



**DELAWARE VALLEY REGIONAL
FINANCE AUTHORITY**

Activity Report
for the Quarter Ended
June 30, 2025

(Unaudited)

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**DELAWARE VALLEY REGIONAL FINANCE AUTHORITY
BUCKS, CHESTER, DELAWARE, AND MONTGOMERY COUNTIES, PENNSYLVANIA**

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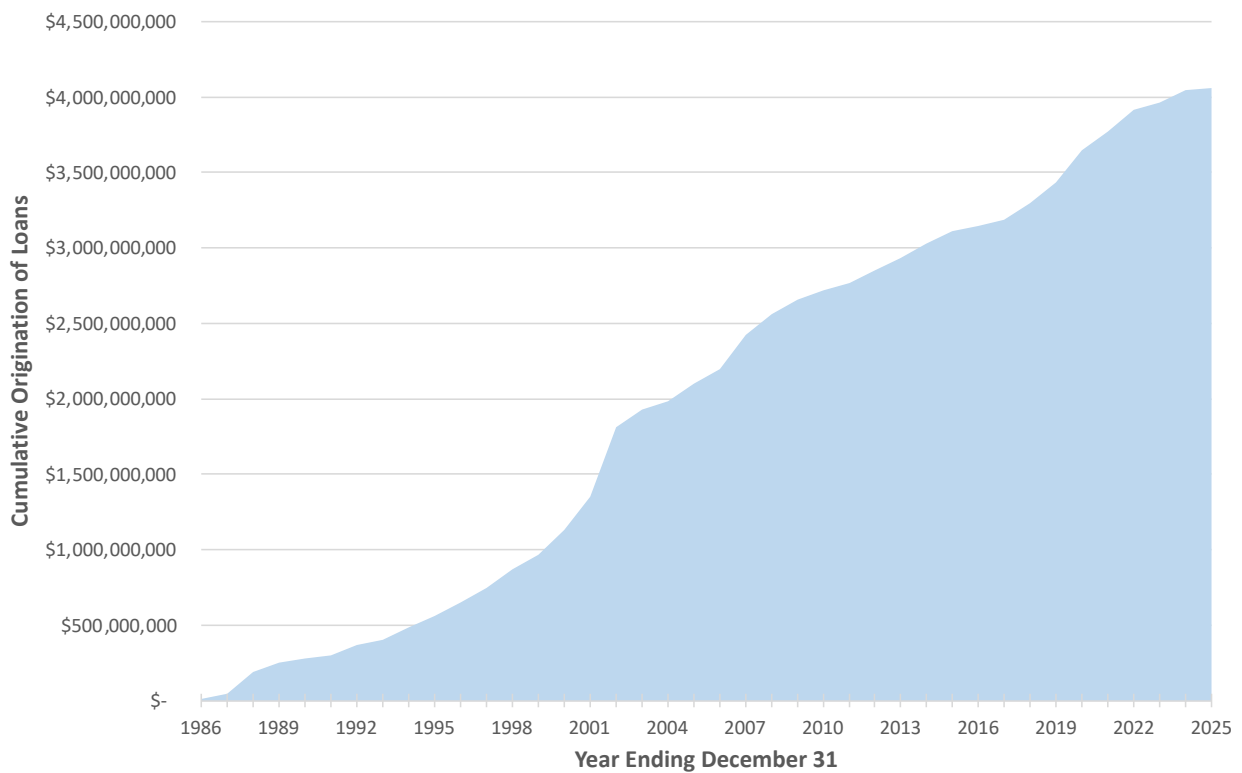


DELAWARE VALLEY REGIONAL FINANCE AUTHORITY

INTRODUCTION

Bucks, Chester, Delaware, and Montgomery Counties, Pennsylvania (the “Counties”) formed the Delaware Valley Regional Finance Authority (“DelVal”) under the provisions of the Pennsylvania *Municipality Authorities Act* (the “*Authorities Act*”) on December 23, 1985. The Counties created DelVal to provide loans for capital projects (the “Loan Program”) to political subdivisions (each a “Political Subdivision”) in Pennsylvania, created and organized under Pennsylvania statutes (collectively, “Commonwealth Law”), including: (i) townships, boroughs, cities, school districts, and counties (each a “Local Government Unit”), (ii) authorities (each an “Authority”) created under the *Authorities Act* or other Commonwealth Law by or on behalf of one or more Local Government Units or the Commonwealth of Pennsylvania (the “Commonwealth”), and (iii) other Political Subdivisions created under Commonwealth Law by or on behalf of one or more Local Government Units or the Commonwealth. DelVal has originated 636 loans (each a “Loan”) with an aggregate principal amount of \$4.06 billion to 214 different Political Subdivisions (each a “Participant”) in 16 counties of Pennsylvania since its creation in 1985.

Cumulative Loans Originated since 1985



Source: Calhoun Baker Inc.

Each Loan to a Local Government Unit must be secured by the pledge of its full faith, credit, and taxing power as provided in the Pennsylvania *Local Government Unit Debt Act* (the “*Debt Act*”). DelVal may also require a Loan to a Local Government Unit to be additionally secured by a financial guaranty policy (each a “Participant Credit Enhancement”) with DelVal as the beneficiary issued by an insurer (each a “Participant Credit Enhancer”) rated “AA-” or higher by S&P Global Ratings (“S&P”) or “Aa3” or higher by Moody’s Investors Service (“Moody’s”).

Each Loan to an Authority or other Political Subdivision must meet at least one of the following conditions: (i) rated “Aa3” or higher by Moody’s or “AA-” or higher by S&P, (ii) secured by a guaranty (each a “Guaranty”) with the pledge of the full faith, credit, and taxing power of the Commonwealth or one or more Local Government Units, (iii) secured by a Participant Credit Enhancement, or (iv) secured by a written agreement (a “Security Agreement”) with the Commonwealth or one or more Local Government Units that agree to pay all amounts necessary to enable the Participant to repay the Loan. In addition, any Loan to an Authority or other Political Subdivision not secured by a Guaranty, Security Agreement, or Participant Credit Enhancement must include a covenant by the Participant to secure a Guaranty, Security Agreement, or Participant Credit Enhancement if its rating is reduced below “Aa3” by Moody’s or “AA-” by S&P. DelVal has covenanted to restrict Loans to Authorities or other Political Subdivisions that are not secured by a Guaranty, Security Agreement, or Participant Credit Enhancement to an aggregate principal amount not in excess of 20% of the total funding for Loan origination at the time the Loan is originated. Currently, all Loans to Authorities and other Political Subdivisions are secured by a Guaranty, Security Agreement, or Participant Credit Enhancement.

The governing body of DelVal consists of a Board of Directors (the “Board”) of five members appointed by the Counties. Each year, one of the Counties appoints a member to a five-year term. The Board meets monthly.

Board of Directors

| <u>Member</u> | <u>Office</u> | <u>Appointed by:</u> | <u>Term Expires*</u> |
|---------------------------|---------------------|----------------------|----------------------|
| Robert J. Harvie | Chairman | Bucks County | 2030 |
| David E. Landau, Esq. | Vice Chairman | Delaware County | 2027 |
| Anand Solanki | Secretary | Chester County | 2028 |
| David A. Nasatir, Esq. | Treasurer | Montgomery County | 2029 |
| Gregory C. McCarthy, Esq. | Secretary/Treasurer | Bucks County | 2026 |

*Terms expire on the second Monday of January.

Source: Calhoun Baker Inc.

The Board oversees the operations of DelVal and appoints the Administrator, the Solicitor, the Bond Counsel, and the trustees (collectively, the “Trustee”) of the DelVal bond issues to conduct the Loan Program. The Administrator, Calhoun Baker Inc., is responsible for the credit review and approval of Loan applications, the investment of DelVal’s funds, the calculation of the Loan rates, the management of debt issuance, and the execution of interest rate swap transactions. The Solicitor, Carmen P. Belefonte, Esq., directs DelVal’s legal affairs. Bond Counsel (principally, Eckert Seamans Cherin & Mellott, LLC) renders opinions related to the issuance of bonds, the execution of interest rate swap agreements, and the closings of Loans. Computershare Corporate Trust, as co-Trustee, invoices and collects the Loan repayments, principally through Automated Clearing House (“ACH”) debits of the Participants’ demand deposit accounts. TD Bank, N.A. (“TD”), as Trustee, holds all DelVal funds and makes all disbursements. Each disbursement must be authorized by the Board and directed by the Administrator.

Loans from DelVal are limited to funding capital projects permitted under the *Debt Act*, the *Authorities Act*, or other Commonwealth Law. DelVal’s charter prohibits any Loan that would constitute a

“Tax and Revenue Anticipation Note” under the *Debt Act* and any Loan to health or higher education institutions. The Board of DelVal and the Administrator must approve any new Loan. Generally, the Administrator requires any Participant, Guarantor, or Security Provider that does not have a published rating, applying for a Loan of \$1,000,000 or more, to secure a published rating of the Loan of “A-”, “A3”, or higher or a commitment of a Participant Credit Enhancement.

The primary objectives of the Loan Program are to:

- 1) Provide funding with a lower all-in true interest cost (taking into consideration costs of issuance, interest costs, and annual administrative costs) than the Participants could achieve on their own,
- 2) Offer variable rate and fixed rate funding options, and
- 3) Improve the ability and flexibility of Participants to manage their debt.

DelVal issues bonds or notes (collectively, the “DelVal Series”), from time to time, generally in aggregate principal amounts greater than \$100 million in order to fund multiple Loans. By issuing in large principal amounts, DelVal realizes lower costs of issuance than would have been realized if each of the Participants issued a separate bond issue. When Loans are repaid, the repayments are used to originate new Loans. This revolving loan structure further reduces the necessity to issue new series of bonds and the incurrence of new costs of issuance to fund the new Loans. Eleven series issued by DelVal, in the aggregate par amount of \$1,126,645,000, were outstanding as of June 30, 2025:

- 1) \$11,660,000 Local Government Revenue Bonds, 1997 Series B and C (the “1997 B Series” and “1997 C Series”, respectively, and collectively, the “1997 Series”),
- 2) \$179,885,000 Local Government Revenue Bonds, 1998 Series A (the “1998 Series”),
- 3) \$125,000,000 Local Government Revenue Bonds, 2002 Series C (the “2002 Series”),
- 4) \$110,000,000 Local Government Revenue Bonds, 2007 Series A, B and C (the “2007 A Series”, “2007 B Series”, and “2007 C Series”, respectively, and collectively, the “2007 Series”),
- 5) \$10,000,000 Local Government Revenue Bonds, 2018 Series A (the “2018 A Series”),
- 6) \$75,000,000 Local Government Revenue Bonds, 2020 Series D (the “2020 D Series”),
- 7) \$45,000,000 Local Government Revenue Bonds, 2021 Series A (the “2021 A Series”),
- 8) \$155,000,000 Local Government Revenue Bonds, 2022 Series A, B and C (the “2022 A Series”, “2022 B Series”, and “2022 C Series”, respectively, and collectively, the “2022 ABC Series”),
- 9) \$97,000,000 Local Government Revenue Bonds, 2022 Series D and E (the “2022 D Series” and “2022 E Series”, respectively, and collectively, the “2022 DE Series”),
- 10) \$141,030,000 Local Government Revenue Bonds, 2023 Series A (the “2023 A Series”), and
- 11) \$177,070,000 Local Government Revenue Bonds, 2024 Series A and B (the “2024 A Series” and “2024 B Series”, respectively, and collectively, the “2024 Series”).

The 1997 Series, 1998 Series, and 2002 Series (collectively, the “Indenture Series”) were issued under separate indentures with separate trust estates. DelVal executed an agreement in 2001 (the “Covenant Agreement”) to enhance the security of the bondholders by pledging to transfer any excess funds held under any DelVal Series to cure any deficiency under any other DelVal Series. The indentures of all DelVal Series incorporate the Covenant Agreement.

All DelVal Series issued since 2007 and that will be issued in the future (collectively, the “Master Series”) were or will be issued under the Master Trust Indenture and supplemental indentures (collectively, the “Master Indenture”). The Master Series are and will be secured with all other Master Series equally and ratably by all the assets under the trust estate of the Master Indenture.

DelVal has executed interest rate swap transactions to hedge its interest rate and basis risk. DelVal has entered into interest rate swap agreements (collectively, the “Swap Agreement”) with six different counterparties (each a “Counterparty”):

- 1) Bank of America, N.A.,
- 2) Barclays Bank PLC,
- 3) Citibank, N.A.,
- 4) PNC Bank, National Association,
- 5) The Toronto-Dominion Bank, and
- 6) The Royal Bank of Canada.

DelVal has executed interest rate swap transactions related to the DelVal Series (each a “Bond Swap”) to hedge its exposure to changes of fixed interest rates and to basis risk of floating interest rates. Under the Bond Swaps, DelVal pays the Securities Industry and Financial Markets Association (“SIFMA”) Municipal Swap Index (the “SIFMA Index”), and DelVal receives a fixed rate or floating rate with same basis as the related DelVal Series. DelVal’s net cost of funds is equal to the SIFMA Index plus a spread. DelVal also executes interest rate swap transactions that offset the Bond Swaps to hedge the interest rate risk of providing fixed rate Loans (each a “Loan Swap”) requested by Participants. Under these transactions, DelVal receives the SIFMA Index and pays a fixed interest rate that hedges the fixed rate of the Loan. DelVal has also executed swaps to eliminate basis risk of investments (each an “Investment Swap”). Under these transactions, DelVal pays a floating rate with the same basis as the related investment and receives the SIFMA Index.

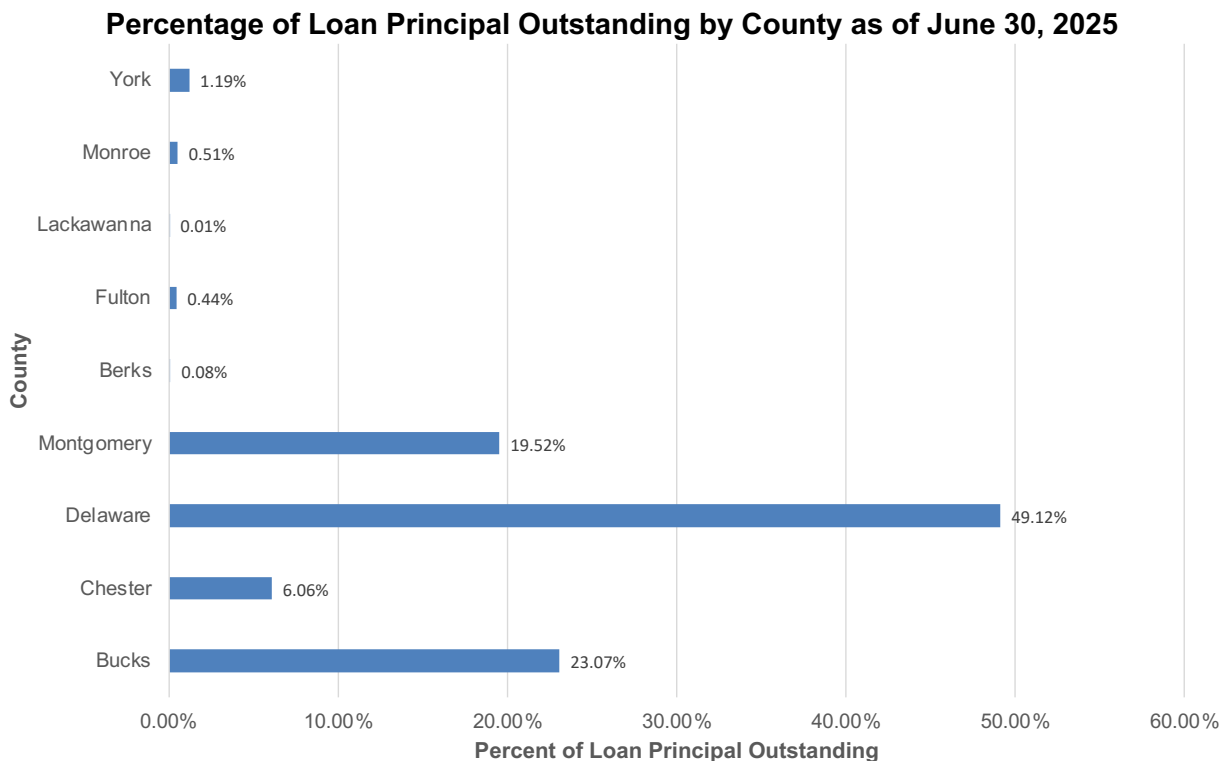
The DelVal Loan rates are set by the Administrator each month at levels sufficient to fund:

- 1) Debt service payments on the DelVal Series,
- 2) Net payments due under the Swap Agreement, and
- 3) Administrative costs and liquidity requirements necessary for the operation of the Loan Program.

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LOAN PORTFOLIO

DelVal has been most active lending within the Counties. The Counties encompass an area of approximately 2,060 square miles and a population of approximately 2.6 million people. More than 420 Political Subdivisions are located within the Counties. As a matter of policy of the Board, DelVal limited its lending activities to Participants located within the Counties until 2002. Then, to provide geographic diversification to its portfolio, DelVal began lending outside the Counties, principally in the eastern half of the Commonwealth. As of June 30, 2025, 224 Loans, in the aggregate principal amount of approximately \$919 million, were outstanding to 97 Participants located in nine different counties. Approximately, 97.765% of the outstanding Loan principal has been originated to Participants located within the Counties.



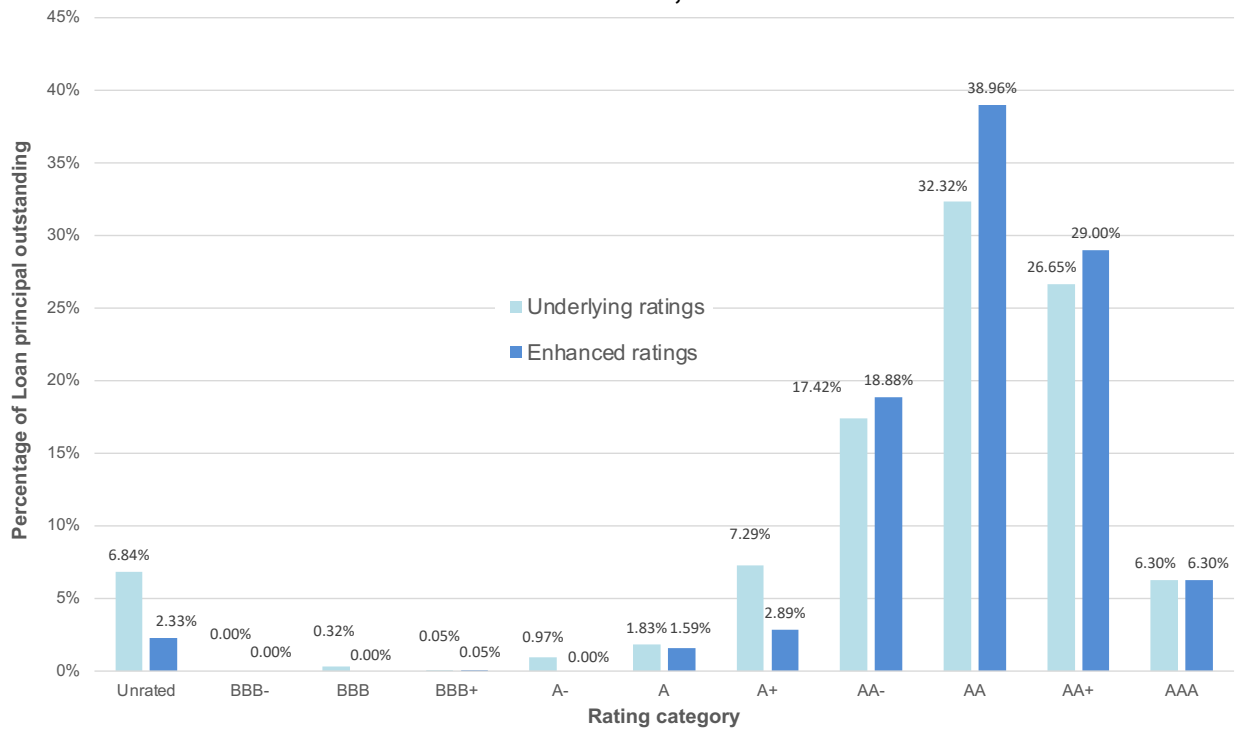
DelVal is the beneficiary of Participant Credit Enhancements issued by Assured Guaranty Inc. (“AG”) and Build America Mutual Company (“BAM”) that secured 13.88% of the Loan principal outstanding as of June 30, 2025. AG is rated “A1” with a stable outlook by Moody’s, “AA” with a stable outlook by S&P, and “AA+” with a stable outlook by Kroll Bond Rating Agency (“Kroll”). BAM is rated “AA” with a stable outlook by S&P.

Loans to school districts benefit from the provisions of the *Public School Code* and the *Debt Act* that authorize an intercept of state funding (the “Intercept”) if any school district fails to make its required debt service payments. The Secretary of Education of the Commonwealth is required to withhold, from any subsidy payment of any type due to the school district by the Commonwealth, an amount equal to the debt service payments owed. The withholding provisions are not part of any contract with DelVal, and future legislation may amend or repeal the provisions of the *Public School Code* or the *Debt Act*. Enforcement may also be limited by bankruptcy, insolvency, or other laws of equitable principles affecting the enforcement of creditors’ rights generally. Currently, Moody’s assigns a rating of “Aa3” to debt issued that is subject to the Intercept.

As of June 30, 2025, approximately 6.84% of the principal of the Loans outstanding was originated to Participants that had no published underlying ratings, and 0.37% of the principal of the Loans outstanding was originated to Participants with published underlying ratings below “A3” or “A-”. Approximately, 82.69% of the Loan principal was originated to Participants with published underlying ratings of “Aa3”, “AA-”, or higher. The median underlying rating is “Aa/AA”.

As of June 30, 2025, taking into consideration the Participant Credit Enhancements and the Intercept, 2.33% of the Loan principal outstanding was unenhanced and unrated, 0.05% was rated below “A3/A-”, and 93.14% was rated “Aa3/AA-” or higher. The median enhanced rating was “Aa2/AA”.

Underlying and Enhanced Ratings of Loan Principal Outstanding as of June 30, 2025

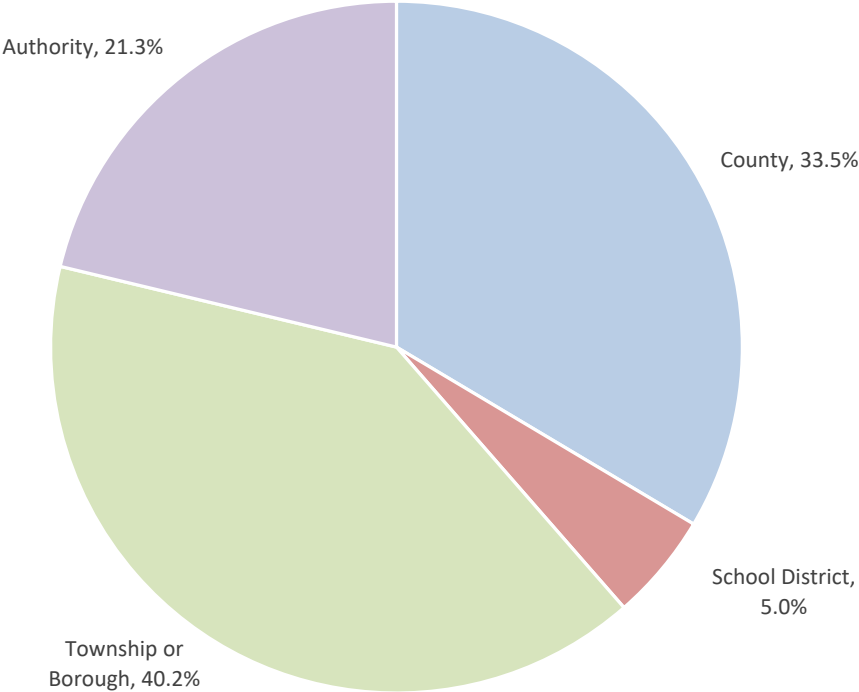


Source: Calhoun Baker Inc.

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The DelVal Loans outstanding are diversified by type of legal entity. A chart with the percentage of Loan principal outstanding by type of Political Subdivision is shown below.

**Percentage of Loan Principal Outstanding
by Type of Political Subdivision as of June 30, 2025**



Source: Calhoun Baker Inc.

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DelVal operates as one Loan Program. Funding for Loans is often split among two or more DelVal Series. Periodically, DelVal assigns Loans from one DelVal Series to another to facilitate the origination of new Loans and to provide for the payment of principal on the DelVal Series. Loans are amortized over a period that approximates the useful life of the projects funded from the Loans. The amortization period cannot exceed the maturity of the related DelVal Series used to fund the Loan. A schedule of the projected annual amortization of the Loans outstanding is set forth below.

Loan Amortization Schedule as of June 30, 2025

| <u>Year</u> | <u>1997 Series</u> | <u>1998 Series</u> | <u>2002 Series</u> | <u>Master Series</u> | <u>Total</u> |
|--------------|---------------------|----------------------|----------------------|-----------------------|-----------------------|
| 2025 | \$ 149,000 | \$ 20,744,000 | \$ 3,855,000 | \$ 16,793,900 | \$ 41,541,900 |
| 2026 | 880,000 | 24,923,000 | 13,115,000 | 49,811,100 | 88,729,100 |
| 2027 | 663,000 | 24,670,000 | 12,237,000 | 48,808,300 | 86,378,300 |
| 2028 | - | 21,338,000 | 12,417,000 | 45,111,600 | 78,866,600 |
| 2029 | - | - | 19,798,000 | 39,983,700 | 59,781,700 |
| 2030 | - | - | 19,941,000 | 40,816,000 | 60,757,000 |
| 2031 | - | - | 13,850,000 | 40,610,000 | 54,460,000 |
| 2032 | - | - | 8,445,000 | 43,296,000 | 51,741,000 |
| 2033 | - | - | - | 45,855,000 | 45,855,000 |
| 2034 | - | - | - | 42,315,000 | 42,315,000 |
| 2035 | - | - | - | 42,176,000 | 42,176,000 |
| 2036 | - | - | - | 38,997,000 | 38,997,000 |
| 2037 | - | - | - | 38,388,000 | 38,388,000 |
| 2038 | - | - | - | 37,242,000 | 37,242,000 |
| 2039 | - | - | - | 32,066,000 | 32,066,000 |
| 2040 | - | - | - | 24,834,000 | 24,834,000 |
| 2041 | - | - | - | 20,761,000 | 20,761,000 |
| 2042 | - | - | - | 17,088,000 | 17,088,000 |
| 2043 | - | - | - | 13,850,000 | 13,850,000 |
| 2044 | - | - | - | 10,616,000 | 10,616,000 |
| 2045 | - | - | - | 8,388,000 | 8,388,000 |
| 2046 | - | - | - | 5,542,000 | 5,542,000 |
| 2047 | - | - | - | 5,714,000 | 5,714,000 |
| 2048 | - | - | - | 2,619,000 | 2,619,000 |
| 2049 | - | - | - | 2,561,000 | 2,561,000 |
| 2050 | - | - | - | 2,517,000 | 2,517,000 |
| 2051 | - | - | - | 2,109,000 | 2,109,000 |
| 2052 | - | - | - | 1,513,000 | 1,513,000 |
| 2053 | - | - | - | 1,153,000 | 1,153,000 |
| Total | \$ 1,692,000 | \$ 91,675,000 | \$103,658,000 | \$ 721,534,600 | \$ 918,559,600 |

| | | | | | |
|------------------------------------|------|------|------|------|------|
| Weighted Average Maturity (years): | 1.20 | 1.41 | 3.77 | 8.86 | 7.53 |
|------------------------------------|------|------|------|------|------|

Source: Calhoun Baker Inc.

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Below is a schedule of the ten Participants with the highest concentration levels of Loans. Delaware County accounts for 29.052% of the Loan principal outstanding, and the ten highest comprise 65.292% of the Loan principal outstanding. A complete listing of the Loans outstanding is attached as “EXHIBIT I: LOANS OUTSTANDING AS OF JUNE 30, 2025”.

**Ten Participants with the Highest Concentration of Loans
as of June 30, 2025**

| <u>No.</u> | <u>Borrower</u> | <u>County</u> | <u>Participant or Guarantor Ratings</u> | | <u>Total Outstanding</u> <u>1-Jul-25</u> | <u>Insured (1)</u> <u>Loan Principal</u> | <u>Concentration</u> | |
|------------|---|---------------|---|----------------|---|---|----------------------|-------------------|
| | | | <u>Moody's</u> | <u>S&P</u> | | | <u>Borrower</u> | <u>Cumulative</u> |
| 1 | Delaware County | Delaware | Aa2 | AA+ | \$ 266,858,000 | \$ - | 29.052% | 29.052% |
| 2 | Bristol Township | Bucks | Aa3 | — | 56,918,000 | - | 6.196% | 35.248% |
| 3 | Bucks County Water and Sewer Authority | Bucks | — | A+ | 49,704,000 | 49,704,000 | 5.411% | 40.659% |
| 4 | Upper Dublin Township | Montgomery | Aa1 | — | 43,877,000 | - | 4.777% | 45.436% |
| 5 | Bucks County | Bucks | Aa1 | AAA | 41,132,400 | - | 4.478% | 49.914% |
| 6 | Delaware County Solid Waste Authority | Delaware | Aa2 | AA+ | 38,871,000 | 620,000 | 4.232% | 54.146% |
| 7 | Lower Perkiomen Valley Regional Sewer Authority | Montgomery | — | AA- | 36,241,000 | - | 3.945% | 58.091% |
| 8 | Hatfield Township | Montgomery | — | AA | 23,190,000 | - | 2.525% | 60.616% |
| 9 | Marple Township | Delaware | — | AA | 22,180,000 | - | 2.415% | 63.030% |
| 10 | Aston Township | Delaware | — | AA- | 20,773,000 | - | 2.261% | 65.292% |

Source: Calhoun Baker Inc.

COVENANT AGREEMENT

The Covenant Agreement was adopted on April 9, 2001, and amended and restated on August 3, 2009, to improve the security of the bondholders of the DelVal Series. Under the terms of the Covenant Agreement, DelVal pledges to use, in accordance with the provisions of each Trust Indenture, any available unrestricted funds (the “Excess Funds”) to cure any deficiency in any trust estate. The Excess Funds may only be used to benefit the Loan Program to:

- 1) Replenish any deficiency of a debt service reserve fund or
- 2) Pay any debt service payments, interest rate swap payments, administrative expenses, and interest rate swap termination payments.

Below is a schedule of the annual trend of Excess Funds. The Statement of Excess Funds differs from the Balance Sheet in that the amortization of non-cash items (such as original issue premium and bond insurance premiums) are not included. Investments and restricted investments are shown at their fair market values, and bonds and Loans are shown at their par amounts. The Recycling Funds, the funds held by DelVal to originate new Loans, were over-collateralized by approximately \$50.0 million as of June 30, 2025. The fair market values of DelVal’s interest rate swap transactions, as of December 31 of each year, are also shown on the schedule, but they are not included in the calculation of Excess Funds.

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**Comparative Statement of Excess Funds Available to
Transfer to Any Trust Estate in the Event of a Deficiency
for the Years Ended December 31**

| | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|---|-----------------------|----------------------|-----------------------|----------------------|----------------------|
| <i>Assets</i> | | | | | |
| Cash and cash equivalents | \$ 55,208,582 | \$ 52,947,186 | \$ 121,111,001 | \$ 158,507,845 | \$ 155,545,465 |
| Restricted cash and cash equivalents | 40,513,000 | 55,706,000 | 57,622,000 | 53,323,000 | 51,085,500 |
| Investments | - | 1,247,212 | - | - | - |
| Restricted investments | 34,137,078 | 20,696,575 | 20,893,580 | 21,566,300 | 21,752,814 |
| Loan interest receivable | 339,657 | 340,788 | 1,087,379 | 374,125 | 410,747 |
| Interest rate swaps receivable | 5,167,042 | 5,154,005 | 5,964,041 | 5,901,607 | 5,728,853 |
| Investment earnings receivable | 68,321 | 40,896 | 255,686 | 358,249 | 415,461 |
| Prepaid expenses | 77,964 | 92,733 | 180,952 | 141,828 | 149,700 |
| Loans to local governments | <u>973,003,500</u> | <u>1,016,168,000</u> | <u>1,048,570,800</u> | <u>975,138,300</u> | <u>960,461,600</u> |
| Total assets | <u>1,108,515,144</u> | <u>1,152,393,395</u> | <u>1,255,685,439</u> | <u>1,215,311,254</u> | <u>1,195,550,140</u> |
| <i>Liabilities and Deductions</i> | | | | | |
| Accrued expenses | 43,473 | 11,472 | 37,555 | 25,856 | 35,833 |
| Estimated rebate liability | 150,000 | 200,000 | 400,000 | 400,000 | 600,000 |
| Interest rate swaps payable | 183,778 | 43,844 | 1,364,417 | 1,049,334 | 766,411 |
| Bond interest payable | 11,077,822 | 11,295,759 | 13,287,699 | 14,037,942 | 13,070,560 |
| Bonds payable | <u>1,053,000,000</u> | <u>1,098,000,000</u> | <u>1,200,000,000</u> | <u>1,149,380,000</u> | <u>1,126,645,000</u> |
| Total liabilities | <u>1,064,455,073</u> | <u>1,109,551,075</u> | <u>1,215,089,671</u> | <u>1,164,893,132</u> | <u>1,141,117,804</u> |
| <i>Excess Funds</i> | <u>\$ 44,060,071</u> | <u>\$ 42,842,320</u> | <u>\$ 40,595,768</u> | <u>\$ 50,418,122</u> | <u>\$ 54,432,336</u> |
| <i>Fair Market Value of Interest Rate Swap Transactions</i> | | | | | |
| | <u>\$ 110,484,725</u> | <u>\$ 99,334,725</u> | <u>\$ 130,802,459</u> | <u>\$ 95,496,833</u> | <u>\$ 93,885,802</u> |

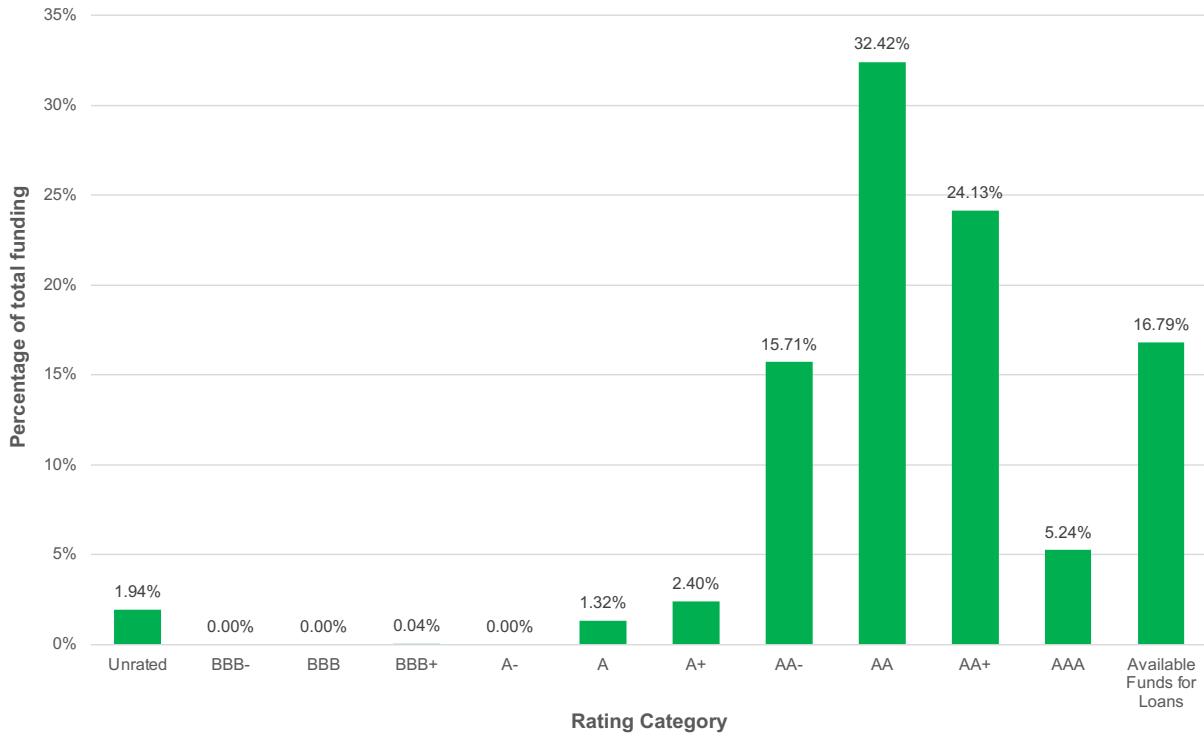
Source: Calhoun Baker Inc.

The Covenant Agreement requires the Participant (or its Guarantor or Surety Provider) of a new Loan, not secured by a Participant Credit Enhancement, to have a published rating of “A3” or “A-” or higher (the “Rating Threshold”) unless the proportion of (i) the principal amounts of uninsured and unrated Loans outstanding plus the principal amounts of Loans to Participants (or their Guarantors or Surety Providers) that are rated below the Rating Threshold to (ii) the total DelVal funds available to originate Loans (the “Loan Funds”) will not exceed 10% (the “Ratings Test”). The Ratings Test gives equal weight to the ratings of the rating agencies. If the Participant, Guarantor, or Surety Provider has only one published rating, the analysis gives full weight to the published rating. If a Loan is enhanced, the analysis gives full weight to the higher of the rating of: (i) the Participant Credit Enhancement or Intercept and (ii) the underlying rating of the Participant, Guarantor, or Surety Provider.

Below is a chart that shows the Ratings Test as of June 30, 2025. The chart shows the percentage of the Loan principal outstanding in each rating category. Approximately, 1.98% of the Loan Funds were committed to Participants that were uninsured and unrated or rated below the Rating Threshold. The “Available Funds” are deposits in the Recycling Funds that are available to originate new Loans.

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Covenant Agreement Ratings Test of the Loan Portfolio as of June 30, 2025



Source: Calhoun Baker Inc.

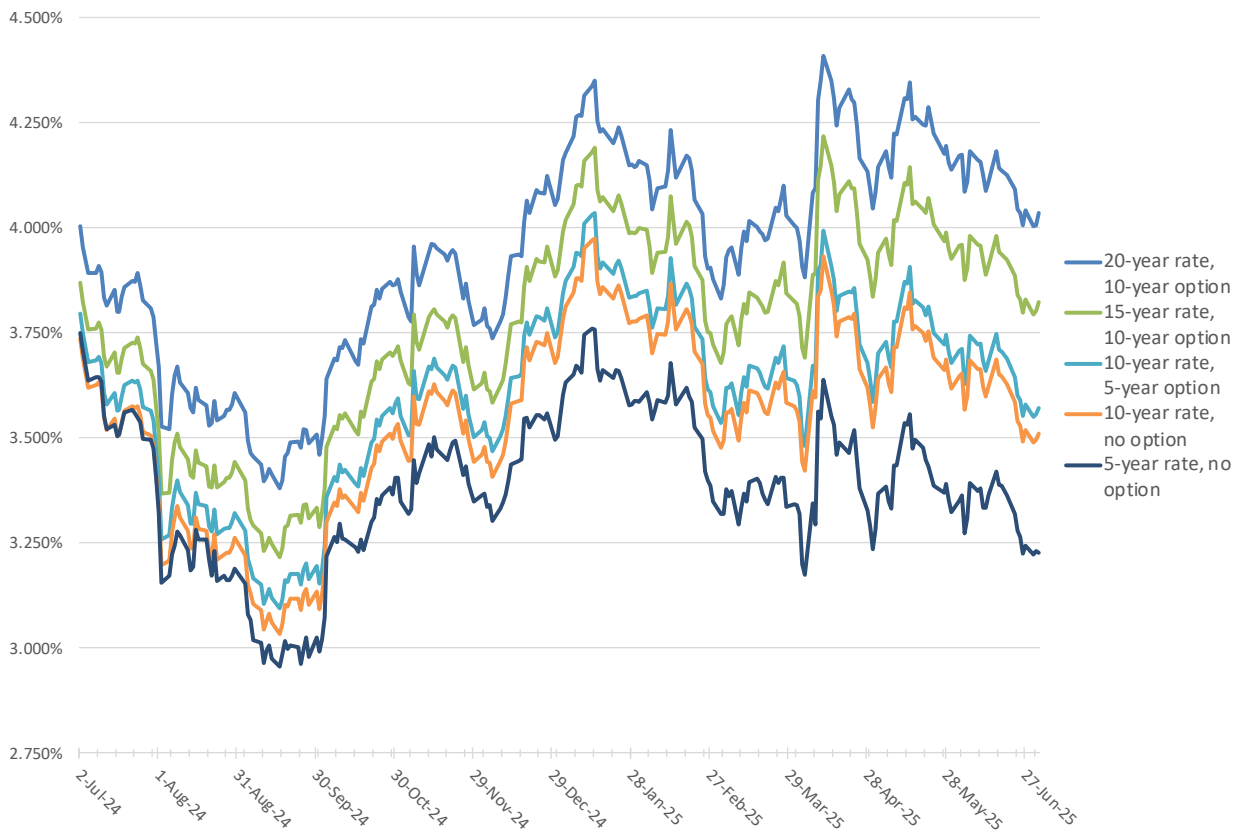
Generally, the Administrator requires a published rating at or above the Rating Threshold or a Participant Credit Enhancement for any new Loan of \$1 million or more, even if the Ratings Test is satisfied. DelVal does not normally require a rating or Participant Credit Enhancement for a Loan less than \$1 million if the Ratings Test is satisfied and the credit is approved by the Administrator.

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ECONOMICS OF THE LOAN PROGRAM

The DeVal Loan Program has been successful due to the low cost of funds and the flexibility of the Loan Program. DeVal utilizes Loan Swaps to hedge its risk of providing fixed rate Loans. This ability to hedge allows DeVal to provide any structure a Participant requests. All or a portion of a Loan can be variable rate or fixed rate; a fixed rate can be set for a period shorter than the maturity date of the Loan; and Loans can be divided into tranches with fixed rates for different terms. Even the smallest Participants can reduce their interest costs, avoid unnecessary refunding costs, and manage their exposure to future changes of interest rates. A chart of the trend of certain DeVal fixed rates for level-debt amortization over the past year is shown below.

Trend of DeVal Loan Rates, Level Debt Amortization, for the Year Ended June 30, 2025



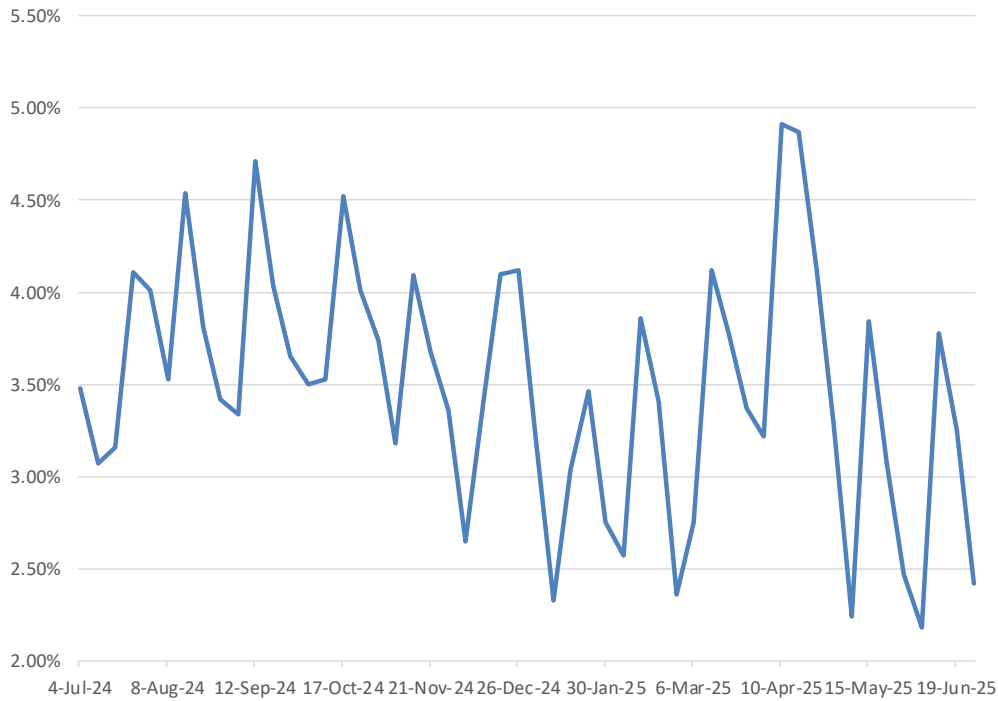
| <u>Loan Option</u> | <u>Average Loan Rate</u> | | | <u>Rate as of 2-Jul-25</u> |
|------------------------------|--------------------------|----------------------|----------------------|----------------------------|
| | <u>Past Year</u> | <u>Past 3-Months</u> | <u>Past 6-Months</u> | |
| 20-year rate, 10-year option | 3.94% | 4.17% | 4.13% | 4.03% |
| 15-year rate, 10-year option | 3.76% | 3.96% | 3.95% | 3.82% |
| 10-year rate, 5-year option | 3.61% | 3.72% | 3.75% | 3.57% |
| 10-year rate, no option | 3.55% | 3.66% | 3.69% | 3.51% |
| 5-year rate, no option | 3.38% | 3.38% | 3.45% | 3.23% |

Source: Calhoun Baker Inc.

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The DeVal variable rate is linked to the SIFMA Index. In normal markets, the variable rate is the lowest of the Loan rates. The variable rate was abnormally high in 2024 due to the inversion of the yield curve. The variable rate is typically volatile due to seasonal spikes for outflows from money market funds, fiscal year-end window dressing of balance sheets, and reactions to headlines on inflation and employment data. As of June 30, 2025, 2.39% of the Loan principal outstanding was variable rate. Most of these Loans were essentially grant anticipation notes that will be prepaid when the grant funds are received. A chart of the variable rate for the past year is shown below.

Trend of the DeVal Variable Loan Rate for the Year Ended June 30, 2025



| | |
|---|-------|
| Average variable rate since 2005: | 2.00% |
| Average variable rate for the past year: | 3.49% |
| Average variable rate for the past quarter: | 3.36% |
| Current variable rate: | 2.42% |

Source: Calhoun Baker Inc.

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The Administrator tracks the tax-exempt bond issues sold in eastern Pennsylvania, excluding Philadelphia (the “Market Area”), and calculates the All-In True Interest Cost (the “All-In TIC”) of each issue. The calculations of All-In TIC incorporate all costs of issuance and interest payments. The Administrator then compares the yields of the maturities of each issue to a comparable issue sold at the yields of the Bloomberg AAA General Obligation Bonds Callable Indices (the “AAA Indices”) at par and to a comparable DeVal Loan on the date of each sale. The comparable DeVal Loan includes estimated bond insurance premiums, if insurance would be required by the Administrator, rating fees, and the same option provisions as the bond issue. A summary of the comparison for the past four quarters is shown below. This comparison ignores the additional costs of issuance that the bond issuers would pay to issue refunding bonds, typically 1-2% of the par amount of the refunding. DeVal Loans do not need to be refunded to exercise an option and reset to a lower rate, effectively a refunding with no fees.

Bond Issues in DeVal’s Market Area

| <u>Bond issues in the Market Area*</u> | <u>All Bonds Sold in the Quarter Ended</u> | | | | <u>Annual Total</u> |
|--|--|-------------------|---------------------|---------------------|---------------------|
| | <u>30-Sep-24</u> | <u>31-Dec-24</u> | <u>31-Mar-25</u> | <u>30-Jun-25</u> | |
| Number of issues | 27 | 35 | 36 | 36 | 134 |
| Average par amount | \$ 19,875,000 | \$ 13,762,714 | \$ 24,398,611 | \$ 23,150,694 | \$ 20,373,843 |
| Weighted average rating | AA | AA | AA | AA | AA |
| Weighted average maturity (years) | 10.65 | 13.88 | 16.77 | 14.63 | 14.40 |
| Weighted costs of issuance (% of par amount) | | | | | |
| Bond issues in Market Area | 1.325% | 1.772% | 1.642% | 1.387% | 1.525% |
| Less Comparable DeVal Loans** | <u>0.568%</u> | <u>0.587%</u> | <u>0.573%</u> | <u>0.651%</u> | <u>0.598%</u> |
| Savings from comparable DeVal Loan | 0.757% | 1.186% | 1.068% | 0.736% | 0.926% |
| Weighted average All-In True Interest Cost | | | | | |
| Bond issues in Market Area | 4.097% | 4.274% | 4.494% | 4.699% | 4.462% |
| Less Comparable DeVal Loans** | <u>3.763%</u> | <u>4.088%</u> | <u>4.344%</u> | <u>4.416%</u> | <u>4.238%</u> |
| Savings from comparable DeVal Loan | 0.335% | 0.186% | 0.150% | 0.283% | 0.224% |
| Average debt service costs | | | | | |
| Bond issues in Market Area | \$ 30,039,712 | \$ 22,148,881 | \$ 43,581,691 | \$ 39,967,649 | \$ 34,284,025 |
| Less Comparable DeVal Loans** | <u>29,177,984</u> | <u>21,587,066</u> | <u>42,575,246</u> | <u>38,649,975</u> | <u>33,339,260</u> |
| Savings from comparable DeVal Loan | <u>\$ 861,728</u> | <u>\$ 561,816</u> | <u>\$ 1,006,445</u> | <u>\$ 1,317,674</u> | <u>\$ 944,765</u> |

* Preliminary, some official statements may not have been posted yet or may have been missed inadvertently.

**DeVal Loan rates are based on actual end of day rates, including comparable option and rating agency or insurance fees.

Past results are not a predictor of future spreads and costs.

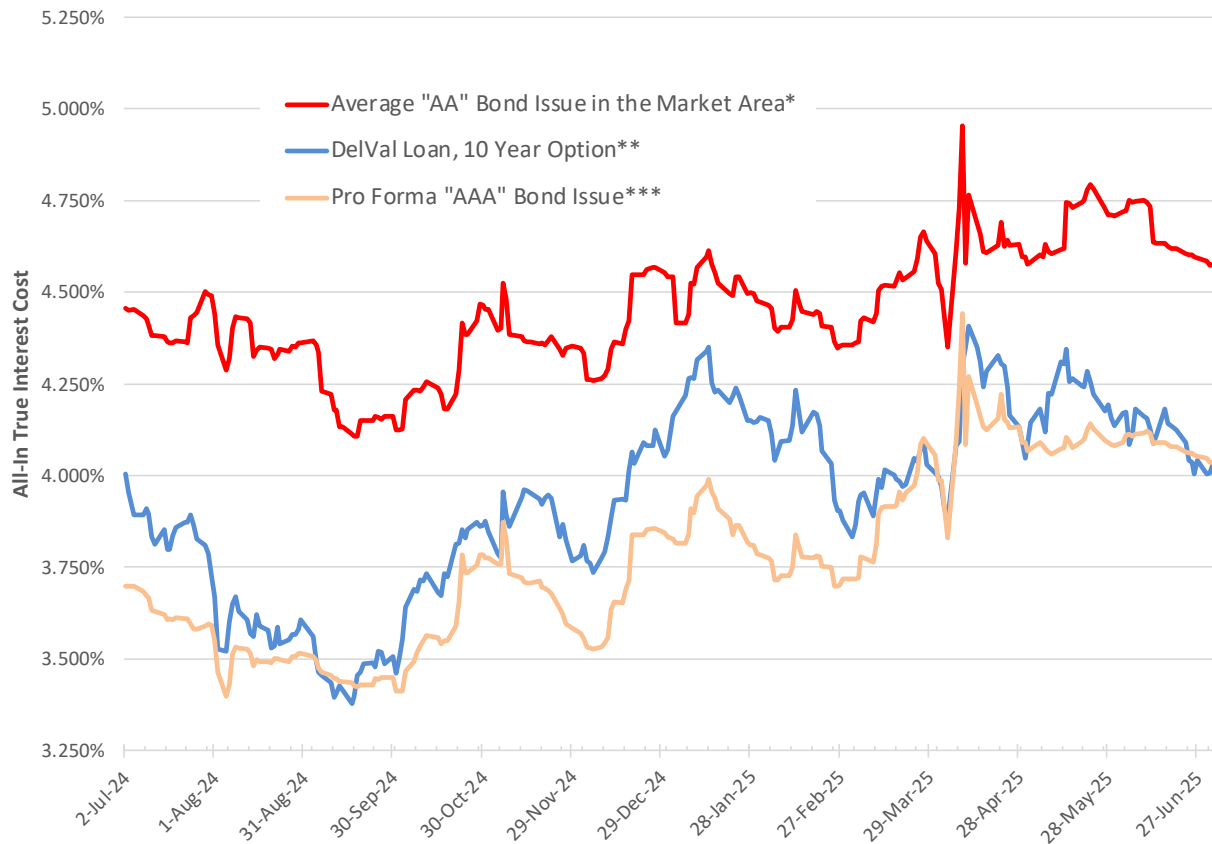
Source: Calhoun Baker Inc.

The DeVal advantage throughout this period is due to both the lower costs of issuance and lower interest rates. During the past year, the weighted average of DeVal’s All-In TIC was 0.224% below the weighted average of all bonds issued in the Market Area. DeVal’s costs of issuance averaged approximately 60% less than the average costs of issuance of bonds in the Market Area.

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A pro forma comparison of the All-In TIC of a 20-year level debt structure of the average “AA” rated bond issue sold in the Market Area (the “Average “AA” Bond”), a “AAA” Bond Issue, and a DelVal Loan is shown in the chart below. The Average “AA” Bond is based on actual sales of bonds in the Market Area with published ratings in the “AA” category and assumes costs of issuance equal to the rolling 30-day average of actual costs of issuance and coupons at par equal to the rolling 30-day average of actual spreads over the AAA Indices at par. The “AAA” Bond Issue assumes costs of issuance equal to the Average “AA” Bond and 5% coupons with a 10-year option and yields equal to the AAA Indices. The DelVal Loan includes a 10-year option and is based on actual end-of-day rates and costs of issuance.

**Pro Forma All-In True Interest Costs of the
Average “AA” Bond Issue, “AAA” Bond Issue, and DelVal Loan
20-Year Level Debt Amortization for the Year Ended June 30, 2025**



*Based on actual weighted average spreads to "AAA" indices and actual issuance costs.

**Based on actual rates and issuance costs. The option is not likely to be economic when the Loan rate is under 2.50%.

*** Based on Bloomberg "AAA" General Obligation indices, 5% coupon, 10-year option, and actual costs of issuance.

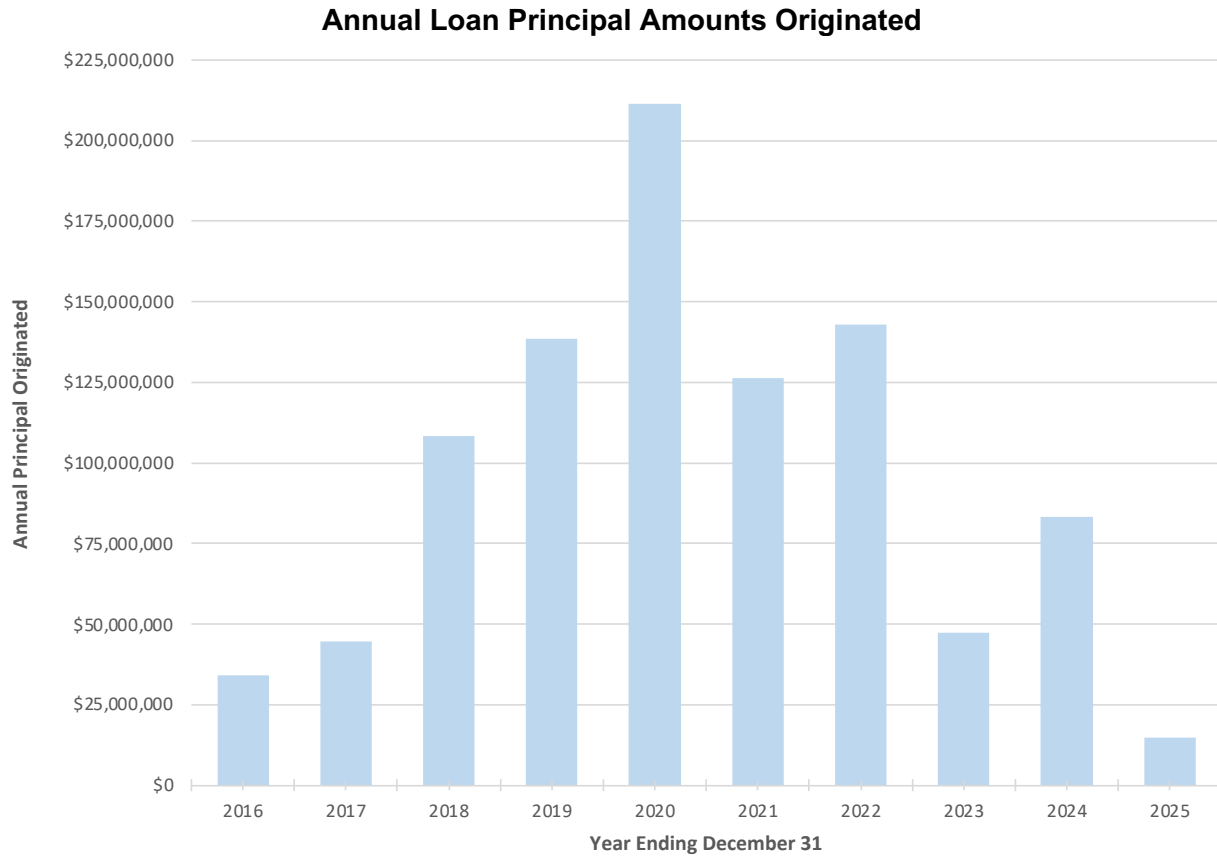
Past results are not a predictor of future spreads and costs.

Source: Calhoun Baker Inc.

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DEMAND FOR LOANS

Below is a chart of the principal amounts of Loans originated each year from 2016 to 2025. Loan origination was restricted in 2016 and 2017 due to large maturities of the 1997 Series and 2002 Series in 2017 and the 1998 Series in 2018. Origination increased after the issuance of new DeVal Series beginning in 2018. Fiscal year 2020 was the most active period for origination in the past decade due to the historically low interest rates following the COVID-19 outbreak. Origination declined sharply beginning in 2023 due to: (i) inflation that increased construction and acquisition costs, (ii) higher interest rates, and (iii) the availability of grants from the \$2.2 trillion *Coronavirus Aid, Relief and Economic Security Act* (“*CARES*”) and the \$1.9 trillion *American Rescue Plan Act* (“*ARPA*”).



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During the year ending June 30, 2025, DelVal originated nine Loans with an aggregate principal amount of approximately \$33 million.

Loans Originated from June 30, 2024, to June 30, 2025

| <u>No.</u> | <u>Loans Closed</u> | <u>County</u> | <u>Underlying Rating</u> | | | | <u>Amount</u> | <u>Closing</u> |
|------------|---|---------------|--------------------------|--------------|----------------|----------------|----------------------|----------------|
| | | | <u>Insurer</u> | <u>Kroll</u> | <u>Moody's</u> | <u>S&P</u> | | |
| 1 | Marcus Hook Borough | Delaware | --- | --- | --- | --- | \$ 1,000,000 | 10-Sep-24 |
| 2 | Aldan Borough | Delaware | BAM | --- | --- | --- | 4,000,000 | 26-Sep-24 |
| 3 | Hatfield Borough | Montgomery | --- | --- | --- | --- | 2,900,000 | 4-Nov-24 |
| 4 | Upper Dublin Township | Montgomery | --- | --- | Aa1 | --- | 10,000,000 | 8-Nov-24 |
| 5 | Brookhaven Borough | Delaware | --- | --- | --- | AA- | 1,000,000 | 6-Feb-25 |
| 6 | Upper Dublin Township | Montgomery | --- | --- | Aa1 | --- | 11,400,000 | 11-Apr-25 |
| 7 | Chadds Ford Township Sewer Authority | Delaware | --- | --- | --- | --- | 300,000 | 17-Apr-25 |
| 8 | Morrisville Borough | Bucks | BAM | --- | --- | --- | 1,625,000 | 16-May-25 |
| 9 | Chalfont Borough | Bucks | --- | --- | --- | --- | 350,000 | 13-Jun-25 |
| | Total | | | | | | <u>\$ 32,575,000</u> | |

Source: Calhoun Baker Inc.

Based upon requests for pro forma debt service schedules for new capital projects that DelVal has received, DelVal expects the demand for new Loans to remain constrained in 2025 due to: (i) higher construction costs, (ii) reduced refunding opportunities, (iii) higher interest rates, and (iv) lingering effects of the preemption of financings by the \$2.2 trillion *CARES* and the \$1.9 trillion *ARPA* programs.

A schedule of the total funding of the Loan Program and the available funding for Loans is shown in the schedule below.

Funds Available to Originate Loans as of June 30, 2025

| | <u>1997 Series</u> | <u>1998 Series</u> | <u>2002 Series</u> | <u>Master Series</u> | <u>Total</u> |
|----------------------------|---------------------|----------------------|----------------------|----------------------|-----------------------|
| DelVal Series at par | \$ 11,660,000 | \$179,885,000 | \$125,000,000 | \$ 810,100,000 | \$ 1,126,645,000 |
| Overcollateralization | - | - | 28,159,000 | 21,834,250 | 49,993,250 |
| Total funding | 11,660,000 | 179,885,000 | 153,159,000 | 831,934,250 | 1,176,638,250 |
| Debt Service Reserve Funds | (1,166,000) | (17,988,500) | (12,500,000) | (41,131,000) | (72,785,500) |
| Total funding for Loans | 10,494,000 | 161,896,500 | 140,659,000 | 790,803,250 | 1,103,852,750 |
| Bonds to be redeemed | (5,110,000) | (40,085,000) | - | - | (45,195,000) |
| Loans outstanding | (1,692,000) | (91,675,000) | (103,658,000) | (721,534,600) | (918,559,600) |
| Funds available for Loans | <u>\$ 3,692,000</u> | <u>\$ 30,136,500</u> | <u>\$ 37,001,000</u> | <u>\$ 69,268,650</u> | <u>\$ 140,098,150</u> |

Source: Calhoun Baker Inc.

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FINANCING ACTIVITIES

DelVal accesses the capital markets periodically to fund the Loan Program. DelVal issues the type of debt that will minimize its cost of funds at that time. The DelVal Board annually adopts a Post Issuance Compliance Policy, and under that policy, the Administrator monitors and reports any compliance issues with Treasury regulations or rules of the Municipal Securities Rulemaking Board.

DelVal's objective with each issuance is to create a pool of funds with a net cost to DelVal that is comparable to the cost of a 7-day variable rate demand bond ("VRDB") at that time. If DelVal cannot achieve that cost, it will not issue. DelVal has outstanding issues of: (i) fixed rate bonds, (ii) floating rate bonds indexed to the SIFMA Index, Secured Overnight Financing Rate ("SOFR") published by the New York Federal Reserve Bank, and 3-Month Term SOFR published by the CME Group Benchmark Administration ("CME"), (iii) weekly remarketed VRDBs, and (iv) daily remarketed VRDBs.

DelVal extraordinarily redeemed \$1,660,000 of the 1997 B Series and \$3,450,000 of the 1997 C Series on July 1, 2025. DelVal expects to extraordinarily redeem \$40,085,000 of the 1998 A Series on August 1, 2025. DelVal expects to issue one or more new DelVal Series over the next two years to replace the funding lost from redemptions, maturities, and mandatory purchases of the outstanding DelVal Series.

Below is a summary of the DelVal Series that were outstanding as of June 30, 2025.

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DeIVal Series Outstanding as of June 30, 2025

| Series | Par Amount | Over Collateralization | Total Funding | Ratings | | Debt Service Reserve Fund (1) | Funding to Originate Loans | Option Date (2) | Purchase or Remarketing Date | Termination of Letter of Credit | Maturity Date | Basis Rate |
|---------------------|------------------|------------------------|------------------|-----------|---------|-------------------------------|----------------------------|-----------------|------------------------------|---------------------------------|---------------|--------------|
| | | | | Moody's | S&P | | | | | | | |
| 1997 B Series | \$ 1,660,000 | \$ - | \$ 1,660,000 | A1 | --- | \$ 166,000 | \$ 1,494,000 | No option | --- | --- | 1-Jul-27 | Fixed rate |
| 1997 C Series | 10,000,000 | - | 10,000,000 | A1 | --- | 1,000,000 | 9,000,000 | No option | --- | --- | 1-Jul-27 | Fixed rate |
| Total 1997 Series | 11,660,000 | - | 11,660,000 | | | 1,166,000 | 10,494,000 | | | | | |
| 1998 A Series | 179,885,000 | - | 179,885,000 | A1 | --- | 17,988,500 | 161,896,500 | No option | --- | --- | 1-Aug-28 | Fixed rate |
| 2002 Series | 125,000,000 | 28,159,000 | 153,159,000 | A1 | A+ | 12,500,000 | 140,659,000 | No option | --- | --- | 1-Jul-32 | Fixed rate |
| Master Series | | | | | | | | | | | | |
| 2007 A Series | 10,000,000 | 59,250 | 10,059,250 | A1 | A+ | 608,000 | 9,451,250 | No option | --- | --- | 1-Jun-37 | Fixed rate |
| 2007 B Series | 50,000,000 | - | 50,000,000 | A1/VMIG 1 | AA+/A-1 | 2,952,000 | 47,048,000 | Any date | Weekly | 19-May-26 | 1-Jun-42 | Weekly rate |
| 2007 C Series | 50,000,000 | - | 50,000,000 | A1 | A+ | 2,771,000 | 47,229,000 | 1-Jun-17 | --- | --- | 1-Jun-37 | 3M Term SOFR |
| 2018 A Series | 10,000,000 | 343,000 | 10,343,000 | A1 | A+ | 518,000 | 9,825,000 | No option | --- | --- | 1-Sep-33 | Fixed rate |
| 2020 D Series | 75,000,000 | 7,538,000 | 82,538,000 | A1/VMIG 1 | AA+/A-1 | 3,302,000 | 79,236,000 | Any date | Weekly | 1-Jun-26 | 1-Nov-55 | Weekly rate |
| 2021 A Series | 45,000,000 | 1,940,000 | 46,940,000 | A1 | A+ | 1,771,000 | 45,169,000 | No option | --- | --- | 1-Oct-29 | Fixed rate |
| 2022 A Series | 5,000,000 | 50,000 | 5,050,000 | A1 | A+ | 228,000 | 4,822,000 | No option | --- | --- | 1-Mar-30 | Fixed rate |
| 2022 B Series | 75,000,000 | - | 75,000,000 | A1 | A+ | 3,071,000 | 71,929,000 | 1-Mar-25 | 1-Mar-26 | --- | 1-Mar-57 | SIFMA Index |
| 2022 C Series | 75,000,000 | - | 75,000,000 | A1 | A+ | 3,135,000 | 71,865,000 | 1-Mar-26 | 1-Mar-27 | --- | 1-Mar-57 | SOFR Index |
| 2022 D Series a | 20,000,000 | - | 20,000,000 | A1 | A+ | 843,000 | 19,157,000 | No option | --- | --- | 1-Mar-29 | Fixed rate |
| 2022 D Series b | 2,000,000 | - | 2,000,000 | A1 | A+ | 87,000 | 1,913,000 | No option | --- | --- | 2-Mar-29 | Fixed rate |
| 2022 E Series | 75,000,000 | - | 75,000,000 | A1/VMIG 1 | AA+/A-1 | 3,254,000 | 71,746,000 | Any date | Weekly | 14-Jul-27 | 1-Mar-57 | Weekly rate |
| 2023 A Series a | 50,000,000 | 3,693,843 | 53,693,843 | A1 | A+ | 2,393,000 | 51,300,843 | 1-Sep-32 | --- | --- | 1-Mar-33 | Fixed rate |
| 2023 A Series b | 41,030,000 | 2,499,833 | 43,529,833 | A1 | A+ | 2,022,000 | 41,507,833 | 1-Sep-33 | --- | --- | 1-Mar-34 | Fixed rate |
| 2023 A Series c | 50,000,000 | 2,445,324 | 52,445,324 | A1 | A+ | 2,536,000 | 49,909,324 | 1-Sep-34 | --- | --- | 1-Mar-35 | Fixed rate |
| 2024 A Series a | 15,000,000 | 707,135 | 15,707,135 | A1 | A+ | 729,000 | 14,978,135 | No option | --- | --- | 1-Sep-33 | Fixed rate |
| 2024 A Series b | 27,070,000 | 1,276,338 | 28,346,338 | A1 | A+ | 1,353,000 | 26,993,338 | No option | --- | --- | 1-Sep-34 | Fixed rate |
| 2024 A Series c | 30,000,000 | 1,281,527 | 31,281,527 | A1 | A+ | 1,543,000 | 29,738,527 | 1-Sep-34 | --- | --- | 1-Sep-35 | Fixed rate |
| 2024 B Series | 105,000,000 | - | 105,000,000 | A1/VMIG 1 | AA+/A-1 | 8,015,000 | 96,985,000 | Any date | Daily | 4-Sep-29 | 1-Sep-59 | Daily rate |
| Total Master Series | 810,100,000 | 21,834,250 | 831,934,250 | | | 41,131,000 (3) | 790,803,250 | | | | | |
| Total | \$ 1,126,645,000 | \$ 49,993,250 | \$ 1,176,638,250 | | | \$ 72,785,500 | \$ 1,103,852,750 | | | | | |

(1) The Debt Service Reserve Funds are the maximum permissible amounts, the least of: (i) 10% of the par amount, (ii) the maximum annual debt service payment, and (iii) 125% of average annual debt service.

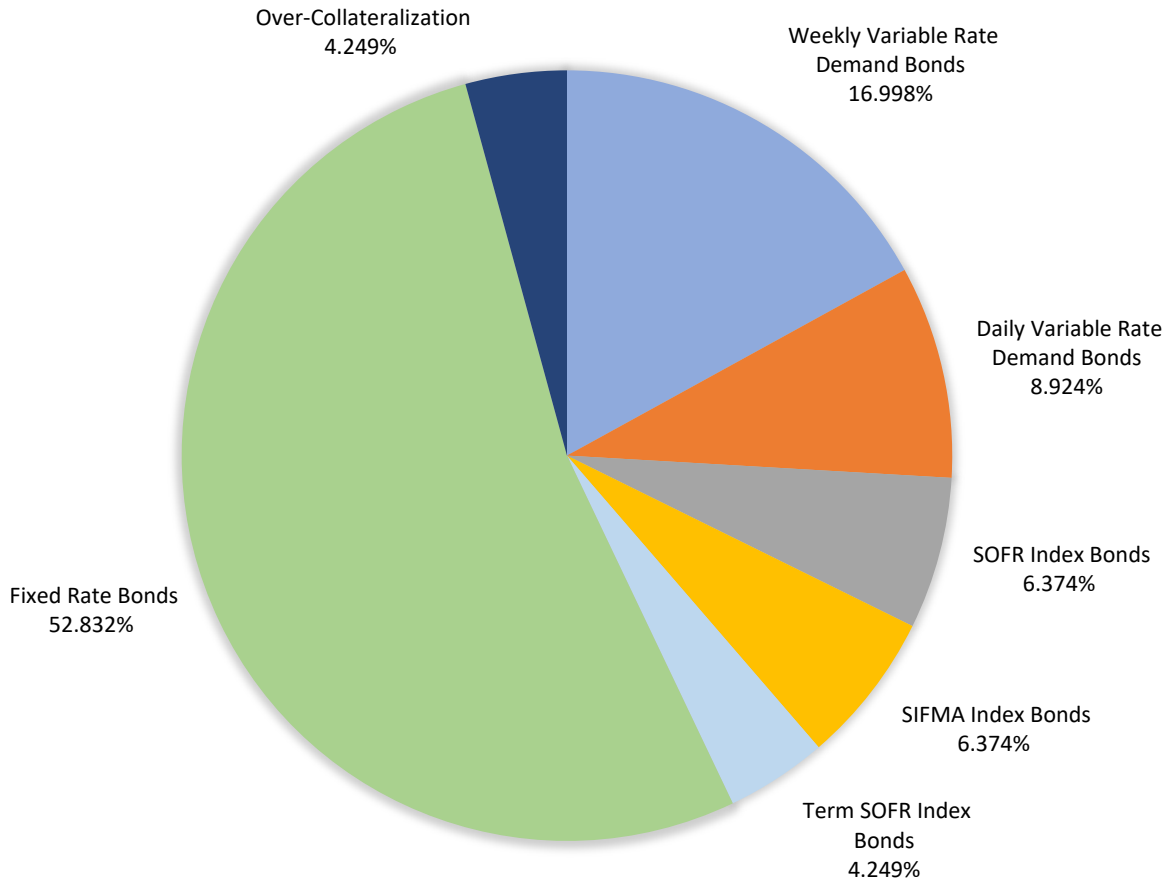
(2) Options can be exercised at a price of 100% of the principal amount, plus accrued interest. Exercise of the option to redeem or remarket requires 15 to 30 days of notice to Bondholders.

(3) The total amount held under the Master Indenture is available to secure any Series issued under the Master Indenture.

Source: Calhoun Baker Inc.

The total funding for the Loan Program, including the over-collateralization of \$49,993,250, was \$1,176,638,250 as of June 30, 2025. A chart of the composition of the funding as of June 30, 2025, is shown below.

Composition of the Funding of the DelVal Loan Program as of June 30, 2025



Source: Calhoun Baker Inc.

All DelVal Series are subject to Extraordinary Mandatory Redemption under certain circumstances. The principal reasons for an Extraordinary Mandatory Redemption would be the inability of DelVal to lend proceeds or the necessity to comply with Treasury regulations.

The 1997 Series, 1998 Series, 2002 Series, 2007 A Series, 2018 A Series, 2021 Series, 2022 A Series, and 2022 D Series are all fixed rate bonds that are not subject to optional redemption. The 2023 Series are fixed rate bonds that are subject to optional redemption six months prior to each principal maturity. The 2024 A Series are fixed rate bonds that are subject to optional redemption on or after September 1, 2034. All these Series are rated “A1” by Moody’s with a stable outlook. The 1997 Series and 1998 Series were originally rated by S&P based upon municipal bond insurance policies issued by Ambac Assurance Corporation (“Ambac”). S&P withdrew the ratings for the 1997 Series and 1998 Series when Ambac filed for reorganization. All other outstanding fixed rate bonds issued by DelVal are rated “A+” with a stable outlook by S&P.

The interest rates on the 2007 C Series are set at spreads to 67% of 3-Month Term SOFR, adjusted and payable quarterly. The 2007 C Series may be optionally redeemed at par on or after June 1, 2017. The 2007 C Series is rated “A1” by Moody’s and “A+” by S&P.

The \$50 million 2007 B Series are remarketed by PNC Capital Markets as a weekly VRDB, secured by a Letter of Credit issued by PNC Bank, National Association (the “PNC LOC”). The PNC LOC is scheduled to terminate on May 19, 2026. The 2007 B Series is rated “AA+/A-1” by S&P, “A1/VMIG 1” by Moody’s, and “A+/F1” by Fitch Ratings (“Fitch”). The short-term ratings are all based solely on PNC’s short-term ratings. The long-term ratings of Moody’s and Fitch are also based solely on the long-term rating of PNC. The S&P long-term rating is based on the joint probability of a default by both DelVal and PNC. The remarketing rate has averaged 2.990% for the year ended June 30, 2025, 0.0013% above the average SIFMA Index.

The \$75 million 2020 D Series and \$75 million 2022 E Series are remarketed by TD Securities as weekly VRDB’s, and the \$105 million 2024 B Series is remarketed by TD Securities as daily VRDB’s. The 2020 D Series, 2022 E Series, and 2024 B Series are secured by Letters of Credit issued by TD Bank, N.A. (collectively, the “TD LOCs”). The TD LOC for the 2020 D Series is scheduled to terminate on June 1, 2026, the TD LOC for the 2022 E Series is scheduled to terminate on July 14, 2027, and the TD LOC for the 2024 B Series is scheduled to terminate on September 4, 2029. The 2020 D Series, 2022 E Series, and 2024 B Series are rated “A1/VMIG 1” by Moody’s and “AA+/A-1” by S&P. The short-term ratings are based solely on TD’s short-term ratings. The Moody’s long-term ratings are based solely on TD’s long-term rating. The S&P long-term ratings are based on the joint probability of a default by both DelVal and TD. The remarketing rates of the 2020 D Series and 2022 E Series averaged 3.010% over the year ending June 30, 2025, 0.0208% above the average SIFMA Index. The remarketing rates of the 2024 B Series averaged 2.791% since the closing date of September 3, 2024, 0.1633% below the average SIFMA Index during that period.

The interest rates on the 2022 B Series are set at spreads to the SIFMA Index, adjusted and payable monthly. The 2022 C Series rates were set at spreads to 67% of the Secured Overnight Financing Rate (“SOFR”), adjusted and payable monthly. The 2022 B and C Series are subject to mandatory purchase on March 1, 2026, and March 1, 2027, respectively, and they may be optionally redeemed at par beginning one year prior to their respective purchase dates. The 2022 B and C Series are rated “A1” by Moody’s and “A+” by S&P.

The estimated debt service payments of the DelVal Series outstanding in 2025, are shown on the following page. Future interest rates on variable rate DelVal Series are based on the last rate resets of 2024.

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Estimated Debt Service Payments for the DeVal Series

| Fiscal Year | 1997 Series (1) | | 1998 Series (1) | | 2002 Series | | Master Series (2) | | Total Debt Service | | |
|--------------|---------------------|--------------------|----------------------|----------------------|-----------------------|----------------------|-----------------------|-----------------------|------------------------|-----------------------|------------------------|
| | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Total |
| 2025 | \$ 5,110,000 | \$ 869,620 | \$ 40,085,000 | \$ 9,893,675 | \$ - | \$ 7,187,500 | \$ - | \$ 30,331,339 | \$ 45,195,000 | \$ 48,282,134 | \$ 93,477,134 |
| 2026 | - | 507,625 | - | 7,689,000 | - | 7,187,500 | - | 30,347,355 | - | 45,731,480 | 45,731,480 |
| 2027 | 6,550,000 | 507,625 | - | 7,689,000 | - | 7,187,500 | - | 30,347,355 | 6,550,000 | 45,731,480 | 52,281,480 |
| 2028 | - | - | 139,800,000 | 7,689,000 | - | 7,187,500 | - | 30,347,355 | 139,800,000 | 45,223,855 | 185,023,855 |
| 2029 | - | - | - | - | - | 7,187,500 | 67,000,000 | 29,897,355 | 67,000,000 | 37,084,855 | 104,084,855 |
| 2030 | - | - | - | - | - | 7,187,500 | 5,000,000 | 28,422,355 | 5,000,000 | 35,609,855 | 40,609,855 |
| 2031 | - | - | - | - | - | 7,187,500 | - | 28,297,355 | - | 35,484,855 | 35,484,855 |
| 2032 | - | - | - | - | 125,000,000 | 7,187,500 | - | 28,297,355 | 125,000,000 | 35,484,855 | 160,484,855 |
| 2033 | - | - | - | - | - | - | 90,000,000 | 25,647,355 | 90,000,000 | 25,647,355 | 115,647,355 |
| 2034 | - | - | - | - | - | - | 68,100,000 | 22,554,355 | 68,100,000 | 22,554,355 | 90,654,355 |
| 2035 | - | - | - | - | - | - | 65,000,000 | 19,923,355 | 65,000,000 | 19,923,355 | 84,923,355 |
| 2036 | - | - | - | - | - | - | - | 19,273,355 | - | 19,273,355 | 19,273,355 |
| 2037 | - | - | - | - | - | - | 60,000,000 | 18,013,390 | 60,000,000 | 18,013,390 | 78,013,390 |
| 2038 | - | - | - | - | - | - | - | 16,753,425 | - | 16,753,425 | 16,753,425 |
| 2039 | - | - | - | - | - | - | - | 16,753,425 | - | 16,753,425 | 16,753,425 |
| 2040 | - | - | - | - | - | - | - | 16,753,425 | - | 16,753,425 | 16,753,425 |
| 2041 | - | - | - | - | - | - | - | 16,753,425 | - | 16,753,425 | 16,753,425 |
| 2042 | - | - | - | - | - | - | 50,000,000 | 15,860,925 | 50,000,000 | 15,860,925 | 65,860,925 |
| 2043 | - | - | - | - | - | - | - | 14,968,425 | - | 14,968,425 | 14,968,425 |
| 2044 | - | - | - | - | - | - | - | 14,968,425 | - | 14,968,425 | 14,968,425 |
| 2045 | - | - | - | - | - | - | - | 14,968,425 | - | 14,968,425 | 14,968,425 |
| 2046 | - | - | - | - | - | - | - | 14,968,425 | - | 14,968,425 | 14,968,425 |
| 2047 | - | - | - | - | - | - | - | 14,968,425 | - | 14,968,425 | 14,968,425 |
| 2048 | - | - | - | - | - | - | - | 14,968,425 | - | 14,968,425 | 14,968,425 |
| 2049 | - | - | - | - | - | - | - | 14,968,425 | - | 14,968,425 | 14,968,425 |
| 2050 | - | - | - | - | - | - | - | 14,968,425 | - | 14,968,425 | 14,968,425 |
| 2051 | - | - | - | - | - | - | - | 14,968,425 | - | 14,968,425 | 14,968,425 |
| 2052 | - | - | - | - | - | - | 75,000,000 | 12,943,425 | 75,000,000 | 12,943,425 | 87,943,425 |
| 2053 | - | - | - | - | - | - | - | 12,268,425 | - | 12,268,425 | 12,268,425 |
| 2054 | - | - | - | - | - | - | - | 12,268,425 | - | 12,268,425 | 12,268,425 |
| 2055 | - | - | - | - | - | - | 75,000,000 | 12,043,425 | 75,000,000 | 12,043,425 | 87,043,425 |
| 2056 | - | - | - | - | - | - | - | 9,568,425 | - | 9,568,425 | 9,568,425 |
| 2057 | - | - | - | - | - | - | 150,000,000 | 5,384,606 | 150,000,000 | 5,384,606 | 155,384,606 |
| 2058 | - | - | - | - | - | - | - | 3,990,000 | - | 3,990,000 | 3,990,000 |
| 2059 | - | - | - | - | - | - | 105,000,000 | 997,500 | 105,000,000 | 997,500 | 105,997,500 |
| Total | \$11,660,000 | \$1,884,870 | \$179,885,000 | \$ 32,960,675 | \$ 125,000,000 | \$ 57,500,000 | \$ 810,100,000 | \$ 628,754,315 | \$1,126,645,000 | \$ 721,099,860 | \$1,847,744,860 |

- (1) Municipal bond insurance policy issued by Ambac Assurance Corporation secures the bonds. Bonds are subject to Extraordinary Mandatory Redemption if Loans cannot be originated or assigned.
- (2) A direct-draw, letter of credit issued by PNC Bank, National Association, secures the remarketing of the \$50,000,000 2007 Series B Bonds. The stated expiration date of the facility is May 19, 2026.
- A direct-draw, letter of credit issued by TD Bank N.A., secures the remarketing of the \$75,000,000 2020 D Series Bonds. The stated expiration date of the facility is June 1, 2026.
- A direct-draw, letter of credit issued by TD Bank N.A., secures the remarketing of the \$75,000,000 2022 E Series Bonds. The stated expiration date of the facility is July 14, 2027.
- A direct-draw, letter of credit issued by TD Bank N.A., secures the remarketing of the \$105,000,000 2024 B Series Bonds. The stated expiration date of the facility is September 4, 2029.

Source: Calhoun Baker Inc.

EXTRAORDINARY MANDATORY REDEMPTIONS OF THE 1997 SERIES AND 1998 SERIES

The 1997 Series and 1998 Series are both insured by Ambac, and Ambac is currently in runoff operations. Under the terms of the 1997 Series and 1998 Series indentures and the respective bond insurance policies, Ambac, in its sole discretion, must consent to the use of any proceeds from the 1997 Series and the 1998 Series to originate or acquire Loans. Consents of a third party are not required to originate or acquire Loans from proceeds of any other DelVal Series.

DELVAL CAN GIVE NO ASSURANCE THAT AMBAC WILL CONSENT IN THE FUTURE TO DELVAL'S REQUESTS FOR THE ORIGINATION OR ACQUISITION OF LOANS FROM THE 1997 SERIES OR 1998 SERIES.

Loans originated or acquired must have maturity dates on or before July 1, 2027, for the 1997 Series and on or before August 1, 2028, for the 1998 Series. Most outstanding and prospective Loans have longer maturity dates. The maturity constraints of the 1997 Series and the 1998 Series have made origination or acquisition difficult. The 1997 Series Indenture and the 1998 Series Indenture provide that if DelVal does not have a reasonable expectation to use funds that have been deposited in the Recycling Accounts of the 1997 Series or the 1998 Series for more than one year, those funds must be used for an Extraordinary Mandatory Redemption.

The DelVal Board of Directors has authorized the Extraordinary Mandatory Redemptions, of the 1997 Series and 1998 Series, from time to time, as required by their respective Trust Indentures. DelVal redeemed \$5,110,000 of the outstanding 1997 Series on July 1, 2025, and DelVal expects to redeem \$40,085,000 of the outstanding 1998 A Series on August 1, 2025.

ADDITIONAL EXTRAORDINARY MANDATORY REDEMPTIONS OF THE 1997 SERIES AND THE 1998 SERIES THAT REMAIN OUTSTANDING MAY OCCUR IN THE FUTURE; HOWEVER, NO ASSURANCE CAN BE GIVEN AS TO THE AMOUNT, IF ANY, AND THE TIMING OF ANY FUTURE REDEMPTION. THE EXTRAORDINARY MANDATORY REDEMPTION PRICES OF THE 1997 SERIES AND THE 1998 SERIES MAY BE LOWER THAN THE FAIR MARKET VALUE OF THOSE BONDS.

The foregoing discussion is subject to change, and DelVal undertakes no obligation to update or supplement the foregoing information.

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INVESTMENTS

The funds held by DelVal are invested in Guaranteed Investment Contracts (“GIC’s”), floating rate notes, weekly VRDB’s, and Treasury money market funds that satisfy the rating requirements of the respective Trust Indentures. DelVal’s GIC’s and long-term investments are generally restricted to providers and instruments with ratings of “Aa3” or higher from Moody’s or “AA-” or higher from S&P on the dates of execution or purchase. DelVal’s short-term investments are generally restricted to instruments with ratings of “P-1” from Moody’s or “A-1” or higher from S&P on the dates of purchase. Money market investments are restricted to “AAA” rated funds. DelVal treats the GIC’s, weekly VRDB’s, and money market deposits as cash equivalents because the interest rates adjust daily or weekly and DelVal can deposit or withdraw funds with no more than seven days of written notice.

DelVal has executed GIC’s with Natixis Funding Corp. (“Natixis”) guaranteed by Caisse des Dépôts et Consignations, Bayerische Landesbank (“BayernLB”) guaranteed by the State of Bavaria and the Association of Bavarian Savings Banks, BayernLB without guaranties, and Citigroup Financial Products Inc. (“CFPI”) guaranteed by Citigroup Inc. DelVal may require the providers of the GIC’s to post collateral of cash, Treasury obligations, or certain agency obligations to secure the principal invested, plus accrued interest, if they are downgraded below certain thresholds. CFPI has posted collateral with Bank of New York Mellon to secure its GIC since August 10, 2009, following the downgrade of Citigroup Inc. below “Aa3/AA-”.

Restricted funds have been invested in floating rate notes, indexed to SOFR, and weekly VRDB’s. The SOFR investments are recorded at fair value. DelVal has executed interest rate swaps related to the SOFR floating rate notes to hedge the SOFR basis risk. Proceeds of the 2024 A Series and 2024 B Series to be used for origination of new Loans are held in a Treasury money market fund.

A summary of the cash equivalents and investments is shown on the following page.

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**Cash Equivalents, Restricted Cash Equivalents, Investments, and
Restricted Investments as of June 30, 2025**

| <u>Description</u> | <u>Senior Debt Rating of Counterparty or Guarantor</u> | | | <u>Maturity</u> | <u>Rate (6)</u> | <u>Cash Equivalents</u> | <u>Restricted Cash Equivalents</u> | <u>Fair Value Restricted Investments</u> | <u>Total Fair Value</u> | <u>Fair Value Concentration</u> |
|---|--|----------------|--------------|-----------------|-----------------|-----------------------------|--|--|---------------------------------|-------------------------------------|
| | <u>Moody's</u> | <u>S&P</u> | <u>Fitch</u> | | | | | | | |
| <i>Floating rate notes (1)</i> | | | | | | | | | | |
| National Australia Bank | Aa3 | AA- | *** | 12-Jan-27 | 5.010% | \$ - | \$ - | \$ 4,714,476 | \$ 4,714,476 | 1.734% |
| Pacific Life Global Funding | Aa3 | AA- | AA- | 4-Jun-26 | 4.980% | - | - | 17,055,080 | 17,055,080 | 6.271% |
| Treasury Money Market | Aaa-mf | AAAm | *** | *** | 3.330% | 43,737,000 | - | - | 43,737,000 | 16.082% |
| <i>Variable Rate Demand Bonds</i> | | | | | | | | | | |
| Harris County Cultural Education Facilities Finance Corporation | Aa1/VMIG 1 | AA+/A-1 | *** | 1-Oct-45 | 2.000% | - | 12,180,000 | - | 12,180,000 | 4.479% |
| <i>GIC's (2)</i> | | | | | | | | | | |
| BayernLB | Aa3 | *** | A- | 1-Jul-26 | 2.300% | - | 7,251,000 | - | 7,251,000 | |
| BayernLB (3) | Aaa | *** | AAA | 27-Jul-28 | 3.550% | 70,221,500 | 17,988,500 | - | 88,210,000 | 35.101% |
| CFPI (4) | A3 | BBB+ | A | 28-May-42 | 3.091% | 39,206,650 | - | - | 39,206,650 | 14.416% |
| Natixis (5) | Aa3 | AA | AA- | 28-Jun-27 | 3.470% | 8,802,000 | 1,166,000 | - | 9,968,000 | |
| Natixis (5) | Aa3 | AA | AA- | 28-Jun-32 | 3.090% | 37,137,738 | 12,500,000 | - | 49,637,738 | 21.917% |
| Total | | | | | | <u>\$ 199,104,888</u> | <u>\$ 51,085,500</u> | <u>\$ 21,769,556</u> | <u>\$ 271,959,944</u> | 100.000% |

(1) Notes pay a spread over SOFR, adjusted and paid quarterly.

(2) GIC's pay a spread over the SIFMA Index, adjusted weekly and paid monthly.

(3) Obligations guaranteed by the State of Bavaria and the Association of Bavarian Savings Banks.

(4) Obligations are guaranteed by Citigroup Inc. and collateralized with securities held by the Bank of New York Mellon.

(5) Obligations are guaranteed by Caisse des Dépôts et Consignations.

(6) Rate as of June 30, 2025.

Source: Calhoun Baker Inc.

INTEREST RATE SWAP AGREEMENTS

DelVal utilizes Bond Swaps to hedge its interest rate and basis risk of the DelVal Series. For each fixed rate DelVal Series, DelVal executed a Bond Swap under which it receives a fixed rate and pays the SIFMA Index to hedge the risk that future market fixed rates to the maturity date of that Series would be lower than the fixed rate of that Series, which would make that Series uncompetitive with other financing options. For each SOFR or Term SOFR indexed Series, DelVal executed a Bond Swap under which it receives the SOFR or Term SOFR rate and pays the SIFMA Index. This eliminates the basis risk of changes in the ratio of tax-exempt rates to the SOFR or Term SOFR rates. DelVal does not hedge the DelVal Series that are weekly or daily VRDB's or that have interest rates based on the SIFMA Index.

DelVal utilizes Loan Swaps to hedge the interest rate risk of providing fixed rate Loans. For each fixed rate Loan, DelVal executes a Loan Swap under which DelVal receives the SIFMA Index and pays a fixed rate. The Loan Swap SIFMA Index receipt offsets the related Bond Swap SIFMA Index payment. The notional reduction of the Loan Swap matches the amortization of the related Loan. The Participant has flexibility to choose option provisions, set fixed rates for periods shorter than the maturity date, and split the Loan into tranches with multiple fixed rates or a combination of variable and fixed rates.

DelVal has also executed interest rate swaps (each an "Investment Swap") to eliminate the basis risk of investments in SOFR indexed floating rate notes. Under these transactions, DelVal pays SOFR and receives the SIFMA Index. This locks the investment rate to a spread over the SIFMA Index.

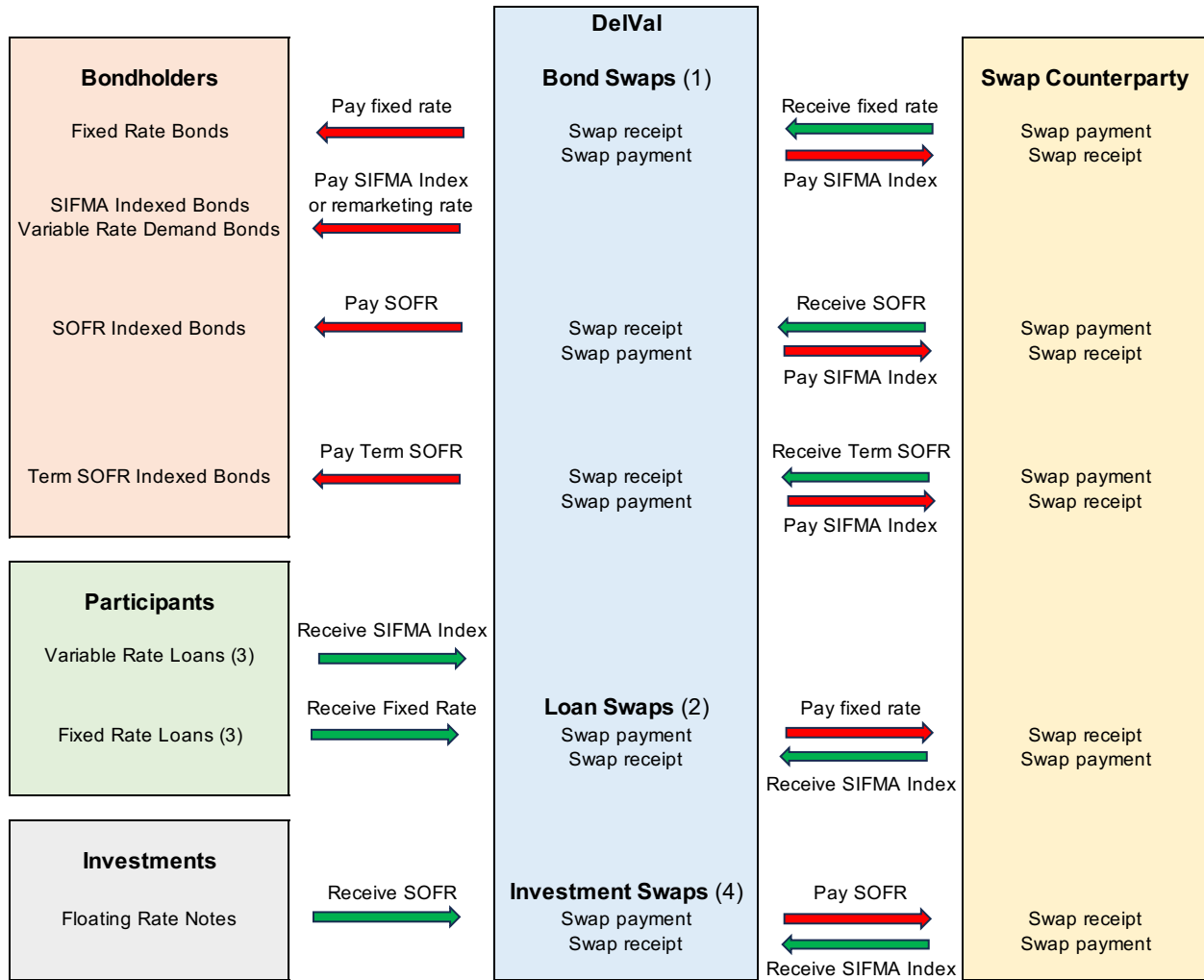
All the Bond Swaps, Loan Swaps, and Investment Swaps are effective hedges under the "consistent critical terms" and "quantitative methods" standards of the Governmental Accounting Standards Board Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*.

The DelVal Board annually adopts an Interest Rate Swap Management Policy (the "Swap Policy"). Any exceptions to Swap Policy must be explicitly authorized by a Resolution of the Board. The Swap Policy restricts DelVal's swaps to hedging transactions, prohibits speculative transactions, prohibits transactions that are constructively working capital loans, and prohibits any remuneration by a Counterparty to the advisors or law firms representing DelVal or the Participant.

Below is a chart that depicts the cash flows for the DelVal Loan program.

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Cash Flows of Debt Service, Loan Payments, Investments, and Swap Transactions



- (1) Transactions executed to create a pool of funds with a net cost comparable to a weekly VRDB and hedge long-term interest rate risk and basis risk.
- (2) Transactions executed to hedge the interest rate risk of providing a fixed rate Loan.
- (3) Loan rates are set monthly by the Administrator at levels sufficient to pay (i) debt service on the DeVal Series, (ii) net payments on interest rate swap transactions, and (iii) administrative costs.
- (4) Transactions executed to hedge the SOFR basis risk of floating rate investments.

Source: Calhoun Baker Inc.

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A summary of the outstanding transactions and their market values is shown below.

Interest Rate Swap Transactions as of June 30, 2025

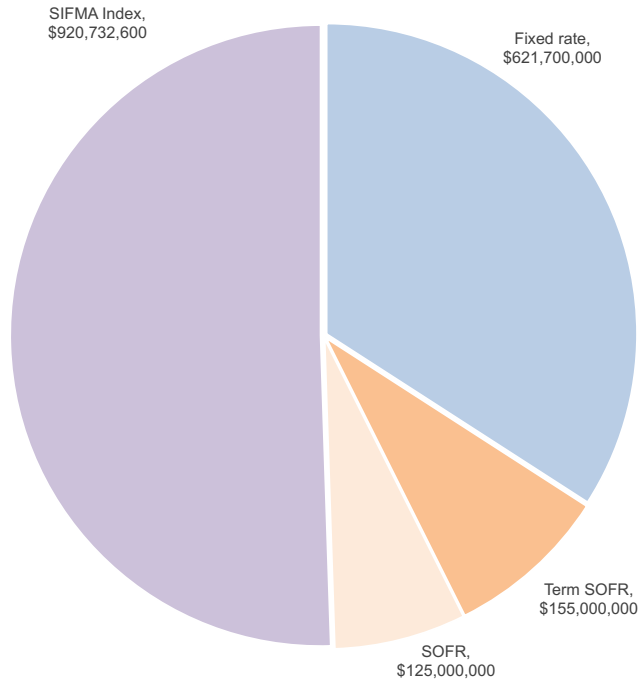
| | <u>Rating</u> | | <u>Notional Amount</u> | <u>Market Value 30-Jun-25</u> |
|-------------------------|----------------|----------------|----------------------------|-----------------------------------|
| | <u>Moody's</u> | <u>S&P</u> | | |
| <i>Bond Swaps</i> | | | | |
| 1997 Series | A1 | *** | \$ 11,660,000 | \$ 639,867 |
| 1998 Series | A1 | *** | 179,890,000 | 13,983,970 |
| 2002 Series | A1 | A+ | 125,000,000 | 13,752,990 |
| Master Series | A1 | A+ | <u>585,150,000</u> | <u>(4,967,515)</u> |
| Total Bond Swaps | | | <u>901,700,000</u> | <u>23,409,312</u> |
| <i>Loan swaps</i> | | | | |
| 1997 Series | A1 | *** | 1,605,000 | 12,872 |
| 1998 Series | A1 | *** | 90,940,000 | 1,474,929 |
| 2002 Series | A1 | A+ | 103,658,000 | 2,559,245 |
| Master Series | A1 | A+ | <u>702,829,600</u> | <u>58,909,636</u> |
| Total Loan Swaps | | | <u>899,032,600</u> | <u>62,956,682</u> |
| <i>Investment swaps</i> | | | <u>21,700,000</u> | <u>(260,339)</u> |
| TOTAL | | | <u>\$ 1,822,432,600</u> | <u>\$ 86,105,655</u> |
| <i>Counterparty</i> | | | | |
| Bank of America | Aa1 | A+ | \$ 943,315,200 | \$ 64,396,358 |
| Barclays Bank PLC | A1 | A+ | 18,154,000 | 855,258 |
| Citibank | Aa3 | A+ | 110,050,000 | (60,491) |
| PNC Bank | A1 | A | 364,033,000 | 13,875,058 |
| Royal Bank of Canada | Aa1 | AA- | 386,738,400 | 7,037,893 |
| Toronto-Dominion Bank | Aa2 | A+ | <u>142,000</u> | <u>1,580</u> |
| TOTAL | | | <u>\$ 1,822,432,600</u> | <u>\$ 86,105,655</u> |

Source: Calhoun Baker Inc.

Charts of the notional amounts of swap receiver and payor rates are shown on the following page.

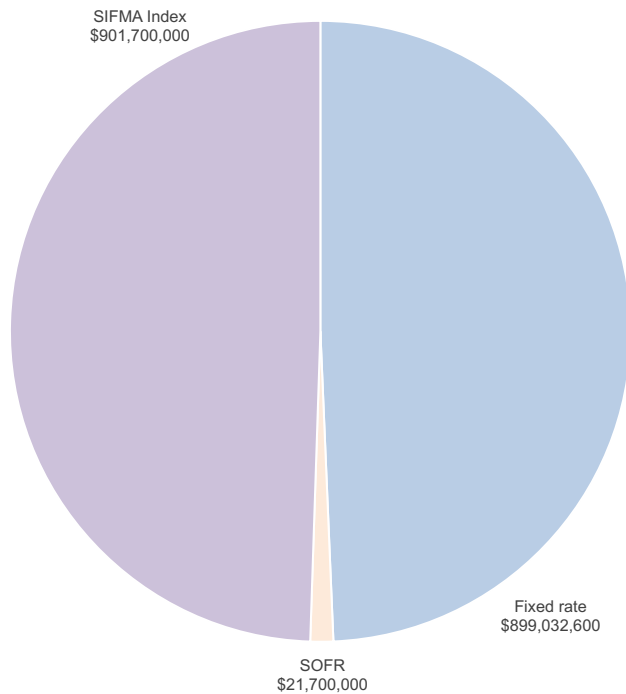
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**Notional Amount of Interest Rate Swap Receiver Rates
as of June 30, 2025**



Source: Calhoun Baker Inc.

**Notional Amount of Interest Rate Swap Payor Rates
as of June 30, 2025**



Source: Calhoun Baker Inc.

OUTLOOK

DelVal expects to originate \$30 to \$50 million of new Loans in 2025 based upon the requests it has received for pro forma debt service schedules for new capital projects. DelVal expects demand to continue to be constrained due to: (i) higher construction costs, (ii) reduced refunding opportunities, (iii) higher interest rates, and (iv) lingering effects of the \$2.2 trillion *CARES* and the \$1.9 trillion *ARPA* programs.

DelVal will continue to monitor the market for opportunities to augment funding for Loans and to restructure its debt obligations in 2025.

Calhoun Baker Inc.

Calhoun Baker Inc.

Program Administrator

Delaware Valley Regional Finance Authority

June 8, 2025

EXHIBIT I: LOANS OUTSTANDING AS OF JUNE 30, 2025

| No. | Borrower | County | Participant or Guarantor Ratings | | | Loans Outstanding | | | | Total Outstanding 1-Jul-25 | Insured (1) Loan Principal | Concentration | |
|-----|---|------------|----------------------------------|---------|-----|-------------------|-------------|-------------|---------------|----------------------------|----------------------------|---------------|------------|
| | | | Kroll | Moody's | S&P | 1997 Series | 1998 Series | 2002 Series | Master Series | | | Borrower | Cumulative |
| 1 | Aldan Borough | Delaware | -- | -- | -- | \$ - | \$ - | \$ - | \$ 4,000,000 | \$ 4,000,000 | \$ 4,000,000 | 0.435% | 0.435% |
| 2 | Aston Township | Delaware | -- | -- | AA- | - | - | 441,000 | 20,332,000 | 20,773,000 | - | 2.261% | 2.697% |
| 3 | Bensalem Township | Bucks | -- | Aa1 | -- | - | 6,017,000 | - | 5,293,000 | 11,310,000 | - | 1.231% | 3.928% |
| 4 | Benton Township | Lackawanna | -- | -- | -- | - | - | - | 135,000 | 135,000 | - | 0.015% | 3.943% |
| 5 | Bethel Township Sewer Authority | Delaware | A+ | -- | -- | - | - | - | 628,000 | 628,000 | - | 0.068% | 4.011% |
| 6 | Bridgeport Borough | Montgomery | -- | -- | -- | 99,000 | - | 1,498,000 | 1,620,000 | 3,217,000 | 2,662,000 | 0.350% | 4.362% |
| 7 | Bristol Borough School District | Bucks | -- | -- | A- | - | - | - | 8,877,000 | 8,877,000 | 8,877,000 | 0.966% | 5.328% |
| 8 | Bristol Township | Bucks | -- | Aa3 | -- | - | - | 1,236,000 | 55,682,000 | 56,918,000 | - | 6.196% | 11.524% |
| 9 | Brookhaven Borough | Delaware | -- | -- | AA- | - | - | 499,000 | 1,248,000 | 1,747,000 | - | 0.190% | 11.715% |
| 10 | Bucks County | Bucks | -- | Aa1 | AAA | - | 30,457,000 | 10,651,000 | 24,400 | 41,132,400 | - | 4.478% | 16.192% |
| 11 | Bucks County Airport Authority | Bucks | -- | Aa1 | AAA | - | - | - | 770,000 | 770,000 | - | 0.084% | 16.276% |
| 12 | Bucks County Community College Authority | Bucks | -- | Aa1 | AAA | - | 1,563,000 | - | - | 1,563,000 | - | 0.170% | 16.446% |
| 13 | Bucks County Water and Sewer Authority | Bucks | -- | -- | A+ | - | - | - | 49,704,000 | 49,704,000 | 49,704,000 | 5.411% | 21.858% |
| 14 | Caln Township | Chester | -- | -- | AA | - | - | - | 10,890,000 | 10,890,000 | - | 1.186% | 23.043% |
| 15 | Caln Township Municipal Authority | Chester | -- | -- | AA | - | - | - | 2,107,000 | 2,107,000 | - | 0.229% | 23.272% |
| 16 | Chadds Ford Township Sewer Authority | Delaware | -- | -- | -- | 28,000 | - | - | 1,768,000 | 1,768,000 | 1,440,000 | 0.192% | 23.465% |
| 17 | Chalfont Borough | Bucks | -- | A1 | -- | - | - | - | 2,522,000 | 2,522,000 | - | 0.275% | 23.739% |
| 18 | Chichester School District | Delaware | -- | -- | A+ | - | - | - | 5,384,000 | 5,384,000 | - | 0.586% | 24.326% |
| 19 | Clifton Heights Borough | Delaware | -- | -- | -- | - | - | - | 2,655,000 | 2,655,000 | 2,655,000 | 0.289% | 24.615% |
| 20 | Collegeville Borough | Montgomery | -- | -- | -- | - | - | - | 95,000 | 95,000 | - | 0.010% | 24.625% |
| 21 | Concord Township | Delaware | -- | Aa1 | -- | - | - | - | 8,222,000 | 8,222,000 | - | 0.895% | 25.520% |
| 22 | Delaware County | Delaware | -- | Aa2 | AA+ | - | 37,453,000 | 55,006,000 | 174,399,000 | 266,858,000 | - | 29.052% | 54.572% |
| 23 | Delaware County Solid Waste Authority | Delaware | -- | Aa2 | AA+ | - | - | 17,668,000 | 21,203,000 | 38,871,000 | 620,000 | 4.232% | 58.804% |
| 24 | Doylestown Borough | Bucks | AA | -- | -- | - | - | - | 5,201,000 | 5,201,000 | - | 0.566% | 59.370% |
| 25 | East Bradford Township | Chester | -- | -- | AA | - | - | - | 6,096,000 | 6,096,000 | - | 0.664% | 60.033% |
| 26 | East Goshen Municipal Authority | Chester | AAA | Aaa | -- | - | - | 3,739,000 | 1,321,000 | 5,060,000 | 3,739,000 | 0.551% | 60.584% |
| 27 | Eddystone Borough | Delaware | -- | -- | -- | - | - | 1,473,000 | 3,298,000 | 4,771,000 | 3,298,000 | 0.519% | 61.104% |
| 28 | Folcroft Borough | Delaware | -- | -- | -- | - | - | - | 9,381,000 | 9,381,000 | 9,381,000 | 1.021% | 62.125% |
| 29 | Forbes Road School District | Fulton | -- | -- | -- | - | - | - | 4,007,000 | 4,007,000 | 3,609,000 | 0.436% | 62.561% |
| 30 | Franconia Sewer Authority | Montgomery | -- | -- | AA | - | - | - | 9,048,000 | 9,048,000 | 9,048,000 | 0.985% | 63.546% |
| 31 | Franconia Township | Montgomery | -- | -- | AA | 602,000 | - | 110,000 | 1,383,000 | 2,095,000 | 829,000 | 0.228% | 63.774% |
| 32 | Franklin Township | Chester | -- | A1 | -- | - | - | - | 2,124,000 | 2,124,000 | - | 0.231% | 64.006% |
| 33 | Garnet Valley School District | Delaware | -- | -- | AA | - | 2,612,000 | - | 1,907,000 | 4,519,000 | 2,612,000 | 0.492% | 64.498% |
| 34 | Glen Rock Sewer Authority | York | -- | -- | -- | - | - | - | 1,696,000 | 1,696,000 | 1,696,000 | 0.185% | 64.682% |
| 35 | Hatfield Borough | Montgomery | -- | -- | -- | - | - | - | 5,363,000 | 5,363,000 | 2,475,000 | 0.584% | 65.266% |
| 36 | Hatfield Township | Montgomery | -- | -- | AA | 117,000 | 220,000 | 530,000 | 22,323,000 | 23,190,000 | - | 2.525% | 67.791% |
| 37 | Highland Township | Chester | -- | -- | -- | - | 249,000 | - | - | 249,000 | - | 0.027% | 67.818% |
| 38 | Kennett Square Borough | Chester | -- | A2 | AA- | - | - | - | 8,810,000 | 8,810,000 | 4,581,000 | 0.959% | 68.777% |
| 39 | Lansdowne Borough | Delaware | A+ | -- | -- | - | - | - | 1,364,000 | 1,364,000 | - | 0.148% | 68.925% |
| 40 | London Britain Township | Chester | -- | -- | -- | 19,000 | - | - | 228,000 | 247,000 | - | 0.027% | 68.952% |
| 41 | London Grove Township | Chester | -- | -- | AA | 65,000 | - | - | 4,512,000 | 4,577,000 | - | 0.498% | 69.451% |
| 42 | London Grove Township Municipal Authority | Chester | -- | -- | AA | - | - | 1,087,000 | 3,342,000 | 4,429,000 | - | 0.482% | 69.933% |
| 43 | Lower Oxford Township | Chester | -- | -- | -- | 129,000 | - | - | 380,000 | 509,000 | - | 0.055% | 69.988% |
| 44 | Lower Perkiomen Valley Regional Sewer Authority | Montgomery | -- | -- | AA- | - | 3,951,000 | - | 32,290,000 | 36,241,000 | - | 3.945% | 73.934% |
| 45 | Lower Pottsgrove Township Authority | Montgomery | -- | -- | AA | - | - | 4,007,000 | - | 4,007,000 | - | 0.436% | 74.370% |

(1) Certain loans are insured by Assured Guaranty Inc. ("AG") and Build America Mutual Assurance Company ("BAM") with the Delaware Valley Regional Finance Authority as the beneficiary. AG is rated "A1" by Moody's, "AA" by S&P, and "AA+" by Kroll, all with stable outlooks. BAM is currently rated "AA" with a stable outlook by S&P.

(Continued on the next page)

EXHIBIT I: LOANS OUTSTANDING AS OF JUNE 30, 2025

| No. | Borrower | County | Participant or Guarantor Ratings | | | Loans Outstanding | | | | Total Outstanding 1-Jul-25 | Insured (1) Loan Principal | Concentration | |
|-----|--|------------|----------------------------------|---------|-----|-------------------|-------------|-------------|---------------|----------------------------|----------------------------|---------------|------------|
| | | | Kroll | Moody's | S&P | 1997 Series | 1998 Series | 2002 Series | Master Series | | | Borrower | Cumulative |
| 46 | Lower Providence Township Sewer Authority | Montgomery | -- | Aa2 | -- | - | - | - | 9,095,000 | 9,095,000 | - | 0.990% | 75.360% |
| 47 | Lower Salford Township | Montgomery | -- | -- | -- | - | 502,000 | - | - | 502,000 | - | 0.055% | 75.415% |
| 48 | Marcus Hook Borough | Delaware | -- | -- | -- | - | - | 233,000 | 1,909,000 | 2,142,000 | - | 0.233% | 75.648% |
| 49 | Marple Township | Delaware | -- | -- | AA | - | - | - | 22,180,000 | 22,180,000 | - | 2.415% | 78.062% |
| 50 | Montgomery County | Montgomery | -- | Aaa | -- | - | - | - | 174,200 | 174,200 | - | 0.019% | 78.081% |
| 51 | Montgomery Township | Montgomery | -- | -- | AAA | - | - | - | 20,419,000 | 20,419,000 | - | 2.223% | 80.304% |
| 52 | Morrisville Borough | Bucks | -- | -- | -- | - | - | - | 1,625,000 | 1,625,000 | 1,625,000 | 0.177% | 80.481% |
| 53 | Morton Borough | Delaware | -- | -- | -- | 36,000 | - | - | - | 36,000 | - | 0.004% | 80.485% |
| 54 | Nether Providence Township | Delaware | -- | -- | -- | - | - | 157,000 | 1,333,000 | 1,490,000 | 257,000 | 0.162% | 80.647% |
| 55 | New Britain Township | Bucks | -- | -- | -- | 40,000 | - | - | - | 40,000 | - | 0.004% | 80.652% |
| 56 | Newtown Township | Delaware | -- | Aaa | -- | - | - | - | 9,315,000 | 9,315,000 | - | 1.014% | 81.666% |
| 57 | Norristown Municipality | Montgomery | -- | -- | A+ | - | - | - | 540,000 | 540,000 | - | 0.059% | 81.725% |
| 58 | North Coventry Township | Chester | -- | -- | AA | - | - | - | 450,000 | 450,000 | - | 0.049% | 81.774% |
| 59 | North Wales Borough | Montgomery | -- | -- | -- | - | - | - | 1,634,000 | 1,634,000 | - | 0.178% | 81.951% |
| 60 | Northeastern York County Sewer Authority | York | -- | -- | -- | - | - | 163,000 | 4,586,000 | 4,749,000 | 2,648,000 | 0.517% | 82.468% |
| 61 | Nonwood Borough | Delaware | -- | -- | -- | - | - | - | 1,377,000 | 1,377,000 | - | 0.150% | 82.618% |
| 62 | Ontelaunee Township | Berks | -- | -- | AA- | - | - | - | 717,000 | 717,000 | 717,000 | 0.078% | 82.696% |
| 63 | Parkeburg Borough | Chester | -- | -- | -- | - | - | - | 2,567,000 | 2,567,000 | 2,567,000 | 0.279% | 82.976% |
| 64 | Penndel Borough | Bucks | -- | -- | -- | - | - | - | 656,000 | 656,000 | - | 0.071% | 83.047% |
| 65 | Pennsbury Township | Chester | AA | -- | -- | - | - | - | 2,265,000 | 2,265,000 | - | 0.247% | 83.294% |
| 66 | Perkasie Borough | Bucks | -- | -- | -- | 140,000 | 42,000 | - | 731,000 | 913,000 | - | 0.099% | 83.393% |
| 67 | Pocopson Township | Chester | -- | Aa2 | -- | - | - | 675,000 | 121,000 | 796,000 | 121,000 | 0.087% | 83.480% |
| 68 | Prospect Park Borough | Delaware | -- | -- | -- | - | - | - | 1,024,000 | 1,024,000 | - | 0.111% | 83.591% |
| 69 | Red Lion Area School District | York | -- | Aa3 | -- | - | - | - | 3,035,000 | 3,035,000 | - | 0.330% | 83.922% |
| 70 | Ridley School District | Delaware | -- | -- | BBB | - | - | - | 2,979,000 | 2,979,000 | - | 0.324% | 84.246% |
| 71 | Ridley Township | Delaware | -- | -- | AA- | 212,000 | - | - | 8,007,000 | 8,219,000 | - | 0.895% | 85.141% |
| 72 | Rutledge Borough | Delaware | -- | -- | -- | - | - | - | 109,000 | 109,000 | - | 0.012% | 85.153% |
| 73 | Solebury Township | Bucks | -- | Aa1 | -- | - | 467,000 | - | - | 467,000 | - | 0.051% | 85.204% |
| 74 | Southern Delaware County Authority | Delaware | -- | -- | -- | 92,000 | - | - | - | 92,000 | - | 0.010% | 85.214% |
| 75 | Springfield Township, York County, Sewer Authority | York | -- | -- | -- | - | - | 1,471,000 | - | 1,471,000 | 1,471,000 | 0.160% | 85.374% |
| 76 | Stroudsburg Area School District | Monroe | -- | A1 | A+ | - | 3,168,000 | - | 1,556,000 | 4,724,000 | 3,168,000 | 0.514% | 85.888% |
| 77 | Swarthmore Borough | Delaware | -- | -- | -- | - | 56,000 | - | 1,704,000 | 1,760,000 | 56,000 | 0.192% | 86.080% |
| 78 | Tinicum Township (Bucks) | Bucks | AA- | -- | -- | - | - | - | 4,900,000 | 4,900,000 | - | 0.533% | 86.613% |
| 79 | Tinicum Township (Delaware) | Delaware | -- | Aa3 | -- | - | 274,000 | - | 7,413,000 | 7,687,000 | 550,000 | 0.837% | 87.450% |
| 80 | Towamencin Municipal Authority | Montgomery | -- | -- | AA | - | - | - | 5,325,000 | 5,325,000 | - | 0.580% | 88.030% |
| 81 | Towamencin Township | Montgomery | -- | -- | AA | - | - | - | 7,236,000 | 7,236,000 | 1,865,000 | 0.788% | 88.817% |
| 82 | Upland Borough | Delaware | BBB+ | -- | -- | - | - | - | 454,000 | 454,000 | - | 0.049% | 88.867% |
| 83 | Upper Dublin Township | Montgomery | -- | Aa1 | -- | - | 1,908,000 | - | 41,969,000 | 43,877,000 | - | 4.777% | 93.644% |
| 84 | Upper Dublin Township Municipal Authority | Montgomery | -- | Aa1 | -- | - | - | - | 4,705,000 | 4,705,000 | - | 0.512% | 94.156% |
| 85 | Upper Providence Township (Delaware) | Delaware | -- | -- | AA | - | - | - | 369,000 | 369,000 | - | 0.040% | 94.196% |
| 86 | Upper Providence Township Sewer Authority | Delaware | -- | -- | AA | - | 812,000 | - | 6,529,000 | 7,341,000 | - | 0.799% | 94.995% |
| 87 | Upper Salford Township | Montgomery | -- | -- | -- | - | - | - | 175,000 | 175,000 | - | 0.019% | 95.014% |
| 88 | Upper Southampton Township | Bucks | AA | -- | -- | - | 355,000 | - | 188,000 | 543,000 | - | 0.059% | 95.073% |
| 89 | Upper Southampton Municipal Authority | Bucks | AA | -- | -- | 113,000 | 53,000 | 3,247,000 | 8,887,000 | 12,300,000 | - | 1.339% | 96.412% |
| 90 | Wallingford-Swarthmore School District | Delaware | -- | -- | AA- | - | - | - | 12,628,000 | 12,628,000 | - | 1.375% | 97.787% |

(1) Certain loans are insured by Assured Guaranty Inc. ("AG") and Build America Mutual Assurance Company ("BAM") with the Delaware Valley Regional Finance Authority as the beneficiary. AG is rated "A1" by Moody's, "AA" by S&P, and "AA+" by Kroll, all with stable outlooks. BAM is currently rated "AA" with a stable outlook by S&P.

(Continued on the next page)

EXHIBIT I: LOANS OUTSTANDING AS OF JUNE 30, 2025

| No. | Borrower | County | Participant or Guarantor Ratings | | | Loans Outstanding | | | | Total Outstanding 1-Jul-25 | Insured (1) Loan Principal | Concentration | |
|-------------------------|---------------------------|------------|----------------------------------|---------|-----|---------------------|----------------------|-----------------------|-----------------------|-------------------------------|----------------------------------|---------------|------------|
| | | | Kroll | Moody's | S&P | 1997 Series | 1998 Series | 2002 Series | Master Series | | | Borrower | Cumulative |
| 91 | Warminster Township | Bucks | --- | --- | A | - | - | - | 12,445,000 | 12,445,000 | - | 1.355% | 99.142% |
| 92 | West Fallowfield Township | Chester | --- | --- | --- | - | 144,000 | - | - | 144,000 | - | 0.016% | 99.158% |
| 93 | West Goshen Township | Chester | AA+ | --- | AA+ | - | - | - | 1,599,000 | 1,599,000 | - | 0.174% | 99.332% |
| 94 | West Pottsgrove Township | Montgomery | --- | --- | --- | - | - | - | 1,198,000 | 1,198,000 | 1,198,000 | 0.130% | 99.462% |
| 95 | West Vincent Township | Chester | --- | Aa3 | --- | - | - | - | 2,740,000 | 2,740,000 | - | 0.298% | 99.760% |
| 96 | Whitpain Township | Montgomery | --- | Aaa | --- | - | 1,139,000 | - | - | 1,139,000 | - | 0.124% | 99.884% |
| 97 | Yeadon Borough | Delaware | --- | --- | --- | - | - | - | 1,062,000 | 1,062,000 | - | 0.116% | 100.000% |
| Total Loans Outstanding | | | | | | <u>\$ 1,692,000</u> | <u>\$ 91,675,000</u> | <u>\$ 103,658,000</u> | <u>\$ 721,534,600</u> | <u>\$ 918,559,600</u> | <u>\$ 127,469,000</u> | 100.000% | |

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Source: Calhoun Baker Inc.