent in the name of the State of Oregon and segregated in the Treasurer's records in OHCS D's name.

Additional investments were held by the Trust Departments of the Bond Trustees as agents in OHCS D's name. Total Trust Departments' investments consisted of \$390,459,558 in U.S. government securities and \$89,717,000 in repurchase agreements.

OHCS D's investments are categorized below to give an indication of the level of risk assumed by OHCS D at year-end. Category 1 includes investments that are insured or registered, with securities held by OHCS D or its agent in OHCS D's name. Category 2 includes uninsured and unregistered investments, with securities held by the counterparty's trust department or agent in OHCS D's name. Category 3 includes uninsured and unregistered investments, with the securities held by the counterparty or by its trust department or agent but not in OHCS D's name.

NOTE 2

CASH AND CASH EQUIVALENTS,
INVESTMENTS, AND SECURITIES
LENDING (continued)

	RISK CATEGORY			REPORTED AMOUNT	FAIR VALUE
	- 1 -	- 2 -	- 3 -		
U.S. Government and Agency Securities	\$ 417,542,928	\$ -	\$ -	\$ 417,542,928	\$ 417,542,928
Repurchase Agreements	89,717,000	-	-	89,717,000	89,717,000
Subtotal	\$ 507,259,928	\$ -	\$ -	\$ 507,259,928	\$ 507,259,928
Not Categorized:					
Securities Lending short-term collateral Investment Pool				2,883,365	2,883,365
Investments held by broker-dealers under securities loans with cash collateral:					
U.S. Government and Agency Securities				2,740,910	2,740,910
Subtotal				\$ 512,884,203	\$ 512,884,203
Less: Balances treated as Cash and Cash Equivalents on the Balance Sheet				(2,883,365)	(2,883,365)
Less: Balances treated as Securities Lending Cash Collateral on the Balance Sheet				(2,740,910)	(2,740,910)
TOTAL INVESTMENTS				\$ 507,259,928	\$ 507,259,928

Securities Lending: In accordance with State of Oregon investment policies, state agencies may participate in securities lending and the State has, through Securities Lending Authorization Agreements, authorized its custodians to lend the State’s securities pursuant to a form of loan agreement. There have been no significant violations of the provisions of securities lending agreements during the period of these financial statements.

During the year, the State’s custodian lent short-term and fixed income securities and received as collateral U.S. dollar cash. Borrowers were required to deliver collateral for each loan equal to not less than 102% of the market value of the loaned security. Cash collateral is invested in a short-term investment fund maintained by the custodial agent. Securities lent at year-end for cash collateral and cash collateral invested in a short-term investment fund maintained by the custodial agent are both presented as “Not Categorized” in the preceding schedule of investments. The custodians did not have the ability to pledge or sell collateral securities absent a borrower default and the State did not impose any restrictions during the fiscal year on the amount of loans the custodian made on its behalf. The State, through its Securities Lending Agreements, is fully indemnified against borrower default. There were no losses during the year from the failure of borrowers to return loaned securities.

The State and borrowers maintained the right to terminate all securities lending transactions on demand. As a consequence, the maturities of investments made with cash collateral during the year generally do not match the maturities of their securities loans. On June 30, 2001, the State had no credit risk exposure to borrowers. On June 30, 2001, OHCS had no securities on loan.

OHCS’s cash balances are invested in the Oregon Short Term Fund (OSTF), as is the cash of other state agencies. As of June 30, 2001, the fair value of all securities on loan from OSTF was \$283,153,705. The cash collateral received for the securities on loan from the OSTF on June 30, 2001 was \$296,392,500. The fair value of all investments made with the cash collateral received for those securities on loan was \$297,870,212. OHCS’s allocated portion of the securities on loan and the related collateral is presented in the accompanying schedule of investments.

NOTE 3
LOANS RECEIVABLE

Loans receivable on June 30, 2001, consisted of:

	LOANS RECEIVABLE	LESS: ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS	LOANS RECEIVABLE (NET)
Housing Finance Account	\$ 2,643,913	\$ (11,970)	\$ 2,631,943
Housing Finance Revenue Bonds	17,909,692	-	17,909,692
Mortgage Revenue Bonds	645,372,238	-	645,372,238
Assisted or Insured Multi-Unit Program	53,397,346	(112,930)	53,284,416
Multifamily Housing Revenue Bonds	73,854,995	(184,637)	73,670,358
Elderly and Disabled Housing Program	228,981,708	(1,103,564)	227,878,144
Total	\$ 1,022,159,892	\$ (1,413,101)	\$ 1,020,746,791

The Single-Family Mortgage Program provides financing for single-family homes for below median income home buyers. These loans are collateralized by first lien mortgages on the applicable real estate. Of the total mortgage principal balance outstanding, 77 percent is federally insured or guaranteed, 16 percent is covered by pool insurance and/or private mortgage insurance and 7 percent is uninsured. Based on prior experience OHCS D does not anticipate any material loss in the collection of mortgage loans receivable or in the disposition of acquired properties.

The Assisted or Insured Multi-Unit Program provides permanent mortgage financing to qualified sponsors of multi-unit housing developments for persons of lower income within the State of Oregon. The mortgage loans made under this program must either be federally insured or made to finance housing for persons eligible for federal or state housing assistance.

Multifamily Housing Revenue Bonds finance mortgage loans for multi-family housing developments within the State that primarily contain housing units for persons or families of lower and moderate income.

The Elderly and Disabled Housing Program provides permanent mortgage financing for the construction or rehabilitation of structures or facilities which serve elderly or disabled persons.

OHCS D uses the allowance method to estimate uncollectible mortgage loans receivable. The composition of the loan portfolio is evaluated considering past loss experience, current economic conditions, amount of mortgage insurance, and the likelihood of properties being foreclosed upon. This evaluation, in management's judgment, is adequate to provide for potential losses.

NOTE 4
FIXED ASSETS

A summary of OHCS D’s fixed assets at June 30, 2001 follows:

	HOUSING FINANCE ACCOUNT	ELDERLY & DISABLED HOUSING PROGRAM	TOTAL
Equipment/Furniture	\$ 1,326,005	\$ 25,473	\$ 1,351,478
Data Processing Software	215,866	-	215,866
Leasehold Improvements	61,759	7,219	68,978
Less Depreciation/Amortization	(1,380,899)	(7,920)	(1,388,819)
Total Fixed Assets (Net)	\$ 222,731	\$ 24,772	\$ 247,503

NOTE 5
INTERFUND TRANSACTIONS

The following schedule summarizes interfund receivables and payables for the year ended June 30, 2001:

	INTERFUND RECEIVABLES	INTERFUND PAYABLES
Housing Finance Account	\$ 165,916	\$ 45,337
Mortgage Revenue Bonds	-	88,699
Elderly and Disabled Housing Program	15,738	38,595
Total	\$ 181,654	\$ 172,631

The difference of \$9,023 between interfund receivables and payables is attributable to activity in OHCS D’s governmental and trust funds that is not reflected in the financial statements.

The following schedule summarizes operating transfers for the year ended June 30, 2001:

	OPERATING TRANSFERS IN	OPERATING TRANSFERS OUT
Housing Finance Account	\$ 10,349,030	\$ 3,445,000
Combined Program Account	1,000,000	1,000,000
Housing Finance Revenue Bonds	40,000	3,300,000
Mortgage Revenue Bonds	3,025,000	1,500,000
Assisted or Insured Multi-Unit Program	-	4,331,893
Multifamily Housing Revenue Bonds	380,000	-
Elderly and Disabled Housing Program	3,314	207,194
Total	\$ 14,797,344	\$ 13,784,087

The difference of \$1,013,257 between transfers-in and transfers-out is attributable to activity in OHCS D’s governmental and trust funds that is not reflected in the financial statements.

NOTE 6
LONG TERM DEBT

Since OHCS D's inception in 1977, revenue bonds (excluding conduit debt obligations), general obligation bonds and notes totaling \$3,419,689,183 have been issued, of which \$1,431,874,827 were outstanding at June 30, 2001. All issues of interim housing and construction loan revenue notes totaling \$24,885,000 were repaid prior to fiscal year 1988.

The following table summarizes bond issues by program and series as of June 30, 2001:

REVENUE BONDS
SINGLE FAMILY MORTGAGE PROGRAM

HOUSING FINANCE REVENUE BONDS

SERIES	DUE DATES	INTEREST RANGE		BONDS ISSUED	BONDS OUTSTANDING
		FROM	TO		
1977 A	1979-2009	4.550	8.000%	\$ 43,800,000	\$ 9,775,000
1978 A	1979-2009	4.250	6.700%	55,945,000	-
1978 B	1980-2009	4.700	6.625%	48,000,000	-
1980 A	1981-2011	6.600	8.500%	100,000,000	-
1980 B	1981-2011	6.700	9.500%	42,000,000	-
1982 A	1985-2014	6.500	11.375%	111,969,082	-
1983 A	1995-1997	9.500	9.625%	14,925,000	-
1985 A	1986-2016	6.000	10.500%	25,000,512	-
1985 B	1986-2016	5.750	10.750%	40,003,986	-
1985 C	1987-2017	6.000	10.000%	30,001,101	-
Total Housing Finance Revenue Bonds				\$ 511,644,681	\$ 9,775,000

MORTGAGE REVENUE BONDS

SERIES	DUE DATES	INTEREST RANGE		BONDS ISSUED	BONDS OUTSTANDING
		FROM	TO		
1988 A	1990-2014	5.400	7.750%	\$ 19,215,362	\$ -
1988 B	2019	8.500	8.500%	784,313	-
1988 C	1991-2017	6.900	7.700%	27,545,000	-
1989 A	2016	6.300	6.300%	25,000,000	-
1990 A	1991-2016	5.900	7.450%	25,000,000	-
1990 B	2016	6.250	6.250%	25,000,000	-
1990 C	2020	7.700	7.700%	10,645,000	-
1990 D	1992-2014	6.000	7.350%	6,960,000	-
1990 E	2021	7.600	7.600%	5,540,000	-
1990 F	2014	6.125	6.125%	5,540,000	-
1990 G	2016	6.250	6.250%	4,460,000	-
1991 A	1992-2015	5.000	7.200%	30,540,000	-
1991 B	2020	7.375	7.375%	18,650,000	-
1991 C	2016	4.800	4.800%	44,000,000	-
1991 D	1993-2027	4.750	6.800%	21,250,000	19,495,000
1991 E	1993-2016	4.750	6.750%	17,305,000	-
1991 F	2022	7.000	7.000%	6,345,000	-
1991 G	1994-2027	3.750	6.800%	25,000,000	-
1992 A	1994-2016	4.500	6.800%	32,874,827	3,354,827

NOTE 6
LONG TERM DEBT
(continued)

MORTGAGE REVENUE BONDS *(continued)*

SERIES	DUE DATES	INTEREST RANGE		BONDS ISSUED	BONDS OUTSTANDING
		FROM	TO		
1992 B	2028	6.875	6.875%	47,670,000	38,465,000
1992 C	1994-2016	2.400	5.550%	20,585,000	12,005,000
1992 D	2019	5.650	5.650%	4,415,000	2,540,000
1993 A	1994-2024	2.750	5.450%	36,720,000	27,150,000
1993 B	1995-2017	3.250	5.375%	18,795,000	11,885,000
1993 C	1994	2.800	2.800%	8,465,000	-
1994 A	1995-2018	3.750	6.400%	18,150,000	11,425,000
1994 B	2024	5.850	5.850%	6,850,000	1,430,000
1994 C	1996-2016	4.200	6.250%	12,440,000	8,950,000
1994 D	2020-2024	6.125	6.500%	10,610,000	3,645,000
1994 E	1996-2025	5.000	7.150%	35,000,000	-
1995 A	1996-2026	4.400	6.450%	25,000,000	18,275,000
1995 B	1997-2012	3.900	6.000%	9,800,000	7,500,000
1995 C	2015-2026	6.200	6.400%	20,200,000	14,170,000
1995 D	1996	4.100	4.100%	35,000,000	-
1995 E	1997-2027	4.000	6.000%	25,000,000	19,725,000
1995 F	2028	3.550	3.550%	24,740,000	-
1996 A	2008-2016	5.500	6.000%	6,465,000	6,300,000
1996 B	1998-2027	4.200	6.200%	18,535,000	13,695,000
1996 C	1997	3.850	3.850%	25,000,000	-
1996 D	1998-2027	4.300	6.375%	27,300,000	22,665,000
1996 E	2027	7.650	7.650%	3,700,000	-
1996 F	2016	4.000	4.000%	3,880,000	-
1996 G	2027	4.050	4.050%	9,315,000	-
1996 H	1998-2027	4.050	6.000%	27,300,000	24,990,000
1996 I	2027	6.860	6.860%	3,700,000	-
1996 J	1997	3.550	3.550%	4,275,000	-
1996 K	1997	3.650	3.650%	47,845,000	-
1997 A	1999-2027	4.600	6.200%	25,000,000	24,255,000
1997 B	2028	7.500	7.500%	4,750,000	685,000
1997 C	2018	3.950	3.950%	16,165,000	-
1997 D	2027	4.050	4.050%	10,650,000	-
1997 E	1999-2015	3.900	5.250%	8,475,000	7,735,000
1997 F	2017-2028	5.500	5.650%	14,025,000	13,810,000
1997 G	2028	6.700	6.700%	7,500,000	5,675,000
1997 H	1999-2028	4.000	5.650%	33,570,000	32,540,000
1997 I	2028	6.640	6.640%	7,500,000	4,970,000
1997 J	1998	3.850	3.850%	4,595,000	-
1997 K	1998	3.875	3.875%	47,450,000	-
1998 A	2000-2015	4.000	5.150%	10,655,000	9,905,000
1998 B	2018-2029	4.900	5.450%	19,345,000	17,795,000
1998 C	1999	3.750	3.750%	52,620,000	-
1998 D	2000-2029	3.850	5.300%	35,000,000	34,000,000
1998 E	1999	3.600	3.600%	36,140,000	-
1998 F	1999	3.650	3.650%	21,330,000	-
1998 G	2000-2029	3.650	5.250%	35,000,000	32,830,000
1998 H	2015	3.100	3.100%	2,025,000	-
1998 I	2030	3.150	3.150%	29,235,000	-
1999 A	2001-2027	3.600	5.150%	25,480,000	25,220,000
1999 B	2030	5.250	5.250%	5,450,000	4,885,000
1999 C	2000	3.150	3.150%	37,615,000	-
1999 D	2000	3.200	3.200%	12,610,000	-
1999 E	2019-2027	4.850	5.400%	20,350,000	20,000,000
1999 F	2001-2028	3.850	5.500%	14,650,000	14,490,000
1999 G	2000	3.450	3.450%	46,310,000	-
1999 H	2000	3.480	3.480%	13,895,000	-
1999 I	2001-2020	4.100	5.550%	25,555,000	25,555,000
1999 J	2023-2030	5.200	5.750%	29,320,000	29,195,000
1999 K	2000	3.580	3.580%	30,000,000	-
1999 L	2013-2020	5.750	6.050%	10,000,000	9,910,000
1999 M	2002-2031	4.650	6.200%	32,260,000	31,850,000
1999 N	2000	3.850	3.850%	22,180,000	-
1999 O	2000	3.950	3.950%	2,210,000	-

MORTGAGE REVENUE BONDS (continued)

NOTE 6
LONG TERM DEBT
(continued)

SERIES	DUE DATES	INTEREST RANGE		BONDS ISSUED	BONDS OUTSTANDING
		FROM	TO		
2000 A	2001-2028	4.300	6.050%	18,265,000	18,245,000
2000 B	2025-2030	5.750	6.250%	16,735,000	16,660,000
2000 C	2001	4.250	4.250%	22,240,000	-
2000 D	2001	4.300	4.300%	3,540,000	-
2000 E	2002-2030	4.850	6.150%	29,160,000	29,160,000
2000 F	2028	6.250	6.250%	20,840,000	20,840,000
2000 G	2000-2001	4.300	4.500%	81,105,000	-
2000 H	2009-2030	4.650	5.750%	30,070,000	30,070,000
2000 I	2002-2009	4.400	4.900%	4,930,000	4,930,000
2000 J	2001	4.350	4.350%	9,435,000	9,435,000
2000 K	2003-2022	4.500	5.700%	14,825,000	14,825,000
2000 L	2031-2033	5.900	5.900%	20,175,000	20,175,000
2000 M	2001	4.400	4.400%	36,790,000	36,790,000
2000 N	2001	4.450	4.450%	15,000,000	10,000,000
2000 O	2001	4.180	4.180%	20,510,000	-
2001 A	2003-2030	3.600	5.350%	23,465,000	23,465,000
2001 B	2022-2032	5.350	5.450%	6,535,000	6,535,000
2001 C	2032	***	***	7,500,000	7,500,000
2001 D	2001-2002	3.200	3.250%	24,990,000	24,990,000
2001 E	2002	3.200	3.200%	30,000,000	30,000,000
2001 F	2003-2030	3.350	5.550%	24,025,000	24,025,000
2001 G	2026-2032	4.850	5.700%	10,975,000	10,975,000
2001 H	2002	2.750	2.750%	29,335,000	29,335,000
2001 I	2002	2.850	2.850%	2,510,000	2,510,000

Total Mortgage Revenue Bonds

\$ 2,140,279,502 \$ 983,434,827

Total Single Family Mortgage Program

\$ 2,651,924,183 \$ 993,209,827

*** Interest on the 2001 C series adjusts monthly based on the one month LIBOR plus 0.40%, not to exceed 11.00%. The interest rate at the end of the fiscal year was 4.46%

LOANS TO LENDERS PROGRAM

SERIES	DUE DATES	INTEREST RANGE		BONDS ISSUED	BONDS OUTSTANDING
		FROM	TO		
1977 A	1978-1987	4.650	6.500%	\$ 19,065,000	\$ -

Total Loans to Lenders Program

\$ 19,065,000 \$ -

ASSISTED OR INSURED MULTI-UNIT PROGRAM

SERIES	DUE DATES	INTEREST RANGE		BONDS ISSUED	BONDS OUTSTANDING
		FROM	TO		
1978 A	1981-2010	5.250	7.250%	\$ 26,150,000	\$ -
1979 A	1982-2012	5.300	6.900%	34,660,000	-
1981 A	1984-2013	7.500	10.500%	17,775,000	-
1981 B	1984-2013	9.000	13.000%	18,175,000	-
1991 A	1992-2013	4.700	6.800%	15,665,000	11,650,000
1991 B	1992-2013	4.700	6.800%	18,270,000	13,585,000
1991 C	1993-2022	5.000	6.850%	5,985,000	600,000
1993 A	1994-2012	2.800	5.750%	48,455,000	34,605,000

Total Assisted or Insured Multi-Unit Program

\$ 185,135,000 \$ 60,440,000

NOTE 6
LONG TERM DEBT
(continued)

MULTIFAMILY HOUSING REVENUE BONDS

SERIES	DUE DATES	INTEREST RANGE		BONDS ISSUED	BONDS OUTSTANDING
		FROM	TO		
1996 A	1999-2028	4.650	6.200%	\$ 4,505,000	\$ 4,390,000
1997 A	1999-2029	4.100	5.700%	16,360,000	16,005,000
1997 B	2000-2029	4.000	5.550%	10,100,000	9,945,000
1999 A	2001-2030	3.450	5.150%	12,440,000	12,440,000
1999 B	2002-2031	4.300	6.000%	34,920,000	34,920,000
2000 A	2003-2042	4.600	6.050%	18,325,000	18,325,000
Total Multifamily Housing Revenue Bonds				\$ 96,650,000	\$ 96,025,000
Total Revenue Bonds				\$ 2,952,774,183	\$ 1,149,674,827

GENERAL OBLIGATION BONDS

ELDERLY AND DISABLED HOUSING PROGRAM

SERIES	DUE DATES	INTEREST RANGE		BONDS ISSUED	BONDS OUTSTANDING
		FROM	TO		
1978 A	1981-2008	5.100	8.000%	\$ 8,135,000	\$ -
1980 A	1983-2022	6.750	8.250%	14,890,000	-
1982 A	1984-2023	10.250	12.250%	17,740,000	-
1982 B	1985-2024	7.500	11.000%	47,150,000	-
1984 A	1987-2026	7.500	10.250%	11,300,000	-
1988 A	1990-2018	5.000	7.500%	3,475,000	-
1989 A	1991-2030	6.300	7.125%	7,000,000	4,505,000
1990 A	1991-2020	5.800	7.100%	5,305,000	4,535,000
1990 B	1991-2020	5.600	7.000%	9,395,000	8,005,000
1990 C	1992-2021	6.100	7.200%	4,190,000	1,735,000
1990 D	1992-2021	6.200	7.500%	15,810,000	13,285,000
1992 A	1993-2013	3.300	6.250%	11,985,000	8,910,000
1992 B	1993-2024	3.300	6.375%	56,505,000	50,240,000
1992 C	1993-2022	3.300	6.500%	14,695,000	12,135,000
1992 D	1993-2022	3.400	6.600%	9,020,000	7,885,000
1993 A	1995-2024	3.400	5.700%	11,140,000	9,700,000
1993 B	1994-2026	2.700	5.500%	11,060,000	9,975,000
1993 C	1994-2026	2.850	5.650%	13,915,000	12,880,000
1994 A	1995-2025	3.500	6.150%	9,440,000	5,050,000
1994 B	1996-2026	4.200	6.300%	24,400,000	22,055,000
1995 A	1996-2026	4.000	6.000%	14,100,000	12,105,000
1995 B	1997-2027	4.000	5.700%	24,240,000	17,535,000
1995 C	2028	3.650	3.650%	11,340,000	-
1996 A	1998-2027	4.050	5.600%	2,850,000	1,930,000
1996 B	1998-2027	4.200	5.800%	10,605,000	10,125,000
1997 A	1999-2028	4.050	5.375%	8,475,000	8,180,000
1998 A	2000-2029	3.400	4.500%	8,870,000	7,750,000
1998 B	2001-2030	3.550	4.875%	10,285,000	10,285,000
1998 C	2000-2029	4.900	6.000%	1,880,000	1,650,000
1999 A	2000-2030	3.250	5.150%	10,840,000	10,335,000
1999 B	2000-2031	3.350	5.250%	4,485,000	4,465,000
1999 C	2000-2005	5.400	6.160%	1,335,000	1,140,000
1999 D	2000-2030	3.950	6.000%	5,695,000	5,435,000
1999 E	2001-2031	5.000	6.250%	19,105,000	19,105,000
1999 F	2000-2006	6.250	7.000%	1,375,000	1,265,000
Total General Obligation Bonds				\$ 442,030,000	\$ 282,200,000
Total Revenue and General Obligation Bonds:					
June 30, 2001				\$3,394,804,183	\$1,431,874,827

NOTE 6
LONG TERM DEBT
(continued)

Bonds Payable Per Balance Sheet:

Bonds payable are presented on the balance sheet at their carrying value which is defined as initial bond principal less unamortized bond discount plus the semiannual accretion in principal for capital appreciation and deep discount bonds as summarized below:

	REVENUE BONDS				GENERAL OBLIGATION BONDS	
	SINGLE FAMILY MORTGAGE PROGRAM		ASSISTED OR INSURED MULTI-UNIT PROGRAM	MULTIFAMILY HOUSING REVENUE BONDS	ELDERLY AND DISABLED HOUSING PROGRAM	TOTAL JUNE 30, 2001
	HOUSING FINANCE REVENUE BONDS	MORTGAGE REVENUE BONDS				
Principal: (per preceding Schedule)	\$ 9,775,000	\$ 983,434,827	\$ 60,440,000	\$ 96,025,000	\$ 282,200,000	\$1,431,874,827
Less: Discount (Net)	-	(8,294)	(59,211)	-	(1,280,163)	(1,347,668)
Plus: Accretion	-	2,745,784	-	-	-	2,745,784
Bonds Payable (per 6/30/01 Balance Sheet)	\$ 9,775,000	\$ 986,172,317	\$ 60,380,789	\$ 96,025,000	\$ 280,919,837	\$ 1,433,272,943

Debt Service Requirements to Maturity:

The following table summarizes the amounts necessary to pay all future bonded debt principal and interest requirements as of June 30, 2001, for each fiscal year during the next five year period ending June 30, 2006, and in total for the succeeding period July 1, 2007, to June 30, 2042:

YEAR ENDING JUNE 30	REVENUE BONDS	GENERAL OBLIGATION BONDS	TOTAL AS OF JUNE 30, 2001
2002	\$ 221,591,220	\$ 25,059,936	\$ 246,651,156
2003	74,135,591	25,071,360	99,206,951
2004	76,930,716	25,466,049	102,396,765
2005	78,197,263	24,758,729	102,955,992
2006	78,057,957	24,717,614	102,775,571
2007-2042	1,631,137,030	403,312,900	2,034,449,930
Total	\$ 2,160,049,777	\$ 528,386,588	\$ 2,688,436,365
Principal	\$ 1,149,674,827	\$ 282,200,000	\$ 1,431,874,827
Interest	1,010,374,950	246,186,588	1,256,561,538
Total	\$ 2,160,049,777	\$ 528,386,588	\$ 2,688,436,365

The interest stated above includes coupon interest and accreted interest OHCS D expects to pay over the life of the bonds outstanding. Coupon interest is paid semiannually on January 1 and July 1 for revenue bond programs, and February 1 and August 1 for general obligation bonds. Accreted interest on capital appreciation bonds and deep discount bonds accrue as shown in the respective Official Statements and is paid when the bonds mature or are redeemed.

As of June 30, 2001, various legislative or constitutional provisions limited the amount of bonds outstanding to \$2,000,000,000 in revenue bonds and approximately \$1,291,069,462 in general obligation bonds.

NOTE 7

CONDUIT DEBT OBLIGATIONS

As of June 30, 2001, OHCS D has issued three series of Housing Development Revenue Bonds in the aggregate amount of \$18,625,000, all of which were outstanding at June 30, 2001. All Bonds issued under the Housing Development Revenue Bond program are limited obligations of OHCS D payable solely and only out of security specifically pledged to each bond issue. No recourse may be taken against any properties, funds, or assets of OHCS D for the payment of any amounts owing with respect to these Bonds. Bondowners will have no right to compel the payment of any amount owing with respect to these Bonds out of any tax revenues, funds, or other assets of OHCS D or the State of Oregon, other than the security pledged to each bond issue.

NOTE 8

LEASE OBLIGATIONS

OHCS D leases office space under operating leases. Total cost for the lease for the fiscal year ended June 30, 2001, was \$415,443. The future minimum lease payments for the next five years are:

FISCAL YEAR ENDING:	OPERATING LEASE
June 30, 2002	\$ 448,210
June 30, 2003	234,411
June 30, 2004	4,292
June 30, 2005	-
June 30, 2006	-
Total	\$ 686,913

NOTE 9

CONTRIBUTED CAPITAL

In 1971, the Oregon Legislature appropriated \$100,000 to OHCS D from the State General Fund to establish a revolving fund to make cash advances to qualified housing sponsors and to pay OHCS D expenses. All such advances or expense payments must be repaid to the revolving fund. The revolving fund is accounted for within the Housing Finance Account.

The 1995 Oregon Legislature approved House Bill 2051, which transferred the Oregon Rural Rehabilitation Program (ORR), totaling \$806,154, from the Division of State Lands to OHCS D. OHCS D loans ORR moneys for farmworker housing projects.

NOTE 10

SEGMENT INFORMATION

OHCS D provides mortgage loans for the Single-Family, Assisted or Insured Multi-Unit, Multifamily Housing Revenue Bonds, and Elderly and Disabled Housing Programs. The following schedule identifies selected financial information for major segments as of and for the year ending June 30, 2001:

NOTE 10
SEGMENT INFORMATION
(continued)

	HOUSING FINANCE ACCOUNT	COMBINED PROGRAM ACCOUNT	HOUSING FINANCE REVENUE BONDS	MORTGAGE REVENUE BONDS	ASSISTED OR INSURED MULTI-UNIT PROGRAM	MULTIFAMILY HOUSING REVENUE BONDS	ELDERLY AND DISABLED HOUSING PROGRAM	TOTAL JUNE 30, 2001
Operating Revenue	\$ 3,860,232	\$ 724,146	\$ 3,020,246	\$ 64,068,363	\$ 7,272,389	\$ 6,865,015	\$ 23,340,988	\$ 109,151,379
Depreciation and Amortization	346,870	-	2,052	1,219,425	85,383	72,778	237,399	1,963,907
Operating Income (Loss)	(4,444,550)	724,146	2,313,768	9,814,126	3,285,558	1,451,698	4,199,256	17,344,002
Operating Transfer In	10,349,030	1,000,000	40,000	3,025,000	-	380,000	3,314	14,797,344
Operating Transfer Out	(3,445,000)	(1,000,000)	(3,300,000)	(1,500,000)	(4,331,893)	-	(207,194)	(13,784,087)
Net Income (Loss)	2,459,480	724,146	(998,276)	11,020,665	(1,046,335)	1,831,698	3,995,376	17,986,754
Equipment: Acquisitions	136,811	-	-	-	-	-	23,999	160,810
Equipment: Dispositions	(206,901)	-	-	-	-	-	(4,374)	(211,275)
Net Working Capital	4,472,840	11,209,509	20,702,333	393,289,890	20,994,758	24,990,315	83,053,067	558,712,712
Total Assets	8,274,068	11,209,509	39,196,145	1,073,795,155	76,711,535	102,828,845	323,730,668	1,635,745,925
Bonds and Other Long- Term Liabilities Payable from Operating Revenue	-	-	9,775,000	991,699,565	60,877,608	96,070,196	281,741,153	1,440,163,522
Total Equity	6,628,908	11,209,509	28,843,603	56,612,451	13,938,402	4,049,888	32,407,099	153,689,860

NOTE 11
DEFINED BENEFIT RETIREMENT PLAN

OHCS D's employees participate in the Oregon Public Employee's Retirement System (PERS), a cost-sharing multiple-employer defined benefit pension plan. All OHCS D employees are eligible to participate in the system after completing six months of service. PERS is administered by the Public Employees Retirement Board under the guidelines of Oregon Revised Statutes, chapter 238. The PERS retirement allowance, payable monthly for life, may be selected from twelve retirement benefit options. Options include survivorship benefits and lump sum refunds. The basic benefit formula is 1.67 percent of a member's final average salary multiplied by the member's number of years of service. Benefits may also be calculated under either a money match or an annuity-plus-pension computation if a greater benefit results. PERS also provides death and disability benefits. A copy of the Oregon Public Employees Retirement System annual financial report may be obtained from PERS, P.O. Box 23700, Tigard, Oregon 97281-3700.

Covered employees are required by State statute to contribute 6.0 percent of their salary to the plan. Current law permits employers to pay employee contributions to the Retirement Fund. OHCS D is required by statute to contribute actuarially computed amounts as determined by PERS. Rates are subject to change as a result of subsequent actuarial valuations. Currently the rate is 9.73 percent of each covered employee's salary. The amounts contributed by OHCS D for the years ending June 30, 2001, 2000, and 1999 were \$584,870, \$544,565 and \$448,375, respectively, equal to the required contributions for each year. No pension liability existed at June 30, 2001, determined in accordance with Statement No. 27 of the Governmental Accounting Standards Board.

NOTE 12
RISK FINANCING

The State of Oregon administers property and casualty insurance programs covering State government through its Insurance Fund. The Insurance Fund services claims for: direct physical loss or damage to state property; tort liability claims brought against the State, its officers, employees, or agents; workers' compensation; employee dishonesty; and faithful performance coverage for certain key positions required by law to be covered, and other key positions.

NOTE 12

RISK FINANCING

(continued)

As a state agency, OHCS D participates in the Insurance Fund. The cost of servicing insurance claims and payments is covered by charging an assessment to each State entity based on its share of services provided in a prior period. The total statewide assessment of each coverage is based on independent biennial actuarial forecasts and administrative expenses, less carry-forward or equity in the Insurance Fund.

NOTE 13

CONTINGENT LIABILITIES

During the ordinary course of business, OHCS D becomes involved in litigation. OHCS D is represented in these actions by the Attorney General of the State of Oregon. In the opinion of OHCS D, based upon information furnished by counsel, the ultimate disposition of these actions will not have a material adverse effect on OHCS D's financial condition.

NOTE 14

EXTRAORDINARY ITEMS

Loss on Early Retirement of Bonds - Fiscal Year 2001

On August 1, 2000, Housing Finance Revenue Bonds (Single-Family Mortgage Program) with an aggregate principal amount of \$6,770,000 were called at par prior to maturity.

On August 1, 2000, Mortgage Revenue Bonds (Single-Family Mortgage Program) with an aggregate principal amount of \$7,855,000 were called at par prior to maturity from prepayments of mortgages, excess reserves, and other excess revenues under the 1988 Indenture.

On November 1, 2000, Mortgage Revenue Bonds (Single-Family Mortgage Program) with an aggregate principal amount of \$7,725,000 were called at par prior to maturity from prepayments of mortgages, excess reserves, and other excess revenues under the 1988 Indenture.

On January 1, 2001, Mortgage Revenue Bonds (Single-Family Mortgage Program) with an aggregate principal amount of \$7,830,000 were called at par prior to maturity from prepayments of mortgages, excess reserves, and other excess revenues under the 1988 Indenture.

On May 1, 2001, Mortgage Revenue Bonds (Single-Family Mortgage Program) with an aggregate principal amount of \$7,830,000 were called at par prior to maturity from prepayments of mortgages, excess reserves, and other excess revenues under the 1988 Indenture.

These early retirements resulted in a loss on bond call of \$370,505.

NOTE 15

SUBSEQUENT EVENTS

On August 29, 2001, OHCS D issued the following Elderly and Disabled Housing Program Bonds:

	ISSUE AMOUNT
2001 Series A	\$ 5,210,000
2001 Series B	7,805,000
2001 Series C	25,325,000

NOTE 15
SUBSEQUENT
EVENTS(*continued*)

On August 30, 2001, OHCS D issued the following Mortgage Revenue Bonds (Single-Family Mortgage Program):

	ISSUE AMOUNT
2001 Series J	\$ 26,435,000
2001 Series K	3,565,000
2001 Series L	9,100,000
2001 Series M	10,355,000
2001 Series N	9,435,000
2001 Series O	1,435,000

On September 25, 2001, OHCS D issued the following Mortgage Revenue Bonds (Single-Family Mortgage Program):

	ISSUE AMOUNT
2001 Series P	\$ 9,435,000

On October 23, 2001, OHCS D issued the following Multifamily Housing Revenue Bonds:

	ISSUE AMOUNT
2001 Series A	\$ 1,770,000
2001 Series B	31,935,000

On November 14, 2001, OHCS D issued the following Mortgage Revenue Bonds (Single-Family Mortgage Program):

	ISSUE AMOUNT
2001 Series Q	\$ 19,015,000
2001 Series R	15,985,000
2001 Series S	15,315,000
2001 Series T	6,505,000
2001 Series U	47,000,000

On August 1, 2001, OHCS D called the following Mortgage Revenue Bonds (Single-Family Mortgage Program) prior to maturity:

	AMOUNT CALLED		AMOUNT CALLED
1992 Series B	\$ 2,350,000	1996 Series H	\$ 190,000
1993 Series B	355,000	1997 Series B	265,000
1994 Series A	50,000	1997 Series I	305,000
1994 Series B	135,000	1998 Series B	305,000
1994 Series C	160,000	1998 Series D	180,000
1994 Series D	190,000	1998 Series G	230,000
1995 Series A	430,000	1999 Series A	115,000
1995 Series C	635,000	1999 Series M	295,000
1995 Series E	510,000	2000 Series B	140,000
1996 Series B	440,000	2000 Series F	140,000
1996 Series D	600,000		

On November 1, 2001, OHCS D called the following Elderly and Disabled Housing Program Bonds prior to maturity:

	AMOUNT CALLED
1989 Series A	\$ 4,465,000
1990 Series A	4,430,000
1990 Series B	7,810,000
1990 Series C	1,695,000
1990 Series D	12,990,000
1994 Series A	2,255,000

COMBINING BALANCE SHEET

All Enterprise Funds

June 30, 2001

HOUSING FINANCE

SINGLE-FAMILY MORTGAGE PROGRAM

	HOUSING FINANCE ACCOUNT	COMBINED PROGRAM ACCOUNT	HOUSING FINANCE REVENUE BONDS	MORTGAGE REVENUE BONDS
Assets				
Cash and Cash Equivalents	\$ 3,648,123	\$ 7	\$ 469,036	\$ 6,192,390
Securities Lending Cash Collateral	153,726	-	7,790	237,471
Investments	694,107	11,060,735	20,529,791	403,621,019
Accrued Interest Receivable	90,272	148,767	273,258	8,722,133
Accounts Receivable	541,625	-	-	16
Interfund Receivable	165,916	-	-	-
Prepaid Expenses	75,625	-	-	-
Loans Receivable (Net)	2,631,943	-	17,909,692	645,372,238
Acquired Property	-	-	-	896,175
Deferred Charges	-	-	6,578	8,753,713
Fixed Assets (Net)	222,731	-	-	-
Advances to Other Funds	50,000	-	-	-
Total Assets	\$ 8,274,068	\$ 11,209,509	\$ 39,196,145	\$ 1,073,795,155
Liabilities and Fund Equity				
Liabilities:				
Accounts Payable	\$ 469,180	\$ -	\$ 15,558	\$ 299,101
Vacation Payable	213,587	-	-	-
Interfund Payable	45,337	-	-	88,699
Deferred Income	322	-	1,629	16,105
Trust Funds Payable	-	-	-	-
Obligations Under Securities Lending	153,726	-	7,790	237,471
Accrued Interest Payable	14,402	-	283,475	24,783,645
Matured Bonds and Interest Payable	-	-	269,090	58,118
Bonds Payable	-	-	9,775,000	986,172,317
Loans Payable	748,606	-	-	-
Arbitrage Rebate Liability	-	-	-	5,527,248
Total Liabilities	1,645,160	-	10,352,542	1,017,182,704
Fund Equity:				
Contributed Capital	906,154	-	-	-
Retained Earnings	5,722,754	11,209,509	28,843,603	56,612,451
Total Fund Equity	6,628,908	11,209,509	28,843,603	56,612,451
Total Liabilities and Fund Equity	\$ 8,274,068	\$ 11,209,509	\$ 39,196,145	\$ 1,073,795,155

FUND				TOTALS	
ASSISTED OR INSURED MULTI-UNIT PROGRAM	MULTIFAMILY HOUSING REVENUE BONDS	TOTAL	ELDERLY AND DISABLED HOUSING PROGRAM	2001	2000
\$ 585,015	\$ 4,261,773	\$ 15,156,344	\$ 61,130,673	\$ 76,287,017	\$ 54,146,367
19,496	7,579	426,062	2,442,999	2,869,061	4,503,500
21,717,700	22,553,206	480,176,558	27,083,370	507,259,928	542,800,226
568,072	876,518	10,679,020	1,950,485	12,629,505	10,340,765
-	-	541,641	21	541,662	14,210
-	-	165,916	15,738	181,654	404,260
-	-	75,625	12,197	87,822	111,313
53,284,416	73,670,358	792,868,647	227,878,144	1,020,746,791	902,954,349
-	-	896,175	-	896,175	333,700
536,836	1,459,411	10,756,538	3,192,269	13,948,807	13,436,006
-	-	222,731	24,772	247,503	435,222
-	-	50,000	-	50,000	75,000
\$ 76,711,535	\$ 102,828,845	\$1,312,015,257	\$323,730,668	\$1,635,745,925	\$1,529,554,918
\$ 3,326	\$ 11,326	\$ 798,491	\$ 61,678	\$ 860,169	\$ 952,434
-	-	213,587	71,996	285,583	273,943
-	-	134,036	38,595	172,631	302,493
15,684	-	33,740	16,718	50,458	49,986
-	-	-	-	-	1,430,749
19,496	7,579	426,062	2,442,999	2,869,061	4,503,500
1,825,259	2,689,856	29,596,637	6,897,382	36,494,019	32,378,541
31,760	-	358,968	53,048	412,016	534,798
60,380,789	96,025,000	1,152,353,106	280,919,837	1,433,272,943	1,349,889,751
-	-	748,606	-	748,606	75,000
496,819	45,196	6,069,263	821,316	6,890,579	3,460,617
62,773,133	98,778,957	1,190,732,496	291,323,569	1,482,056,065	1,393,851,812
-	-	906,154	-	906,154	906,154
13,938,402	4,049,888	120,376,607	32,407,099	152,783,706	134,796,952
13,938,402	4,049,888	121,282,761	32,407,099	153,689,860	135,703,106
\$ 76,711,535	\$ 102,828,845	\$1,312,015,257	\$323,730,668	\$1,635,745,925	\$1,529,554,918

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

All Enterprise Funds

For the Year Ended June 30, 2001

HOUSING FINANCE

SINGLE-FAMILY MORTGAGE PROGRAM

	HOUSING FINANCE ACCOUNT	COMBINED PROGRAM ACCOUNT	HOUSING FINANCE REVENUE BONDS	MORTGAGE REVENUE BONDS
Operating Revenues:				
Interest on Loans	\$ 120,850	\$ -	\$ 1,330,513	\$ 41,018,409
Investment Income	264,643	724,146	1,681,948	23,027,982
Transfer/Commitment Fees	2,035,758	-	-	-
Administrative Fees	177,865	-	-	-
Low Income Housing Tax Credit Fees	791,355	-	-	-
Mortgage Credit Certificate Fees	125	-	-	-
Gain on Sale of Foreclosed Property	-	-	7,785	21,972
Gain on Disposition of Fixed Assets	38,965	-	-	-
Miscellaneous Revenue	430,671	-	-	-
Total Operating Revenues	3,860,232	724,146	3,020,246	64,068,363
Operating Expenses:				
Interest on Bonds	-	-	604,496	50,634,542
Mortgage Service Fees	502	-	70,175	2,280,091
Foreclosure Costs	-	-	7,829	31,075
Bad Debt Expense	4,906	-	-	-
Amortization of Deferred Bond Issuance Costs	-	-	2,052	1,219,425
Real Estate Owned Expenses	-	-	349	711
Interest on Loans	36,213	-	-	-
Loss on Disposition of Fixed Assets	-	-	-	-
Other Related Program Expenses	1,441,896	-	21,577	88,393
Administrative Costs:				
Personal Services	3,991,769	-	-	-
Services and Supplies	2,482,626	-	-	-
Depreciation/Amortization	346,870	-	-	-
Total Operating Expenses	8,304,782	-	706,478	54,254,237
Operating Income (Loss)	(4,444,550)	724,146	2,313,768	9,814,126
Operating Transfers-In (Out):				
Operating Transfers-In	10,349,030	1,000,000	40,000	3,025,000
Operating Transfers-Out	(3,445,000)	(1,000,000)	(3,300,000)	(1,500,000)
Total Operating Transfers-In (Out)	6,904,030	-	(3,260,000)	1,525,000
Net Income (Loss) Before Extraordinary Items	2,459,480	724,146	(946,232)	11,339,126
Extraordinary Loss from Bond Call	-	-	(52,044)	(318,461)
Net Income (Loss)	2,459,480	724,146	(998,276)	11,020,665
Retained Earnings - Beginning	3,263,274	10,485,363	29,841,879	45,591,786
Retained Earnings - Ending	\$ 5,722,754	\$ 11,209,509	\$ 28,843,603	\$ 56,612,451

FUND				TOTALS	
ASSISTED OR INSURED MULTI-UNIT PROGRAM	MULTIFAMILY HOUSING REVENUE BONDS	TOTAL	ELDERLY AND DISABLED HOUSING PROGRAM	2001	2000
\$ 5,196,491	\$ 3,657,395	\$ 51,323,658	\$ 16,390,586	\$ 67,714,244	\$ 59,712,811
1,569,474	3,207,620	30,475,813	6,614,937	37,090,750	29,165,409
-	-	2,035,758	123,199	2,158,957	3,137,948
506,424	-	684,289	207,912	892,201	839,522
-	-	791,355	-	791,355	582,379
-	-	125	-	125	150
-	-	29,757	-	29,757	61,394
-	-	38,965	-	38,965	-
-	-	430,671	4,354	435,025	213,103
7,272,389	6,865,015	85,810,391	23,340,988	109,151,379	93,712,716
3,658,135	5,054,995	59,952,168	16,670,516	76,622,684	68,769,372
38,928	8,588	2,398,284	119,188	2,517,472	2,132,604
-	-	38,904	-	38,904	43,269
-	92,218	97,124	89,084	186,208	53,208
85,383	72,778	1,379,638	235,740	1,615,378	1,575,026
-	-	1,060	-	1,060	750
-	-	36,213	-	36,213	29,377
-	-	-	-	-	6,507
204,385	184,738	1,940,989	210,767	2,151,756	1,107,002
-	-	3,991,769	1,097,345	5,089,114	4,764,953
-	-	2,482,626	717,433	3,200,059	3,077,230
-	-	346,870	1,659	348,529	515,674
3,986,831	5,413,317	72,665,645	19,141,732	91,807,377	82,074,972
3,285,558	1,451,698	13,144,746	4,199,256	17,344,002	11,637,744
-	380,000	14,794,030	3,314	14,797,344	18,228,794
(4,331,893)	-	(13,576,893)	(207,194)	(13,784,087)	(18,228,787)
(4,331,893)	380,000	1,217,137	(203,880)	1,013,257	7
(1,046,335)	1,831,698	14,361,883	3,995,376	18,357,259	11,637,751
-	-	(370,505)	-	(370,505)	(884,379)
(1,046,335)	1,831,698	13,991,378	3,995,376	17,986,754	10,753,372
14,984,737	2,218,190	106,385,229	28,411,723	134,796,952	124,043,580
\$ 13,938,402	\$ 4,049,888	\$ 120,376,607	\$ 32,407,099	\$152,783,706	\$ 134,796,952

COMBINING STATEMENT OF CASH FLOWS

All Enterprise Funds

For the Year Ended June 30, 2001

HOUSING FINANCE

SINGLE-FAMILY MORTGAGE PROGRAM

	HOUSING FINANCE ACCOUNT	COMBINED PROGRAM ACCOUNT	HOUSING FINANCE REVENUE BONDS	MORTGAGE REVENUE BONDS
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ (4,444,550)	\$ 724,146	\$ 2,313,768	\$ 9,814,126
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	346,870	-	-	-
Amortization of Deferred Bond Issue Costs	-	-	2,052	1,219,425
Interest Income on Cash and Investments	(264,643)	(724,146)	(1,681,948)	(23,027,982)
Interest Expense on Securities Lending	10,647	-	1,649	57,066
Interest Expense on Bonds	-	-	604,496	50,634,542
Interest Expense on Loans	36,213	-	-	-
(Gain)/Loss on Disposition of Fixed Assets	(38,965)	-	-	-
(Increase)/Decrease in Assets:				
Loan Interest Receivable	(63,331)	-	9,197	(542,563)
Accounts Receivable	(531,035)	-	-	2,552
Interfund Receivable	64,473	-	-	173,871
Prepaid Expenses	35,588	-	-	-
Loans Receivable (Net)	(1,186,074)	-	1,862,799	(76,051,225)
Acquired Property	-	-	79,554	(642,029)
Increase/(Decrease) in Liabilities:				
Accounts Payable	106,226	-	9,025	41,893
Vacation Payable	(7,905)	-	-	-
Interfund Payable	(128,534)	-	-	16,555
Deferred Income	-	-	924	(7,376)
Trust Funds Payable	-	-	-	-
Matured Bonds and Interest Payable	-	-	39,292	(22,670)
Total Adjustments	(1,620,470)	(724,146)	927,040	(48,147,941)
Net Cash Provided (Used) in Operating Activities	(6,065,020)	-	3,240,808	(38,333,815)

FUND				TOTALS	
ASSISTED OR INSURED MULTI-UNIT PROGRAM	MULTIFAMILY HOUSING REVENUE BONDS	TOTAL	ELDERLY AND DISABLED HOUSING PROGRAM	2001	2000
\$ 3,285,558	\$ 1,451,698	\$ 13,144,746	\$ 4,199,256	\$ 17,344,002	\$ 11,637,744
-	-	346,870	1,659	348,529	515,674
85,383	72,778	1,379,638	235,740	1,615,378	1,575,026
(1,569,474)	(3,207,620)	(30,475,813)	(6,614,937)	(37,090,750)	(29,165,409)
4,946	2,520	76,828	201,494	278,322	389,209
3,658,135	5,054,995	59,952,168	16,670,516	76,622,684	68,769,372
-	-	36,213	-	36,213	29,377
-	-	(38,965)	-	(38,965)	6,507
(128,677)	(634,460)	(1,359,834)	(633,652)	(1,993,486)	(208,180)
-	-	(528,483)	3,708	(524,775)	470,595
-	-	238,344	(15,738)	222,606	(229,059)
-	-	35,588	(12,097)	23,491	(79,702)
3,698,109	(28,892,827)	(100,569,218)	(17,223,224)	(117,792,442)	(159,611,195)
-	-	(562,475)	-	(562,475)	514,804
1,339	2,267	160,750	(90,758)	69,992	(398,710)
-	-	(7,905)	19,545	11,640	11,170
-	-	(111,979)	(17,883)	(129,862)	178,723
8,341	-	1,889	(1,417)	472	10,998
-	-	-	(1,430,749)	(1,430,749)	1,032,747
(44,419)	-	(27,797)	(94,985)	(122,782)	(167,960)
5,713,683	(27,602,347)	(71,454,181)	(9,002,778)	(80,456,959)	(116,356,013)
8,999,241	(26,150,649)	(58,309,435)	(4,803,522)	(63,112,957)	(104,718,269)

(Continued on Next Page)

COMBINING STATEMENT OF CASH FLOWS

(Continued from previous page)

All Enterprise Funds

For the Year Ended June 30, 2001

HOUSING FINANCE

SINGLE-FAMILY MORTGAGE PROGRAM

	HOUSING FINANCE ACCOUNT	COMBINED PROGRAM ACCOUNT	HOUSING FINANCE REVENUE BONDS	MORTGAGE REVENUE BONDS
Net Cash Provided (Used) in Operating Activities	\$ (6,065,020)	\$ -	\$ 3,240,808	\$ (38,333,815)
Cash Flows from Noncapital Financing Activities:				
Proceeds from Bond Sales	-	-	-	311,442,636
Principal Payments on Bonds	-	-	(7,925,000)	(227,135,000)
Interest Payments on Bonds	-	-	(863,267)	(46,552,180)
Loan Proceeds	898,606	-	-	-
Principal Payments on Loans	(225,000)	-	-	-
Interest Payments on Loans	(24,377)	-	-	-
Operating Transfers-In	10,349,030	1,000,000	40,000	3,025,000
Operating Transfers-Out	(3,445,000)	(1,000,000)	(3,300,000)	(1,500,000)
Advances to Other Funds Repaid	25,000	-	-	-
Bond Issue Costs	-	-	-	(2,420,105)
Bond Call Costs	-	-	(12,252)	(2,761)
Interest Paid on Securities Lending	(10,647)	-	(1,649)	(57,066)
Net Cash Provided (Used) in Noncapital Financing Activities	7,567,612	-	(12,062,168)	36,800,524
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Capital Assets	(74,586)	-	-	-
Proceeds from Sale of Capital Assets	150	-	-	-
Net Cash Provided (Used) in Capital and Related Financing Activities	(74,436)	-	-	-
Cash Flows from Investing Activities:				
Purchase of Investments	(2,724,045)	(11,927,709)	(36,280,858)	(802,627,736)
Proceeds from Sales and Maturities of Investments	2,669,043	11,632,085	44,157,782	788,552,495
Interest on Cash and Investments	214,819	294,642	731,456	16,459,734
Investment Income on Securities Lending	10,647	-	1,649	57,066
Net Cash Provided (Used) in Investing Activities	170,464	(982)	8,610,029	2,441,559
Net Increase (Decrease) in Cash and Cash Equivalents	1,598,620	(982)	(211,331)	908,268
Cash and Cash Equivalents Balance - Beginning	2,049,503	989	680,367	5,284,122
Cash and Cash Equivalents Balance - Ending	\$ 3,648,123	\$ 7	\$ 469,036	\$ 6,192,390
Noncash Investing, Capital, and Financing Activities:				
Foreclosed Property	\$ -	\$ -	\$ -	\$ 1,765,303
Fixed Assets Traded for Other Fixed Assets	38,815	-	-	-
Total Noncash Investing, Capital, and Financing Activities:	\$ 38,815	\$ -	\$ -	\$ 1,765,303

FUND				TOTALS	
ASSISTED OR INSURED MULTI-UNIT PROGRAM	MULTIFAMILY HOUSING REVENUE BONDS	TOTAL	ELDERLY AND DISABLED HOUSING PROGRAM	2001	2000
\$ 8,999,241	\$ (26,150,649)	\$ (58,309,435)	\$ (4,803,522)	\$ (63,112,957)	\$ (104,718,269)
-	18,379,120	329,821,756	-	329,821,756	405,125,945
(3,455,000)	(455,000)	(238,970,000)	(7,520,000)	(246,490,000)	(293,050,000)
(3,740,728)	(4,577,544)	(55,733,719)	(16,734,389)	(72,468,108)	(66,165,550)
-	-	898,606	-	898,606	512,500
-	-	(225,000)	-	(225,000)	(706,000)
-	-	(24,377)	-	(24,377)	(30,779)
-	380,000	14,794,030	3,314	14,797,344	18,228,794
(4,331,893)	-	(13,576,893)	(207,194)	(13,784,087)	(18,228,787)
-	-	25,000	-	25,000	-
-	(258,768)	(2,678,873)	-	(2,678,873)	(3,358,653)
-	-	(15,013)	-	(15,013)	(92,928)
(4,946)	(2,520)	(76,828)	(201,494)	(278,322)	(389,209)
(11,532,567)	13,465,288	34,238,689	(24,659,763)	9,578,926	41,845,333
-	-	(74,586)	(13,962)	(88,548)	(20,536)
-	-	150	-	150	-
-	-	(74,436)	(13,962)	(88,398)	(20,536)
(25,182,499)	(50,462,963)	(929,205,810)	-	(929,205,810)	(1,094,274,682)
26,682,310	62,442,091	936,135,806	41,836,000	977,971,806	1,108,154,793
793,706	2,826,502	21,320,859	5,397,902	26,718,761	25,165,923
4,946	2,520	76,828	201,494	278,322	389,209
2,298,463	14,808,150	28,327,683	47,435,396	75,763,079	39,435,243
(234,863)	2,122,789	4,182,501	17,958,149	22,140,650	(23,458,229)
819,878	2,138,984	10,973,843	43,172,524	54,146,367	77,604,596
\$ 585,015	\$ 4,261,773	\$ 15,156,344	\$ 61,130,673	\$ 76,287,017	\$ 54,146,367
\$ -	\$ -	\$ 1,765,303	\$ -	\$ 1,765,303	\$ 791,815
-	-	38,815	-	38,815	-
\$ -	\$ -	\$ 1,804,118	\$ -	\$ 1,804,118	\$ 791,815