

Missouri Housing Development Commission
Key Financial Information as of December 31, 2009

REVISED

Financial Ratio Analysis

PROFITABILITY ¹					
S&P Profitability Measures	FY 2010	FY 2010 Revised Budget	5-year average	2009	2008
Return on Average Assets (1% Strategic Plan target)	(0.38)	(0.35)	0.62	0.73	0.96
Return on average assets, excluding subsidy programs & spec. initiatives	0.49	0.58	0.88	0.79	1.04
Return on Assets before Loan Loss Provision and Extraordinary item	(0.36)	(0.33)	0.63	0.73	0.98
Return on assets before loan loss provision and extraordinary item, excluding subsidy programs & special initiatives	0.46	0.60	0.88	0.79	1.06
Return on Average Equity (4% Strategic Plan target)	(1.60)	(1.43)	2.88	3.06	4.14
Net interest margin	0.51	0.83	0.97	0.84	1.09

ASSET QUALITY (%)	FY 2010	FY 2010 Revised Budget	5-year average	2009	2008
Non-performing assets / Total Loans and real estate owned	0.023	0.039	0.020	0.037	0.016
Loan Loss Reserves / Total Loans and MBS	2.67	2.77	2.45	2.67	2.52
Loan Loss Reserves/Risk-Share Loans and Non-Performing Assets	24.34	27.59	22.91	27.01	26.42

LEVERAGE (%)	FY 2010	FY 2010 Revised Budget	5-year average	2009	2008
Total Equity / Total Assets	22.55	24.59	22.49	24.35	23.41
Total Equity and Reserves / Total Loans and MBS	36.67	36.61	33.62	35.84	32.54

Five Year Average Financial Ratios (2003-2007)				
MHDC	All 'AA+' HFAs	All 'AA' HFAs	All 'AAA' HFAs	All HFAs
0.77	1.17	0.94	1.24	0.82
0.85	1.25	1.12	1.25	0.92
1.04	1.71	1.63	2.49	1.34

MHDC	All 'AA+' HFAs	All 'AA' HFAs	All 'AAA' HFAs	All HFAs
0.02	1.27	4.28	2.49	2.52
2.10	1.20	3.20	4.58	1.91

MHDC	All 'AA+' HFAs	All 'AA' HFAs	All 'AAA' HFAs	All HFAs
20.95	22.61	20.37	27.81	16.79
31.46	34.82	32.52	40.10	26.68

NOTES

1. MHDC's profitability ratios have historically been lower than other AA+ and AA rated housing finance agencies. This trend is reflective of the limited risk profile of MHDC's asset base. FY 2010 negative profitability ratios are a result of special initiative programs budgeted at \$20.0 million in total. Projected results include these special initiative programs.