AGENDA

A Regular Board Meeting for:
SAN ANTONIO HOUSING TRUST FINANCE CORPORATION
will be held at the
City of San Antonio City Towers
100 W. Houston St., City Towers Conference Room B,
San Antonio, TX 78205
and virtually via ZOOM:
https://us02web.zoom.us/j/87009323254?pwd=Hy7dRVM64REM20EkcpFNPNNd9m001A.1
DIAL-IN NUMBER: 1-346-248-7799 Meeting ID: 870 0932 3254 & PASSWORD: 397664
On Friday, October 23, 2026, beginning at 2:00 p.m.

NOTICE: *A quorum of the board of directors will be physically located at 100 W. Houston St., City Towers Conference Room B, San Antonio, TX 78205, at 2:00 p.m. One or more of the Directors may attend this meeting by video conference pursuant to the requirements set forth in the Texas Open Meetings Act. An electronic copy of the agenda packet may be accessed at the San Antonio Housing Trust website under the CALENDAR/Board Meeting date page prior to the meeting.*

NOTICE: *This meeting of the Board, being held for the reasons listed below, is authorized in accordance with the Texas Government Code, Sections 551.001 - 551.146. Verification of Notice of Meeting and Agenda are on file in the Office of the Executive Director.*

1. Call to Order and Roll Call
2. **Public Comment** – Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters.
3. Discussion and possible action to approve minutes of **September 18, 2026.**
4. Briefing, discussion, and action regarding a resolution to approve the San Antonio Housing Trust Finance Corporation Fiscal Year 2025 Audited Financial Statements.
5. Adjournment.

Executive Session. The San Antonio Housing Trust reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed on the posted agenda, above, as authorized by the Texas Government Code, Sections 551.071 (consultation with attorney), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), 551.074 (personnel matters), 551.076 (deliberations about security devices), and 551.087 (economic development). *ANY ITEM DISCUSSED IN EXECUTIVE SESSION MAY BE ACTED ON IN OPEN SESSION.*

Attendance by Other Elected or Appointed Officials: It is possible that members of City boards, commissions and/or committees may attend the open meeting in numbers that may constitute a quorum. Notice is hereby given that the meeting, to the extent required

by law, is also noticed as a meeting of any other boards, commissions and/or committees of the City, whose members may be in attendance in numbers constituting a quorum. These members of other City boards, commissions, and/or committees may not deliberate or take action on items listed on the agenda. [Attorney General Opinion – No. GA-0957 (2012)].

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodation or interpretative services must be made 48 hours prior to this meeting. Please contact Nicole Collazo, for concerns or requests, at (210) 735-2772.

Posted on: October 19, 2026, at 5:15 pm

San Antonio Housing Trust Finance Corporation

Agenda Item 2

Public Comment

Interested speakers will have 3 minutes each to address the Board on agenda items or housing policy related matters; a total of 15 minutes will be provided.

To sign up for Public Comment please call 210-735-2772 24 hours prior to this meeting to place your name on the list.

Los oradores interesados tendrán 3 minutos cada uno para dirigirse a la Junta sobre temas de la agenda o asuntos relacionados con la polí ca de vivienda; Se proporcionará un total de 15 minutos.

Para inscribirse en Comentario Público, llame al 210-735-2772 24 horas antes de esta reunión para incluir su nombre en la lista

San Antonio Housing Trust Finance Corporation

Agenda Item 3

This item includes the approval of minutes from **September 18, 2026,** meeting.

SAN ANTONIO HOUSING TRUST FINANCE CORPORATION
2026 OFFICIAL MEETING MINUTES

September 18, 2026

TIME AND PLACE: The Finance Corporation met in session at 2:17 p.m., via Zoom and in person at 114 W. Commerce St, San Antonio, TX 78205.

PRESENT: Councilmember Teri Castillo, Eric Cooper, Councilmember Edward Mungia, Jordan Ghawi, Christina Martinez, Councilmember Dr. Sukh Kaur, Jane Paccione, Mark Carmona, and Councilmember Phyllis Viagran.

ABSENT: Antoinette Brumfield, Councilmember Jalen McKee-Rodriguez, Marinella Murillo,

STAFF/VISITORS PRESENT:
Pedro Alanis- Executive Director San Antonio Housing Trust; Jessica Kuehne- Director of Asset Management; Yhavett Forgnone- San Antonio Housing Trust; John Hernandez- San Antonio Housing Trust; Iris Dimmick- Director of Communications and Narrative San Antonio Housing Trust; Tyshima Alexander- San Antonio Housing Trust; Lauren B. Cardona- San Antonio Housing Trust; Tom Roth- Director of Development San Antonio Housing Trust; Seema Kairam- San Antonio Housing Trust; Matias Allende- San Antonio Housing Trust; Sophia Zulich- San Antonio Housing Trust; Clarissa Rodriguez- Denton Navarro Rocha Bernal & Zech, P.C.; Sabine Miramontes-SEFLA Languages Interpreter.

1. CALL TO ORDER AND ROLL CALL: The meeting was called to order by President Jane Paccione, and the roll was called by Lauren Bejaran Cardona.

2. PUBLIC COMMENT – INTERESTED SPEAKERS WILL HAVE 3 MINUTES EACH TO ADDRESS THE BOARD ON AGENDA ITEMS OR HOUSING POLICY RELATED MATTERS.

   NONE.
   No action taken.

3. DISCUSSION AND POSSIBLE ACTION TO APPROVE MINUTES FOR SEPTEMBER 18, 2026.
   Councilmember Viagran motioned, and Councilmember Mungia seconded for approval of September 18, 2026 minutes.
   Ayes: 6 Nays: 0 Abstained: 0
   The motion passed.

4. BRIEFING, DISCUSSION, AND POSSIBLE ACTION REGARDING A RESOLUTION

5. TO APPROVE THE SAN ANTONIO HOUSING TRUST FINANCE CORPORATION FISCAL YEAR 2027 ANNUAL PLAN AND BUDGET
   Pedro Alanis briefed the Board on Item #4 regarding the approval for the FY 2027 Annual

Plan and Budget

MINUTES COMMISSION ACTION:

Councilmember Mungia motioned, and Councilmember Viagran seconded, to approve Item #4.4.

Ayes: 6 Nays: 0 Abstained: 0

The motion passed.

6. ADJOURNMENT

Vice President Jane Paccione adjourned the meeting. There being no further business, the meeting was adjourned at 2:25 p.m.

San Antonio Housing Trust Finance Corporation
Agenda Item 4

Briefing, discussion, and action regarding a resolution to approve the San Antonio Housing Trust Finance Corporation Fiscal Year 2025 Audited Financial Statements

Background:
Presentation and possible action regarding the San Antonio Housing Trust Finance Corporation. Audited Financial Report for fiscal years ending September 30, 2025. Leal and Carter, P.C. is under contract to complete the annual independent audit of the San Antonio Housing Trust Foundation, FC, and PFC. The auditor shall provide the board with a presentation.

The following table represents a comparison between last year's audit (2024) and the most recent reporting period (2025):

FC Comparison:

Audit	FY 2024	FY 2025	Change
Assets	$2,756,579	$2,866,515	$109,936
Liabilities	(35,152)	(50,055)	(14,903)
Net Position	**$2,721,427**	**$2,816,460**	**$95,033**

	FY 2024	FY 2025	Change
Operating Revenues	$156,640	$137,867	($18,773)
Operating Expenses	(100,037)	(69,431)	30,606
Operating Income	**$56,603**	**$68,436**	**$11,833**

Recommendation:
The Finance & Audit Committee recommended moving forward the FY 2025 SAHT Finance Corporation audit for the full boards' consideration.

Attachment:
FY 2025 SAHTFC Audit
Resolution

SAN ANTONIO HOUSING TRUST FINANCE CORPORATION
(A Component Unit of the City of San Antonio, Texas)

SAN ANTONIO, TEXAS

FINANCIAL STATEMENTS
(With Independent Auditors' Report Thereon)

SEPTEMBER 30, 2025

SAN ANTONIO HOUSING TRUST FINANCE CORPORATION

(A Component Unit of the City of San Antonio, Texas)

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LEAL & CARTER, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

FRANK J. LEAL, CPA, MANAGING PARTNER
ROBERTO CARTER, CPA, SENIOR PARTNER
NORMA L. LITTLE, CPA, PARTNER
ROBERTO CARTER, JR., MANAGER

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
San Antonio Housing Trust Finance Corporation
San Antonio, Texas

Opinion

We have audited the accompanying financial statements of the business-type activities of the San Antonio Housing Trust Finance Corporation (SAHTFC), a component unit of the City of San Antonio, Texas, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise SAHTFC's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the SAHTFC, as of September 30, 2025, and the 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 Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 SAHTFC, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Restatement of Beginning Net position

As further disclosed in Note 8 to the financial statements, beginning net position as of October 1, 2024 has been restated to correct an error in accounts receivable – annual issuer fees and issuer fee revenue. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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 SAHTFC'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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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 generally accepted 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 SAHTFC'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 SAHTFC'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 3-6 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

San Antonio Housing Trust Finance Corporation
(A Component Unit of the City of San Antonio, Texas)
Statement of Net Position
September 30, 2025

ASSETS		
Current Assets		
Cash and Cash Equivalents	$	799,807
Investments		495,488
Accrued interest receivable - investments		469
Accounts receivable - Annual Issuer Fees		8,400
Due from SAHTPFC (Note 5)		9,660
Total Current Assets		1,313,824
Noncurrent Assets		
Interest receivable (Note 3)		112,041
Note receivable (Note 3)		1,440,650
Total Noncurrent Assets		1,552,691
Total Assets		2,866,515
LIABILITIES AND NET POSITION		
Liabilities:		
Current Liabilities		
Due to SAHTF (Note 5)		50,055
Total current liabilities		50,055
Total liabilities		50,055
Net Position:		
Net investment in capital assets		-
Restricted		-
Unrestricted		2,816,460
Total net position	$	2,816,460

See accompanying notes to financial statements.

San Antonio Housing Trust Finance Corporation
(A Component Unit of the City of San Antonio, Texas)
Statement of Revenues, Expenses and
Changes in Net Position
Year Ended September 30, 2025

Operating Revenues:		
Annual Issuer Fees and Application Fees	$	120,840
Interest Income on Loans		17,027
Total Operating Revenues		137,867
Operating Expenses:		
Administrative fees	$	49,624
Professional fees		17,938
Other contractual services and fees		1,869
Total Operating Expenses		69,431
Operating Income (Loss)		68,436
Nonoperating Revenues and (Expenses):		
Net increase (decrease) in fair value of investments		(88)
Interest income		81,046
Net Nonoperating Revenues and (Expenses):		80,958
Income (loss) before capital contributions and transfers		149,394
Increase (Decrease) In Net Position		149,394
Net Position at the Beginning of Year, as previously reported		2,721,426
Error correction - issuer fees billed on redeemed bonds (Note 8)		(54,360)
Net position, beginning of year, as restated		2,667,066
Net Position at the End of Year	$	2,816,460

See accompanying notes to financial statements.

San Antonio Housing Trust Finance Corporation
(A Component Unit of the City of San Antonio, Texas)
Statement of Cash Flows
For the Year Ended September 30, 2025

Cash Flows From Operating Activities:		
Annual Issuer Fees	$	120,840
Program loans made		(940,650)
Cash Payments for:		
Administrative Fees		(44,381)
Professional Fees		(17,938)
Other contractual services and fees		(1,869)
Net cash provided (used) by operating activities		(883,998)
Cash Flows From Investing Activities		
Interest income		80,577
Increase in investments		(159,701)
Net cash provided (used) by investing activities		(79,124)
Net decrease in cash and cash equivalents		(963,122)
Cash and cash equivalents at beginning of year		1,762,930
Cash and cash equivalents at end of year	$	799,807
Reconciliation of Operating income (loss) to net cash used in operating activities:		
Operating income (loss)	$	68,436
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Changes in operating assets and liabilities:		
Notes and Interest receivable		(957,677)
Due from SAHTPFC		(9,660)
Due to SAHTF		14,903
Net cash provided (used) by operating activities	$	(883,998)

See accompanying notes to financial statements.

San Antonio Housing Trust Finance Corporation
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Note 1 – Summary of Significant Accounting Policies

Organization

San Antonio Housing Trust Finance Corporation ("SAHTFC" or "Organization") is a nonprofit organization and component unit of the City of San Antonio incorporated on August 22, 1997 under the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, as amended ("the Act"). The organization's primary purpose is to carry out the purposes of the Act, including the issuance of single family and multi-family revenue bonds on behalf of the City of San Antonio. Such bonds do not constitute an obligation of the Organization, but shall be payable solely out of the revenues and receipts derived from any residential development or mortgages financed by the bonds. SAHTFC receives the majority of its revenue from issuer fees related to the bonds.

SAHTFC is managed by a five-member Board of Directors that serve without compensation. The Board members are residents of the City of San Antonio and appointed by written ordinance of the City Council of the City of San Antonio. The internal affairs of the Organization are governed by the Organization's bylaws, which are approved by the governing body of the City of San Antonio. Upon dissolution of the Organization, any interest in any funds or property of any kind, real, personal, or mixed, such funds or property or rights thereto shall be transferred and delivered to the City of San Antonio after satisfaction or provision for satisfaction of debts and claims have been made.

Although the SAHTFC is a nonprofit organization, it has prepared its financial statements in accordance with the governmental accounting and reporting provisions of the GASB, based upon this relationship with the City of San Antonio. Such relationship requires that SAHTFC's separately issued financial statements be based upon GAAP as promulgated by GASB Statements and Pronouncements. Under the provisions of GASB Statement 34, the SAHTFC has prepared its financial statements as a special purpose local government involved in business-type (enterprise/proprietary fund) activities. Under the business-type activity reporting model of the GASB, a governing body decides that periodic determination of revenues earned, expenses incurred, and /or net income earned is most appropriate for capital maintenance, public policy, management control and accountability.

Basic Financial Statements - As a special purpose government involved primarily in business-type activities, SAHTFC's basic financial statements consist of the following:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows
- Notes to Financial Statements

San Antonio Housing Trust Finance Corporation
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

SAHTFC meets the definition of a governmental entity, as set forth in the American Institute of Certified Public Accountants' Audit and Accounting Guide, State and Local Governments. The financial statements of SAHTFC are prepared using the accrual basis of accounting with the economic resources measurement focus as prescribed by GASB. As SAHTFC operates as a business-type activity, applying applicable GASB pronouncements, under this approach all assets, deferred outflows of resources, liabilities and deferred inflows of resources of are reported on the statement of net position; revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of SAHTFC is revenue from various fees associated with the issuance of single family and multi-family revenue bonds. SAHTFC also receives interest income on loans. Operating expenses for enterprise funds include administrative fees and professional fees. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Tax Exempt Status

SAHTFC is exempt from federal income taxes under IRC §115(1) of the Internal Revenue Code. Management is not aware of any tax positions that would have a significant impact on its financial position.

Cash and Cash Equivalents

For purposes of the statement of cash flows, SAHTFC considers all cash, demand deposits and highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents.

Accounts Receivable and Notes Receivable

All receivables are reported net of any estimated allowance for uncollectible accounts; SAHTFC considered receivables reported as of September 30, 2025 to be fully collectible and no allowance for doubtful accounts has been established.

San Antonio Housing Trust Finance Corporation
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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.

Net position

Net position represents the difference between assets plus deferred outflows, less liabilities and deferred inflows and is divided into three components as follows:

- Net investment in capital assets – consist of historical cost of capital assets less accumulated depreciation and less any remaining debt used to finance those assets.
- Restricted net position – net position restricted by the creditors, by State enabling legislation, by grantors, and by other contributors.
- Unrestricted – all other net position is reported in this category. SAHTFC's net position is being reported as unrestricted.

SAHTFC applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Investments

SAHTFC's Investments in equity and debt securities, and other assets are measured and recorded at fair value in accordance with US GAAP. This includes marketable securities whose fair values are readily determinable through sales of similar securities prices, sales prices or bid-and-asked quotations that are currently available from regulated securities exchanges or over-the counter markets that are publicly reported. As indicated within the below Fair Value measurements disclosure note (See Note 7), values derived from regulated securities markets or over-the-counter public quotations are a level 1 type of fair value measurement.

SAHTFC's investments are made under the SAHT Investment Policy, adopted jointly by SAHTF, SAHTPFC and SAHTFC, and under the Texas Public Funds Investment Act (Chapter 2256, Texas Government Code). The policy and the Act authorize a prescribed set of instruments chosen to promote safety of principal, liquidity, diversification and yield. SAHTFC may elect not to invest in every instrument the Act allows. See Note 2 for the policy's provisions on deposit and investment risk.

San Antonio Housing Trust Finance Corporation
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

Revenue Recognition

SAHTFC's operating revenues consist primarily of fees earned in connection with the conduit bonds it issues (see Note 4):

- Application fees are paid by developers or borrowers when they apply for bond financing. They are nonrefundable and are recognized as revenue when received.
- Issuer (closing) fees are charged at bond closing and are recognized when the bonds are issued.
- Annual issuer fees are charged each year on the outstanding principal of each bond issue. They are recognized in the period to which they relate, and only while the related bonds remain outstanding. No annual issuer fee is earned or recognized after a bond is redeemed or paid in full.
- Developer fees are recognized when SAHTFC's right to the fee is established under the related development agreement. Fees whose payment is deferred and contingent on project cash flow are recognized when they are realizable and collectible.

Interest on program loans is recognized as operating revenue as it accrues under the terms of each note, except where the note provides that interest does not accrue.

Program Loans and Forgivable Loans

SAHTFC makes loans to nonprofit and other housing providers to further its affordable-housing purpose. Because these loans are part of SAHTFC's principal ongoing operations, loan disbursements and collections are reported as operating activities in the statement of cash flows. Notes receivable are reported at their unpaid principal balance, less any allowance for uncollectible amounts. Management evaluates collectability annually based on the borrower's compliance, payment history, project cash flow and the underlying collateral.

Some loans provide for principal to be forgiven on scheduled dates, provided the borrower remains in compliance with the loan agreement. These forgivable loans are reported as notes receivable until forgiveness occurs. Principal forgiven is recognized as housing program expense in the period it is forgiven. If management determines that forgiveness of an amount is probable before its scheduled date, or that an amount will not be collected, that amount is recognized as an expense, with an allowance against the note, in the period that determination is made.

San Antonio Housing Trust Finance Corporation
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

Implementation of New Accounting Pronouncements

For the year ended September 30, 2025, SAHTFC applied the error-correction provisions of GASB Statement No. 100, Accounting Changes and Error Corrections, effective for fiscal years beginning after June 15, 2023, in restating beginning net position (see Note 8).

Pronouncements Issued but Not Yet Effective

- GASB Statement No. 103, Financial Reporting Model Improvements, is effective for SAHTFC's fiscal year ending September 30, 2026. It revises MD&A requirements, defines operating and nonoperating revenues and expenses, and replaces extraordinary and special items with unusual or infrequent items.
- GASB Statement No. 104, Disclosure of Certain Capital Assets, is effective for SAHTFC's fiscal year ending September 30, 2026.
- GASB Statement No. 105, Subsequent Events, is effective for SAHTFC's fiscal year ending September 30, 2027.

Management is evaluating the effect of these Statements.

Note 2 – Deposits and Investments

SAHTFC's deposits are held at Frost Bank in an account titled in the name of San Antonio Housing Trust Foundation, Inc. ("SAHTF"), a related party (see Note 5), and designated as the Finance Corporation account. The funds are used solely for SAHTFC's operations and are reported as SAHTFC’s.

At September 30, 2025, the carrying amount of SAHTFC's deposits was $799,807 and the bank balance was $799,807. Of the bank balance, $250,000 was covered by federal depository insurance provided to SAHTF as depositor. The remaining $549,807 was collateralized with a security with a market value of $750,642 that Frost Bank designated for SAHTFC's account. The security is held by the pledging bank's agent, the Bank of New York, under a pledge in the name of SAHTF and not in the name of SAHTFC. Accordingly, the uninsured bank balance of $549,807 was exposed to custodial credit risk.

San Antonio Housing Trust Finance Corporation
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Note 2 – Deposits and Investments (continued)

Investment Policy

SAHTFC invests under the SAHT Investment Policy, adopted jointly with SAHTF and San Antonio Housing Trust Public Facility Corporation, and under the Texas Public Funds Investment Act. The policy permits investments in U.S. government and agency obligations, highly rated municipal obligations, insured or collateralized certificates of deposit, repurchase agreements, highly rated money market and mutual funds, and eligible investment pools.

The policy addresses each risk as follows:

- *Interest rate risk:* it emphasizes maturities of 3 months to 2 years and permits terms of up to 5 years.
- *Credit risk:* it sets minimum credit ratings for non-government obligations.
- *Concentration of credit risk:* it has no single-issuer limit, other than limits on mutual funds and CDARS deposits.
- *Custodial credit risk:* it requires delivery-versus-payment settlement to a custodian bank.

Investments. At September 30, 2025, SAHTFC held one U.S. Treasury note with a fair value of $495,488, maturing December 31, 2025, with a weighted average maturity of 0.25 years.

- Because U.S. Treasury securities are explicitly guaranteed by the U.S. government, they are exempt from the credit-quality and concentration-of-credit-risk disclosures.
- The note is held by Frost Bank Custody Services in SAHTFC's name and is not exposed to custodial credit risk.

See Note 7 for fair value measurements

San Antonio Housing Trust Finance Corporation
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Note 3 - Note Receivable & Interest Receivable

Notes receivable at September 30, 2025 consisted of the following:

Borrower / Project	Original Principal	Interest Rate	Maturity	Balance
Rio Lofts, Ltd. – Rio Lofts	$ 500,000	3.00%	December 1, 2048	$500,000
TG 301, Inc. d/b/a Sutton Square Duplexes (deferred forgivable loan)	500,000	2.00%	October 1, 2035	500,000
Merced Housing Texas – Elmhurst Place Apartment Homes	440,650	1.00%	August 15, 2050	440,650
Total notes receivable	$ 1,440,650			$1,440,650
Less: allowance for uncollectible notes				—
Notes receivable, net				**$1,440,650**

Interest receivable at September 30, 2025 consisted of the following:

Borrower/Project	FY 2025 Interest Income	Interest Receivable
Rio Lofts, Ltd	$15,000	$110,014
Sutton Square	$2,027	$2,027
Total	$17,027	$112,041

Rio Lofts, Ltd.

A loan agreement was entered in with Rio Lofts, Ltd. on May 31, 2018 in which SAHTFC loaned $500,000 to be used to acquire, construct and operate land and improvements. This note is collateralized by deeds of trust on the properties and is payable from 50% of the distributable net cash flow of the partnership and no payments on this note have been received by SAHTFC. Annual interest rate on the note is 3% per annum due on maturity date of December 1, 2048 or prior redemption; under this loan agreement, interest income of $15,000 was accrued for FY 2025, and interest receivable as of September 30, 2025, is $110,014. Accordingly, this interest receivable balance and the note receivable balance of $500,000 are reported as noncurrent on the accompanying Statement of Net Position.

San Antonio Housing Trust Finance Corporation
(A Component Unit of the City of San Antonio, Texas)

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Note 3 - Note Receivable & Interest Receivable (continued)

Sutton Square Duplexes

In July 2025, the Corporation awarded a $500,000 deferred forgivable loan to TG 301, Inc. d/b/a Sutton Square Duplexes, a 501(c)(3) nonprofit affiliate of Housing and Community Services, Inc. d/b/a Prospera Housing Community Services, to fund interior and exterior renovations of the 30-unit Sutton Square Duplexes, including housing stability, climate resiliency, weatherization, and accessibility improvements. The note bears simple interest at 2% per annum and has a ten-year term maturing October 1, 2035. One-tenth of the original principal ($50,000) is forgiven on each October 1 beginning October 1, 2026. Interest is computed on the declining principal balance and totals $55,000 over the term. The note was amended effective December 16, 2025, and under the amendment monthly interest payments begin October 1, 2026 rather than October 1, 2025. The amendment left all other terms unchanged. Interest receivable of $2,027 was accrued at September 30, 2025. Because no payments are due until October 1, 2026, the accrued interest is reported as noncurrent. If the SAHTFC terminates the agreement for any reason, the borrower must repay all sums due within 45 days of termination. The agreement also contains a cross-default provision covering the borrower's other Trust-related loans and grants. The loan is not secured by a lien on the property. Forgiven principal is recognized as housing program expense in the period in which forgiveness occurs.

Elmhurst Place Apartment Homes

In August 2025, the SAHTFC made a $440,650 loan to Merced Housing Texas for the renovation of the 23-unit Elmhurst Place Apartment Homes, which serve households earning 30% to 80% of area median income. The loan bears simple interest at 1% per annum over a 25-year term. Repayment of principal and interest is deferred for the first five years, during which no interest accrues. Beginning in year six, the borrower is required to make monthly payments of $1,661, with the remaining outstanding principal due at maturity on August 15, 2050. The loan proceeds are being used to retire the borrower's existing HUD-insured mortgage with Berkadia Commercial Mortgage, and the SAHTFC is subrogated to that lender's lien priority and security interest under a promissory note and deed of trust dated August 15, 2025. During the deferral period, the borrower is required to fund a replacement reserve in an amount equal to the monthly debt service payment.

Scheduled Collections and Forgiveness

Scheduled principal reductions on the notes receivable begin after September 30, 2026, so none are due within one year. The full $1,440,650 notes balance and the $110,014 interest receivable on the Rio Lofts note are therefore reported as noncurrent. Rio Lofts principal and interest are payable from 50% of the partnership's net cash flow, with any unpaid balance due at maturity. Because those payments can't be estimated, the Rio Lofts balance is presented at maturity. Scheduled principal reductions are as follows:

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NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Note 3 - Note Receivable & Interest Receivable (continued)

Fiscal Year Ending September 30	Sutton Square (Scheduled Forgiveness)	Elmhurst (Principal Collections)	Rio Lofts (Principal Due)	Total
2026	$ —	$ —	$ —	$ —
2027	50,000	—	—	50,000
2028	50,000	—	—	50,000
2029	50,000	—	—	50,000
2030	50,000	1,294	—	51,294
2031–2035	250,000	79,633	—	329,633
2036–2040	50,000	83,714	—	133,714
2041–2045	—	88,005	—	88,005
2046–2050	—	188,004	500,000	688,004
Total	**$ 500,000**	**$ 440,650**	**$500,000**	**$ 1,440,650**

The Rio Lofts note is secured by a deed of trust, security agreement and assignment of rents and leases on the project. That lien is subordinate to the senior mortgage lender. The note is non-recourse to the partnership and its partners.

Management evaluates the collectability of notes receivable based on borrower compliance, the underlying collateral, and payment history. No allowance for uncollectible notes was considered necessary at September 30, 2025.

Note 4 - Conduit Debt

SAHTFC is authorized by the City of San Antonio under the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, to issue single-family and multi-family mortgage revenue bonds. The bonds finance affordable residential housing within the City of San Antonio. Proceeds are loaned to, or used for the benefit of, third-party obligors: multi-family developers and owners, and single-family mortgage programs. These bonds are conduit debt obligations as defined by GASB Statement No. 91, *Conduit Debt Obligations*. Each bond is payable solely from the revenues and receipts of the residential development or mortgage loans it finances, and from any related trust estate held by a trustee.

Limited commitment. SAHTFC's commitment for all of its conduit debt obligations is limited to maintaining the bonds' tax-exempt status. SAHTFC has no obligation for the bonds beyond the resources provided by the related third-party obligors. The bonds do not constitute a debt or pledge of the faith and credit of SAHTFC, the City of San Antonio, or the State of Texas. They are not reported as liabilities in the accompanying financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Note 4 - Conduit Debt (continued)

Additional and voluntary commitments. SAHTFC has not extended any additional commitments, such as guarantees, moral obligation pledges or liquidity support. It has not made any voluntary commitment to support debt service on its conduit debt obligations. Accordingly, no liability related to conduit debt obligations has been recognized.

Aggregate outstanding principal. All of SAHTFC's conduit debt obligations carry only the limited commitment described above. Their aggregate outstanding principal at September 30, 2025 was $338,380,129.

SAHTFC earns application and annual issuer fees on its conduit debt obligations. These fees stop when the related bonds are redeemed or paid in full.

Note 5 - Related Party Transactions

SAHTFC, San Antonio Housing Trust Foundation, Inc. ("SAHTF") and San Antonio Housing Trust Public Facility Corporation (“SAHTPFC”) shared the same Executive Director during the year ended September 30, 2025. SAHTFC pays SAHTF 25% of revenues to administer their programs. During FY 2025, SAHTFC paid administrative fees in the amount of $49,624 to SAHTF. SAHTFC is reporting an amount due to the SAHTF in the amount of $50,055 and $9,660 due from SAHTPFC at year-end.

San Antonio Housing Trust Finance Corporation
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NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Note 6 – Subsequent Events

Management has evaluated subsequent events through October 15, 2026, which is the date the financial statements were available to be issued and noted the following:

- On December 1, 2025, the board approved a resolution to modify the bond documents relating to the San Antonio Housing Trust Finance Corporation Multifamily Housing Revenue Bonds (Landing Apartments Project) Series 2006 to change the interest rate as applicable to such bonds; authorizing the execution of any documents in connection therewith; and other matter in connection therewith.

Note 7 – Fair Value Measurements

SAHTFC categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset:

- Level 1 inputs are quoted prices in active markets for identical assets.
- Level 2 inputs are significant other observable inputs.
- Level 3 inputs are significant unobservable inputs.

At September 30, 2025, SAHTFC had the following recurring fair value measurements:

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury Securities	$495,488	X		

U.S. Treasury notes are valued using quoted market prices (Level 1). The fair value shown excludes accrued interest of $469, which is reported as accrued interest receivable. There were no changes in valuation techniques during the year.

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NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Note 8 – Restatement of Beginning Net Position (Error Correction)

During the year ended September 30, 2025, SAHTFC found that annual issuer fee invoices had been recorded in its accounting system for conduit bonds that were redeemed before the invoices were created. SAHTFC earns annual issuer fees only while the related bonds are outstanding, so no fees were owed on the redeemed bonds. As a result, accounts receivable – annual issuer fees and annual issuer fee revenue were overstated in fiscal years ended September 30, 2023 and 2024.

SAHTFC corrected the error by restating beginning net position for the cumulative effect of the overstatement, as required by GASB Statement No. 100, *Accounting Changes and Error Corrections*. The line items affected are accounts receivable – annual issuer fees on the statement of net position and annual issuer fees and application fees on the statement of revenues, expenses and changes in net position.

The effect of the correction on beginning net position is as follows:

Net position, October 1, 2024, as previously reported	$2,721,426
Error correction – issuer fees billed on redeemed bonds	(54,360)
Net position, October 1, 2024, as restated	$2,667,066

The correction reduced accounts receivable – annual issuer fees at October 1, 2024 from $62,760, as previously reported, to $8,400, as restated. The error overstated the change in net position for the year ended September 30, 2024 by $28,800. The remaining $25,560 relates to periods before October 1, 2023.

Note 9 – Risk Management

SAHTFC is exposed to various risks of loss related to errors and omissions; directors' and officers' liability; theft of, damage to, or destruction of assets; and general liability. SAHTFC has no employees; its operations are administered by SAHTF under an administrative agreement (see Note 5). SAHTFC is covered under commercial insurance policies maintained by SAHTF for directors' and officers' liability, general liability and crime/fidelity. There were no significant reductions in insurance coverage from the prior year. Settled claims have not exceeded insurance coverage in any of the past three fiscal years.

RESOLUTION NO. FC26-1023-04

A RESOLUTION OF THE SAN ANTONIO HOUSING TRUST FINANCE CORPORATION APPROVING THE FISCAL YEAR 2025 ANNUAL AUDIT; AFFIRMING COMPLIANCE WITH APPLICABLE STATUTORY AND FINANCIAL REPORTING REQUIREMENTS; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the San Antonio Housing Trust Finance Corporation (sometimes the "SAHT-FC") was formed by the City of San Antonio in 1997 to act as a financial pass-through entity to issue bonds to provide lower-than-market-rate financing for affordable single and multi-family housing; and

WHEREAS, as a recipient of public funds, the SAHT-FC is required to maintain accurate financial records and operate in a manner that promotes transparency, accountability, and responsible stewardship of public resources; and

WHEREAS, in accordance with generally accepted accounting principles ("GAAP") and standard nonprofit governance practices, the SAHT-FC obtains an annual independent audit of its financial statements; and

WHEREAS, the SAHT-FC engaged **Leal Carter, PC** (the "Auditor"), a {certified public accounting firm}, to conduct an independent audit of the SAHT-FC's financial statements for the fiscal year ending September 30, 2025, in accordance with generally accepted auditing standards ("GAAS"); and

WHEREAS, the Auditor has completed the Fiscal Year 2025 audit and presented the audited financial statements and the Auditor's report (collectively, the "FY 2025 Audit") to the Board of Directors; and

WHEREAS, the SAHT-FC Board has reviewed the FY 2025 Audit, including the Auditor's findings, notes, and recommendations, and finds that the FY 2025 Audit satisfies the SAHT-FC's legal financial reporting obligations; and

WHEREAS, the SAHT-FC Board desires to formally approve the FY 2025 Audit and affirm the SAHT-FC's continued compliance with applicable financial, statutory, and governance requirements.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO HOUSING TRUST FINANCE CORPORATION THAT:

Section 1. The Board hereby approves the Fiscal Year 2025 annual audit of the SAHT-FC, as presented by **Leal Carter, PC**, and accepts the Auditor's report as an accurate and complete representation of the SAHT-FC's financial condition for the fiscal year ending September 30, 2025.

Section 2. The SAHT-FC Board affirms that the completion and approval of the FY 2025 Audit satisfies the SAHT-FC's obligations under applicable GAAP and GAAS standards; and the SAHT-FC's internal financial reporting requirements.

Section 3. The Executive Director is authorized to take all actions necessary to implement this Resolution, including submission or distribution of the FY 2025 Audit to any governmental authorities requiring such documentation.

Section 4. If any section, subsection, clause, phrase or provision of this Resolution, or any application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void, or unconstitutional, the remaining sections, subsections, clauses, phrases and provisions of this Article, or any application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

Section 5. That it is officially found, determined and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

Section 6. This Resolution shall take effect immediately from and after its passage and the publication of the caption hereof, as provided by law.

PASSED and APPROVED on this the_____day of October 2026.

SIGNED:

_____
Jane Paccione, President

ATTEST:

_____
Jordan Ghawi, Secretary