

## NEW ISSUE—BOOK-ENTRY ONLY

**Rating:** Moody's "Aaa"  
See "RATING" herein

*In the opinion of Special Tax Counsel, assuming the accuracy of certain representations and continuing compliance with certain covenants designed to meet the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and subject to the exceptions described herein, under existing laws, regulations, rulings and judicial decisions, (1) interest on the 2021 Series 2 Bonds is excluded from gross income of the owners thereof for purposes of federal income taxation, (2) interest on the 2021 Series 2A Bonds is a specific preference item for purposes of the federal alternative minimum tax and (3) interest on the 2021 Series 2N Bonds is not a specific preference item for purposes of the federal alternative minimum tax. See "TAX TREATMENT AND RELATED CONSIDERATIONS" herein.*



**WASHINGTON STATE  
HOUSING FINANCE COMMISSION  
Single-Family Program Bonds**

**\$2,700,000**  
**2021 Series 2A**  
**(AMT)**  
**(Social Bonds)**

**\$76,825,000**  
**2021 Series 2N**  
**(Non-AMT)**  
**(Social Bonds)**



**Dated:** Date of Initial Delivery

**Due:** As shown on the inside front cover

The Washington State Housing Finance Commission (the "Commission") provides this Official Statement in connection with the issuance of its Single-Family Program Bonds, 2021 Series 2A (AMT) (Social Bonds) (the "2021 Series 2A Bonds") and its Single-Family Program Bonds, 2021 Series 2N (Non-AMT) (Social Bonds) (the "2021 Series 2N Bonds" and, together with the 2021 Series 2A Bonds, the "2021 Series 2 Bonds"). The 2021 Series 2 Bonds are being issued to refund certain outstanding bonds of the Commission and to finance the purchase of "Eligible Collateral," which may consist of Whole Loans and/or mortgage-backed certificates guaranteed as to timely payment of principal and interest by the Government National Mortgage Association, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation. The mortgage-backed certificates will be backed by pools of mortgage loans that have been or will be made by participating lenders to persons or families of low and moderate income to finance the purchase of single-family residential housing located in Washington State.

The 2021 Series 2 Bonds will accrue interest from their date of initial delivery (which is expected to be November 30, 2021). Interest on the 2021 Series 2 Bonds will be payable semiannually on each June 1 and December 1 (or if such date is not a Business Day, on the next succeeding Business Day) commencing June 1, 2022, and upon redemption or maturity.

The 2021 Series 2 Bonds are being issued only as fully registered bonds under a book-entry system and will be initially registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC") in New York, New York, which will act as securities depository for the 2021 Series 2 Bonds. Individual purchases of the 2021 Series 2 Bonds will be made in the principal amount of \$5,000 or any integral multiple thereof within a maturity. Purchasers of the 2021 Series 2 Bonds will not receive actual certificates representing their interest in such Bonds. Both principal and interest on the 2021 Series 2 Bonds will be paid by Wilmington Trust, National Association, as Trustee, to DTC, which is obligated to remit both principal and interest when due to its participants for subsequent disbursements to Beneficial Owners (as defined in Appendix C hereto) of the 2021 Series 2 Bonds. See Appendix C hereto for a description of DTC and its book-entry system.

The 2021 Series 2 Bonds, and any bonds and notes that have been or may be issued under the Indenture (as defined herein) (collectively, the "Bonds"), other than subordinate lien bonds, will have an equal security interest in all Eligible Collateral and Investment Securities and other sources of payment of all Bonds. Deficiencies in funds available for deposits and payments with respect to any Series of Bonds may be made up from funds available with respect to any other Series of Bonds. See "SECURITY FOR THE BONDS."

**A MATURITY SCHEDULE APPEARS ON THE INSIDE FRONT COVER**

The 2021 Series 2 Bonds are subject to redemption as described under the heading "REDEMPTION PROVISIONS" herein. Revenues received in connection with other Bonds issued under the Indenture and unexpended proceeds of the 2021 Series 2 Bonds may be used to redeem certain 2021 Series 2 Bonds before maturity. See "BONDHOLDER RISKS – Risks Resulting from Non-Origination – Status of Originations" for updated information with respect to certain unexpended proceeds of prior Bonds and Mortgage Loan originations.

THE 2021 SERIES 2 BONDS ARE LIMITED OBLIGATIONS AND NOT GENERAL OBLIGATIONS OF THE COMMISSION. PAYMENT OF THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE 2021 SERIES 2 BONDS WILL BE A VALID CLAIM ONLY AGAINST THE SPECIAL FUND OR FUNDS OF THE COMMISSION RELATING THERETO, ARE NOT PAYABLE FROM ANY OTHER REVENUES, FUNDS OR ASSETS OF THE COMMISSION AND WILL NOT BE AN OBLIGATION OF THE STATE OF WASHINGTON OR ANY MUNICIPAL CORPORATION, SUBDIVISION OR AGENCY OF THE STATE OTHER THAN THE COMMISSION. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR ANY MUNICIPAL CORPORATION, SUBDIVISION OR AGENCY OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE 2021 SERIES 2 BONDS. THE 2021 SERIES 2 BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA OR OF ANY AGENCY THEREOF OR OF GNMA, FANNIE MAE OR FREDDIE MAC AND ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA. SEE "BONDHOLDER RISKS" AND "SECURITY FOR THE BONDS."

This cover page and the inside front cover contain certain information for quick reference only and are not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

*The 2021 Series 2 Bonds are offered when, as, and if issued by the Commission and accepted by the Underwriters, subject to the delivery of the opinion of Pacifica Law Group LLP, Seattle, Washington, General Counsel to the Commission and Bond Counsel, as to the validity of the 2021 Series 2 Bonds, the delivery of the opinion of Kutak Rock LLP, Omaha, Nebraska, Special Tax Counsel to the Commission, as to certain tax matters, and the delivery of the opinion of Kutak Rock LLP, Omaha, Nebraska, Disclosure Counsel to the Commission. Certain legal matters will be passed upon for the Underwriters by Dorsey & Whitney LLP, Des Moines, Iowa. It is expected that the 2021 Series 2 Bonds will be available for delivery through DTC's facilities via Fast Automated Securities Transfer (FAST) on or about November 30, 2021.*

**RBC Capital Markets**

**Wells Fargo Securities**

**Morgan Stanley**

## MATURITY SCHEDULE

### Single-Family Program Bonds, 2021 Series 2A (AMT) (Social Bonds)

\$2,700,000 Serial Bonds

Maturity Dates	Principal Amounts	Interest Rates	Price	CUSIP*
June 1, 2022	\$420,000	0.150%	100%	93978TW39
December 1, 2022	895,000	0.250	100	93978TW47
June 1, 2023	915,000	0.375	100	93978TW54
December 1, 2023	470,000	0.500	100	93978TW62

### Single-Family Program Bonds, 2021 Series 2N (Non-AMT) (Social Bonds)

\$21,690,000 Serial Bonds

Maturity Dates	Principal Amounts	Interest Rates	Price	CUSIP†
December 1, 2023	\$ 445,000	0.375%	100.000%	93978TW70
June 1, 2024	915,000	0.550	100.000	93978TW88
December 1, 2024	930,000	0.650	100.000	93978TW96
June 1, 2025	945,000	5.000	115.153	93978TX20
December 1, 2025	960,000	5.000	116.857	93978TX38
June 1, 2026	970,000	5.000	118.441	93978TX46
December 1, 2026	990,000	5.000	120.012	93978TX53
June 1, 2027	1,005,000	5.000	121.364	93978TX61
December 1, 2027	1,020,000	5.000	122.594	93978TX79
June 1, 2028	1,035,000	5.000	123.350	93978TX87
December 1, 2028	1,050,000	5.000	124.462	93978TX95
June 1, 2029	1,065,000	5.000	124.909	93978TY29
December 1, 2029	1,080,000	5.000	125.614	93978TY37
June 1, 2030	1,100,000	5.000	126.656	93978TY45
December 1, 2030	1,115,000	5.000	127.631	93978TY52
June 1, 2031	1,135,000	1.950	100.000	93978TY60
December 1, 2031	1,150,000	2.000	100.000	93978TY78
June 1, 2032	1,170,000	2.100	100.000	93978TY86
December 1, 2032	1,185,000	2.100	100.000	93978TY94
June 1, 2033	1,205,000	2.150	100.000	93978TZ28
December 1, 2033	1,220,000	2.150	100.000	93978TZ36

\$7,740,000 Term Bonds Due on December 1, 2036 – Interest Rate 2.25% – Price: 100% – CUSIP†: 93978TZ44

\$14,570,000 Term Bonds Due on December 1, 2041 – Interest Rate 2.40% – Price: 100% – CUSIP†: 93978TZ51

\$4,830,000 Term Bonds Due on June 1, 2043 – Interest Rate 2.55% – Price: 100% – CUSIP†: 93978TZ69

\$27,995,000 “PAC” Term Bonds Due on June 1, 2051 – Interest Rate 3.00% – Price: 108.369% – CUSIP†: 93978TZ77

\* CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein are provided by Standard & Poor’s Rating Services, a Standard & Poor’s Financial Services LLC business. The CUSIP numbers are included above for convenience of the holders and potential holders of the 2021 Series 2 Bonds. No assurance can be given that the CUSIP numbers for the 2021 Series 2 Bonds will remain the same after the date of issuance and delivery of the 2021 Series 2 Bonds.

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*No dealer, broker, salesman, underwriter or other person has been authorized by the Commission or the Underwriters to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2021 Series 2 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.*

*The information set forth herein has been obtained from the Commission and other sources believed to be reliable. The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement pursuant to their responsibilities to investors of the 2021 Series 2 Bonds under the federal securities laws, but the Underwriters do not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Commission or any other parties described herein since the date as of which such information is presented.*

*Upon issuance, the 2021 Series 2 Bonds will not be registered under the Securities Act of 1933, as amended, or under any state securities law and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency, except the Commission, will pass upon the accuracy or adequacy of this Official Statement or approve the 2021 Series 2 Bonds for sale.*

**IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICES OF THE 2021 SERIES 2 BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.**

*Wilmington Trust, National Association, as Trustee, has not reviewed, provided, or undertaken to determine the accuracy of, any of the information contained in this Official Statement and makes no representation or warranty, express or implied, as to any matters contained in this Official Statement, including, but not limited to, (i) the accuracy or completeness of such information, (ii) the validity of the 2021 Series 2 Bonds, or (iii) the tax-exempt status of the 2021 Series 2 Bonds.p*

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## WASHINGTON STATE HOUSING FINANCE COMMISSION

### **\$2,700,000 Single-Family Program Bonds, 2021 Series 2A (AMT) (Social Bonds)** **\$76,825,000 Single-Family Program Bonds, 2021 Series 2N (Non-AMT) (Social Bonds)**

#### INTRODUCTION

The purpose of this Official Statement of the Washington State Housing Finance Commission (the “Commission”) is to provide certain information in connection with the issuance of its Single-Family Program Bonds, 2021 Series 2A (AMT) (Social Bonds) (the “2021 Series 2A Bonds”) and its Single-Family Program Bonds, 2021 Series 2N (Non-AMT) (Social Bonds) (the “2021 Series 2N Bonds” and, together with the 2021 Series 2A Bonds, the “2021 Series 2 Bonds”). Certain capitalized terms used in this Official Statement are defined in Appendix A. Reference is made to the Indenture (as defined below) for the definitions of capitalized terms used and not otherwise defined herein. This Official Statement speaks only as of its date, and the information contained herein is subject to change. The information contained under this heading “INTRODUCTION” is qualified by reference to the entire Official Statement. This introduction is only a brief description and potential investors should review the entire Official Statement, as well as the documents summarized or described herein, in order to make an informed investment decision.

This Official Statement contains “forward-looking statements” within the meaning of the federal securities laws. These forward-looking statements include, among others, statements concerning expectations, beliefs, opinions, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements.

#### **Authority for Issuance**

The 2021 Series 2 Bonds are issued pursuant to chapter 43.180 Revised Code of Washington (the “Act”), under the Commission’s Amended and Restated General Trust Indenture dated as of November 1, 2010, as the same has been and may be supplemented and amended (the “General Indenture”), and a Series Indenture dated as of November 1, 2021 (the “2021 Series 2 Indenture”), between the Commission and Wilmington Trust, National Association, as trustee (the “Trustee”). See Appendix A – “Summary of the General Indenture” hereto. The General Indenture, the 2021 Series 2 Indenture, any other Series Indentures, and any amendments thereto, are collectively referred to herein as the “Indenture.” Resolution No. 21-70, adopted by the Commission on June 24, 2021, authorizes the issuance of the 2021 Series 2 Bonds.

#### **Security and Sources of Payment**

Under the Indenture, the 2021 Series 2 Bonds are being issued on a parity with each other and with previously issued Bonds. The Commission may issue additional Bonds on a parity with the 2021 Series 2 Bonds, as well as Bonds that are subordinate to the 2021 Series 2 Bonds (“Subordinate Bonds”). Currently, there are no Subordinate Bonds.

All Eligible Collateral, when purchased by the Trustee, will be pledged under the Indenture to the payment of principal of and interest on the Bonds. See “SECURITY FOR THE BONDS.”

THE 2021 SERIES 2 BONDS ARE LIMITED OBLIGATIONS AND NOT GENERAL OBLIGATIONS OF THE COMMISSION. PAYMENT OF THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE 2021 SERIES 2 BONDS WILL BE A VALID CLAIM ONLY AGAINST THE SPECIAL FUND OR FUNDS OF THE COMMISSION RELATING THERETO, ARE NOT PAYABLE FROM ANY OTHER REVENUES, FUNDS OR ASSETS OF THE COMMISSION AND WILL NOT BE AN OBLIGATION OF THE STATE OF WASHINGTON OR ANY MUNICIPAL CORPORATION, SUBDIVISION OR AGENCY OF THE STATE, OTHER THAN THE COMMISSION. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR ANY MUNICIPAL CORPORATION, SUBDIVISION OR AGENCY OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE 2021 SERIES 2 BONDS. THE 2021 SERIES 2 BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA OR OF ANY AGENCY THEREOF OR OF GNMA, FANNIE MAE OR FREDDIE MAC AND ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA. SEE “BONDHOLDER RISKS” AND “SECURITY FOR THE BONDS.”

## **Acquisition and Operating Policy**

Certain Commission obligations regarding the deposit of Revenues (as defined below) and application of amounts held under the Indenture that are not otherwise specified in the General Indenture or a Series Indenture are specified in the Acquisition and Operating Policy. The scope of the Acquisition and Operating Policy is set forth in the Indenture, as are terms under which the Commission may amend the Acquisition and Operating Policy from time to time. See Appendix A hereto under the heading “Acquisition and Operating Policy” for a summary of the General Indenture requirements pertaining to the Acquisition and Operating Policy. The Acquisition and Operating Policy is intended to provide the Trustee with sufficient guidance at any time to administer the Indenture for the remaining term of the Bonds, without further instruction from the Commission. However, the Commission routinely amends the Acquisition and Operating Policy to accommodate specific transactions and provides the Trustee with specific instructions permitted under the Acquisition and Operating Policy so as to permit the active management of the Indenture by the Commission. The Commission also routinely amends the Acquisition and Operating Policy when it issues each Series of Bonds or changes the terms of Eligible Collateral (as defined below) to be acquired. The Commission routinely provides instructions to the Trustee with respect to the allocation and deposit of Revenues and with respect to the application of amounts on deposit under the Indenture to redeem Bonds or acquire Eligible Collateral.

The Commission expects to amend the Acquisition and Operating Policy from time to time in the future, and to continue providing the Trustee with instructions pursuant to the Acquisition and Operating Policy. As a result, the Acquisition and Operating Policy may not reflect the Commission’s evolving plans with respect to the future management of the Indenture, and does not bind the Commission to any specific plan of management. However, in the absence of any future issuance of Bonds, amendment of the Acquisition and Operating Policy, or permitted instructions from the Commission, the Trustee will operate the Indenture in conformance with the Acquisition and Operating Policy then in force. Copies of the Acquisition and Operating Policy are available from the Commission upon payment to the Commission of a charge for copying, mailing and handling. Requests for such copies should be addressed to the Commission’s Senior Director of Finance.

### **Purpose**

The 2021 Series 2 Bonds are being issued by the Commission to make funds available, upon the exchange of money to be derived in connection with the current refunding of certain outstanding Bonds of the Commission, to finance, together with additional proceeds of the 2021 Series 2 Bonds, the origination of qualifying mortgage loans (“Mortgage Loans”) to eligible borrowers for single-family, owner-occupied housing in Washington State as part of the Commission’s program to finance Mortgage Loans pursuant to the General Indenture (the “Program”), all as more fully described herein. See “PLAN OF FINANCE” herein.

### **Eligible Collateral**

Proceeds of Bonds issued under the Indenture, other than certain refunding Bonds and certain short-term Bonds issued as notes from time to time, are used by the Trustee to purchase pass-through mortgage-backed certificates (the “GNMA Certificates”) guaranteed by the Government National Mortgage Association (“GNMA”), single-pool, mortgage pass-through securities (the “Fannie Mae Certificates”) guaranteed by the Federal National Mortgage Association (“Fannie Mae”) and mortgage pass-through securities (the “Freddie Mac Certificates”) guaranteed by the Federal Home Loan Mortgage Corporation (“Freddie Mac”), including participations therein. On June 3, 2019, Fannie Mae and Freddie Mac began issuing new, common, single mortgage-backed securities, formally known as Uniform Mortgage-Backed Securities. See “SECURITY FOR THE BONDS—Eligible Collateral” for more information regarding Uniform Mortgage-Backed Securities, and Appendix F (Table F-5) for a schedule showing the Eligible Collateral held by the Trustee as of the date set forth in such table. The Commission also may use Bond proceeds to purchase Mortgage Loans that are not guaranteed by GNMA, Fannie Mae or Freddie Mac (“Whole Loans”). The Commission has not purchased Whole Loans with proceeds of Bonds. The Acquisition and Operating Policy currently does not allow for the acquisition of Whole Loans, although this may change in the future. The GNMA Certificates, Fannie Mae Certificates and Freddie Mac Certificates are referred to herein as the “Certificates,” and the Certificates and the Whole Loans are referred to herein as “Eligible Collateral.” See “SECURITY FOR THE BONDS—Eligible Collateral” and “PLAN OF FINANCE” herein.

The Eligible Collateral to be purchased by the Trustee will be backed by Mortgage Loans originated by participating mortgage-lending institutions (the “Mortgage Lenders”) pursuant to Mortgage Origination Agreements (the “Origination Agreements”) entered into, or to be entered into, with the Commission and the Servicer. See “SINGLE-FAMILY MORTGAGE PROGRAMS—The Program” for more information regarding Mortgage Lenders.

The Commission reserves the right, in connection with the refunding of Bonds issued under the Indenture, to re-allocate receipts from Eligible Collateral from a refunded issue of Bonds to the refunding issue of Bonds.

In accordance with the Federal Housing Finance Regulatory Reform Act of 2008 (the “Regulatory Reform Act”), the Federal Housing Finance Agency (the “FHFA”) was named as the conservator of both Fannie Mae and Freddie Mac on September 6, 2008. The Commission cannot predict the long-term consequences of the conservatorships of Fannie Mae and Freddie Mac, or the corresponding impacts, if any, on the Commission and the Eligible Collateral held under the Indenture.

### **Other Mortgage Revenue Bond Indentures**

As of October 1, 2021, the Commission had \$19,080,192 of outstanding bonds issued under its Homeownership Program General Trust Indenture dated as of December 1, 2009, as amended (the “Homeownership Indenture”), and \$3,487,847 of outstanding bonds issued under its Single-Family Special Program Master Trust Indenture dated as of October 1, 2012, as amended (the “Special Program Indenture”). None of the trust estates pledged in the Homeownership Indenture and the Special Program Indenture to the owners of bonds issued under those indentures is pledged to or available for payment of the 2021 Series 2 Bonds.

### **COVID-19**

Certain external events, such as pandemics, natural disasters, severe weather, technological emergencies, riots, acts of war or terrorism or other circumstances, could potentially disrupt the Commission’s ability to conduct its business. One such external event is the global outbreak of COVID-19 (“COVID-19”), a respiratory disease declared in 2020 to be a pandemic (the “Pandemic”) by the World Health Organization and an emergency by federal and state governments. Since the start of the Pandemic, Presidential administrations, Congress, the Federal Reserve, HUD/FHA (including GNMA), the Federal Housing Finance Agency (including Fannie Mae and Freddie Mac), USDA Rural Development, VA, the Centers for Disease Control, and the Consumer Financial Protection Bureau, along with the State, have enacted legislation and/or issued orders or directives (collectively, “Governmental Actions”) to alleviate the effects of COVID-19 on homeowners, renters, landlords, servicers and lenders. Governmental Actions have included loan forbearance directives, moratoria on foreclosures and/or evictions, loan modification directives, loan servicing assistance, rental assistance, and homeownership loan assistance. Such legislation and/or orders have been extended and/or modified, and others have expired or been enjoined. While it is generally expected that new legislation may be enacted, new orders may be issued, and existing and new orders may be extended, modified, litigated, or allowed to expire, no guarantee can be made with regards to the duration and/or effectiveness of any such legislation or orders.

As the Eligible Collateral consists of only GNMA Certificates, Fannie Mae Certificates and Freddie Mac Certificates, loan forbearance and foreclosure moratoria have not had a material effect on the assets of the Indenture. Idaho Housing and Finance Association (“IHFA”) is expected to service the Mortgage Loans that will be pooled into Certificates that the Trustee acquires with proceeds of the 2021 Series 2 Bonds. IHFA acts as seller/servicer with respect to various GNMA, Fannie Mae and Freddie Mac programs of the Commission, including the Certificates held under the Indenture. Under the applicable program documents and Governmental Actions, IHFA may be obligated to fund shortfalls in scheduled payments to investors or to repurchase loans and to fund shortfalls for tax and insurance payments.

The Governmental Actions, and other future federal, State, and local measures may have both adverse and positive effects on the Commission’s operations, financial condition and bond ratings. In addition, unemployment in the State, business closures and/or restrictions in the State, and market fluctuations during the Pandemic may have an adverse effect on existing and future loans in the Commission’s portfolio. The Commission continues to review the possible impacts of these various actions and events on its operations, financial condition, and bond ratings.

The Commission cannot predict (i) the duration or extent of the COVID-19 pandemic or any other outbreak emergency; (ii) the duration or expansion of any foreclosure or eviction moratorium affecting the Commission’s ability to foreclose and collect on delinquent mortgage loans; (iii) the number of mortgage loans that will be in default as a result of the COVID-19 pandemic and subsequent federal, State and local responses thereto; (iv) whether and to what extent the COVID-19 pandemic or other outbreak or emergency may disrupt the local or global economy, manufacturing, or supply chain, or whether any such disruption may adversely impact the Commission or its operations; (v) whether or to what extent the Commission or other government agencies may provide additional deferrals, forbearances, adjustments, or other changes to payments on mortgage loans; or (vi) the effect of the COVID-19 pandemic on the State budget, or whether any such effect may adversely impact the Commission or its operations.

The COVID-19 pandemic and resulting business and market disruptions may have an adverse impact on the Commission's operations, financial condition or bond ratings to an extent that may be material.

## **DESIGNATION OF THE 2021 SERIES 2 BONDS AS SOCIAL BONDS**

### **General**

Kestrel Verifiers, a division of Kestrel 360, Inc. ("Kestrel Verifiers") has designated the 2021 Series 2 Bonds as "Social Bonds". The information under the subcaptions "Social Bond Designation" and "Independent Second Party Opinion on Social Bond Designation and Disclaimer" below has been provided by Kestrel Verifiers.

None of the Commission, the Underwriters (as defined herein), Pacifica Law Group LLP, cfX Incorporated, Kutak Rock LLP or Dorsey & Whitney LLP, has independently confirmed or verified the information below or assumed any obligation to ensure that the 2021 Series 2 Bonds comply with any legal or other standards or principles that may be related to Social Bonds. The Commission has designated the 2021 Series 2 Bonds as Social Bonds based solely on their designation as Social Bonds by Kestrel Verifiers. The designation of the 2021 Series 2 Bonds as Social Bonds does not entitle the Owner of any 2021 Series 2 Bond to any benefit under the Internal Revenue Code. Owners of the 2021 Series 2 Bonds do not have any security other than as described under "SECURITY FOR THE BONDS".

### **Social Bond Designation**

Per the International Capital Market Association ("ICMA"), Social Bonds are any type of bond instrument where the proceeds will be exclusively applied to finance or re-finance, in part or in full, new and/or existing eligible Social Projects and which are aligned with the four core components of the Social Bond Principles. The four core components are: (a) Use of Proceeds; (b) Process for Project Evaluation and Selection; (c) Management of Proceeds; and (d) Reporting.

Kestrel Verifiers has determined that: (a) the 2021 Series 2 Bonds are in conformance with the four pillars of the ICMA Social Bond Principles, as described in Kestrel Verifiers' Second Party Opinion, (the "Second Party Opinion") which is attached hereto as Appendix G and (b) the uses of the proceeds of the 2021 Series 2 Bonds align with the Affordable Housing eligible project category by financing mortgages for low- and moderate-income families.

Upon the expenditure of the proceeds of the 2021 Series 2 Bonds deposited into the 2021 Series 2 Acquisition Account, the Commission expects to prepare a report regarding the Mortgage Loans underlying the Eligible Collateral consisting of the information set forth in APPENDIX H – USE OF PROCEEDS REPORT.

### **Independent Second Party Opinion on Social Bond Designation and Disclaimer**

For 20 years, Kestrel Verifiers has been a consultant in environmental finance. As an Approved Verifier accredited by the Climate Bonds Initiative ("CBI"), and an Observer for the ICMA Green Bond Principles, Kestrel Verifiers is qualified to verify transactions in all asset classes worldwide for alignment with ICMA Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines and the Climate Bonds Initiative Standards and Criteria.

The Second Party Opinion issued by Kestrel Verifiers does not and is not intended to make any representation or give any assurance with respect to any other matter relating to the 2021 Series 2 Bonds. The Social Bond designation provided by Kestrel Verifiers is not a recommendation to any person to purchase, hold, or sell the 2021 Series 2 Bonds and the Social Bond designation does not address the market price or suitability of the 2021 Series 2 Bonds for a particular investor and does not and is not in any way intended to address the likelihood of timely payment of interest or principal when due.

In issuing the Second Party Opinion, Kestrel Verifiers has assumed and relied upon the accuracy and completeness of the information made publicly available by the Commission or that was otherwise made available to Kestrel Verifiers.

## **THE 2021 SERIES 2 BONDS**

### **General**

The 2021 Series 2 Bonds will be dated as of their date of initial delivery, will mature on the dates and in the amounts set forth on the inside front cover of this Official Statement, will be issued in denominations of \$5,000, or any integral



multiple thereof within a maturity, and will bear interest from their dated date, or the most recent date to which interest has been paid thereon.

### **Interest on the 2021 Series 2 Bonds**

The 2021 Series 2 Bonds will bear interest at the respective rates set forth on the inside front cover of this Official Statement, payable semiannually on each June 1 and December 1 (or if such date is not a Business Day, on the next succeeding Business Day thereafter), commencing June 1, 2022, and on the date such 2021 Series 2 Bond matures or is redeemed. Such interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

### **Book-Entry System**

The 2021 Series 2 Bonds are being issued only as fully registered bonds under a book-entry system and will be initially registered in the name of Cede & Co. (or such other name as may be requested by an authorized representative of DTC), as nominee for The Depository Trust Company (“DTC”) in New York, New York, which will act as securities depository for the 2021 Series 2 Bonds. Purchasers of the 2021 Series 2 Bonds will not receive certificates representing their interest in such Bonds. Payments on the 2021 Series 2 Bonds will be made by the Trustee to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC, which is obligated to remit both principal and interest when due to its participants for subsequent disbursements to Beneficial Owners of the 2021 Series 2 Bonds. Beneficial ownership interests in the 2021 Series 2 Bonds will be subject to transfer and exchange pursuant to DTC’s operating procedures. See Appendix C hereto for a description of DTC and its book-entry system.

The Commission and the Trustee will recognize DTC or its nominee as the Bondowner for all purposes, including notices and voting. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements that may be in effect from time to time.

Neither the Commission nor the Trustee will have any responsibility or obligation to DTC participants, or the persons for whom they act as nominees, with respect to the payments to or the providing of notice to the Direct Participants, the Indirect Participants or the Beneficial Owners of the 2021 Series 2 Bonds. The Commission cannot and does not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute payments of principal of or interest on the 2021 Series 2 Bonds paid to Cede & Co., or its nominee, as the registered owner, or any notices to the Beneficial Owners or that they will do so on a timely basis, nor that DTC will act in a manner described in this Official Statement.

## **REDEMPTION PROVISIONS**

**The 2021 Series 2N Bonds maturing June 1, 2025 through December 1, 2030, inclusive, are herein referred to as the “Premium Serial Bonds”. The Premium Serial Bonds are not subject to redemption as described under this caption “REDEMPTION PROVISIONS” except as described under “ – Special Redemption From Amounts in the Revenue Fund” from amounts deposited in the 2021 Series 2 Restricted Principal Receipts Subaccount and only to the extent no other 2021 Series 2 Bonds are outstanding.**

### **Optional Redemption**

To the extent not otherwise redeemed pursuant to another redemption provision described under this heading, the 2021 Series 2 Bonds, other than the Premium Serial Bonds, may be redeemed prior to their stated maturities as a whole or in part on any date on and after June 1, 2031, at the option of the Commission, from any available money, at the price of par (except for the PAC Bonds), together with accrued interest to the redemption date.

The PAC Bonds may be redeemed prior to their stated maturities as a whole or in part on any date on and after June 1, 2031, at the option of the Commission, from any available money, at the redemption prices set forth in the table below of the principal amount thereof, together with accrued interest to the redemption date.

<u>Redemption Date</u>	<u>Price</u>
June 1, 2031 to November 30, 2031	101.734%
December 1, 2031 to May 31, 2032	101.403%
June 1, 2032 to November 30, 2032	101.067%
December 1, 2032 to May 31, 2033	100.794%
June 1, 2033 and thereafter	100.000%

**The Premium Serial Bonds are not subject to redemption prior to maturity as described under this subheading.**

***Covenant Regarding Sale of Eligible Collateral.*** The Commission at any time may direct the Trustee to sell Eligible Collateral, subject to the conditions set forth in the Indenture. By selling Eligible Collateral, the Commission can derive money with which to optionally redeem the 2021 Series 2 Bonds. The Commission will covenant in the 2021 Series 2 Indenture not to redeem 2021 Series 2 Bonds from proceeds of the sale of Eligible Collateral before June 1, 2031.

### **Mandatory Sinking Account Redemption**

To the extent not redeemed pursuant to the other redemption provisions described herein, the following 2021 Series 2 Bonds (each of which are Term Bonds), will be redeemed prior to their stated maturities in part and by lot from Mandatory Sinking Account Payments at a price of par plus accrued interest to the date of redemption, on the dates and in the amounts set forth in the following tables:

#### 2021 Series 2N Term Bonds Maturing on December 1, 2036

<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>
June 1, 2034	\$1,240,000	June 1, 2035	\$1,275,000	June 1, 2036	\$1,320,000
December 1, 2034	1,265,000	December 1, 2035	1,300,000	December 1, 2036 <sup>†</sup>	1,340,000

<sup>†</sup> Maturity

#### 2021 Series 2N Term Bonds Maturing on December 1, 2041

<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>
June 1, 2037	\$1,360,000	June 1, 2039	\$1,445,000	December 1, 2040	\$1,510,000
December 1, 2037	1,380,000	December 1, 2039	1,465,000	June 1, 2041	1,535,000
June 1, 2038	1,400,000	June 1, 2040	1,490,000	December 1, 2041 <sup>†</sup>	1,560,000
December 1, 2038	1,425,000				

<sup>†</sup> Maturity

#### 2021 Series 2N Term Bonds Maturing on June 1, 2043

<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>
June 1, 2042	\$1,585,000	December 1, 2042	\$1,605,000	June 1, 2043 <sup>†</sup>	\$1,640,000

<sup>†</sup> Maturity

#### 2021 Series 2N "PAC" Bonds Maturing on June 1, 2051

<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>
December 1, 2043	\$1,270,000	December 1, 2046	\$1,815,000	June 1, 2049	\$1,960,000
June 1, 2044	1,685,000	June 1, 2047	1,840,000	December 1, 2049	1,985,000
December 1, 2044	1,705,000	December 1, 2047	1,870,000	June 1, 2050	2,020,000
June 1, 2045	1,735,000	June 1, 2048	1,900,000	December 1, 2050	2,050,000
December 1, 2045	1,760,000	December 1, 2048	1,930,000	June 1, 2051 <sup>†</sup>	680,000
June 1, 2046	1,790,000				

<sup>†</sup> Maturity

Upon a redemption (other than a redemption occurring on account of a Mandatory Sinking Account Payment) or purchase of Term Bonds, the Mandatory Sinking Account Payments with respect to such Term Bonds will be reduced in accordance with the Acquisition and Operating Policy.

### **Special Redemption from Unexpended Proceeds**

The redemptions described under this heading are referred to as “Unexpended Proceeds Redemptions.” See “BONDHOLDER RISKS—Risk of Early Redemption from Non-Origination” herein for certain considerations regarding the potential for an Unexpended Proceeds Redemption.

***PAC Bonds.*** The 2021 Series 2N Bonds maturing on June 1, 2051 (the “PAC Bonds”) may be redeemed prior to their stated maturity, in whole or in part, commencing on June 1, 2022 and at any time thereafter to and including December 1, 2022 (or such later date to which an Unexpended Proceeds Redemption is extended by the Commission with a Cash Flow Certificate), at a redemption price equal to the issue price for the PAC Bonds set forth on the inside front cover of this Official Statement, plus accrued interest to the date of redemption, from proceeds of the 2021 Series 2N Bonds that are transferred from the 2021 Series 2 Acquisition Account into the 2021 Series 2 Redemption Subaccount.

***Other 2021 Series 2 Bonds.*** All 2021 Series 2 Bonds other than the PAC Bonds and the Premium Serial Bonds may be redeemed prior to their stated maturities, in whole or in part, commencing on June 1, 2022 and at any time thereafter to and including December 1, 2022 (or such later date to which an Unexpended Proceeds Redemption is extended by the Commission with a Cash Flow Certificate), at a price of par plus accrued interest to the date of redemption, from proceeds of the 2021 Series 2 Bonds that are transferred from the 2021 Series 2 Acquisition Account into the 2021 Series 2 Redemption Subaccount.

**The Premium Serial Bonds are not subject to redemption prior to maturity as described under this subheading.**

***Selection of 2021 Series 2 Bonds to Be Redeemed.*** If less than all of the 2021 Series 2 Bonds are called for redemption pursuant to an Unexpended Proceeds Redemption, the Trustee will select the PAC Bonds to be redeemed on a Proportionate Basis, and will select the maturities of all other 2021 Series 2 Bonds, other than the Premium Serial Bonds, in accordance with the then-current Acquisition and Operating Policy and the 2021 Series 2 Indenture. Solely for the purpose of determining the Proportionate Basis of 2021 Series 2 Bonds to be redeemed pursuant to an Unexpended Proceeds Redemption, the redemption prices (as opposed to the principal amounts) of the respective 2021 Series 2 Bonds subject to such redemption will be treated as the “Bond Value” of the 2021 Series 2 Bonds.

### **Special Redemption from Amounts in the Revenue Fund**

The redemptions described under this heading are referred to as “Revenue Fund Redemptions.” It is expected that a substantial portion of the 2021 Series 2 Bonds other than the Premium Serial Bonds will be redeemed without premium prior to their respective mandatory sinking account (if applicable) and maturity dates as a result of Revenue Fund Redemptions. See “BONDHOLDER RISKS” for a description of certain events and circumstances that could lead to the early redemption of the 2021 Series 2 Bonds pursuant to a Revenue Fund Redemption.

**The Premium Serial Bonds are not subject to redemption prior to maturity in any manner except from amounts deposited to the 2021 Series 2 Restricted Principal Receipts Subaccount and only to the extent no other 2021 Series 2 Bonds remain outstanding.**

***2021 Series 2 Bonds Other than PAC Bonds and the Premium Serial Bonds.*** All 2021 Series 2 Bonds other than the PAC Bonds and the Premium Serial Bonds may be redeemed prior to their stated maturities, in whole or in part on June 1, 2022, and on any date thereafter, at a price of par plus accrued interest to the date of redemption, from amounts deposited in the 2021 Series 2 Redemption Subaccount from available amounts in the Revenue Fund or the Reserve Fund, in accordance with the Indenture and the then-current Acquisition and Operating Policy, subject to the provisions described below for Revenue Fund Redemptions of PAC Bonds.

***PAC Bonds—While Other 2021 Series 2 Bonds Outstanding.*** The PAC Bonds may be redeemed prior to their stated maturity, in whole or in part on June 1, 2022, and on any date thereafter, at a price of par plus accrued interest to the date of redemption, from amounts deposited in the 2021 Series 2 Redemption Subaccount from available amounts in the Revenue Fund or the Reserve Fund, in accordance with the Indenture and the then-current Acquisition and Operating Policy, provided that such redemption shall be limited to the amount such that, after all Revenue Fund Redemptions and Principal Payments scheduled for the same date, the resulting principal balance of the Outstanding PAC Bonds will not be less than the Priority Amortization Balance for the PAC Bonds as of such redemption date. In

the event PAC Bonds are redeemed pursuant to a Revenue Fund Redemption on a date other than a Regular Payment Date, the Priority Amortization Balance as of such redemption date will be determined by straight-line interpolation between the Priority Amortization Balances for the Regular Payment Dates immediately preceding and succeeding such redemption date. See “Certain Information Regarding PAC Bonds” below for a table showing the initial Priority Amortization Balances.

***PAC Bonds—If Only Premium Serial Bonds Outstanding.*** In addition to Revenue Fund Redemptions described in the preceding paragraph, the PAC Bonds may be redeemed prior to their stated maturity, in whole or in part on any date after all 2021 Series 2 Bonds other than the Premium Serial Bonds have been paid or redeemed, at a price of par plus accrued interest to the date of redemption, from amounts deposited in the 2021 Series 2 Redemption Subaccount from available amounts in the Restricted Principal Receipts Subaccount, in accordance with the Indenture and the then-current Acquisition and Operating Policy. A Revenue Fund Redemption of the type described in this paragraph may cause the principal balance of the Outstanding PAC Bonds to be less than the Priority Amortization Balance for the PAC Bonds as of such redemption date.

***Sources of Funds for Revenue Fund Redemptions.*** The Commission may fund a Revenue Fund Redemption from certain Revenues that are in excess of the amounts otherwise necessary to pay debt service on the Bonds. See “SECURITY FOR THE BONDS—Revenues” herein for general discussion of the collection, allocation and use of Revenues. The deposits into the 2021 Series 2 Redemption Subaccount for a Revenue Fund Redemption may be from excess amounts in the Revenue Fund or the Reserve Fund, including amounts in the various accounts and subaccounts maintained therein for the 2021 Series 2 Bonds *or* for any other Series of Bonds (unless otherwise restricted by the applicable Series Indenture, the Indenture or the then-current Acquisition and Operating Policy). See “BONDHOLDER RISKS—Risk of Early Redemption from Prepayment” and “—Risk of Early Redemption from Cross-Calling” herein for a discussion regarding certain risks that the 2021 Series 2 Bonds may be cross-called from Revenues allocable to other Series of Bonds.

Amounts in the 2021 Series 2 Revenue Account may be transferred to the 2021 Series 2 Acquisition Account (*i.e.*, to acquire additional Eligible Collateral) or to the Redemption Subaccount of any other Series of Bonds (*i.e.*, to cross-call such other Bonds), subject to the certain limitations described under the heading “Certain Covenants Regarding Special Redemptions” below and under the heading “Creation of Funds and Accounts” in Appendix A.

### **Special Mandatory Redemption of PAC Bonds**

The PAC Bonds will be redeemed at least once during every semi-annual period ending on each Regular Payment Date, commencing on December 1, 2022, at a price of par plus accrued interest to the date of redemption, in an amount equal to the sum of (i) 100% of the amount available for transfer from the 2021 Series 2 Restricted Principal Receipts Subaccount to the 2021 Series 2 Redemption Subaccount and (ii) 100% of the amount available for transfer from the 2021 Series 2 Unrestricted Principal Receipts Subaccount to the 2021 Series 2 Redemption Subaccount, but only to extent that the outstanding principal amount of the PAC Bonds exceeds the Priority Amortization Balance for such Regular Payment Date. See “Certain Information Regarding PAC Bonds” below for a table showing the initial Priority Amortization Balances for the PAC Bonds and “Certain Covenants Regarding Special Redemptions” for a summary of the Commission’s covenants regarding the use of money in the 2021 Series 2 Restricted Principal Receipts Subaccount and the 2021 Series 2 Unrestricted Principal Receipts Subaccount.

### **Certain Covenants Regarding Special Redemptions**

***2021 Series 2 Restricted Principal Receipts Subaccount.*** The Commission will covenant in the 2021 Series 2 Indenture to deposit into the 2021 Series 2 Restricted Principal Receipts Subaccount all principal amounts derived from the 2021 Series 2 Eligible Collateral (as defined below) that must be used pursuant to the Code to pay principal or redeem the 2021 Series 2 Bonds, and to transfer money from the 2021 Series 2 Restricted Principal Receipts Subaccount in the following order of priority:

*First,* to the 2021 Series 2 Redemption Subaccount and 2021 Series 2 Principal Subaccount, the amounts sufficient, together with amounts on deposit therein, to bring the amounts on deposit therein to the Principal Payment coming due on the next succeeding Regular Payment Date of the 2021 Series 2 Bonds (including principal paid as a result of a mandatory sinking account redemption of Term Bonds);

*Second,* to the 2021 Series 2 Redemption Subaccount, the amount necessary to fund mandatory redemptions of the PAC Bonds described under the heading “Special Mandatory Redemption of PAC Bonds;”

- Third,* to the 2021 Series 2 Redemption Subaccount, the amounts necessary to fund Revenue Fund Redemptions of the 2021 Series 2 Bonds other than the PAC Bonds and the Premium Serial Bonds;
- Fourth* to the 2021 Series 2 Redemption Subaccount, the amounts necessary to fund Revenue Fund Redemptions of the PAC Bonds without regard to the initial Priority Amortization Balances; and
- Fifth* to the 2021 Series 2 Redemption Subaccount, all remaining amounts (which amounts will be used to fund Revenue Fund Redemptions of the Premium Serial Bonds).

See Appendix F (Table F-4) for a schedule showing the Commission's expectations of how principal receipts from 2021 Series 2 Eligible Collateral are expected to be allocated to 2021 Series 2 Restricted and Unrestricted Principal Receipts Subaccounts, assuming relevant provisions of the Code are not revised.

**2021 Series 2 Unrestricted Principal Receipts Subaccount.** The Commission will covenant in the 2021 Series 2 Indenture that it will deposit into the 2021 Series 2 Unrestricted Principal Receipts Subaccount all principal amounts derived from the 2021 Series 2 Eligible Collateral (as defined below) not deposited to the 2021 Series 2 Restricted Principal Receipts Subaccount and transfer money from the 2021 Series 2 Unrestricted Principal Receipts Subaccount in the following order of priority:

- First,* to the 2021 Series 2 Redemption Subaccount and 2021 Series 2 Principal Subaccount, the amounts sufficient, together with amounts on deposit therein, to bring the amounts on deposit therein to the Principal Payment coming due on the next succeeding Regular Payment Date of the 2021 Series 2 Bonds (including principal paid as a result of a mandatory sinking account redemption of Term Bonds) to the extent that such amounts are not funded by the 2021 Series 2 Restricted Principal Receipts Subaccount;
- Second,* to the 2021 Series 2 Redemption Subaccount, the amount necessary to fund mandatory redemptions of the PAC Bonds described under the heading "Special Mandatory Redemption of PAC Bonds;" and
- Third,* to make other transfers from the 2021 Series 2 Unrestricted Principal Receipts Subaccount authorized by the Indenture, other than the redemption of the Premium Serial Bonds.

**Definition of "2021 Series 2 Eligible Collateral."** The "2021 Series 2 Eligible Collateral" is any Eligible Collateral or participation therein that (i) is financed utilizing the initial proceeds of the 2021 Series 2 Bonds or (ii) is financed utilizing Mortgage Loan repayments and prepayments transferred in connection with the 2021 Series 2 Bonds (e.g. recycling proceeds).

#### **Certain Information Regarding PAC Bonds**

**Priority Amortization Balances.** The following table (the "PAC table") sets forth the initial "Priority Amortization Balances" for the dates indicated in the PAC table. The initial Priority Amortization Balances are based generally on certain expectations about the timing of the origination of the Mortgage Loans and the levels of prepayments expected to be received by the Commission. See "*Certain Assumptions Affecting PAC Bonds*" below. The Priority Amortization Balances for the PAC Bonds will be reduced on a *pro rata* basis if the PAC Bonds are redeemed pursuant to an Unexpended Proceeds Redemption.

### Initial Priority Amortization Balances

<u>Date</u>	<u>Priority Amortization Balance</u>	<u>Date</u>	<u>Priority Amortization Balance</u>
Date of issuance	\$27,995,000	December 1, 2027	\$10,330,000
December 1, 2021	27,995,000	June 1, 2028	8,895,000
June 1, 2022	27,995,000	December 1, 2028	7,560,000
December 1, 2022	27,535,000	June 1, 2029	6,325,000
June 1, 2023	26,595,000	December 1, 2029	5,190,000
December 1, 2023	25,235,000	June 1, 2030	4,150,000
June 1, 2024	23,415,000	December 1, 2030	3,205,000
December 1, 2024	21,270,000	June 1, 2031	2,350,000
June 1, 2025	19,155,000	December 1, 2031	1,585,000
December 1, 2025	17,160,000	June 1, 2032	910,000
June 1, 2026	15,280,000	December 1, 2032	315,000
December 1, 2026	13,520,000	June 1, 2033	-0-
June 1, 2027	11,870,000		

**Projected Weighted Average Lives of PAC Bonds.** The weighted average life of a bond refers to the average of the length of time that will elapse from the date of issuance of such bond to the date each installment of principal is paid to the bondholder weighted by the amount of such installment. The weighted average life of the PAC Bonds will be influenced by, among other things, the rate at which principal payments (including scheduled payments and principal prepayments) are made on the 2021 Series 2 Eligible Collateral. See “Certain Covenants Regarding Special Redemptions” above for the definition of the phrase “2021 Series 2 Eligible Collateral.”

Prepayments of mortgage loans are commonly projected in accordance with a prepayment standard or model. The model used in the following discussion is the Securities Industry and Financial Markets Association (formerly The Bond Market Association) prepayment standard or model (the “Standard Prepayment Model”). The Standard Prepayment Model is based upon an assumed rate of prepayment each month of then unpaid principal balance of the mortgage loans. Prepayment speeds are projected as percentages of The Standard Prepayment Model, and are referred to as Prepayment Speed Assumptions (each, a “PSA”). At 0% PSA, The Standard Prepayment Model assumes no prepayment of mortgage loans. At 100% PSA, The Standard Prepayment Model assumes an increasingly larger percentage of the mortgage loans prepaying each month for the first 30 months of the mortgages’ lives and then assumes a constant prepayment rate of 6% per annum of the unpaid principal balance for the remaining life of each of the mortgage loans.

THE PSA DOES NOT PURPORT TO BE A PREDICTION OF THE ANTICIPATED RATE OF PREPAYMENTS OF THE 2021 SERIES 2 ELIGIBLE COLLATERAL. THERE IS NO ASSURANCE THAT THE PREPAYMENTS OF SUCH ELIGIBLE COLLATERAL WILL CONFORM TO ANY OF THE ASSUMED PREPAYMENT RATES. SEE “BONDHOLDER RISKS—RISK OF EARLY REDEMPTION FROM PREPAYMENT” FOR A DISCUSSION OF CERTAIN FACTORS THAT MAY AFFECT THE RATE OF PREPAYMENT OF THE 2021 SERIES 2 ELIGIBLE COLLATERAL.

The following table sets forth projected weighted average lives of the PAC Bonds.

#### Projected Weighted Average Lives (in Years) of PAC Bonds (Assuming Full Origination)

<u>Prepayment Speed</u>	<u>Projected Weighted Average Life</u>	<u>Prepayment Speed</u>	<u>Projected Weighted Average Life</u>
0% PSA	25.7	150% PSA	5.5
25% PSA	18.8	200% PSA	5.5
50% PSA	13.0	300% PSA	5.5
75% PSA	8.5	400% PSA	5.5
100% PSA	5.5	500% PSA	4.5

Based on the assumptions and expectations described below, some or all of which are unlikely to reflect actual experience, the weighted average life table indicates the projected weighted average life of the PAC Bonds under various PSAs. See “BONDHOLDER RISKS—Weighted Average Life Projections.”

**Certain Assumptions Affecting PAC Bonds.** The initial Priority Amortization Balances and the projected weighted average lives of the PAC Bonds are based on many assumptions, some of which may not reflect actual results. These assumptions include:

- (i) the only redemptions of the PAC Bonds that will occur are of the type described under the headings “REDEMPTION PROVISIONS—Mandatory Sinking Account Redemption,” “—Special Mandatory Redemption of PAC Bonds” and “—Certain Covenants Regarding Special Redemptions,” and none of the PAC Bonds will be redeemed pursuant to Unexpended Proceeds Redemptions;
- (ii) to the degree that funds are available, the PAC Bonds will be redeemed pursuant to Revenue Fund Redemptions in the amounts, and on the dates, necessary to cause the outstanding principal balance of the PAC Bonds to equal the Priority Amortization Balance for each such date specified in the PAC table;
- (iii) none of the 2021 Series 2 Bonds will be cross-called from amounts in the Series Revenue Account for another Series of Bonds;
- (iv) a portion of the proceeds of the 2021 Series 2 Bonds will be used to purchase Certificates (including participations therein) in a timely manner, and the Mortgage Loans relating to such Certificates will be 30-year mortgage loans (although the remaining terms of such Mortgage Loans may be less than 30 years depending on when the Mortgage Loans were pooled by the Servicer);
- (v) the Mortgage Loans financed with 2021 Series 2 Bonds are assumed to have the following characteristics:

Type of Eligible Collateral	Par Amount	Weighted Average Mortgage Coupon	Weighted Average Certificate Coupon	Weighted Average Certificate Maturity
GNMA Certificates	\$36,864,361	2.903%	2.403%	10/2051
Fannie Mae Certificates	47,772,464	3.151	2.451	10/2051
Freddie Mac Certificates	-0-	-	-	-
Total/Average:	<u>\$84,636,825</u>	<u>3.043%</u>	<u>2.430%</u>	<u>10/2051</u>

- (vi) the prepayment of Mortgage Loans financed with 2021 Series 2 Bonds will occur at 100% PSA.

THE COMMISSION MAKES NO REPRESENTATION AS TO THE PERCENTAGE OF THE PRINCIPAL BALANCE OF THE 2021 SERIES 2 ELIGIBLE COLLATERAL THAT WILL BE PAID AS OF ANY DATE, AS TO THE OVERALL RATE OF PREPAYMENT OR AS TO THE PROJECTIONS OR METHODOLOGY SET FORTH UNDER THIS SUBHEADING.

### General Provisions Pertaining to Redemptions

The General Indenture sets forth certain provisions that generally pertain to the redemption of any Series of Bonds, including the 2021 Series 2 Bonds. Certain of those provisions are summarized below.

**Selection of 2021 Series 2 Bonds for Redemption.** For purposes of selecting 2021 Series 2 Bonds for redemption, the Trustee will consider each \$5,000 par amount of such Bonds as a separate and distinct Bond. Any 2021 Series 2 Bond may be partially redeemed in the principal amount of \$5,000 or any integral multiple thereof so long as the amount of such 2021 Series 2 Bonds to remain Outstanding is not less than an Authorized Denomination for such Bond. The Trustee, in accordance with the then-current Acquisition and Operating Policy and the 2021 Series 2 Indenture, will select the maturities of such Bonds to be redeemed or purchased. In selecting which maturities of the 2021 Series 2 Bonds to redeem, the Trustee will be subject to the limitations (if any) described under the headings “Special Redemption from Unexpended Proceeds,” “Special Redemption from Amounts in the Revenue Fund” and “Special Mandatory Redemption of PAC Bonds.”

In the event that less than all of a maturity of the 2021 Series 2 Bonds is to be redeemed, the Bonds (or portions thereof) to be redeemed will be selected by the Trustee by lot. However, for so long as the 2021 Series 2 Bonds are registered in the name of DTC or its nominee, DTC will select for redemption the Beneficial Owners’ interests in a maturity of 2021 Series 2 Bonds that is subject to a partial redemption. Neither the Commission nor the Trustee will have any responsibility for selecting for redemption any Beneficial Owner’s interest in a 2021 Series 2 Bond. See Appendix C for a discussion of DTC and its book-entry system.

If less than all of the Term Bonds Outstanding of any one maturity of a Series (or subseries, if applicable) are purchased for cancellation or called for redemption (other than in satisfaction of Mandatory Sinking Account Payments), the principal amount of the Term Bonds that are so purchased or redeemed will be credited against particular remaining Mandatory Sinking Account Payments in accordance with the then-current Acquisition and Operating Policy.

**Notice of Redemption.** The Trustee will give a written redemption notice to Cede & Co. (or any subsequent registered owner of the 2021 Series 2 Bonds to be redeemed) not less than 30 days (or more than 90 days) before the scheduled redemption date of any 2021 Series 2 Bonds to be redeemed. Neither the Commission nor the Trustee will have any responsibility or obligation to DTC participants, or the persons for whom they act as nominees, with respect to the providing of redemption notices to the direct participants, the indirect participants or the beneficial owners of the 2021 Series 2 Bonds. The Commission cannot and does not give any assurances that DTC, its direct participants or others will distribute any redemption notices to the beneficial owners or that they will do so on a timely basis. See Appendix C for a discussion of DTC and its book-entry system.

Pursuant to the Commission's continuing disclosure undertaking, the Commission also is required to cause timely notice of Bond calls, if material, to be provided to the Municipal Securities Rulemaking Board. See "CONTINUING DISCLOSURE" herein for a description of the Commission's undertaking to provide certain notices.

The notice of redemption may be conditional and rescindable. If conditional, the notice will summarize the conditions precedent to such redemption. A conditional redemption notice will be of no force and effect if such conditions have not been satisfied on or before the redemption date, and the 2021 Series 2 Bonds described in such notice will not be redeemed on the specified redemption date. The Trustee is required to notify the affected Bondowners (which may not include Beneficial Owners) that the conditions to redemption were not satisfied or that the Commission has revoked the redemption and rescinds the notice.

Once notice is sent in accordance with the provisions of the General Indenture, it will be effective whether or not such notice is received by the Owners of the 2021 Series 2 Bonds to be redeemed.

**Effect of Redemption.** Once notice of redemption is duly given, and money is held by the Trustee for payment of the redemption price of and interest accrued to the redemption date on the Bonds (or portions thereof) so called for redemption, such Bonds will become due and payable on the redemption date. The Bonds so called will cease to be Outstanding, and interest on the Bonds so called for redemption will cease to accrue as of the redemption dates. All Bonds so called will cease to be entitled to any benefit or security under the Indenture as of the redemption date, and the Owners of those Bonds will have no rights in respect thereof except to receive payment of the redemption price of and accrued interest to the date of redemption and to receive Bonds for any unredeemed portion of Bonds.

## **SECURITY FOR THE BONDS**

### **General**

The Bonds, including the 2021 Series 2 Bonds, are limited obligations and not general obligations of the Commission. The Bonds are payable solely from payments made on and secured by Eligible Collateral and Investment Securities pledged to the Trustee under the Indenture (regardless of Series), and amounts (including interest earnings thereon) held for the benefit of the Bondowners pursuant to the Indenture. The Bonds are not payable from any other revenues, funds or assets of the Commission. Payment of the principal of and interest on the Bonds will be a valid claim only against the special fund or funds of the Commission relating thereto and is not an obligation of the State of Washington (the "State") or any municipal corporation, subdivision or agency of the State, other than the Commission, and neither the full faith and credit nor the taxing power of the Commission, the State or any municipal corporation, subdivision or agency of the State is pledged to the payment of the principal of or interest on the Bonds. **THE 2021 SERIES 2 BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA OR OF ANY AGENCY THEREOF OR OF GNMA, FANNIE MAE OR FREDDIE MAC AND ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA.**

### **Pledge Under the Indenture**

To secure its obligations to make payments on the Bonds and to observe the covenants in the Indenture and the Bonds, the Commission has irrevocably pledged and assigned the Trust Estate to the Trustee. The Trust Estate includes the following:



1. The Commission's right, title and interest in the Origination Agreements and the Servicing Agreements, including the right to receive any sums of money receivable by the Commission thereunder (except the right of the Commission to fees, reports, notices, indemnification and enforcement thereof);
2. The Commission's right, title and interest in the Mortgage Loans or Certificates securing such Bonds, including the right to receive any sums of money receivable by the Commission under the Mortgage Loans or the Certificates; and
3. All money, contracts and securities from time to time held by the Trustee pursuant to the Indenture (including money held in all funds other than the Rebate Fund, the Cost of Issuance Fund, the Expense Fund and the Commission Fund).

The Commission has pledged the Trust Estate for the equal and proportionate benefit and security of all present and future owners of all Bonds subject to the terms of such trusts, without preference of any Bond over any other. The Trustee is required to take all actions consistent with the Indenture that are reasonably necessary, in its judgment, to enforce the terms of the Certificates, the Mortgage Loans, the Origination Agreements and the Servicing Agreements, and to protect the priority of its interest in each Certificate, the Mortgage Loans, the Origination Agreements, the Servicing Agreements and the Enhancement Agreements.

The Commission has covenanted to defend, preserve and protect (to the extent permitted by law) its pledge of the Trust Estate and all the rights of the Bondowners under the Indenture against all claims and demands of all persons whomsoever. However, the Commission is not obligated to honor such covenant using funds other than Revenues available under the Indenture.

### **Revenues**

The principal, Redemption Price, and Accretion, if any, of every Bond and the interest thereon are payable solely from Revenues and other assets pledged under the Indenture. "Revenues" include (i) all amounts received by or payable to the Trustee in connection with the Eligible Collateral (see "SECURITY FOR THE BONDS—Eligible Collateral"), (ii) all amounts received by or payable to the Trustee under the Origination Agreements or the Servicing Agreements, and (iii) all earnings derived from the investment of the various funds established pursuant to the Indenture (other than interest on amounts in the Cost of Issuance Fund, Expense Fund, Commission Fund or Rebate Fund). See Appendix A hereto for a more detailed definition of "Revenues."

Nevertheless, "Revenues" do not include: (i) amounts retained by a Servicer as a Servicing Fee or other compensation; (ii) amounts to be paid to the United States Government (such as arbitrage rebate); and (iii) earnings derived from the investment of a Series Acquisition Account to the extent the applicable Series Indenture or Remarketing Indenture provides that such earnings are not to be considered as "Revenues."

See Appendix A hereto for a summary of the Indenture provisions pertaining to the collection, segregation and use of Revenues.

### **Eligible Collateral**

The Indenture defines "Eligible Collateral" to be Certificates and Whole Loans, but only if such Certificates or Whole Loans are eligible to be purchased by the Trustee in accordance with the Acquisition and Operating Policy. Currently, the Acquisition and Operating Policy provides only for the acquisition of Certificates. The Acquisition and Operating Policy does not allow for the purchase of Whole Loans, although this may change in the future.

**GNMA Certificates.** The Government National Mortgage Association ("GNMA") is a wholly-owned corporate instrumentality of the United States of America within the Department of Housing and Urban Development ("HUD"). GNMA's powers are prescribed generally by Title III of the National Housing Act, as amended (12 U.S.C. § 1716 *et seq.*).

GNMA is authorized to guarantee the timely payment of the principal of and interest on certificates ("GNMA Certificates") that represent undivided ownership interests in pools of mortgage loans that are: (i) insured by the Federal Housing Administration ("FHA") under the National Housing Act of 1934, as amended; (ii) guaranteed by the Department of Veterans Affairs ("VA") under the Servicemen's Readjustment Act of 1944, as amended; (iii) guaranteed by the Rural Housing Service ("RHS") of the U.S. Department of Agriculture pursuant to Section 502 of Title V of the Housing Act of 1949, as amended; or (iv) guaranteed by the Secretary of HUD under Section 184 of the Housing and Community Development Act of 1992, as amended and administered by the Office of Public and

Indian Housing (“PIH”). The GNMA Certificates are issued by approved servicers and not by GNMA. GNMA guarantees the timely payment of principal of and interest on the GNMA Certificates. The full faith and credit of the United States is pledged to the payment of all amounts required to be paid under each such guaranty. To the extent necessary, GNMA will borrow from the United States Treasury any amounts necessary to enable GNMA to honor its guaranty of the GNMA Certificates. GNMA is required to honor its guaranty only if a servicer is unable to make the full payment on any GNMA Certificate, when due.

GNMA administers two guarantee programs—the “Ginnie Mae I MBS Program” and the “Ginnie Mae II MBS Program.” The principal differences between the two programs relate to the interest rate structure of the mortgages backing the GNMA Certificates and the means by which principal and interest payments are made. These differences are not expected to affect adversely the availability of Revenues to pay principal of and interest on the Bonds.

See Appendix B for more information regarding GNMA and its mortgage-backed security program.

***Fannie Mae Certificates.*** The Federal National Mortgage Association (“FNMA” or “Fannie Mae”) is a federally-chartered, private, stockholder-owned corporation organized and existing under the Federal National Mortgage Association Charter Act (12 U.S.C. § 1716 *et seq.*). The Secretary of HUD exercises general regulatory power over Fannie Mae. Among other things, Fannie Mae issues mortgage-backed securities primarily in exchange for pools of mortgage loans from lenders.

Fannie Mae operates a mortgage-backed securities program pursuant to which Fannie Mae issues securities backed by pools of mortgage loans (“Fannie Mae Certificates”). Each Fannie Mae Certificate represents an undivided ownership interest in a specified pool of mortgage loans purchased by Fannie Mae. Generally, Fannie Mae Certificates are issued in book-entry form, representing a minimum of \$1,000 unpaid principal amount of mortgage loans. Any Fannie Mae Certificates included as Eligible Collateral will represent pools of Mortgage Loans created by the Servicer.

Fannie Mae guarantees to the registered holders of Fannie Mae Certificates that it will distribute amounts representing (i) scheduled principal and interest at the applicable pass-through rate on the mortgage loans in the pools represented by such Fannie Mae Certificates, whether or not received, and (ii) the full principal balance of any foreclosed or other finally liquidated Mortgage Loans, whether or not such principal balance is actually received. FANNIE MAE’S OBLIGATIONS UNDER THE FANNIE MAE CERTIFICATES ARE OBLIGATIONS SOLELY OF FANNIE MAE AND ARE NOT BACKED BY, OR ENTITLED TO, THE FULL FAITH AND CREDIT OF THE UNITED STATES OR ANY OF ITS AGENCIES OR INSTRUMENTALITIES OTHER THAN FANNIE MAE. If Fannie Mae is unable to satisfy such obligations, distributions to the Trustee, as the registered holder of Fannie Mae Certificates, would consist solely of payments and other recoveries on the underlying Mortgage Loans. Accordingly, monthly distributions to the Trustee after a Fannie Mae default could be adversely affected by delinquent payments and defaults on such Mortgage Loans.

See Appendix B for more information regarding Fannie Mae and its mortgage-backed security program.

***Freddie Mac Certificates.*** The Federal Home Loan Mortgage Corporation (“FHLMC” or “Freddie Mac”) is a corporate instrumentality of the United States organized pursuant to the Federal Home Loan Mortgage Corporation Act (Title III of the Emergency Home Finance Act of 1970, as amended (12 U.S.C. §§ 1451-1459)).

Freddie Mac has established a mortgage purchase program pursuant to which Freddie Mac purchases a pool of mortgages from approved sellers in exchange for a security issued by Freddie Mac representing an undivided interest in such mortgage pool (a “Freddie Mac Certificate”). Payments by borrowers on the underlying mortgages are passed through monthly by Freddie Mac to the holders of the Freddie Mac Certificate.

Freddie Mac guarantees the payment of scheduled principal payments on the mortgages underlying each Freddie Mac Certificate, together with interest thereon at the applicable pass-through rate, in each case whether or not such principal or interest is received from the mortgagors. The obligations of Freddie Mac under such guarantees are obligations of Freddie Mac only. THE FREDDIE MAC CERTIFICATES, INCLUDING THE INTEREST THEREON, ARE NOT GUARANTEED BY THE UNITED STATES AND DO NOT CONSTITUTE DEBTS OR OBLIGATIONS OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY OF THE UNITED STATES OTHER THAN FREDDIE MAC. If Freddie Mac is unable to satisfy its obligations under its guarantees, distributions on the Freddie Mac Certificates would consist solely of payment and other recoveries on the related mortgage. Accordingly, delinquencies and defaults on the mortgages after a Freddie Mac default may adversely affect distributions on the Freddie Mac Certificates. This could adversely affect payments on the Bonds to the extent Eligible Collateral includes any Freddie Mac Certificates at the time of such a default.

See Appendix B for more information regarding Freddie Mac and its mortgage-backed security program.

**UMBS.** On June 3, 2019, Fannie Mae and Freddie Mac (each, an “Enterprise” and, together, the “Enterprises”) began issuing new, common, single mortgage-backed securities, formally known as Uniform Mortgage-Backed Securities (“UMBS”). The UMBS issued by the Enterprises finance the same types of fixed-rate mortgages that back Fannie Mae Certificates and Freddie Mac Certificates and are guaranteed by either Fannie Mae or Freddie Mac depending upon which Enterprise issues the UMBS. As a first level security, the UMBS is backed by fixed-rate mortgage loans purchased entirely by one of the Enterprises; thus, there is no comingling of collateral. The UMBS have characteristics similar to Fannie Mae Certificates and Freddie Mac has modified its security structure to more closely align with Fannie Mae Securities. The Enterprises may be required to consult with each other to ensure specific Enterprise programs or policies do not cause or have potential to cause cash flows to investors of mortgage-backed securities to misalign. For purposes of this Official Statement, the terms “Fannie Mae Certificate” and “Freddie Mac Certificate” may include UMBS.

See Appendix B for more information regarding UMBS.

**Whole Loans.** The Indenture defines “Whole Loans” to be Mortgage Loans (or participations therein) that are not included in a mortgage pool underlying a Certificate. A Whole Loan must be backed by a security interest in a single-family residence, but that security interest need not be a first lien. Whole Loans may be FHA-Insured, RHS-Guaranteed, VA-Guaranteed, insured by another governmental program, privately insured through mortgage insurance or mortgage pool insurance, or uninsured. If Bond proceeds are used to acquire Whole Loans, there must be provided Supplemental Mortgage Coverage of a type and in an amount sufficient for the Commission to obtain a written confirmation by the Rating Agency that the proposed use of Bond proceeds for such purpose will not reduce the rating on the Outstanding Bonds (excluding Subordinate Bonds). See Appendix A hereto for a definition of “Supplemental Mortgage Coverage.”

#### **Reserve Accounts**

The Commission does *not* expect to fund any reserve accounts with respect to the 2021 Series 2 Bonds. See Appendix A hereto for a summary of the Indenture, including the provisions pertaining to the establishment of reserve accounts for the Bonds.

#### **Outstanding Bonds**

The 2021 Series 2 Bonds will be issued on a parity with \$492,660,000 outstanding long-term Bonds as of October 1, 2021. Information regarding the outstanding Bonds is set forth in Appendix F (Tables F-1, F-6 and F-7). It is expected that other Series of Bonds may be issued in the future. See “Additional Bonds” below. All Bonds, except Subordinate Bonds, will have an equal (“parity”) security interest in all Eligible Collateral, Investment Securities and other sources of payment of the Bonds. Currently, there are no Subordinate Bonds, but such bonds may be issued in the future. In addition, deficiencies in funds available for deposits and payments with respect to any Series may be made up from funds available with respect to any other Series.

#### **Additional Bonds**

The Commission has reserved the right to issue additional Bonds and remarket Outstanding Bonds at any time in the future. Such additional Bonds will have an equal lien on the Eligible Collateral as the lien in favor of the 2021 Series 2 Bonds (unless they are issued as Subordinate Bonds, in which case they will have a lien on the Eligible Collateral that is subordinate to the lien in favor of the 2021 Series 2 Bonds).

Before additional Bonds may be issued, and before Outstanding Bonds may be remarketed, the Trustee must receive, among other things, the following:

- an opinion of a nationally-recognized bond counsel to the effect that (i) the General Indenture and the applicable Series and/or Remarketing Indenture were duly adopted and are valid and binding upon the Commission, and (ii) the Bonds being issued are valid and legally binding special limited obligations of the Commission and are entitled to the benefit, protection and security of the provisions, covenants and agreements contained in the Indenture and the applicable Series and/or Remarketing Indenture;
- a certificate signed by an authorized officer of the Commission that (i) describes the proposed issuance or remarketing and (ii) is attached to cash flow projections demonstrating that, among other things, projected Revenues will be sufficient to provide for timely payments of interest, Accretion and principal on the Bonds (other than Subordinate Bonds) and that projected asset parity will always be equal to or greater than 100%

(see “CASH FLOW CERTIFICATES” for a more detailed description of the requirements applicable to such certificate; also see “SINGLE-FAMILY MORTGAGE PROGRAMS—Historical Financial Results” regarding Asset Parity as of the end of the past five fiscal years); and

- a written confirmation by the Rating Agency that the proposed issuance or remarketing of Bonds will not reduce the rating on the Outstanding Bonds (excluding Subordinate Bonds) (a “Rating Confirmation”).

### **Subordinate Bonds**

To date, the Commission has not issued Subordinate Bonds. The Indenture reserves the right for the Commission to do so in the future upon compliance with the requirements described above for issuing additional Bonds. The Indenture currently provides that money in the Revenue Fund can be transferred to funds and accounts for Subordinate Bonds only if the Commission certifies that Asset Parity will be at least 100% after such transfer. See Appendix A hereto for a more detailed definition of the phrase “Asset Parity.” The Indenture further provides that a default with respect to Subordinate Bonds will not constitute a default on the 2021 Series 2 Bonds and any other Bonds issued on a parity with the 2021 Series 2 Bonds.

## **CASH FLOW CERTIFICATES**

### **Cash Flow Certificates and Supporting Cash Flows**

Under the terms of the Indenture, the Commission must deliver a “Cash Flow Certificate” to the Trustee prior to taking certain actions, including but not limited to, the issuance of additional Bonds, long term remarketing of Outstanding Bonds, and, unless there is no adverse impact, amendment of the Acquisition and Operating Policy. Each Cash Flow Certificate must be accompanied by “Supporting Cash Flows” prepared by a “Cash Flow Consultant,” which demonstrate, under each of the scenarios included, that (1) projected Revenues will be sufficient to provide for timely payments of interest, Accretion, principal on the Bonds, “Enhancement Accruals” and “Expenses,” and (2) projected “Asset Parity” will always be equal to or greater than 100%. See Appendix A hereto for a more detailed definitions of the phrases “Asset Parity,” “Cash Flow Certificate,” “Cash Flow Consultant,” “Enhancement Accruals,” “Expenses” and “Supporting Cash Flows.”

The Supporting Cash Flows attached to each Cash Flow Certificate must include each scenario included in the immediately prior Supporting Cash Flows, except that the specification of the scenarios to be included may be modified by the Rating Agency in connection with a Rating Confirmation. Supporting Cash Flows shall (1) take into account the financial position of the Trust Estate as of the stated starting date of the projection, (2) reflect all the significant transactions that have occurred in the period commencing with such starting date and ending with a date no more than 90 days prior to the date of such projections, (3) be consistent with the General Indenture, the Series Indentures and the Remarketing Indentures and (4) assume compliance with the Acquisition and Operating Policy. The scenarios required by the Rating Agency to be included in the Supporting Cash Flows reflect alternative assumptions with respect to prepayment patterns of the Eligible Collateral, levels of origination of Eligible Collateral, and rates of return on Permitted Investments, and rates of interest on any variable rate Bonds. The scenarios reflect additional assumptions, among others, as to the timing of receipt of Revenues, the level of Expenses and Commission Fees, and the performance of counterparties under Enhancement Agreements and Remarketing Agreements, and Permitted Investments. The Supporting Cash Flows do not reflect (other than the transaction for which prepared) any future issuance of any additional Bonds, long term remarketing of any Outstanding Bonds, adoption of any Supplemental Indenture, or any amendment of the Acquisition and Operating Policy, even though the Commission is permitted to undertake any of the forgoing.

Because actual experience can differ significantly from hypothetical scenarios, the Commission makes no representation that any of the scenarios in any Supporting Cash Flows will reflect the actual course of events or that Revenues will be sufficient to provide for timely payments of interest, Accretion, and principal on the Bonds, Enhancement Accruals, and Expenses.

### **2021 Series 2 Cash Flow Certificate**

As a condition to the issuance of the 2021 Series 2 Bonds, the Commission will provide the Trustee with its Cash Flow Certificate in the form required by the Indenture. cfX Incorporated, New York, New York (“cfX”) will provide the Commission with the Supporting Cash Flows to be attached to the Cash Flow Certificate in connection with the 2021 Series 2 Bonds. See “QUANTITATIVE CONSULTANT” herein for information regarding the engagement of cfX by the Commission. The Supporting Cash Flows and the conclusions of cfX contained in its accompanying cash

flow letter will be based solely on information provided to cfX by the Commission and the Trustee and certain assumptions provided to cfX by the Commission, and upon scenarios specified by the Rating Agency to be tested. cfX will make no representation with respect to the accuracy of such information or as to the reasonableness of such assumptions and scenarios. cfX makes no representation that any of the scenarios in any Supporting Cash Flows will reflect the actual course of events or that Revenues will be sufficient to provide for timely payments of interest, Accretion, principal on the Bonds, Enhancement Accruals, and Expenses.

## **BONDHOLDER RISKS**

Prospective purchasers of the 2021 Series 2 Bonds should carefully consider the following risk factors, as well as other information contained in this Official Statement, prior to purchasing the 2021 Series 2 Bonds. The information contained under this heading is not intended to be an exhaustive discussion of all possible risks involved with owning the 2021 Series 2 Bonds. Prospective purchasers should consult their investment advisors before making any decisions as to the purchase of the 2021 Series 2 Bonds.

### **Risks Resulting from Non-Origination**

The 2021 Series 2 Bonds are subject to an Unexpended Proceeds Redemption as described under the heading “REDEMPTION PROVISIONS—Special Redemption from Unexpended Proceeds.” An Unexpended Proceeds Redemption of the 2021 Series 2 Bonds could occur if the Certificates (or participations therein) the Commission expects to finance with the proceeds of such Bonds are not available for transfer to the 2021 Series 2 Acquisition Account.

**General.** Delays in expending the proceeds of the 2021 Series 2 Bonds might occur under various circumstances, including but not limited to: a cancellation of some or all of such commitments and reservations; difficulty by Mortgage Lenders in locating borrowers that satisfy the federal tax law requirements described under the heading “SINGLE-FAMILY MORTGAGE PROGRAMS—Certain Program Constraints and Limitations” below; difficulties by Mortgage Lenders or the Servicer in complying with GNMA, Fannie Mae and/or Freddie Mac program requirements; a decision by the Commission to dispose of Certificates through its Home Advantage First Mortgage Program instead of acquiring those Certificates with proceeds of the 2021 Series 2 Bonds; a decision by the Commission to issue additional series of single-family mortgage revenue bonds under the Homeownership Indenture, or to issue Additional Bonds under the Indenture; a decision by the Commission to use mortgage prepayments allocated to other bonds to originate new Mortgage Loans (*i.e.* recycling); or any combination of these factors. See also “INTRODUCTION—COVID-19” herein for a discussion of certain factors related to the Pandemic that might increase the risk of an Unexpended Proceeds Redemption.

**Certain GNMA, Fannie Mae and Freddie Mac Program Constraints.** The amount of commitments to guarantee securities that GNMA can approve and the dollar amount that FHA, HUD, VA and RHS can insure or guarantee in any federal fiscal year are limited by statute and administrative procedures. If an appropriations act is not passed in any federal fiscal year or if GNMA, FHA, Freddie Mac, HUD, VA or RHS reaches the limits of its authority, or if the FHA maximum loan amount is not retained, or if GNMA, in its sole discretion, or the federal government, alters or amends the GNMA Certificate programs in such a way as to prevent the Mortgage Lenders from originating Mortgage Loans during the origination period and the Servicer from issuing or delivering Certificates, or if Fannie Mae or Freddie Mac, in its sole discretion, or the federal government, alters or amends the Fannie Mae Certificate or Freddie Mac Certificate programs in such a way as to prevent the Mortgage Lenders from originating Mortgage Loans during the origination period and the Servicer from issuing or delivering Certificates, the Mortgage Lenders might not be able to originate Mortgage Loans and the Servicer might not be able to issue or deliver Certificates in the anticipated principal amounts. See Appendix B for information about the GNMA, Fannie Mae and Freddie Mac programs. The non-origination of Mortgage Loans or the inability of the Servicer to issue or deliver Certificates to the Trustee in amounts contemplated by this financing would result in the redemption or mandatory tender of 2021 Series 2 Bonds before their maturity.

**Status of Originations.** As of October 15, 2021, the Commission had approximately \$38,566,067 of unexpended proceeds of its Single Family Program Bonds 2021 Series 1 (the “2021 Series 1 Bonds”), approximately \$29,900,312 of closed loans and \$8,666,756 of reservations by mortgage lenders that are expected to be purchased in the form of Certificates with proceeds of the 2021 Series 1 Bonds. As of October 15, 2021 the Commission also had approximately \$19,148,301 of closed loans and reservations by mortgage lenders, a portion of which are expected to be purchased in the form of Certificates with proceeds of the 2021 Series 2 Bonds. The Commission anticipates using proceeds of the 2021 Series 2 Bonds to purchase, in the form of Certificates, the reservations that result in closed loans in excess of the remaining unexpended proceeds of the 2021 Series 1 Bonds. However, delays in expending the

proceeds of the 2021 Series 1 Bonds and 2021 Series 2 Bonds might occur under various circumstances, including but not limited to: a cancellation of some or all of such commitments and reservations; difficulty by Mortgage Lenders in locating borrowers that satisfy the federal tax law requirements described under the heading “SINGLE-FAMILY MORTGAGE PROGRAMS—Certain Program Constraints and Limitations” below; difficulties by Mortgage Lenders or the Servicer in complying with GNMA, Fannie Mae and/or Freddie Mac program requirements; a decision by the Commission to dispose of Certificates (including those currently held in the Commission Fund or those resulting from existing reservations and commitments) through its Home Advantage First Mortgage Program instead of acquiring those Certificates with proceeds of the 2021 Series 1 Bonds or the 2021 Series 2 Bonds; a decision by the Commission to issue additional series of single-family mortgage revenue bonds under its Homeownership Indenture, or to issue Additional Bonds under the Indenture; a decision by the Commission to use mortgage prepayments allocated to other bonds to originate new Mortgage Loans (*i.e.* recycling); or any combination of these factors. See Appendix F (Table F-3) for a table showing the Commission’s historical usage of Bond proceeds.

### **Risk of Early Redemption from Prepayment**

Mortgage Loans may be terminated before their final maturity. Prepayments in full or other payments in respect of early termination of Mortgage Loans financed with the proceeds of Bonds may be deposited in any Series Redemption Account of the Debt Service Fund, consistent with the Indenture and the current Acquisition and Operating Policy. That money may be used, together with certain other amounts then transferred into the Series Redemption Account, to redeem Bonds at par before their scheduled maturity. There is no completely reliable statistical base with which to predict the level of prepayment in full or other early termination of the Mortgage Loans financed with the proceeds of Bonds and the resulting effect on the average life of the Bonds. The Commission does expect prepayment of a substantial number of Mortgage Loans. It is probable that the Bonds will have a shorter life than their stated maturities or scheduled mandatory sinking payment redemptions.

### **Risk of Early Redemption from Cross-Calling**

Certain Revenues relating to one Series of Bonds (including money received from the payment of principal and interest on Eligible Collateral purchased with the proceeds of that Series) in excess of Revenues needed to pay principal and interest currently due on any of the Bonds, to pay Expenses, or to meet other purposes set forth in the Indenture, generally may be used at any time for a special redemption of Bonds of that Series and/or Bonds of certain other Series (subject to limitations, if any, set forth in the applicable Series Indentures). The use of Revenues in respect of one Series to redeem Bonds of another Series is known as “cross-calling.” The Series and maturities of Bonds to be “cross-called” from time to time, if any, will be determined in accordance with the Acquisition and Operating Policy. The Acquisition and Operating Policy may be changed from time to time consistent with the Indenture (which among other things restricts the use of certain Series of Bonds for “cross-calling”). However, it is expected as a general matter that, if Bonds are to be cross-called, the Commission will evaluate the potential savings it can accomplish by doing so. This may mean, but will not always mean, that higher yielding maturities of Bonds will be cross-called from excess Revenues before lower yielding maturities of Bonds are cross-called (subject to the Indenture and certain Code requirements). See Appendix F (Tables F-6 and F-7) hereto for lists of the Commission’s Outstanding Bonds ranked from highest interest rate (coupon) to lowest interest rate. Pursuant to the Acquisition and Operating Policy, the Commission has cross-called Bonds on the dates and in the amounts shown in Appendix F (Table F-2) hereto.

The Commission may use Revenues that might otherwise be available to redeem Bonds to finance additional Mortgage Loans. See “SINGLE-FAMILY MORTGAGE PROGRAMS—Recycling” herein. Excess Revenues also may be transferred to a Subordinate Bond account or to the Commission Fund in accordance with the Indenture. See Appendix A under the heading “Creation of Funds and Accounts—Revenue Fund” for a summary of how money in the Revenue Fund may be used.

The so-called “10-Year Rule” (Section 143(a)(2)(A)(iv) of the Internal Revenue Code of 1986, as amended (the “Code”)) generally provides that repayments of principal on Mortgage Loans must be used to redeem the Series of Bonds that financed such Mortgage Loans to the extent such prepayments are received more than ten years after such Series (or, with respect to refunding bonds, the original bond) was issued as a tax-exempt bond. Such repayments, when received, are considered “restricted principal receipts.” The 10-Year Rule generally limits the Commission’s ability to cross-call Bonds from restricted principal receipts. From time to time, there have been efforts to repeal the 10-Year Rule. Any repeal of the 10-Year Rule during the period the 2021 Series 2 Bonds remain Outstanding may increase the risk that the 2021 Series 2 Bonds would be cross-called or that Revenues associated with the 2021 Series 2 Bonds might be used to cross-call other Bonds.

## **Weighted Average Life Projections**

Potential purchasers of the PAC Bonds should consider certain factors that could extend or shorten the weighted average life of such Bonds. The schedule of Priority Amortization Balances contained under the heading “REDEMPTION PROVISIONS— Certain Information Regarding PAC Bonds” was based on various assumptions described therein. These assumptions generally relate to the receipt of sufficient and timely payments of principal of and interest on the Eligible Collateral and the investment or reinvestment of money held under the Indenture. While the Commission believes such assumptions are reasonable, the Commission can give no assurance that the actual receipt of money will correspond to estimated Revenues available to fund payments in connection with the 2021 Series 2 Bonds. The weighted average life of the PAC Bonds may be extended if the actual rate of prepayment for Mortgage Loans underlying the 2021 Series 2 Eligible Collateral is less than 100% PSA. The rate at which such prepayments occur can be expected to change from time to time based on then-current market conditions. For instance, the rate of prepayment may decline as home mortgage interest rates increase, and may increase as home mortgage interest rates decline (whether due to corresponding increases in refinancings or home sales). The foregoing may not identify all potential circumstances under which the weighted average life of the PAC Bonds may be extended or shortened.

The projected weighted average lives shown under the heading “REDEMPTION PROVISIONS—Certain Information Regarding PAC Bonds,” in the table entitled “Projected Weighted Average Lives (in Years) of PAC Bonds” reflect a projected average of the periods of time for which the PAC Bonds are outstanding. They do not reflect the period of time which any one PAC Bond will remain outstanding. At each prepayment speed, some PAC Bonds will remain outstanding for periods of time shorter than the projected weighted average life, while some will remain outstanding for longer periods of time. Bondowners owning less than all of the PAC Bonds may experience redemption at a rate that varies from the projected weighted average lives shown in such table.

## **Loss of Premium from Early Redemption**

Any person who purchases a 2021 Series 2 Bond at a price in excess of its principal amount should consider the fact that the Bonds are subject to acceleration of maturity at par under the conditions described in Appendix A under the heading “Defaults and Remedies,” and are subject to various forms of redemption prior to maturity at a redemption price equal to their principal amount plus accrued interest, without premium. See “REDEMPTION PROVISIONS” herein.

## **Limited Security**

The 2021 Series 2 Bonds are limited obligations of the Commission. Payment of the principal of and premium, if any, and interest on the 2021 Series 2 Bonds will be a valid claim only against the special fund or funds of the Commission relating thereto and will not be an obligation of the State or any municipal corporation, subdivision or agency of the State other than the Commission. Neither the full faith and credit nor the taxing power of the State or any municipal corporation, subdivision or agency of the State is pledged to the payment of the principal of or interest on the 2021 Series 2 Bonds. Further, the 2021 Series 2 Bonds do not constitute nor give rise to a pecuniary liability, general or moral obligation or a pledge of the full faith and credit or taxing power of the United States of America, HUD or any other agency thereof, GNMA, Fannie Mae or Freddie Mac. The Commission has no taxing power. See “SECURITY FOR THE BONDS” herein.

## **No Redemption upon Taxability**

The 2021 Series 2 Bonds are not subject to redemption prior to maturity solely as a result of the interest on such Bonds becoming includable in gross income for federal income tax purposes, nor will the interest rates on the 2021 Series 2 Bonds be increased in such an event. The exclusion of interest on the 2021 Series 2 Bonds from gross income for federal income tax purposes depends on the Commission’s continued compliance with federal tax laws, including requirements with respect to the investment of Bond proceeds and the continued character of such Bonds as “Qualified Mortgage Bonds” under Section 143 of the Code. See “TAX TREATMENT AND RELATED CONSIDERATIONS” herein. The Commission’s failure to maintain the tax-exempt status of such Bonds will not constitute a default under the Mortgage Loans. Consequently, it will not be possible to accelerate the debt evidenced by the Mortgage Loans or to seek HUD, GNMA, Fannie Mae or Freddie Mac guaranty benefits if interest on such Bonds becomes taxable.

## **Secondary Market and Prices**

It has been the Underwriters’ practice to maintain a secondary market in municipal securities that they sell. The Underwriters currently intend to engage in secondary market trading of the 2021 Series 2 Bonds, subject to applicable

securities laws. However, the Underwriters are not obligated to engage in secondary trading or to repurchase any of the 2021 Series 2 Bonds at the request of the owners thereof. No assurance can be given that a secondary market for the 2021 Series 2 Bonds will be available and no assurance can be given that the initial offering prices for the 2021 Series 2 Bonds will continue for any period of time.

### **Enforceability of Remedies**

The remedies available to the Bond owners upon an event of default under the Indenture or other documents described herein are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code, the remedies specified by the federal bankruptcy laws, the Indenture and the various related documents may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the 2021 Series 2 Bonds will be qualified as to the enforceability of the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by principles of equity.

### **Rating Downgrade**

The rating awarded to the 2021 Series 2 Bonds by Moody's Investors Service, Inc. ("Moody's"), is based on various factors, including the credit of GNMA, Fannie Mae and Freddie Mac and the provider of the Investment Agreement, if any. If the rating awarded to the securities issued or guaranteed by GNMA, Fannie Mae and Freddie Mac is reduced, or if the rating awarded to the claims paying ability of the provider of any Investment Agreement is reduced, the rating on the 2021 Series 2 Bonds may be reduced. On July 13, 2011, Moody's indicated that ratings of credits that are directly linked to the rating of government sponsored enterprises (e.g. GNMA, Fannie Mae and Freddie Mac), will move in lock-step with the rating of the United States government. Any reduction of the rating in effect for the 2021 Series 2 Bonds may adversely affect the market price of the 2021 Series 2 Bonds. See "RATING" herein.

### **Investment Agreements**

Money held in various accounts related to the 2021 Series 2 Bonds may be invested under one or more Investment Agreements. See "PLAN OF FINANCE—Investment of Proceeds" herein. The Commission selects Investment Agreement providers based upon competitive bids most favorable to the Commission obtained from multiple eligible institutions by an independent broker.

The failure of any provider to pay amounts when due under an Investment Agreement pertaining to the Acquisition Fund could result in the Trustee's inability to acquire Eligible Collateral in an amount necessary to fully collateralize the Bonds. A failure by the provider to pay amounts due under an Investment Agreement pertaining to the other Funds could result in the Trustee's inability to pay interest on the Bonds.

The Commission makes no representations regarding (i) the ability of any Investment Agreement provider to make payments required under the Investment Agreements, (ii) the ability of any Investment Agreement provider to maintain its current ratings, (iii) the effect any downgrade in such ratings may have on the rating then assigned to the Bonds, or (iv) the Trustee's ability to recover amounts owed by an Investment Agreement provider in the event of a bankruptcy or other default under an Investment Agreement.

### **Risks Associated with Interest Rate Swaps**

The Commission has three existing interest rate swaps relating to the General Indenture, as described under the heading "THE COMMISSION—Interest Rate Swaps."

In the event an interest rate swap is terminated, or a swap counterparty fails to make its required payments under the agreement, or the relationship between the swap index and the interest rate on the hedged Bonds diverges for any reason, the Commission might encounter increased interest costs associated with such Bonds. Such amounts would be payable from the applicable Series Interest Subaccount on a parity with the Commission's obligation to pay interest on the Bonds. To the extent amounts are unavailable in the applicable Series Interest Subaccount to make such a payment, the Commission will be required to use amounts available under the General Indenture in the priority described in Appendix A under the heading "Deficiencies in Series Debt Service Accounts." This could negatively affect cash flow margins under the General Indenture. In addition, the Commission may be required to pay a termination payment, which could be substantial, under certain circumstances. Certain risks associated with the Commission's interest rate swap transactions are described below.



**Counterparty Risk.** Counterparty risk is the risk that the counterparty will be unable to perform its obligations pursuant to an interest rate swap transaction. The Commission, pursuant to its Interest Rate Swap Policy, mitigates this risk by entering into transactions only with highly rated counterparties, and requiring collateral and allowing early termination if a counterparty becomes less creditworthy. See “THE COMMISSION—Interest Rate Swaps.”

**Basis Risk.** Basis risk is the risk that the payments received under an interest rate swap transaction do not match the hedged obligation. The Commission intends, pursuant to its Interest Rate Swap Policy, to mitigate its risk with respect to its hedged variable rate bonds by: (i) matching the notional amount and amortization schedule of each swap transaction to the notional amount and amortization schedule of each related variable rate bond issue, and (ii) either selecting an index for the variable rate component of each interest rate swap transaction that is reasonably expected to closely match the interest rate resets on the related variable rate bonds, or selecting an interest rate cap and floor that result in smaller variation among possible interest rates on the hedged Bonds.

If the actual variable rate on variable rate bonds subject to an interest rate swap is higher than the variable rate payments determined pursuant to the related interest rate swap transaction, the Commission will be obligated to pay the difference between the variable rate received under such transaction and the actual variable rate borne by such Bonds.

The interest rate swaps described under the heading “THE COMMISSION—Interest Rate Swaps” are based on either SIFMA or the London Interbank Offered Rate (“LIBOR”).

In July of 2017, the U.K. Financial Conduct Authority (the “FCA”) announced that it will no longer persuade or compel banks to submit rates for the calculation of LIBOR after 2021 (the “FCA Announcement”). In late 2014 the Federal Reserve System and the Federal Reserve Bank of New York (the “NY Fed”) convened its Alternative Reference Rate Committee (“ARRC”) to identify a set of alternative reference rates that are more firmly based on transactions from a robust underlying market than LIBOR and to identify an adoption plan to facilitate the voluntary acceptance and use of these alternative reference rates. In 2017, the ARCC identified the secured overnight financing rate (“SOFR”) which the NY Fed publishes, as the rate that represents best practice for use in certain new U.S. dollar derivatives and other financial contracts.

With respect to derivative transactions, ARRC members have worked with the International Swaps and Derivatives Association, Inc. (“ISDA”) to consider best practices for contract robustness in derivatives contracts. ISDA has released its IBOR Fallbacks Supplement to amend the 2006 ISDA Definitions (effective for trades on and after January 25, 2021), as well as its IBOR Fallbacks Protocol, which allows contract participants to amend legacy contracts to include the new fallback provisions. On each of their respective websites the NY Fed and ISDA have made available certain information concerning their respective activities relating to LIBOR and alternative reference rates.

The FCA recently announced that the publication of the one-week and two-month US Dollar LIBOR tenors will permanently cease after December 31, 2021 and that publication of the overnight and twelve-month US Dollar LIBOR tenors will permanently cease after June 30, 2023. The FCA is considering whether to require the continued publication of one-month, three-month and six-month US Dollar LIBOR tenors on a synthetic basis for a further period after the end of June 2023. Any such synthetic LIBOR would not be for use in new contracts but is intended for use only in certain legacy contracts. ISDA has announced that the FCA statement represented an index cessation event under the IBOR Fallbacks Supplement and the IBOR Fallbacks Protocol triggering a fixing of the fallback spread adjustment at the point of announcement. There can be no assurance as to the timing or outcome of these and other LIBOR-related regulatory developments, the market reaction to such developments, or the effects of such developments on the Commission’s contracts which reference LIBOR such as certain of its interest rate swaps.

**Termination Risk.** Termination risk is the risk that an interest rate swap transaction is terminated prior to its scheduled termination date. Either party may terminate an interest rate swap transaction upon the occurrence of an event of default or termination event thereunder. If an interest rate swap is terminated, the Commission would be subject to interest rate risk to the extent that the associated Bonds were not hedged with another interest rate swap or other derivative transaction. In addition, if at the time of termination the interest rate swap has a fair market value to the swap counterparty, the Commission likely would owe the swap counterparty a termination payment (in addition to fees, if any, associated with voluntary termination) equal to such fair market value, which could be substantial.

**Rollover Risk.** The Commission is exposed to rollover risk on interest rate swaps that mature or may be terminated prior to the maturity of the associated Bonds. When swaps hedging floating (or variable) rate bonds expire or are

terminated by either party, the Commission would not realize the synthetic fixed rate offered by such swaps on the underlying Bond issues.

### **Cybersecurity Risks**

The Commission relies on a complex technology environment to conduct its operations. As a recipient and provider of personal, private and sensitive information, the Commission faces multiple cyber threats including, but not limited to, hacking, viruses, malware, ransomware, phishing, business email compromise, and other attacks on computers and other sensitive digital networks, systems, and assets. Housing finance agencies and other public finance entities have been targeted by outside third parties attempting to misappropriate assets or information or cause operational disruption and damage. Further, third parties, such as hosted solution providers, that provide services to the Commission, could also be a source of security risk in the event of a failure of their own security systems and infrastructure.

The Commission uses a layered cyber security defense approach that employs sound operational strategies and security technology solutions to secure against, detect, and mitigate the effects of cyber threats on its infrastructure and information assets. The Commission conducts regular information security and privacy awareness training that is mandatory for all Commission staff and regularly conducts risk assessments and tests of its cybersecurity systems and infrastructure. The Commission's Information Technology Manager focuses on and leads the efforts of the Commission to keep its cyber assets secure.

Despite its efforts, no assurances can be given that the Commission's security and operational control measures will be successful in guarding against any and each cyber threat and attack, especially because the techniques used are increasingly sophisticated, change frequently, are complex, and are often not recognized until launched. To date, cyber attacks have not had a material impact on the Commission's financial condition, results or business; however, the Commission is not able to predict the severity of future attacks. The results of any attack on the Commission's computer and information technology systems could impact its operations for an unknown period of time, damage the Commission's digital networks and systems, or damage the Commission's reputation, financial performance, and customer or vendor relationships. Such an attack could also result in litigation or regulatory investigations or actions, including regulatory actions by state and federal governmental authorities. The costs of remedying any such damage could be substantial and such damage to the Commission's reputation and relationships could adversely affect its ability to make loans and issue bonds in the future.

### **PLAN OF FINANCE**

The 2021 Series 2 Bonds are being issued to make available additional money to purchase Certificates (including participations therein, if any). A portion of the 2021 Series 2 Bond proceeds will be used to redeem certain outstanding obligations of the Commission, and an equal amount of funds on deposit for the obligations being redeemed will be deposited to the 2021 Series 2 Acquisition Account and used to purchase Certificates.

The Trustee is expected to use proceeds of the 2021 Series 2 Bonds deposited in the 2021 Series 2 Acquisition Account to purchase new Certificates (including participations therein, if any) and to repurchase Certificates (including participations therein, if any) that the Commission purchased pending the issuance of the 2021 Series 2 Bonds with money in the Commission Fund. Although the Indenture authorizes the Trustee, on behalf of the Commission, to purchase Whole Loans, the Commission currently does not anticipate that the Trustee will purchase Whole Loans with proceeds of the 2021 Series 2 Bonds.

## Sources and Uses of Funds

The proceeds of the 2021 Series 2 Bonds, together with other money under the Indenture, are expected to be used as follows:

<u>Sources of Funds</u>	
Par amount of the 2021 Series 2A Bonds	\$ 2,700,000.00
Par amount of the 2021 Series 2N Bonds	76,825,000.00
Original Issue Premium	5,111,825.30
Commission contribution from the Commission Fund	880,000.00
Total	<u>\$85,516,825.30</u>
<u>Uses of Funds</u>	
Deposit to 2021 Series 2 Acquisition Account	\$84,636,825.30
Payment of Underwriters' fee	571,100.00
Deposit to Cost of Issuance Fund	308,900.00
Total	<u>\$85,516,825.30</u>

## Investment of Proceeds

Proceeds of the 2021 Series 2 Bonds and money in funds and accounts established with respect to the 2021 Series 2 Bonds must be invested in Permitted Investments.

In the past, the Commission has invested the money in certain of its funds and accounts in Investment Agreements. The Commission is evaluating whether it will invest money held in the 2021 Series 2 Acquisition Account and/or the 2021 Series 2 Interest Reserve Account in an Investment Agreement. In light of current yields on investment contracts, the Commission does not expect that money in the other 2021 Series 2 Accounts and Subaccounts will be invested in an Investment Agreement upon the issuance of the 2021 Series 2 Bonds. However, the Trustee may invest money held in one or more funds and accounts related to the 2021 Series 2 Bonds under an Investment Agreement in the future. See "BONDHOLDER RISKS-Investment Agreements" herein for a discussion of certain risks relating to Investment Agreements.

## SINGLE-FAMILY MORTGAGE PROGRAMS

The Commission has established a number of programs to help qualifying persons and families finance the costs of acquiring their primary residences within Washington State. One such program (the "Program") involves the issuance of bonds under both the Indenture and the Homeownership Indenture to finance the origination of Mortgage Loans. The Program is one of the methods by which the Commission achieves its goal of promoting the availability of single-family housing for moderate- and low-income persons and families. It complements the Commission's other single-family mortgage programs.

### The Program

The Program was established in 1995. It has funded over \$2.461 billion of Mortgage Loans since funding commenced under the Indenture. See Appendix F (Table F-3) for a table showing the Commission's historical usage of Bond proceeds. The primary source of funding for the Program has been bonds issued under the Indenture. In certain circumstances, proceeds of Bonds issued under the Indenture and proceeds of bonds issued under the Homeownership Indenture have been used to acquire interests in the same Certificate (e.g. to finance a principal-only participation in such Certificate). The *pro rata* portions of such Certificates financed with proceeds of the Bonds will secure the Bonds, and the *pro rata* portions of such Certificates financed with proceeds of bonds issued under the Homeownership Indenture will secure bonds issued under the Homeownership Indenture. There currently are no proceeds available under the Homeownership Indenture that the Commission expects to use for purposes of originating new mortgage loans.

NONE OF THE TRUST ESTATE PLEDGED IN THE HOMEOWNERSHIP INDENTURE TO THE OWNERS OF BONDS ISSUED UNDER THE HOMEOWNERSHIP INDENTURE IS PLEDGED TO OR AVAILABLE FOR PAYMENT OF THE BONDS.

**Program Expenses.** The expenses of the Program are paid from various accounts and subaccounts created under the Indenture. See the definition of "Expenses" in Appendix A hereto for examples of such expenses. The amounts required to administer the Program are projected at the time each series of bonds are issued. See Appendix A, under

the heading “Creation of Funds and Accounts,” for a summary of how money is to be deposited into the Series General Receipts Subaccount, the Series Expense Account and the Commission Fund under the Indenture. The Series Expense Accounts, the Commission Fund and the Cost of Issuance Fund are *not* part of the Trust Estate that has been pledged to Bond owners. See “SECURITY FOR THE BONDS—Pledge Under the Indenture” herein. Money in the various Series General Receipts Subaccounts can be transferred to the Commission Fund and used for any Commission purpose if an Asset Parity Determination supports such transfer. The primary sources of money for deposit to the Series Expense Account and the Commission Fund are expected to be amounts derived from mortgage payments, accumulated reserves set aside for the payment of such costs, and other available Commission funds.

***Mortgage Loan Origination and Purchase.*** Under the Program, Mortgage Loans are originated by those mortgage lending institutions (the “Mortgage Lenders”) that have entered, or are expected to enter, into a Mortgage Origination Agreement (each, an “Origination Agreement”) with the Commission and the Servicer. Among other requirements, each Mortgage Lender must be approved by the FHA, Fannie Mae or Freddie Mac, or otherwise be an eligible lender in good standing for VA-, HUD- or RHS-guaranteed mortgage loans.

The Commission has imposed various restrictions on Mortgage Lenders regarding the type of loans that will qualify as Mortgage Loans. These restrictions are set forth in the Origination Agreements. Some of the restrictions are based on the federal tax law requirements described under the heading “TAX TREATMENT AND RELATED CONSIDERATIONS” herein. Others are based on policies adopted by the Commission. The Commission generally reviews each Mortgage Loan to be financed with bond proceeds to determine whether it complies with GNMA, Fannie Mae or Freddie Mac loan documentation requirements, as applicable.

Upon completion of such review, the Mortgage Loan will be purchased by the Servicer and aggregated with other Mortgage Loans into a loan pool supporting a Certificate. These Certificates are then purchased from the Servicer by the Trustee. Under the Commission’s Servicing Agreements, each Servicer is responsible for remitting the principal and interest payments scheduled to be made on the Mortgage Loans under the terms of the applicable GNMA, Fannie Mae and Freddie Mac documents. See “THE SERVICER” for more information regarding the Servicer. See Appendix B for information about the GNMA, Fannie Mae and Freddie Mac programs.

***Mortgage Loan Terms.*** The Commission generally has used Bond proceeds to originate 30-year Mortgage Loans that have loan terms requiring borrowers to pay principal on a current basis (the “Standard Mortgage Loans”). However, at times, the Program has financed Mortgage Loans with 40-year maturities and Mortgage Loans that provide for the commencement of principal amortization after a fixed period of time (*e.g.* 5 or 10 years). The Commission expects that all of the Mortgage Loans originated with the 2021 Series 2 Bond proceeds will be Standard Mortgage Loans. In the future, the Commission may use proceeds of additional Bonds issued under the Indenture to finance Mortgage Loans that are not Standard Mortgage Loans.

The Commission establishes schedules of offered Mortgage Loan Interest Rates and Borrower Points from time to time, including upon issuance of each series of new-money bonds (including Bonds), by modification of the Acquisition and Operating Policy. The Commission has reserved the right in its sole discretion to increase or reduce the interest rate on such Mortgage Loans (and on the related Certificates) before their origination, in accordance with the Indenture, the Acquisition and Operating Policy and the requirements, if any, of the Rating Agency.

### **Other Single-Family Mortgage Loan Programs**

In addition to the Program, the Commission currently provides for the origination of mortgage loans for single-family residences through its Home Advantage First Mortgage Program (“Home Advantage”). At the present time, new mortgage loans are not being originated under the program established by the Commission’s Special Program Indenture. However, it is possible the Commission could reactivate that program in the future. Home Advantage, together with the single-family mortgage loan program established under the Special Program Indenture, are briefly summarized below.

***Home Advantage.*** As of the date of this Official Statement, the Commission considers Home Advantage to be the Commission’s primary single-family mortgage program. The Commission first implemented Home Advantage in July 2012. During the fiscal years ended June 30, 2020 and June 30, 2021, Home Advantage resulted in the origination by Mortgage Lenders of mortgage loans in the approximate aggregate amounts of \$2.6 billion and \$2.6 billion, respectively.

Home Advantage is available to borrowers whose annual household income is \$160,000 or less, for use to acquire single-family residences in Washington State. Home Advantage is not limited to first-time homebuyers. Through

Home Advantage, Mortgage Lenders originate mortgage loans guaranteed by FHA, RHS and VA, or meeting Fannie Mae or Freddie Mac requirements, which loans are purchased by one or more servicers and aggregated with other mortgage loans into a loan pool supporting a GNMA Certificate, a Fannie Mae Certificate or a Freddie Mac Certificate, as applicable. These certificates are then sold by the Commission to Hilltop Securities Inc., pursuant to a master trade confirmation. Most borrowers under the Home Advantage program qualify for (and use) downpayment assistance in an amount of up to 4% of the amount of the first mortgage loan. This downpayment assistance usually is structured as a deferred second mortgage loan, with no interest, that is due in 30 years (or at the time of sale, refinance or transfer of the home). However, the Commission makes other forms of downpayment assistance programs available for certain qualifying borrowers.

***Single-Family Special Program.*** The Commission established its Special Program Indenture in 2012 to finance mortgage loans for single-family residences. To date, there has only been one series of bonds issued under the Special Program Indenture. See “INTRODUCTION—Other Mortgage Revenue Bond Indentures” for the outstanding principal amount of such bonds. There currently are no proceeds available under the Special Program Indenture that the Commission expects to use for purposes of originating new mortgage loans. None of the trust estate pledged in the Special Program Indenture is pledged to or available for payment of the Bonds.

## **Recycling**

Except to the extent it is restricted from doing so under an applicable Series Indenture, the Commission is allowed under the Indenture to use a portion of money available in the various Series Unrestricted Principal Receipts Subaccounts, Series Taxable Principal Receipts Subaccounts and Series General Receipts Subaccounts (and the corresponding accounts created under the Homeownership Indenture) to fund additional Mortgage Loans (*i.e.* to “recycle” such principal payments). See Appendix A under the heading “Creation of Funds and Accounts—Revenues” for a summary of how money in the various Series Unrestricted Principal Receipts Subaccounts, Series Taxable Principal Receipts Subaccounts, and Series General Receipts Subaccounts is to be applied from time to time. The Commission also has reserved the right to sell certificates acquired under the Indenture to generate money that can be used by the Commission to fund additional Mortgage Loans, subject to tax compliance limitations and the conditions set forth in the Indenture. Thus, during the period that proceeds of the 2021 Series 2 Bonds are being used to acquire Certificates, the Commission may have a competing source of funds (*i.e.* the recycling proceeds) available to originate Mortgage Loans for the Program, which could increase the potential for an Unexpended Proceeds Redemption. See “BONDHOLDER RISKS—Risks Resulting from Non-Origination” herein.

## **Certain Program Constraints and Limitations**

Federal income tax laws set forth various restrictions on the Commission’s ability to originate Mortgage Loans with the proceeds of tax-exempt Bonds. These include requirements that: (1) the Commission must expect that each residence being financed will become the mortgagor’s principal residence within a reasonable period of time; (2) subject to certain exceptions, the mortgagor must not have owned and occupied a principal residence within three years before the Mortgage Loan is executed; (3) the acquisition cost of the residence must not exceed the amount determined pursuant to relevant federal tax laws; (4) the mortgagor’s annualized gross household income cannot exceed certain prescribed limitations; (5) except in certain limited circumstances, Bond proceeds may not be applied to acquire or replace an existing Mortgage Loan; and (6) even if provided for in the terms of a Mortgage Loan, such Mortgage Loan cannot be assumed by another mortgagor unless the requirements of (1) through (4) above are met at the time of the assumption. See “TAX TREATMENT AND RELATED CONSIDERATIONS” herein for a discussion of these federal tax constraints. The following paragraphs describe how the Commission has incorporated certain of these restrictions into the Program.

***Residence Requirement.*** Each Mortgage Loan must finance a Single-Family Residence that is located within Washington State and is intended to be used as the Mortgagor’s principal residence. While federal tax law generally defines a “single-family residence” to include multi-family housing projects that can accommodate up to four families, the Commission currently limits the Program to one-unit properties.

***Income Requirement.*** The Commission has established maximum permitted income limits for Mortgagors within each of the various counties in Washington State. Such income limits are subject to change by the Commission from time to time, subject to U.S. Treasury regulations. The maximum income limits in effect currently for Mortgage Loans originated with the proceeds of tax-exempt Bonds (such as the 2021 Series 2 Bonds), as adopted by the Commission, are set forth in the following table. While such income limits represent the maximum incomes for Mortgagors, the Program may implement lower income limits than the maximum limits approved by the Commission.

Counties	Non-Targeted Areas		Targeted Areas	
	1-2 Persons	3 or more Persons	1-2 Persons	3 or more Persons
Clark & Skamania	\$ 95,000	\$110,000	\$105,000	\$120,000
King & Snohomish	\$130,000	\$155,000	\$130,000	\$155,000
Kitsap	\$ 90,000	\$100,000	\$105,000	\$120,000
Pierce	\$100,000	\$120,000	\$100,000	\$120,000
All other	\$ 85,000	\$100,000	\$ 95,000	\$110,000

During the fiscal year ended June 30, 2021, the average household income of Mortgagors obtaining Mortgage Loans was \$52,836.

**Purchase Price Requirement.** The Commission has established maximum purchase prices for residences in each county of Washington State. These maximum prices are within the limits established by the U.S. Treasury Regulations promulgated under the Code. The maximum purchase prices established by the Commission are subject to change. The current purchase price limits are set forth in the following table.

Counties	Non-Targeted	Targeted	Counties	Non-Targeted	Targeted
Clark & Skamania	\$445,000	\$490,000	San Juan	\$425,000	\$480,000
Clallam	\$325,000	\$350,000	Whatcom	\$380,000	\$450,000
King/Pierce/Snohomish	\$620,000	\$675,000	Island/Skagit/Thurston	\$350,000	\$430,000
Kitsap	\$375,000	\$450,000	All other	\$305,000	\$350,000

**Reservation Priorities.** The Commission has covenanted to make available, to the extent necessary, Commission funds in an amount equal to 20% of the lendable proceeds of the 2021 Series 2 Bonds for a period of 12 months from the date such proceeds are first made available to finance Mortgage Loans in Targeted Areas. Such covenant is in lieu of depositing proceeds of the 2021 Series 2 Bonds into the 2021 Series 2 Targeted Area Subaccount. If necessary to ensure an equitable statewide distribution of funds, proceeds of the 2021 Series 2 Bonds deposited in the 2021 Series 2 Acquisition Account may be set aside for a period of time to make Mortgage Loan reservations in targeted geographic areas.

**Monitoring Tax Law Compliance.** In 1999, the Commission began reviewing Mortgage Loans for tax compliance. Prior to such time, a private vendor reviewed tax compliance during the Mortgage Loan origination period. The initial review of the Mortgage Loan application for compliance with Section 143 of the Code (“Section 143”) will be conducted by the Mortgage Lenders. The Mortgage Lenders are required to review certain documents, such as: the Mortgage Loan application; the affidavit of the borrower including, as needed, income tax returns, leases, rent checks, and rent receipts; appraisals; and the accepted offer to purchase the residence. If a Mortgage Lender concludes that a Mortgage Loan meets the Program’s requirements, it will forward to the Commission certain documents bearing on compliance with Section 143. The Commission will conduct its own review of such documents for compliance with Section 143. If the Commission concurs in the Mortgage Lender’s assessment that the borrower, the Mortgage Loan, and the residence meet the requirements of Section 143, the Commission will issue a preliminary compliance approval. Upon its receipt of closing documents evidencing that no material change has occurred which would result in noncompliance with Section 143, the Commission will issue a final compliance approval. A Servicer may not purchase any Mortgage Loan prior to receipt of the Commission’s final compliance approval with respect to such Mortgage Loan.

## Historical Financial Results

THE FOLLOWING TABLE REFLECTS THE UNAUDITED FINANCIAL CONDITION OF THE GENERAL INDENTURE AS OF THE END OF THE FISCAL YEARS SHOWN. THE INFORMATION SET FORTH IN THE TABLE IS *NOT* PRESENTED PURSUANT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (“GAAP”). INSTEAD, ASSETS AND LIABILITIES ARE VALUED AT PAR AND THE INFORMATION IS PRESENTED IN A MANNER THAT IS CONSISTENT WITH THE DEFINITION OF “ASSET PARITY” UNDER THE GENERAL INDENTURE. SEE APPENDIX A FOR THE DEFINITION OF “ASSET PARITY.”

The Commission’s most recent fiscal year ended on June 30, 2021. The Commission’s current fiscal year ends on June 30, 2022. The information in the following table has not been updated to address changes that may have occurred since June 30, 2021. The Commission is not aware of any material adverse change in the financial position of the General Indenture since June 30, 2021. As shown in Table F-1 in Appendix F of this Official Statement, the aggregate principal amount of outstanding Bonds was \$492,660,000 as of October 1, 2021. The following table will be updated annually pursuant to the Commission’s continuing disclosure undertaking.

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**Balance Sheet Information—Parity Assets and Liabilities (1)(2)**  
(Fiscal Years Ending June 30)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>MORTGAGE-BACKED SECURITIES</b>					
(FHLMC, FNMA, GNMA) Principal Balance at Par	\$511,827,567	\$572,210,092	\$519,836,416	\$367,290,241	\$373,858,037
<b>ACCRUED INTEREST RECEIVABLES</b>					
Investments	1,577	3,375	133,765	116,068	9,826
Mortgage-Backed Securities	1,472,249	1,736,467	1,628,338	1,138,066	955,446
<i>Total Accrued Interest Receivables</i>	<u>1,473,826</u>	<u>1,739,842</u>	<u>1,762,103</u>	<u>1,254,134</u>	<u>965,272</u>
<b>CASH, CASH EQUIVALENTS &amp; INVESTMENTS</b>					
Acquisition Funds	63,310,203	15,369,872	49,605,803	51,456,190	69,991
Reservation Funds	—	—	—	—	—
Bond Reserve Funds	—	—	—	—	—
Revenue Funds	31,035,692	28,233,160	20,021,085	20,450,297	20,828,896
<i>Total Cash, Cash Equivalents &amp; Investments</i>	<u>94,345,895</u>	<u>43,603,032</u>	<u>69,626,888</u>	<u>71,906,487</u>	<u>20,898,887</u>
<i>Total Assets</i>	<u>\$607,647,288</u>	<u>\$620,552,966</u>	<u>\$591,225,407</u>	<u>\$440,450,862</u>	<u>\$395,722,196</u>
<b>BONDS PAYABLE (3)</b>					
Tax-exempt bonds	527,920,000	549,680,000	525,440,000	381,195,000	340,560,000
Taxable bonds	—	—	—	—	—
Accrued Interest Payable	1,264,020	4,404,162	1,414,560	992,236	1,027,219
<i>Total Bonds Payable</i>	<u>529,184,020</u>	<u>551,084,162</u>	<u>526,854,560</u>	<u>382,187,236</u>	<u>341,587,219</u>
<b>CURRENT LIABILITIES</b>					
Accounts Payable	—	—	—	—	—
<i>Total Current Liabilities</i>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<i>Total Liabilities</i>	<u>\$ 529,184,020</u>	<u>\$551,084,162</u>	<u>\$526,854,560</u>	<u>\$382,187,236</u>	<u>\$341,587,219</u>
<b>NET PARITY – Principal Assets and Liabilities</b>	<u>\$ 78,463,268</u>	<u>\$69,468,804</u>	<u>\$64,370,847</u>	<u>\$58,263,626</u>	<u>\$54,134,977</u>
<b>PARITY AS A PERCENTAGE OF ASSETS</b>	114.83%	112.61%	112.22%	115.24%	115.85%

- (1) Excludes assets held and liabilities incurred under the Homeownership Indenture and the Special Program Indenture.
- (2) All assets and liabilities are valued in accordance with the definition “Asset Parity” under the General Indenture. See Appendix A for the definition of “Asset Parity.” When the Commission issues additional Bonds, it must show, among other things, that projected Asset Parity will always be equal to or greater than 100%. See “SECURITY FOR THE BONDS—Additional Bonds” herein and the definition of “Supporting Cash Flows” in Appendix A.
- (3) Excludes Subordinate Bonds, of which there are none.

**Management’s Discussion and Analysis.** The Commission relies primarily on its Home Advantage program using the To-Be-Announced mortgage market to provide for mortgage loan originations. Mortgage loans in the approximate amount of \$2.6 billion were pooled and purchased under this program during the fiscal year ended June 30, 2021.

The Commission’s House Key Opportunity program continues to rely on funding generated through the issuance of mortgage revenue bonds in the General Indenture. Production of new loans in the program was lower than the number of payoffs. This was due to an increase in mortgage refinancing resulting from record low mortgage rates as well as fewer borrowers eligible to participate in the program due to increased home prices. Total assets, as shown in the foregoing table, decreased \$12.9 million (2.12%) from the prior year to \$607.6 million on June 30, 2021, while total liabilities decreased by \$21.9 million (3.97%) in the fiscal year ended June 30, 2021, to \$529.2 million. The decrease was from low interest rates leading to an increase in mortgage refinancing, with high home prices hindering new production. Net Parity in the General Indenture grew to 114.83% on June 30, 2021, up from 112.61% the prior year.

The total assets and total liabilities under the General Indenture increased each fiscal year from June 30, 2017, through June 30, 2020, primarily because the Commission increased the principal amount of Bonds issued during those fiscal



years available to acquire new Certificates (as opposed to refunding existing Bonds). See Appendix F (Table F-3) for a table showing the amount of Bond proceeds of the past several fiscal years.

The Commission has presented unaudited financial information in a format that corresponds with the definition of “Asset Parity” under the General Indenture, which does not require adjustments to reflect market value. The Commission’s audited financial statements, on the other hand, Certificates are presented at market value in accordance with Government Accounting Standards Board (“GASB”) Statement No. 31 to conform with GAAP. There can be a significant positive or negative impact in the fiscal year’s income or loss within the General Indenture, with a corresponding, cumulative impact in the net worth of the General Indenture, when such Certificates are presented at market value in accordance with GASB Statement No. 31. See “FINANCIAL STATEMENTS” herein for information regarding the Commission’s financial statements.

## THE COMMISSION

The Commission was created in 1983 as a public body corporate and politic and an instrumentality of the State of Washington. The Commission is authorized to issue nonrecourse revenue bonds to make funds available at affordable rates to finance nonprofit and housing facilities in the State. The Commission’s address is 1000 Second Avenue, Seattle, Washington 98104 and its telephone number is (206) 464-7139. Additional information regarding the Commission and its programs can be accessed at [www.wshfc.org](http://www.wshfc.org). Neither the information on the Commission’s website, nor any links from that website, is part of this Official Statement (or incorporated by reference), and such information cannot be relied upon to be accurate as of the date of this Official Statement, nor should any such information be relied upon to make investment decisions regarding the Bonds.

The Commission is authorized to purchase mortgages and mortgage loans, to make loans to nonprofit entities and to mortgage lenders so that those lenders may make mortgage loans, to pledge mortgages and mortgage loans as security for the payment of the principal of and interest on its revenue bonds, and to enter into any agreements in connection therewith. The Commission is also authorized under Revised Code of Washington Section 43.180.300 et seq. to issue bonds for facilities owned or used by nonprofit organizations described under Section 501(c)(3) of the Code.

### Governance

There are eleven members of the Commission. Two members are State officials, the State Treasurer and the Director of the State Department of Commerce, who serve *ex officio*. The Chair of the Commission is appointed by the Governor and serves at the pleasure of the Governor. The other members of the Commission are appointed by the Governor in categories set out in State statute and serve for overlapping terms of four years.

The current members of the Commission and their principal occupations are listed below.

<u>Name</u>	<u>Principal Occupation</u>
Bill Rumpf, Chair .....	Retired President, Mercy Housing Northwest; former Deputy Director, Seattle Office of Housing; former Chief Executive Officer, California Housing Partnership; former Chief of Housing, San Francisco Redevelopment Agency.
Mike Pellicciotti, Secretary .....	State Treasurer ( <i>ex officio</i> Commissioner); former member of the Washington State House of Representatives; former Washington State Assistant Attorney General; former Chair, Washington Equal Justice Coalition; former member, Gonzaga University Board of Regents.
Nicole R. Bascomb-Green.....	Owner and Designated Broker, Bascomb Real Estate Group; Vice President – Community Affairs Manager, U.S. Bank; Board President, Real Estate Brokers (NAREB) – Western Washington Chapter; Vice President of Programming, National Black MBA Association – Seattle Chapter; board member, Urban League of Metropolitan Seattle and HomeSight.
Lisa J. Brown, Ph.D.....	Director, State Department of Commerce ( <i>ex officio</i> Commissioner); former chancellor of Washington State University; former member of the Washington State Senate; former member of the Washington State House of Representatives; former associate professor of economics at Eastern Washington University; former associate professor of leadership at Gonzaga University.

- Pedro Espinoza ..... Political Liaison Representative and former Union Representative, Pacific NW Regional Council of Carpenters Union; former Journeyman Carpenter, Pacific NW Carpenters Local Union 816, 131, 30.
- Lowel Krueger..... Executive Director, Yakima Housing Authority; former Chief Financial Officer, Yakama Nation Housing Authority; former Assistant State Auditor, Washington State Auditor’s Office; current member of Board of Directors, Impact Capital and the Homeless Network of Yakima County.
- Ken A. Larsen..... Mortgage Banking Director and Senior Vice President, Banner Bank; current Chairman of the Board, Washington Mortgage Bankers Association; current Director, Freddie Mac’s Community Lender Advisory Board; former President, Seattle Mortgage Bankers Association.
- Wendy L. Lawrence ..... Housing Director, Makah Tribe; Committee Member, Northwest Indian Housing Association; former representative to National American Indian Housing Council (NAIHC), Board of Directors; former Chair, NAIHC Legislative Committee.
- Brian Surrat ..... Executive Director, Puget Sound office for Local Initiatives Support Corporation (LISC); current board member, FareStart, William D. Ruckelshaus Center, Seattle Center Foundation, Downtown Emergency Services Center, and Downtown Seattle Association; former Vice President, Alexandria Real Estate Equities; former Director, City of Seattle Office of Economic Development.
- Alishia Topper..... Treasurer, Clark County, Washington; former Councilmember, City of Vancouver, Washington; former Deputy Tax Service Manager, Clark County Treasurer’s Office; former Director of Strategic Partnerships, Vancouver Public School; former Senior Director of Development, Fort Vancouver National Trust; current Board Vice President, Columbia Credit Union; current member of Board of Directors, Institute of Portland Metropolitan Studies, Council for the Homeless, Southwest Clean Air Agency and Vancouver Downtown Association.
- Albert L. Tripp Jr..... Chief Executive and Administrative Officer, City of Airway Heights, Washington; former Director of Public Works, City of Airway Heights, Washington. Current Board Member, West Central Neighborhood Council; current Member, Spokane Regional Homeless Governance Council and Washington City/County Management Association.

The Commission’s Executive Director is Steve Walker. Mr. Walker has 30 years of experience working in affordable housing and community development and most recently served for five and one half years as the Director of the Office of Housing of the City of Seattle where he oversaw the City’s strategies and investments in affordable housing. He previously worked as the Director of the Commission’s Multifamily Housing and Community Facilities Division, as a planning and development specialist for the City of Seattle Department of Housing and Human Services, as Housing Director for the nonprofit agency, Family Emergency Shelter Coalition in Hayward, California, and as a project development coordinator in the Homeless Division of the New York City Department of Housing, Preservation and Development. He currently serves on the boards of the Washington Community Reinvestment Association and of Enterprise Community Partners Pacific Northwest Leadership Council. He formerly served on the boards of the Washington Low Income Housing Alliance, Impact Capital and All Home. Mr. Walker is a graduate of Columbia University (B.A. 1988) and of the University of Washington (M.A., Urban Design and Planning, 1998).

The Commission’s Deputy Director is Paul R. Edwards. Mr. Edwards joined the Commission in October of 1998 as Director of Capital Projects, and became Deputy Director on November 1, 1999. He is a graduate of Morehouse College in Atlanta, Georgia (B.A. in Economics & Business Administration), and received his Master of Science Industrial Administration (M.S.I.A.) degree from Carnegie-Mellon University in Pittsburgh, Pennsylvania. Mr. Edwards has held positions in corporate and real estate lending for more than twenty years. Prior to joining the Commission, Mr. Edwards was the Community Reinvestment Act Compliance Officer for Pacific First Bank and Manager of its Community Development Department. Mr. Edwards has announced his retirement from the

Commission effective November 30, 2021. The Commission intends to conduct a national search to identify Mr. Edwards' successor.

The Commission's Director of Homeownership Programs is Lisa DeBrock. Ms. DeBrock has been an employee of the Commission since October 1998. She had been the Manager of the Commission's Homeownership Division since July 1999, and became the Director of Homeownership Programs in February 2015. Immediately prior to joining the Commission, Ms. DeBrock worked for the City of Aurora as a housing counselor and also worked in the mortgage lending industry. Ms. DeBrock received her Speech Communications degree from the University of Washington.

The Commission's Senior Director of Finance is Robert D. Cook. Mr. Cook joined the Commission in June 1996 with 18 years of accounting and finance experience in cooperative and nonprofit organizations. He is a graduate of the University of Missouri-Columbia (B.S., Business Administration-Accountancy) and Northern Illinois University-DeKalb (M.B.A.). Mr. Cook has announced his retirement from the Commission effective December 31, 2021. The Commission is engaged in a national search to identify Mr. Cook's successor.

## Interest Rate Swaps

**Swap Policy.** The Commission adopted an "Interest Rate Swap Policy" on March 24, 2005, which was amended on July 26, 2007, and further amended on September 26, 2019, and may be revised by the Commission at any time (the "Interest Rate Swap Policy"). Among other things, the policy currently provides that the Commission can only enter into "payment agreements" such as interest rate swaps, ceilings or floors (collectively, "Swaps") with counterparties that meet the minimum ratings requirements set forth in RCW 39.96.040. This statute requires, among other things, that any counterparty (or its guarantor) be (i) rated in at least the "double A" ratings category by at least two nationally recognized credit rating agencies or (ii) if the counterparty (or its guarantor) is rated in the "single A" ratings category by at least two nationally recognized credit rating agencies, the counterparty must provide for the posting of eligible collateral equal to at least 102% of the net market value of the Swap under the circumstances described in the Interest Rate Swap Policy. The statute also requires that the payment agreement require a counterparty described in clause (i) of the previous sentence to meet the collateralization requirements of clause (ii) if the counterparty's rating(s) fall below the requirements of clause (i).

The Commission's Interest Rate Swap Policy provides that collateral must consist of cash, U.S. Treasury securities and U.S. agencies that are 100% guaranteed by the United States, that collateral deposited by the counterparty be equal to at least 102% of the net market value of the Swap and that such collateral be held by the Commission or its agent. The market value of the collateral shall be determined on at least a weekly basis. The Interest Rate Swap Policy also requires that each Swap executed by the Commission contain terms and conditions as set forth in the ISDA<sup>®</sup> Master Agreement, including the schedule, credit support annex and confirmation.

**Existing Swaps Relating to the Bonds.** The Commission has entered into Swaps in connection with the issuance of certain variable rate and floating rate Bonds. Such Swaps were intended to create debt with synthetic interest rates that were lower than the Commission would have attained from issuing long-term fixed rate Bonds. The Swaps are hedging derivative instruments. The Commission has the following Swaps with respect to the Bonds:

Counterparty	Associated Bond Series	Notional Amount Under Swap (1)	Effective Date of Swap	Fixed Rate to Counterparty	Floating Rate to Commission (2)	Swap Termination Date (3)
FMS Wertmanagement	2016 Series VR-1N (4)	\$ 310,000	7/22/2008	3.629%	SIFMA plus 0.10%	12/1/2021
Royal Bank of Canada	2018 Series 1N-MM	22,500,000	12/3/2018	2.730%	SIFMA (5)	12/1/2048
		<u>\$22,810,000</u>				

- (1) As of October 1, 2021. See Appendix F (Table F-1) for a table showing the outstanding principal amounts and stated maturities of the Bonds associated with the respective Swaps.
- (2) "SIFMA" refers to the SIFMA Municipal Swap Index.
- (3) The stated maturities of the Bonds associated with the respective Swaps exceeds the termination dates of the respective Swaps. The Commission may, in its discretion, decide *not* to enter into subsequent Swaps with respect to the Bonds listed in this table. If the Commission decides to enter into one or more subsequent Swaps, there can be no assurances that the subsequent Swaps will result in synthetic fixed interest rates that are consistent with those set forth in the table.
- (4) Initially, these Swaps were associated with the Commission's 2008 Series VR-1A and VR-2N Bonds, respectively. Upon the refunding of those Bonds in December 2017, these Swaps were reallocated by the Commission to the 2016 Series VR-1N Bonds (which previously had not been hedged).
- (5) On November 1, 2023, the floating rate payable to the Commission converts to 70% of USD-LIBOR-BBA.

The Swaps described in the foregoing table are each in the form of an ISDA<sup>®</sup> Master Agreement, as modified by a schedule, credit support annex and confirmation. Any semiannual payments paid by the Trustee to the Existing Swap Providers are made from the respective Series Interest Subaccount and are on a parity with payments of interest on the Bonds. All other payment obligations to the Existing Swap Providers (e.g. termination payments) are payable from funds pledged to the Bonds under the General Indenture that are available after the payment of scheduled principal, interest and expenses but prior to cross calling or recycling. Under certain circumstances (including certain events of default with respect to the Commission or the Existing Swap Providers) any of the Existing Swaps may be terminated in whole or in part. Following the termination of an Existing Swap, either the Commission or an Existing Swap Provider may owe a termination payment to the other, depending upon the then market value of an interest rate collar or swap comparable to the remaining term of the terminated Swap and the events that caused the Swap to terminate. Under certain circumstances, whether or not it is the defaulting or terminating party, the Commission could owe a termination payment that could be substantial and, if payable by the Commission, may decrease the assets held under the General Indenture.

## THE SERVICER

As more fully described under the heading “SINGLE-FAMILY MORTGAGE PROGRAMS” herein, the Servicer is required to purchase Mortgage Loans from Mortgage Lenders, to issue Certificates backed by such Mortgage Loans, and, with respect to those Certificates that will be acquired with Bond proceeds, to sell those Certificates to the Trustee. Once Certificates have been issued to the Trustee, the Servicers’ primary duties involve the collection and distribution to the Trustee, GNMA, Fannie Mae and Freddie Mac, as appropriate depending on program requirements, of payments received on account of the underlying Mortgage Loans. See Appendix B for information about the Servicers’ role under the GNMA, Fannie Mae and Freddie Mac programs. A Servicer’s ability to purchase and pool Mortgage Loans, and to issue and deliver Certificates, underlies the Trustee’s ability to spend Bond proceeds in a timely manner. See “BONDHOLDER RISKS—Risks Resulting from Non-Origination” herein for a discussion of certain factors that might adversely affect a Servicer’s ability to acquire and pool Mortgage Loans, and to issue and deliver Certificates.

Over the years, the Commission has engaged various Servicers for Mortgage Loans originated under the Program. Such Servicers include HomeStreet Bank, U.S. Bank Home Mortgage–MRBP Division, Bank of America, N.A., the Alabama Housing Finance Authority, and Lakeview Loan Servicing. The Commission entered into a servicing agreement with Idaho Housing and Finance Association, Boise, Idaho (“IHFA”), that was effective January 1, 2018. IHFA is expected to service the Mortgage Loans that will be pooled into Certificates that the Trustee acquires with proceeds of the 2021 Series 2 Bonds.

### IHFA

*The information under this subheading has been provided solely by IHFA and is believed to be reliable, but has not been verified independently by the Commission. No representation whatsoever as to the accuracy, adequacy, or completeness of such information is made by the Commission.*

IHFA is (i) an FHA- and VA- and USDA/Rural Development-approved lender in good standing, (ii) a GNMA-approved seller and servicer of mortgage loans and an issuer of mortgage-backed securities guaranteed by GNMA, (iii) a Fannie Mae-approved seller and servicer of Fannie Mae securities and (iv) a Freddie Mac-approved seller and servicer of IHFA securities. As of June 30, 2021, IHFA serviced 197,215 single-family mortgage loans with an aggregate principal balance of approximately \$22.9 billion. IHFA currently services single-family mortgage loans for housing finance authorities, mutual savings banks, non-profit associations and commercial banks, as well as Fannie Mae, GNMA and Freddie Mac. As of June 30, 2021, according to its audited fiscal year-end financial statements, IHFA had total assets, not including deferred outflows of resources, of \$2.7 billion and a net position of approximately \$580 million. For the twelve months ending June 30, 2021, IHFA originated and purchased single-family mortgage loans, a total principal amount of approximately \$2.9 billion in Idaho and another \$4.95 billion for its partnership states.

### Agreement with IHFA

IHFA is expected to acquire and service Mortgage Loans under the terms of a Program Administration and Servicing Agreement dated as of December 1, 2017, as amended, among the Commission, the Trustee and IHFA (as it may be amended from time to time, the “Servicing Agreement”). The principal responsibilities of IHFA under the Servicing Agreement include purchasing and pooling Mortgage Loans, selling the Certificates at the Commission’s direction (e.g. to the Trustee or Hilltop Securities Inc.) and servicing the Mortgage Loans (subject to the standard GNMA, Fannie Mae and Freddie Mac procedures for servicing mortgage loans).

The Commission is responsible under the Servicing Agreement for reviewing each Mortgage Loan originated by the Mortgage Lenders to determine compliance with GNMA, Fannie Mae and Freddie Mac loan documentation and tax compliance requirements. Upon completion of such review, IHFA is required to acquire approved Mortgage Loans on behalf of the Commission, and complete all required documents and forms incidental to the inclusion of such Mortgage Loans in GNMA, Fannie Mae or Freddie Mac pools.

The Servicing Agreement requires that IHFA service each Mortgage Loan it acquires. Its rights as a Servicer include, among others, the right to execute and deliver customary consents, waivers and releases, the right to collect insurance proceeds, and the right to effectuate foreclosure proceedings (so long as such rights are exercised in accordance with applicable GNMA, Fannie Mae and Freddie Mac documents). IHFA also is responsible under the Servicing Agreement for remitting the principal and interest payments made on the Mortgage Loans under the terms of the applicable GNMA, Fannie Mae and Freddie Mac documents. If the Servicing Agreement is not extended, the obligations of the Servicer to service the mortgage loans it has pooled under Certificates will continue.

Under the Servicing Agreement, the Commission receives monthly servicing release fees. IHFA receives a portion of each installment of interest under the Mortgage Loans acquired and certain late charges paid by Mortgagors as compensation for its services under the Servicing Agreement.

Subject to written approval by the Commission and the Trustee, the obligations and duties of IHFA under the Servicing Agreement may be assigned to another firm then currently approved to act in such capacity by GNMA, Fannie Mae or Freddie Mac.

### **Servicing-Related Risks Due to COVID-19 Pandemic**

Governmental Actions, including loan forbearance directives, moratoria on foreclosures and/or evictions, permit borrowers to not make payments on their single family loans and prevent servicers from pursuing remedial actions on certain loans already in default. The servicers for such loans (including the servicers of Mortgage Loans backing the Certificates pledged under the Indenture), must advance loan payments (when due) for the required period required by GNMA, Fannie Mae or Freddie Mac, as applicable, for the related Certificates, even if those payments are not made by the borrowers under such loans. See “INTRODUCTION—COVID-19”.

## **QUANTITATIVE CONSULTANT**

cfX serves as the Commission’s quantitative consultant pursuant to an engagement agreement that terminates on December 31, 2023 (subject to renewal at the parties’ discretion). Subject to the terms of the engagement agreement, cfX will provide certain quantitative work products to the Commission and the Trustee to be utilized in connection with their respective operating obligations under the Indenture. Each such work product will be based solely on information provided to cfX by the Commission and the Trustee, certain assumptions provided to cfX by the Commission, and certain instruction from Bond Counsel and Special Tax Counsel. cfX will make no representation with respect to the accuracy of such information or as to the reasonableness of such assumptions and instructions. cfX is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement and is not obligated to review or ensure compliance with continuing disclosure undertakings. cfX has registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board as a municipal advisor.

## **TAX TREATMENT AND RELATED CONSIDERATIONS**

### **General**

The Code establishes certain requirements that must be met subsequent to the issuance of the 2021 Series 2 Bonds in order that interest thereon be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the 2021 Series 2 Bonds to be includable in gross income retroactive to their date of original issuance. The requirements of the Code include provisions that restrict the yield and set forth other limitations within which the proceeds made available upon the issuance of the 2021 Series 2 Bonds are to be invested, including mortgage eligibility requirements, and require that certain investment earnings be rebated on a periodic basis to the United States Treasury.

Section 143 of the Code imposes significant limitations on the financing of single-family Mortgage Loans that are applicable to the 2021 Series 2 Bonds. The Commission will require that all Mortgage Loans financed by the proceeds

made available upon the issuance of the 2021 Series 2 Bonds satisfy these requirements, including, but not limited to, the borrower income and purchase price limitations of Section 143 of the Code.

Under the Code, the following requirements must be met with respect to each Mortgage Loan financed, in whole or in part, with the proceeds of Bonds: (a) the residence being financed must reasonably be expected by the Commission to become the principal residence of the mortgagor within a reasonable time after the financing is provided, must not be intended primarily or expected to be used in a trade or business and may not be used as an investment property or as a recreational home; (b) subject to certain exceptions, at least 95% of the lendable proceeds of an issue must be used to finance residences of borrowers who have not had a present ownership interest in a principal residence during the three-year period prior to the date on which the mortgage is executed; (c) the acquisition cost of the residence must not exceed certain limitations; (d) all mortgages must be made to borrowers whose income does not exceed certain limitations; (e) except in certain limited circumstances, proceeds may not be applied to acquire or replace an existing mortgage; and (f) if assumable in accordance with its terms, a mortgage may not be assumed unless requirements (a) through (d) above are met.

An issue of bonds is treated as meeting the mortgage eligibility requirements of the Code only if the issuer in good faith attempts to meet all of the mortgage eligibility requirements before the mortgages are executed and any failure to comply with the mortgage eligibility requirements is corrected within a reasonable period after such failure is first discovered. In addition, 95% or more of the proceeds of the issue used to make loans must be used to finance residences which met all such requirements at the time the loans were executed. In determining whether 95% of the proceeds have been so used, the issuer is entitled to rely on an affidavit of the mortgagor and of the seller and on the mortgagor's income tax returns filed with the Internal Revenue Service for the three years preceding the date the mortgage is executed even though the relevant information in such affidavits and returns should ultimately prove to be untrue, unless the Commission or its agent knows or has reason to believe that such information is false. If the relevant information in the affidavits obtained in connection with any loan is discovered to be untrue, however, the correction still must be made within a reasonable period.

The Commission will include provisions in the lender documents and other relevant documents and has established procedures (including receipt of certain affidavits and warranties from lenders, borrowers and others respecting the mortgage eligibility requirements) to ensure compliance with the mortgage eligibility requirements and other requirements relating to nonmortgage investments which must be met subsequent to the date of issuance of the 2021 Series 2 Bonds. The Commission has covenanted in the Indenture to do and perform all acts and things necessary or desirable in order to assure that interest paid on the 2021 Series 2 Bonds shall be excludable from gross income for federal income taxes purposes. Under the Code, certain requirements must be met subsequent to the delivery of the 2021 Series 2 Bonds to ensure that interest on such Bonds is not included in gross income.

Agreements, affidavits and other procedures are set forth in the documents relating to the Program to comply with the requirements of the Code. The Commission believes that the procedures and documentation requirements established for the purpose of fulfilling its covenant are sufficient to ensure that the proceeds of the 2021 Series 2 Bonds will be applied in accordance with the Code.

***Backup Withholding.*** As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the 2021 Series 2 Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any bondholder who fails to provide certain required information, including an accurate taxpayer identification number, to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not, in and of itself, affect or alter the excludability of interest on the 2021 Series 2 Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

***Opinion of Special Tax Counsel.*** In the opinion of Kutak Rock LLP, Special Tax Counsel, to be delivered on the date of issuance of the 2021 Series 2 Bonds, assuming the accuracy of certain representations and continuing compliance by the Commission with certain covenants, under existing laws, regulations, rulings and judicial decisions, the interest on the 2021 Series 2 Bonds is excluded from gross income of the owners thereof for purposes of federal income taxation, except as hereafter described. Special Tax Counsel is further of the opinion that (i) interest on the 2021 Series 2A Bonds is a specific preference item for purposes of the federal alternative minimum tax and (ii) interest on the 2021 Series 2N Bonds is not a specific preference item for purposes of the federal alternative minimum tax. A form of the Special Tax Counsel opinion with respect to the 2021 Series 2 Bonds is attached hereto as Appendix E.

Although Special Tax Counsel is rendering an opinion that the interest on the 2021 Series 2 Bonds, as described above, is not included in gross income for federal income tax purposes, the accrual or receipt of interest on the 2021 Series 2

Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. Special Tax Counsel expresses no opinion regarding any such consequences.

Purchasers of the 2021 Series 2 Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States), property and casualty insurance companies, banks, thrifts or other financial institutions or certain recipients of Social Security or Railroad Retirement benefits, taxpayers otherwise entitled to claim earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations are advised to consult their tax advisors as to the tax consequences of purchasing, holding or selling the 2021 Series 2 Bonds.

From time to time, there are legislative proposals in the United States Congress that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the 2021 Series 2 Bonds. It cannot be predicted whether or in what form any such proposals might be enacted or whether, if enacted, would apply to bonds issued prior to enactment. Each purchaser of the 2021 Series 2 Bonds should consult his or her own tax advisor regarding any pending or proposed federal tax legislation, regulatory initiatives or litigation. Special Tax Counsel will not express any opinion regarding any pending or proposed federal tax legislation, regulatory initiatives or litigation.

### **Tax Treatment of Premium on Bonds**

The PAC Bonds and Premium Serial Bonds were sold at a premium and constitute "Premium Bonds". An investor that acquires a Premium Bond for a cost greater than its remaining stated redemption price at maturity and holds the Premium Bond as a capital asset will be considered to have purchased the Premium Bond at a premium and, under Section 171 of the Code, must generally amortize such premium under the constant yield method. Except as may be provided by regulation, amortized premium will be allocated among, and treated as an offset to, interest payments. The basis reduction requirements of Section 1016(a)(5) of the Code apply to amortizable bond premium that reduces interest payments under Section 171 of the Code. Regulations have been issued dealing with certain aspects of federal income tax treatment of bond premium, but such regulations do not fully address the method to be used to amortize bond premium on obligations such as the Premium Bonds. Therefore, investors should consult their tax advisors regarding the tax consequences of amortizing bond premium.

## **CONTINUING DISCLOSURE**

### **Basic Undertaking to Provide Continuing Disclosure**

To meet the requirements of United States Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(5) (the "Rule"), as applicable to the Underwriters, the Commission has undertaken in the General Indenture, for the benefit of owners and Beneficial Owners of the Bonds, to provide or cause to be provided certain information on a continuing basis (the "Undertaking"). The Undertaking will be confirmed in the 2021 Series 2 Indenture. See "Compliance with Secondary Disclosure Requirements of the SEC" in Appendix A hereto for a more detailed summary of the Undertaking.

### **Disclosure Agent**

The Indenture provides that the Trustee will act as agent (the "Disclosure Agent") of the Commission and each "Obligated Person" with respect to the Undertaking, and not in its capacity as Trustee. As Disclosure Agent, the Trustee is not obligated to independently investigate the accuracy of certificates received by it in its capacity as Trustee. For purposes of the Rule and the Undertaking, there are no "Obligated Persons" with respect to the 2021 Series 2 Bonds other than the Commission.

### **Annual Information**

With respect to the 2021 Series 2 Bonds, the Commission has undertaken to provide to the Municipal Securities Rulemaking Board (the "MSRB") on an annual basis, in an electronic format as prescribed by the MSRB: (i) its audited financial statements; and (ii) financial information and operating data regarding the Program of the type included in this Official Statement in the table titled "General Indenture Balance Sheet Information-Parity Assets and Liabilities," and in Tables F-1, F-2 and F-3 included in Appendix F hereto. The financial information described in clause (ii) will be unaudited, and will be provided to the Disclosure Agent. The Disclosure Agent will provide such audited financial statements and other financial information to the MSRB (provided, that the Disclosure Agent shall

not be so obligated if the Commission has notified the Disclosure Agent in writing that it has provided or caused to be provided to the MSRB such audited financial statements and financial information). In lieu of providing such audited financial statements and annual financial information, the Commission may cross-reference to other documents available to the public on the MSRB's internet web site (EMMA) or filed with the SEC. The audited financial statements and financial information will be provided to the Disclosure Agent before the expiration of seven months after the Commission's fiscal year, which currently ends June 30. The Commission may adjust such fiscal year by providing written notice of the change of fiscal year to the MSRB.

### **Listed Event Notices**

The Commission has undertaken to cause the Disclosure Agent to provide prompt notice of Material Events (as defined in Appendix A under the heading "Compliance with Secondary Disclosure Requirements of the SEC") to the MSRB in an electronic format as prescribed by the MSRB. The Commission and any "Obligated Person" also may cause the Disclosure Agent to file other notices from time to time with the MSRB. The Disclosure Agent is required to provide timely notice to the MSRB of any failure by the Disclosure Agent to provide to the MSRB the annual financial information or audited financial statements required to be provided on or before the due date thereof.

## **FINANCIAL STATEMENTS**

The Commission's audited annual financial statements for each of the fiscal years ending June 30, 2017 through June 30, 2021 were filed with the MSRB. Copies of such financial statements are available on the Commission's website at <http://www.wshfc.org> (which is not incorporated into this Official Statement by reference) or from the Commission upon payment to the Commission of a charge for copying, mailing and handling. Requests for such copies should be addressed to the Commission's Senior Director of Finance.

The audited financial statements reflect all of the Commission's programs and funds. But for certain information set forth in such financial statements that specifically refer to the "Single Family (Open Indenture)" and accompanying notes, if any, together with those portions of the auditor's letter pertaining to such information, the Commission's audited financial statements describe assets and revenues that are not available to pay any principal of or interest on the Bonds.

## **UNDERWRITING**

### **2021 Series 2 Bonds**

RBC Capital Markets, LLC ("RBC"), Wells Fargo Bank, National Association and Morgan Stanley & Co. LLC (together, the "Underwriters") have agreed, subject to certain conditions, to purchase from the Commission the 2021 Series 2 Bonds at a price equal to \$84,636,825.30 (the par amount of the 2021 Series 2 Bonds plus an original issue premium of \$5,111,825.30). The obligation of the Underwriters to purchase such 2021 Series 2 Bonds is subject to certain terms and conditions set forth in a purchase contract between RBC, in its capacity as the representative of the Underwriters, and the Commission. The fee of the Underwriters payable in connection with the initial sale of the 2021 Series 2 Bonds is \$571,100. The Underwriters may offer and sell such 2021 Series 2 Bonds to certain dealers and certain dealer banks at prices lower than the public offering prices stated on the inside front cover hereof.

### **Miscellaneous**

The Underwriters and their respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriters and their respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriters and their respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the Commission. The Underwriters and their respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the Commission.

Wells Fargo Corporate & Investment Banking (which may be referred to elsewhere as "CIB", "Wells Fargo Securities" or "WFS") are the trade names used for the corporate banking, capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association ("WFBNA") a



member of NFA,, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, National Association Municipal Finance Group, a separately identifiable department of WFBNA, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

WFBNA, acting through its Municipal Finance Group, one of the underwriters of the 2021 Series 2 Bonds, has entered into an agreement (the “WFA Distribution Agreement”) with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name “Wells Fargo Advisors”) (“WFA”), for the distribution of certain municipal securities offerings, including the 2021 Series 2 Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the 2021 Series 2 Bonds with WFA. WFBNA has also entered into an agreement (the “WFSLLC Distribution Agreement”) with its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the 2021 Series 2 Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

Morgan Stanley & Co. LLC, an underwriter of the 2021 Series 2 Bonds, has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the 2021 Series 2 Bonds.

#### **RATING**

Moody’s has assigned its rating of “Aaa” to the 2021 Series 2 Bonds. Such rating reflects only the views of Moody’s at the time the rating was given, and the Commission makes no representation about the appropriateness of the rating. An explanation of the significance of the rating may be obtained only from Moody’s. There is no assurance that such rating will continue for any given time or that it will not be revised downward or withdrawn entirely by Moody’s if, in the judgment of Moody’s, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the 2021 Series 2 Bonds.

#### **ABSENCE OF MATERIAL LITIGATION**

There is no proceeding pending or threatened to restrain or enjoin the issuance or sale of the 2021 Series 2 Bonds, or in any way contesting or affecting the validity of the 2021 Series 2 Bonds or any proceedings of the Commission taken with respect to the issuance or sale thereof, the pledge or application of any money or securities provided for the payment of the 2021 Series 2 Bonds or the existence or powers of the Commission insofar as they relate to the authorization, sale and issuance of the 2021 Series 2 Bonds or such pledge or application of money and securities.

#### **CERTAIN LEGAL MATTERS**

All legal matters in connection with the issuance of the 2021 Series 2 Bonds are subject to the approval of Pacifica Law Group LLP, Seattle, Washington, Bond Counsel and by Kutak Rock LLP, Omaha, Nebraska, Special Tax Counsel. Pacifica Law Group LLP also serves as General Counsel to the Commission. Kutak Rock LLP, Omaha, Nebraska, in its capacity as the Commission’s Disclosure Counsel with respect to the 2021 Series 2 Bonds, is expected to deliver an opinion to the Commission and the Underwriters. Any such opinion will be limited in scope, and cannot be relied upon by investors without the written consent of such firm. Certain legal matters will be passed upon for the Underwriters by Dorsey & Whitney LLP, Des Moines, Iowa.

#### **MISCELLANEOUS**

##### **Potential Conflicts of Interest**

The Commission is aware of the following conflicts of interest various parties may have in connection with the issuance of the 2021 Series 2 Bonds.

Institutions with which some of the Commission’s Commissioners are associated participate from time to time in the Commission’s programs. The participation of those Commissioners in decisions concerning such programs is governed by, and is in accordance with, State law and the Commission’s regulations concerning conflicts of interest.

Some or all of the fees of the Underwriters, the Trustee, cfX, the Commission's Bond Counsel, Special Tax Counsel and Disclosure Counsel are contingent upon the sale of the 2021 Series 2 Bonds.

From time to time Bond Counsel, Special Tax Counsel and Disclosure Counsel may serve as counsel to the Underwriters and to other parties involved with the 2021 Series 2 Bonds and the Mortgage Loans, with respect to transactions other than the issuance of bonds of the Commission, and Special Tax and Disclosure Counsel may on occasion also serve as counsel to the providers of one or more Investment Agreements. From time to time, cfX may receive fees from certain Underwriters related to the licensing of proprietary technology of cfX.

Entities that are related to the Underwriters may from time to time provide Investment Agreements and Enhancement Agreements for various Series of Bonds.

### **Summaries, Opinions and Estimates Qualified**

All of the foregoing summaries or descriptions of provisions of the Indenture and other documents are made subject to all of the provisions of law and such documents and these summaries do not purport to be complete statements of such provisions. Reference is hereby made to such documents for further information in connection therewith. A copy of the aforementioned documents may be examined at the office of the Commission in Seattle, Washington. All summaries of documents and agreements are qualified in their entirety by reference to those documents and agreements, and all summaries of the 2021 Series 2 Bonds and the Bonds contained in this Official Statement are qualified in their entirety by reference to the definitive forms thereof, copies of which are available for inspection at the principal corporate trust office of the Trustee.

Any statements herein involving matters of opinion or estimates, whether or not expressly so stated, are intended merely as such and not as representations of fact.

The agreements of the Commission with respect to the Bondowners are fully set forth in the Indenture. This Official Statement is not to be construed as a contract with the purchasers of the 2021 Series 2 Bonds.

WASHINGTON STATE HOUSING FINANCE  
COMMISSION

By: /s/ Bill Rumpf  
Bill Rumpf, Chair

**APPENDIX A:  
SUMMARY OF THE GENERAL INDENTURE**

*The following is a summary of certain provisions of the Amended and Restated General Trust Indenture dated as of November 1, 2010, as amended by the First Supplement to Amended and Restated General Trust Indenture dated as of March 1, 2019. This summary is qualified in its entirety by reference to the Amended and Restated General Trust Indenture (as so amended). The Amended and Restated General Trust Indenture, as the same may be supplemented and amended, is referred to in this Official Statement as the “General Indenture.” For a description of certain other provisions of the General Indenture, see “THE 2021 SERIES 2 BONDS,” “SECURITY FOR THE BONDS” and “CONTINUING DISCLOSURE.”*

**Certain Definitions**

Some of the terms defined in the General Indenture that are used in the Official Statement appear in the immediately following paragraphs. Certain of the following definitions have been condensed or otherwise modified when appropriate for purposes of the Official Statement.

“Accreted Value” means, with respect to any of the Compound Interest Bonds or the Convertible Deferred Interest Bonds, the total amount of principal thereof and interest payable thereon determined solely by reference to the Table of Accreted Values set forth in a Series Indenture or Remarketing Indenture. The Accreted Value as of any date other than those specified in the Table of Accreted Values shall be the sum of: (a) the Accreted Value as of the last Debt Service Payment Date which is prior to the date as of which the calculation is being made plus (b) interest thereon to the date as of which the calculation is being made at the interest rate per annum set forth in the applicable Series Indenture or Remarketing Indenture; provided, that the Accreted Value of each Convertible Deferred Interest Bond on or after its Full Accretion Date shall be equal to the Accreted Value as of such Full Accretion Date.

“Accretion” means, with respect to any Compound Interest Bond or Convertible Deferred Interest Bond, the amount by which the current Accreted Value exceeds the Issuance Amount of such Bond.

“Acquisition and Operating Policy” means the then currently effective document or documents certified by an Authorized Officer, specifying, among other things, the rules which govern the application of money and assets in a Series Acquisition Account and Series Reservation Account, the current rules which govern the application of Revenues, excess amounts in the Reserve Fund, and the Expense Requirement for each Series of Bonds. Prior to May 1, 1998, the Acquisition and Operating Policy was two separate documents: the Series Acquisition Policy and the Operating Policy.

“Amortized Value” means the purchase price of securities, excluding accrued interest, plus an amortization of any discount or less an amortization of any premium included in the purchase price. The premium or discount shall be amortized on an actuarial basis, so that the Amortized Value at any time equals the price at which the yield on a security equals the yield of such security as of its original purchase. In the case of an Investment Security callable at the option of the issuer thereof, the original yield and Amortized Value will be computed on the assumption that, for securities purchased at a premium, such security is called as of the first possible call date, provided that after such call date, the value of the Investment Security will be computed at par, or for securities purchased at a discount, such security is held to maturity.

“Asset Parity” means a ratio in which:

1. the numerator is the aggregate value of all assets under the Trust Estate (excluding amounts in the Rebate Fund, Cost of Issuance Fund, Expense Fund and Commission Fund), including:
  - a. the Mortgage Value of all Certificates and all Whole Loans;
  - b. the Investment Value of all Investment Securities in the funds and accounts; and
2. the denominator is the aggregate value of all outstanding liabilities payable from the Trust Estate, including:
  - a. the Bond Value of all Outstanding Bonds other than Subordinate Bonds; plus
  - b. the aggregate amount of Enhancement Accruals; plus
  - c. the excess of the aggregate Expense Requirements over the amount on deposit in the Expense Funds; plus
  - d. the excess of the aggregate Rebate Requirements over the amount on deposit in the Rebate Fund.

“Asset Parity Determination” means, in connection with certain actions to be taken by the Trustee under the General Indenture, a determination by the Trustee or a certification by an Authorized Officer filed with the Trustee, that, taking into account the proposed action, Asset Parity will be equal to or greater than 100% after taking the proposed action.

“Authorized Officer” means the Chair, Vice Chair, Secretary, Treasurer, or Executive Director of the Commission, and any other officer or employee of the Commission authorized by resolution of the Commission to perform the act or sign the document in question.

“Bond” or “Bonds” means any evidence of indebtedness issued pursuant to the General Indenture and designated in the applicable Series Indenture as a “Bond,” and may include bonds, notes and other forms of long-term and short-term indebtedness. Bonds issued under the General Indenture prior to January 1, 2006, and not specifically designated as a “Bond” in the applicable Series Indenture shall for all purposes of the General Indenture be treated as a “Bond.”

“Bond Counsel” means a firm of nationally recognized attorneys at law, appointed by the Commission, and experienced in the financing of qualified mortgage bond programs through the issuance of tax-exempt revenue bonds under the exemptions provided under the Code.

“Bond Counsel Opinion” means an opinion of Bond Counsel.

“Bond Value” means with respect to any date, the principal amount of Current Interest Bonds, the Accreted Value with respect to Compound Interest Bonds and Convertible Deferred Interest Bonds, plus accrued interest with respect to Current Interest Bonds and Convertible Deferred Interest Bonds after the Full Accretion Date with respect thereto, provided that for the purpose of establishing the Bond Value of Bonds Outstanding in order to measure Owner approvals, consents or requests, the Bond Value for each date other than a Regular Payment Date shall be the Bond Value as of the prior Regular Payment Date.

“Bond Year” means the period for a Series of Bonds as specified in the Arbitrage and Tax Certification.

“Business Day” means a day on which banks in the city in which the principal corporate trust office of the Trustee is located or in New York, New York, are not required or authorized by law to remain closed and on which the New York Stock Exchange is not closed.

“Cash Equivalent” means a letter of credit, insurance policy, surety, guarantee or other security arrangement upon which the Commission or the Trustee may make a draw to provide funds as needed for the Reserve Fund or to provide Supplemental Mortgage Coverage.

“Cash Flow Certificate” means, in connection with certain actions to be taken by the Commission, a Certificate of an Authorized Officer filed with the Trustee which (1) describes the proposed action and (2) has the Supporting Cash Flows attached.

“Cash Flow Consultant” means the Commission, the Trustee, or an accounting, investment banking, banking, financial advisory, program consulting, or quantitative services firm that has experience in the preparation of cash flow projections of the type described in the General Indenture and is acceptable for such purposes to the Rating Agency.

“Certificates” means GNMA Certificates, Fannie Mae Certificates and Freddie Mac Certificates, and participations therein in each case representing interests in securitized Mortgage Loans.

“Code” means the Internal Revenue Code of 1986 and all subsequent tax legislation duly enacted by the Congress of the United States applicable to the Bonds. Each reference to a Section of the Code shall be deemed to include the United States Treasury Regulations proposed or in effect with respect thereto and applicable to the Bonds or the use of the proceeds thereof.

“Commission” means the Washington State Housing Finance Commission, a public body corporate and politic established by the Act.

“Commission Fee” means, with respect to each Series of Bonds, the maximum amount as specified by formula in the Acquisition and Operating Policy that may be withdrawn from the General Receipts Account and deposited in the Expense Fund to be paid to the Commission, other than for payment or reimbursement of the Commission’s obligations to third parties.

“Commission Fund” means the Fund so designated and established pursuant to the General Indenture.

“Commission Request” means, in connection with certain actions to be taken by the Trustee, a Certificate of an Authorized Officer filed with the Trustee which (1) describes the proposed action and (2) states that the proposed

action is permitted or directed by the Acquisition and Operating Policy and provides a reference to the applicable provision therein.

“Commitment Fees” means fees payable to the Trustee by a Mortgage Lender under a Mortgage Origination Agreement or by the Commission, a public housing authority or another entity, whether paid in advance of, during, or after the Delivery Period.

“Compound Interest Bonds” means those Bonds the interest on which will not be paid until the Stated Maturity thereof, or earlier upon redemption.

“Conventional Loans” means Mortgage Loans which are not Federal Mortgage Loans.

“Convertible Deferred Interest Bond” means those Bonds, the interest on which will accrete until the Full Accretion Date, unless paid upon redemption, and after such Full Accretion Date will be paid on each Debt Service Payment Date.

“Cost of Issuance” means items of expense payable or reimbursable directly or indirectly by the Commission and related to the authorization, sale, remarketing, resetting of the interest rate and issuance of the Bonds, which items of expense will include, but not be limited to, advertising costs, printing costs, costs of reproducing documents, filing and recording fees, initial fees, charges and expenses (including counsel’s fees and expenses) of the Trustee, legal fees and charges (including Bond Counsel), professional consultants’ fees, costs of credit ratings, fees and charges for execution, transportation and safekeeping of Bonds, placement agent or underwriter’s fees and expenses, Commission fees, costs and expense of refunding, and other costs, charges and fees in connection with the foregoing.

“Current Interest Bonds” means those Bonds the interest on which is paid on a current basis on each Debt Service Payment Date.

“Debt Service Payment Date” means each date on which principal and/or interest on the Bonds is to be paid, including but not limited to a Regular Payment Date and dates on which Bonds are redeemed or purchased in lieu of redemption.

“Delivery Period” means the period of time set forth in the Acquisition and Operating Policy during which Certificates or Whole Loans may be acquired from amounts in a Series Acquisition Account by the Trustee from a Servicer or a Mortgage Lender.

“DTC” means The Depository Trust Company, New York, New York.

“Eligible Collateral” means Certificates and Whole Loans which are eligible to be purchased by the Trustee in accordance with the Acquisition and Operating Policy.

“Eligible Persons and Families” means a person or persons or family or families (1) intending principally and permanently to reside as a household in a Single-Family Residence (as defined in the Origination Agreements); (2) whose total Annual Family Income (as defined in the Origination Agreements) does not exceed the appropriate Maximum Annual Family Income (as defined in the Origination Agreements); and (3) with respect to each person or persons who purchases a Single-Family Residence not located within a Targeted Area, each such person who is executing the Mortgage and occupying the Single-Family Residence is a First-Time Homebuyer (as defined in the Origination Agreements).

“Enhancement Accrual” means the accrued portion of any regular payment or receipt under an Enhancement Agreement coming due on or before the next succeeding Regular Payment Date. Unless otherwise specified in the Acquisition and Operating Policy, daily accrual of the Enhancement Accrual shall be computed on a straight-line basis over the period between payments under an Enhancement Agreement.

“Enhancement Agreement” means a contractual arrangement providing for credit enhancement, liquidity enhancement, or interest rate risk protection with respect to a Series of Bonds as specified in the applicable Series Indenture or Remarketing Indenture.

“Expense Limitation” means, with respect to each Series of Bonds, the maximum periodic amount as specified by the formula in the Acquisition and Operating Policy that may be transferred from the General Receipts Account for deposit in the Expense Fund for the payment of Expenses.

“Expense Requirement” means, with respect to each Series of Bonds as of any date of calculation, the accrued but unpaid portion of Expenses, assuming that such expenses accrue at a daily rate determined by proration of the Expense Limitation.

“Expenses” means amounts payable to the Commission or to third parties for any services or credit enhancement provided in connection with the Program, including without limitation the Commission Fee, the Trustee Expenses, the fees and expenses of Bond Counsel, the fees and expenses of any rebate analyst, the fees and expenses of any Cash Flow Consultant, fees and expenses of any Tender Agent or Remarketing Agent, any other costs relating to the payment or notification of Owners and the costs of Supplemental Mortgage Coverage.

“Extension Fee” means fees payable to the Trustee in accordance with the Acquisition and Operating Policy to extend a Delivery Period.

“Fannie Mae” means the Federal National Mortgage Association (“FNMA”).

“Fannie Mae Certificates” means the guaranteed mortgage securities issued by Fannie Mae, the timely payment of principal of and interest on which is guaranteed by Fannie Mae, representing the entire interest in a separate pool of mortgage loans purchased by Fannie Mae.

“Federal Mortgage Loans” means Mortgage Loans that are FHA-Insured, VA-Guaranteed or RECDS-Guaranteed.

“FHA” means the Federal Housing Administration of the U.S. Department of Housing and Urban Development or any successor to its functions.

“FHA Insurance” means FHA mortgage insurance issued under Section 203(b), 234(c), 203(b)(2) or 203(k) or other sections under Title I or Title II of the National Housing Act of 1934, as amended.

“FHA Insured” means insured under FHA Insurance.

“Freddie Mac” means the Federal Home Loan Mortgage Corporation, a corporate instrumentality of the United States pursuant to the Federal Home Loan Mortgage Corporation Act (Title III of the Emergency Home Finance Act of 1970, as amended (12 U.S.C. §§ 1451-1459)).

“Freddie Mac Certificates” means the guaranteed mortgage securities issued by Freddie Mac, the timely payment of principal of and interest on which is guaranteed by Freddie Mac, representing undivided interests in groups of Mortgage Loans purchased by Freddie Mac.

“Full Accretion Date” means the date on which Convertible Deferred Interest Bonds reach the Accreted Value equal to the value at maturity and on which the accrual of interest subject to periodic payment commences.

“GNMA” means the Government National Mortgage Association, a wholly owned corporate instrumentality of the United States of America within the Department of Housing and Urban Development whose powers are prescribed generally by Title III of the National Housing Act, as amended (12 U.S.C. § 1716 *et seq.*).

“GNMA Certificate” means a certificate purchased by the Trustee, issued by the Servicer and guaranteed by GNMA pursuant to GNMA’s GNMA I or GNMA II mortgage-backed securities program under Section 306(g) and other related provisions of the National Housing Act of 1934, as amended, and based on and backed by Mortgage Loans referred to in the GNMA Guaranty Agreement, which certificate shall unconditionally obligate the Servicer to remit monthly to the holder thereof its pro-rata share of (1) principal payments and prepayments made in respect of the pool of Mortgage Loans represented by the GNMA Certificate and (2) interest received in an amount equal to the Pass-Through Rate. GNMA will guarantee to the holder of each GNMA Certificate such holder’s pro-rata share of (1) the timely payment of interest at the applicable Pass-Through Rate on the unpaid principal balance of the Mortgage Loans represented by the GNMA Certificate and (2) the timely payment of principal in accordance with the terms of the principal amortization schedule applicable to the Mortgage Loans represented by such GNMA Certificate.

“GNMA Guaranty Agreement” means the one or more Guaranty Agreements between the Servicer and GNMA now or hereafter in effect pursuant to which GNMA has agreed or will agree to guarantee GNMA Certificates.

“General Indenture,” as used in this Official Statement (including this Appendix A), has the same meaning as the word “Indenture,” as defined in the Amended and Restated General Trust Indenture dated as of November 1, 2010, between the Commission and the Trustee (as from time to time amended or supplemented in accordance with the terms and provisions thereof).

“Government Obligations” means (1) direct obligations of or obligations fully guaranteed as to timely payment by the United States of America that may include, but are not limited to, United States currency; United States Treasury obligations; Zero Interest SLGS Separate Trading or Registered Interest and Principal of Securities (“STRIPS”) and Coupons Under Book-Entry Safekeeping (“CUBES”), provided that the underlying U.S. Treasury obligation is not callable before maturity; certificates of beneficial ownership of the Rural Housing and Community Development

Service; participation certificates of the General Services Administration; guaranteed Title IX financings of the U.S. Maritime Administration; guaranteed participation certificates and guaranteed pool certificates of the Small Business Administration; guaranteed mortgage-backed securities and guaranteed participation certificates of the Government National Mortgage Association other than the GNMA Certificates; local authority bonds guaranteed by the U.S. Department of Housing and Urban Development; and guaranteed transit bonds of the Washington Metropolitan Area Transit Authority and (2) interest obligations of the Resolution Funding Corporation (“REFCORP”), including, but not limited to, interest obligations of REFCORP stripped by the Federal Reserve Bank of New York.

“Initial Rate” means the interest rate or rates applicable to a series of Bonds subject to Remarketing from the dated date thereof until such Bonds are Reset, remarketed on a Remarketing Date, or redeemed.

“Insurance Proceeds” means payments received with respect to Mortgage Loans under any insurance policy, guarantee or fidelity bond, including amounts available under any Supplemental Mortgage Coverage, less any expenses incurred in realizing such payments and less any reimbursement of advances due the insurer or provider of such guarantee or bond.

“Interest Commencement Date” means with respect to a Convertible Deferred Interest Bond the first Debt Service Payment Date after the Full Accretion Date.

“Interest Requirement” means, with respect to each Series of Bonds as of any date of calculation, an amount equal to the accrued but unpaid interest of the Bonds of such Series (except Compound Interest Bonds or Convertible Deferred Interest Bonds before the Full Accretion Date), plus with respect to each Enhancement Agreement, any Enhancement Accrual.

“Investment Agreement” means an agreement among the Commission, the Trustee and a financial institution or entity as specified in a Series Indenture or Remarketing Indenture, and all amendments and supplements thereto, providing for the investment of funds subject to the return of principal at the option of the Commission or pursuant to the Commission’s obligations under the General Indenture.

“Investment Securities” means Permitted Investments held by the Trustee under the General Indenture other than Certificates or Whole Loans.

“Investment Value” means, as of any date of calculation: (1) with respect to any Investment Securities held in the Bond Reserve Fund, the Amortized Value of such Investment Securities, plus accrued interest; or (2) with respect to any Investment Securities held in any other Fund, the Liquidation Value of such Investment Securities, plus accrued interest.

“Issuance Amount” means, with respect to a Compound Interest Bond or a Convertible Deferred Interest Bond, the principal amount of such Bond as of its date of issuance.

“Liquidation Proceeds” means the net amounts (other than Insurance Proceeds) received in connection with the liquidation of a defaulted Mortgage Loan, whether through foreclosure, trustee’s sale, repurchase by a Mortgage Lender, or otherwise, less any costs and expenses incurred in realizing those amounts.

“Liquidation Value” means, as of any date of calculation:

1. with respect to any Investment Agreement, repurchase agreement, time deposit, or other Investment Security providing for the return of principal at the option of the Commission or pursuant to the Commission’s obligations under the General Indenture, the principal amount invested under such Investment Security, plus accrued interest;
2. with respect to any Investment Securities with a maturity date on or before the next Regular Payment Date, the Amortized Value of such Investment Securities, plus accrued interest; and
3. with respect to any other Investment Securities, the lesser of:
  - a. the average of the bid and asked prices most recently published before the date of determination for each Investment Security the bid and asked prices of which are published on a regular basis in *The Wall Street Journal* or, if not there, in *The New York Times*, or the average bid price as of the date of determination by any two nationally recognized government securities dealers selected by the Trustee for each Investment Security the bid and asked prices of which are not published on a regular basis as set forth above, plus accrued interest; or

- b. for each Investment Security currently subject to call at the option of the issuer thereof, the current price at which such Investment Security would be redeemed, plus accrued interest.

“Mandatory Sinking Account Payment” means, as of any date of calculation, with respect to the Term Bonds of any Series and maturity, the principal amount required to be paid on a given date for the redemption before maturity or the purchase of such Term Bonds pursuant to a Series Indenture or Remarketing Indenture. Such amounts may be established as fixed-dollar amounts or by formula.

“Mandatory Special Redemption” means, as of any date of calculation, any redemption of Bonds which the Commission is obligated to undertake at such time pursuant to the terms of a Series Indenture or Remarketing Indenture, which may be based on the satisfaction of conditions specified in such Series Indenture or Remarketing Indenture, but excluding Mandatory Sinking Account Payments.

“Mortgage” means the written instrument securing the related Mortgage Loan and encumbering a Single-Family Residence, which instrument shall include, but not be limited to, the then-effective form required by FHA for FHA-Insured Mortgages, the form required by RECDS for the RECDS-Guaranteed Mortgages, the form required by VA for VA-Guaranteed Mortgages, the form required by Fannie Mae with respect to Fannie Mae Certificates, the form required by Freddie Mac with respect to Freddie Mac Certificates, or the form required by GNMA with respect to GNMA Certificates, as applicable, with appropriate riders.

“Mortgage Lender” means a home mortgage lending institution or entity that has entered into an Origination Agreement.

“Mortgage Loan” means a loan made by a Mortgage Lender to an Eligible Person or Family and evidenced by a Mortgage Note secured by a related Mortgage on a Single-Family Residence located in the State of Washington, meeting the requirements of the Acquisition and Operating Policy. Mortgage Loans may be securitized by and included in Certificates or acquired by the Trustee as Whole Loans.

“Mortgage Note” means the written note evidencing the indebtedness secured by a mortgage with respect to the financing of a Single-Family Residence.

“Mortgage Value” means, as of any date of calculation, with respect to each Certificate and each Whole Loan, an amount as defined in the Acquisition and Operating Policy (taking into account Supplemental Mortgage Coverage), provided that in no event shall the Mortgage Value of any Certificate or Whole Loan be an amount in excess of its outstanding principal balance.

“Mortgagor” means any person who has a present ownership interest in a Single-Family Residence subject to the related Mortgage and/or executes the Mortgage (but does not include any person who executes only the Mortgage Note as a guarantor or co-signor and who does not have such a present interest or who does not execute the Mortgage Note and although executing the Mortgage, has provided evidence satisfactory to the Mortgage Lender and Servicer that such person will not occupy the Single-Family Residence).

“Origination Agreement” means a Mortgage Origination Agreement or Agreements among the Commission, the Servicer (if applicable) and each Mortgage Lender by which the Mortgage Lender agrees to make Mortgage Loans and to sell and assign such Mortgage Loans.

“Outstanding,” when used with reference to Bonds, means, as of any date, Bonds theretofore or then being delivered under the provisions of the General Indenture, except (1) Bonds (or portions of Bonds) for the payment or redemption of which there will be held in trust by the Trustee under the General Indenture (whether at or before maturity or redemption date) (a) money equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date or (b) noncallable Investment Securities of the type described in clause (1) of the definition of “Permitted Investments” in such principal amounts, having such maturities and bearing such interest, as, together with money, if any, shall be sufficient to pay when due the principal amount or Redemption Price, as the case may be, with interest to the date of maturity or redemption date, provided that if such Bonds are to be redeemed, notice of such redemption shall have been given as provided in the General Indenture; and (2) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to the General Indenture.

“Owner” or any similar term, means the registered owner of any Outstanding Bond or Bonds.

“Pass-Through Rate” means, with respect to a Certificate, the stated rate on such Certificate and, with respect to a Whole Loan, the stated rate on such Whole Loan, less the rate at which Servicing Fees are to be computed under the Servicing Agreement.



“Permitted Investments” means such of the following as are at the time legal investments for fiduciaries under the laws of the State for money held under the General Indenture that is then proposed to be invested therein and which will mature or be subject to redemption by the holder thereof at the option of such holder, not later than the respective dates when the money will be required for the purposes intended:

1. (a) Government Obligations or (b) obligations with the highest long-term rating by the Rating Agency, of any state of the United States of America or any political subdivision of such a state, payment of which is secured by an irrevocable pledge of such Government Obligations;
2. (a) notes, bonds, debentures or other obligations issued by the Student Loan Marketing Association (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed-dollar amount at maturity or call date), Federal Home Loan Banks, the Tennessee Valley Authority, the Farm Credit System, Freddie Mac (which guarantees full and timely payment of principal and interest), the Resolution Trust Corporation and the Small Business Administration or (b) bonds, debentures or other obligations issued by Fannie Mae, in each case (i) excluding mortgage securities which represent payments of principal only or interest only with respect to the underlying mortgage loans and (ii) with a rating by the Rating Agency at least equal to the Rating Agency’s existing Rating on the Bonds, other than Subordinate Bonds;
3. any other obligations of any agency controlled or supervised by and acting as an instrument of the United States pursuant to authority granted by the Congress of the United States, as set forth in a Series Indenture with a rating by the Rating Agency at least equal to the Rating Agency’s existing rating on the Bonds, other than Subordinate Bonds;
4. certificates of deposit, time deposits, and bankers acceptances (having maturities of not more than 365 days) of any bank (or, in the case of the principal bank in a bank holding company, debt obligations of the bank holding company) having a short term rating by the Rating Agency of at least P1 and a long-term rating of at least A1, or a long-term rating only of Aa3 (or their equivalents);
5. repurchase agreements fully collateralized at 102% by obligations (held by third parties or the Trustee) which are listed in (l) above with institutions having a short term rating by the Rating Agency of at least P1 and a long-term rating of at least A1, or a long-term rating only of Aa3 (or their equivalents);
6. investment agreements with institutions having a short term rating by the Rating Agency of at least P1 and a long-term rating of at least A1, or a long-term rating only of Aa3 (or their equivalents) for its unsecured debt or claims paying ability;
7. direct and general obligations of or obligations guaranteed by any state, municipality or political subdivision or agency of a state or municipality, and certificates of participation in obligations of the state, which obligations may be subject to annual appropriations and are rated by the Rating Agency at least equal to the Rating Agency’s existing Rating on the Bonds, other than Subordinate Bonds;
8. bonds, debentures, or other obligations (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed-dollar amount at maturity or call date) issued by any bank, trust company, national banking association, insurance company, corporation, government or governmental entity (foreign or domestic), provided that such bonds, debentures or other obligations are (a) payable in any coin or currency of the United States of America that at the time of payment will be legal tender for the payment of public and private debts and (b) rated by the Rating Agency at least equal to the Rating Agency’s Rating on the Bonds, other than Subordinate Bonds;
9. commercial paper (having original maturities of not more than 365 days) with the highest short-term rating by the Rating Agency;
10. money market funds, bond funds and similar funds that invest their assets exclusively in obligations described in clauses (1) through (9) above and which have been rated by the Rating Agency in the highest rating category assigned by such Rating Agency (without regard to any refinement or gradation of rating category by numerical modifier or otherwise);
11. Federal Housing Administration debentures; and
12. any investments acceptable to the Rating Agency which does not impact the then-applicable rating on the Bonds.

The definition of “Permitted Investments” may be amended and additional obligations included by a Supplemental Indenture upon the filing of a Rating Confirmation with the Trustee. For purposes of this definition, “institution” means an individual, partnership, corporation, trust or unincorporated organization, or a government or agency, instrumentality, program, account, fund, political subdivision or corporation of a government.

“Principal Payment” means, with respect to a Series of Bonds on any Debt Service Payment Date, the amount of principal and Accretion due and payable on the Bonds of such Series on such date, whether due at maturity or payable pursuant to a Mandatory Sinking Account Payment.

“Principal Receipts” means any payment by a mortgagor or any other recovery of principal on a Mortgage Loan, including scheduled and unscheduled installments of principal on the Mortgage Loan whether paid to the Trustee directly or through payments on or in disposition of a Certificate. Principal Receipts includes, without limitation, the portion of any Insurance Proceeds (to the extent not applied to the repair or restoration of any mortgaged premises), Liquidation Proceeds, amounts from the sale or other disposition of a Mortgage Loan (whether in the format of a Whole Loan or Certificate) or net recovery from Supplemental Mortgage Coverage to the extent not included in Insurance Proceeds, in each case representing such principal amounts.

“Principal Requirement” means, with respect to each Series of Bonds as of any date of calculation, an amount equal to: (1) the accrued portion of the Principal Payment coming due on or before the next succeeding Regular Payment Date. For such purposes, daily accrual of principal shall be computed on a straight-line basis over the period between scheduled payments of principal on the Series; or (2) the Redemption Price of any Bonds for which notice of Redemption has been issued (other than by operation of Mandatory Sinking Account Payments), but which have not been retired.

“Program” means the Commission’s program of financing Mortgage Loans pursuant to the General Indenture and the Origination Agreements.

“Proportionate Basis” means when used with respect to the redemption of Bonds, that the funds available for payment of the Redemption Price, before rounding, shall be applied so that the percentage of the Bond Value of each maturity to be redeemed (in relation to the amount of Bonds of such maturity Outstanding immediately before such redemption) shall equal the same percentage for every maturity. The amount so determined for each maturity may be rounded up or down, at the discretion of the Commission, to an amount representing an integral multiple of the denomination of the Bonds of such maturity. For the purposes of the foregoing, Term Bonds shall be deemed to mature on the dates and in the amounts of then-current Mandatory Sinking Account Payments.

“Purchase Price” means, with respect to a Certificate or Whole Loan, the amount to be paid by the Trustee for its purchase expressed as a percentage of the outstanding principal amount of such Certificate or Whole Loan as set forth in the Acquisition and Operating Policy, excluding any accrued interest on such Certificate or Whole Loan to the date of purchase.

“RECDS” means the Rural Economic and Community Development Service of the U.S. Department of Agriculture, or any successor to its functions.

“RECDS Guaranteed” means guaranteed as to the payment of principal and interest by RECDS.

“Rating” means the rating designation assigned to the Bonds by a Rating Agency.

“Rating Agency” means a nationally recognized securities rating agency then maintaining a rating on the Bonds at the request of the Commission.

“Rating Confirmation” means the formal written confirmation by the Rating Agency that the proposed action, including the issuance or Remarketing of Bonds, will not reduce the Rating on the Outstanding Bonds (excluding Subordinate Bonds).

“Rebate Requirement” means, as of any particular date of calculation with respect to a Series of Bonds, the amount required to be on deposit in the Rebate Fund as required by the Acquisition and Operating Policy, but which amount shall in no event be less than an amount sufficient to provide for the Payment of any Rebate Amount as specified by a Rebate Analyst.

“Record Date” means the 15<sup>th</sup> day of the calendar month next preceding any Debt Service Payment Date or, in the case of any proposed redemption of Bonds, the day preceding the date of the mailing of the notice of such redemption.

“Redemption Date” means a date on which Bonds are to be redeemed at or before their maturity.

“Redemption Price” means, with respect to any Bond, the principal amount or Accreted Value thereof, plus the applicable premium, if any, payable upon redemption thereof pursuant to the General Indenture.

“Regular Payment Date” means June 1 and December 1 of each year.

“Remarketed Bonds” means the Bonds that have been subject to a Remarketing.

“Remarketed Rate” means the annual interest rates (or, with respect to Compound Interest Bonds and Convertible Deferred Interest Bonds, the yields) in effect on the Remarketed Bonds of a Series from and after a Remarketing Date.

“Remarketing” means the remarketing or refunding of all or a portion of a Series of Bonds to establish an interest rate on Mortgage Loans.

“Remarketing Agent” means an agent designated by the Commission and any successor thereto as shall be designated by the Commission authorized to remarket a Series of Bonds on behalf of the Commission.

“Remarketing Agreement” means an agreement among the Remarketing Agent, the Trustee and the Commission, providing for a Remarketing of all or a portion of a Series of Bonds to establish the interest rate on Mortgage Loans.

“Remarketing Date” means the date on which a Remarketing occurs.

“Remarketing Indenture” means a supplement to a Series Indenture providing for the Remarketing of all or a portion of a Series of Bonds.

“Reservation Fund” means the Fund so designated and established pursuant to the General Indenture.

“Reserve Requirement” means, as of any particular date of calculation, an amount equal to the sum of all amounts established as Series Reserve Requirements in the Series Indentures and/or Remarketing Indentures for all Series of Bonds Outstanding (other than Subordinate Bonds).

“Reset” means, before a Remarketing, the adjustment of the interest rate with respect to a Series of Bonds that have not been remarketed to a Reset Rate for a Reset Period.

“Reset Date” means the date established for a Reset in a Series Indenture.

“Reset Period” means the period from and including a Reset Date to but not including the date on which the Bonds are Remarketed or redeemed or the interest rate is further Reset.

“Reset Rate” means the rate for each Series of Bonds during a Reset Period with respect to Bonds of such Series that have not been remarketed.

“Revenues” means all income, revenues, proceeds and other amounts received by or payable to the Trustee from or in connection with the Certificates or Whole Loans (including without limitation Principal Receipts and interest) all amounts received by or payable to the Trustee under the Origination Agreements or Servicing Agreements, and any and all interest, profits or other income derived from the investment of amounts in any fund established pursuant to the General Indenture, but does not include any amount retained by a Servicer as a Servicing Fee or other compensation or amounts to be paid to the United States Government, or interest on amounts in the Cost of Issuance Fund, Expense Fund, Commission Fund, Rebate Fund or a Series Acquisition Account excluded pursuant to a Series Indenture as set forth in the General Indenture.

“Serial Bonds” means the Bonds maturing on consecutive Debt Service Payment Dates, as set forth in a Series Indenture or Remarketing Indenture, that are not Term Bonds subject to Mandatory Sinking Account Payments.

“Series” means one or more series of Bonds issued under the General Indenture, or remarketed into the General Indenture, pursuant to a Series Indenture.

“Series Indenture” means a Supplemental Indenture authorizing the issuance of a Series of Bonds.

“Series Reserve Requirement” means an amount established by a Series Indenture or Remarketing Indenture as a component of the Reserve Requirement while Bonds of the Series are Outstanding.

“Servicer” means a lending institution who has entered into a Servicing Agreement with the Commission or its successors.

“Servicing Acquisition Fee” means the fee to be paid by a Servicer pursuant to a Servicing Agreement and the Acquisition and Operating Policy.

“Servicing Agreement” means a Program Administration and Servicing Agreement entered into among the Commission, the Trustee and a Servicer.

“Servicing Fee” means the amount payable to a servicer for servicing a Mortgage Loan.

“Single-Family Residence” means a residence meeting the requirements of the Code and the Commission.

“Stated Maturity” means, when used with respect to any Bond, the date specified in such Bond as the fixed date on which the principal or Accreted Value of such Bond is due and payable.

“Subordinate Bonds” means Bonds payable on a basis as set forth in the related Series Indenture or Remarketing Indenture with a claim to payment subordinate to the claim of Bonds that are not Subordinate Bonds.

“Supplemental Indenture” means any indenture, including a Series Indenture or Remarketing Indenture, hereafter duly authorized under and in compliance with the Act and entered into between the Commission and the Trustee, supplementing, modifying or amending the General Indenture, but only if and to the extent that such Supplemental Indenture is specifically authorized thereunder.

“Supplemental Mortgage Coverage” means the coverage, if any, whether in the form of insurance, Cash Equivalent or additional pledged funds, of losses from Mortgage Loan defaults provided in a Series Indenture or Remarketing Indenture that may supplement other mortgage insurance. Supplemental Mortgage Coverage may include any insurance, or reserve fund funded by the Commission.

“Supporting Cash Flows” means, a set of cash flow projections attached to a Cash Flow Certificate prepared by a Cash Flow Consultant which demonstrate, under each of the scenarios included, that (1) projected Revenues will be sufficient to provide for timely payments of interest, Accretion, and principal on the Bonds (other than Subordinate Bonds), Enhancement Accruals, and Expenses, and (2) projected Asset Parity will always be equal to or greater than 100%. Supporting Cash Flows shall include each scenario included in the immediately prior Supporting Cash Flows except as may be required by the Rating Agency in connection with a Rating Confirmation. The Supporting Cash Flows shall include a certification describing the action to be taken and reaching the conclusions set forth above. Supporting Cash Flows shall (1) take into account the financial position of the Trust Estate as of the stated starting date of the projection, (2) reflect all the significant transactions that have occurred in the period commencing with such starting date and ending with a date no more than ninety (90) days prior to the date of such projections, (3) be consistent with the General Indenture, the Series Indentures and the Remarketing Indentures and (4) assume compliance with the Acquisition and Operating Policy.

“Targeted Area” means specific areas within the State of Washington designated and approved as provided in the Code.

“Tender Agent” means the Trustee.

“Tender Price” means the amount payable upon the tender of a Bond equal to the principal amount thereof and accrued interest to a Mandatory Tender Date.

“Term Bonds” means Bonds maturing on the dates set forth in a Series Indenture or a Remarketing Indenture payable at or before their specified maturity date from Mandatory Sinking Account Payments.

“Trustee” means Wells Fargo Bank, National Association, appointed pursuant to the General Indenture to act as trustee thereunder, its successor or successors, and any other bank or trust company at any time substituted in its place pursuant to the General Indenture.

“Trust Estate” means the property, rights, money, security and other amounts pledged and assigned to the Trustee pursuant to the General Indenture.

“Underwriter” means the purchaser or placement agent with respect to a particular series of Bonds.

“VA” means the Veterans Administration, an agency of the United States of America, or any successors to its functions.

“VA-Guaranteed” means guaranteed as to the payment of principal and interest by the VA.

“Whole Loans” means Mortgage Loans or participations therein, purchased or to be purchased by the Trustee which are neither securitized nor to be securitized into a Certificate.

### **Creation of Funds and Accounts**

The General Indenture creates a number of funds and accounts to be held by the Trustee, and the General Indenture authorizes the Trustee to create accounts and/or subaccounts within any fund. The following summarizes the funds and accounts to be used with respect to the Bonds.

#### **Cost of Issuance Fund**

The Trustee will deposit in the **Cost of Issuance Fund** (1) on each Bond Issuance Date the amount set forth in a Series Indenture and (2) on a Reset Date and on a Remarketing Date, the amount set forth in a Remarketing Indenture. Money deposited in the Cost of Issuance Fund will be used to pay Costs of Issuance, including costs of establishing a Reset Rate and Remarketing, upon receipt by the Trustee of a requisition of the Commission stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against that Fund. If the Commission determines that money on deposit in the Cost of Issuance Fund is no longer necessary to pay Costs of Issuance, then at the request of the Commission the Trustee will pay the remaining amounts (including investment earnings thereon) to the Commission.

#### **Acquisition Fund and Accounts Therein**

1. For each Series of Bonds, the Trustee will establish a **Series Acquisition Account** within the **Acquisition Fund**. Amounts received upon the sale or made available upon the Remarketing or refunding of a Series of Bonds or other bonds remarketed or refunded into the General Indenture will be deposited into the Series Targeted Area Subaccount, the Series Non-Targeted Area Subaccount and the Series Special Acquisition Subaccount established in the related Series Acquisition Account in the amounts, if any, provided in the applicable Series Indenture or Remarketing Indenture.
2. Amounts may be deposited in the Series Recycling Subaccount and the Series Special Acquisition Subaccount from the related Series Revenue Account as described below under the subheadings “Series Restricted Principal Receipts Subaccount” and “Series Unrestricted Principal Receipts Subaccount,” but only if allowed under the Acquisition and Operating Policy.
3. Commitment Fees, Servicing Acquisition Fees, Extension Fees or similar Revenues to be received in connection with acquisition of Certificates or Whole Loans shall be deposited to the Acquisition Fund or the Revenue Fund in accordance with the Acquisition and Operating Policy.
4. Amounts in each Series Acquisition Account will be applied by the Trustee to finance the acquisition of Whole Loans or Certificates, including participations in such Whole Loans or Certificates or for transfer to the corresponding Series General Receipts Subaccount, in accordance with the Acquisition and Operating Policy applicable to that Series of Bonds.
5. The Trustee will transfer unexpended amounts in each Series Acquisition Account to the corresponding Series Redemption Subaccount in accordance with the Acquisition and Operating Policy applicable to that Series of Bonds.
6. The Trustee will transfer amounts in each Series Acquisition Account to the corresponding Series Debt Service Account to the extent necessary to cure a deficiency in the Series Debt Service Account on a Debt Service Payment Date.
7. The Trustee will transfer amounts in each Series Acquisition Account established with respect to Bonds refunded by refunding Bonds to the Series Acquisition Account for the refunding Bonds, if so directed by the Series Indenture with respect to the refunding Bonds.
8. Before the acquisition of Certificates or Whole Loans, amounts in each Series Acquisition Account will be invested in accordance with the provisions of the applicable Series Indenture or Remarketing Indenture. Unless otherwise specified in a Series Indenture or Remarketing Indenture, earnings from such investment shall be considered as Revenues and deposited in accordance with the General Indenture.

#### **Revenue Fund**

1. For each Series of Bonds, the Trustee will establish a **Series Revenue Account** within the Revenue Fund and therein a **Series Restricted Principal Receipts Subaccount**, a **Series Unrestricted Principal Receipts**

**Subaccount, a Series Taxable Principal Receipts Subaccount and a Series General Receipts Subaccount.** All Revenues with respect to Certificates, Whole Loans, or Investment Securities held in the Funds, Accounts, or Subaccounts established for a Series shall be deemed to “correspond” to that Series. To the extent such Revenues are allocable to the subaccounts of multiple Series of Bonds, the Revenues will be deemed to correspond to each Series on the basis of the principal amounts then allocated to such Series, unless otherwise specified in the Acquisition and Operating Policy. The General Indenture prioritizes the various types of deposits into the Revenue Fund and transfers from the Revenue Fund. The Trustee will undertake to make each type of specified deposit or transfer with respect to every Series (in the order specified in the Acquisition and Operating Policy) prior to undertaking the next specified type of deposit or transfer with respect to any other Series.

2. All Revenues (other than Commitment Fees, Servicing Acquisition Fees, Extension Fees and other similar Revenues, which may be deposited to the Acquisition Fund) received by the Trustee shall be deposited on the date of receipt to the Subaccount of the Revenue Fund to which those Revenues are allocated.

a. Prior to the deposit of Revenues representing receipts on Certificates or Whole Loans, the Trustee will determine, based on information provided by a Certificate paying agent, or the Servicer, and instructions set forth in the Acquisition and Operating Policy, (1) the one or more Series to which such Revenues correspond, (2) the portion of such Revenues that are Principal Receipts, (3) the portions of such Principal Receipts that are allocable to the Series Restricted Principal Receipts Subaccount, (4) the portion of such Principal Receipts which are allocable to the Series Unrestricted Principal Receipts Subaccount, (5) the portion of such Principal Receipts which are allocable to the Series Taxable Principal Receipts Subaccount, and (6) where such Certificates or Whole Loans are held in part in a Series Special Acquisition Subaccount, the portion of the Revenues other than Principal Receipts which are allocable to that subaccount. With respect to each Series, the Trustee will deposit the amounts determined in (3), (4) and (5) to the Series Restricted Principal Receipts Subaccount, Series Unrestricted Principal Receipts Subaccount and Series Taxable Principal Receipts Subaccount, respectively, and will deposit the balance of the Revenues to the Series General Receipts Subaccount.

b. Before depositing Revenues representing receipts on Investment Securities, the Trustee will determine, based on the subaccount in which such Investment Security is held and instructions set forth in the Acquisition and Operating Policy, (1) the Series to which such Revenues correspond, and (2) the portion of such Revenues which are allocable to the Rebate Fund. With respect to each Series, the Trustee shall deposit the amount determined in (2) to the Rebate Fund, and the balance of the Revenues to the Series General Receipts Subaccount.

3. **Series Restricted Principal Receipts Subaccount.** On or before each Debt Service Payment Date for the Bonds, the Trustee will transfer all amounts in each Series Restricted Principal Receipts Subaccount to the credit of accounts and subaccounts in the following priority:

a. to the corresponding Series Redemption Subaccount, an amount sufficient to bring the amount on deposit therein to the Principal Requirement as of such Debt Service Payment Date of the Bonds of such Series (other than Subordinate Bonds);

b. to the corresponding Series Redemption Subaccount, an amount sufficient to pay the principal of Bonds of such Series (other than Subordinate Bonds) that are required to be redeemed pursuant to special mandatory redemption requirements set forth in the Series Indenture or Remarketing Indenture;

c. to *any* Series Acquisition Account, *any* Series Restricted Principal Receipt Subaccount and *any* Series Bond Reserve Account the amount sufficient to repay any previous withdrawals therefrom which were required to pay principal of the Bonds but only if the Trustee receives an opinion of nationally-recognized bond counsel that such use will not adversely affect the exemption from gross income of interest on the Bonds (other than taxable bonds) for purposes of federal income taxation;

d. to the corresponding Series Subordinate Bond Account an amount sufficient to pay the regularly scheduled principal (including Mandatory Sinking Account Payments) or Redemption Price on such Debt Service Payment Date of such Subordinate Bonds (but only upon receipt of an Asset Parity Determination); and

e. to the corresponding Series Redemption Subaccount to pay the Redemption Price of other Bonds of the Series and to redeem Bonds from that Series in accordance with the Acquisition and Operating Policy.

Any amounts remaining in a Series Restricted Principal Receipts Subaccount after such transfers shall remain in such Series Restricted Principal Receipts Subaccount.

4. **Series Unrestricted Principal Receipts Subaccount.** On or before each Debt Service Payment Date for the Bonds, after application of the Series Restricted Principal Receipts, the Trustee will transfer all amounts in each Series Unrestricted Principal Receipts Subaccount to the credit of accounts and subaccounts in the following priority:

- a. to the corresponding Series Redemption Subaccount and Series Principal Subaccount, the amounts sufficient, together with amounts on deposit therein, to bring the amounts on deposit therein to the Principal Requirement as of such Debt Service Payment Date of the Bonds of the Series (other than Subordinate Bonds);
- b. to the corresponding Series Redemption Subaccount and Series Principal Subaccount, the amounts sufficient, together with amounts on deposit therein, to pay the principal of Bonds of such Series (other than Subordinate Bonds) that are required to be redeemed pursuant to a Mandatory Special Redemption;
- c. to *any* other Series Redemption Subaccount and Series Principal Subaccount, the amounts sufficient, together with amounts on deposit therein, to cure any deficiencies therein related to current Principal Payments of Bonds (other than Subordinate Bonds) on such Debt Service Payment Date;
- d. to *any* Series Acquisition Account to repay any previous withdrawals that were required to pay principal of the Series Bonds;
- e. to *any* Series Restricted Principal Receipts Subaccount to repay any previous withdrawals that were required to pay principal of the Series Bonds;
- f. to *any* Bond Reserve Account an amount sufficient to cause the total amount on deposit in that account, including Cash Equivalents, to equal the Reserve Requirement allocable thereto; and
- g. to the corresponding Series Recycling Subaccount or Series Special Acquisition Subaccount, *any* Series General Receipts Subaccount, *any* Subordinate Bond Account (but only upon receipt of an Asset Parity Determination) or *any* Series Redemption Account and Series Principal Subaccount, in accordance with the Acquisition and Operating Policy.

Any amounts remaining in a Series Unrestricted Principal Receipts Subaccount after such transfers shall remain in such Series Unrestricted Principal Receipts Subaccount.

5. **Series Taxable Principal Receipts Subaccount.** On or prior to each Debt Service Payment Date for the Bonds, after application of the Series Restricted Principal Receipts and Series Unrestricted Principal Receipts, the Trustee will transfer all amounts in each Series Taxable Principal Receipts Subaccount to the credit of accounts and subaccounts in the following priority:

- a. to the corresponding Series Redemption Subaccount and Series Principal Subaccount, the amounts sufficient to bring the amounts on deposit therein to the Principal Requirement as of such Debt Service Payment Date of the Bonds of such Series (other than Subordinate Bonds);
- b. to the corresponding Series Redemption Subaccount and Series Principal Subaccount, the amounts sufficient, together with amounts on deposit therein, to pay the principal of Bonds of such Series (other than Subordinate Bonds) that are required to be redeemed pursuant to a Mandatory Special Redemption;
- c. to *any* other Series Redemption Subaccount and Series Principal Subaccount, the amounts sufficient, together with amounts on deposit therein, to cure any deficiencies therein related to the current Principal Payments of Bonds (other than Subordinate Bonds) on such Debt Service Date;
- d. to *any* Series Acquisition Account to repay any previous withdrawals which were required to pay principal of the Series Bonds;
- e. to *any* Series Restricted Principal Receipts Subaccount to repay any previous withdrawals which were required to pay principal of the Series Bonds;
- f. to *any* Series Unrestricted Principal Receipts Subaccount to repay any previous withdrawals which were required to pay principal of the Series Bonds;
- g. to *any* Bond Reserve Account, an amount sufficient to cause the total amount on deposit in that account, including Cash Equivalents, to equal the Reserve Requirement allocable thereto; and

- h. to the corresponding Series Recycling Subaccount or Series Special Acquisition Subaccount, *any* Series General Receipts Subaccount, *any* Subordinate Bond Account (but only upon receipt of an Asset Parity Determination) or *any* Series Redemption Account or Series Principal Account, in accordance with the Acquisition and Operating Policy.

Any amounts remaining in a Series Taxable Principal Receipts Subaccount after such transfers shall remain in such Series Taxable Principal Receipts Subaccount.

6. **Series General Receipts Subaccount.** On or before each Debt Service Payment Date for the Bonds, the Trustee will transfer amounts in each Series General Receipts Subaccount to the credit of accounts and subaccounts in the following priority:

- a. to the corresponding Series Interest Subaccount, an amount sufficient to bring the amount on deposit therein to the Interest Requirement due and payable on that Debt Service Payment Date on such Series of Bonds;
- b. to *any* other Series Interest Subaccount (other than with respect to Subordinate Bonds), to the extent there are inadequate amounts on deposit to meet the Interest Requirement for such other Series of Bonds;
- c. to the corresponding Series Expense Account, an amount not exceeding the Expense Limitation in accordance with the Acquisition and Operating Policy;
- d. to *any* Series Acquisition Account, the amount necessary to repay any previous withdrawals which were required to pay interest on the Series Bonds;
- e. to *any* Series Unrestricted Principal Receipts Subaccount and Series Taxable Principal Receipts Subaccount, the amount necessary to repay any previous withdrawals that were required to pay interest on the Series Bonds;
- f. to the corresponding Series Bond Reserve Account, an amount sufficient to cause the total amount on deposit in that account, including Cash Equivalents, to equal the Reserve Requirement allocable thereto;
- g. to *any* other Series Bond Reserve Account, an amount sufficient to cause the total amount on deposit in that Account, including Cash Equivalents, to equal the Reserve Requirement allocable thereto;
- h. to the corresponding Series Recycling Subaccount, corresponding Series Special Acquisition Subaccount, *any* Series Interest Reserve Account, *any* Subordinate Bond Account (but only upon receipt of an Asset Parity Determination) or the Commission Fund (but only upon receipt of an Asset Parity Determination), such amounts as may be specified in the Acquisition and Operating Policy; and
- i. to any Series Redemption Subaccount and Series Principal Subaccount, an amount to pay on such Debt Service Payment Date the principal of Bonds as specified in the Acquisition and Operating Policy or a Commission Request.

Any amounts remaining the Series General Receipts Subaccount after such transfers shall remain in such Subaccount.

7. In accordance with the Acquisition and Operating Policy, the Trustee, at any time and without regard to a Debt Service Payment Date, will apply amounts in a **Series General Receipts Subaccount**:

- a. to pay the accrued interest portion of the cost of acquiring any Whole Loan or Certificate;
- b. to make required deposits to the corresponding Series Rebate Account;
- c. to the redemption or purchase of Bonds; or
- d. to transfer to the corresponding Expense Account amounts to pay Expenses (up to the applicable Expense Limitation) that are due and payable before the next succeeding Debt Service Payment Date, in accordance with the Acquisition and Operating Policy.

#### **Debt Service Fund**

1. For each Series of Bonds, the Trustee will establish a **Series Debt Service Account** within the **Debt Service Fund** and therein a **Series Interest Subaccount**, a **Series Principal Subaccount** and a **Series Redemption Subaccount**.



2. On each Debt Service Payment Date, the Trustee will (i) withdraw from each Series Interest Subaccount amounts to pay interest on the Series of Bonds (other than Subordinate Bonds) and amounts due under any Enhancement Agreement, and (ii) withdraw from each Series Principal Subaccount amounts for the Principal Payment on the Series of Bonds (other than Subordinate Bonds).
3. On each redemption date, the Trustee will withdraw from each Series Redemption Subaccount and Series Principal Subaccount amounts to pay the Redemption Price of the Series of Bonds.
4. Except as otherwise provided in a Series Indenture, the Trustee may at any time apply money expected to be available in a Series Redemption Subaccount as of the Purchase Date for the purchase or redemption of Bonds as follows:
  - a. The Trustee, upon Commission Request in accordance with the Acquisition and Operating Policy or accompanied by a Cash Flow Certificate, will attempt to purchase, Bonds or portions of Bonds then Outstanding, whether or not such Bonds or portions of Bonds shall then be subject to redemption, at a price not to exceed the Redemption Price (plus accrued interest, if any, to the date of redemption) which would be payable on the next redemption date to the Owners of such Bonds if such Bonds or portions of Bonds should be called for redemption. The interest accrued on such Bonds to the date of settlement will be paid from the Series Interest Subaccount or a Series General Receipts Subaccount, (or, after redemption notice for such Bonds has been given, from money set aside in the Series Redemption Subaccount or other account established for the redemption of such Bonds).
  - b. The Trustee, upon Commission Request in accordance with the Acquisition and Operating Policy or accompanied by a Cash Flow Certificate, will call Bonds of a Series for redemption, on the earliest practicable date on which those Bonds are subject to redemption, from money in the Series Redemption Subaccount. The interest on such Bonds upon redemption will be payable from the Series Interest Subaccount or the Series General Receipts Subaccount.
5. Amounts on deposit in the Debt Service Fund to the credit of any Subordinate Bond accounts pursuant to the General Indenture will be applied as provided in the Series Indenture authorizing those Subordinate Bonds.

Investment earnings allocable to each Series Debt Service Account will be deposited into the corresponding Series General Receipts Subaccount upon receipt.

#### **Interest Reserve Fund**

The General Indenture creates an Interest Reserve Fund and directs the Trustee to establish a **Series Interest Reserve Account** therein for each Series of Bonds. The Trustee will deposit amounts in the Series Interest Reserve Account if so directed in the applicable Series Indenture, or the Acquisition and Operating Policy. The Trustee will transfer money held in the Series Interest Reserve Account to the Interest Subaccount in accordance with the Series Indenture, Remarketing Indenture and Acquisition and Operating Policy to provide for negative arbitrage, payment lags and similar predictable shortfalls in Revenues to meet interest payments when due. Investment earnings allocable to each Series Interest Reserve Account will be deposited into the corresponding Series General Receipts Subaccount upon receipt.

#### **Bond Reserve Fund**

The General Indenture creates a Bond Reserve Fund and directs the Trustee to establish a **Series Bond Reserve Account** therein for each Series of Bonds. The Commission will deposit amounts in the Series Bond Reserve Account, if so provided in the Series Indenture or Remarketing Indenture. The Trustee will transfer money held in the Series Bond Reserve Account in the event of a shortfall of funds required to make payments of principal of and interest on the Bonds (other than Subordinate Bonds). Amounts held in a Series Bond Reserve Account that are in excess of the Reserve Requirement, taking into account any Cash Equivalents in the Reserve Fund, will be transferred to the Series Unrestricted Principal Receipts Subaccount and Series Taxable Principal Receipts Subaccount in accordance with the most recent Acquisition and Operating Policy.

Investment earnings allowable to each Series Bond Reserve Account will be deposited into the corresponding Series General Receipts Subaccount upon receipt.

#### **Expense Fund**

The General Indenture creates an Expense Fund and directs the Trustee to establish a **Series Expense Account** therein for each Series of Bonds. The Trustee will deposit from the Series General Receipts Subaccount pursuant to the

General Indenture into the Series Expense Account amounts to provide for the payment of Expenses up to the Expense Limitation specified in the current Acquisition and Operating Policy. The Trustee shall use amounts in each Series Expense Account for payment of Expenses.

### **Reservation Fund**

The General Indenture creates a Reservation Fund and directs the Trustee to establish a **Series Reservation Account** therein for each Series of Bonds that is subject to Remarketing. Amounts specified in a Series Indenture which are received upon the sale of a Series of Bonds will be deposited into the Series Reservation Account. Money deposited in that Fund will be invested in accordance with the Series Indenture and the Acquisition and Operating Policy. Interest earnings on the Series Reservation Account will be retained in such Series Reservation Account.

In the event of a Remarketing, the Trustee will transfer all or a portion of the amounts in the Series Reservation Account to the Series Acquisition Account in accordance with the Remarketing Indenture. In the event of a Mandatory Special Redemption or a redemption at the direction of the Commission of Bonds subject to Remarketing, the Trustee will transfer from the Series Reservation Account to the Series Redemption Subaccount the amounts, if any, necessary for such redemption. In the event of a failed Remarketing, the Trustee will transfer from the Series Reservation Account to the Tender Agent an amount sufficient to provide for payment of the Tender Price.

### **Rebate Fund**

The General Indenture creates a Rebate Fund and directs the Trustee to establish a **Series Rebate Account** therein for each Series of Bonds. Money deposited and held in the Rebate Fund, including investment earnings thereon, if any, are not subject to the pledge of the General Indenture and will not be held for the benefit of the Bondowners. Money in the Rebate Fund will be disbursed by the Trustee periodically to the United States of America or to a Series General Receipts Subaccount, at the Commission's request.

### **Commission Fund**

The General Indenture creates a Commission Fund. Upon receipt of a Commission Request and an Asset Parity Determination, the Trustee will transfer amounts from a Series General Receipts Subaccount to the Commission Fund. Such amounts may either be remitted to the Commission or remain deposited in the Commission Fund. The Commission may deposit other money into the Commission Fund at any time. The Commission may withdraw amounts in the Commission Fund at any time free and clear of the pledge and lien of the General Indenture. Alternatively, the Commission can apply amounts in the Commission Fund at any time for purposes of the General Indenture. Earnings from investments of amounts in the Commission Fund will be retained in the Commission Fund.

### **Deficiencies in Series Debt Service Accounts**

**Deficiency of Interest** If amounts in a Series Interest Subaccount are insufficient on any Debt Service Payment Date to pay the interest on the respective Series Bonds due and unpaid on such date or to make any payment due under an Enhancement Agreement, the Trustee will withdraw amounts from the following funds, accounts and subaccounts in the following order of priority to the extent necessary to eliminate such deficiency:

1. the Series General Receipts Subaccount;
2. the Series Interest Reserve Account;
3. any other Series General Receipts Subaccount in accordance with the Acquisition and Operating Policy;
4. the Series Bond Reserve Account;
5. the Series Acquisition Account and the Series Reservation Account; and
6. other funds, accounts and subaccounts (including Acquisition Accounts, Unrestricted Principal Receipts Subaccounts, Taxable Principal Receipts Subaccounts, Restricted Principal Receipts Subaccounts (with an opinion of Bond Counsel) and Bond Reserve Accounts) in accordance with the Acquisition and Operating Policy.

**Principal Deficiency.** If amounts in a Series Redemption Subaccount or Series Principal Subaccount are insufficient on any Debt Service Payment Debt to pay the principal of the respective Series Bonds (but not Subordinate Bonds) or Redemption Price due and unpaid on such date, whether at the Stated Maturity or by the retirement of such Bonds in satisfaction of the Mandatory Sinking Account Payments, the Trustee will withdraw amounts from the following funds, accounts and subaccounts in the following order of priority to the extent necessary to eliminate such deficiency:

1. the Series Restricted Principal Receipts Subaccount;
2. the Series Unrestricted Principal Receipts Subaccount;
3. the Series Taxable Principal Receipts Subaccount;
4. the Series Bond Reserve Account;
5. the Series General Receipts Subaccount;
6. the Series Interest Reserve Account;
7. the Series Acquisition Account and the Series Reservation Account; and
8. other funds, accounts and subaccounts (including Acquisition Accounts, Series Unrestricted Principal Receipts Subaccounts, Taxable Principal Receipts Subaccount, Restricted Principal Receipts Subaccounts (with an opinion of Bond Counsel and Bond Reserve Accounts) in accordance with the Acquisition and Operating Policy.

No amounts being held to pay the Redemption Price of Bonds called for redemption or purchase may be used to make up a deficiency to the extent that such amounts have been set aside for the payment of Bonds which have been identified for purchase or called for redemption, and no amounts on deposit in any Series Acquisition Account will be used for such purpose to the extent that the Commission is contractually obligated to finance or originate identified Mortgage Loans acceptable for financing or acquire Certificates backed by such identified Mortgage Loans or Whole Loans with amounts on deposit in such Series Acquisition Account.

#### **Investment of Funds**

Money in all funds and accounts (other than money in the Cost of Issuance Fund and the Commission Fund) will be invested in Investment Securities paying interest and maturing (or redeemable at par) not later than the dates on which it is estimated that such money will be required by the Trustee. Investments in all funds and accounts may be commingled for purposes of making investments, and all gains or losses shall be allocated pro rata.

All interest and other profit derived from such investments (unless otherwise provided in the section of the General Indenture creating the respective fund) will be deposited when received in the applicable Series Revenue Account. Investment Securities acquired as an investment of money in any fund or account established under the General Indenture will be credited to that fund or account. For the purpose of determining the amount in any fund or account, the amount of any obligation allocable to that fund or account shall mean the Investment Value of the relevant Investment Security.

#### **The Trustee**

The Trustee may at any time resign and be discharged from the duties and obligations created by the General Indenture by giving not less than 60 days' written notice to the Commission specifying the date when such resignation is expected to take effect, and such resignation will only take effect upon the day specified in such notice unless previously a successor shall have been appointed, in which event such resignation shall take effect immediately on the appointment of such successor. Such resignation shall not be effective until a successor Trustee is appointed and has accepted its appointment.

The Trustee shall be removed by the Commission following an event of default if so requested by an instrument or concurrent instruments in writing, filed with the Trustee and the Commission, and signed by the Owners of a majority in Bond Value of Bonds then Outstanding. In addition, the Commission may remove the Trustee at any time, except during the existence of an Event of Default under the General Indenture, in the sole discretion of the Commission by filing with the Trustee an instrument signed by an Authorized Officer of the Commission.

In case at any time the Trustee resigns or is removed or becomes incapable of acting, or is adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property is appointed, or if any public officer takes charge or control of the Trustee or of its property or affairs, the Commission will notify the Owners and appoint a successor Trustee. The Commission will cause the new Trustee to mail notice of any such appointment to the Owners at their addresses appearing on the registration books of the Commission, such notice to be given promptly after such appointment.

If within 45 days of the resignation or removal of the Trustee no successor Trustee has been appointed and has accepted appointment, the resigning or removed Trustee or the Owners of a majority in aggregate Bond Value of Bonds then

Outstanding may apply to any court of competent jurisdiction to appoint a successor Trustee. That court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Trustee.

Any successor Trustee appointed under the General Indenture will be a bank or trust company organized under the laws of the State or a national banking association and having a capital and surplus aggregating at least \$50 million, if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the General Indenture.

The Trustee will be entitled to payment of its fees in accordance with the General Indenture, but solely from the sources specified in the General Indenture. Upon an event of default caused by a failure of payment of principal of or interest on the Bonds, but only upon such an event of default, the Trustee will then have a lien upon the Trust Estate with right of payment before payment on account of principal of and interest on any Bond for the foregoing fees, charges and expenses incurred by it, but subordinate to the lien required for payment of the Rebate Amount.

The Trustee is required to provide the Commission with certain reports pursuant to the General Indenture. The Trustee will be under no obligation to perform any act that would involve it in expenses or liability or to initiate or defend any suit, or to advance any of its own funds, unless properly indemnified. The Trustee is not liable in connection with the performance of its duties under the General Indenture except for its own negligence or willful default.

### **Certain Tax Covenants**

The Commission has covenanted that it will not permit the use of any proceeds of the Bonds or any other funds of the Commission which would cause the Bonds (other than taxable Bonds) to be “arbitrage bonds” within the meaning of the Code and applicable regulations promulgated thereunder.

The General Indenture further contains a covenant of the Commission to attempt, in good faith, to meet all applicable requirements of the Code, and to establish reasonable procedures in accordance with Sections 148 and 143(g) of the Code.

### **Acquisition and Operating Policy**

Upon the issuance or remarketing of each Series of Bonds, the Commission will develop and deliver to the Trustee an Acquisition and Operating Policy, setting forth the Commission’s instructions to the Trustee with respect to the application of money and assets in a Series Acquisition Account, and Series Reservation Account, and instructions with respect to the following:

1. the security which may be provided for each Mortgage Loan;
2. the purchase price of Whole Loans and of Mortgage Loans securitized into Certificates;
3. the principal and interest payment provisions for Whole Loans and Mortgage Loans securitized into Certificates;
4. the maximum term to maturity and final maturity of Whole Loans and Mortgage Loans securitized into Certificates;
5. the Pass-Through Rate, Purchase Price and final maturity of any Certificates or Whole Loans;
6. the Delivery Period;
7. the nature of the residence to which the Whole Loans and the Mortgage Loans securitized into Certificates relate and limitations on who may be a mortgagor;
8. for Whole Loans required credit standards and other terms of primary mortgage insurance or other credit support, if any, and the levels of coverage and applicable loan to value ratios, if appropriate;
9. required Supplemental Mortgage Coverage, if any;
10. the Servicing Acquisition Fee;
11. Commitment Fees;
12. the period during which Mortgage Loans may be delivered to a Servicer;

13. the amount and duration of any set-asides for Targeted Area origination or other limitations with respect to Mortgage Loans;
14. Extension Fees;
15. how Revenues will be deposited and used;
16. how amounts on deposit in the Reserve Fund in excess of the Reserve Requirement will be used;
17. the priority of transfers between accounts and subaccounts consistent with the General Indenture in order to meet deficiencies in the Series Debt Service Accounts;
18. which Bonds will be called in accordance with redemptions;
19. under what circumstances Principal Receipts will be deposited in a Series Acquisition Subaccount;
20. such other information that is essential to a Cash Flow Certificate and which will direct the Trustee with respect to the use of amounts in the Acquisition Fund and Reservation Fund; and
21. such other matters as may be useful in providing guidance to the Trustee in the management of the Trust Estate.

The Acquisition and Operating Policy may be amended only if (1) a Cash Flow Certificate is delivered to the Trustee and the Rating Agency, and (2) an opinion of a nationally-recognized bond counsel is delivered to the Trustee and the Rating Agency to the effect that such amendment will not affect the exemption of interest on the Bonds from the gross income of the Owners for purposes of the Code. Notwithstanding the foregoing, the tables attached to the Acquisition and Operating Policy may be amended upon receipt by the Trustee of a certificate of the Commission stating that the then current Cash Flow Certificate under which the Indenture is operated will not be adversely affected. No Acquisition and Operating Policy may amend the terms and conditions of the General Indenture, the rights of the Owners, or the obligations of the Trustee and Commission except if it qualifies as a "Supplemental Indenture" under the General Indenture.

### **Supplemental Indentures**

Except as provided below, the Commission and the Trustee may, without the consent of or notice to any of the Bondowners, enter into indentures supplemental to the General Indenture, for any one or more of the following purposes:

1. to add additional covenants and agreements of the Commission for the purpose of further securing the payment on the Bonds, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Commission contained in the General Indenture;
2. to surrender any right, power or privilege reserved to or conferred upon the Commission by the terms of the General Indenture;
3. to confirm as further assurance any pledge under and the subjection to any lien, claim or pledge created or to be created by the provisions of the General Indenture of the Revenues and other money, securities, funds and property pledged in the manner and to the extent provided in the General Indenture;
4. to cure any ambiguity or defect or inconsistent provision in the General Indenture or to insert such provisions clarifying matters or questions arising under the General Indenture as are necessary or desirable so long as any such modifications are not contrary to or inconsistent with the General Indenture as theretofore in effect;
5. to provide a correction to any provision of the General Indenture that will be determined in a Bond Counsel's Opinion to be necessary to preserve the exclusion of interest on the Bonds from gross income pursuant to the Code; however, no such correction will impair in any material manner the rights or remedies of Owners or the security for the Bonds afforded by the General Indenture;
6. to conform to the requirements of the Rating Agency to maintain the rating on the Bonds or to make changes pursuant to the General Indenture;
7. to enter into a Series Indenture;
8. to enter into a Remarketing Indenture upon a Remarketing of some or all of a Series of Bonds under the General Indenture;

9. to modify any of the provisions of the General Indenture in any respect whatever not otherwise described in the General Indenture, provided (a) such modification must apply only to Series of Bonds issued after the effective date of the Supplemental Indenture and may not materially adversely affect the interests of the owners of Bonds of any Series Outstanding on the effective date of the Supplemental Indenture or (b)(i) such modification must be, and be expressed to be, effective only after all Bonds of any Series Outstanding at the date of the adoption of such Supplemental Indenture shall cease to be Outstanding and (ii) such Supplemental Indenture must be specifically referred to in the text of all Bonds of any Series authenticated and delivered after the date of the adoption of such Supplemental Indenture and of Bonds issued in exchange for, or in place of, such Bonds;
10. to modify, amend or supplement the General Indenture or any Supplemental Indenture in such manner as to permit, if presented, the qualification of the General Indenture and any Supplemental Indenture under the Trust Indenture Act of 1939 or any similar federal statute then in effect or any state Blue Sky Law;
11. to add to the definition of “Permitted Investments”;
12. to modify, amend or supplement the General Indenture or any Supplemental Indenture in such manner as to permit a trustee (other than the Trustee) with respect to any Subordinate Bonds issued under the General Indenture;
13. to comply with the disclosure requirements of state or federal law; or
14. to make any other change that, in the judgment of the Trustee, does not materially adversely affect the interests of the Bondowners;

The General Indenture also may be modified in other ways by a Supplemental Indenture upon the Trustee’s receipt of a Rating Confirmation and the consent of (1) the Owners of greater than two-thirds in aggregate Bond Value of Outstanding Bonds; (2) if less than all of the Outstanding Bonds are affected, of the Owners of greater than two-thirds in Bond Value of Bonds so affected then Outstanding; and (3) in case the terms of any Mandatory Sinking Account Requirements are changed, the Owners of greater than two-thirds in Bond Value of the Outstanding Bonds of the particular Series and maturity entitled to such Mandatory Sinking Account Requirements. However, without the consent of all adversely affected Owners, no Supplemental Indenture may (1) change the terms of redemption or of the maturity of the principal of or the interest on any Bond; (2) reduce the Accreted Value of any Bond or the redemption premium or the rate of interest on it; (3) create or grant a pledge, assignment, lien or security interest of the Pledged Property, or any part of it, other than as created or permitted by the General Indenture without the Supplemental Indenture; (4) create a preference or priority of any Bond or Bonds over any other Bond or Bonds, except as may be permitted by the General Indenture; (5) reduce the aggregate Bond Value or classes of the Bonds required for consent to such Supplemental Indenture; or (6) eliminate the requirement that each amendment to the General Indenture requires a Rating Confirmation. If any such modification, supplement or amendment will by its terms not take effect so long as any Bonds of any specified Series and maturity remain Outstanding, the consent of the Owners of those Bonds will not be required and such Bonds will not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds required in connection with an amendment to the General Indenture. A Series will be deemed to be affected by a modification or amendment if it adversely affects or diminishes the rights of the Owners of Bonds of that Series. The Trustee may in its discretion determine whether Bonds of any particular Series and maturity would be affected by any modification, supplement or amendment of the General Indenture or a Supplemental Indenture, and any such determination will be binding and conclusive on the Commission and all Owners.

Notice of proposed adoption of a Supplemental Indenture will be given as described in the General Indenture. If the required number of Owners at the time of its adoption have consented to and approved its adoption, no Owner will have any right to object to the execution of such Supplemental Indenture, to object to any of the terms and provisions contained in it or its operation, in any manner to question the propriety of its adoption, or to enjoin or restrain the Trustee or the Commission from adopting it or from taking any action pursuant to its provisions.

## **Defaults and Remedies**

***Definition of “Event of Default”.*** Each of the following events constitutes an “event of default” under the General Indenture:

1. default by the Commission in (i) the due and punctual payment of the principal amount or Accreted Value or Redemption Price of any Bond (other than a Subordinate Bond) when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or

otherwise, (ii) the redemption from any Mandatory Sinking Account Payment of any Term Bonds (other than a Subordinate Bond) in the amounts at the times provided therefor, or (iii) the due and punctual payment of any installment of interest on any Bond (other than a Subordinate Bond) when and as such interest installment shall become due and payable;

2. default in the performance or observance of any other of the covenants, agreements or conditions on the Commission's part contained in the General Indenture or any Supplemental Indenture, or in the Bonds, and continuance of such default for 90 days after written notice thereof to the Commission by the Trustee or by the Owners of not less than 25% in aggregate Bond Value of the Outstanding Bonds;
3. the State limits or alters the rights of the Commission, as in force on the date of the General Indenture, to fulfill the terms of any agreements made with the Bondowners or in any way impairs the rights and remedies of the Bondowners while any Bonds are Outstanding; provided, however, that such an event of default will not be deemed to exist unless notice of such default is given to the Commission by the Trustee or by the Owners of not less than 25% in aggregate Bond Value of the Outstanding Bonds; or
4. unless otherwise provided in a Series Indenture, default by the Commission in (i) the due and punctual payment of the principal amount and Accreted Value or Redemption Price of any Subordinate Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise, (ii) the redemption from any Mandatory Sinking Account Payment of any Subordinate Bonds which are Term Bonds in the amounts at the times provided therefor, or (iii) the due and punctual payment of any installment of interest on any Subordinate Bond when and as such interest installment shall become due and payable.

The failure to make a payment of principal of or interest on a Subordinate Bond is an "event of default" only with respect to Subordinate Bonds and is not an event of default with respect to other Bonds issued under the General Indenture. In the event of such limited event of default, the Trustee may take actions in accordance with the General Indenture that relate exclusively to the Subordinate Bonds and which do not prejudice the rights of the Owners of other Bonds.

**Remedies Upon Default.** Upon any event of default described above, the Trustee may proceed, and upon the written request of the Owners of not less than 25% in aggregate Bond Value of Outstanding of Bonds, the Trustee must proceed, in its own name, to protect and enforce its rights and the rights of the Bondowners by such of the following remedies as the Trustee, being advised by counsel, will deem most effective to protect and enforce such rights:

1. by suit, action or proceeding in accordance with the laws of the State, enforce all rights of the Bondowners;
2. by bringing suit upon the relevant Bonds;
3. by action or suit, to require the Commission to act as if it were the trustee of an express trust for the Bondowners;
4. by action or suit, enjoin any acts or things which may be unlawful or in violation of the rights of the Bondowners; and
5. upon notice in writing to the Commission, to declare the principal and Accreted Value of all of the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in the General Indenture or in the Bonds contained to the contrary notwithstanding.

Any declaration described in (5) above is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the money due is obtained or entered, the Commission has deposited with the Trustee a sum sufficient to pay the principal amount or Redemption Price of and Accretion and installments of interest on the Bonds payment of which is overdue, with interest on such overdue principal at the rate borne by the respective Bonds, and the reasonable charges and expenses of the Trustee, and any and all other defaults known to the Trustee (other than in the payment of principal amount or Redemption Price of and Accretion and interest on the Bonds due and payable solely by reason of such declaration) have been cured to the satisfaction of the Trustee (or provision deemed by the Trustee to be adequate is made therefor), then, and in every such case, the Owners of not less than a majority in aggregate Bond Value of the Bonds then Outstanding, by written notice to the Commission and to the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences and waive such default, but no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

However, the Trustee is not required to declare the Bonds due and payable pursuant to clause (5) above unless it receives the written consent of the Owners of not less than 25% in aggregate Bond Value of Outstanding Bonds, and if the default is the result of a nonmonetary default or a State impairment of Commission rights or a default with respect to Subordinate Bonds, the Trustee will not declare the Bonds due and payable pursuant to clause (5) above unless it shall have received the written consent of the Owners of not less than 100% in aggregate Bond Value of Outstanding Bonds (excluding Subordinate Bonds).

In enforcing any remedy under the General Indenture, the Trustee is entitled to sue for, enforce payment on and receive any and all amounts then or during any default becoming and any time remaining due from the Commission for principal, Accretion, Redemption Price, interest or otherwise, under any provision of the General Indenture or of the Bonds, and unpaid, with interest on overdue payments at the rate or rates of interest payable on the Bonds before maturity, together with any and all costs and expenses of collection and of all proceedings under the General Indenture and under the Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondowners, and to recover and enforce judgment or decree against the Commission (but solely from Revenues) for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect from any money available for such purpose, in any manner provided by law, the money adjudged or decreed to be payable.

***Priority of Payments After Default.*** In the event that the funds held by the Trustee shall be insufficient for the payment of interest and principal or Redemption Price then due on the Bonds, such funds (other than funds held for the payment or redemption of particular Bonds which have theretofore become due at maturity or by call for redemption) and any other money received or collected by the Trustee acting pursuant to the General Indenture will be applied to the payments of any expenses necessary in the opinion of the Trustee to protect the interests of the Owners of the Bonds, and for the payment of the charges and expenses and liabilities incurred and advances made by the Trustee in the performance of its duties under the General Indenture, and then shall be applied in the following order:

A. Unless the principal of all of the Bonds shall have become or have been declared due and payable:

*First*, to the payment of all installments (except interest on overdue principal) of interest on Bonds, other than Subordinate Bonds, then accrued and unpaid in the chronological order in which such installments of interest accrued and, if the amount available is not sufficient to pay in full any particular installment, then to the payment, ratably, according to the amounts due on such installment, on Bonds other than Subordinate Bonds, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds, (other than Subordinate Bonds);

*Second*, to the payment of the unpaid principal and Accretion of any of the Bonds, other than Subordinate Bonds, which have become due and payable (except Bonds other than Subordinate Bonds called for redemption for the payment of which money is held pursuant to the provisions of the General Indenture) in the order of their stated payment dates, with interest on the principal amount of such Bonds, other than Subordinate Bonds, at the respective rates specified in such Bonds from the respective dates upon which such Bonds, other than Subordinate Bonds, became due and payable and, if the amount available is not sufficient to pay in full the principal of the Bonds, other than Subordinate Bonds, by their stated terms due and payable on any particular date together with such interest, then (a) to the payment first of such interest, ratably, according to the amount of such interest due on such date, and (b) to the payment of such principal, ratably, according to the amount of such principal due on such date, of Bonds, other than Subordinate Bonds, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds, (other than Subordinate Bonds);

*Third*, to the payment of the interest on and the principal and Accretion of the Bonds, other than Subordinate Bonds, to the purchase and retirement of Bonds, other than Subordinate Bonds, and to the redemption of the Bonds (other than Subordinate Bonds);

*Fourth*, to the payment of interest (except interest on overdue principal) on Subordinate Bonds then accrued and unpaid in the chronological order in which such installments of interest accrued and, if the amount available is not sufficient to pay in full any particular installment, then to the payment, ratably, according to the amounts due on such installment, of Subordinate Bonds, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Subordinate Bonds;

*Fifth*, to the payment of the unpaid principal of any of the Subordinate Bonds which has become due and payable (except Subordinate Bonds called for redemption for the payment of which money is held pursuant to the provisions of the General Indenture) in the order of their stated payment dates, with interest on the principal amount of such Subordinate Bonds at the respective rates specified in such Subordinate Bonds from



the respective dates upon which such Subordinate Bonds became due and payable and, if the amount available is not sufficient to pay in full the principal of the Subordinate Bonds by their stated terms due and payable on any particular date together with such interest, then to the payment first of such interest, ratably, according to the amount of such interest due on such date on such Subordinate Bonds, and then to the payment of such principal, ratably, according to the amount of such principal due on such date, of Subordinate Bonds, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Subordinate Bonds; or

*Sixth*, to the payment of the interest on and the principal and Accretion of the Subordinate Bonds, to the purchase and retirement of Subordinate Bonds and to the redemption of Subordinate Bonds.

B. If the principal of all the Bonds has become or has been declared due and payable, all such money will be applied first to the payment of the principal and premium, if any, and interest then accrued and unpaid upon the Bonds that are not Subordinate Bonds, without preference or priority of principal over interest or of interest over principal, or of any daily accrual of interest over any other daily accrual of interest, or of any Bond which is not a Subordinate Bond over any other Bond which is not a Subordinate Bond, ratably, according to the amounts due respectively for principal and interest, without any discrimination or preference except as to the respective rates of interest specified in the Bonds which are not Subordinate Bonds, and second, to the payment of the principal and premium, if any, and interest then accrued and unpaid upon the Subordinate Bonds, without preference or priority of principal over interest or of interest over principal, or of any daily accrual of interest over any other daily accrual of interest, or of any Subordinate Bond over any other Subordinate Bond, ratably, according to the amounts due respectively for principal and interest, without any discrimination or preference except as to the respective rates of interest specified in the Subordinate Bonds.

C. If the principal of all the Bonds has been declared due and payable and if such declaration has been rescinded and annulled, then, subject to the provisions of paragraph B. above, if the principal of all the Bonds later becomes or is declared to be due and payable, the money remaining in and later accruing to the Debt Service Fund, together with any other money held by the Trustee under the General Indenture, will be applied in accordance with the order of priority described in paragraph A. above.

***Default Proceedings.*** If any proceeding taken by the Trustee on account or any event of default is discontinued or abandoned for any reason, then the Commission, the Trustee and the Owners will be restored to their former positions and rights under the General Indenture, and all rights, remedies, powers and duties of the Trustee will continue as though no such proceeding had been taken.

The Owners of the majority in aggregate principal amount and Accreted Value or the Bonds then Outstanding will have the right, by written instruments delivered to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee under the General Indenture, provided that such direction must not be otherwise than in accordance with law or the General Indenture. The Trustee has the right to decline to follow any such direction which in the opinion of the Trustee would expose it to liability.

No Owner of any Bond will have any right to institute any suit, action or other proceeding under the General Indenture, or for the protection or enforcement of any right under the General Indenture or any right under law, unless: (i) such Owner gives to the Trustee written notice of the event of default or breach of duty on account of which such suit, action, or proceeding is to be taken, (ii) the Owners of not less than 25% in aggregate principal amount and Accreted Value of the Bonds then Outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted in the General Indenture or under the law or to institute such action, suit or proceeding in its name; and (iii) the Trustee is offered security satisfactory to the Trustee and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee refuses or neglects to comply with such request within a reasonable time. Such notification, request and offer of indemnity are, at the option of the Trustee, conditions precedent to the execution of the powers under the General Indenture or for any other remedy under the General Indenture or law. No Owners of any Bonds will have any right to affect, disturb or prejudice the security of the General Indenture or to enforce any right under the General Indenture or law with respect to the Bonds or the General Indenture, except in the manner summarized herein, and all proceedings shall be instituted and maintained for the benefit of all Owners of the Outstanding Bonds.

Each Owner of any Bond by his acceptance thereof, will be deemed to have agreed that any court in its discretion may require, in any suit for the enforcement of any right or remedy under the General Indenture or any Supplemental Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the reasonable costs of such suit and that such court may in its discretion

assess reasonable costs, including reasonable attorneys' fees, against any party litigant in any such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant, but the provisions of this paragraph shall not apply to any suit instituted by the Trustee, to any suit instituted by any Owner or group of Owners holding at least 25% in Principal Amount and Accreted Value of the Bonds Outstanding, or to any suit instituted by any Owner for the enforcement of the payment of the principal or Redemption Price of or interest on any Bond on or after the respective due date thereof expressed in such Bond.

### **Compliance with Secondary Disclosure Requirements of the SEC**

Section 12.13 of the General Indenture sets forth the Commission's undertaking (the "Undertaking") for the benefit of owners and beneficial owners of the Bonds required by Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(5) (the "Rule").

**Obligated Person Responsibility.** Upon the issuance and/or Remarketing of Bonds, the Commission will identify or describe in the applicable Series Indenture each "Obligated Person," if any, within the meaning of the Rule with respect to the Series of Bonds issued or Remarketed thereunder. Each such Obligated Person shall undertake by separate contract with the Commission and the Trustee to provide: (i) Annual Financial Information; and (ii) Audited Financial Statements, if any.

Each Obligated Person must, while any Bonds with respect to which it is an Obligated Person are Outstanding or so long as it is an Obligated Person with respect to such Bonds, provide Annual Financial Information to the Trustee, in its capacity as agent of the Commission and each Obligated Person (the "Disclosure Agent"), on or before August 15 of each year (the "Submission Date"), beginning in 1996. The Disclosure Agent will provide to the Commission and to the MSRB such Annual Financial Information on or before September 1 of each year (the "Report Date") or, if such Annual Financial Information is not received by the Disclosure Agent by the Submission Date, then within five Business Days of its receipt by the Disclosure Agent. The Obligated Person must include with each submission of Annual Financial Information to the Disclosure Agent a written representation addressed to the Disclosure Agent to the effect that the Annual Financial Information is the Annual Financial Information required by its contractual obligations to the Commission and the Trustee and that such Annual Financial Information complies with the applicable requirements of its contractual obligations to the Commission and the Trustee. The Obligated Person may adjust the Submission Date and the Report Date if the Obligated Person or the Commission changes its fiscal year by providing written notice of the change of fiscal year and the new Submission Date and Report Date to the Disclosure Agent, the Commission and the MSRB; provided, that (i) the new Report Date must be no later than two months after the end of the new fiscal year, (ii) the new Submission Date must be 15 days prior to the Report Date, and (iii) the period between the final Report Date relating to the former fiscal year and the initial Report Date relating to the new fiscal year must not exceed one year in duration. It will be sufficient if the Obligated Person provides to the Disclosure Agent and the Commission, and the Disclosure Agent provides to the MSRB the Annual Financial Information by specific reference to documents available to the public on the MSRB's internet web site or filed with the SEC.

If not provided as part of the Annual Financial Information, the Obligated Person must provide its Audited Financial Statements to the Disclosure Agent, when and if available and the Disclosure Agent will then promptly provide the Commission and the MSRB with such Audited Financial Statements.

**Commission Responsibility.** For Bonds issued after September 1, 2004, that are sold in a primary offering that is subject to the Rule (unless otherwise specified in the applicable Series Indenture or Remarketing Indenture), the Commission will provide (i) its Audited Financial Statements which include information regarding funds held under the General Indenture and (ii) financial information and operating data regarding the Program, on an annual basis, of the type included in the final official statement for such Bonds and identified with language in substantially the form of: "The following [table][paragraph] will be updated annually pursuant to the Commission's continuing disclosure undertaking." The financial information described in clause (ii) of the previous sentence will be unaudited and will be provided to the Disclosure Agent. The Disclosure Agent will then promptly provide the MSRB with such Audited Financial Statements and such financial information. Such Audited Financial Statements and financial information will be provided to the Trustee before the expiration of seven months after the Commission's fiscal year. The Commission may adjust such fiscal year by providing written notice of the change of fiscal year to the MSRB. In lieu of providing such Audited Financial Statements and annual financial information the Commission may cross-reference to other documents available to the public on the MSRB's internet web site or filed with the SEC.

If the Commission identifies an occurrence that would be a Material Event while any Bonds are Outstanding, the Commission immediately will provide a Material Event Notice to the Disclosure Agent, and the Disclosure Agent, will provide to the MSRB, in no case later than ten Business Days after the occurrence of the Material Event, such Material Event Notice.

***Trustee Responsibility.*** The Disclosure Agent will promptly advise the Commission whenever, in the course of performing its duties as Trustee, under the General Indenture, the Trustee, as the Trustee, identifies an occurrence which would be a Material Event and, unless the Commission determines within a reasonable period of time after discussion with the Trustee that such occurrence is not a Material Event for which a notice must be given pursuant to the Undertaking, then the Trustee will promptly (in no case later than ten Business Days after the occurrence of the Material Event) provide a Material Event Notice to the MSRB. The failure of the Disclosure Agent to advise the Commission or the MSRB will not constitute a default on the Bonds or a breach by the Trustee, as the Trustee, of any of its duties and responsibilities under the General Indenture.

The Disclosure Agent will, without further direction or instruction from any Obligated Person or the Commission, provide in a timely manner to the MSRB notice of any failure while any Bonds are Outstanding by the Disclosure Agent to provide to the MSRB Annual Financial Information, financial information or Audited Financial Statements required to be provided on or before the Report Date (whether caused by failure of the Obligated Person or the Commission to provide such information to the Disclosure Agent by the Submission Date or for any other reason). For the purposes of determining whether information received from the Obligated Person is Annual Financial Information, the Disclosure Agent will be entitled conclusively to rely on the Obligated Person's written representations.

If an Obligated Person or the Commission provides to the Disclosure Agent information relating to the Obligated Person or the Bonds, which information is not designated as a Material Event Notice, and directs the Disclosure Agent to provide such information to information repositories, the Disclosure Agent will provide such information in a timely manner to the Commission (if provided by an Obligated Person) and the MSRB.

The Disclosure Agent will determine by reference to a Series Indenture if an entity is an Obligated Person and will notify each Obligated Person no later than 30 days prior to a Submission Date of its obligation to provide information in accordance with the Undertaking under its separate contract with the Commission and the Trustee, if such submission has not yet been made. Failure of the Disclosure Agent to provide such notice will not waive any obligations of an Obligated Person.

***Definitions for Purposes of Undertaking.*** The following are the definitions of the capitalized terms used in the Undertaking and not otherwise defined in the General Indenture.

“Annual Financial Information” means the financial information (which will be based on financial statements prepared in accordance with generally accepted accounting principles (“GAAP”)), or operating data with respect to the Obligated Person, provided at least annually, of the type included in the final official statement with respect to the Bonds and specified in a Series Indenture, which Annual Financial Information may, but is not required to, include Audited Financial Statements.

“Audited Financial Statements” means annual financial statements, prepared substantially in accordance with GAAP, which financial statements will have been audited by a firm of independent certified public accountants.

“Beneficial Owner” means the beneficial owner of Bonds held in fully immobilized form.

“Financial Obligation” (i) means a (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) guarantee of (A) or (B) above; (ii) shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Section 12.13 of the General Indenture.

“Material Event” means any of the following events with respect to the Bonds issued or Remarketed after February 26, 2019: (i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security or other material or events affecting the tax status of the Bonds; (vii) modifications to rights of Bondowners, if material; (viii) bond calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Bonds, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the Commission or any Obligated Person; (xiii) the consummation of a merger, consolidation, or acquisition involving the Commission or any Obligated Person or the sale of all or substantially all of the assets of the Commission or any Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to

undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (xiv) appointment of a successor or additional trustee or the change of a name of a trustee, if material; (xv) incurrence of a Financial Obligation of the Commission or an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Commission or an Obligated Person, any of which affect security holders, if material; and (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Commission or an Obligated Person, any of which reflect financial difficulties. The Disclosure Agent will presume that the occurrence of any of the events in clauses (ii), (vi), (vii), (x), (xiii), (xiv), (xv) and (xvi) are material, unless the Commission informs the Disclosure Agent that such event is not material. For purposes of clause (xii) of this definition, such an event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Commission or the Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Commission or the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Commission or the Obligated Person.

“Material Event Notice” means written or electronic notice of a Material Event.

“MSRB” means the Municipal Securities Rulemaking Board.

**Termination of Undertaking.** The continuing obligation of the Commission or an Obligated Person to provide Annual Financial Information, financial information and Audited Financial Statements to the Disclosure Agent pursuant to the Undertaking will terminate immediately once the Bonds (with respect to which the Obligated Person has been designated) are no longer Outstanding or the respective obligations of the Obligated Person or the Commission are otherwise terminated. The Undertaking, or any provision thereof, will be null and void in the event that an Obligated Person or the Commission delivers to the Disclosure Agent (with a copy to the Commission if submitted on behalf of an Obligated Person) an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which require certain Obligated Persons or the Commission to undertake responsibilities under the Undertaking, or any such provisions, are invalid, have been repealed retroactively or otherwise do not apply to the Bonds; provided, that the Disclosure Agent will have provided notice of such delivery and the cancellation of the Undertaking to the MSRB.

**Amendment of Undertaking.** The Commission, as it deems necessary and with written notice to each Obligated Person, or, at the request of an Obligated Person, may amend the Undertaking, and any provision of the undertaking may be waived, provided that the following conditions are satisfied:

- (i) If the amendment or waiver relates to the provisions of summarized above under the subheadings “*Obligated Person Responsibility*” or “*Commission Responsibility*,” it may only be made in connection with a change in circumstances that arises from a change in legal requirements, or change in law, interpretation of law by the SEC, or change in the identity, nature or status of an Obligated Person or the Commission with respect to the Bonds, or the type of business conducted or in connection with Bonds that have not been issued or remarketed as of the date the amendment or waiver takes effect;
- (ii) The Undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (iii) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the General Indenture for amendments to the General Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of the Undertaking, an Obligated Person or the Commission, as applicable, will describe such amendment in the next Annual Financial Information or Audited Financial Statement, and will include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating

data being presented by the Obligated Person or the Commission. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change will be given in the same manner as for a Material Event, and (ii) the Annual Financial Information for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

***Agency Described.*** For purposes of the Undertaking, the Trustee will act as agent of the Commission and the Obligated Person and not in its capacity as Trustee. As Disclosure Agent, the Trustee is not obligated to independently investigate the accuracy of certificates received by it in its capacity as Trustee.

***Failure to Comply with Undertaking.*** The Disclosure Agent covenants to comply with and carry out all of the provisions of the Undertaking. Notwithstanding any other provision of the General Indenture, failure of the Obligated Person, the Commission or the Disclosure Agent to comply with the Undertaking will not be considered an Event of Default; however, the Disclosure Agent may (and, at the request of the Owners or Beneficial Owners of at least 25% in aggregate principal amount of the Bonds Outstanding, will) or any Bondowner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Obligated Person, the Commission or the Disclosure Agent to comply with its obligations under the Undertaking.

***Format of filings with MSRB.*** Until otherwise designated by the MSRB or the SEC, information or notices submitted to the MSRB in compliance with the Rule are to be submitted through the MSRB's Electronic Municipal Market Access system ("EMMA"). All notices, financial information and operating data required by the Undertaking to be provided to the MSRB must be in an electronic format as prescribed by the MSRB. All documents provided to the MSRB pursuant to the Undertaking must be accompanied by identifying information as prescribed by the MSRB.

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**APPENDIX B:  
GNMA, FANNIE MAE AND FREDDIE MAC PROGRAMS**

**GNMA and the GNMA Certificates**

The summary and explanation of the Government National Mortgage Association (“GNMA” or “Ginnie Mae”), GNMA’s mortgage-backed securities program and the other documents referred to herein do not purport to be complete. Reference is made to the *Ginnie Mae Mortgage-Backed Securities Guide* (Ginnie Mae Handbook 5500.3) (the “GNMA Guide”) and to said documents for full and complete statements of their provisions. At the time of printing this Official Statement, the GNMA Guide and general information regarding GNMA can be accessed at <http://www.ginniemae.gov>. The Commission makes no representation regarding the content, accuracy or availability of the GNMA Guide or any information provided at such web site. Such web site is not part of this Official Statement. Further, the procedures and fees described below and in the GNMA Guide are those currently in effect and are subject to change at any time by GNMA.

GNMA is a wholly-owned corporate instrumentality of the United States within the Department of Housing and Urban Development (“HUD”), with its principal office in Washington, D.C. GNMA’s powers are prescribed generally by Title III of the National Housing Act, as amended (12 U.S.C. § 1716 *et seq.*).

GNMA is authorized by Section 306(g) of the National Housing Act to guarantee the timely payment of the principal of and interest on securities (“GNMA Certificates”) that represent undivided ownership interests in pools of mortgage loans that are: (i) insured by the Federal Housing Administration (“FHA”) under the National Housing Act of 1934, as amended; (ii) guaranteed by the Department of Veterans Affairs under the Servicemen’s Readjustment Act of 1944, as amended; (iii) guaranteed by the Rural Housing Service (“RHS”) of the U.S. Department of Agriculture pursuant to Section 502 of Title V of the Housing Act of 1949, as amended; or (iv) guaranteed by the Secretary of HUD under Section 184 of the Housing and Community Development Act of 1992, as amended and administered by the Office of Public and Indian Housing (“PIH”). The GNMA Certificates are issued by approved servicers and not by GNMA. GNMA guarantees the timely payment of principal of and interest on the GNMA Certificates.

Section 306(g) of the National Housing Act further provides that “the full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guaranty under this subsection.” An opinion, dated December 12, 1969, of an Assistant Attorney General of the United States, states that such guaranties under Section 306(g) of mortgage-backed securities (which are set forth in “GNMA Guaranty Agreements”) are authorized to be made by GNMA and “would constitute general obligations of the United States backed by its full faith and credit.”

In its corporate capacity under Section 306(d) of Title III of the Housing Act, GNMA may issue its general obligations to the United States Treasury Department (the “Treasury”) in an amount outstanding at any one time sufficient to enable GNMA, with no limitations as to amount, to perform its obligations under its guaranty of the timely payment of the principal of and interest on the GNMA Certificate. The Treasury is authorized to purchase any obligations so issued by GNMA and has indicated in a letter dated February 13, 1970, from the Secretary of the Treasury to the Secretary of HUD that the Treasury will make loans to GNMA, if needed, to implement GNMA’s guaranty. GNMA has covenanted to borrow from the United States Treasury any amounts necessary to enable GNMA to honor its guaranty of the GNMA Certificates.

GNMA administers two guarantee programs—the “Ginnie Mae I MBS Program” and the “Ginnie Mae II MBS Program.” The principal differences between the two programs relate to the interest rate structure of the mortgages backing the GNMA Certificates and the means by which principal and interest payments are made. These differences are not expected to affect adversely the availability of Revenues to pay principal of and interest on the Bonds.

To issue GNMA Certificates, the Servicer must apply for and receive GNMA’s commitment to guarantee mortgage-backed securities (“commitment authority”). The Servicer is obligated to pay GNMA commitment fees. GNMA’s commitment authority permits the Servicer to issue GNMA Certificates up to an approved dollar amount. Commitment authority expires in one year for single-family pools.

Each GNMA Certificate is to be backed by a separate mortgage pool consisting of qualified mortgages in a minimum aggregate amount of \$1,000. Under the Ginnie Mae I MBS Program, the Servicer will be required to pay to the Trustee, as the holder of the GNMA Certificates issued by the Servicer, the regular monthly installments of principal and interest on the Mortgage Loans that back those GNMA Certificates (less the Servicer’s servicing fee, which includes a GNMA guaranty fee). Under the Ginnie Mae II MBS Program, the Servicer will be required to pay such amounts to a central paying and transfer agent for the Ginnie Mae II MBS Program (the “CPTA”), and the CPTA will be required to pay to the Trustee, as the holder of the GNMA Certificate, the regular monthly installments of principal and interest on the Mortgage Loans backing such GNMA Certificate.

Payment of interest and principal on each GNMA Certificate is required to be made in monthly installments by the 15<sup>th</sup> day of each month under the Ginnie Mae I MBS Program and by the 20<sup>th</sup> day of each month under the Ginnie Mae II MBS Program, commencing the month following the date of issue of the GNMA Certificate. In addition, each payment is required to include prepayments on Mortgage Loans underlying the GNMA Certificate that were received during the preceding calendar month.

Mortgage Loans underlying a particular GNMA Certificate issued pursuant to the Ginnie Mae I MBS Program must have the same annual interest rate. The annual pass-through rate on each GNMA Certificate under the Ginnie Mae I MBS Program is 0.5% less than the annual interest rate on the Mortgage Loans included in the Mortgage pool backing that GNMA Certificate. Each Mortgage Loan in a Ginnie Mae II pool issued on or after July 1, 2003, must have a fixed interest rate that is at least 0.25% (but not more than 0.75%) higher than the interest rate on the related GNMA Certificate.

The Servicer is required to pay a monthly guaranty fee to GNMA for each GNMA Certificate for which the Servicer is the issuer of record. GNMA's monthly guaranty fee is computed based on the aggregate principal balance of the guaranteed securities outstanding at the beginning of the monthly reporting period. The monthly rate used to compute the fee is 0.06% divided by 12.

Under the GNMA program, the Servicer is responsible for servicing each pooled Mortgage Loan and is entitled to a servicing fee for each such loan. The servicing fee is based on and payable only from the interest portion of each monthly installment of principal and interest actually collected by the Servicer on the Mortgage Loan. The fee is equal to the difference between the interest rate on the Mortgage Loan and the interest rate on the GNMA Certificate for which it serves as collateral, computed on the same principal amount and for the same period as the interest portion of the installment. With respect to Ginnie Mae II MBS pools issued on and after July 1, 2003, the Servicer must ensure that the minimum servicing fee is at least 0.19%.

It is expected that interest and principal payments on the Mortgage Loans received by the Servicer will be the source of payments on the GNMA Certificates. If those payments are less than what is due, the Servicer will be obligated to advance its own funds to ensure timely payment of all amounts coming due on the GNMA Certificates. GNMA guarantees such timely payment in the event of the failure of the Servicer to pay an amount equal to the scheduled payment (whether or not made by the Mortgagors).

If the Servicer defaults on its obligations as an issuer of the GNMA Certificates (including loan servicing and certificate payment obligations), GNMA has the right to extinguish the Servicer's interest in the Mortgage Loans underlying such GNMA Certificates, in which case such Mortgage Loans will become the absolute property of GNMA (subject only to the unsatisfied rights of the Trustee, as holder of the GNMA Certificates).

### **Fannie Mae and the Fannie Mae Certificates**

The summary and explanation of the Federal National Mortgage Association ("FNMA" or "Fannie Mae"), Fannie Mae's mortgage-backed securities program and the other documents referred to herein do not purport to be complete. Reference is made to said documents for full and complete statements of their provisions. Said documents and the MBS Program are subject to change at any time by Fannie Mae. At the time of printing this Official Statement, general information regarding Fannie Mae (including, but not limited to, its financial condition and the status of its conservatorship) can be accessed at <http://www.fanniema.com>. The Commission makes no representations regarding the content or accuracy of the information provided at such web site, and such web site is not part of this Official Statement.

In accordance with the Federal Housing Finance Regulatory Reform Act of 2008 (the "Regulatory Reform Act"), the Federal Housing Finance Agency (the "FHFA") was named as the conservator of Fannie Mae on September 6, 2008. The Commission cannot predict the long-term consequences of the conservatorship of the Fannie Mae and the corresponding impacts, if any, on the Commission and the Fannie Mae Certificates held under the Indenture.

On March 31, 2003, Fannie Mae registered its common stock with the Securities and Exchange Commission ("SEC"). As a result of this action, Fannie Mae is required to file periodic financial disclosures with the SEC under the Securities Exchange Act of 1934, including Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K, together with any required exhibits. These reports and other information can be read and copied at the SEC's public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549. The SEC currently maintains a web site (<http://www.sec.gov>) that contains reports, proxy statements and other information that Fannie Mae has filed with the SEC. The Commission makes no representations regarding the content, accuracy or availability of any such reports or information filed by Fannie Mae with the SEC, any information provided at the SEC's web site, or how long Fannie Mae will continue to file reports with the SEC. The SEC's web site is not part of this Official Statement.



Fannie Mae is a federally-chartered, private stockholder-owned corporation organized and existing under the Federal National Mortgage Association Charter Act (the “Charter Act,” 12 U.S.C. § 1716 *et seq.*). Fannie Mae was originally established in 1938 as a United States government agency to provide supplemental liquidity to the mortgage market. It was transformed into a stockholder-owned, privately managed corporation in 1968. The Secretary of HUD exercises general regulatory power over Fannie Mae.

Fannie Mae operates in the secondary mortgage market by purchasing mortgages and mortgage-related securities, including Fannie Mae mortgage-related securities, from primary market institutions, such as commercial banks, savings and loan associations, mortgage companies, securities dealers and other investors. Fannie Mae provides additional liquidity in the secondary mortgage market by issuing and guaranteeing mortgage-related securities. Fannie Mae also offers fee-based services to its customers, such as issuing and administering a variety of mortgage-related securities, providing credit enhancements and offering technology products to aid in originating and underwriting mortgage loans.

Fannie Mae operates various mortgage-backed securities programs pursuant to which Fannie Mae issues securities backed by pools of mortgage loans. The Fannie Mae Certificates described in this Official Statement represent beneficial ownership interests in pools of Mortgage Loans held in trust by Fannie Mae for the benefit of the Trustee, as holder of the Fannie Mae Certificates. The Fannie Mae Certificates are issued by Fannie Mae pursuant to a trust indenture and supplements thereto (generally for certificates issued before June 1, 2007) or a trust agreement and supplements thereto (generally for certificates issued since June 1, 2007). Since June 3, 2019, each Fannie Mae Certificate has been a UMBS. See the heading “SECURITY FOR THE BONDS—Eligible Collateral” of this Official Statement.

Information regarding the Fannie Mae Certificates is contained in a prospectus (each, a “Single-Family MBS Prospectus”) and a prospectus supplement. Each Single-Family MBS Prospectus purports to contain general information about pools issued during its effective period including, but not limited to, the nature of the guaranty, yield considerations, and the mortgage purchase programs. Each prospectus supplement includes information about the pooled Mortgage Loans backing a particular issue of Fannie Mae Certificates and about the certificates themselves. At the time of printing this Official Statement, copies of Single-Family MBS Prospectuses and prospectus supplements can be accessed at <http://www.fanniemae.com>. The Commission makes no representation regarding the content, accuracy or availability of any such prospectus or supplement thereto, or any information provided at such web site. Fannie Mae’s web site is not part of this Official Statement.

Payments on a Fannie Mae Certificate are required to be made to the Trustee on the 25<sup>th</sup> day of each month (beginning with the month following the month such Fannie Mae Certificate is issued), or if such 25<sup>th</sup> day is not a Business Day, on the first business day next succeeding such 25<sup>th</sup> day. With respect to each Fannie Mae Certificate, Fannie Mae generally is required to distribute to the Trustee an amount equal to the total of (1) the principal due on the Mortgage Loans in the related pool underlying such Fannie Mae Certificate during the period beginning on the second day of the month before the month of such distribution and ending on the first day of such month of distribution (each, a “due period”), (2) the stated principal balance of any Mortgage Loan that was prepaid in full during the month preceding the month of such distribution (including as prepaid for this purpose any Mortgage Loans repurchased by Fannie Mae because of Fannie Mae’s election to repurchase the Mortgage Loan after it is delinquent, in whole or in part, with respect to four consecutive monthly installments (or eight consecutive bi-weekly installments) of principal and interest or because of Fannie Mae’s election to repurchase such Mortgage Loan under certain other circumstances as permitted by Fannie Mae’s trust indenture or trust agreement), (3) the amount of any partial prepayment of a Mortgage Loan received in the month preceding the month of distribution, and (4) one month’s interest, at the fixed pass-through rate, on the principal balance of the Fannie Mae Certificate immediately prior to the distribution date.

Fannie Mae guarantees to holders of the Fannie Mae Certificates, on each distribution date, an amount equal to the borrowers’ scheduled principal payments for the related due period, whether or not received, plus an amount equal to one month’s interest on the Fannie Mae Certificates at the fixed pass-through rate stated in the prospectus supplement for such certificates. In addition, Fannie Mae guarantees the full and final payment of the unpaid principal balance of the Fannie Mae Certificates on the distribution date in the month of the maturity date specified in the prospectus supplement for the Fannie Mae Certificates. Fannie Mae’s guaranty covers any interest shortfalls on the Fannie Mae Certificates arising from reductions in the interest rate of a Mortgage Loan due to application of the Servicemembers Civil Relief Act, as amended, and similar state laws.

**Neither the Fannie Mae Certificates nor payments of principal and interest thereon are guaranteed by the United States government. The Fannie Mae Certificates do not constitute a debt or obligation of the United States or any of its agencies or instrumentalities other than Fannie Mae. Fannie Mae alone is responsible for making payments on its guaranty.**

If Fannie Mae was unable to perform its guaranty obligations, the Trustee would receive only the payments that borrowers actually made and any other recoveries on the Mortgage Loans in the pool from sources such as insurance, condemnation and foreclosure proceeds. If that were to happen, delinquencies and defaults on the Mortgage Loans would directly affect the amount of principal and interest that the Trustee would receive each month.

Fannie Mae establishes eligibility criteria and policies for the mortgage loans it purchases, for the sellers from whom it purchases loans, and for the servicers who service Fannie Mae's mortgage loans. Fannie Mae's eligibility criteria and policies are set forth in Fannie Mae's Selling and Servicing Guides (the "Fannie Mae Guides") and updates and amendments to such guides. Fannie Mae amends its Fannie Mae Guides and its eligibility criteria and policies from time to time.

The Charter Act requires that Fannie Mae establish maximum original principal balance dollar limitations for the conventional loans that it purchases. These limitations (referred to as conforming loan limits) typically are adjusted annually. For loans acquired during 2021, Fannie Mae's conforming loan limit for conventional loans secured by first liens on single-unit residences in Washington State is \$548,250 in all counties other than King, Pierce and Snohomish (in each of which the limit is \$776,250).

The Charter Act requires that Fannie Mae obtain credit enhancement whenever it purchases a conventional mortgage loan secured by a single-family residence with a loan-to-value ratio over 80%. The credit enhancement may take several forms, including mortgage insurance issued by an insurer acceptable to Fannie Mae covering the amount in excess of 80%, repurchase arrangements with the seller of the mortgage loans, and seller-retained participation interests. Fannie Mae may impose credit enhancement requirements that are more restrictive than those of the Charter Act.

Fannie Mae is responsible for servicing and administering the mortgage loans it purchases. Fannie Mae may contract with other entities to perform those functions under Fannie Mae's supervision and on Fannie Mae's behalf. The entity with whom Fannie Mae contracts may be the seller that sold the loans to Fannie Mae. Duties generally performed by the servicer include general loan servicing responsibilities, collection and remittance of payments on the mortgage loans, administration of mortgage escrow accounts, collection of insurance claims and foreclosure, if necessary. Fannie Mae remains responsible to certificateholders for all the servicing and administrative functions related to the mortgage loans, even if it hires a servicer. Servicers are required to meet the eligibility standards and performance obligations in the Fannie Mae Guides. Fannie Mae may remove any servicer at any time Fannie Mae considers its removal to be in the certificateholders' best interest.

### **Freddie Mac and the Freddie Mac Certificates**

The following summary of the Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"), the Freddie Mac Guarantor Program, the Freddie Mac Certificates and Freddie Mac's mortgage purchase and servicing standards does not purport to be complete and is qualified in its entirety by reference to Freddie Mac's current Mortgage Participation Certificates Offering Circular, any applicable Offering Circular and Pool Supplements, Freddie Mac's current Mortgage Participation Certificates Agreement, as amended, Freddie Mac's Information Statement, any Information Statement Supplements and any other documents made available by Freddie Mac. At the time of printing this Official Statement, the documents mentioned above and general information regarding Freddie Mac (including, but not limited to, its financial condition and the status of its conservatorship) can be accessed at <http://www.freddiemac.com>. However, the Commission makes no representation regarding the content, accuracy or availability of any such document or any information provided at such web site. Such web site is not part of this Official Statement.

On July 18, 2008, Freddie Mac voluntarily registered its common stock with the SEC, thereby subjecting Freddie Mac to reporting requirements applicable to registered securities. In addition, pursuant to the Senior Preferred Stock Purchase Agreement between the Treasury and Freddie Mac, Freddie Mac is required to provide the Treasury with annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K. These reports and other information can be read and copied at the SEC's public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549. The SEC currently maintains a web site (<http://www.sec.gov>) that contains reports, proxy statements and other information that Freddie Mac has filed with the SEC. The Commission makes no representations regarding the content, accuracy or availability of any such reports or information filed by Freddie Mac with the SEC, any information provided at on the SEC's web site, or how long Freddie Mac will continue to file reports with the SEC. The SEC's web site is not part of this Official Statement.

In accordance with the Regulatory Reform Act, the FHFA was named as the conservator of Freddie Mac on September 6, 2008. The Commission cannot predict the long-term consequences of the conservatorship of the Freddie Mac and the corresponding impacts, if any, on the Commission and the Freddie Mac Certificates held under the Indenture.

Freddie Mac is a shareholder-owned, government-sponsored enterprise chartered on July 24, 1970, pursuant to the Federal Home Loan Mortgage Corporation Act (Title III of the Emergency Home Finance Act of 1970, as amended (12 U.S.C. §§ 1451-1459) (the “Freddie Mac Act”).

Freddie Mac purchases and guarantees a variety of single-family mortgages. Most of these mortgages are conventional mortgages that are not guaranteed or insured by the United States or any of its agencies or instrumentalities. However, Freddie Mac purchases some mortgages that are fully insured by the Federal Housing Administration (“FHA”) or guaranteed, in part, by the Department of Veterans Affairs (“VA”) (collectively, “FHA/VA mortgages”). Freddie Mac operates a program in which purchases and pools single-family mortgages for the purpose of issuing mortgage participation certificates (including any Freddie Mac Certificates that may be purchased by the Trustee). These mortgage participation certificates represent beneficial ownership interests in pools of mortgages that Freddie Mac has purchased. As of June 3, 2019, each Freddie Mac Certificate will be a UMBS. See the heading “SECURITY FOR THE BONDS—Eligible Collateral” of this Official Statement.

Freddie Mac is required to pay principal to the holders of its fixed-rate mortgage participation certificates originated on or after June 3, 2019, on the 25<sup>th</sup> of each month (or, if the 25<sup>th</sup> is not a business day, the next business day), beginning in the month after each such certificate is issued (each, a “Payment Date”). The principal balance of the mortgage pool underlying the certificate may differ from the aggregate principal balance of the underlying mortgages due to delays or errors in processing mortgage information, such as a servicer’s failure to file an accurate or timely report of its collections of principal or its having filed a report that cannot be processed. Freddie Mac is required to account for any differences as soon as practicable.

The aggregate principal payment in any month on a fixed-rate mortgage participation certificate reflects: (i) the scheduled principal payments due on the mortgages in the related mortgage pool for the monthly reporting period ending in the current month; (ii) prepayments on the related mortgages as reported by servicers for the monthly reporting period ending in the previous month; and (iii) any adjustments necessary to reconcile the principal balance of the mortgage pool with the aggregate balance of the related mortgages reported to Freddie Mac by servicers. Freddie Mac is required to calculate the scheduled principal due on the related mortgages based upon the actual principal balance, interest rate and remaining term to maturity of each mortgage in the mortgage pool. Its calculation of scheduled principal may not reflect actual payments on the mortgages.

Interest accrues on each Freddie Mac Certificate during the calendar month preceding the month of the Payment Date at the interest rate specified for the mortgage participation certificate. The interest rate is set at the time of issuance and does not change. Interest accrues on the principal amount of a certificate as determined by its “pool factor” for the month preceding the month of the Payment Date.

Freddie Mac guarantees to each holder of each mortgage participation certificate (i) the timely payment of interest at the applicable interest rate for the certificate; (ii) the timely payment of scheduled principal on the underlying mortgages; and (iii) the full and final payment of principal on the underlying mortgages by the Payment Date that falls in the latest month in which Freddie Mac reduces the related “pool factor” to zero.

**The obligations of Freddie Mac under its guarantees of mortgage participation certificates are obligations of Freddie Mac only. Such certificates, including the interest thereon, are not guaranteed by the United States and do not constitute debts or obligations of the United States or any agency or instrumentality of the United States other than Freddie Mac. If Freddie Mac were unable to satisfy its obligations under its guarantees, distributions on the mortgage participation certificate would consist solely of payment and other recoveries on the related mortgage. Accordingly, delinquencies and defaults on the mortgages would affect distributions on the certificates.**

The Freddie Mac Act limits the maximum original principal amount of single-family mortgages that Freddie Mac may purchase. These limits are referred to as “conforming loan limits.” For loans acquired during 2021, Freddie Mac’s conforming loan limit for conventional loans secured by first liens on single-unit residences in Washington State is \$548,250 in all counties other than King, Pierce and Snohomish (in each of which the limit is \$776,250).

The Freddie Mac Act also prohibits Freddie Mac from purchasing first-lien conventional single-family mortgages if the outstanding principal balance at the time of purchase exceeds 80 percent of the value of the real property securing the mortgage unless Freddie Mac have a level of credit protection (such as mortgage insurance from an approved mortgage insurer, a seller’s agreement to repurchase or replace any mortgage that has defaulted) or the retention of at least a 10 percent participation interest in the mortgages by the seller. This requirement does not apply to FHA/VA mortgages.

The single-family mortgages purchased and guaranteed by Freddie Mac generally are subject to the credit, appraisal, underwriting and other purchase policies and guidelines set forth in Freddie Mac's *Single-Family Seller/Servicer Guide*. Freddie Mac may modify these guidelines or grant waivers for certain mortgages that it purchases.

Freddie Mac services or supervises the servicing of the mortgages it purchases. In performing its servicing responsibilities, Freddie Mac may employ servicing agents or independent contractors. Each such servicer generally is required to perform all activities concerning the calculation, collection and processing of mortgage payments and related borrower inquiries, as well as all mortgage administrative responsibilities, including claims collection, workouts, foreclosures and reports. Servicers service mortgages, either directly or through approved subservicers, and receive fees for their services. Freddie Mac monitors a servicer's performance through periodic and special reports and inspections to ensure it complies with its obligations.

The interest rates of the mortgages in a mortgage pool underlying a fixed-rate mortgage participation certificate are within a range from (i) the certificate interest rate plus any minimum required servicing fee through (ii) 2.5% above the certificate interest rate. Subject to certain adjustments, Freddie Mac retains from monthly interest payments on each mortgage a management and guarantee fee, which equals any interest received by Freddie Mac from the servicer over the amount of interest payable to holders of the certificate.

**APPENDIX C:  
DTC AND THE BOOK-ENTRY SYSTEM**

*The information in this Appendix concerning The Depository Trust Company, New York, New York (“DTC”) and DTC’s book-entry system has been obtained from DTC. Neither the Underwriters nor the Commission take responsibility for the accuracy or completeness thereof, or for any material changes in such information subsequent to the date hereof, or for any information provided at the web sites referenced below. Beneficial Owners should confirm the following with DTC or the Direct Participants (as hereinafter defined). So long as Cede & Co. is the Registered Owner of the 2021 Series 2 Bonds, as nominee of DTC, references in the Official Statement to the Bondowners or Registered Owners of the 2021 Series 2 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2021 Series 2 Bonds.*

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding

the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. [Omitted.]

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

**APPENDIX D:  
FORM OPINION OF BOND COUNSEL**

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\_\_\_\_\_, 2021

Washington State Housing Finance Commission  
Seattle, Washington

RBC Capital Markets, LLC  
San Francisco, California

Moody's Investors Service  
New York, New York

Wilmington Trust, National Association, as trustee  
Minneapolis, Minnesota

Re: Washington State Housing Finance Commission  
Single-Family Program Bonds, 2021 Series 2A (AMT)  
Single-Family Program Bonds, 2021 Series 2N (Non-AMT)

Ladies and Gentlemen:

We have examined the Constitution and laws of the State of Washington (the "State") and a certified transcript of the proceedings taken by the Washington State Housing Finance Commission (the "Commission"), a public body corporate and politic organized and existing under the laws of the State, in the matter of the issuance and sale by the Commission of the Single-Family Program Bonds, 2021 Series 2A (AMT) and Single-Family Program Bonds, 2021 Series 2N (Non-AMT), in the aggregate principal amount of \$79,525,000 (the "2021 Series 2 Bonds") for the purpose of providing funds to refund certain outstanding obligations of the Commission and to acquire mortgage backed securities of the Government National Mortgage Association, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation (together, the "Certificates"). The Certificates will evidence the guarantee of the timely payment of principal of and interest on qualifying mortgage loans (the "Mortgage Loans"). The Mortgage Loans are originated pursuant to Mortgage Origination Agreements (the "Origination Agreements") among certain lending institutions doing business in the state of Washington, the Idaho Housing and Finance Association (the "Servicer"), and the Commission and to be serviced by the Servicer under a Program Administration and Servicing Agreement dated as of December 1, 2017, as amended by a First Amendment to Program Administration and Servicing Agreement dated December 1, 2019 and a Second Amendment to Program Administration and Servicing Agreement dated November 1, 2020 (the "Servicing Agreement") by and among the Commission, the Servicer and Wilmington Trust, National Association, as successor to Wells Fargo Bank, National Association (the "Trustee").

The 2021 Series 2 Bonds are issued under an Amended and Restated General Trust Indenture dated as of November 1, 2010, as amended, and the 2021 Series 2 Indenture, dated as of November 1, 2021, by and between the Commission and the Trustee (together, the "Indenture"). The issuance of the 2021 Series 2 Bonds has been authorized pursuant to Chapter 161, Laws of Washington, 1983, as amended, and Resolution No. 21-70 of the Commission adopted on June 24, 2021 (the "Resolution").

Capitalized terms used herein and not otherwise defined shall have the same definitions as in the Indenture.

The 2021 Series 2 Bonds are dated November 30, 2021 and pay interest semiannually on each June 1 and December 1, commencing June 1, 2022. The 2021 Series 2 Bonds are fully registered, mature on the dates and bear interest from their date, as provided therein and in the Indenture and may be exchanged or transferred as provided in the Indenture. The 2021 Series 2 Bonds are subject to special, mandatory and optional redemption as provided in the Indenture.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of officers of the Commission furnished to us without undertaking to verify the same by independent investigation. Furthermore, we have examined executed counterparts of the Servicing Agreement, the Indenture and such other documents, rules, regulations or other matters as we have deemed relevant in arriving at the opinions stated below.

From our examination, it is our opinion that:

1. The Commission has been duly created as a public body corporate and politic constituting an instrumentality of the State with lawful authority to adopt the Resolution, to enter into the Indenture, the Origination Agreements and the Servicing Agreements, to issue and deliver the 2021 Series 2 Bonds and to perform its obligations under the Resolution, the Indenture, the Origination Agreements and the Servicing Agreement and to carry out the transactions contemplated thereby.

2. The Commission has duly adopted the Resolution and has duly authorized and executed the Indenture, the Origination Agreements and the Servicing Agreements, and the Indenture, the Origination Agreements and the Servicing Agreements constitute the legal, valid and binding obligations of the Commission enforceable in accordance with their terms.

3. The 2021 Series 2 Bonds have been duly authorized, executed and delivered, constitute legal, valid and binding special obligations of the Commission enforceable in accordance with their terms and are entitled to the benefits and security provided by the Indenture.

4. The Indenture creates the valid pledge of and lien which it purports to create on the Revenues, Eligible Collateral and other funds held by the Trustee under the Indenture to secure the payment of the principal of, redemption premium, if any, and interest on the 2021 Series 2 Bonds, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture.

5. The 2021 Series 2 Bonds are limited obligations of the Commission and are payable solely out of the Revenues, Eligible Collateral and other funds held under the Indenture. The 2021 Series 2 Bonds are not a debt of the State or of any political subdivision of the State or of any municipal corporation or other subdivision of the State other than the Commission. Neither the State nor any municipal corporation or other subdivision of the State other than the Commission is liable on the 2021 Series 2 Bonds. The 2021 Series 2 Bonds are not a debt, indebtedness or the borrowing of money within the meaning of any limitation or restriction on the issuance of bonds contained in the Constitution of the State.

With respect to the opinions expressed herein, the enforceability of rights and obligations under the 2021 Series 2 Bonds, the Indenture, the Resolution, the Servicing Agreement and the Origination Agreements and against the assets pledged by the Indenture are subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws heretofore or hereafter enacted to the extent constitutionally applicable and subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

PACIFICA LAW GROUP LLP

**APPENDIX E:  
FORM OPINION OF SPECIAL TAX COUNSEL**

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\_\_\_\_\_, 2021

Washington State Housing Finance Commission  
Suite 2700  
1000 Second Avenue  
Seattle, WA 98104-1046

Washington State Housing Finance Commission  
Single-Family Program Bonds  
2021 Series 2A (AMT)  
2021 Series 2N (Non-AMT)

Ladies and Gentlemen:

We have acted as Special Tax Counsel in connection with the issuance and sale by the Washington State Housing Finance Commission of the \$79,525,000 aggregate principal amount Single-Family Program Bonds, 2021 Series 2A (AMT) (the “2021 Series 2A Bonds”), and the Single-Family Program Bonds, 2021 Series 2N (Non-AMT) (the “2021 Series 2N Bonds” and together with the 2021 Series 2A Bonds, the “2021 Series 2 Bonds”). The 2021 Series 2 Bonds will be issued pursuant to the Amended and Restated General Trust Indenture dated as of November 1, 2010, as amended (the “General Indenture”), by and between the Washington State Housing Finance Commission (the “Commission”) and Wilmington Trust, National Association, as the successor trustee to Wells Fargo Bank, National Association (the “Trustee”), and a Series Indenture dated as of November 1, 2021 (the “2021 Series 2 Indenture”), between the Commission and the Trustee, authorizing the issuance of the 2021 Series 2 Bonds. Capitalized terms not otherwise defined herein are used as defined in the General Indenture and the 2021 Series 2 Indenture.

In connection with the issuance of the 2021 Series 2 Bonds, we have examined the General Indenture and the 2021 Series 2 Indenture, the Arbitrage and Tax Certification (the “Tax Certificate”) and such other opinions, documents, certificates and letters as we deem relevant and necessary in rendering this opinion.

From such examination, we are of the opinion that, assuming compliance by the Commission with certain restrictions, conditions and requirements contained in the General Indenture, the 2021 Series 2 Indenture and the Tax Certificate designed to meet the requirements of the Internal Revenue Code of 1986, as amended (the “Code”), under existing laws, regulations, rulings and judicial decisions, (1) interest on the 2021 Series 2 Bonds is excluded from gross income of the owners thereof for purposes of federal income taxation, (2) interest on the 2021 Series 2A Bonds is a specific preference item for purposes of the federal alternative minimum tax, and (3) interest on the 2021 Series 2N is not a specific preference item for purposes of the federal alternative minimum tax.

We express no opinion regarding any other consequences affecting the federal income tax liability of a recipient of interest on the 2021 Series 2 Bonds.

The opinions expressed herein are rendered in reliance upon the opinion of Pacifica Law Group LLP, Bond Counsel, as to the validity of the 2021 Series 2 Bonds under the Constitution and laws of the State of Washington.

Very truly yours,

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**APPENDIX F:  
CERTAIN FINANCIAL TABLES**

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**Table F-1**  
**Washington State Housing Finance Commission Single-Family Program Bonds**  
**Outstanding Principal Amounts as of October 1, 2021**

The following table will be updated annually pursuant to the Commission's continuing disclosure undertaking.

Series	Dated Date	Type	Maturity	Coupon	Original Par Amount	Outstanding Par Amount
2013 1A-R, 1N & 1N-R	03/27/2013	Refunding AMT Serials	12/01/2013-06/01/2026	0.45-3.55%	\$21,430,000	\$2,655,000
	"	Non-AMT Term	12/01/2028	3.20%	6,300,000	4,910,000
	"	Non-AMT Term	12/01/2033	3.50%	14,110,000	13,285,000
	"	Non-AMT Term	12/01/2037	3.80%	7,555,000	0
	"	Non-AMT PAC Term	06/01/2043	3.00%	11,380,000	0
2014 2A-R, 2N & 2N-R	"	Refunding Non-AMT Serials	06/01/2015-12/01/2017	0.55-1.20%	1,740,000	0
					<b>\$62,515,000</b>	<b>\$20,850,000</b>
	12/18/2014	Refunding AMT Serials	12/01/2015-06/01/2024	0.35-3.25%	\$12,875,000	\$3,400,000
	"	Refunding AMT PAC Term	06/01/2044	3.50%	14,860,000	1,910,000
	"	Non-AMT Serials	06/01/2024-12/01/2025	2.95-3.05%	3,365,000	0
2015 1A-R & 1N	"	Non-AMT Term	12/01/2029	3.40%	8,815,000	2,345,000
	"	Non-AMT Term	12/01/2033	3.70%	9,620,000	290,000
	"	Refunding Non-AMT Serials	6/01/2015-12/01/2015	0.25-0.30%	980,000	0
					<b>\$50,515,000</b>	<b>\$7,945,000</b>
	12/10/2015	Refunding AMT Serials	06/01/2016-06/01/2026	0.50-3.25%	\$16,330,000	\$10,550,000
2016 1A-R, 1N & VR-1N	"	Refunding AMT Term	12/01/2019	1.50%	3,915,000	0
	"	Refunding AMT PAC Term	06/01/2038	3.50%	18,600,000	4,090,000
	"	Non-AMT Term	12/01/2030	3.45%	12,130,000	6,170,000
	"	Non-AMT Term	12/01/2034	3.70%	12,870,000	0
					<b>\$63,845,000</b>	<b>\$20,810,000</b>
2016 1A-R, 1N & VR-1N	05/26/2016	Refunding AMT Serials	12/01/2016-06/01/2023	0.78-2.15%	\$11,585,000	\$2,675,000
	"	Refunding AMT PAC Term	12/01/2038	3.50	18,915,000	5,200,000
	"	Non-AMT Serials	06/01/2023-12/01/2027	1.875-2.55%	11,025,000	11,025,000
	"	Non-AMT Term	12/01/2031	3.00%	5,110,000	5,110,000
	"	Non-AMT Term	12/01/2036	3.20%	6,780,000	3,835,000
	"	Non-AMT Term	12/01/2041	3.40%	4,585,000	0
	"	Non-AMT Term	12/01/2046	Variable	7,500,000	7,500,000
					<b>\$65,500,000</b>	<b>\$35,345,000</b>

Series	Dated Date	Type	Maturity	Coupon	Original Par Amount	Outstanding Par Amount
2016 2A-R & 2N	11/30/2016	Refunding AMT Serials	06/01/2017-12/01/2024	1.10-2.45%	\$13,685,000	\$5,920,000
	"	Refunding AMT PAC Term	12/01/2046	3.50%	18,360,000	6,085,000
	"	Non-AMT Serials	06/01/2025-12/01/2027	2.25-2.65%	7,260,000	7,260,000
	"	Non-AMT Term	12/01/2031	3.05%	10,425,000	10,425,000
	"	Non-AMT Term	12/01/2036	3.35%	12,510,000	3,485,000
	"	Non-AMT Term	12/01/2038	3.45%	4,805,000	0
					<b>\$67,045,000</b>	<b>\$33,175,000</b>
2017 1A-R & 1N	3/22/2017	Refunding AMT Serials	12/01/2017-12/01/2024	1.09-2.90%	\$6,715,000	\$3,035,000
	"	Refunding AMT PAC Term	6/01/2039	4.00%	6,600,000	3,005,000
	"	Non-AMT Serials	12/01/2017-12/01/2028	0.95-3.15%	24,180,000	17,760,000
	"	Non-AMT Term	12/01/2032	3.60%	16,675,000	2,095,000
	"	Non-AMT PAC Term	12/01/2047	4.00%	13,200,000	6,005,000
					<b>\$67,370,000</b>	<b>\$31,900,000</b>
2017 2A-R & 2N	9/28/2017	Refunding AMT Serials	6/01/2018-12/01/2025	0.95-2.55%	\$6,000,000	\$3,260,000
	"	Non-AMT Serials	12/01/2025-12/01/2028	2.20-2.75%	3,360,000	3,360,000
	"	Non-AMT Term	12/01/2032	3.15%	4,660,000	4,660,000
	"	Non-AMT Term	12/01/2037	3.45%	7,235,000	0
	"	Non-AMT Term	6/01/2040	3.55%	3,400,000	0
	"	Non-AMT PAC Term	6/01/2047	3.50%	10,575,000	5,505,000
					<b>\$35,230,000</b>	<b>\$16,785,000</b>
2017 3N, 3N-R & 3A-R	12/28/2017	Non-AMT Serials	12/01/2023-12/01/2028	2.15-2.85%	\$9,355,000	\$9,355,000
	"	Non-AMT Term	12/01/2032	3.25%	8,360,000	8,360,000
	"	Non-AMT Term	12/01/2037	3.60%	12,715,000	0
	"	Non-AMT Term	12/01/2042	3.75%	14,935,000	0
	"	Non-AMT Term	12/01/2045	3.80%	8,085,000	0
	"	Non-AMT PAC Term	12/01/2047	4.00%	10,820,000	5,760,000
	"	Refunding Non-AMT Serials	12/01/2021-6/01/2023	1.95-2.10%	2,570,000	2,260,000
	"	Refunding AMT Serials	12/01/2018-6/01/2021	1.55-2.25%	3,635,000	0
					<b>\$70,475,000</b>	<b>\$25,735,000</b>

Series	Dated Date	Type	Maturity	Coupon	Original Par Amount	Outstanding Par Amount
2018 1N & 1N-MM	10/18/2018	Non-AMT Serials	6/01/2019-12/01/2030	1.80-3.35%	\$25,415,000	\$20,775,000
	"	Non-AMT Term	12/01/2033	3.60%	5,125,000	0
	"	Non-AMT Term	6/01/2037	3.80%	6,390,000	0
	"	Non-AMT PAC Term	12/01/2048	4.00%	31,260,000	23,605,000
	"	Non-AMT Term	12/01/2048	Variable	30,000,000	30,000,000
					<b>\$98,190,000</b>	<b>\$74,380,000</b>
2019 1N	3/20/2019	Non-AMT Serials	12/01/2019-12/01/2031	1.55-3.15%	\$19,680,000	\$17,030,000
	"	Non-AMT Term	12/01/2034	3.375%	6,910,000	1,080,000
	"	Non-AMT Term	12/01/2039	3.750%	14,130,000	0
	"	Non-AMT Term	6/01/2043	3.875%	12,425,000	0
	"	Non-AMT PAC Term	6/01/2049	4.000%	25,065,000	20,805,000
					<b>\$78,210,000</b>	<b>\$38,915,000</b>
2019 2A & 2N	11/26/2019	AMT Serials	6/01/2020-6/01/2027	1.50-2.35%	\$5,530,000	\$4,450,000
	"	Non-AMT Serials	6/01/2027-12/01/2031	1.90-2.40%	5,060,000	5,060,000
	"	Non-AMT Term	12/01/2034	2.75%	3,550,000	3,550,000
	"	Non-AMT Term	12/01/2039	3.00%	6,885,000	6,885,000
	"	Non-AMT Term	12/01/2041	3.05%	3,120,000	3,120,000
					<b>\$38,535,000</b>	<b>\$36,525,000</b>
2020 1A & 1N	05/28/2020	AMT Serials	6/01/2021-12/01/2027	0.95-2.25%	\$7,370,000	\$6,425,000
	"	Non-AMT Serials	12/01/2027-12/01/2032	2.00-2.40%	6,365,000	6,365,000
	"	Non-AMT Term	12/01/2035	2.45%	3,805,000	3,805,000
	"	Non-AMT Term	12/01/2040	2.65%	7,250,000	7,250,000
	"	Non-AMT Term	12/01/2043	2.80%	4,200,000	4,200,000
					<b>\$41,765,000</b>	<b>\$40,285,000</b>
2020 2N	11/30/2020	Non-AMT Serials	06/01/2021-12/01/2032	0.2%-2.05%	\$11,540,000	\$11,170,000
	"	Non-AMT Term	12/1/2035	2.15%	3,670,000	3,670,000
	"	Non-AMT Term	12/1/2040	2.35%	10,665,000	10,665,000
	"	Non-AMT Term	6/1/2044	2.45%	1,105,000	1,105,000
	"	Non-AMT PAC Term	12/1/2050	3.00%	11,855,000	11,770,000
					<b>\$38,835,000</b>	<b>\$38,380,000</b>
2021 1N	5/27/2021	Non-AMT Serials	12/21/2021-12/01/2033	0.125%-2.00%	\$27,695,000	\$27,695,000
	"	Non-AMT Term	12/1/2036	2.00%	8,765,000	8,765,000
	"	Non-AMT Term	12/1/2040	2.35%	13,315,000	13,315,000
	"	Non-AMT PAC Term	12/1/2050	3.00%	21,855,000	21,855,000
						<b>\$71,630,000</b>

Series	Dated Date	Type	Maturity	Coupon	Original Par Amount	Outstanding Par Amount
		Total Outstanding Long-Term Bonds (including variable rate Bonds):			\$849,660,000	\$492,660,000

**Table F-2**  
**Washington State Housing Finance Commission Single-Family Program Bonds**  
**Historical Cross-Calls of Bonds**  
(As of October 1, 2021)

The following table will be updated annually pursuant to the Commission's continuing disclosure undertaking.

Date (1)	Series Called	Amount Called	Cumulative Total
12/1/1998	1997 Series 2T	\$1,585,000	\$1,585,000
6/1/1999	1997 Series 2T	2,090,000	3,675,000
12/1/1999	1997 Series 2T	1,325,000	5,000,000
6/1/2000	1997 Series 2T	785,000	5,785,000
12/1/2000	1995 Series 1A-2	2,645,000	8,430,000
6/1/2001	2000 Series 1A	1,970,000	10,400,000
12/1/2001	2000 Series 2T	8,295,000	18,695,000
6/1/2002	2000 Series 1T, 2T & 3T	11,040,000	29,735,000
12/1/2002	1996 Series 1A-1; 2000 Series 1A	17,985,000	47,720,000
6/1/2003	1996 Series 2T & 3T; 1997 Series 3T & 4T; 1998 Series 1T, 2T & 3T; 1999 Series 3T, 4T & 5T; 2000 Series 4T	33,440,000	81,160,000
12/1/2003	1995 Series 1A-1 & 1A-3; 1996 Series 1A, 2A & 3A; 1997 Series 2A; 1998 Series 1T, 4T & 5T; 1999 Series 1T & 2T; 2000 Series 2A & 3A	46,375,000	127,535,000
6/1/2004	1995 Series 1A-3; 1996 Series 2A, 2N & 3A; 1997 Series 2N; 1999 Series 5A; 2000 Series 2A, 3A & 4A	34,025,000	161,560,000
12/1/2004	1995 Series 1A-3; 1996 Series 1A-1 & 2A; 1997 Series 2A, 3A & 4A; 1999 Series 4A & 5N; 2000 Series 1A, 2N, 3A, 3N & 4A; 2002 Series 1A & 2A	32,345,000	193,905,000
6/1/2005	1997 Series 4A; 1998 Series 4A; 1999 Series 2A; 2001 Series 2A, 4A & 5A; 2002 Series 1A & 2A	33,631,290	227,536,290
12/1/2005	2000 Series 1A & 3A; 2001 Series 2A & 5A; 2002 Series 1A	22,955,000	250,491,290
6/1/2006	1995 Series 1A-1; 1997 Series 3A; 2000 Series 1A, 2A & 2N; 2001 Series 1A, 1N, 4T & 5A; 2002 Series 4A	17,640,000	268,131,290
12/1/2006	1998 Series 2, 3, 4 & 5; 1999 Series 1; 2000 Series 2, 3, 4 & 5; 2001 Series 1; and 2002 Series 4	22,456,079	290,587,369
6/1/2007	1997 Series 3A & 4T; 2000 Series 2A; 2001 Series 3N-R	1,380,000	291,967,369
6/1/2009	2008 Series VR-1A	150,000	292,117,369
12/1/2009	1999 Series 4A & 5A; 2008 Series 1A, VR-1A & VR-2N	23,735,000	315,852,369
4/1/2010	1998 Series 2A & 3A; 1999 Series 3A, 4A & 5A; 2002 Series 2A; 2006 Series 6A; 2008 Series 1A & 2N; 2009 Series 1N & 2N	20,160,000	336,012,369
6/1/2010	1998 Series 1A, 2A & 4A; 2002 Series 1 & 3A-R; 2004 Series 1A & 2A; 2008 Series VR-1A, 2N & VR-2N	24,410,000	360,422,369
10/1/2010	1998 Series 1A & 3N; 1999 Series 2A; 2002 Series 5A; 2007 Series 5A; 2009 Series 1N	30,305,000	390,727,369
12/1/2010	2003 Series 2A; 2007 Series 4T & 5A; 2008 Series 2N	12,000,000	402,727,369
3/1/2011	2001 Series 5A; 2002 Series 2A; 2003 Series 2A; 2004 Series 2A; 2007 Series 4T; 2008 Series 2N; 2009 Series 1N	21,655,000	424,382,369
6/1/2011	2007 Series 4T; 2008 Series VR-1A & VR-2N	1,560,000	425,942,369
9/1/2011	2001 Series 5A; 2002 Series 5A; 2004 Series 2A	5,315,000	431,257,369
12/1/2011	2004 Series 2A & 3A; 2006 Series 4A; 2008 Series VR-1A & VR-2N	24,145,000	455,402,369
2/1/2012	2004 Series 3A; 2006 Series 4A; 2007 Series 5A	12,240,000	467,642,369
6/1/2012	2004 Series 3A; 2005 Series 1A; 2006 Series 4A, 2008 Series VR-1A and VR -2N	20,150,000	487,792,369
6/15/2012	2006 Series 4A	1,620,000	489,412,369
9/1/2012	2002 Series 4A; 2004 Series 3A; 2005 Series 5A; 2006 Series 4A; 2007 Series 5A	24,560,000	513,972,369
12/1/2012	2005 Series 5A; 2006 Series 3A & 4A; 2007 Series 3A & 4A; 2008 Series VR-1A & VR 2N; 2009 Series 1N	43,555,000	557,527,369
3/1/2013	2006 Series 2A, 3A & 4A; 2008 Series 2N	27,160,000	584,687,369
6/1/2013	2006 Series 1A, 2A, 3A & 5A; 2007 Series 3A; 2008 Series VR-1A & VR 2N	37,465,000	622,152,369
12/1/2013	2004 Series 4A & 4N; 2005 Series 5 1A; 1N, 2A, 3A & 4A; 2006 Series 1A, 2A, 3A, 5A & 6A; 2007 Series 1A, 2A, 3A, 4A, 4N & 5A; 2008 Series VR 1A, 2N & VR 2N; 2009 Series 1N & 2N; 2010 Series 1A R	57,350,000	679,502,369
3/1/2014	2006 Series 5A; 2006 Series 6A; 2007 Series 1A, 2A, 3A & 4A; 2009 Series 2N; 2010 Series 1A-R	18,880,000	698,382,369
6/1/2014	2005 Series 3A & 4A; 2006 Series 1A; 2007 Series 4T; 2008 Series VR-1A & VR-2N	7,325,000	705,707,369
9/1/2014	2005 Series 4A; 2006 Series 2A; 2007 Series 1A; 2007 Series 3A; 2009 Series 2N	7,795,000	713,502,369
12/1/2014	2006 Series 6A; 2007 Series 1A; 3A; 4A & 4T; 2008 Series VR-1A & VR-2N	12,725,000	726,227,369

Date (1)	Series Called	Amount Called	Cumulative Total
3/1/2015	2007 Series 3A & 4A; Series 2010 1A-R	11,665,000	737,892,369
6/1/2015	2006 Series 6A; 2007 Series 1A, 3A, 4A, & 4T; 2008 Series VR-1A & VR-2N; 2010 Series 1A-R; 2014 Series 1N	12,707,146	750,599,515
9/1/2015	2007 Series 3A, & 4A	7,720,000	758,319,515
12/1/2015	2007 Series 2A; 2008 Series VR-1A & VR-2N; 2009 Series 2N; 2010 Series 1A-R	15,785,000	774,104,515
3/1/2016	2009 Series 2N; 2014 Series 1A-R & 1N	7,905,000	782,009,515
5/26/2016	2005 Series 2VR	30,000	782,039,515
6/1/2016	2006 Series 2006A; 2007 1A; 2008 VR-1A & VR-2N; 2014-1N & 1A-R	12,470,000	794,509,515
9/1/2016	2013 Series 1N; 2014-1N & 1A-R	4,055,000	798,564,515
12/1/2016	2008 Series VR-1A; 2008 Series VR-2N; 2009 Series 2N; 2010 Series 1A-R; 2014 1N & 1A-R; 2014 Series 2N	11,800,941	810,365,456
3/1/2017	2008 Series 1A; 2009 Series 2N; 2013 Series 1N; 2014 Series 1N; 2014 Series 2N	5,620,000	815,985,456
6/1/2017	2008 Series VR1A & 2A; 2013 Series 1A-R; 2014 Series 2N; 2015 Series 1N	8,680,000	824,665,456
9/1/2017	2013 Series 1A-R & 1N; 2014 Series 2N; 2015 Series 1N	10,805,000	835,470,456
12/1/2017	2008 Series VR1A & 2N; 2010 Series 1A-R; 2013 Series 1A-R; 2014 Series 2N & 2A-R; 2015 Series 1N; 2016 Series 2A-R	10,360,000	845,830,456
3/1/2018	2013 Series 1N; 2014 Series 1N; 2014 Series 2A-R; 2015 Series 1A-R; 2017 Series 1A-R & 1N	2,095,000	847,925,456
6/1/2018	There were no cross-calls on 6/1/2018	0	847,925,456
9/1/2018	There were no cross-calls on 9/1/2018	0	847,925,456
12/1/2018	There were no cross-calls on 12/1/2018	0	847,925,456
3/1/2019	There were no cross-calls on 3/1/2019	0	847,925,456
9/1/2019	There were no cross-calls on 9/1/2019	0	847,925,456
12/1/2019	2010 Series 1N; 2015 Series 1N; 2017 Series 1N	9,780,000	857,705,456
3/1/2020	There were no cross-calls on 3/1/2020	0	857,705,456
6/1/2020	2017 Series 1N; 2018 Series 1N	4,640,000	862,345,456
9/1/2020	There were no cross-calls on 9/1/2020	0	862,345,456
12/1/2020	2017 Series 3N; 2019 Series 1N	32,900,000	895,245,456
3/1/2021	2017 Series 2N; 2017 Series 3N; 2018 Series 1N; 2019 Series 1N	20,970,000	916,215,456
6/1/2021	2016 Series 1N; 2016 Series 2N; 2017 Series 1N; 2017 Series 2N; 2017 Series 3N; 2018 Series 1N	34,605,000	950,820,456
9/1/2021	2016 Series 1N; 2016 Series 2N; 2017 Series 1N; 2017 Series 2N; 2019 Series 1N	22,300,000	973,120,456

(1) There were no cross-calls of Bonds prior to December 1, 1998.

**Table F-3**  
**Washington State Housing Finance Commission Single-Family Program Bonds**  
**Historical Usage of Bond Proceeds**  
(As of October 1, 2021)

The following table will be updated annually pursuant to the Commission's continuing disclosure undertaking.

Bond Series	House Key No.	Date of Issue/ Long-Term Remarketing	Proceeds Available to Purchase Eligible Collateral (*)	Initial 30-Year Standard Mortgage Loan Interest Rates	Proceeds Used to Purchase Eligible Collateral		Unexpended Proceeds Redemptions
					Amount	Percent	
1995 Series 1A-1	17	06/07/1995	\$40,000,000	7.13%	\$36,267,273	90.7%	\$3,795,000
1995 Series 1A-2	18	11/01/1995	25,000,000	7.1/6.85%	24,974,688	99.9	25,000
1995 Series 1A-3	19	05/01/1996	20,000,000	6.85%	19,942,038	99.7	95,000
1996 Series 1A-1	20	05/30/1996	25,000,000	7.2%	24,957,392	99.8	40,000
1996 Series 2	21	09/04/1996	30,000,000	7.2%	29,944,622	99.8	55,000
1996 Series 3	22	12/04/1996	20,000,000	7.1%	19,942,758	99.7	55,000
1997 Series 2	23	05/15/1997	34,525,000	7.2%	32,400,564	93.8	2,005,000
1997 Series 3	24	08/27/1997	21,600,000	6.65%	21,228,705	98.3	360,000
1997 Series 4	25	11/21/1997	20,000,000	6.55%	19,923,319	99.6	75,000
1998 Series 1	26	02/26/1998	20,000,000	6.25%	19,941,204	99.7	55,000
1998 Series 2	27	04/23/1998	16,000,000	6.25%	15,926,805	99.5	70,000
1998 Series 3	28	06/04/1998	34,480,000	6.25/6.35%	34,309,191	99.5	170,000
1998 Series 4	29	08/27/1998	35,002,696	6.25%	34,735,795	99.2	266,901
1998 Series 5	30	11/19/1998	22,217,675	5.99%	22,017,841	99.1	194,982
1999 Series 1	31	02/24/1999	25,001,382	5.95%	24,678,858	98.7	314,964
1999 Series 2	32	05/27/1999	23,500,452	6.05%	23,457,064	99.8	40,809
1999 Series 3	33	06/24/1999	30,000,000	6.75%	29,858,368	99.5	140,000
1999 Series 4	34	08/25/1999	35,000,000	6.95%	34,967,118	99.9	30,000
1999 Series 5	35	11/02/1999	32,575,000	6.99%	32,520,534	99.8	50,000
2000 Series 1	36	02/24/2000	30,000,000	7.45%	29,743,135	99.1	255,000
2000 Series 2	37	04/27/2000	35,000,000	7.55%	34,992,960	100.0	0
2000 Series 3	38	07/12/2000	32,000,000	7.55/7.25%	26,446,370	82.6	5,550,000
2000 Series 4	39	11/14/2000	23,000,000	5.5 to 6.95%	22,965,835	99.9	30,000
2001 Series 1	40	02/28/2001	20,000,000	5.99%	19,993,264	100.0	0
2001 Series 2	41	05/30/2001	27,000,000	6.15%	26,972,284	99.9	25,000
2001 Series 4	42	07/26/2001	30,000,000	6.3/5.99%	29,955,148	99.9	40,000
2001 Series 5	43	11/15/2001	20,000,000	5.99%	19,984,900	99.9	10,000
2002 Series 1	44	03/14/2002	20,000,000	6.25%	18,426,573	92.1	1,570,000
2002 Series 2	45	05/30/2002	27,550,000	5.75 to 6.25%	25,050,000	90.9	2,500,000
2002 Series 4	46	09/05/2002	25,000,000	5.5 to 6.25%	20,753,574	83.0	4,245,000
2002 Series 5	47	01/15/2003	20,000,000	5.25%	19,997,891	100.0	0
2003 Series 1	48	05/21/2003	20,000,000	5.1/4.99%	19,997,927	100.0	0
2003 Series 2	49	09/25/2003	20,000,000	5.25/4.99%	19,992,569	100.0	0
2003 Series 3	50	11/19/2003	20,000,000	5.25/5.1%	19,985,751	99.9	10,000
2004 Series 1	51	03/18/2004	26,642,195	4.85 to 5.25%	26,638,955	100.0	0
2004 Series 2	52	07/07/2004	35,235,207	5.1 to 5.5%	35,234,194	100.0	0
2004 Series 3	53	08/25/2004	30,203,992	5.2 to 5.6%	30,199,223	100.0	0
2004 Series 4	54	12/09/2004	20,117,059	4.85 to 5.5%	20,115,064	100.0	0
2005 Series 1	05-1	03/31/2005	25,187,154	4.8 to 5.45%	25,182,119	100.0	0
2005 Series 2	05-2	06/16/2005	30,121,989	4.95 to 5.45%	30,120,646	100.0	0
2005 Series 3	05-3	08/04/2005	19,998,827	4.95 to 5.75%	19,999,486	100.0	0
2005 Series 4	05-4	09/29/2005	24,991,436	5.15 to 5.75%	24,989,369	100.0	0
2005 Series 5	05-5	12/15/2005	25,000,174	5.25 to 5.75%	24,998,236	100.0	0
2006 Series 1	06-1	02/23/2006	50,033,260	5.25 to 5.75%	50,029,368	100.0	0
2006 Series 2	06-2	05/25/2006	49,995,744	5.25 to 5.75%	49,998,125	100.0	0
2006 Series 3	06-3	07/13/2006	55,000,000	5.375 to 6.125%	54,998,476	100.0	0
2006 Series 4	06-4	08/23/2006	55,000,000	5.625 to 6.125%	54,999,469	100.0	0
2006 Series 5	06-5	10/12/2006	55,000,000	5.375 to 6.125%	54,995,395	100.0	0
2006 Series 6	06-6	12/06/2006	55,058,240	5.375 to 5.875%	55,055,466	100.0	0
2007 Series 1	07-1	02/08/2007	54,958,608	5.25 to 6.75%	54,955,937	100.0	0
2007 Series 2	07-2	03/29/2007	55,000,000	5.25 to 6.75%	54,997,582	100.0	0
2007 Series 3	07-3	05/17/2007	55,045,516	5.50 to 6.75%	55,042,389	100.0	0
2007 Series 4	07-4	06/20/2007	54,995,133	5.50 to 6.0%	54,993,112	100.0	0

(\*) Represents initial principal proceeds plus original issue premium, if any.

Bond Series	House Key No.	Date of Issue/ Long-Term Remarketing	Proceeds Available to Purchase Eligible Collateral (*)	Initial 30-Year Standard Mortgage Loan Interest Rates	Proceeds Used to Purchase Eligible Collateral		Unexpended Proceeds Redemptions
					Amount	Percent	
2007 Series 5	07-5	10/25/2007	\$50,000,000	5.625 to 6.5%	\$50,000,000	100.0%	\$0
2008 Series 1	08-1	07/22/2008	35,000,000	5.75 to 6.0%	34,999,224	100.0	0
2008 Series 2	08-2	09/25/2008	41,000,000	6.0 to 6.75%	40,996,264	100.0	0
2009 Series 1	09-1	06/25/2009	20,000,000	5.50 to 6.0%	19,999,897	100.0	0
2009 Series 2	09-2	10/28/2009	24,998,560	5.50 to 6.0%	24,997,972	100.0	0
2010 Series 1	10-1	11/30/2010	5,000,000	3.75 to 5.0%	5,000,000	100.0	0
2013 Series 1	13-1	03/27/2013	40,020,631	2.50 to 4.75%	40,020,631	100.0	0
2014 Series 1	14-1	01/28/2014	19,114,335	2.5 to 2.75%	19,114,335	100.0	0
2014 Series 2	14-2	12/18/2014	21,800,000	3.5 to 3.75%	21,800,000	100.0	0
2015 Series 1	15-1	12/10/2015	25,000,000	3.0 to 3.25%	25,000,000	100.0	0
2016 Series 1	16-1	05/26/2016	35,000,000	3.4 to 3.5%	35,000,000	100.0	0
2016 Series 2	16-2	11/30/2016	35,000,000	3.05 to 3.5%	35,000,000	100.0	0
2017 Series 1	17-1	04/27/2017	55,026,388	3.6 to 4.0%	55,026,388	100.0	0
2017 Series 2	17-2	09/28/2017	30,000,000	3.125 to 4.375%	30,000,000	100.0	0
2017 Series 3	17-3	12/28/2017	64,995,589	4.125 to 4.375%	64,995,589	100.0	0
2018 Series 1	18-1	10/18/2018	99,995,890	4.00 to 4.625%	99,995,890	100.0	0
2019 Series 1	19-1	03/20/2019	79,996,132	4.95 to 5.20%	79,996,132	100.0	0
2019 Series 2	19-2	11/26/2019	39,999,039	3.625 to 3.875%	39,999,039	100.0	0
2020 Series 1	20-1	05/28/2020	42,994,211	3.375 to 4.25%	42,989,489	100.0	0
2020 Series 2	20-2	11/30/2020	39,995,486	2.50 to 3.875%	39,995,486	100.0	0
2021 Series 1	21-1	05/27/2021	59,994,784	2.50 to 3.375%	21,428,716	35.7	
Totals			<u>\$2,521,967,783</u>		<u>\$2,461,159,980</u>	<u>97.6%</u>	<u>\$22,072,656</u>

(\*) Represents initial principal proceeds plus original issue premium, if any.



**Table F-4**  
**Washington State Housing Finance Commission Single-Family Program Bonds, 2021 Series 2**  
**Allocation to Principal Receipts Subaccounts<sup>†</sup>**

From Date	To Date	2021 Series 2 Restricted Principal Receipts Subaccount	2021 Series 2 Unrestricted Principal Receipts Subaccount
Issue Date	03/26/2023	3.43978%	96.56022%
03/27/2023	01/27/2024	3.44533%	96.55467%
01/28/2024	12/09/2025	3.44639%	96.55361%
12/10/2025	05/25/2026	3.45438%	96.54562%
05/26/2026	11/29/2026	3.45587%	96.54413%
11/30/2026	04/26/2027	3.47434%	96.52566%
04/27/2027	09/27/2027	14.07882%	85.92118%
09/28/2027	12/27/2027	14.58280%	85.41720%
12/28/2027	10/17/2028	19.94317%	80.05683%
10/18/2028	03/19/2029	36.53791%	63.46209%
03/20/2029	11/25/2029	43.38658%	56.61342%
11/26/2029	05/27/2030	43.43246%	56.56754%
05/28/2030	05/26/2031	43.43286%	56.56714%
05/27/2031	11/29/2031	43.51553%	56.48447%
11/30/2031	Final Maturity	100.00000%	0.00000%

<sup>†</sup> Assumes the so-called “10-Year Rule” set forth in Section 143(a)(2)(A)(iv) of the Code is not repealed while the 2021 Series 2 Bonds are outstanding.

**Table F-5**  
**Washington State Housing Finance Commission Single-Family Program Bonds**  
**Mortgage-Backed Security (MBS) Pool Information**  
(Pools purchased as of October 1, 2021; reflecting September 2021 factors)<sup>2</sup>

Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
FHLMC	B31804	4.750	494,422	134,959.02	6/1/2036	FHLMC	B31901	4.875	341,646	66,182.06	11/1/2036
FHLMC	A54719	4.875	1,952,727	69,308.78	7/1/2036	FHLMC	A61201	5.375	1,687,391	72,990.90	12/1/2036
FHLMC	A54720	5.375	1,854,727	90,574.77	7/1/2036	FHLMC	A61225	5.125	1,594,422	174,108.10	12/1/2036
FHLMC	B31777	4.750	490,300	130,899.49	7/1/2036	FHLMC	A61296	4.875	2,085,180	107,149.55	12/1/2036
FHLMC	B31782	5.375	494,471	34,753.85	7/1/2036	FHLMC	A61404	5.125	1,324,846	103,119.89	12/1/2036
FHLMC	A54744	4.875	1,305,897	78,754.57	8/1/2036	FHLMC	B31851	5.375	654,810	58,381.74	12/1/2036
FHLMC	A54745	5.125	1,843,636	110,427.39	8/1/2036	FHLMC	A61297	5.125	1,387,272	51,646.67	1/1/2037
FHLMC	A54851	5.375	2,779,675	81,430.90	8/1/2036	FHLMC	A61367	5.125	2,013,910	96,355.13	1/1/2037
FHLMC	B31781	5.125	717,861	145,143.27	8/1/2036	FHLMC	B31864	5.375	617,820	146,140.18	1/1/2037
FHLMC	B31795	5.375	317,938	60,401.95	8/1/2036	FHLMC	B31884	4.875	783,964	45,093.68	1/1/2037
FHLMC	A54852	5.375	2,393,252	128,569.14	9/1/2036	FHLMC	B31862	4.875	578,220	65,122.21	2/1/2037
FHLMC	A61140	4.875	1,628,299	79,098.95	9/1/2036	FHLMC	B31863	5.375	743,339	108,818.96	2/1/2037
FHLMC	B31791	5.375	883,009	53,495.12	9/1/2036	FHLMC	B31908	4.875	312,535	129,000.80	3/1/2037
FHLMC	B31818	5.125	596,196	49,949.34	9/1/2036	FHLMC	A70425	5.000	1,206,020	169,530.04	9/1/2037
FHLMC	A61048	5.125	1,700,051	105,560.34	10/1/2036	FHLMC	B32074	5.250	479,576	105,894.04	9/1/2037
FHLMC	A61049	5.375	1,255,500	140,864.47	10/1/2036	FHLMC	B32085	5.500	594,994	110,747.21	10/1/2037
FHLMC	A61075	5.125	1,240,168	66,737.98	10/1/2036	FHLMC	A70432	5.750	1,886,326	125,996.66	11/1/2037
FHLMC	A61076	5.375	1,489,265	77,278.24	10/1/2036	FHLMC	A80340	5.000	2,367,688	325,832.35	11/1/2037
FHLMC	A61123	5.125	1,305,099	82,487.45	10/1/2036	FHLMC	B32079	6.250	948,938	102,230.80	11/1/2037
FHLMC	B31839	4.875	362,849	15,831.20	10/1/2036	FHLMC	B32080	5.750	934,060	121,316.21	11/1/2037
FHLMC	B31835	5.125	406,518	78,545.98	10/1/2036	FHLMC	B32082	6.000	866,028	67,968.13	11/1/2037
FHLMC	B31831	5.375	270,754	98,420.89	10/1/2036	FHLMC	B32113	5.500	568,606	72,221.27	1/1/2038
FHLMC	B31837	5.625	572,690	69,931.30	10/1/2036	FHLMC	U32519	4.250	65,351	26,811.23	11/1/2041
FHLMC	A61120	5.125	2,251,916	70,306.03	11/1/2036	FHLMC	QA6559	3.310	523,389	507,182.18	11/1/2049
FHLMC	A61139	5.375	1,136,252	105,724.47	11/1/2036	FHLMC	QA6558	3.185	999,482	503,577.52	12/1/2049
FHLMC	A61202	5.125	1,595,402	137,869.28	11/1/2036	FHLMC	QA7428	3.185	1,681,560	1,099,596.47	2/1/2050
FHLMC	B31824	5.625	688,671	167,084.75	11/1/2036	FHLMC	QA8382	3.185	596,577	571,146.41	2/1/2050
FHLMC	B31836	5.125	494,455	24,872.63	11/1/2036	FHLMC	QA9139	3.185	523,999	180,245.13	4/1/2050

<sup>1</sup> This table does not include mortgage-backed securities that are held in the Commission Fund (which are not pledged to the payment of Bonds).

<sup>2</sup> The Fannie Mae Certificates and Freddie Mac Certificates originated on or after June 3, 2019 are formally known as Uniform Mortgage-Backed Securities (UMBSs).

Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
FHLMC	QA9921	3.175	391,516	381,635.41	4/1/2050	FNMA	397387	6.700	2,674,821	21,475.59	9/1/2027
FHLMC	QA9920	2.925	281,300	274,103.86	5/1/2050	FNMA	397388	6.700	570,722	55,475.27	11/1/2027
FHLMC	QB0763	2.925	164,646	160,744.34	5/1/2050	FNMA	419287	6.150	2,271,370	12,115.08	1/1/2028
FHLMC	QB1635	2.925	630,833	611,749.79	6/1/2050	FNMA	419653	6.050	1,552,767	31,350.75	2/1/2028
FHLMC	QB2885	3.175	389,272	381,597.21	6/1/2050	FNMA	442540	5.750	1,263,273	37,911.51	7/1/2028
FHLMC	QB2884	3.050	135,498	132,143.63	7/1/2050	FNMA	442541	5.750	579,029	8,209.29	7/1/2028
FHLMC	QB4005	2.800	235,600	231,078.54	9/1/2050	FNMA	445315	5.850	2,724,790	34,870.57	9/1/2028
FHLMC	QB5029	2.800	527,257	515,989.56	9/1/2050	FNMA	445316	5.850	1,171,564	24,721.52	10/1/2028
FHLMC	QB6158	2.550	169,470	166,638.87	10/1/2050	FNMA	445317	5.750	435,017	18,416.12	10/1/2028
FHLMC	QB8202	2.550	388,167	382,969.90	11/1/2050	FNMA	453225	5.750	540,484	38,540.00	10/1/2028
FHLMC	QB8201	2.300	138,961	137,028.53	12/1/2050	FNMA	453226	5.750	1,049,620	49,881.11	11/1/2028
FHLMC	QB9184	2.300	819,818	807,553.27	1/1/2051	FNMA	453229	5.750	727,540	30,083.36	2/1/2029
FHLMC	QC1330	2.300	228,430	225,441.83	1/1/2051	FNMA	453230	5.490	1,123,358	38,920.89	2/1/2029
FHLMC	QC0323	2.300	890,082	880,670.85	2/1/2051	FNMA	453231	5.750	555,155	32,685.23	2/1/2029
FHLMC	QC0322	2.050	561,231	555,130.85	3/1/2051	FNMA	453232	5.750	327,913	15,341.69	2/1/2029
FHLMC	QC1329	2.050	520,100	515,421.78	4/1/2051	FNMA	453233	5.750	99,325	21,719.85	3/1/2029
FHLMC	QC2470	2.050	600,822	596,486.02	4/1/2051	FNMA	514473	5.490	379,536	30,916.58	4/1/2029
FHLMC	QC3556	2.050	1,280,329	1,272,996.32	5/1/2051	FNMA	523657	6.250	2,705,116	18,764.20	10/1/2029
FHLMC	QC4752	2.050	844,623	841,102.39	7/1/2051	FNMA	524131	6.450	1,125,455	35,239.30	12/1/2029
FHLMC	QC6110	2.050	314,728	314,163.55	8/1/2051	FNMA	534425	6.490	2,715,814	18,306.96	2/1/2030
FHLMC	QC7887	2.050	1,512,067	1,512,067.00	9/1/2051	FNMA	534426	6.490	790,362	30,676.59	2/1/2030
<b>Total FHLMC:</b>											
			71,914,699	18,700,400.57							
FNMA	282212	6.325	792,160	9,089.58	8/1/2024	FNMA	543339	6.950	1,552,805	49,067.77	5/1/2030
FNMA	282225	7.000	2,084,660	9,184.29	9/1/2024	FNMA	546513	6.950	411,164	13,726.72	7/1/2030
FNMA	282192	7.325	1,853,788	23,838.93	5/1/2025	FNMA	558238	7.050	313,658	11,598.10	10/1/2030
FNMA	315528	6.850	1,138,038	30,318.27	6/1/2025	FNMA	558239	7.050	393,484	30,943.09	10/1/2030
FNMA	315537	6.850	2,820,969	17,714.92	7/1/2025	FNMA	558241	7.050	735,636	20,450.34	11/1/2030
FNMA	315558	6.580	1,362,565	23,967.01	9/1/2025	FNMA	558243	7.050	1,940,853	70,968.14	12/1/2030
FNMA	315565	6.580	1,596,982	9,451.06	10/1/2025	FNMA	575956	7.050	838,279	52,851.49	1/1/2031
FNMA	339644	6.550	461,088	9,529.38	2/1/2026	FNMA	575954	6.450	886,782	38,396.99	2/1/2031
FNMA	339653	6.300	820,862	19,883.04	5/1/2026	FNMA	575961	6.450	771,833	42,918.36	4/1/2031
FNMA	354281	6.350	1,538,180	44,456.11	8/1/2026	FNMA	606332	5.490	2,358,682	131,950.68	8/1/2031
FNMA	359924	6.700	2,957,084	25,189.53	9/1/2026	FNMA	606333	6.450	1,045,394	51,109.87	10/1/2031
FNMA	359925	6.700	3,562,692	31,954.45	11/1/2026	FNMA	613274	5.800	380,650	23,100.73	10/1/2031
FNMA	374369	6.700	2,396,986	1,547.99	1/1/2027	FNMA	613275	5.800	1,443,516	70,418.00	10/1/2031
FNMA	377900	6.600	1,468,405	32,471.03	4/1/2027	FNMA	613278	5.650	869,657	53,767.49	11/1/2031
FNMA	868643	4.800	69,585	26,205.19	5/1/2027	FNMA	613280	5.490	745,095	143,994.83	11/1/2031
FNMA	397386	6.700	1,040,859	27,753.54	8/1/2027	FNMA	629707	5.490	621,765	70,102.69	12/1/2031

Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
FNMA	629702	5.490	1,203,650	139,652.47	2/1/2032	FNMA	797270	4.750	99,502	57,357.41	5/1/2034
FNMA	647966	5.490	355,564	18,060.85	2/1/2032	FNMA	788815	4.600	286,899	34,331.43	6/1/2034
FNMA	629704	5.490	1,063,604	33,359.32	3/1/2032	FNMA	788816	4.350	2,030,620	298,989.46	7/1/2034
FNMA	629706	5.000	445,688	24,981.20	4/1/2032	FNMA	788817	4.550	1,411,716	60,439.45	7/1/2034
FNMA	647968	5.750	1,430,864	135,486.41	5/1/2032	FNMA	788818	4.750	1,598,067	36,902.21	7/1/2034
FNMA	647967	5.650	102,113	26,184.21	6/1/2032	FNMA	788820	4.800	475,252	14,004.37	7/1/2034
FNMA	647969	5.750	597,623	22,557.18	7/1/2032	FNMA	797267	4.550	514,633	58,670.20	7/1/2034
FNMA	689804	5.750	25,734	12,318.51	7/1/2032	FNMA	788819	4.600	1,072,064	82,429.27	8/1/2034
FNMA	656957	5.490	364,324	45,439.12	8/1/2032	FNMA	797254	4.350	609,302	190,029.68	8/1/2034
FNMA	656962	5.750	903,791	43,174.17	9/1/2032	FNMA	797251	4.600	1,156,706	133,946.91	9/1/2034
FNMA	656963	5.490	275,572	33,229.76	9/1/2032	FNMA	797252	4.800	2,164,184	49,023.11	9/1/2034
FNMA	673801	5.750	284,188	27,186.48	9/1/2032	FNMA	797253	5.000	2,203,226	119,982.56	9/1/2034
FNMA	673796	5.000	527,896	30,923.28	11/1/2032	FNMA	810273	4.600	873,414	119,955.53	9/1/2034
FNMA	689812	5.250	223,729	77,561.68	12/1/2032	FNMA	797261	5.100	566,651	84,418.61	10/1/2034
FNMA	689803	5.490	207,437	113,264.49	1/1/2033	FNMA	797262	4.900	1,027,424	46,553.22	10/1/2034
FNMA	689805	5.000	357,316	70,562.22	1/1/2033	FNMA	797264	4.700	912,524	60,623.20	11/1/2034
FNMA	689806	4.750	412,943	18,009.66	2/1/2033	FNMA	797266	5.100	1,108,621	89,809.76	11/1/2034
FNMA	689810	4.750	427,918	87,450.11	4/1/2033	FNMA	810272	4.350	407,422	47,826.16	11/1/2034
FNMA	721733	4.750	749,880	83,280.32	5/1/2033	FNMA	807312	4.700	621,526	115,387.49	12/1/2034
FNMA	740642	4.750	386,356	71,954.93	5/1/2033	FNMA	807313	4.900	1,120,120	64,782.22	12/1/2034
FNMA	721734	4.750	1,271,524	74,952.77	7/1/2033	FNMA	810276	4.700	486,806	11,183.54	12/1/2034
FNMA	721735	4.600	891,704	48,905.98	7/1/2033	FNMA	824141	4.750	57,693	36,605.24	12/1/2034
FNMA	740644	4.600	848,134	51,736.88	7/1/2033	FNMA	810281	5.000	564,718	205,254.21	1/1/2035
FNMA	740651	4.600	351,875	41,726.23	7/1/2033	FNMA	818969	4.500	447,806	110,147.44	1/1/2035
FNMA	740643	4.490	737,820	107,374.52	9/1/2033	FNMA	818971	4.500	418,541	14,748.46	2/1/2035
FNMA	740645	4.490	855,935	126,049.08	10/1/2033	FNMA	820523	4.350	309,617	58,151.37	2/1/2035
FNMA	740647	4.490	1,266,526	108,504.49	10/1/2033	FNMA	820524	4.500	283,300	79,133.34	3/1/2035
FNMA	740648	4.490	492,044	50,117.49	10/1/2033	FNMA	824133	4.500	312,568	71,054.20	3/1/2035
FNMA	768421	4.490	189,640	65,557.31	10/1/2033	FNMA	865895	4.300	150,310	89,883.21	3/1/2035
FNMA	740646	4.750	893,049	92,261.32	12/1/2033	FNMA	824140	4.850	57,370	37,136.36	4/1/2035
FNMA	740649	4.750	1,693,265	86,092.72	12/1/2033	FNMA	821421	4.300	641,470	159,725.70	5/1/2035
FNMA	768418	4.490	228,364	29,621.10	12/1/2033	FNMA	821875	4.800	463,930	104,218.90	5/1/2035
FNMA	768422	4.600	598,532	83,836.71	1/1/2034	FNMA	821876	4.300	757,831	123,953.04	5/1/2035
FNMA	768420	4.600	895,838	35,202.64	2/1/2034	FNMA	824139	4.350	166,723	34,785.56	5/1/2035
FNMA	768424	4.750	426,126	67,415.48	2/1/2034	FNMA	825991	4.800	471,914	80,263.37	5/1/2035
FNMA	768425	4.600	574,508	192,590.72	4/1/2034	FNMA	868639	4.800	684,117	97,254.17	5/1/2035
FNMA	768427	4.350	351,531	73,359.10	4/1/2034	FNMA	826327	4.300	319,296	41,336.04	6/1/2035
FNMA	797269	4.350	91,161	42,859.00	5/1/2034	FNMA	832452	4.550	359,036	89,981.74	6/1/2035

Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
FNMA	865782	4.300	530,705	117,063.60	6/1/2035	FNMA	865558	4.650	200,358	74,010.08	1/1/2036
FNMA	868633	4.450	80,101	51,669.76	6/1/2035	FNMA	865772	5.100	323,926	46,813.64	1/1/2036
FNMA	868636	4.950	150,460	99,502.87	6/1/2035	FNMA	865560	4.850	613,951	58,127.23	2/1/2036
FNMA	868892	4.950	209,204	68,725.75	6/1/2035	FNMA	868400	5.150	266,840	41,349.85	2/1/2036
FNMA	824386	4.350	268,570	49,220.20	7/1/2035	FNMA	868631	4.900	316,391	74,979.53	2/1/2036
FNMA	826326	4.800	230,588	49,511.29	7/1/2035	FNMA	868890	5.350	204,578	140,321.49	2/1/2036
FNMA	832663	4.700	710,601	67,606.83	7/1/2035	FNMA	868522	5.100	692,232	57,617.44	3/1/2036
FNMA	832666	4.450	353,370	99,582.97	7/1/2035	FNMA	872251	4.850	444,035	37,814.80	3/1/2036
FNMA	832819	4.700	571,134	7,109.69	7/1/2035	FNMA	886230	4.750	72,727	48,200.65	4/1/2036
FNMA	833135	4.450	570,508	89,044.51	7/1/2035	FNMA	872342	4.750	1,333,913	51,689.82	5/1/2036
FNMA	844370	4.450	124,051	78,953.01	7/1/2035	FNMA	872605	5.250	580,181	66,138.59	5/1/2036
FNMA	832662	4.450	1,661,610	247,146.29	8/1/2035	FNMA	872684	5.250	615,903	62,470.47	5/1/2036
FNMA	832664	4.950	596,812	115,664.14	8/1/2035	FNMA	872687	5.000	581,516	127,971.90	5/1/2036
FNMA	836251	4.950	607,045	70,917.81	8/1/2035	FNMA	883186	5.250	1,616,210	53,880.63	5/1/2036
FNMA	844262	4.950	36,029	23,041.48	8/1/2035	FNMA	883184	4.750	1,119,403	80,709.86	6/1/2036
FNMA	848616	4.450	194,786	125,271.32	8/1/2035	FNMA	883301	4.750	536,163	76,340.79	6/1/2036
FNMA	833133	4.950	301,204	28,852.49	9/1/2035	FNMA	886228	5.000	69,923	47,572.21	6/1/2036
FNMA	836246	4.450	779,898	218,884.14	9/1/2035	FNMA	886229	5.250	82,395	55,016.92	6/1/2036
FNMA	837948	4.450	78,702	7,264.14	9/1/2035	FNMA	886235	5.125	308,783	46,114.79	6/1/2036
FNMA	844365	4.450	284,757	83,237.73	9/1/2035	FNMA	886236	5.375	867,202	53,409.50	7/1/2036
FNMA	844366	4.700	217,578	69,002.95	9/1/2035	FNMA	918755	5.125	791,758	93,941.61	7/1/2036
FNMA	844373	4.450	80,803	52,322.03	9/1/2035	FNMA	902401	5.625	51,378	32,240.02	8/1/2036
FNMA	844597	5.150	372,103	85,893.77	10/1/2035	FNMA	906453	5.375	333,275	85,588.99	8/1/2036
FNMA	849331	4.650	50,820	33,300.70	10/1/2035	FNMA	894333	5.125	594,615	82,426.69	9/1/2036
FNMA	849332	4.450	168,382	61,243.11	10/1/2035	FNMA	942784	5.625	271,983	196,435.10	9/1/2036
FNMA	844376	4.900	380,454	53,656.00	11/1/2035	FNMA	894334	5.125	659,193	114,778.30	10/1/2036
FNMA	844599	4.900	267,300	44,606.54	11/1/2035	FNMA	914689	5.125	422,399	171,521.86	10/1/2036
FNMA	844677	4.900	641,774	93,266.60	11/1/2035	FNMA	946358	5.375	195,936	127,525.13	10/1/2036
FNMA	844680	4.450	368,175	59,431.56	11/1/2035	FNMA	954222	5.125	92,261	64,783.90	10/1/2036
FNMA	848849	4.900	654,079	34,249.11	11/1/2035	FNMA	906012	5.125	502,541	61,966.05	11/1/2036
FNMA	849335	4.650	94,777	62,431.51	11/1/2035	FNMA	906533	5.375	214,560	152,744.52	11/1/2036
FNMA	865889	4.950	83,720	54,685.77	11/1/2035	FNMA	946360	4.875	99,163	69,643.18	11/1/2036
FNMA	865997	4.950	189,146	124,744.02	11/1/2035	FNMA	909510	5.125	266,677	66,450.32	12/1/2036
FNMA	848852	4.650	807,691	144,625.10	12/1/2035	FNMA	909513	4.875	339,870	82,607.61	12/1/2036
FNMA	849150	4.650	396,108	67,986.64	12/1/2035	FNMA	906459	5.375	1,206,302	189,314.99	1/1/2037
FNMA	865361	5.150	562,328	128,034.59	12/1/2035	FNMA	909514	5.375	378,519	134,417.67	1/1/2037
FNMA	865773	4.450	999,622	37,369.95	12/1/2035	FNMA	918749	4.875	168,984	117,538.22	1/1/2037
FNMA	868632	5.250	149,428	99,336.50	12/1/2035	FNMA	946480	4.875	187,216	21,919.11	1/1/2037

Type of MBS	Pool Number	Pass-Through			Maturity Date	Par Amount Outstanding (\$)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Par Amount Outstanding (\$)	Original Par Amount (\$)	Pass-Through		
		Interest Rate (%)	Type of MBS	Pool Number								Interest Rate (%)	Type of MBS	Pool Number
FNMA	947803	4.875	FNMA	947272	123,260.46	185,663	123,260.46	1/1/2037	35,936.49	49,723	FNMA	5.000	7/1/2037	
FNMA	909747	4.875	FNMA	954494	103,186.35	615,629	103,186.35	2/1/2037	43,153.42	59,601	FNMA	5.000	7/1/2037	
FNMA	909748	5.125	FNMA	946934	165,135.28	610,712	165,135.28	2/1/2037	114,895.85	491,040	FNMA	5.000	8/1/2037	
FNMA	909974	5.125	FNMA	961051	48,857.63	1,795,174	48,857.63	2/1/2037	64,719.60	90,293	FNMA	5.000	8/1/2037	
FNMA	909975	5.375	FNMA	946936	51,267.60	1,159,150	51,267.60	2/1/2037	87,347.49	608,109	FNMA	5.500	9/1/2037	
FNMA	910264	5.125	FNMA	947276	100,224.86	1,307,275	100,224.86	2/1/2037	144,081.37	752,320	FNMA	5.500	9/1/2037	
FNMA	914441	5.125	FNMA	954232	88,275.74	347,989	88,275.74	2/1/2037	42,146.30	56,267	FNMA	5.750	10/1/2037	
FNMA	946359	5.125	FNMA	954585	46,831.69	355,466	46,831.69	2/1/2037	72,162.96	99,670	FNMA	5.000	10/1/2037	
FNMA	954221	5.125	FNMA	954448	102,389.74	626,935	102,389.74	2/1/2037	62,229.50	83,832	FNMA	5.500	11/1/2037	
FNMA	914410	5.375	FNMA	954281	42,178.24	1,705,271	42,178.24	3/1/2037	91,314.31	2,953,276	FNMA	5.750	12/1/2037	
FNMA	915097	4.875	FNMA	954282	147,848.90	922,041	147,848.90	3/1/2037	106,237.29	901,243	FNMA	5.500	12/1/2037	
FNMA	915098	5.375	FNMA	954409	144,431.04	1,805,007	144,431.04	3/1/2037	229,275.96	2,612,412	FNMA	5.500	12/1/2037	
FNMA	918417	5.125	FNMA	954410	39,803.90	1,149,918	39,803.90	3/1/2037	147,206.72	3,640,652	FNMA	5.750	1/1/2038	
FNMA	938147	5.375	FNMA	954587	117,622.60	340,990	117,622.60	3/1/2037	196,575.63	219,900	FNMA	5.750	1/1/2038	
FNMA	942813	4.750	FNMA	962015	47,309.46	214,198	47,309.46	3/1/2037	112,006.72	291,400	FNMA	5.500	2/1/2038	
FNMA	946951	5.000	FNMA	962088	83,077.20	116,246	83,077.20	3/1/2037	97,373.18	129,950	FNMA	5.500	2/1/2038	
FNMA	918078	4.750	FNMA	962739	282,433.87	4,588,443	282,433.87	4/1/2037	163,797.23	395,895	FNMA	5.500	3/1/2038	
FNMA	918079	5.000	FNMA	962999	188,188.18	5,378,930	188,188.18	4/1/2037	83,337.76	111,890	FNMA	5.500	4/1/2038	
FNMA	918416	4.875	FNMA	963239	124,919.20	729,270	124,919.20	4/1/2037	114,293.86	151,299	FNMA	5.500	4/1/2038	
FNMA	918753	5.000	FNMA	963242	94,359.20	827,742	94,359.20	4/1/2037	73,680.30	321,891	FNMA	5.125	4/1/2038	
FNMA	918422	4.750	FNMA	963416	72,115.23	963,676	72,115.23	5/1/2037	50,079.73	1,711,115	FNMA	5.125	4/1/2038	
FNMA	918754	5.250	FNMA	963854	277,893.75	1,254,743	277,893.75	5/1/2037	108,651.01	243,745	FNMA	5.250	5/1/2038	
FNMA	918760	4.750	FNMA	964644	62,903.28	1,120,449	62,903.28	5/1/2037	201,245.10	312,450	FNMA	5.750	7/1/2038	
FNMA	918763	5.000	FNMA	964728	233,776.68	3,331,490	233,776.68	5/1/2037	59,129.25	805,270	FNMA	5.250	7/1/2038	
FNMA	918764	5.250	FNMA	964806	46,061.88	2,242,585	46,061.88	5/1/2037	164,622.62	311,500	FNMA	5.500	7/1/2038	
FNMA	947114	5.250	FNMA	965242	47,232.54	65,204	47,232.54	5/1/2037	255,433.95	519,595	FNMA	5.312	9/1/2038	
FNMA	954215	5.000	FNMA	965244	154,897.80	216,067	154,897.80	5/1/2037	81,808.84	272,408	FNMA	5.250	9/1/2038	
FNMA	954216	4.750	FNMA	965346	153,439.26	327,778	153,439.26	5/1/2037	43,062.27	290,500	FNMA	5.312	9/1/2038	
FNMA	937915	4.750	FNMA	970498	66,549.41	1,418,797	66,549.41	6/1/2037	100,644.15	306,825	FNMA	5.312	9/1/2038	
FNMA	942076	5.000	FNMA	970565	40,536.68	121,962	40,536.68	6/1/2037	76,421.32	411,431	FNMA	5.312	9/1/2038	
FNMA	942082	5.000	FNMA	971149	208,895.06	2,075,373	208,895.06	6/1/2037	87,311.17	139,495	FNMA	5.312	9/1/2038	
FNMA	947590	5.000	FNMA	970757	86,018.60	292,509	86,018.60	6/1/2037	212,602.49	277,800	FNMA	5.500	10/1/2038	
FNMA	954214	5.000	FNMA	971115	117,182.08	162,413	117,182.08	6/1/2037	77,974.44	339,872	FNMA	5.562	11/1/2038	
FNMA	960953	4.750	FNMA	971061	122,112.67	171,110	122,112.67	6/1/2037	248,393.66	501,471	FNMA	6.062	12/1/2038	
FNMA	942811	5.000	FNMA	971087	65,386.45	645,950	65,386.45	7/1/2037	29,206.59	37,428	FNMA	5.812	12/1/2038	
FNMA	942826	5.000	FNMA	971090	64,960.80	1,359,606	64,960.80	7/1/2037	82,969.57	111,893	FNMA	5.812	1/1/2039	
FNMA	946933	4.750	FNMA	971096	189,378.41	574,909	189,378.41	7/1/2037	127,012.52	165,834	FNMA	5.562	1/1/2039	
FNMA	947667	5.250	FNMA	971102	123,757.66	341,535	123,757.66	7/1/2037	14,121.27	111,870	FNMA	5.562	1/1/2039	

Pass-Through				Pass-Through							
Type of MBS	Pool Number	Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
FNMA	971124	5.562	203,895	80,967.01	2/1/2039	FNMA	AI4178	4.500	152,616	122,964.93	5/1/2041
FNMA	971144	5.562	148,253	113,982.90	2/1/2039	FNMA	AI4179	3.500	344,019	161,262.88	5/1/2041
FNMA	AA8624	5.500	561,337	221,901.44	5/1/2039	FNMA	AI8394	4.500	134,511	108,735.89	5/1/2041
FNMA	AA8546	5.500	566,291	118,017.77	6/1/2039	FNMA	AI4766	3.750	104,000	80,864.45	6/1/2041
FNMA	AC1271	5.500	80,719	63,397.77	6/1/2039	FNMA	AI5444	3.250	191,910	148,669.20	6/1/2041
FNMA	AC1630	5.312	161,261	124,718.09	6/1/2039	FNMA	AI8393	3.750	99,723	78,808.36	6/1/2041
FNMA	AC2587	5.062	44,851	34,555.55	6/1/2039	FNMA	AI8395	4.500	219,470	177,253.30	6/1/2041
FNMA	AC1420	5.062	140,845	28,545.77	7/1/2039	FNMA	AI6322	4.500	44,800	36,152.62	7/1/2041
FNMA	AC2553	5.062	200,280	54,487.52	8/1/2039	FNMA	AI7768	4.250	452,030	195,915.88	7/1/2041
FNMA	AC3678	5.062	862,513	127,736.14	9/1/2039	FNMA	AI1304	4.250	150,120	120,877.10	7/1/2041
FNMA	AC3715	5.062	400,144	103,961.67	10/1/2039	FNMA	AI0645	4.750	414,367	192,045.57	8/1/2041
FNMA	AC5324	5.000	498,229	148,056.28	10/1/2039	FNMA	AI1303	4.500	92,588	75,220.32	8/1/2041
FNMA	AC6786	5.062	528,870	113,798.30	12/1/2039	FNMA	AI2309	4.750	209,059	170,363.65	8/1/2041
FNMA	AC6816	5.562	171,200	135,930.05	12/1/2039	FNMA	AI3342	4.000	221,201	176,986.46	8/1/2041
FNMA	AC8637	5.062	1,309,229	538,944.12	1/1/2040	FNMA	AI6298	4.500	183,333	148,471.89	9/1/2041
FNMA	AC8666	5.062	652,356	96,239.97	1/1/2040	FNMA	AI4357	4.500	163,802	133,722.93	10/1/2041
FNMA	AD1468	5.062	427,231	80,151.52	1/1/2040	FNMA	AI6297	4.250	152,614	120,711.03	10/1/2041
FNMA	AD1469	5.312	323,971	41,432.61	1/1/2040	FNMA	AI6299	4.250	164,185	132,539.89	10/1/2041
FNMA	AD1497	5.062	832,637	69,985.84	2/1/2040	FNMA	AI6300	4.000	170,548	137,249.30	10/1/2041
FNMA	AD1504	5.062	488,662	141,556.22	2/1/2040	FNMA	AI9049	4.250	53,464	42,710.20	11/1/2041
FNMA	AD1544	5.062	233,045	100,850.78	2/1/2040	FNMA	AI8231	4.000	392,438	266,131.38	12/1/2041
FNMA	AD1563	5.062	279,693	111,614.84	2/1/2040	FNMA	AK0322	3.750	105,354	84,381.28	12/1/2041
FNMA	AD4914	4.562	563,184	287,861.30	4/1/2040	FNMA	AK8894	4.000	1,061,010	145,777.16	2/1/2042
FNMA	AE2025	4.500	46,131	17,693.32	7/1/2040	FNMA	AP9820	4.150	76,412	63,077.12	3/1/2042
FNMA	AE2024	4.750	234,962	126,167.03	8/1/2040	FNMA	AQ3891	3.650	298,288	90,677.27	9/1/2042
FNMA	AE2026	4.250	101,123	61,909.61	8/1/2040	FNMA	AR2098	3.530	332,610	122,346.04	10/1/2042
FNMA	AE6841	4.500	78,061	61,746.85	9/1/2040	FNMA	AQ7790	2.150	815,284	352,482.12	11/1/2042
FNMA	AE6843	3.500	257,528	79,886.55	10/1/2040	FNMA	AR2099	2.030	618,473	404,215.86	12/1/2042
FNMA	AI2819	3.750	71,601	55,699.30	3/1/2041	FNMA	AR5293	1.530	393,484	305,755.52	12/1/2042
FNMA	AI2778	3.500	328,794	79,363.72	4/1/2041	FNMA	AR8999	2.025	3,707,696	1,764,247.27	2/1/2043
FNMA	AI2780	3.750	190,736	149,709.87	4/1/2041	FNMA	AT5290	2.025	4,409,234	1,984,843.47	4/1/2043
FNMA	AI2818	4.500	171,293	137,789.44	4/1/2041	FNMA	AT8667	2.025	1,805,205	596,987.68	6/1/2043
FNMA	AI2820	3.500	275,602	204,602.08	4/1/2041	FNMA	AU1731	2.025	1,647,618	1,096,156.32	6/1/2043
FNMA	AI3588	3.500	250,387	144,219.02	4/1/2041	FNMA	AU4476	2.025	3,055,766	1,561,549.94	7/1/2043
FNMA	AI3590	3.250	182,106	140,513.18	4/1/2041	FNMA	AU6761	2.025	3,326,065	1,842,491.78	8/1/2043
FNMA	AI3595	3.250	407,623	164,764.70	4/1/2041	FNMA	AU9009	2.025	2,174,047	960,600.93	9/1/2043
FNMA	AI5446	4.500	134,909	107,725.78	4/1/2041	FNMA	AV2553	2.025	1,211,446	354,108.87	10/1/2043
FNMA	AI6324	4.500	182,935	147,512.70	4/1/2041	FNMA	AV6291	2.025	462,455	141,837.36	11/1/2043

Pass-Through				Pass-Through							
Type of MBS	Pool Number	Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
FNMA	AX0357	3.025	3,064,382	1,629,993.76	7/1/2044	FNMA	BH3745	3.175	2,723,378	1,531,775.16	5/1/2047
FNMA	AX1986	3.025	2,033,082	827,412.47	8/1/2044	FNMA	BH5634	3.175	3,217,151	1,906,574.71	5/1/2047
FNMA	AX4822	3.025	3,222,297	1,180,253.23	9/1/2044	FNMA	BH7239	3.175	538,390	316,684.67	5/1/2047
FNMA	AX6623	3.025	1,532,334	801,643.96	10/1/2044	FNMA	942087	5.250	1,761,510	120,208.90	6/1/2047
FNMA	AX9104	3.025	2,665,253	1,777,033.86	11/1/2044	FNMA	942819	5.500	1,317,831	118,978.54	6/1/2047
FNMA	AY1187	3.025	3,182,611	1,949,159.83	12/1/2044	FNMA	961044	5.500	196,538	165,266.95	6/1/2047
FNMA	AY3261	3.025	141,786	122,321.46	12/1/2044	FNMA	BH5632	2.675	244,150	222,541.58	6/1/2047
FNMA	BA1336	2.525	1,010,335	571,506.95	8/1/2045	FNMA	BH5635	3.675	2,094,380	1,333,108.09	6/1/2047
FNMA	BA3278	2.525	2,161,851	1,391,105.02	9/1/2045	FNMA	BH7238	3.675	1,963,903	1,042,177.10	7/1/2047
FNMA	BA5926	2.525	4,800,970	2,157,377.99	11/1/2045	FNMA	946571	5.250	893,769	108,120.45	8/1/2047
FNMA	BA7124	2.550	3,334,389	2,036,255.13	11/1/2045	FNMA	954277	5.250	271,880	139,853.45	8/1/2047
FNMA	BC2741	2.550	3,241,192	1,553,518.87	1/1/2046	FNMA	BH9210	3.675	5,058,687	3,239,174.39	8/1/2047
FNMA	BC4272	2.550	3,951,082	1,931,920.74	2/1/2046	FNMA	BJ0599	3.675	2,487,247	1,341,141.32	8/1/2047
FNMA	BC6199	2.550	4,033,843	1,456,878.92	3/1/2046	FNMA	947277	5.250	674,595	81,196.34	9/1/2047
FNMA	BC8541	2.550	3,827,416	2,462,046.49	4/1/2046	FNMA	960856	5.250	254,236	97,255.78	9/1/2047
FNMA	BD0611	2.550	5,180,761	2,819,659.95	5/1/2046	FNMA	BJ2328	3.675	1,893,710	260,329.57	9/1/2047
FNMA	BD2574	2.550	2,503,313	1,725,693.51	6/1/2046	FNMA	954239	6.000	819,541	76,754.90	10/1/2047
FNMA	BD4754	2.550	6,089,300	4,004,665.85	7/1/2046	FNMA	954441	6.000	585,976	146,771.51	10/1/2047
FNMA	BD7241	2.550	3,389,792	1,816,911.30	7/1/2046	FNMA	954204	5.250	2,740,929	382,696.33	11/1/2047
FNMA	BD9008	2.550	4,147,190	3,104,559.84	9/1/2046	FNMA	960949	6.000	263,777	121,415.93	11/1/2047
FNMA	BE1378	2.550	4,888,550	2,417,510.65	9/1/2046	FNMA	954276	5.750	113,000	72,601.20	12/1/2047
FNMA	BE3271	2.550	2,159,763	1,103,837.37	9/1/2046	FNMA	954417	5.250	873,303	189,298.34	12/1/2047
FNMA	BE4858	2.550	5,319,128	2,864,405.95	11/1/2046	FNMA	961859	5.750	882,659	114,033.20	1/1/2048
FNMA	BE7434	2.550	4,932,418	3,261,122.22	11/1/2046	FNMA	962258	5.250	84,908	20,823.81	1/1/2048
FNMA	BE7435	2.675	396,720	164,874.29	12/1/2046	FNMA	962692	6.000	196,739	174,123.45	1/1/2048
FNMA	BE8476	2.550	3,407,803	1,866,384.11	12/1/2046	FNMA	962415	5.750	648,256	59,980.91	2/1/2048
FNMA	BE8477	2.675	3,588,825	2,639,607.35	1/1/2047	FNMA	962737	5.750	251,772	101,870.89	3/1/2048
FNMA	BE9871	2.550	1,375,005	634,160.65	1/1/2047	FNMA	963246	5.375	643,254	154,615.09	4/1/2048
FNMA	BH3744	2.675	438,491	108,200.08	1/1/2047	FNMA	963247	5.625	530,141	182,195.15	4/1/2048
FNMA	914446	5.250	1,015,764	207,354.67	2/1/2047	FNMA	963990	5.500	964,198	94,090.93	5/1/2048
FNMA	BE9872	2.675	4,794,023	2,488,477.00	2/1/2047	FNMA	970883	5.750	235,854	207,399.96	5/1/2048
FNMA	918082	5.500	2,362,027	131,227.50	3/1/2047	FNMA	BK4042	3.300	3,301,467	1,936,187.43	5/1/2048
FNMA	BE9873	3.175	3,889,821	1,851,424.78	3/1/2047	FNMA	BK6797	2.800	147,299	136,426.52	5/1/2048
FNMA	BH1277	2.675	851,659	613,723.06	3/1/2047	FNMA	965064	5.500	83,915	73,791.55	6/1/2048
FNMA	918080	5.000	2,004,385	123,294.35	4/1/2047	FNMA	BK4055	3.300	3,299,174	1,361,632.90	6/1/2048
FNMA	BH1278	3.175	5,932,304	2,608,227.74	4/1/2047	FNMA	BK6752	3.300	6,976,809	4,033,300.80	7/1/2048
FNMA	937921	5.500	1,289,156	94,100.45	5/1/2047	FNMA	BK6753	3.425	1,665,233	722,780.43	7/1/2048
FNMA	954354	5.250	505,150	204,564.02	5/1/2047	FNMA	BK6754	3.550	261,900	247,009.84	7/1/2048



Type of MBS		Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
FNMA	BK6798	3.300	4,051,844	2,458,959.93	7/1/2048	FNMA	AA6982	5.812	162,846	145,679.67	3/1/2049	
FNMA	BN0098	3.300	403,315	240,686.56	7/1/2048	FNMA	BN7335	4.550	2,976,036	841,715.31	3/1/2049	
FNMA	BN2310	3.300	219,222	207,043.41	7/1/2048	FNMA	BN9679	2.800	107,830	102,827.29	4/1/2049	
FNMA	BN3697	2.800	125,994	118,980.25	7/1/2048	FNMA	AC1633	6.250	100,000	96,524.21	5/1/2049	
FNMA	BN3768	3.425	154,620	145,833.95	7/1/2048	FNMA	BN9681	4.550	2,764,380	1,410,441.33	5/1/2049	
FNMA	BK6799	3.425	6,220,462	3,197,086.27	8/1/2048	FNMA	BO0660	4.425	1,431,807	973,980.51	5/1/2049	
FNMA	BK6800	3.550	2,679,415	1,811,391.72	8/1/2048	FNMA	BO0661	4.550	632,716	460,692.31	5/1/2049	
FNMA	BN0047	3.425	1,812,532	668,032.78	8/1/2048	FNMA	BO0659	4.300	435,530	125,317.96	6/1/2049	
FNMA	BN0099	3.425	1,015,191	361,275.17	8/1/2048	FNMA	BO0731	4.425	717,425	487,763.69	6/1/2049	
FNMA	BN3699	3.550	907,705	431,378.77	8/1/2048	FNMA	BO0729	2.800	609,523	396,035.57	7/1/2049	
FNMA	BN3769	3.550	225,921	80,379.03	8/1/2048	FNMA	BO0730	4.300	1,974,603	1,228,805.99	7/1/2049	
FNMA	BN5084	3.550	488,435	465,525.20	8/1/2048	FNMA	BO2513	2.800	1,275,239	1,061,516.14	7/1/2049	
FNMA	970722	5.500	525,725	141,071.30	9/1/2048	FNMA	BO2515	4.175	1,750,187	1,156,782.52	7/1/2049	
FNMA	BN0046	3.300	2,096,521	507,121.00	9/1/2048	FNMA	BO4225	4.300	594,661	343,397.76	7/1/2049	
FNMA	BN0048	3.550	7,504,031	4,478,226.36	9/1/2048	FNMA	BO5700	4.175	357,570	346,823.46	7/1/2049	
FNMA	BN0049	3.675	821,997	165,569.96	9/1/2048	FNMA	BO2514	3.675	820,327	506,387.50	8/1/2049	
FNMA	BN0100	3.550	5,619,051	3,041,840.18	9/1/2048	FNMA	BO2516	4.300	2,234,151	1,268,899.33	8/1/2049	
FNMA	BN2311	3.550	1,627,592	966,061.81	9/1/2048	FNMA	BO4221	2.800	178,718	171,279.28	8/1/2049	
FNMA	BN0101	3.675	7,259,381	4,006,083.53	10/1/2048	FNMA	BO4223	3.675	1,351,595	1,133,451.87	8/1/2049	
FNMA	BN2309	2.800	267,212	252,038.47	10/1/2048	FNMA	BO4224	4.175	1,323,709	292,178.70	8/1/2049	
FNMA	BN2312	3.675	6,465,062	3,746,385.64	10/1/2048	FNMA	BO5774	4.175	209,899	203,877.23	8/1/2049	
FNMA	BN5085	3.675	519,846	202,178.44	10/1/2048	FNMA	BO4222	3.300	486,712	309,703.29	9/1/2049	
FNMA	970830	5.812	154,400	129,124.53	11/1/2048	FNMA	BO5697	2.800	137,782	132,597.46	9/1/2049	
FNMA	BN2313	3.925	6,315,390	3,265,423.94	11/1/2048	FNMA	BO5699	3.675	564,692	276,230.71	9/1/2049	
FNMA	BN3700	3.675	2,272,558	1,259,728.48	11/1/2048	FNMA	BO5701	4.300	124,650	121,004.83	9/1/2049	
FNMA	BN3701	3.925	4,304,970	2,613,109.20	11/1/2048	FNMA	BO5773	3.675	99,730	94,288.71	9/1/2049	
FNMA	BN3770	3.675	978,976	811,659.31	11/1/2048	FNMA	BO5698	3.300	4,385,255	3,086,773.88	10/1/2049	
FNMA	BN5086	3.925	1,036,705	740,915.00	11/1/2048	FNMA	BO5772	3.300	7,063,211	4,961,632.53	10/1/2049	
FNMA	970589	5.812	918,948	154,794.54	12/1/2048	FNMA	BP0507	3.550	217,344	208,296.51	10/1/2049	
FNMA	BN3702	4.550	2,773,822	1,012,886.06	12/1/2048	FNMA	BP0547	3.300	652,033	233,726.04	10/1/2049	
FNMA	BN3767	2.800	373,883	203,296.75	12/1/2048	FNMA	BP2940	3.300	173,730	168,982.11	10/1/2049	
FNMA	BN3771	3.925	2,507,570	1,650,387.17	12/1/2048	FNMA	BO8366	3.300	935,874	754,165.88	11/1/2049	
FNMA	971103	5.812	142,932	127,266.49	1/1/2049	FNMA	BP0505	3.300	1,125,000	1,088,641.75	11/1/2049	
FNMA	BN3772	4.550	9,092,549	3,652,316.80	1/1/2049	FNMA	BP0506	3.175	214,213	208,046.15	11/1/2049	
FNMA	BN7333	2.800	550,180	513,980.49	1/1/2049	FNMA	BP0504	3.175	7,681,915	5,778,976.96	1/1/2050	
FNMA	BN5083	2.800	315,691	298,738.71	2/1/2049	FNMA	BP0545	2.800	148,266	143,486.40	1/1/2050	
FNMA	BN5087	4.550	6,834,479	2,945,198.88	2/1/2049	FNMA	BP0546	3.175	4,844,523	4,079,414.89	2/1/2050	
FNMA	BN7279	4.550	2,430,813	720,993.26	2/1/2049	FNMA	BP2938	2.800	211,666	205,212.97	2/1/2050	

Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Total FNMA:	
												Original Par Amount (\$)	Par Amount Outstanding (\$)
FNMA	BP2939	3.175	5,440,598	5,269,637.31	3/1/2050	FNMA	BT7657	2.050	5,286,656	5,276,640.64	8/1/2051	5,286,656	5,276,640.64
FNMA	BP2993	2.800	293,294	284,703.50	3/1/2050	FNMA	BT7709	2.050	3,855,706	3,855,706.00	9/1/2051	3,855,706	3,855,706.00
FNMA	BP2994	3.175	3,767,915	2,943,647.79	4/1/2050				601,188,269	250,824,365.96		601,188,269	250,824,365.96
FNMA	BP3004	2.925	775,442	755,858.48	5/1/2050	GNMA	345166	7.000	1,654,245	10,783.87	5/20/2023	1,654,245	10,783.87
FNMA	BP4829	3.175	2,495,946	1,862,051.86	5/1/2050	GNMA	345181	6.150	3,062,767	18,521.46	8/20/2023	3,062,767	18,521.46
FNMA	BP9970	2.925	247,311	241,824.26	5/1/2050	GNMA	345255	6.150	936,793	4,760.61	1/20/2024	936,793	4,760.61
FNMA	BP4877	2.925	1,826,328	1,782,137.25	6/1/2050	GNMA	391761	6.150	1,345,602	17,486.51	4/20/2024	1,345,602	17,486.51
FNMA	BP4878	3.175	921,532	683,877.78	6/1/2050	GNMA	391782	5.850	690,329	5,820.32	6/20/2024	690,329	5,820.32
FNMA	BQ0024	3.175	419,930	405,674.79	6/1/2050	GNMA	391821	6.950	3,644,558	6,551.46	10/20/2024	3,644,558	6,551.46
FNMA	BQ0061	3.050	342,712	336,322.08	6/1/2050	GNMA	391830	6.750	4,476,515	8,127.97	11/20/2024	4,476,515	8,127.97
FNMA	BQ5385	3.175	183,761	180,517.68	6/1/2050	GNMA	391838	6.375	290,699	9,487.42	12/20/2024	290,699	9,487.42
FNMA	BP9969	2.800	162,000	158,362.24	7/1/2050	GNMA	391834	6.750	7,538,381	15,111.95	1/20/2025	7,538,381	15,111.95
FNMA	BP9971	3.050	1,372,538	1,342,275.98	7/1/2050	GNMA	391846	6.850	1,560,105	22,851.24	1/20/2025	1,560,105	22,851.24
FNMA	BP9972	3.175	1,113,497	1,089,830.93	7/1/2050	GNMA	391846	6.850	1,934,782	18,237.47	1/20/2025	1,934,782	18,237.47
FNMA	BQ0021	2.800	589,763	577,416.72	8/1/2050	GNMA	391851	6.750	1,683,342	31,105.71	2/20/2025	1,683,342	31,105.71
FNMA	BQ0022	2.925	174,503	170,922.57	8/1/2050	GNMA	391843	6.850	1,279,096	21,361.35	3/20/2025	1,279,096	21,361.35
FNMA	BQ0023	3.050	1,104,353	556,708.61	8/1/2050	GNMA	391860	6.750	1,430,726	1,876.35	6/20/2025	1,430,726	1,876.35
FNMA	BQ0060	2.925	1,123,230	1,100,700.71	8/1/2050	GNMA	391902	7.450	4,361,323	21,750.88	6/20/2025	4,361,323	21,750.88
FNMA	BR0802	2.800	337,353	332,430.78	8/1/2050	GNMA	391903	7.375	6,463,790	13,046.31	7/20/2025	6,463,790	13,046.31
FNMA	BR0803	3.050	191,334	188,658.50	8/1/2050	GNMA	391910	6.900	4,148,712	8,365.29	7/20/2025	4,148,712	8,365.29
FNMA	BQ0059	2.800	1,556,199	1,526,160.15	9/1/2050	GNMA	391919	6.900	3,734,051	11,118.68	8/20/2025	3,734,051	11,118.68
FNMA	BQ5384	2.800	865,350	849,365.44	9/1/2050	GNMA	391920	6.630	1,438,498	17,481.25	8/20/2025	1,438,498	17,481.25
FNMA	BQ5383	2.550	367,810	361,011.03	10/1/2050	GNMA	391939	7.375	4,271,469	24,225.43	9/20/2025	4,271,469	24,225.43
FNMA	BQ5417	2.550	1,461,858	1,434,016.18	11/1/2050	GNMA	391926	6.630	2,866,587	18,256.48	9/20/2025	2,866,587	18,256.48
FNMA	BR0800	2.300	296,794	292,144.52	11/1/2050	GNMA	391932	6.630	3,042,164	17,489.78	10/20/2025	3,042,164	17,489.78
FNMA	BR0801	2.550	723,436	711,307.23	11/1/2050	GNMA	391933	6.630	4,060,115	46,193.27	10/20/2025	4,060,115	46,193.27
FNMA	BR0834	2.550	185,626	183,140.21	11/1/2050	GNMA	391940	6.630	1,410,467	43,722.61	12/20/2025	1,410,467	43,722.61
FNMA	BR0833	2.300	471,242	464,699.42	1/1/2051	GNMA	419549	6.900	3,816,381	71,175.78	12/20/2025	3,816,381	71,175.78
FNMA	BR0858	2.550	114,810	113,472.37	1/1/2051	GNMA	419550	6.630	3,214,413	39,566.53	5/20/2026	3,214,413	39,566.53
FNMA	BR0855	2.300	1,839,730	1,817,349.44	2/1/2051	GNMA	419605	6.350	1,217,470	21,842.64	5/20/2026	1,217,470	21,842.64
FNMA	BR0893	2.050	231,584	229,071.20	2/1/2051	GNMA	419614	6.350	1,256,015	17,602.68	6/20/2026	1,256,015	17,602.68
FNMA	BR0894	2.300	413,219	408,919.67	2/1/2051	GNMA	419622	6.900	2,057,510	30,868.31	9/15/2026	2,057,510	30,868.31
FNMA	BR9005	2.300	189,347	187,606.79	2/1/2051	GNMA	435217	6.700	2,057,510	30,868.31	9/15/2026	2,057,510	30,868.31
FNMA	BR9052	2.300	178,794	177,546.40	2/1/2051	GNMA	435260	6.350	1,234,589	15,940.86	10/15/2026	1,234,589	15,940.86
FNMA	BR9004	2.050	1,533,818	1,517,506.83	4/1/2051	GNMA	435262	6.700	2,089,862	20,384.53	11/15/2026	2,089,862	20,384.53
FNMA	BR9051	2.050	1,462,443	1,451,314.91	5/1/2051	GNMA	446556	6.700	2,494,620	35,476.53	2/15/2027	2,494,620	35,476.53
FNMA	BT3621	2.050	2,371,254	2,357,781.20	6/1/2051	GNMA	446613	6.600	2,361,656	44,373.68	4/15/2027	2,361,656	44,373.68
FNMA	BT3665	2.050	2,182,314	2,173,524.82	7/1/2051	GNMA	450169	6.600	2,113,390	11,344.52	5/15/2027	2,113,390	11,344.52
							450170	6.700	1,705,560	15,101.09	5/15/2027	1,705,560	15,101.09

Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
GNMA	456031	6.700	2,536,765	47,238.17	8/15/2027	GNMA	585811	5.490	579,188	48,681.84	5/15/2032
GNMA	456080	6.600	742,825	21,926.31	8/20/2027	GNMA	613599	5.800	18,669,680	89,596.73	5/15/2032
GNMA	456087	6.700	2,379,876	15,585.32	9/15/2027	GNMA	585905	5.000	397,170	173,662.52	6/15/2032
GNMA	463193	6.150	1,296,182	16,391.97	12/15/2027	GNMA	613598	5.650	16,130,998	277,600.29	6/15/2032
GNMA	463212	6.150	2,013,238	16,619.12	12/15/2027	GNMA	613600	5.490	13,416,795	336,641.80	8/15/2032
GNMA	468470	6.150	1,743,347	20,312.01	2/15/2028	GNMA	613716	5.750	12,547,326	278,275.80	8/20/2032
GNMA	468523	6.050	1,210,153	32,298.29	4/15/2028	GNMA	596372	5.490	1,320,403	48,106.52	9/15/2032
GNMA	477356	5.750	2,752,651	32,383.92	5/15/2028	GNMA	613717	5.750	10,904,071	61,748.87	10/20/2032
GNMA	483702	6.050	1,034,627	26,831.86	6/15/2028	GNMA	613718	5.250	3,238,320	139,957.84	11/15/2032
GNMA	483737	5.850	9,133,958	22,783.70	9/15/2028	GNMA	613720	5.250	2,672,182	142,965.95	11/15/2032
GNMA	483757	5.750	1,391,021	27,730.06	9/15/2028	GNMA	613721	5.000	14,768,689	206,825.22	4/20/2033
GNMA	492291	5.850	3,493,921	30,716.35	10/15/2028	GNMA	635736	4.600	5,035,619	291,242.85	10/15/2033
GNMA	492330	5.850	974,148	6,133.82	10/20/2028	GNMA	635737	4.490	8,931,433	479,096.06	10/15/2033
GNMA	492323	5.750	4,512,854	45,245.91	11/15/2028	GNMA	635735	4.750	16,249,451	746,364.90	12/15/2033
GNMA	492339	5.750	1,266,909	668.94	11/15/2028	GNMA	585781	4.600	1,557,264	170,838.77	1/15/2034
GNMA	492346	5.750	1,483,334	53,182.88	11/15/2028	GNMA	601666	4.600	1,614,917	23,855.90	2/15/2034
GNMA	495964	5.750	2,587,181	43,286.44	11/15/2028	GNMA	624806	4.600	1,228,670	125,642.72	3/15/2034
GNMA	495968	5.750	1,657,161	12,115.86	12/15/2028	GNMA	624849	4.600	2,015,830	8,795.23	3/15/2034
GNMA	496048	5.750	1,953,702	9,610.70	1/15/2029	GNMA	624881	4.600	1,444,578	109,315.55	3/15/2034
GNMA	496096	5.750	2,936,577	63,094.18	1/15/2029	GNMA	635671	4.550	146,795	89,610.93	6/15/2034
GNMA	504086	6.050	257,634	53,928.13	1/20/2029	GNMA	635684	4.350	179,160	108,174.89	7/15/2034
GNMA	504107	5.490	15,929,877	180,437.67	4/15/2029	GNMA	639407	4.750	4,258,619	60,177.06	7/15/2034
GNMA	511278	5.490	2,027,667	35,268.52	4/15/2029	GNMA	632467	5.000	799,272	107,889.07	8/15/2034
GNMA	511296	5.450	10,346,456	22,353.19	5/15/2029	GNMA	632639	4.600	932,203	44,141.77	8/15/2034
GNMA	511341	5.450	2,843,747	28,275.26	6/15/2029	GNMA	632751	4.600	371,566	31,844.51	8/15/2034
GNMA	420950	5.450	1,036,267	30,710.95	7/15/2029	GNMA	635613	4.750	11,445,722	340,714.97	8/15/2034
GNMA	517624	5.550	14,879,721	95,836.69	8/15/2029	GNMA	635615	4.350	9,301,885	597,808.69	8/15/2034
GNMA	517699	5.450	1,050,874	26,216.16	9/15/2029	GNMA	635616	4.550	5,718,527	136,750.03	8/15/2034
GNMA	517755	6.250	14,499,371	27,776.90	10/15/2029	GNMA	635710	4.750	561,187	65,491.92	8/15/2034
GNMA	523924	6.250	2,359,353	36,967.72	10/15/2029	GNMA	639853	4.600	249,241	57,018.32	8/15/2034
GNMA	524050	6.250	1,124,491	25,331.40	10/15/2029	GNMA	632465	4.600	1,746,260	42,203.67	9/15/2034
GNMA	528040	6.450	967,650	39,120.18	4/15/2030	GNMA	635686	4.600	330,245	50,335.90	9/15/2034
GNMA	534673	6.450	345,958	66,494.47	7/15/2030	GNMA	635687	4.800	560,014	107,831.19	9/15/2034
GNMA	534603	7.050	3,216,215	27,314.80	9/15/2030	GNMA	635677	4.900	691,006	108,278.41	10/15/2034
GNMA	534651	6.950	910,769	31,301.21	9/15/2030	GNMA	635791	4.600	274,130	33,803.96	10/15/2034
GNMA	596165	6.490	21,630,557	30,865.48	11/15/2030	GNMA	639563	5.100	62,033	28,010.25	10/15/2034
GNMA	613494	5.490	12,624,241	186,188.69	3/15/2032	GNMA	635625	4.700	1,303,578	125,069.69	11/15/2034
GNMA	585810	5.000	565,762	40,520.61	5/15/2032	GNMA	635626	4.900	807,192	52,472.54	11/15/2034

Pass-Through				Pass-Through							
Type of MBS	Pool Number	Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
GNMA	635627	5.100	981,375	95,599.08	11/15/2034	GNMA	650579	4.650	551,877	61,134.39	11/20/2035
GNMA	639851	5.100	312,136	109,096.22	11/15/2034	GNMA	650597	4.900	304,698	91,667.58	11/20/2035
GNMA	639412	5.100	850,105	39,195.42	12/15/2034	GNMA	650635	4.750	338,841	94,400.44	11/20/2035
GNMA	639744	4.700	1,037,910	90,190.66	12/15/2034	GNMA	650679	5.150	268,086	101,447.93	11/20/2035
GNMA	639746	5.100	1,063,692	77,115.04	12/15/2034	GNMA	652321	4.750	111,393	51,881.26	11/20/2035
GNMA	639756	4.750	1,207,151	77,695.06	1/15/2035	GNMA	650442	5.150	305,582	40,816.66	12/20/2035
GNMA	639834	4.500	1,261,598	39,320.80	1/15/2035	GNMA	650826	4.900	636,038	111,862.39	12/20/2035
GNMA	639856	5.000	697,465	137,112.66	1/15/2035	GNMA	652464	4.950	186,889	124,572.42	12/20/2035
GNMA	639615	4.750	533,627	101,918.23	2/15/2035	GNMA	650858	5.150	460,385	127,456.92	1/20/2036
GNMA	639658	4.900	255,464	102,809.67	2/15/2035	GNMA	652331	5.000	433,368	112,002.44	1/20/2036
GNMA	639549	4.850	435,919	75,360.86	3/15/2035	GNMA	654174	5.000	65,746	43,328.45	1/20/2036
GNMA	639550	4.750	395,479	48,227.95	3/15/2035	GNMA	652380	4.850	646,292	79,024.11	2/20/2036
GNMA	639551	4.600	289,146	74,027.23	3/15/2035	GNMA	654227	4.750	723,992	58,664.71	4/20/2036
GNMA	639661	4.350	132,965	67,350.47	3/15/2035	GNMA	654260	5.000	658,400	79,832.15	4/20/2036
GNMA	644283	4.600	129,652	82,844.97	4/15/2035	GNMA	652657	5.250	1,651,181	163,112.95	5/20/2036
GNMA	645061	4.300	385,602	41,366.91	5/20/2035	GNMA	652658	5.000	798,284	98,079.92	5/20/2036
GNMA	645162	4.300	810,650	170,013.40	6/20/2035	GNMA	654351	5.000	750,430	43,527.29	5/20/2036
GNMA	645231	4.550	396,588	71,168.02	6/20/2035	GNMA	655871	4.750	283,175	50,532.54	5/20/2036
GNMA	645233	4.800	739,913	91,081.10	6/20/2035	GNMA	655993	5.125	822,307	71,116.55	7/20/2036
GNMA	647115	4.550	229,560	83,337.28	6/20/2035	GNMA	655994	5.375	1,236,152	94,750.16	7/20/2036
GNMA	654228	4.950	342,115	65,514.29	6/20/2035	GNMA	656130	4.750	373,400	76,757.99	7/20/2036
GNMA	647043	4.800	460,855	28,061.79	7/20/2035	GNMA	669230	4.875	350,626	82,325.35	7/20/2036
GNMA	647046	4.550	456,513	53,960.35	7/20/2035	GNMA	671554	5.375	181,592	128,245.58	7/20/2036
GNMA	647206	4.700	1,301,583	116,114.40	7/20/2035	GNMA	659365	5.125	764,732	57,568.89	8/20/2036
GNMA	647207	4.450	1,166,189	153,595.68	7/20/2035	GNMA	659426	5.375	1,338,974	53,801.87	8/20/2036
GNMA	652262	4.950	129,773	83,734.55	7/20/2035	GNMA	659505	5.375	655,505	80,074.51	8/20/2036
GNMA	647201	4.800	447,417	52,620.60	8/20/2035	GNMA	659507	4.750	54,087	36,020.86	8/20/2036
GNMA	647202	4.450	1,951,978	262,956.72	8/20/2035	GNMA	659766	4.875	328,911	38,919.78	8/20/2036
GNMA	647204	4.950	2,520,578	126,419.68	8/20/2035	GNMA	659450	5.375	1,084,599	117,281.64	9/20/2036
GNMA	649565	4.950	240,314	34,859.44	8/20/2035	GNMA	659562	4.875	339,911	107,169.96	9/20/2036
GNMA	649606	4.450	445,571	62,802.53	8/20/2035	GNMA	659767	5.125	999,383	21,471.29	9/20/2036
GNMA	649566	4.700	325,316	55,161.24	9/20/2035	GNMA	659769	5.125	190,465	77,199.22	9/20/2036
GNMA	649607	4.450	646,929	47,529.00	9/20/2035	GNMA	659770	5.375	258,947	35,898.77	9/20/2036
GNMA	648874	4.450	249,963	162,059.30	10/15/2035	GNMA	659773	5.625	1,067,112	72,660.84	9/20/2036
GNMA	649578	5.250	320,040	110,402.38	10/20/2035	GNMA	661301	4.875	666,852	91,063.06	9/20/2036
GNMA	649684	4.700	388,582	49,783.25	10/20/2035	GNMA	661303	4.875	724,623	61,223.61	9/20/2036
GNMA	650680	4.450	496,437	73,277.34	10/20/2035	GNMA	663499	5.250	75,089	52,935.66	9/20/2036
GNMA	654153	4.450	166,607	59,310.01	10/20/2035	GNMA	659771	5.125	1,381,336	80,367.45	10/20/2036

Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
GNMA	659776	5.625	720,917	96,568.07	10/20/2036	GNMA	699008	5.500	436,537	97,179.27	9/20/2038
GNMA	661302	5.125	706,346	210,060.78	10/20/2036	GNMA	699010	5.500	540,604	88,161.55	9/20/2038
GNMA	661304	5.125	1,802,165	130,614.78	11/20/2036	GNMA	700585	5.750	536,051	95,196.96	9/20/2038
GNMA	661377	5.125	1,030,173	80,090.67	11/20/2036	GNMA	700860	5.500	205,040	59,024.74	10/20/2038
GNMA	661405	5.375	776,814	34,188.58	11/20/2036	GNMA	700862	5.500	610,531	173,549.09	10/20/2038
GNMA	663704	4.875	125,497	82,016.31	11/20/2036	GNMA	703863	5.500	893,115	150,496.95	11/20/2038
GNMA	661683	4.875	1,340,800	80,810.92	12/20/2036	GNMA	703934	5.500	998,601	72,120.83	12/20/2038
GNMA	661684	5.125	1,492,799	62,080.62	12/20/2036	GNMA	706250	5.750	1,689,012	112,304.08	12/20/2038
GNMA	663496	5.125	225,622	159,336.46	12/20/2036	GNMA	706308	5.500	1,215,149	193,685.95	12/20/2038
GNMA	663644	4.875	356,790	132,168.96	12/20/2036	GNMA	706077	5.500	625,318	82,507.85	1/20/2039
GNMA	668503	4.875	562,535	121,111.48	12/20/2036	GNMA	706145	5.750	484,577	102,365.99	1/20/2039
GNMA	663548	4.875	516,525	78,962.15	1/20/2037	GNMA	706429	5.500	2,213,918	64,771.94	1/20/2039
GNMA	663643	5.375	807,353	142,231.07	1/20/2037	GNMA	706078	5.750	352,683	124,205.35	2/20/2039
GNMA	663701	4.875	717,633	12,244.02	1/20/2037	GNMA	706121	5.500	666,228	70,983.15	2/20/2039
GNMA	663703	5.375	677,238	45,840.00	2/20/2037	GNMA	706144	5.500	450,627	74,124.61	2/20/2039
GNMA	666689	5.125	717,203	117,535.42	2/20/2037	GNMA	706180	5.500	897,583	141,996.95	3/20/2039
GNMA	668504	5.125	737,307	81,210.30	3/20/2037	GNMA	706181	5.750	379,047	188,556.93	3/20/2039
GNMA	669171	5.000	2,755,127	57,854.61	4/20/2037	GNMA	716909	5.750	1,122,320	65,864.10	5/20/2039
GNMA	669172	5.250	2,769,886	83,195.87	4/20/2037	GNMA	717054	5.500	539,687	43,704.92	5/20/2039
GNMA	669240	4.750	854,256	71,415.02	4/20/2037	GNMA	717033	5.500	1,212,003	131,715.67	6/20/2039
GNMA	669320	4.875	510,381	119,885.72	4/20/2037	GNMA	720384	5.000	762,468	159,092.91	7/20/2039
GNMA	669322	5.000	709,920	172,982.06	4/20/2037	GNMA	720418	5.250	439,292	242,361.13	7/20/2039
GNMA	671703	4.750	540,013	122,992.68	4/20/2037	GNMA	720486	5.000	875,380	90,973.83	8/20/2039
GNMA	671775	5.000	235,660	168,350.17	4/20/2037	GNMA	726568	5.000	744,175	125,651.49	9/20/2039
GNMA	674751	4.750	412,070	118,929.49	5/20/2037	GNMA	726569	5.000	2,984,750	93,931.95	9/20/2039
GNMA	682852	5.000	173,442	121,218.79	5/20/2037	GNMA	726570	5.250	3,117,037	136,739.21	9/20/2039
GNMA	671698	5.250	939,057	142,236.77	6/20/2037	GNMA	726571	5.500	326,641	131,223.25	9/20/2039
GNMA	674863	5.000	423,198	73,344.80	6/20/2037	GNMA	726632	5.250	2,537,221	334,112.57	10/20/2039
GNMA	674753	5.500	250,102	51,992.39	7/20/2037	GNMA	726681	5.000	1,796,165	160,612.10	10/20/2039
GNMA	674754	5.250	418,572	16,250.39	7/20/2037	GNMA	726682	5.000	1,297,560	140,831.87	10/20/2039
GNMA	674765	4.750	3,237,382	127,162.22	7/20/2037	GNMA	726683	5.250	1,612,371	184,349.06	10/20/2039
GNMA	682784	5.000	409,708	49,095.17	8/20/2037	GNMA	726686	5.250	303,896	109,909.28	10/20/2039
GNMA	684412	5.500	104,332	77,392.70	8/20/2037	GNMA	726685	5.000	1,382,436	126,377.77	11/20/2039
GNMA	677722	5.750	126,689	94,511.09	9/20/2037	GNMA	726746	5.000	1,816,614	235,428.04	11/20/2039
GNMA	682883	5.250	517,928	98,069.75	10/20/2037	GNMA	729046	5.000	4,724,484	742,590.70	11/20/2039
GNMA	684936	5.500	795,256	131,688.20	12/20/2037	GNMA	729047	5.250	2,989,544	369,476.86	11/20/2039
GNMA	696648	5.250	90,614	67,775.54	8/20/2038	GNMA	729054	5.250	591,034	154,207.60	11/20/2039
GNMA	696946	5.500	266,868	68,871.37	8/20/2038	GNMA	729072	5.250	1,961,715	239,331.75	12/20/2039

Pass-Through				Pass-Through							
Type of MBS	Pool Number	Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
GNMA	729073	5.000	3,497,125	256,990.85	12/20/2039	GNMA	770962	4.500	83,617	66,617.56	5/15/2041
GNMA	736446	5.000	1,196,314	68,384.03	2/20/2040	GNMA	544179	4.500	677,676	150,035.89	6/15/2041
GNMA	752470	5.000	254,186	132,444.22	4/20/2040	GNMA	563075	4.500	543,884	136,750.41	6/15/2041
GNMA	742062	4.750	2,995,209	224,694.93	7/20/2040	GNMA	770723	4.750	1,874,542	105,574.12	6/15/2041
GNMA	742071	4.750	2,472,314	170,052.88	7/20/2040	GNMA	770724	4.500	899,229	82,327.75	6/15/2041
GNMA	742151	4.750	1,467,713	130,323.55	7/20/2040	GNMA	770807	4.750	1,530,994	113,875.32	6/15/2041
GNMA	742160	5.000	1,220,249	63,622.33	7/20/2040	GNMA	770849	4.750	626,414	225,048.40	6/15/2041
GNMA	748808	4.500	303,551	67,729.05	7/20/2040	GNMA	770850	4.500	425,011	85,470.47	6/15/2041
GNMA	748805	5.000	266,116	59,161.40	8/20/2040	GNMA	770893	4.750	1,293,817	174,456.27	6/15/2041
GNMA	748806	4.750	3,951,179	388,371.92	8/20/2040	GNMA	770894	4.500	757,653	153,355.11	6/15/2041
GNMA	748807	4.500	2,754,833	154,835.80	8/20/2040	GNMA	770961	4.750	437,289	196,055.32	6/15/2041
GNMA	752716	4.500	204,335	151,454.26	8/20/2040	GNMA	544198	4.500	2,244,568	219,150.05	7/15/2041
GNMA	752622	5.000	518,619	97,181.65	9/20/2040	GNMA	563078	4.500	651,378	142,507.24	7/15/2041
GNMA	752516	4.750	5,890,380	1,122,532.85	10/20/2040	GNMA	770958	4.750	3,440,771	211,498.13	7/15/2041
GNMA	752517	5.000	1,136,386	103,052.24	10/20/2040	GNMA	770959	4.500	2,702,843	66,358.10	7/15/2041
GNMA	763197	3.500	355,593	154,740.42	3/15/2041	GNMA	544194	4.750	3,727,852	386,804.58	8/15/2041
GNMA	763202	4.000	163,567	129,297.68	3/15/2041	GNMA	563056	4.500	1,593,577	74,159.80	8/15/2041
GNMA	763198	3.500	320,159	95,124.14	4/15/2041	GNMA	654638	4.500	881,529	134,109.85	8/15/2041
GNMA	763206	4.250	1,806,246	268,663.15	4/15/2041	GNMA	770624	4.500	3,334,254	311,626.70	8/15/2041
GNMA	763207	4.500	928,551	195,440.39	4/15/2041	GNMA	770626	4.750	3,595,590	285,074.31	8/15/2041
GNMA	763263	4.000	623,196	366,643.66	4/15/2041	GNMA	779832	4.750	1,182,339	82,953.42	8/15/2041
GNMA	763268	3.500	742,679	117,161.28	4/15/2041	GNMA	654636	4.250	981,649	118,270.77	9/15/2041
GNMA	763270	4.750	259,737	94,665.98	4/15/2041	GNMA	654640	4.500	1,556,169	53,019.40	9/15/2041
GNMA	763274	4.500	370,387	118,248.32	4/15/2041	GNMA	654725	4.750	785,197	320,842.80	9/15/2041
GNMA	770729	4.500	54,408	43,462.97	4/15/2041	GNMA	654729	4.250	1,558,262	345,693.29	9/15/2041
GNMA	770892	4.500	256,375	80,997.21	4/15/2041	GNMA	654730	4.500	1,513,298	198,152.16	9/15/2041
GNMA	376982	4.500	203,210	159,012.51	5/15/2041	GNMA	770618	4.500	1,859,679	138,359.48	9/15/2041
GNMA	544180	5.000	126,286	103,376.57	5/15/2041	GNMA	779732	4.250	478,526	114,010.76	10/15/2041
GNMA	563061	4.500	143,051	112,761.36	5/15/2041	GNMA	779736	4.750	330,958	60,252.11	10/15/2041
GNMA	763200	4.750	1,484,261	595,729.15	5/15/2041	GNMA	779831	4.250	1,887,326	287,291.89	10/15/2041
GNMA	763204	4.500	1,681,533	174,911.02	5/15/2041	GNMA	779833	4.500	1,989,735	210,080.56	10/15/2041
GNMA	763265	4.750	868,554	228,847.30	5/15/2041	GNMA	779890	4.750	255,263	35,762.26	10/15/2041
GNMA	763269	5.000	354,375	77,697.13	5/15/2041	GNMA	779892	3.750	412,211	122,027.29	10/15/2041
GNMA	770663	4.500	239,157	54,998.01	5/15/2041	GNMA	779894	4.250	646,415	114,077.12	10/15/2041
GNMA	770666	4.750	653,237	113,127.52	5/15/2041	GNMA	779933	4.500	1,129,249	70,253.79	10/15/2041
GNMA	770727	4.750	1,163,114	67,214.97	5/15/2041	GNMA	728833	4.250	803,326	390,768.68	11/15/2041
GNMA	770732	4.250	306,449	108,617.78	5/15/2041	GNMA	728838	4.000	286,450	64,545.33	11/15/2041
GNMA	770846	4.500	116,817	94,203.74	5/15/2041	GNMA	779734	4.500	1,048,037	90,613.82	11/15/2041

Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
GNMA	779738	3.750	1,537,544	302,700.84	11/15/2041	GNMA	AR3718	2.500	3,114,772	1,984,014.32	11/20/2045	GNMA	AR3718	2.500	3,114,772	1,984,014.32	11/20/2045
GNMA	779932	3.750	1,360,113	140,931.93	11/15/2041	GNMA	AR3743	2.500	2,871,722	1,950,968.59	12/20/2045	GNMA	AR3743	2.500	2,871,722	1,950,968.59	12/20/2045
GNMA	779934	4.000	1,851,571	77,609.84	11/15/2041	GNMA	AR3777	2.500	2,202,432	956,809.89	2/20/2046	GNMA	AR3777	2.500	2,202,432	956,809.89	2/20/2046
GNMA	728831	3.750	1,533,170	100,267.91	12/15/2041	GNMA	AS4883	2.500	2,452,654	931,827.26	2/20/2046	GNMA	AS4883	2.500	2,452,654	931,827.26	2/20/2046
GNMA	779681	3.750	2,982,069	511,310.50	12/15/2041	GNMA	AS4916	2.500	2,571,180	1,185,584.01	4/20/2046	GNMA	AS4916	2.500	2,571,180	1,185,584.01	4/20/2046
GNMA	779682	4.000	5,429,538	608,055.54	12/15/2041	GNMA	AS4943	2.500	1,627,457	557,242.20	5/20/2046	GNMA	AS4943	2.500	1,627,457	557,242.20	5/20/2046
GNMA	796057	4.750	117,796	97,287.28	12/15/2041	GNMA	AU0750	2.500	889,144	507,682.68	6/20/2046	GNMA	AU0750	2.500	889,144	507,682.68	6/20/2046
GNMA	796056	4.000	2,593,400	420,210.86	1/15/2042	GNMA	AU0786	2.500	2,550,466	1,020,002.83	7/20/2046	GNMA	AU0786	2.500	2,550,466	1,020,002.83	7/20/2046
GNMA	796058	3.750	3,058,340	836,435.84	1/15/2042	GNMA	AV7430	2.500	3,016,410	1,035,485.83	7/20/2046	GNMA	AV7430	2.500	3,016,410	1,035,485.83	7/20/2046
GNMA	772402	3.750	729,752	182,430.49	4/20/2042	GNMA	AV7455	2.500	2,819,235	1,361,996.73	9/20/2046	GNMA	AV7455	2.500	2,819,235	1,361,996.73	9/20/2046
GNMA	AA4782	3.750	1,888,029	70,287.55	8/20/2042	GNMA	AV7484	2.500	3,222,223	1,695,824.17	9/20/2046	GNMA	AV7484	2.500	3,222,223	1,695,824.17	9/20/2046
GNMA	AA4783	3.750	4,577,316	582,663.16	8/20/2042	GNMA	AV7493	2.500	1,624,563	320,426.70	9/20/2046	GNMA	AV7493	2.500	1,624,563	320,426.70	9/20/2046
GNMA	AA4789	3.750	2,156,562	423,699.76	8/20/2042	GNMA	AX8680	2.500	3,134,367	1,546,584.93	11/20/2046	GNMA	AX8680	2.500	3,134,367	1,546,584.93	11/20/2046
GNMA	AA4785	4.000	2,028,961	395,363.84	9/20/2042	GNMA	AX8725	2.625	424,215	380,497.42	11/20/2046	GNMA	AX8725	2.625	424,215	380,497.42	11/20/2046
GNMA	AA4788	3.500	769,792	207,983.37	9/20/2042	GNMA	AZ1018	2.500	1,998,231	1,178,736.49	11/20/2046	GNMA	AZ1018	2.500	1,998,231	1,178,736.49	11/20/2046
GNMA	AA4796	3.500	762,499	123,540.47	10/20/2042	GNMA	AZ1023	2.500	1,678,468	777,145.31	11/20/2046	GNMA	AZ1023	2.500	1,678,468	777,145.31	11/20/2046
GNMA	AA4797	3.750	1,386,029	148,386.25	10/20/2042	GNMA	AZ8570	2.500	368,081	217,467.12	11/20/2046	GNMA	AZ8570	2.500	368,081	217,467.12	11/20/2046
GNMA	AB8000	3.750	754,316	175,680.00	11/20/2042	GNMA	BA7904	2.500	344,698	309,356.15	11/20/2046	GNMA	BA7904	2.500	344,698	309,356.15	11/20/2046
GNMA	AC5285	3.500	307,959	85,355.61	11/20/2042	GNMA	AZ1024	2.625	1,994,103	1,092,812.42	1/20/2047	GNMA	AZ1024	2.625	1,994,103	1,092,812.42	1/20/2047
GNMA	AB7998	2.000	2,185,619	444,514.45	12/20/2042	GNMA	AZ8571	2.625	2,998,968	1,556,944.85	2/20/2047	GNMA	AZ8571	2.625	2,998,968	1,556,944.85	2/20/2047
GNMA	AC5284	2.000	2,059,125	717,681.17	12/20/2042	GNMA	AZ8572	3.125	1,031,784	297,852.14	2/20/2047	GNMA	AZ8572	3.125	1,031,784	297,852.14	2/20/2047
GNMA	AC5298	2.000	6,082,520	2,264,193.51	2/20/2043	GNMA	AZ8584	2.625	2,032,323	1,320,782.11	2/20/2047	GNMA	AZ8584	2.625	2,032,323	1,320,782.11	2/20/2047
GNMA	AC5310	2.000	2,535,505	772,104.94	4/20/2043	GNMA	AZ8585	3.125	3,229,411	1,535,866.54	3/20/2047	GNMA	AZ8585	3.125	3,229,411	1,535,866.54	3/20/2047
GNMA	AC5317	2.000	1,428,158	535,413.83	5/20/2043	GNMA	BD3610	3.125	133,476	122,367.18	4/20/2047	GNMA	BD3610	3.125	133,476	122,367.18	4/20/2047
GNMA	AD6857	2.000	2,249,964	1,183,953.21	6/20/2043	GNMA	BA7906	3.125	2,973,249	1,071,382.02	5/20/2047	GNMA	BA7906	3.125	2,973,249	1,071,382.02	5/20/2047
GNMA	AD6862	2.000	2,158,510	1,060,234.20	7/20/2043	GNMA	BC1114	3.125	393,989	167,956.87	5/20/2047	GNMA	BC1114	3.125	393,989	167,956.87	5/20/2047
GNMA	AD6869	2.000	2,813,325	530,388.69	8/20/2043	GNMA	BC1152	3.125	258,994	237,678.63	5/20/2047	GNMA	BC1152	3.125	258,994	237,678.63	5/20/2047
GNMA	AD6880	2.000	2,611,728	628,019.64	9/20/2043	GNMA	BA7954	3.625	1,403,250	318,777.22	6/20/2047	GNMA	BA7954	3.625	1,403,250	318,777.22	6/20/2047
GNMA	AF5770	2.000	1,254,276	564,468.27	10/20/2043	GNMA	BA7955	3.125	2,812,501	1,639,035.18	6/20/2047	GNMA	BA7955	3.125	2,812,501	1,639,035.18	6/20/2047
GNMA	AF5784	2.000	150,707	115,490.66	10/20/2043	GNMA	BC1115	3.625	1,274,475	948,686.36	6/20/2047	GNMA	BC1115	3.625	1,274,475	948,686.36	6/20/2047
GNMA	AI8450	3.000	1,422,245	324,691.36	7/20/2044	GNMA	BC1153	3.625	3,232,668	2,191,685.73	8/20/2047	GNMA	BC1153	3.625	3,232,668	2,191,685.73	8/20/2047
GNMA	AJ6680	3.000	1,002,157	99,729.22	9/20/2044	GNMA	BD3611	3.625	2,602,643	730,907.86	8/20/2047	GNMA	BD3611	3.625	2,602,643	730,907.86	8/20/2047
GNMA	AJ6683	3.000	1,016,658	301,376.14	10/20/2044	GNMA	BD3634	3.625	970,082	452,371.94	9/20/2047	GNMA	BD3634	3.625	970,082	452,371.94	9/20/2047
GNMA	AK2046	3.000	1,278,000	397,121.98	11/20/2044	GNMA	BH2949	3.250	3,292,091	2,024,786.99	5/20/2048	GNMA	BH2949	3.250	3,292,091	2,024,786.99	5/20/2048
GNMA	AK8022	3.000	762,937	95,994.18	12/20/2044	GNMA	BH2983	3.250	2,833,000	2,171,893.54	6/20/2048	GNMA	BH2983	3.250	2,833,000	2,171,893.54	6/20/2048
GNMA	AP0299	2.500	455,793	393,382.51	8/20/2045	GNMA	BI0723	3.250	6,543,707	4,489,733.03	7/20/2048	GNMA	BI0723	3.250	6,543,707	4,489,733.03	7/20/2048
GNMA	AP0309	2.500	2,786,326	1,151,721.44	10/20/2045	GNMA	BI0724	3.375	1,395,119	733,094.98	7/20/2048	GNMA	BI0724	3.375	1,395,119	733,094.98	7/20/2048
GNMA	AQ2324	2.500	3,197,745	1,039,039.85	10/20/2045	GNMA	BI5825	3.375	342,061	323,155.79	7/20/2048	GNMA	BI5825	3.375	342,061	323,155.79	7/20/2048

Pass-Through						Pass-Through					
Type of MBS	Pool Number	Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date	Type of MBS	Pool Number	Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
GNMA	BI5276	3.250	4,160,888	3,136,615.40	8/20/2048	GNMA	BQ3198	3.625	616,940	593,347.57	8/20/2049
GNMA	BI5277	3.375	5,617,967	3,195,935.56	8/20/2048	GNMA	BQ3199	3.250	4,664,784	3,625,582.31	9/20/2049
GNMA	BI5278	3.500	1,362,445	917,226.90	8/20/2048	GNMA	BQ9510	3.625	470,584	455,270.45	9/20/2049
GNMA	BI7384	3.250	1,714,863	863,524.76	8/20/2048	GNMA	BR2720	3.625	209,019	202,513.02	9/20/2049
GNMA	BK5485	3.500	320,193	303,600.89	8/20/2048	GNMA	BT0315	3.250	584,656	330,770.95	9/20/2049
GNMA	BI7385	3.375	2,297,123	2,165,291.18	9/20/2048	GNMA	BQ9509	3.250	4,828,678	3,731,582.40	10/20/2049
GNMA	BI7386	3.500	8,921,970	5,452,693.02	9/20/2048	GNMA	BQ9508	3.125	607,318	292,131.04	11/20/2049
GNMA	BI7387	3.625	1,288,348	985,780.93	9/20/2048	GNMA	BR2718	3.125	4,300,557	3,812,193.76	11/20/2049
GNMA	BI5826	3.500	2,631,092	1,910,630.03	9/20/2048	GNMA	BR2719	3.250	1,358,794	1,090,461.25	11/20/2049
GNMA	BK0725	3.500	1,502,217	724,596.53	9/20/2048	GNMA	BS1019	3.250	610,418	591,262.57	11/20/2049
GNMA	BI5827	3.625	4,449,895	3,085,353.56	10/20/2048	GNMA	BS1018	3.125	4,917,277	4,066,820.56	12/20/2049
GNMA	BI5828	3.875	251,853	239,176.56	10/20/2048	GNMA	BT0314	3.125	5,829,793	4,891,156.40	2/20/2050
GNMA	BK0726	3.675	6,261,874	4,741,596.25	11/20/2048	GNMA	BT0402	3.125	3,120,794	2,834,193.57	3/20/2050
GNMA	BK0727	3.875	4,888,617	3,399,686.00	11/20/2048	GNMA	BU3268	3.125	3,778,774	3,225,248.56	4/20/2050
GNMA	BK5486	3.625	688,041	485,890.72	11/20/2048	GNMA	BV6544	2.875	577,621	559,924.93	5/20/2050
GNMA	BK5487	3.875	7,319,102	5,422,485.45	11/20/2048	GNMA	BV6545	3.125	4,009,925	3,734,255.98	5/20/2050
GNMA	BK5488	4.500	1,755,505	899,807.38	11/20/2048	GNMA	BV6745	2.875	261,669	255,605.00	5/20/2050
GNMA	BL0413	3.625	930,266	751,745.56	11/20/2048	GNMA	BW9135	3.125	400,707	390,825.46	5/20/2050
GNMA	BL0414	3.875	915,883	804,813.81	12/20/2048	GNMA	BV6673	2.875	474,910	463,166.56	6/20/2050
GNMA	BL0415	4.500	5,025,722	2,897,867.55	1/20/2049	GNMA	BV6674	3.125	1,630,988	1,396,121.83	6/20/2050
GNMA	BL5966	4.500	4,800,207	2,404,229.83	1/20/2049	GNMA	BV6747	3.125	639,579	625,184.46	6/20/2050
GNMA	BM4183	4.500	3,120,792	1,815,679.07	3/20/2049	GNMA	BV6746	3.000	592,490	579,025.00	7/20/2050
GNMA	BM4188	4.500	3,539,313	2,498,886.98	4/20/2049	GNMA	BW9134	3.000	1,078,050	1,054,602.05	7/20/2050
GNMA	BO3151	4.500	211,734	203,527.17	4/20/2049	GNMA	BW9132	2.750	190,289	186,156.08	8/20/2050
GNMA	BR2726	4.500	160,430	155,834.37	4/20/2049	GNMA	BW9133	2.875	628,453	615,034.03	8/20/2050
GNMA	BN3990	4.500	2,500,867	1,599,678.01	5/20/2049	GNMA	BY2208	2.875	1,198,187	1,174,257.47	8/20/2050
GNMA	BN4039	4.375	1,733,316	1,024,774.02	5/20/2049	GNMA	BY2209	3.000	529,754	520,508.83	8/20/2050
GNMA	BN4040	4.500	2,175,571	1,842,708.79	6/20/2049	GNMA	BY5059	2.750	220,196	216,125.65	8/20/2050
GNMA	BO3124	4.375	819,069	789,844.61	6/20/2049	GNMA	BZ3261	3.000	186,333	181,374.91	8/20/2050
GNMA	BO3123	4.250	1,917,014	1,416,316.03	7/20/2049	GNMA	CA5046	2.875	272,704	269,070.72	8/20/2050
GNMA	BO3237	4.125	473,640	456,761.41	7/20/2049	GNMA	BY2207	2.750	799,523	783,406.82	9/20/2050
GNMA	BO3238	4.250	2,153,268	2,079,186.81	7/20/2049	GNMA	BZ3260	2.750	190,837	187,634.59	9/20/2050
GNMA	BP4322	4.125	289,239	279,799.37	7/20/2049	GNMA	BY5058	2.500	887,708	870,070.40	10/20/2050
GNMA	BQ3197	4.125	249,410	241,584.77	7/20/2049	GNMA	BZ3259	2.500	605,850	595,128.00	10/20/2050
GNMA	BO3236	3.625	359,370	208,083.48	8/20/2049	GNMA	CA5045	2.500	481,132	474,413.26	11/20/2050
GNMA	BP4320	3.250	437,261	254,651.00	8/20/2049	GNMA	CB8476	2.500	211,969	208,105.09	11/20/2050
GNMA	BP4321	3.625	978,217	886,495.96	8/20/2049	GNMA	CA2867	2.250	260,000	255,771.01	12/20/2050
GNMA	BP4323	4.250	273,390	264,673.53	8/20/2049	GNMA	CA2868	2.500	1,109,889	1,091,975.57	12/20/2050



Type of MBS	Pool Number	Pass-Through Interest Rate (%)	Original Par Amount (\$)	Par Amount Outstanding (\$)	Maturity Date
GNMA	CD3069	2.500%	131,361	130,413.62	12/20/2050
GNMA	CA5044	2.250%	2,033,665	2,002,751.59	1/20/2051
GNMA	CD2956	2.250%	291,026	288,376.43	1/20/2051
GNMA	CB8475	2.250%	2,630,241	2,596,365.44	2/20/2051
GNMA	CB8576	2.250%	1,618,337	1,600,395.20	2/20/2051
GNMA	CB8575	2.000%	476,723	471,251.53	3/20/2051
GNMA	CD2955	2.000%	1,450,702	1,436,380.63	4/20/2051
GNMA	CD3068	2.000%	1,485,575	1,474,127.61	5/20/2051
GNMA	CF1088	2.000%	2,025,771	2,014,166.95	6/20/2051
GNMA	CF1193	2.000%	2,614,710	2,603,351.42	7/20/2051
GNMA	CF1273	2.000%	2,625,442	2,620,520.11	8/20/2051
GNMA	CH1233	2.000%	5,507,887	5,507,887.00	9/20/2051
<b>Total GNMA:</b>			<b>947,557,305</b>	<b>226,390,560.32</b>	<b>45.65%</b>
<b>Total FHLMC:</b>			<b>71,914,699</b>	<b>18,700,400.57</b>	<b>3.77%</b>
<b>Total FNMA:</b>			<b>610,188,269</b>	<b>250,824,365.96</b>	<b>50.58%</b>
<b>Grand Total:</b>			<b>1,629,660,273</b>	<b>495,915,326.85</b>	<b>100.00%</b>

**Table F-6**  
**Washington State Housing Finance Commission Single-Family Program Bonds**  
**Outstanding “Call-Restricted” Bonds by Coupon - Ranked Highest to Lowest**  
(Principal Amounts as of October 1, 2021)

The Series Indentures generally limit the circumstances under which the Bonds identified below as “PAC” bonds can be redeemed pursuant to optional redemptions and revenue fund redemptions before the respective “priority amortization balances” for such Bonds reduces to \$0. The Bonds listed in the table may be subject to certain types of redemption notwithstanding such limitations, including unexpended proceeds redemptions, mandatory sinking fund redemptions, and redemptions necessary to preserve the tax-exempt status of such Bonds. Investors should consult the applicable Series Indentures for the specific redemption provisions applicable to the Bonds listed in the following table.

Series	Outstanding Par Amount	Coupon	Maturity	Type of Bond
2017 Series 1A-R	\$3,005,000	4.00%	6/1/2039	PAC
2017 Series 1N	6,005,000	4.00	12/1/2047	PAC
2017 Series 3N	5,760,000	4.00	12/1/2047	PAC
2018 Series 1N	23,605,000	4.00	12/1/2048	PAC
2019 Series 1N	20,805,000	4.00	6/1/2049	PAC
2020 Series 1N	12,240,000	4.00	6/1/2050	PAC
2019 Series 2N	13,460,000	3.75	12/1/2049	PAC
2014 Series 2A-R	1,910,000	3.50	6/1/2044	PAC
2015 Series 1A-R	4,090,000	3.50	6/1/2038	PAC
2016 Series 1A-R	5,200,000	3.50	12/1/2038	PAC
2016 Series 2A-R	6,085,000	3.50	12/1/2046	PAC
2017 Series 2N	5,505,000	3.50	6/1/2047	PAC
2020 Series 2N	11,770,000	3.00	12/1/2050	PAC
2021 Series 1N	21,855,000	3.00	12/1/2049	PAC
<b>TOTAL:</b>	<b>\$141,295,000</b>			
<b>Table F-7 Total:</b>	<b>\$351,365,000</b>			
<b>GRAND TOTAL:</b>	<b>\$492,660,000</b>			

**Table F-7**  
**Washington State Housing Finance Commission Single-Family Program Bonds**  
**Outstanding Bonds by Coupon-Ranked Highest to Lowest<sup>1</sup>**  
(Principal Amounts as of October 1, 2021)

Series	Par Amount Outstanding	Cumulative Total	Coupon	Maturity	Series	Par Amount Outstanding	Cumulative Total	Coupon	Maturity
2014 2N	\$290,000	\$290,000	3.700%	12/1/2033	2017 1N	\$1,830,000	\$1,830,000	3.000%	12/1/2027
2017 1N	\$2,095,000	\$2,095,000	3.600%	12/1/2032	2018 1N	\$1,160,000	\$1,160,000	3.000%	6/1/2027
2013 1A-R	\$875,000	\$875,000	3.550%	6/1/2026	2019 1N	\$980,000	\$980,000	3.000%	6/1/2030
2013 1N	\$13,285,000	\$13,285,000	3.500%	12/1/2033	2019 2N	\$6,885,000	\$6,885,000	3.000%	12/1/2039
2013 1A-R	\$335,000	\$335,000	3.450%	12/1/2025	2015 1A-R	\$1,100,000	\$1,100,000	2.950%	6/1/2024
2015 1N	\$6,170,000	\$6,170,000	3.450%	12/1/2030	2017 1N	\$1,785,000	\$1,785,000	2.950%	6/1/2027
2014 2N	\$2,345,000	\$2,345,000	3.400%	12/1/2029	2018 1N	\$1,135,000	\$1,135,000	2.950%	12/1/2026
2019 1N	\$1,080,000	\$1,080,000	3.375%	12/1/2034	2013 1A-R	\$475,000	\$475,000	2.900%	12/1/2021
2016 2N	\$3,485,000	\$3,485,000	3.350%	12/1/2036	2017 1A-R	\$460,000	\$460,000	2.900%	12/1/2024
2018 1N	\$1,345,000	\$1,345,000	3.350%	12/1/2030	2017 1N	\$1,760,000	\$1,760,000	2.900%	12/1/2026
2018 1N	\$1,320,000	\$1,320,000	3.300%	6/1/2030	2018 1N	\$1,110,000	\$1,110,000	2.900%	6/1/2026
2014 2A-R	\$435,000	\$435,000	3.250%	6/1/2024	2019 1N	\$950,000	\$950,000	2.900%	12/1/2029
2015 1A-R	\$1,325,000	\$1,325,000	3.250%	6/1/2026	2015 1A-R	\$1,080,000	\$1,080,000	2.850%	12/1/2023
2017 3N	\$8,360,000	\$8,360,000	3.250%	12/1/2032	2017 1A-R	\$480,000	\$480,000	2.850%	6/1/2024
2018 1N	\$1,290,000	\$1,290,000	3.250%	12/1/2029	2017 1N	\$990,000	\$990,000	2.850%	6/1/2026
2013 1N	\$4,910,000	\$4,910,000	3.200%	12/1/2028	2017 3N	\$945,000	\$945,000	2.850%	12/1/2028
2016 1N	\$3,835,000	\$3,835,000	3.200%	12/1/2036	2019 1N	\$925,000	\$925,000	2.850%	6/1/2029
2018 1N	\$1,265,000	\$1,265,000	3.200%	6/1/2029	2017 3N	\$925,000	\$925,000	2.800%	6/1/2028
2014 2A-R	\$780,000	\$780,000	3.150%	12/1/2023	2019 1N	\$905,000	\$905,000	2.800%	12/1/2028
2015 1A-R	\$1,185,000	\$1,185,000	3.150%	12/1/2025	2020 1N	\$4,200,000	\$4,200,000	2.800%	12/1/2043
2017 1N	\$1,900,000	\$1,900,000	3.150%	12/1/2028	2015 1A-R	\$1,050,000	\$1,050,000	2.750%	6/1/2023
2017 2N	\$4,660,000	\$4,660,000	3.150%	12/1/2032	2017 2N	\$530,000	\$530,000	2.750%	2/1/2028
2019 1N	\$1,050,000	\$1,050,000	3.150%	12/1/2031	2017 3N	\$905,000	\$905,000	2.750%	12/1/2027
2018 1N	\$1,235,000	\$1,235,000	3.125%	12/1/2028	2018 1N	\$1,085,000	\$1,085,000	2.750%	12/1/2025
2019 1N	\$1,025,000	\$1,025,000	3.125%	6/1/2031	2019 1N	\$880,000	\$880,000	2.750%	6/1/2028
2014 2A-R	\$905,000	\$905,000	3.100%	6/1/2023	2019 2N	\$3,550,000	\$3,550,000	2.750%	12/1/2034
2015 1A-R	\$1,155,000	\$1,155,000	3.100%	6/1/2025	2014 2A-R	\$420,000	\$420,000	2.700%	12/1/2021
2017 1N	\$1,865,000	\$1,865,000	3.100%	6/1/2028	2017 1A-R	\$475,000	\$475,000	2.700%	12/1/2023
2018 1N	\$1,210,000	\$1,210,000	3.100%	6/1/2028	2017 1N	\$965,000	\$965,000	2.700%	12/1/2025
2013 1A-R	\$970,000	\$970,000	3.050%	6/1/2022	2017 2N	\$515,000	\$515,000	2.700%	6/1/2028
2016 2N	\$10,425,000	\$10,425,000	3.050%	12/1/2031	2017 3N	\$885,000	\$885,000	2.700%	6/1/2027
2018 1N	\$1,185,000	\$1,185,000	3.050%	12/1/2027	2018 1N	\$1,060,000	\$1,060,000	2.700%	6/1/2025
2019 1N	\$1,000,000	\$1,000,000	3.050%	12/1/2030	2016 2N	\$1,310,000	\$1,310,000	2.650%	12/1/2027
2019 2N	\$3,120,000	\$3,120,000	3.050%	12/1/2041	2017 1N	\$950,000	\$950,000	2.650%	6/1/2025
2014 2A-R	\$860,000	\$860,000	3.000%	6/1/2022	2017 3N	\$870,000	\$870,000	2.650%	12/1/2026
2015 1A-R	\$1,135,000	\$1,135,000	3.000%	12/1/2024	2019 1N	\$860,000	\$860,000	2.650%	12/1/2027
2016 1N	\$5,110,000	\$5,110,000	3.000%	12/1/2031	2020 1N	\$7,250,000	\$7,250,000	2.650%	12/1/2040

<sup>1</sup> Excludes certain "call-restricted" Bonds listed in Table F-6.

Series	Par Amount		Cumulative		Series	Par Amount		Cumulative		Maturity
	Outstanding	Total	Outstanding	Total		Outstanding	Total	Outstanding	Total	
2015 1A-R	\$1,030,000	\$1,030,000	\$1,030,000	\$1,030,000	2015 1A-R	\$490,000	\$490,000	\$490,000	\$490,000	12/1/2021
2016 2N	\$1,270,000	\$1,270,000	\$1,270,000	\$1,270,000	2016 1N	\$1,235,000	\$1,235,000	\$1,235,000	\$1,235,000	12/1/2025
2017 1A-R	\$470,000	\$470,000	\$470,000	\$470,000	2016 2N	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	12/1/2025
2017 1N	\$930,000	\$930,000	\$930,000	\$930,000	2017 1N	\$875,000	\$875,000	\$875,000	\$875,000	6/1/2023
2017 3N	\$850,000	\$850,000	\$850,000	\$850,000	2017 2A-R	\$435,000	\$435,000	\$435,000	\$435,000	6/1/2024
2018 1N	\$1,045,000	\$1,045,000	\$1,045,000	\$1,045,000	2017 3N	\$795,000	\$795,000	\$795,000	\$795,000	12/1/2024
2019 1N	\$835,000	\$835,000	\$835,000	\$835,000	2018 1N	\$955,000	\$955,000	\$955,000	\$955,000	12/1/2022
2016 1N	\$1,315,000	\$1,315,000	\$1,315,000	\$1,315,000	2019 2N	\$530,000	\$530,000	\$530,000	\$530,000	12/1/2030
2017 2N	\$505,000	\$505,000	\$505,000	\$505,000	2020 1N	\$615,000	\$615,000	\$615,000	\$615,000	6/1/2031
2017 2A-R	\$100,000	\$100,000	\$100,000	\$100,000	2016 1N	\$1,205,000	\$1,205,000	\$1,205,000	\$1,205,000	6/1/2025
2018 1N	\$1,015,000	\$1,015,000	\$1,015,000	\$1,015,000	2016 2A-R	\$1,005,000	\$1,005,000	\$1,005,000	\$1,005,000	12/1/2023
2015 1A-R	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	2016 2N	\$1,080,000	\$1,080,000	\$1,080,000	\$1,080,000	6/1/2025
2016 1N	\$1,285,000	\$1,285,000	\$1,285,000	\$1,285,000	2017 3N	\$780,000	\$780,000	\$780,000	\$780,000	6/1/2024
2016 2N	\$1,255,000	\$1,255,000	\$1,255,000	\$1,255,000	2018 1N	\$935,000	\$935,000	\$935,000	\$935,000	6/1/2022
2017 1N	\$910,000	\$910,000	\$910,000	\$910,000	2019 1N	\$760,000	\$760,000	\$760,000	\$760,000	6/1/2025
2017 2A-R	\$450,000	\$450,000	\$450,000	\$450,000	2019 2A	\$460,000	\$460,000	\$460,000	\$460,000	12/1/2026
2017 2N	\$490,000	\$490,000	\$490,000	\$490,000	2019 2N	\$525,000	\$525,000	\$525,000	\$525,000	6/1/2030
2019 1N	\$820,000	\$820,000	\$820,000	\$820,000	2020 1A	\$285,000	\$285,000	\$285,000	\$285,000	12/1/2027
2016 2A-R	\$540,000	\$540,000	\$540,000	\$540,000	2020 1N	\$595,000	\$595,000	\$595,000	\$595,000	6/1/2030
2016 2N	\$1,245,000	\$1,245,000	\$1,245,000	\$1,245,000	2020 1N	\$605,000	\$605,000	\$605,000	\$605,000	12/1/2030
2017 1A-R	\$465,000	\$465,000	\$465,000	\$465,000	2016 2A-R	\$985,000	\$985,000	\$985,000	\$985,000	6/1/2023
2017 3N	\$830,000	\$830,000	\$830,000	\$830,000	2017 1A-R	\$225,000	\$225,000	\$225,000	\$225,000	12/1/2021
2019 1N	\$795,000	\$795,000	\$795,000	\$795,000	2017 2N	\$365,000	\$365,000	\$365,000	\$365,000	12/1/2025
2020 1N	\$3,805,000	\$3,805,000	\$3,805,000	\$3,805,000	2018 1N	\$455,000	\$455,000	\$455,000	\$455,000	12/1/2021
2020 2N	\$1,105,000	\$1,105,000	\$1,105,000	\$1,105,000	2019 1N	\$735,000	\$735,000	\$735,000	\$735,000	12/1/2024
2016 1N	\$1,255,000	\$1,255,000	\$1,255,000	\$1,255,000	2019 2A	\$450,000	\$450,000	\$450,000	\$450,000	6/1/2026
2016 1N	\$1,285,000	\$1,285,000	\$1,285,000	\$1,285,000	2019 2N	\$515,000	\$515,000	\$515,000	\$515,000	12/1/2029
2016 2A-R	\$1,030,000	\$1,030,000	\$1,030,000	\$1,030,000	2020 1A	\$580,000	\$580,000	\$580,000	\$580,000	6/1/2027
2017 2A-R	\$445,000	\$445,000	\$445,000	\$445,000	2020 1N	\$595,000	\$595,000	\$595,000	\$595,000	12/1/2029
2017 2N	\$480,000	\$480,000	\$480,000	\$480,000	2021 1N	\$13,315,000	\$13,315,000	\$13,315,000	\$13,315,000	6/1/2041
2017 3N	\$810,000	\$810,000	\$810,000	\$810,000	2016 1A-R	\$215,000	\$215,000	\$215,000	\$215,000	6/1/2023
2018 1N	\$995,000	\$995,000	\$995,000	\$995,000	2017 2A-R	\$420,000	\$420,000	\$420,000	\$420,000	12/1/2023
2019 2N	\$555,000	\$555,000	\$555,000	\$555,000	2017 3N	\$760,000	\$760,000	\$760,000	\$760,000	12/1/2023
2020 1N	\$620,000	\$620,000	\$620,000	\$620,000	2019 1N	\$720,000	\$720,000	\$720,000	\$720,000	6/1/2024
2020 1N	\$605,000	\$605,000	\$605,000	\$605,000	2019 2A	\$445,000	\$445,000	\$445,000	\$445,000	12/1/2025
2017 1N	\$895,000	\$895,000	\$895,000	\$895,000	2020 1N	\$605,000	\$605,000	\$605,000	\$605,000	6/1/2029
2017 1A-R	\$460,000	\$460,000	\$460,000	\$460,000	2020 2N	\$3,670,000	\$3,670,000	\$3,670,000	\$3,670,000	12/1/2035
2017 2N	\$475,000	\$475,000	\$475,000	\$475,000	2017 1N	\$855,000	\$855,000	\$855,000	\$855,000	12/1/2022
2018 1N	\$975,000	\$975,000	\$975,000	\$975,000	2019 2N	\$505,000	\$505,000	\$505,000	\$505,000	6/1/2029
2019 1N	\$775,000	\$775,000	\$775,000	\$775,000	2017 3N-R	\$665,000	\$665,000	\$665,000	\$665,000	6/1/2023
2019 2A	\$35,000	\$35,000	\$35,000	\$35,000	2019 1N	\$700,000	\$700,000	\$700,000	\$700,000	12/1/2023
2019 2N	\$545,000	\$545,000	\$545,000	\$545,000	2019 2A	\$435,000	\$435,000	\$435,000	\$435,000	6/1/2025
2020 1N	\$625,000	\$625,000	\$625,000	\$625,000	2020 1N	\$605,000	\$605,000	\$605,000	\$605,000	12/1/2028
2020 2N	\$10,665,000	\$10,665,000	\$10,665,000	\$10,665,000	2016 1A-R	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	12/1/2022

Series	Par Amount		Cumulative		Coupon	Maturity	Series	Par Amount		Cumulative		Coupon	Maturity
	Outstanding	Total	Outstanding	Total				Outstanding	Total				
2016 1N	\$1,160,000	\$1,160,000	2.050%	6/1/2024	2019 2A	\$395,000	\$395,000	1.800%	12/1/2022				
2016 1N	\$1,180,000	\$1,180,000	2.050%	12/1/2024	2020 2N	\$540,000	\$540,000	1.800%	6/1/2030				
2016 2A-R	\$940,000	\$940,000	2.050%	6/1/2022	2021 1N	\$1,305,000	\$1,305,000	1.800%	6/1/2032				
2016 2A-R	\$960,000	\$960,000	2.050%	12/1/2022	2017 2A-R	\$195,000	\$195,000	1.750%	12/1/2021				
2017 1N	\$845,000	\$845,000	2.050%	6/1/2022	2019 2A	\$385,000	\$385,000	1.750%	6/1/2022				
2017 2A-R	\$415,000	\$415,000	2.050%	6/1/2023	2020 1A	\$540,000	\$540,000	1.750%	12/1/2024				
2017 3N-R	\$645,000	\$645,000	2.050%	12/1/2022	2021 1N	\$1,265,000	\$1,265,000	1.750%	6/1/2031				
2019 2A	\$425,000	\$425,000	2.050%	12/1/2024	2021 1N	\$1,285,000	\$1,285,000	1.750%	12/1/2031				
2019 2N	\$490,000	\$490,000	2.050%	12/1/2028	2019 2A	\$190,000	\$190,000	1.700%	12/1/2021				
2020 1N	\$590,000	\$590,000	2.050%	6/1/2028	2020 2N	\$530,000	\$530,000	1.700%	12/1/2029				
2020 2N	\$570,000	\$570,000	2.050%	6/1/2032	2020 1A	\$530,000	\$530,000	1.650%	6/1/2024				
2020 2N	\$580,000	\$580,000	2.050%	12/1/2032	2020 2N	\$520,000	\$520,000	1.650%	6/1/2029				
2016 1A-R	\$980,000	\$980,000	2.000%	6/1/2022	2021 1N	\$1,245,000	\$1,245,000	1.600%	12/1/2030				
2016 1N	\$715,000	\$715,000	2.000%	12/1/2023	2021 1N	\$1,225,000	\$1,225,000	1.550%	6/1/2030				
2017 3N-R	\$640,000	\$640,000	2.000%	6/1/2022	2020 1A	\$515,000	\$515,000	1.500%	12/1/2023				
2019 1N	\$685,000	\$685,000	2.000%	6/1/2023	2021 1N	\$1,200,000	\$1,200,000	1.450%	12/1/2029				
2019 2A	\$415,000	\$415,000	2.000%	6/1/2024	2020 1A	\$510,000	\$510,000	1.400%	6/1/2023				
2019 2N	\$490,000	\$490,000	2.000%	6/1/2028	2020 2N	\$515,000	\$515,000	1.400%	12/1/2028				
2020 1A	\$565,000	\$565,000	2.000%	6/1/2026	2020 2N	\$510,000	\$510,000	1.350%	6/1/2028				
2020 1A	\$570,000	\$570,000	2.000%	12/1/2026	2021 1N	\$1,185,000	\$1,185,000	1.350%	6/1/2029				
2020 1N	\$305,000	\$305,000	2.000%	12/1/2027	2020 1A	\$495,000	\$495,000	1.250%	12/1/2022				
2020 2N	\$565,000	\$565,000	2.000%	12/1/2031	2021 1N	\$1,160,000	\$1,160,000	1.250%	12/1/2028				
2021 1N	\$1,355,000	\$1,355,000	2.000%	6/1/2033	2020 1A	\$485,000	\$485,000	1.150%	6/1/2022				
2021 1N	\$1,375,000	\$1,375,000	2.000%	12/1/2033	2020 2N	\$500,000	\$500,000	1.150%	12/1/2027				
2021 1N	\$8,765,000	\$8,765,000	2.000%	12/1/2036	2021 1N	\$1,145,000	\$1,145,000	1.150%	6/1/2028				
2017 3N-R	\$310,000	\$310,000	1.950%	12/1/2021	2020 2N	\$490,000	\$490,000	1.100%	6/1/2027				
2019 1N	\$665,000	\$665,000	1.950%	12/1/2022	2020 1A	\$235,000	\$235,000	1.050%	12/1/2021				
2019 2N	\$475,000	\$475,000	1.950%	12/1/2027	2020 2N	\$485,000	\$485,000	0.950%	12/1/2026				
2020 1A	\$560,000	\$560,000	1.950%	12/1/2025	2021 1N	\$1,125,000	\$1,125,000	0.950%	12/1/2027				
2020 2N	\$555,000	\$555,000	1.950%	6/1/2031	2020 2N	\$480,000	\$480,000	0.900%	6/1/2026				
2016 1A-R	\$480,000	\$480,000	1.900%	12/1/2021	2021 1N	\$1,110,000	\$1,110,000	0.875%	6/1/2027				
2016 2A-R	\$460,000	\$460,000	1.900%	12/1/2021	2021 1N	\$1,085,000	\$1,085,000	0.750%	12/1/2026				
2017 1N	\$405,000	\$405,000	1.900%	12/1/2021	2020 2N	\$470,000	\$470,000	0.700%	12/1/2025				
2017 2A-R	\$405,000	\$405,000	1.900%	12/1/2022	2021 1N	\$1,070,000	\$1,070,000	0.700%	6/1/2026				
2019 1N	\$650,000	\$650,000	1.900%	6/1/2022	2020 2N	\$465,000	\$465,000	0.650%	6/1/2025				
2019 2A	\$410,000	\$410,000	1.900%	12/1/2023	2020 2N	\$455,000	\$455,000	0.550%	12/1/2024				
2019 2N	\$430,000	\$430,000	1.900%	6/1/2027	2021 1N	\$1,035,000	\$1,035,000	0.550%	6/1/2025				
2020 1A	\$555,000	\$555,000	1.900%	6/1/2025	2021 1N	\$1,055,000	\$1,055,000	0.550%	12/1/2025				
2021 1N	\$1,330,000	\$1,330,000	1.900%	12/1/2032	2020 2N	\$450,000	\$450,000	0.500%	6/1/2024				
2016 1N	\$390,000	\$390,000	1.875%	6/1/2023	2020 2N	\$445,000	\$445,000	0.450%	12/1/2023				
2017 2A-R	\$395,000	\$395,000	1.850%	6/1/2022	2020 2N	\$435,000	\$435,000	0.400%	6/1/2023				
2019 1N	\$315,000	\$315,000	1.850%	12/1/2021	2021 1N	\$1,000,000	\$1,000,000	0.400%	6/1/2024				
2019 2A	\$405,000	\$405,000	1.850%	6/1/2023	2021 1N	\$1,020,000	\$1,020,000	0.400%	12/1/2024				
2020 2N	\$545,000	\$545,000	1.850%	12/1/2030	2020 2N	\$430,000	\$430,000	0.350%	12/1/2022				

Series	Par Amount Outstanding	Cumulative Total	Coupon	Maturity
2021 1N	\$990,000	\$990,000	0.350%	12/1/2023
2020 2N	\$425,000	\$425,000	0.300%	6/1/2022
2021 1N	\$970,000	\$970,000	0.300%	6/1/2023
2020 2N	\$210,000	\$210,000	0.250%	12/1/2021
2021 1N	\$955,000	\$955,000	0.250%	12/1/2022
2021 1N	\$935,000	\$935,000	0.200%	6/1/2022
2021 1N	\$270,000	\$270,000	0.125%	12/1/2021
2016 1N	\$7,500,000	\$7,500,000	Variable	12/1/2046
2018 1N-MM	\$30,000,000	\$30,000,000	Variable	12/1/2048
<b>Total:</b>	<b>\$351,365,000</b>			
<b>Table F-6 Total:</b>	<b>\$141,295,000</b>			
<b>Grand Total:</b>	<b>\$492,660,000</b>			

**APPENDIX G:  
KESTREL VERIFIERS' SECOND PARTY OPINION**

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# Second Party Opinion

## EXECUTIVE SUMMARY

### ISSUER

Washington State Housing Finance Commission

### OPINION ON

Single-Family Program Bonds, 2021 Series 2A (AMT) (Social Bonds)  
Single-Family Program Bonds, 2021 Series 2N (Non-AMT) (Social Bonds)

### SOCIAL STANDARD AND CATEGORIES



The  
Social Bond  
Principles

- Affordable Housing
- Access to Essential Services
- Socioeconomic Advancement and Empowerment

### TARGET POPULATIONS

Low- and moderate-income populations

### EVALUATION DATE

October 25, 2021

### SUMMARY

Kestrel Verifiers is of the opinion that the Washington State Housing Finance Commission's ("Commission") Single-Family Program Bonds, 2021 Series 2A (AMT) (Social Bonds) and the Single-Family Program Bonds, 2021 Series 2N (Non-AMT) (Social Bonds) ("2021 Series 2 Bonds") conform with the four core components of the Social Bond Principles 2021 as follows:

#### ▪ Use of Proceeds

Proceeds of the 2021 Series 2 Bonds will finance mortgage-backed certificates, which will be backed by pools of qualifying mortgage loans ("Mortgage Loans") that have been or will be made by participating lenders to low- and moderate-income households. The 2021 Series 2 Bonds align with three eligible project categories under the Social Bond Principles: *Affordable Housing*, *Access to Essential Services*, and *Socioeconomic Advancement and Empowerment*.

#### ▪ Process for Project Evaluation and Selection

The Mortgage Loans financed by the 2021 Series 2 Bonds will be for individuals and families that otherwise may not have access to affordable homeownership and meet specific eligibility criteria. Borrowers must be a first-time homebuyer or purchase in a Targeted Area, meet income limits, and purchase a home that does not exceed purchase price limits. Several stages of review confirm alignment of loans with eligibility criteria and confirm the 2021 Series 2 Bonds support low- and moderate-income households.

#### ▪ Management of Proceeds

Proceeds from the 2021 Series 2 Bonds will solely be allocated to finance Mortgage Loans through purchase of Certificates backed by Mortgage Loans, and to pay costs of issuance. The Commission's Finance Division is responsible for tracking and managing uses of proceeds. Prior to allocation to the acquisition of Mortgage Loans, proceeds may be temporarily invested in Permitted Investments.

#### ▪ Reporting

The Commission plans to produce a one-time update report on the Mortgage Loans financed by the 2021 Series 2 Bonds. The form of reporting is provided in Appendix H of the Official Statement. This report will be posted on the Municipal Securities Rulemaking Board's ("MSR") Electronic Municipal Market Access

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("EMMA") system when all of the proceeds of the 2021 Series 2 Bonds have been spent to purchase Certificates backed by Mortgage Loans.

- **Impact and Alignment with United Nations Sustainable Development Goals**

By financing Mortgage Loans and improving access to financial services and homeownership, the 2021 Series 2 Bonds support and advance multiple UN SDGs, including Goals 1: *No Poverty*, 8: *Decent Work and Economic Growth*, 10: *Reduced Inequalities*, and 11: *Sustainable Cities and Communities*.



# Second Party Opinion

<b>Issuer:</b>	<b>Washington State Housing Finance Commission</b>
<b>Issue Description:</b>	Single-Family Program Bonds, 2021 Series 2A (AMT) (Social Bonds) Single-Family Program Bonds, 2021 Series 2N (Non-AMT) (Social Bonds)
<b>Project:</b>	Single Family Homeownership
<b>Social Standard:</b>	Social Bond Principles
<b>Social Categories:</b>	Affordable Housing Access to Essential Services Socioeconomic Advancement and Empowerment
<b>Target Populations:</b>	Low- and moderate-income populations
<b>Par:</b>	\$79,525,000
<b>Evaluation Date:</b>	October 25, 2021

## SOCIAL BONDS DESIGNATION

Kestrel Verifiers, an Approved Verifier accredited by the Climate Bonds Initiative, conducted an independent external review of these bonds to evaluate conformance with the Social Bond Principles (June 2021) established by the International Capital Market Association.

This Second Party Opinion reflects our review of the uses of proceeds and conformance of the 2021 Series 2 Bonds with the Social Bond Principles. In our opinion, the 2021 Series 2 Bonds are aligned with the four core components of the Social Bond Principles and qualify for social bonds designation.

## ABOUT THE ISSUER

The Washington State Housing Finance Commission (“Commission” or “WSHFC”) was created in 1983 as an instrumentality of the State of Washington (“Washington” or “Washington State”). The Commission helps families finance affordable, permanent housing; stewards public resources; harnesses private investments; and provides financial tools to communities across Washington. The Commission primarily operates on self-generated revenue with minor support from pass-through grants.

The Commission has significant positive impact in the state by fulfilling affordable housing needs and supporting community development. In 2019, the Commission financed or preserved 5,589 affordable multi-family units, provided 9,325 loans for homebuyers, and administered nearly 20,027 homebuyer education seminars through partners.<sup>1</sup> The Commission’s EnergySpark Home Loan program incentivizes purchase of homes with high-energy efficiency performance. The Commission has placed an emphasis on reducing inequities in homeownership by targeting outreach to underrepresented communities through a dedicated outreach coordinator; collaborating with housing authorities, nonprofits and the National Association for the Advancement of Colored People; providing education on down payment assistance; and providing activities such as radio programming for rural Latinx communities. WSHFC is also an active partner in addressing

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<sup>1</sup> “2019-2020 Data Supplement,” Washington State Housing Finance Commission, <http://wshfc.org/admin/WSHFCAR2020Update.pdf>.

statewide affordable housing needs through collaboration with the Washington State Department of Commerce and counties across the state.

In addition to expanding access to single- and multi-family housing across the state, the Commission has multiple programs that provide further community support including:

- **Sustainable Energy Trust** provides low-interest rate loans for energy efficiency upgrades and construction of new energy efficient buildings
- **Beginning Farmer/Rancher Program** assists new farmers and ranchers with acquiring land at low-interest rates
- **Land Acquisition Program** supports nonprofits to enable acquisition of land for single- or multi-family affordable housing
- **Nonprofit Facilities Program** offers lower interest loans for facility needs of nonprofits

### ALIGNMENT TO SOCIAL STANDARDS

*Social Bonds are any type of bond instrument where the proceeds, or an equivalent amount, will be exclusively applied to finance or refinance, in part or in full, new and/or existing eligible Social Projects and which are aligned with the four core components of the Social Bond Principles (International Capital Market Association definition).*

### Use of Proceeds

Proceeds of the 2021 Series 2 Bonds will finance Mortgage Loans for eligible low- and moderate-income households to fund the purchase of single-family residential housing located in Washington State through the Commission’s House Key Opportunity Program and pay the costs of issuance. The 2021 Series 2 Bonds align with three eligible project categories under the Social Bond Principles: *Affordable Housing, Access to Essential Services, and Socioeconomic Advancement and Empowerment.*

The Commission has multiple programs to improve access to sustainable homeownership. All 2021 Series 2 Bond proceeds will finance House Key Opportunity Program (“House Key” or “House Key Program”) loans which target low- and moderate-income first-time homebuyers.

Homeownership is a vehicle for building wealth and economic opportunity that can transcend generations. Instead of paying rent to a third party, homeowners build equity. Owning a home ensures more predictable housing costs over time and can increase financial stability. Ownership can also reduce disruptions associated with rent instability and changes to a rental property that are out of a family’s control. Housing wealth (equity) is also a key component of retirement resources for many families because lower housing costs after the mortgage is paid off makes it possible to subsist on the lower income associated with retirement.

The Commission further reduces barriers to homeownership by connecting borrowers with down payment and closing cost assistance (“DPA”). Borrowers in the House Key Program have multiple options for DPA, depending on eligibility criteria. DPA frequently coupled with the Program includes loans from the Opportunity Downpayment Assistance Loan Program, HomeChoice Downpayment Assistance Loan Program, Seattle Downpayment Assistance Loan Program, and Tacoma Downpayment Assistance Loan Program. Table 1 provides the DPA provided to borrowers in the Commission’s single-family programs. The 2021 Series 2 Bond proceeds will not directly finance DPA loans.

Social Standard
 Eligible Project Categories: <ul style="list-style-type: none"><li>▪ Access to Essential Services</li><li>▪ Affordable Housing</li><li>▪ Socioeconomic Advancement and Empowerment</li></ul>

Table 1. Down Payment Assistance provided in conjunction with the Commission’s previously issued bonds for the House Key Program (FY 2019 – FY 2021)<sup>2</sup>

Total DPA Provided (\$)	\$15,029,836
Total DPA Provided (#)	1,586
Average DPA Provided per Borrower	\$9,476.57
Borrowers Using House Key Opportunity	90.7%

Table 2. Income bands of loans in the Commission’s House Key Program (FY 2019 – FY 2021)<sup>2</sup>

It is expected that the Mortgage Loans financed by the 2021 Series 2 Bonds will have a similar income distribution to previously financed groups of loans financed pursuant to the House Key Program. To be eligible for the House Key Program, borrowers with an income above 115% AMI (Area Median Income) must be purchasing a residence located in a Targeted Area.<sup>3</sup>

AMI Band	2019		2020		2021	
	\$ of Loans (\$MM)	% of Proceeds	\$ of Loans (\$MM)	% of Proceeds	\$ of Loans (\$MM)	% of Proceeds
<50%	\$19.6	10%	\$21.2	19%	\$13.8	26%
50% - 59%	\$29.2	16%	\$26.3	23%	\$11.4	21%
60% - 69%	\$40.7	22%	\$20.2	18%	\$9.7	18%
70% - 79%	\$36.2	19%	\$18.1	16%	\$8.3	15%
80% - 89%	\$27.9	15%	\$13.3	12%	\$3.8	7%
90% - 99%	\$19.1	10%	\$7.4	7%	\$3.0	6%
100%+	\$14.7	8%	\$6.1	5%	\$3.4	6%
Total	\$187.4	100%	\$112.6	100%	\$53.2	100%

WSHFC supports fair lending and is committed to helping Washingtonians achieve and successfully sustain homeownership. WSHFC requires all participating third-party lenders to comply with nondiscrimination and fair housing laws, as documented in the House Key Program Manual.

**Target Population:** The 2021 Series 2 Bonds benefit low- and moderate-income individuals and families in Washington who are pursuing homeownership. The maximum eligible income is between 100% and 115% of the Area Median Income (“AMI”) for borrowers purchasing homes outside of Targeted Areas (as defined below) and between 120% and 140% of the AMI for borrowers purchasing homes in Targeted Areas. The distribution of income bands for the borrowers of the Mortgage Loans is expected to be similar to previously financed groups of loans in the House Key Program (Table 2). The Mortgage Loans are also expected to benefit minority populations who are historically underrepresented as homeowners, including persons who identify as Black, Indigenous, persons of color households, borrowers with disabilities, as well as households in lower income areas and areas of chronic economic distress. Information with respect to House Key Loans made to minority households in fiscal year 2021 is set forth in Appendix B.

**Targeted Area:** It is expected that a portion of the Mortgage Loans will be made to households in Targeted Areas. A Targeted Area is defined as economically distressed according to federal definitions and may

<sup>2</sup> Fiscal year start date: July 1, 2021

<sup>3</sup> AMI bands from HUD-specified 100% AMI for each of the 39 counties in Washington State. Percentages under 100% are taken as a straight factor of the 100% number. For example, HUD 100% AMI x 0.9 = 90% figure for a given county. Total row may not reflect totals of data in tables due to rounding errors.

change over time. It is based on several factors including housing demand, demand for financing, area income levels, and/or unemployment rates. An entire census tract or a smaller area within a tract may be designated as a Targeted Area. As of October 2021, there are approximately one hundred designated Targeted Areas across the State of Washington.

**Homebuyer Education:** The Commission works with organizations throughout Washington to provide free homebuyer education seminars. All recipients of the Mortgage Loans will participate in the Commission's homebuyer education. These seminars provide critical education about the Commission's first mortgage programs, down payment assistance, interest rates, borrowers' rights, the role of a lender, and more. The courses can help prepare borrowers for the homebuying process and the ongoing responsibilities of homeownership. The Commission also provides pre- and post-purchase support for homebuyers with assistance from housing counselors.

### **Process for Project Evaluation and Selection**

The 2021 Series 2 Bonds directly advance the Commission's mission to *increase housing access and affordability and to expand the availability of quality community services for the people of Washington*. The House Key Program Loans financed by the 2021 Series 2 Bonds will be for individuals and families that otherwise may not have access to affordable homeownership. Eligibility requirements for the House Key Program include:

- Borrower must be a first-time homebuyer or purchase in a Targeted Area (defined above)
- Borrower's income must meet income limits (low-, or moderate-income)
- Purchased home must not exceed purchase price limits

Income limits are based on limits calculated annually by the Department of Housing and Urban Development ("HUD") and vary by county and household size. Limits also vary depending on whether the borrower is purchasing in a Targeted Area. For non-targeted areas and households of one to two persons, the maximum annual household income limits range from \$85,000 in most Washington counties to \$130,000 in King and Snohomish counties.<sup>4</sup>

Several stages of review confirm alignment of loans with eligibility criteria and confirm the 2021 Series 2 Bonds support low- and moderate-income households. Before a loan is originated, the Commission provides a preliminary compliance approval based on documentation provided by approved Mortgage Lenders. At the time of origination, lenders verify documentation including first time homebuyer status and income eligibility. Pooled Mortgage Loans in Certificates are further reviewed prior to acquisition with bond proceeds. The Commission also performs periodic audits of all acquired Mortgage Loans in the Single-Family Mortgage Program.

### **Management of Proceeds**

Proceeds from the 2021 Series 2 Bonds will solely be allocated to finance Mortgage Loans through purchase of Certificates backed by Mortgage Loans and to pay costs of issuance. Additionally, the Trustee will use 2021 Series 2 Bond proceeds in the Acquisition Account to purchase Certificates consisting of Mortgage Loans for eligible low- and moderate-income borrowers. The Commission's Finance Division is responsible for tracking and managing uses of proceeds.

Prior to allocation to the acquisition of Mortgage Loans, proceeds may be temporarily invested in Permitted Investments which include highly rated government obligations, notes or obligations issued by the Student Loan Marketing Association, commercial paper, money market funds, and direct and general obligations of US municipalities, agencies or political subdivisions.

### **Reporting**

The Commission will voluntarily produce a one-time updated report on the Mortgage Loans financed by the proceeds of the 2021 Series 2 Bonds after all proceeds from the 2021 Series 2 Bonds have been expended.

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<sup>4</sup> Effective July 2, 2021; Seattle and surrounding areas are extremely expensive regions for homeownership. "Comprehensive Housing Market Analysis: Seattle-Bellevue-Everett, Washington," U.S. Department of Housing and Urban Development, Office of Policy Development and Research, March 1, 2019, <https://www.huduser.gov/portal/publications/pdf/SeattleWA-CHMA-19.pdf>.

The form of reporting is provided in Appendix H of the Official Statement. This report will be posted on the Municipal Securities Rulemaking Board’s (“MSRB”) Electronic Municipal Market Access (“EMMA”) system. The Commission has also committed to submitting annual continuing disclosures to the MSRB’s EMMA system, as described in the Official Statement with respect to the Bonds.

## IMPACT AND ALIGNMENT WITH UN SDGS

WSHFC’s mission and the Mortgage Loans support the sustainable and equitable vision of the UN Sustainable Development Goals (“UN SDGs”). The 2021 Series 2 Bonds directly align with UN SDGs 1, 8, 10, and 11 by supporting homebuyers who may otherwise not have access to financing for homeownership. By increasing access to financial services that enable low- and moderate-income populations to own property, the Commission’s House Key Program supports interruption of the poverty cycle (Target 1.4) and increases use of valuable financial tools (Target 8.10). The Commission’s down payment assistance and homebuyer education programs lower the barriers to homeownership, thereby increasing social equity (Target 10.2, 1.4) and improving access to affordable housing (Target 11.1).

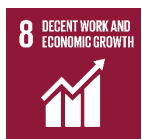
Full text of the Targets for Goals 1, 8, 10, and 11 is available in Appendix A, with additional information available on the United Nations website: [www.un.org/sustainabledevelopment](http://www.un.org/sustainabledevelopment)



### No Poverty (Target 1.4)

#### Possible Indicators

- Number of loans serving low- and moderate-income groups
- Number of people provided with access to financial services



### Decent Work and Economic Growth (Target 8.10)

#### Possible Indicators

- Number of people provided with access to financial services (mortgage, down payment assistance, or homebuyer education)



### Reduced Inequalities (Target 10.2)

#### Possible Indicators

- Number of mortgages in Targeted Areas
- Percent of mortgages for disadvantaged groups and target populations



### Sustainable Cities and Communities (Target 11.1)

#### Possible Indicators

- Number of first-time homeownership opportunities
- Number of households provided down payment and closing cost assistance in addition to mortgage loan access

## CONCLUSION

Based on our independent verification, the 2021 Series 2 Bonds conform, in all material respects, with the Social Bond Principles (2021) and are in complete alignment with three eligible Social Project categories: *Affordable Housing*, *Access to Essential Services*, and *Socioeconomic Advancement and Empowerment*. The Commission continues to demonstrate a strong commitment to low- and moderate-income families and individuals seeking homeownership with the issuance of the 2021 Series 2 Bonds.

## ABOUT KESTREL VERIFIERS



For over 20 years Kestrel has been a trusted consultant in sustainable finance. Kestrel Verifiers, a division of Kestrel 360, Inc. is a Climate Bonds Initiative Approved Verifier qualified to verify transactions in all asset classes worldwide. Kestrel is a US-based certified Women's Business Enterprise.

For more information, visit [www.kestrelverifiers.com](http://www.kestrelverifiers.com)

## DISCLAIMER

This Opinion aims to explain how and why the discussed financing meets the ICMA Social Bond Principles based on the information which was available to us during the time of this engagement (October and November 2021) only. By providing this Opinion, Kestrel Verifiers is not certifying the materiality of the projects financed by the Social Bonds. It was beyond Kestrel Verifiers' scope of work to review for regulatory compliance and no surveys or site visits were conducted. Furthermore, we are not responsible for surveillance on the project or use of proceeds. Kestrel Verifiers relied on information provided by the Commission and publicly available information. The Opinion delivered by Kestrel Verifiers does not address financial performance of the Social Bonds or the effectiveness of allocation of its proceeds. This Opinion does not make any assessment of the creditworthiness of the Commission, or its ability to pay principal and interest when due. This is not a recommendation to buy, sell or hold the Bonds. Kestrel Verifiers is not liable for consequences when third parties use this Opinion either to make investment decisions or to undertake any other business transactions. This Opinion may not be altered without the written consent of Kestrel Verifiers. Kestrel Verifiers reserves the right to revoke or withdraw this Opinion at any time. Kestrel Verifiers certifies that there is no affiliation, involvement, financial or non-financial interest in the Commission or the projects discussed. Language in the offering disclosure supersedes any language included in this Second Party Opinion.

Use of the United Nations Sustainable Development Goal (SDG) logo and icons does not imply United Nations endorsement of the products, services or bond-financed activities. The logo and icons are not being used for promotion or financial gain. Rather, use of the logo and icons is primarily illustrative, to communicate SDG-related activities.



# Appendix A.

## UN SDG TARGET DEFINITIONS

### **Target 1.4**

By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance

### **Target 8.10**

Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all

### **Target 10.2**

By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

### **Target 11.1**

By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums



## Appendix B.

### HOUSE KEY OPPORTUNITY LOANS MADE TO MINORITY HOUSEHOLDS<sup>5</sup>

County	Aggregate House Key Loan Amounts	House Key Loans Made to Minority Households (%) <sup>6</sup>	General Minority Population (%) <sup>7</sup>	Number of House Key Loans	Number of House Key Loans Made to Minority Households
Adams	\$120,084	100.0%	59.6%	1	1
Asotin	\$220,823	0.0%	6.1%	2	0
Benton	\$1,926,495	63.6%	23.7%	11	7
Chelan	-	-	30.3%	0	0
Clallam	-	-	15.0%	0	0
Clark	\$1,786,721	16.6%	16.0%	0	1
Columbia	\$145,319	0.0%	11.7%	6	0
Cowlitz	\$840,832	0.0%	12.7%	1	0
Douglas	-	-	29.5%	4	0
Ferry	\$126,585		26.8%	0	0
Franklin	\$866,560	50.0%	60.0%	1	2
Garfield	-	-	5.3%	4	0
Grant	\$660,487	0.0%	43.2%	0	0
Grays Harbor	\$1,535,216	12.5%	19.2%	4	1
Island	\$239,400	0.0%	17.8%	8	0
Jefferson	-	-	10.3%	1	0
King	\$10,117,626	66.7%	31.5%	42	28
Kitsap	\$1,060,757	60.0%	20.3%	5	3
Kittitas	-	-	13.2%	0	0
Klickitat	-	-	17.8%	0	0
Lewis	\$620,330	33.3%	12.4%	3	1
Lincoln	\$378,026	0.0%	6.7%	2	0
Mason	\$235,653	0.0%	15.8%	1	0

<sup>5</sup> All data from July 1, 2020 – June 30, 2021

<sup>6</sup> Percent of the number of loans for minority households.

<sup>7</sup> Persons 18 years old and over. Data from 2010 US Census.

County	Aggregate House Key Loan Amounts	House Key Loans Made to Minority Households (%) <sup>6</sup>	General Minority Population (%) <sup>7</sup>	Number of House Key Loans	Number of House Key Loans Made to Minority Households
Okanogan	\$181,649	100.0%	33.6%	1	1
Pacific	\$537,091	33.3%	15.6%	3	1
Pend Oreille	\$257,050	0.0%	10.5%	1	0
Pierce	\$6,912,380	40.0%	27.5%	25	10
San Juan	-	-	6.6%	0	0
Skagit	\$725,430	33.3%	22.1%	3	1
Skamania	\$612,696	0.0%	10.3%	2	0
Snohomish	\$4,668,887	22.2%	20.3%	18	4
Spokane	\$14,269,273	20.0%	12.0%	75	15
Stevens	\$906,944	0.0%	11.9%	4	0
Thurston	\$712,428	66.6%	19.6%	3	2
Wahkiakum	-	-	8.1%	0	0
Walla Walla	\$405,500	100.0%	26.9%	2	2
Whatcom	\$948,249	0.0%	16.3%	4	0
Whitman	\$437,372	0.0%	15.5%	3	0
Yakima	\$781,232	75.0%	52.4%	4	3

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**APPENDIX H:  
FORM OF USE OF PROCEEDS REPORT**

**USE OF PROCEEDS REPORT \***

The 2021 Series 2 Bond Proceeds Summary		
Total Proceeds Deposited In Acquisition Account	Proceeds Spent to Acquire 2021 Series 2 Mortgage Loans	Proceeds Remaining
\$	\$	\$

2021 Series 2 First Mortgage Loans Originated By Borrower Income as a % of Area Median Income (“AMI”)†			
% of AMI:	\$ of Loans	# of Loans	% of Proceeds
<50%			
50% - 59%			
60% - 69%			
70% - 79%			
80% - 89%			
90% - 99%			
100%+			

\* As described in the Official Statement under the heading “DESIGNATION OF THE 2021 SERIES 2 BONDS AS SOCIAL BONDS – Social Bond Designation,” once all of the 2021 Series 2 Bond proceeds have been spent from the 2021 Series 2 Acquisition Account, the Commission will provide this information on EMMA with respect to all of the Mortgage Loans financed with proceeds of the 2021 Series 2 Bonds.

† Reported income is based on borrower income at time of loan origination.

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