

AGENDA

Iowa Finance Authority Board of Directors

Board Meeting

October 1, 2025

11:00 a.m.

Helmick Conference Room

1963 Bell Ave. Suite 200 Des Moines, IA 50315

Public Webinar Access: <https://akaiowa.us/ifaboard>

I. Administration (Board Chair)

- | | |
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| a. Roll Call | |
| b. Approval of September 2, 2025, Board Meeting Minutes | Action |

II. Public Comment Period (Board Chair)

A public comment period for the full meeting will be held at this time to accommodate visitors. This period is limited to 5 minutes per person.

III. Consent Agenda (Board Chair)	Action
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- a. *IADD – Authorizing Resolutions*
 - i. AG 25-054B, Dustin Alan Fessler and Allison Marie Klosterman
 - ii. AG 25-055B, Clay Michael and Morgan Blass
 - iii. AG 25-057B, Thomas J. and Kelsey A. Stumpf
 - iv. AG 25-058B, Zachary James Ryan
 - v. AG 25-059B, Cole DenHoed
- b. *IADD – Amending Resolutions*
 - i. AG 19-047M, Dennis E. Miller
 - ii. AG 19-048M, David E. Miller
- c. *IADD – Loan Participation Program*
 - i. AG-LP 25-05, Loan Participation Program
- d. *IADD – Beginning Farmer Tax Credit Program*
 - i. AG-TC 25-08, Beginning Farmer Tax Credit Program
- e. *Water Quality*
 - i. WQ 25-16, State Revolving Funding Planning & Design Loans
 - ii. WQ 25-17, State Revolving Funding Construction Loans

IV. Finance

- | | |
|---|--------|
| a. August 2025 Financial Reports (David Morrison) | Action |
| b. FIN 25-06, Single Family Mortgage Bonds – 2025 Series GH (Cindy Harris) | Action |
| c. HOME Loan Forgiveness – Grant Terrace (Chrisi Shropshire) | Action |
| d. HOME Loan Forgiveness – Lincoln Terrace (Chrisi Shropshire) | Action |
| e. HOME Loan Forgiveness – Spencer School Apartments (Chrisi Shropshire) | Action |
| f. HOME Loan Forgiveness – Cobblestone Place (Nick Michaud) | Action |
| g. Multifamily Loan – Emri Apartments (Nick Michaud) | Action |
| h. Presentation and Approval of FY2025 Audited Financials (Holly Englehart) | Action |

V. Housing

- | | |
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| FY2026 Iowa Permanent Supportive Housing Fund Awards (Megan Marsh) | Action |
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VI. Legal/Policy (Tyler Barnard)

- | | |
|---|--------|
| a. Approval to File Notice of Intended Action to Rescind 265 IAC Chapter 33 Water Quality Financial Assistance Program | Action |
| b. Approval to File Notice of Intended Action to Rescind 265 IAC Chapter 10 Mortgage Credit Certificates, and Adopt a New Chapter in Lieu Thereof | Action |
| c. Approval to Adopt New Debarment from Participation in Authority Programs and Transactions Rules, 265 IAC Chapter 5 | Action |

VII. Director's Office

- | |
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| Director's Report (Debi Durham) |
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VIII. Other Business (Board Chair)

- | |
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| Upcoming Board Meeting – <i>Wednesday, November 5, 2025, at 11:00 a.m.</i> |
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IX. Adjournment (Board Chair)

Iowa Finance Authority

Board of Directors

Voting Members:

Jennifer Cooper – Chair
Tracey Ball – Vice Chair
Gilbert Thomas – Treasurer
Nicolas AbouAssaly
Ashley Aust
Danielle Michalski
Jayne Ungs
Michel Nelson
Mark Phillips
Nate Weaton

Ex-Officios:

Ed Failor
Representative Shannon Latham
Representative Larry McBurney
Senator Thomas Townsend
Senator Scott Webster

Please Note:

The meeting will convene no earlier than stated above, but may begin later, depending upon length of earlier meetings or other delays. Some members of the board may participate electronically. Agenda items may be considered out of order at the discretion of the Chair. The chair may take action to ensure the meeting is free from interference or interruption, including adjourning the meeting.

If you require accommodation to participate in this public meeting, call (515) 348-6200 to make your request. Please notify us as far in advance of the meeting as possible.

This meeting will be accessible to members of the public in person at 1963 Bell Avenue, Suite 200, Des Moines, and virtually via the link found on the first page of the agenda.

IOWA FINANCE AUTHORITY BOARD MEETING MINUTES

September 2, 2025

HousingIowa Conference Rm. 314
350 First Ave. NE Cedar Rapids, IA 52401

BOARD MEMBERS *PRESENT*

Nick AbouAssaly, *Member*
Ashley Aust, *Member*
Tracey Ball, *Vice Chair*
Jennifer Cooper, *Chair*
Danielle Michalski, *Member*
Michel Nelson, *Member*
Mark Phillips, *Member*
Gilbert Thomas, *Treasurer*
Jayme Ungs, *Voting Ex-Officio*
Ed Failor, *Ex-Officio*
Representative Larry McBurney, *Ex-Officio*
Representative Shannon Latham, *Ex-Officio*
Senator Scott Webster, *Ex-Officio*

BOARD MEMBERS *ABSENT*

Nate Weaton, *Member*

STAFF MEMBERS *PRESENT*

Tyler Barnard	Michelle Bodie	Vicky Clinkscales
Lisa Connell	Debi Durham	Andy Gjerstad
Rita Grimm	Cindy Harris	Nicki Howell
Molly Lopez	David Morrison	Brooke Parziale
Terri Rosonke	Aaron Smith	Michael Thibodeau
Jessica Drake	Nichole Hansen	Dillon Malone
Tim Morlan	Brian Sweeney	

OTHERS *PRESENT*

James Smith, Dorsey & Whitney LLP	Holly Engelhart, <i>Eide Bailly, LLP</i>
Laura Janke, <i>RBC</i>	David Grossklaus, <i>Dorsey & Whitney LLP</i>

I. ADMINISTRATION

A. Roll Call

Chair Cooper called to order the September 2, 2025, meeting of the Iowa Finance Authority (IFA) Board of Directors at 3:00 p.m. Roll call was taken, and a quorum was established. The following Board members were **present**: Nick AbouAssaly, Ashley Aust, Tracey Ball, Jennifer Cooper, Danielle Michalski, Michel Nelson, Mark Phillips, Gilbert Thomas, and Jayme Ungs. The following Board members were **absent**: Nate Weaton.

B. **Approval of the August 6, 2025, IFA Board Meeting Minutes**

MOTION: On a motion by Ms. Aust and seconded by Mr. AbouAssaly, the Board unanimously approved the August 6, 2025, IFA Board Meeting Minutes.

C. **Approval of the August 27, 2025, IFA Special Board Meeting Minutes**

MOTION: On a motion by Ms. Aust and seconded by Mr. AbouAssaly, the Board unanimously approved the August 27, 2025, IFA Special Board Meeting Minutes.

II. PUBLIC COMMENT PERIOD

Chair Cooper opened the public comment period and asked if anyone in the audience would like to address the Board. No members of the audience requested to speak. Chair Cooper closed the public comment period.

III. CONSENT AGENDA

Chair Cooper asked if any items needed to be removed from the Consent Agenda. No items were removed from the Consent Agenda.

MOTION: Ms. Aust made a motion to approve the following items on the Consent Agenda:

IADD – Authorizing Resolutions

- i. AG 25-046B, Owen E. Patterson
- ii. AG 25-047B, Carson J. Burken
- iii. AG 25-048B, Loren M. and Jewel L. Hurst
- iv. AG 25-049B, Alex J. and Anya M. Postma
- v. AG 25-050B, Eric S. and Allison M. Schmitz
- vi. AG 25-053B, Brandon and Hannah M. Young

IADD – Loan Participation Program

- vii. AG-LP 25-04, Loan Participation Program

IADD - Beginning Farmer Tax Credit Program

- viii. AG-TC 25-07, Beginning Farmer Tax Credit Program

Private Activity Bonds

- ix. PAB 25-09A, Fairmont Pines Project Bond Inducement Application
- x. PAB 25-10A, Grand Shores Apartments Project Bond Inducement Application
- xi. PAB 25-11A, Central at Orchard Court Project Bond Inducement Application
- xii. PAB 25-12A, The Atheneum Project Bond Inducement Application
- xiii. PAB 25-13A, South Market Apartments Project Bond Inducement Application
- xiv. PAB 25-14A, North Iowa RAD Family Project Bond Inducement Application
- xv. PAB 25-15A, Westridge Townhomes Project Bond Inducement Application
- xvi. PAB 25-16A, Southridge Flats Project Bond Inducement Application
- xvii. PAB 25-17A, Shermans Project Bond Inducement Application
- xviii. PAB 25-18A, Roosevelt Ridge Project Bond Inducement Application

Water Quality

- xix. WQ 25-14, State Revolving Fund (SRF) Planning & Design Loans
- xx. WG 25-15, State Revolving Fund (SRF) Construction Loans

On a second by Mr. Nelson, the Board unanimously approved the items on the Consent Agenda.

IV. PRIVATE ACTIVITY BONDS

A. **PAB 25-04B, Iowa Soccer Development Foundation Project**

Mr. Smith requested approval of a resolution authorizing the issuance of not to exceed \$45,000,000 Iowa Finance Authority Special Revenue Cash Flow Bonds for Iowa Soccer Development Foundation. The project will construct and equip an 8,000-seat professional soccer stadium including a plaza and related infrastructure to support the stadium.

MOTION: On a motion by Mr. AbouAssaly and seconded by Ms. Aust, the Board unanimously approved PAB 25-04B, Iowa Soccer Development Foundation Project

B. **PAB 25-06B, Stoney Point Meadows Project**

Mr. Smith requested approval of a resolution authorizing the issuance of not to exceed \$26,550,000 Iowa Finance Authority Assisted Living Facility Revenue Bonds for Stoney Point Meadows of Cedar Rapids, LLC. The project will use bond proceeds to acquire the existing Stoney Point Meadows senior living facility from its current owners. Stoney Point Meadows is a 95-unit assisted living facility constructed in 2019.

MOTION: On a motion by Mr. Nelson and seconded by Ms. Aust, the Board unanimously approved PAB 25-06B, Stoney Point Meadows Project.

V. FINANCE

July 2025 Financial Report

Mr. Morrison presented the highlights of the July 2025 financial results which were included in the board packet.

MOTION: On a motion by Ms. Aust and seconded by Mr. AbouAssaly, the Board unanimously approved the July 2025 Financials.

VI. HOUSING PROGRAMS

A. **Iowa Homelessness Prevention Fund Awards**

Ms. Rosonke requested that the Board award funding under the Iowa Homelessness Prevention Fund (IHPF) to 15 IHPF Partner Agencies totaling \$1,335,000. The funds are made available through the IHPF funding allocation approved by the IFA Board of Directors on August 6, 2025, under IFA's FY2026 Emergency and Innovation Housing Fund.

MOTION: Mr. Nelson made a motion to approve the Iowa Homelessness Prevention Fund Awards. On a second by Mr. AbouAssaly, a roll call vote was taken with the following results: **Yes:** Nick AbouAssaly, Ashley Aust, Tracey Ball, Jennifer Cooper, Danielle Michalski, Michel Nelson, Gilbert Thomas and Jayme Unga; **No:** None; **Abstain:** Mark Phillips. The motion passed.

B. **SHTF Project-Based Housing Program Awards**

Mrs. Rosonke presented the State Housing Trust Fund (SHTF) Project-Based Housing Program awards to the Board. She requested board approval of \$50,000 to Greater Des Moines Habitat for Humanity to construct a single-family home in Newton and \$50,000 to Iowa Heartland Habitat for Humanity to construct a single-family home North of downtown Waterloo.

MOTION: On a motion by Ms. Aust and seconded by Mr. AbouAssaly, the Board unanimously approved the SHTF Project-Based Housing Program Awards.

VII. OTHER BUSINESS

Upcoming Board Meeting

Chair Cooper provided a reminder of the upcoming Board meeting on Wednesday, October 1, 2025, at 11:00 a.m.

VIII. ADJOURNMENT

Chair Cooper adjourned the Iowa Finance Authority Board of Directors meeting at 3:22 p.m.

Dated this 1st day of October 2025.

Respectfully submitted:

Approved as to form:

Deborah Durham
Director

Jennifer Cooper, Chair
Iowa Finance Authority

From: [Mark Phillips](#)
To: [Nicki Howell](#)
Subject: Re: IFA Board Meeting - September 2, 2025 - Agenda and Meeting Details
Date: Tuesday, September 2, 2025 3:24:23 PM
Attachments: [image004.png](#)
[topworkplacescombined-both2024_9c7e1cfc-65c4-45df-9e80-bf66b57da529.png](#)

Nicki,

Good afternoon. For this meeting I have recused myself from this vote listed below as I am a current board member at Institute for Community Alliances. When my official board seat was approved I had provided a list of boards I was on, do I need to do this again?

vi. Housing a. Iowa Homelessness Prevention Fund Awards Terri Rosonke – Action

Let me know if I need to do anything else. Thanks,
Mark

To: Iowa Finance Authority Board of Directors

From: Tammy Nebola, Iowa Ag Program Specialist
Aaron Smith, Chief Bond Programs Director

Date: September 25, 2025

Re: Iowa Agricultural Development Division Beginning Farmer Loan and Tax Credit Programs

Consent Agenda

Iowa Agricultural Development Division

Authorizing Resolutions

AG 25-054 Dustin Alan Fessler and Allison Marie Klosterman

This is a resolution authorizing the issuance of \$160,000 for Dustin Alan Fessler and Allison Marie Klosterman. The bond will be used: To purchase approximately 26.89 acres of agricultural land and out-building in Delaware County. The lender is Fidelity Bank & Trust in Guttenberg.

- **Need Board action on Resolution AG 25-054B**

AG 25-055 Clay Michael and Morgan Blass

This is a resolution authorizing the issuance of \$522,500 for Clay Michael and Morgan Blass. The bond will be used: To purchase approximately 80 acres of agricultural land in Greene County. The lender is Peoples Bank in Jefferson.

- **Need Board action on Resolution AG 25-055B**

AG 25-057 Thomas J. and Kelsey A. Stumpf

This is a resolution authorizing the issuance of \$343,300 for Thomas J. and Kelsey A. Stumpf. The bond will be used: To purchase approximately 65.60 acres of agricultural land and out-buildings in Washington County. The lender is Hills Bank & Trust Company in Kalona.

- **Need Board action on Resolution AG 25-057B**

AG 25-058 Zachary James Ryan

This is a resolution authorizing the issuance of \$453,014 for Zachary James Ryan. The bond will be used: To purchase approximately 100 acres of agricultural land in Delaware County. The lender is Citizens State Bank in Ryan.

- **Need Board action on Resolution AG 25-058B**

AG 25-059 Cole DenHoed

This is a resolution authorizing the issuance of \$255,000 for Cole DenHoed. The bond will be used: To purchase approximately 1.25 acres of agricultural land including a 1,200 Hd Hog Confinement in Lyon County. The lender is Peoples Bank in Lester.

- **Need Board action on Resolution AG 25-059B**

Amending Resolutions

AG 19-047 Dennis E. Miller, Kalona

This is a resolution amending a \$340,000 Beginning Farmer Loan to Dennis E. Miller issued May 20, 2020 to lower the interest rate from 6.152% to 4.81% until August 15, 2035 at which time the rate will adjust to the original index of 80% of the 5 Year Treasury plus 3.00% and be adjustable every five years thereafter. Due to the rate decrease the annual payment amount will decrease from \$10,303.03 to \$8,986.24 beginning on February 15, 2026 and continuing semi-annually thereafter. All other loan terms will remain the same. The lender is Hills Bank & Trust Company in Kalona.

- **Need Board action on Resolution AG 19-047M**

AG 19-048 David E. Miller, Kalona

This is a resolution amending a \$420000 Beginning Farmer Loan to David E. Miller issued May 20, 2020 to lower the interest rate from 6.152% to 4.81% until August 15, 2035 at which time the rate will adjust to the original index of 80% of the 5 Year Treasury plus 3.00% and be adjustable every five years thereafter. Due to the rate decrease the annual payment amount will decrease from \$12,727.27 to \$11,991.68 beginning on February 15, 2026 and continuing semi-annually thereafter. All other loan terms will remain the same. The lender is Hills Bank & Trust Company in Kalona.

- **Need Board action on Resolution AG 19-048M**

Loan Participation Program

AG-LP 25-05, Loan Participation Program

The Loan Participation Program (LPP) was established in to assist low-income farmers secure loans and make down payments. IADD's participation can be used to supplement the borrower's down payment, thereby helping a farmer secure a loan more readily. The lender's risk is also reduced since the IADD provides a "last-in/last-out" loan participation for the financial institution. Effective annually on January 1 the rate will adjust to be 3.50% below the Wall Street Journal Prime rate as of November 15th. The rate will lock at the time of IADD approval and be fixed for the full 10-year term. The participation loan is a 10-year balloon with a 20-year amortization on land or a 12-year amortization on facilities. Attached are the LPP applications reviewed last month. The IADD Board has recommended approval.

- **Need Board action on Resolution AG-LP 25-05**

Beginning Farmer Tax Credit Program

AG-TC 25-08, Beginning Farmer Tax Credit Program

The Beginning Farmer Tax Credit (BFTC) program allows agricultural asset owners to earn Iowa income tax credits for leasing their land, equipment and/or buildings to beginning farmers. Leases must be for terms of 2-5 years. The tax credit for cash rent leases is 5% of the amount of the rent. The tax credit for crop share leases and the flex bonus portion is 15%. The maximum amount of tax credits allocated cannot be more than \$12 million in any one year. Attached are the BFTC applications reviewed last month. The IADD Board has recommended approval.

- **Need Board action on Resolution AG-TC 25-08**

RESOLUTION
AG 25-054B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning

Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 1st day of October 2025.

ATTEST:

Jennifer Cooper, Board Chairperson

Deborah Durham, Secretary

(Seal)

EXHIBIT A

- 1. Project Number:** AG 25-054
- 2. Beginning Farmer:** Dustin Alan and Allison Marie Klosterman Fessler
2644 150th Ave
Manchester, IA 52057-8522
- 3. Bond Purchaser:** Fidelity Bank & Trust
507 S Hwy 52, PO Box 99
Guttenberg, IA 52052-0099
- 4. Principal Amount:** \$160,000
- 5. Initial Approval Date:** 9/25/2025
- 6. Public Hearing Date:** 9/25/2025
- 7. Bond Resolution Date:** 10/1/2025
- 8. Project:** To purchase approximately 26.89 acres of agricultural land and out-building

RESOLUTION
AG 25-055B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and

conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 1st day of October 2025.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

EXHIBIT A

- 1. Project Number:** AG 25-055
- 2. Beginning Farmer:** Clay Michael and Morgan Blass
1672 Swift Ave
Coon Rapids, IA 50058-8040
- 3. Bond Purchaser:** Peoples Bank
116 W State St
Jefferson, IA 50129-1912
- 4. Principal Amount:** \$522,500
- 5. Initial Approval Date:** 9/25/2025
- 6. Public Hearing Date:** 9/25/2025
- 7. Bond Resolution Date:** 10/1/2025
- 8. Project:** To purchase approximately 80 acres of agricultural land

RESOLUTION
AG 25-057B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and

conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 1st day of October 2025.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

EXHIBIT A

- 1. Project Number:** AG 25-057
- 2. Beginning Farmer:** Thomas J. and Kelsey A. Stumpf
2084 119th Ln
Kalona, IA 52247-4709
- 3. Bond Purchaser:** Hills Bank & Trust Company
120 5th St, PO Box 1210
Kalona, IA 52247-1210
- 4. Principal Amount:** \$343,300
- 5. Initial Approval Date:** 9/25/2025
- 6. Public Hearing Date:** 9/25/2025
- 7. Bond Resolution Date:** 10/1/2025
- 8. Project:** To purchase approximately 65.60 acres of agricultural land and out-buildings

RESOLUTION
AG 25-058B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and

conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 1st day of October 2025.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

EXHIBIT A

- 1. Project Number:** AG 25-058
- 2. Beginning Farmer:** Zachary James Ryan
307 Morton St
Ryan, IA 52330
- 3. Bond Purchaser:** Citizens State Bank
204 Main St, PO Box 9
Ryan, IA 52330-0009
- 4. Principal Amount:** \$453,014
- 5. Initial Approval Date:** 9/25/2025
- 6. Public Hearing Date:** 9/25/2025
- 7. Bond Resolution Date:** 10/1/2025
- 8. Project:** To purchase approximately 100 acres of agricultural land

RESOLUTION
AG 25-059B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and

conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 1st day of October 2025.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

EXHIBIT A

- 1. Project Number: AG 25-059**
- 2. Beginning Farmer: Cole DenHoed
2819 170th St
Rock Rapids, IA 51246-7791**
- 3. Bond Purchaser: Peoples Bank
2272 Iowa 9, PO Box 37
Lester, IA 51242-0037**
- 4. Principal Amount: \$255,000**
- 5. Initial Approval Date: 9/25/2025**
- 6. Public Hearing Date: 9/25/2025**
- 7. Bond Resolution Date: 10/1/2025**
- 8. Project: To purchase approximately 1.25 acres of agricultural
land including a 1,200 Hd Hog Confinement**

RESOLUTION
AG 19-047M

A Resolution amending an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Agricultural Development Authority, or its successor, the Iowa Finance Authority (the “Authority”), heretofore took action to authorize the issuance of an Agricultural Development Revenue Bond, Project No. AG 19-047 (the “Bond”) pursuant to Resolution B relating thereto (the “Bond Resolution”) for the purpose of financing the acquisition of the Project (as defined in the Bond Resolution) by the Beginning Farmer (as defined in the Bond Resolution); and

WHEREAS, the Beginning Farmer has requested to change the current interest rate and payment on the Bond.

NOW, THEREFORE, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Authority hereby approves lowering the current interest rate on the Bond from 6.152% to 4.81% until August 15, 2035 at which time the rate will adjust to the original index of 80% of the 5 Year Treasury plus 3.00% and be adjustable every five years thereafter. Due to the rate decrease the annual payment amount will decrease from \$10,303.03 to \$8,986.24 beginning on February 15, 2026 and continuing semi-annually thereafter. All other loan terms will remain the same. Eff. 10.01.2025 .

Section 2. That the Staff and Officers of the Authority are hereby authorized to amend any and all loan documents as necessary to reflect the aforementioned amendments.

Section 3. That except as amended herein, the Bond and other loan documents are hereby confirmed in all other respects.

Section 4. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall become effective immediately upon adoption.

Passed and approved on this 1st day of October 2025.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

RESOLUTION
AG 19-048M

A Resolution amending an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Agricultural Development Authority, or its successor, the Iowa Finance Authority (the “Authority”), heretofore took action to authorize the issuance of an Agricultural Development Revenue Bond, Project No. AG 19-048 (the “Bond”) pursuant to Resolution B relating thereto (the “Bond Resolution”) for the purpose of financing the acquisition of the Project (as defined in the Bond Resolution) by the Beginning Farmer (as defined in the Bond Resolution); and

WHEREAS, the Beginning Farmer has requested to change the current interest rate and payment on the Bond.

NOW, THEREFORE, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Authority hereby approves lowering the current interest rate on the Bond from 6.152% to 4.81% until August 15, 2035 at which time the rate will adjust to the original index of 80% of the 5 Year Treasury plus 3.00% and be adjustable every five years thereafter. Due to the rate decrease the annual payment amount will decrease from \$12,727.27 to \$11,991.68 beginning on February 15, 2026 and continuing semi-annually thereafter. All other loan terms will remain the same. Eff. 10.01.2025 .

Section 2. That the Staff and Officers of the Authority are hereby authorized to amend any and all loan documents as necessary to reflect the aforementioned amendments.

Section 3. That except as amended herein, the Bond and other loan documents are hereby confirmed in all other respects.

Section 4. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall become effective immediately upon adoption.

Passed and approved on this 1st day of October 2025.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

**RESOLUTION
AG-LP 25-05**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, has established the Iowa Agricultural Development Division (“IADD”) to administer the Loan Participation Program pursuant to Chapter 16

WHEREAS, the Authority administers programs to assist beginning farmers with the purchase of agricultural land, equipment and breeding livestock; and

WHEREAS, the Authority understands that the lack of capital is a major impediment for beginning farmers and desires to assist those farmers with down payment assistance; and

WHEREAS, the IADD has received an application from a lending institution to participate in a loan for the down payment for the purchase of agricultural land by an eligible beginning farmer; and

WHEREAS, the IADD Board has recommended approval of the funding of the Loan Participation set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes the Authority to finalize this transaction with the Borrower, to negotiate and complete the necessary loan documents, and to fund the participation in the Loan as described herein. The Executive Director is authorized to prepare and execute any necessary documents in connection with the participation in the Loan, consistent with the terms of this Resolution.

SECTION 3. The Board authorizes the Executive Director to fund said participation from available funds held under the IADD, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 1st day of October 2025.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

Exhibit A

Loan Participation Program

Project No.	Beginning Farmer	Bank	Purpose	Loan Amt
P0341	Cole DenHoed	Peoples Bank, Lester	To purchase approximately 1.25 acres of agricultural land including a 1,200 Hd Hog Confinement	\$81,218.27
				\$81,218.27

**RESOLUTION
AG-TC 25-08**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, has established the Iowa Agricultural Development Division (“IADD”) to administer the Beginning Farmer Tax Credit Program; and

WHEREAS, the Authority offers tax credits under the Beginning Farmer Tax Credit Program as a means of encouraging the execution of assets transfer agreements with beginning farmers; and

WHEREAS, the Authority has received applications seeking tax credit allocations from the Beginning Farmer Tax Credit Program; and

WHEREAS, the IADD has determined the applications meet the eligibility requirements of Chapter 16; and

WHEREAS, the IADD Board has recommended approval of the tax credit applications set forth on Exhibit A; and

WHEREAS, the Authority desires to authorize the allocation of tax credits set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes allocating tax credits to the asset owners set forth on Exhibit A, attached hereto, against taxes imposed in chapter 422, division II, as provided in section 422.11M, and in chapter 422, division III, as provided in section 422.33, and such other restrictions as may be deemed necessary and appropriate by the Executive Director.

SECTION 3. The Board authorizes the Executive Director to certify said tax credits in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 1st day of October 2025.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

MEMORANDUM

To: Iowa Finance Authority Board of Directors
From: Aaron Smith, Chief Bond Programs Director (515) 452-0461
Date: September 26, 2025
Subject: Selected Consent Agenda Items for the October 2025 IFA Board Meeting

WATER QUALITY

WQ 25-16 – State Revolving Fund Planning and Design Loans

Overview

Iowa Finance Authority (“IFA” or “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources (the “Department”) to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the “SRF Program”).

IFA offers loans through the SRF Program for planning and design expenses associated with clean water and drinking water projects (“Planning and Design Loans” or “P&D Loans”).

Loan Terms

P&D Loans have 0% interest and no payments due for up to 3 years to help communities with the costs during the planning and design phase of their wastewater or drinking water project. They are not assessed initiation or servicing fees.

Loan Approval

Staff recommends approval of SRF Planning & Design Loans totaling **\$300,000** for the project listed in Exhibit WQ 25-16.

With approval, the Board authorizes the Authorized Officer to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate. Further, the Authorized Officer will be authorized to fund said loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Authorized Officer.

Action: Approval of WQ 25-16, SRF Planning and Design Loans, using funds held under the SRF Program, made to the community listed on Exhibit WQ 25-16 hereto in amounts listed on Exhibit WQ 25-16 hereto at 0% interest for a term of not longer than 3 years and subject to any other terms the Director and IFA staff deem necessary.

EXHIBIT WQ 25-16
SRF Planning & Design Loans

Program	Borrower	County	Population	Project Description	Amount
CWSRF	City of Earlham	Madison	1,440	UV Disinfection	\$300,000
TOTAL					\$300,000

WQ 25-17 – State Revolving Fund Construction Loans

Overview

Iowa Finance Authority (“IFA” or “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources (the “Department”) to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the “SRF Program”).

IFA offers low-interest loans through the SRF Program as a means of financing all or part of the construction of certain drinking water or wastewater treatment facilities (“Construction Loans”).

Loan Terms

The terms of each loan, including the not to exceed principal amount, not to exceed interest rate (which interest rate is locked for a period of 90 days despite a quarterly interest rate adjustment but which rate may decrease to the newly adjusted rate if the next adjustment interest rate would cause the rate on the loan to decrease), and maturity date are detailed in the table in [Exhibit WQ 25-17](#). Additionally, any other restrictions deemed necessary and appropriate by the Director, Chief Financial Officer, Chief Operating Officer, or Chief Bond Programs Director of the Authority (each an “Authorized Officer”).

Interest rates are set at the beginning of each quarter – July, October, January, and April – by averaging the daily Bloomberg BVAL Tax Exempt (or Taxable) General Obligation Municipal AAA 20-year yield from the previous month and applying a 25% discount. The interest rate for standard term taxable SRF loans is determined similarly, using the daily Bloomberg BVAL Taxable General Obligation Municipal AAA 20-year yield as the reference rate. As of July 1, 2025, the interest rate for standard term tax-exempt SRF Construction Loans is 3.12%. The interest rate on loans for lead service line replacement projects is 0%. A new interest rate will be calculated on October 1 for loans closing between October 1 and December 31, 2025.

Additionally, SRF Construction Loans are assessed a loan servicing fee equal to 0.25% per annum of the outstanding principal amount of the loan, paid semiannually.

Loan Approval

Staff recommends approval of SRF Construction Loans totaling **\$17,265,000** for the projects listed in [Exhibit WQ 25-17](#), each having met the requirements of the SRF Program and approved by the Department.

Upon approval, the Board authorizes the Authorized Officer to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions, or other papers and perform all other acts as may be deemed

necessary or appropriate. Further, the Authorized Officer is authorized to fund the loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Authorized Officer.

Action: Approval of WQ 25-17, SRF Construction Loans, using funds held under the SRF Program, made to the communities listed on Exhibit WQ 25-17 hereto in amounts, at interest rates, for and terms not to exceed those listed on Exhibit WQ 25-17 hereto and subject to any other terms the Director and IFA staff deem necessary.

EXHIBIT WQ 25-17

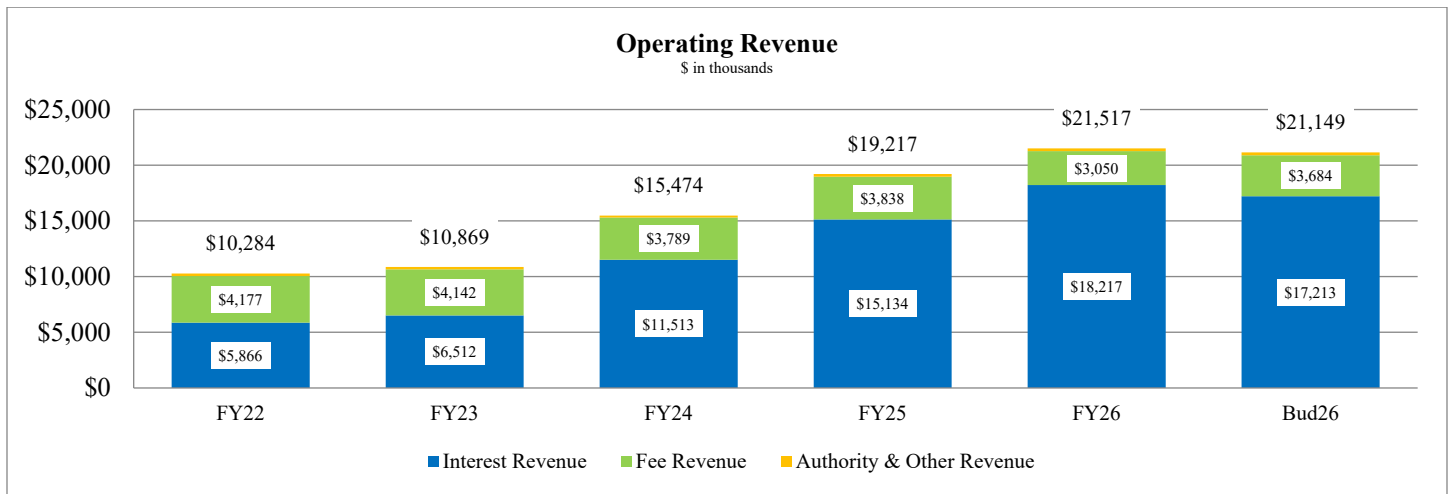
SRF Construction Loans

Program	Borrower	County	Population	Project Description	Amount	Term (yrs)	Rate ¹	Pledge	Tax Status
CWSRF	Duncombe	Webster	381	WWTF Improvements Project	\$800,000	20	3.12%	GO	Tax Exempt
CWSRF	Duncombe	Webster	381	WWTF Improvements Project	\$1,088,000	20	3.12%	Revenue	Tax Exempt
DWSRF	Fort Dodge	Webster	24,912	Water Distribution Infrastructure	\$2,687,000	20	3.12%	Revenue	Tax Exempt
DWSRF	Lake City	Calhoun	1,731	Water Supply Wells	\$1,890,000	20	3.12%	Revenue	Tax Exempt
DWSRF	Urbandale Water Utility	Polk	46,729	CIWW Asset Transfer Buy In	\$10,800,000	20	3.12%	Revenue	Tax Exempt
TOTAL:					\$17,265,000				

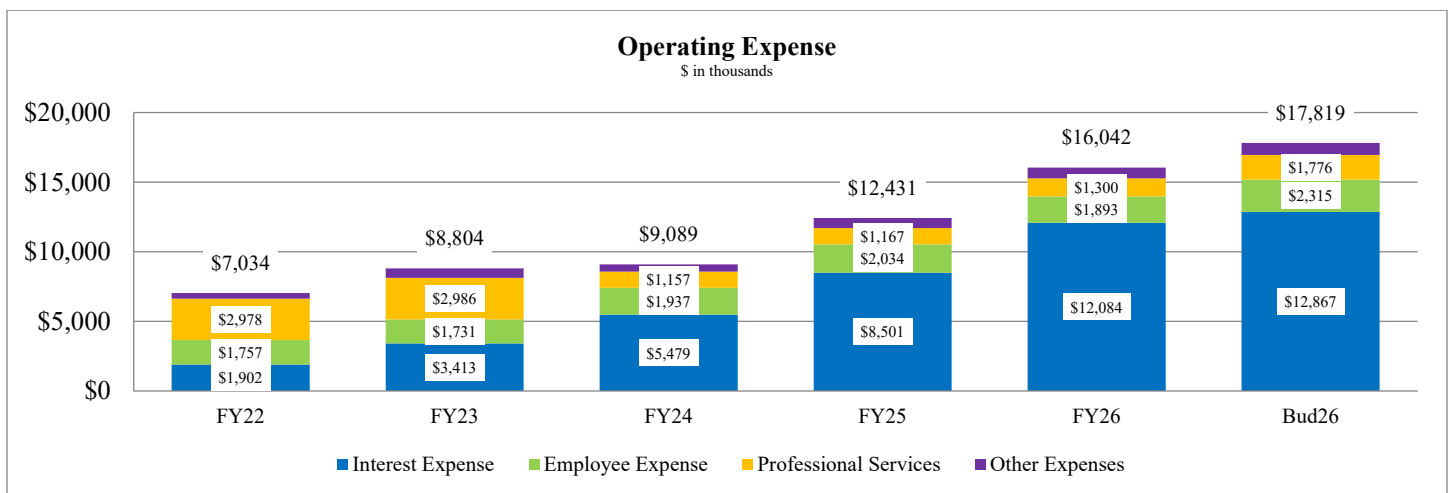
¹ The interest rate for these loans will be locked at the July–September 2025 interest rate for 90 days. If program loan rates decrease when recalculated on October 1, borrowers will receive the lower rate.

To: IFA Board of Directors
 From: David Morrison
 Date: September 18, 2025
 Re: August 2025 YTD Consolidated Financial Results

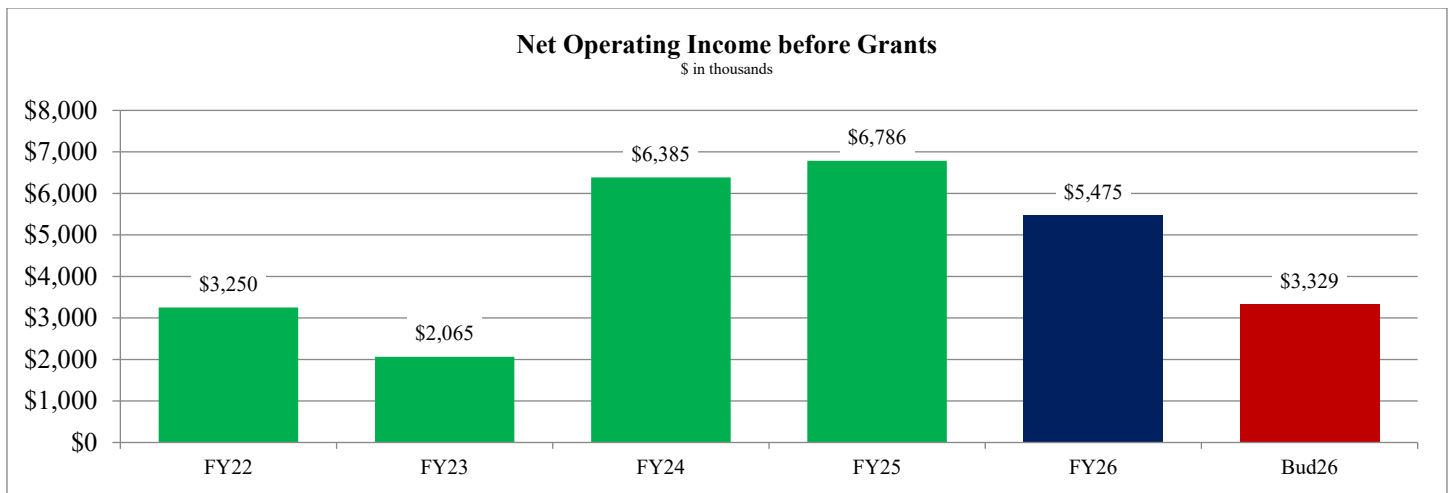
The Housing Authority operated favorably to budget through August of Fiscal Year 2026. Operating Revenues exceed budget due to higher than planned interest rates, however, Operating Expenses are below budget.



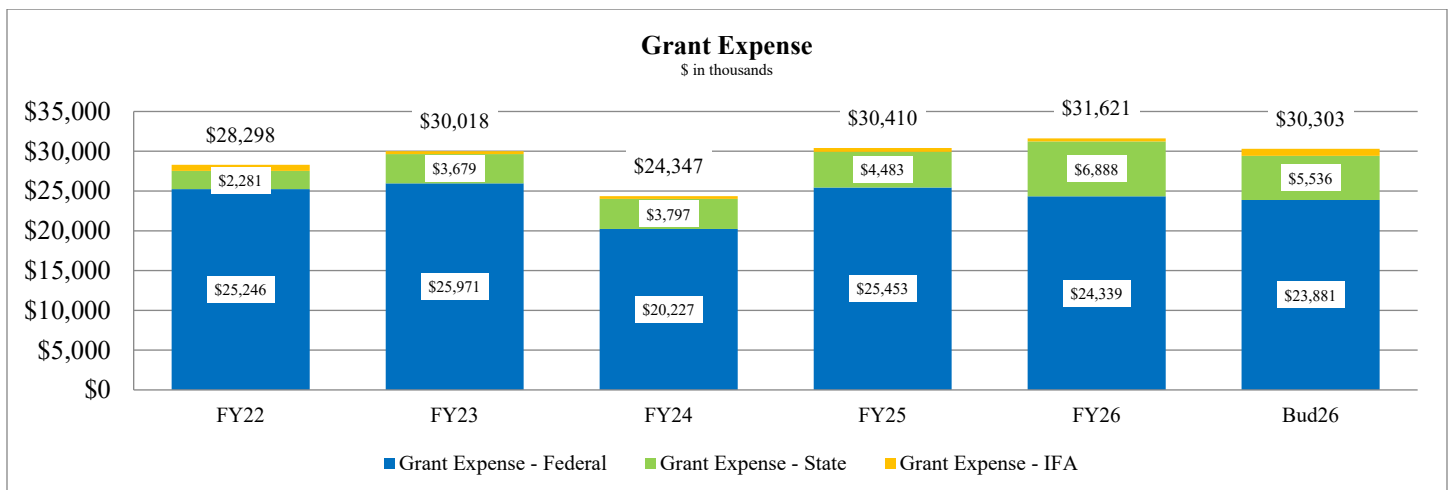
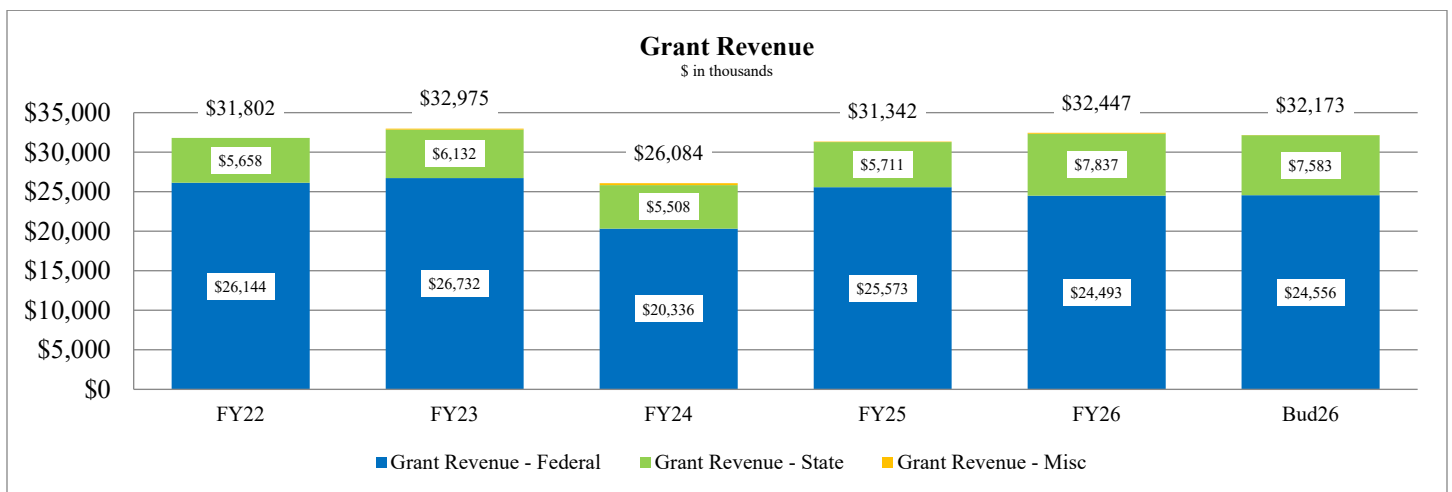
Total Operating Revenue was \$368 or 1.7% favorable to budget and up \$2,300 or 12.0% in comparison to the prior year. Interest Revenue earned from higher than anticipated interest earnings rates and additional cash on hand related to the Emergency Rental Assistance federal programs accounts for most of this favorable variance.



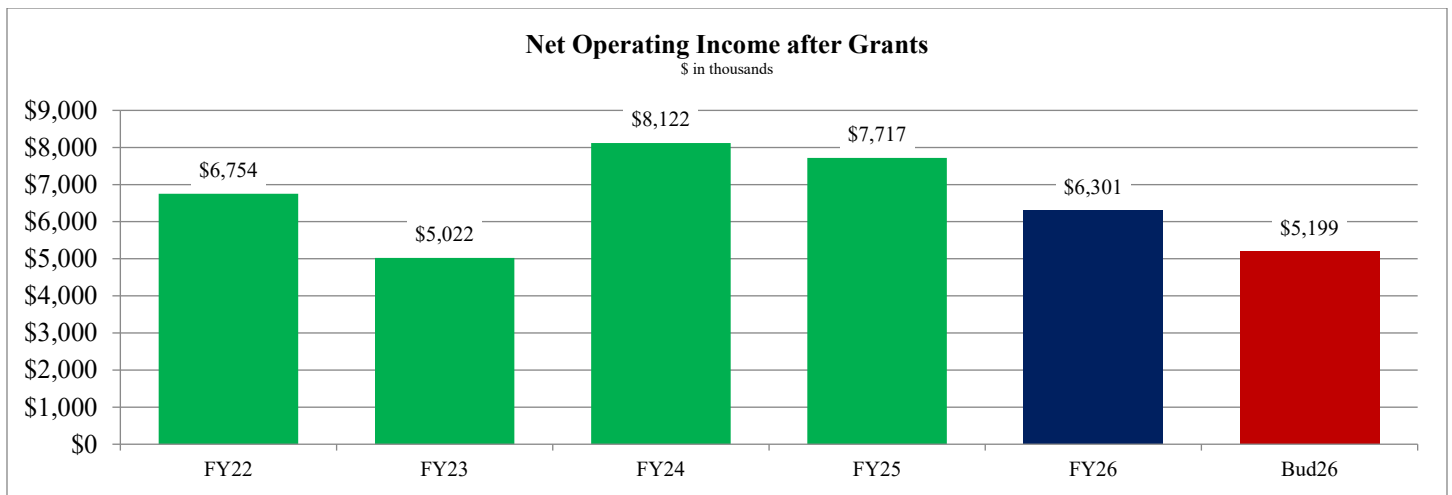
Total Operating Expense was \$1,777 or 10.0% favorable to budget but up in comparison to the prior year by \$3,611 or 29.1%. Interest Expense, Professional Services, and Employee Expense are all favorable to budget.



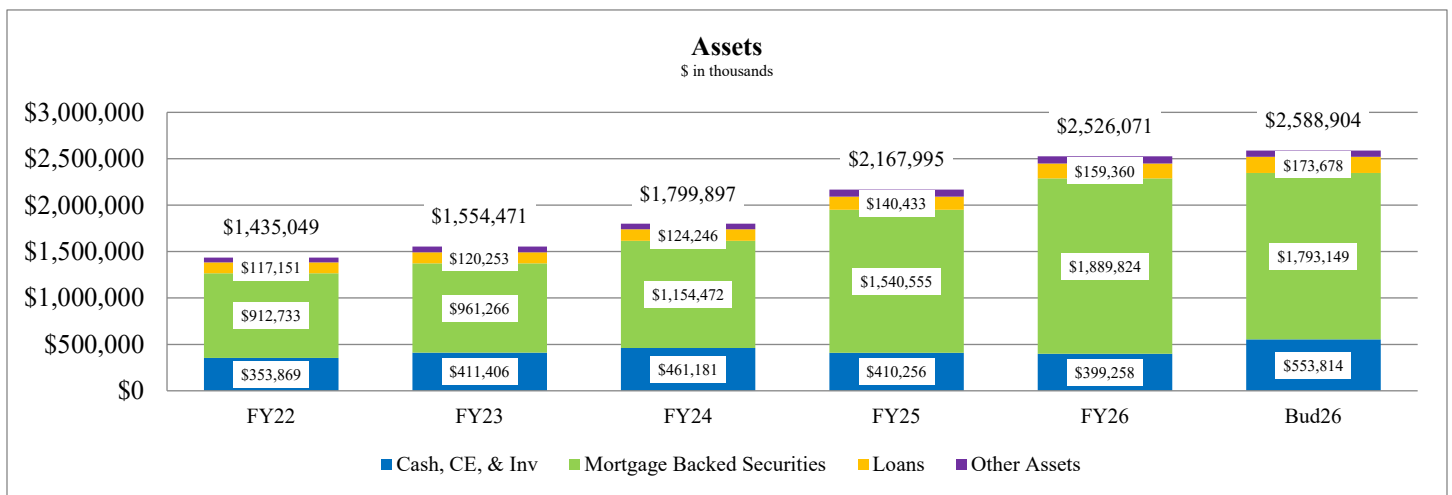
As a result, Net Operating Income before Grants (NOIBG) was \$2,146 favorable to budget and down \$1,311 in comparison to the prior year.



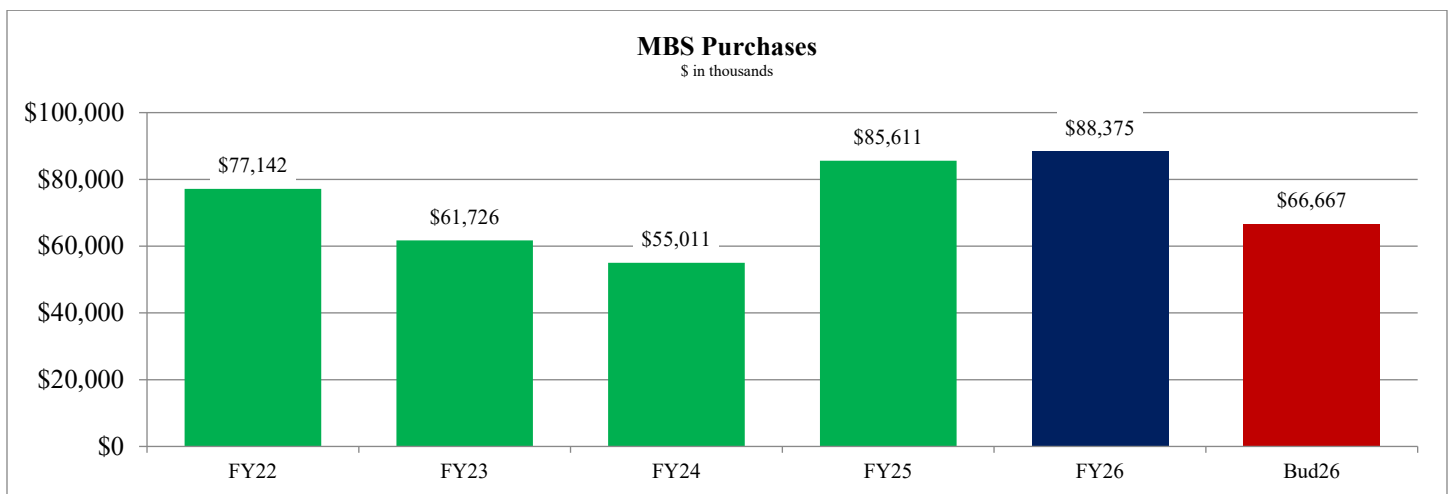
Net Grant Income was \$1,044 unfavorable to budget.



As a result, Net Operating Income after Grants (NOIAG) was \$1,102 favorable to budget and down \$1,416 compared to last year.

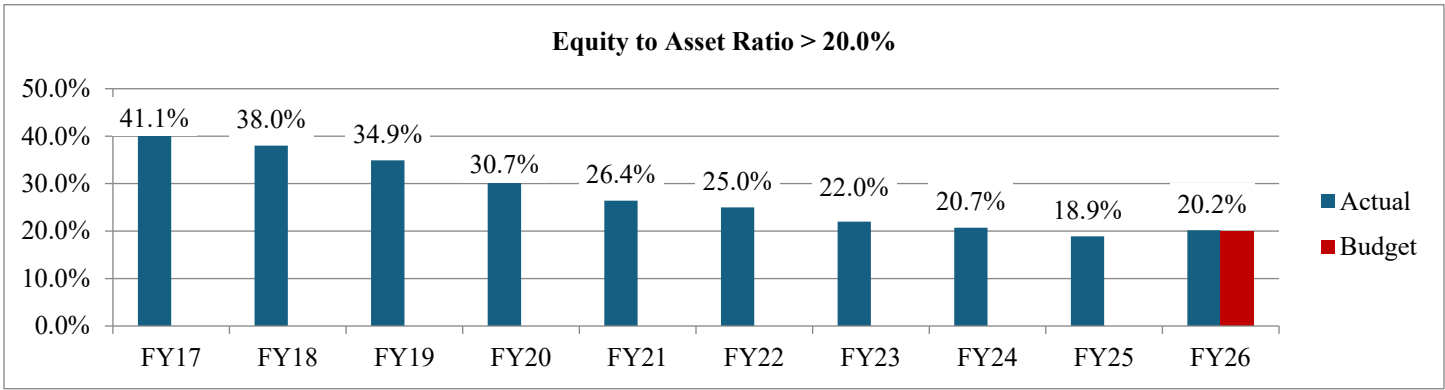


Total Assets have increased \$358,076 compared to the prior year at this time. Primarily due to an increase in the Mortgage-Backed Securities portfolio.

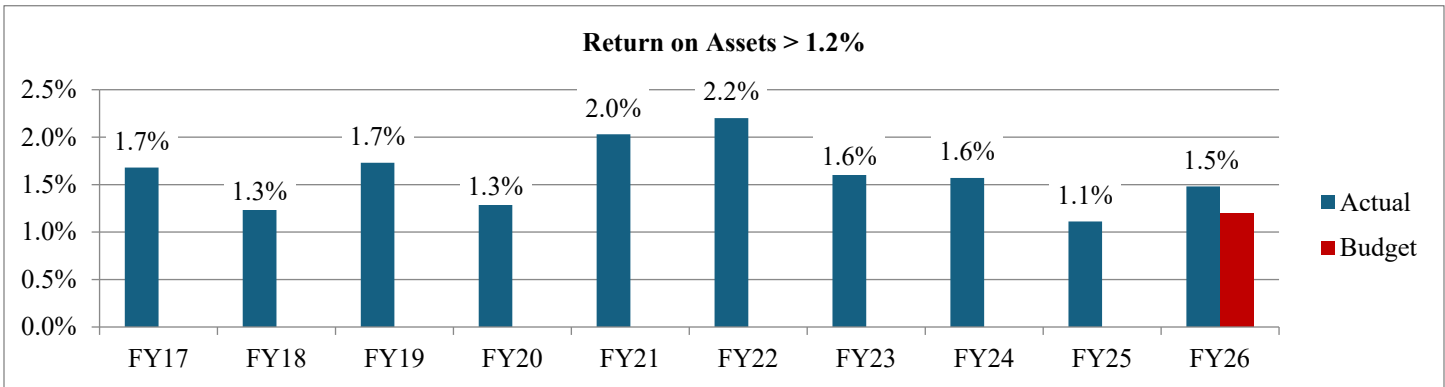


MBS purchases exceed budget by \$21,708.

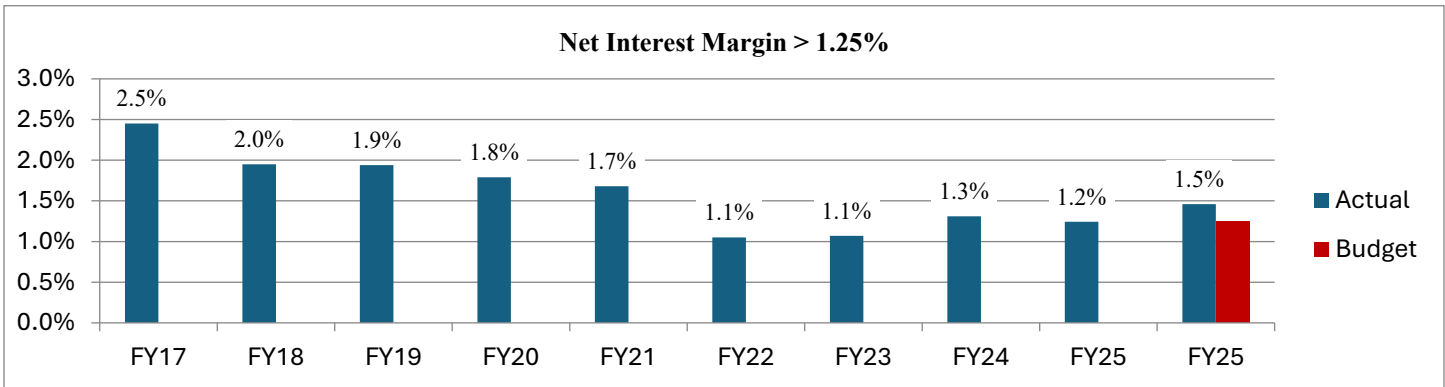
Housing Authority Long-Term Measures



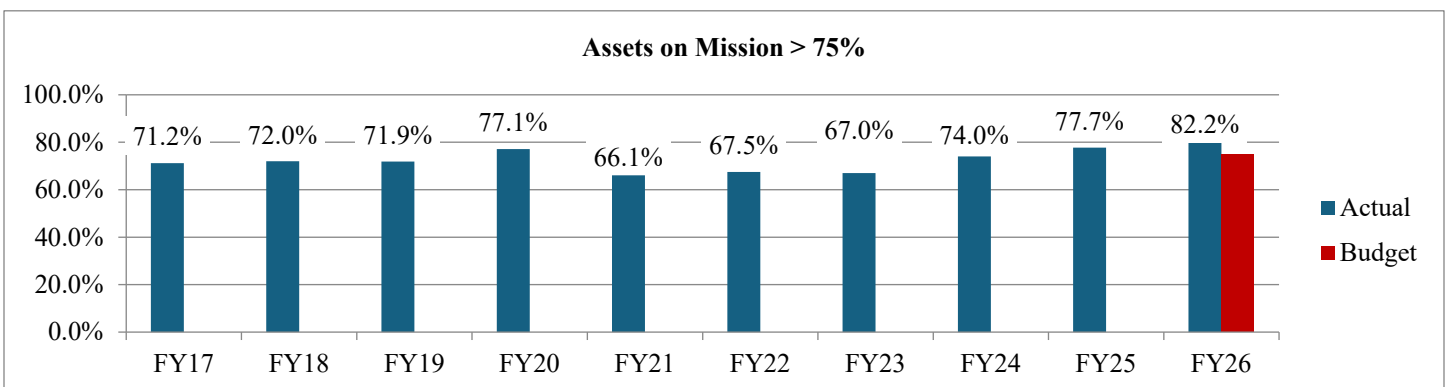
This ratio is an indicator of the Housing Authority's financial strength and ability to increase debt to acquire assets.



This ratio represents the rate of return on the Housing Authority's assets.



This is the rate of interest earned, after interest expense is deducted, on the Housing Authority's cash, cash equivalents, investments, MBS, and loans.



This ratio is the percentage of MBS and Loans (Mission Assets) to the Housing Authority's total assets.

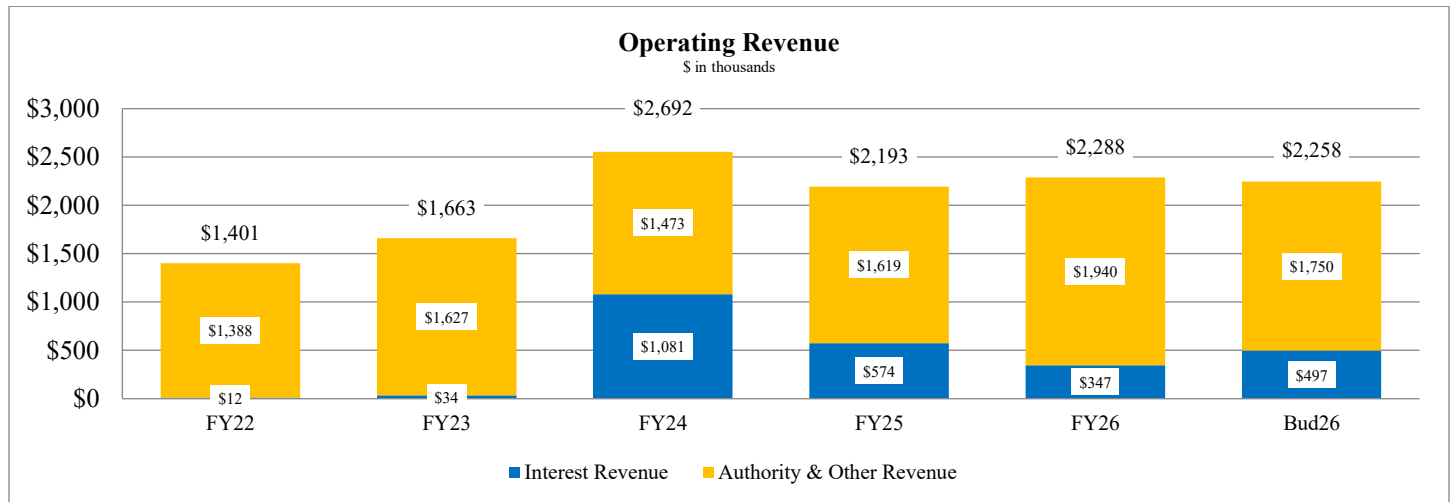
Balance Sheet	Housing Authority (Rollup)						
	Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	399,258,185	553,813,968	(154,555,783)	-27.9	410,256,478	(10,998,294)	-2.7
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	1,862,996,806	1,772,912,415	90,084,390	5.1	1,508,555,228	354,441,578	23.5
Line of Credit	26,827,544	20,236,634	6,590,910	32.6	31,999,927	(5,172,382)	-16.2
Loans - net of reserve for losses	159,359,715	173,678,287	(14,318,572)	-8.2	140,433,389	18,926,326	13.5
Capital Assets (net of accumulated depreciation)	13,488,456	16,465,291	(2,976,834)	-18.1	12,948,470	539,987	4.2
Other Assets	61,026,229	47,943,705	13,082,525	27.3	59,759,169	1,267,060	2.1
Deferred Outflows	3,114,340	3,853,911	(739,571)	-19.2	4,042,337	(927,997)	-23.0
Total Assets and Deferred Outflows	2,526,071,276	2,588,904,211	(62,832,935)	-2.4	2,167,994,998	358,076,278	16.5
Liabilities, Deferred Inflows, and Equity							
Debt	1,972,185,258	2,020,661,265	(48,476,006)	-2.4	1,620,089,992	352,095,266	21.7
Interest Payable	13,999,626	50,901,966	(36,902,340)	-72.5	10,430,067	3,569,559	34.2
Unearned Revenue	43,012,515	56,910,153	(13,897,638)	-24.4	85,454,126	(42,441,611)	-49.7
Escrow Deposits	11,422,198	12,176,677	(754,479)	-6.2	11,335,763	86,435	0.8
Reserves for Claims	2,146,273	2,176,994	(30,721)	-1.4	2,088,440	57,834	2.8
Accounts Payable & Accrued Liabilities	4,373,232	2,907,641	1,465,590	50.4	4,589,906	(216,674)	-4.7
Other Liabilities	3,636,836	7,434,423	(3,797,587)	-51.1	4,982,545	(1,345,709)	-27.0
Deferred Inflows	15,846,401	2,853,066	12,993,334	455.4	20,046,450	(4,200,049)	-21.0
Total Liabilities and Deferred Inflows	2,066,622,338	2,156,022,185	(89,399,847)	-4.1	1,759,017,288	307,605,050	17.5
Equity							
YTD Earnings(Loss)	17,051,856	5,198,840	11,853,017	228.0	49,387,904	(32,336,048)	-65.5
Prior Years Earnings	441,897,082	421,799,250	20,097,831	4.8	366,703,214	75,193,868	20.5
Transfers	500,000	5,883,936	(5,383,936)	-91.5	(7,113,407)	7,613,407	-107.0
Total Equity	459,448,938	432,882,026	26,566,912	6.1	408,977,711	50,471,227	12.3
Total Liabilities, Deferred Inflows, and Equity	2,526,071,276	2,588,904,211	(62,832,935)	-2.4	2,167,994,998	358,076,278	16.5

Income Statement	Housing Authority (Rollup)													
	Aug-2025							Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%	Actuals	Bud26	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	9,110,831	8,610,038	500,793	5.8	7,672,235	1,438,597	18.8	18,216,924	17,213,177	1,003,747	5.8	15,134,210	3,082,714	20.4
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	1,577,138	2,320,210	(743,073)	-32.0	1,400,867	176,270	12.6	3,049,797	3,684,120	(634,323)	-17.2	3,838,448	(788,651)	-20.5
Other Revenue	125,414	125,664	(250)	-0.2	120,894	4,520	3.7	250,214	251,214	(1,000)	-0.4	244,070	6,144	2.5
Total Operating Revenue	10,813,383	11,055,913	(242,530)	-2.2	9,193,996	1,619,387	17.6	21,516,935	21,148,511	368,424	1.7	19,216,728	2,300,207	12.0
Operating Expense														
Interest Expense	6,446,104	6,681,647	(235,544)	-3.5	4,481,428	1,964,676	43.8	12,084,386	12,867,444	(783,058)	-6.1	8,500,883	3,583,503	42.2
Authority Expense	-	-	-	0.0	-	-	0.0	(0)	0	(0)	-266.7	0	(0)	-187.0
Employee Expense	904,078	1,133,252	(229,175)	-20.2	976,086	(72,008)	-7.4	1,892,678	2,314,680	(422,002)	-18.2	2,033,518	(140,840)	-6.9
Shared Expense	219,229	361,528	(142,298)	-39.4	212,623	6,607	3.1	804,994	892,094	(87,100)	-9.8	740,119	64,874	8.8
Marketing Expense	51,478	53,283	(1,805)	-3.4	47,453	4,025	8.5	76,340	108,817	(32,476)	-29.8	82,953	(6,612)	-8.0
Professional Services	745,032	777,380	(32,348)	-4.2	659,657	85,375	12.9	1,300,192	1,775,776	(475,584)	-26.8	1,167,322	132,870	11.4
Claim and Loss Expense	22,247	30,409	(8,162)	-26.8	17,156	5,091	29.7	35,793	59,799	(24,006)	-40.1	33,131	2,662	8.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	(57,394)	(84,202)	26,808	-31.8	(51,768)	(5,626)	10.9	(124,505)	(160,795)	36,290	-22.6	(95,273)	(29,232)	30.7
Overhead Allocation	(12,034)	(20,708)	8,674	-41.9	(15,094)	3,060	-20.3	(27,564)	(38,463)	10,899	-28.3	(31,867)	4,303	-13.5
Total Operating Expense	8,318,740	8,932,590	(613,850)	-6.9	6,327,542	1,991,198	31.5	16,042,314	17,819,352	(1,777,037)	-10.0	12,430,787	3,611,527	29.1
Net Operating Income (Loss) Before Grants	2,494,644	2,123,324	371,320	17.5	2,866,454	(371,811)	-13.0	5,474,621	3,329,159	2,145,462	64.4	6,785,941	(1,311,320)	-19.3
Net Grant (Income) Expense														
Grant Revenue	(18,169,561)	(17,594,635)	(574,926)	3.3	(17,226,267)	(943,294)	5.5	(32,447,325)	(32,172,740)	(274,585)	0.9	(31,341,824)	(1,105,501)	3.5
Grant Expense	16,632,950	14,886,025	1,746,925	11.7	15,573,270	1,059,680	6.8	31,620,738	30,303,060	1,317,678	4.3	30,410,280	1,210,458	4.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	(1,536,611)	(2,708,611)	1,171,999	-43.3	(1,652,997)	116,386	-7.0	(826,587)	(1,869,681)	1,043,094	-55.8	(931,544)	104,957	-11.3
Net Operating Income (Loss) After Grants	4,031,255	4,831,934	(800,679)	-16.6	4,519,451	(488,196)	-10.8	6,301,208	5,198,840	1,102,368	21.2	7,717,485	(1,416,277)	-18.4
Other Non-Operating (Income) Expense	(19,276,054)	-	(19,276,054)	0.0	(16,119,311)	(3,156,743)	19.6	(10,750,648)	-	(10,750,648)	0.0	(41,670,419)	30,919,770	-74.2
Net Income (Loss)	23,307,309	4,831,934	18,475,375	382.4	20,638,762	2,668,546	12.9	17,051,856	5,198,840	11,853,017	228.0	49,387,904	(32,336,048)	-65.5
IFA Home Dept Staff Count	83	90	(7)	-7.8	79	4	5.1	83	90	(7)	-7.8	80	3	3.8
FTE Staff Count	82	102	(20)	-19.6	78	4	4.6	81	102	(21)	-20.2	79	3	3.2

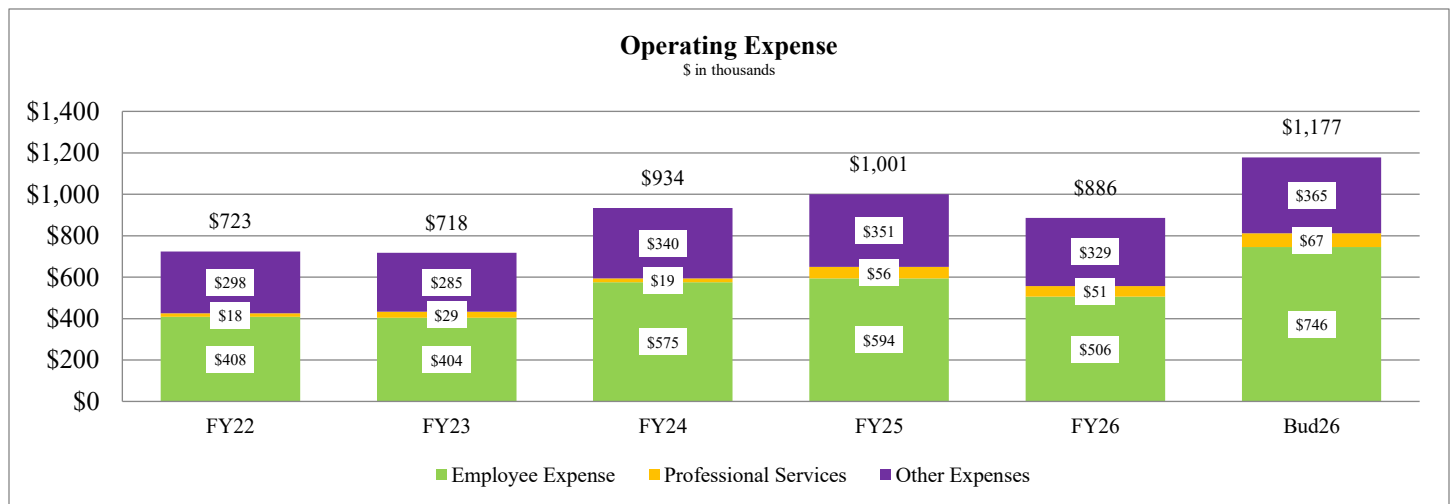
To: IFA Board of Directors
 From: Dan Stout
 Date: Sep 17, 2025
 Re: Aug 2025 YTD Overhead Depts Financial Results

Overhead Departments (\$ in thousands)

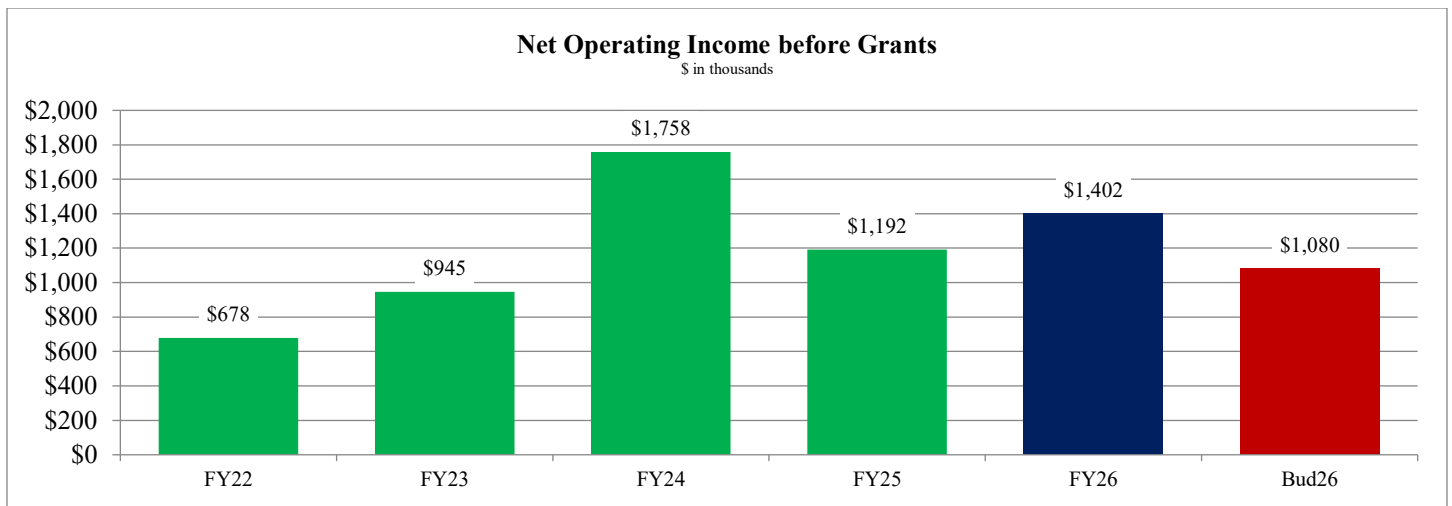
The Overhead Departments operated favorably to budget for the first 2 months of Fiscal Year 2026.



Total Operating Revenue was \$30 or 1.3% favorable to budget and up \$95 or 4.3% compared to last year. Authority & Other Revenue was \$190 or 12.7% favorable to budget and up \$321 or 19.8% compared to last year. Interest Revenue was \$150 or 30.1% unfavorable to budget and down \$227 or 39.5% compared to last year. This decrease from the prior year is due to the interest earned from the IRUAP fund which was closed in September 2023.



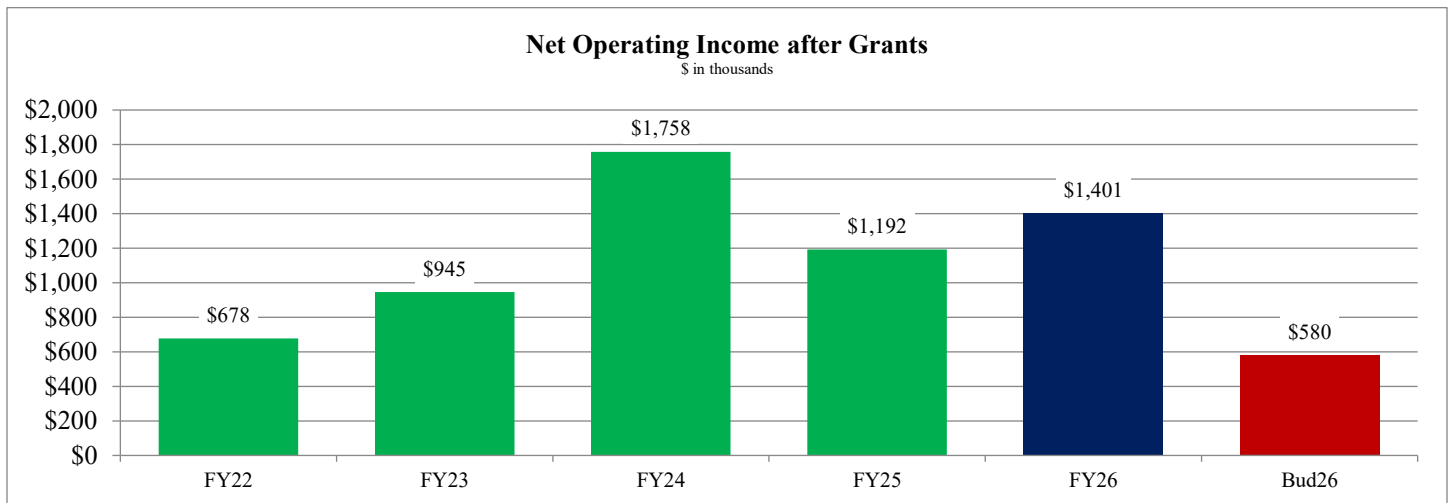
Operating Expense was \$291 or 24.7% favorable to budget and down \$115 or 11.5% compared to last year. Employee Expense was \$240 or 32.1% favorable to budget and down \$88 or 14.8% compared to last year. Professional Services and Other Expenses were comparable to budget and to last year.



As a result, Net Operating Income before Grants (NOIBG) was \$322 or 29.7% favorable to budget and up \$210 or 17.5% compared to last year.

	Commitment Date	Original Commitment	7/31/2025 Balance	Monthly Activity	8/31/2025 Balance	Remaining Commitment
Grants						
Emergency and Innovation Housing Fund	7/1/2024	2,000,000	2,347,211	-	2,347,211	2,347,211
Permanent Supportive HSG Program	4/1/2024	774,674	220,078	-	220,078	220,078
Total Grants		2,774,674	2,567,289	-	2,567,289	2,567,289
Reserve Funds						
Building Maintenance Fund	7/1/2024	1,100,000	1,267,500	-	1,267,500	1,267,500
Total Reserve Funds		1,100,000	1,267,500	-	1,267,500	1,267,500

\$167,500 was transferred to the CE-Building Maintenance Fund in July 2025 for FY26. Also in July, \$1,007 was paid out of the Emergency and Innovation Housing Fund.



As a result, the Net Operating Income after Grants (NOIAG) was \$821 favorable to budget and up \$209 compared to last year.

General Fund Liquidity

IFA will maintain a minimum of three months of budgeted expenses in the form of cash and cash equivalents in the General Fund. For FY26, this is \$3.1MM. The current short-term liquidity for Aug 2025 was 5.4MM.

IFA will maintain a minimum of twelve months of budgeted expenses in the form of cash and cash equivalents, investments, and mortgage-backed securities, plus \$3.5 million in additional liquidity to further reduce liquidity risk and ensure liquidity targets are sufficient to meet potential adverse market changes. For FY26, this is 15.9MM. The current long-term liquidity for Aug 2025 was \$22.8MM.

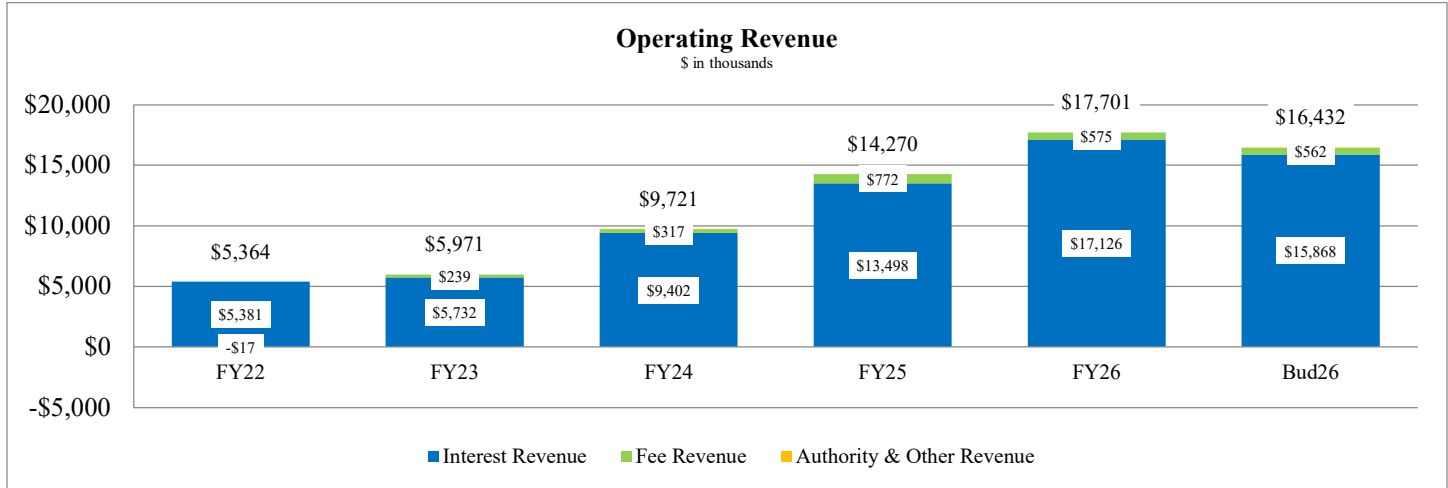
Balance Sheet	Overhead (Rollup)						
	Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	24,954,199	30,425,920	(5,471,722)	-18.0	21,906,587	3,047,612	13.9
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	550,482	520,156	30,327	5.8	630,393	(79,911)	-12.7
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	301,439	301,268	172	0.1	320,548	(19,108)	-6.0
Capital Assets (net of accumulated depreciation)	13,488,456	16,465,291	(2,976,834)	-18.1	12,948,470	539,987	4.2
Other Assets	2,104,879	4,230,265	(2,125,385)	-50.2	2,855,981	(751,101)	-26.3
Deferred Outflows	1,088,981	1,483,760	(394,779)	-26.6	1,483,760	(394,779)	-26.6
Total Assets and Deferred Outflows	42,488,437	53,426,659	(10,938,222)	-20.5	40,145,738	2,342,699	5.8
Liabilities, Deferred Inflows, and Equity							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	292,903	(26,301)	319,204	-1213.6	326,118	(33,215)	-10.2
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	2,127,781	866,236	1,261,545	145.6	2,787,121	(659,340)	-23.7
Other Liabilities	2,758,942	5,950,856	(3,191,914)	-53.6	3,755,246	(996,304)	-26.5
Deferred Inflows	562,147	594,328	(32,181)	-5.4	520,803	41,344	7.9
Total Liabilities and Deferred Inflows	5,741,773	7,385,119	(1,643,346)	-22.3	7,389,288	(1,647,515)	-22.3
Equity							
YTD Earnings(Loss)	1,404,556	580,403	824,154	142.0	1,210,300	194,257	16.1
Prior Years Earnings	34,420,770	38,978,879	(4,558,108)	-11.7	30,985,384	3,435,386	11.1
Transfers	921,338	6,482,259	(5,560,922)	-85.8	560,766	360,572	64.3
Total Equity	36,746,664	46,041,540	(9,294,876)	-20.2	32,756,450	3,990,214	12.2
Total Liabilities, Deferred Inflows, and Equity	42,488,437	53,426,659	(10,938,222)	-20.5	40,145,738	2,342,699	5.8

Income Statement	Overhead (Rollup)													
	Aug-2025							Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%	Actuals	Bud26	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	175,605	246,447	(70,842)	-28.7	283,886	(108,281)	-38.1	347,201	497,042	(149,841)	-30.1	574,240	(227,039)	-39.5
Authority Revenue	-	-	-	0.0	-	-	0.0	1,691,209	1,500,503	190,705	12.7	1,376,134	315,075	22.9
Fee Revenue	-	10,400	(10,400)	-100.0	-	-	0.0	-	10,800	(10,800)	-100.0	240	(240)	-100.0
Other Revenue	125,414	125,414	0	0.0	122,009	3,406	2.8	249,214	249,214	-	0.0	242,466	6,748	2.8
Total Operating Revenue	301,019	382,262	(81,242)	-21.3	405,895	(104,875)	-25.8	2,287,624	2,257,559	30,064	1.3	2,193,080	94,543	4.3
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	249,308	364,522	(115,215)	-31.6	282,550	(33,243)	-11.8	505,996	745,563	(239,568)	-32.1	593,626	(87,630)	-14.8
Shared Expense	202,237	261,564	(59,327)	-22.7	194,439	7,798	4.0	616,558	667,571	(51,013)	-7.6	563,047	53,511	9.5
Marketing Expense	20,753	20,000	753	3.8	6,972	13,782	197.7	17,756	42,500	(24,744)	-58.2	17,471	285	1.6
Professional Services	26,560	33,370	(6,810)	-20.4	25,205	1,355	5.4	50,676	66,820	(16,144)	-24.2	55,628	(4,952)	-8.9
Claim and Loss Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	(61,398)	(84,202)	22,804	-27.1	(51,768)	(9,630)	18.6	(124,465)	(160,795)	36,330	-22.6	(95,273)	(29,192)	30.6
Overhead Allocation	(73,961)	(108,931)	34,970	-32.1	(62,329)	(11,632)	18.7	(180,582)	(184,503)	3,921	-2.1	(133,835)	(46,747)	34.9
Total Operating Expense	363,499	486,324	(122,825)	-25.3	395,069	(31,570)	-8.0	885,939	1,177,156	(291,218)	-24.7	1,000,663	(114,725)	-11.5
Net Operating Income (Loss) Before Grants	(62,479)	(104,062)	41,583	-40.0	10,825	(73,305)	-677.2	1,401,685	1,080,403	321,282	29.7	1,192,417	209,268	17.5
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	1,007	500,000	(498,993)	-99.8	-	1,007	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	1,007	500,000	(498,993)	-99.8	-	1,007	0.0
Net Operating Income (Loss) After Grants	(62,479)	(104,062)	41,583	-40.0	10,825	(73,305)	-677.2	1,400,678	580,403	820,275	141.3	1,192,417	208,261	17.5
Other Non-Operating (Income) Expense	(7,958)	-	(7,958)	0.0	(7,497)	(461)	6.1	(3,879)	-	(3,879)	0.0	(17,883)	14,004	-78.3
Net Income (Loss)	(54,522)	(104,062)	49,540	-47.6	18,322	(72,844)	-397.6	1,404,556	580,403	824,154	142.0	1,210,300	194,257	16.1
IFA Home Dept Staff Count	25	22	3	13.6	23	2	8.7	25	22	3	13.6	24	2	6.4
FTE Staff Count	20	31	(12)	-36.9	19	1	6.0	19	31	(12)	-37.7	18	1	5.7

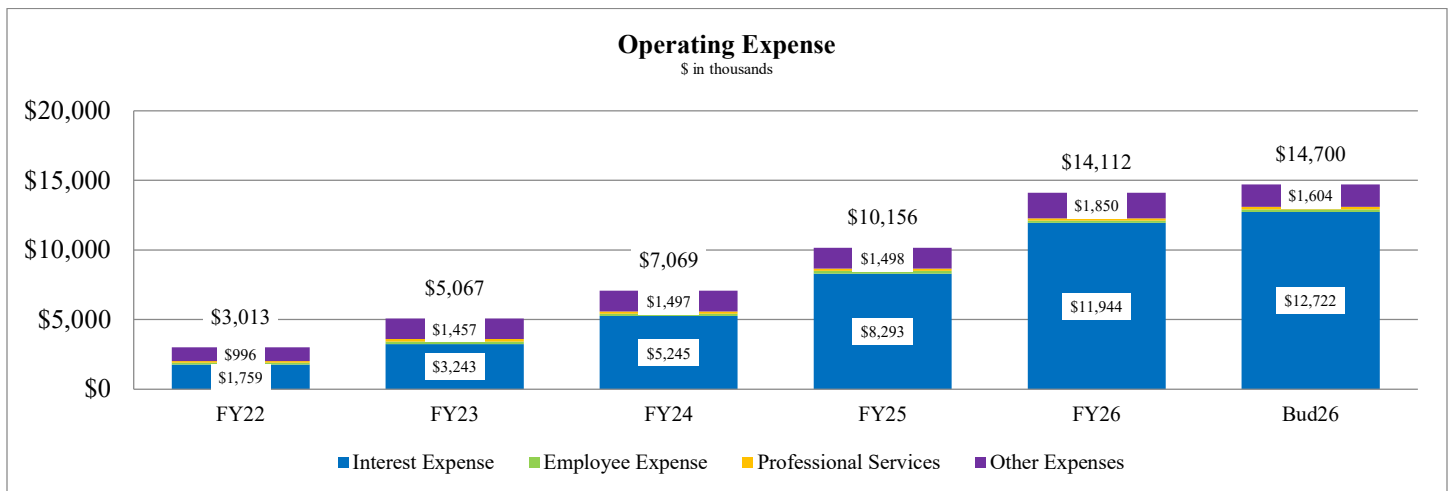
To: IFA Board of Directors
 From: David Morrison
 Date: September 17, 2025
 Re: August 2025 YTD Consolidated Financial Results

Single Family Results (\$ in thousands)

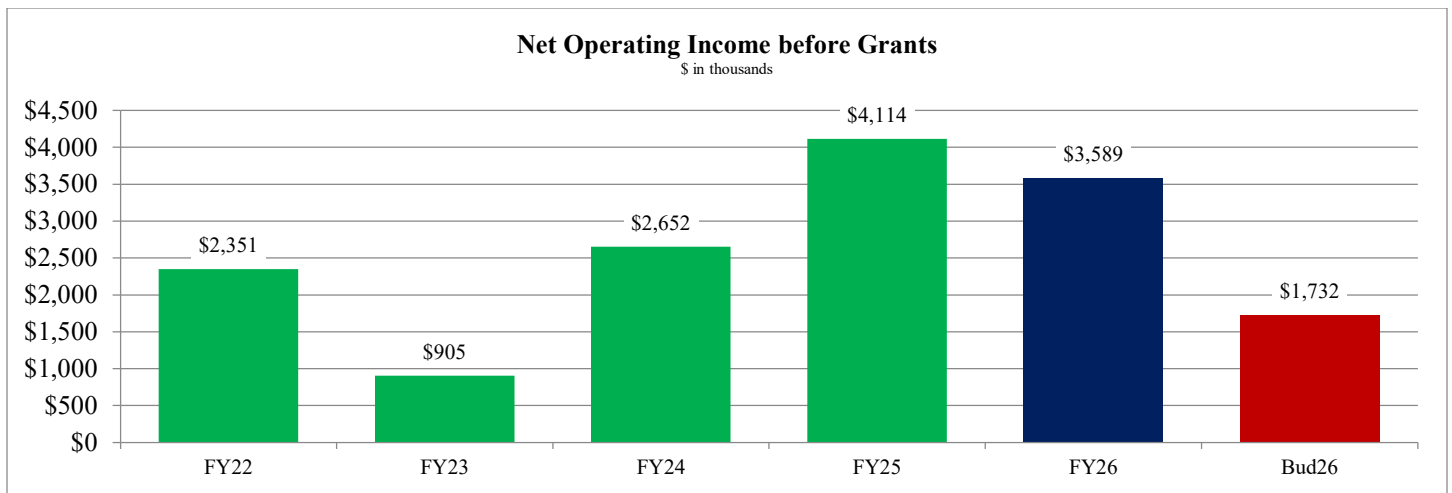
Single Family program operated favorably to budget through August of Fiscal Year 2026.



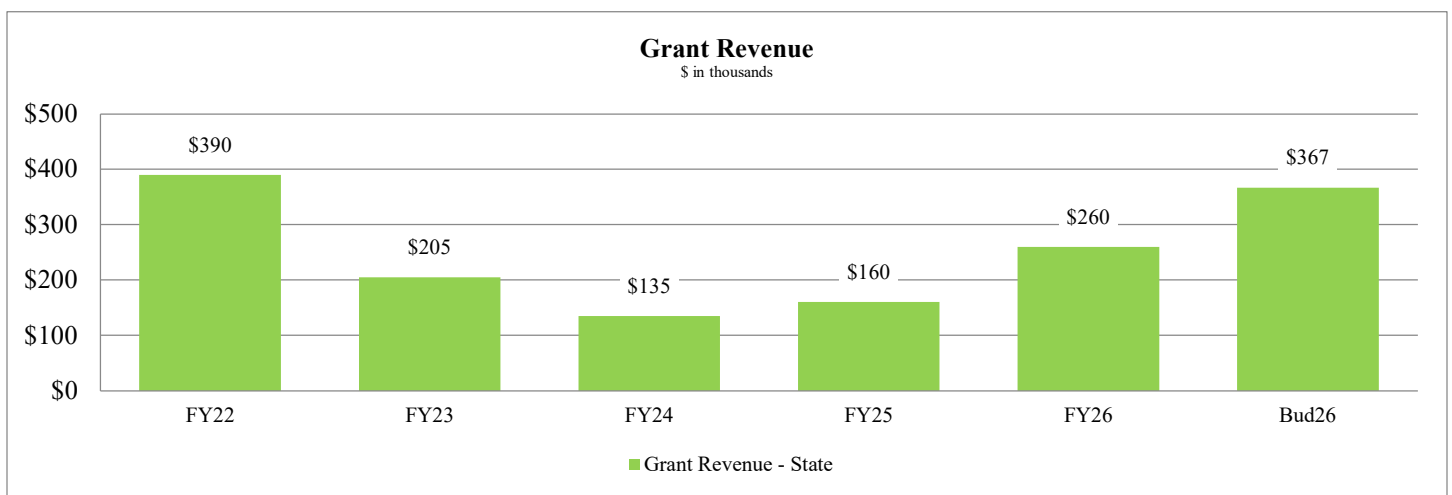
Operating revenue exceeds budget by \$1,269 or 7.7% and \$3,431 or 24.0% above last year. Interest revenue earned from higher mortgage rates and earnings on investments accounts for \$1,258 of this favorable variance. Fee revenue was \$13 above budget due mainly to higher Loan Servicing and Risk Based Pricing fees from Fannie Mae and Freddie Mac.



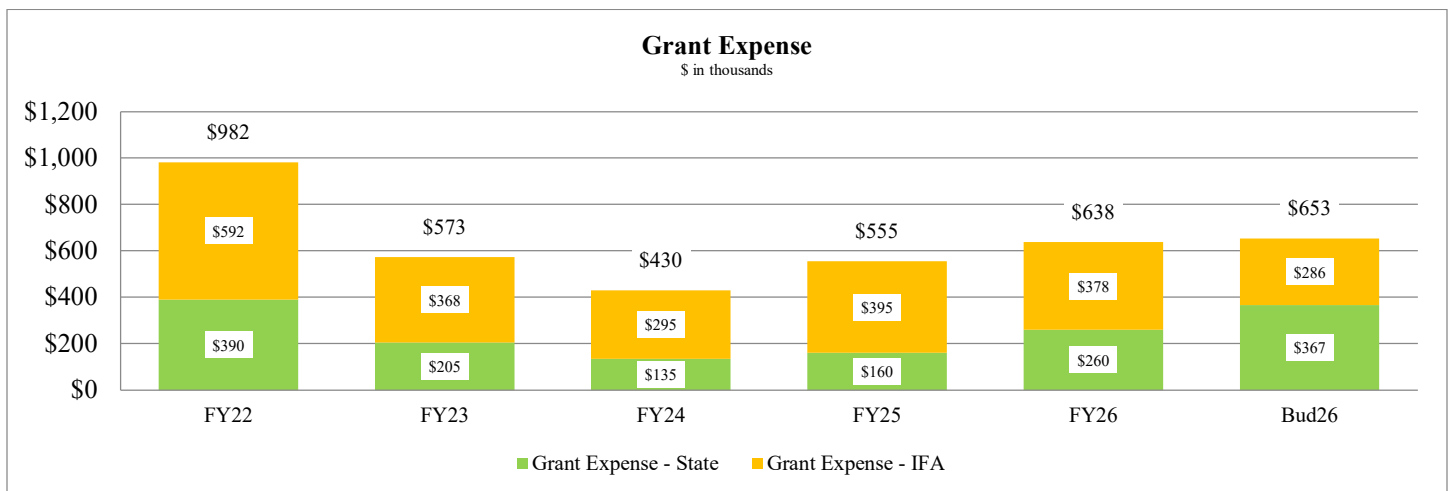
Operating expenses were favorable to budget by \$588 or 4.0% and were \$3,956 or 39.0% above last year. Interest expense accounts for \$778 of the favorable variance, partially offset by higher Authority fees being above budget by \$191.



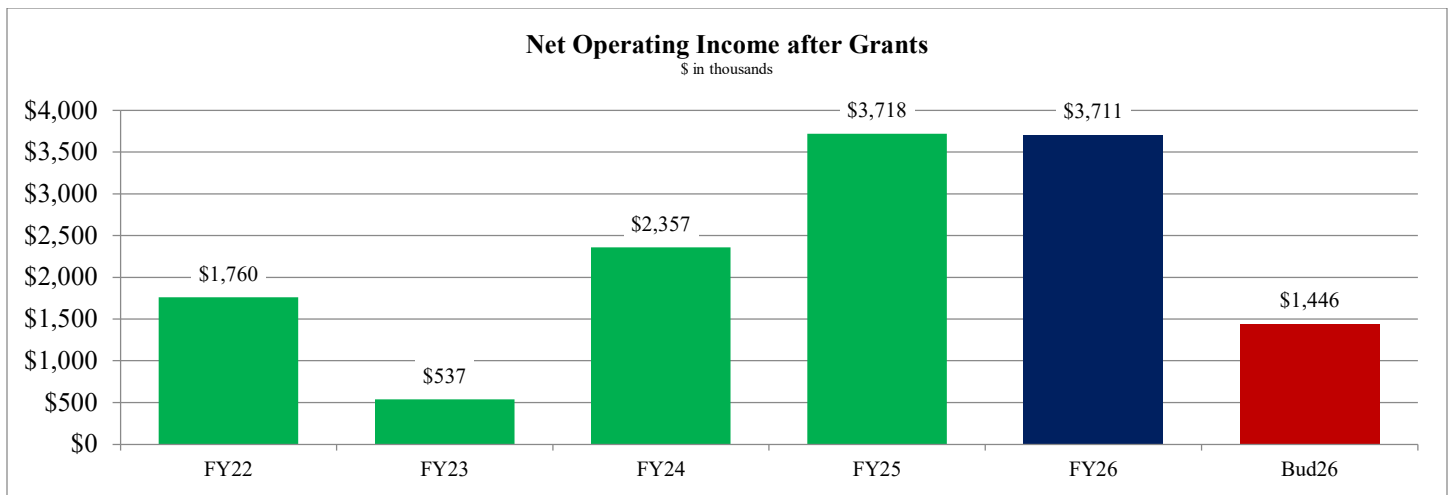
As a result, NOIBG was \$1,857 favorable to budget and \$525 behind last year.



Grant Revenue was \$107 or 29.1% below budget but \$100 or 62.5% above the prior year. Grant Revenue is solely made up of military DPA.



Grant expense was \$15 or 2.3% unfavorable to budget and \$83 above last year. Grant Expense – State is made up of military DPA grants. Grant Expense – IFA is made up of DPA amortization.

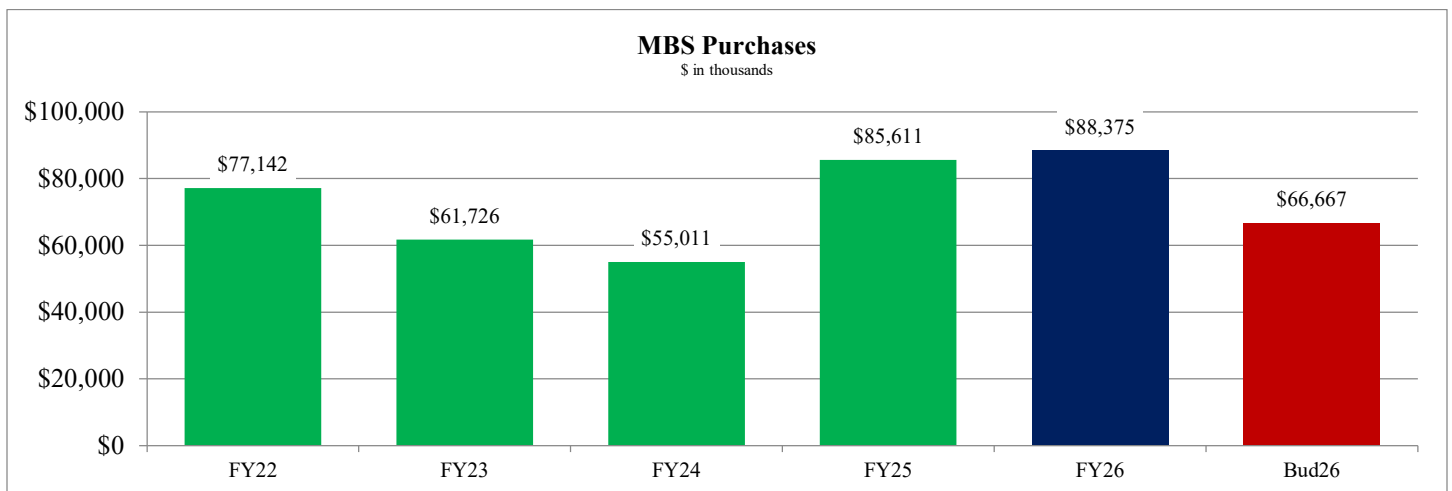


As a result, NOIAG was \$2,265 favorable to budget.

MBS YTD Activity (\$ in thousands)

Series	Purchased	Sold	Net	DPA Grant	Funds Available
RHF Security (034)	-	-	-	-	12,065
RHF Program (053)	-	-	-	90	4,200
Retired MBS (058)	-	-	-	-	7,879
2015 ABC - 2024 AB (059 thru 082)	202	-	202	5	97,292
2024 CD (083)	-	-	-	-	5,423
2024 EF (084)	-	-	-	-	3,066
2024 GH (085)	-	-	-	-	2,426
2025 AB (086) *	333	-	333	3	1,862
2025 CD (087) *	61,048	-	61,048	30	14,182
SF Warehouse Acct (054)	26,792	(2,116)	24,676	-	42,598
Total Single Family	88,375	(2,116)	86,259	128	190,993

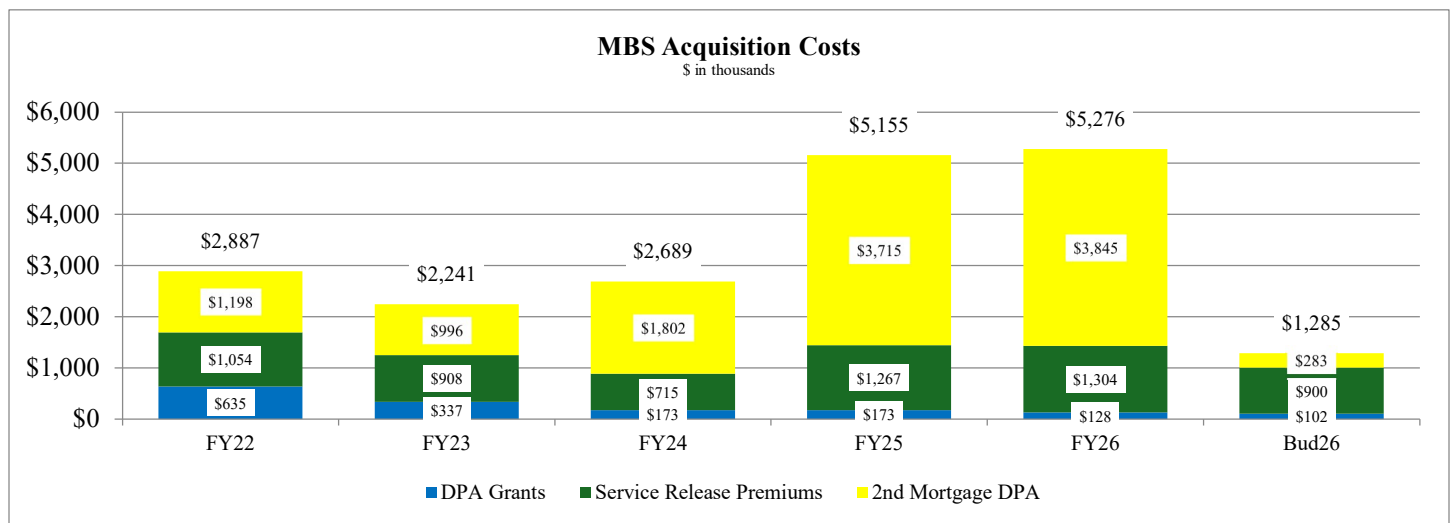
*Bond proceeds available for MBS purchases.



MBS purchases exceed budget by \$21,708.

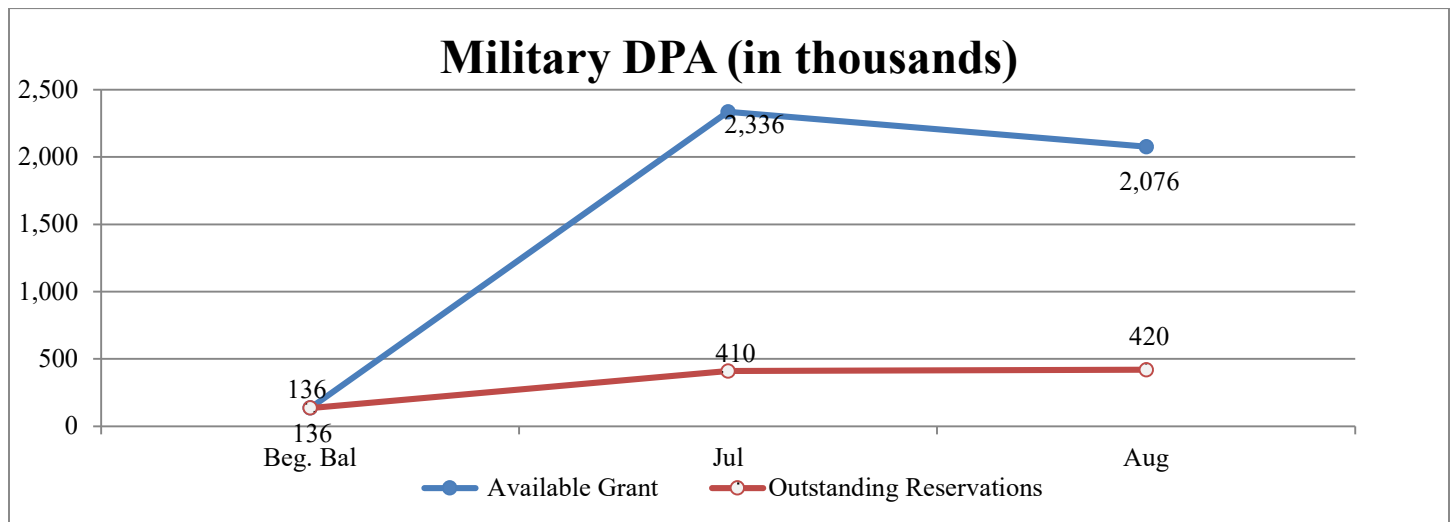
SF Portfolio Analysis (\$ in thousands)

Description	6/30/25 Balance	Additions	Reduction	YTD FY26	
				Balance	Chg
Mortgage Backed Sec - Cost	1,849,369	86,259	(24,410)	1,911,219	3%
Other SF Loans (net of reserve)	378	0	(27)	351	-7%
SF Second Mortgage DPA (net of reserve)	57,511	4,252	(407)	61,356	7%
Warehouse Loans - LOC	34,248	85,345	(92,765)	26,828	-22%
Subtotal	1,941,507	175,857	(117,610)	1,999,754	3%
MBS - FMVA	(61,063)	12,290	-	(48,773)	-20%
Total Portfolio	1,880,444	188,147	(117,610)	1,950,981	4%

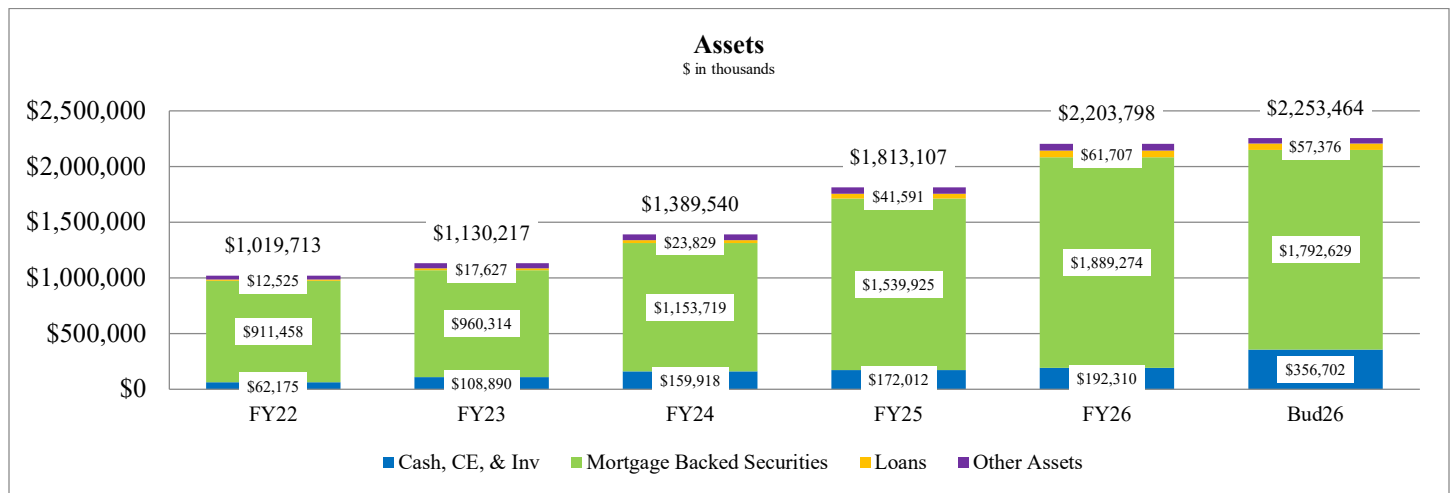


MBS Acquisition Costs exceed budget by \$3,991 due to increased 2nd Mortgage DPA Loan activity and resulting higher than planned Service Release Premiums.

Other Activity



Total disbursements to date \$260, available grants \$2,076 and carry-over reservations of \$136.



Total assets and deferred outflows were 2.2% below budget.

Balance Sheet	Single Family (Rollup)						
	Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	192,309,860	356,702,459	(164,392,599)	-46.1	172,012,142	20,297,718	11.8
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	1,862,446,323	1,772,392,259	90,054,064	5.1	1,507,924,835	354,521,488	23.5
Line of Credit	26,827,544	20,236,634	6,590,910	32.6	31,999,927	(5,172,382)	-16.2
Loans - net of reserve for losses	61,707,111	57,375,634	4,331,477	7.5	41,591,288	20,115,823	48.4
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	58,826,122	44,801,877	14,024,245	31.3	57,434,596	1,391,526	2.4
Deferred Outflows	1,681,244	1,955,478	(274,234)	-14.0	2,143,904	(462,660)	-21.6
Total Assets and Deferred Outflows	2,203,798,205	2,253,464,342	(49,666,137)	-2.2	1,813,106,693	390,691,512	21.5
Liabilities, Deferred Inflows, and Equity							
Debt	1,952,946,211	2,001,422,218	(48,476,006)	-2.4	1,592,849,910	360,096,301	22.6
Interest Payable	13,912,660	50,813,094	(36,900,434)	-72.6	10,317,994	3,594,667	34.8
Unearned Revenue	2,076,339	(293,661)	2,370,000	-807.1	2,176,113	(99,774)	-4.6
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	(182,017)	102,063	(284,080)	-278.3	(296,086)	114,069	-38.5
Other Liabilities	8	182,780	(182,772)	-100.0	182,780	(182,772)	-100.0
Deferred Inflows	15,083,075	2,072,492	13,010,583	627.8	19,362,518	(4,279,443)	-22.1
Total Liabilities and Deferred Inflows	1,983,836,277	2,054,298,986	(70,462,709)	-3.4	1,624,593,230	359,243,048	22.1
Equity							
YTD Earnings(Loss)	14,457,704	1,445,891	13,011,813	899.9	45,371,030	(30,913,327)	-68.1
Prior Years Earnings	204,620,080	197,377,348	7,242,732	3.7	150,152,339	54,467,741	36.3
Transfers	884,144	342,116	542,028	158.4	(7,009,906)	7,894,050	-112.6
Total Equity	219,961,928	199,165,356	20,796,572	10.4	188,513,463	31,448,464	16.7
Total Liabilities, Deferred Inflows, and Equity	2,203,798,205	2,253,464,342	(49,666,137)	-2.2	1,813,106,693	390,691,512	21.5

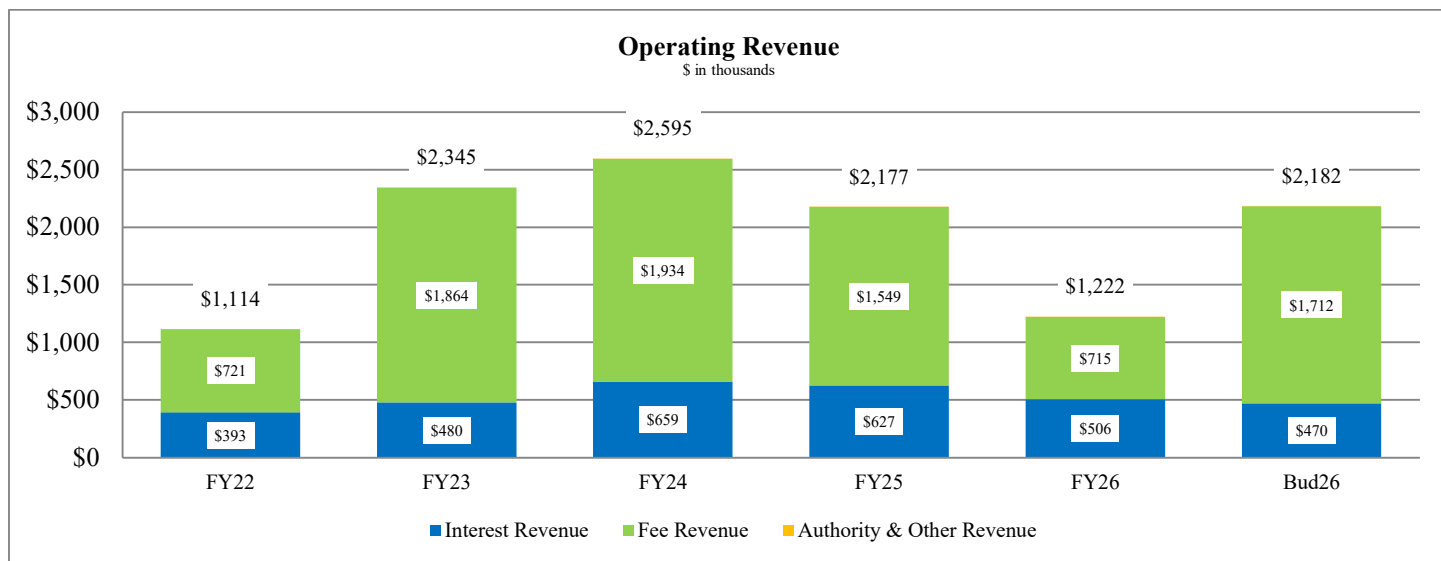
Income Statement	Single Family (Rollup)													
	Aug-2025							Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%	Actuals	Bud26	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	8,639,106	7,939,071	700,035	8.8	6,852,288	1,786,818	26.1	17,125,935	15,868,255	1,257,680	7.9	13,497,829	3,628,106	26.9
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	304,795	281,066	23,728	8.4	322,479	(17,685)	-5.5	574,815	562,133	12,682	2.3	771,747	(196,932)	-25.5
Other Revenue	-	-	-	0.0	-	-	0.0	-	1,500	(1,500)	-100.0	-	-	0.0
Total Operating Revenue	8,943,900	8,220,138	723,763	8.8	7,174,767	1,769,133	24.7	17,700,750	16,431,888	1,268,862	7.7	14,269,576	3,431,175	24.0
Operating Expense														
Interest Expense	6,393,414	6,609,186	(215,772)	-3.3	4,376,307	2,017,107	46.1	11,944,278	12,721,819	(777,541)	-6.1	8,292,752	3,651,526	44.0
Authority Expense	-	-	-	0.0	-	-	0.0	1,653,271	1,462,651	190,620	13.0	1,321,908	331,363	25.1
Employee Expense	81,464	95,044	(13,579)	-14.3	83,193	(1,729)	-2.1	168,797	194,396	(25,599)	-13.2	201,195	(32,398)	-16.1
Shared Expense	3,345	3,404	(59)	-1.7	3,381	(36)	-1.1	82,973	67,808	15,165	22.4	78,119	4,854	6.2
Marketing Expense	30,725	30,417	308	1.0	39,732	(9,007)	-22.7	55,725	60,833	(5,108)	-8.4	64,732	(9,007)	-13.9
Professional Services	97,297	38,173	59,124	154.9	91,510	5,786	6.3	149,022	179,748	(30,727)	-17.1	163,865	(14,844)	-9.1
Claim and Loss Expense	27,245	-	27,245	0.0	5,000	22,245	444.9	43,745	-	43,745	0.0	24,250	19,495	80.4
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	5,593	8,217	(2,623)	-31.9	4,207	1,386	32.9	14,400	12,679	1,720	13.6	9,055	5,345	59.0
Total Operating Expense	6,639,083	6,784,440	(145,357)	-2.1	4,603,330	2,035,752	44.2	14,112,209	14,699,934	(587,725)	-4.0	10,155,875	3,956,334	39.0
Net Operating Income (Loss) Before Grants	2,304,818	1,435,698	869,120	60.5	2,571,437	(266,619)	-10.4	3,588,541	1,731,954	1,856,588	107.2	4,113,700	(525,159)	-12.8
Net Grant (Income) Expense														
Grant Revenue	(200,000)	(183,333)	(16,667)	9.1	(130,000)	(70,000)	53.8	(260,000)	(366,667)	106,667	-29.1	(160,000)	(100,000)	62.5
Grant Expense	408,878	326,365	82,513	25.3	335,294	73,584	21.9	637,607	652,729	(15,122)	-2.3	555,206	82,402	14.8
Intra-Agency Transfers	(500,000)	-	(500,000)	0.0	-	(500,000)	0.0	(500,000)	-	(500,000)	0.0	-	(500,000)	0.0
Total Net Grant (Income) Expense	(291,122)	143,031	(434,154)	-303.5	205,294	(496,416)	-241.8	(122,393)	286,063	(408,455)	-142.8	395,206	(517,598)	-131.0
Net Operating Income (Loss) After Grants	2,595,940	1,292,667	1,303,273	100.8	2,366,143	229,797	9.7	3,710,934	1,445,891	2,265,043	156.7	3,718,495	(7,561)	-0.2
Other Non-Operating (Income) Expense	(19,268,096)	-	(19,268,096)	0.0	(16,111,814)	(3,156,282)	19.6	(10,746,770)	-	(10,746,770)	0.0	(41,652,536)	30,905,766	-74.2
Net Income (Loss)	21,864,036	1,292,667	20,571,369	1591.4	18,477,957	3,386,079	18.3	14,457,704	1,445,891	13,011,813	899.9	45,371,030	(30,913,327)	-68.1
IFA Home Dept Staff Count	6	7	(1)	-14.3	6	-	0.0	6	7	(1)	-14.3	6	-	0.0
FTE Staff Count	7	8	(1)	-11.4	7	0	2.6	7	8	(1)	-10.8	8	(0)	-2.4

To: IFA Board Members
From: Andy Gjerstad
Date: September 15th, 2025
Re: August 2025 YTD Multi-Family Financial Results

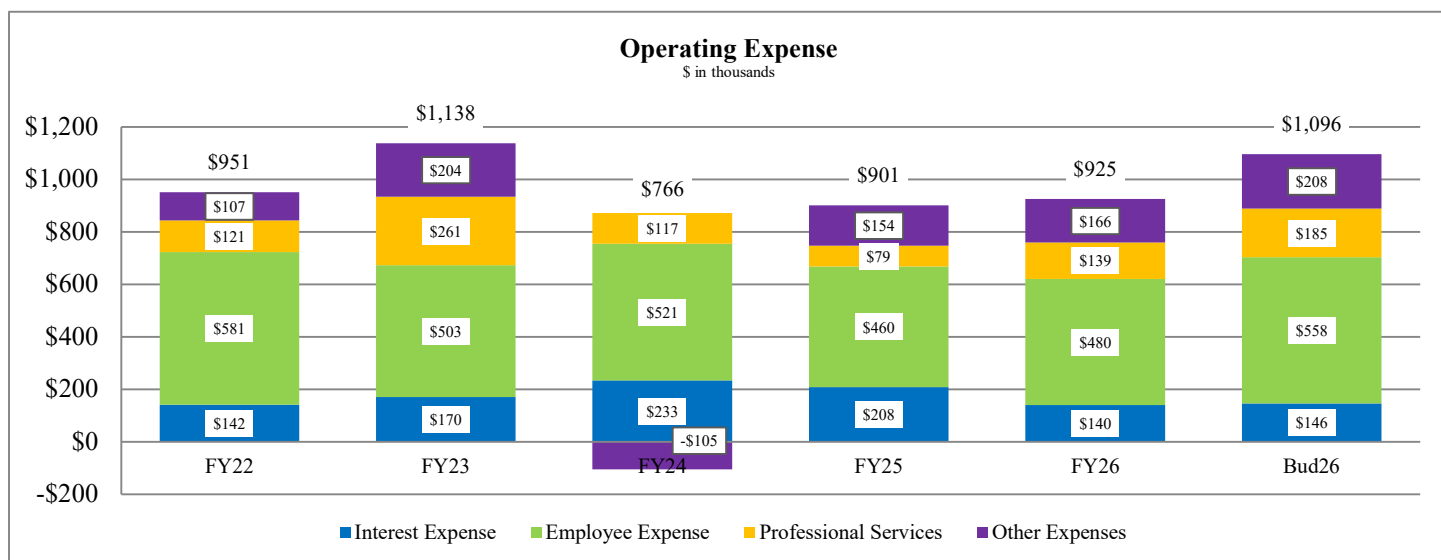


Multi-Family Results (\$ in thousands)

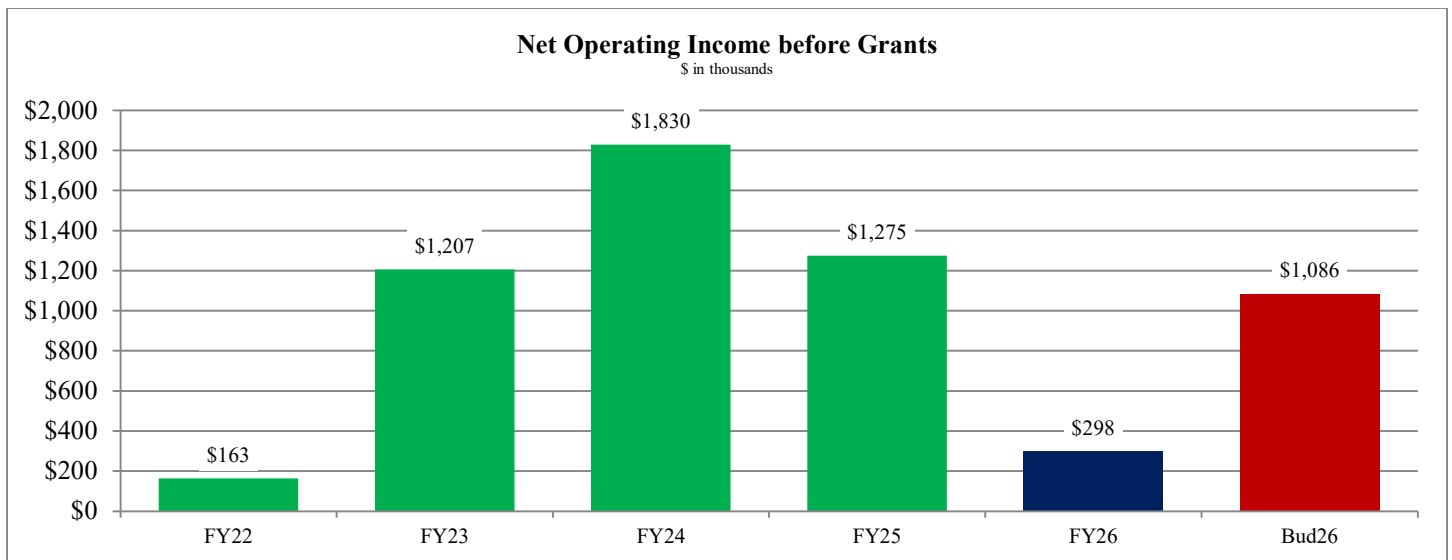
Multi-Family programs operated unfavorably to budget through August 2025.



Operating Revenue was \$960 or 44% unfavorable to budget and \$955 or 43.8% below last year. Interest revenue was \$36 favorable to budget due to the higher interest rate environment. Fee revenue was \$997 unfavorable to budget due to timing of FY26 LIHTC billings.



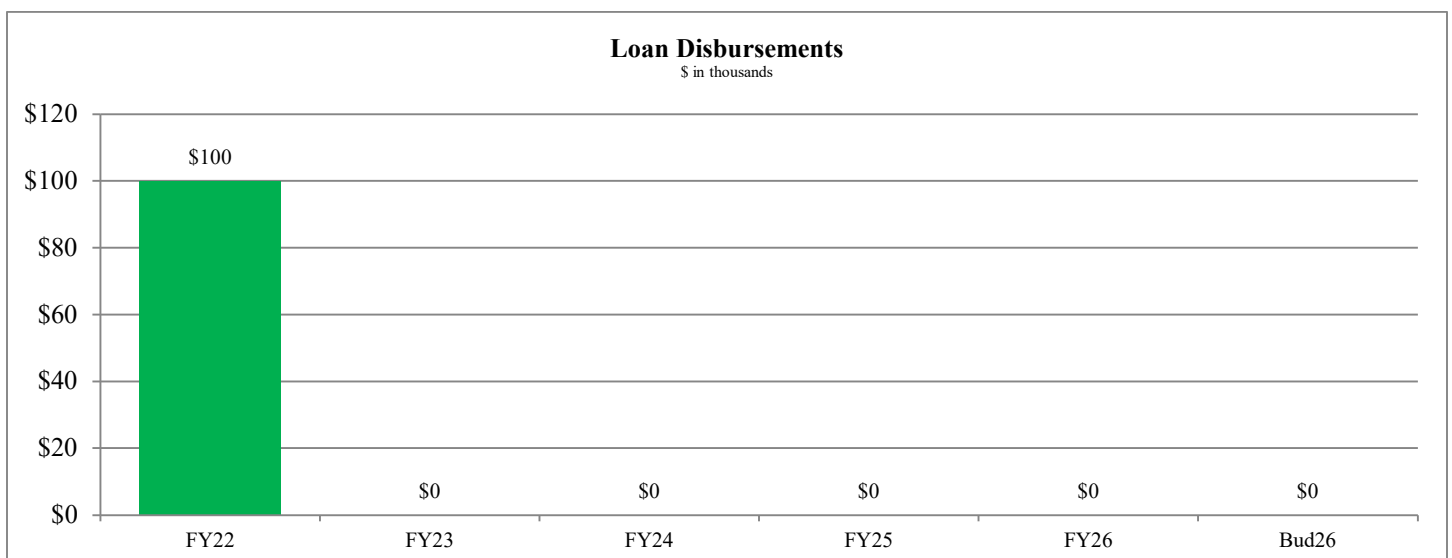
Operating Expense was \$171 or 15.6% favorable to budget but \$24 or 2.6% above last year. Employee expense was \$78 favorable to budget due to open positions in the Section 8 program.



As a result, Net Operating Income before Grants (NOIBG) was \$788 unfavorable to budget and \$977 below last year.

MF Portfolio Analysis (\$ in whole dollars)

	#	6/30/2025	Additions	Transfers	Reductions	End Bal	CHG	#
Multifamily Program Loans	40	25,679,106	0	0	(91,100)	25,588,005	0%	40
Multifamily Loans	3	18,969,307	0	0	(5,540,180)	13,429,127	-29%	2
	43	44,648,412	0	0	(5,631,280)	39,017,132		42
Loan Reserves		(2,708,438)	4,725	0	0	(2,703,713)	0%	
Capitalized Interest Reserves		0	0	0	0	0	0%	
Total Portfolio		41,939,974	4,725	0	(5,631,280)	36,313,419	-13%	



MF Commitments (\$ in whole dollars)

	Commitment Date	Original Commitment	7/31/2025 Balance	Monthly Activity	8/31/2025 Balance	Remaining Commitment
Grants						
ICARE	12/1/2023	475,200	386,371	(7,381)	378,990	378,990
Total Grants		475,200	386,371	(7,381)	378,990	378,990
Construction Loans						
					0	0
Total Construction		0	0	0	0	0
Permanent Loans						
MF-XX-XXX - Hiawatha Arro LLC	7/5/2023	1,995,000	1,995,000	0	1,995,000	1,995,000
MF-XX-XXX - NEX Senior	7/5/2023	1,850,000	1,850,000	0	1,850,000	1,850,000
MF-XX-XXX - Emri Apartments	9/3/2024	1,805,000	1,805,000	0	1,805,000	1,805,000
Total Permanent		5,650,000	5,650,000	0	5,650,000	5,650,000
Totals		6,125,200	6,036,371	(7,381)	6,028,990	6,028,990
xxx = no loan agreement signed						

Balance Sheet	Multi Family (Rollup)						
	Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	43,059,561	32,280,699	10,778,862	33.4	36,619,019	6,440,542	17.6
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	36,313,419	46,221,322	(9,907,903)	-21.4	47,960,949	(11,647,530)	-24.3
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	134,411	151,042	(16,631)	-11.0	207,480	(73,070)	-35.2
Deferred Outflows	-	-	-	0.0	-	-	0.0
Total Assets and Deferred Outflows	79,507,391	78,653,063	854,328	1.1	84,787,449	(5,280,058)	-6.2
Liabilities, Deferred Inflows, and Equity							
Debt	19,239,047	19,239,047	-	0.0	27,240,082	(8,001,035)	-29.4
Interest Payable	86,965	88,872	(1,906)	-2.1	112,073	(25,108)	-22.4
Unearned Revenue	-	17,100	(17,100)	-100.0	-	-	0.0
Escrow Deposits	11,229,938	10,257,621	972,317	9.5	9,811,230	1,418,708	14.5
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	8,256	117,213	(108,957)	-93.0	17,561	(9,306)	-53.0
Other Liabilities	-	-	-	0.0	-	-	0.0
Deferred Inflows	1	601	(600)	-99.8	601	(600)	-99.8
Total Liabilities and Deferred Inflows	30,564,207	29,720,454	843,753	2.8	37,181,548	(6,617,341)	-17.8
Equity							
YTD Earnings(Loss)	278,520	986,197	(707,677)	-71.8	1,195,961	(917,441)	-76.7
Prior Years Earnings	48,626,009	48,862,557	(236,548)	-0.5	47,297,687	1,328,322	2.8
Transfers	38,654	(916,145)	954,799	-104.2	(887,748)	926,402	-104.4
Total Equity	48,943,184	48,932,609	10,574	0.0	47,605,901	1,337,283	2.8
Total Liabilities, Deferred Inflows, and Equity	79,507,391	78,653,063	854,328	1.1	84,787,449	(5,280,058)	-6.2

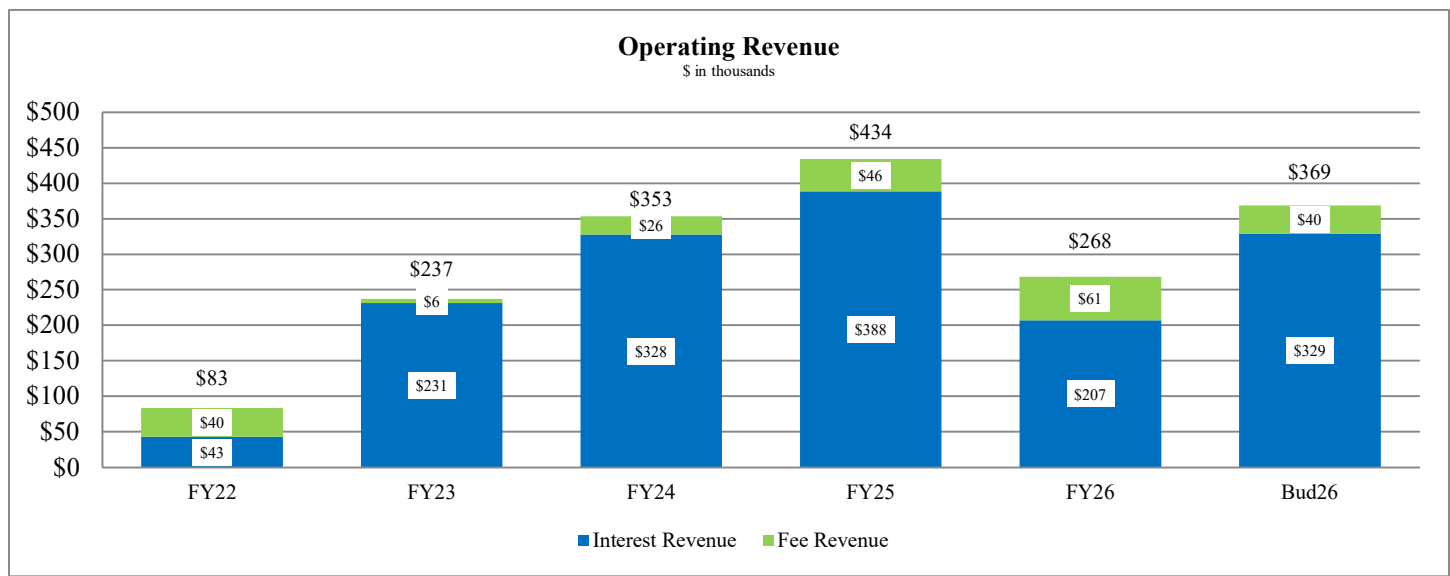
Income Statement	Multi Family (Rollup)													
	Aug-2025							Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%	Actuals	Bud26	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	250,335	234,623	15,712	6.7	317,162	(66,827)	-21.1	506,367	470,405	35,963	7.6	626,559	(120,192)	-19.2
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	322,251	1,292,033	(969,781)	-75.1	291,281	30,971	10.6	715,051	1,711,565	(996,514)	-58.2	1,549,088	(834,038)	-53.8
Other Revenue	-	250	(250)	-100.0	-	-	0.0	1,000	500	500	100.0	1,000	-	0.0
Total Operating Revenue	572,586	1,526,905	(954,319)	-62.5	608,442	(35,856)	-5.9	1,222,418	2,182,470	(960,052)	-44.0	2,176,647	(954,229)	-43.8
Operating Expense														
Interest Expense	52,690	72,462	(19,771)	-27.3	105,122	(52,431)	-49.9	140,109	145,625	(5,517)	-3.8	208,132	(68,023)	-32.7
Authority Expense	-	-	-	0.0	-	-	0.0	37,938	37,852	86	0.2	54,226	(16,288)	-30.0
Employee Expense	214,165	273,004	(58,839)	-21.6	231,695	(17,530)	-7.6	479,962	557,670	(77,709)	-13.9	459,834	20,128	4.4
Shared Expense	634	71,070	(70,436)	-99.1	500	133	26.6	69,756	107,160	(37,404)	-34.9	62,520	7,236	11.6
Marketing Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Professional Services	112,942	54,872	58,070	105.8	39,590	73,352	185.3	139,020	184,943	(45,923)	-24.8	79,124	59,896	75.7
Claim and Loss Expense	(2,102)	-	(2,102)	0.0	(1,000)	(1,102)	110.2	(4,725)	-	(4,725)	0.0	(1,000)	(3,725)	372.5
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	(40)	-	(40)	0.0	-	(40)	0.0	(40)	-	(40)	0.0	-	(40)	0.0
Overhead Allocation	24,670	36,818	(12,148)	-33.0	17,700	6,970	39.4	62,699	63,021	(323)	-0.5	38,506	24,192	62.8
Total Operating Expense	402,959	508,225	(105,267)	-20.7	393,608	9,351	2.4	924,718	1,096,273	(171,555)	-15.6	901,341	23,377	2.6
Net Operating Income (Loss) Before Grants	169,627	1,018,680	(849,053)	-83.3	214,835	(45,207)	-21.0	297,700	1,086,197	(788,497)	-72.6	1,275,306	(977,606)	-76.7
Net Grant (Income) Expense														
Grant Revenue	(6,482,605)	(6,100,000)	(382,605)	6.3	(6,136,070)	(346,535)	5.6	(12,977,793)	(12,200,000)	(777,793)	6.4	(12,389,589)	(588,204)	4.7
Grant Expense	6,489,986	6,175,000	314,986	5.1	6,215,414	274,572	4.4	12,996,973	12,300,000	696,973	5.7	12,468,934	528,040	4.2
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	7,381	75,000	(67,619)	-90.2	79,344	(71,963)	-90.7	19,180	100,000	(80,820)	-80.8	79,344	(60,164)	-75.8
Net Operating Income (Loss) After Grants	162,246	943,680	(781,434)	-82.8	135,491	26,755	19.7	278,520	986,197	(707,677)	-71.8	1,195,961	(917,441)	-76.7
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	162,246	943,680	(781,434)	-82.8	135,491	26,755	19.7	278,520	986,197	(707,677)	-71.8	1,195,961	(917,441)	-76.7
IFA Home Dept Staff Count	24	29	(5)	-15.8	20	4	20.0	24	29	(5)	-15.8	20	4	20.0
FTE Staff Count	21	25	(4)	-15.4	18	4	20.3	21	25	(4)	-15.8	17	4	25.0

To: IFA Board Members
From: Tammi Dillavou
Date: September 17, 2025
Re: August 2025, YTD Financial Results

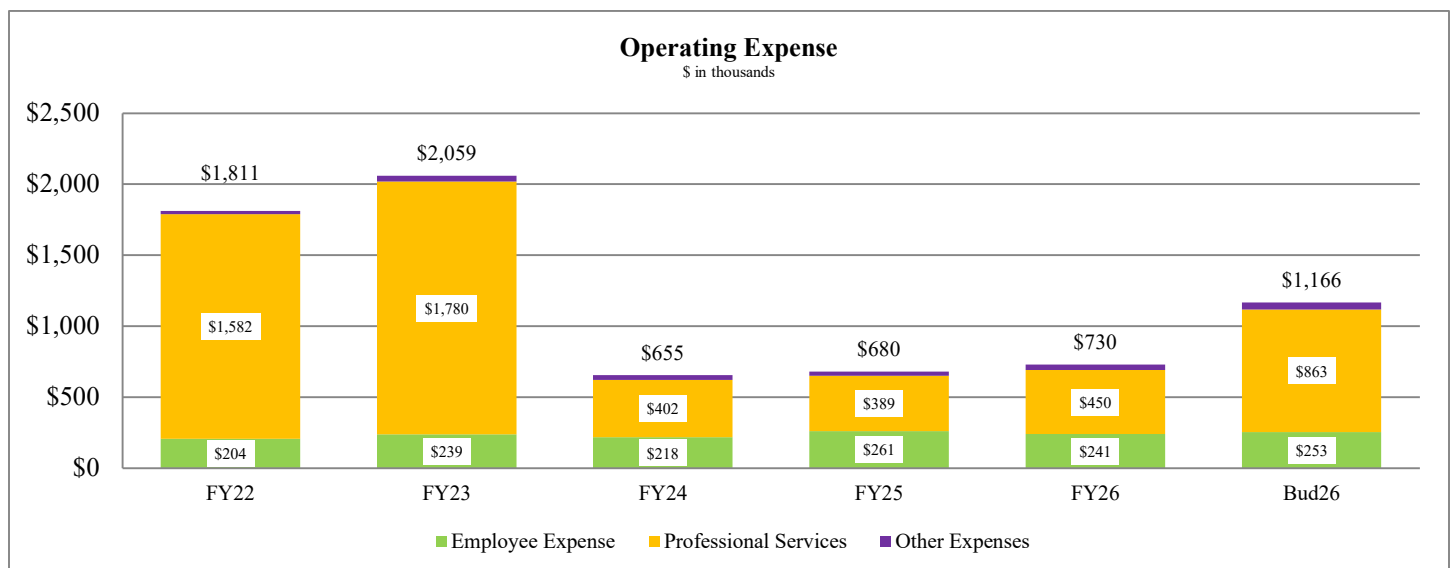


Federal and State Programs (\$ in thousands)

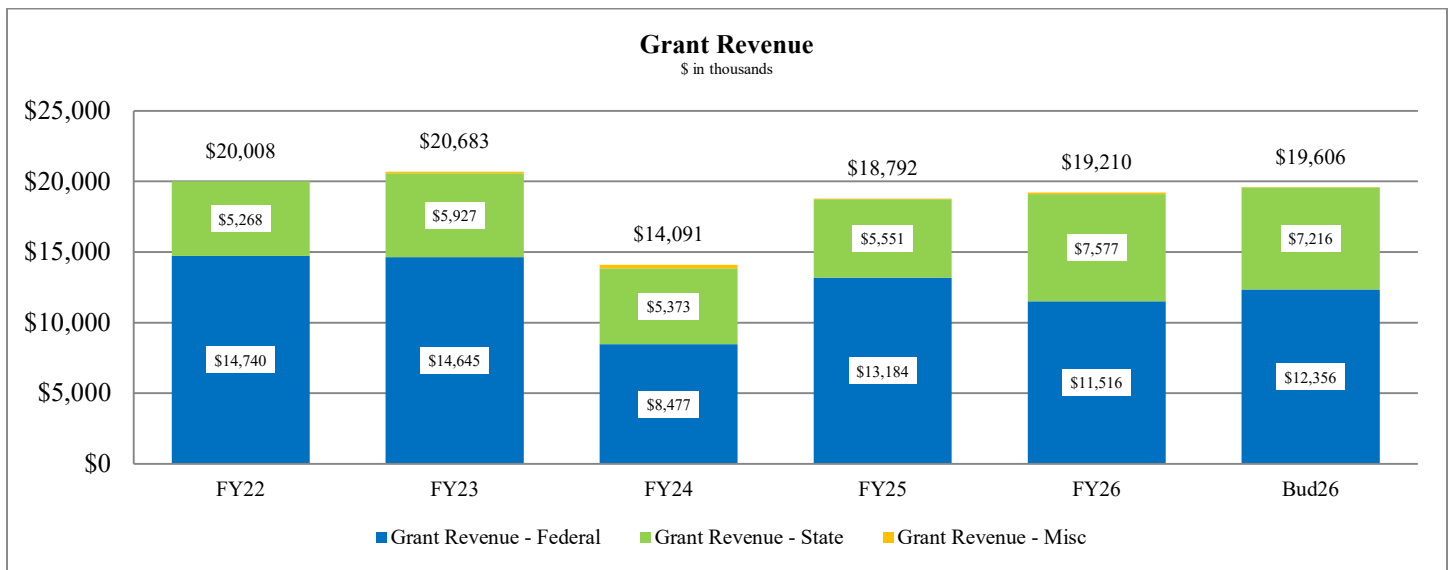
Federal and State programs operated unfavorably to budget in August 2025.



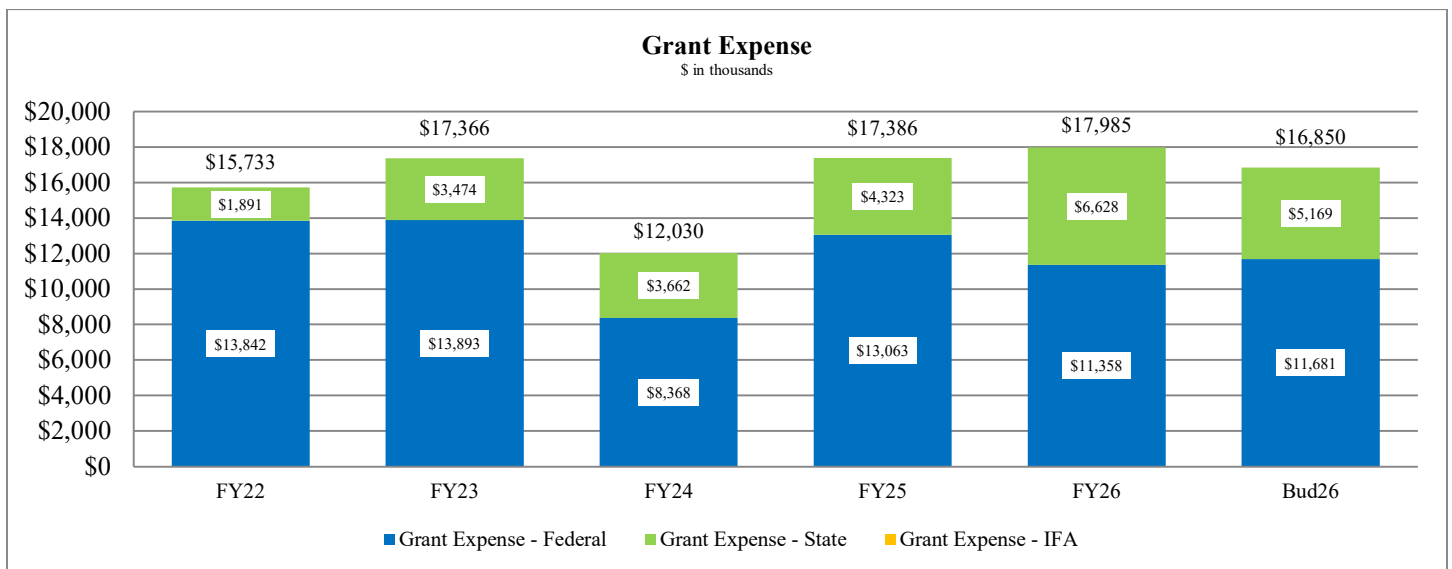
Operating Revenue was \$101 or 27.3% unfavorable to budget and down \$166 or 38.2% compared to last year. Interest Revenue was \$122 unfavorable to budget and down \$181 compared to last year.



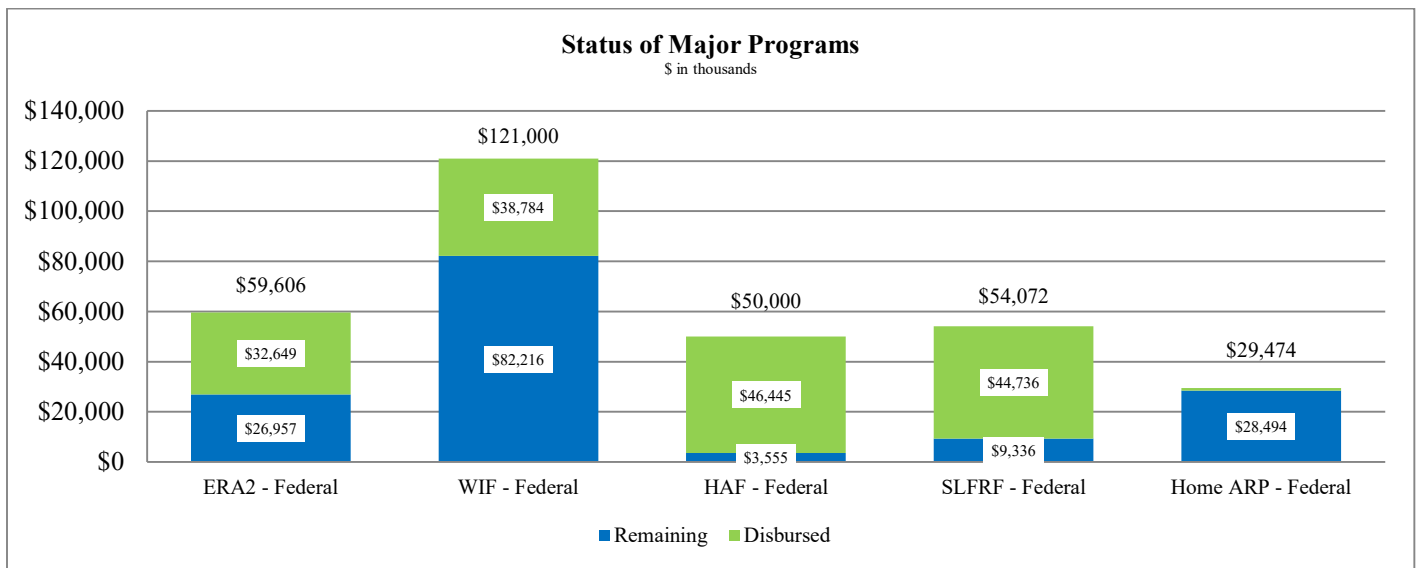
Operating Expense was \$436 or 37.4% favorable to budget, but up \$50 or 7.4% compared to last year.



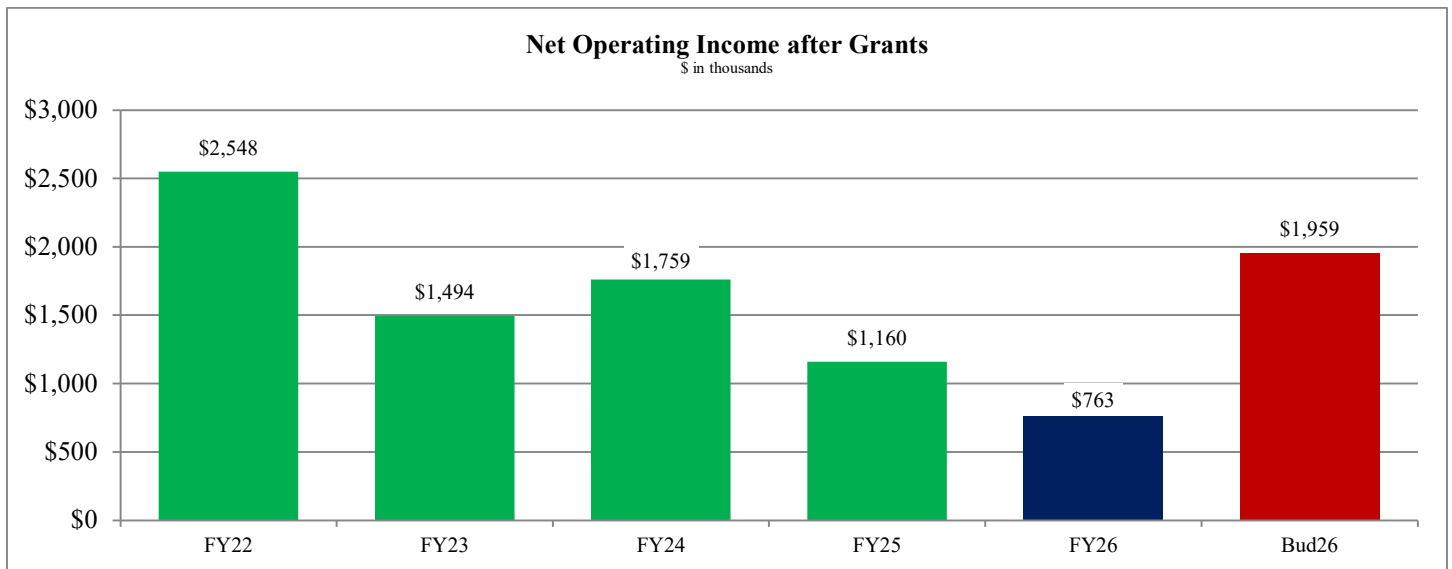
Grant Revenue was \$396 or 2.0% unfavorable to budget and up \$418 or 2.2% compared to last year.



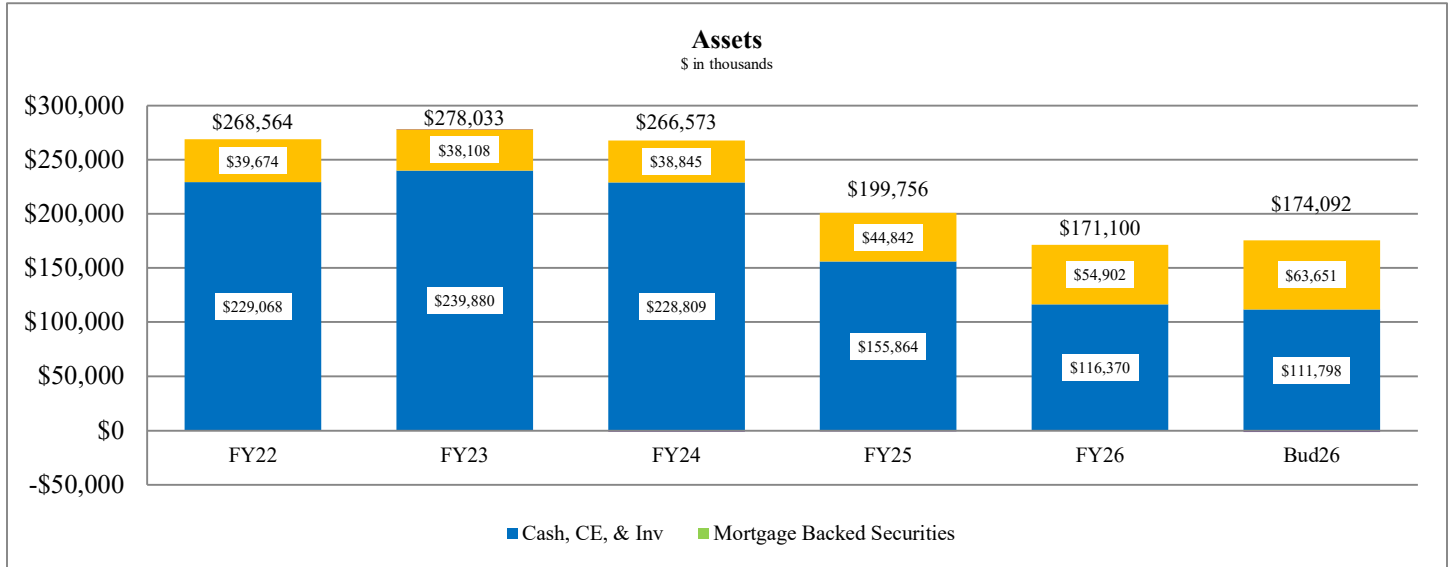
Grant Expense was \$1,135 or 6.7% unfavorable to budget and up \$599 or 3.4% compared to last year.



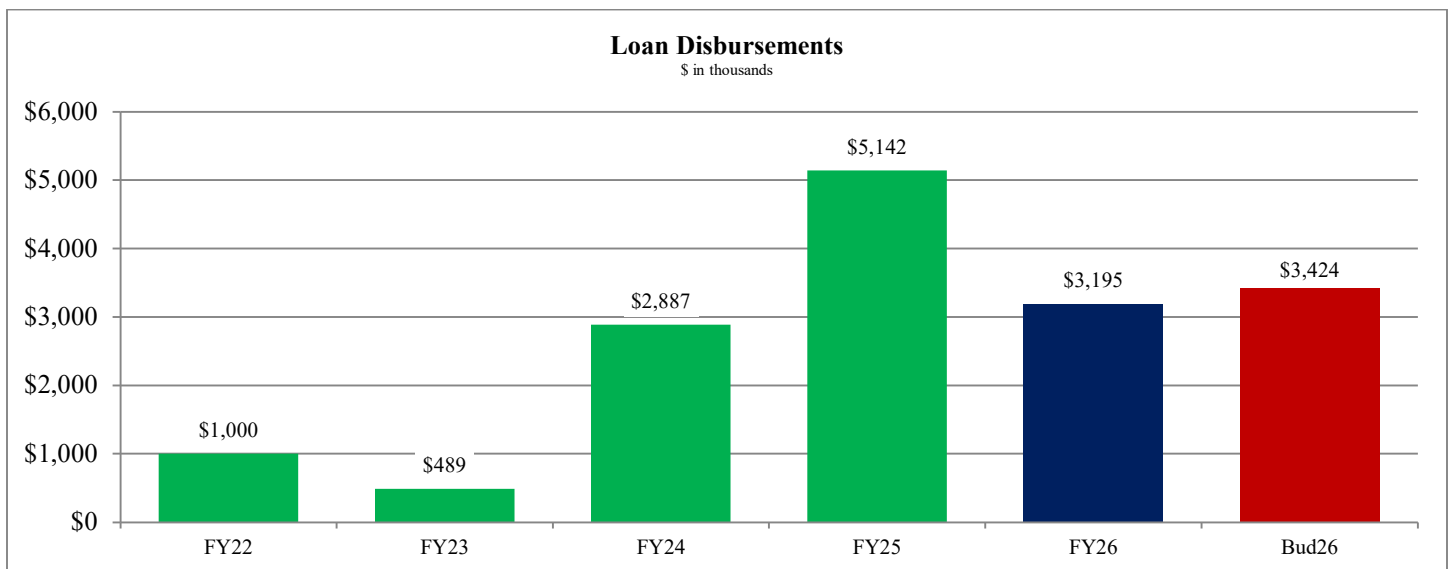
ERA2 consists of Rapid Rehousing Project (RRH), Refugee Resettlement Assistance (RRA), and Coordinated Entry (CE) programs. SLFRF consists of the Home Rehab Block Grant, and Iowa Home Grant programs.



Net Operating Income after Grants (NOIAG) was unfavorable to budget by \$1,196 and down from last year by \$397.



Total Assets are slightly below budget by 1.5%. The largest assets in Cash are from the Emergency Rental Assistance II Programs (ERA 2), Water Infrastructure Fund and Homeowner Assistance Fund.



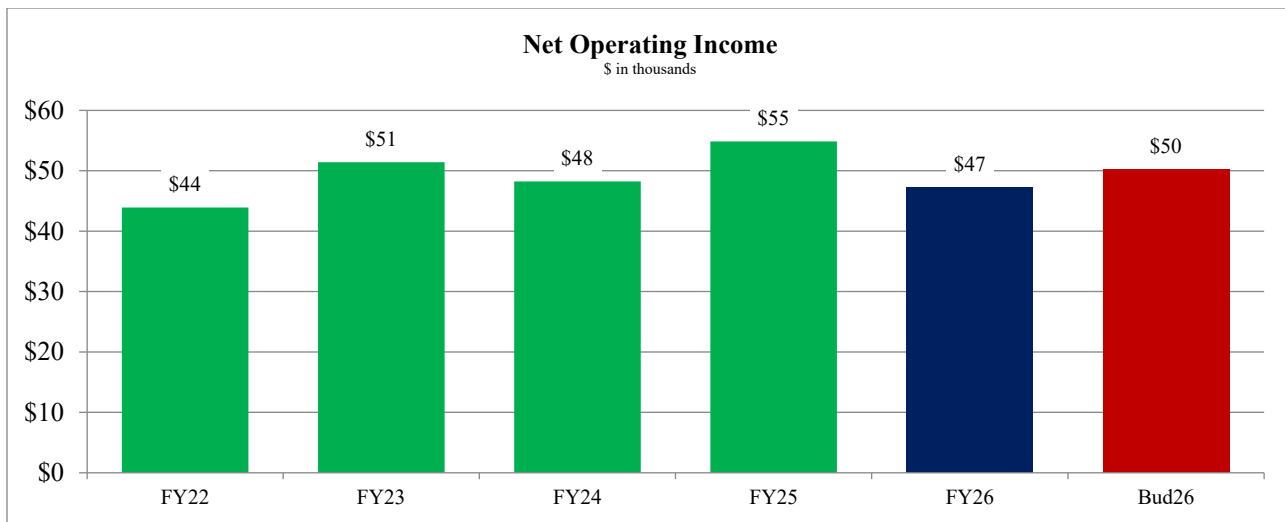
Loan disbursements are below budget by \$229 and below last year by \$1.9 M.

FSP Loan Portfolio by Series	July 31, 2025		Additions	Payments	August 31, 2025 Balance		
	#	Balance			Balance	Chg	#
500-047 SHTF - Loans	9	1,529,885		(4,394)	1,525,491	-0.3%	9
500-047 SHTF - Cash Flow Loans	1	217,109		(100)	217,009	0.0%	1
500-049 Senior Living Trust Lns	18	11,208,163		(28,240)	11,179,923	-0.3%	18
500-050 Home & Comm Tr Lns	6	1,008,718		(8,469)	1,000,249	-0.8%	6
500-051 Transitional Housing Lns	2	616,938		(3,990)	612,948	-0.6%	2
500-057 TCAP Loans	12	17,479,784			17,479,784	0.0%	12
500-058 HOME Loans	195	115,994,891	132,505	(1,119,610)	115,007,786	-0.9%	197
500-062 CHS Loans	8	1,680,557	-	(2,799)	1,677,758	-0.2%	8
500-067 Water Quality Loans (WQFP)	3	12,595,998	1,143,909	-	13,739,907	9.1%	3
500-083 ARPA LIHTC Loans	15	32,259,907	-	-	32,259,907	0.0%	15
Total Portfolio before Cap Int & Reserves		194,412,487	1,276,414	(1,167,602)	194,700,762	0.1%	
Loan Capitalized Interest Reserve		(7,746,664)	-	499,428	(7,247,236)	-6.4%	
Loan Reserves		138,123,234	-	(4,967,116)	133,156,118	-3.6%	
Total Portfolio	269	324,789,057	1,276,414	(5,635,290)	320,609,644	-1.3%	271

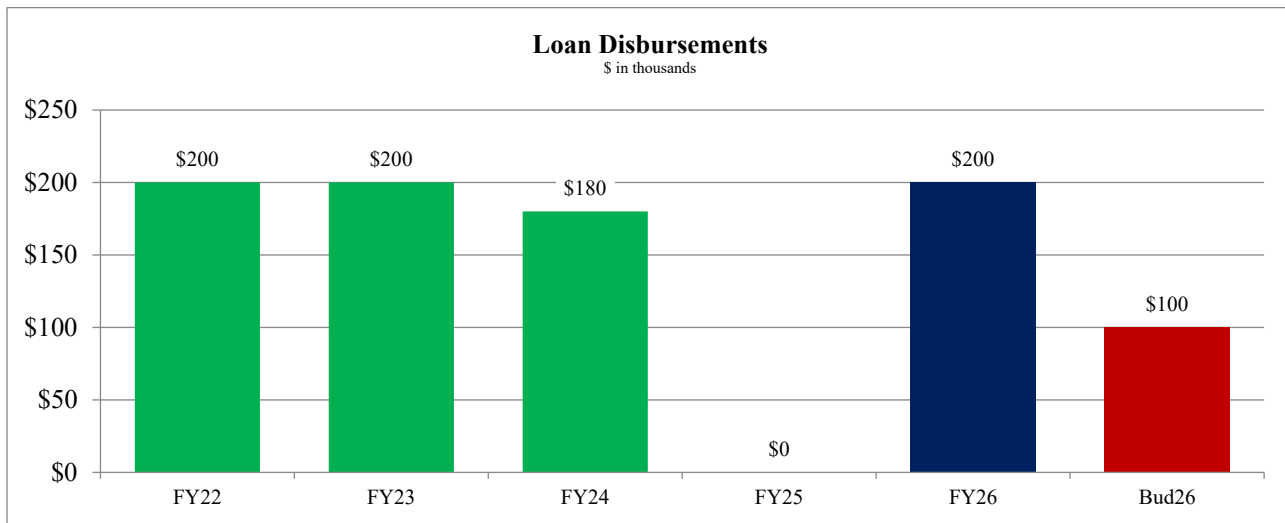
Revolving Loan Fund Commitments (\$ in whole dollars)						
Cash, Cash Equiv & Investments						State Loan Funds
	Senior Living Housing Program		Fund 049			387,427
	Home Community Based Trust		Fund 050			278,011
	Transitional Housing Fund		Fund 051			236,169
	Community Housing & Services		Fund 062			755,190
						1,656,797
	Commitment Date	Original Commitment	07/31/2025 Balance	Monthly Activity	08/31/2025 Balance	Remaining Commitment
Loan Commitments						
Hope Haven	9/11/2023	405,000	38,812		38,812	38,812
Jefferson School Lofts	7/3/2024	500,000	500,000		500,000	500,000
Total Commitments		905,000	538,812	-	538,812	538,812
Net Funds Available						1,117,985

Balance Sheet	Federal and State Grant Programs (Rollup)						
	Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	116,369,963	111,798,461	4,571,502	4.1	155,864,091	(39,494,128)	-25.3
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	54,901,737	63,651,030	(8,749,294)	-13.7	44,841,658	10,060,079	22.4
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	(171,355)	(1,357,027)	1,185,672	-87.4	(949,403)	778,048	-82.0
Deferred Outflows	-	-	-	0.0	-	-	0.0
Total Assets and Deferred Outflows	171,100,344	174,092,464	(2,992,120)	-1.7	199,756,346	(28,656,002)	-14.3
Liabilities, Deferred Inflows, and Equity							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	40,643,273	57,213,015	(16,569,742)	-29.0	82,951,895	(42,308,622)	-51.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	133,455	316,104	(182,649)	-57.8	390,120	(256,666)	-65.8
Other Liabilities	-	-	-	0.0	-	-	0.0
Deferred Inflows	-	-	-	0.0	-	-	0.0
Total Liabilities and Deferred Inflows	40,776,727	57,529,119	(16,752,391)	-29.1	83,342,015	(42,565,288)	-51.1
Equity							
YTD Earnings(Loss)	762,912	1,958,589	(1,195,677)	-61.0	1,160,245	(397,333)	-34.2
Prior Years Earnings	129,594,841	114,629,051	14,965,790	13.1	115,030,605	14,564,236	12.7
Transfers	(34,136)	(24,294)	(9,841)	40.5	223,481	(257,617)	-115.3
Total Equity	130,323,617	116,563,345	13,760,272	11.8	116,414,331	13,909,286	11.9
Total Liabilities, Deferred Inflows, and Equity	171,100,344	174,092,464	(2,992,120)	-1.7	199,756,346	(28,656,002)	-14.3

Income Statement	Federal and State Grant Programs (Rollup)													
	Aug-2025							Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%	Actuals	Bud26	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	40,961	165,797	(124,836)	-75.3	195,259	(154,299)	-79.0	207,118	329,227	(122,109)	-37.1	388,376	(181,258)	-46.7
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	20,500	21,083	(583)	-2.8	37,125	(16,625)	-44.8	61,250	39,667	21,583	54.4	45,625	15,625	34.2
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Revenue	61,461	186,880	(125,420)	-67.1	232,384	(170,924)	-73.6	268,368	368,894	(100,525)	-27.3	434,001	(165,633)	-38.2
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	120,872	124,017	(3,145)	-2.5	123,274	(2,401)	-1.9	240,638	253,327	(12,689)	-5.0	260,644	(20,006)	-7.7
Shared Expense	655	6,780	(6,125)	-90.3	130	525	403.8	9,077	7,060	2,017	28.6	7,416	1,660	22.4
Marketing Expense	-	417	(417)	-100.0	-	-	0.0	-	833	(833)	-100.0	-	-	0.0
Professional Services	245,804	389,678	(143,875)	-36.9	239,576	6,228	2.6	449,805	863,357	(413,552)	-47.9	389,130	60,675	15.6
Claim and Loss Expense	(1,247)	5,000	(6,247)	-124.9	(2,000)	753	-37.6	(3,222)	10,000	(13,222)	-132.2	(3,000)	(222)	7.4
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	14,966	18,000	(3,034)	-16.9	11,480	3,486	30.4	33,539	31,471	2,069	6.6	25,659	7,880	30.7
Total Operating Expense	381,050	543,892	(162,843)	-29.9	372,459	8,590	2.3	729,837	1,166,048	(436,210)	-37.4	679,850	49,987	7.4
Net Operating Income (Loss) Before Grants	(319,589)	(357,012)	37,423	-10.5	(140,075)	(179,514)	128.2	(461,469)	(797,154)	335,685	-42.1	(245,849)	(215,620)	87.7
Net Grant (Income) Expense														
Grant Revenue	(11,486,957)	(11,311,302)	(175,654)	1.6	(10,960,197)	(526,760)	4.8	(19,209,532)	(19,606,074)	396,542	-2.0	(18,792,234)	(417,297)	2.2
Grant Expense	9,734,086	8,384,660	1,349,426	16.1	9,022,561	711,525	7.9	17,985,151	16,850,330	1,134,820	6.7	17,386,141	599,010	3.4
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	(1,752,871)	(2,926,642)	1,173,771	-40.1	(1,937,635)	184,765	-9.5	(1,224,381)	(2,755,743)	1,531,362	-55.6	(1,406,094)	181,713	-12.9
Net Operating Income (Loss) After Grants	1,433,282	2,569,630	(1,136,348)	-44.2	1,797,560	(364,278)	-20.3	762,912	1,958,589	(1,195,677)	-61.0	1,160,245	(397,333)	-34.2
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	1,433,282	2,569,630	(1,136,348)	-44.2	1,797,560	(364,278)	-20.3	762,912	1,958,589	(1,195,677)	-61.0	1,160,245	(397,333)	-34.2
IFA Home Dept Staff Count	7	9	(2)	-17.6	7	-	0.0	7	9	(2)	-17.6	7	-	0.0
FTE Staff Count	11	11	(0)	-0.4	11	0	3.2	11	11	(0)	-2.0	11	(0)	-2.5



As a result, Net Operating Income was \$3 or 6.0% favorable to budget and \$8 or 13.9% below last year.



Notes:

- There was \$1 million available for administrative expenses.
- Restricted Rural Rehab Trust funds (LPP loan funds, including cash and LPP loan repayments) balance was \$861.
- The LPP loan balance was \$6,198. Loan reserves were \$62. The loan balance net of reserves was \$6,136.

LPP Loan Commitments

LPP	Bank	Commitment Date	Anticipated Closing Date	Original Commitment (\$ in actual)
P0336	United Bank of Iowa	7/2/2025	4/15/2026	200,000
P0340	Premier Bank	9/2/2025	4/15/2026	200,000
Total Commitment				400,000

Balance Sheet	Agriculture Development Division (Rollup)						
	Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	1,795,524	1,829,423	(33,899)	-1.9	1,897,712	(102,188)	-5.4
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	6,136,009	6,129,033	6,976	0.1	5,718,946	417,063	7.3
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	99,945	65,405	34,540	52.8	82,474	17,471	21.2
Deferred Outflows	-	-	-	0.0	-	-	0.0
Total Assets and Deferred Outflows	8,031,478	8,023,861	7,617	0.1	7,699,132	332,346	4.3
Liabilities, Deferred Inflows, and Equity							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	2,000	7,000	(5,000)	-71.4	3,514	(1,514)	-43.1
Other Liabilities	-	-	-	0.0	-	-	0.0
Deferred Inflows	-	-	-	0.0	-	-	0.0
Total Liabilities and Deferred Inflows	2,000	7,000	(5,000)	-71.4	3,514	(1,514)	-43.1
Equity							
YTD Earnings(Loss)	47,221	50,234	(3,013)	-6.0	54,848	(7,627)	-13.9
Prior Years Earnings	7,982,257	7,966,627	15,630	0.2	7,640,771	341,486	4.5
Transfers	-	-	-	0.0	-	-	0.0
Total Equity	8,029,478	8,016,861	12,617	0.2	7,695,619	333,860	4.3
Total Liabilities, Deferred Inflows, and Equity	8,031,478	8,023,861	7,617	0.1	7,699,132	332,346	4.3

Income Statement	Agriculture Development Division (Rollup)													
	Aug-2025							Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%	Actuals	Bud26	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	4,825	24,100	(19,275)	-80.0	23,640	(18,815)	-79.6	30,302	48,248	(17,946)	-37.2	47,206	(16,904)	-35.8
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	20,339	32,583	(12,244)	-37.6	30,741	(10,401)	-33.8	70,554	65,167	5,387	8.3	61,541	9,013	14.6
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Revenue	25,164	56,684	(31,519)	-55.6	54,381	(29,216)	-53.7	100,856	113,415	(12,559)	-11.1	108,747	(7,891)	-7.3
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	22,084	23,884	(1,800)	-7.5	24,347	(2,263)	-9.3	46,242	47,263	(1,021)	-2.2	47,128	(886)	-1.9
Shared Expense	3	380	(377)	-99.3	16	(13)	-83.8	13	760	(747)	-98.3	16	(3)	-20.9
Marketing Expense	-	1,100	(1,100)	-100.0	-	-	0.0	443	2,200	(1,757)	-79.9	-	443	0.0
Professional Services	(2,000)	4,882	(6,882)	-141.0	3,514	(5,514)	-156.9	2,172	9,763	(7,592)	-77.8	4,956	(2,784)	-56.2
Claim and Loss Expense	1,180	409	771	188.6	(1,000)	2,180	-218.0	609	(201)	810	-402.7	(1,000)	1,609	-160.9
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	1,541	2,201	(660)	-30.0	1,381	160	11.6	4,157	3,396	761	22.4	2,799	1,358	48.5
Total Operating Expense	22,808	32,856	(10,047)	-30.6	28,257	(5,449)	-19.3	53,635	63,181	(9,546)	-15.1	53,899	(264)	-0.5
Net Operating Income (Loss) Before Grants	2,356	23,828	(21,472)	-90.1	26,123	(23,767)	-91.0	47,221	50,234	(3,013)	-6.0	54,848	(7,627)	-13.9
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	2,356	23,828	(21,472)	-90.1	26,123	(23,767)	-91.0	47,221	50,234	(3,013)	-6.0	54,848	(7,627)	-13.9
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	2,356	23,828	(21,472)	-90.1	26,123	(23,767)	-91.0	47,221	50,234	(3,013)	-6.0	54,848	(7,627)	-13.9
IFA Home Dept Staff Count	2	2	-	0.0	2	-	0.0	2	2	-	0.0	2	-	0.0
FTE Staff Count	2	2	(0)	-8.9	2	(0)	-13.9	2	2	(0)	-4.7	2	(0)	-9.7

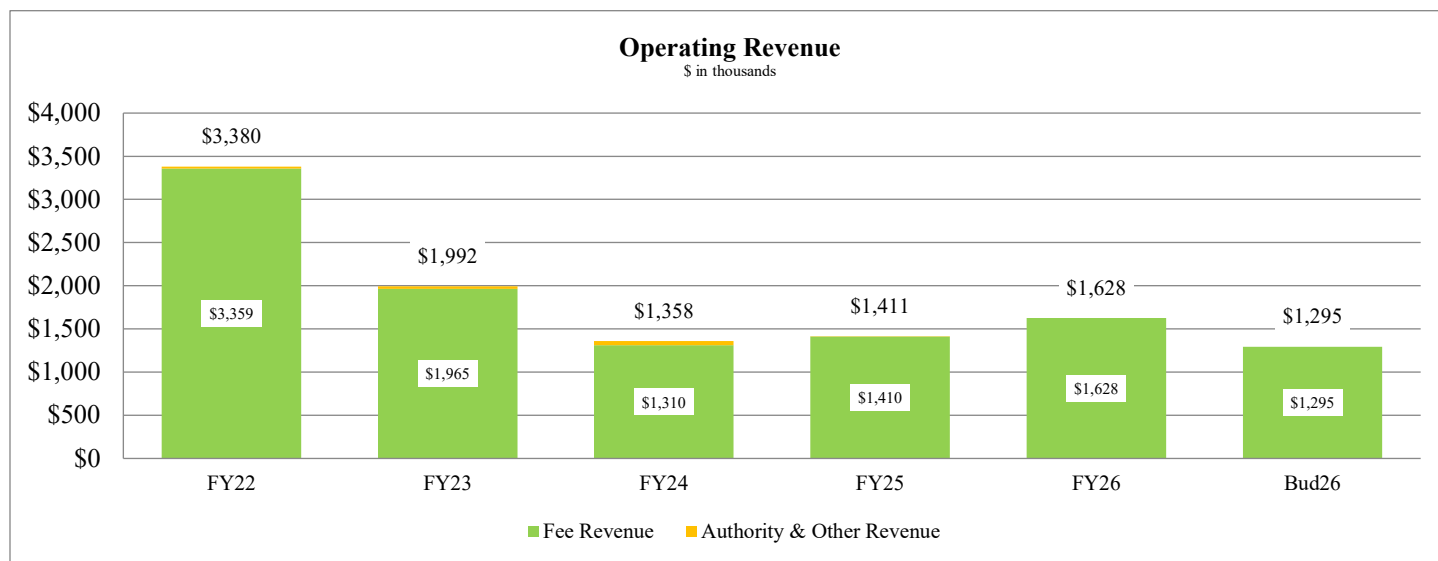
Income Statement	Agriculture Development Division (Rollup)													
	Aug-2025							Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%	Actuals	Bud26	Difference	%	Last Year	Difference	%
Operating Income														
Interest Revenue - Loans	4,825	17,507	(12,682)	-72.4%	16,967	(12,142)	-72%	24,326	35,191	(10,864)	-31%	34,555	(10,228)	-30%
Interest Revenue - CE & Inv	-	6,593	(6,593)	-100.0%	6,673	(6,673)	-100%	5,976	13,058	(7,082)	-54%	12,651	(6,675)	-53%
Fee Inc - BFLP	2,400	20,833	(18,433)	-88.5%	17,991	(15,591)	-87%	28,364	41,667	(13,302)	-32%	34,391	(6,026)	-18%
Fee Inc - LPP	7,189	1,750	5,439	310.8%	100	7,089	7089%	10,389	3,500	6,889	197%	300	10,089	3363%
Fee Inc - BFTC	10,750	10,000	750	7.5%	12,650	(1,900)	-15%	31,800	20,000	11,800	59%	26,850	4,950	18%
Fee Inc - BFCH TC	-	-	-	0.0%	-	-	0%	-	-	-	0%	-	-	0%
Total Operating Income	25,164	56,684	(31,519)	-55.6%	54,381	(29,216)	-54%	100,856	113,415	(12,559)	-11%	108,747	(7,891)	-7%
Operating Expense														
Employee Expense	22,084	23,884	(1,800)	-7.5%	24,347	(2,263)	-9%	46,242	47,263	(1,021)	-2%	47,128	(886)	-2%
Shared Expense	3	380	(377)	-99.3%	16	(13)	-84%	13	760	(747)	-98%	16	(3)	-21%
Marketing Expense	-	1,100	(1,100)	-100.0%	-	-	0%	443	2,200	(1,757)	-80%	-	443	0%
Professional Services	(2,000)	4,882	(6,882)	-141.0%	3,514	(5,514)	-157%	2,172	9,763	(7,592)	-78%	4,956	(2,784)	-56%
Claim and Loss Expense	1,180	409	771	188.6%	(1,000)	2,180	-218%	609	(201)	810	-403%	(1,000)	1,609	-161%
Operating Expense	22,808	32,856	(10,047)	-30.6%	28,257	(5,449)	-19%	53,635	63,181	(9,546)	-15%	53,899	(264)	0%
Net Grant (Income) Expense	-	-	-	0.0%	-	-	0%	-	-	-	0%	-	-	0%
Net Income (Loss)	2,356	23,828	(21,472)	-90.1%	26,123	(23,767)	-91%	47,221	50,234	(3,013)	-6%	54,848	(7,627)	-14%

Balance Sheet	Admin	RRTF	Total
Assets			
Cash & Cash Equivalents	1,029,124	766,400	1,795,524
Investments	-	-	-
Loans - net of reserves	24,329	6,111,681	6,136,009
Other Assets	(19,534)	119,479	99,945
Total Assets	1,033,918	6,997,560	8,031,478
Liabilities and Equity			
A/P - STATE	-	-	-
A/P - IFA	-	-	-
A/P - MISC	2,000	-	2,000
Total Liabilities	2,000	-	2,000
Current Years Earnings	20,908	26,313	47,221
Prior Years Earnings	1,011,010	6,971,247	7,982,257
Equity	1,031,918	6,997,560	8,029,478
Total Liabilities and Equity	1,033,918	6,997,560	8,031,478

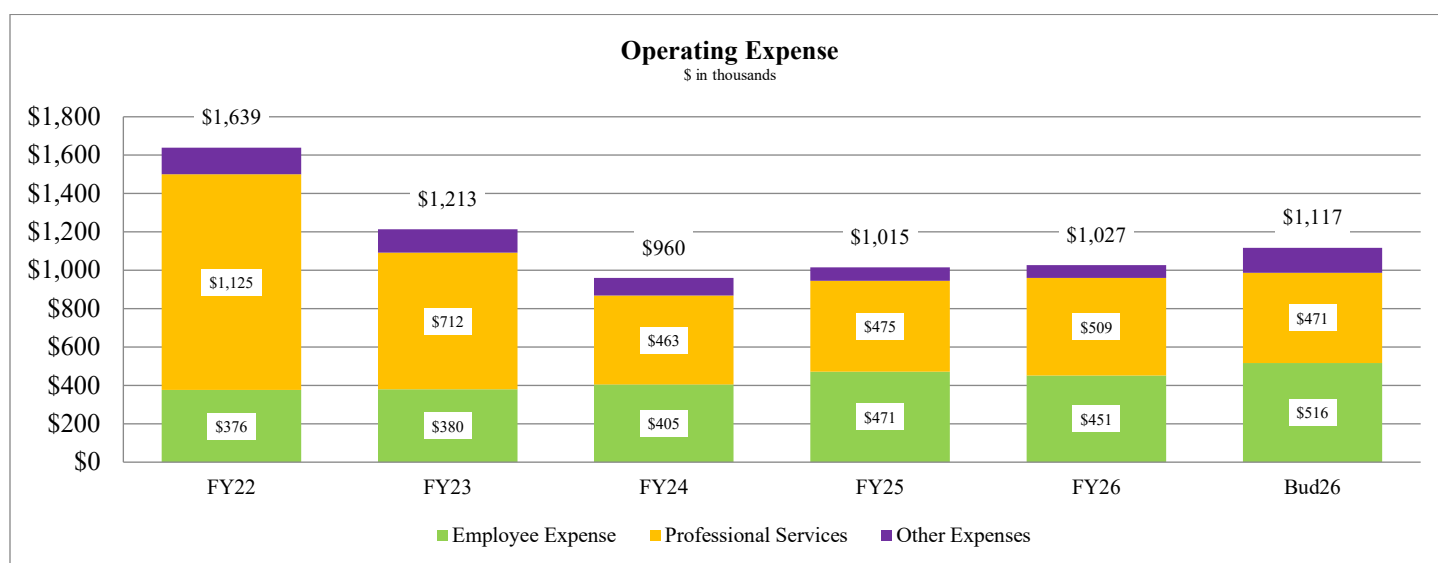
To: IFA Board Members
 From: Rick Andriano
 Date: September 17, 2025
 RE: August 2025 Financial Results

Iowa Title Guaranty Financial Results (\$ in thousands)

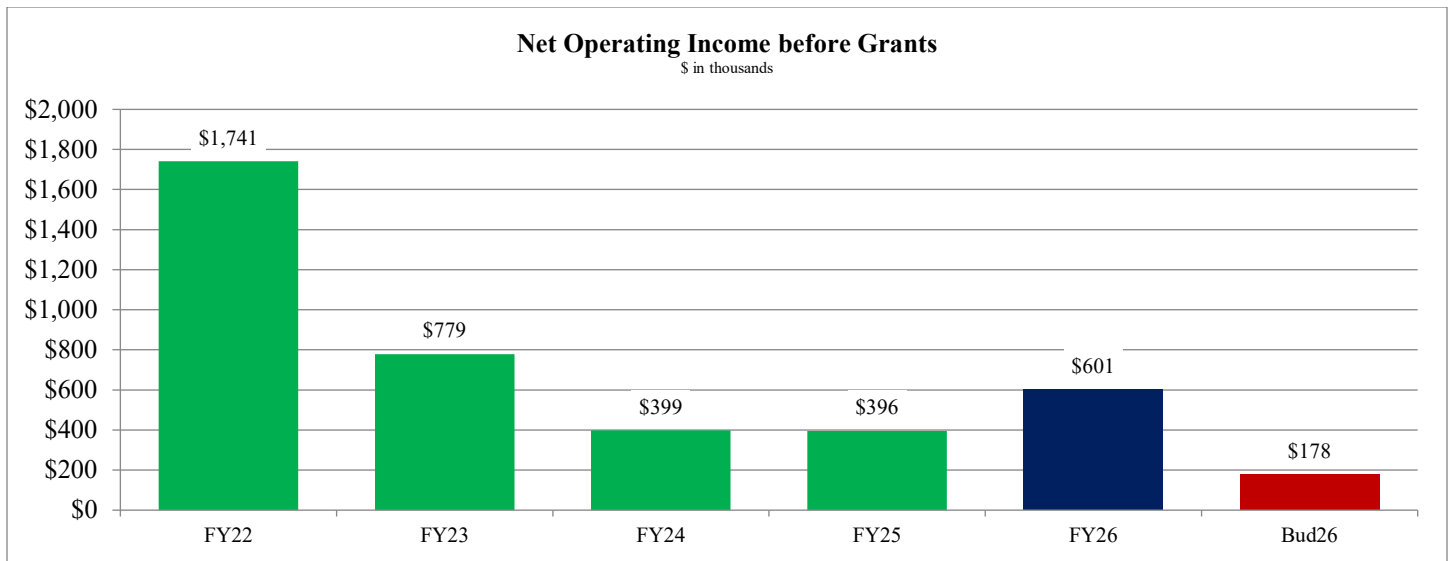
ITG operated favorably to budget through two months of Fiscal Year 2026.



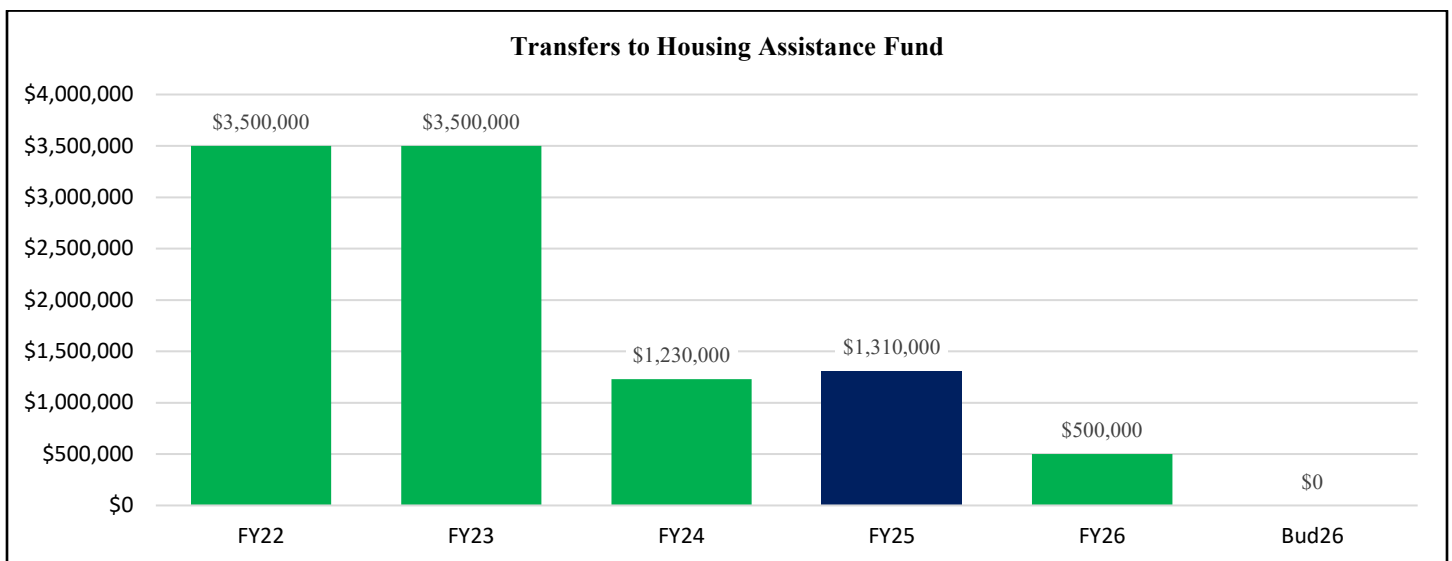
Operating Revenue was \$333 or 25.7% favorable to budget and \$217 or 15.4% ahead of the prior year. Revenue was \$1,628 of which \$1,275 was generated from residential transactions and \$353 from commercial transactions. Residential was favorable to budget by 11.4% and commercial activity was favorable to budget by 135% in August.



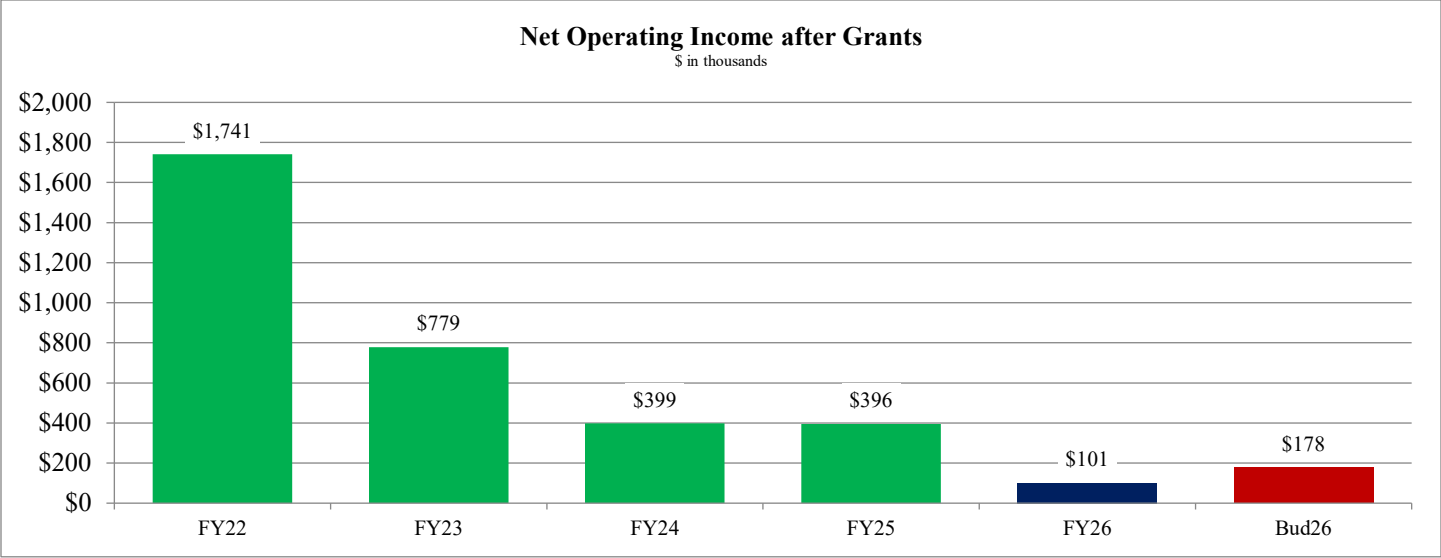
Operating Expense was \$90 or 8.1% favorable to budget. Expenses were \$12 or 1.2% above the prior year. Employee Expense was favorable to budget by \$65 or 12.7%. Included in Other Expenses, Claims and Losses net of recoupments was favorable to budget by \$51 or 101%.



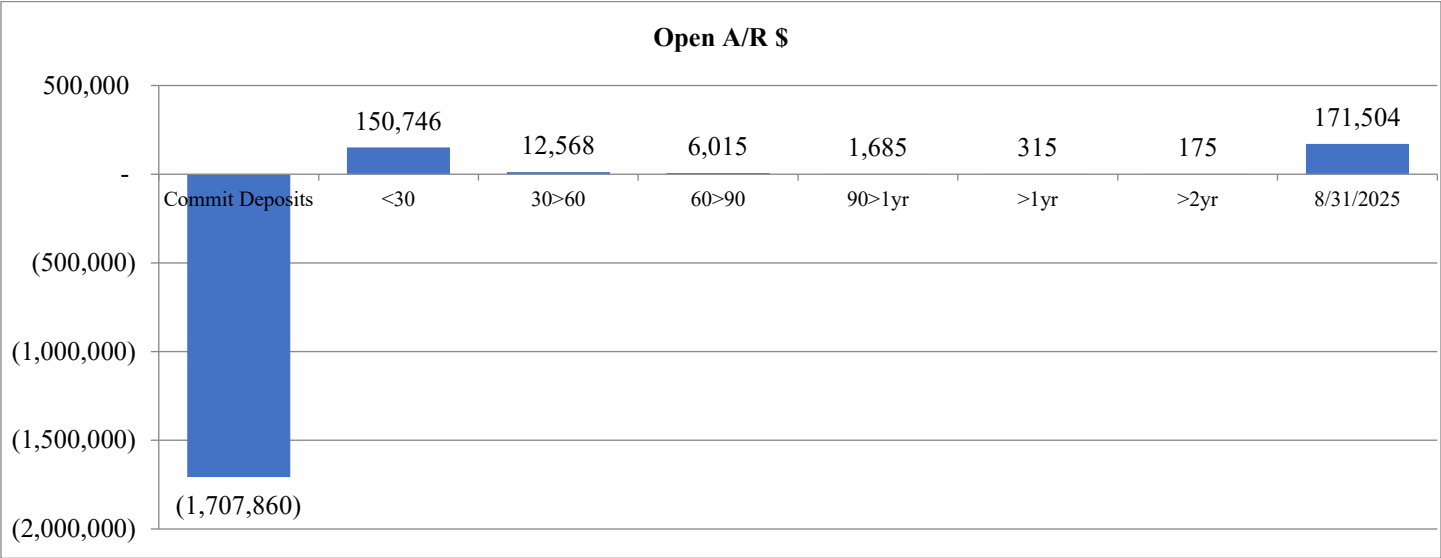
Net Operating Income before Grants (NOIBG) was favorable to budget by \$423 and above last year by \$205.



The first fiscal year transfer to the Housing Assistance Fund (HAF) from Title Guaranty for \$500 occurred in August. Per State Code, the interest earned on ITG funds held by the state treasurer are deposited directly to the State Housing Trust Fund (SHTF) monthly. The fiscal year interest earned on ITG funds was \$135.5 through August.

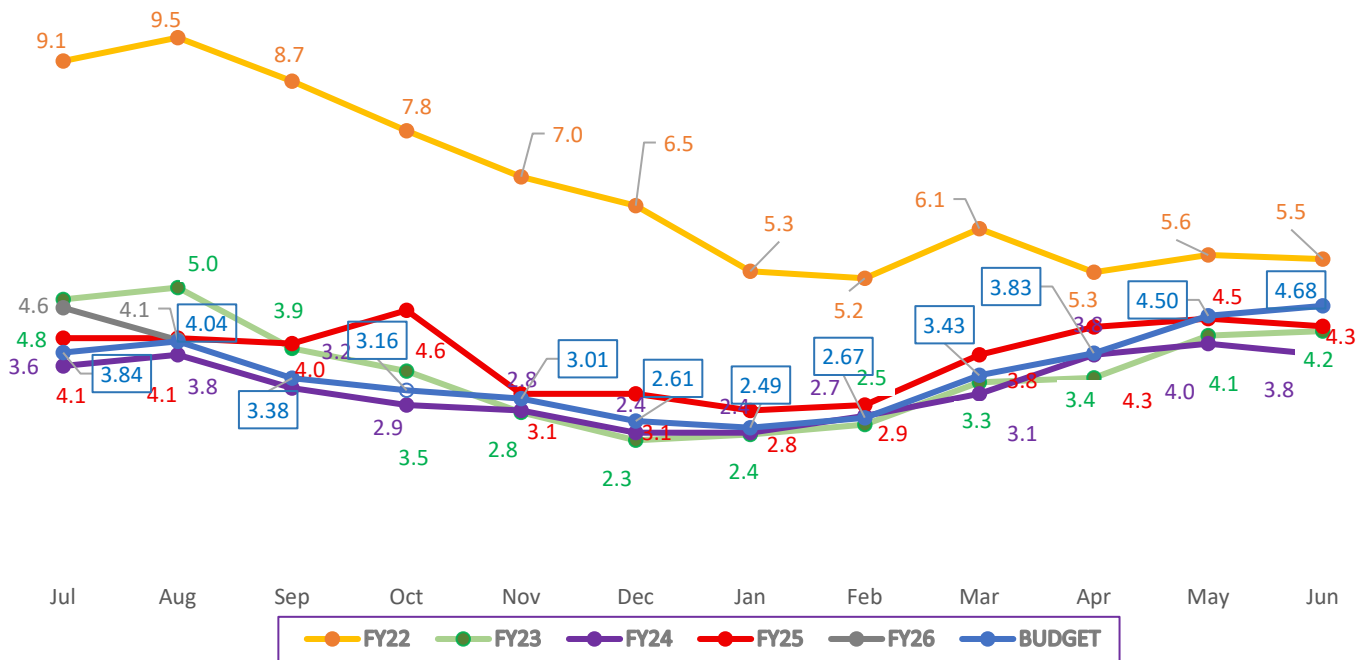


Net Operating Income after Grants (NOIAG) was unfavorable to budget by \$77 and \$295 behind the previous year.



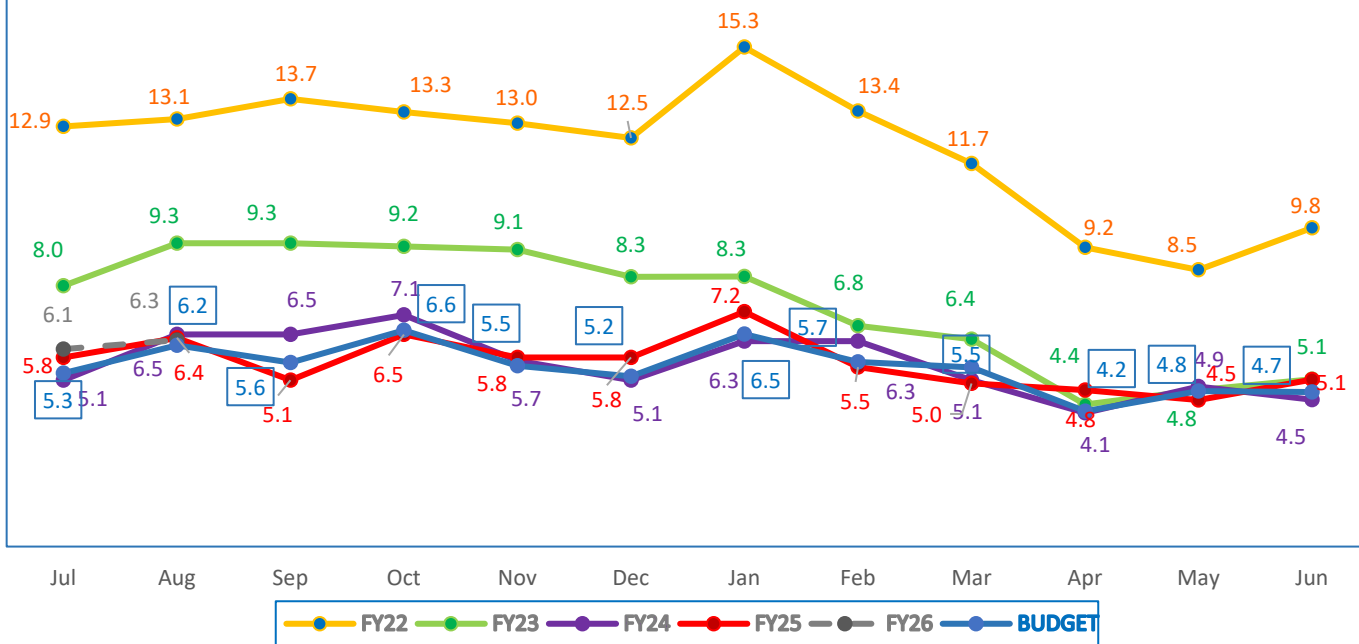
August receivables increased by 125% from the July balance (\$171,504 vs. \$76,391), while commitments increased 1.48% from the prior month (\$1,708 vs. \$1,683).

Commitments Issued - 5 Year Monthly Trend
(in thousands)



Fiscal year actual commitments issued of 4.1 compared to 4.0 budget and 4.1 in prior year.

Certificates Issued - 5 Year Monthly Trend
(in thousands)



Fiscal year actual certificates issued of 6.3 compared to 6.2 budget and 6.4 in prior year.

Balance Sheet	800-020 Residential						
	Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	20,769,078	20,777,005	(7,927)	0.0	21,956,928	(1,187,850)	-5.4
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	-	-	-	0.0	-	-	0.0
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	32,227	52,143	(19,916)	-38.2	128,040	(95,813)	-74.8
Deferred Outflows	344,115	414,673	(70,558)	-17.0	414,673	(70,558)	-17.0
Total Assets and Deferred Outflows	21,145,420	21,243,821	(98,401)	-0.5	22,499,641	(1,354,220)	-6.0
Liabilities, Deferred Inflows, and Equity							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	192,260	1,919,056	(1,726,796)	-90.0	1,524,533	(1,332,272)	-87.4
Reserves for Claims	2,146,273	2,176,994	(30,721)	-1.4	2,088,440	57,834	2.8
Accounts Payable & Accrued Liabilities	2,283,757	1,499,025	784,732	52.3	1,687,675	596,082	35.3
Other Liabilities	877,886	1,300,787	(422,901)	-32.5	1,044,519	(166,633)	-16.0
Deferred Inflows	201,177	185,645	15,532	8.4	162,527	38,650	23.8
Total Liabilities and Deferred Inflows	5,701,353	7,081,507	(1,380,154)	-19.5	6,507,694	(806,340)	-12.4
Equity							
YTD Earnings(Loss)	(135,907)	177,166	(313,072)	-176.7	312,263	(448,169)	-143.5
Prior Years Earnings	16,093,124	13,984,788	2,108,336	15.1	15,596,428	496,696	3.2
Transfers	(513,150)	360	(513,511)	-142459.3	83,257	(596,407)	-716.3
Total Equity	15,444,067	14,162,314	1,281,753	9.1	15,991,947	(547,880)	-3.4
Total Liabilities, Deferred Inflows, and Equity	21,145,420	21,243,821	(98,401)	-0.5	22,499,641	(1,354,220)	-6.0

Income Statement	800-020 Residential													
	Aug-2025							Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%	Actuals	Bud26	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	653,529	612,550	40,979	6.7	628,257	25,272	4.0	1,274,763	1,144,424	130,339	11.4	1,211,751	63,012	5.2
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Revenue	653,529	612,550	40,979	6.7	628,257	25,272	4.0	1,274,763	1,144,424	130,339	11.4	1,211,751	63,012	5.2
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	165,526	192,146	(26,621)	-13.9	175,227	(9,701)	-5.5	343,000	392,458	(49,458)	-12.6	361,854	(18,854)	-5.2
Shared Expense	15,504	17,730	(2,226)	-12.6	13,683	1,821	13.3	27,837	35,535	(7,698)	-21.7	27,615	222	0.8
Marketing Expense	-	850	(850)	-100.0	750	(750)	-100.0	2,417	1,450	967	66.7	750	1,667	222.2
Professional Services	262,958	246,155	16,803	6.8	260,263	2,695	1.0	508,026	460,645	47,381	10.3	474,620	33,406	7.0
Claim and Loss Expense	(2,830)	25,000	(27,830)	-111.3	16,156	(18,986)	-117.5	(614)	50,000	(50,614)	-101.2	13,881	(14,495)	-104.4
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	11,901	17,607	(5,706)	-32.4	9,894	2,007	20.3	30,004	27,170	2,834	10.4	20,768	9,236	44.5
Total Operating Expense	453,059	499,489	(46,429)	-9.3	475,973	(22,913)	-4.8	910,670	967,258	(56,589)	-5.9	899,488	11,181	1.2
Net Operating Income (Loss) Before Grants	200,470	113,061	87,408	77.3	152,284	48,185	31.6	364,093	177,166	186,928	105.5	312,263	51,831	16.6
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	500,000	-	500,000	0.0	-	500,000	0.0	500,000	-	500,000	0.0	-	500,000	0.0
Total Net Grant (Income) Expense	500,000	-	500,000	0.0	-	500,000	0.0	500,000	-	500,000	0.0	-	500,000	0.0
Net Operating Income (Loss) After Grants	(299,530)	113,061	(412,592)	-364.9	152,284	(451,815)	-296.7	(135,907)	177,166	(313,072)	-176.7	312,263	(448,169)	-143.5
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	(299,530)	113,061	(412,592)	-364.9	152,284	(451,815)	-296.7	(135,907)	177,166	(313,072)	-176.7	312,263	(448,169)	-143.5
IFA Home Dept Staff Count	15	17	(2)	-11.8	17	(2)	-11.8	15	17	(2)	-11.8	18	(3)	-14.3
FTE Staff Count	16	18	(2)	-12.1	17	(1)	-7.2	16	18	(2)	-13.0	18	(2)	-11.0

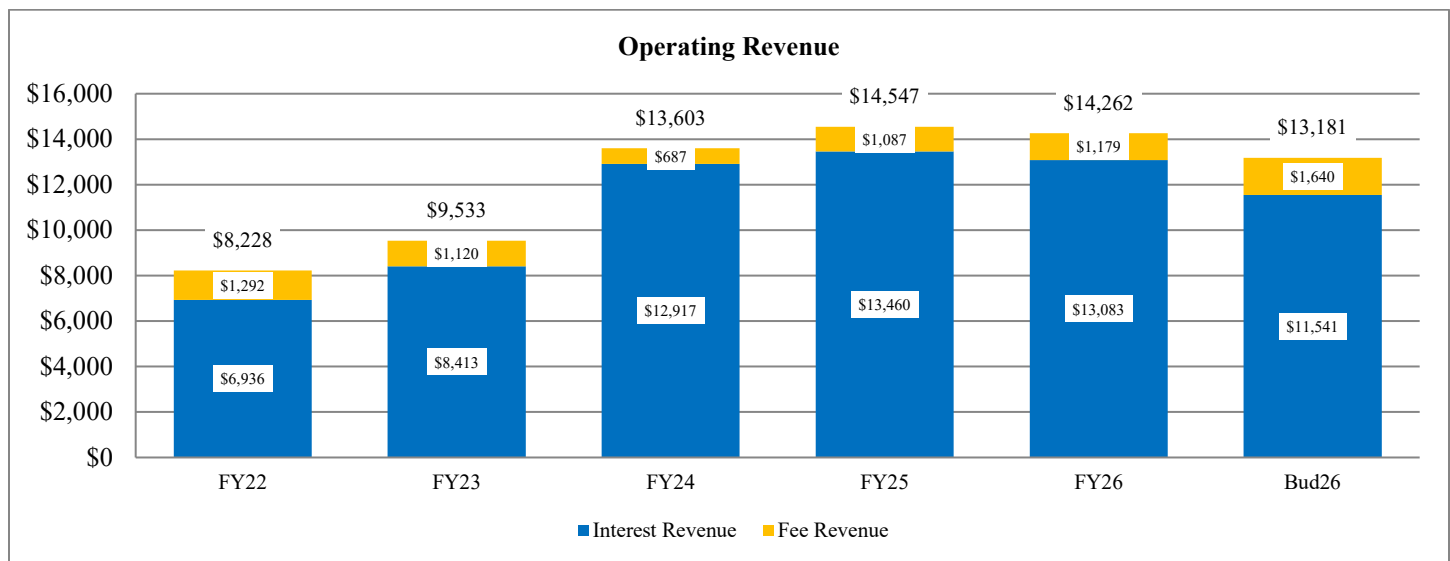
Income Statement	800-030 Commercial													
	Aug-2025							Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%	Actuals	Bud26	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	255,723	70,495	185,228	262.8	90,984	164,739	181.1	353,365	150,365	203,000	135.0	198,456	154,909	78.1
Other Revenue	-	-	-	0.0	(1,114)	1,114	-100.0	-	-	-	0.0	604	(604)	-100.0
Total Operating Revenue	255,723	70,495	185,228	262.8	89,870	165,853	184.5	353,365	150,365	203,000	135.0	199,061	154,304	77.5
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	50,659	60,635	(9,976)	-16.5	55,801	(5,142)	-9.2	108,044	124,003	(15,958)	-12.9	109,238	(1,194)	-1.1
Shared Expense	(3,148)	600	(3,748)	-624.6	474	(3,621)	-764.7	(1,220)	6,200	(7,420)	-119.7	1,386	(2,605)	-188.0
Marketing Expense	-	500	(500)	-100.0	-	-	0.0	-	1,000	(1,000)	-100.0	-	-	0.0
Professional Services	1,472	10,250	(8,779)	-85.6	-	1,472	0.0	1,472	10,500	(9,029)	-86.0	-	1,472	0.0
Claim and Loss Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	4,044	-	4,044	0.0	-	4,044	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	3,255	5,380	(2,125)	-39.5	2,571	684	26.6	8,219	8,302	(83)	-1.0	5,180	3,039	58.7
Total Operating Expense	56,282	77,365	(21,082)	-27.3	58,845	(2,563)	-4.4	116,515	150,005	(33,489)	-22.3	115,804	711	0.6
Net Operating Income (Loss) Before Grants	199,441	(6,870)	206,310	-3003.3	31,025	168,416	542.8	236,850	360	236,489	65607.5	83,257	153,593	184.5
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	199,441	(6,870)	206,310	-3003.3	31,025	168,416	542.8	236,850	360	236,489	65607.5	83,257	153,593	184.5
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	199,441	(6,870)	206,310	-3003.3	31,025	168,416	542.8	236,850	360	236,489	65607.5	83,257	153,593	184.5
IFA Home Dept Staff Count	4	5	(1)	-20.0	4	-	0.0	4	5	(1)	-20.0	4	-	0.0
FTE Staff Count	4	6	(1)	-21.3	4	(0)	-2.3	4	6	(1)	-22.0	4	(0)	-2.4

Income Statement	Iowa Title Guaranty Division (Rollup)													
	Aug-2025							Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%	Actuals	Bud26	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	909,252	683,045	226,207	33.1	719,241	190,011	26.4	1,628,128	1,294,789	333,339	25.7	1,410,207	217,921	15.5
Other Revenue	-	-	-	0.0	(1,114)	1,114	-100.0	-	-	-	0.0	604	(604)	-100.0
Total Operating Revenue	909,252	683,045	226,207	33.1	718,127	191,125	26.6	1,628,128	1,294,789	333,339	25.7	1,410,812	217,316	15.4
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	216,185	252,781	(36,597)	-14.5	231,027	(14,843)	-6.4	451,044	516,461	(65,417)	-12.7	471,092	(20,048)	-4.3
Shared Expense	12,357	18,330	(5,973)	-32.6	14,156	(1,800)	-12.7	26,617	41,735	(15,118)	-36.2	29,001	(2,384)	-8.2
Marketing Expense	-	1,350	(1,350)	-100.0	750	(750)	-100.0	2,417	2,450	(33)	-1.4	750	1,667	222.2
Professional Services	264,430	256,405	8,025	3.1	260,263	4,167	1.6	509,498	471,145	38,353	8.1	474,620	34,878	7.3
Claim and Loss Expense	(2,830)	25,000	(27,830)	-111.3	16,156	(18,986)	-117.5	(614)	50,000	(50,614)	-101.2	13,881	(14,495)	-104.4
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	4,044	-	4,044	0.0	-	4,044	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	15,156	22,987	(7,831)	-34.1	12,465	2,691	21.6	38,223	35,472	2,751	7.8	25,948	12,275	47.3
Total Operating Expense	509,342	576,853	(67,512)	-11.7	534,818	(25,476)	-4.8	1,027,185	1,117,263	(90,078)	-8.1	1,015,292	11,893	1.2
Net Operating Income (Loss) Before Grants	399,910	106,192	293,719	276.6	183,309	216,601	118.2	600,943	177,526	423,417	238.5	395,520	205,424	51.9
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	500,000	-	500,000	0.0	-	500,000	0.0	500,000	-	500,000	0.0	-	500,000	0.0
Total Net Grant (Income) Expense	500,000	-	500,000	0.0	-	500,000	0.0	500,000	-	500,000	0.0	-	500,000	0.0
Net Operating Income (Loss) After Grants	(100,090)	106,192	(206,281)	-194.3	183,309	(283,399)	-154.6	100,943	177,526	(76,583)	-43.1	395,520	(294,576)	-74.5
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	(100,090)	106,192	(206,281)	-194.3	183,309	(283,399)	-154.6	100,943	177,526	(76,583)	-43.1	395,520	(294,576)	-74.5
IFA Home Dept Staff Count	19	22	(3)	-13.6	21	(2)	-9.5	19	22	(3)	-13.6	22	(3)	-11.6
FTE Staff Count	20	24	(3)	-14.2	21	(1)	-6.1	20	24	(4)	-15.1	22	(2)	-9.3

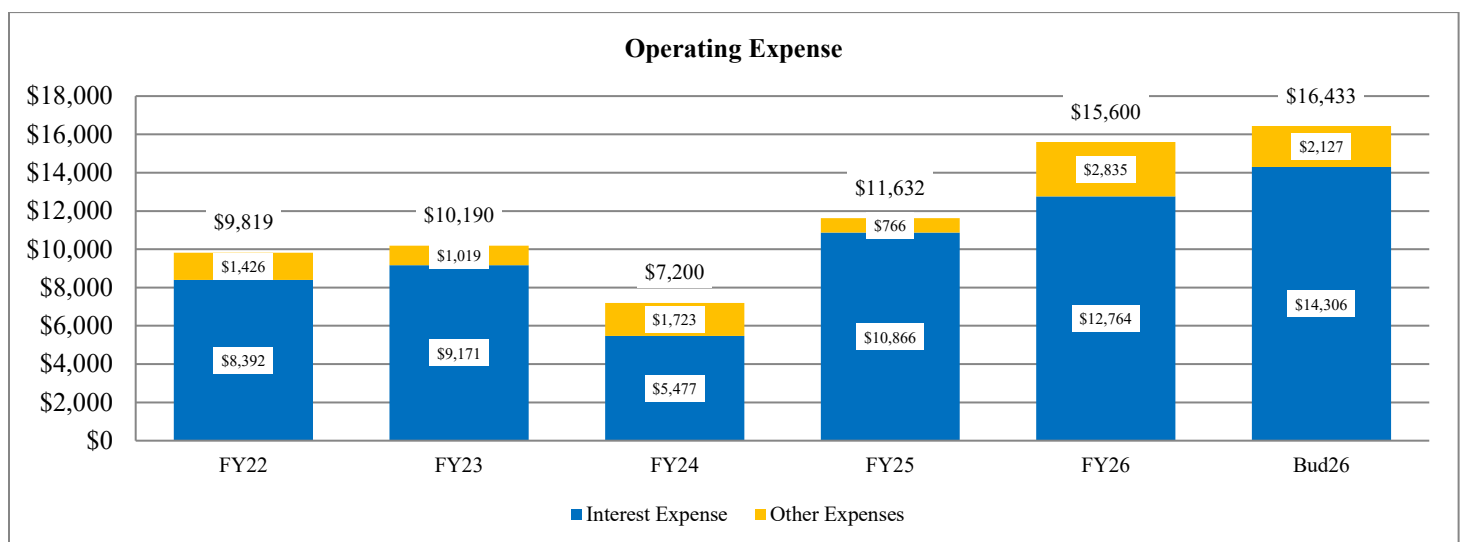
To: IFA Board Members
 From: Michelle Bodie
 Date: September 22, 2025
 Re: August 2025 YTD SRF Financial Results

State Revolving Fund Results (\$ in thousands)

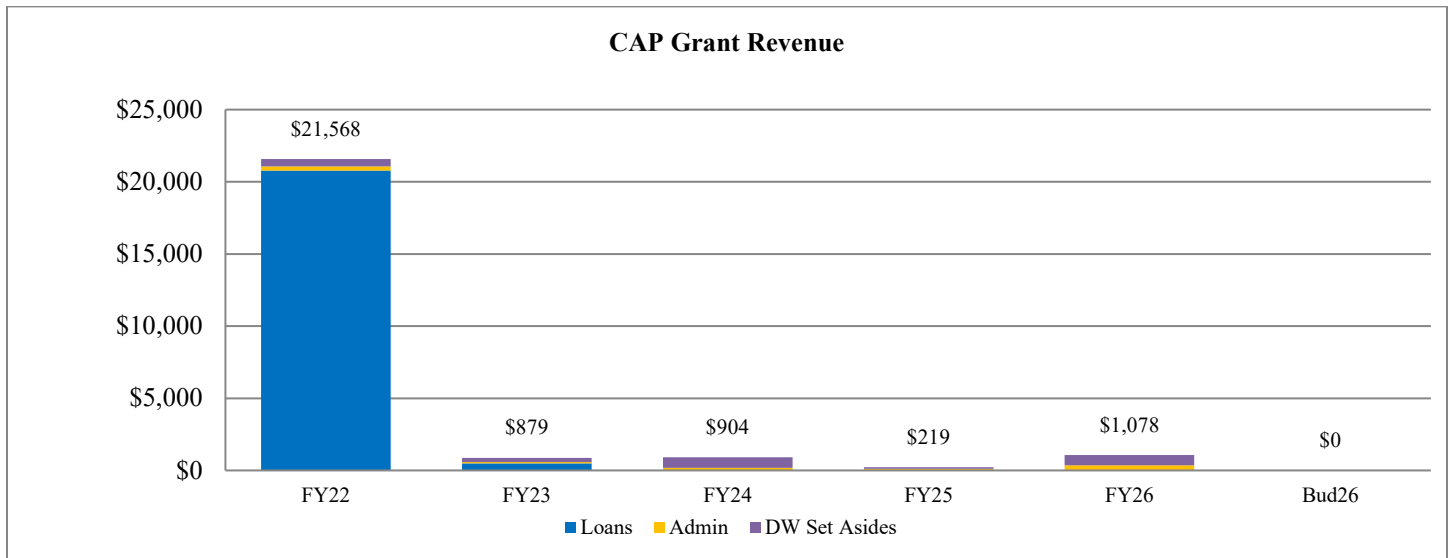
The State Revolving Fund program operated favorably to budget for the first two months of Fiscal Year 2026.



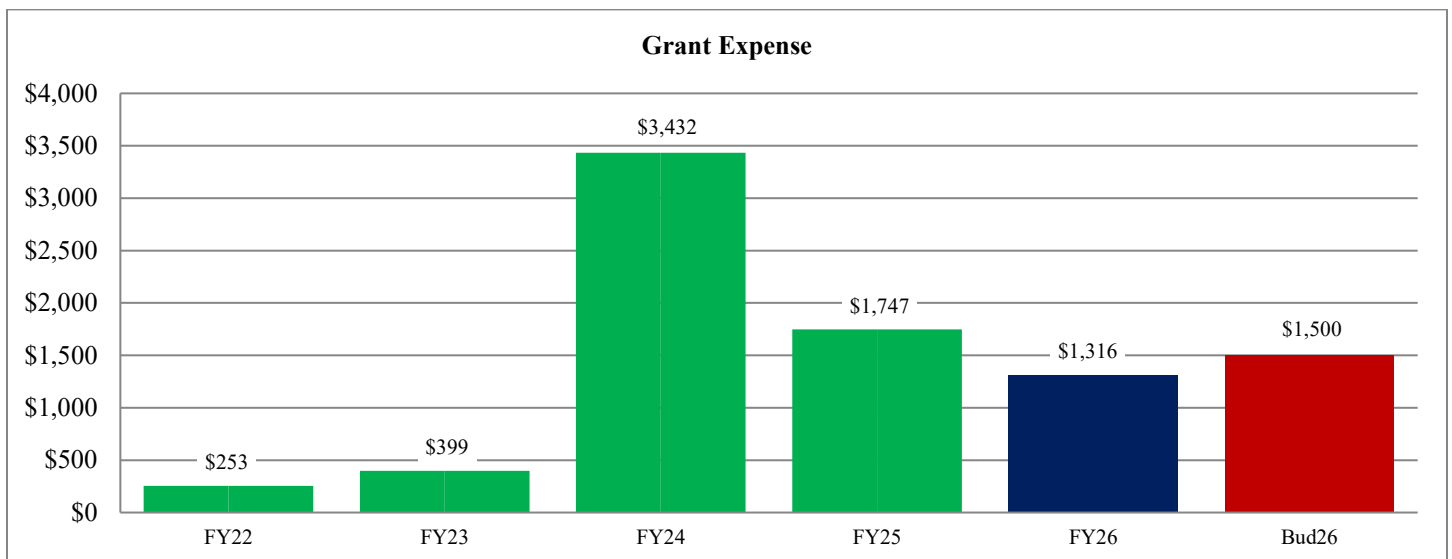
Operating Revenue was \$1081 or 8.2% favorable to budget but \$285 or 2.0% below last year. Interest Revenue was \$1,542 or 13.4% favorable to budget while fee revenue was \$461 or 28.1% unfavorable to budget.



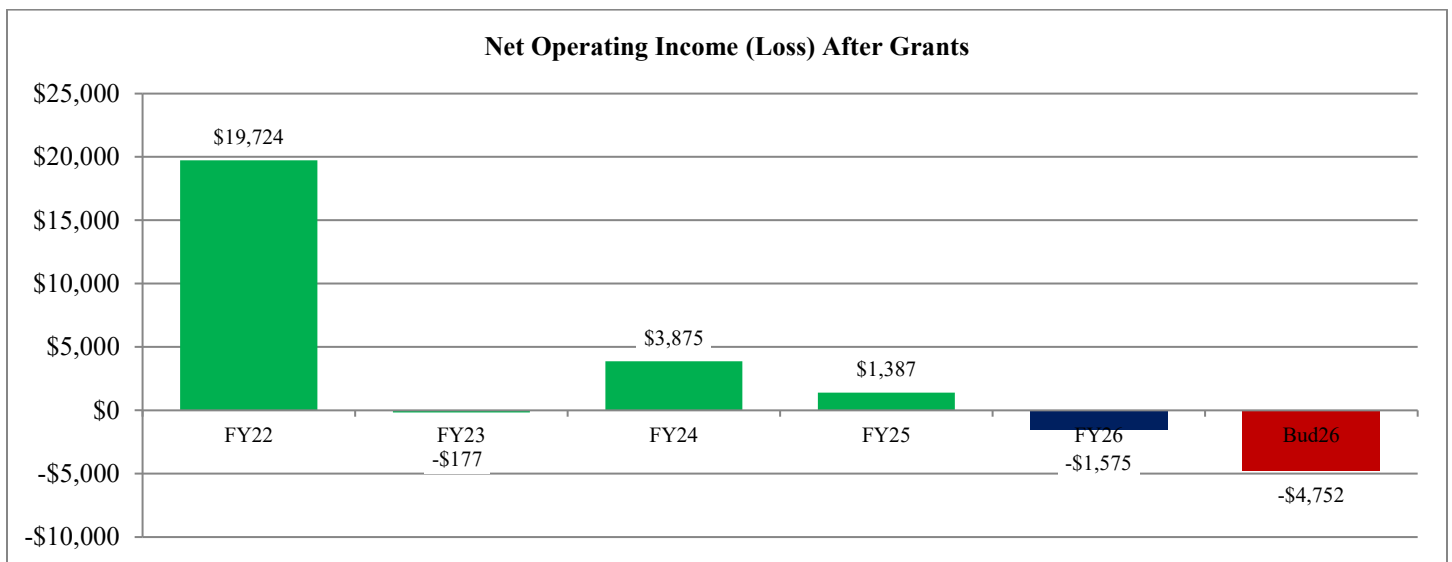
Operating Expense was \$833 or 5.1% favorable to budget but \$3,968 or 34.1% higher than last year. DNR expense reimbursement included \$1.1 million to replace federal grant funding expected but not received for fiscal year 2025 operations. Actual interest expense was below budget by \$1.5 million but above the prior year by \$1.9 million.



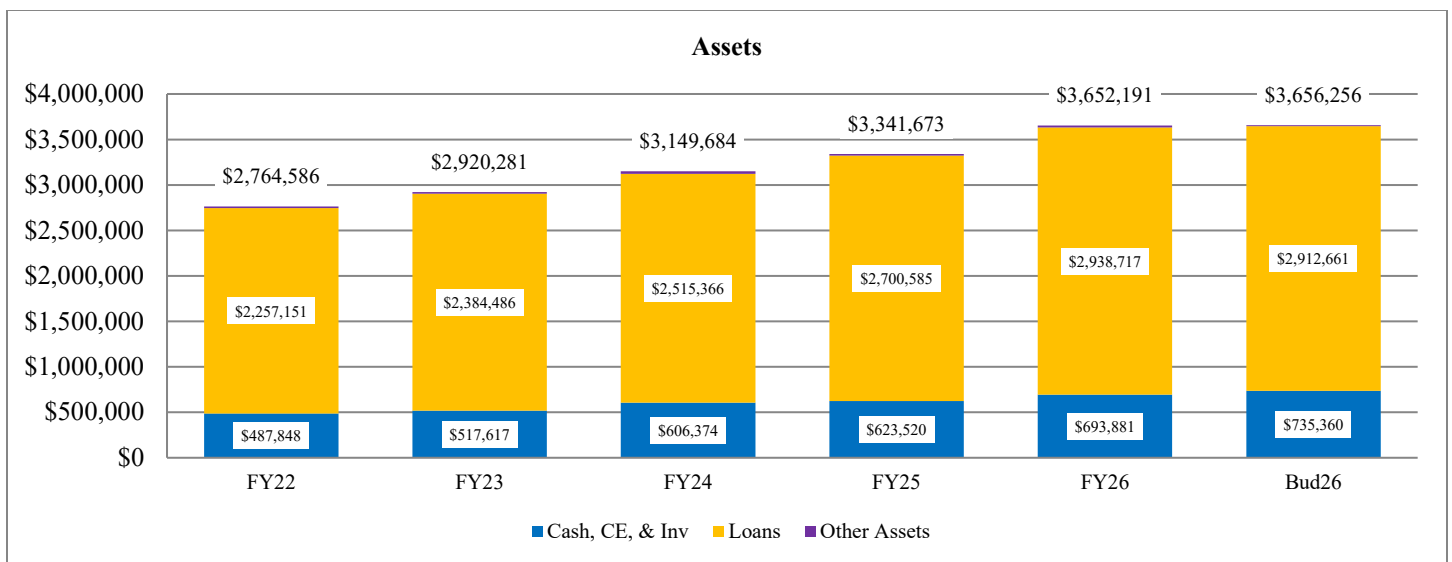
CAP Grant Revenue of \$1,078 was favorable to the \$0 budget and \$859 above last year. The current year grants recognized through August were primarily DW set aside funds drawn. The 2025 EPA grant allocation for CW of \$53.7 million and DW of \$54.7 million was made available for loans and expenses beginning in September. Additional grant funds for Emerging Contaminant (EC) projects will be released later in the year.



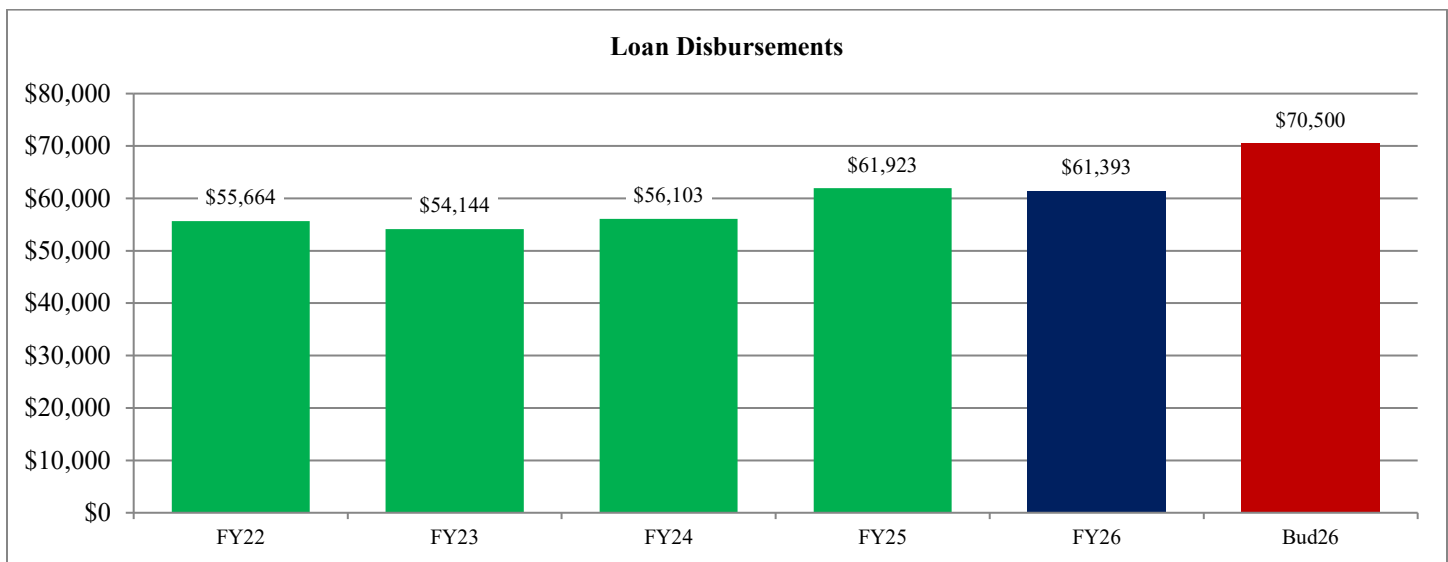
Grant Expense was \$184 or 12.3% favorable to budget, and \$431 or 24.7% below last year. Grant Expense relates to the forgivable portion of specific SRF loans which was applied upon project completion. Included in the expense is a reserve for forgiveness expected to be used, prorated based on funds disbursed to date.



As a result, Net Operating Income After Grants (NOIAG) was \$3,177 favorable to budget but \$2,962 behind prior year.



Assets of \$3.7 billion were in line with budget and higher than prior year by \$310.5 million or 9.3% due to continued portfolio growth. The FY26 Loans balance of \$2.9 billion is shown net of reserves of \$41.1 million, primarily for loan forgiveness and initiation fee refunds.



Year-to-date loan disbursements were \$9,107 or 12.9% below budget and \$530 or 0.9% above last year. August loan disbursements were \$33,267 and total loan commitments were \$528,539 at the end of the month.

SRF Cash balances:

Equity/Program/Admin Fund Balances					
<u>Program</u>	<u>Uses</u>	<u>Account</u>	<u>Balance at 6/30/2025</u>	<u>Net Cash Inflows</u>	<u>Balance at 8/31/2025</u>
Equity Fund	Construction Loans Debt Service				
Clean Water Equity		12069250/1	204,260	146,465	350,725
Clean Water Revenue		12069208/09	143,048	(142,512)	535
Drinking Water Equity		12069253/4	176,810	36,605	213,414
Drinking Water Revenue		12069211/12	45,367	(45,174)	193
Total			569,484	(4,616)	564,868
Program Fund	P&D, CW GNPS, DW SWP				
Clean Water		22546000	23,609	(2,988)	20,621
Drinking Water		22546001	8,381	189	8,570
Total			31,991	(2,800)	29,191
Administration Fund	Administrative Expenses				
Clean Water		22546002	23,120	(731)	22,389
Drinking Water		22546003	25,193	247	25,440
Total			48,312	(484)	47,828

EPA Grant allotments and available funds (Note available amounts for loan draws may be restricted for certain program uses such as lead service lines or emerging contaminants):

Federal Capitalization Grants		8/31/2025				
Grant Award Year	Clean Water		Drinking Water		Total SRF	
	EPA Awards	Remaining	EPA Awards	Remaining	EPA Awards	Remaining
Prior Years	656,813	-	379,124	-	1,035,937	-
2022	40,938	1,250	100,609	60,822	141,547	62,072
2023	41,240	1,800	79,886	47,229	121,126	49,029
2024	41,827	-	41,565	6,913	83,392	6,913
2025	54,693	54,693	53,711	53,711	108,404	108,404
Total	835,511	57,743	654,895	168,675	1,490,406	226,418

Grant Award Year	Clean Water		Drinking Water		Total
	Available for Loan Draws	Available for Set-asides	Available for Loan Draws	Available for Set-asides	
2022	1,250	-	60,822	-	62,072
2023	1,800	-	41,128	6,101	49,029
2024	-	-	-	6,913	6,913
2025	51,953	2,740	46,954	6,757	108,404
Total	55,003	2,740	148,904	19,771	226,418

SRF loan balances before reserves for loan losses, forgiveness and initiation fee refunds:

SRF Loan Portfolio	6/30/2023	6/30/2024	6/30/2025	8/31/2025	YTD Increase
Clean Water	1,935,206	2,095,470	2,274,003	2,319,432	2.0%
Drinking Water	541,873	572,392	642,676	660,426	2.8%
Total SRF Loan Portfolio	2,477,079	2,667,862	2,916,679	2,979,858	2.2%

Balance Sheet	State Revolving Fund (Rollup)						
	Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	546,592,294	589,297,191	(42,704,897)	-7.2	479,100,199	67,492,095	14.1
Investments	147,288,756	146,063,212	1,225,544	0.8	144,419,760	2,868,996	2.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	2,938,717,478	2,912,660,720	26,056,758	0.9	2,700,584,509	238,132,969	8.8
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	17,509,017	6,419,086	11,089,931	172.8	15,024,218	2,484,800	16.5
Deferred Outflows	2,083,044	1,815,574	267,470	14.7	2,544,181	(461,137)	-18.1
Total Assets and Deferred Outflows	3,652,190,588	3,656,255,783	(4,065,195)	-0.1	3,341,672,866	310,517,722	9.3
Liabilities, Deferred Inflows, and Equity							
Debt	2,408,177,388	2,377,310,872	30,866,516	1.3	2,147,854,257	260,323,130	12.1
Interest Payable	9,498,321	57,434,916	(47,936,596)	-83.5	9,228,169	270,151	2.9
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	2,538,231	871,834	1,666,397	191.1	139,446	2,398,785	1720.2
Other Liabilities	318,780	647,002	(328,222)	-50.7	340,677	(21,897)	-6.4
Deferred Inflows	11,476,609	54,337	11,422,272	21021.2	11,145,656	330,953	3.0
Total Liabilities and Deferred Inflows	2,432,009,328	2,436,318,961	(4,309,633)	-0.2	2,168,708,206	263,301,122	12.1
Equity							
YTD Earnings(Loss)	(1,441,087)	(4,752,294)	3,311,207	-69.7	2,057,661	(3,498,749)	-170.0
Prior Years Earnings	1,221,551,631	1,227,096,267	(5,544,636)	-0.5	1,174,671,381	46,880,250	4.0
Transfers	(0)	(2,407,150)	2,407,150	-100.0	(3,764,382)	3,764,382	-100.0
Total Equity	1,220,110,544	1,219,936,823	173,721	0.0	1,172,964,661	47,145,883	4.0
Total Liabilities, Deferred Inflows, and Equity	3,652,119,872	3,656,255,783	(4,135,912)	-0.1	3,341,672,866	310,447,005	9.3

Income Statement	State Revolving Fund (Rollup)													
	Aug-2025							Aug-2025						
	Actuals	Bud26	Difference	%	Last Year	Difference	%	Actuals	Bud26	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	5,744,055	5,774,546	(30,492)	-0.5	6,383,347	(639,292)	-10.0	13,082,841	11,540,605	1,542,236	13.4	13,460,014	(377,173)	-2.8
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	584,554	823,510	(238,956)	-29.0	617,248	(32,694)	-5.3	1,179,321	1,640,407	(461,086)	-28.1	1,086,941	92,380	8.5
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Revenue	6,328,609	6,598,057	(269,448)	-4.1	7,000,595	(671,986)	-9.6	14,262,162	13,181,012	1,081,150	8.2	14,546,955	(284,794)	-2.0
Operating Expense														
Interest Expense	5,689,015	6,161,729	(472,714)	-7.7	5,381,240	307,775	5.7	12,764,239	14,306,049	(1,541,810)	-10.8	10,865,614	1,898,625	17.5
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	64,415	92,140	(27,725)	-30.1	83,196	(18,781)	-22.6	177,044	188,099	(11,055)	-5.9	176,437	607	0.3
Shared Expense	234	2,055	(1,821)	-88.6	50	185	371.7	378	4,110	(3,732)	-90.8	99	279	281.1
Marketing Expense	325	1,410	(1,085)	-77.0	-	325	0.0	7,775	2,820	4,955	175.7	-	7,775	0.0
Professional Services	(26,090)	73,935	(100,025)	-135.3	(28,816)	2,727	-9.5	(4,773)	108,870	(113,643)	-104.4	(12,717)	7,944	-62.5
Claim and Loss Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	1,591,761	882,500	709,261	80.4	-	1,591,761	0.0	2,627,392	1,785,000	842,392	47.2	570,338	2,057,054	360.7
Overhead Allocation	12,034	20,544	(8,510)	-41.4	15,094	(3,060)	-20.3	27,564	38,358	(10,794)	-28.1	31,867	(4,303)	-13.5
Total Operating Expense	7,331,695	7,234,314	97,381	1.3	5,450,764	1,880,931	34.5	15,599,620	16,433,306	(833,686)	-5.1	11,631,638	3,967,982	34.1
Net Operating Income (Loss) Before Grants	(1,003,086)	(636,257)	(366,829)	57.7	1,549,831	(2,552,917)	-164.7	(1,337,459)	(3,252,294)	1,914,836	-58.9	2,915,317	(4,252,775)	-145.9
Net Grant (Income) Expense														
Grant Revenue	(486,192)	-	(486,192)	0.0	-	(486,192)	0.0	(1,078,126)	-	(1,078,126)	0.0	(219,295)	(858,831)	391.6
Grant Expense	1,145,538	1,000,000	145,538	14.6	1,398,480	(252,942)	-18.1	1,316,110	1,500,000	(183,890)	-12.3	1,747,257	(431,147)	-24.7
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	659,346	1,000,000	(340,654)	-34.1	1,398,480	(739,134)	-52.9	237,984	1,500,000	(1,262,016)	-84.1	1,527,962	(1,289,978)	-84.4
Net Operating Income (Loss) After Grants	(1,662,432)	(1,636,257)	(26,175)	1.6	151,351	(1,813,783)	-1198.4	(1,575,442)	(4,752,294)	3,176,852	-66.8	1,387,355	(2,962,798)	-213.6
Other Non-Operating (Income) Expense	(233,154)	-	(233,154)	0.0	(300,759)	67,606	-22.5	(134,355)	-	(134,355)	0.0	(670,306)	535,951	-80.0
Net Income (Loss)	(1,429,278)	(1,636,257)	206,979	-12.6	452,110	(1,881,389)	-416.1	(1,441,087)	(4,752,294)	3,311,207	-69.7	2,057,661	(3,498,749)	-170.0
IFA Home Dept Staff Count	4	6	(2)	-33.3	6	(2)	-33.3	5	6	(2)	-25.0	6	(2)	-25.0
FTE Staff Count	6	7	(2)	-24.9	7	(2)	-21.5	6	7	(2)	-23.5	7	(2)	-22.4

This resolution authorizes the issuance of bonds in an amount not to exceed \$175 million. However, the expected par amount of the 2025 Bonds is currently anticipated to be less than \$100 million. The proceeds will be used to finance new Fannie Mae, Freddie Mac and GNMA mortgage-backed securities (“MBS”) in addition to down payment assistance for the FirstHome and Homes for Iowans loan programs. The 2025 Bonds will be issued within the 1991 Indenture.

Single family reservations have been ranging from \$8-10 million per week between its FirstHome and Homes for Iowans programs since the middle of August.

The Authority will start reserving FirstHome and Homes for Iowans loans into the 2025 Bonds in the middle of October. These loans will be securitized and delivered into the Single Family 2025 Bonds. We estimate FirstHome and Homes for Iowans net reservations of approximately \$8-10 million per week. The current anticipated structure of the 2025 Bonds is expected to be a combination of both tax-exempt and taxable bonds to fund new MBS and down payment assistance. We expect to issue fixed rate bonds but also allow the option to explore variable rate bonds.

- Tax-exempt and taxable bonds will fund new FirstHome MBS and down payment assistance.
- Taxable bonds fund Homes for Iowans MBS and down payment assistance.
- Anticipated pricing of the bonds – November or early December.
- Anticipated closing of the bonds is in December.

IOWA FINANCE AUTHORITY | 1963 Bell Avenue, Suite 200 | Des Moines, Iowa 50315 | Phone: 515.452.0400 | iowafinance.com

RESOLUTION FIN 25-06

Resolution Adopting and Approving Series Resolution Relating to Single Family Mortgage Bonds (Mortgage-Backed Securities Program) in one or more series and Authorizing the Issuance, Sale and Delivery of the Authority's Single Family Mortgage Bonds Pursuant to Such Series Resolution; and Delegating Certain Responsibilities to Authorized Officers for Finalizing Certain Matters, Forms and Contents of Certain Documents

BE IT RESOLVED BY THE IOWA FINANCE AUTHORITY (the "Authority"), as follows:

Section 1. Approval of Series Resolution. The Authority did on July 10, 1991, adopt its Single Family Mortgage Bond Resolution and has adopted certain amendments and supplements thereto (as amended and supplemented, the "General Resolution"), which General Resolution provides for the issuance from time to time of series of bonds upon adoption of Series Resolutions. To provide additional funding for the Program (as defined in the General Resolution), and subject to the parameters set forth in Section 2 of this Resolution, the Authority determines to proceed with the issuance of additional series of its Single Family Mortgage Bonds (Mortgage-Backed Securities Program), in one or more series, a portion of which may be issued as bonds bearing interest at a fixed rate (the "Fixed Rate Bonds") and a portion of which may be issued as bonds bearing interest at a variable rate (the "Variable Rate Bonds" and, together with the Fixed Rate Bonds, the "Bonds"). The Bonds shall be issued pursuant to one or more Series Resolutions (the "Series Resolution") substantially in the form now before this meeting, which is hereby adopted and approved. Authority is hereby delegated to the Director, Chief Financial Officer or Chief Bond Programs Director (each an "Authorized Officer"), and each of them without the other is hereby authorized to execute and to approve such changes, modifications, amendments, revisions and alterations in and to said Series Resolution as such Authorized Officer shall in the exercise of her or his own independent judgment and discretion and upon the advice of counsel determine to be necessary, proper, appropriate, advisable or desirable in order to effectuate the issuance, sale and delivery by the Authority of the Bonds as provided and described in this Resolution and said Series Resolution as finally approved and executed by the Authorized Officer (including, without limitation, the authority, subject to the general parameters contained in Section 2 hereof, to designate the series of the Bonds to be issued, to determine the aggregate principal amount of Bonds, and the principal amount of any series of Bonds and to determine which series, if any, shall be composed of Bonds the interest on which shall be includable in gross income for federal income tax purposes). For purposes of this Resolution, Bonds issued with interest not includable in gross income for federal income tax purposes are hereinafter referred to as the "Tax-Exempt Bonds" and Bonds issued with interest includable in gross income for federal income tax purposes are hereinafter referred to as the "Taxable Bonds."

Section 2. Authority for Contracts of Purchase, Continuing Covenant Agreement and Standby Bond Purchase Agreement; Terms of Bonds. Any Authorized Officer, with assistance of counsel, is hereby authorized to negotiate the terms of (a) one or more contracts of purchase

(singularly, the “Contract of Purchase” and, collectively, the “Contracts of Purchase”) with respect to the Bonds with Morgan Stanley & Co. LLC as representative of the underwriters purchasing the Bonds, or with another firm or firms as may be determined by either the Director or Chief Financial Officer (such firm or firms, the “Underwriters”), and to execute on behalf of the Authority any Contract of Purchase so negotiated; provided that the Contracts of Purchase shall be substantially in the form previously utilized with the Underwriters, in connection with bonds previously issued pursuant to the General Resolution, and/or (b) a continuing covenant agreement or similar agreement (a “Continuing Covenant Agreement”) with a financial institution for the purchase of a portion of the Bonds in such form as approved by the Director or Chief Financial Officer in consultation with counsel; provided that in either case the aggregate principal amount of the Bonds sold pursuant to such Contracts of Purchase or Continuing Covenant Agreement shall not exceed \$175,000,000, the final maturity date of the Bonds shall not be later than January 1, 2065, and the underwriting discount or origination or other fee shall not exceed 2% of the principal amount of the Bonds. The average coupon rate for the Tax-Exempt Bonds, if issued as Fixed Rate Bonds, shall not exceed 7.00% per annum and the average coupon rate for the Taxable Bonds, if issued as Fixed Rate Bonds, shall not exceed 8.50% per annum. The Variable Rate Bonds may be issued bearing interest at a variable rate in accordance with an index or formula set forth in the Series Resolution and may be subject to conversion to other variable rate modes based on differing formulas or indices, or to conversion to fixed interest rates, as provided in said Series Resolution and, in connection with any Variable Rate Bonds, any Authorized Officer may at any time negotiate and execute a standby bond purchase agreement with a bank or financial institution selected by an Authorized Officer (the “Standby Bond Purchase Agreement”), and may enter into derivative transactions as further authorized by Section 6 of this Resolution.

Section 3. Authority for Preliminary Official Statement and Official Statement. Any Authorized Officer, with assistance of counsel, is authorized to assist in the preparation of a Preliminary Official Statement to be used by the Underwriters in the offering and sale of a portion or all of the Bonds and to approve the use thereof for such purpose. Any Authorized Officer, with assistance of counsel, is further authorized to approve and execute a final Official Statement, substantially in the form of the Preliminary Official Statement, but with such changes, modifications, amendments, revisions and alterations therein, thereof and thereto as the Authorized Officer shall in the exercise of her or his own independent judgment and discretion and upon advice of counsel determine to be necessary, proper, appropriate, advisable or desirable in order to effectuate the issuance, sale and delivery of a portion or all of the Bonds. Any Authorized Officer is further authorized to execute and deliver such certifications and to take such steps as are necessary to comply with SEC Rule 15c2-12.

Section 4. Authority for Continuing Disclosure Agreement. Any Authorized Officer, with assistance of counsel, is authorized to negotiate the terms of a continuing disclosure agreement and/or a disclosure dissemination agent agreement (the “Continuing Disclosure Agreement”), to be entered into between the Authority and Digital Assurance Certification, L.L.C. (the “Dissemination Agent”), with provisions substantially similar to continuing disclosure agreements entered into by the Authority in connection with bonds previously issued under the General Resolution, wherein the Authority will covenant for the benefit of the beneficial owners of the Bonds to provide annually certain financial information and operating data relating to the Authority and to provide notices of the occurrence of certain enumerated

events with respect to the Bonds and the Authority, and to execute and deliver such Continuing Disclosure Agreement on behalf of the Authority.

Section 5. Holding of Hearing and Report to Governor. Prior to the issuance and delivery of the Bonds, any Authorized Officer is authorized to establish a date for the holding of the public hearing required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and publish the required notice of intention to issue Single Family Mortgage Bonds, in one or more series, in an aggregate principal amount not to exceed \$175,000,000 as required by Section 147(f) of the Code and the Treasury Regulations promulgated thereunder not less than 7 days prior to the date established for the hearing. Subsequent to the hearing, an Authorized Officer is directed to make a report of such hearing to the Governor, and to request the Governor's approval of the issuance of the Tax-Exempt Bonds.

Section 6. General and Specific Authorizations. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Authority hereby (1) authorizes and directs all of the officers, employees and agents of the Authority to carry out or cause to be carried out, and to perform such obligations of the Authority and such other actions as they, or any one of them, in consultation with counsel, shall consider necessary, advisable, desirable or appropriate in connection with this Resolution, the General Resolution, the Series Resolution, the Contracts of Purchase, the Continuing Covenant Agreement, the Standby Bond Purchase Agreement, the Continuing Disclosure Agreement, the Official Statement, and the issuance, sale and delivery of the Bonds, including without limitation and whenever appropriate, the execution and delivery thereof by any Authorized Officer of all other related documents, instruments, certifications and opinions and amendments to documents as may be deemed necessary by an Authorized Officer, and also including (i) giving any required notices of redemption in connection with the redemption, whether mandatory, special or optional, of bonds to be refunded, in whole or in part, from the proceeds of the Bonds and (ii) entering into any derivative transactions and necessary related documents in connection therewith, and (2) delegates the right, power and authority to any Authorized Officer of the Authority to exercise her or his own independent judgment and discretion upon advice of counsel in determining and finalizing the terms, provisions, form and contents of each of the documents hereinbefore referenced and identified, if applicable. The execution and delivery by any Authorized Officer or by any such other officer, officers, agent or agents of the Authority of any such documents, instruments, certifications and opinions, or the doing by them of any act in connection with any of the matters which are the subject of this Resolution, shall constitute conclusive evidence of both the Authority's and their approval of all changes, modifications, amendments, revisions and alterations made therein and shall conclusively establish their absolute, unconditional and irrevocable authority with respect thereto from the Authority and the authorization, approval and ratification by the Authority of the documents, instruments, certifications and opinions so executed and the action so taken.

Section 7. Prior Resolutions. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 1st day of October, 2025.

Jennifer Cooper, Chairperson

Attest:

Deborah Durham
Director/Secretary

(Seal)

To: Iowa Finance Authority Board of Directors

From: Nick Michaud, Underwriter

Chrisi Shropshire, Underwriter

Date: October 1, 2025

Re: Grant Terrace, Oskaloosa

Background: This multi-family project consists of 1 building with a total of 15 rental units, all of which are LIHTC and HOME assisted units. The property is in north central Oskaloosa near highway 92. The original HOME contract date was April of 2008 with a loan amount of \$750,000. The property is owned by Grant Terrace LLLP and is managed by Community Housing Initiatives Inc. The project was placed in service on 12/30/2009 and the affordability period ended on 4/4/2025. The project is currently 100% occupied.

Borrowers:	Grant Terrace, LLLP
First Mortgage:	Northwest Bank
First Mortgage Balance/Debt Service:	\$ 48,848/ \$435/monthly (loan matures April of 2026)
HOME Loan Number:	08-HM-206
HOME Loan Balance:	\$870,727
HOME Loan Interest Rate:	1%
HOME Loan Maturity Date:	3/31/2040
HOME affordability end date:	4/4/2025
YTD 2025 Cash flow:	(\$3,744)
FY24 Cash flow:	(\$18,234)
FY23 Cash flow:	(\$14,477)
In Compliance:	Yes
Inspection Date:	06/12/2025
LIHTC affordability end date:	12/31/2039

Staff recommendation: We recommend the Iowa Finance Authority (“IFA”) forgive all the HOME loan balance owed to IFA by Grant Terrace, LLLP with no cash payment and that IFA release the outstanding mortgage securing the HOME Loan owed to IFA by Grant Terrace, LLLP due to the project meeting its HOME affordability requirements and the Borrower’s inability to make loan payments.

Proposed Motion: Motion to approve IFA forgiving all the HOME loan balance owed to IFA by Grant Terrace, LLLP with no cash payment and IFA releasing the outstanding mortgage securing the HOME Loan owed to IFA by Grant Terrace, LLLP.

Submitted By: Nick Michaud and Chrisi Shropshire

Attachments: N/A

To: Iowa Finance Authority Board of Directors

From: Nick Michaud, Underwriter

Chrisi Shropshire, Underwriter

Date: October 1, 2025

Re: Lincoln Terrace, Oskaloosa

Background: This multi-family project consists of 1 building with a total of 15 rental units, all of which are LIHTC and HOME assisted units. The property is in north central Oskaloosa near Highway 92. It is located one mile from the Grant Terrace property, which is also managed by Community Housing Initiatives Inc. The property is owned by Lincoln Terrace, LP. The original HOME contract date was April of 2008 with a loan amount of \$750,000. The project was placed in service on 12/30/2009 and the affordability period ended on 4/6/2025. The project is currently 100% occupied.

Borrowers:	Lincoln Terrace, LP
First Mortgage:	Northwest Bank
First Mortgage Balance/Debt Service:	\$ 41,551/ \$370 monthly
HOME Loan Number:	08-HM-207
HOME Loan Balance:	\$870,727
HOME Loan Interest Rate:	1%
HOME Loan Maturity Date:	3/31/2040
HOME affordability end date:	4/6/2025
YTD 2025 Cash flow:	(\$8,844)
FY24 Cash flow:	(\$14,477)
FY23 Cash flow:	(\$13,810)
In Compliance:	Yes
Inspection Date:	06/12/2025
LIHTC affordability end date:	12/31/2039

Staff recommendation: We recommend the Iowa Finance Authority (“IFA”) forgive all the HOME loan balance owed to IFA by Lincoln Terrace, LP with no cash payment and that IFA release the outstanding mortgage securing the HOME Loan owed to IFA by Lincoln Terrace, LP due to the project meeting its HOME affordability requirements and the Borrower’s inability to make loan payments.

Proposed Motion: Motion to approve IFA forgiving all the HOME loan balance owed to IFA by Lincoln Terrace, LP with no cash payment and IFA releasing the outstanding mortgage securing the HOME Loan owed to IFA by Lincoln Terrace, LP.

Submitted By: Nick Michaud and Chrisi Shropshire

Attachments: N/A

To: Iowa Finance Authority Board of Directors

From: Nick Michaud, Underwriter

Chrisi Shropshire, Underwriter

Date: October 1, 2025

Re: Spencer School Apartments, Spencer

Background: This multi-family project consists of one building and a total of 16 rental units, all of which are LIHTC and HOME assisted units. The property is in central Spencer, near Highway 71. The original HOME contract date was April of 2008 for the loan amount of \$800,000. The property is owned and managed by Community Housing Initiatives Inc. The project was placed in service on 12/8/2009 and the affordability period ended on 4/21/2025. The project is currently 100% occupied.

Although the project has cashflow, the owners have indicated the need for immediate repairs which include a fresh coat of paint and carpets in the common space hallways as they are original (\$65,000), resident services (there is an increase to the tenants’ social needs), and an increase to replacement reserves for capital needs over the next 5-10 years.

Borrowers:	Old Spencer School, LLLP
HOME Loan Number:	08-HM-212
HOME Loan Balance:	\$928,762
HOME Loan Interest Rate:	1%
HOME Loan Maturity Date:	4/30/2040
HOME affordability end date:	4/21/2025
YTD 2025 Cash flow:	\$14,375
FY24 Cash flow:	\$34,631
FY23 Cash flow:	\$15,509
In Compliance:	Yes
Inspection Date:	06/11/2025
LIHTC affordability end date:	12/31/2039

Staff recommendation: We recommend the Iowa Finance Authority (“IFA”) forgive all the HOME loan balance owed to IFA by Old Spencer School, LLLP with no cash payment and that IFA release the

outstanding mortgage securing the HOME Loan owed to IFA by Old Spencer School, LLLP due to the project meeting its HOME affordability requirements.

Proposed Motion: Motion to approve IFA forgiving all the HOME loan balance owed to IFA by Old Spencer School, LLLP with no cash payment and IFA releasing the outstanding mortgage securing the HOME Loan owed to IFA by Old Spencer School, LLLP.

Submitted By: Nick Michaud and Chrisi Shropshire

Attachments: N/A

To: Iowa Finance Authority Board of Directors

From: Nick Michaud, Underwriter

Chrisi Shropshire, Underwriter

Date: October 1, 2025

Re: Cobblestone Place, Davenport

Background: This multi-family project consists of two buildings with a total of 28 rental units, of which all are LIHTC assisted. The target demographic for this project is families. The property is located on the south side of Davenport, about a mile west of the downtown area. The original HOME contract date was May of 2003 with an original loan amount of \$349,000. The property is owned and managed by Premier Housing. The project was placed in service on 03/14/2005 and the HOME affordability period ended on 03/28/2011. The project is currently 73% occupied.

The project is out of compliance due to one of the buildings (921 W 3rd St, Davenport, IA 52802) being condemned by the City of Davenport in March 2024 as the units continued to be vandalized and major destruction was done to brand new HVAC units. The building, which has 6 units, has been vacant since then. This building will be renovated as part of a sale with AJ Smith of GoldSmith Properties. Once the sale occurs, the project will be managed by Newbury Living.

Borrower:	Cobblestone Place, LLLP
First Mortgage:	Old National Bank
First Mortgage Balance/Debt Service:	\$99,605/\$947 monthly
HOME Loan Number:	03-HM-222
HOME Loan Balance:	\$690,389
HOME Loan Payments made to date:	\$27,920
HOME Loan Interest Rate:	0%
HOME Loan Maturity Date:	12/31/2055
HOME affordability end date:	03/28/2011
City Of Davenport:	\$250,000 (this loan will not be forgiven)
YTD 2025 Cash flow:	(\$18,448)
FY24 Cash flow:	(\$106,587)
FY23 Cash flow:	(\$92,756)
In Compliance:	No
Inspection Date:	08/20/2024

LIHTC affordability end date:

12/31/2054

Staff recommendation: We recommend the Iowa Finance Authority (“IFA”) forgive all the HOME loan balance owed to IFA by Cobblestone Place, LLLP with no cash payment and that IFA release the outstanding mortgage securing the HOME Loan owed to IFA by Cobblestone Place, LLLP due to the project meeting its HOME affordability requirement.

Proposed Motion: Motion to approve IFA forgiving all the HOME loan balance owed to IFA by Cobblestone Place, LLLP with no cash payment and IFA releasing the outstanding mortgage securing the HOME Loan owed to IFA by Cobblestone Place, LLLP.

Submitted By: Nick Michaud and Chrisi Shropshire

Attachments: N/A

To: Iowa Finance Authority Board of Directors

From: Nick Michaud, Underwriter

Chrisi Shropshire, Underwriter

Date: October 1, 2025

Re: Emri Apartments, Dubuque

Background: This proposed new construction family project was approved for 9% LIHTC and a \$500,000 HOME loan during the 2023 round and was approved for a 1st mortgage permanent loan of \$1,805,000 under the Multifamily Loan Program in 2024. It will be located at 2000 Radford Road in Dubuque. The project will be a single, three-story apartment building and will be on a 2.91-acre site. There will be eight 1-bedroom units, twenty-two 2-bedroom units and eighteen 3-bedroom units. There will be twelve 40% AMI units and thirty-six 60% AMI units. Amenities will include in unit washer/dryer, community room with kitchenette, patio/balcony area with each unit, picnic and BBQ area, elevator and an onsite leasing office.

TIF was awarded by the city in November of 2024, shortly after the approval of the first mortgage by the board in September of 2024. It was intended to be with the approval of the first mortgage but due to the timing of the city approval process, it was removed. The TIF is for 15 years and is expected to be about \$503,000 total, with equal semi-annual payments.

Borrower:	Dubuque Housing, LLC
Developer:	St. Michael Development Group, LLC
Management Company:	Sand Property Management, LLC
Syndicator:	Wells Fargo Community Investment Holding, LLC
Construction Lender:	Wells Fargo Bank
<u>Subordinate TIF Loan</u>	
Proposed Loan Amount:	\$480,000
Term & Amortization:	15-year term / 15-year amortization
Rate:	Currently 5.95 % with a two-year lock

Debt Service Coverage Ratio:	1.26:1 (combined IFA loan coverage with HOME)
Loan closing parameters:	Upon 92% occupancy and a 1.15 to 1.00 debt service coverage for an average of three months
Loan-to-Value:	63% (Two MF loans combined)
IFA Fees:	1% of the subordinate loan

Staff recommendation: We recommend the Iowa Finance Authority (“IFA”) work with Dubuque Housing, LLC to provide a subordinate TIF loan under the Multifamily Loan Program for the Emri Apartments project.

Proposed Motion: Motion to approve IFA providing a subordinate TIF loan under the Multifamily Loan Program to Dubuque Housing, LLC.

Submitted By: Nick Michaud and Chrisi Shropshire

Attachments: 15-year cash flow pro forma

15 YEAR CASH FLOW PROFORMA

Address:	2000 Radford Road, Dubuque, Iowa	Escalators:	Income:	2.00%	Vacancy Rate:	7.00%	Bedroom type:	1 bedroom	2 bedroom	3 bedroom	1 bedroom	2 bedroom	3 bedroom	1 bedroom	2 bedroom
County:	Dubuque		Expenses:	3.00%	Management Fee:	7.00%	Projected Rent:	\$ 595	\$ 708	\$ 813	\$ 902	\$ 1,085	\$ 1,313	\$ 571	\$ 708
			Reserves:	3.00%	Replacement Reserves PUPA:	\$350	No. of Units:	5	2	3	2	19	15	1	1

		Rate	Amort	Term												
1st Mtge:	\$1,805,000	5.950%	35.00	15.00												
2nd Mtge:	\$480,000	5.950%	15.00													
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
<u>Income:</u>																
Gross Rent Revenue - 100%	602,676	614,730	627,024	639,565	652,356	665,403	678,711	692,285	706,131	720,254	734,659	749,352	764,339	779,626	795,218	
Cable, Laundry, Misc.	4,800	4,896	4,994	5,094	5,196	5,300	5,406	5,514	5,624	5,736	5,851	5,968	6,088	6,209	6,333	
Less: Vacancies (with bad debts)	(42,187)	(43,031)	(43,892)	(44,770)	(45,665)	(46,578)	(47,510)	(48,460)	(49,429)	(50,418)	(51,426)	(52,455)	(53,504)	(54,574)	(55,665)	
Net Rental Revenue (NRR)	565,289	576,594	588,126	599,889	611,887	624,124	636,607	649,339	662,326	675,572	689,084	702,865	716,923	731,261	745,886	
<u>Operating Expenses:</u>																
Advertising	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513	
Office Expenses	8,700	8,961	9,230	9,507	9,792	10,086	10,388	10,700	11,021	11,352	11,692	12,043	12,404	12,776	13,160	
Property Management Fee	40,320	41,126	41,949	42,788	43,644	44,517	45,407	46,315	47,241	48,186	49,150	50,133	51,136	52,158	53,201	
Onsite Manager Salary	65,000	66,950	68,959	71,027	73,158	75,353	77,613	79,942	82,340	84,810	87,355	89,975	92,674	95,455	98,318	
Legal Expenses	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	2,768	2,852	2,937	3,025	
Auditing Expenses	7,000	7,210	7,426	7,649	7,879	8,115	8,358	8,609	8,867	9,133	9,407	9,690	9,980	10,280	10,588	
Electricity & Gas	23,000	23,690	24,401	25,133	25,887	26,663	27,463	28,287	29,136	30,010	30,910	31,837	32,793	33,776	34,790	
Water & Sewer	22,000	22,660	23,340	24,040	24,761	25,504	26,269	27,057	27,869	28,705	29,566	30,453	31,367	32,308	33,277	
Trash	7,500	7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079	10,382	10,693	11,014	11,344	
Maintenance Payroll	27,000	27,810	28,644	29,504	30,389	31,300	32,239	33,207	34,203	35,229	36,286	37,374	38,496	39,650	40,840	
Maintenance Supplies	9,000	9,270	9,548	9,835	10,130	10,433	10,746	11,069	11,401	11,743	12,095	12,458	12,832	13,217	13,613	
Snow Removal	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127	16,611	17,109	17,622	18,151	
Decorating	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	2,768	2,852	2,937	3,025	
Insurance	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	41,527	42,773	44,056	45,378	
Real Estate Taxes	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095	26,878	27,685	28,515	29,371	30,252	
Security System Expense	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513	
IFA Compliance Fee	1,536	1,582	1,630	1,678	1,729	1,781	1,834	1,889	1,946	2,004	2,064	2,126	2,190	2,256	2,323	
Telephone/cable/internet	11,000	11,330	11,670	12,020	12,381	12,752	13,135	13,529	13,934	14,353	14,783	15,227	15,683	16,154	16,638	
Grounds Maintenance	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572	20,159	20,764	21,386	22,028	22,689	
Repairs/Exterminating/Fire Safety	22,000	22,660	23,340	24,040	24,761	25,504	26,269	27,057	27,869	28,705	29,566	30,453	31,367	32,308	33,277	
Total Operating Expenses	327,056	336,464	346,147	356,112	366,368	376,922	387,785	398,964	410,470	422,312	434,499	447,043	459,952	473,240	486,915	
Net Operating Income	238,233	240,130	241,979	243,777	245,519	247,202	248,822	250,375	251,856	253,261	254,585	255,823	256,970	258,021	258,971	
Reserve Replacement Funds	16,800	17,304	17,823	18,358	18,909	19,476	20,060	20,662	21,282	21,920	22,578	23,255	23,953	24,671	25,412	
Adjusted N.O.I.	221,433	222,826	224,156	225,419	226,611	227,726	228,762	229,713	230,574	231,341	232,007	232,568	233,017	233,350	233,560	
1st Mortgage Debt Service	122,777	122,777	122,777	122,777	122,777	122,777	122,777	122,777	122,777	122,777	122,777	122,777	122,777	122,777	122,777	
2nd Mortgage Debt Service (TIF)	48,451	48,451	48,451	48,451	48,451	48,451	48,451	48,451	48,451	48,451	48,451	48,451	48,451	48,451	48,451	
3rd loan - IFA State HOME Loan	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
Debt Service Ratio - 1st Mortgage	1.80	1.81	1.83	1.84	1.85	1.85	1.86	1.87	1.88	1.88	1.89	1.89	1.90	1.90	1.90	
Debt Service Ratio - Overall	1.26	1.26	1.27	1.28	1.29	1.29	1.30	1.30	1.31	1.31	1.32	1.32	1.32	1.32	1.33	
Net Cash Flow	45,205	46,599	47,929	49,192	50,383	51,499	52,535	53,486	54,347	55,113	55,780	56,340	56,790	57,123	57,332	

Source of Funds

1st Mortgage	\$1,805,000.00
2nd Loan - IFA State HOME Loan	\$500,000.00
Manager Loan	\$656,205.00
Deferred Developer Fee	\$362,500.00
TIF Loan	\$480,000.00
Additional Manager Loan	\$168,437.00
Manager - cash contribution	\$1,043.00
Tax Credit Equity	\$9,991,405.00

Total Source of Funds**\$13,964,590.00****Use of Funds**

Purchase Land/buildings	\$530,000.00
Total Site Work	\$739,537.00
Total Construction Costs	\$9,833,386.00
Construction Contingency	\$250,000.00
Const. Interest/Origination Fee/Taxes During Const.	\$568,993.00
Architectural and Engineering fees	\$425,583.00
Rent-up/Marketing	\$51,407.00
Title and Recording Fees	\$60,909.00
Perm Loan Origination Fees	\$22,850.00
Accounting/Cost Certification	\$20,000.00
Market Study/Appraisal	\$23,780.00
Borrower Legal/Real Estate fees	\$105,141.00
IFA Compliance/Construction Monitoring Fees	\$14,436.00
Tax Credit Fees	\$123,500.00
Environmental Studies/Consultant/Energy audit	\$29,399.00
Furnishings/Equipment	\$59,000.00
Predevelopment Loan Fees and Interest	\$64,794.00
Developer's Fee	\$725,000.00
Other (Tax credit reservation fee correction)	-\$1,457.00
Operating Reserve & TIF Reserve	\$318,332.00

Total Use of Funds**\$13,964,590.00**

Iowa Finance Authority

June 30, 2025

Holly Engelhart, CPA & Tara Engquist, CPA
Partners

ENGAGEMENT TEAM AND TIMING



Holly Engelhart
Partner, Financial
Audits



Cameron Zent
Incoming Partner,
Financial Audits



Tara Engquist
Partner,
Single Audit



Jen Lightfoot
Senior Manager,
Engagement
Quality Review



Torey Stallsmith
Senior Manager,
Financial Audits



Roger Terveen
Senior Manager,
Financial Audits



Brittny Burns
Senior Manager,
Financial Audits
Single Audit



Ryan Manglos
Senior Associate,
Financial Audits In-
Charge



Kendra Kranz
Senior Associate,
Single Audit



Kenzie Wirth
Senior Associate,
Financial Audits
Single Audit



Staci Nevinski
Senior Associate,
Financial Audits

Photo not available

Connor Knecht
Associate,
Single Audit

Timing

Planning and Interim Procedures – June (primarily on-site)

Audit Fieldwork – weeks of August 11 and August 18 (primarily on-site)

Single Audit Fieldwork – June / September (primarily remote)

Engagement Quality Review (EQR) – September

OVERVIEW OF AUDIT RESULTS

Financial Statement Audits – IFA, SRF

- **Audit opinion – Unmodified Opinions**
- **Auditor use of experts**
 - EB forensics personnel
 - IT risk advisory personnel
- **IFA reliance on specialists**
 - BLX Group LLC for fair value of interest rate swaps / caps
 - Cavanaugh Macdonald Consulting actuary for IPERS pension amounts
 - Segal actuary for OPEB amounts
 - Milliman actuary for ITG claims reserve calculation

OVERVIEW OF AUDIT RESULTS

- *Government Auditing Standards Findings*
 - **2025-001**– Significant deficiency – adjusting entry due to absence of robust review of grant revenue by individual grant program.
 - **2025-002** – Significant deficiency – adjusting entries to allowance reserves for HOME and SRF loans due to lack of robust review controls over calculation inputs and a lack of controls to review/approve changes to loan reserve occurring outside of policy parameters
 - **2025-003** – Significant deficiency - lack of certain best practice IT general controls related to operations and logical access.
 - No instances of noncompliance or other matters reported.

OVERVIEW OF AUDIT RESULTS

- *Single Audit*
 - Issuance of final single audit report delayed due to OMB having not yet issued the 2025 final compliance supplement
 - Major programs tested include the following programs and expenditures:
 - Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) – \$47.2 million in expenditures
 - Emergency Rental Assistance Program (ERA2) – \$15 million in expenditures
 - Homeowner Assistance Fund (HAF) – \$18.2 million in expenditures
 - Emergency Solutions Grant (ESG) - \$3.3 million in expenditures
 - Pending any further testing from the final compliance supplement, draft single audit reports reflect unmodified opinions over compliance for the 4 major programs tested and no findings

REQUIRED AUDITOR'S COMMUNICATION

1. Auditor's responsibility for financial statement and single audits.
 - Express opinions about whether financial statements prepared by management are presented fairly
 - Plan and perform our audit to obtain reasonable assurance, rather than absolute assurance, about whether the financial statements are free of material misstatements
 - Express opinions over compliance for each major federal program
2. Planned scope and timing were previously communicated to you.
3. Compliant with relevant ethical requirements regarding independence.

REQUIRED AUDITOR'S COMMUNICATION

4. Significant risks identified.

- Management override of controls
- Personnel changes
- Revenue recognition – grant revenue and fee revenues
- Significant estimates in valuation for the following areas:
 - interest rate swaps
 - claim reserves
 - allowance for loan loss
 - pension-related balances / disclosures

5. Significant accounting policies.

- Management is responsible for selection and use of appropriate policies
- Described in notes to financial statements
- Implementation of GASB 101 and GASB 102 in current year

REQUIRED AUDITOR'S COMMUNICATION

6. Management judgments and accounting estimates and disclosures.

- Significant/sensitive estimates include:
 - IFA – Interest rate swaps/cap derivative
 - IFA – Reserves for claims for ITG
 - IFA & SRF – Allowance for loan loss
 - IFA & SRF – Pension liability and related

7. No difficulties in dealing with management.

8. Corrected and uncorrected misstatements.

- Corrected misstatements
 - IFA – Adjusting entry was proposed related to reduce deferred revenue and increase revenue for grants
 - IFA & SRF – Adjusting entries proposed related to reserves for loan losses
- Passed (uncorrected) adjustments
 - None reported

REQUIRED AUDITOR'S COMMUNICATION

9. No disagreements with management.
10. No circumstances identified that affected the form and content of the auditor's report.
11. Written representations have been requested from management.
12. There were no consultations by management with other accountants about auditing/accounting matters.
13. Other matters discussed in normal course of professional relationship, none of which resulted in a condition to our retention as auditors.
14. We have read the unaudited information included in the annual report, noting nothing inconsistent with the information appearing in the financial statements.

CURRENT YEAR FINANCIAL RESULTS

- Total operating revenues increased \$79.9MM, or 48%.

	FY 2025	FY 2024	Change \$	Change %
Interest income	\$173,956	\$148,183	\$25,773	17.4%
Fair value change investments / MBS	42,174	(8,516)	50,690	595.2%
Gain on sale of MBS	976	714	262	36.7%
Fee income	27,402	24,211	3,191	13.2%

- Total operating expenses increased \$29MM, or 20%.
 - \$29.6MM – Interest expense increased 27% due to five new debt issuances partially offset by interest reductions due to bond calls
 - \$1.6MM – G & A expenses increased 5% due to increases in consultant fees to facilitate ongoing relief programs

CURRENT YEAR FINANCIAL RESULTS

- Net non-operating revenue increased \$2.8MM, or 4.6%, largely due to increased ARPA and disaster recovery grant receipts (up 34% due to new grant programs) and related expenses (up 45%).
- Total net position increased \$134MM, or 9% from prior year
 - In the prior year, total net position had increased \$81MM, or 5.6%.
 - \$53MM increase in the year-over-year increase in net position, or 65%
- Current year reflected a transfer of \$1.2 million from the State Revolving Fund to the Housing Agency Fund for transfer of the SRF's YTD portion of the EMS project assets
- Change in net position, excluding fair value change in investments/MBS, was \$92MM for 2025 and \$89MM for 2024.

CURRENT YEAR FINANCIAL RESULTS

- **Total assets and deferred outflows increased \$545MM, or 9.7%.**
 - Growth in mission assets:
 - Investments in MBS increased \$384MM (27.4%)
 - Line of credit receivable w/ Idaho increased \$4MM (12.3%)
 - SRF loans increased \$227.6MM (8.6%)
 - Cash decreased \$130MM due to increase in investments in mission assets
- **Total liabilities and deferred inflows increased \$411MM, or 10%.**
 - Liabilities increased by a net \$416MM (10.2%) – key components:
 - Proceeds from four Single-Family bond issues totaled \$463MM
 - Proceeds from one SRF bond issue totaled \$181MM
 - Principal repayment on debt of \$180MM

Government Accounting Developments

GASB 101 – Compensated Absences

- This Statement requires that liabilities for compensated absences be recognized for:
 - (1) leave that has not been used, and
 - (2) leave that has been used but not yet paid in cash or settled through noncash means.
- A liability should be recognized for leave that has not been used if
 - (a) the leave is attributable to services already rendered,
 - (b) the leave accumulates, and
 - (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.
- This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability.
- Effective for year ending June 30, 2025.

Government Accounting Developments

GASB 102 – Certain Risk disclosures

- This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact.

Concentration - lack of diversity related to an aspect of a significant inflow of resources or outflow of resource.

Constraint - a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority.

- Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.
- This Statement requires additional disclosure regarding concentrations or constraints identified that meet the criteria for disclosure.
- Effective for year ending June 30, 2025.

Government Accounting Developments

GASB 103 – Financial Reporting Model Improvements

- The objective is to improve key components of the financial reporting model to enhance effectiveness of decision making, assessing a government's accountability and increased comparability.
- Requires MD&A be limited to topics discussed in five sections and that detailed analyses should explain why changes occurred rather than simply presenting the change.
- The Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence and provides guidance as to reporting.
- The Statement updates presentation of the statement of revenues, expenses, and changes in net position for proprietary funds. Requires that the statement continues to distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.
- Provides specific definition of subsidies and requires that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other nonoperating revenues and expenses.
- Effective for year ending June 30, 2026.

Government Accounting Developments

GASB 103 – Illustrative Statement of Revenues, Expenses, Changes in Net Position

Operating revenues (detailed)

Operating expenses (detailed)

Operating income (loss)

Noncapital subsidies (detailed)

(noncapital transfers, noncapital subsidies received & provided)

Operating income (loss) and noncapital subsidies

Other nonoperating revenues (expenses) (detailed)

(includes revenues & expenses related to financing, investment income & expenses, capital subsidies)

Income (loss) before unusual or infrequent items

Unusual or infrequent items (detailed)

Increase (decrease) in net position

Government Accounting Developments

GASB 103 – Definition of Subsidies

- Subsidies are defined as follows:
 - Resources received from another party or fund (1) for which the proprietary fund does not provide goods and services to the other party or fund and (2) that directly or indirectly keep the proprietary fund's current or future fees and charges lower than they would be otherwise
 - Resources provided to another party or fund (1) for which the other party or fund does not provide goods and services to the proprietary fund and (2) that are recoverable through the proprietary fund's current or future pricing policies
 - All other transfers.

GOVERNMENT ACCOUNTING DEVELOPMENTS

GASB 104 – Capital Asset Disclosures - Clarification of Presentation

Requires separate display of the following capital assets and related amortization:

- Lease Assets, by major class of underlying asset,
- Intangible right-to-use assets relating to P3's recognized by governmental operators, by major class
- SBITAs,
- Other Intangible Assets, by major class of asset.

Major Classes (defined through *examples* in GASB Cod. Sec 1400.112 and 1400.716-1)

infrastructure

buildings and improvements

vehicles

machinery and equipment

intangible rights

Effective for year ending June 30, 2026

GOVERNMENT ACCOUNTING DEVELOPMENTS

GASB 104 – Recognizing and Disclosing Capital Assets Held for Sale

A capital asset will be recognized as held for sale with the following principles and factors:

Principles	Factors to Consider in Making Decision
The government has decided to pursue the sale of the asset	Is the asset available for immediate sale in its current condition?
It is probable (likely to occur) that the sale will be finalized (closed) within one year of the financial statement date	<ul style="list-style-type: none">• Is there a program to find a buyer, perhaps including a bid?• Are the market conditions favorable for selling that asset? And,• Are there regulatory approvals needed to sell the asset, including from grantors?

Principles and factors are to be reevaluated each reporting period until the asset sells.

Effective for year ending June 30, 2026

Questions?

This presentation is presented with the understanding that the information contained does not constitute legal, accounting or other professional advice. It is not intended to be responsive to any individual situation or concerns, as the contents of this presentation are intended for general information purposes only. Viewers are urged not to act upon the information contained in this presentation without first consulting competent legal, accounting or other professional advice regarding implications of a particular factual situation. Questions and additional information can be submitted to your Eide Bailly representative, or to the presenter of this session.



**Thanks to all the IFA, SRF and ITG staff
for their assistance, cooperation and
responsiveness during the audit process.**

**We appreciate your business, and we
look forward to continuing to serve you.**

Thank you

Holly Engelhart, CPA
hengelhart@eidebailly.com
eidebailly.com

Disclaimer

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September 23, 2025

To the Board of Directors
Iowa Finance Authority
Des Moines, Iowa

We have audited the financial statements of Iowa Finance Authority (the Authority) as of and for the year ended June 30, 2025, and have issued our report thereon dated September 23, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards*

As communicated in our letter dated July 23, 2025, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's system of internal control over financial reporting. Accordingly, as part of our audit, we considered the system of internal control of the Authority solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding significant control deficiencies during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated September 23, 2025.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. The Authority has changed accounting policies related to accounting for compensated absences to adopt the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. The Authority has also adopted GASB Statement No. 102, *Certain Risk Disclosures*, which requires financial statement disclosure about risks related to a government's vulnerabilities due to certain concentrations or constraints for the year ended June 30, 2025. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions, and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Accounting Estimates and Related Disclosures

Accounting estimates and related disclosures are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Reserves for Claims

Management uses an independent actuarial firm to review and assess the estimated loss provision rate, known claims reserves, and incurred, but not reported, reserves. Management uses the actuarial data and other relevant claims information to determine the best estimate of the total amount to be recorded as its known claims reserve and incurred, but not reported, claims reserve.

Interest Rate Swap/Cap Derivatives

The Authority records the fair value of its interest rate swaps and interest rate caps, as estimated by an independent pricing specialist hired by the Authority, which is based upon the approximation of the current economic value of each position using prices, reference rates, and mathematical models as they deem appropriate.

Allowance for Loan Losses

The Authority estimates the allowance for loan loss based upon management evaluation of the various groups within the loan portfolio. Factors considered by management include loan type, forgiveness features, risk categories, existence of collateral, mortgage position, financial condition of the borrower, historical loss experience, and the economy.

Pension Liability, Pension Expense, Deferred Outflows and Deferred Inflows

The Governmental Accounting Standards Board (GASB) Statement No. 68 and GASB Statement No. 71 require the Authority to calculate, recognize and report all costs and obligations associated with pensions in the financial statements. These amounts are determined based on the Authority's proportionate share of the Iowa Public Employees' Retirement System's (IPERS) estimated net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense, which utilize projections of future contributions and future earnings, actuarial assumptions such as the rate of inflation, salary increases, mortality rates, rates of return on investments, and discount rates in the determination of the final balances reported in the IPERS audited financial statements. The Authority's proportionate share is determined by calculating the Authority's share of contributions to IPERS relative to the contributions of all participating entities of IPERS.

We evaluated the key factors and assumptions used to develop the above estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Authority's financial statements relate to fair value estimates, allowances for loan losses and debt obligations.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no uncorrected misstatements identified as a result of our audit procedures.

The following misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

		Debit (Credit)
HA	Deferred Income - Grants	10,866,725.59
HA	Grant Income - Disaster Recovery Housing Assistance	(9,407,880.59)
HA	Grant Income - Iowa Home Grant	(1,458,845.00)

Adjusting entry to recognize revenue earned on Disaster Recovery Housing Assistance funds and Iowa Home Grant funds expended during 2025.

		Debit (Credit)
HA	Loans - Reserve for Losses	2,911,850.73
HA	Grant Expense - Home Loan Value	(2,911,850.73)

Adjusting entry to reflect reserve calculation pursuant to policy as of year-end.

		Clean Water Program	Drinking Water Programs	Total SRF
		Debit (Credit)	Debit (Credit)	Debit (Credit)
SRF	Grant Expense - Miscellaneous	183,437.49	2,286,945.71	2,470,383.20
SRF	Loans - SRF Reserve for Losses	(183,437.49)	(2,286,945.71)	(2,470,383.20)

Adjusting entry to correct reserve calculation at year-end.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We did not identify any circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management that are included in the management representation letter dated September 23, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Authority, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, business conditions affecting the entity, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Authority's auditors.

Other Information Included in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the Authority's audited financial statements does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Additionally, in accordance with such standards, we have:

Read the Introductory Section (Transmittal Letter, Table of Organization, Board of Directors, and Executive Director Letter) and the Statistical Section of the Annual Comprehensive Financial Report and considered whether such information, or the manner of its presentation, is materially inconsistent with its presentation in the financial statements; and

Read (or will read) the Preliminary Official Statements and Official Statements for any bond issuance documents containing audited financial statements and have considered (or will consider) whether such information, or the other manner of its presentation, is materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the Board of Directors, and management of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

Eide Bailly LLP

Aberdeen, South Dakota

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2025



Finance Authority

A Component of the State of Iowa

Creating opportunities for Iowans, communities and businesses to thrive.



Timica Lee, Des Moines IFA homebuyer.

iowafinance.com

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR ENDED

JUNE 30, 2025

Debi Durham, Director

Prepared by:

Iowa Finance Authority Accounting and Finance Department

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Introductory Section (unaudited)

September 23, 2025

TO THE CITIZENS, GOVERNOR, AND BOARD OF DIRECTORS:

The Iowa Finance Authority (the Authority) is pleased to submit this Annual Comprehensive Financial Report (Annual Report) for the fiscal year ended June 30, 2025.

The Authority issues State Revolving Fund Revenue Bonds, Single-Family Mortgage Bonds, Multi-Family Housing Bonds, and administers various federal grant programs which require annual independent financial and compliance audits. To fulfill these requirements, the Authority has prepared this Annual Report and contracted with the independent auditing firm of Eide Bailly LLP to audit the financial statements.

Generally accepted accounting principles (GAAP) require management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Authority. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is reported in a manner designed to present fairly the Authority’s net position and changes in net position. All disclosures necessary to enable the reader to gain an understanding of the Authority’s financial activities have been included.

PROFILE OF THE AUTHORITY

The Authority was created in 1975 under Chapter 16 of the Code of Iowa (the “Act”) as a public instrumentality and agency of the State of Iowa to undertake programs that assist in attainment of adequate housing for low- and moderate-income families, and to undertake various finance programs. By subsequent amendments to the Act, the Authority’s responsibilities have been greatly expanded. The Authority administers numerous housing, agricultural, economic development, and water quality programs. The Authority has arranged financing for the Clean Water Program since its inception in 1988 and for the Drinking Water Program since its inception in 1997. Chapter 455B and Chapter 16 of the Code of Iowa authorize the Authority, jointly and in cooperation with the Iowa Department of Natural Resources (DNR), to undertake the creation, administration, and financing of the State Revolving Fund (SRF), which includes the Clean Water and Drinking Water Programs.

The Authority is presented as a component unit in the State of Iowa’s Annual Report.

INTERNAL CONTROL

The Authority assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The Authority believes the internal controls provide reasonable assurance that the financial statements are free from any material misstatement.

BUDGETARY CONTROLS

The Authority performs an annual budgetary process which serves as the foundation for the Authority's financial planning and control. Each year, the Authority's management team provides revenue, expense, and staffing plans which are used with an iterative review process to formulate the annual budget. The Board of Directors (Board) reviews and provides approval via formal Board action. The Authority's management and Board receive monthly financial reports comparing actual results to budget.

ECONOMIC CONDITION AND OUTLOOK

The United States' real GDP grew at an annual rate of 3.0% in the second quarter of 2025, as reported by the U.S. Bureau of Economic Analysis (BEA). Real GDP in the second quarter primarily reflected a decrease in imports and an increase in consumer spending that were partly offset by decreases in investment and exports.

Iowa's unemployment rate was 3.7% in June 2025, compared to 2.8% in June 2024. The average national unemployment rate was 4.1% in June 2025. Personal income increased 0.3% at a monthly rate in June of 2025 as reported by the BEA.

The US housing market continues to be weak as home sales activity has been hindered by higher mortgage rates and prices. Nationally, existing home sales decreased by 2.7% in June. Year-over-year sales fell in the Northeast and West, while rising in the Midwest and South, according to the National Association of Realtors. In Iowa, the housing market has shown signs of steady growth with rising inventory levels and price gains. In May of 2025, housing inventory levels rose 20% year over year and median prices saw a nearly 6% increase, as reported by the Iowa Realtors Association.

AUTHORITY'S ADMINISTRATION OF RECENT FEDERAL PROGRAMS

The Authority continued to finance projects throughout the state and help Iowans in need. The Authority received funds through the federal Emergency Rental Assistance (ERA2) program that were used to finance the Refugee Resettlement Assistance, Iowa Rapid Rehousing Project, and the Coordinated Entry pilot programs. The Refugee Resettlement Assistance program provided \$3.2 million to assist approximately 600 households in fiscal year 2025. The Authority disbursed \$11.7 million to subrecipients who provided assistance to eligible clients under the Iowa Rapid Rehousing Project and Coordinated Entry pilot programs that served 1,674 unique households. Furthermore, the Authority disbursed \$14.9 million to individuals through the Homeowner Assistance Fund which supports eligible homeowners in avoiding foreclosure by providing financial aid for mortgage payments and related property expenses. These funds were provided through the American Rescue Plan Act (ARPA) from the State and Local Fiscal Recovery Fund (SLFRF).

The Authority also supported projects across the state through the Water Infrastructure Fund (WIF) which was funded with a portion of the state of Iowa's allocation of the SLFRF. WIF makes investments in infrastructure projects that protect, preserve, expand, and restore Iowa's water resources. The Authority disbursed \$1.6 million to fund on-site septic wastewater systems for 98 properties in unsewered communities. In addition, WIF funded \$5.9 million for 18 drinking water and wastewater infrastructure projects, and \$2.3 million for 9 watershed protection projects.

AUTHORITY PROGRAM AND FINANCIAL HIGHLIGHTS

Homeownership: The single-family program assisted 2,908 home buyers by funding nearly \$509 million in mortgage-backed securities during fiscal year 2025. Approximately 94% of these home buyers also benefitted from the Authority's down payment and closing cost assistance – available as either a \$2,500 grant or second loan. The second loan provides 5% of the sale price and is repayable when the home is sold, refinanced, or when the first mortgage is paid in full. There are no monthly payments required on the DPA second loan.

Iowa Title Guaranty (ITG): ITG issued residential and commercial title certificates covering \$17.3 billion of Iowa real estate in fiscal year 2025. During the year, ITG directly transferred \$1.31 million to support the Authority's housing programs and indirectly transferred \$912,000 in interest earned on deposits.

Housing Tax Credits: The Authority allocated a total of \$144 million in Federal Housing Tax Credits in fiscal year 2025 which will create or preserve 816 safe and affordable homes for Iowa families. These awards leveraged an additional \$102 million in local contributions.

State Revolving Funds (SRF): In fiscal year 2025, the Iowa SRF executed \$498 million in low-interest loans for wastewater and drinking water infrastructure. Nearly \$40 million in Planning and Design loans were awarded to assist communities with the first phases of their water infrastructure projects at zero percent interest.

AWARDS & ACKNOWLEDGEMENT

Certificate of Achievement: Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Iowa Finance Authority for its annual comprehensive financial report for the fiscal year ended June 30, 2023 and 2024. This was the seventh and eighth consecutive years that the Authority achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We will submit the Annual Report for the fiscal year ended June 30, 2025, to GFOA. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgement: The preparation of this report on a timely basis requires the collective effort of numerous staff members throughout the Authority. The accounting and finance departments have primary responsibility for the preparation of this Annual Report. We appreciate their professionalism and dedication; and it is what maintains our financial statements in conformance with the highest standards of financial accountability.

Respectfully submitted,



Cindy M. Harris
Chief Financial Officer



David Morrison
Accounting Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Iowa Finance Authority

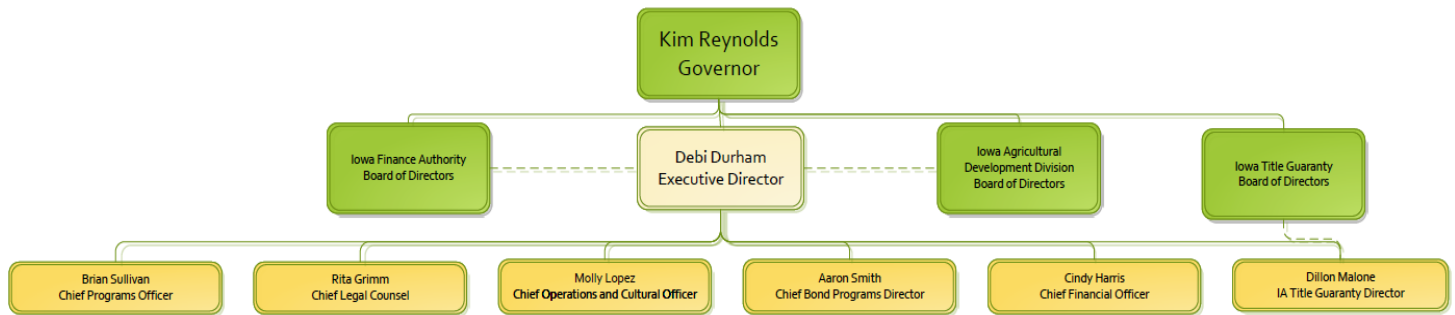
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

Table of Organization



Board of Directors

Nicolas AbouAssaly (Marion)
 Ashley Aust (Des Moines)
 Tracey Ball, Vice Chair (Des Moines)
 Jennifer Cooper, Chair (Des Moines)
 Danielle Michalski, (Manson)
 Michel Nelson, (Grimes)
 Mark Phillips, (Dallas Center)
 Gilbert Thomas, Treasurer (Clarinda)
 Jayme Unga, ex officio voting member
 Nate Weaton (Fairfield)

Financial Section

Independent Auditor's Report

To the Board of Directors
Iowa Finance Authority
Des Moines, Iowa

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and each major fund of the Iowa Finance Authority (the Authority), a component unit of the State of Iowa, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Authority, as of June 30, 2025, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, 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 the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's 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 auditor's 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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 the Authority'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 Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 9 through 24 and Schedule of Authority's Proportionate Share of the Net Pension Liability, Schedule of Authority Contributions, Schedule of Authority's Proportionate Share of the Total OPEB Liability, and Notes to Required Supplementary Information on pages 64 through 69 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining financial schedules on pages 70 through 72 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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 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 GAAS. In our opinion, the combining financial schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section on pages 1 through 5 and statistical section on pages 73 through 87, but does not include the basic financial statements and our auditor's 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2025 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eric Sully LLP". The signature is written in a cursive, flowing style.

Aberdeen, South Dakota
September 23, 2025

This section of the Iowa Finance Authority's (the Authority) annual financial report presents management's discussion and analysis of the financial position and results of operations as of and for the fiscal year ended June 30, 2025. This section provides additional information regarding the activities of the Authority to meet the disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Please use this information in conjunction with the financial statements and accompanying notes.

The Authority was created in 1975 by the Iowa legislature through the enactment of Chapter 16 of the Code of Iowa (the Act) and constitutes a public instrumentality and agency of the State of Iowa (the State). The Authority's task was to undertake programs which assist low- and moderate-income families attain adequate housing and to undertake various financing activities. Subsequent amendments to the Act expanded the Authority's responsibilities to include the administration of numerous housing, water quality, agricultural, and economic development programs. The Authority's mission is to enhance the quality of life for Iowans by making affordable financing possible for home and community.

The Authority raises funds through the public and private sale of bonds, which are not obligations of the State. The proceeds are loaned to eligible borrowers through private lending institutions across the state or directly to municipalities to fund water quality infrastructure. As a self-supporting entity, the Authority's operating revenues come from loan and investment income, program administration fees, loan servicing, and gains on the sale of mortgage-backed securities (MBS). The Authority receives no tax appropriations for its operations.

Authority Credit and General Obligation Rating

The unsecured general obligation (GO) of the Authority is rated Aa2 by Moody's Investors Service (Moody's) and AA+ by S&P Global (S&P). These ratings take into account the amount of unrestricted net position maintained by the Authority, as well as certain contingent obligations to which the general obligation of the Authority is pledged. While there is no assurance that these ratings will remain in effect for any period of time, management is committed to maintaining an investment-grade rating of its general obligation.

Overview of the Financial Statements

This annual financial report consists of four parts: the independent auditor's report, the management's discussion and analysis (this section), the basic financial statements, and supplementary schedules. The basic financial statements consist of Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; Statement of Cash Flows; and the accompanying Notes to the Financial Statements. The Authority follows enterprise fund accounting. Accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting.

The Statement of Net Position includes all the Authority's assets and liabilities, presented in order of liquidity, as well as deferred outflows and deferred inflows. The organization of the statement separates assets and liabilities into current and non-current components. The resulting Net Position is displayed as either restricted or unrestricted.

Net Position is restricted when assets are subject to external limits such as bond indentures, legal agreements, federal and state statutes, or pledged in connection with the general obligation of the Authority.

The Statement of Revenues, Expenses, and Changes in Net Position accounts for the Authority's current year revenues and expenses. This statement measures the activities of the Authority's operations over the past year and presents the resulting change in net position. It is organized by separating operating revenues and expenses from non-operating revenues and expenses.

The Statement of Cash Flows primarily provides information about the net change in the Authority's cash and cash equivalents for the fiscal year. It provides information about the Authority's cash receipts, cash payments, and net changes in cash resulting from operating, noncapital financing, investing, and capital financing activities. The statement provides information regarding the sources and uses of cash and the change in the cash balance during the reporting period.

The Notes to the Financial Statements provide additional information that is essential for a fair presentation of the basic financial statements.

The basic financial statements are presented on an Authority-wide basis and by the two major funds: the Housing Agency Fund and the State Revolving Fund (SRF). Authority-wide financial statements are provided to display a comprehensive view of all Iowa Finance Authority funds. All the assets in these funds are substantially restricted as to use by the Authority and are available only in accordance with the applicable bond resolutions, federal and Iowa laws, and other outstanding agreements.

Discussion of Individual Funds

The Housing Agency Fund includes the Authority's programs that assist in providing affordable financing for Single-Family and Multi-Family housing, agricultural development for beginning farmers, and real estate title protection. These programs are funded through various ways: issuance of tax-exempt bonds, state and federal funds, tax credits, and fee income. The General Operating Account, where program fee receipts are collected and from which Authority operations are paid, is also included within the Housing Agency Fund. See Combining Schedules of Net Position and Revenues, Expenses, and Changes in Net Position.

Single-Family

Single-Family homeownership programs include the FirstHome and Homes for Iowans Programs, which offer eligible first-time and repeat home buyers affordable fixed rate mortgages. In addition, the Authority offers a grant of up to \$2,500 or a second mortgage loan up to 5% of the sales price to help with down payment and closing costs. These loan programs are funded through the issuance of bonds under the 1991 Single-Family Mortgage Bond Resolution, 2009 Single-Family Mortgage Revenue Bond Resolution, or through the sale of MBS in the secondary market.

Multi-Family

The Authority seeks to preserve the existing supply of affordable rental units at risk of being lost and to foster the production of new affordable units through its Multi-Family loan program. These projects are funded through equity or the issuance of bonds.

Federal and State Programs

The Authority receives both federal and state resources that support affordable housing (both single and multi-family) and address homelessness. Financial activity within federal and State programs is primarily grant income and expenses as the Authority mainly passes these grants through to recipients within Iowa. These moneys are restricted for use in accordance with applicable legislation or grant agreements.

Some State programs include Home and Community Based Revolving Loan Programs that provide facilities for seniors, populations with disabilities, and those who need health, nutrition, or respite services. The State Housing Trust Fund provides grants to advance and preserve affordable Single-Family and Multi-Family housing throughout the State.

The Shelter Assistance Fund (SAF) Program supports costs of operations of shelters for the homeless and domestic violence shelters, essential services for the homeless, as well as evaluation and reporting services for the homeless.

The Authority also administers the Military Homeownership Assistance Program which provides eligible service members and veterans with a \$5,000 grant for down payment and closing costs when purchasing a home in Iowa.

Some federal programs the Authority administers include the HOME Investment Partnerships Program (HOME), the Housing Opportunities for Persons with AIDS (HOPWA) Program, the Emergency Solutions Grant (ESG) Program, and the National Housing Trust Fund (NHTF) which are all funded by the U.S. Department of Housing and Urban Development (HUD). The HOME Program provides no-interest loans to developers to create or rehabilitate affordable rental housing. HOME also provides grants to governmental entities and non-profit organizations to assist low-income households in purchasing a home or providing rental assistance. The HOPWA Program provides housing assistance and supportive services for low-income persons with HIV/AIDS and their families. The ESG Program provides grants to agencies that assist people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. The NHTF Program provides funds to help build, preserve, and rehabilitate housing for extremely low-income households, including homeless families.

Iowa Agricultural Development Division

The Iowa Agricultural Development Division (IADD) administers programs to encourage beginning farmers. The Beginning Farmer Loan Program and Loan Participation Program help Iowa farmers purchase agricultural land, depreciable machinery or equipment, breeding livestock, or buildings. The Beginning Farmer Tax Credit Program allows agricultural asset owners to earn a tax credit for leasing their land to beginning farmers. The Custom Hire Tax Credit Program offers a tax credit to anyone hiring a beginning farmer to do agricultural contract work to produce crops or livestock in Iowa. As a division of the Iowa Finance Authority, IADD is totally self-supporting.

Iowa Title Guaranty Division

Iowa Title Guaranty Division (ITG) supplements the abstract-attorney's title opinion system by providing low-cost guaranties of real property titles to facilitate mortgage lenders' participation in the secondary market and add to the integrity of Iowa's land-title transfer system. As a division of the Iowa Finance Authority, ITG is totally self-supporting. Any surplus funds, after reserve for claims and operating expenses, is transferred to support the Authority's housing programs.

General Operating Account

The General Operating Account is where program fee receipts are collected and from which Authority operations are paid. The Authority receives fee income from administering programs such as the Low-Income Housing Tax Credit (LIHTC), Project-Based Section 8, HOME, and various homeless assistance programs. Furthermore, the General Operating Account receives fees from the Private Activity Bond Program, which issues tax-exempt bonds on behalf of private entities or organizations for eligible purposes.

The State Revolving Fund (SRF) is a federal program jointly administered with the Department of Natural Resources (DNR) to provide low-cost financing to Iowa communities for the design and construction of water and wastewater infrastructure projects.

The Clean Water SRF funds wastewater treatment, sewer rehabilitation, and storm water quality improvements, as well as non-point source projects. The Drinking Water SRF funds water treatment plants or improvements to existing facilities, water line extensions to existing properties, water storage facilities, wells, and source water protection efforts. The financing for these projects comes in the form of different types of loans depending on the community's need; construction, planning and design; and source water protection. Low-interest loans are also available to public and private borrowers to address storm water management, septic systems, landfill closure, soil erosion, and manure management, for example.

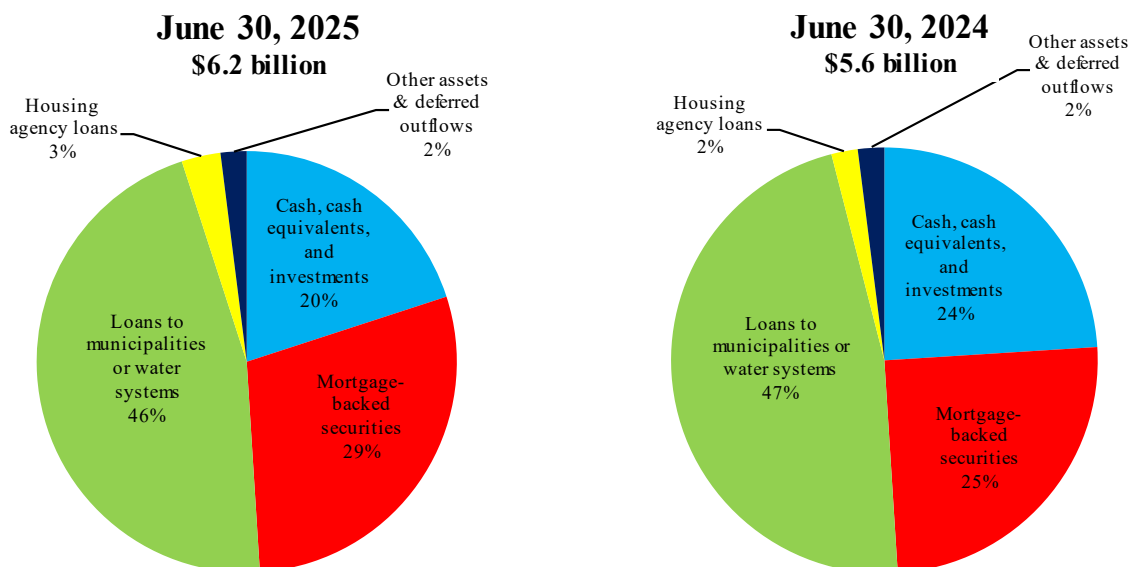
The SRF receives grants from the United States Environmental Protection Agency (EPA) and issues tax-exempt bonds in order to fund projects under the SRF. Loan interest and servicing fees also contribute to the program.

More information regarding these programs is provided in the Notes to Financial Statements.

Condensed Financial Information

The following charts and tables present condensed financial information for fiscal year 2025 and 2024.

Iowa Finance Authority Total Assets and Deferred Outflows as of:



Iowa Finance Authority
(A Component Unit of the State of Iowa)
Management's Discussion and Analysis (Unaudited)
June 30, 2025

Iowa Finance Authority Net Position (Dollars in thousands)				
	<u>2025</u>	<u>2024</u>	<u>Change</u>	<u>%</u>
Assets:				
Cash and cash equivalents	\$ 1,082,690	\$ 1,212,910	\$ (130,220)	-10.7%
Mortgage-backed securities	1,788,866	1,404,642	384,224	27.4%
Investments	153,566	118,561	35,005	29.5%
Loans to municipalities or water systems	2,870,633	2,643,022	227,611	8.6%
Housing agency loans	159,461	137,104	22,357	16.3%
Line of credit receivable	34,248	30,492	3,756	12.3%
Capital assets, net of accumulated depreciation	14,317	13,127	1,190	9.1%
Other assets	69,380	66,950	2,430	3.6%
Total assets	<u>6,173,161</u>	<u>5,626,808</u>	<u>546,353</u>	<u>9.7%</u>
Deferred outflows	<u>5,279</u>	<u>6,284</u>	<u>(1,005)</u>	<u>-16.0%</u>
Total assets and deferred outflows	<u><u>\$ 6,178,440</u></u>	<u><u>\$ 5,633,092</u></u>	<u><u>\$ 545,348</u></u>	<u><u>9.7%</u></u>
Liabilities:				
Current liabilities	\$ 293,096	\$ 293,778	\$ (682)	-0.2%
Noncurrent liabilities	4,194,456	3,777,635	416,821	11.0%
Total liabilities	<u>4,487,552</u>	<u>4,071,413</u>	<u>416,139</u>	<u>10.2%</u>
Deferred inflows	<u>26,270</u>	<u>31,306</u>	<u>(5,036)</u>	<u>-16.1%</u>
Total liabilities and deferred inflows	<u><u>4,513,822</u></u>	<u><u>4,102,719</u></u>	<u><u>411,103</u></u>	<u><u>10.0%</u></u>
Net position:				
Net investment in capital assets	14,317	13,127	1,190	9.1%
Restricted net position	1,628,278	1,499,411	128,867	8.6%
Unrestricted net position	<u>22,023</u>	<u>17,835</u>	<u>4,188</u>	<u>23.5%</u>
Total net position	<u>1,664,618</u>	<u>1,530,373</u>	<u>134,245</u>	<u>8.8%</u>
Total liabilities, deferred inflows and net position	<u><u>\$ 6,178,440</u></u>	<u><u>\$ 5,633,092</u></u>	<u><u>\$ 545,348</u></u>	<u><u>9.7%</u></u>

Iowa Finance Authority
(A Component Unit of the State of Iowa)
Management's Discussion and Analysis (Unaudited)
June 30, 2025

Iowa Finance Authority Revenues, Expenses, and Changes in Net Position (Dollars in thousands)				
	<u>2025</u>	<u>2024</u>	<u>Change</u>	<u>%</u>
Operating revenues:				
Interest income	\$ 173,956	\$ 148,183	\$ 25,773	17.4%
Gain on sale of mortgage-backed securities	976	714	262	36.7%
Net increase (decrease) in fair value of investments and mortgage-backed securities	42,174	(8,516)	50,690	595.2%
Fee income	27,402	24,211	3,191	13.2%
Other income	1,833	1,829	4	0.2%
Total operating revenues	<u>246,341</u>	<u>166,421</u>	<u>79,920</u>	<u>48.0%</u>
Operating expenses:				
Interest expense	139,371	109,698	29,673	27.0%
General and administrative	35,367	33,692	1,675	5.0%
Provision (recoveries) for losses	775	2,861	(2,086)	-72.9%
Total operating expenses	<u>175,513</u>	<u>146,251</u>	<u>29,262</u>	<u>20.0%</u>
Net operating income	<u>70,828</u>	<u>20,170</u>	<u>50,658</u>	<u>251.2%</u>
Non-operating revenue (expense):				
Grant income	302,597	225,445	77,152	34.2%
Grants and aid	(239,180)	(164,815)	(74,365)	45.1%
Net non-operating revenue	<u>63,417</u>	<u>60,630</u>	<u>2,787</u>	<u>4.6%</u>
Change in net position	134,245	80,800	53,445	66.1%
Net position at beginning of year	<u>1,530,373</u>	<u>1,449,573</u>	<u>80,800</u>	<u>5.6%</u>
Net position at end of year	<u>\$ 1,664,618</u>	<u>\$ 1,530,373</u>	<u>\$ 134,245</u>	<u>8.8%</u>

Financial Analysis – Iowa Finance Authority 2025 (dollars in thousands)

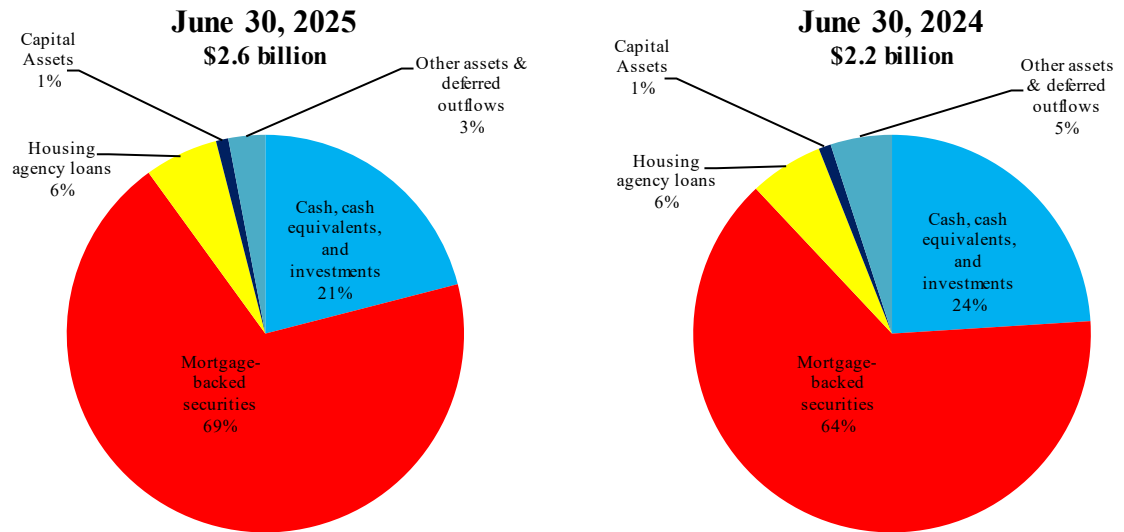
- Assets and deferred outflows increased 9.7% or \$545,348 to \$6,178,440 in fiscal year 2025 due to growth in mission assets of both the housing and SRF programs.
- Mission assets of MBS increased by 27.4%, or \$384,224; and loans to municipalities for water systems (SRF loans) increased 8.6%, or \$227,611.
- The Authority's liabilities and deferred inflows increased by 10.0% or \$411,103 to \$4,513,822 with the issuance of single-family bonds and SRF bonds.
- The Authority issued five new bond series with proceeds totaling \$643,947 to purchase MBS and fund SRF loans. The Authority made bond payments of \$179,757,923.

Series	Date	Proceeds	Rating
SF 2024 EF	09/10/2024	\$ 124,997	AAA by S&P; Aaa by Moody's
SF 2024 GH	11/20/2024	97,497	AAA by S&P; Aaa by Moody's
SF 2025 AB	02/12/2025	115,000	AAA by S&P; Aaa by Moody's
SF 2025 CD	06/04/2025	125,033	AAA by S&P; Aaa by Moody's
SRF 2025 AB	01/30/2025	181,420	AAA by S&P; AAA by Fitch
Total		<u>\$ 643,947</u>	

See Note 5 – Long-term liabilities for more detail on the Authority's debt.

- Interest income grew 17.4% to \$173,956 due to the higher interest rate environment throughout the fiscal year.
- Gain on sale of MBS increased 36.7% to \$976 due to slightly higher MBS sales.
- Fair value of investments and MBS increased by \$50,690 over the prior year due to higher short-term and long-term interest rates.
- Fee income increased by 13.2% to \$27,402 primarily due to higher single family service acquisition fees and more SRF initiation fees.
- Interest expense increased 27.0% to \$139,371 due to the new debt issuances mentioned above, partially offset by interest reductions due to bond calls.
- General and administrative expenses increased by 5.0% to \$35,367, due to increases in consultant fees to facilitate ongoing Covid relief programs.
- Provision for loan losses decreased to \$775 indicating fewer expenses in ITG and a smaller provision for loan losses.
- Grant income increased by 34.2% to \$302,597 due to using more federal funds to support relief programs.
- Grants and aid expenditures increased by 45.1%, as a result of sending more funds out to state program recipients.
- Overall, the Authority's net position increased 8.8% or \$134,245 to \$1,664,618.

Housing Agency Fund Assets and Deferred Outflows as of:



Housing Agency Fund Net Position (Dollars in thousands)				
	<u>2025</u>	<u>2024</u>	<u>Change</u>	<u>%</u>
Assets:				
Cash and cash equivalents	\$ 534,923	\$ 533,890	\$ 1,033	0.2%
Mortgage-backed securities	1,788,866	1,404,642	384,224	27.4%
Housing agency loans	159,461	137,104	22,357	16.3%
Line of credit	34,248	30,492	3,756	12.3%
Capital assets, net of accumulated depreciation	14,317	13,127	1,190	9.1%
Other assets	62,298	59,343	2,955	5.0%
Total assets	<u>2,594,113</u>	<u>2,178,598</u>	<u>415,515</u>	<u>19.1%</u>
Deferred outflows	<u>3,156</u>	<u>3,656</u>	<u>(500)</u>	<u>-13.7%</u>
Total assets and deferred outflows	<u>\$ 2,597,269</u>	<u>\$ 2,182,254</u>	<u>\$ 415,015</u>	<u>19.0%</u>
Liabilities:				
Current liabilities	\$ 164,331	\$ 177,923	\$ (13,592)	-7.6%
Noncurrent liabilities	1,973,993	1,624,910	349,083	21.5%
Total liabilities	<u>2,138,324</u>	<u>1,802,833</u>	<u>335,491</u>	<u>18.6%</u>
Deferred inflows	<u>15,878</u>	<u>20,081</u>	<u>(4,203)</u>	<u>-20.9%</u>
Total liabilities and deferred inflows	<u>2,154,202</u>	<u>1,822,914</u>	<u>331,288</u>	<u>18.2%</u>
Net position:				
Net investment in capital assets	14,317	13,127	1,190	9.1%
Restricted net position	406,727	328,378	78,349	23.9%
Unrestricted net position	22,023	17,835	4,188	23.5%
Total net position	<u>443,067</u>	<u>359,340</u>	<u>83,727</u>	<u>23.3%</u>
Total liabilities, deferred inflows and net position	<u>\$ 2,597,269</u>	<u>\$ 2,182,254</u>	<u>\$ 415,015</u>	<u>19.0%</u>

Housing Agency Fund
Revenues, Expenses, and Changes in Net Position
(Dollars in thousands)

	<u>2025</u>	<u>2024</u>	<u>Change</u>	<u>%</u>
Operating revenues:				
Interest income	\$ 98,996	\$ 76,334	\$ 22,662	29.7%
Gain on sale of mortgage-backed securities	976	714	262	36.7%
Net increase (decrease) in fair value of investments and mortgage-backed securities	41,373	(9,148)	50,521	552.3%
Fee income	19,169	17,347	1,822	10.5%
Other income	1,833	1,829	4	0.2%
Total operating revenues	<u>162,347</u>	<u>87,076</u>	<u>75,271</u>	<u>86.4%</u>
Operating expenses:				
Interest expense	70,655	50,486	20,169	39.9%
General and administrative	22,649	21,339	1,310	6.1%
Provision (recoveries) for losses	825	2,850	(2,025)	-71.1%
Total operating expenses	<u>94,129</u>	<u>74,675</u>	<u>19,454</u>	<u>26.1%</u>
Net operating income	<u>68,218</u>	<u>12,401</u>	<u>55,817</u>	<u>450.1%</u>
Non-operating revenue (expense):				
Grant income	219,676	158,772	60,904	38.4%
Grants and aid	(205,336)	(147,532)	(57,804)	39.2%
Net non-operating revenue (expense)	<u>14,340</u>	<u>11,240</u>	<u>3,100</u>	<u>27.6%</u>
Income before transfers	82,558	23,641	58,917	249.2%
Transfers	<u>1,169</u>	<u>-</u>	<u>1,169</u>	<u>-</u>
Change in net position	83,727	23,641	60,086	254.2%
Net position at beginning of year	<u>359,340</u>	<u>335,699</u>	<u>23,641</u>	<u>7.0%</u>
Net position at end of year	<u>\$ 443,067</u>	<u>\$ 359,340</u>	<u>\$ 83,727</u>	<u>23.3%</u>

Financial Analysis –Housing Agency Fund 2025 (dollars in thousands)

- Assets and deferred outflows increased 19.0% or \$415,015 to \$2,597,269 in fiscal year 2025 due to the increase in MBS and housing agency loans.
- Liabilities and deferred inflows increased by 18.2% or \$331,288 to \$2,154,202 with the issuance of bonds to purchase MBS.
- The Housing Agency issued debt with proceeds totaling \$462,527 to purchase MBS; and made bond payments of \$100,752.

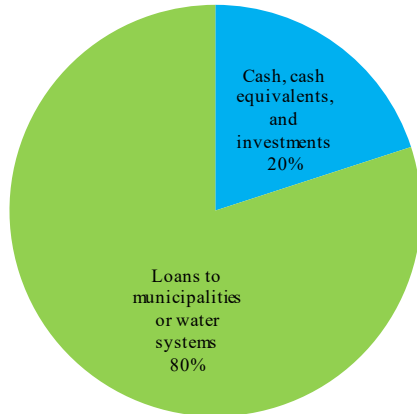
Series	Date	Proceeds	Rating
SF 2024 EF	09/10/2024	\$ 124,997	AAA by S&P; Aaa by Moody's
SF 2024 GH	11/20/2024	97,497	AAA by S&P; Aaa by Moody's
SF 2025 AB	02/12/2025	115,000	AAA by S&P; Aaa by Moody's
SF 2025 CD	06/04/2025	125,033	AAA by S&P; Aaa by Moody's
Total		<u>\$ 462,527</u>	

See Note 5 – Long-term liabilities for more detail on the Authority's debt.

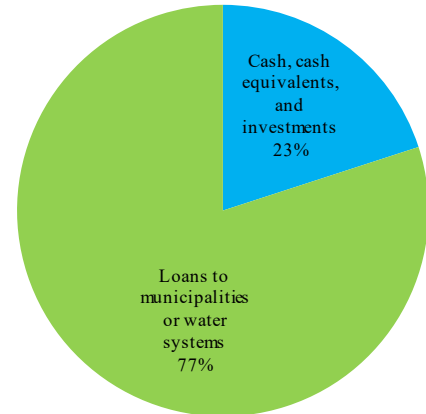
- Interest income increased 29.7% to \$98,996 due to the higher interest rate environment throughout the fiscal year.
- Gain on sale of MBS increased 36.7% to \$976 due to slightly higher MBS sales.
- Fair value of investments and MBS increased by \$50,521 over the prior year due to higher short-term and long-term interest rates.
- Fee income increased by 10.5% to \$19,169 due to higher volume in Iowa Title Guaranty and LIHTC fees.
- Interest expense increased 39.9% to \$70,655 due to the new debt issuances mentioned above and a higher interest rate environment.
- General and administrative expenses increased by 6.1% or \$1,310 to \$22,649, due to increasing costs from consultants supporting relief programs and increased inflation.
- Grant income increased by 38.4% to \$219,676 due to the availability of federal funds.
- Grants and aid expense increased by 39.2%, to \$205,336 because of the demand for grant funds to support communities.
- The Authority's net position increased 23.3% or \$83,727 to \$443,067.

State Revolving Fund Assets and Deferred Outflows as of:

June 30, 2025
\$3.6 billion



June 30, 2024
\$3.5 billion



Iowa Finance Authority
(A Component Unit of the State of Iowa)
Management's Discussion and Analysis (Unaudited)
June 30, 2025

	State Revolving Fund Net Position (Dollars in thousands)			
	<u>2025</u>	<u>2024</u>	<u>Change</u>	<u>%</u>
Assets:				
Cash and cash equivalents	\$ 547,767	\$ 679,020	\$ (131,253)	-19.3%
Investments	153,566	118,561	35,005	29.5%
Loans to municipalities or water systems	2,870,633	2,643,022	227,611	8.6%
Other assets	7,082	7,607	(525)	-6.9%
Total assets	<u>3,579,048</u>	<u>3,448,210</u>	<u>130,838</u>	<u>3.8%</u>
Deferred outflows	<u>2,123</u>	<u>2,628</u>	<u>(505)</u>	<u>-19.2%</u>
Total assets and deferred outflows	<u>\$ 3,581,171</u>	<u>\$ 3,450,838</u>	<u>\$ 130,333</u>	<u>3.8%</u>
Liabilities:				
Current liabilities	\$ 128,765	\$ 115,855	\$ 12,910	11.1%
Noncurrent liabilities	2,220,463	2,152,725	67,738	3.1%
Total liabilities	<u>2,349,228</u>	<u>2,268,580</u>	<u>80,648</u>	<u>3.6%</u>
Deferred inflows	<u>10,392</u>	<u>11,225</u>	<u>(833)</u>	<u>-7.4%</u>
Total liabilities and deferred inflows	<u>2,359,620</u>	<u>2,279,805</u>	<u>79,815</u>	<u>3.5%</u>
Net position:				
Restricted net position	<u>1,221,551</u>	<u>1,171,033</u>	<u>50,518</u>	<u>4.3%</u>
Total net position	<u>1,221,551</u>	<u>1,171,033</u>	<u>50,518</u>	<u>4.3%</u>
Total liabilities, deferred inflows and net position	<u>\$ 3,581,171</u>	<u>\$ 3,450,838</u>	<u>\$ 130,333</u>	<u>3.8%</u>

Iowa Finance Authority
(A Component Unit of the State of Iowa)
Management's Discussion and Analysis (Unaudited)
June 30, 2025

State Revolving Fund Revenues, Expenses, and Changes in Net Position (Dollars in thousands)				
	<u>2025</u>	<u>2024</u>	<u>Change</u>	<u>%</u>
Operating revenues:				
Interest income	\$ 74,960	\$ 71,849	\$ 3,111	4.3%
Net increase in fair value of investments	801	632	169	26.7%
Fee income	8,233	6,864	1,369	19.9%
Total operating revenues	<u>83,994</u>	<u>79,345</u>	<u>4,649</u>	<u>5.9%</u>
Operating expenses:				
Interest expense	68,716	59,212	9,504	16.1%
General and administrative	12,718	12,353	365	3.0%
Provision (recoveries) for losses	(50)	11	(61)	-554.5%
Total operating expenses	<u>81,384</u>	<u>71,576</u>	<u>9,808</u>	<u>13.7%</u>
Net operating income	<u>2,610</u>	<u>7,769</u>	<u>(5,159)</u>	<u>-66.4%</u>
Non-operating revenue (expense):				
Grant income	82,921	66,673	16,248	24.4%
Grants and aid	(33,844)	(17,283)	(16,561)	95.8%
Net non-operating revenue	<u>49,077</u>	<u>49,390</u>	<u>(313)</u>	<u>-0.6%</u>
Income before transfers	51,687	57,159	(5,472)	-9.6%
Transfers	(1,169)	-	(1,169)	-
Change in net position	<u>50,518</u>	<u>57,159</u>	<u>(6,641)</u>	<u>-11.6%</u>
Net position at beginning of year	<u>1,171,033</u>	<u>1,113,874</u>	<u>57,159</u>	<u>5.1%</u>
Net position at end of year	<u>\$ 1,221,551</u>	<u>\$ 1,171,033</u>	<u>\$ 50,518</u>	<u>4.3%</u>

Financial Analysis – State Revolving Fund 2025 (dollars in thousands)

- Assets and deferred outflows increased 3.8% or \$130,333 to \$3,581,171 due to the strategic goal of increasing loans to municipalities and water systems.
- Liabilities and deferred inflows increased by 3.5% or \$79,815 to \$2,359,620 in order to finance the additional loans mentioned above.
- The State Revolving Fund issued debt with proceeds totaling \$181,420; and made bond payments of \$79,005.

<u>Series</u>	<u>Date</u>	<u>Proceeds</u>	<u>Rating</u>
SRF 2025 AB	01/30/2025	\$ 181,420	AAA by S&P; AAA by Fitch

See Note 5 – Long-term liabilities for more detail on the Authority's debt.

- Interest income increased 4.3% to \$74,960 due to the higher interest rate environment throughout the fiscal year.
 - Fee income increased by 19.9% to \$8,233 due to higher initiation fees and loan servicing fees.
 - Interest expense increased 16.1% to \$68,716 due to the new debt issuance mentioned above and a higher interest rate environment.
 - General and administrative expenses increased by 3.0% or \$365 to \$12,718, due to increasing personnel and administrative costs.
 - Grant income increased by 24.4% to \$82,921 due to timing of and receipt of capitalization grants.
 - Grants and aid expense increased by 95.8%, as a result of disbursing loans funded by cap grants.
 - The State Revolving Fund net position increased 4.3% or \$50,518 to \$1,221,551.
-

Currently Known Facts, Decisions, or Conditions

The Authority issued State Revolving Fund ("SRF") Bonds on July 2, 2025, in the par amount of \$198.625 million. Proceeds will be used to fund participant loans by reimbursement to the Authority for prior loan disbursements under the SRF Program, to meet state match requirements for capitalization grants, to refund bonds and to pay for costs of issuance.

The Authority issued Single-Family Mortgage Bonds on September 11, 2025, in the par amount of \$115.375 million. Proceeds will be used to purchase mortgage-backed securities under the Authority's FirstHome and Homes for Iowans program and finance closing costs and down payment assistance.

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

Requests for Information

This financial report is designed to provide a general overview of the Iowa Finance Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Iowa Finance Authority
ATTN: Chief Financial Officer
1963 Bell Avenue, Suite 200
Des Moines, IA 50315

Iowa Finance Authority
(A Component Unit of the State of Iowa)
Statement of Net Position
(Dollars in thousands)
June 30, 2025

Assets	Housing Agency Fund	State Revolving Fund	Total
Current assets (substantially restricted):			
Cash and cash equivalents	\$ 534,923	\$ 547,767	\$ 1,082,690
Investments in mortgage-backed securities	37,245	-	37,245
Other investments	-	134,059	134,059
Loans to municipalities or water systems, net	-	201,326	201,326
Housing Agency loans, net	22,336	-	22,336
Line of credit receivable	34,248	-	34,248
Accrued interest receivable	8,954	6,960	15,914
Other current assets	2,930	122	3,052
Total current assets	<u>640,636</u>	<u>890,234</u>	<u>1,530,870</u>
Noncurrent assets (substantially restricted):			
Investments in mortgage-backed securities	1,751,621	-	1,751,621
Other investments	-	19,507	19,507
Loans to municipalities or water systems, net	-	2,669,307	2,669,307
Housing Agency loans, net	137,125	-	137,125
Capital assets, net of accumulated depreciation	14,317	-	14,317
Other noncurrent assets	50,414	-	50,414
Total noncurrent assets	<u>1,953,477</u>	<u>2,688,814</u>	<u>4,642,291</u>
Total assets	<u>2,594,113</u>	<u>3,579,048</u>	<u>6,173,161</u>
Deferred Outflows of Resources			
Other post employment benefits	266	21	287
Pension plan	1,167	105	1,272
Loss on bond refunding	1,723	1,997	3,720
Total deferred outflows of resources	<u>3,156</u>	<u>2,123</u>	<u>5,279</u>
Liabilities			
Current liabilities:			
Long-term liabilities, net	57,357	86,693	144,050
Accrued interest payable	34,614	41,231	75,845
Escrow deposits	19,453	-	19,453
Unearned revenue	47,985	-	47,985
Accounts payable and other liabilities	4,922	841	5,763
Total current liabilities	<u>164,331</u>	<u>128,765</u>	<u>293,096</u>
Noncurrent liabilities:			
Long-term liabilities, net	1,967,384	2,220,144	4,187,528
Reserves for claims	2,145	-	2,145
Other liabilities	4,464	319	4,783
Total noncurrent liabilities	<u>1,973,993</u>	<u>2,220,463</u>	<u>4,194,456</u>
Total liabilities	<u>2,138,324</u>	<u>2,349,228</u>	<u>4,487,552</u>
Deferred Inflows of Resources			
Other post employment benefits	597	47	644
Pension plan	166	15	181
Accumulated increase in fair value of hedging derivatives	13,721	-	13,721
Gain on bond refunding	1,394	10,330	11,724
Total deferred inflows of resources	<u>15,878</u>	<u>10,392</u>	<u>26,270</u>
Net Position			
Net investment in capital assets	14,317	-	14,317
Restricted net position:			
Per bond resolutions	253,807	1,007,622	1,261,429
Per legislation	109,675	-	109,675
Per other agreements	43,245	213,929	257,174
Total restricted net position	<u>406,727</u>	<u>1,221,551</u>	<u>1,628,278</u>
Unrestricted net position	22,023	-	22,023
Total net position	<u>\$ 443,067</u>	<u>\$ 1,221,551</u>	<u>\$ 1,664,618</u>

Iowa Finance Authority
(A Component Unit of the State of Iowa)
Statement of Revenues, Expenses, and Changes in Net Position
(Dollars in thousands)
Year Ended June 30, 2025

	Housing Agency Fund	State Revolving Fund	Total
Operating revenues:			
Interest on mortgage-backed securities	\$ 77,555	\$ -	\$ 77,555
Interest on loans	4,843	48,820	53,663
Interest on investments	16,598	26,140	42,738
Gain on the sale of mortgage-backed securities	976	-	976
Net increase in fair value of investments and mortgage-backed securities	41,373	801	42,174
Fee income	19,169	8,233	27,402
Other income	1,833	-	1,833
Total operating revenues	<u>162,347</u>	<u>83,994</u>	<u>246,341</u>
Operating expenses:			
Interest expense	70,655	68,716	139,371
General and administrative	22,649	12,718	35,367
Provision (recoveries) for losses	825	(50)	775
Total operating expenses	<u>94,129</u>	<u>81,384</u>	<u>175,513</u>
Net operating income	68,218	2,610	70,828
Non-operating revenue (expense):			
Grant income	219,676	82,921	302,597
Grants and aid	(205,336)	(33,844)	(239,180)
Net non-operating revenue (expense)	<u>14,340</u>	<u>49,077</u>	<u>63,417</u>
Income before transfers	82,558	51,687	134,245
Transfers	1,169	(1,169)	-
Change in net position	83,727	50,518	134,245
Net position at July 1, 2024	359,340	1,171,033	1,530,373
Net position at June 30, 2025	<u>\$ 443,067</u>	<u>\$ 1,221,551</u>	<u>\$ 1,664,618</u>

Iowa Finance Authority
(A Component Unit of the State of Iowa)
Statement of Cash Flows
(Dollars in thousands)
Year Ended June 30, 2025

	Housing Agency Fund	State Revolving Fund	Totals
Cash flows from operating activities:			
Cash receipts for fees and other income	\$ 20,959	\$ 8,192	\$ 29,151
Interest received on loans and mortgage-backed securities	80,655	48,683	129,338
Principal payments on loans and mortgage-backed securities	650,635	202,635	853,270
Purchase of loans and mortgage-backed securities	(1,074,595)	(451,447)	(1,526,042)
Proceeds on sale of mortgage-backed securities	25,105	-	25,105
Custodial deposits received	324,329	-	324,329
Custodial deposits disbursed	(316,714)	-	(316,714)
Cash payments for salaries and related benefits	(9,941)	(2,860)	(12,801)
Cash payments to suppliers	(16,019)	(11,095)	(27,114)
Net cash used in operating activities	<u>(315,586)</u>	<u>(205,892)</u>	<u>(521,478)</u>
Cash flows from noncapital financing activities:			
Proceeds from issuance of bonds	462,527	181,420	643,947
Repayment of bonds	(100,753)	(79,005)	(179,758)
Interest paid	(59,349)	(87,904)	(147,253)
Payments for cost of issuance	(4,536)	(992)	(5,528)
Receipts for grant programs	178,069	82,993	261,062
Payments for grant programs	(174,597)	(12,642)	(187,239)
Net cash provided by noncapital and related financing activities	<u>301,361</u>	<u>83,870</u>	<u>385,231</u>
Cash flows from investing activities:			
Purchases of investments	-	(175,270)	(175,270)
Interest received on investments	16,414	26,142	42,556
Sales/maturities of investments	-	141,066	141,066
Net cash provided by (used in) investing activities	<u>16,414</u>	<u>(8,062)</u>	<u>8,352</u>
Cash flows from capital financing activities:			
Transfers of capital assets	1,169	(1,169)	-
Purchase of capital assets	(2,325)	-	(2,325)
Net cash used in capital financing activities	<u>(1,156)</u>	<u>(1,169)</u>	<u>(2,325)</u>
Change in cash and cash equivalents	1,033	(131,253)	(130,220)
Cash and cash equivalents, beginning of year	533,890	679,020	1,212,910
Cash and cash equivalents, end of year	<u>\$ 534,923</u>	<u>\$ 547,767</u>	<u>\$ 1,082,690</u>
Reconciliation of operating income to net cash used in operating activities:			
Operating income	\$ 68,218	\$ 2,610	\$ 70,828
Interest on investments	(16,374)	(26,140)	(42,514)
Interest on bonds	66,119	67,724	133,843
Payments for cost of issuance	4,536	992	5,528
Net increase in fair value of investments and mortgage-backed securities	(41,616)	(801)	(42,417)
Provision for loan losses	372	-	372
Change in fair value of investment derivatives	242	-	242
Depreciation and loss on disposal of capital assets	1,134	-	1,134
Increase in loans and mortgage-backed securities	(399,832)	(248,812)	(648,644)
Increase in interest receivable on loans and mortgage-backed securities	(1,966)	(137)	(2,103)
Decrease in custodial deposits	7,615	-	7,615
Increase (decrease) in other assets and deferred outflows	(548)	601	53
Decrease in accounts payable, other liabilities, and deferred inflows	(3,486)	(1,929)	(5,415)
Net cash used in operating activities	<u>\$ (315,586)</u>	<u>\$ (205,892)</u>	<u>\$ (521,478)</u>

Note 1 - Organization and Summary of Significant Accounting Policies

(a) Organization

The Iowa Finance Authority (the Authority) was created in 1975 under Chapter 16 of the Code of Iowa as a public instrumentality and agency of the State of Iowa (the State) to undertake programs that assist in attainment of adequate housing for low- or moderate-income families, elderly families, and families that include one or more persons with disabilities. The Authority is authorized and has issued bonds for these purposes, the proceeds of which are used to provide affordable mortgage financing. The bonds are payable, principally, from repayments of such mortgage loans. These obligations do not constitute a debt of the State and, consequently, the State is not liable for any repayments.

To further accomplish these purposes, the Authority is authorized to allocate federal low-income housing tax credits for qualified multi-family housing developments in the State. In addition, federal grants and certain other funds of the Authority are utilized through its various housing assistance programs to provide low-interest loans or grants to assist the homeless and low-income Iowans in obtaining adequate housing.

The Authority has contracted with the United States Department of Housing and Urban Development (HUD) to serve as contract administrator for Section 8 Housing Assistance Payment (HAP) contracts. The Authority disburses subsidy payments monthly to the multi-family projects and monitors the individual units and projects for compliance with HUD regulations.

Chapter 16 of the Code of Iowa authorizes the Private Activity Bond Program. The Authority is authorized and has issued revenue bonds under this program, the proceeds of which have been used to provide limited types of financing for qualified manufacturing facilities, nonprofit entities, and multi-family housing projects. The bonds have been assigned, without recourse, to participating financial institutions or to the trustee on behalf of bondholders. Neither the Authority nor the State is obligated to pay debt service on such bonds. Therefore, the loans and bonds are not recorded in the Authority's financial statements. For the year ended June 30, 2025, the Authority issued \$492.6 million of these conduit obligations, and \$15.8 billion since the inception of the program.

The Iowa Legislature created Iowa Title Guaranty (ITG), a division of the Iowa Finance Authority, in 1986 within Chapter 16 of the Code of Iowa. ITG offers guaranties of real property titles as an adjunct to Iowa's abstract-attorney's title opinion system, providing a low-cost mechanism for guaranties of real-property titles to facilitate mortgage lenders' participation in the secondary market. ITG's mission also includes protecting the integrity of Iowa's land-title transfer system and supporting affordable housing by transferring all revenues in excess of operating expenses and adequate reserves to the Authority's housing assistance fund.

ITG is self-supporting and charges premiums sufficient to cover the program's operating costs, including payment of administrative costs and the maintenance of an adequate reserve against claims. An ITG title certificate, closing protection letter or gap coverage is an obligation of ITG only. All ITG claims, including those related to the mortgage release program, are payable solely out of the assets and revenues of ITG and are not an indebtedness of the State of Iowa and, consequently, the State is not liable for any repayments.

Chapter 455B and Chapter 16 of the Code of Iowa authorize the Authority, jointly and in cooperation with the Iowa Department of Natural Resources (DNR), to undertake the creation, administration and financing of the Iowa Water Pollution Control Works Financing Program (the Clean Water State Revolving Fund (CWSRF) Program) and the Iowa Drinking Water Facilities Financing Program (the Drinking Water State Revolving Fund (DWSRF) Program). These programs were created to implement provisions of federal legislation. The U.S. Environmental Protection Agency (EPA) makes annual capitalization grants to states for these programs. The Authority is authorized and has issued revenue bonds to meet the 20% State match required to receive the base capitalization grants and provide additional funds to make loans to finance all or part of the construction of wastewater and drinking water facilities.

In 2021, Congress passed the Infrastructure Investment and Jobs Act (“IIJA”), otherwise known as the Bipartisan Infrastructure Law (“BIL”), allowing states to receive additional capitalization grants under the Clean Water Act and Safe Drinking Water Act. The BIL supplemental capitalization grants for federal fiscal years 2024 through 2026 are subject to a twenty percent (20%) State match requirement. The Authority is further authorized to issue and has issued revenue bonds to meet the State match required to receive the BIL supplemental capitalization grants. The bonds are limited obligations of the Authority payable solely from repayments of the loans and other assets and revenues pledged under the applicable bond indentures. The obligations do not constitute a debt of the State or a general obligation of the Authority.

The Iowa Agriculture Development Authority (IADA) became a division of the Authority effective July 1, 2013. It is now called the Iowa Agricultural Development Division (IADD). The Authority received all assets, liabilities, and net position of the IADA. Chapter 16 of the Code of Iowa authorizes the Authority to issue bonds for the purpose of financing loans to beginning farmers. These obligations do not constitute a general obligation of the Authority or the State. Therefore, the bonds are not recorded in the Authority’s financial statements. For the year ended June 30, 2025, the IADD issued \$22.9 million of these conduit obligations, and \$705.8 million since the inception of the program.

The Authority is a component unit of the State. The Authority’s financial statements are included in the State’s annual comprehensive financial report.

(b) Basis of Presentation

The financial statements have been prepared using the economic resources measurement focus and accrual basis of accounting in accordance with the Governmental Accounting Standards Board (GASB). Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

(c) Fund Accounting

The Authority’s accounts are organized as major funds, each of which is a separate set of self-balancing accounts for the assets, liabilities, net position, revenues, and expenses of the Authority’s programs. The Authority presents two major funds: (1) Housing Agency Fund, and (2) State Revolving Fund (SRF).

The following describes the nature of the major funds currently maintained by the Authority:

Housing Agency Fund – Consists of:

- i. General Operating Accounts – account for the administrative operations of the Authority, receipts of various program fees, HUD contract administration fees, transfers to or from various bond accounts in accordance with applicable bond resolutions, income and expenses for facility operations, and administrative expenses of the Authority.
- ii. Single-Family Bond Programs – account for the proceeds from bonds issued under the Single-Family Mortgage Bond Resolution and the Single-Family Mortgage Revenue Bond Resolution, the debt service requirements of the bonds, the investment of moneys held within the bond accounts, the related loans, and mortgage-backed securities. The bonds within the Single-Family Mortgage Bond Resolution are general obligations of the Authority but are primarily payable from assets and revenues pledged under the bond resolution. The bonds within the Single-Family Mortgage Revenue Bond Resolution are not a general obligation of the Authority but are limited obligations payable solely from the sources provided in this Resolution.
- iii. Multi-Family Bond Programs – account for the proceeds from bonds issued under the Multi-Family Housing Bonds Master Trust Indenture, the debt service requirements of the bonds, the investment of moneys held within the bond accounts, and the related loans. The bonds within the Multi-Family programs are general obligations of the Authority but are primarily payable from assets and revenues pledged under the bond resolutions.

- iv. Federal and State Programs – account for federal grants or State appropriations received and moneys transferred from ITG, all specifically restricted or committed for uses in accordance with applicable legislation or grant agreements.
- v. Iowa Agricultural Development Division – accounts for the administrative operations of IADD made up of receipts of various program fees and administrative expenses.
- vi. Iowa Title Guaranty Division – accounts for the fees charged for title guaranty certificates, endorsement, and closing protection letters and the administrative costs and claims paid by ITG. Moneys in this account, after providing for adequate reserves and operating expenses, are transferred to the Housing Assistance Program.

State Revolving Fund (SRF) – Consists of:

- i. Clean Water Program Accounts – account for the proceeds of Clean Water Program revenue bonds, the debt service requirements of the bonds, the investment of moneys held within the bond accounts and the equity account, receipt of EPA capitalization grants, the related wastewater treatment facility loans to municipalities, and administrative costs of the program. The bonds are secured by certain loan agreements and other assets and revenues pledged under the applicable bond indentures for the SRF.
- ii. Drinking Water Program Accounts – account for the proceeds of Drinking Water Program revenue bonds, the debt service requirements of the bonds, the investment of moneys held within the bond accounts and the equity account, receipt of EPA capitalization grants, the related drinking water facility loans to Iowa drinking water systems, and administrative costs of the program. The bonds are secured by certain loan agreements and other assets and revenues pledged under the applicable bond indentures for the SRF.

(d) *Substantially Restricted Assets*

Virtually all assets of the Authority are either specifically pledged to bondholders, held on behalf of various federal and state programs, held in escrow accounts, or pledged in connection with the general obligation of the Authority.

(e) *Cash Equivalents*

For purposes of the statement of cash flows, all highly liquid investments with original maturity of three months or less from the date of purchase are considered to be cash equivalents. These investments include the moneys deposited in the State's interest-bearing pooled money funds, investment agreements associated with bond issues, and various money market funds.

(f) *Investments*

Under the various bond resolutions, State statutes, and the Authority's investment policy, the Authority may invest in U.S. government and agency securities, and municipal obligations directly or through repurchase agreements secured by such obligations, certificates of deposit in qualified financial institutions, pooled money funds with the State, commercial paper with qualified corporations, and investment agreements with U.S. government agencies, qualified financial institutions, or qualified corporations.

Investments and mortgage-backed securities are recorded at fair value in the statement of net position, with the change in the fair value recorded in the statement of revenues, expenses, and changes in net position.

(g) *Loans to Municipalities or Water Systems, Net*

Loans to municipalities or water systems are recorded at their unpaid principal balance, net of allowance for loans losses, within the SRF. The loans generally have terms of 20 to 30 years and are intended to be held to maturity. The loans are pledged as collateral for the bonds outstanding. Each municipality or water system has entered into a loan agreement with the Authority and has evidenced its commitment to repay the loan by issuing a revenue obligation or a general obligation to the Authority.

(h) Housing Agency Loans, Net

The Authority receives federal funds to make housing loans in connection with various federal programs for the State. These funds must be repaid to the federal government in the event of failure of the project. Loan repayments must remain within the program and be immediately loaned or granted to program recipients based upon the rules of the program.

Other Housing Agency loans are recorded at their unpaid principal balance, net of allowance for loan losses. The loans are intended to be held to maturity and are secured by first or second mortgages, other types of collateral, or are unsecured.

(i) Provision for Loan Losses

An evaluation of possible credit losses related to housing loans made with federal funds is made and a provision for losses is charged to grant expense. An allowance for losses of \$130.3 million was netted against housing loans made with federal funds at June 30, 2025.

An evaluation of possible credit losses relating to other Housing Agency loans is made and a provision for losses is charged to provision (recoveries) of loan losses. An allowance for losses of \$5.4 million was netted against other Housing Agency loans at June 30, 2025.

An evaluation of possible credit losses relating to loans to municipalities or water systems is made and a provision for losses is charged to provision (recoveries) of loan losses or grant expense. An allowance for loan losses of \$1.2 million, loan forgiveness of \$44.0 million, and loan fee refunds of \$0.8 million were netted against loans to municipalities or water systems at June 30, 2025.

(j) Line of Credit Receivable

On December 31, 2024, the Authority renewed a \$45.0 million line of credit with its master servicer, Idaho Housing and Finance Association. The master servicer will draw on the line of credit to purchase qualified mortgage loans from the Authority's participating lenders. The Authority receives a first security position on the qualified mortgage loans as collateral. Unpaid balances on the line of credit bear interest at a rate equal to that of the qualified mortgage loans purchased, less a small spread. The line of credit expires on December 31, 2026. As of June 30, 2025, the balance outstanding was \$34.2 million.

(k) Capital Assets

Furniture, fixtures, and office equipment that exceed \$5.0 thousand individually, or groups of similar assets less than \$5.0 thousand individually but more than \$10.0 thousand in total, are recorded at cost and depreciated using the straight-line method over the estimated useful lives of the assets, which range from 3 to 10 years.

Real estate purchased is recorded at cost. Land is recorded at net tax value at the time of the purchase and is not depreciated. Reasonable estimates are used to assign cost to major components and depreciated using the straight-line method over the useful lives of the assets of 15 years. The remaining cost was assigned to the building and depreciated using the straight-line method over 40 years.

On August 12, 2024, the Authority entered into a contract with Ernst and Young to develop an Enterprise Management System (EMS) to streamline data collection and provide efficiencies for staff and customers. This software development in progress is \$2.3 million at June 30, 2025. The contract has a total expected cost of \$7.2 million.

(l) Deferred Down Payment Assistance

Down payment grant assistance paid in connection with the Authority's Single Family Program is deferred and amortized over 10 years. As of June 30, 2025, there was a balance of \$7.1 million included in other assets.

(m) Deferred Service Release Premium

Service release premium is paid to the loan originator in connection with the Authority's Single-Family Program and amortized over the life of the loan. As of June 30, 2025, there was a balance of \$28.4 million included in other assets.

(n) Bond Issuance Costs

Bond issuance costs are expensed in the period incurred.

(o) Bond Premiums, Discounts, and Gains and Losses on Refunding

Bond premiums and discounts are amortized as an adjustment to interest expense over the life of the related bond issues using the bonds outstanding method. Gains and losses on bond refunding are recorded as deferred inflows of resources or deferred outflows of resources, respectively, and are deferred and amortized as an adjustment to interest expense over the shorter of the remaining life of the refunded bonds or the new bonds using the bonds outstanding method.

(p) Custodial Deposits

ITG holds custodial deposits in relation to its commercial title guaranty, escrow and closing services. These funds are reported in the statement of net position of business-type activities and are expected to be held less than three months.

(q) Escrow Deposits

The Authority collects funds to pay property insurance, real estate taxes, and reserves in connection with certain housing loans. In addition, ITG serves as escrow agent in connection with commercial real estate transactions.

(r) Reserves for Claims

ITG maintains a liability for claims exposure on title guaranties due to title defects. A known claims reserve is provided for all claims in which ITG reasonably believes payment will be owed. The known claims reserve is set in the amount of the reasonably anticipated loss and expenses. In addition, an unallocated claims reserve, which includes incurred but not reported (IBNR) reserve and unallocated loss adjustment expenses (ULAE) reserve, is provided based on an annual actuarial valuation that considers coverage amounts, claims history, and other economic factors. Changes in reserves are charged or credited to operating expenses. At June 30, 2025, known claims reserve and unallocated claims reserve were \$422 thousand and \$1.723 million, respectively.

(s) Rebates Owed

The amount of investment income the Authority may earn and retain on the proceeds of bonds issued in 1982 and after is limited by federal legislation. Earnings in excess of the allowable amount must be rebated to either the mortgagors or the U.S. Treasury. At June 30, 2025, \$876.2 thousand of such excess earnings are recorded as other liabilities on the statement of net position.

(t) Unearned Revenue

Compliance monitoring fees received by the Authority at the time a Low-Income Housing Tax Credit (LIHTC) project is placed in service are deferred and used to defray the administrative expenses of the Authority for annually monitoring the project's continued compliance with federal regulations. These fees are amortized over the 15-year compliance period. At June 30, 2025, \$129.0 thousand of such unearned revenue is recorded.

In addition, grant funds received, that would revert if not spent, are recorded as unearned revenue. On June 30, 2025, the Authority held unspent ERA2 funds of \$30.4 million for rapid rehousing, refugee resettlement and coordinated entry programs. There is an additional \$6.1 million of unspent Homeowner Assistance Funds, \$8.7 million of non-federal disaster recovery funds, and \$2.7 million of Water Infrastructure Funds (from the American Rescue Plan Act), for a total of \$47.9 million in unearned revenue related to grant funds received.

(u) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

(v) Net Position

Restricted net position represents net position set aside, as required by the various bond resolutions, for the benefit of the respective bond owners. Assets related to such restricted net position include required reserves, loans, or mortgage-backed securities (MBS), assets held for placement into loans or MBS, investments, and assets held for scheduled debt service. Restricted net position also represents net position specifically restricted for uses in accordance with applicable legislation, including ITG and the Federal and State Programs. It is the Authority's policy to first use restricted net position, prior to the use of unrestricted net position, when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Restricted net position also represents net position restricted for use by other agreements including loans and accounts held under the Clean Water Program accounts and the Drinking Water Program accounts, which are restricted pursuant to the Master Trust Agreement and federal laws or regulations.

Unrestricted net position provides additional security for the Authority's general obligations and coverage of the Authority's administrative costs. Unrestricted net position is available to meet commitments listed under Note 10 - Commitments and Contingencies.

(w) Classification of Revenues and Expenses

The Authority distinguishes operating revenues and expenses from non-operating items. The principal operating revenues are interest income on loans, MBS, and investments; gain on the sale of MBS; change in fair value of investments, MBS, and investment derivative instruments; and fees received in connection with ITG, administration of the U.S. Department of Housing and Urban Development's Section 8 Housing Assistance Payments program and Low-Income Housing Tax Credit programs. Operating expenses include interest expense; general and administrative expenses; and provisions for loan losses. All revenues and expenses not meeting this definition are reported as non-operating.

The Authority's non-operating revenues and expenses consist, primarily, of the U.S. Environmental Protection Agency's capitalization grants for the SRF programs; Section 8 Project HAP Program; pass-through amounts related to the Department of Housing and Urban Development's grants for the Home Investment Partnerships Program, Housing Opportunities for Persons with AIDS, Emergency Solutions Grant programs, and the National Housing Trust Fund; Department of the Treasury Covid-19-related grant programs; and pass-through grants from the Iowa legislature for down-payment assistance to returning active duty military personnel; homeless shelter operating grants; rent subsidy programs; wastewater and drinking water grants; transfers between programs; and other items incurred outside the normal operations of the Authority.

(x) Gain on Sale of Mortgage-Backed Securities (MBS)

The Authority participates in the GNMA, FNMA, and FHLMC MBS programs whereby GNMA, FNMA or FHLMC guaranties securities that are backed by pools of mortgage loans. Gains on sales of MBS are recorded at the time of settlement and represent the difference between the sale price of the MBS and the carrying value of the underlying pool of mortgages backing them.

(y) Fee Income

The Authority receives fee income from program users to cover the cost of the program administration. Fee income is recorded in the period earned. Fees collected in the current period for future services are amortized over the life of the service period. Major sources of fee income are ITG fees, SRF loan fees, Section 8 Housing Assistance Payments program administration fees, low-income housing tax credit fees, and service acquisition fees in connection with the Authority's Single-Family Programs.

(z) Grant Income

The Authority receives grant income from various sources to cover the cost of program administration and for further distribution to sub-grantees. Major sources of grant income are the Environmental Protection Agency's grants for the Authority's Clean Water Program and Drinking Water Program; the Department of Housing and Urban Development's grants for the Authority's Home Investment Partnerships Program, Housing Opportunities for Persons with AIDS, Emergency Solutions Grant Program, National Housing Trust Fund, and Section 8 Project Housing Assistance Payments Program; the U.S. Department of Treasury Covid-19-related grants; and the Iowa legislature for down-payment assistance to returning active duty military personnel, homeless shelter operating grants, water quality grants, and disaster recovery programs. Grant income is recorded when all eligibility requirements have been met. Grant funds received in advance of meeting eligibility requirements are recorded as a liability as unearned revenue.

(aa) Derivatives

The Authority uses derivative financial instruments to manage and reduce exposure to adverse fluctuations in interest rates and to lower the overall cost of financing. All derivative financial instruments are recorded at fair value. Certain of the Authority's derivatives consist of interest rate swap and interest rate cap agreements entered into in connection with its issuance of variable rate mortgage revenue bonds. These derivative financial instruments are considered hedging derivative instruments and are recorded as other assets or other liabilities on the statement of net position.

The Authority's additional derivative financial instruments are commitments to purchase mortgage-backed securities. These derivative financial instruments consist of forward sales of MBS in the To-Be-Announced (TBA) market, which hedge changes in the fair value of the mortgage loan inventory and commitments. These contracts are considered investment derivative instruments and are recorded as other assets or other liabilities on the statement of net position.

The Authority reports hedging derivative instruments' accumulated change in fair value as either deferred inflows or deferred outflows of resources. The Authority reports investment derivative instruments' accumulated changes in fair value as part of the net increase/decrease in fair value of investments within the statement of revenues, expenses, and changes in net position.

(bb) Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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. Actual results could differ from those estimates.

(cc) Income Taxes

The Authority is a tax-exempt, quasi-governmental organization under IRC Section 115(l). Accordingly, no provision for income taxes has been included in the accompanying financial statements.

Note 2 - Cash, Cash Equivalents and Investments

The following table presents the detail of cash and cash equivalents, investments, and investments in MBS (dollars in thousands):

	June 30, 2025				
	Housing Agency Fund	State Revolving Fund	Total	% of total	Average Maturity (years)
Cash and cash equivalents					
Cash in banks	\$ 65,102	\$ 51,545	\$ 116,647	4%	
Cash in the State Treasurer's pooled money account	101,207	-	101,207	3%	
Money market funds	368,614	496,222	864,836	29%	
Total	534,923	547,767	1,082,690	36%	
Investments					
Certificate of deposit	-	735	735	0%	1.52
U.S. government agency securities	-	16,165	16,165	1%	0.78
Municipal securities	-	6,339	6,339	0%	1.18
U.S. Treasury securities		130,327	130,327	4%	1.55
Total	-	153,566	153,566	5%	
Investments in MBS					
GNMA mortgage-backed securities	942,807	-	942,807	31%	23.83
FNMA mortgage-backed securities	525,098	-	525,098	17%	23.49
FHLMC mortgage-backed securities	320,961	-	320,961	11%	27.62
Total	1,788,866	-	1,788,866	59%	
Total	<u>\$ 2,323,789</u>	<u>\$ 701,333</u>	<u>\$ 3,025,122</u>	<u>100%</u>	

(a) Deposits

The Housing Agency's deposits held in financial institutions throughout the year were entirely covered by the Federal Deposit Insurance Corporation or by the bank assessment provisions of Section 12C.22 of the Code of Iowa. The SRF waives the provisions of Section 12C.22 and has uninsured bank balances of \$51.3 million as of June 30, 2025.

(b) Investments

The investment of funds may be governed by the Authority's investment policy approved by the Authority's Board of Directors, the Authority's various bond indentures, and the State. Permitted investments include direct obligations of, or obligations guaranteed by or issued by, certain agencies of the federal government of the United States of America; repurchase agreements fully collateralized and secured by the U.S. Treasury; corporate bonds issued or guaranteed by a domestic U.S. corporation meeting certain credit rating standards; municipal bonds backed by the full faith and credit of the municipality; pooled money funds; money market funds; certificates of deposits; commercial paper with qualified corporations; and guaranteed investment contracts with financial institutions meeting certain credit rating standards.

(c) Credit Risk

Credit risk is the risk that an issuer or counterparty will not fulfill their obligation to the Authority. Custodial credit risk is if a depository institution fails it may not return the Authority's deposits.

The Authority minimizes credit risk by limiting securities to the credits and types of investments authorized in the investment policy or relevant bond indentures and prequalifying the financial institutions, brokers, dealers, and advisers with whom the Authority does business, as outlined in the Authority's investment policy.

(d) Concentration Risk

Concentration risk is the risk of loss that may be attributed to the magnitude of an investment in a single type of security or single issuer. The Authority's investment policy outlines the allowable concentrations of various investment categories. Bond indentures restrict the types of permitted investments. Portfolio maturities are staggered to avoid undue concentration of assets within a specific maturity period, which provides for stability of income and reasonable liquidity.

The table below addresses credit risk and concentration risk of investments (dollars in thousands):

Type/Provider	June 30, 2025					
	Credit ratings		Housing Agency Fund	% of Total	State Revolving Fund	% of Total
	S&P	Moody's				
Money market funds:						
Morgan Stanley	AAAm	Aaa-mf	\$ 23,065	1.1%	\$ -	0.0%
BlackRock	AAAm	Aaa-mf	-	0.0%	443,139	68.2%
Goldman Sachs Group	AAAm	Aaa-mf	345,549	16.0%	53,083	8.2%
Certificates of deposit	NR	NR	-	0.0%	735	0.1%
U.S. government agency securities	AA+	Aa1	-	0.0%	16,165	2.5%
U.S. Treasury securities	AA+	Aa1	-	0.0%	130,327	20.0%
Municipal securities	AA to AAA	Aa2 to Aaa	-	0.0%	6,339	1.0%
Mortgage-backed securities:						
GNMA	NR	NR	942,807	43.7%	-	0.0%
FNMA	NR	NR	525,098	24.3%	-	0.0%
FHLMC	NR	NR	320,961	14.9%	-	0.0%
Total			<u>\$ 2,157,480</u>	<u>100.0%</u>	<u>\$ 649,788</u>	<u>100.0%</u>

(e) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates may adversely affect the fair value of the Authority's investments. The Authority's strategy, as discussed in its investment policy, is to minimize interest rate risk by structuring investment portfolios so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

(f) Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Authority has no positions in foreign currency or any foreign currency denominated investments.

Note 3 - Loans

Loans at June 30, 2025, are as follows (dollars in thousands):

		2025	
	Cost	Allowance for losses	Net
Housing Agency Loans			
Loans secured with first mortgages	\$ 45,332	\$ (2,708)	\$ 42,624
Single-Family second mortgage loans	58,092	(581)	57,511
State program loans	33,329	(2,123)	31,206
Federal program loans	158,449	(130,329)	28,120
Total Housing Agency Fund Loans	<u>\$ 295,202</u>	<u>\$ (135,741)</u>	<u>\$ 159,461</u>
State Revolving Fund Loans			
Loans backed by municipal bonds	\$ 2,789,037	\$ (1,187)	\$ 2,787,850
Unsecured planning and design loans	73,416	-	73,416
Unsecured nonpoint source loans	9,367	-	9,367
Forgivable portion of SRF loans	44,859	(44,859)	-
Total State Revolving Fund Loans	<u>\$ 2,916,679</u>	<u>\$ (46,046)</u>	<u>\$ 2,870,633</u>

Note 4 - Capital Assets

Capital assets at June 30, 2025, are as follows (dollars in thousands):

	Balance at July 1, 2024	Additions and Transfers	Disposals and Reductions	Balance at June 30, 2025
Non-depreciable assets:				
Land	\$ 886	\$ -	\$ -	\$ 886
Construction in progress*	1,185	2,358	(1,185)	2,358
Total non-depreciable assets	<u>2,071</u>	<u>2,358</u>	<u>(1,185)</u>	<u>3,244</u>
Depreciable assets:				
Buildings and improvements	14,763	1,152	-	15,915
Land improvements	700	-	-	700
Office equipment and vehicles	560	-	-	560
Total depreciable assets	<u>16,023</u>	<u>1,152</u>	<u>-</u>	<u>17,175</u>
Less accumulated depreciation:	(4,967)	(1,135)		(6,102)
Total Capital Assets-Net	<u>\$ 13,127</u>	<u>\$ 2,375</u>	<u>\$ (1,185)</u>	<u>\$ 14,317</u>

*Construction in progress of \$2,358 is an intangible asset for internally generated software (Enterprise Management System) in development.

Note 5 - Long-term Liabilities

Outstanding bonds payable at June 30, 2025, are as follows (dollars in thousands)

Description		Original	Due dates		Interest rate		Balance
		amount	From	To	From	To	6/30/2025
Housing Agency Bonds and Notes:							
SF 1991 Mortgage Bonds							
SF 2014 B-1 - Term Bonds	D \$	1,525		02/01/44		3.590	\$ 107
SF 2014 B-2 - Term Bonds	D	11,895		09/01/36		3.050	1,551
SF 2016 B - Term Bonds		20,000	01/01/30	07/01/46		1.920 *	20,000
SF 2016 C - Serial Bonds		19,095		07/01/25		2.600	995
SF 2016 D - Serial Bonds		12,125	07/01/25	07/01/26	2.150	2.300	2,205
SF 2016 D - Term Bonds		17,635	01/01/37	07/01/46		3.500	1,560
SF 2016 E - Term Bonds		15,000	01/01/27	07/01/46		1.920 *	14,690
SF 2017 A - Serial Bonds		11,410		07/01/25		2.600	645
SF 2017 A - Term Bonds		17,330	01/01/33	07/01/47		4.000	2,255
SF 2017 B - Term Bonds		7,500	01/01/33	07/01/47		1.920 *	7,500
SF 2017 C - Serial Bonds		17,265	07/01/25	01/01/28	2.150	2.600	5,025
SF 2017 C - Term Bonds		22,210	01/01/37	01/01/47		3.500	3,665
SF 2017 D - Term Bonds		17,500	01/01/29	01/01/47		1.920 *	17,500
SF 2018 A - Term Bonds		19,630	01/01/38	07/01/47		4.000	4,555
SF 2018 B - Term Bonds		20,000	01/01/30	07/01/47		1.920 *	20,000
SF 2018 C - Term Bonds		17,425	01/01/41	07/01/48		4.000	4,765
SF 2018 D - Term Bonds		15,000	01/01/31	07/01/48		1.920 *	15,000
SF 2019 A - Serial Bonds		2,065		01/01/30		2.600	835
SF 2019 A - Term Bonds		35,910	07/01/32	07/01/47		4.000	16,660
SF 2019 B - Term Bonds		20,000	07/01/33	07/01/47		2.000 *	20,000
SF 2019 D - Serial Bonds		19,280	07/01/25	07/01/32	1.500	2.300	17,320
SF 2019 D - Term Bonds		4,440	01/01/33	07/01/34		2.450	4,440
SF 2019 D - Term Bonds		6,620	01/01/35	07/01/37		2.600	6,620
SF 2019 D - Term Bonds		34,055	01/01/37	01/01/49		3.500	16,920
SF 2019 E - Term Bonds		15,000	07/01/33	01/01/49		1.920 *	15,000
SF 2020 A - Serial Bonds		10,265	07/01/28	07/01/32	1.750	2.200	10,625
SF 2020 A - Term Bonds		5,070	01/01/33	01/01/35		2.500	5,070
SF 2020 A - Term Bonds		29,205	07/01/42	01/01/50		3.750	13,210
SF 2020 B - Term Bonds		20,000	01/01/32	07/01/49		1.920 *	20,000
SF 2020 C - Serial Bonds		15,500	07/01/25	01/01/28	2.150	2.450	6,650
SF 2020 D - Serial Bonds		10,000	01/01/27	07/01/32	1.200	1.900	10,000
SF 2020 D - Term Bonds		3,835	01/01/33	07/01/35		2.000	3,835
SF 2020 D - Term Bonds		8,160	01/01/36	07/01/40		2.200	8,160
SF 2020 D - Term Bonds		20,825	07/01/41	07/01/50		3.250	10,935
SF 2020 E - Term Bonds		15,000	07/01/33	07/01/49		1.920 *	15,000
SF 2020 F - Serial Bonds		8,000	07/01/25	01/01/27	1.250	1.550	2,395
SF 2021 A - Serial Bonds		35,160	07/01/25	07/01/33	0.450	1.750	25,960
SF 2021 A - Term Bonds		7,185	01/01/34	07/01/35		1.850	7,185
SF 2021 A - Term Bonds		9,395	01/01/36	07/01/38		1.900	7,515
SF 2021 A - Term Bonds		31,455	07/01/38	01/01/47		3.000	18,005
SF 2021 B - Serial Bonds		22,830	07/01/25	07/01/33	0.450	1.950	21,025
SF 2021 B - Term Bonds		8,725	01/01/34	07/01/36		2.000	8,725
SF 2021 B - Term Bonds		16,315	01/01/37	07/01/41		2.200	16,315
SF 2021 B - Term Bonds		15,125	01/01/42	07/01/45		2.350	13,670
SF 2021 B - Term Bonds		29,085	07/01/45	07/01/51		3.000	18,760
SF 2021 D - Serial Bonds		19,035	01/01/27	07/01/33	5.000	1.950	19,035
SF 2021 D - Term Bonds		8,445	01/01/34	07/01/36		2.000	8,445
SF 2021 D - Term Bonds		4,825	01/01/37	07/01/38		2.100	4,825
SF 2021 D - Term Bonds		36,765	01/01/39	07/01/51		3.000	27,065
SF 2021 E - Term Bonds		20,000	01/01/36	07/01/51		1.920 **	20,000
SF 2021 F - Serial Bonds		10,500	07/01/25	07/01/26	0.900	1.100	3,630
SF 2022 A - Serial Bonds		20,025	07/01/25	07/01/33	5.000	2.150	15,420
SF 2022 A - Term Bonds		2,105	01/01/30	07/01/30		1.800	2,105
SF 2022 A - Term Bonds		1,585	01/01/34	07/01/34		2.200	1,585
SF 2022 A - Term Bonds		4,945	01/01/35	07/01/37		2.300	4,945
SF 2022 A - Term Bonds		4,665	01/01/38	07/01/40		2.450	4,665
SF 2022 A - Term Bonds		28,325	07/01/40	01/01/52		3.000	21,950
SF 2022 B - Term Bonds		20,000	01/01/34	01/01/52		1.920 *	20,000
SF 2022 C - Term Bonds		16,123		01/01/53		2.500	10,764

Iowa Finance Authority
(A Component Unit of the State of Iowa)
Notes to Financial Statements
June 30, 2025

Description	Original amount	Due dates		Interest rate		Balance 6/30/2025
		From	To	From	To	
SF 2022 D - Serial Bonds	9,530	01/01/31	07/01/34	3.500	3.850	9,530
SF 2022 D - Term Bonds	5,960	01/01/35	07/01/37		3.900	5,960
SF 2022 D - Term Bonds	14,090	01/01/38	07/01/42		4.050	14,090
SF 2022 D - Term Bonds	33,825	07/01/43	07/01/52		4.000	27,960
SF 2022 E - Term Bonds	20,000	01/01/35	01/01/52		1.920 *	20,000
SF 2022 F - Serial Bonds	15,000	07/01/25	01/01/31	3.550	4.250	11,170
SF 2022 G - Serial Bonds	10,860	07/01/29	07/01/34	3.000	3.700	10,860
SF 2022 G - Term Bonds	5,610	01/01/35	07/01/37		3.850	5,610
SF 2022 G - Term Bonds	11,430	01/01/38	07/01/42		4.100	11,430
SF 2022 G - Term Bonds	4,830	01/01/43	07/01/44		4.150	4,830
SF 2022 G - Term Bonds	32,075	07/01/44	07/01/52		5.000	28,100
SF 2022 H - Term Bonds	20,000	01/01/35	01/01/52		3.600 *	20,000
SF 2022 I - Serial Bonds	12,500	07/01/25	07/01/29	3.750	4.030	9,235
SF 2022 J - Serial Bonds	4,035	07/01/31	07/01/34	4.200	4.500	4,035
SF 2022 J - Term Bonds	4,815	01/01/35	07/01/37		4.700	4,815
SF 2022 J - Term Bonds	10,525	01/01/38	07/01/42		4.950	10,525
SF 2022 J - Term Bonds	17,190	01/01/43	07/01/48		5.100	17,190
SF 2022 J - Term Bonds	21,950	01/01/48	07/01/52		6.000	19,480
SF 2022 K - Serial Bonds	7,500	07/01/25	07/01/31	4.800	5.350	6,175
SF 2023 A - Serial Bonds	5,850	01/01/30	07/01/35	3.600	4.050	5,850
SF 2023 A - Term Bonds	1,710	01/01/33	07/01/33		3.900	1,710
SF 2023 A - Term Bonds	1,815	01/01/34	07/01/34		4.000	1,815
SF 2023 A - Term Bonds	6,545	01/01/36	07/01/38		4.450	6,545
SF 2023 A - Term Bonds	13,940	01/01/39	07/01/43		4.750	13,940
SF 2023 A - Term Bonds	19,360	01/01/44	07/01/48		4.900	19,360
SF 2023 A - Term Bonds	26,820	01/01/49	07/01/53		5.250	25,000
SF 2023 B - Serial Bonds	6,415	07/01/26	01/01/30	5.110	5.320	4,990
SF 2023 B - Term Bonds	1,085	07/01/25	01/01/26		5.090	1,085
SF 2023 C - Serial Bonds	12,545	01/01/30	07/01/33	3.600	3.950	12,545
SF 2023 C - Term Bonds	8,065	01/01/34	01/01/35		4.150	8,065
SF 2023 C - Term Bonds	10,835	01/01/36	07/01/38		4.450	10,835
SF 2023 C - Term Bonds	20,420	01/01/39	07/01/43		4.850	20,420
SF 2023 C - Term Bonds	34,015	01/01/44	07/01/50		4.950	34,015
SF 2023 C - Term Bonds	30,415	07/01/50	07/01/53		5.500	27,695
SF 2023 D - Serial Bonds	15,000	07/01/25	01/01/30	4.950	5.250	12,040
SF 2023 E - Serial Bonds	2,970	01/01/34	07/01/35	4.100	4.200	2,970
SF 2023 E - Term Bonds	5,510	01/01/36	07/01/38		4.375	5,510
SF 2023 E - Term Bonds	11,745	01/01/39	07/01/43		4.800	11,745
SF 2023 E - Term Bonds	16,660	01/01/44	07/01/48		4.850	16,660
SF 2023 E - Term Bonds	38,315	01/01/49	07/01/53		4.950	38,315
SF 2023 F - Serial Bonds	12,795	07/01/26	07/01/33	5.336	5.754	12,795
SF 2023 F - Term Bonds	2,745	01/01/34	07/01/38		5.804	2,745
SF 2023 F - Term Bonds	3,890	01/01/39	07/01/43		5.976	3,890
SF 2023 F - Term Bonds	5,070	01/01/44	07/01/48		6.026	5,070
SF 2023 G - Serial Bonds	4,190	07/01/33	07/01/35	4.300	4.450	4,190
SF 2023 G - Term Bonds	11,170	01/01/36	07/01/38		4.625	11,170
SF 2023 G - Term Bonds	11,375	01/01/39	07/01/43		4.900	11,375
SF 2023 G - Term Bonds	17,240	01/01/44	07/01/48		5.100	17,240
SF 2023 G - Term Bonds	19,440	01/01/49	01/01/53		5.200	19,440
SF 2023 G - Term Bonds	15,505	01/01/49	07/01/53		5.200	14,565
SF 2023 H - Term Bonds	11,000	07/01/26	01/01/33		5.845	11,000
SF 2024 A - Serial Bonds	3,505	07/01/34	07/01/36	3.700	3.900	3,505
SF 2024 A - Term Bonds	7,845	01/01/37	07/01/39		4.000	7,845
SF 2024 A - Term Bonds	13,410	01/01/40	07/01/44		4.500	13,410
SF 2024 A - Term Bonds	22,480	01/01/45	07/01/49		4.750	22,480
SF 2024 A - Term Bonds	17,760	01/01/50	07/01/54		4.800	17,760
SF 2024 B - Term Bonds	13,810	07/01/25	07/01/34		5.306	13,210
SF 2024 B - Term Bonds	3,655	01/01/35	07/01/39		5.642	3,655
SF 2024 B - Term Bonds	17,045	01/01/50	07/01/54		6.250	16,955
SF 2024 C - Serial Bonds	4,845	07/01/34	07/01/36	3.800	3.850	4,845
SF 2024 C - Term Bonds	7,095	07/01/37	07/01/39		4.000	7,095
SF 2024 C - Term Bonds	28,415	01/01/40	07/01/44		4.500	28,415

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Description	Original amount	Due dates		Interest rate		Balance 6/30/2025
		From	To	From	To	
SF 2024 C - Term Bonds	39,645	01/01/45	07/01/49		4.650	39,645
SF 2024 D - Serial Bonds	18,390	07/01/25	07/01/34	5.133	5.440	17,935
SF 2024 D - Term Bonds	5,390	01/01/35	07/01/39		5.644	5,390
SF 2024 D - Term Bonds	7,780	01/01/40	07/01/44		5.875	7,780
SF 2024 D - Term Bonds	11,935	01/01/45	07/01/49		5.915	11,935
SF 2024 D - Term Bonds	25,860	01/01/50	07/01/54		6.250	25,860
SF 2024 E - Serial Bonds	2,590	01/01/35	07/01/36		3.950	2,590
SF 2024 E - Term Bonds	4,610	01/01/37	07/01/39		4.000	4,610
SF 2024 E - Term Bonds	5,000	01/01/40	01/01/44		5.000	5,000
SF 2024 E - Term Bonds	10,095	01/01/40	07/01/44		4.400	10,095
SF 2024 E - Term Bonds	7,500	01/01/45	01/01/49		5.000	7,500
SF 2024 E - Term Bonds	13,295	01/01/45	07/01/49		4.600	13,295
SF 2024 E - Term Bonds	21,085	01/01/50	07/01/54		4.625	21,085
SF 2024 F - Serial Bonds	11,390	01/01/29	07/01/34	4.244	4.888	11,390
SF 2024 F - Term Bonds	2,010	07/01/25	07/01/26		6.000	2,010
SF 2024 F - Term Bonds	1,385	01/01/27	07/01/27		6.000	1,385
SF 2024 F - Term Bonds	1,485	01/01/28	07/01/28		6.000	1,485
SF 2024 F - Term Bonds	6,595	01/01/35	07/01/39		5.138	6,595
SF 2024 F - Term Bonds	5,955	01/01/40	07/01/44		5.627	5,955
SF 2024 F - Term Bonds	7,875	01/01/45	07/01/49		5.677	7,875
SF 2024 F - Term Bonds	21,360	01/01/50	07/01/54		6.250	21,360
SF 2024 G - Serial Bonds	3,285	01/01/30	07/01/36	3.350	3.900	3,285
SF 2024 G - Term Bonds	15,970	01/01/40	07/01/44		4.350	15,970
SF 2024 G - Term Bonds	21,870	01/01/45	07/01/49		4.500	21,870
SF 2024 G - Term Bonds	15,950	01/01/50	07/01/52		4.550	15,950
SF 2024 G - Term Bonds	15,955	01/01/53	07/01/54		6.250	15,955
SF 2024 H - Serial Bonds	7,885	07/01/25	07/01/31	4.475	4.823	7,885
SF 2024 H - Term Bonds	1,220	01/01/32	07/01/32		4.930	1,220
SF 2024 H - Term Bonds	1,310	01/01/33	07/01/33		5.030	1,310
SF 2024 H - Term Bonds	1,425	01/01/34	07/01/34		5.130	1,425
SF 2024 H - Term Bonds	1,545	01/01/35	07/01/35		5.180	1,545
SF 2024 H - Term Bonds	1,685	01/01/36	07/01/36		5.280	1,685
SF 2024 H - Term Bonds	7,340	01/01/37	07/01/39		5.380	7,430
SF 2025 A - Serial Bonds	1,780	07/01/35	07/01/36	3.850	3.950	1,780
SF 2025 A - Term Bonds	5,780	01/01/37	07/01/40		4.200	5,780
SF 2025 A - Term Bonds	14,015	01/01/41	07/01/45		4.550	14,015
SF 2025 A - Term Bonds	20,095	01/01/46	07/01/50		4.700	20,095
SF 2025 A - Term Bonds	18,330	01/01/51	07/01/55		4.750	18,330
SF 2025 B - Serial Bonds	17,830	01/01/26	07/01/37	4.471	5.538	17,830
SF 2025 B - Term Bonds	4,080	01/01/38	07/01/40		5.618	4,080
SF 2025 B - Term Bonds	5,000	01/01/41	07/01/45		5.857	5,000
SF 2025 B - Term Bonds	6,945	01/01/46	07/01/50		5.897	6,945
SF 2025 B - Term Bonds	20,295	01/01/51	07/01/55		6.250	20,295
SF 2025 C - Serial Bonds	5,870	01/01/30	07/01/37	3.800	4.500	5,870
SF 2025 C - Term Bonds	4,385	01/01/38	07/01/40		4.600	4,385
SF 2025 C - Term Bonds	10,165	01/01/41	07/01/45		4.850	10,165
SF 2025 C - Term Bonds	14,175	01/01/46	07/01/50		5.000	14,175
SF 2025 C - Term Bonds	25,405	01/01/51	07/01/55		5.050	25,405
SF 2025 D - Serial Bonds	16,605	07/01/26	07/01/37	4.336	5.637	16,605
SF 2025 D - Term Bonds	4,715	01/01/38	07/01/40		5.875	4,715
SF 2025 D - Term Bonds	9,680	01/01/41	07/01/45		6.086	9,680
SF 2025 D - Term Bonds	13,625	01/01/46	07/01/50		6.106	13,625
SF 2025 D - Term Bonds	19,425	01/01/51	07/01/55		6.250	19,425
Premium						33,708
Total SF 1991 Mortgage Bonds	2,289,308					2,000,260

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		From	To	From	To	6/30/2025
SF 2009 Mortgage Revenue Bonds						
SF 2013 2 Term Bonds	15,000		07/01/43		2.800	2,594
SF 2013 4 Term Bonds	10,000		08/01/43		2.800	1,110
Total SF 2009 Mortgage Revenue Bonds	<u>25,000</u>					<u>3,704</u>
Multi-Family Housing Bonds						
MF 2007 A – Term Bonds	12,700		08/01/37		3.900 *	10,525
MF FHLB B1 – Term Bonds	D 11,500		02/01/26		6.564 **	8,766
Total MF Housing Bonds	<u>24,200</u>					<u>19,291</u>
Total Housing Agency	<u>2,338,508</u>					<u>2,023,255</u>
State Revolving Fund Revenue Bonds						
2010 - Serial Bonds	215,725		08/01/25		2.982	14,340
2010 - Term Bonds	77,165	08/01/26	08/01/30		3.559	77,165
2015 - Serial Bonds	321,530	08/01/25	08/01/29	3.549	5.000	34,790
2016 - Serial Bonds	163,275	08/01/26	08/01/39		5.000	40,015
2017 - Serial Bonds	272,990	08/01/25	08/01/37		5.000	180,285
2017 - Term Bonds	54,815	08/01/38	08/01/42		5.000	22,370
2017 - Term Bonds	19,655	08/01/43	08/01/47		5.000	19,655
2019 A - Serial Bonds	215,990	08/01/25	08/01/42	2.250	5.000	124,935
2019 B - Serial Bonds	42,015	08/01/25	08/01/28	2.905	3.354	31,115
2020 - Serial Bonds	168,740	08/01/25	08/01/40		5.000	163,725
2020 - Term Bonds	15,005	08/01/41	08/01/44		5.000	15,005
2020 - Term Bonds	18,080	08/01/45	08/01/49		5.000	18,080
2021A - Serial Bonds	164,490	08/01/25	08/01/41		5.000	153,910
2021A - Term Bonds	12,745	08/01/42	08/01/46		5.000	12,745
2021A - Term Bonds	9,915	08/01/47	08/01/51		5.000	9,915
2021B - Serial Bonds	20,760	08/01/25	08/01/26	0.794	1.014	9,125
2021B - Term Bonds	10,380	08/01/25	08/01/26	0.158	1.014	4,940
2022A - Serial Bonds	165,530	08/01/25	08/01/42		5.000	160,110
2022A - Term Bonds	15,755	08/01/43	08/01/47		5.000	15,755
2022A - Term Bonds	16,740	08/01/48	08/01/52		5.000	16,740
2022B - Serial Bonds	8,155	08/01/25	08/01/27	2.990	3.250	5,065
2022C - Serial Bonds	D 36,000	08/01/31	08/01/33		3.540	36,000
2022D - Serial Bonds	D 43,525	08/01/26	08/01/35		3.440	43,525
2023A - Serial Bonds	300,000	08/01/27	08/01/42		5.000	300,000
2023B - Serial Bonds	44,450	08/01/26	08/01/32	4.440	4.490	44,450
2023C - Serial Bonds	94,810	08/01/25	08/01/43	5.000	5.250	94,810
2023C - Term Bonds	17,820	08/01/44	08/01/48		5.250	17,820
2023C - Term Bonds	14,990	08/01/49	08/01/53		5.250	14,990
2024A - Serial Bonds	206,955	08/01/25	08/01/34		5.000	206,955
2025A - Serial Bonds	135,940	08/01/30	08/01/45		5.000	135,940
2025A - Term Bonds	7,610	08/01/47	08/01/50		5.000	7,610
2025A - Term Bonds	8,000	08/01/51	08/01/55		5.000	8,000
2025B - Serial Bonds	14,975	08/01/27	08/01/29	4.440	4.630	14,975
Premium						251,834
Total State Revolving Fund Revenue Bonds	<u>2,934,530</u>					<u>2,306,694</u>
Total bonds and notes	<u>\$ 5,273,038</u>					<u>\$ 4,329,949</u>

D Direct placement bonds

* Variable rate as of June 30, 2025; remarketed daily or weekly at prevailing interest rates

** Variable rate as of June 30, 2025; indices are reset weekly or monthly

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(b) Roll forward

The following tables summarize the bonds and long-term liabilities activity for the Authority for the year ended June 30, 2025, (dollars in thousands):

	<u>July 1, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2025</u>	<u>Due within one year</u>
Bonds Payable - Housing Agency Fund					
SF 1991 mortgage bonds	\$ 1,611,876	\$ 462,527	\$ (75,801)	\$ 1,998,602	\$ 48,120
SF 1991 mortgage bonds					
direct placement	21,975	-	(20,317)	1,658	-
SF 2009 mortgage revenue bonds	4,298	-	(594)	3,704	-
MF bonds	18,225	-	(7,700)	10,525	-
MF bonds direct placement	9,062	-	(296)	8,766	8,766
Total Housing Agency fund	<u>1,665,436</u>	<u>462,527</u>	<u>(104,708)</u>	<u>2,023,255</u>	<u>56,886</u>
Compensated Absences - Housing Agency Fund	1,592	-	(106)	1,486	471
Total Long-Term Liabilities Housing Agency	<u>1,667,028</u>	<u>462,527</u>	<u>(104,814)</u>	<u>2,024,741</u>	<u>57,357</u>
 Bonds Payable - State Revolving Fund					
Revenue bonds	2,151,865	181,420	(106,116)	2,227,169	86,635
Revenue bonds direct placement	79,525	-	-	79,525	-
Total State Revolving fund	<u>2,231,390</u>	<u>181,420</u>	<u>(106,116)</u>	<u>2,306,694</u>	<u>86,635</u>
Compensated Absences - State Revolving Fund	-	143	-	143	58
Total Long-Term Liabilities State Revolving Fund	<u>2,231,390</u>	<u>181,563</u>	<u>(106,116)</u>	<u>2,306,837</u>	<u>86,693</u>
Fund	<u>2,231,390</u>	<u>181,563</u>	<u>(106,116)</u>	<u>2,306,837</u>	<u>86,693</u>
Total Long-Term Liabilities	<u>\$ 3,898,418</u>	<u>\$ 644,090</u>	<u>\$ (210,930)</u>	<u>\$ 4,331,578</u>	<u>\$ 144,050</u>

All bonds issued by the Authority are used to purchase MBS or loans; fund cost of issuance and down payment assistance; or refund prior debt.

(c) Maturity

A summary of scheduled bond maturities (excluding premium and discount) and interest payments is as follows (dollars in thousands):

Year ending June 30	Housing Agency								
	Housing Agency			Total Direct Placements			Total Housing Agency		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 48,120	\$ 76,824	\$ 124,944	\$ 8,766	\$ 379	\$ 9,145	\$ 56,886	\$ 77,203	\$ 134,089
2027	38,540	78,831	117,371	-	52	52	38,540	78,883	117,423
2028	37,605	77,477	115,082	-	51	51	37,605	77,528	115,133
2029	38,080	76,075	114,155	-	51	51	38,080	76,126	114,206
2030	41,100	74,689	115,789	-	51	51	41,100	74,740	115,840
2031-2035	247,955	350,276	598,231	-	256	256	247,955	350,532	598,487
2036-2040	313,885	302,181	616,066	1,551	77	1,628	315,436	302,258	617,694
2041-2045	373,109	238,947	612,056	107	14	121	373,216	238,961	612,177
2046-2050	451,600	154,965	606,565	-	-	-	451,600	154,965	606,565
2051-2055	379,624	50,405	430,029	-	-	-	379,624	50,405	430,029
2056-2060	9,505	264	9,769	-	-	-	9,505	264	9,769
Total	<u>\$ 1,979,123</u>	<u>\$ 1,480,934</u>	<u>\$ 3,460,057</u>	<u>\$ 10,424</u>	<u>\$ 931</u>	<u>\$ 11,355</u>	<u>\$ 1,989,547</u>	<u>\$ 1,481,865</u>	<u>\$ 3,471,412</u>

	State Revolving Fund								
	State Revolving Fund			Total Direct Placements			Total State Revolving Fund		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 86,635	\$ 94,074	\$ 180,709	\$ -	\$ 3,190	\$ 3,190	\$ 86,635	\$ 97,264	\$ 183,899
2027	94,975	90,261	185,236	285	3,184	3,469	95,260	93,445	188,705
2028	101,180	85,955	187,135	295	3,170	3,465	101,475	89,125	190,600
2029	103,420	81,323	184,743	305	3,157	3,462	103,725	84,480	188,205
2030	106,565	76,444	183,009	315	3,144	3,459	106,880	79,588	186,468
2031-2035	639,985	305,635	945,620	70,660	8,776	79,436	710,645	314,411	1,025,056
2036-2040	455,280	153,768	609,048	7,665	168	7,833	462,945	153,936	616,881
2041-2045	244,510	59,755	304,265	-	-	-	244,510	59,755	304,265
2046-2050	100,070	21,220	121,290	-	-	-	100,070	21,220	121,290
2051-2055	42,715	4,615	47,330	-	-	-	42,715	4,615	47,330
2056-2060	-	-	-	-	-	-	-	-	-
Total	<u>\$ 1,975,335</u>	<u>\$ 973,050</u>	<u>\$ 2,948,385</u>	<u>\$ 79,525</u>	<u>\$ 24,789</u>	<u>\$ 104,314</u>	<u>\$ 2,054,860</u>	<u>\$ 997,839</u>	<u>\$ 3,052,699</u>

	Total Authority		
	Principal	Interest	Total
2026	\$ 143,521	\$ 174,467	\$ 317,988
2027	133,800	172,328	306,128
2028	139,080	166,653	305,733
2029	141,805	160,606	302,411
2030	147,980	154,328	302,308
2031-2035	958,600	664,943	1,623,543
2036-2040	778,381	456,194	1,234,575
2041-2045	617,726	298,716	916,442
2046-2050	551,670	176,185	727,855
2051-2055	422,339	55,020	477,359
2056-2060	9,505	264	9,769
Total	<u>\$ 4,044,407</u>	<u>\$ 2,479,704</u>	<u>\$ 6,524,111</u>

The Authority has the option to redeem bonds at par or, in some instances, at a premium. Generally, the redemption option cannot be exercised prior to the time the bonds have been outstanding for 10 years; however, certain special redemptions, as governed by the bond resolutions, are permitted prior to such time. Term bonds are subject to mandatory redemptions, without premium, through sinking fund installments subsequent to the scheduled completion of retirement of the serial bonds of the same issue. The schedule of bond maturities includes the sinking fund installments for the term bonds. Additionally, variable rate debt for which the Standby Purchase Agreement expires prior to June 30, 2026, is reflected as a current liability. Bond maturities and interest rates are based on those in effect as of June 30, 2025.

The bonds are secured, as described in the applicable bond resolution, by the revenues, moneys, investments, loans, and other assets in the programs and accounts established by the respective bond resolutions.

Direct placement bonds have been issued to Federal Home Loan Bank. These bonds are secured with the mortgaged-backed securities or loans purchased with the bond proceeds and have both principal and interest receipts pledged to the bondholders in the Housing Agency Fund.

Direct placement bonds have been issued to Bank of America, N.A. These bonds are secured with loans purchased with the bond proceeds in the State Revolving Fund.

There are no unusual events of default, no unusual termination events, and no subjective acceleration clauses in these bond resolutions with financial related consequences.

The Single-Family Mortgage Bonds Resolution and the Multi-Family Housing Bonds Master Trust Indenture contain covenants that require the Authority to make payments of principal and interest from amounts available in the General Account should deficiencies occur in the accounts established for such payments by the respective bond resolutions.

(d) Variable Rate Debt

The Authority issues fixed rate and variable-rate bonds. The rate on the fixed rate bonds is set at bond pricing. The variable rate bonds bear interest at either a monthly, weekly, or daily rate until maturity or earlier redemption. For bonds that pay weekly or daily rates, the remarketing agent for each bond issue establishes the rates according to the remarketing agreement. The rates are communicated to the bond trustees for preparation of debt service requirements.

The Authority has variable rate bonds that have Stand-by Purchase Agreements (SBPA), which state the issuer of the SBPA will purchase the bonds in the event the remarketing agent is unsuccessful in remarketing the bonds. In this event, the interest rate paid by the Authority will be calculated using a defined rate from the SBPA. If the bonds remain unsold for a period of 90 days, they are deemed to be “bank bonds” and the Authority is required to repurchase the bonds from the SBPA issuer. The timing of this repurchase will vary depending on the agreement, but repayments are required over a five-year period. The Authority pays annual fees for the SBPAs that range from 0.20% to 0.42% of the bonds outstanding.

The Authority also has variable rate bonds that are tied to a financial index such as SIFMA or SOFR. The rates on these bonds are set weekly with the change in the relevant index.

Bond Issue	Maturity Date	Bonds outstanding June 30, 2025	Liquidity Provider	Liquidity Expiration	Remarketing Agent	Remarketing Expiration
SF 2016 B	7/1/2046	\$ 20,000	FHLB - Des Moines	3/31/2027	RBC Capital Markets, LLC	7/1/2046
SF 2016 E	7/1/2046	14,690	FHLB - Des Moines	10/26/2026	RBC Capital Markets, LLC	7/1/2046
SF 2017 B	7/1/2047	7,500	FHLB - Des Moines	5/16/2027	Morgan Stanley & Co. LLC	7/1/2047
SF 2017 D	1/1/2047	17,500	FHLB - Des Moines	9/27/2027	RBC Capital Markets, LLC	1/1/2047
SF 2018 B	7/1/2047	20,000	T.D. Bank, NA	10/13/2026	TD Securities (USA) LLC	7/1/2047
SF 2018 D	7/1/2048	15,000	Royal Bank of Canada	5/19/2026	RBC Capital Markets, LLC	7/1/2048
SF 2019 B	7/1/2047	20,000	U.S. Bank, NA	9/15/2027	U.S. Bancorp Investments, Inc.	7/1/2047
SF 2019 E	1/1/2049	15,000	T.D. Bank, NA	10/13/2026	TD Securities (USA) LLC	1/1/2049
SF 2020 B	7/1/2049	20,000	T.D. Bank, NA	8/17/2030	TD Securities (USA) LLC	7/1/2049
SF 2020 E	7/1/2049	15,000	T.D. Bank, NA	8/17/2030	TD Securities (USA) LLC	7/1/2049
SF 2021 E	7/1/2051	20,000	FHLB - Des Moines	3/6/2030	Morgan Stanley & Co. LLC	7/1/2051
SF 2022 B	1/1/2052	20,000	Royal Bank of Canada	2/9/2027	RBC Capital Markets, LLC	1/1/2052
SF 2022 E	1/1/2052	20,000	FHLB - Des Moines	3/6/2030	RBC Capital Markets, LLC	1/1/2052
SF 2022 H	1/1/2052	20,000	U.S. Bank, NA	9/15/2027	U.S. Bancorp Investments, Inc.	1/1/2052
Total Single-Family		<u>244,690</u>				
MF 2007 A	8/1/2037	10,525	Wells Fargo Bank, N.A.	11/1/2027	RBC Capital Markets, LLC	8/1/2037
MF FHLB B1*	2/1/2026	8,766	N/A*	N/A*	N/A*	N/A*
Total Multi-Family		<u>19,291</u>				
Total Housing Agency		<u>\$ 263,981</u>				

* Index Bonds

(e) Derivative Instrument Payments and Variable-Rate Debt

As of June 30, 2025, aggregate debt service requirements of the Authority's hedged variable-rate debt and net receipts/payments on associated derivative instruments are as follows. These amounts assume that current interest rates on variable-rate bonds and the current reference rates of hedging derivative instruments will remain the same for their term. As these rates vary, interest payments on variable-rate bonds and net receipts/payments on hedging derivative instruments will vary. Not all variable rate debt is associated with a derivative instrument. Refer to Note 6 for information on derivative instruments (dollars in thousands).

Fiscal year ending June 30	Variable-rate bonds principal	Variable-rate bonds interest	Interest rate swaps, net	Total
2026	\$ -	\$ 4,418	\$ (1,907)	\$ 2,511
2027	245	4,058	(1,910)	2,393
2028	505	4,054	(1,816)	2,743
2029	845	4,030	(1,655)	3,220
2030	1,830	4,009	(1,654)	4,185
2031-2035	27,547	18,965	(6,431)	40,081
2036-2040	57,329	14,832	(2,762)	69,399
2041-2045	63,476	9,608	(1,346)	71,738
2046-2050	69,859	3,786	(188)	73,457
2051-2055	10,554	138	-	10,692
Total	<u>\$ 232,190</u>	<u>\$ 67,898</u>	<u>\$ (19,669)</u>	<u>\$ 280,419</u>

(f) Bond Refunding

In prior years, the Authority defeased certain SRF bonds by placing proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the bold bonds. Accordingly, the irrevocable trust account assets and the liabilities for the defeased bonds are not included in the Authority's basic financial statements.

The amount of defeased debt outstanding at June 30, 2025, is shown below (dollars in thousands):

	June 30, 2025
State Revolving Fund defeased bonds:	
Series 2015	\$ 41,810
Series 2016	24,160
Total defeased bonds	<u>\$ 65,970</u>

Note 6 - Derivative Instruments

(a) Hedging Derivatives - Swaps

Swap agreements allow the Authority to raise funds at variable rates and swap them into fixed rates that are lower than those available to the Authority if fixed-rate borrowings were made directly. These contracts involve the exchange of variable-rate for fixed-rate payments between the parties, without the exchange of the underlying debt, based on a common notional amount and maturity date.

The following table displays the terms of the Authority's swap hedging derivative instruments outstanding at June 30, 2025 (dollars in thousands):

Bond series	2025 Notional Amount	Effective date	Termination date	Terms		Counterparty
				Pay	Receive	
SF 2016 E	\$ 11,250	01/01/18	07/01/46	2.292%	67% (SOFR + 0.11448%)	Wells Fargo Bank N.A
SF 2017 D	13,125	01/01/18	01/01/47	2.126%	67% (SOFR + 0.11448%)	Wells Fargo Bank N.A
SF 2018 B	15,000	07/01/18	07/01/47	2.490%	70% (SOFR + 0.11448%)	The Bank of New York Mellon
SF 2018 D	11,250	07/01/19	07/01/48	2.638%	70% (SOFR + 0.11448%)	Royal Bank of Canada
SF 2019 B	15,000	07/01/19	07/01/30	1.939%	SIFMA	Wells Fargo Bank N.A
SF 2019 E	11,250	01/01/20	01/01/49	1.605%	SIFMA until 1/1/2029; 67% (SOFR + 0.11448%) thereafter	The Bank of New York Mellon
SF 2020 B	15,000	07/01/20	07/01/49	1.691%	SIFMA until 7/1/2029; 67% (SOFR + 0.11448%) thereafter	Wells Fargo Bank N.A
SF 2020 E	11,250	07/01/21	07/01/35	1.051%	SIFMA	Wells Fargo Bank N.A
SF 2016 B	15,000	07/01/21	01/01/28	0.870%	SIFMA	The Bank of New York Mellon
SF 2021 E	15,000	01/01/22	01/01/34	1.332%	SIFMA	Royal Bank of Canada
SF 2022 B	15,000	03/01/22	04/01/31	1.522%	SIFMA	The Bank of New York Mellon
SF 2022E	15,000	09/01/22	07/01/34	1.986%	70% SOFR	Royal Bank of Canada
SF 2022H	15,000	01/01/23	06/01/42	2.357%	70% SOFR + 0.10%	Wells Fargo Bank N.A
	<u>\$ 178,125</u>					

See Note 6c - Ratings and Definitions for more information on abbreviations

(b) Hedging Derivatives - Caps

Interest rate cap derivatives are where the Authority receives payments at the end of each period, based on a notional amount, when the interest rate exceeds the agreed-upon strike rate. The following table displays the terms of the Authority's cap derivative instruments outstanding at June 30, 2025 (dollars in thousands):

Bond Series	2025 Notional amount	Effective date	Maturity date	Strike rate	Counterparty
MF 2007 A	\$ 10,525	07/01/2024	07/01/2026	SIFMA = 6.0%	Barclays Bank PLC

(c) Ratings and Definitions

Goldman Sachs Bank USA is rated A1 by Moody's and A+ by S&P Global
The Bank of New York Mellon is rated Aa2 by Moody's and AA- by S&P Global
Royal Bank of Canada is rated Aa1 by Moody's and AA- by S&P Global
Wells Fargo Bank, N.A. is rated Aa2 by Moody's and A+ by S&P Global
Bank of America, N.A. is rated Aa2 by Moody's and A+ by S&P Global
Barclays Bank, PLC is rated A1 by Moody's and A+ by S&P Global

SIFMA = Securities Industry and Financial Markets Association Swap Index

SOFR = Secured Overnight Financing Rate (Daily Compounded rate)

(d) Investment Derivatives

As of June 30, 2025, the Authority had investment derivative instruments with the following maturities (dollars in thousands):

Investment type	Notional value	Fair value	Investment maturities (in years)			
			Less than 1	1-5	6-10	More than 10
Investment derivative instruments - swaps & caps	\$ 35,380	\$ 324	\$ -	\$ -	\$ -	\$ 324
Investment derivative instrument – forward MBS sales	2,745	11	11	-	-	-
Investment derivative instruments - MBS purchase commitments	122,762	1,522	1,522	-	-	-
Total	<u>\$ 160,887</u>	<u>\$ 1,857</u>	<u>\$ 1,533</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 324</u>

(e) Fair Values of Derivatives

The fair value balances of derivative instruments outstanding at June 30, 2025, classified by type, and changes in the fair value of such derivative instruments as reported in the 2025 financial statements are as follows (dollars in thousands):

Bond series	Type	Fair value 6/30/2025 asset/(liability)	Change in fair value	Fair value 6/30/2024 asset/(liability)
Hedging derivatives:				
SF 2016 B	Swap	\$ 587	\$ (464)	\$ 1,051
SF 2016 E	Swap	334	(444)	778
SF 2017 D	Swap	623	(101)	724
SF 2018 B	Swap	308	(838)	1,146
SF 2018 D	Swap	442	(391)	833
SF 2019 B	Swap	536	(321)	857
SF 2019 E	Swap	1,654	(128)	1,782
SF 2020 B	Swap	2,060	(208)	2,268
SF 2020 E	Swap	1,901	(83)	1,984
SF 2021 E	Swap	1,876	(235)	2,111
SF 2022 B	Swap	925	(342)	1,267
SF 2022 E	Swap	671	(321)	992
SF 2022 H	Swap	1,161	(197)	1,358
MF 2007 A	Cap	-	-	-
Total hedging derivatives		<u>\$ 13,078</u>	<u>\$ (4,073)</u>	<u>\$ 17,151.00</u>
Investment derivatives:				
SF 2015B Retired	Swap	\$ -	\$ (24)	\$ 24.00
SF 2015B Retired	Swap	324	(216)	540
NONE	Cap	-	(1)	1
NONE	Basis Swap	-	(3)	3
Forward MBS and cash sales	Forward	11	11	-
MBS purchase commitments	Commitment	<u>1,522</u>	<u>909</u>	<u>613</u>
Total investment derivatives		<u>\$ 1,857</u>	<u>\$ 676</u>	<u>\$ 1,181</u>

(f) Methodology

The fair values of the interest rate derivative transactions were estimated based on an independent pricing service. The valuations provided were derived from proprietary models based upon well-recognized principles and estimates about relevant future market conditions. The expected transaction cash flows are calculated using the zero-coupon discounting method which takes into consideration the prevailing benchmark interest rate environment, the specific terms and conditions of a given transaction, and assumes that the current forward rates implied by the benchmark yield curve are the market's best estimate of future spot interest rates. The income approach is then used to obtain the fair value of the transactions, where future amounts (the expected transaction cash flows) are converted to a single current (discounted) amount, using a rate of return that takes into account the relative risk of nonperformance associated with the cash flows and time value of money. Where applicable under the income approach (which takes into consideration the risk of nonperformance), an option pricing model technique is applied such as the Black-Scholes-Merton model, the Black-Derman-Toy model, one of the short-rate models, or other market-standard models consistent with accepted practices in the market for interest rate option products. The option models would consider probabilities, volatilities, time, settlement prices, and other variables pertinent to the transactions. This valuation technique is applied consistently across all the transactions.

The fair value of the forward MBS sales is estimated based on an internal valuation model, which includes current trade pricing for similar financial instruments in active markets that the Authority has the ability to access.

The fair value of the MBS purchase commitments is estimated using an internal valuation model, which includes grouping the commitments by interest rate and terms, applying an estimated closing ratio, and then multiplying by quoted investor prices determined to be reasonably applicable to the commitment groups based on interest rate, terms, and commitment expiration dates of the commitment group. The closing ratio calculation, which represents the percentage of commitments that management estimates it will ultimately fund, takes into consideration historical data and loan-level data. The weighted average closing ratio at June 30, 2025, was 82.36%.

(g) Risks Associated with Derivative Transactions

Credit risk: The Authority is exposed to credit risk on derivative instruments that are in asset positions. The aggregate fair value of derivative instruments in asset positions at June 30, 2025, was \$13.1 million. This represents the maximum loss that would be recognized at the reporting date if all counterparties failed to perform as contracted.

Bank of New York Mellon, Goldman Sachs Bank USA, Royal Bank of Canada, and Wells Fargo Bank, N.A., are currently counterparties under the derivatives agreements with the Authority.

With respect to counterparty risk, the Authority will also manage the agreements, and all transactions entered into with its counterparties to ensure that the Authority's exposure to any of its counterparties does not exceed a proper amount.

Interest rate risk: The Authority is exposed to interest rate risk on its derivatives. On its pay-fixed, receive-variable derivatives, as the SIFMA and SOFR swap index decreases, the Authority's net payment on the derivatives increases.

Basis risk: Basis risk refers to a mismatch between the interest rate received from the derivative counterparty and the interest rate actually owed on the Authority's bonds. Specifically, the Authority's basis risk is that the variable interest payment received from counterparty will be less than the actual variable interest payments owed on the Authority's variable rate bonds. The mismatch between the Authority's actual bond rate and the derivative rate is the Authority's basis risk. As of June 30, 2025, the SIFMA swap index rate is 1.92% and daily SOFR is 4.45%.

Termination risk: Termination risk is the risk that the swap could be terminated as a result of any of several events, which may include a ratings downgrade of the Authority's single-family mortgage bonds or of a derivative counterparty covenant violation, bankruptcy, swap payment default, and default events as defined in the Authority's Single-Family Mortgage Bonds Resolution; however, the Authority believes that the likelihood of any such termination event is remote.

Rollover risk: Rollover risk is the risk that the term of a particular swap contract is not coterminous with the related bonds. If an issuer entered into a swap to hedge for a specified period of time and then decides at swap maturity that it wishes to maintain the same or similar hedge position, it may incur additional costs at that time. The Authority minimizes this risk by matching the term of the swaps with the maturity of the related bonds.

Note 7 - Fair Value

GASB Statement No. 72, *Fair Value Measurement and Application*, specifies a hierarchy of valuation classifications based on whether the inputs to the valuation techniques used in each valuation classification are observable or unobservable. The Authority categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. These classifications are summarized in the three broad levels below.

Level 1 – Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable.

Level 3 – Valuations derived from valuation techniques in which significant inputs or significant value drivers are unobservable.

The Authority has the following recurring fair value measurements as of June 30, 2025:

Assets Measured at Fair Value (Dollars in thousands)				
	2025	Fair Value Measurements Using:		
		(Level 1)	(Level 2)	(Level 3)
Investments by fair value level				
U.S. Treasury securities				
State Revolving Fund	\$ 130,327	\$ -	\$ 130,327	\$ -
U.S. Government Agency securities				
State Revolving Fund	16,165	-	16,165	-
GNMA, FNMA and FHLMC mortgage-backed securities				
Housing Agency Fund	1,788,866	-	1,788,866	-
Municipal bonds				
State Revolving Fund	6,339	-	6,339	-
Negotiable certificates of deposit				
State Revolving Fund	735	-	735	-
Total investments by fair value level	<u>1,942,432</u>	<u>\$ -</u>	<u>\$ 1,942,432</u>	<u>\$ -</u>
Investments valued using cost-based measures				
Governmental money market mutual funds				
Housing Agency Fund	368,614			
State Revolving Fund	496,222			
State of Iowa Treasurer pooled money fund				
Housing Agency Fund	101,207			
Total investments valued using cost based measures	<u>966,043</u>			
Total investments	<u>\$ 2,908,475</u>			
Investment derivative instruments				
Basis swaps (SIFMA vs. SOFR)	\$ -	\$ -	\$ -	\$ -
Fixed-to-floating interest rate swaps (liability)	324	-	324	-
Interest rate caps	-	-	-	-
MBS purchase commitments	1,522	-	-	1,522
Forward MBS sales	11	-	11	-
Total investment derivative instruments	<u>\$ 1,857</u>	<u>\$ -</u>	<u>\$ 335</u>	<u>\$ 1,522</u>
Hedging derivative instruments				
Fixed-to-floating interest rate swaps	\$ 13,078	\$ -	\$ 13,078	\$ -
Interest rate caps	-	-	-	-
Total hedging derivative instruments	<u>\$ 13,078</u>	<u>\$ -</u>	<u>\$ 13,078</u>	<u>\$ -</u>

The Authority obtains its fair value pricing on fixed-income investments from its third-party custodian. There are multiple pricing methodologies which are used to value the Authority's U.S. Treasury securities, U.S. government agency securities, SLGS securities, mortgage-backed securities, municipal bonds, corporate bonds, commercial paper, and negotiable certificates of deposit. These methods include, but are not limited to, gathering pricing from multiple market sources and vendor credit information, observed market movements, sector news into the pricing applications and models, or manual methods. Since none of the Authority's fixed income investments are actively traded on an exchange yet rely on significant observable inputs for fair value pricing, these securities are classified as Level 2.

The Authority also holds investments in governmental money market mutual funds and the State of Iowa Treasurer pooled money fund. These investments are valued using cost-based measures. The State Treasurer manages the investments and accepts all risks with respect to the investments in the pool. The pool has no limitations or restrictions on withdrawals and transacts with the Authority at a value of \$1 per share.

The Authority obtains its fair value pricing on interest rate swaps and cap derivative instruments from a third-party vendor. The fair value of the forward MBS sales and MBS purchase commitments are estimated based on internal valuation models. See Note 6(f) for further description of the fair value methodology for derivative instruments.

Note 8 - Pension Plan

(a) Plan Description

IPERS membership is mandatory for employees of the Authority, except for those covered by another retirement system. Employees of the Authority are provided with pensions through a cost-sharing, multiple-employer, defined-benefit pension plan administered by IPERS. IPERS issues a stand-alone financial report, which is available to the public by mail at 7401 Register Drive, P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code Chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

(b) Pension Benefits

A Regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. (These qualifications must be met on the member's first month of entitlement to benefits.) Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

- i. A multiplier (based on years of service).
- ii. The member's highest five-year average salary. (For members with service before June 30, 2012, the highest three-year average salary as of that date will be used if it is greater than the highest five-year average salary.)

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25 percent for each month that the member receives benefits before the member's earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50 percent for each month that the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

(c) *Disability and Death Benefits*

A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

(d) *Contributions*

Contribution rates are established by IPERS following the completion of the annual actuarial valuation using IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll, based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2025, pursuant to the required rate, regular members contributed 6.29 percent of pay and the Authority contributed 9.44 percent for a total rate of 15.73 percent.

The Authority's contributions to IPERS for the years ended June 30, 2025, 2024, and 2023, were \$888, \$792, and \$771 thousand, respectively.

(e) *Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At June 30, 2025, the Authority reported a liability of \$3.1 million for its proportionate share of the net pension liability which is recorded within other liabilities in the statement of net position, of which \$2.8 million and \$256 thousand was attributed to the Housing Agency Fund and State Revolving Fund, respectively. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2024, the Authority's collective proportion was 0.083936 percent, which was an decrease of 0.000057 from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Authority recognized pension expense of (\$657) thousand. At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (dollars in thousands):

	Housing Agency Fund		State Revolving Fund		Total	
	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 226	\$ 2	\$ 21	\$ -	\$ 247	\$ 2
Changes of assumptions	-	-	-	-	-	-
Net difference between projected and actual earnings on pension plan investments	36	-	3	-	39	-
Changes in proportion and differences between Authority contributions and proportionate share of contributions	90	164	8	15	98	179
Authority contributions subsequent to the measurement date	815	-	73	-	888	-
Total	<u>\$ 1,167</u>	<u>\$ 166</u>	<u>\$ 105</u>	<u>\$ 15</u>	<u>\$ 1,272</u>	<u>\$ 181</u>

\$888 thousand reported as deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (dollars in thousands):

Year Ended June 30,	
2026	\$ (416)
2027	742
2028	9
2029	(123)
2030	(9)
Total	<u>\$ 203</u>

There were no non-employer contributing entities at IPERS.

(f) Actuarial Assumptions

The total pension liability in the June 30, 2024, actuarial valuation was determined using the following economic assumptions, applied to all periods included in the measurement:

Rate of inflation	2.60 percent per annum
Rate of salary increase	3.25 to 16.25 percent average, including inflation Rates vary by membership group
Long-term investment rate of return	7.00 percent, compounded annually, net of expenses
Wage growth	3.25 percent per annum, based on 2.60 percent inflation and 0.65 percent real wage inflation

The economic assumptions used in the June 30, 2024, actuarial valuation were based on the results of actuarial experience studies effective June 30, 2017.

Demographic assumptions for factors such as retirement, termination, disability, and mortality rates were based on the results of actuarial experience and studies effective June 30, 2022. Mortality rates were calculated using the PubG-2010 Employee and Healthy Annuitant Tables adjusted using MP-2021 generational adjustments.

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 (expected returns, net of pension plan investment expense and inflation) 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 arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class	Asset allocation	Long-term expected real rate of return
U.S. equity	21.0 %	3.52 %
Non-U.S. equity	13.0	5.18
Global smart beta equity	5.0	4.12
Core-plus fixed income	25.5	3.04
Public credit	3.0	4.53
Cash	1.0	1.69
Private equity	17.0	8.89
Private real assets	9.0	4.25
Private credit	5.5	6.62
Total	100.0 %	

(g) Discount Rate

The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from the Authority will be made at contractually required rates, actuarially determined. 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.

(h) Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate (dollars in thousands).

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
Authority's proportionate share of the net pension liability	\$ 7,606	\$ 3,100	\$ (675)

(i) Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report, which is available on IPERS' web site at www.ipers.org.

(j) Payables to the Pension Plan

At June 30, 2025, the Authority had no legally required employer or employee contributions not yet remitted to IPERS.

Note 9 - Segment Information

The Authority issues bonds to finance the purchase of MBS and multi-family developments. The bond programs are accounted for in a single enterprise fund, but investors rely on the revenue generated by the activities within the individual bond indentures. Summary financial information as of and for the year ended June 30, 2025, is presented below (dollars in thousands):

	Single-Family 1991 MB	Single-Family 2009 MRB	Multi- Family Housing Bonds
Condensed Statement of Net Position			
Current assets	\$ 397,807	\$ 794	\$ 48,212
Noncurrent assets	1,856,048	3,192	30,607
Total assets	2,253,855	3,986	78,819
Deferred outflows of resources	1,723	-	-
Total assets and deferred outflows	<u>\$ 2,255,578</u>	<u>\$ 3,986</u>	<u>\$ 78,819</u>
Current liabilities	\$ 83,415	\$ 9	\$ 19,668
Noncurrent liabilities	1,952,140	3,704	10,525
Deferred inflows of resources	15,115	-	-
Total liabilities	2,050,670	3,713	30,193
Restricted Net Position	204,908	273	48,626
Total liabilities and net position	<u>\$ 2,255,578</u>	<u>\$ 3,986</u>	<u>\$ 78,819</u>
Condensed Statement of Revenues, Expenses, and Change in Net Position			
Operating revenues	\$ 136,175	\$ 271	\$ 3,380
Operating expenses	73,417	130	1,832
Operating income (loss)	62,758	141	1,548
Non-operating revenue (expense)	(2,044)	-	(127)
Transfers	1,530	7	(116)
Change in net position	62,244	148	1,305
Beginning net position	142,664	125	47,321
Ending net position	<u>\$ 204,908</u>	<u>\$ 273</u>	<u>\$ 48,626</u>
Condensed Statement of Cash Flows			
Net cash provided (used) by:			
Operating activities	\$ (293,657)	\$ 698	\$ 8,128
Noncapital financing activities	307,090	(704)	(9,248)
Investing activities	10,442	28	1,173
Net change	23,875	22	53
Beginning cash and cash equivalents	293,133	601	36,574
Ending cash and cash equivalents	<u>\$ 317,008</u>	<u>\$ 623</u>	<u>\$ 36,627</u>

Note 10 - Commitments and Contingencies

(a) Housing Agency Commitments

The Authority has made commitments to grant funds for various purposes. The Authority does not record the expense or the liability for these grants until the grantee has fulfilled all contractual requirements and the funds have actually been disbursed. A summary of those outstanding commitments as of June 30, 2025, is as follows (dollars in thousands):

Description	
Local housing trust fund grants	\$ 16,133
Project-based housing trust fund grants	125
Shelter assistance fund grants	615
Water quality grants	<u>5,579</u>
Total	<u><u>\$ 22,452</u></u>

(b) State Revolving Fund Commitments

The Authority has signed loan agreements under the SRF for which \$491.9 million have not been disbursed as of June 30, 2025.

(c) Legal

The Authority is subject to various claims or proceedings that arise in the ordinary course of its business activities including administrative actions involving the rights of employees. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition or results of operations of the Authority.

Note 11 - Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended June 30, 2025, the Authority managed its risks as follows:

- The Authority participated in the State of Iowa employee benefit program for health, dental, long-term disability, and life insurance coverage which are fully insured.
- The Authority is covered by the State of Iowa for:
 - Employee Theft Governmental Entity - \$2 million
 - Computer Fraud - \$2 million
 - Computer Program/Electronic Data Restoration - \$0.5 million
- The Authority participates in the State of Iowa's self-insured Workers' Compensation Fund. The liability for unpaid claims is estimated based on the average cost per claim-type determined from an actuarial review.

- The Authority purchases insurance for:
 - Commercial General Liability - \$2 million
 - Automobile Liability - \$1 million
 - Umbrella Liability - \$5 million
 - Building Property - 1963 Bell – \$25.2 million
 - Personal Property - 1963 Bell – \$2.2 million
 - Crime Policy, including computer fraud and theft - \$2 million
 - Business Income - \$50,000
- Iowa Title Guaranty purchases insurance for:
 - Professional Liability - \$5 million
 - Crime Policy - \$2 million
 - Treaty Reinsurance – up to \$20 million, ITG self-insures the first \$2 million of loss
 - Facultative Reinsurance – for excess of \$20 million
 - ITG will occasionally self-insure up to an additional \$2 million

Note 12 - Subsequent Events

The Authority issued State Revolving Fund Bonds on July 2, 2025, in the par amount of \$198.63 million. Proceeds will be used to fund participant loans, to meet anticipated State Match requirements for federal capitalization grants, to refund the Authority's refunded bonds, and to pay for costs of issuance.

The Authority issued Single Family Mortgage Bonds on September 11, 2025, in the par amount of \$115.4 million. Proceeds will be used to finance the purchase of mortgage-backed securities, guaranteed by GNMA, Fannie Mae and Freddie Mac, and to finance down payment assistance.

Note 13 - Related Party Transactions

A member of the Authority's Board of Directors is the mayor for the City of Marion, Iowa. At June 30, 2025, the Authority has \$1.063 million in SRF loans outstanding with the City of Marion.

Note 14 - Conduit Debt

The Authority issues conduit debt under the Private Activity Bond Program. Each conduit bond is issued under, and secured by, a separate trust indenture for the project. The bond proceeds are loaned to the conduit project under a loan agreement and promissory note, where the borrower is obligated to make principal and interest payments on the conduit bonds. The conduit debt is not reported on the Authority's statement of net position. The outstanding conduit bond balance as of the balance sheet date of June 30, 2025, is approximately \$5.055 billion.

Note 15 - Other Post-Employment Benefits (OPEB)

(a) Plan Description

The Authority's employees are provided with OPEB through the State of Iowa OPEB Plan—a cost-sharing, multiple-employer, defined-benefit OPEB plan administered by the State of Iowa (State Plan). The State of Iowa provides access to post-retirement medical benefits to all retirees as required by Chapter 509A.13 of the Code of Iowa. Although the retirees generally must pay 100% of the premium rate, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75), requires that employers recognize the Implicit Rate Subsidy that exists in post-retirement medical plans provided by governmental employers.

The Implicit Rate Subsidy refers to the concept that retirees under the age of 65 (i.e., not eligible for Medicare) generate higher claims on average than active participants. When a medical plan is self-insured or fully insured through a third-party administrator, a premium is usually determined by analyzing the claims of the entire population in the plan and adjusting for administrative costs. The resulting premium is called a blended premium because it blends the claims of active and retired participants. Since individuals generally have more and higher claims as they get older, the blended premium paid for retirees is lower than their expected claims. Another way of considering this is that if the retirees were removed from the plan, the premium for the active group would be lower; therefore, the retirees' premiums are being subsidized by the active group. Since the employer generally pays a large portion or all of the premiums for the active group, this subsidy creates a liability for the employer. The difference between the expected claims for the retiree group and the blended premium is called the Implicit Rate Subsidy.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

(b) Plan Membership

There are 17,575 active and 1,740 retired participants in the plan as of January 1, 2024.

(c) Plan Benefits

The State currently offers three plans which are available to participants: Iowa Choice, National Choice, and State Police Officers Council.

The contribution requirements of the plan participants are established and may be amended by the State Legislature. The State currently finances the retiree benefit plan on a pay-as-you-go basis.

(d) OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (dollars in thousands)

At June 30, 2025, the Authority reported a liability of \$856 for its proportionate share of the total OPEB liability, which is recorded within other liabilities in the statement of net position. The total OPEB liability was based upon an actuarial valuation performed as of June 30, 2024. The Authority's proportion of the total OPEB liability was based on a ratio of Authority's headcount of active employees and covered spouses in relation to all active employees and covered spouses of the plan. At June 30, 2024, the Authority's proportion was 0.462%, which was an decrease of 0.025% from the prior measurement date.

For the year ended June 30, 2025, the Authority recognized OPEB expense of \$50. At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Housing Agency Fund		State Revolving Fund		Total	
	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 189	\$ 82	\$ 15	\$ 6	\$ 204	\$ 88
Changes of assumptions	30	355	2	28	32	383
Change in proportionate share	47	160	4	13	51	173
Total	<u>\$ 266</u>	<u>\$ 597</u>	<u>\$ 21</u>	<u>\$ 47</u>	<u>\$ 287</u>	<u>\$ 644</u>

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

Year Ended June 30,	
2026	\$ (35)
2027	(37)
2028	(44)
2029	(40)
2030+	(201)
Total	<u>\$ (357)</u>

(e) Actuarial Assumptions

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Rate of Inflation	2.60 percent per annum
Discount Rate	3.44 percent (as of January 1, 2018)
(based on 20-year municipal bond yield)	3.87 percent (as of June 30, 2018)
	3.50 percent (as of June 30, 2019)
	2.73 percent (as of January 1, 2020)
	2.21 percent (as of June 30, 2020)
	2.16 percent (as of June 30, 2021)
	3.54 percent (as of June 30, 2022)
	3.65 percent (as of June 30, 2023)
	3.93 percent (as of June 30, 2024)

Age of Spouse	Actual age or, if unavailable, males assumed to be 3 years older than females
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The majority of State of Iowa employees are participants in the Iowa Public Employees Retirement System (IPERS). For this reason, the individual salary increase, mortality, withdrawal, and retirement assumptions are based on the assumptions used for IPERS actuarial valuation report as of June 30, 2022. The plan participation assumption and other medical plan specific assumptions are based upon the recent experience of the State of Iowa Post-retirement Medical Plan.

For the June 30, 2024 valuation, the following changes were made:

- Medical, prescription drug, and administrative expense costs were updated to reflect recent experience.
- Medical, prescription drug and administrative trend rates were updated to reflect recent experience and future expectations.
- Actuarial factors used to estimate individual retiree and spouse costs by age and by gender were updated. The new factors are based on a review of historical claims experience by age, gender and status (active vs retired) from Segal's claims data warehouse. This resulted in retiree and spouse costs by gender becoming the same.
- The discount rate was updated from 3.65% to 3.93%

(f) Changes in Total OPEB Liability (expressed in thousands)

	Increase (decrease)
Balance at July 1, 2024	\$ 1,004
Changes for the year:	
Service cost	68
Interest	36
Differences between expected and actual experience	(6)
Benefit payments - implicit subsidy	(19)
Changes in assumptions	(7)
New net deferred inflows/outflows	(126)
New net deferred inflows/outflows due to changes in proportion	(90)
Recognition of net current and deferred outflows/(inflows) due to changes in proportion and differences between employer's contributions and proportionate share of contributions	(4)
Net change	(148)
Balance at June 30, 2025	\$ 856

(g) Sensitivity Analysis – Changes to the Discount Rate

The proportionate share of the total OPEB liability was calculated using a discount rate of 3.93%, as well as a discount rate that is 1 percentage point lower and 1 percentage point higher than the current rate. The sensitivity of the proportionate share of the total OPEB liability to changes in the discount rate is presented below (expressed in thousands):

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Authority's proportionate share of the total OPEB liability	\$ 916	\$ 856	\$ 799

(h) Sensitivity Analysis – Changes to the Healthcare Cost Trend Rate

The proportionate share of the total OPEB liability was calculated using a healthcare trend rate of 7.0% to 9.0% grading down to 4.5%, as well as a discount rate that is 1 percentage point lower and 1 percentage point higher than the current rate. The sensitivity of the proportionate share of the total OPEB liability to changes in the healthcare cost trend rate is presented below (expressed in thousands):

	1% Decrease (6.0%)	Healthcare Cost Trend Rate (7.0%)	1% Increase (8.0%)
	<u> </u>	<u> </u>	<u> </u>
Authority's proportionate share of the total OPEB liability	\$ 768	\$ 856	\$ 959

(i) Payables to the OPEB Plan

The Authority makes no contributions to this plan; therefore, no payments are outstanding as of June 30, 2025.

Required Supplementary Information
June 30, 2025

Iowa Finance Authority
(A Component Unit of the State of Iowa)

Iowa Finance Authority
(A Component Unit of the State of Iowa)
Schedule of Authority's Proportionate Share of the Net Pension Liability (Unaudited)
(Dollars in thousands)
Year Ended June 30, 2025

(1) Schedule of Authority's Proportionate Share of the Net Pension Liability (Unaudited):

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Authority's proportion of the net pension liability	0.083936%	0.089645%	0.088782%	0.090840%	0.086380%	0.091764%	0.101745%	0.101311%	0.098044%	0.102439%
Authority's proportionate share of the net pension liability	\$ 3,100	\$ 4,136	\$ 3,524	\$ 127	\$ 6,026	\$ 5,349	\$ 6,437	\$ 6,688	\$ 6,114	\$ 5,093
Authority's covered payroll	8,390	8,167	7,871	7,669	7,044	6,748	7,312	7,212	6,753	7,088
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	36.95%	50.64%	44.77%	1.66%	85.55%	79.27%	88.03%	92.73%	90.54%	71.85%
Plan fiduciary net position as a percentage of the total pension liability	92.30%	90.13%	91.41%	100.81%	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%

Note: The amounts presented were determined as of the measurement date, which is one year prior to the Authority's fiscal year-end.

Iowa Finance Authority
(A Component Unit of the State of Iowa)
Schedule of Authority's Contributions (Unaudited)
(Dollars in thousands)
Year Ended June 30, 2025

(2) Schedule of Authority's Contributions (Unaudited):

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 888	\$ 792	\$ 771	\$ 743	\$ 724	\$ 665	\$ 637	\$ 653	\$ 644	\$ 603
Contributions in relation to the statutorily required contribution	(888)	(792)	(771)	(743)	(724)	(665)	(637)	(653)	(644)	(603)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll	\$ 9,407	\$ 8,390	\$ 8,167	\$ 7,871	\$ 7,669	\$ 7,044	\$ 6,748	\$ 7,312	\$ 7,212	\$ 6,753
Contribution as a percentage of covered payroll	9.44%	9.44%	9.44%	9.44%	9.44%	9.44%	9.44%	8.93%	8.93%	8.93%

Iowa Finance Authority
(A Component Unit of the State of Iowa)
Schedule of Authority's Proportionate Share of the Total OPEB Liability (Unaudited)
(Dollars in thousands)
Year Ended June 30, 2025

(3) Schedule of Authority's Proportionate Share of the Total OPEB Liability (Unaudited):

	2025	2024	2023	2022	2021	2020	2019	2018
Authority's proportion of the total OPEB liability	0.462%	0.487%	0.485%	0.475%	0.427%	0.427%	0.424%	0.461%
Authority's proportionate share of the total OPEB liability	\$ 856	\$ 1,004	\$ 1,089	\$ 1,017	\$ 909	\$ 909	\$ 848	\$ 859
Authority's covered-employee payroll	8,728	8,491	8,223	7,984	7,290	7,290	7,363	7,783
Authority's proportionate share of the total OPEB liability as a percentage of its covered-employee payroll	9.8%	11.8%	13.2%	12.7%	12.5%	12.5%	11.5%	11.0%

Note: The amounts presented were determined as of the calendar year-end that occurred within the fiscal year.

Note: GASB Statement No. 75 requires 10 years of information to be presented in this table. However, until a full 10-year trend is compiled, the Authority will present information for those years for which information is available.

(4) Notes to Required Supplementary Information (Unaudited)

(a) Pension - Changes of Benefit Terms:

Legislation passed in 2010 modified benefit terms for current Regular members. The definition of final average salary changed from the highest three to the highest five years of covered wages. The vesting requirement changed from four years of service to seven years. The early retirement reduction increased from 3 percent per year measured from the member's first unreduced retirement age to a 6 percent reduction for each year of retirement before age 65.

(b) Pension - Changes of Assumptions:

The 2022 valuation implemented the following changes:

- Mortality assumption was changed to the family of PubG-2010 Mortality Tables for all groups, with age setbacks and set forwards, as well as other adjustments. Future mortality improvements are modeled using Scale MP-2021.
- Retirement rates were adjusted to partially reflect observed experience for Regular members only.
- Disability rates were lowered for Regular members only.
- Termination rates were adjusted to partially reflect observed experience for all groups.

The 2018 valuation implemented the following refinements as a result of a quadrennial experience study:

- Adjusted retiree mortality assumptions.
- Modified retirement rates to reflect fewer retirements.
- Lowered disability rates for all groups.
- Adjusted termination rates.
- Adjusted the probability of a vested member electing to receive a deferred benefit.
- Salary increase assumption merit component was adjusted.

The 2017 valuation implemented the following refinements as a result of a quadrennial experience study:

- Decreased the inflation assumption from 3.00 percent to 2.60 percent per year.
- Decreased the assumed rate of interest on member accounts from 3.75 percent to 3.50 percent per year.
- Decreased the long-term rate of return assumption from 7.50 percent to 7.00 percent per year.
- Decreased the wage growth and payroll growth assumption from 4.00 percent to 3.25 percent per year.

(a) OPEB – Funding:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits.

(b) OPEB – Changes of Benefit Terms:

There were no significant changes in benefit terms.

(c) OPEB - Changes of Assumptions and Demographic Experience:

Effective with the June 30, 2024, actuarial valuation, the following methodology and assumption changes were made:

- Medical, prescription drug, and administrative expense costs were updated to reflect recent experience.
- Medical, prescription drug and administrative trend rates were updated to reflect recent experience and future expectations.
- Actuarial factors used to estimate individual retiree and spouse costs by age and by gender were updated. The new factors are based on a review of historical claims experience by age, gender and status (active vs retired) from Segal's claims data warehouse. This resulted in retiree and spouse costs by gender becoming the same.
- The discount rate was updated from 3.65% to 3.93%

Effective with the June 30, 2023, actuarial valuation, the following methodology and assumption changes were made:

- Medical, prescription drug, and administrative expense trend rates were updated to reflect recent experience and future expectations.
- The discount rate was updated from 3.54% to 3.65%

Effective with the June 30, 2022, actuarial valuation, the following methodology and assumption changes were made:

- The pre-retirement and post-retirement mortality assumptions were updated to be consistent with the assumptions used for "State Employees" in the June 30, 2022, IPERS actuarial valuation for the general State population and the assumptions used for "Protection Occupation" for the SPOC population.
- The salary scale was updated to be consistent with the scale used for "State Employees" in the June 30, 2022, IPERS actuarial valuation for the general State population and the scale used for "Sheriffs/Deputies and Protection Occupation" for the SPOC population.
- The turnover-rates assumption was updated to be consistent with the assumptions used for "State Employees" in the June 30, 2022, IPERS actuarial valuation for the general State population and the assumptions used for "Protection Occupation" for the SPOC population.
- The retirement-rates assumption was updated to be consistent with the assumptions used for "State Employees" in the June 30, 2022, IPERS actuarial valuation for the general State population and the assumptions used for "Protection Occupation" for the SPOC population.
- Medical, prescription drug, and administrative expense costs were updated to reflect recent experience.

- Medical, prescription drug, and administrative expense trend rates were updated to reflect recent experience and future expectations.
- The discount rate was updated from 2.16% to 3.54%.

Effective with the June 30, 2021, actuarial valuation, the following methodology and assumption changes were made:

- Medical, prescription drug, and administrative expense costs were updated to reflect recent experience.
- Medical, prescription drug, and administrative expense trend rates were updated to reflect recent experience. The discount rate was updated from 2.21% to 2.16%.

Effective with the June 30, 2020, actuarial valuation, the following methodology and assumption changes were made:

- Medical claim costs and premiums were updated based on recent experience.
- Annual medical trends were updated based on industry observations and the current SOA-Getzen model.
- The salary scale was updated to be consistent with the assumption used for “State Employees” in the June 30, 2019, IPERS actuarial valuation.
- The future expectation of inflation was updated from 3.00% to 2.60% to be consistent with the assumption used in the June 30, 2019 IPERS actuarial valuation.
- The discount rate methodology was updated based on a 20-year municipal bond yield as of January 1, 2020. This resulted in a change in discount rate from 3.44% to 2.73%.

Demographic Experience - Demographic experience was updated based on the current covered population of 17,575 active members and 1,740 retired members as of January 1, 2024.

Other Supplementary Information
June 30, 2025

Iowa Finance Authority
(A Component Unit of the State of Iowa)

Iowa Finance Authority
(A Component Unit of the State of Iowa)
Combining Schedules of Net Position
(Dollars in thousands)
June 30, 2025

	Housing Agency								State Revolving Fund			Combined	
	General Operating Account	Single-Family 1991 MB	Single-Family 2009 MRB	Multi-Family Housing Bonds	Federal and State Programs	Agricultural Development Division	Iowa Title Guaranty Division	Eliminations	Total Housing Agency	Clean Water Programs	Drinking Water Programs	Total SRF	Total IFA
Assets													
Current assets (substantially restricted):													
Cash and cash equivalents	\$ 23,910	\$ 317,008	\$ 623	\$ 36,627	\$ 125,171	\$ 1,897	\$ 29,687	\$ -	\$ 534,923	\$ 361,479	\$ 186,288	\$ 547,767	\$ 1,082,690
Investments in mortgage-backed securities	41	37,045	159	-	-	-	-	-	37,245	-	-	-	37,245
Other investments	-	-	-	-	-	-	-	-	-	74,634	59,425	134,059	134,059
Loans to municipalities or water systems, net	-	-	-	-	-	-	-	-	-	145,915	55,411	201,326	201,326
Housing Agency loans, net	20	166	-	11,333	9,933	884	-	-	22,336	-	-	-	22,336
Line of credit	-	34,248	-	-	-	-	-	-	34,248	-	-	-	34,248
Accrued interest receivable	55	8,542	12	276	38	31	-	-	8,954	4,795	2,165	6,960	15,914
Other current assets	3,062	798	-	(24)	(216)	(19)	(671)	-	2,930	(119)	241	122	3,052
Total current assets	27,088	397,807	794	48,212	134,926	2,793	29,016	-	640,636	586,704	303,530	890,234	1,530,870
Noncurrent assets (substantially restricted):													
Investments in mortgage-backed securities	519	1,747,910	3,192	-	-	-	-	-	1,751,621	-	-	-	1,751,621
Other investments	-	-	-	-	-	-	-	-	-	9,469	10,038	19,507	19,507
Loans to municipalities or water systems, net	-	-	-	-	-	-	-	-	-	2,100,312	568,995	2,669,307	2,669,307
Housing Agency loans, net	285	57,724	-	30,607	43,317	5,192	-	-	137,125	-	-	-	137,125
Capital assets, net	14,317	-	-	-	-	-	-	-	14,317	-	-	-	14,317
Other noncurrent assets	-	50,414	-	-	-	-	-	-	50,414	-	-	-	50,414
Total noncurrent assets	15,121	1,856,048	3,192	30,607	43,317	5,192	-	-	1,953,477	2,109,781	579,033	2,688,814	4,642,291
Total assets	42,209	2,253,855	3,986	78,819	178,243	7,985	29,016	-	2,594,113	2,696,485	882,563	3,579,048	6,173,161
Deferred Outflows of Resources													
Other post employment benefits	194	-	-	-	-	-	72	-	266	21	-	21	287
Pension plan	895	-	-	-	-	-	272	-	1,167	68	37	105	1,272
Loss on bond refunding	-	1,723	-	-	-	-	-	-	1,723	1,381	616	1,997	3,720
Total deferred outflows	1,089	1,723	-	-	-	-	344	-	3,156	1,470	653	2,123	5,279
Total assets and deferred outflows	\$ 43,298	\$ 2,255,578	\$ 3,986	\$ 78,819	\$ 178,243	\$ 7,985	\$ 29,360	\$ -	\$ 2,597,269	\$ 2,697,955	\$ 883,216	\$ 3,581,171	\$ 6,178,440

Iowa Finance Authority
(A Component Unit of the State of Iowa)
Combining Schedules of Net Position
(Dollars in thousands)
June 30, 2025

	Housing Agency								State Revolving Fund			Combined	
	General Operating Account	Single-Family 1991 MB	Single-Family 2009 MRB	Multi-Family Housing Bonds	Federal and State Programs	Agricultural Development Division	Iowa Title Guaranty Division	Eliminations	Total Housing Agency	Clean Water Programs	Drinking Water Programs	Total SRF	Total IFA
Liabilities													
Current liabilities:													
Long-term liabilities, net	\$ 395	\$ 48,120	\$ -	\$ 8,766	\$ -	\$ -	\$ 76	\$ -	\$ 57,357	\$ 64,498	\$ 22,195	\$ 86,693	\$ 144,050
Accrued interest payable	-	34,543	8	63	-	-	-	-	34,614	33,592	7,639	41,231	75,845
Escrow deposits	-	-	-	10,802	-	-	8,651	-	19,453	-	-	-	19,453
Deferred revenue	81	136	-	-	47,768	-	-	-	47,985	-	-	-	47,985
Accounts payable and other liabilities	2,230	616	1	37	182	3	1,853	-	4,922	372	469	841	5,763
Total current liabilities	2,706	83,415	9	19,668	47,950	3	10,580	-	164,331	98,462	30,303	128,765	293,096
Noncurrent liabilities:													
Long-term liabilities, net	802	1,952,140	3,704	10,525	-	-	213	-	1,967,384	1,815,784	404,360	2,220,144	4,187,528
Reserves for claims	-	-	-	-	-	-	2,145	-	2,145	-	-	-	2,145
Other liabilities	2,888	-	-	-	698	-	878	-	4,464	228	91	319	4,783
Total noncurrent liabilities	3,690	1,952,140	3,704	10,525	698	-	3,236	-	1,973,993	1,816,012	404,451	2,220,463	4,194,456
Total liabilities	6,396	2,035,555	3,713	30,193	48,648	3	13,816	-	2,138,324	1,914,474	434,754	2,349,228	4,487,552
Deferred Inflows of Resources													
Other post employment benefits	435	-	-	-	-	-	162	-	597	47	-	47	644
Pension plan	127	-	-	-	-	-	39	-	166	10	5	15	181
Accumulated increase in fair value of hedging derivatives	-	13,721	-	-	-	-	-	-	13,721	-	-	-	13,721
Gain on bond refunding	-	1,394	-	-	-	-	-	-	1,394	8,609	1,721	10,330	11,724
Total deferred inflows of resources	562	15,115	-	-	-	-	201	-	15,878	8,666	1,726	10,392	26,270
Net Position													
Net investment in capital assets	14,317	-	-	-	-	-	-	-	14,317	-	-	-	14,317
Restricted net position:													
Per bond resolutions	-	204,908	273	48,626	-	-	-	-	253,807	620,049	387,573	1,007,622	1,261,429
Per legislation	-	-	-	-	94,332	-	15,343	-	109,675	-	-	-	109,675
Per other agreements	-	-	-	-	35,263	7,982	-	-	43,245	154,766	59,163	213,929	257,174
Total restricted net position	-	204,908	273	48,626	129,595	7,982	15,343	-	406,727	774,815	446,736	1,221,551	1,628,278
Unrestricted net position	22,023	-	-	-	-	-	-	-	22,023	-	-	-	22,023
Total net position	36,340	204,908	273	48,626	129,595	7,982	15,343	-	443,067	774,815	446,736	1,221,551	1,664,618
Total liabilities, deferred inflows, and net position	\$ 43,298	\$ 2,255,578	\$ 3,986	\$ 78,819	\$ 178,243	\$ 7,985	\$ 29,360	\$ -	\$ 2,597,269	\$ 2,697,955	\$ 883,216	\$ 3,581,171	\$ 6,178,440

Iowa Finance Authority
(A Component Unit of the State of Iowa)
Combining Schedules of Revenues, Expenses and Changes in Net Position
(Dollars in thousands)
Year Ended June 30, 2025

	Housing Agency								State Revolving Fund			Combined	
	General Operating Account	Single-Family 1991 MB	Single-Family 2009 MRB	Multi-Family Housing Bonds	Federal and State Programs	Agricultural Development Division	Iowa Title Guaranty Division	Eliminations	Total Housing Agency	Clean Water Programs	Drinking Water Programs	Total SRF	Total IFA
Operating revenues:													
Interest on mortgage-backed securities	\$ 22	\$ 77,413	\$ 120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,555	\$ -	\$ -	\$ -	\$ 77,555
Interest on loans	12	2,073	-	2,222	319	217	-	-	4,843	37,875	10,945	48,820	53,663
Interest on investments	2,708	10,651	28	1,158	1,966	87	-	-	16,598	15,714	10,426	26,140	42,738
Gain on sale of mortgage-backed securities	-	976	-	-	-	-	-	-	976	-	-	-	976
Net (decrease) increase in fair value of investments and mortgage-backed securities	10	41,240	123	-	-	-	-	-	41,373	361	440	801	42,174
Fee revenue	9,980	3,822	-	-	-	418	8,042	(3,093)	19,169	6,253	1,980	8,233	27,402
Other revenue	1,833	-	-	-	-	-	-	-	1,833	-	-	-	1,833
Total operating revenues	14,565	136,175	271	3,380	2,285	722	8,042	(3,093)	162,347	60,203	23,791	83,994	246,341
Operating expenses:													
Interest expense	-	69,553	110	992	-	-	-	-	70,655	56,954	11,762	68,716	139,371
General and administrative	10,098	3,755	20	127	5,222	378	6,142	(3,093)	22,649	6,149	6,569	12,718	35,367
Provision (recoveries) of losses	-	109	-	713	(93)	3	93	-	825	(50)	-	(50)	775
Total operating expenses	10,098	73,417	130	1,832	5,129	381	6,235	(3,093)	94,129	63,053	18,331	81,384	175,513
Net operating income (loss)	4,467	62,758	141	1,548	(2,844)	341	1,807	-	68,218	(2,850)	5,460	2,610	70,828
Non-operating revenue (expense):													
Grant income	76,197	2,200	-	-	141,279	-	-	-	219,676	42,243	40,678	82,921	302,597
Grants and aid	(76,777)	(4,244)	-	(127)	(124,188)	-	-	-	(205,336)	(18,834)	(15,010)	(33,844)	(239,180)
Net non-operating revenue (expense)	(580)	(2,044)	-	(127)	17,091	-	-	-	14,340	23,409	25,668	49,077	63,417
Income before Transfers	3,887	60,714	141	1,421	14,247	341	1,807	-	82,558	20,559	31,128	51,687	134,245
Transfers	1,491	1,530	7	(116)	317	-	(2,060)	-	1,169	(873)	(296)	(1,169)	-
Change in net position	5,378	62,244	148	1,305	14,564	341	(253)	-	83,727	19,686	30,832	50,518	134,245
Net position at July 1, 2024	30,962	142,664	125	47,321	115,031	7,641	15,596	-	359,340	755,129	415,904	1,171,033	1,530,373
Net position at June 30, 2025	\$ 36,340	\$ 204,908	\$ 273	\$ 48,626	\$ 129,595	\$ 7,982	\$ 15,343	\$ -	\$ 443,067	\$ 774,815	\$ 446,736	\$ 1,221,551	\$ 1,664,618

Statistical Section (unaudited)

Statistical Section (unaudited)

This part of the Iowa Finance Authority's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's overall financial health. This information has not been audited by the independent auditor.

Financial Trends (Pages 74-77)

These tables contain trend information to help the reader understand how the Authority's financial performance and well-being has changed over time.

Revenue Capacity (Pages 78-81)

These tables contain information to help the reader assess the Authority's various revenue sources.

Debt Capacity (Page 82)

This table presents information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.

Economic and Demographic Information (Pages 83-86)

These tables offer economic and demographic indicators to help the reader understand the environment within which the Authority's financial activities take place.

Operating Indicators (Page 87)

This tables contains data to assist the reader in understanding how the information in the Authority's financial report relates to the communities and services the Authority provides and the population it serves.

Iowa Finance Authority
Statistical Section (unaudited)
Year Ended June 30, 2025

Net Position and Changes in Net Position
(dollars in thousands)

	Fiscal Year ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Housing Agency Fund										
Net investment in capital assets	\$ 2,685	\$ 2,431	\$ 2,332	\$ 4,664	\$ 13,568	\$ 13,956	\$ 14,012	\$ 13,085	\$ 13,127	\$ 14,317
Restricted	318,934	317,597	312,578	336,512	374,806	393,236	324,327	309,558	328,378	406,727
Unrestricted	4,491	4,520	5,348	7,835	6,741	6,720	7,328	13,056	17,835	22,023
Total Housing Agency net position	\$ 326,110	\$ 324,548	\$ 320,258	\$ 349,011	\$ 395,115	\$ 413,912	\$ 345,667	\$ 335,699	\$ 359,340	\$ 443,067
Change in net position	\$ (1,251)	\$ (1,562)	\$ (4,290)	\$ 28,753	\$ 46,104	\$ 18,797	\$ (68,245)	\$ (9,968)	\$ 23,641	\$ 83,727
State Revolving Fund										
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	868,407	891,142	920,057	957,001	995,690	1,019,595	1,043,328	1,113,874	1,171,033	1,221,551
Total State Revolving Fund net position	\$ 868,407	\$ 891,142	\$ 920,057	\$ 957,001	\$ 995,690	\$ 1,019,595	\$ 1,043,328	\$ 1,113,874	\$ 1,171,033	\$ 1,221,551
Change in net position	\$ 43,751	\$ 22,735	\$ 28,915	\$ 36,944	\$ 38,689	\$ 23,905	\$ 23,733	\$ 70,546	\$ 57,159	\$ 50,518
Iowa Finance Authority										
Net investment in capital assets	\$ 2,685	\$ 2,431	\$ 2,332	\$ 4,664	\$ 13,568	\$ 13,956	\$ 14,012	\$ 13,085	\$ 13,127	\$ 14,317
Restricted	1,187,341	1,208,739	1,232,635	1,293,513	1,370,496	1,412,831	1,367,655	1,423,432	1,499,411	1,628,278
Unrestricted	4,491	4,520	5,348	7,835	6,741	6,720	7,328	13,056	17,835	22,023
Total Iowa Finance Authority net position	\$ 1,194,517	\$ 1,215,690	\$ 1,240,315	\$ 1,306,012	\$ 1,390,805	\$ 1,433,507	\$ 1,388,995	\$ 1,449,573	\$ 1,530,373	\$ 1,664,618
Change in net position	\$ 42,500	\$ 21,173	\$ 24,625	\$ 65,697	\$ 84,793	\$ 42,702	\$ (44,512)	\$ 60,578	\$ 80,800	\$ 134,245

Iowa Finance Authority
Statistical Section (unaudited)
Year Ended June 30, 2025

Iowa Finance Authority
Expenses - Housing Agency Fund
(Dollars in thousands)

	Fiscal Year ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating expense										
Interest expense	\$ 12,046	\$ 12,391	\$ 13,830	\$ 16,143	\$ 19,773	\$ 17,490	\$ 18,884	\$ 32,889	\$ 50,486	\$ 70,655
Employee expense	9,593	10,747	10,403	9,327	9,417	9,489	9,522	10,152	10,696	10,739
Professional services	5,114	5,078	5,073	4,766	6,091	12,129	18,920	13,089	7,324	8,412
Claims and loss expense (recoveries)	4,908	240	394	(3,562)	309	(455)	(500)	738	2,850	825
Other general and administrative expenses	1,879	2,051	2,564	2,969	3,261	3,818	3,167	3,042	3,319	3,498
Total operating expense	33,540	30,507	32,264	29,643	38,851	42,471	49,993	59,910	74,675	94,129
Non-operating expense - grant expense	93,704	86,313	82,316	87,324	93,040	222,164	159,084	148,414	147,532	205,336
Other non-operating expense	-	-	-	4,167	-	-	-	-	-	-
Total expenses	\$ 127,244	\$ 116,820	\$ 114,580	\$ 121,134	\$ 131,891	\$ 264,635	\$ 209,077	\$ 208,324	\$ 222,207	\$ 299,465

Iowa Finance Authority
Statistical Section (unaudited)
Year Ended June 30, 2025

Iowa Finance Authority
Operating Expense - State Revolving Fund
(Dollars in thousands)

	Fiscal Year ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating expense										
Interest expense	\$ 29,064	\$ 32,580	\$ 34,969	\$ 38,603	\$ 44,123	\$ 47,125	\$ 51,611	\$ 54,255	\$ 59,212	\$ 68,716
Loan loss expense (recoveries)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(37)	11	(50)
Iowa Finance Authority expense	1,169	1,224	1,474	1,466	1,640	1,430	1,439	1,927	1,835	1,832
Department of Natural Resources expense	7,214	8,694	7,580	8,568	7,379	7,581	7,537	9,289	10,518	10,886
Total operating expense	37,422	42,473	43,998	48,612	53,117	56,111	60,562	65,434	71,576	81,384
Non-operating expense - grant expense	8,100	7,364	4,643	3,794	4,664	3,096	2,994	7,585	17,283	33,844
Total expenses	\$ 45,522	\$ 49,837	\$ 48,641	\$ 52,406	\$ 57,781	\$ 59,207	\$ 63,556	\$ 73,019	\$ 88,859	\$ 115,228

Iowa Finance Authority
Statistical Section (unaudited)
Year Ended June 30, 2025

Iowa Finance Authority Expenses - Combined (Dollars in thousands)										
Fiscal Year ending June 30,										
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating expense										
Interest expense	\$ 41,110	\$ 44,971	\$ 48,799	\$ 54,746	\$ 63,896	\$ 64,615	\$ 70,495	\$ 87,144	\$ 109,698	\$ 139,371
Employee expense	9,593	10,747	10,403	9,327	9,417	9,489	9,522	10,152	10,696	10,739
Professional services	5,114	5,078	5,073	4,766	6,091	12,129	18,920	13,089	7,324	8,412
Claims and loss expense (recoveries)	4,883	215	369	(3,587)	284	(480)	(525)	701	2,861	775
Other general and administrative expenses	10,262	11,969	11,618	13,003	12,280	12,829	12,143	14,258	15,672	16,216
Total operating expense	70,962	72,980	76,262	78,255	91,968	98,582	110,555	125,344	146,251	175,513
Non-operating expense - grant expense	101,804	93,677	86,959	91,118	97,704	225,260	162,078	155,999	164,815	239,180
Other non-operating expense	-	-	-	4,167	-	-	-	-	-	-
Total expenses	\$ 172,766	\$ 166,657	\$ 163,221	\$ 173,540	\$ 189,672	\$ 323,842	\$ 272,633	\$ 281,343	\$ 311,066	\$ 414,693

Iowa Finance Authority
Statistical Section (unaudited)
Year Ended June 30, 2025

Iowa Finance Authority Revenue Sources - Housing Agency Fund (Dollars in thousands)										
Fiscal Year ending June 30,										
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating revenue										
Interest revenue										
Mortgage backed securities	\$ 16,430	\$ 15,942	\$ 17,207	\$ 19,563	\$ 24,507	\$ 26,239	\$ 27,027	\$ 35,209	\$ 53,396	\$ 77,555
Loans	3,466	3,952	3,865	4,016	3,882	3,490	3,736	4,688	5,255	4,843
Cash equivalents and investments	3,529	3,704	4,854	6,255	4,789	2,305	404	10,947	17,683	16,598
Gain on sale of MBS	4,294	5,551	2,817	2,948	4,663	6,123	3,150	661	714	976
Net (decrease) increase in FV of investments and MBS	1,119	(13,331)	(13,524)	17,603	32,883	(6,477)	(101,038)	(38,852)	(9,148)	41,373
Total interest revenue	28,838	15,818	15,219	50,385	70,724	31,680	(66,721)	12,653	67,900	141,345
Fee revenue										
Iowa Title Guaranty	7,265	8,084	7,628	6,600	9,823	16,569	18,583	10,330	7,589	8,042
Single-family	507	539	670	859	426	(41)	537	1,576	2,696	3,822
Section 8	2,500	2,606	2,669	2,728	2,735	2,810	2,893	3,105	3,254	3,389
LIHTC	1,848	1,822	1,927	2,084	1,115	2,314	2,539	2,415	2,807	3,038
Private activity bonds	239	408	394	312	169	169	379	155	260	304
Loans	115	11	116	79	50	130	67	102	244	156
Iowa Agricultural Development Division	572	513	540	477	405	293	356	376	497	418
Total fee revenue	13,046	13,983	13,944	13,139	14,723	22,244	25,354	18,059	17,347	19,169
Other revenue	266	353	290	396	1,037	1,273	1,707	1,707	1,829	1,833
Total operating revenue	42,150	30,154	29,453	63,920	86,484	55,197	(39,660)	32,419	87,076	162,347
Non-operating revenue										
Grant revenue										
Miscellaneous	72	91	-	-	-	-	-	-	-	-
State funds	10,365	11,069	10,478	11,529	13,419	21,926	29,151	31,844	33,413	44,302
Federal funds	73,284	73,943	71,057	74,438	78,092	206,309	151,340	134,093	125,359	175,374
Total non-operating revenue	83,721	85,103	81,535	85,967	91,511	228,235	180,491	165,937	158,772	219,676
Total Housing Agency revenues	\$ 125,871	\$ 115,257	\$ 110,988	\$ 149,887	\$ 177,995	\$ 283,432	\$ 140,831	\$ 198,356	\$ 245,848	\$ 382,023

Iowa Finance Authority
Statistical Section (unaudited)
Year Ended June 30, 2025

Iowa Finance Authority Revenue Sources - State Revolving Fund (dollars in thousands)										
Fiscal Year ending June 30,										
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating revenue										
Loan interest	\$ 36,919	\$ 36,944	\$ 38,052	\$ 39,151	\$ 39,911	\$ 40,831	\$ 40,896	\$ 41,501	\$ 44,633	\$ 48,820
Cash equivalents and investments interest	1,220	1,662	3,628	6,184	4,781	778	1,300	15,107	27,216	26,140
Net (decrease) increase in FV of investments	(582)	(789)	(519)	575	507	(351)	(1,612)	(316)	632	801
Fee revenue	4,526	4,913	5,578	5,868	6,329	6,883	7,114	7,468	6,864	8,233
Total operating revenue	42,083	42,730	46,739	51,778	51,528	48,141	47,698	63,760	79,345	83,994
Non-operating revenue										
EPA capitalization grants	46,026	29,843	30,846	37,572	44,942	35,047	39,591	79,805	66,673	82,921
Total State Revolving Fund revenues	\$ 88,109	\$ 72,573	\$ 77,585	\$ 89,350	\$ 96,470	\$ 83,188	\$ 87,289	\$ 143,565	\$ 146,018	\$ 166,915

Iowa Finance Authority
Statistical Section (unaudited)
Year Ended June 30, 2025

Iowa Finance Authority Revenue Sources - Combined (Dollars in thousands)										
Fiscal Year ending June 30,										
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating revenue										
Interest revenue										
Mortgage backed securities	\$ 16,430	\$ 15,942	\$ 17,207	\$ 19,563	\$ 24,507	\$ 26,239	\$ 27,027	\$ 35,209	\$ 53,396	\$ 77,555
Loans	40,385	40,896	41,917	43,167	43,793	44,321	44,632	46,189	49,888	53,663
Cash equivalents and investments	4,749	5,366	8,482	12,439	9,570	3,083	1,704	26,054	44,899	42,738
Gain on sale of MBS	4,294	5,551	2,817	2,948	4,663	6,123	3,150	661	714	976
Net (decrease) increase in FV of investments and MBS	537	(14,120)	(14,043)	18,178	33,390	(6,828)	(102,650)	(39,168)	(8,516)	42,174
Total interest revenue	66,395	53,635	56,380	96,295	115,923	72,938	(26,137)	68,945	140,381	217,106
Fee revenue										
Iowa Title Guaranty	7,265	8,084	7,628	6,600	9,823	16,569	18,583	10,330	7,589	8,042
Single-family	507	539	670	859	426	(41)	537	1,576	2,696	3,822
Section 8	2,500	2,606	2,669	2,728	2,735	2,810	2,893	3,105	3,254	3,389
LIHTC	1,848	1,822	1,927	2,084	1,115	2,314	2,539	2,415	2,807	3,038
Private activity bonds	239	408	394	312	169	169	379	155	260	304
Loans	115	11	116	79	50	130	67	102	244	156
Iowa Agricultural Development Division	572	513	540	477	405	293	356	376	497	418
State Revolving Fund	4,526	4,913	5,578	5,868	6,329	6,883	7,114	7,468	6,864	8,233
Total fee revenue	17,572	18,896	19,522	19,007	21,052	29,127	32,468	25,527	24,211	27,402
Other revenue	266	353	290	396	1,037	1,273	1,707	1,707	1,829	1,833
Total operating revenue	84,233	72,884	76,192	115,698	138,012	103,338	8,038	96,179	166,421	246,341
Non-operating revenue										
Grant revenue										
Miscellaneous	72	91	-	-	-	-	-	-	-	-
State funds	10,365	11,069	10,478	11,529	13,419	21,926	29,151	31,844	33,413	44,302
Federal funds	73,284	73,943	71,057	74,438	78,092	206,309	151,340	134,093	125,359	175,374
EPA capitalization grants	46,026	29,843	30,846	37,572	44,942	35,047	39,591	79,805	66,673	82,921
Total non-operating revenue	129,747	114,946	112,381	123,539	136,453	263,282	220,082	245,742	225,445	302,597
Total Iowa Finance Authority revenues	\$ 213,980	\$ 187,830	\$ 188,573	\$ 239,237	\$ 274,465	\$ 366,620	\$ 228,120	\$ 341,921	\$ 391,866	\$ 548,938

Iowa Finance Authority
Largest SRF Borrowers
(dollars in thousands)

as of June 30, 2025		
Participant	Amount	% of Total
Wastewater Reclamation Authority	\$ 393,682	13%
City of Clinton	171,485	6%
City of Sioux City	119,316	4%
City of Fort Dodge	111,156	4%
City of Dubuque	100,453	3%
City of Cedar Rapids	89,565	3%
City of Ames	79,287	3%
City of Des Moines	58,166	2%
City of Indianola	53,782	2%
City of Nevada	51,461	2%
Total Top 10	<u>\$ 1,228,353</u>	<u>42%</u>

Total Loans Outstanding \$ 2,916,679

as of June 30, 2016		
Participant	Amount	% of Total
Wastewater Reclamation Authority	\$ 261,794	17%
City of Sioux City	131,372	9%
City of Dubuque	104,157	7%
City of Fort Dodge	82,095	5%
City of Clinton	70,734	5%
City of Cedar Rapids	42,657	3%
City of Ames	35,976	2%
Council Bluffs Water Works	30,524	2%
Polk County	26,565	2%
City of Fort Madison	21,337	1%
Total Top 10	<u>\$ 807,211</u>	<u>53%</u>

Total Loans Outstanding \$ 1,523,234

Iowa Finance Authority
Statistical Section (unaudited)
Year Ended June 30, 2025

Outstanding Debt (Dollars in thousands)										
Fiscal Year ending June 30,										
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Housing Agency Fund										
Single-family mortgage bonds*	\$ 196,886	\$ 287,488	\$ 396,061	\$ 513,520	\$ 654,641	\$ 780,728	\$ 968,006	\$ 1,312,340	\$ 1,633,852	\$ 2,000,260
Single-family mortgage revenue bonds*	128,399	101,231	79,002	64,799	51,424	15,297	5,691	4,896	4,297	3,704
Multi-family housing bonds*	45,022	43,238	38,146	36,492	34,634	33,129	32,768	31,595	27,288	19,291
Other debt**	-	-	46	-	-	-	-	-	-	-
Total Housing Agency debt	370,307	431,957	513,255	614,811	740,699	829,154	1,006,465	1,348,831	1,665,437	2,023,255
SRF revenue bonds*	942,612	1,079,407	1,192,350	1,413,502	1,587,956	1,782,751	1,938,057	2,136,413	2,231,394	2,306,694
Total debt	\$ 1,312,919	\$ 1,511,364	\$ 1,705,605	\$ 2,028,313	\$ 2,328,655	\$ 2,611,905	\$ 2,944,522	\$ 3,485,244	\$ 3,896,831	\$ 4,329,949
* Revenue bonds	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
** General obligation debt	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

The Authority has no legal limitations on the amount of outstanding debt.

The Authority's debt is not considered debt of the State of Iowa, see notes 1 and 5 to the basic financial statements for more details.

The Authority has pledged the mortgage-backed securities and loans purchased with the proceeds of the revenue bonds along with the principal and interest payments.

Iowa Finance Authority
Demographic Information
as of June 30,

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Population (in thousands) ⁽¹⁾	3,131	3,142	3,149	3,155	3,164	3,193	3,200	3,207	3,241	n/a
Personal income (in millions) ⁽²⁾	\$ 144,940	\$ 148,837	\$ 157,102	\$ 164,042	\$ 174,685	\$ 182,208	\$ 188,168	203,652	205,965	n/a
Per capita personal income	\$ 46,286	\$ 47,377	\$ 49,896	\$ 51,993	\$ 55,210	\$ 57,065	\$ 58,802	\$ 63,502	\$ 63,550	n/a
Labor force (in thousands) ⁽³⁾	1,691	1,674	1,688	1,735	1,639	1,654	1,718	1,742	1,685	1,731
Employment (in thousands) ⁽³⁾	1,629	1,621	1,645	1,688	1,508	1,588	1,672	1,694	1,638	1,672
Unemployed (in thousands) ⁽³⁾	62	53	43	47	131	66	46	47	47	65
Unemployment rate ⁽³⁾	3.7%	3.2%	2.6%	2.7%	8.0%	4.0%	2.7%	2.7%	2.8%	3.7%

⁽¹⁾ Annual Estimates of the Resident Population for the United States, Regions, States, the District of Columbia, and Puerto Rico: April 1, 2020 to July 1, 2024 (NST-EST2024-POP)

Source: U.S. Census Bureau, Population Division; Release Date: December 2024

⁽²⁾ Personal Income by State, 1st Quarter 2025

Source: Bureau of Economic Analysis

⁽³⁾ Iowa Local Area Unemployment Statistics, Iowa Workforce Development as of August 18, 2025

<https://www.iowalmi.gov/local-area-unemployment-statistics>

State of Iowa
Principal Non-Governmental Employers
Most Recent Calendar Year and Ten Years Prior

CALENDAR YEAR 2024

Rank	Employer	Type of Business
1	Hy-Vee Food Stores	Retail Food
2	Wal-Mart Stores Inc	Retail General Merchandise
3	John Deere Shared Services Inc	Machinery Manufacturing
4	Wells Fargo Bank N.A.	Financial Activities
5	Caseys General Stores	Convenience Stores
6	Fareway Stores Inc	Retail Food
7	Rockwell Collins Inc	Equipment Manufacturing
8	Mercy Hospital Medical Center	Health Care Services
9	Amazon.com Services Inc	Warehousing
10	Tyson Fresh Meats Inc.	Food Manufacturing

CALENDAR YEAR 2015

Rank	Employer	Type of Business
1	Hy-Vee Food Stores	Retail Food
2	Wal-Mart	Retail General Merchandise
3	Wells Fargo	Financial Activities
4	Mercy Health	Health Care Services
5	Deere and Company	Machinery Manufacturing
6	Casey's General Store	Convenience Stores
7	Rockwell Collins	Equipment Manufacturing
8	Tyson Fresh Meats	Food Manufacturing
9	Fareway Food Stores	Retail Food
10	Principal Financial Group	Finance & Insurance

The Code of Iowa defines employee counts as confidential data; as such, this information is not available.

Source: Iowa Workforce Development

Iowa Finance Authority
Statistical Section (unaudited)
Year Ended June 30, 2025

Iowa Finance Authority
Capital Assets - Net Book Value
(dollars in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Land	\$ 716	\$ 716	\$ 716	\$ 716	\$ -	\$ 886	\$ 886	\$ 886	\$ 886	\$ 886	\$ 886
Construction in progress	-	-	-	-	-	1,130	322	-	47	1,185	2,358
Real estate held for sale	-	-	-	-	1,800	-	-	-	-	-	-
Buildings and improvements	2,410	2,410	2,437	2,751	2,911	11,515	13,291	14,584	14,762	14,762	15,915
Land improvements	18	18	18	18	-	700	700	700	700	700	700
Office equipment and vehicles	2,316	2,368	2,150	608	248	248	412	605	591	560	560
Gross value of assets	5,460	5,512	5,321	4,093	4,959	14,479	15,611	16,775	16,986	18,093	20,419
Accumulated depreciation	2,644	2,827	2,890	1,809	295	911	1,655	2,763	3,901	4,967	6,102
Net book value	\$ 2,816	\$ 2,685	\$ 2,431	\$ 2,284	\$ 4,664	\$ 13,568	\$ 13,956	\$ 14,012	\$ 13,085	\$ 13,126	\$ 14,317

The Authority's capital assets are related to its primary operating location.

Iowa Finance Authority
Statistical Section (unaudited)
Year Ended June 30, 2025

Iowa Finance Authority
Number of Full Time Equivalent Employees by Function
(average number)

	Fiscal Years Ending June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Accounting and Finance	8.2	8.0	7.7	7.9	7.3	7.9	8.2	8.3	8.3	7.8
Administration, Marketing, and IT	10.6	13.6	14.8	10.9	8.9	9.9	9.6	11.3	11.4	10.9
Total Administration	18.8	21.6	22.5	18.8	16.2	17.8	17.8	19.6	19.7	18.7
Single Family Programs	7.8	8.0	7.2	7.9	8.2	6.3	7.4	8.0	8.5	7.6
MF Compliance	5.1	5.1	5.0	5.0	4.9	4.1	4.4	3.9	4.2	4.0
Section 8	11.1	11.2	10.1	10.1	10.0	10.9	10.5	9.4	8.4	8.8
Low Income Housing Tax Credit	7.1	7.1	6.7	6.7	6.2	6.1	6.3	5.9	5.4	5.4
Other Multifamily	2.9	3.1	3.0	2.4	2.4	2.5	2.7	3.9	2.7	1.8
Multi-family Programs	26.2	26.5	24.8	24.2	23.5	23.6	23.9	23.1	20.7	20.0
Homelessness programs	2.9	3.3	3.1	3.4	3.3	2.3	2.4	2.0	2.2	2.1
HOME program	6.3	6.0	5.5	4.8	3.2	3.0	3.1	4.0	5.1	5.8
Other Federal and State programs	2.2	2.4	2.2	2.2	2.7	6.3	5.2	5.1	3.4	3.6
Federal and State Programs	11.4	11.7	10.8	10.4	9.2	11.6	10.7	11.1	10.7	11.5
Agricultural Development Division	2.6	3.0	2.4	2.4	2.4	2.1	2.2	2.3	2.4	2.4
Residential	14.5	15.5	16.5	13.0	12.7	17.1	17.4	17.1	17.1	17.1
Commercial	3.3	3.8	3.5	3.1	3.6	3.8	3.8	4.2	4.1	4.5
Iowa Title Guaranty Division	17.8	19.3	20.0	16.1	16.3	20.9	21.2	21.3	21.2	21.6
Clean water programs	3.7	3.9	3.8	4.0	3.9	3.7	3.7	4.0	4.1	4.7
Drinking water programs	1.3	1.5	1.4	1.5	1.6	1.8	1.8	2.2	2.3	2.5
State Revolving Fund	5.0	5.4	5.2	5.5	5.5	5.5	5.5	6.2	6.4	7.2
Total Iowa Finance Authority	89.6	95.5	92.9	85.3	81.3	87.8	88.7	91.6	89.6	89.0

		Iowa Finance Authority Operating Indicators Fiscal Year ending June 30,									
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
State Revolving Loan Program											
Number of SRF loans originated		120	126	118	124	125	167	121	132	132	148
Single-Family Program											
Number of single-family homebuyers assisted		1,959	2,300	2,058	2,012	2,970	2,413	2,717	2,309	2,661	2,908
Low Income Housing Tax Credit Program											
Number of housing units created or preserved		708	1,117	1,105	600	0*	524	799	364	1,453	816
Compliance Monitoring											
Section 8 project-based rental units		11,942	11,926	11,779	11,742	11,749	11,713	11,678	11,678	11,463	11,440
LIHTC & HOME program rental units		21,573	22,136	22,122	22,892	23,051	25,068	25,049	24,608	25,266	25,589
Loan Servicing											
SRF loans		1,042	1,089	1,131	1,167	1,203	1,250	1,287	1,316	1,368	1,383
Multi-family housing loans		388	377	363	347	337	321	322	310	312	322
Beginning farmer loans		31	45	57	72	68	62	63	68	69	72
Department of Soil Conservation loans		259	255	243	211	201	198	205	195	188	173
Iowa Title Guaranty											
Title guaranty certificates issued ***		77,639	86,074	83,913	80,076	96,349	142,643	146,780	88,653	66,258	67,396
HousingIowa Conference Attendance											
		551	706	709	810	674	0**	592	854	900	791

Source: Information provided from Departments.

* Authority elected to move the awards for LIHTC to August 2020 to better align the anticipated loan and syndication closing dates to early spring.

** Due to COVID-19, the HousingIowa Conference was cancelled.

*** Totals were restated for 2021-2023 to include all certificate types.

To: Iowa Finance Authority Board of Directors

From: Megan Marsh, Housing Programs Coordinator

Date: October 1, 2025

Re: Iowa Permanent Supportive Housing (PSH) Fund – FY2026 Award Recommendations

In April 2024, the IFA Board of Directors approved the creation of the Iowa Permanent Supportive Housing (PSH) Fund for the purpose of supporting the operational stability of Iowa's nonprofit PSH providers, helping to ensure the housing stability of the individuals and families served in those rental units and reducing their risk of returning to homelessness. Funding for the Iowa PSH Fund is calculated annually after fiscal year end as 75 percent of excess 4 percent Housing Tax Credit Program reservation fees received by IFA during the prior fiscal year. Based upon reservation fees generated in FY 2025 plus the carryover balance from FY 2024, IFA's accounting team calculated the total amount available under the FY 2026 Iowa PSH Fund to be \$528,700.25.

Subject to available funding, IFA will award grants for the following eligible activities in accordance with the attached Iowa PSH Fund Grant Program Guidelines:

- PSH Operating Deficit Relief
- PSH Operating Expense Grants

Since the revenue generated by the identified source of funds for the Iowa PSH Fund varies each fiscal year, there will be no guaranteed funding amount available in any given fiscal year. Unobligated moneys remaining in the Iowa PSH Fund at the close of each fiscal year will remain available for expenditure for eligible activities in the succeeding fiscal year.

IFA received a total of eight Operating Deficit Relief applications for the FY 2026 Iowa PSH Fund, seven of which were determined eligible for funding. The application determined ineligible did not demonstrate any operating deficit related to their PSH units in the most recently completed fiscal year. Under the Operating Expense Grant category, one Low-Income Housing Tax Credit project in Sioux City and one National Housing Trust Fund project in Ames that were both placed in service over the past year and provide PSH units are recommended for award.

Staff recommendation: IFA staff has reviewed the applications and PSH providers referenced in Exhibit A to this Board Report pursuant to the criteria set forth in the Iowa PSH Fund Program Guidelines and recommends that the Board award funds as set forth in this Board Report, contingent upon satisfaction of the following prior to the disbursement of any Iowa PSH Fund grant funds to the Grantee:

- Applicable to all awards:
 - Grantee must execute the grant award agreement.
- Applicable to all Anawim Housing awards only (Operating Deficit Relief Grants):
 - The Grantee must submit its FYE 12/31/2024 independent audit for IFA's review and approval.

- Applicable to Heartland Counseling Services, Inc. (The Asher) award only (Operating Expense Grant):
 - The PSH Operating Expense Grant award will be disbursed to the Grantee only after the Grantee has successfully entered all PSH tenant data into HMIS/DVIMS for each unit upon initial occupancy. As Low-Income Housing Tax Credit assisted PSH units, the Grantee is allowed to report the units in HMIS/DVIMS as “Permanent Supportive Housing” (PSH) or “Other Permanent Housing” (OPH).
- Applicable to The Bridge Home (Project Hope and a Home) award only (Operating Expense Grant):
 - The PSH Operating Expense Grant award will be disbursed to the Grantee only after the Grantee has successfully entered all PSH tenant data into HMIS/DVIMS for each unit upon initial occupancy. As National Housing Trust Fund assisted PSH units, the Grantee must report the units in HMIS/DVIMS as “Permanent Supportive Housing” (PSH).

Proposed Motion: Award a total of \$369,477.00 in grant funding under the FY 2026 Iowa PSH Fund as specified in Exhibit A and authorize IFA staff to prepare grant award agreements consistent with this Board Report.

Subject to the following contingencies, which must be satisfied prior to any disbursement of funds awarded above:

- Applicable to all awards:
 - Grantee must execute the grant award agreement.
- Applicable to Anawim Housing awards only (Operating Deficit Relief Grants):
 - The Grantee must submit its FYE 12/31/2024 independent audit for IFA’s review and approval.
- Applicable to Heartland Counseling Services, Inc. (The Asher) award only (Operating Expense Grant):
 - The PSH Operating Expense Grant award will be disbursed to the Grantee only after the Grantee has successfully entered all PSH tenant data into HMIS/DVIMS for each unit upon initial occupancy. As Low-Income Housing Tax Credit assisted PSH units, the Grantee is allowed to report the units in HMIS/DVIMS as “Permanent Supportive Housing” (PSH) or “Other Permanent Housing” (OPH).
- Applicable to The Bridge Home (Project Hope and a Home) award only (Operating Expense Grant):
 - The PSH Operating Expense Grant award will be disbursed to the Grantee only after the Grantee has successfully entered all PSH tenant data into HMIS/DVIMS for each unit upon initial occupancy. As National Housing Trust Fund assisted PSH units, the Grantee is allowed to report the units in HMIS/DVIMS only as “Permanent Supportive Housing” (PSH).

Submitted By: Megan Marsh, Housing Programs Coordinator

Attachments: 1. Exhibit A: Iowa PSH Fund Grant Award Recommendations
2. Exhibit B: Iowa PSH Fund Grant Program Guidelines



Exhibit A
Iowa Permanent Supportive Housing Fund
FY2026 Awards

Iowa PSH Fund Available Funding	\$528,700.25
FY 2026 Iowa PSH Fund Proposed Awards:	\$369,477.00
Remaining Iowa PSH Fund Balance:	\$159,223.25 <i>carryover to FY 2027</i>

Unobligated moneys remaining in the Iowa PSH Fund at the close of each FY shall remain available for expenditure for Eligible Activities in the succeeding FY.

Operating Deficit Relief Grants

Applicant	Award Amount	City	County	
Anawim Housing - PC-PSH Anawim Individual PSH	\$35,094	Des Moines	Polk	
Anawim Housing - PC-PSH Anawim Family PSH	\$50,000	Des Moines	Polk	
Anawim Housing - PC-PSH Anawim HOP Consolidated	\$50,000	Des Moines	Polk	
New Visions Homeless Services	\$50,000	Council Bluffs	Pottawattamie	
Shelter House - 501 Southgate	\$50,000	Iowa City	Johnson	
Shelter House - Cross Park Place	\$50,000	Iowa City	Johnson	
Willis Dady	\$9,383	Cedar Rapids	Linn	
Youth and Shelter Services, Inc. (YSS)	\$0	Des Moines	Polk	<i>no operating deficit demonstrated</i>
TOTAL OPERATING DEFICIT RELIEF GRANTS	\$294,477			

Operating Expense Grants

PSH Provider (Project Name)	Project	Funding Category	Award Amount	City	County
Heartland Counseling Services, Inc. (The Asher)	23-04	LIHTC	\$25,000	Sioux City	Woodbury
The Bridge Home (Project Hope and a Home)	21-1-NHTF-1013	NHTF	\$50,000	Ames	Story
TOTAL OPERATING EXPENSE GRANTS			\$75,000		

FY 2026 Iowa PSH Fund Proposed Awards Summary

Operating Deficit Relief Grants:	\$294,477
Operating Expense Grants:	\$75,000
TOTAL	\$369,477

Iowa Permanent Supportive Housing Fund Grant Program Guidelines



The intent of the Iowa Permanent Supportive Housing (PSH) Fund is to support PSH operational needs for eligible nonprofit PSH providers in good standing with the Iowa Finance Authority (IFA). The Iowa PSH Fund is not intended to be an annually budgeted funding resource for PSH operations but rather a potential resource that may be available in times of operating deficit on a fiscal year by fiscal year basis.

Expenditures from the Iowa PSH Fund will be limited to the following general parameters.

Iowa PSH Fund – Eligible Applicants:

1. The following are Eligible Applicants for the Iowa PSH Fund:
 - a. Nonprofit PSH property owner or primary supportive services provider of a development project assisted under the National Housing Trust Fund; or
 - b. The nonprofit Qualified Service Provider of a Low-Income Housing Tax Credit (LIHTC) PSH project as approved by the IFA; or
 - c. Nonprofit PSH provider meeting the state’s definition of PSH as follows: Permanent Supportive Housing (PSH) is an evidence-based, minimal barrier housing intervention prioritized for individuals with complex, multi-occurring conditions that meets fidelity to established standards. Individuals in PSH programs live with affordability, autonomy, and dignity through the combination of person-centered, flexible, voluntary support services and a legal right to remain in their housing, as defined by the terms of a renewable lease agreement. Access to and maintenance of housing is available to individuals who meet PSH eligibility criteria and is not based on housing readiness requirements such as sobriety, behavioral, or program compliance.
2. All Eligible Applicants must be in good standing with IFA.
 - a. “Good Standing” with IFA includes but is not necessarily limited to an Eligible Applicant meeting the following criteria in full:
 - i. Has no unresolved compliance monitoring issues (state or federal) as determined by IFA’s Asset Management Team (including having not been issued an IRS Form 8823 or the equivalent State-Issued uncorrected notice of noncompliance and does not have a history of repeated or numerous Tax Credit allocation or compliance issues, even if such issues have not resulted in an uncorrected IRS Form 8823); and
 - ii. Has no unresolved compliance monitoring issues (state or federal) as determined by IFA’s Housing Strategic Initiatives Team, including all Homelessness Programs; and
 - iii. Participates in the community’s Coordinated Entry or Centralized Intake system, as defined by HUD; and

- iv. Is reporting tenant data in HMIS/DVIMS for all PSH units for which Iowa PSH Fund assistance is being requested, as confirmed by the Institute for Community Alliances or the Continuum of Care where the property is located. In the case of LIHTC-assisted PSH units, IFA allows the PSH provider to report the units in HMIS/DVIMS as “Other Permanent Housing” (OPH).

Category 1, PSH Operating Deficit Relief – Eligible Activities, subject to available funding:

1. Eligible Applicant may request up to \$50,000 in PSH Operating Deficit Relief following a fiscal year in which the PSH project or the PSH units within a larger housing project result in an operating deficit to the Eligible Applicant’s PSH operating budget. The amount of PSH Operating Deficit Relief awarded by IFA shall not exceed the lesser of \$50,000 or the actual amount of the operating deficit during the fiscal year.
2. Beginning with the fiscal year operating budget ending on or after July 1, 2023, an Eligible Applicant may submit an Iowa PSH Fund application to IFA for PSH Operating Deficit Relief annually, subject to available funding.
3. The Eligible Applicant must submit a copy of the PSH project’s unaudited financial statement for the previous, current, and following fiscal year, as available, for review and underwriting by IFA. The statement submitted for the following fiscal year may be a proposed operating budget for the PSH project’s anticipated income and operating expenses during the next fiscal year. For PSH units within a larger housing project, the unaudited financial statement must be specific to the revenue and expenses the Eligible Applicant incurred during the fiscal year for the PSH units related to operations, supportive services, administration, and/or debt service, as applicable.
4. PSH Operating Deficit Relief applications will be due annually by the application submission deadline established by IFA to reflect any operating deficit the Eligible Applicant experienced during the fiscal year ending on or after the previous July 1, based upon the PSH project or PSH units unaudited financial statement.
5. IFA reserves the right to award PSH Operating Deficit Relief Grants in prorated amounts lower than the applicable maximum award amount based upon the total funding available within the Iowa PSH Fund for that purpose.
6. At IFA’s sole discretion as approved by the Director and subject to available funding within the Iowa PSH Fund at any point in time, IFA may award emergency PSH Operating Deficit Relief to an Eligible Applicant in cases of extreme financial hardship that threatens the ability of the Eligible Applicant to sustain PSH operations, placing PSH tenants at risk of losing their housing stability.

Category 2, PSH Operating Expense Grants – Eligible Activities, subject to available funding:

1. At IFA’s sole discretion and subject to available funding within the Iowa PSH Fund, similar to CHDO Operating Expense Grants under the HOME Program, IFA may award a one-time PSH Operating Expense Grant to the approved Qualified Service Provider for each completed Low-Income Housing Tax Credit (LIHTC) PSH project (maximum award \$25,000) or the

primary PSH housing and/or supportive services provider for each completed National Housing Trust Fund (NHTF) PSH project (maximum award \$50,000). IFA will evaluate the funding available within the Iowa PSH Fund annually following the conclusion of the PSH Operating Deficit Relief application round to determine whether sufficient funds are available within the Iowa PSH Fund to make PSH Operating Expense Grant awards during that fiscal year.

2. IFA reserves the right to award PSH Operating Expense Grants in prorated amounts lower than the applicable maximum award amount based upon the total funding available within the Iowa PSH Fund for that purpose.
3. The PSH Operating Expense Grant award will be disbursed to the Eligible Applicant by IFA only after the nonprofit PSH provider has successfully entered all PSH tenant data into HMIS for each unit upon initial occupancy.
4. Eligible uses of the PSH Operating Expense Grant will mirror CHDO Operating Expense Grants under the HOME Program as follows: employee salaries and wages, employee benefits, employee education and training, employee travel, rent, utilities, communication costs, taxes, insurance, equipment, and/or materials and supplies related to the PSH.
5. The PSH Operating Expense Grant recipient will be required to certify as to how the grant funds were expended for eligible uses.

IFA anticipates that Iowa PSH Fund money could be pledged by award recipients as local match under HUD grant awards as long as the timing between contract periods and eligible expenditures aligns. Unobligated moneys remaining in the Iowa PSH Fund at the close of each fiscal year shall remain available to IFA for expenditure for Eligible Activities in the succeeding fiscal year.

REPORT
IOWA FINANCE AUTHORITY BOARD
October 2025

ACTION

From: Legal

Subject: Notice of Intended Action to Rescind Water Quality Financial Assistance Program Rules, 265 Iowa Administrative Code Chapter 33

Pursuant to Executive Order 10, the Authority proposes to rescind Chapter 33. The chapter proposed for rescission describes the policies and procedures applicable to the Water Quality Financial Assistance Program created by 2009 Iowa Acts, Senate File 376, section 13. The funds allocated by the legislation have been expended, making the chapter obsolete.

- Executive Order 10 required tasks:
- Regulatory analysis published July 23, 2025.
 - Public hearing held August 12, 2025. No public comments were received.
 - Received preclearance from Administrative Rules Coordinator to file a Notice of Intended Action August 29, 2025.

Proposed Motion:	Approve Filing a Notice of Intended Action to Rescind Water Quality Financial Assistance Program Rules, 265 Iowa Administrative Code Chapter 33
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Submitted By: Tyler Barnard, Legal Counsel

Attachments: Proposed Administrative Rulemaking

ITEM 1. Rescind and reserve **265—Chapter 33.**

REPORT
IOWA FINANCE AUTHORITY BOARD
October 2025

ACTION

From: Legal

Subject: Notice of Intended Action to Rescind Mortgage Credit Certificates Rules, 265 Iowa Administrative Code Chapter 10, and Adopt a New Chapter in Lieu Thereof

Pursuant to Executive Order 10, the Authority proposes to rescind Chapter 10 and adopt a new chapter in lieu thereof. The proposed chapter eliminates language that is duplicative of statutory language, eliminates unnecessary inconsistent language, removes unnecessarily restrictive terms, and updates outdated language. The proposed chapter also includes a statement on the availability of acquiring a reissued mortgage credit certificate upon the refinancing of the original mortgage. The proposed chapter also includes a new rule designating references to certain Authority internal program documents.

- Executive Order 10 required tasks:
- Regulatory analysis published August 20, 2025.
 - Public hearing held August 26, 2025. No public comments were received.
 - Received preclearance from Administrative Rules Coordinator to file a Notice of Intended Action September 16, 2025.

Proposed Motion:	Approve Filing a Notice of Intended Action to Rescind Mortgage Credit Certificates Rules, 265 Iowa Administrative Code Chapter 10, and Adopt a New Chapter in Lieu Thereof
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Submitted By: Tyler Barnard, Legal Counsel

Attachments: Proposed Administrative Rulemaking

ITEM 1. Rescind 265—Chapter 10 and adopt the following **new** chapter in lieu thereof:

CHAPTER 10

MORTGAGE CREDIT CERTIFICATES

265—10.1(16) General.

10.1(1) *Authorization.* Mortgage credit certificates (MCCs) were authorized by Congress in the 1984 Tax Reform Act as a new concept for providing housing assistance. The Iowa finance authority (authority) may elect to allocate a portion of its mortgage revenue bonding authority for single-family housing toward an MCC program. The program will be made available to home buyers through participating Iowa lenders on a first-come, first-served basis.

10.1(2) *Federal income tax credit.* The MCC operates as a federal income tax credit. The MCC tax credit will reduce the federal income taxes of qualified home buyers purchasing qualified residences, in effect assisting buyers with their house payments.

10.1(3) *Application timing.* A purchaser of a new or existing single-family residence may apply for an MCC through a participating lender at the time of purchasing a home and obtaining financing through the lender. An MCC cannot be issued to a home buyer who is refinancing an existing mortgage or land contract, nor can it be used in conjunction with a mortgage financed through a mortgage subsidy bond. MCCs will be made available to home buyers with generally the same noncredit eligibility requirements as are in effect for the authority's single-family mortgage program.

265—10.2(16) Participating lenders.

10.2(1) Any lending institution as defined in Iowa Code section 16.1 may become a participating lender by entering into an MCC lender participation agreement with the authority. All other participating lenders may take applications for MCCs on loans closed after the effective date of the participation agreement.

10.2(2) The annual participation fee shall be:

- a.* \$0 for a lender currently participating in the authority's first mortgage program.
- b.* \$500 for a lender not participating in the authority's first mortgage program and with one to five branches listed on the authority's website.
- c.* \$1,000 for a lender not participating in the authority's first mortgage program and with six or more branches listed on the authority's website.

265—10.3(16) Eligible borrowers.

10.3(1) To be eligible to receive a mortgage credit certificate, an eligible borrower must, on the date the loan is closed:

- a.* Be a resident of Iowa.
- b.* Be a purchaser of a single-family residence who will occupy the single-family residence as a permanent, primary, principal residence located within the state.
- c.* Have the legal capacity to incur the obligations of the loan.
- d.* Agree not to rent the single-family residence any time during the term of the loan.

10.3(2) To the extent determined by the authority to ensure its MCCs will be qualified MCCs pursuant to a qualified MCC program, the authority shall require that the eligible borrower meet the requirements of 26 U.S.C. §25 and the rules and regulations promulgated thereunder, as well as the requirements set forth in the MCC program guide. Copies of the program guide are available from the authority.

265—10.4(16) MCC procedures.

10.4(1) Applications for MCCs may be made with any participating lender. The applicant shall provide the lender with all information that is necessary to secure a mortgage loan and an MCC. An applicant must meet the eligibility requirements set out in rule 265—10.3(16). If the eligibility requirements are met, the participating lenders may nonetheless deny a loan, subject to all reporting and disclosure requirements of applicable state and federal law, for

any reason premised on sound lending practices, including underwriting risk evaluation, portfolio diversification, and limitations on restrictions on investments or available funds.

10.4(2) If the loan is approved, the terms of the loan, including interest rate, length of loan, down payment, fees, origination charge and repayment schedule, shall not be greater than those available to similar customers that do not make application for an MCC. However, the lender may collect a one-time MCC commitment fee, which may be paid by the borrower, lender, or any other party. An MCC program application fee must accompany the MCC application and be submitted to the authority by the lender. The amount of the maximum allowable MCC commitment fee shall be \$250 and the amount of the MCC program application fee shall be:

- a.* \$0 if the borrower currently uses an authority first mortgage product.
- b.* \$500 if the borrower does not currently use an authority first mortgage product.

10.4(3) No MCC will be issued unless the requirements and procedures set out in the MCC program guide are complied with by all parties to the home sale and financing.

10.4(4) An MCC may be reissued at the sole discretion of the authority if the mortgagor refinances; however, the credit cannot be taken beyond the term of the original mortgage. No MCC shall be reissued unless:

- a.* The borrower uses or continues to use the residence as its permanent, primary, principal residence; and
- b.* All other requirements and procedures set out in the authority's MCC reissuance instructions are complied with, which reissuance instructions shall be posted on the authority's website.

265—10.5(16) References. All references to the United States Code in this chapter are to the laws as in effect [effective date of this rulemaking]. All references to the MCC program guide are to the MCC program section within the authority's Procedural Guide (The Single Family

Department) dated March 2018. All references to the MCC reissuance instructions are to the Instructions for Requesting Reissuance of Mortgage Credit Certificates dated March 2019.

These rules are intended to implement Iowa Code section 16.5(1) “e,” “i,” and “t.”

REPORT
IOWA FINANCE AUTHORITY BOARD
OCTOBER 2025

ACTION

From: Legal

Subject: Adopt New Debarment from Participation in Authority Programs and Transactions Rules, 265 Iowa Administrative Code Chapter 5

IFA proposes to adopt a new Chapter 5 to implement Iowa Code section 16.5E as enacted by 2024 Iowa Acts, Senate File 2387. The new chapter establishes the factors the Authority will consider and the process that will be followed to prohibit bad actors from participating in Authority programs and transactions.

- A notice of intended action was published May 14, 2025. No public comments were received and no changes from the notice are proposed.

Proposed Motion:	Move to Adopt New Debarment from Participation in Authority Programs and Transactions Rules, 265 Iowa Administrative Code Chapter 5
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Submitted By: Tyler Barnard, Legal Counsel

Attachments: Proposed Administrative Rulemaking

ITEM 1. Adopt the following **new 265—Chapter 5:**

CHAPTER 5

DEBARMENT FROM PARTICIPATION IN AUTHORITY

PROGRAMS AND TRANSACTIONS

265—5.1(16) Definitions.

“Affiliate” means any entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another entity or person. *“Control”* as used in this definition means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an enterprise through ownership, by contract or otherwise. A voting interest of 10 percent or more creates a rebuttable presumption of control.

“Authority” means the Iowa finance authority created in Iowa Code section 16.1A.

“Debar” or *“debarment”* means action taken by the authority to prohibit a person from receiving an award of financial assistance or from being selected as a vendor pursuant to Iowa Code section 16.5E and this chapter.

“Director” means the director of the authority.

“Person” means the same as defined in Iowa Code section 4.1(20).

“Principal” means an officer, director, or owner.

“Respondent” means a person the authority intends to debar or has debarred.

“Vendor” means a person who provides goods or services to the authority.

265—5.2(16) Factors considered.

5.2(1) The authority may debar a person in any of the circumstances listed in Iowa Code section 16.5E(1). The authority will consider the following factors to determine whether debarment is warranted:

a. Whether the person had effective standards of conduct and internal control systems in place at the time the cause for debarment occurred or has adopted such procedures.

b. Whether the person brought the cause for debarment to the attention of the authority in a timely manner.

c. Whether the person has fully investigated the circumstances surrounding the cause for debarment and, if so, has made the result of the investigation available to the authority.

d. Whether the person cooperated fully with the authority or other government agencies during any investigation or court or administrative action related to the cause for debarment.

e. Whether the person has paid or has agreed to pay all applicable criminal, civil, and administrative liability relating to the cause for debarment, including any investigative or administrative costs incurred by the authority, and has made or agreed to make full restitution as applicable.

f. Whether the person has taken appropriate disciplinary action against the individuals responsible for the cause for debarment.

g. Whether the person has implemented or agreed to implement remedial measures, including any identified by the authority.

h. Whether the person has had adequate time to eliminate the circumstances that led to the cause for debarment.

i. Whether the person or relevant principals in an organization recognize and understand the seriousness of the misconduct giving rise to the cause for debarment.

j. Whether the federal government, another state, or another state agency has issued a debarment or other prohibition comparable to debarment based on the same or similar conduct that constitutes cause for debarment by the authority.

k. Any other factors deemed relevant to the cause for debarment by the authority.

5.2(2) The existence or nonexistence of any mitigating factors or remedial measures, including those set forth in subrule 5.2(1), is not necessarily determinative of whether the authority will debar a person.

265—5.3(16) Debarment procedure.

5.3(1) Upon receipt of information that a person has engaged in conduct that could constitute cause for debarment, the director will determine whether to debar the person based on all information available to the authority or whether additional information is required to make such a determination.

5.3(2) If the director determines debarment is warranted, the person and any affiliates, principals, or employees to be debarred will be given prompt notice in writing of the following:

- a.* That the person is debarred and the identity of any affiliates, principals, or employees who are debarred;
- b.* The circumstance(s) in Iowa Code section 16.5E(1) relied on by the authority to impose debarment;
- c.* The conduct or information upon which the debarment is based;
- d.* The period of debarment, including effective dates; and
- e.* The effect of the proposed debarment, including identification of authority programs or transactions to which the debarment applies.

5.3(3) If the director determines that additional information is required, the person and any affiliates, principals, or employees who may be debarred will be given prompt notice in writing of the following:

- a.* That debarment is being considered;
- b.* The circumstance(s) in Iowa Code section 16.5E(1) relied on by the authority to propose debarment;
- c.* The conduct or information upon which the proposed debarment is based;
- d.* The period of proposed debarment, including effective dates;

e. The effect of the proposed debarment, including identification of authority programs or transactions to which the debarment may apply; and

f. The additional information sought by the authority to determine whether debarment is warranted, when the respondent must provide such information, and the effect of failure to provide such information to the satisfaction of the authority.

5.3(4) After following the procedure identified in subrule 5.3(3), the director will promptly notify in writing the person and any affected affiliates, employees, or principals whether debarment is imposed. If debarment is imposed, notification will be provided in accordance with subrule 5.3(2).

5.3(5) The authority may, in its discretion, enter into an agreement with a person establishing terms and conditions for continued or future participation in authority programs or transactions in lieu of debarment.

265—5.4(16) Period and scope of debarment.

5.4(1) Debarment will be for a period commensurate with the acts or omissions of the person to be debarred. A person will not be debarred for an initial period that exceeds three years. The authority may impose an additional period of debarment if, prior to the expiration of an initial period of debarment, the authority determines an additional period of debarment is warranted.

5.4(2) A person may be debarred from one or more authority programs or transactions or from all authority programs and transactions.

265—5.5(16) Request for review and response.

5.5(1) A person that has been debarred by the authority may request a review of the authority's determination pursuant to Iowa Code section 16.5E(3). The request may include any information relevant to demonstrate that the authority's determination was based on a

clear error of material factor or law or that the authority's determination was arbitrary, capricious, or an abuse of discretion.

5.5(2) The authority will issue a decision on the request for review in accordance with Iowa Code section 16.5E(3).

265—5.6(16) Request for reinstatement after debarment.

5.6(1) A person that has been debarred may submit a request for reinstatement during the period of debarment if:

a. New information becomes available that is relevant to the cause for debarment and that was not previously discoverable;

b. Criminal charges or civil or administrative actions related to the cause for debarment have been dismissed or a criminal conviction or civil judgment related to the cause for debarment has been reversed;

c. A debarment or comparable prohibition imposed by the federal government, another state, or another state agency upon which the authority debarment was based has been reversed;

d. A bona fide change in ownership or management of the person debarred has occurred;
or

e. The person is able to supply other proof that the causes for debarment have been eliminated.

5.6(2) A request for reinstatement must be submitted to the director. The petition must be accompanied by written evidence that supports the request.

5.6(3) The authority will issue a decision on a request for reinstatement within 60 calendar days of the receipt of the request. The authority may approve, deny, or modify the debarment based on all information available to the authority and based upon the factors identified in rule 265—5.2(16). The authority shall issue its decision in writing and provide

written notice of the decision to the person and any affected affiliates, principals, or employees.

265—5.7(16) Additional remedies. The authority may impose additional consequences for a cause for debarment that are allowed under any authority programs in which a debarred person is participating or any existing agreements between the authority and a debarred person.

These rules are intended to implement Iowa Code section 16.5E.